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PROCEEDINGS AND DEBATES OF THE 94th CONGRESS, FIRST SESSION

SENATE—*Saturday, February 22, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord in whom we live and move and have our being, help us to live this day and all days under the perspective of eternity. May we ever remember that Thou art both Creator and Judge and our accountability is to Thee. Keep our lives from being cluttered with things which do not matter and our time from being squandered on trivia. May no weariness of body or mind move us to compromise with the highest and best in life. May the world of justice, brotherhood, and peace for which we strive begin with us.

We pray in His name who walked the hard road before us. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 22, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 93-642, appoints the Senator from Missouri (Mr. SYMINGTON) to the Harry S. Truman Memorial Scholarship Foundation Board of Trustees.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, February 21, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I have no need for any time.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 281

Mr. HELMS. Mr. President, I ask unanimous consent that a member of my staff, Dr. James Lucier, be accorded the privilege of the floor during the discussion of this matter.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that John I. Brooks of my staff be granted the privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief morning hour, for the conduct of morning business, with a time limitation attached thereto.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Is there morning business?

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY) laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION BY THE PRESIDENT

A communication from the President of the United States transmitting a draft of proposed legislation to extend the appropriation authorization for the Arms Control and Disarmament Agency (with accompanying papers); to the Committee on Foreign Relations.

PROPOSED LEGISLATION BY THE PRESIDENT

A communication from the President of the United States transmitting a draft of proposed legislation to authorize appropriations on a Government-wide basis for the period July 1, 1976 through September 30, 1976 (with accompanying papers); to all standing committees.

PROPOSED LEGISLATION BY THE DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture transmitting a draft of proposed legislation to amend subsection 203(h) of the Agricultural Marketing Act of 1946 (with accompanying papers); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION BY THE DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture transmitting a draft of proposed legislation to authorize certain payments to States from National Forest receipts during the period July 1, 1976, through September 30, 1976, and for other purposes (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT OF THE FEDERAL CROP INSURANCE CORPORATION

A letter from the Acting Secretary of Agriculture transmitting, pursuant to law, the report of the Federal Crop Insurance Corporation for the 1974 crop year (with an accompanying report); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION OF THE DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture transmitting a draft of proposed legislation to provide specific authority to grant Certified Public Accountants access to confidential records for purposes of making audits of the operations of Federal milk market orders (with accompanying papers); to the Committee on Agriculture and Forestry.

APPROVAL OF LOANS BY THE RURAL ELECTRIFICATION ADMINISTRATION

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of a commitment to guarantee a non-REA loan to Cooperative Power Association of Minneapolis, Minn.; to the Committee on Appropriations.

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of an REA insured loan to Southern Illinois Power Cooperation of Marion, Ill. (with accompanying papers); to the Committee on Appropriations.

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of a commitment to guarantee a non-REA loan to the Oglethorpe Electric Membership Corporation of Atlanta, Ga. (with accompanying papers); to the Committee on Appropriations.

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of a commitment to guarantee a non-REA loan to the United Power Association of Elk River, Minn.; to the Committee on Appropriations.

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of an REA insured loan to Arizona Electric Power Cooperative, Inc., of Benson, Ariz. (with accompanying papers); to the Committee on Appropriations.

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of an REA insured loan to Wolverine Electric Cooperative, Inc., of Big Rapids, Mich. (with accompanying papers); to the Committee on Appropriations.

SUPPLEMENTAL APPROPRIATION FOR THE INDIAN HEALTH SERVICES

A letter from the Deputy Director of the Office of Management and Budget reporting, pursuant to law, on the necessity for a supplemental estimate of appropriation for Indian Health Services to the Department of Health, Education, and Welfare; to the Committee on Appropriations.

REPORT OF THE NATIONAL RAILROAD PASSENGER CORPORATION

A letter from the Vice President of the National Railroad Passenger Corporation transmitting, pursuant to law, the annual report of the National Railroad Passenger Corporation for the year 1974 (with an accompanying report); to the Committee on Commerce.

INTERNATIONAL AGREEMENTS OTHER THAN TREATIES

A letter from the Acting Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, copies of international agreements other than treaties entered into within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

REPORTS FROM THE PRESIDENT'S ADVISORY COUNCIL ON MANAGEMENT IMPROVEMENT

A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, reports with respect to the recommendations contained in the reports entitled "Managing the New Federalism" and "The Control of Health Care Costs" from the President's Advisory Council on Management Improvement (with accompanying reports); to the Committee on Government Operations.

REPORT OF THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting, pursuant to law, the annual report prepared pursuant to the Mineral Leasing Act of 1920, as amended (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORT OF THE COMMISSION ON CIVIL RIGHTS

A letter from the members of the Commission on Civil Rights transmitting, pursuant to law, a report evaluating the civil rights activities of the Office of Revenue Sharing of the Department of the Treasury (with an accompanying report); to the Committee on the Judiciary.

PROPOSED LEGISLATION BY THE ADMINISTRATIVE OFFICE OF THE U.S. COURTS

A letter from the Director of the Administrative Office of the U.S. Courts transmitting a draft of proposed legislation to enlarge the trial jurisdiction of U.S. magistrates in misdemeanor cases and to make technical and administrative amendments in the Federal Magistrates Act; to the Committee on the Judiciary.

FINAL REGULATIONS GOVERNING PARTS A AND C THROUGH G OF THE EDUCATION OF THE HANDICAPPED ACT

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, final regulations governing parts A and C through G of the Education of the Handicapped Act (P.L. 91–230, Title VI) (with accompanying papers); to the Committee on Labor and Public Welfare.

AMENDMENTS—GUARANTEED STUDENT LOAN PROGRAM

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, a document entitled "Guaranteed Student Loan Program—Amendment to 45 CFR Part 177" (with an accompanying document); to the Committee on Labor and Public Welfare.

PROPOSED DEVELOPMENTALLY DISABLED ASSISTANCE ACT OF 1975

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to revise and extend the program authorized by the Developmental Disabilities Services and Construction Act (with accompanying papers); to the Committee on Labor and Public Welfare.

NOTICE OF PROPOSED RULEMAKING FOR THE FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT OF 1974

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, notice of proposed rulemaking for the Family Educational Right and Privacy Act of 1974 (with accompanying papers); to the Committee on Labor and Public Welfare.

SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS PROGRAM, COLLEGE WORK-STUDY PROGRAM, AND NATIONAL DIRECT STUDENT LOAN PROGRAM—NOTICE OF PROPOSED RULEMAKING

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, notice of proposed rulemaking in supplemental educational opportunity grants program, college work-study program, and national direct student loan program (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT OF THE NATIONAL ADVISORY COUNCIL ON EDUCATION PROFESSIONS DEVELOPMENT

A letter from the Chairman, National Advisory Council on Education Professions Development, transmitting, pursuant to law, the annual report of the National Advisory Council on Education Professions Development for the year 1974 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY

A letter from the Director, U.S. Arms Control and Disarmament Agency, transmitting, pursuant to law, the annual report for the calendar year 1974 on 14 scientific or professional positions authorized for establishment in the U.S. Arms Control and Disarmament Agency (with an accompanying report); to the Committee on Post Office and Civil Service.

PROPOSED LEGISLATION TO REVISE THE PROCEDURE FOR APPOINTING THE CHAIRMAN OF THE NATIONAL HIGHWAY SAFETY ADVISORY COMMITTEE

A letter from the Acting Secretary of Transportation, submitting a draft of proposed legislation to amend section 404 of title 23, United States Code, to revise the procedure for appointing the Chairman of the National Highway Safety Advisory Committee (with accompanying papers); to the Committee on Public Works.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUMPHREY:

S. 793. A bill to provide for the formulation of a national rural transportation policy to include recommendations for improving farm to market roads, railroad beds, and the availability of operational rail lines serving rural areas; and for other purposes. Referred, by unanimous consent, jointly to the Committees on Commerce, Finance, and Public Works.

By Mr. PROXMIRE:

S. 794. A bill for the relief of Sister Lutgarda Luz Mestas-Nunez. Referred to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 795. A bill to suspend all sales of defense articles and services for 6 months to Iran, Saudi Arabia, Iraq, Qatar, Bahrain, the United Arab Emirates, and the Sultanate of Oman. Referred to the Committee on Foreign Relations.

By Mr. KENNEDY (for himself and Mr. MATHIAS):

S. 796. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 797. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 798. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judicary.

S. 799. A bill to amend chapter 5 of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 800. A bill to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUMPHREY:

S. 793. A bill to provide for the formulation of a national rural transportation policy to include recommendations for improving farm to market roads, railroad beds, and the availability of operational rail lines serving rural area; and for other purposes. Referred, by unanimous consent, jointly to the Committees on Commerce, Finance, and Public Works.

THE CRISIS IN RURAL TRANSPORTATION

Mr. HUMPHREY. Mr. President, today I am introducing the National Rural Transportation Act, a bill designed to begin an enormous task before us of developing a national rural transportation policy.

Our Nation is faced with many important transportation decisions. What happens in the next few years will set the stage for coming decades and generations. We must look carefully at some of the unanswered questions related to the continuing problem of moving people and goods from place to place in rural America.

It is time that the administration and the Congress recognize that rural America faces a transportation crisis. An excellent report on this problem, released on February 10, 1975, by the Senate Committee on Agriculture and Forestry, defines the scope of this crisis.

However, I find profoundly disturbing a conclusion of this report that the Federal Government is pursuing a series of decisions concerning transportation policy without enough facts to know how this is going to affect the growth and development of rural America.

The Economic Research Service of the U.S. Department of Agriculture, and the National Area Development Institute in Lexington, Ky., have done an outstanding job of pinpointing the transportation problems that rural America faces, and outlining what it is we need to know before we plunge headlong into a course of action which may be detrimental and irreversible.

Notwithstanding its obvious effects on agriculture, transportation affects 9 out of 10 nonmetropolitan families who do not depend on farming as their chief source of livelihood. I find it incredible that we know so little about the relationship between transportation and rural development. In spite of this, we are pursuing policies which, once set in motion, may be difficult to change.

Let us look at two modes of transportation most prevalent in rural America today—the highways and the railroads. An analysis of the interrelationships between rural roads and other modes of transportation, particularly the railroads, is yet to be conducted, according to the Senate report. Yet we continue to abandon more and more rail mileage at an increasing rate. Rural roads are not capable of carrying frequent heavy loads at safe speeds. Many roads have seasonal load restrictions or weight and size limitation for trucks on many bridges.

It may be argued by some that abandonment itself does not appear to have greatly affected the capacity of railroads to serve agriculture in the aggregate. However, uncertainty about future abandonments may be of more concern than proven adverse impacts from previous abandonments. Abandonment has already seriously affected some communities. And the energy crisis has made further railroad abandonment all the more questionable.

Mass abandonment of all rail line segments currently deemed unprofitable would cause serious economic hardship to many areas. It would severely restrict the resumption of service in the future, should the need arise.

If rural development is to proceed in an orderly and efficient manner, adequate transportation facilities and an efficient and stable transportation industry must either exist or be developed. The National Rural Transportation Act I introduce today addresses this problem in four ways: First, it provides funds from the Highway Trust Fund to improve rural roads; Second, it establishes a National Rural Transportation Planning Commission to conduct a comprehensive analysis of present and future transportation needs in rural areas throughout the United States; Third, it declares a moratorium on rail abandonments for 2 years while the commission conducts its analysis; and Fourth, it creates a Rail Rehabilitation Trust Fund to provide funds for the rehabilitation and modernization of railroad facilities and equipment.

The imperative needs of this legislation are quite clear. Title II, the first substantive portion of this bill, reaffirms that it is in the highest national interest to establish a national transportation policy which takes into account the interdependence of the cities and the countryside, and allocates funds to facilitate the transportation of natural resources, including agricultural commodities from the farm—or other place of origin—to the market.

In general, new road construction under current policies is expected to connect urban areas rather than serve rural communities. However, there is a critical need for reconstruction to improve the adequacy of rural roads. In some regions of our Nation, nine-tenths of the principal roads, other than Interstates, and 86 percent of minor roads have been rated deficient in their ability to carry frequent heavy loads at normal speeds. The necessary speed reduction for safety on these roads could limit the flow of goods, thus raising costs to all concerned. As late as 1970, over half the rural collector roads remained unpaved or only slightly improved.

The number of deficient bridges on rural roads poses another serious restriction on the continuing flow of traffic along farm to market routes. The Department of Transportation reported in 1971 that 16 percent of the 563,500 bridges in the United States were critically deficient either structurally or functionally.

Title III establishes a National Rural Transportation Planning Commission to study the present and future transportation needs in rural areas throughout the Nation, taking into account the increased demand for transportation resulting from expanded production of agricultural and forest products and the national goal of promoting the growth and development of rural America. We must follow through on the recommendations of the Senate report and develop a balanced, integrated transportation system which is more responsive to the needs of agricultural, rural areas, and places of origin of minerals and other natural resources.

More study is also needed on the various ways to maintain an effective integrated rail system particularly as it relates to rural America. The commission would look into the relative economics of public rail line ownership, or as an alternative, improvements in the local and connector highway systems if railroads are abandoned. It would be useful to examine costs and benefits of converting our system of rail transportation to one similar to that of air transportation; that is, public ownership of facilities combined with private company ownership of stock. Rail freight companies would have operating rights between specific points, allowing competitive service where feasible yet using facilities and railbeds maintained by the Government.

We need to look at the relationship between transportation and rural development and how transportation interacts with labor, resources, and markets in influencing the location of industry and rural economic development. The inadequacies and problems throughout the transportation system should be analyzed to work toward a transportation network that matches projected demands and involves all modes.

Economic models need to be developed to provide a continuing analysis of these forces. The models would incorporate information on factors affecting demand for transportation by agriculture and rural areas as well as other sectors of the economy; alternative shipping patterns; response capabilities of trucks, railroads, and barges; and costs of alternative modes. More importantly, the models would aid in identifying control mechanisms and in forecasting long-term demands to aid in investment and regulatory decisionmaking by local, State, and Federal governments and the transportation industry.

Title IV declares a 2-year moratorium on rail abandonments while the National Rural Transportation Planning Commission conducts its analysis of the role of various modes of transportation in rural development and in bringing the Nation's raw materials and agricultural commodities to market.

I find it incredible that the Federal Government seems to be pursuing a policy of rail abandonments without adequate information on the effects this will have on our domestic and international marketing patterns or our rural environment. This issue has become more critical in recent years because rail abandonments have occurred at an increasing rate. Abandonment applications in the years 1971, 1972, and 1973 alone involved 17 percent of the total mileage abandoned since the Transportation Act of 1920 was enacted.

Many abandonment cases emphasize the effects of abandonment on railroads and affected shippers, rather than the aggregate impact on the communities.

The adequacy of rural roads and alternative modes of transportation must also be taken into consideration when railroad abandonment proposals are reviewed. What happens in the next few years will help set the stage for coming decades. In rural areas, factors such as changing population patterns, social trends, employment, and income will be significantly affected by these policy decisions.

I firmly believe that we must have the full facts before us when making these decisions which may prove to be irreversible. Therefore, I find it imperative that we declare a 2-year moratorium on rail abandonments while we examine the possible consequences of our actions in light of their effects on the total rural environment and the markets it serves.

Title V establishes a rural rail rehabilitation trust fund by placing a 1-percent tax on all forms of shipping—rail, truck, air, and water—and appropriating $500 million out of any money in the Treasury not otherwise appropriated, for the purpose of rehabilitating and modernizing rail lines not used exclusively for passenger transportation.

Our railroads are in dire need of rehabilitation and modernization. This title is intended to function like the Highway Trust Fund in providing moneys necessary to make our railroads a viable means of transporting this Nation's goods to market.

Mr. President, the importance of a balanced national transportation system cannot be overstated. Agricultural producers and rural industries question whether they will receive adequate and reasonably priced transportation services in the coming years. They see inadequate transportation as a possible continuing constraint on production and marketing. Increases in agricultural exports recently made us more aware of problems that arise when the demand for transportation services exceeds transportation system capacity.

The Nationla Rural Transportation Act I introduce today is designed to address these very questions.

Mr. President, I ask unanimous consent that the text of the National Rural Transportation Act be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 101. This Act may be cited as the "National Rural Transportation Act of 1975."

POLICY AND PURPOSE

Sec. 102. It is the policy of the U.S. Congress that—

(a) a national rural transportation policy be established taking into account the interdependence of the cities and the countryside and the national goal of promoting the growth and development of rural America;

(b) a full and complete investigation and study of farm-to-market roads, railroad beds, and availability of operational rail lines serving rural areas in the United States for the purpose of determining the condition and adequacy of such roads and rail lines to carry the volume and weight of agricultural and other commodities from rural areas necessary for the Nation's economy must be made;

(c) all relevant factors be considered in the development of this national rural transportation policy, including the need for coordinated development and improvement of all modes of transportation, and recommendations as to the priority which should be assigned to the development and improvement of each such mode;

(d) a two-year moratorium be declared on rail abandonments while a national rural transportation policy is developed; and

(e) a Rail Rehabilitation Trust Fund be established to provide moneys for the rehabilitation and modernization of railroad facilities and equipment.

TITLE II—AID TO RURAL ROADS

Sec. 201. This title may be cited as the "1974 Amendments Act to the Federal-Aid Hgihway Act of 1973, and Title 23, United States Code".

DECLARING INTENT TO ESTABLISH A NATIONAL TRANSPORTATION POLICY

Sec. 202. Section 101(b) of title 23, United States Code, is amended by adding at the end of the third paragraph a new paragraph reading:

"It is further declared that the Congress finds it to be in the highest national interest that there should be established a national transportation policy which takes fully into account the interdependence of the cities and the countryside, the metropolitan areas and the nonmetropolitan areas, and the interrelationships of the various transportation modes, and which encourages the development of and the most efficient multimodal use of the best available technology and transportation resources in such a way as to fill the needs of the whole Nation. It is further the intent of the Congress that this Act shall be administered as an integral part of said national transportation policy.".

Sec. 203. (a) Section 101(a) of title 23, United States Code, is amended by deleting the sentence reading: "The term 'rural areas' means all areas of a State not included in urban areas." and inserting in lieu thereof the following: "The term 'countryside areas' means all areas of the State not included in urban areas.".

(b) Section 103 of title 23, United States Code, is amended to conform with the amendment of section 101(a) provided in (a) of this section by deleting the word "rural" where it appears and inserting in lieu thereof the word "countryside".

INCREASED AUTHORIZATION FOR PRIMARY AND SECONDARY HIGHWAY SYSTEMS

Sec. 204. Section 104 (a)(1) of title 1 of the Federal-Aid Highway Act of 1973 is amended to read as follows:

"(1) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, $1,000,000,000 for the fiscal year ending June 30, 1976, and $1,400,000,000 for the fiscal year ending June 30, 1977. For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, $500,000,000 for the fiscal year ending June 30, 1976, and $500,000,000 for the fiscal year ending June 30, 1977.".

BRIDGE REPLACEMENT AND RECONSTRUCTION

Sec. 205. In order to increase the public safety and to facilitate the transportation of natural resources, including agricultural commodities from farm to market and mining products, section 204(a) of the Federal-Aid Highway Act of 1973 are amended to read as follows:

"Sec. 204. (a) Subsection (e) of section 144 of title 23, United States Code, is amended by striking out "1972; and" and inserting in lieu thereof "1972,"; by inserting immediately after "1973." the following "$150,000,000 for the fiscal year ending June 30, 1976, and $150,000,000 for the fiscal year ending June 30, 1977.".

Sec. 206. Chapter I of title 23, United States Code, is amended at the end thereof by adding a new section as follows:

"§ 154. Emergency bridge replacement program

"(a) Congress hereby finds and declares it to be in the vital interest of the Nation that an emergency bridge replacement program for non-Federal countryside roads and highways be established to enable the several States to replace bridges over waterways and other topographical barriers when the counties, States, and Secretary find that the bridge is significantly important and is unsafe or inadequate, to serve area needs particularly that of transporting natural resources including agricultural and mining products because of structural deficiencies, physical deterioration, or functional obsolesence.

"(b) The counties, in consultation with and with the assistance of the State in which they are located, shall (1) inventory all bridges located on any non-Federal aid system public road over waterways and other topographical barriers of the United States; (2) classify them according to their serviceability, safety, essentiality for public use; and (3) based on that classification assign each a priority for replacement.

"(c) This program shall be administered within each county of each State by the appropriate official, officials, or agency with responsibility for administering non-Federal aid highway and road programs in that county and shall be coordinated at the State level by the State agency responsible for administering State highway programs.

"(d) The priority classifications of the bridges to be replaced shall be made by the appropriate official, officials, or agency of the county as provided in subsection (c) of this section, in consultation with the regional economic development district, where applicable, in which the county is located and the State agency responsible for the highway transportation planning to insure that the replacement decisions are not in violation of existing regional and State transportations plans.

"(e) Funding for this program shall be provided by the appropriation out of the Highway Trust Fund of a percentage of the fund's annual income available by law for distribution to the States at least equal to the percentage of miles traveled on rural non-Federal aid system roads as it relates to the miles traveled on both Federal aid and non-Federal aid system public roads. Such funds shall be available for obligation on January 1 preceding the beginning of the fiscal year for which they are authorized and shall remain available until expended. Any income accruing upon unexpended balances in the county's account shall be paid in to that account, except that the State may retain a sum equal to the income produced by 25 per centum of the rate of interest or other appreciation upon which the income is paid to defray the cost of administering the accounts.

"(f) Such funds shall be apportioned to the various States in the following manner: 20 per centum in the ratio which the area of each State bears to the total area of all States; 30 per centum in the ratio which the dollar volume of agricultural (including timber) and mining produce of each State bears to the total of all the States; 20 per centum in the ratio which the rural population of each State bears to the total rural population of all the States; and, 30 per centum in the ratio which the non-Federal aid rural system public road mileage of each State bears to the total non-Federal aid rural system public road mileage of all States.

"(g) Each State shall apportion to the various counties within each State the funds allocated to each State in the following manner: 20 per centum in the ratio which the area of each county bears to the total area of all the counties; 30 per centum in the ratio which the dollar volume of agricultural (including timber) and mining produce of each county bears to the total of all the counties; 20 per centum in the ratio which the rural population of each county bears to the total rural population of all the counties; and 30 per centum in the ratio which the non-Federal rural aid system public road mileage in each county bears to the total non-Federal rural aid system public road mileage of all the counties.

"(h) The State department or agency responsible for administering State highway programs shall receive and apportion all moneys allocated by the Federal Government under this program and shall establish income-producing accounts for each of the participating counties within the State. Funds from such accounts shall be disbursed by the State for purposes specified under this section on the direction of the county for which the account has been established.

"(i) Engineering, contracting, inspection, and all other services incidental to the purpose of this section unless otherwise specified shall be provided by the official, officials, or agency responsible for providing such services for non-Federal aid system highways and road programs in each county: *Provided*, That the State agency responsible for administering highway programs shall be consulted on these decisions. If the State agency provides these services and compensation is not otherwise provided, the county may pay to the State agency a fee not to exceed the actual cost of the project which might be properly attributed to those activities for which the service is provided.

"(j) Funds authorized by this section shall be available solely for expenditure for projects authorized under this section.

"(k) Notwithstanding any other provisions of law the General Bridge Act of 1946 (33 U.S.C. 525, 533) shall apply to bridges authorized to be reconstructed and bridges to be constructed to replace unsafe bridges under this section.

"(l) The Secretary shall report to the Congress annually on projects approved under this section with any recommendations he may have developed in consultation with the various States for further improvements in the emergency bridge replacement program authorized in accordance with this section.".

PROJECTS FOR HIGH-HAZARD LOCATIONS

SEC. 207. Sections (b) and (c) of section 152 of title 23, United States Code, as amended by section 209(a) of the Federal-Aid Highway Act of 1973 are further amended to read as follows:

"(b) For projects to eliminate or reduce the hazards at specific locations or sections of highways which have high accident experiences or high accident potentials, by the Federal Highway Administration, there is hereby authorized to be appropriated, out of the Highway Trust Fund, for each of the fiscal years ending June 30, 1976, and June 30, 1977, the sum of $150,000,000. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

"(c) Funds authorized by this section shall be available for expenditure for projects on any of the Federal-aid systems (other than the Interstate System) except in the Virgin Islands, Guam, and American Samoa; and not more than 15 per centum of the funds authorized may be approved for expenditure on projects off of the Federal-aid systems whenever the Secretary shall find that such a project is necessary for the public safety, or to provide for the movement of agricultural products from farm to markets."

TITLE III—NATIONAL RURAL TRANSPORTATION PLANNING COMMISSION

SEC. 301. (a) ESTABLISHMENT.—There is hereby established an independent commission to be known as the National Rural Transportation Planning Commission (hereinafter in this section referred to as the "Commission"). The Commission shall consist of eight members who shall be appointed by the President on the following basis:

(1) one, the Chairman, to be selected from a list of not less than three qualified individuals recommended by the Chairman of the Committee on Interstate and Foreign Commerce of the House of Representatives and the Chairman of the Committee on Commerce of the Senate;

(2) one, to be selected from a list of not less than three qualified individuals recommended by the Association of American Railroads or its successor, who shall be representative of railway managment;

(3) one, to be selected from a list of not less than three qualified individuals recommended by the parent body of the American Federation of Labor and Congress of Industrial Organizations or its successor, who shall be representative of railway labor;

(4) one, to be selected from a list of not less than three qualified individuals recommended by the Highway Users Federation for Safety and Mobility and the American Association of State Transportation Officials, or their successors, who shall be representative of highway planners and users;

(5) one, to be selected from a list of not less than three qualified individuals recommended by the parent body of the American Federation of Labor and the Congress of Industrial Organizations or its successor, who shall be representative of highway construction labor;

(6) one, to be selected from lists of qualified individuals recommended by organizations representative of significant rural rail shipping interests, including small shippers, consumer organizations, environmental organizations, and community organizations;

(7) one, to be selected from lists of qualified individuals recommended by organizations representative of significant rural highway shipping interests, including small shippers, consumer organizations, environmental organizations, and community organizations; and

(8) one, to be selected from a list of not less than three individuals recommended by the Governors of the States and local community officials, who shall be representative of State and local interests.

(b) DUTIES.—The Commission shall—

(1) conduct a comprehensive analysis of present and future rail and highway transportation needs in rural areas throughout the United States, taking into account increased demand for transportation resulting from expanded production of agricultural and forest products and the national goal of promoting the growth and development of rural America, and in carrying out such analysis, shall consider factors such as—

(A) the nature and volume of traffic now being moved and likely to be moved in the future in rural America by all the various modes of transportation;

(B) existing and projected rural transportation capabilities to handle such traffic, including all modes of transportation;

(C) the extent to which alternative modes of transportation are available to move traffic that is now carried by rail lines identified pursuant to paragraph (2) of this subsection; and

(D) the relative economic, social, and environmental costs including energy utilization involved in the substitution of alternative modes of transportation to move traffic that is now carried by rail lines identified pursuant to paragraph (2) of this subsection and in increasing reliance upon alternative modes of transportation to meet projected rural transportation needs;

(2) prepare an information survey and an economic and operational study of all rural freight rail lines or portions thereof identified by the Governors of the several States as currently threatened or likely to be threatened by abandonment, taking into account—

(A) current and projected demand for rail service along such lines including demand which may not be reflected in current traffic density because of a shortage of rail cars or the poor condition of track and roadbed;

(B) traffic density over identified lines, plant equipment and facilities, and pertinent costs and revenues of such lines;

(C) the extent to which alternative modes of transportation could move traffic that is carried by identified lines;

(D) the relative economic social and environmental costs involved in the use of alternative modes of transportation including energy utilization; and

(E) the economic impact, competitive and otherwise upon local shippers, railroad companies, and rural communities involved in the abandonment of identified lines; and

(3) analyze and make recommendations regarding methods to continue to improve rail freight service to rural communities particularly in cases where such service may otherwise be discontinued and where there is a valid need for such service in order to maintain economic growth and development of affected communities or to prevent adverse economic, social, or environmental impacts resulting from the substitution of alternative modes of transportation, and such analysis shall include but not be limited to methods such as—

(A) the provision of low interest loans or loan guarantees to enable local nonprofit organization composed of shippers and residents and agencies of State and local governments to continue rail service on abandoned lines or lines to be abandoned;

(B) the provision of low interest loans, loan guarantees, grants, or other methods as may be appropriate to improve the availability of railroad rolling stock;

(C) operating assistance to enable rail companies or nonprofit private or public organizations to maintain service along rail lines threatened with abandonment;

(D) assistance for the rehabilitation of track and roadbed, or the acquisition or modernization of facilities and equipment required to continue and improve service; and

in analyzing such methods the Commission shall consider the relative economic, social, and environmental costs and benefits thereof and utilize such findings in making recommendations concerning the methods which would best assist in satisfying the public need for an efficient and fully adequate rural freight transportation system.

(4) develop an economic model to provide the basis for identifying control mechanisms and forecasting long-term demands on the rural transportation system to aid in in-

vestment and regulatory decision-making by local, State and Federal governments and the transportation industry taking into consideration how transportation interacts with labor, resources, and markets in influencing the location of industry and rural economic development.

(c) Compensation.—Each member of the Commission shall be compensated at the daily equivalent of the annual rate of basic pay of level III of the Executive Schedule for each day he is engaged on the work of the Commission, and shall be entitled to travel expenses, including a per diem allowance in accordance with section 5703(b) of title 5, United States Code.

(d) Rules.—The Commissioner shall adopt rules of procedure to govern its proceedings. Vacancies on the Commission shall not affect the authority of the remaining members to continue with the Commission's activities, and shall be filled in the same manner as the original appointments.

(e) Hearings.—The Commission, or any members thereof as authorized by the Commission, may conduct hearings anywhere in the United States or otherwise secure data and expressions of opinion pertinent to its study. In connection therewith the Commission is authorized to pay witnesses travel, lodging, and subsistence expenses.

(f) Other Departments and Agencies.—The Commission may acquire directly from the head of any Federal executive department or agency, or from the Congress, available information which the Commission deems useful in the discharge of its duties. All Federal executive departments and agencies and the Congress shall cooperate with the Commission and furnish all information requested by the Commission to the extent permitted by law and the Constitution of the United States.

(g) Contract Authority.—The Commission may enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(h) Delegation Authority.—The Commission may delegate any of its functions to individual members of the Commission or to designated individuals on its staff and make such rules and regulations as are necessary for the conduct of its business, except as otherwise provided in this section.

(i) Staff.—The Commission may, without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service but otherwise in accordance with General Schedule pay rates, appoint and fix the compensation of such additional personnel as may be necessary to carry out the functions of the Commission.

(j) Experts and Consultants.—The Commission may obtain services in accordance with section 3109 of title 5 of the United States Code, but at rates not to exceed $250 a day for qualified experts.

(k) Administrative Assistance.—Financial and administrative services (including those related to budgeting and accounting, financial reporting, personnel, and procurement) shall be provided the Commission by the General Services Administration, on a reimbursable basis, from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator of General Services. The regulations of the General Services Administration for the collection of indebtedness of personnel resulting from erroneous payments apply to the collection of erroneous payments to or on behalf of a Commission employee, and regulations of that Administration for the administrative control of funds apply to appropriations of the Commission.

(l) Reports.—The Commission shall submit to the Congress within sixty days from the date the members take office pursuant to subsection (a) a summary report of its plans for carrying out its duties, within two hundred and seventy days from such date a preliminary report of its findings and recommendations, and within three hundred and sixty days from such date a final report of its findings and recommendations.

(m) Consultation.—In carrying out the provisions of this section, the Commission shall consult and cooperate with appropriate State and local agencies, shippers, railroads, organizations representing railroad workers, and other appropriate organizations and groups. The Commission shall also cooperate in the exchange of information regarding its plans, findings, and recommendations with the Rail Emergency Planning Office, established under section 4(a) of this Act.

(n) Authorization.—There is authorized to be appropriated for the purposes of this section not to exceed $2,000,000.

(o) Termination.—The Commission shall cease to exist at the end of thirty days following the submission of its final report pursuant to subsection (l).

TITLE IV—REPORT AND PARTIAL MORATORIUM ON ABANDONMENTS

Sec. 401. Section 304 of the Regional Rail Reorganization Act of 1973 is amended by inserting at the end thereof the following:

"(f) Report on Abandonments and Partial Moratorium.—The Commission shall submit to the Congress within ninety days after the date of enactment of the National Rural Transportation Act of 1975 a comprehensive report on the anticipated effect, including the environmental impact, of abandonments in States outside the region. No carrier subject to part I of the Interstate Commerce Act shall abandon, during a period of seven hundred and thirty days after the date of enactment of such Act, all or any portion of a line of railroad (or operation thereof) outside the region, the abandonment of which is opposed by any State, county, or municipality served by that line.".

EXPANSION OF RAIL SERVICE CONTINUATION SUBSIDY AND LOAN AUTHORIZATIONS

Sec. 402. (a) Subsection (a) of section 402 of the Regional Rail Reorganization Act of 1973 is amended by inserting after the first sentence the following: "The operation of rail properties with respect to which the Commission has issued a certificate of abandonment within five years prior to the date of enactment of this Act and which remain in condition for rail service shall, subject to the other provisions of this section, be eligible for such subsidies.".

(b) Such section 402 is further amended by striking out "in the region" wherever appearing therein.

(c) Subsection (i) of such section 402 is amended by striking out "$90,000,000" and inserting in lieu thereof "$200,000,000".

TITLE V—RAIL REHABILITATION TRUST FUND

Sec. 501. (a) (1) There is hereby established in the Treasury of the United States a trust fund to be known as the Rail Rehabilitation Trust Fund (hereinafter in this section called the "Trust Fund"). The Trust Fund shall consist of such amounts as may be appropriated or credited to the Trust Fund as provided by this section.

(2) The Trust Fund shall be administered by the Secretary of the Department of Transportation through the Administrator and the Federal Railroad Administration. The Secretary, through the Administrator, is authorized to make grants for the rehabilitation of rail lines in accordance with the Federal Railroad Safety Act of 1970, except that no part of such amounts shall be used for the rehabilitation of rail lines used exclusively for passenger transportation.

(b) There are hereby appropriated to the Trust Fund, out of any money in the Treasury not otherwise appropriated, amounts equivalent to the taxes received, in the Treasury under the provisions of part IV of subchapter C of chapter 33 of the Internal Revenue Code of 1954. The amounts appropriated by the preceding sentence shall be transferred at least monthly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts received in the Treasury pursuant to such part. Proper adjustment (including adjustment to reflect any refunds which may have been paid with respect to the taxes pursuant to such part) shall be made in the amounts subsequently transferred to the extent that prior estimates were in excess of or less than the amounts required to be transferred.

(c) There are hereby authorized to be appropriated to the Trust Fund, out of any money, in the Treasury not otherwise appropriated, for each fiscal year beginning after June 30, 1975, such additional sums as may be required to provide, on the basis of estimates by the Secretary of the Treasury, $500,000,000 for the purposes of subsection (a) (2) of this section.

(d) It shall be the duty of the Secretary of the Treasury to hold the Trust Fund, and (after consultation with the Secretary of Transportation) to report to Congress not later than the 1st day of March of each year beginning after July 1, 1975, on the financial condition and the results of the operations of the Trust Fund during the preceding fiscal year and on its expected condition and operations during the current and next ensuing fiscal years. Such report shall be printed as a House document of the session of the Congress to which the report is made.

(e) (1) It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (A) on original issue at the issue price, or (B) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the Trust Fund. Such special obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average yield, during the month preceding the date of issuance, on marketable interest-bearing obligations of the United States of comparable maturities then forming a part of the public debt rounded to the nearest one-eighth of 1 per centum. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest. Amounts appropriated to the Trust Fund and treated as repayable advances pursuant to subsection (d) shall not be invested.

(2) Any obligation acquired by the Trust Fund (except special obligations issued exclusively to the Trust Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

(3) The interest on, and the proceeds from the sale or redemption of, any obligations

held in the Trust Fund shall be credited to and form part of the Trust Fund.

(f) No part of any amount in the Trust Fund shall be used for the payment of any administrative expense incurred by the Secretary or by any other officer or entity within the Federal Government.

SEC. 502. (a) Subchapter C of chapter 33 of the Internal Revenue Code of 1954 (relating to transportation by air) is amended by adding at the end thereof the following new part:

"PART IV—TRANSPORTATION OF PROPERTY BY RAIL, MOTOR VEHICLE, OR WATER

"Sec. 4285. Imposition of tax.

"SEC. 4285. IMPOSITION OF TAX.

"(a) IN GENERAL.—There is imposed upon the amount paid for the transportation of property within the United States by rail, motor vehicle, or water, a tax equal to one percent of such amount. In the case of property transported—

"(1) from a point outside the United States to a point within the United States, or

"(2) from a point within the United States to a point outside the United States,

the tax imposed applies to the amount which bears the same proportion to the total amount paid for transportation as the number of miles travelled within the United States bears to the total number of miles travelled during transportation of such property.

"(b) APPLICATION OF TAX—The tax imposed by subsection (a) applies to amounts paid to a carrier engaged in the transportation of property for hire, including amounts paid to a freight forwarder, express company, or similar person, but not including amounts paid by a freight forwarder, express company, or similar person, for transportation with respect to which a tax has been paid under this section.

"(c) PAYMENT OF TAX.—

" (1) IN GENERAL.—Except as provided in paragraph (2), the tax imposed by subsection (a) shall be paid by the person making the payment subject to the tax.

"(2) PAYMENTS MADE OUTSIDE THE UNITED STATES.—If a payment subject to tax under subsection (a) is made outside the United States and the person making such payment does not pay such tax, such tax—

"(A) shall be paid by the person who receives the property in the United States from the last person who transports the property by taxable transportation, and

"(B) shall be collected by the last person who transports the property by taxable transportation.

"(d) DEFINITIONS.—

"(1) UNITED STATES.—The term 'United States' means the United States (including the outer continental shelf, as defined in section 2 of the Outer Continental Shelf Lands Act) and any possession of the United States.

"(2) TAXABLE TRANSPORTATION.—The term 'taxable transportation' means any form of transportation with respect to which the tax imposed by this section is paid.".

(b) The table of parts for such subchapter C is amended to read as follows:

"SUBCHAPTER C—TRANSPORTATION

"Part I. Transportation of persons by air.
"Part II. Transportation of property by air.
"Part III. Special provisions relating to taxes on transportation by air.
"Part IV. Transportation of property by rail, motor vehicle, or water."

(c) The heading for Part I of such subchapter C is amended to read as follows:

"PART I—TRANSPORTATION OF PERSONS BY AIR".

(d) The heading for part II of such subchapter C is amended to read as follows:

"PART II—TRANSPORTATION OF PROPERTY BY AIR".

(e) The amendments made by this section apply to amounts paid for transportation which begins after 60 days after the date of enactment of this Act.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that a bill introduced by the Senator from Minnesota (Mr. HUMPHREY) entitled "The National Rural Transportation Act," be jointly referred to the Committees on Commerce, Finance, and Public Works.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

By Mr. KENNEDY:

S. 795. A bill to suspend all sales of defense articles and services for 6 months to Iran, Saudi Arabia, Iraq, Qatar, Bahrain, the United Arab Emirates, and the Sultanate of Oman. Referred to the Committee on Foreign Relations.

Mr. KENNEDY. Mr. President, I am introducing today a bill providing for a 6-month suspension of all sales, credit sales, and guarantees under the Foreign Military Sales Act of 1973 to the littoral states of the Persian Gulf. I am taking this action out of deep concern over massive and apparently indiscriminate arms sales we have been making to countries of that region.

The magnitude of these sales reflects an administration decision having profound and far-reaching consequences. That decision raises extremely grave questions, both for the short and longer terms.

The Congress has not been consulted on this matter. It has never had a chance to consider the very unusual character of a rapidly changed situation in our military sales program. In introducing this bill, therefore, I am asking that we give ourselves in the Congress a chance to understand what is happening, and to play our proper constitutional role in the making of U.S. foreign policy in this area.

Mr. President, I wish to compliment the effective actions of the distinguished Senator from Wisconsin (Mr. NELSON), in writing legislation that requires the President to give advance notice to Congress of any letter of offer to sell defense articles or services of $25 million or more as well as giving the Congress the opportunity to veto individual sales.

However, it is clear that the pace and character of the massive arms flow to the Persian Gulf requires even further action, going beyond a piecemeal congressional approach to arms sales. We must be able to see the entire picture; we must know what overall policies the administration is pursuing; we must be able to help shape the character of U.S. foreign policy toward this economically vital area of the world.

Does the administration have a policy toward the future of the Persian Gulf? Can it justify the massive influx of arms and advisers to these countries? If so, then it has a responsibility to inform the Congress, and we have a responsibility to make our own judgments based on that information.

Three days ago, the Department of Defense disclosed publicly, for the first time, that the United States has arranged contracts between private firms and 34 foreign governments, for the purpose of training military personnel. These contracts total $727 million.

This disclosure reveals yet another extension of the apparently indiscriminate administration policy of selling as much military equipment, and training as many soldiers, as foreign countries will pay for. This Pentagon announcement followed press reports that Kuwait intends to import U.S. military experts to instruct its armed forces in the maintenance and use of the more than $250 million in American missiles, planes, and military transport vehicles which it purchased in December. The New York Times report from Kuwait goes on to say that—

> No difficulty is expected in arranging with Washington for the experts—perhaps as many as several hundred—to come here.

Mr. President, the agreement with Kuwait points to the issue plain and simple: that military arrangements, having extremely serious political, strategic, and overall foreign policy implications are being negotiated, arranged, and implemented without even the pretense of congressional involvement. We in the Congress can turn a blind eye to a major policy decision being made by the administration on its own; or we can take a cold, hard look at our increasing military involvement with countries bordering on the Persian Gulf, and judge accordingly. I believe we would be remiss in our duty if we do not act, before it is too late.

Let me review some recent events:

President Nixon issued an Executive order on December 20, 1973, creating an interdepartmental council to encourage business to enter new foreign markets and expand exports, including arms, for balance-of-payments purposes.

For the fiscal year ending June 1974, the United States sold more than $8 billion worth of arms to foreign governments—twice the level of 1973—and $4 billion of that amount went to Iran alone.

In the first 7 months of fiscal year 1975, U.S. cash arms sales have totaled $4.6 billion, equaling the exorbitant level of last year. Again, the bulk of these sales has been to a few countries in the Persian Gulf.

The State Department announced last month that the United States has agreed to sell Saudi Arabia 60 F-5 jet fighters, in a package deal totaling more than $750 million.

The same month, Iran confirmed the closing of contracts totaling $425 million for the purchase of 30 U.S. F-14's. An order for an additional 50 of the planes is expected soon.

Under a $77 million contract awarded to the Vinnell Corp. of Los Angeles, up to 1,000 former U.S. special forces and other U.S. military veterans are being recruited to train the Saudi Arabian National Guard.

At a press conference in late January, President Ford was asked why the United States was contributing so much to the military buildup in the Middle East. The President said that these sales were necessary "in order to maintain the internal security of the various countries and in order to maintain equilibrium in arms capabilities."

In a Washington Post article on January 30, it was reported, senior U.S. Government officials confirmed that neither the Nixon nor Ford administration has carried out a major National Security Council study of where the Persian Gulf arms race might lead 10 years from now.

In the Foreign Assistance Act of 1974, the Congress mandated an end both to the U.S. military assistance program and to providing military assistance advisory groups, over a period of 3 years. This legislation also contained a provision—which I introduced—urging the President to negotiate at the Geneva Conference on Disarmament for a limitation on conventional arms transfers. These three measures indicate clear concern of Congress with the growing problem of the U.S. role in the international arms trade.

In a recent GAO report to the Congress, the Comptroller General reached the following conclusions:

> The United States is conducting its arms sales program to Iran at considerable cost to the United States, although the law requires recovery of all costs to the maximum extent possible. As the volume of cash sales under the Foreign Military Sales Act increases, the foreign policy impact also increases. Even though the GAO found no firm contradictions with the requirement of the Foreign Military Sales Act, it questions: 1) the impact of such sales on the arms race, 2) the extent and character of the military requirement, 3) the legitimate defense needs of the purchasing countries.

Mr. President, the issues arising out of our massive arms sales are difficult and complex ones, involving overlapping and often contradictory interests. The individual problems of balance of payments, petrodollars, regional arms races, oil politics, and U.S. military strategy and planning would each perhaps dictate a different policy approach. But we must set our priorities, balance our interests, and emphasize those with the highest impact and importance over the long run.

It was little more than a decade ago, that we watched a parade of U.S. military advisers streaming to another volatile part of the world—Indochina—to assist "internal security forces" to operate the massive quantities of tanks, aircraft, and other military equipment that we were sending them. Congress did not require the administration then to give a full and frank explanation of U.S. intentions, policies, guidelines, and limits. The result is now painful and tragic history: 50,000 American lives lost; 300,000 wounded, and countless other hundreds of thousands with painful memories and broken lives. When our direct military role in Vietnam was over, many of us in this Chamber vowed that never again would we make the mistake of allowing the United States to enter lightly into seemingly "insignificant" military involvements in far-off lands.

In any event, sending large numbers of Americans to the Persian Gulf, to engage in military training, will compromise our independence from what happens there. It is only a short step from there to Americans serving as mercenaries in foreign wars.

I do not suggest that our political and strategic arrangements with Persian Gulf countries are completely analogous to those which we entered into in Southeast Asia. But I do suggest that enough of the same serious questions are present here for us to pause and purposefully reflect on the nature of our interests and the implications of our actions. I sincerely hope that the administration will explain openly and frankly the guidelines that are shaping our policy of increasing military entanglements in the Persian Gulf. For the fact of the matter is that arms sales to an area such as the Persian Gulf are not that different, in their ultimate effect on our involvement, from simply granting arms under the Foreign Assistance Act. The fact that the U.S. Government removes itself by a step or two, letting private companies sell the arms, does not change the nature of the situation. The United States will still risk one day becoming more deeply involved in countries to which we supply arms and related personnel—military or civilian—whether it is done through sales or grants.

It is sometimes argued that we must sell arms to Persian Gulf countries in order to cultivate political "credit" with them. They are sovereign nations, so the argument goes, and if they want arms they should be allowed to buy them. But I have always found it astonishing that we could go on blindly, believing that there is no other way of developing viable political relations with these countries.

Some observers also argue that arms bring leverage—that in some measure we will be able to influence the political or economic actions of countries to which we sell arms. But the record of this thesis is a dismal one. We thought this was true with India and Pakistan, and yet they went to war three times in the past decade. The Russians believed they could secure influence with various nations in the Middle East through the supply of arms, and yet they, too, have not been able to escape the consequences—in risking nuclear confrontation—of the wars caused in part by Soviet arms supply.

Others say that, if we do not sell arms to countries which want them, others will do so. Why should not the U.S. economy gain the benefit?

Yet we have never seriously tried to join with other supplier states—and with the arms consumer states, themselves—to regulate the flow of arms into the Persian Gulf. The argument about laissez faire in arms sales has no merit if we consistently fail to explore the alternative.

Clearly, we in the Congress should require that any administration statement of policy on the future of arms sales to the Persian Gulf will include a positive commitment to seek international agreement on regulating the flow of arms to the gulf. This is not an effort to impose the will of outside nations on the local states. Rather it should be an effort to work with these local states, in everyone's mutual interest of preventing conflict in that region.

Furthermore, we must seriously calculate the value of arms sales to the U.S. economy—however high the figure is, however much oil it helps us buy—if the consequences are likely to be heightened tensions and a greater likelihood that the United States could be dragged into yet another foreign conflict. This possible penny "wisdom" is surely dollar foolishness. We are not a power that must support economic recovery through entering into dubious foreign arrangements; and we must not embark on such a risky path.

How often have we seen that regional arms races take on a life of their own? Sometimes it is said that the development of political conflict leads to the introduction of weapons, and not the other way around. But history does not support this thesis. In the Persian Gulf, as elsewhere, a buildup of arms in any country will almost inevitably lead to a buildup elsewhere. And outside arms suppliers can only make the situation worse, either by their own example, or by sending military support personnel along with the weapons. Almost inevitably these personnel help stimulate demands for even more arms, and help to foster a cast of thinking that relates national prestige to the size of armies and the number of weapons. Perhaps it will prove to be too late to stop this trend in the gulf, but there is no reason for us to promote it. It is no reason not to try to call a halt.

In some regions of the world—such as Europe—a balance of arms can help to promote stability. But that is not so in the Persian Gulf. The territory is too flat, the weapons are too powerful, the distances between countries too short, the rivalries too intense and complex, and a tradition of a balance of power totally absent—for there to be any hope that a stable military balance can be created by arming all sides. Perhaps if Iran could dominate the region, there would be no problem. But it is too late for that: other nations have shown by their arms purchase policies that they will not abide by that outcome. So let us not make the matter even worse than it is, today. Rather let us take the sane and sensible course of trying to work with other countries to end this dangerous new arms race, and end it now.

There is no sense for the United States to have an arms policy toward the Persian Gulf before we have a clear, viable, and effective political policy toward that region. Perhaps we will conclude later that selling some arms is truly in our national interest. But we cannot make that conclusion until we sort out the myriad political issues affecting our relations with Persian Gulf countries.

For some time, I have argued that we must have an overall policy toward the gulf states. None has been forthcoming from the administration. Thus we should get our priorities in order and suspend both arms sales and fulfillment of past contracts—until we know what our overall objectives and policies should be.

Clearly, we seek good relations with the oil-producing states of the Persian Gulf. But just as clearly those relations must be primarily political, not military. This does not imply a particular strategy for dealing with the high price of oil coming from the gulf. This effort to take a hard look at our overall policies in the gulf should not be construed as an effort to confront the oil producers. Quite the reverse; it is an effort to prevent making both their problems and ours even worse, through risking an increase in tensions in the area, or even an armed conflict.

Should it surprise us, Mr. President, that the American people seem skeptical when they are told one week that the United States may, in some contingencies, intervene militarily in the Persian Gulf, and the next week that we are selling the same countries vast quantities of sophisticated weaponry, as well as training them how to use this equipment?

Should it surprise us that the American people seem confused when they learn on the one hand of our military sales to Persian Gulf states, and on the other of our continuing commitment to peace between Israel and its neighbors? Do we want to increase the risks that yet more arms will be diverted to the Arab-Israeli conflict?

Are we going to take seriously our commitment to curtail the conventional arms races or are we going to continue to follow a policy of indiscriminately selling as many weapons a country wants—as long as it has the cash? If we choose the latter course, then we will be lending credence to one of the worst accusations leveled at this country by our critics—that, for its very livelihood, the economy of the United States depends on a military-industrial complex that cannot be stopped, cannot be controlled.

Mr. President, in introducing this legislation, I urge the President and the Secretary of State to act in cooperation with the Congress on this issue, and to come forward and spell out what our policy is towards arms sales to, and political relations with, the countries of the Persian Gulf. This is no threat to administration prerogatives. Rather it is a commitment to a new partnership between the Congress and the administration in foreign policy.

Many Members of Congress are becoming extremely worried about the direction and shape of our military involvement in the Persian Gulf, and rightly so. So let us pause, let us have an open and forthright discussion of this issue, and together with the administration let us create a policy without so many contradictions, a policy that does not raise so many fears. If we work together now, while there may still be time, then perhaps we can forge an intelligent approach to the Persian Gulf.

Mr. President, I ask unanimous consent that the text of the bill, as well as materials relating to this issue, be printed in the RECORD.

There being no objection, the bill and materials were ordered to be printed in the RECORD, as follows:

S. 795

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), and all licenses with respect to the transportation of arms, ammunition, and implements of war (including technical data relating thereto) to Iran, Saudi Arabia, Iraq, Kuwait, Qatar, Bahrain, the United Arab Emirates, and the Sultanate of Oman, shall be suspended on the date of enactment of this Act until a date 6 months thereafter, unless the President transmits to the Congress, and the Congress by joint resolution approves, a statement of policy regarding sales, credit sales and guarantees made to such countries under the Foreign Military Sales Act. The foregoing suspension shall include a suspension of the delivery of any defense article or defense service contracted for prior to the date of enactment of this Act and which has not been delivered before such date.

[From the New York Times, Feb. 9, 1975]

UNITED STATES COMPANY WILL TRAIN SAUDI TROOPS TO GUARD OIL

LOS ANGELES, February 8.—Several hundred former members of the United States Special Forces and other Vietnam war veterans are being recruited by a private American contractor to train Saudi Arabian troops to protect oilfields.

The training will be carried out in Saudi Arabia under a $77-million Defense Department contract awarded to the Vinnell Corporation of Los Angeles last month. It is the first such contract ever given to a private American company to train a foreign army, the company said.

Private American concerns have often had responsibility for logistics and maintenance chores of armed forces of the United States and friendly foreign governments. But showing foreign troops how to fire their weapons and fight wars has been a mission reserved for United States military advisory teams, most recently in Southeast Asia.

The troops to be trained over the next three years by a 1,000-man Vinnell Corporation contingent belong to the Saudi Arabian National Guard, the 26,000-man internal security force commanded by King Faisal's half-brother, Prince Abullah Ibn Abdul Aziz.

THREE-YEAR PROGRAM PLANNED

These troops are primarily responsible for guarding the country's rich oilfields and the petroleum export facilities. They also provide the key bodyguard units for Saudi Arabian's royal family. Their purpose is also to supplement, if necessary, the 36,000-man Saudi Arabian regular army, which is rapidly being modernized.

Beginning in July, Vinnell is to train three newly mechanized infantry battalions of 1,000 men each, as well as a light artillery battalion of about equal size, using 105-mm howitzers.

The United States Government will provide the military equipment under a $335 million contract signed with Saudi Arabia in 1974, which includes Vinnell's fee. Saudi Arabia will pay the U.S. Government, which will pay Vinnell.

"NOT A MERCENARY FORCE"

Vinnell Corporation executives and the American military men so far recruited for the job are sensitive about suggestions that they are organizing what some might consider a mercenary expedition.

"Maybe this contract has come about because the political climate of the day might be against the U.S. military sending such a big team," said Vinnell's general manager for special projects, Robert Montgomery, who returned to Los Angeles on Thursday from a visit to Saudi Arabia. "But we are not creating a mercenary force. This is a one-time thing to do a specific job."

A former United States Army officer said: "We are not mercenaries because we are not pulling the triggers. We train people to pull triggers." Another officer laughed and said: "Maybe that makes us executive mercenaries."

The Vinnell contract is part of a vast program under way in Saudi Arabia to utilize billions of dollars of oil profits to strengthen the armed forces.

Partly because the Saudis are relying on a United States Defense Department study of their military requirements, they are buying American-made Northrop F-5E jet fighter planes, Bell helicopters and Cadillac Gage armored personnel carriers.

COAST GUARD ADDED

Other American companies already operating in Saudi Arabia on military and related projects are Lockheed Aircraft and Raytheon. AVCO is helping to train and modernize the coast guard. The 163 military advisers listed at the United States Military Advisory headquarters are concerned with the regular Saudi army.

The United States Army Material Command will establish an office in Saudi Arabia to administer the contract to modernize the National Guard, and Vinnell will report to that command.

The training contract is the first won by Vinnell in the Persian Gulf, but over the last 40 years the corporation has had engineering and construction projects in 50 countries. In South Vietnam it did $200-million worth of business in 15 years. Vinnell also built the Dodger Stadium in Los Angeles and is completing the third stage of the Grand Coulee hydroelectric program.

"We are not a 'spook' outfit," said the president, John F. Hamill, at Vinnell's headquarters in Alhambra, a Los Angeles suburb. "We worked hard for this contract, sinking five years of effort in winning the confidence of the Persian countries."

Vinnell's was one of four proposals considered for the Saudi Arabian National Guard job. Long before it was awarded the contract on Jan. 8, the company began preparations, recruiting William G. Walby as training director last May, three days after he retired as commander of the Fourth Advanced Individual Training Brigade and Training Command at Fort Ord, Calif.

"Two years ago we could not have gotten skilled men, but with the big military cutbacks we have plenty wanting to join up," Mr. Hamill said.

Two modest advertisements in newspapers distributed at Fort Ord and Fort Carson, Colo., brought 10 applications from retiring American soldiers for every available job, he said.

Salaries for most of these recruits from the military will range from $1,500 to $1,800 a month on an 18-month contract, with a bonus of $22,400 at the end. In addition, all these former soldiers have military pensions of $10,000 to $14,000 a year. Housing in Saudi Arabia will be provided free, and living expenses are so low that, according to Vinnell executives, a prudent American could save most of his salary.

Vinnell executives were reluctant to go into detail on statistics and locations, arguing that the Saudis are sensitive in these matters. Defense Department sources said the Vinnell training camp would be situated at Khashm al-An, about 15 miles east of Riyadh, the Saudi capital, and would be an extension of an existing training installation.

The camp will be completed by the end of this year, but Vinnell intends to begin training programs in July, dealing with a battalion of troops at a time.

One member of the Vinnell team is former Lieut. Col. George Gaspard of Orlando, Fla., a 47-year-old veteran of World War II and the Korean war. He also served for 10 years in Vietnam and Cambodia as a Special Forces officer. Mr. Gaspard is chief of training aids for the Vinnell project.

Another recruit is James D. Holland of Los Angeles, a former United States Army colonel who lost an eye in a mortar attack in Vietnam. He is in charge of scheduling.

[From the New York Times, Jan. 10, 1975]

United States Sells Saudis 60 Jetfighters for $750 Million; Contract of F–5's Includes Pilot Training and Parts—Transfer Prohibited

(By John W. Finney)

Washington, January 9.—Saudi Arabia has entered into a $750-million contract with the United States for the purchase of 60 F–5 jet fighters and the training of pilots.

The sale is the largest by the United States to Saudi Arabia in more than two decades of supplying arms to the country. It was announced today, first by the Saudi radio in Riyadh and then by the State Department here.

A State Department spokesman said that the sale would contribute to "the legitimate self-defense needs" of Saudi Arabia and that Secretary of State Kissinger believed it would "contribute to stability in the area."

IRAN ARMS PURCHASES

The spokesman also said that the State Department did not believe the sale would contribute to an arms race in the Persian Gulf region. Iran, a rival for dominance in the gulf region, has purchased more than $6-billion in arms from the United States in recent years.

The F–5, which was originally developed for less advanced nations, is in use by nearly 20 countries. Produced by the Northrop Company in Hawthorne, Calif., it is a relatively short-range and inexpensive fighter plane that is designed primarily for air defense but can be used in a fighter-bomber role.

The F–5 is not in the operational forces of the United States, although the Air Force recently decided to acquire 71 of the planes that could not be delivered to South Vietnam because of Congressional cutbacks in military aid.

SAUDIS BUY ADVANCED TYPE

The F–5's will be used by the Air Force in a training role to simulate Soviet MIG fighters in combat training.

Saudi Arabia is buying the advanced "E" version of the supersonic plane as well as a new "F" model, a two-seat plane that can also be used as a trainer.

The contract, according to officials, will contain a standard clause prohibiting Saudi Arabia from transferring the planes to another country without the permission of the United States thus, as least in principle, preventing their transfer to another Arab country such as Egypt.

Defense official expressed doubt that Egypt, which they said needs pilots more than aircraft, would be interested in obtaining the F–5. The plane is no match for the American-built F–4's possessed by Israel.

The officials said they did not think the Saudis would jeopardize their relations with the United States, their principal arms supplier, by transferring the planes without United States permission.

Saudi Arabia is apparently becoming the intermediary, however, in enabling Egypt to obtain the French-built Mirage III, a long-range fighter-bomber roughly comparable to the F–4. France agreed last year to sell Saudi Arabia 38 Mirage III jets, and Pentagon officials assume that most if not all of these planes will be passed along to Egypt. In addition, Saudi Arabia entered into a $860-million arrangement with France last month for the purchase of tanks, armored cars and antiaircraft and antitank missiles.

The United States agreed in principle last year to sell F–4's to Saudi Arabia, but there has been no further response thus far from the Saudi Government. Defense officials believe that Saudi Arabia is more interested in moving to the next generation of American fighter planes, such as the Air Force's F–15 or the Navy's F–14 or a new light fighter being developed for the Air Force and European allies.

At this point, the F–5 is the mainstay of the small Saudi Air Force. The Saudis bought 50 of the planes about two years ago and planned additional purchases.

The new sale becomes part of an evolving, ambitious plan to modernize the armed forces of Saudi Arabia at a probable cost of billions of dollars.

JOINT COMMISSIONS SET UP

The United States and Saudi Arabia last June established a joint military commission—as well as one on economic cooperation—to consider Saudi military needs. Since then the Defense Department has submitted recommendations for a 10-year modernization of the Saudi forces that would include four mechanized brigades, a tank battalion, an airborne brigade and five helicopter battalions.

Thus far, there has been no Saudi response to the Pentagon proposals, and the expectation of Defense Department officials is that the Saudi Government will move on a gradual basis—rather than in one big arms package—in adopting the recommendations.

HIGHER PRICES FOR PLANES

Saudi Arabia, which has joined other oil-producing countries in sharply increasing oil prices, will apparently pay an inflated price for the new group of F–5 fighters.

The plane used to cost about $2.7-million—a price that will be far exceeded in the 60-plane, $750-million deal.

Robert Anderson, State Department spokesman, said that "a substantial part" of the $750-million contract would go for training Saudi pilots, modifying the aircraft to meet Saudi specifications and for spare parts. In addition, officials said that with Saudi concurrence, a "substantial inflation cushion" was built into the price of the planes, which will not be delivered until 1976.

[From the Washington Post, Jan. 8, 1975]

Iran Gives U.S. Jets to Jordan

(By Jim Hoagland)

Beirut, January 7.—Iran, with the approval of the U.S. government, has turned over a squadron of U.S.-made jet fighters to Jordan.

Reliable Arab and Western sources reported the move here today.

[It was confirmed in Washington by the State Department. U.S. officials said that about 20 older Northrop F–5As were involved.]

The Iranian-supplied F–5 interceptor fighters were displayed publicly for the first time yesterday during a ceremonial welcome for Iran's Shah Mohammed Reza Pahlavi in Amman.

The shah, once viewed in the Arab world as a friend of Israel, has recently suggested that Iran is interested in military cooperation with the Arabs. He has declared his intention of building Iran into the Middle East's military superpower and is spending an estimated $3 billion a year on arms.

Jordan's King Hussein has repeatedly cited his nation's lack of air defense as the reason for having made no more than a symbolic entry into the October 1973 Arab-Israeli war.

In February 1973, the Nixon administration agreed to supply Jordan with 36 advanced model F–5E interceptors, which are designed for defensive use by developing nations, as part of the U.S. military aid program to Hussein's government.

But since the October war, delivery has been repeatedly delayed, with Washington attributing the delays to production problems. Iran, which ordered more than 200 of the earlier model F–5A and the F–5E, has been receiving priority in deliveries over Jordan.

Resale or transfer of the warplanes to a third country by Iran must be approved by the United States.

Arab defense experts here see political significance in the Iranian role in building up Hussein's air force, which has been equipped with two squadrons of British-made Hawker Hunter jets and a squadron of U.S.-made F–104 Starfighters.

The shah is known to be eager to phase out most of his Northrop-manufactured F–5As and replace them with the more powerful and sophisticated jet fighters he is buying from the United States with his greatly increased oil revenues.

[Industry sources said that the F–5As, which are no longer manufactured, cost about $750,000 apiece, when new. The more advanced F–5Es cost about $2 million each. While the F–5Es have more range and speed and carry a heavier payload, both planes are considered by military analysts to be primarily air defense systems that are not suitable for offensive operations.

[The State Department said that it complied in mid-December with the legal requirement to inform Congress of the transfer of such equipment to a third country. But a spokesman for the House Foreign Affairs Committee said that his group had not yet received any notification.

[The United States is committed to supply Jordan with $202 million in military and economic aid this year. U.S. aid has been running at more than 40 per cent of the total Jordanian budget in the past few years.]

Egyptian sources have said that the subject of military help from Iran will come up during the shah's visit to Cairo, which is to begin Wednesday.

In its bid to improve relations with the Arab world and to increase exports to oil producers, the United States has in recent months also shown a new willingness to supply arms to Arab states.

New American weapons sold or granted to Arab countries in the past year include TOW anti-tank missiles to Jordan, A–4 Skyhawk fighters and Hawk surface-to-air missiles to Kuwait, and naval vessels and greater numbers of F–5Es to Saudi Arabia, which is also negotiating for more powerful American warplanes.

Egyptian President Anwar Sadat has expressed interest in buying American arms, but Secretary of State Henry A. Kissinger has said that the United States has no plans to provide arms to Egypt or its main partner in the 1973 war, Syria.

Kuwait and Saudi Arabia, which have pledged to finance a rebuilding of Egypt's war capability, have already begun to transfer French fighter bombers to Egypt, according to reliable sources.

[From the Wall Street Journal, Feb. 18, 1975]

MUNITIONS AND THE MIDEAST—OIL STATES' DEMAND KEEPS U.S. ARMS SALES AT RECORD PACE AS CONGRESS GROWS CRITICAL

(By Richard J. Levine)

WASHINGTON.—The U.S. seems determined to try to slake the Middle East's unquenchable thirst for American weaponry—a policy that pleases many defense contractors and worries some legislators.

After hitting a record $8.3 billion in the fiscal year ended last June 30, U.S. arms sales to foreign governments had been expected to slow this fiscal year. But with orders pouring in from the oil-producing nations of the Middle East, Defense Department officials have revised their earlier estimates. And they now are saying that fiscal 1975 sales are "going to be about like last year."

In the first seven months of fiscal 1975, Pentagon sources disclosed, sales for cash and credit have totaled $4.6 billion. And some big deals may lie ahead. As in the recent past, the Shah of Iran is the Pentagon's best customer this year. So far he has placed orders for $1.7 billion of military hardware and services. Saudi Arabia's orders have totaled $842 million, Israel's $730 million and Kuwait's $331 million.

The continuing high volume of American arms sales, set against recent statements by U.S. policymakers hinting that as a last resort the U.S. might some day be forced to intervene militarily in the Middle East, has intensified congressional criticism of Washington's sales program.

For example, Sen. Edward Kennedy, the Massachusetts Democrat said recently: "The administration hasn't shown sufficient understanding of the serious political, strategic and moral implications of the U.S. leading the way in an arms trade that is spiraling upwards with a dizzying and frightening momentum."

A "CONFUSED" PUBLIC?

Congressional concern about the direction of U.S. policy has been heightened recently by the unusual nature of some awards. A $77 million arms contract to Vinnel Corp. will enable the Alhambra, Calif., company to hire former American servicemen to train the 26,000-man Saudi Arabian national guard. Among other things, the Saudi will learn to defend their oil installation.

This unique contract has prompted Sen. Henry Jackson, the Washington State Democrat, to declare that the public is "confused" by such a training mission in light of Secretary of State Henry Kissinger's comments that the U.S. might have to move militarily to prevent economic, "strangulation" by Mideast oil producers.

In general, U.S. military men argue that the sale of sophisticated weapons to Mideast nations wouldn't pose insurmountable difficulties or dangers should American forces ever be committed to the Middle East. For one thing, they insist, the very latest electronic technologies aren't being supplied to other nations—a statement that is viewed skeptically by some observers. They also say that U.S. control over spare parts would mean that opposing forces couldn't use their modern American weapons over long periods.

"I'd like to fight someone whose logistics we control," one high-ranking U.S. officer says.

In any case, the sale of modern U.S. arms to the Mideast appears unaffected by any high level consideration of the remote possibility of U.S. intervention to guarantee oil supplies.

SHROUDED IN SECRECY

Despite congressional efforts to open it up, the arms-sales process remains shrouded in much secrecy. Still, a considerable amount of information has leaked out concerning the weapons orders of fiscal 1975, which ends next June 30.

The Iranian order includes DD963 destroyers built by Litton Industries Inc. Last Aug. 27, the Shah ordered six of these big, fast, general-purpose warships fitted with a more sophisticated anticraft capability than 30 destroyers being built for the U.S. Navy. U.S. officials say the ships will cost the Shah $1 billion.

Some $750 million of the $842 million in Saudi Arabia orders is for 60 Northrop Corp. F53 and F5F fighters, plus extensive modification of the planes. Included in the price is research and development work necessary to adapt the planes to carry the air-to-surface tactical weapons, air-defense equipment, most probably Raytheon Co.'s Hawk missile, and warplanes. The U.S. also has agreed recently to supply Hughes Aircraft Co.'s TOW antitank missile to Oman and Lebanon; the TOW will give Lebanon a modern weapon that could be used against U.S.-supplied Israeli tanks.

While it is difficult to predict future arms sales with great accuracy, American officials believe that there is a good chance several West European governments will decide soon to purchase General Dynamics Corp.'s 16 fighters as replacements for their aging F104s. That could add billions of dollars to fiscal 1975 sales. Looking further ahead, the Pentagon recently informed Congress that it expects "to sell for cash in fiscal 1976 . . . several billion dollars of military equipments and supplies" to foreign governments.

From President Ford on down, administration officials contend that U.S. arms sales ensure military balance in the Middle East, give Washington important political leverage in the area, and generally further U.S. security interests.

"There is a security problem which these (Middle East) countries feel," Mr. Kissinger says. Often "the security problem is caused by a neighbor supported by Soviet or other Communist arms. . . . If the Country didn't receive the arms, it would be subject to this neighbor—or else it would get these arms from other sources."

ADMINISTRATION VS. CONGRESS

Defense Secretary James Schlesinger stressed the final point. "We are dealing with sovereign nations whose perceptions of their defense needs may not coincide with our own," he told Congress last week. "They have the choice of buying from the U.S., from certain other Western countries or from Communist countries. For many reasons, we would prefer that they purchase their military material from us, provided that the sale is consistent with our foreign-policy objective."

Congress, however, is increasingly dubious about such a rationale. More and more lawmakers insist that U.S. arms sales abroad are fueling regional arms races rather than promoting regional stability. And despite administration assurance to the contrary, some Congressmen see a fundamental contradiction between selling modern weapons to the Mideast oil-producing states and holding open publicly the possibility, though remote, of intervention.

At a recent conference on world-wide inflation sponsored by Georgetown University's Center for Strategic and International Studies here, Sen. Bill Brock, a Tennessee Republican, turned to Kuwait's ambassador to the U.S. and quipped: "I can assure you that no one in this country wants to go up against the most sophisticated military equipment in the world—which we have supplied." That provoked laughter, but it had a hollow ring.

Last year, Congress voted itself a potential powerful tool with which to oversee and control foreign-weapons sales. It attached to the Foreign Military Sales Act an amendment requiring the Pentagon to report to Congress its intention to make a sale of more than $25 million. The lawmakers then have 20 days in which to block the sale, if they wish, by joint resolution.

So far, the new law has spurred only "comment" by Congress—no rejections, says a Defense Department official. But conceivably that could change as American arms sales abroad continue to boom.

[From the Washington Post, Jan. 10, 1975]

EUROPEAN OIL PIPELINE—UNITED STATES SELLS 60 JET FIGHTERS TO SAUDIS

(By Richard L. Homan)

The United States has agreed to sell Saudi Arabia several squadrons of F–5E and F–5F jet fighters in a $756 million package that will include special outfitting, pilot training and other equipment, it was announced yesterday in Washington and Riyadh.

The sale represents an initial step in carrying out a Pentagon recommendation last year that the United States step up military cooperation with the oil-rich Persian Gulf nations, supplying aircraft, tanks and warships valued at billions of dollars over the next 10 years.

It came just a month after Saudi Arabia signed an $860 million contract with France for 200 tanks, 250 armored cars and a surface-to-air missile network.

The State Department would not say how many planes were involved in the agreement announced yesterday. It was learned, however, that Saudi Arabia will receive 40 F–5Es and 20 of the slightly more expensive F–5Fs, a two-seat version of the F–5E that can be used for a trainer as well as a fighter-interceptor.

The sale is actually an expansion of one made more than a year ago. Saudi Arabia purchased 30 F–5Es before the October 1973 war and planned to buy more before the Middle East hostilities momentarily cooled relations with the United States.

In June, when Saudi Prince Fahd Ibn Aziz al Saud visited Washington, the United States and Saudi Arabia established a "special relationship" that amounts to an informal economic and military alliance.

News of the sale was first broadcast by Saudi Arabia's official radio yesterday and only later confirmed by the State Department. The contracts were signed Saturday in Riyadh, with U.S. Ambassador James Akins in attendance, the Saudi report said.

The F–5E, manufactured by Northrup Corp., is a single-seat, lightweight supersonic fighter that is considered primarily a defensive aircraft. It is less sophisticated and slower than the F–4 Phantom, which is also much more expensive, and which is the standby of the Israelis.

The basic cost of the F–5E—about $2.7 million apiece—accounts for only a small part of the $756 million contract. Also included are the expenses of training Saudi pilots to fly the plane, supplies of spare parts and special weaponry.

A major part of the cost, according to Pentagon and industry sources, will be special navigational equipment. Saudi Arabia has few ground navigation facilities and must, therefore, have more extensive equipment in the planes themselves.

The new contract also includes the cost of supplying this equipment for the F–5Es purchased earlier, as well as the development costs of adapting the plane to equipment it does not normally carry, sources said.

State Department spokesman Robert Anderson said the United States has "had a continuing defense arrangement with Saudi Arabia for some years" and the administration believed that the sale would help Saudi Arabia defend the Persian Gulf area.

Saudi Arabia's broadcast said, without elaborating, "The new planes will consolidate the kingdom's ability to defend its territory."

Anderson, in answer to questions, said that Secretary of State Henry A. Kissinger was not concerned that the sale of the planes might lead to a regional arms race. He stressed that the "standard rules on third-country transfer" were applicable, meaning that Saudi Arabia could not turn over the planes to another country without U.S. agreement. In practice, however, there is little the United States could do but protest such a transfer.

Earlier this week it was acknowledged by the State Department that a squadron of 20 F–5As, the earliest version of the plane, were transferred to Jordan by Iran, which had bought them from the United States. The transfer was reportedly made with U.S. approval.

Saudi Arabia, a wealthy nation with an estimated population of little more than 7 million, is envisioned by the Pentagon and top State Department officials as one of the most potent arsenals in the Arab world.

The Pentagon survey made last year recommended expansion of Saudi Arabia's military over the next decade involving the buildup of mechanized brigades, a tank battalion, an air force brigade, attack helicopters and an effective, billion-dollar navy.

Jim Hoagland of The Washington Post Foreign Service reported from Beirut that, according to speculation there, Saudi Arabia is once again contemplating purchases of F–4 Phantom fighter-bombers.

When the Saudis first sought the F–4s two years ago, they were told by the United States that the plane was too sophisticated for them. Last spring, the United States said it was willing to sell F–4s, but the Saudis, offended by the initial reaction, were not ready to buy.

Military sources in the Middle East now say, according to Hoagland, that the United States has placated Saudi Arabia and talks have resumed on the F–4 as well as on more advanced combat aircraft.

[From the Washingon Post, Jan. 30, 1975]

Long-Term Impact of Arms Sales to Persian Gulf Questioned

(By Michael Getler)

Booming U.S. arms sales to the Persian Gulf—a $4 billion-a-year business presided over discreetly by Secretary of State Henry A. Kissinger—are a key part of a strategy aimed at winning influence now with the oil barons of the region.

What has been sacrificed by this quest for quick influence, however, is top-level White House attention to the longer-term impact of shipping so many weapons into one of the world's most volatile areas.

"The whole thing could simply explode on us," says Rep. Lee H. Hamilton (D-Ind.), chairman of the House Foreign Affairs Subcommittee on the Near East and South Asia.

"We already have a couple of wars going on there, and there is a long history of hostilities and instabilities—tribal, ethnic and religious—in that part of the world," he said in an interview last week.

Saudi Arabia, he warns, is becoming suspicious and nervous over the vast U.S. military sales to neighboring Iran, though both countries are supposed to be "our friends." Small Iranian forces and arms are being used in fighting a rebellion in Oman and U.S. artillery sold to Iran is being used in Iraq where the Kurds' war against Baghdad continues.

The influx of U.S. arms to Iran is widely perceived as providing a convenient excuse for the Russians to greatly expand their arms and influence in Iraq, a situation that former Defense Secretary Melvin R. Laird has also questioned.

U.S. government officials acknowledge that neither the Nixon nor Ford administration has carried out a major National Security Council study of where the Persian Gulf arms race might lead 10 years from now, as is usually done with crucial issues.

Instead, the decisions to sell arms to the oil giants of Iran and Saudi Arabia—and more recently to the tiny but wealthy and strategically located states of Kuwait and Oman—are viewed by aides around Kissinger as basically tactical immediate foreign policy tools used by the secretary to bolster the U.S. hand.

Kissinger himself may well be the reason that no major study by the National Security Council staff he heads has been ordered. "He probably prefers the flexibility that comes with these tactical decisions," explains one aide, "rather the heeling to a hard policy that could come out of a study."

The Pentagon has substantial say in who gets what weapons. But it is Kissinger who is the central figure in approving all important sales.

Kissinger's pivotal role was attested to by Defense Secretary James R. Schlesinger in a Sept. 25 press conference. "I should make meticulously clear that the Department of Defense does not have its own policies with regard to the sale of arms," he said. In general, he explained, military assistance "rests under the purview of the Secretary of State. We are the administrators of such programs."

Kissinger is not the instigator of specific arms deals. But in the wake of the global oil-economic crisis that has focused sharp attention on the oil wealth and military weakness of the Persian Gulf, a convenient merger of arms, oil and related interests has taken place.

Gulf nations have shown big appetites for the most modern weapons available. Price is not an object. The United States has often shown a willingness to respond. This in turn signals U.S. military advisers or corporate salesmen overseas that they may whet Gulf appetites even more. When the proposals reach Washington, Kissinger is the key decision maker.

Economically, it is argued that the sales help the U.S. balance of payments and recoup some of the dollars spent on higher oil prices. It keeps more people working in defense plants here and to some extent lowers the Pentagon's cost on some weapons by increasing production.

It is meant to strengthen the Shah of Iran, in particular, as the strongest and most stable pro-Western power in the region.

It is also meant to strengthen Saudi Arabia's King Faisal as the other major pro-Western leader and perhaps provide the United States with some influence in getting these two oil giants to help solve the Arab-Israeli dispute short of war.

Perhaps, White House aides argue, U.S. arms aid will soften Faisal's call for the Israelis to give up Jerusalem, for example.

Influence through arms may also assure, some say, that oil is not cut off again or at least that prices won't rise again, though Kissinger suffered a jolt when the shah—a big U.S. arms buyer since 1972—led the charge to raise prices last year.

Even those, like Hamilton, who have serious doubts about the long-range wisdom of U.S. policy are not certain that the current approach is all wrong or that there is any better alternative at the moment than selling the oil exporters all the weapons they want.

But until the "urgent need to rethink our arms policy in that region" is begun, Hamilton suggests, there can be no certain answers to the question of whether there is a better approach.

Last month, Rep. Clarence D. Long (D-Md), a House Appropriations Committee member, wrote to President Ford complaining that the crucial decision in mid-1972 by former President Nixon to expand arms sales to Iran greatly had been made "without national security studies of the possible consequences."

Long also complained that he twice in 1974 attempted to get details from Kissinger on "our policy commitments to Iran" and got "evasive and incomplete answers."

Even some State Department officials, who support Kissinger's approach, concede that it is hard to be sure—without a detailed study—that a vastly different approach wouldn't work.

If the United States withheld its arms and technology from Iran and Saudi Arabia, could it cause them to lower oil prices and ease the global economic crunch?

The conventional answer is that the other oil exporters in the cartel wouldn't allow it and all would rush into the eager arms of French, British and even Soviet weapons salesmen.

Yet, Iran and Saudia Arabia wield vast power within the oil cartel, American weapons and the support that goes with them are generally viewed here as superior to other nations'. While Faisal bankrolls the Egyptians to new French arms, he buys U.S. planes and ships for himself.

More importantly, the United States is vital to these nations when it comes to balancing the Soviet presence in their region.

"The question has come up," said one State Department official, "as to why the U.S. should submit to near blackmail on oil costs. I can't give you an official answer because the question hasn't been systematically addressed. Personally, I don't believe we could force a price drop, but I'm not sure I could prove it."

In the meantime, the impact of the arms sales grows in this country and in the Gulf, and there is an uneasiness among some members of Congress and some senior planners in and out of government that the entire oil situation is uncharted and potentially very dangerous.

In this country, dozens of American firms are now producing military hardware for the Gulf, raising questions about whether, in a recession, the White House would cut back the arms flow even if it felt it should.

In fiscal 1974, the United States sold a record $8.3 billion worth of arms overseas, more than double the previous year. More than half—some $4.3 billion worth—went to the Persian Gulf: $3.7 billion to Iran, almost $600 million to the Saudis and $81 million to Kuwait.

Purchases by Iran will probably level off this year, though at a multi-billion-dollar level. But Saudi sales will jump, possibly to $2 billion, according to rough estimates which include money to pay for 94 American military advisers to train the Saudi National Guard.

Sales to Kuwait will escalate to about $500 million, and small, initial sales to Oman—including new TOW anti-tank missiles—will be made.

Almost weekly, there are new links in the U.S. chain to the Persian Gulf.

At Bethpage, N.Y., some 2,000 workers from the Grumman Corp.—manufacturers of the U.S. Navy's new F–14 fighter—are preparing to leave for Iran to help the Iranians learn to use the 80 F–14s they have ordered. They will join more than 15,000 Americans already in Iran, more than 800 of whom are military personnel or civilians associated with arms.

Somewhere in the United States, a Navy patrol plane detachment will probably soon get orders allowing them to land for refueling on the tiny island of Masirah, off the coast of Oman. There, they will keep track of Soviet warships that might move toward the narrow openings to the Red Sea and Persian Gulf.

Kissinger is known to want U.S. reconnaissance "eyes" over these entryways to the world's oil taps, and that is behind the recent request to the British for landing rights on the island.

"My chief criticism," said Hamilton about all this, "is that our policy is focused disproportionately on the military aspects of our relations, which are important but which shouldn't be all-encompassing. I don't argue that we should cut them off completely . . . but we've taken the path of least resistance, contributing in a major way to an Iranian military build-up and making them dominant in the region.

"I'm not sure that's in our national interest," he said "or in the interests of regional cooperation."

In return for those arms, however, Iran has acted as a protector in the region, and as a surrogate for U.S. interests to an extent greater than is generally realized, according to experienced State Department officials.

Aside from the battles in Oman and Iraq, Iran is functioning as sort of a U.S. weapons warehouse. The Iranians shipped dozens of American-built F–5 fighters to Saigon in 1972 to help the United States beat the Vietnam cease-fire re-supply deadline. More recently they shipped other F–5s to Jordan, and some officials expect eventually they may be refurbishing tanks for the Pakistanis.

It is now evident, specialists say, that the shah not only wants weapons but also the technology and production line skills that could build up his industry and make him independent of the United States perhaps a decade from now.

Negotiations to allow co-production of military equipment in Iran—perhaps starting with helicopters—are already under way. The United States hopes to go slowly, but the shah, with his oil and price leverage, may force a faster pace.

What happens years from now if the United States is not independent of Persian Gulf oil needs and the shah is independent of the United States is an unanswered question.

Meanwhile, hundreds of arms salesmen from America, France, Britain and Russia continue to line up outside every defense ministry in the Persian Gulf.

It doesn't take much to persuade the shah of Iran to buy new equipment. The shah reads the U.S. trade magazine Aviation Week as carefully as he reads oil production reports and is well informed on defense issues.

But the sheer number of U.S. military advisers and industry salesmen now in the area does worry Hamilton and others, mostly because the occasional military attache who is eager to impress the local U.S. embassy or perhaps to line up a retirement job in an aircraft company may further stimulate the easily whetted appetite for weapons among the sheiks.

The actual overseas sales proceed in many ways. For the most part, foreign countries prefer to buy from the U.S. government, to keep the United States in the act as a middleman and perhaps get better prices because the government can buy in quantity with other orders.

Orders from the Persian Gulf, in particular, are about 90 per cent government-to-government sales, with the remainder direct contracts with American companies.

But no matter how the sale is proposed, if it involves arms or weapons technology by a company, the U.S. government gets a look at the deal and must give its approval.

Finally, among those concerned over the arms sales question, there is the sense of unreality.

Large amounts of weapons are being sold to countries that have sharply raised oil prices, in part to acquire those arms. They are the same countries that are generally identified, whether correctly or not, as the cause of the world's economic upheaval. And they have even been mildly threatened that U.S. force will be used against them if they go too far.

[From the Washington Post, Feb. 9, 1975]

UNITED STATES VETS TO TRAIN SAUDIS—LOS ANGELES FIRM GETS $77 MILLION PENTAGON PACT

(By Peter Arnett)

LOS ANGELES, February 8—Several hundred former U.S. special forces soldiers and other retired Vietnam war veterans are being recruited by a private American contractor to train Saudi Arabian troops to protect oil fields.

The $77 million U.S. Defense Department contract, awarded to the Vinnell Corp. of Los Angeles in January, is the first ever given to a private American company to train a foreign army, the company said.

Private concerns have often handled logistics and maintenance chores of armed forces of the United States and friendly foreign governments. But showing foreign troops how to fire their weapons and fight wars has been the mission of U.S. military advisory teams, most recently in Southeast Asia.

The troops to be trained over the next three years by a 1,000-man Vinnell Corp. contingent belong to the Saudi Arabian National Guard, the 26,000-man internal security force commanded by King Faisal's half-brother Prince Abdullah Bin Abdulaziz.

These troops are primarily responsible for guarding the country's oil fields and the petroleum export facilities. They also provide the key bodyguard units for the Saudi Arabian royal family. Their purpose is also to supplement, if necessary, the rapidly modernizing 36,000-man Saudi Arabian regular army.

Beginning in July, Vinnell is to train three newly mechanized infantry battalions of 1,000 men each, as well as a 105-mm howitzer artillery battalion of about equal size.

The U.S. government will provide the military hardware under a $335 million contract signed with Saudi Arabia in 1974, including Vinnell's fee.

Saudi Arabia will pay the government, which will in turn pay Vinnell.

Vinnell Corp. executives and the American military men so far recruited for the job are sensitive about suggestions that they are organizing what some might consider a mercenary expedition.

"Maybe this contract has come about because the political climate of the day might be against the U.S. military sending such a big team," said Vinnell's general manager for special projects, Bob Montgomery, who returned to Los Angeles Thursday from a visit to Saudi Arabia. "But we are not creating a mercenary force. This is a one-time thing to do a specific job."

A former U.S. Army officer said: "We are not mercanaries because we are not pulling the triggers; we train people to pull triggers."

Another officer laughed and said: "Maybe that makes us executive mercenaries."

The Vinnell contract is part of a vast program under way in Saudi Arabia to spend billions of dollars of oil profits to strengthen the armed forces.

Partly because the Saudis are relying on a Defense Department study of their military requirements, they are buying American-made Northrop F–5E jet fighters, Bell helicopters, Cadillac Gage armored personnel carriers.

Other American firms already in Saudi Arabia on military and related projects are Lockheed Aircraft and Raytheon. AVCO is training and modernizing the coast guard. The 163 military advisers listed at U.S. Military Advisory Headquarters are concerned with the regular Saudi army.

The U.S. Army Materiel Command will estabish an office in Saudi Arabi to administer the contract to modernize the National Guard, and Vinnell will report to that command.

The training contract is the first won by Vinnell in the Persian Gulf, but in the past 40 years the corporation has had engineering and construction projects in 50 foreign countries. In South Vietnam it did $200 million worth of business in 15 years. Vinnell also built Dodger Stadium in Los Angeles and is completing the third stage of the Grand Coulee hydroelectric program.

"We are not a spook outfit," said the president, John F. Hamill, at Vinnell's modest headquarters in Alhambra, a Los Angeles suburb. "We worked hard for this contract, sinking five years of effort in winning the confidence of the Persian Gulf countries."

Vinnell's was one of four proposals considered for the Saudi Arabian guard job. Long before it was awarded the contract Jan. 8, the company began preparations, recruiting Col. William G. Walby as training director last May, three days after he retired as commander of the 4th Advanced Individual Training Brigade and Training Command at Ft. Ord, Calif.

"Two years ago we could not have gotten skilled men, but with the big military cutbacks we have plenty wanting to join up," Hamill said.

Two modest advertisements in newspapers serving Ft. Ord and Ft. Carson, Colo., brought 10 applications from retiring soldiers for every available job, he said.

Salaries for most of these recruits from the military will range from $1,500 to $1,800 a month on an 18-month contract, with a bonus of $2,400 at the end. After 510 days out of the United States, they will get $20,000 of their income tax free. And in addition, all of these former soldiers have healthy military pensions ranging from $10,000 to $14,000 a year. Housing in Saudi Arabia will be provided free, and living expenses are so low that, according to Vinnell executives a prudent "executive mercenary" could bring home most of his salary.

Vinnell executives were reluctant to go into detail on statistics and locations, arguing that the Saudis are sensitive in these areas. Defense Department sources said the Vinnell training camp will be located at Khashm-Al-An, about 15 miles east of the capital of Riyadh and will be an extension of an existing training installation.

The camp will be completed by the end of this year, but Vinnell intends to begin training programs in July this year, putting through a battalion of troops at a time.

"We have names of hundreds of men both out and nearly out of the Army," said training director Walby, a 49-year-old ramrod-straight veteran of 30 years of Army service. "They are calling up from Ft. Bragg, [N.C.] and many other places. To select them, we are using the same criteria as picking NCOs [noncommissioned officers] and command officers in the Service."

U.S. ARMS EXPERTS MAY AID KUWAITIS—ARAB OIL STATE IS REPORTED SEEKING INSTRUCTORS IN USE OF NEW WEAPONRY

(By Eric Pace)

KUWAIT, February 18.—Kuwait, concerned about the possibility of a confrontation with Iraq, intends to bring United States military experts here to instruct her armed forces in the maintenance and use of the more than $250-million in American missiles, planes and military transport vehicles bought in December, highly placed sources said today.

No difficulty is expected in arranging with Washington for the experts—perhaps as many as several hundred—to come here, the sources said.

It has not yet been decided whether all the personnel involved are to be members of the United States armed forces or whether some of them are to be American civilians, such as those employed recently to train guardsmen in Saudi Arabia.

No date has been set for the arrival of the first experts, the sources said, but the first of the vehicles is to arrive shortly. Deliveries of a score or more of McDonnell-Douglas A–1 Skyhawk attack planes and batteries of Hawk antiaircraft missiles are not expected to begin until 1976 or 1977.

The supply of military equipment and expertise to this oil-producing emirate is a further step in an expansion of the United States military role in the Persian Gulf region and elsewhere on the Arabian Peninsula—areas that furnish a substantial share of the non-Communist world's oil imports.

Other countries in the region that have acquired United States arms and have been using the services of United States military experts include—apart from Saudi Arabia—Iran and Jordan and, in recent weeks, Oman.

There have been reports that the United States may also resume arms deliveries to Pakistan. Washington has asked for occasional landing rights at a British military airfield on the Omani island of Masirah.

Here in Kuwait, the essentially conservative Government wants to build up its defensive capabilities mainly because it is nervous about the intentions of the left-wing Baathist regime in Iraq, according to the sources, who are supporters of the Emir, Sheik Sabah al-Salim al Sabah.

BORDER DISPUTES WITH IRAQ

There has been a long history of border disputes and clashes between the neighboring countries at the head of the Persian Gulf, Iraq has been unwilling to have the border formally demarcated.

Kuwait can easily afford to buy more arms, it was said here, because her oil revenues are expected to reach $10-billion this year. Kuwait's population is only 900,000.

Preparing for a build-up of their armed forces with advanced weaponry from the United States and elsewhere, the Kuwaiti authorities have laid plans for a large center to train Kuwaiti military technicians, the sources said, so the country will not be dependent on foreign military experts in the long run.

Kuwait is so sensitive about the presence of foreign military experts here that she does not permit military attaches to be assigned to foreign embassies although Britain maintains a military liaison group of more than 100 in the country.

The United States experts, it is expected, will include instructors in the use of weaponry as well as specialists to teach Kuwaitis how to maintain and inventory equipment, including the large supply of spare parts required in servicing the Skyhawks. But it was emphasized that there was no intention of keeping the Americans here after Kuwaiti personnel had been taught to take over.

By MR. KENNEDY (for himself and Mr. MATHIAS):

S. 796. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 797. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 798. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 799. A bill to amend chapter 5 of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 800. A bill to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes. Referred to the Committee on the Judiciary.

IMPROVEMENTS IN ADMINISTRATIVE PROCEDURES OF FEDERAL DEPARTMENTS AND AGENCIES

Mr. KENNEDY. Mr. President, too often outmoded and inflexible procedures have become obstacles to effective, efficient agency action. The current attention being given the subject of regulatory reform reflects the public dissatisfaction with not only what many agencies are doing, but how they are doing it. It is thus timely for Congress to turn its attention to legislation to improve the administrative procedures of Federal departments and agencies on a governmentwide basis, and I am thus introducing, for myself and the Senator from Maryland (Mr. MATHIAS), five bills to amend the Administrative Procedure Act.

The Administrative Procedure Act, which establishes the general principles and requirements which govern procedures in nearly all Federal agencies, was enacted in 1946. Since that time it has stood substantially unchanged, except for the enactment and subsequent amendment of the Freedom of Information Act. During the 1960's, the Senate Subcommittee on Administrative Practice and Procedure gave lengthy and detailed consideration to proposals for a general revision of the act, but no legislation was enacted. This was due in large part to the differences which emerged between the agencies and the organized bar over the content of specific amendments.

In August 1970 the house of delegates of the American Bar Association adopted 12 resolutions calling in general terms for amendments to the Administrative Procedure Act. These resolutions were referred to the administrative law section of the ABA for the drafting of implementing legislation.

Meanwhile the Administrative Conference of the United States, an advisory body established by statute to study problems of administrative procedure in Federal agencies, initiated its own study of the ABA proposals, while, at the same time, working closely with the administrative law section. At its plenary session in June 1973, the conference adopted a comprehensive statement addressed to the American Bar Association proposals. This statement was subsequently amplified in some particulars. Stated briefly, the conference is in entire or substantial agreement with five of the ABA proposals, is noncommittal on one, and disagrees to a greater or lesser extent with five others. Regarding one of the twelve ABA resolutions relating to pretrial conferences, the conference and the administrative law section agree that legislation is not called for.

Over the past few months, Administrative Conference Chairman Robert Anthony and his staff and ABA representative William Ross and his associates have been meeting together with the staff of the Administrative Practices and Procedures Subcommittee in an attempt to narrow areas of difference and to perfect legislative language to implement the various proposals to amend the Administrative Procedure Act. This has been largely accomplished, and the represenatives of the conference and the ABA agree that now is the appropriate time to begin legislative action on these proposals. To begin this legislative process and to facilitate consideration of those proposals by Congress, the agencies, and all other interested parties, I am introducing today a package of bills to amend the Administrative Procedure Act.

S. 796 is supported by both the ABA and the Administrative Conference. It would implement those four of the ABA proposals on which there is entire agreement between the Bar Association and the conference.

Section 1 of the bill would implement the ABA's resolution which called for "providing improved definitions for rule and order which clearly distinguish the nature of rulemaking from the nature of adjudication." This is a matter of considerable theoretical importance for, as the 1947 Attorney General's manual on the Administrative Procedure Act points out—

> The entire Act is based upon a dichotomy between rulemaking and adjudication.

The APA's present definition of "rule" 5 U.S.C. 551(4), covers agency statements "of general or particular applicability and future effect" and specifically classifies the approval or setting of future rates as rulemaking. The purpose of the proposed redefinition is to make the distinction between rulemaking and adjudication turn on whether the agency's action is of general or of particular applicability, rather than whether it is of future or of retrospective effect. The general versus particular distinction seems more in accord with ordinary understanding and usage.

The Administrative Conference, as I have stated, has endorsed the proposed redefinition. However, it has done so on the understanding that those formal proceedings, particularly ratemaking—which have heretofore been subject to more flexible procedural requirements than ordinary formal adjudication in sections 554, 556, and 557 of the APA—should continue to receive special treatment because of the strong policy component in these determinations. Consequently, a new definition, "ratemaking and cognate proceedings" is contained in the bill. It is intended to cover those proceedings affected by the change in the definition of "rule" and is used elsewhere in the bill to permit the agencies to retain their present procedural flexibility with respect to such proceedings.

Section 2 of the bill is intended to narrow the present exemptions from the requirement in 5 U.S.C. 553, for notice and opportunity for public comment on proposed agency rules. The section would delete entirely the so-called proprietary exemption for matters relating to "public property, loans, grants, benefits, or contracts," and it would cut back the present exemption for rulemaking involving a military or foreign affairs function, so that the exemption would apply only to matters required to be kept secret in the interest of national defense or foreign policy. Agencies would, of course, continue to be able to dispense with notice and opportunity for comment on the basis of a specific finding that such public procedures are "impracticable, unnecessary, or contrary to the public interest."

In addition, the bill would make it clear that such a finding may be made by rule with respect to a category of future rulemaking proceedings. I have introduced legislation in previous Congresses which embodied this provision, and I am pleased that many agencies have by regulation already adopted the approach of applying notice and comment provisions to loan, grants, public property, and other matters covered by this section. This section would make all agency activities uniform on this point.

Section 3 of the bill would authorize agencies conducting formal proceedings—rulemaking or adjudication—under sections 556 and 557 of the APA to establish appeal boards, made up of agency employees, to review decisions of administrative law judges. It would further authorize the agency to delegate final decisional authority to such boards or to the administrative law judges, subject to discretionary, so-called certiorari-type, review by the agency.

One of the common criticisms of regulatory agencies today is that they are so caught up in the problems of processing and resolving individual cases that they do not have adequate time or energy left for considering the broader questions of regulatory policy. In order to free the agency members of the burden of deciding routine cases, both the ABA and the Conference have recommended that the agencies have authority to delegate final decisions to appeal boards or to the presiding administrative law judge, subject to the agency's right to review cases which appear to the agency to present important issues. Many agencies, among them the ICC, the FCC, and the CAB, have such authority already, either by statute or by reorganization plan. This bill would make a general grant of authority in connection with proceedings governed by sections 556 and 557.

The last section of the bill relates to agency subpena power. The Administrative Procedure Act does not presently contain a grant of subpena power. It does provide that where agency subpena authority exists, subpenas must be made available to private parties in adversary proceedings to the same extent that they are available to agency counsel.

Most agencies which conduct formal proceedings under sections 556 and 557 of the APA do have subpena power. Such power is granted in the agency's organic legislation or in the particular substantive statute under which the proceeding is conducted. A few agencies which conduct such proceedings either have subpena power which is in some way limited or inadequate to the needs of the parties, or have no subpena power at all. These agencies include the Food and Drug Administration, the Postal Service, and the Department of the Interior. The basic purpose of section 4 of the bill is to fill existing gaps by providing within the APA a grant of subpena power for all agency proceedings, both rulemaking and adjudication, which are required to be conducted on the record with opportunity for a hearing. Both the ABA and the Administrative Conference have concluded that wherever an agency determination is of a nature and importance to justify requiring such formal procedures, all parties should have access to compulsory process for the obtaining of evidence.

S. 797 and S. 798 are alternative bills dealing with the problem of separation of functions. Section 554(d) of the Administrative Procedure Act now provides that an employee engaged in the performance of investigative or prosecutive functions for an agency may not participate in the decisionmaking process, except as witness or counsel, in the same or a factually related case. He cannot, in other words, participate first as an investigator or advocate and then turn around and act as decisionmaker or confidential adviser to the decisionmaker in the same case. This separation-of-functions requirement, however, is applicable only to certain classes of formal adjudications and it is not applicable at all to formal rulemaking.

The ABA proposals apply this provision across the board in all on-the-record proceedings governed by sections 556 and 557. The Administrative Conference has endorsed this approach with a single reservation: In those proceedings not now subject to section 554(d), the bar on participating or advising in the decision will not extend to agency officials who have not personally been involved in the case but who have general supervisory responsibility over employees who have participated in the case. In other words, the general counsel of an agency would not be disqualified from advising the agency members with respect to a formal rulemaking proceeding simply because attorneys in the general counsel's office participated in the hearing. S. 797 represents the ABA position on this question; S. 798 the Administrative Conference position.

S. 799 contains five amendments proposed by the American Bar Association. The Administrative Conference either opposes or remains uncommitted on these. Section 1 would insure that, with limited exceptions, the initial decision in an agency proceeding will be made by the impartial, presiding officer and not by the chief of the agency staff, whose subordinates act as advocates in agency proceedings.

Section 2 is a proposal directed toward improving the efficiency of administrative hearings by establishing, as part of the Administrative Conference, a committee on uniform rules to draft rules of procedure for formal adjudications. This reflects the strongly held views of the ABA that uniform rules would not only save the time of practioners, but would also help ordinary citizens who participate in agency proceedings by rationalizing an unnecessarily confusing aspect of agency practice.

Section 3 would prohibit ex parte communications between agency members and interested persons outside the agency regarding any fact as issue in any formal proceeding. The vices of ex parte communications in on-the-record proceedings are well known, and this section would fill a gap in the law and prohibit absolutely such contacts.

The fourth section provides for abridged hearing procedures where all parties consent, in order to save time and resources of the parties and agencies.

The final section is a provision concerning prejudicial agency publicity. This amendment is directed at the practice employed by some agencies of issuing incomplete information in a matter under review before a full determination of the facts has been made. To the extent that this practice can cause irreparable harm to businesses that were later absolved of wrongdoing, the ABA proposal attempts to stop trials in the press which might tarnish the integrity of agency deliberations.

The final bill in this package is S. 800, a bill to amend chapter 7, title 5, United States Code, with respect to the procedure for judicial review of certain administrative agency action. This bill involves legislative proposals which relate closely to the APA and which both the Bar Association and the Administrative Conference have carefully considered and have supported in the past. Briefly, it would implement three longstanding recommendations of the Administrative Conference by: first, abolishing the defense of sovereign immunity with respect to actions in Federal courts seeking relief other than money damages and stating a claim against an agency or officer acting in an official capacity—conference recommendation 69-1; second, permitting a plaintiff in judicial review proceedings to name as defendant the United States, the agency, the appropriate officer, or any combination of them and liberalizing the venue requirements for such actions—conference recommendation 70-1; and third, eliminating the requirement that there be at least $10,000 in controversy for Federal question jurisdiction under 28 U.S.C. 1331—conference recommendation 68-7.

This legislation was the subject of a comprehensive hearing before the Subcommittee on Administrative Practice and Procedure in June 1970. At that time representatives from the Administrative Conference and the administrative law section of the ABA testified in favor of the bill. The Department of Justice expressed opposition to abolishing sovereign immunity, but indicated that it had no objection to the second and third parts of the bill. The bill was favorably reported by the subcommittee but was not acted on by the Judiciary Committee. I hope we can get action by the Senate on this bill this session.

Mr. President, the subject of these bills has been discussed for over a decade. Two primary sources of information on the various proposals contained in these bills are the fall 1972 "Administrative Law Review," published by the administrative law section of the ABA, which is devoted entirely to this topic, and the 1973-74 report of the Administrative

Conference of the United States, largely devoted to these amendments. The introduction to the "Administrative Law Review" issue on this subject contains an excellent overview, which I commend to my colleagues; the introduction, written by Mr. Cornelius Kennedy, has been reprinted in the RECORD and can be found on page 7287 of the March 12, 1973, daily edition.

These bills I am introducing will go a long way toward improving the manner in which agencies of the Federal Government administer their responsibilities. I hope they will be acted on in the 94th Congress.

Mr. MATHIAS. Mr. President, I am pleased to join today as a cosponsor of legislation embodying a number of reforms and improvements in Federal administrative procedure.

These bills are the result of efforts by the American Bar Association, the administrative law section, the Administrative Conference of the United States, and those of us in the Senate who have had a sustained interest in administrative law over the years. I have, in the past, sponsored some parts of this package and I am pleased to sponsor all of these bills today.

I do so not with the assurance that I will eventually support all of these measures, but in the anticipation that hearings which will be held in the Subcommittee on Administrative Practice and Procedures will provide an opportunity to review a number of aspects of administrative law and a chance to consider all manner of improvements thereto.

Ours is a massive government which intrudes into almost all aspects of the lives of its citizens. There seems to be no end to the number of agencies and bureaus, regulatory and otherwise. These are a great source of aid and protection to most citizens, but this vast Federal Establishment can also be a web of confusion for many Americans. It is a thicket of uncertainty for others who are unsure of their rights and of the procedures they must follow. While the procedure followed by the Government is a continuous source of activity for many Federal employees and the large Washington legal community, it is often bewildering to the average person.

I must say also that many members of the Federal bureaucracy, of the Washington legal community, and the nearby legal community of Baltimore, have been in the forefront of proposals to reform and simplify the Federal process. I welsome them and commend their efforts in this regard.

I hope that the legislation which we introduce today will result in improvement of the administrative practices of the Government. I believe that these problems have been too long neglected. I believe that we have failed to keep the rule of law at pace with the growth of the Federal bureaucracy. The result has contributed to the skepticism and cynicism about government. I will repeat again what I said over a year ago in connection with a then pending investigation into the procedures of the Cost of Living Council—no process will long retain or deserve popular support if its decisions are not arrived at by a process which appears open, fair, consistent, thorough, rational, enforceable, and necessary.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 199

At the request of Mr. WEICKER, the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 199, a bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

SENATE RESOLUTION 20

At the request of Mr. KENNEDY, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of Senate Resolution 20, relating to the Vladivostok agreement and strategic arms control.

HEARINGS ON MARITIME ADMINISTRATION AUTHORIZATIONS—FISCAL YEARS 1976 AND 1977

Mr. HARTKE. Mr. President, on behalf of the senator from Washington (Mr. MAGNUSON) I would like to announce that the Senate Commerce Committee's Subcommittee on Merchant Marine will hold a hearing on Friday, February 28, 1975, on the fiscal years 1976 and 1977 maritime authorization bill, which will be introduced in the Senate on Monday, February 24, 1975.

Section 607 of the Congressional Budget Act of 1974 requires that requests for authorizing legislation, beginning with the fiscal year 1977 must be submitted to the Congress by May 15 of the year preceding the start of the fiscal year. Thus, the Maritime Administration will submit the authorization legislation for both fiscal years 1976 and 1977 for consideration at this time.

The total amounts authorized in the draft legislation are $593,613,000 and $623,396,000 for fiscal years 1976 and 1977, respectively.

The hearings will begin at 10 a.m. in room 5110 of the Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

EVEN THE FUTURE IS NOT WHAT IT USED TO BE

Mr. HARRY F. BYRD, JR. Mr. President, during the current session of the Congress, the issue of the regulation of private enterprise will be coming before us with great frequency.

Almost every proposal for energy conservation includes regulation by the Government. The effect of regulation on the transportation industry is going to be examined closely. Environmental and safety regulations will be major issues. Several proposals have been advanced affecting the role of the Federal Reserve Board.

The list goes on and on. I suggest that as a general principle, we should start from the premise that the least regulation is the best regulation.

The free private enterprise system has given us the highest standard of living in the history of the world. The more we substitute the judgment of the Government for the judgment of the market, the more we hamper the operation of the very system which has given us our strength.

In an excellent address before the Commercial Club of Boston last November 12, Walter B. Wriston, chairman of Citicorp, set forth principles which I believe constitute sound guides in the framing of public policy.

Mr. Wriston ably argues that the free market in goods is as meritorious as a free market in ideas, and that those who espouse freedom of thought and speech should look skeptically on proposals to hobble commerce and industry with the kind of regulation they despise in the intellectual realm.

I think Mr. Wriston's speech is a splendid statement of principles, and I ask unanimous consent that his address, entitled "Even the Future Is Not What It Used To Be," be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

EVEN THE FUTURE IS NOT WHAT IT USED TO BE

(By Walter B. Wriston)

Much has been written and said about the mood of our country today. We are told that the traditional American sense of optimism has been replaced by doubt and gloom and that our expectations are now best summed up by Paul Valery when he said: "Even the future is not what it used to be."

I am not suggesting that we do not have troubles. We do. But we have had troubles before without wallowing in cynicism and pessimism. Why is the future, in our eyes, not what it used to be?

One reason is the omnipresence of the media. Any dispassionate assessment would have to conclude that in many ways our jounalists are better than they have ever been. Often they offer a better product than they have ever offered before. But one indisputable fact stares us in the face: the profession as a whole lacks a sense of history which is essential to balance, to perspective and to optimism. This perhaps is what Katherine Graham intended when she wrote recently about the press: "How we perform, how much wisdom and energy and professionalism we display, will have a bearing on the nation's capacity to cope with some very serious matters." Without that wisdom and professionalism, fundamentals are often overlooked.

The current inflation, for example, was not produced yesterday. It is a result of years of wrong monetary and fiscal policy. The causes reach back through the Johnson years. The bad effects are now exacerbated by extraordinary climactic disasters, and the development of an oil cartel for political rather than economic utility.

This lack of a sense of history reveals itself as one of the most fundamental causes of pessimism. It ought to be evident that a machine which has rusted over the years cannot be repaired overnight by some dramatic thing like wage, price and profit controls—the economic equivalent of tying down the safety valve. Because the curbing of money supply by the Federal Reserve Board is not dramatic and is done "in secret," it is not perceived as having any real effect. Again and again the media succumbs to the ancient philosophical absurdity: if you cannot kick it, it does not exist. That is why fiscal and monetary restraint is "nothing," while controls, which are "something," seem better than "nothing." They can see it happen; therefore, it is real. If Jack Anderson has not alerted us, nothing has happened. But the significant realities are still invisible: they are the distortions and long-range disasters that cannot be instantly observed—and so are neglected.

There is another consequence of a deficient sense of history. The media peer into the future insistently. The present is not exciting enough, so they must see around corners and tell us what comes next. Their poor record as prophets rests upon the simplest engineering experience—a short baseline is fatal to useful extrapolation.

Journalistic prophecies are by no means all political. Before the recent fight between Foreman and Ali, reams were written upon the assumption that Foreman would defeat Ali. He had youth, some advantage in weight, packed a heavy punch—and on and on. More was written in prophecy than about the action itself.

The same game is played by the media with a presidential press conference. Why is he holding it now—rather than last week or next? What topics will he discuss? Is it possible to have "made available" to The New York Times his briefing books? They printed a preliminary draft of a Kissinger speech to be made a few days later in Rome. How the public interest was served by printing something not yet said, and perhaps never to be uttered is incomprehensible. If they could find "available" the President's briefing books for his press conference, how wonderful that would be! When the press conference is complete, instant analysis pours out of the TV to tell us at great length that the conference produced no surprises. He said nothing new; no new bold plan of action emerged. Clearly the press conference was a failure. Where in this incident is the "wisdom" that Katherine Graham urges?

Prophecy is not sound journalism because by this process, everything can be made to seem a failure. If the President goes to Kansas City, for example, we are told he failed to draw as large a crowd as was hoped for. If Jim Plunkett completes seven out of eleven passes, we are told that his performance was a failure; his average should be nine out of eleven.

Make the list of illustrations as long as you like. The technique can be used to prove that we never succeed—that cynicism and pessimism are justified. The process is corrosive.

I do not want you to think the media are alone in their lack of historical perspective. It was neither the media nor academia that gave us, years ago, the National Recovery Act—the famous blue eagle, supported whole-heartedly by business. That sally into an adaptation of Mussolini's corporate state would have been utterly destructive to our free enterprise system. We were saved from ultimate disatser by those famous "nine old men" who used the chicken case to bring our economy back toward sanity.

In like manner, businessmen who should have known better, approved the experiment with wage and price controls during the Nixon Administration. In that instance they were joined by academia and the media in a return to thinking that reached its zenith in the Seventeenth Century under Colbert in France. The central government then decided everything—even the size of a handkerchief. Yet here we are living in the last quarter of the Twentieth Century, putting Seventeenth Century shackles on a system which has developed the highest standard of living in the world.

There are only a very small number of people who truly want our form of society to fail, and fewer still want the First Amendment altered. On the other hand, there are many articulate people who would unwittingly destroy our freedom by promoting the demise of a market economy. The attack on the market system which has provided more people with the highest standard of living in the history of the world is unrelenting. The cry is that the economy must be planned and directed minutely by Washington.

The continuous assertion that the free marketplace will fail to provide goods and services at a fair price is not applied to the intellectual arena. Here in Boston, a bastion of academic freedom, it is taken for granted that Oliver Wendell Holmes was wise when he asserted that "the best test of truth is the power of the thought to get itself accepted in the competition of the market." The people who clutch this truism to their bosoms, at the same time do not apply the same standard to the vendor of goods. Somehow they reason that ideas are not injurious to your health, since the man on the street is perfectly able to sort out the stupid from the brilliant concept. The same man, however, is totally unable to be left to decide whether or not to buckle his seat belt.

Freedom to innovate is as necessary for the doer as for the thinker. Those innovations all the way from the cotton gin to the computer and the millions of novel techniques in between have had, in many cases, more beneficial social consequences than any legislation passed by Congress and administered by bureaucrats. It is an historical accident, but a happy one, that the Declaration of Independence and Adam Smith's *Wealth of Nations* were both published in 1776. Both were dedicated to the freedom of the individual to think his own thoughts, choose his own occupation and follow where thought led—to speech, to deed, to innvention. Freedom is indivisible.

One of the reasons that intellectual freedom has survived all of these years is not only that it is an older concept than market freedom, but also because the facilities of thousands of colleges and universities are articulate defenders for their own cause. It is a popular cause, as well it should be. When it comes under attack, however, the intellectual community doesn't act much differently from any other sector of society. When the late Senator McCarthy was at the height of his vituperative powers and was seeing a communist on every campus, there were depressingly few academics like Nathan Pusey who stood up to do battle with him. In the end it was a tough lawyer from Boston who finally brought him down. The lawyer had the silent cheers, but not much articulate support from the academic community, many of whom feared retribution from McCarthy's acid tongue.

The businessman has had no such guild to defend his right to free speech and free enterprise. Unlike the intellectual community, the businessmen of the world perceive that they are always under the threat of retaliation. Whether rightly or wrongly, they believe that this retaliation would be aided and abetted by those who do not trust the free markets in goods, but only promote one in ideas. A railroad executive who publicly attacks the corrosive bureaucracy of the Interstate Commerce Commission, which has been so largely responsible in regulating our railroads into bankruptcy, fears that his next plea for a rate increase will be prejudged. A merchandiser who dares challenge some arbitrary rule, promulgated by the Federal Trade Commission, fears that bureaucracy will live to fight him another day. A banker who suggests that the current regulatory attitudes on interest rate ceilings are designed to rip off the consumer fears that retribution will be visited upon him by the regulators in Washington. Many ardent defenders of freedom of speech argue that advertising copy for products and services is a fit subject for government regulation, lest the dumb citizen be bilked of his money by buying an inferior product. If inferior, doubtful or even false opinions and ideas are put between the covers of a book, published in the newspapers or flashed on television the citizen no longer needs the protection of government regulation. It is an interesting piece of intellectual hairsplitting based in part on our view of our own importance.

One thing that keeps us all going is that we view our own means of earning our daily bread as in some way making an important contribution to our world. Without bankers the economy would not function. Without bakers the world would starve. Without teachers there would be ignorance. Without politicians there would be anarchy. Make the list as long as you like and fill in the blanks with any known occupation. Raymond Aron put it this way: "A superficial explanation for their preference for free speech among intellectuals runs in terms of vertical interests . . . intellectuals are engaged in the pursuit of truth, while others are merely engaged in earning a livelihood. One follows a profession, usually a learned one, while the other follows a trade or a business." On the other side of the fence, some businessmen speak scornfully of intellectuals "who have never met a payroll."

The fact that I argue today for a free market in goods and services, and that such a market would benefit my company, does not make my argument unsound. Self-interest and public policy can and often do coincide. No one attacks a newsman demanding freedom of the press just because the pursuit of that objective is what puts money in his pocket and dinner on his table. No one attacks a professor arguing for academic freedom, although its absence might cause the scholar to lose his job.

It is anachronistic that many who champion everyone's right to dissent and to demonstrate without any government restraint whatsoever are often the most outspoken advocates of eliminating freedom in other markets.

Almost daily, *The New York Times* calls for economic controls over every sector of the society except itself. Its editors seem never to read the Amendments to the Constitution beyond the First. There is nothing in the record which would indicate that the business of publishing or of broadcasting for profit serves the public interest in any more honest or scrupulous a fashion than do other businesses. The reality is that any business of any kind which is not prudently managed or does not meet public demand will fail over time.

Those who would substitute the judgment of the bureaucrats for the judgment of the consumer inevitably forget that liberty is indivisible. The free market for goods and the free market for ideas stem from the same root—freedom. They are inseparable. It was no accident that intellectual freedom disappeared under the Nazis and did not reappear until the free market system was established in West Germany after the war. Russia and other communist countries that control their economies control their press and their professors. The road to serfdom is paved with demands for governments to take over more and more economic activity.

Why the attitude is so persistent that business should not share freedom is somewhat of a mystery. The late Chet Huntley, who was one of the most respected newscasters, wrote after his retirement: "One general characteristic of the American press which seems inexplicable is the basic antipathy toward business and industry which I believe exists in our journalism." Huntley suggested that a possible reason for this perceived antipathy is the assumption by the press that business is more concerned with making money than providing the people what they want. They forget that without money people cannot buy and if people do not buy, there is no business or products or jobs or tax revenues. The tendency to deplore profits stems from the medieval idea that all business is a zero sum game. That is, one person's profit is another person's loss. There is no question that there are shoddy practices in every profession and that our economy produces goods which are often vulgar or poorly made. The beauty of the system is that if the consumer doesn't want to buy them, the businesses that produce them will either shift to new products or they will fail.

The critics of the business and industrial community labor under the illusion that they can draft a law to protect every right, defend every privilege, and anticipate every threat. When regulation fails, as it inevitably does, they do not repeal the laws but amend them into infinite complexity until the purpose of the original law is lost. The use of the regulatory reflex merely feeds an insatiable appetite for power on the part of an expanding government bureaucracy. We have now reached the point where one-sixth of the American labor force works for the government, and government expenditures are approaching 40% of the gross national product. Even some of the regulators are denouncing other regulators as barriers to better productivity.

The hand of government touches every aspect of human productivity. It is not only wasteful, but serves to destroy incentive and to discourage ingenuity. The great Boston Justice of the Supreme Court, Louis Brandeis, wrote: "The greatest dangers to liberty lurk in the insidious encroachment by men of zeal, well-meaning but without understanding."

It is ironic that a society which looks to industry for the solution of many of its most pressing problems inhibits the ability of industry to respond. While present technology does not permit us to have surgically clean air and plentiful electricity at less cost at the same time, there is no reason to believe that future technology will not provide those benefits. The essential ingredient is freedom to act and an understanding that individual liberty is not only precious, but efficient.

The time has come for businessmen to do two things—restudy the philosophy of free enterprise and recognize that we have the same rights under the First Amendment as any other group in our society. The businessman, like the professor and commentator, has the right under the First Amendment to express his views to the public and to his elected representative. He is not a second-class citizen. Running a successful business enterprise calls for ethical men with the wisdom and patience to make prudent and responsible decisions in a highly competitive and fast changing market.

There are overwhelming reasons for kinship, instead of hostility, between the free market for intellectual life and the free market for economic life. There is an identity of interests, since both call for voluntary effort. Neither fraud nor coercion is within the ethics of the market system, since the competition of rivals provides alternatives to every buyer and seller. So, too, free thought in our society is preserved by open competition among scholars. Just as thought control is the great enemy of the freedom of inquiry in both the press and academia, economic controls are the great enemy of the entrepreneurial spirit.

Rediscovering the indivisibility of political and economic freedom will take time in a society which has become so accustomed to overreliance on government. The intellectual bias against the market is strongly entrenched, and there are some who always find a platform to continue to feed this bias out of hostility or a complete misunderstanding of the market function.

One cannot erode freedom in one sector of society without adversely affecting all others. All history argues that the media and academia have as great a stake in preserving a free market for goods and services as do businessmen in defending the free market for ideas. We need to have both or we may find ourselves with neither.

EDITORIALS SUPPORT S. 2

Mr. **PROXMIRE**. Mr. President, the Honolulu Star-Bulletin and radio station KEEN of San Jose, Calif., recently supported editorially bill S. 2, the First Amendment Clarification Act of 1975.

Mr. President, I ask unanimous consent that these editorials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Honolulu Star-Bulletin, Feb. 13, 1975]

BROADCASTING CHANGE

In an America that has been re-awakened to the values of free speech, it would seem a good idea for the 94th Congress to enact S 2, offered by Sen. William Proxmire, D-Wis.

This bill would "remove constitutional restrictions against broadcasters in the Communications Act of 1934".

It would mean:

The end of the equal time rule for broadcasts by political candidates.

Abolishment of the fairness doctrine.

An end to the prohibition against political editorials by noncommercial broadcasters.

An end to the requirement that candidates for federal office must be allowed to buy broadcast time.

Simplification of re-licensing procedures, with the Federal Communications Commission concerned only about a station's technical quality, not the content of its broadcasts.

We judge each one of these changes to be in the public interest.

Laws against monopoly assure that no one owner will control all the media in any community. The law of the marketplace will assure reasonable access to the media. Laws against libel and slander will restrain broadcasting excesses.

Today, it takes a capital investment of about $100,000 minimum to get a radio station on the air, and around $1.5 million minimum to start a TV station.

With Ultra High Frequency (UHF) the number of TV channels is virtually unlimited, just as the number of radio channels seems to be.

We feel confident that the laws of the marketplace will either replace or discipline any broadcaster who strays too far from the path of responsibility.

The nation grants free speech to the print media on the same assumption, and has grown strong along with its press even as it occasionally gets wrathful at it. We feel sure the same can be true of broadcasting.

[From Radio Station KEEN, San Jose, Calif., Feb. 14, 1975]

FREEDOM FOR BROADCASTERS

Anyone can start a newspaper, if he has the capital. But not everyone can start a broadcast station, no matter how much money he has. That's because the air waves are limited. And so there has developed a theory that there must be tight government control of the broadcast media, whereas newspapers enjoy the constitutionality guaranteed "freedom of the press." So far the theory may be all right. But as everyone knows, most cities have several more radio stations than they have newspapers, because of the practical considerations of cost. It is cheaper to start a radio station in a metropolitan area than it is to start a newspaper. Now comes Senator William Proxmire with a bill that will "make sure all citizens of this country enjoy the protection of all the freedoms granted in the First Amendment of the Constitution." This would mean that the government would have nothing to say about programming or program content. Whereas today stations are under an implied censorship in that their licenses come up for review every three years, and programming is taken into account in issuing renewals. We think broadcasters ought to enjoy the same freedoms that the print media enjoy. We believe such was the intent of the early framers of the Communications Act. We hope that Senator Proxmire will be successful in obtaining support for his legislation to guarantee that freedom set forth in the United States Constitution.

THE POLITICS OF EQUAL TIME

Mr. **PROXMIRE**. Mr. President, one of the things which would be accomplished by the First Amendment Clarification Act of 1975, which I have introduced as S. 2, is an end to the so-called equal time rule for broadcasters.

This regulation was established by section 315(a) of the Federal Communications Act, as revised in 1959, which says:

> If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunity to all other such candidates for that office in the use of such broadcast stations . . .
>
> Appearance by a legally qualified candidate on any—(1) Bona fide newscast, (2) Bona fide news interview, (3) Bona fide news documentary . . . or (4) On-the-spot coverage of bonafide news events shall not be deemed to be use of a broadcast station.

Champions of section 315(a) argue that without it, a broadcast station could give lavish attention to one candidate's campaign and ignore the campaigns of the candidate's opponents.

If this were to be allowed, it is argued, the electoral process could be grievously distorted.

Mr. President, S. 2, is founded on the proposition that the electronic media are entitled to the same press freedoms as the print media. The first amendment does not mandate a fair press or an accurate press or a socially responsible press—only a free press, a press which is not subject to Government regulation.

The Founding Fathers believed that an unfettered press which was free to criticize the Government was essential to preserving our liberty. They believed the dangers of Government control far outweighed the dangers of irresponsible journalism.

I believe that had television and radio existed in 1789, the Founding Fathers would have regarded those media as a part of the "press" protected by the first amendment.

For the sake of this discussion, however, let me suspend my viewpoint for a moment. Let us assume that the press is constitutionally required to be fair and responsible.

Assuming further that it really is possible to define "fair" and "responsible," what sort of behavior might we reasonably demand of the press?

I would think that as a minimum we would wish that the press would give the voters a chance to hear all the serious candidates for public office.

Now, does section 315(a) accomplish this goal? Quite the contrary, it has achieved precisely the opposite result. "Equal time" has meant "no time at all" in all too many political campaigns.

To be sure, virtually all stations have been more than willing to sell time to candidates. But offer free time? Hardly ever.

Why has this happened? Is it purely because the broadcast industry is too greedy to give away commercial air time?

No, the problem is section 315(a). The law makes no distinction between serious and frivolous candidates. Any "legally qualified" candidate is entitled to air time, if another candidate for the same office has been given air time.

Consider the meaning of this in terms of the 1972 Presidential campaign. Together, the Democratic and Republican tickets won 98.2 percent of the vote.

However, there were also Presidential tickets fielded by the American, Peoples, Socialist Workers, Socialist Labor, Communist, Prohibition, America First, Libertarian, and Universal Parties.

These parties shared about 1.5 percent of the vote. But, had the TV networks extended free time to the Democrats or Republicans, the other parties would have been entitled to equal time—to 82 percent of the air time, in fact.

Now, if the equal time problem is sufficient to scare broadcasters away from covering Presidential campaigns, clearly the situation is even worse for State and local races.

NEW JERSEY TEST

In 1973, one broadcaster—Nassau Broadcasting in New Jersey—attempted to demonstrate the ludicrous nature of the equal time law as it applied to the New Jersey gubernatorial campaign. Nassau Broadcasting sought to give the major candidates 2 minutes each of air time per week during the campaign on WHWH, Princeton, and WPST, Trenton.

But to do that, the broadcaster had to offer 24 minutes of air time, because there were 10 other candidates in the race.

When the election was over, the two major party candidates had won 98.6 percent of the vote. But they had been given only 17 percent of the air time.

The time and money involved were such that the broadcaster would never have done it other than to prove its point about the equal time rule.

Aside from the prime air time consumed, the stations had to undertake the task of finding all the candidates, of mechanically producing the various statements, and of hiring attorneys to be sure the station was complying with the law.

Thus, instead of furthering the public's access to campaign coverage, the equal time law is hindering it. And the public is the loser.

To be sure, there are four exemptions to equal time—newscasts, news interviews, documentaries and on-the-spot coverage of news events. Political conventions are covered by that last exemption. These modifications of section 315 (a) were approved by Congress in 1959 in the wake of the FCC's Lar Daly decision—that is the fellow who dressed up in an Uncle Sam suit and ran for President. The FCC said he was entitled to as much air time as any other candidate.

However, these exemptions put the broadcasters at the mercy of the candidates. "Media events" staged by a candidate are "bona fide news events" under section 315(a), but a program set up by a broadcast journalist is not legally "bona fide."

Joe McGuiness in "The Selling of the President 1968" and Timothy Crouse in "The Boys on the Bus" have documented the consequences of limiting broadcast coverage that way. Journalism gives way to PR manipulation. "Balance" on the time clock replaces sound news judgment.

This is not the sort of press the Founding Fathers intended us to have.

Newspapers are allowed to quiz candidates on important issues. Newspapers are allowed to stage debates. But the broadcast media cannot.

THE 1960 CAMPAIGN

One of my many objections to the equal time rule and the fairness doctrine is that they presume disaster would not result from giving TV and radio full press freedoms.

I say that the burden of proof belongs on the other side, that opponents of first amendment protection for broadcasters ought to show what awful things could happen with a free electronic press.

We seem to have forgotten, Mr. President, that once we did suspend section 315(a). Here is what happened:

> At 8:30 p.m., Chicago time, on the evening of September 26th, 1960, the voice and shadow of the previous show faded from the screen; in a few seconds it was followed by another voice and by a visual clip extolling the virtues of Liggett and Myers cigarettes; fifteen seconds were then devoted to Maybelline, the mascara "devoted exclusively to eye beauty, velvety soft and smooth." Then a deep voice regretfully announced that the viewers who turned to this channel would tonight be denied the privilege of viewing the Andy Griffith Show—and the screen disolved to three men who were about to confirm a revolution in American Presidential politics.
>
> This revolution has been made by no one of the three men on the screen—John F. Kennedy, Richard M. Nixon or Howard K. Smith, the moderator. It was a revolution born of the ceaseless American genius in technology; its sole agent and organizer has been the common American television set. Tonight it was to permit the simultaneous gathering of all the tribes of America to ponder their choice between two chieftains in the largest political convocation in the history of man."

That was Theodore H. White, in "The Making of the President 1960," setting the stage for his discussion of the Kennedy-Nixon debates.

Mr. White has a number of important points to make about those debates, and I ask unanimous consent that two excerpts from his book be printed in the RECORD at the end of my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

Mr. **PROXMIRE**. Mr. President, 15 years later, there is no doubting the historic importance of the debates. Yet this history has never been repeated.

The suspension of section 315(a) was done on a one-time basis, for the Presidential campaign of 1960 only. Congress has not suspended it again.

In urging passage of the suspension bill, the Senate Committee on Interstate and Foreign Commerce commented:

> In public affairs, television is an increasingly important medium since it alone can bring both the image and voice of the political candidate, reflecting his personality as he gives expression to his policy and his program. In these days, when leadership in the highest elective office involves the gravest decisions, every means must be taken to bring to as many people as possible the views of the candidates.

Those comments are as true today as they were then.

Also commendable is the sentiment voiced by my distinguished colleague from Rhode Island (Mr. PASTORE) in his statement in support of the bill:

> In adopting this course of action as recommended by this legislation the committee was aware of the opportunity it affords a broadcaster to favor a candidate. This is a risk that the committee feels is outweighed by the substantial benefits the public will receive through the full use of this dynamic medium in presidential campaigns on a voluntary basis. I have faith in the maturity of our networks and broadcasters and their recognition to discharge their obligation in the public interest.
>
> I feel that the proposals contained in this legislation are in the public interest and worth a risk being taken because the suspension is of a temporary nature and voluntary action is always preferable to Government action and therefore urge the passage of Senate Joint Resolution 207.

And so, by voice votes in both Houses, Congress enacted the suspension of section 315(a) as Public Law 86–C77.

Under paragraph (2) of that law, the Federal Communications Commission was required to report on the results of the suspension. The Commission's report was presented to the Commerce Committee on March 1, 1961. The report concluded:

> (a) That the networks made available to the presidential and vice presidential candidates of the two major parties a substantial amount of time in good viewing hours without charge.
>
> (b) That despite the sustaining time granted by the networks, the political parties spent as much for TV network broadcasts in 1960 as in 1956. Although their expenditures for radio network programs were somewhat less, indications are that total expenditures for political broadcasting (combined AM and TV networks and stations) were substantially higher in 1960 than in 1956.
>
> (c) That the affiliated TV stations with few exceptions cooperated in carrying the great debate programs, as well as the spon-

> sored political programs. Sustaining network programs, other than the great debates, on which the presidential or vice presidential candidates appeared received less clearance by the affiliated TV stations, although the stations' record of clearance of these programs was probably no less than their record of clearance of the same sustaining programs outside the election campaign period. Affiliates of the radio networks reported high clearances for the great debates, although less than the TV affiliates.
>
> (d) That, by and large, networks and stations exercised considerable care and succeeded in providing virtual equality in sustaining time as between the presidential and vice presidential candidates of the two major parties.
>
> (e) That presidential candidates of other than the major parties received relatively little free time. In this connection, however, it must be noted that there was no third party in this campaign which attracted national or even substantial regional support.

Throughout the debate in both Houses, the suspension of equal time was described as a "test" or a "trial." By the judgment of most everyone who studied the experiment, it was a success. The broadcasters proved their good faith. The public interest was superbly served.

But there were no further suspensions of section 315(a). Indeed, today the broadcasters are more tightly bound than ever.

CALIFORNIA PRIMARY—1972

With the battle for the 1972 Democratic Presidential nomination nearing a climactic showdown in the California primary, the three TV networks scheduled joint appearances by the two leading contenders—the distinguished gentlemen from Minnesota (Mr. HUMPHREY) and South Dakota (Mr. McGOVERN).

Unable to present a straightforward debate because of section 315(a), the networks decided to present special versions of their weekly interview programs, "Face the Nation" on CBS, "Meet the Press" on NBC, and "Issues and Answers" on ABC.

The networks claimed that as "news interviews" the programs were exempt from the equal time law. However, the honorable representative from Brooklyn Mrs. CHISHOLM, protested that the programs were clearly "debates" and subject to section 315(a).

The FCC rejected the honorable gentlewoman's complaint, but the U.S. Circuit Court for the District of Columbia ruled that the programs had deviated sufficiently from their normal formats to turn them into debates.

Not only was the honorable gentlewoman given a half-hour of air time on CBS as compensation for her exclusion from "Face the Nation"—she already had been given air time on NBC's "Today" program—but the court ordered ABC to either include the gentlewoman in the "Issues and Answers" telecast or provide her with a half-hour of air time.

Thus judged before its program had ever gone on the air, ABC elected to expand "Issues and Answers" to include the gentlewoman and also Sam Yorty, then mayor of Los Angeles and a candidate, plus a representative of George Wallace.

The resulting five-way exchange was widely regarded as a journalistic disaster.

In a statement accompaning the FCC decree complying with the court's order, Chairman Burch, joined by Commissioners Lee, Reid, and Wiley, said:

> There are two ways that candidates come before the public on the broadcast media—one in their own right, using broadcasting as a kind of electronic soapbox, and the other in the context of broadcast journalism. In the former, the candidate has complete control over the program: it is his show. In the latter, it is the broadcast journalist who controls the format: it is his journalistic judgment that is controlling.
>
> Congress has hedged the first type of presentation with an equal opportunities proviso—unfortunately so, in our judgment. There is a longstanding Commission proposal to amend Section 315 to limit the application of "equal time" in general elections to major party candidates, with such candidates defined liberally so as to include all who have significant public support. The basis of that proposal is obvious. Equal opportunities does not *get* free time for the Vegetarian or Socialist Workers or other "fringe" parties. As a practical matter, it just *inhibits* presentations of the major party candidates (or, in the primary context, of the candidates with any real chance of winning). The only loser is the public.

Concluding their statement, the Commissioners said:

> ...in the end, is what really is at issue: not the rights of any particular candidate but rather the overriding right of the American electorate to be informed.

Despite the air time, the gentlewoman's share of the primary vote is California was 4.8 percent. The gentlemen from Minnesota and South Dakota received a total of 88.8 percent.

LONG OVERDUE

This situation is intolerable.

It may well be that if we do away with the equal time law one station here or there might tilt its coverage or advertising policy in favor of one or another candidate.

But the evidence from 1960 indicates that whatever minor problems may be caused by eliminating section 315(a) are outweighed—indeed overwhelmed—by the increased political dialog between the candidates and the electorate.

I am pleased to learn that my esteemed colleague from Rhode Island has filed a bill, S. 608, to repeal the equal time law for Presidential and Vice-Presidential campaigns.

But are the voters any less entitled to hear from candidates for this body, or for the House of Representatives, for Governor, for State legislator, for county office, for mayor, for school board?

If anything, candidates for these less-visible offices need more TV and radio exposure than Presidential candidates. We should not merely return to the precedents of 1960, we should build upon them.

It is sometimes said that Americans are afraid of their freedoms. And some polls have shown that Americans have some doubts about the press.

But I do not believe that Americans truly want to repeal the Bill of Rights, nor do I believe that Americans will have more confidence in a controlled press than in a free one.

Through the years, Government regulation of broadcasting has been transformed from an instrument for policing the technical characteristic of broadcast signals into a method for censoring the news judgments of competent journalists.

In a free society, such interference cannot be allowed to continue.

EXHIBIT 1

ROUND TWO: THE TELEVISION DEBATES

At 8:30 p.m., Chicago time, on the evening of September 26th, 1960, the voice and shadow of the previous show faded from the screen; in a few seconds it was followed by another voice and by a visual clip extolling the virtues of Liggett and Myers cigarettes; fifteen seconds were then devoted to Maybelline, the mascara "devoted exclusively to eye beauty, velvety soft and smooth." Then a deep voice regretfully announced that the viewers who turned to this channel would tonight be denied the privilege of viewing the Andy Griffith Show—and the screen dissolved to three men who were about to confirm a revolution in American Presidential politics.

This revolution had been made by no one of the three men on screen—John F. Kennedy, Richard M. Nixon or Howard K. Smith, the moderator. It was a revolution born of the ceaseless Americas genius in technology; its sole agent and organizer had been the common American television set. Tonight it was to permit the simultaneous gathering of all the tribes of America to ponder their choice between two chieftains in the largest political convocation in the history of man.

Again, it is the census that best describes this revolution. Ten years earlier (in 1950) of America's then 40,000,000 families only 11 per cent (or 4,400,000) enjoyed the pleasures of a television set. By 1960 the number of American families had grown to 44,000,000, and of these no *less than 88 per cent, or 40,000,000, possessed a television set*. The installation of this equipment had in some years of the previous decade partaken of the quality of stampede—and in the peak stampede years of 1954–1955–1956 no fewer than 10,000 American homes had each been installing a new television set for the first time *every single day of the year*. The change that came about with this stampede is almost immeasurable. By the summer of 1960 the average use of the television set in the American home was four or five hours out of the twenty-four in each day. The best judgment on what television had done to America comes from the research departments of the large television network. According to them, is is now possible for the first time to answer an inquiring foreign visitor as to what Americans do in the evening. The answer is clear: *they watch television*. Within a single decade the medium has exploded to a dimension in shaping the American mind that rivals that of America's schools and churches.

The blast effect of this explosion on American culture in the single decade of television's passage from commercial experiment to social menace will remain a subject of independent study and controversy for years.

What concerns us here is politics and power; and the power of television to shape the American mind, concentrated, as it is, decisively in three commercial network offices in Manhattan, New York, has long perplexed the American Congress and its agent, the Federal Communications Commission. What perplexes Congress, fundamentally, is whether the hallowed doctrine of freedom of the press can responsibly be applied to the modern reality of American broadcasting. If, as Walter Lippmann has pointed out, there were only three printing presses available to publish the written word for the entire country, then the concern of the nation with the management of those printing presses would probably transcend "freedom of the press" too.

Thus, Congress and the FCC, down into the summer of 1960, had monotonously repeated their respect for television's freedom of expression, yet persistently restricted the power of the proprietors of TV to express this freedom politically. In essence, the regulations over our new communications system have permitted its proprietors any freedom of vulgarity, squalor or commercial profit—but little or no freedom of political expression.

These restrictions had, for years before 1960, irked the men who control and direct the great television and radio networks. However much they might be compelled to operate their companies as profit-making enterprises, they, too, were not only infected with the responsibility of American press tradition but also tantalized by the fantastic opportunities television offers for informing, educating and shaping the American mind. At its worst—which is common—television is one of the most squalid expressions of American culture; at its best—which is rare—it can achieve a breath-taking magnificence. Like most normal human beings, those who direct television yearned to show their best once their worst had made them rich.

In 1960 this yearning of the television networks to show their best was particularly acute. For the men who direct television are sensitive to public criticism; they wince and weep in public like adolescents at the slightest touch of hostility in print—and in 1959 they had suffered the worst round of public criticism and contempt since their industry was founded. The shock of the "payola" scandals of 1959; the Congressional hearings on these scandals; the editorial indignation in the "Gutenberg" media not only at these scandals but at the drenching of the air by violence, vulgarity and horse opera—all these had not only given the masters of television an inferiority complex but also frightened them with the prospect that the franchise on the air given to them so freely in return for their legal obligation of "public service" might be withdrawn, curtailed or abolished. It was a time for the "upgrading" of television; and the Presidential campaign of 1960 seemed to offer a fine opportunity for public service—if only Congress would relax those regulations and laws that had manacled and *prevented* television from doing its best.

Thus in the winter and spring of 1960 the networks, led by NBC and CBS had pleaded with Congress that they be allowed to do their best, and had fastened, in public hearing and testimony, on the abolition of a technical passage of communications law called Section 315. Section 315, more generally known as the "equal time" rule, is that section of the law that requires every radio and television station when offering "free" time to any candidate to offer similar "free and equal" time to every other candidate for the same office. But as interpreted by the FCC (and particularly in the Lar Daly decision of 1959), it required broadcasting stations to offer equal time not only to candidates of the two major parties but to *every candidate of every party competing for the same office.* For 1960 it meant, in effect, that not only must the television networks offer time to the Republican and Democratic candidates but also to each of the tiny splinter parties that have always operated on the American scene. (In 1960 there were actually fourteen other candidates for the presidency besides John F. Kennedy and Richard M. Nixon.[1]) The Lar Daly decision not only curtailed the offer of direct free time to candidates of the two major parties, but sternly diminished television's previous freedom to offer the public reportorial coverage, press conferences, or discussions and visits with anybody acknowledged to be a candidate. Hearings on the public plea of the broadcasting networks to abolish such restrictions were held in the spring; by May, bills were offered in Congress permitting a temporary suspension of Section 315 for the campaign of 1960 alone; on June 27th, Section 315 was officially suspended and the leash slipped on television's power of political participation.

It is important to understand why the debates of 1960 were to be different from previous political use of the medium.

Television had already demonstrated its primitive power in politics from, at least, the fall of 1952, when, in one broadcast, it had transformed Richard M. Nixon from a negative Vice-Presidential candidate, under attack, into a martyr and an asset to Dwight D. Eisenhower's Presidential campaign. But from 1952 until 1960 television could be used only as an expensive partisan instrument; its time had to be bought and paid for by political parties for their own candidates. The audiences such partisan broadcasts assembled, like the audiences at political rallies, were audiences of the convinced—of convinced Republicans for Republican candidates, of convinced Democrats for Democratic candidates. Generally, the most effective political broadcast could assemble hardly more than half the audience of the commercial show that it replaced. This was why so many candidates and their television advisers sought two-minute or five-minute spots tacked on to the major programs that engaged the nation's fancy; the general audience would not tune out a hostile candidate if he appeared for only two or three minutes, and thus a candidate, using TV "spots" had a much better chance of reaching the members of the opposition party and the "independents," whom he must lure to listen to and then vote for him. The 1960 idea of a "debate," in which both major candidates would appear simultaneously, thus promised to bring both Democrats and Republicans together in the same viewing audience for the first time. Some optimists thought the debates would at least double the exposure of both candidates. How much more they would do than "double" the exposure no one, in the summer of 1960, dreamed.

The future was thus still obscure when the representatives of the two candidates and the spokesmen for the broadcasting networks first met at the Waldorf-Astoria Hotel in New York in September to discuss the conditions and circumstances of the meetings. By this time each of the two major networks had offered eight hours of free time to the campaign, and the third had offered three hours, for a total of nineteen hours of nationwide broadcasting, worth about $2,000,000; they had also made it clear to the candidates that this was not "gift" time but time over which they, the networks, meant to exercise an editorial control to insure maximum viewing interest. Slowly, in discussion, the shape and form of the debates emerged—a controlled panel of four press interlocutors; no notes; dignity to be safeguarded; opening statements of eight minutes by each candidate in the first and last debates; two-and-one-half minute responses to questions. The Nixon negotiators fought to restrict the number of debates—their man, they felt, was the master of the form and one "sudden-death" debate could eliminate Kennedy with a roundhouse swing. They viewed the insistence of the Kennedy negotiators on the maximum possible number of debates as weakness. ("If they weren't scared," said one Nixon staffman, "why shouldn't they be willing to pin everything on one show") The Kennedy negotiators insisted on at least five debates, then let themselves be whittled to four. ("Every time we get those two fellows on the screen side by side," said J. Leonard Reinsch, Kennedy's TV maestro, "we're going to gain and he's going to lose.")

By mid-September all had been arranged. There would be four debates—on September 26th, October 7th, October 13th and October 21st. The first would be produced by CBS out of Chicago, the second by NBC out of Washington, the third by ABC out of New York and Los Angeles and the fourth, again by ABC, out of New York.

In the event, when all was over, the audience exceeded the wildest fancies and claims of the television networks. Each individual broadcast averaged an audience set at a low of 65,000,000 and a high of 70,000,000. The greatest previous audience in television history had been for the climactic game of the 1959 World Series, when an estimated 90,000,000 Americans had turned in to watch the White Sox play the Dodgers. When, finally, figures were assembled for all four debates, the total audience for the television debates on the Presidency exceeded even this figure.

* * * * *

No accurate political measurement or reasonable judgment is yet possible on a matter as vast as the TV debates of 1960. When they began, Nixon was generally viewed as being the probable winner of the election contest and Kennedy as fighting an uphill battle; when they were over, the positions of the two contestants were reversed.

No reporter can claim any accuracy in charting the magic and mysterious flow of public opinion between the time a campaign starts and the ultimate tally of feelings at the polls; and so opinion seesawed back and forth for weeks, as it still seesaws back and forth now, long after the debates are over, as to what, specifically, the debates achieved in shaping the campaign and American opinion.

There were fragmentary and episodic achievements that no one could deny.

Any reporter who followed the Kennedy campaign remembers still the quantum jump in the size of crowds that greeted the campaigning Senator from the morrow of the first debate, the morning of Tuesday, September 27th, when he began to campaign in northern Ohio. His crowds had been growing for a full seven days before the debates, but now, overnight, they seethed with enthusiasm and multiplied in numbers, as if the sight of him, in their homes on the video box, had given him a "star quality" reserved only for television and movie idols.

Equally visible was the gloom that descended on Republican leaders around the country; they were angry with their own candidate, angry at his performance, angry most of all at his "me-too" debating style. At Nixon headquarters in Washington, the telephones rang incessantly, demanding that someone get to this "new Nixon" and convince him that only the "old Nixon" could win.

There were other measurable hard political results. On the evening of the first debate, the Democratic governors of the Southern states were gathered for one of their annual conferences at Hot Springs, Arkansas. Except for Governor Luther Hodges[2] of North Carolina, they had until then viewed Kennedy with a range of emotions that ran from resigned apathy to whispered hostility. Watching him on TV that night, they too were suddenly impressed. We do not know whose idea it was to send Kennedy the telegram of congratulations which ten of the eleven signed that evening—but the enthusiasm and excitement of the telegram was not only genuine but a tidemark in the campaign. The Southern governors were with him now; and if they were with him, it meant that the machinery of their political organizations would be with him, too.

It is much more difficult to measure the debates in terms of issues, of education of the American people to the tasks and problems before them. For there certainly were real differences of philosophy and ideas between John F. Kennedy and Richard M.

Footnotes at end of article.

Nixon—yet rarely in American history has there been a political campaign that discussed issues less or clarified them less.

The TV debates, in retrospect, were the greatest opportunity ever for such discussion, but it was an opportunity missed. It is difficult to blame the form of the debates for this entirely; yet the form and the compulsions of the medium must certainly have been contributory. The nature of both TV and radio is that they abhor silence and "dead time." All TV and radio discussion programs are compelled to snap question and answer back and forth as if the contestants were adversaries in an intellectual tennis match. Although every experienced newspaperman and inquirer knows that the most thoughtful and responsive answers to any difficult question come after long pause, and that the longer the pause the more illuminating the thought that follows it, nonetheless the electronic media cannot bear to suffer a pause of more than five seconds; a pause of thirty seconds of dead time on air seems interminable. Thus, snapping their two-and-a-half-minute answers back and forth, both candidates could only react for the cameras and the people, they could not think. And, since two and a half minutes permit only a snatch of naked thought and a spatter of raw facts, both candidates, whenever caught out on a limb with a thought too heavy for two-minute exploration, a thought seemingly too bold or fresh to be accepted by the conditioned American mind, hastily scuttled back toward center as soon as they had enunciated the thought. Thus Kennedy's response to the first question on Quemoy and Matsu was probably one of the sharpest and clearest responses to any question of the debates; in that response, actually, Kennedy was tentatively fingering at one of the supreme problems of American statecraft, our relation with the revolution in Asia. Yet he was out too far with such a thought for a two-minute response[3] and, in succeeding debates, in reply to succeeding questions, he fuzzed the distinction between his position and Nixon's until it was almost impossible to tell them apart.

If there was to be any forum for issues, the TV debates should have provided such a forum. Yet they did not: every conceivable problem was raised by the probing imagination of the veteran correspondents who questioned the candidates. But all problems were answered in two-minute snatches, either with certain facts or with safe convictions. Neither man could pause to indulge in the slow reflection and rumination, the slow questioning of alternatives before decision, that is the inner quality of leadership.

If, then, the TV debates did little to advance the reasonable discussion of issues that is the dream of unblooded political scientists, what did they do?

What they did best was to give the voters of a great democracy a living portrait of two men under stress and let the voters decide, by instinct and emotion, which style and pattern of behavior under stress they preferred in their leader. The political roots of this tribal sense of the whole go as far back as the Roman Senate, or the beer-blown assemblies of the Teutonic tribes that Tacitus describes in his chronicles. This sense of personal choice of leader has been missing for centuries from modern civilization—or else limited to such conclaves of deputized spokesmen of the whole as a meeting of Tammany Hall captains, a gathering of Communist barons in the Kremlin or the dinners of leaders of the English Establishment in the clubs of London. What the TV debates did was to generalize this tribal sense of participation, this emotional judgment of the leader, from the few to the multitude—for the salient fact of the great TV debates is not what the two candidates said, nor how they behaved, but how many of the candidates' fellow Americans gave up their evening hours to ponder the choice between the two.

There are many measures of the numbers of Americans who viewed the debates. The low measure is that of Dr. George Gallup, America's most experienced pollster, who sets the figure of Americans who viewed one or all of the debates at 85,000,000. The two most extensive surveys of audience were those made by NBC and CBS, the two great television networks. Their independent measures of the audience are so close that they must be taken seriously: NBC has estimated from its surveys that 115,000,000 Americans viewed one or all of the great debates; CBS has estimated the number at 120,000,000. With or without issues, no larger assembly of human beings, their minds focused on one problem, has even happened in history.

Even more significant than the numbers who viewed the debates was the penetration upon them of the personalities of the candidates; and on the effect of this penetration the public-opinion samplers were unanimous.

There are any number of such surveys. The best localized survey (and that most respected by Nixon's television advisors) was performed in New York by a research-testing firm called Schwerin Research Corporation. The Schwerin Research Corporation, which operates a studio on Manhattan's West Side with scientifically selected audiences of three to four hundred people from the New York metropolitan area, is considered by some Madison Avenue experts as the best television testing operation in the entire range of consumer-goods advertising. Testing each debate in turn before its audiences, the Schwerin analysts reported that Kennedy outscored Nixon by 39 to 23 (balance undecided) in the first debate; by 44 to 28 in the second debate; lost to Nixon by 42 to 39 in the third debate (in which the contestants were separated physically by the space of the continent); and came back to win by 52 to 27 in the last debate.

The measurements of Dr. George Gallup coincide. After the first debate, 43 per cent of his respondents considered Kennedy to have been the best man, 23 per cent Nixon, 29 per cent considered them to have come off even, and 5 per cent were undecided. After the last debate Kennedy was held by 42 per cent to have won, Nixon to have won by 30 per cent, while 23 per cent considered the men even and 5 per cent were undecided.

There is, finally, the most extensive survey, that conducted for CBS by Dr. Elmo Roper. Sampling across the country, Dr. Roper estimated for CBS that 57 per cent of those who had voted believed that the TV debates had influenced their decisions. Another 6 per cent, or over 4,000,000 voters (by this sample), ascribed their final decision on voting to the debates alone. Of these 4,000,000 voters, 26 per cent (or 1,000,000) voted for Nixon, and 72 per cent (or almost 3,000,000) voted for Kennedy. If these extrapolations are true, then 2,000,000 of the Kennedy margin came from television's impact on the American mind—and since Kennedy won by only 112,000 votes, he was entirely justified in stating on the Monday following election, November 12th: "It was TV more than anything else that turned the tide."

FOOTNOTES

[1] C. Benton Coiner (Conservative Party of Virginia), Merritt Curtis (Constitution Party), Lar Daly (Tax Cut Party), Dr. R. L. Decker (Prohibition Party), Farrell Dobbs (Socialist Workers Party, Farmer Labor Party of Iowa, Socialist Workers and Farmers Party, Utah), Orval E. Faubus (National States Rights Party), Symon Gould (American Vegetarian Party), Eric Hass (Socialist Labor Party, Industrial Government Party, Minn.), Clennon King (Afro-American Unity Party), Henry Krajewski (American Third Party), J. Bracken Lee (Conservative Party of N.J.), Whitney Harp Slocomb (Greenback Party), William Lloyd Smith (American Beat Consensus), Charles Sullivan (Constitution Party of Texas). This listing is taken from a statement of Frank Stanton, President of CBS, before the Senate Subcommittee on Communications on January 31, 1961.

[2] Now Secretary of Commerce.

[3] For a full development of this two-minute answer, one had to wait for days, until Kennedy's extraordinarily lucid half-hour speech on Quemoy and Matsu in New York on Columbus Day, October 12th. That speech was heard only by a local audience, and its full text was reprinted, so far as I know, in only three newspapers in the country. It was as fine a campaign discussion of an issue of national importance as this correspondent can remember—yet its impact on the nation was nil.

EDITORIAL SUPPORT FOR S. 680—A BILL TO STABILIZE ENERGY PRICES

Mr. STONE. Mr. President, on February 13, 1975, I introduced S. 680, a bill to stabilize oil prices and to encourage greater domestic production of energy resources. The mechanisms to accomplish these purposes are a proposed ceiling price and floor price with respect to petroleum, petroleum products, and other energy resources.

In my opinion, legislation to control the price of energy resources is absolutely necessary to prevent continued inflation to put an end to rising unemployment, and to reduce the current balance of trade deficit.

I have been encouraged, Mr. President, by the support which this bill is receiving. On February 15, 1975, the Miami Herald, Florida's largest major daily newspaper editorialized on behalf of the thrust of S. 680 and, on February 21, 1975, the Tallahassee Democrat, one of Florida's outstanding newspapers, summarized the goals of S. 680 and the assumptions on which it is based. I should like to share these editorials with the Senate and I ask unanimous consent that they be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Tallahassee Democrat, Feb. 21, 1975]

Stone Has a Proposal To Reduce Oil Prices

U.S. Sen. Dick Stone has some ideas about lowering and stabilizing oil, coal and natural gas prices which might solve some of the nation's energy problems.

He has introduced a bill which calls for the President to set a ceiling and a floor for prices of all oil and oil equivalents, domestic and foreign.

He says that would allow prices to range freely between a suggested first year ceiling of $9.50 per barrel and a floor to be determined after hearings on the bill. The purpose is to insure a fair profit for the oil industry without bankrupting the country and, more important, to encourage them to step up their exploration and production with assurances that the profit rug won't be pulled from under them if they do.

Domestic oil producers, for instance, would know the approximate price they would receive for oil and how much could be put back into exploration for new oil sources.

At the same time, Senator Stone wants the President to negotiate credit-purchase agreements with the oil supplying nations. Cash is required at present. Stone would tell the suppliers that after we pay them a fair profit, they have to give a little to keep us as a customer.

We agree that negotiations for credit terms are overdue. However, we also recognize that foreign oil producers need the money we pay them so they can buy our technical know-how and industrial products. But there should be some leeway.

There is another aspect to Stone's bill which makes good sense. If the President determines a foreign country has acted to restrict or place an embargo on oil exports to the United States, he must cancel for the duration of the restriction that country's eligibility for grants, credits, loans, technological and military aid from the U.S. government.

Most-favored-nation trade status also would be suspended. There should be no reluctance on the part of our government to do these things. We can't permit somebody to kick up and continue to reward them with special considerations.

Senator Stone has asked the Senate Interior Committee to hold hearings on energy prices. He suggests that technical experts from the Organization of Petroleum Exporting countries be invited to testify. That is a good idea.

Drastic reduction in our use of oil is not the solution to high prices or dependency on foreign oil sources. We agree with Stone that stringent cutbacks will cause more inflation, unemployment and recession.

What he offers is a sensible approach which allows the oil producers to make a fair profit, helps maintain an adequate oil supply and gives the American consumer a break.

[From the Miami Herald, Feb. 15, 1975]

Oil Solution Drowning in Politics

"In order for us to work together," President Ford said on Wall Street the other day, "the Congress must do more than criticize. And until the Congress does something more, it will be part of the energy problem, not part of the solution."

A neat turn of phrases, those. And we subjoin them. On the field of energy conservation the President has the only game plan in town—save for one.

Both the problem and the solution have become muddled in the fog of politics. Thus the central point is lost: The United States must—repeat, must—at once reduce its dependency on imported oil or surrender its balance of payments to national bankruptcy.

This is what the oil problem is all about, and it is terribly urgent. Mr. Ford has a plan to solve it, and Congress ought to give it the benefit of the doubt. It ought also consider a supplemental plan proposed by Florida's Sen. Richard Stone, an unlikely proposal on the face of things because freshmen legislators are supposed to be seen and not heard during their first months in Washington.

If foreign oil is to have a price floor, as everyone from Henry Kissinger to the Common Market is urging, why not a ceiling?

This is the gist of Sen. Stone's plan. He would tell the oil producing countries by law that the United States is willing to pay no more than $9.50 a barrel for their oil rather than the current $12.50, preferably through credits instead of cash payments. If any one of them will not then go along the United States would deny them trade benefits and military aid. The thrust of the gist is that it might splinter the OPEC cartel, proving again that historically all cartels break up eventually.

This is a drastic solution, but so is the problem in short-term dimensions. Within three years, according to Federal Energy Administrator Frank Zarb, oil from new fields will bring the price down to $8 a barrel. And in five years, as a recent Morgan Guaranty bank study contends, OPEC imports of goods bought with petrodollars, marks, pounds and francs and reduced oil imports in the consuming countries will put the oil exporters in an account deficit.

"Morgan Guaranty's estimates," reports The Manchester Guardian, "is confirmed by Dr. Otmar Emminger, the vice-president of the West German central bank who has agreed that the OPEC countries might no longer be in balance of payments current account surplus by 1980."

But that is tomorrow, not today. Unless the outflow of dollars is sharply curtailed, today's balance of payments deficit may look like piggybanking. Both President Ford and Sen. Stone are addressing themselves to solutions. Congressional Democrats with exceptions indeed have talked themselves into becoming the problem.

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, critics of the Genocide Convention have often stated a belief that it could never have any force behind it. They argue that no treaty or convention of an international nature can actually compel any nation signatory to it to take any certain action if that nation does not want to do so. History shows that this is not always the case.

A classic example of a successful international agreement is the Geneva Convention, which deals with the treatment of prisoners of war. It set standards for the conditions under which captured military personnel were required to be held. During World War II, inspections were conducted by neutral nations, notably the Swiss. In this case, the convention achieved its desired results, and prisoners of war were humanely treated by those parties who had signed it.

If the Genocide Convention and its provisions are as strictly adhered to by those who sign it, it, too, can have an impact. By ratifying it, this body can allow the United States to join over 80 other nations in a firm stand against the horror of genocide. The support of this Nation can only lend strength to the voice against genocide.

CHILD AND FAMILY SERVICES HEARINGS

Mr. MONDALE. Mr. President, on February 20, 1975, we began joint hearings of the Senate Subcommittee on Children and Youth, the House Select Subcommittee on Education and the Senate Subcommittee on Employment, Poverty, and Migratory Labor on the Child and Family Services Acts of 1975, S. 626 and H.R. 2966.

We were fortunate to have a highly impressive and respected group of witnesses at this hearing including; Mrs. Marian Wright Edelman of the Washington Research Project Action Council; Hon. Jerry Apodaca, Governor of New Mexico; Ms. Carmen Maymi, Director of the Women's Bureau of the U.S. Department of Labor; Dr. Rowland L. Mindlin of the American Academy of Pediatrics, and Mrs. Dorothy Lasday, member of the National Board of the National Council of Jewish Women.

Their testimony provided an eloquent and compelling case for the need of this kind of legislation.

Because of the large number of requests our subcommittees have already received for copies of these statements, I ask unanimous consent that a copy of each statement be printed in the Record, along with my opening statement and that of Representative Brademas.

I urge my colleagues and members of the public to review carefully the testimony we received.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Opening Statement by Senator Walter F. Mondale, Chairman, Senate Subcommittee on Children and Youth at Joint Senate-House Hearings on the Child and Family Services Act of 1975

Today we begin joint hearings by the Senate Subcommittee on Children and Youth, which I am privileged to chair, and the House Select Subcommittee on Education, ably chaired by Representative John Brademas, on S. 626 and H.R. 2966, the Child and Family Services Acts of 1975. These companion bills are designed to provide financial assistance necessary to help States and localities upgrade and expand their services for families and children. They contain the fundamental principles from the child development legislation which passed the Congress in 1971, but was vetoed by former President Nixon.

As we begin these hearings, I believe it is useful to recall the history of this legislation. It all began over five years ago, in late 1969 and early 1970, when both Senate and House Subcommittees started hearings on the original bills from which the legislation before us has developed.

In those five years we have held over 30 days of public hearings between us. The 1971 version of the bill passed both Houses of Congress by impressive bipartisan margins, was vetoed by former President Nixon, and that veto was almost overriden by the Senate but the 51–36 vote to override fell seven votes short of the two-thirds majority required.

This bill reflects our best thinking, after five years of legislative investigation, and passage of several previous bills, about the way to best provide for the wide variety of programs and services that families need. But nothing in this bill is etched in stone.

Many things have changed during the five years we have been working on this legislation, but the needs for it have remained constant or increased:

The infant mortality rate in our country is still inexcusably high . . . still higher than that of 13 other nations;

While we have made some progress in the detection and treatment of handicaps . . . each year an estimated 200,000 children are struck still by handicaps which could have been prevented if they and their mothers had received early health care;

There are only about one million spaces available in licensed day care programs for the six million preschool children whose mothers are working;

And between 1970 and 1973, there has been an increase of 650,000 in the number of children whose mothers are working.

Clearly the economic situation in our country will and should affect the consideration of this bill. Unemployment is now at the absolutely intolerable level of more than eight per cent. Families and children are also suffering from double-digit inflation. There are, obviously, many important programs in the areas of tax relief, tax reform, public service jobs, improved unemployment compensation, and other fields that require the immediate attention of the Congress and the President.

But I believe for many reasons that child and family services should continue to rank among the highest priorities of our Nation because many children need improved services and care—either through a new or an upgraded program of health or child care or other service. These investments to support families and help in the early years of life are not only the most humane actions our Nation can take—they are also one of the most cost-effective. In addition, at a time of rising unemployment the child care system should be among those programs considered for its job creation capacity, because it is one of the most labor-intensive programs we have.

I hope that as our hearings develop and the need for this legislation becomes even more clearly demonstrated that we can work with the Administration and gain their support.

Child and Family Services Hearing

Mr. Brademas. Today we begin joint hearings of the House subcommittee on Select Education and the Senate Subcommittee on Children and Youth, chaired by Senator Walter F. Mondale, on H.R. 2966 and S. 626, the Child and Family Services Bill.

I want to observe at the outset that we resume consideration of this measure which can prove to be of enormous importance to children and families across the nation thanks to the leadership of several members of the House and the Senate on both sides of the aisle.

Joining me in the House as principal sponsors of the Child and Family Services Bill, H.R. 2966, are: the gentleman from California, Mr. Bell; the gentlewoman from Hawaii, Mrs. Mink; and the gentlewoman from Massachusetts, Mrs. Heckler; and several members of my subcommittee. And the principal sponsors of the companion measure in the Senate, S. 626, are Senators Mondale of Minnesota and Jacob K. Javits of New York.

The bill would provide $1.85 billion over three years to plan for, initiate, and operate a new program providing a wide variety of services to children and their families.

Activities which could be funded under the measure we are today considering include: health services, screening for handicaps, pre-natal services for mothers, in-home and center-based day care—both part and full-time—and health and nutrition programs.

Let me stress that the bill we are discussing is not presented in a vacuum.

My own subcommittee held twenty days of hearings on similar legislation in the 91st and 92nd Congresses, and Senator Mondale's subcommittee, likewise, conducted an extensive investigation into the needs of children during that period.

Those hearings amply demonstrated the need for the services to children and their families which the bill before us today would provide.

Some of you may recall the results of our efforts in the 91st and 92nd Congresses: President Nixon in December of 1971 vetoed the Child Development Act.

Last August efforts to enact a new bill began again in earnest, and Senator Mondale and I held two days of joint hearings on the Child and Family Services Bill, joint hearings which we are resuming again today.

Evidence of the need for legislation of the type we are considering comes from several sources.

Take the need for screening programs for handicapped youngsters.

There are today approximately 7 million handicapped children in the United States between the ages of 0 and 18, including over 1 million handicapped preschool children.

Fully 60 percent of these youngsters are not receiving the special education services they need, and many of them lack the medical assistance they also require.

The early identification programs for handicapped and learning disabled children which can be established under this bill will allow prompt treatment at an early age—treatment which might make a critical difference to the full development of such children.

Or let us look at day care needs in the United States.

Carmen Maymi, Director of the Women's Bureau of the Department of Labor said in Chicago last November:

Almost 27 million children in the United States under the age of 18 had mothers who were in the labor force in March, 1974. About one-fourth of these children were below regular school age and probably required some kind of care while their mothers worked.

But for the 6 to 7 million preschool aged children with working mothers cited by Ms. Maymi, there exist only one million licensed day care spaces in this country.

As final evidence of the need for the legislation we are considering today I would cite our difficulties with respect to health care for children.

I think you will all agree with me that it is inexcusable that this, the richest country in the history of mankind, currently ranks 14th in the world in terms of infant mortality.

I would hope that the prenatal and postpartum care which this bill can make available to families will help us improve this astonishing statistic.

Speaking for myself, then, I think the time is long past when resolutions and expressions of goodwill will suffice, for the children and families of our society.

It is time for action, not words.

And the action that will best demonstrate our request for families and concern for children is the prompt enactment of the measure before us today.

Let me finally say just a brief word about the voluntary nature of the services to be provided under the Child and Family Services Bill.

Because the bill assures parent control of the programs operated under the legislation.

First, children may be enrolled in programs providing services only after a written request from their parents or guardians has been received.

Second, the bill requires parental involvement at every stage in the planning, development and operation of the programs.

Third, parents are to be part of the councils which are required at both the prime sponsor and local program levels.

Finally, parents themselves will choose which services they wish for their children.

So I want to conclude by noting that although the requirements for parental control of programs will not be changed during our consideration of the bill, the other features of the delivery system are not etched in stone, and I look forward to the testimony of our witnesses today regarding improvements which might be made in the legislation.

Testimony of Marian Wright Edelman on the Child and Family Services Act

Chairman Brademas, Chairman Mondale, and Members of the Committee. I am Marian Wright Edelman and I am here today, thanks to your invitation, to testify on behalf of the Washington Research Project Action Council. The Action Council is a public interest lobbying organization which focuses its attention on legislation which affects children, especially low-income and minority group children. It has served as coordinator of an ad hoc informal coalition of nearly 50 national organizations, many of whom were instrumental in securing passage, with your leadership, of a comprehensive child development bill in 1971, and all of whom maintain their interest in enactment of such legislation now. The Action Council also works closely with over 400 individuals and organizations throughout the country who are interested in improving child care services in their own communities.

I am also director of the Children's Defense Fund, a child advocacy project which has spent the last two and a half years gathering evidence about the condition of children in this country. CDF will issue during 1975 a number of reports on problems faced by large numbers of American children. We seek to correct the problems we uncover through federal and state administrative policy changes and monitoring, litigation, public information, and support to local groups and parents who are trying to make life better for our youngest citizens.

Above all, I am here as the parent of three preschool children. Like every parent, I want the best of everything for my children. But unless we insure that children other than our own have a decent chance to grow up healthy and whole, all of our children will be left a costly legacy in services, in crime, in alienation, and in national division.

Many voices are now raised against considering new domestic spending programs. Although he hesitates little about recommending new expenditures for defense, President Ford counsels cut-backs in those programs directly benefitting families and children, like food stamps and child nutrition. We cannot sacrifice our children in times of economic trouble. Federal support for child care services had its largest growth during the depression of the thirties, under Franklin Roosevelt, when funds were authorized so that children would not suffer irreparable hardship.

It is our children who will suffer most later by neglect now. The infants and toddlers we were seeking to help in 1971 are ready to start school. The preschoolers are already in third and fourth grade. And thousands more children have been born at a disadvantage because their mothers did not have decent nutrition and prenatal services.

To those who ask whether the time is right for this kind of categorical legislation, in this economy, my answer is an unequivocal yes! The recession has increased the urgency for child care services. As the purchasing power of the dollar declines, more and more families require assistance—food, health care, subsidized services—to meet the basic survival needs of their children. And as the unemployment rolls grow, particularly with the increase in male unemployment, the general sense of economic insecurity may well be forcing more mothers to take part-time jobs, and may be keeping more new mothers in the work force after their children are born. The waiting lines for decent child care are not disappearing.

Investment in child development programs can help stimulate the economy because it will create jobs. If we are going to maintain the child-staff ratios necessary for quality programs, we will have to employ a lot of people. However, let me inject a word of caution here. Child care work is a separate, distinct profession. It is not just make-work. It needs men and women with warmth, openness, and demonstrated effectiveness in dealing with young children. Academic credentials, by themselves, do not measure those kinds of skills. Parents and community people who are employed in programs like Head Start and neighborhood child care facilities, who come from the child's own environment, are providing some of the best care for children today. If one of our goals is to keep families together—and I think that is the primary one—then helping community people work with children, while providing the means for them to support their families with dignity, has a double payoff.

What then should we be trying to accomplish with comprehensive child care legislation? And what are the main questions and fears that have to be addressed by you in your subsequent hearings?

THE OBJECTIVES OF A PRINCIPAL CHILD DEVELOPMENT BILL

The principal objective of this legislation has always been to provide services to families who want and need them in order to meet the comprehensive needs of their children. We need to make the record clear on this point.

This is not just a day care bill—although the lack of sufficient quality day care options is one of the most pressing needs in many communities today.

It is not only or primarily an early childhood education bill—although education is one of the components of a comprehensive program.

It is not a bill just for poor children, because many children and families require decent child care options.

It is not a bill just to provide group care for young children. Parents must be able to choose from a wide variety of arrangements: including in-home, family, and group care, before and after school programs, and work-based facilities.

It is not only a program for working mothers. Nor is it designed to encourage more women to enter the work force. We are trying to deal with the needs of children whose mothers already work, and to meet the needs of children whose mothers do not work but whose families need help.

In sum, this legislation seeks to provide the framework and the funds for a community to deal with its own most urgent needs—health, nutrition, family support services, outreach, prenatal care, day care, preschool education—whatever they may be in that particular locality.

That a crying need for this kind of program exists is clear. For example:

40% of the young children in this country are not even fully immunized against childhood diseases. That is an alarming step backward in meeting the most basic child health needs;

Only one out of three AFDC children who need eyeglasses get them;

At least 10 million children, most of them poor, receive no health care at all;

Only 11% of the pregnant women and children under age four who need supplemental feeding programs for basic nutrition get them; and

Over 4 million children have limited or no English-speaking ability, and only a handful of them are enrolled in bilingual bicultural programs.

Some look at this evidence and ask whether child development legislation is the best way to meet these needs. Why not provide enough money to families to enable them to purchase these services for their children?

I believe in an adequate income maintenance program. Lack of income is a major source of stress in families today, and the distorted welfare system encourages separation of families as a condition of financial assistance. However, while an adequate income maintenance program might well eliminate or reduce the need for public subsidy of the cost of certain services to children, there will still be a need for public funds to encourage the development of facilities and services. Gaps in child development services exist now, not only because people do not have the money to pay for such services, but because the services just are not there, even for families who can afford to pay.

More essentially, however, one has to view the argument in terms of practical possibilities. A family will not have enough resources to purchase even the most basic child care services until we are ready to talk about income maintenance levels at least twice and maybe three times as much as the Administration has been willing to suggest or the Congress has been willing to consider in the past. I am not prepared to sacrifice all of the children who are out there now, with needs that we might begin to meet with the kind of legislation you are considering, to wait for the time when we have a political climate that will support a truly adequate income maintenance program.

Other opponents fear this kind of legislation on grounds that it will encourage women to work and thus undermine mother-child relationships. First of all, there is evidence that working mothers spend as much or more one-to-one time with their children, and find as much or more enjoyment in child care, as non-working mothers. Second, there is no hard evidence to show that harm to mother-child relations, or harm to children's development, will occur if children, like other members of the family, leave the house daily to be cared for by friendly, consistent adults. Third, this position ignores the reality of what already exists.

Most women work because they have to. Of the 27 million children under the age of 18 whose mothers work, 12 million are in female-headed households, where the median income is $6,195 if the mothers works, and only $3,760 if she does not. In another 1 million families, the husband's income is inadequate to maintain minimum financial independence. And in most cases, a wife's earnings make the difference between poverty and middle-class.

One-fourth of these children of working mothers are below school age. Since 1970, the number of children of working mothers has increased by 1.2 million while the total number of children in the country has gone down by 2.2 million. Yet, in spite of all these facts, there are still less than 1 million slots in licensed child care facilities.

Some argue that we do not have enough evidence of long-term gains from Head Start to justify putting new federal resources in these kinds of programs. That position assumes that the success of such programs should be measured in terms of lasting IQ gains, a traditional white middle-class yardstick. However, if we measure these programs in terms of the things that really matter to many parents and children—elimination of health problems, improved nutrition, stimulation of the child's curiosity, changes in other community institutions—then they are unquestionably successful.

Evaluators of these kinds of programs must be extremely cautious about imposing their own values on other people's children. Many parents may not care so much whether their children get into an Ivy League college. But they do care, as I do, about whether they are in good health, can see and hear, are getting enough to eat, are able to relate to their peers, and above all, are happy.

A mother worries when she has to work and cannot find someone she can trust to be nice to her children, to keep them warm and clean and fed, to help them grow and learn about themselves and about the world around them. Poor parents worry when they cannot get enough food, when they cannot figure out what is wrong when their child complains of a stomach ache, and they cannot afford a doctor to help them. Cognitive development is important, but it is only one of many important needs which children and families have, and which this legislation attempts to address.

Some child psychologists are moving away from the heavy emphasis on the first five years of life as essential to a child's development. They point to evidence that developmental gaps in early childhood can be filled at a later stage of life. But that is no argument against early intervention; it only supports the argument which all of us here, I think, have always made—that you cannot intervene at just one stage in a child's life and expect that to be enough. Still, the fact is, that while it may be possible to correct a child health problem at the age of ten, it is probably easier and certainly better to do that when the child is two or three. Similarly, it may be possible, when you discover at the age of eight that a child has a hearing or sight problem to correct that problem and provide the remedial services necessary to help him catch up with the rest of the third graders. But isn't it fairer to the child to catch the problem and deal with it before he gets to school? And what about the child who starts first grade with no understanding of the English language? Couldn't a bilingual, bicultural preschool experience based on that child's own heritage and environment help to prepare him for the first day of school?

THE DELIVERY SYSTEM

Child care legislation must support families. This means including parents. The underlying principle of the legislation before you is that child care needs differ from family to family and from community to community. So do the capacities of community institutions to meet those needs. The community itself must be able to assess its overall child care needs, to make local choices about the types of services to be offered, and to determine who within the community should provide those services so that families have options. This flexibility is essential.

The involvement of parents is critical to the success of child care programs. Insistence on decisive parent involvement is not a move for political and economic power, as some critics charge. (Although I do not think that is a bad idea at all!) Rather, it is an essential component of child development. We have not found anything better for children than parents yet. Leading child psychologists have recognized that consistency of child-rearing styles—expectations, rewards, and punishments—is most important for healthy development.

If the child spends some time away from home each day, consistency of the day care program with his or her parents' values becomes crucial. Parents must have a strong voice in determining the policies and practices of any child care program to insure their child's best interests are being met.

Parents are the most central force in the development of their children. They have a right to a voice in how the programs which affect their children are operated. They are, or certainly should be encouraged to become, experts about their own children and should be confident in speaking on their behalf. One of the problems with too many purported child-caring institutions—the public schools, the health care system, social welfare agencies—is that they treat the parents as interlopers. "Don't interfere with what we are doing with your child," the parent seems to hear. "Wait until we send him back home, and then support us."

Head Start was the first real effort to break away from that mold. For the first time, low income and minority group parents were told, "you have a stake in your child's development, and you have a right to make decisions about the way this program runs." As a result of their involvement in the operation and administration of Head Start, many parents acquired new understanding of their own role as child-carers and new skills to help their own children develop. They also learned how to deal with other institutions which affect their children.

The success of Head Start has been directly related to the nature and the extent of this parent involvement. We should build on this good beginning. Parents able to act with assurance and dignity to help their children is exactly the goal we are seeking. It may not be "measurable" in the short-run, but that does not mean it is not of major importance to children, and to the nation.

It is because this legislation must support families and include parents that the delivery system is so crucial. I know that you are going to be taking a very hard look at the delivery systems in H.R. 2966 and S. 626, and will be holding hearings later to consider specific changes and alternative mechanisms.

I realize that there is renewed pressure to expand the role of the states in the delivery of services. Events since 1971—including the creation of offices for children in many states, the role of governors in the struggle to preserve the social services program, and the expansion of day care services through state agencies under Title IV–A and the new Title XX—suggest another look at that question. We maintain the same very deep reservations we have always had about the capacity and the willingness of many state governments to support the kind of community institutions and to allow the degree of parent participation which this legislation envisions.

You are also confronted with a new campaign to place the entire delivery system in the hands of the public schools. I am opposed to giving schools a whole new set of responsibilities when they are so far from meeting the ones they already have. The Children's Defense Fund has just completed a study which gives evidence that more than 2 million school-age children are out of school, and millions more are in school but are not learning, because the schools do not have the flexibility, the sensitivity and, some argue, the resources to deal with their special problems and needs. We cannot justify sending even younger children into that atmosphere, particularly when it is precisely the children who are most in need of child care services whom the schools most often exclude or otherwise disservice. One of the most important features of the Head Start program is its outreach function, and this is one of the things which, the exclusion study shows, the schools do least well.

I question whether most schools practically (and even, in some cases legally) can administer an entire comprehensive program which addresses the broad range of child development needs in a community. I am very fearful that too many school boards, suddenly given a new pot of federal money, will simply put those funds where they can spend them most easily and with the fewest adjustments in the regular school program—in kindergartens where they don't have them and in day care programs where there are empty classrooms or unemployed teachers. This bill tries to do much more.

But rather than argue the pros and cons of any one delivery system here I think it might be more useful to list the standards based on the objectives of the bill, against which you must measure every proposed delivery system:

(1) Can it provide the full range of services which children and families need?

(2) Does it assure community decisions about the types of services to be offered, based on a local assessment of needs of children and families in that community?

(3) Does it give parents the central role in the community's decisions about the types of services to be provided and in the day-to-day operation of the programs in which their children are participating?

(4) Is it flexible enough to provide parents and families with real options, including services in a variety of settings (e.g. in-the-home, in neighborhood facilities, at places of employment)?

(5) Does it preserve existing community child care institutions (including Head Start projects) and assure opportunity for such institutions to expand and to receive funds under this legislation?

(6) Does it encourage services in settings that support the family and are relevant to the child's own culture and environment, and that are staffed by people from the child's own community, including parents?

(7) Does it include a funded mechanism for enforcing federal standards?

(8) Does it provide a mechanism for coordination with other agencies providing services for children in the community—including those provided through public health, education, and welfare agencies and especially those provided with Title XX and Head Start funds?

I cannot urge you strongly enough to include in your hearings on delivery systems testimony from parents who have tried to find child care services and community groups who have tried to provide them. We can make suggestions for individuals who could give you very useful, practical evidence, and we would be happy to work with you to arrange for them to testify.

The delivery system is not the only unresolved issue in this bill. I know you do not want to get into specific detail at this point in your hearings, but I would just like to mention several other areas of particular concern to us.

One of these, which I know you are hearing a great deal about, is the question of the role of profit-makers in this legislation. The horror stories about nursing homes, fostered in good part by the availability of federal funds to profit-making operations, should serve as fair warning for child care programs.

I am opposed to using public funds to support franchised, commercial child care operations, and I think they should be specifically excluded. Limiting the program to public and private, non-profit agencies would not exclude employer-provided child care, nor should it eliminate family day care operators, if properly written.

I would also recommend that you take another good look at the eligibility and fee schedules in the bill. The Bureau of Labor Statistics Lower Living Standard must be the absolute minimum level for free services. However, in Title XX, the Congress has just established a new standard of need, the state median family income, which is higher than the BLS figure and which might be incorporated into the bill before you now.

I also urge you to look closely at how this legislation relates to the new social services law, and whether your bill will allow vendor payments or only grants and contracts. Those questions have never been fully considered.

The fact that I am not raising other issues, like the absolute necessity of federal standards with funded enforcement, and a guarantee of continued funding of Head Start programs does not mean that we are any less committed to those provisions in the bill than we have always been. They are essential and we would not support a bill without them. I am simply operating on the assumption that those are not issues in question, and that we are all agreed that they will be included in any legislation that is reported by these committees.

In closing, let me commend you for your own persistence on this issue. I am convinced, on the basis of the children and families we see in our work every day, that this legislation is essential and cannot be deferred. But we are not willing to accept just any bill, for the sake of having a bill. Neither, I am sure, are you. These committees can write a bill that is good for children and families, and we can rally the support for such a bill to see that it is enacted into law and funded. Like many others, we are willing to devote as much time and energy as is necessary to help you make that happen.

STATEMENT OF THE HONORABLE JERRY APODACA, GOVERNOR OF NEW MEXICO, ON THE CHILD AND FAMILY SERVICES ACT OF 1975

Mr. Chairman, members of the committee, I appreciate this opportunity to comment on the Child and Family Services Act of 1975. My comments will be made as Governor of New Mexico, but also as chairman of the Early Childhood Task Force of the Education Commission of the States.

The national Task Force which I head is a 28-member group representing a cross section of state legislators, child development professionals, educators, federal officials and individuals concerned about services for young children. For the past four years, the Task Force has provided leadership in encouraging and assisting the states to initiate and expand programs for very young children and their families.

We wholeheartedly support the objectives and the basic concepts embodied in the Child and Family Services Act of 1975. From the beginning, the emphasis of our Task Force has coincided with many of the purposes of the legislation you have under consideration. In its first report, *Early Childhood Development: Alternatives for Program Implementation in the States*, published in June 1971, the Task Force said: "The states should provide for support for developmental programs for children younger than six . . . The major thrust of such programs should be (a) strengthening the role of the family as the first and most fundamental influence on child development; (b) the early detection of serious health and education handicaps; and (c) the provision of remedial health and education programs for all preschool children who need special services."

The Task Force went on to recommend that programs should be based on the following minimum objectives:

"1. To develop ways to reach the families of young children and to strengthen their capacity for parenting.

"2. To involve parents in the formal education of their children directly and through the decision-making process.

"3. To provide for the health, safety and psychological needs of young children . . ."

I make these points to emphasize that the work of our Task Force with the states has been in the direction outlined in the Child and Family Services Act, and consistent with the basic concepts of the proposed legislation.

The need for a national commitment to very young children is evident and growing. It is now clear that the first few years of a child's life are critical to his later emotional, social and intellectual well-being.

In addition, families of one parent or where both parents must or want to work are desperately in need of adequate day care facilities for their youngsters. Yet there is little prospect that the required services can be provided without federal support.

We believe that federal legislation on this subject should include the following direct services for children and their families: child care, health care, nutrition, legal services and child advocacy, social services, mental health services, education of parents for parenting and education for preschool children with special needs. I was pleased to note that the Act, as introduced, includes most of these services.

In addition, we believe the following support services should be provided: transportation, training, facilities, research and development, planning, coordination and technical assistance, and monitoring and evaluation. Again, the legislation you are considering makes provision for most of these services.

The need today is for conscious and consistent policies that will help strengthen the family in relation to other institutions and will give its needs new priority in state planning.

The family is the most crucial factor in early childhood development. Many of the parameters of a child's life are set during the years before he enters school, and recent research indicates that family background influences school achievement more heavily than any other variable, including the education system. Substantial evidence exists that the second and third years of life—before a child begins to participate in the public school system—are a critical period in his growth and development. Less than five per cent of all children are born with serious enough deficits to be already bound for educational underachievement. Yet by the time children are enrolled in Head Start or other preschool and day care programs, learning disabilities begin to be identifiable with some consistency. The Joint Commission on Mental Health of Children has estimatd that 35 per cent of apparently normal children show behavioral difficulties as early as age four. "The present tendency," the Commission noted, "is to identify children in need and refer them for services after the age of six or more, when they are found to present problems in school adjustment. This is often too late for effective intervention."

During the first three years of life, a child's curiosity, motor skills, and language abilities are burgeoning at a unique rate. The successful development of these physical, emotional, and cognitive processes seems to be very much a product of the kind and quality of care and guidance the child receives during this period. Most of this care and guidance is usually in the hands of the child's family.

The family is the most effective and logical *system* for delivering to young children the educational and developmental stimulation which will influence their later life. Yet, the role of the family as the first educational delivery system has, until now, been grossly undervalued. Because the experiences of infancy and early childhood significantly influence human growth and development, it becomes critical to examine more closely our childrearing and child care practices and the ability of the family to provide a nurturing environment for the child's fullest development in the early years.

At present family services, including early medical screening, family counseling, education for parenthood, preschooling, homemaker and health-aide services, and day care, are available only in a limited number of communities and are usually provided only to families on welfare or otherwise deemed at risk. Nearly ninety percent of child welfare money is spent *after* the fact of family breakup, not to prevent dissolution of the family. Yet the cost of raising a child in foster care from infancy to age 18 is $122,500, three and a half times the estimated cost of raising a child in his natural home. Ten to twenty percent of all children in this country suffer from chronic handicapping conditions, one third of which might be corrected or prevented by appropriate care in the preschool years. The 1970 White House Conference on Children estimated eighty per cent of mental retardation to be the result of "adverse environmental and cultural situations," not genetic endowment. Special education for handicapped and retarded children costs 2.4 times as much as a regular education program. Institutionalization costs up to five times as much.

If families were helped in time to correct a handicap or prevent retardation, it would save a great deal of public money as well as human suffering. We need to consider ways to move beyond the deficit model of intervention only after a child's developmental handicap becomes evident. A coherent policy of continuing support to young children and their families is required to insure that every child realizes the fullest potential with which he was born.

The high quality comprehensive programs that are needed represent a substantial investment which the states cannot bear alone. In partnership with the federal government, offering a wide range of activities such as those proposed in the Child and Family Services Act, the states could more adequately address the needs of young children and their families.

Because strengthening the family is a comprehensive effort that encompasses services that are the responsibility of many different state agencies and of private resources, a first step in organizing a state program should be the development of a mechanism to plan and coordinate service delivery. Such a mechanism already exists in 16 states. In 11 additional states significant interest has been shown in creating a state Office of Child Development, an Office for Children, an Interagency Council, an Office of Child and Family Services—whatever name you wish to use. Thus there is a demonstrated commitment in many states to improve the quality of services for very young children and their families, and to provide better delivery of those services to the people who need and want them. With the additional help which the Act would provide, I would anticipate an even greater emphasis in those states already committed to the concepts embodied in this legislation and greatly increased interest in those states which are not presently moving in this direction.

We are concerned with some aspects of the legislation as introduced. I refer specifically to the question of prime sponsors. I would hope that at future hearings we will have an opportunity to present our views on this question in detail and to make some suggestions which might form the basis for a reasonable compromise with those who may view the matter differently.

For while there are, undeniably, areas of controversy I think that all of us—individually and as representatives of various organizations—are in agreement on the pressing need for this legislation. It offers the promise that at last this nation is willing to focus a small part of its resources in a comprehensive way on an often neglected and forgotten segment of our society, its very young children.

STATEMENT OF CARMEN R. MAYMI, DIRECTOR, WOMEN'S BUREAU, U.S. DEPARTMENT OF LABOR

I am pleased, indeed, to have an opportunity to appear before this committee today to discuss a matter which has had high priority in the Women's Bureau for decades. However, I must point out that I have been invited here, not to support the bills under consideration, not to critique them, but to express the concern of the Bureau and our thinking on the subject of child care services for working families.

Admittedly, there are many reasons why large numbers of children in the United States need day care. Illness or death of the mother, mental or physical handicaps borne by the child; the presence of emotionally disturbed persons in the home, poor family relationships, or poor living conditions are among the factors that place child care needs high on the list of national concerns. But the major demand for child care facilities stems from the employment of mothers outside the home.

There has been a steady upward trend in the number of working wives with children. Since 1960 the labor force participation of married women with husbands present and with children under 6 years has increased from 18.6 percent to 34.4 percent. The rate of labor force participation for women who were family heads, at 54 percent, was higher than that of wives, but has remained little changed for many years.

Almost 27 million children in the United States under the age of 18 had mothers who were in the labor force in March 1974. About one-fourth of these children were below regular school age and required some kind of care while their mothers worked.

Since 1970, the number of children of working mothers had risen sharply by 1.2 million, while the total number of children in families has dropped by 2.2 million. These opposing trends can be attributed to the continuing long-term rise in the number of working wives, both with and without children; a declining birth rate, and an increase in the number of families headed by a woman which is due largely to a rising divorce rate.

While the labor force participation rates of wives with children rose significantly between 1970 and 1974, the absolute increase in the total number of children with working mothers occurred almost exclusively in female-headed families.

In March, 1974 over 12 million children were in families where the father was absent, unemployed, or not in the labor force. This figure is highly significant in view of the fact that in families headed by a woman, the median income in 1973 was only $6,195, if the mother worked and only $3,760 if she did not.

These data point out that the need for child care facilities is acute now and that it will increase over the years. Latest estimates indicate that care in licensed centers and homes is available for only a little over one million of the children needing day care. By 1985 we expect that 6.6 million mothers, aged 20 to 44, with children under age 5 will be working or looking for work. The demand for child care facilities can be expected to increase accordingly.

The availability of child care is often the pivot on which a woman's decision to work or remain at home turns. Often it is the earnings of the mother that keeps the family above the poverty line and off public assistance. However, if she is unable to find good care for her children, a woman is usually forced to stay at home and depend on welfare allowances to support her children.

The problem is particularly severe for women heads of families who so often are poor. Of the 6.8 million families headed by a woman in March 1974, 32 percent had incomes below the low-income level in 1973. For families headed by a man the figure was 6 percent. The percent of female-head families with related children under 18 that were poor in 1973 was 42 percent for whites and 67 percent for blacks. Among families headed by Spanish-origin women 51.4 percent had incomes below the low-income level in 1973.

Much as we deplore these conditions, we must not be tempted to seek out easy solutions in order to get families off relief rolls and on to payrolls. It is unfair to the child and self-defeating to a society concerned with a healthier, more intelligent, more productive population in the future, to settle for mere custodial care, or worse—substandard care for our children.

When quality care is not available, we can hardly blame the family that chooses to live in poverty rather than subject the children to experiences that could retard their development and mar their future. Many families are reluctant to leave young children in the care of aging grandparents or of brothers and sisters who are only slightly older. Some feel that care in day care centers or the homes of others may separate the child, emotionally, from his or her own family, and still others fear that being parted from the mother is damaging to the emotional stability of the young child.

Clearly these attitudes argue for working parents' involvement in the care of their children by others. Parents need to know the kind of care their children receive, something about the persons who give that care, and the physical surroundings in which their children will spend the better part of their days.

Concerned parents want to be able to work without having to worry about their children, and mothers, in particular, want reassurance that they need not feel guilty about leaving their children in the care of others. Parents also want to be sure that the child's sense of the importance of his or her own family is strengthened and that the experiences in the day care setting are consistent with the child's background and with the parent's values.

The last point is of particular concern to minority parents. Spanish-speaking, American Indian and black families want their children to develop a sense of pride in their cultural and racial or ethnic background. They look to the child care center or the family child care home to substitute for the extended family which is rapidly becoming a thing of the past, supplanted by the small nuclear family.

The child of a working family is not the only one to benefit from good day care. The parents also gain. The welfare mother, of course, is freed to acquire training and a job. But it is a mistake to think of day care exclusively as a welfare measure. Middle class women, struggling to provide their families with an adequate standard of living, can enter into the work force as they see fit and women with professional and technical skills can continue to contribute those skills to fill the needs of our society in health, science, business and industry, politics and other fields. Day care in fact, is a boon to women of all economic levels who want the freedom to choose for themselves their own life style and decide for themselves how they can best contribute to the well-being of their families. There are also many fathers for whom child care is a necessity. Often they are divorced, or separated from their wives and responsible for the children. In other cases the mother may be ill or incapacitated in some other way.

Society, too, benefits from a day care system that assures the positive development of future generations and at the same time makes available the skills and capabilities of a large segment of our human resources.

Many imaginative approaches to the problem of day care have evolved in recent years. A noteworthy trend toward union operation of child care centers was begun by the Amalgamated Clothing Workers of America. Baltimore Regional Board has six child health care centers. These centers are financed primarily by employer contributions to the health and welfare funds administered by both the union and the men's clothing industry. The Chicago Regional Joint Board of the same union also operates a child care center.

There is a growing trend toward the establishment of day care centers by employers who find it advantageous to have child care facilities in or near the workplace. In a survey of hospitals with 100 or more beds in 1968, the Women's Bureau found 98 hospitals operating day care centers for children of staff members. Today there are at least 30 more hospital day care centers, although it is possible that a few of the original group have closed. Officials reported that having such services made it easier to recruit and retain nurses, resident doctors, and other health workers. In addition, the provision of day care for their children permitted some personnel to work full time instead of part-time or to work overtime; shift rotation was facilitated, and there was a reduction in absenteeism. Similar benefits were cited by employers in other industries surveyed by the Women's Bureau for its bulletin, "Day Care Services: Industry's Involvement." We know of about 10 company-sponsored centers now in operation. In addition, there are at least 2 industry-consortium operated centers; one of which is in Minneapolis.

Well over 400 universities operate child care centers for the children of faculty, students and other personnel. And, of course, a few Federal agencies, including the Department of Labor, operate centers for the children of their employees.

I would not say that one of these approaches is more valuable or more successful than any other. Each meets a particular type of need and it is important that we have this diversity—that parents have a choice. It is important, too, that "day care" be broadly interpreted. Not all families need or want the same kind of service. Many need only programs that provide after-school care; some need a full day's care for their children, while others can manage with part-day service. Some, who work nights, require a place where their children can be cared for over night. Many prefer licensed family day care.

I appreciate this opportunity to share these thoughts with you, because quality care for the Nation's children is of vital concern to all citizens, whether or not they have children; whether or not they are workers.

Testimony of American Academy of Pediatrics on Child and Family Services Act of 1975

Mr. Chairman and members of the Committee, I am Rowland L. Mindlin, M. D., Chairman of the Committee on Infant and Preschool Child of the American Academy of Pediatrics. I am pleased to appear before you today to comment on the Child and Family Services Act of 1975, S. 626 and H.R. 2966.

The Academy is an international association of board certified physicians who provide care to infants, children and adolescents. Since establishment of the Academy in 1930, its members have been dedicated to improving the health and welfare of children, including their intellectual and behavioral development. The goal of the Academy, as recently revised and approved by the entire membership of more than 17,000 pediatricians, is the attainment by all children of the Americas of their full potential for physical, emotional and social health.

I am pleased to manifest once again on behalf of the Academy its support for quality day care programs. The Academy's interest in this legislation stems from our long term commitment, as an organization, and as individual pediatricians, to improving the health and welfare of children. We recognize that goal cannot be accomplished by medical care alone, in the narrowest sense. It is true that without good health, our children cannot flourish, but health is more than merely the absence of disease, and it is not achieved merely by the treatment of recognized illness. Health is good nutrition. Health is a nutritive environment. Health is enhanced by strong family structure.

To its credit, this bill places emphasis on the family. Quality day care is good for families. In our 1972 "Policy Statement on Day Care" we said, "Day care services should be a supplement to, not a substitute for, the family as a primary agent for the child's care and development." You have kept this precept in mind in the construction of the bill and parental involvement is quite properly mandated. I would urge one note of caution which may be recognized in the regulations rather than in the law. Sec. 102, (c), 3 stipulates that assistance should only go to a program that "provides for regular consultation with the parents . . . .". This should not be permitted to become a vehicle for the exclusion of so-called "undesirable" children whose parents, for whatever reason, may be unable to avail themselves of the opportunity.

The scope of services authorized in Sec. 102, (b) is sufficiently broad. The Policy Statement of the Academy that I referred to before emphasizes:

"To meet all the child's needs, day care services should provide the following:

"1. A means for children to enrich their experiences when away from their parents, and for parents to share in the broadening experiences of their children.

"2. An opportunity for children to explore and learn at their own speed, in a safe environment, and for parents to understand the developmental needs of their children.

"3. A vehicle for helping families to secure medical, dental, and mental health services, including prevention, early diagnosis and treatment.

"4. Social or, when necessary, emotional support for the family with particular attention to children with special problems, such as the child of the broken home or the isolated child.

"Day care which does less than the foregoing will not meet the developmental needs of the child and the social, emotional, and economic needs of the family."

All of these provisions can be accomplished under the proposed authorization.

The device of "prime sponsorship", with preference given to local government rather than to the states, as formulated in Sec. 104, but still reserving to the Secretary the authority to fund specific programs directly, is a concept long supported by the Academy. These provisions, particularly when implemented in conjunction with the Child and Family Service Councils of Sec. 105 should ensure the development of programs responsive to local needs.

I would like to suggest a change in the provision of Sec. 108. I have been in charge of Maternal and Child Health Services in two municipalities where the regulation of day care was a function of the Department of Health. In one (New York City) the Health Department was the pioneer in the regulation, supervision, and upgrading of children's day care and had the authority under its own Health Code. In the other (Boston) the regulation was delegated to the city by the State Department of Health. In both I attempted to perform all of the functions enumerated in 108(b) except that in Boston development and assessment of the Code was a state role. Both had inadequate resources to do the job well. As a matter of fact in Boston the austerity budget forced the city to relinquish the delegated authority and disband a developing capacity to upgrade services on a local level by local initiative. Accordingly, I respectfully suggest that provision be made in Sec. 108 for special grants be made also to those municipalities or other units of local government which are large enough and have the desire to carry out these activities. I imagine some state approval or acquiescence would have to be required.

Let me now turn to health services in the more conventional sense. I should like to make a distinction between the health program and policies of a day care center and the provision of medical care to parents and children. The difference is highlighted in the pamphlet "Recommendations for Day Care Centers for Infants and Children" which our Committee on Infant and Preschol Child of the Academy has published. Every good day care center will have a health program and it will be written down so that it can be generally known, shared with parents and professionals alike. It will deal with such things as what the center requires for pre-admission and on-going examinations and immunizations, how illnesses and accidents are handled within the center, and the like.

Every good day care center should also see to it that its children and their families receive the medical care they need. However, the Academy does not believe that this bill should be the basis for a whole new health care system. Maximum use should be made of existing personnel and facilities, and, I might add, of existing payment mechanisms, for the actual provision of medical services. The regulations that are promulgated to implement the legislation should require the plans to specify how the health needs of their families will be met. But they shoul not be rigid in imposing any one system. The ultimate grantees should be able to use a variety of methods; the sponsors staffs should be facilitators, advocates, "follow-up-ers." There is a precedent here in the Headstart experience where there were many successful models for getting children into the health care delivery system without direct purchase of service out of the Headstart budget. Encouragement should be given to three-way contracts between sponsors, providers and state Title XIX agencies for medical care, or fee-for-service, or on capitation bases. Such a contract could be made by an individual private physician, a private practice group, a health center, a hospital, or even a medical school. Important from the child and parents' point of view would be the availability, accessibility, and comprehensiveness of the services. Only when no suitable local arrangements can be made should the plan include medical care in its own budget.

The same does not apply to medical consultation. Funds should be made available to pay for consultants to program directors and staff, about general principles, about implementation of policies, even occasionally about individual problems or individual children. Ultimately these costs may be subsumed under the special grants to states section, for such consultation is properly the role of the central agency. However, it is in the early years after enactment that the programs are going to need the consultations most. This is likely to be the time when it is least available, for the states will need time to tool up. Programs should initially have the resources to seek consultation on their own. Besides, it is a funny thing about consultation: if you ask for it, you value it more and are more apt to follow the advice, than if it is imposed on you by some outside agency.

Mr. Chairman, I would like to conclude my remarks with the latest "Statement on Day Care" by my Committee, unanimously adopted in December and endorsed last month by the Council on Child Health of the Academy. It will appear in Pediatrics this spring. It is our feeling that S. 626 and H.R. 2966 are responsive to our call for both quantity and quality in day care in the United States.

AMERICAN ACADEMY OF PEDIATRICS COMMITTEE ON INFANT AND PRESCHOOL CHILD STATEMENT ON DAY CARE

The pediatrician serves as an advocate for the children of his community. This advocacy includes a concern for the quality of care of all children.

The basic and most important source of child care is parenting. Three significant changes in recent years have affected patterns of parenting: 1) an increase in the number of working mothers; 2) an increase in the number of single-parent families; 3) a decrease in the availability of extended-family alternatives. When neither parent can provide child care, assistance in parenting must be provided by family support systems, including day care.

Today in the United States there is a serious deficiency in day care services—quantitatively and qualitatively. Of children under 14 whose parent(s) are employed outside the home, less than 3% are in licensed day care programs and 8% are left entirely on their own while their mothers work.[1] Many children are left with inadequate care during a significant proportion of their developmental years because of the large variation in the quality of day care arrangements.

Pediatricians must strive for the further development of high quality day care programs. The American Academy of Pediatrics supports the continued expansion of these services. The Committee's publication, Recommendations for Day Care Centers for Infants and Children[2] outlines in detail what the pediatrician needs to know about day care. Our active participation can be a vital force "for the welfare of children."

COMMITTEE ON INFANT AND PRESCHOOL CHILD

Rowland L. Mindlin, M.D., Chairman.
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Matthew Debuskey, M.D.
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Consultants:
Ray E. Helfer, M.D.
Earl Siegel, M.D.
Liaison:
Robert J. Clayton, M.D., Project Head Start.

NATIONAL COUNCIL OF JEWISH WOMEN,
New York, N.Y.

TESTIMONY OF DOROTHY LASDAY

I am Dorothy Lasday, member of the National Board and Vice Chairwoman of the National Affairs Committee of the National Council of Jewish Women. I appreciate the opportunity to appear before you today in support of an issue of priority concern to us. While my comments are the position of the Council, they reflect some of my personal experiences in the communities where I live. (I am chairman of the Dutchess County Child Development Committee, an advisory committee of the county legislature, and an officer of the New York State Association of Child Care Councils. At the time I moved to New York State in 1971, I was serving on the Steering Committee for a Virginia 4-Cs Council, which has since come into existence.)

The National Council of Jewish Women, with a membership of over 100,000 in 189 local sections throughout the United States, has had a concern for the welfare of all children and the strengthening of family life since its inception in 1893. At our last biennial convention in Miami in March 1973, our delegates approved the following resolution:

HEALTH AND WELFARE

The National Council of Jewish Women believes that a healthy community, sound family life and individual welfare are interdependent . . . it therefore resolves:

5. To work for the expansion, development and adequate financing of quality comprehensive child care programs.

As at our convention in years past, a similar resolution is certain to be adopted at our biennial convention in San Francisco next month.

Such resolutions are not only the expression of our positions, but the basis of our local and national activities for community services, education and study for social action, and social action itself, in this case including successful efforts to upgrade state child day care standards in recent years—Michigan and Louisiana being two that come to mind, and to provide more adequate funding for child day care, such as in Oregon when the newly imposed Social Services ceiling made cuts in services necessary in 1972–73 but concerted action had the cuts distributed evenly through all services and not mostly from day care.

It must be obvious that the National Council of Jewish Women supports the intent of the Child and Family Services Act.

As a result of our 1970 national survey on day care, directed by Mary Dublin Keyserling and published as "Windows On Day Care", we determined that legislation to provide badly needed comprehensive child care services for those families desiring them must include:

1. Well defined standards not lower than those of the Inter-Agency Requirements of 1968.

2. Parental involvement in development of programs.

3. Opportunities for socio-economic mix among enrollees in day care facilities.

4. Funds for training of child care personnel.

5. Allocation of public funds (grants) to public and private non-profit agencies only.

6. Full subsidization of quality care for children of low income families and partial subsidization, on a sliding scale, for children whose families are above the poverty level, but not able to afford the full costs of care.

The proposed Child and Family Services Act of 1975 (S. 626 and H.R. 2966) appears to include all of these. Yet we suggest that the following need to be considered carefully as they relate to this bill:

1. Standards for child day care services

With the enactment of Title XX of the Social Security Act, effective October 1, 1975, for the first time Federal minimum standards for child day care have been enacted into law by the 93rd Congress, as the basis for Federal reimbursement. Of necessity, Section 201(a) of the proposed Child and Family Services Act must be changed to reflect this. In January, when I reported on the newly legislated standards to our National Affairs Committee and then to our National Subcommittee on Child Development, our pleasure at the enactment into law of child care standards was more than a little diminished because the enacted standards are lower than the 1968 Federal Inter-agency Day Care Requirements in two major areas: a) Educational component in child care programs is recommended, not mandated, for reimbursement from social services funds; and b) Staff ratios for school age children were raised from the current 1 to 10 requirement to a ratio of 1 to 15 for children age 9 and younger, 1 to 20 for children ages 10 to 14. There is ample evidence in the many studies funded by the Office of Child Development of the importance of educational programming, even for infants and toddlers. Certainly, there can be no educational services with such staff/child ratios for school-age children. The situation becomes a nightmare in terms of the 80 school-free days per year when the child is in the program a full day.

Our support of the 1968 Interagency Requirements was reexamined last fall. At the request of NCJW's Executive Committee, our position on day care standards was carefully reviewed at the annual joint meeting of the National Committees on Community Activities and on National Affairs, November 7, 1974. We found that the following recommendation from Windows On Day Care (Chapter IX, p. 229) is as valid today as when written:

"Improving Standards and Their Enforcement

"We recommend that any legislation to expand funding for child care services provide for the development of Federal child care standards which local programs would have to meet to be eligible for funding, no less comprehensive than the 1968 Federal Interagency Requirements approved by the Department of Health, Education and Welfare, the Office of Economic Opportunity and the Department of Labor."

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[1] 1968 Children's Bureau Program.

[2] Committee on Infant and Preschool Child: Recommendations for Day Care Centers for Infants and Children. Evanston, Illinois: American Academy of Pediatrics, 1973.

The joint committee meeting reaffirmed the support of the National Council of Jewish Women for the 1968 Interagency Day Care Requirements for Federal financial support for day care for children.

We want to make clear that such standards should apply not only to Head Start and ESEA day care projects, and, of course, those funded under social services (currently Title IV–A, later Title XX of the Social Security Act), but also to child care services provided through increases in the cash grants to ADC working mothers. Presently there is no accountability for expenditure of these funds—whether in licensed care in day care centers or family day care homes, or in unlicensed, inadequate, or unsafe care—or even if it is spent at all for child care.

Hopefully, the Child and Family Services Coordinating Council (Section 201(a)) could provide a mechanism for attacking the problem.

2. Parental involvement in development of programs

National Council of Jewish Women has consistently supported parental involvement in development of programs for their children. Again quoting Windows On Day Care (page 7):

"We also recommend the establishment of representative, local child and family service policy councils, with a high degree of parental participation. It is recommended that Federal funds be allocated to help support these functions. This mechanism would provide a useful means for utilizing those local 4–C (Community Coordinated Child Care) Committees which meet accepted criteria."

But one of our experienced members on the Child Development Subcommittee wrote a word of caution, with specific reference to the bill now under consideration:

"Fifty-one percent parent membership on the Board represents some problems and should perhaps be modified: While the intent is good, it often leads to a large number of Board members who do not have time to really do leg work or do not have the experience."

Can a mechanism be developed which gives parents the voice they must have in programs for their children and yet at the same time provides for the community support these programs need to function effectively? Unless a center is 100% Federally funded for its full budget, in this time of inflation no day care center can exist without community support and cooperation. In 1970 a committee chaired by Dr. Urie Bronfenbrenner, distinguished professor of psychology and child development at Cornell University, developed a "Statement of Principles—Day Care USA", published by the Office of Child Development:

"The day care center should become the focus of social and service programs involving families, neighbors, local businesses, civic organizations, and any other agencies in the community. This enables the entire community to become aware of and actively concerned with the children in its midst. The day care program has the responsibility of serving as a bridge to the larger community in which the child lives."

We share these concepts.

I have come to recognize how important they are through my involvement with the Dutchess County Child Development Committee and its coordination efforts for the activities of 12 licensed county centers, five of them Head Start. Most children in full-time day care centers are from families where the adults are employed full-time. Working parents also have responsibility for care of their homes and families, which fully occupies evenings and week-ends. Very few have the additional time or energy to carry the continuing load of the child day care center board responsibility—planning and executing that extra fund-raising event needed because costs have spiralled, or the "big wheels", or the dishwasher, must be replaced—or attending meetings to prepare the presentation for United Fund budget allocation review—or to develop staff job descriptions—or to paint tables.

Moreover, in many areas of our country there are no State or local tax funds to provide the local share—20% after 1979. For example, I understand that United Funds provide the local share for those centers receiving Federal funds in Ohio.

This limited time availability applies across the socio-economic spectrum alike to the working middle-income and the working ADC parent. Parents want to become involved. They rightfully demand to be part of the decision-making process affecting their children. But if the board has 10 members, 5 or 6 of whom are working parents, in a very short time a strong day care center director will be running the program with little or no input from parents or the board—if not by intent, then by default, and before too long becomes totally exhausted.

Although the legislation specifically indicates that fees from parents are to be used to expand the program (not for part of the operating budget as it is now the case), in this time of both recession and inflation, this may be unrealistic.

3. Opportunities for socio-economic mix among enrollees in day care

Our community services are always of higher quality, with greater citizen support, when they serve all segments of the population. There is resentment when services are offered only to the very poor and others need them as well. Moreover, all children benefit from the exposure to different cultures and life styles.

4. Funds for training of child care personnel

Under such funding available in years past, the training has provided a way up the ladder for women—men, too—who wanted to work, and also better care for children. The lack of availability of training money has meant that we have had to be most creative in providing in-service training opportunities in the past two years (except for Head Start). The child care staff, center and home, have been short-changed: no funds to reimburse costs such as transportation, meals, sitter, registration fees, supplies, nor to pay for a substitute to release the day care worker to attend training during normal work hours.

5. Allocation of public funds (grants) to public and private non-profit agencies only

a. National Council of Jewish Women opposes grants of public funds for capital costs, equipment, etc., for profit-making, proprietary child care centers. We do not oppose proprietary child care. In many communities purchases of services in licensed proprietary centers is an important, quality service. But in some communities, even with support of United Fund and the Social Services District, we have seen proprietary centers without health, nutrition, or educational services undercut quality, non-profit, developmental centers which have had to close or cut back in the past year. (The proprietary centers were not eligible to participate in the USDA special food services programs, so the children brought paper-bag lunches, reducing costs—not only for food, but for staff to prepare it, and also eliminating important nutrition education.)

b. NCJW does not consider the family day care mother-provider as a proprietary child care operator, but a provider of services for which she is paid—part of the private, voluntary sector like the non-profit child care center. It is important that a loan closet of toys, books, games, developmental materials be available for rotation among the family day care homes in a community, similar to a service available through the Cincinnati (Ohio) Section, also extra equipment which may be needed for the children, such as cots/cribs/play-pens, or for fire safety, such as fire extinguishers.

The importance of this definition can be seen from the experience of Council's Los Angeles Section, which undertook to develop a cluster of family day care homes called Home-Safe. Council provided a director, training for the family day care providers and parents, volunteers to provide enrichment experiences to the children and to work with a parent group, and young men to bring programs into each home weekly for a male contact. When California transferred its day care program to the State Department of Education, in 1972, welcomed by all, that department was not familiar with the use of purchase of services by DSS and classified the family day care home as proprietary—and thus not eligible for grants for needed safety devices or equipment or support services. The project closed. It is important that the legislation include such definitions.

6. Full subsidization of quality care for children of low income families and partial subsidization, on a sliding scale, for children whose families are above the poverty level but not able to afford the full cost of care

It is time that we as a nation recognize that child day care is not primarily a service for dysfunctional families. We must accept the fact that a new life style requires services to meet its needs. And it IS a new life style, clearly defined from Congressional Joint Economic Committee figures and from those used by Senator Mondale when he introduced S. 626:

43% of all mothers worked outside the home in 1971.

1 of every 3 mothers of pre-school children is working.

13% of all children live in families headed by women, 65% of whom work.

27 million children under age 18 have working mothers, most of whom have to work because two incomes are needed, since the father's income is under $7000/year, or they head families.

The sliding fee scale is needed for several reasons:

a. The family coming up the income ladder must still be eligible for day care. A major problem for day care advocates has been to persuade local commissioners of social services and the county legislators who appropriate the funds that implementation of the sliding fee scale for services is essential, when the State plan includes it. My county has one of the lowest unemployment rates in the country, even today. Until recent weeks there have been semi-skilled jobs available at the many State institutions and at IBM, with manpower programs to train them. Within 18 months of being established in her job, the ADC mother often finds herself earning more than the ceiling for free day care. In New York State the problem is further complicated because we exhaust the social services ceilings allocated.

b. Moderate income—middle income—families cannot afford to purchase the full cost of developmental day care for their children. In private, non-profit centers serving few ADC families, the rates have had to be kept too low, despite rising costs, so families could still have care. Actually, the individuals paying a share of the true cost unfortunately are the day care center staff members—certified teachers and paraprofessionals alike—who work at minimal salaries, are not paid for overtime, with little or no fringe benefits and no pension plans. The major exceptions are Head Start, State Department of Education ESEA and Pre-K projects, and unionized workers in New York City. It also applies to family day care providers who have had no increase in rates and must absorb the 20% increase in food costs over the past two years.

c. Again, we suggest the need to conform this legislation to Title XX—the maximum income eligibility for free day care should be the same for both.

No mention has been made of the need for quality developmental day care services for infants and toddlers, and setting staff/child ratios. Council's Subcommittee on Child Development has begun an investigation into some of the creative and successful programs that have been undertaken across the country. A Chicago Section member works in such a program in Evanston. Programs are being investigated in New York City, Syracuse, North Carolina, Ohio, Alabama. We are counselling with professionals in the field. But the recommendations will be our own and will be directed to our own members working with infant care in their own communities. Our intent is to come up with working guidelines that will be helpful to our more than 100 Sections directly involved with child care services in their own communities.

I would like to mention briefly an experimental child care center in my own county, unique in New York State. The Poughkeepsie Family Development and Day Care Center, which began as a Model City—funded demonstration program, was designed to take care of a family's children of all ages in one center—ages 3 months to 14 years, with some 85 children now enrolled. One agency is working with the entire family and can make needed referrals for services, with follow up. Children are grouped according to their stage of development. Most fascinating to watch are the interactions—for example, the school-age children when they come in. Even the morning kindergartners, eager for lunch, will first check into their younger siblings' rooms to make sure that everything is "A–OK". It also provides an opportunity to teach the "seniors", the 11–14 year olds, the art of parenting. Since the PFD&DCC is now three years old, it has had a few of its graduates return as summer youth corps workers through C.E.T.A.

The parents using this center have a high rate of job retention and of completion of job training—all at their own initiative. Young mothers tell us that they are better mothers for their children because they are improving their family's living conditions and no longer feel hopeless. The infants and toddlers expect T.L.C. from any adult that comes into their room, instead of being shy and withdrawn with strangers. They are open, trusting, loving, communicating, and developing fully in ways far beyond the expectations those who designed the Center could possibly have hoped for. But the problems of insufficient funding have almost overwhelmed it, time and time again. It survives because it is needed. It truly provides Child and Family Services.

I have commented on aspects of the Child and Family Services bill primarily with respect to child day care services. But NCJW's Section Project File in our national office indicates that our women have initiated or are participating in a wide range of services for children and their families, demonstrating the need for the extensive listing of service programs under Section 102. Some that come to mind include: screening for visual, speech or hearing problems; immunization services and well-baby clinics; drop-in counseling centers for teen-agers; family outreach center aimed specifically at prevention of neglect and abuse of children; day care services for children with severe physical handicaps, to prepare them to participate in programs with normal children; genetics screening and counseling; bilingual counseling services; library services; information and referral services; summer recreation programs; food and nutrition services; tutorial programs; cultural enrichment activities; story bus; consumer education; etc. The Child and Family Services Act might make it possible for a successful service in one community to be replicated elsewhere where it is needed.

A final comment: Of particular importance to us is the language of the legislation that includes "establishing, maintaining, and operating programs". In recent years the Office of Child Development has funded a variety of successful demonstration projects, all in the name of research, rather than as a continuing service to those using it. In this time of recession and high unemployment, child and family services may be particularly crucial. It would be exceedingly cruel to initiate services and then close them once the need and success have been demonstrated.

We are most appreciative of the opportunity to testify before you today.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If there is not, morning business is closed.

ORDER FOR RECOGNITION OF SENATOR HATFIELD ON MONDAY, FEBRUARY 24, 1975

Mr. MANSFIELD. Mr. President, I ask unanimous consent that **immediately** after the joint leadership has been recognized on Monday next, the distinguished Senator from Oregon (Mr. HATFIELD) be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS TODAY

Mr. MANSFIELD. Mr. President, for the information of the Senate, it is my understanding that at the hour of 10:45, the distinguished Senator from Connecticut (Mr. WEICKER) will suggest the absence of a quorum and at that time it will be a live quorum call.

Mr. HARRY F. BYRD, JR. Mr. President, may I inquire of the majority leader? As I understand, when the Senate completes its business today it will stand in recess until Monday noon and after the two leaders are recognized and after the Senator from Oregon is recognized, the pending business will be the Penn Central railroad legislation.

Mr. MANSFIELD. The Senator is correct.

Mr. McCLURE.. Mr. President, a parliamentary inquiry.

What is the pending business?

The ACTING PRESIDENT pro tempore. The pending business is the motion to concur in the House amendment to S. 281.

Mr. McCLURE. I thank the President.

ORDER FOR RECOGNITION OF SENATOR WEICKER AT 10:45 A.M.

Mr. MANSFIELD. Mr. President, I shall suggest the absence of a quorum, but before doing that, Mr. President, I ask unanimous consent at this time that at the hour of 10:45, if the Senator from Connecticut does not have the floor, he be recognized for the purpose of making the motion which I have announced will be made.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

The Senate continued with the consideration of the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Mr. WEICKER. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on Commerce have the privilege of the floor during consideration of S. 281:

Lynn Sutcliffe, Paul Cunningham, Tom Allison, Malcolm Sterrett, and Arthur Pankopf, and a member of my staff, Geoffery Baker.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that Mr. Rom Parker be accorded the privilege of the floor during the consideration of this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. Mr. President, a number of inquiries are coming to me from the news media and from others about just what is going on on this Senate floor. Maybe it would be wise to have a live quorum so Senators themselves can find out.

Mr. President, I want to refer to a paragraph in an article in the Washington Post of this morning, page A5, headed "Filibuster Fight Blocks Hill Vote on Rail Aid."

The article is written by Spencer Rich, a very fine reporter whom most of us know.

I do not take exception to the story, except in one point, and that is a reference to the distinguished Senator from Alabama (Mr. ALLEN).

I shall read the second paragraph of the aforementioned article.

> Sen. James B. Allen (D-Ala), who on Thursday had frustrated—

I might add, that may be an understatement, Mr. President, when one remembers the consternation on the faces of some Senators Thursday—

efforts to reduce the filibuster cutoff from two-thirds of senators voting to three-fifths, held the floor most of yesterday.

Which, of course, was Friday.

He refuse to yield for a vote on a $347 million aid bill for Penn Central and other railroads in financial difficulties.

Now, Mr. President, it ought to be said for the record that this is not accurate, that the distinguished Senator from Alabama did, indeed, offer to permit the Penn Central vote to be held. Several times during Friday's session, Senator ALLEN made clear that he was perfectly willing for a vote to be held on the Penn Central matter—indeed, that he would be happy for that vote to be held yesterday, which, of course, was Friday.

Then, Mr. President, Senator ALLEN made a very clear and, in my judgment, a very reasonable proposition to the distinguished majority leader, a proposition which would have negated the necessity of this Saturday session in which we are now involved.

Let me hasten to say, Mr. President, that I do not criticize the distinguished majority leader for declining to accept Senator ALLEN's proposal. Senator MANSFIELD best knows his duties and his responsibilities, and his obligation to protect the rights of all Senators. He does this in an always gentlemanly fashion, and I respect and admire him for it.

But the fact remains, Mr. President, that the distinguished Senator from Alabama did indeed offer a proposal which would have brought the Penn Central matter to a vote. It is not correct, therefore, to say that Senator ALLEN "refused to yield for a vote * * *."

Mr. President, I call attention to the colloquy between the Senator from Alabama (Mr. ALLEN) and the distinguished majority leader (Mr. MANSFIELD) which appears on page S. 2382 in which Senator ALLEN said:

I am not going to vote against it—meaning the Penn Central bill—but I want to see the Senate act. I have felt that we should first dispose of Senate Resolution 4, inasmuch as the proponents of that measure have given it a top priority, a priority ahead of the Penn Central bailout. It is not the Senator from Alabama who has caused this impasse. If Senate Resolution 4 is out of the way, then there would be no reason why this could not be acted upon at once.

I did make this proposal to the distinguished majority leader, and it has something to do only with the procedure on Monday:

Item No. 1: Pass the Penn Central bill.

The rest of it has to do merely with the procedure that would take place on Monday, that before we would recess, to allow the Senator from Alabama to move to bring up one of the items on the calendar. He is not particular about which one.

Then waive the Pastore rule for Monday, the reason being that on these other matters it will probably be hard to make a germane talk for 3 hours on one of these proposals.

Then agree that the Senator from Alabama would be recognized on Monday after the two leaders.

We would recess today, rather than adjourn, and Monday we would come in at 12 and adjourn not later than 5:30.

Now, after that, Mr. President, the distinguished majority leader gave a very adequate explanation as to why he could not accept this proposition from the Senator from Alabama, but I want the RECORD to show that the Senator from Alabama did, indeed, in good faith, offer to permit the Penn Central vote to be taken.

Mr. President, I ask unanimous consent that the article from this morning's Washington Post entitled "Filibuster Fight Blocks Hill Vote on Rail Aid" be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FILIBUSTER FIGHT BLOCKS HILL VOTE ON RAIL AID

(By Spencer Rich)

The Senate bloc began regrouping yesterday for a new battle next week to ease the filibuster rule, while the dispute was blocking final congressional action on a bill to aid the impoverished Penn Central railroad.

Sen. James B. Allen (D-Ala.), who on Thursday had frustrated efforts to reduce the filibuster cutoff from two-thirds of senators voting to three-fifths, held the floor most of yesterday. He refused to yield for a vote on a $347 million aid bill for Penn Central and other railroads in financial difficulties.

The Senate scheduled an unusual Saturday session in hopes of pushing the House-passed rail bill through, but final action on it is unlikely.

Sen. Vance Hartke (D-Ind.) argued that the Penn Central may be unable to meet payrolls over the next two weeks unless the subsidy measure is passed, and asserted that it is an innocent victim of the filibuster fight.

But Allen, apparently convinced that delaying Senate business will press Sens. Walter H. Mondale (D-Minn.) and James B. Pearson (R-Kan.) to give up their filibuster fight, refused to relent.

Majority Leader Mike Mansfield (D-Mont.), meanwhile, said that once the Penn Central bill is finally passed he won't schedule any other Senate business until the filibuster issue is settled.

Pearson and Mondale met with Mansfield yesterday morning to start working on plans for a new effort next week.

Although outmaneuvered Thursday by Allen's parliamentary tactics, the Pearson-Mondale group established an extremely important precedent when the Senate voted, 51 to 42, to accept for the first time in history the theory that, at the biennial start of a new Congress, the Senate has the right under the Constitution to cut off debate by a simple majority and proceed to voting on rules changes.

Vice President Nelson A. Rockefeller accepted the vote as binding, and this means that if Pearson and Mondale can formulate their proposals in precisely the right way they will be able to shut off Allen by a majority vote next week and then vote their change in the filibuster rule.

Mondale repeatedly has told the Senate that the two-thirds rule—requiring 67 votes if all 100 senators are present—has sent dozens of progressive bills to the legislative graveyard in recent years and will do so in the present Congress unless it is softened to three-fifths or 60 votes.

Since 1917, when the present two-thirds requirement was adopted (there was no way to shut off filibusters before that), debate has been cut off only 21 times. In 1973–74, filibusters blocked the consumer protection agency bill and the genocide treaty, and they were also used to delay or force softening of campaign reform, legal services and Export-Import Bank bills.

Allen and other defenders of the two-thirds rule believe it provides a protection for small states and minority spokesmen against the tyranny of a majority bound on overriding all opposition.

Mr. HELMS. I thank the Chair.

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 10:45 having arrived, the Senator from Connecticut is so recognized.

QUORUM CALL

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 5 Leg.]

Byrd, Harry F., Jr.
Clark
Dole
Glenn
Hansen
Hartke
Hathaway
Helms
Leahy
Mansfield
Mathias
McClure
Morgan
Sparkman
Stone
Thurmond
Weicker

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Florida (Mr. CHILES), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART), the Senator from Michigan (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. TUNNEY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Illinois (Mr. STEVENSON), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. FORD), the Senator from Colorado (Mr. HASKELL), and the Senator from Mississippi (Mr. STENNIS) are absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BARTLETT), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Delaware (Mr. ROTH), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Arizona (Mr. FANNINN) and the Senator from Ohio (Mr. TAFT) are absent due to illness.

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. HARTKE. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Beall
Byrd, Robert C.
Cannon
Case
Cranston
Culver
Fong
Griffin
Hatfield
Hollings
Jackson
Kennedy
McClellan
McGee
Metcalf
Mondale
Montoya
Nelson
Nunn
Pastore
Proxmire
Randolph
Scott, Hugh
Scott, William L.
Stafford

RECESS TO MONDAY, FEBRUARY 24, 1975

Mr. MANSFIELD. Mr. President, since a quorum is not present, I move, in pursuant to the previous order agreed to, that the Senate stand in recess until the hour of 12 o'clock noon Monday next.

The PRESIDING OFFICER (Mr. PROXMIRE). The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and at 11:30 a.m. the Senate recessed until Monday, February 24, 1975, at 12 noon.

HOUSE OF REPRESENTATIVES—*Monday, February 24, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

My Father worketh hitherto, and I work.—John 5: 17.

Eternal Father, strong to save and eager to help, grant that in this quiet moment of prayer there may come to us insight and inspiration for the work of this day.

We confess that all too often we have depended upon our own human wisdom and have not looked to Thee for that higher wisdom Thou hast placed at our disposal. Help us to develop a greater trust in the reality of moral and spiritual principles, in the power of love, the strength of justice, and the force of righteousness.

With this faith alive within us may we serve our day and seek to solve our difficult national and international problems.

In the spirit of Him who is the Light of the World, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate has passed a bill of the following title, in which the concurrence of the House is requested:

S. 441. An act to amend the Forest Pest Control Act of June 25, 1947.

The message also announced that the Vice President, pursuant to Public Law 93-642, appointed Mr. SYMINGTON as a member, on the part of the Senate, of the Harry S. Truman Memorial Scholarship Foundation Board of Trustees.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES

The SPEAKER laid before the House the following communication from the chairman of the Committee on Merchant Marine and Fisheries:

WASHINGTON, D.C.,
February 21, 1975.

Hon. CARL ALBERT,
Speaker of the House,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Public Law 301 of the 78th Congress, I have appointed the following Members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Merchant Marine Academy for the year 1975:

The Honorable Thomas N. Downing of Virginia.

The Honorable Leo C. Zeferetti of New York.

The Honorable Paul N. McCloskey of California.

As Chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

Sincerely,
LEONOR K. (MRS. JOHN B.) SULLIVAN,
Chairman.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES

The SPEAKER laid before the House the following communication from the chairman of the Committee on Merchant Marine and Fisheries:

WASHINGTON, D.C.,
February 21, 1975.

Hon. CARL ALBERT,
Speaker of the House,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to section 194 of title 14 of the United States Code, I have appointed the following Members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Coast Guard Academy for the year 1975:

The Honorable Mario Biaggi of New York.

The Honorable Eligio de la Garza of Texas.

The Honorable Pierre S. du Pont of Delaware.

As Chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

Sincerely,
LEONOR K. (MRS. JOHN B.) SULLIVAN,
Chairman.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO SIT WHILE THE HOUSE IS MEETING UNDER THE 5-MINUTE RULE ON TUESDAY, FEBRUARY 25

Mr. HALEY. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be permitted to sit on Tuesday, February 25, while the House is meeting under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PUBLICATION OF RULES OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. HALEY. Mr. Speaker, as chairman of the Committee on Interior and Insular Affairs, I present to the House a copy of the committee rules for printing in the RECORD under the rule:

RULES OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

A. RULES OF GENERAL APPLICATION

Rule 1. Rules of the House.—The Rules of the House of Representatives are the rules of its Committees and Subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in Committees and Subcommittees. Written rules adopted by the Committees, not inconsistent with the Rules of the House, shall be binding on each Subcommittee. Each Subcommittee of a Committee is a part of that Committee and is subject to the authority and direction of that Committee. Rule XI of the Rules of the House, which pertains entirely to Committee procedure, is incorporated and made a part of the Rules of the

Committee which are supplementary to the Rules of the House.

Rule 2. Time, Place of Meetings.—(*a*) While Congress is in session, regular business meetings of the Committee shall be held in the regularly assigned Committee Room, Longworth House Office Building, beginning at 9:45 A.M. on each Wednesday, except that whenever any party caucus or conference conflicts with such meeting of the Committee, then the Committee shall meet on Thursday or on such other day as may be mutually agreed upon by the Chairman and the Ranking Minority Member. Such meeting shall be called to order and presided over by the Chairman, or in the absence of the Chairman, by the ranking majority member of the Committee present.

(*b*) Special meetings shall be held at the call of the Chairman or upon written request of Members of the Committee as provided in Rule XI, Clause 2, of the Rules of the House. When a regularly called party caucus or party conference is scheduled to be in session after 10:00 a.m. on any day, and the Chairman is so advised that not later than 12:00 noon on the preceding day, the regularly scheduled Committee meeting for that day shall be rescheduled as provided in paragraph (*a*) of this rule.

(*c*) Each meeting of the Committee or any of its Subcommittees for the transaction of business, including the mark-up of legislation, shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however*, That no person other than Members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or mark-up session which has been closed to the public. This paragraph does not apply to any meeting that relates solely to internal budget or personnel matters.

Rule 3. Agenda for Meetings.—The agenda for Committee meetings, setting out all items of business to be considered, shall be furnished each Member of the Committee by delivery to his Office at least two calendar days in advance of the meeting: *Provided*, That this requirement may be waived by a majority vote, a quorum being present.

Rule 4. Adjournment of Meetings.—Meetings of the Committee shall adjourn if a motion to adjourn is approved by a majority of the Members of the Committee: *Provided*, That the Committee shall not sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

Rule 5. Committee Procedure.—(*a*) The date, time, place and subject matter of all public hearings of the Committee or any of its Subcommittees shall be announced at least one week in advance of the commencement of such hearings. If the Committee, or any of its Subcommittees, determines that there is good cause to expedite the hearing, it shall make the announcement at the earliest possible date. Any such announcement shall be promptly published in the Daily Digest.

(*b*) Each hearing conducted by the Committee or Subcommittee thereof shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided*, That the Committee or Subcommittee may by the same procedure vote to close one subsequent day of hearing.

(*c*) Each witness who is to appear before the Committee or one of its Subcommittees shall file with the Committee, at least 24 hours in advance of his appearance, a written statement of his proposed testimony and shall limit his oral presentation at his appearance to a brief summary of his argument, unless this requirement is waived by the Committee.

(*d*) The right to interrogate witnesses before the Committee or any of its Subcommittees shall alternate between the Majority Members and the Minority Members. In recognizing Members to question witnesses, the Chairman may take into consideration the ratio of majority and minority party Members present and may recognize two majority Members for each minority party Member recognized. Each Member shall be limited to 5 minutes in the interrogation of witnesses until such time as each Member of the Committee who so desires has had an opportunity to question the witness.

(*e*) No bill, recommendation, or other matter reported by a Subcommittee shall be considered by the Committee until two calendar days have elapsed from the time of the action of the Subcommittee and such action has been reported by the Committee Clerk to all Members of the Committee and, in the case of a bill, a copy has been delivered to the office of all Members, so requesting the same, together with a section-by-section explanation and, if a change in present law is involved, a section-by-section comparison with the present law: *Provided*, That this requirement be waived by a two-thirds vote of a quorum of the Committee Members.

Rule 6. Quorum.—A majority of the Members of the Committee shall constitute a quorum for the purpose of transacting Committee business, but testimony may be taken and evidence received at any meeting at which there are present not fewer than two Members of the Committee. A quorum shall be deemed present unless a Member objects to the transaction of business due to the lack of a quorum. When a call of the roll is required to ascertain the presence of a quorum, the offices of all Members shall be so notified and the Members shall have ten minutes to prove their attendance. The Chairman, in his discretion, may waive this requirement when a quorum is actually present or whenever a quorum is secured.

Rule 7. Proxies.—A vote by any Member in the Committee or in any Subcommittee may be cast by proxy, but such proxy must be in writing. Each proxy shall designate the Member who is to execute the proxy authorization, shall assert that the Member is absent on official business or otherwise unable to attend, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

Rule 8. Journal, Roll Calls.—(*a*) The proceedings of the Committee shall be recorded in a journal which shall, among other things include a record of the votes on any question on which a record vote is demanded. A copy of the journal shall be furnished the Ranking Minority Member through the Minority Counsel. A record vote may be demanded by one-fifth of the Members present or, in the apparent absence of a quorum, by any one Member. No demand for a roll call shall be made or entertained except for the purpose of securing a record vote or in the apparent absence of a quorum.

(*b*) At the beginning of any meeting of the Committee, the Chairman may announce to the Committee, in his discretion, that he will postpone further proceedings on any motions on which a recorded vote is ordered or on which the vote is objected to under Rule 6 until immediately preceding the conclusion of the meeting. In such instances, the Committee shall proceed with the consideration of the next regularly scheduled measures or matters until all such business is disposed of or until such time as the chair announces that the question will be put on the matter deferred. The question on any motion so postponed shall be put by the Chairman and shall be disposed of by the Committee, without further debate, as expeditiously as possible. If the Committee adjourns before the question is put and determined on such motion, then the first order of business at the next meeting shall be the disposition of such motion.

(*c*) The result of each roll call vote in any meeting of the Committee shall be made available in the Committee office for inspection by the public.

Rule 9. Filing of Committee Reports.—(*a*) All Members of the Committee shall be given an opportunity to review each proposed Committee report for at least two days (excluding Saturdays, Sundays, and legal holidays) prior to filing.

(*b*) If, at the time of approval of any measure or matter by his Commitee, any Member of the Committee gives notice of intention to file supplemental, minority, or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that Member or Members, with the Clerk of the Committee. All such views so filed by one or more Members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter.

Rule 10. Inserts in Record.—No insert shall be admitted to the record of any hearing unless it is presented, with the permission of the Committee, by a witness who is the author thereof or who adopts it as his own statement and vouches for its accuracy or unless the Committee finds it necessary or helpful for the understanding of a matter under consideration.

Rule 11. Broadcasting of Committee Hearings.—(*a*) It is the purpose of this clause to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which Committee hearings, or Committee meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as a legislative and representative body and regarding the measures, public issues, and other matters before the House and its Committees, the consideration thereof, and the action taken thereon; and

(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

(*b*) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(*c*) It is, further, the intent of this clause that the general conduct of each meeting (whether of a hearing or otherwise) covered under authority of this clause, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, and the personal behavior of the Committee members and staff, other Government officials and personnel, witnesses, television, radio, and press media personnel, and the general public at the hearing or other meeting shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

(1) distort the objects and purposes of the hearing or other meeting or the activities of Committee members in connection with that hearing or meeting or in connection with the general work of the Committee or of the House; or

(2) cast discredit or dishonor on the House, the Committee, or any Member or bring the House, the Committee, or any Member into disrepute.

(*d*) The coverage of Committee hearings and meetings by television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause. No recording of Committee or Subcommittee proceedings shall be permitted except as authorized pursuant to these rules.

(*e*) Whenever any hearing or meeting conducted by any Committee of the House is open to the public, that Committee may permit, by majority vote of the Committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the Committee may adopt in accordance with the purposes, provisions, and requirements of this clause.

(*f*) The following rules shall apply to the Committee and its Subcommittees:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the Committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed on the Committee rostrum or in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, on the Committee rostrum or between the witness table and the members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

Rule 12. Committee Staffs.—(*a*) Pursuant to Rule XI, Clause 6, of the Rules of the House, the permanent staff of the Committee shall consist of not more than thirty staff members who shall be selected on the basis of fitness to perform the duties of their respective positions as follows:

three shall be chosen by the Committee from nominations approved by a majority of the members of the Minority party of the Committee;

one shall be chosen by the Committee from nominations submitted by the Chairman of each of the standing subcommittees of the Committee;

one shall be chosen by the Committee from nominations submitted by the ranking party member of each standing subcommittee of the Committee; and

the balance of any unfilled positions shall be chosen by the Committee from nominations approved by a majority of the members of the Majority party members of the Committee;

The staff members selected by the Majority party shall be assigned such legislative, oversight, and administrative duties and responsibilities as the Chairman of the Committee may prescribe and shall assist Committee Members in connection with matters related to Committee business. Each staff member nominated by a Subcommittee Chairman shall be under the general supervision and direction of that Subcommittee Chairman. The staff members selected by the Minority party shall be under the general supervision and direction of the Minority party members of the Committee who may delegate such authority as they determine appropriate.

(*b*) A subcommittee Chairman shall be entitled to select and designate additional staff members, subject to the approval of a majority of the Majority party members of the Committee, to assist the Subcommittee in carrying out is legislative, investigative and oversight responsibilities. The minority shall be accorded fair and equitable consideration with respect to the appointment of additional staff, but minority staffing shall continue to be approximately one-third Minority representation on the Committee. Such staff members shall be assigned such duties pertaining to Subcommittee business as the Subcommittee Chairman or the Minority, respectively, deem advisable and shall be compensated at a salary commensurate with the responsibilities prescribed by such Subcommittee Chairman or by the Minority.

(*c*) Notwithstanding paragraphs (*a*) and (*b*) of this rule, the Committee may employ such additional nonpartisan staff as it deems necessary to conduct the administrative and clerical functions of the Committee. Such staff shall be in addition to any staff designated exclusively for the Majority or Minority party and shall be appointed only with the approval of a majority of the Members of the Majority party and with the approval of a Majority of the Members of the Minority party. The Chairman of the Committee shall establish and assign the duties and responsibilities of such members of the staff and they shall be compensated at a salary commensurate with the responsibilities he may prescribe.

(*d*) In the event that staff is not otherwise available pursuant to paragraphs (*a*) and (*b*) of this rule, from the funds provided for the appointment of Committee staff pursuant to any primary and additional expense resolution:

(1) The chairman of each standing Subcommittee is authorized to appoint at least one staff member who shall serve at the pleasure of the Subcommittee Chairman.

(2) The ranking minority party member of each standing Subcommittee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (*a*) and (*b*) shall be compensated at a rate determined by the Subcommittee chairman pursuant to Rule XI, Clause 5(*d*) of the House of Representatives.

(4) The staff positions made available to the Subcommittee chairman and ranking minority party members pursuant to subparagraphs (1) and (2) of this paragraph shall be made available from the staff positions provided under Rule XI, Clause 6 unless such staff positions are made available pursuant to a primary or additional expense resolution.

(*e*) All staff selected pursuant to this rule shall be approved by the Committee and shall not be assigned any duties other than those pertaining to the business of the Committee and its Subcommittees. The staff of a Subcommittee shall be under the general supervision and direction of the Chairman of that Subcommittee. The staff assigned to the Minority shall be under the general supervision and direction of the Minority party members of the Committee who may delegate such authority as they determine appropriate. The staff of the Committee not assigned to a Subcommittee or to the Minority shall be under the general supervision and direction of the Chairman of the Committee, who shall establish and assign the duties and responsibilities of such staff members and delegate authority as he determines appropriate.

B. SUBCOMMITTEES: JURISDICTION, COMPOSITION, AND POWERS

Rule 13. Subcommittee Rules.—The Rules of the Committee, where applicable, shall be the Rules of its Subcommittees.

Rule 14. Reference of Legislation.—(*a*) Every bill, resolution, or other matter referred to the standing Subcommittee having jurisdiction over its principal subject matter within two weeks from the date of its referral to the Committee unless the Chairman, with the approval of a majority of the Majority Members of the Committee, orders that it be retained for consideration by the Committee or that it be referred to a select or special Subcommittee.

(*b*) A bill, resolution, or other matter referred by the Chairman to a Subcommittee may be recalled therefrom by him with the approval of a majority of the members of the

Committee for the Committee's direct consideration or for referral to another Subcommittee. The Chairman shall so inform the members of his recommendation, in writing, and such recommendation shall be effective within one week if approved by a majority of the members of the Committee.

(*c*) A bill, resolution, or other matter referred by the Committee to a Subcommittee may be recalled from such Subcommittee at any time by majority vote of a quorum of the Committee for its direct consideration or for reference to another Subcommittee.

Rule 15. Subcommittee.—There shall be the following seven standing Subcommittees of the Committee: Subcommittee on National Parks and Recreation, Subcommittee on Water and Power Resources, Subcommittee on Energy and the Environment, Subcommittee on Territorial and Insular Affairs, Subcommitte on Mines and Mining, Subcommittee on Indian Affairs, and Subcommittee on Public Lands. Additional standing Subcommittees may be created by resolution of the Committee.

Rule 16. Jurisdiction of Subcommittees.—(*a*) The jurisdiction, including legislative, investigative, and oversight responsibilities, of the seven standing Subcommittees shall, subject to alteration as other Subcommittees are created, be as follows:

Subcommittee on National Parks and Recreation

(*a*) The national park system and its units.

(*b*) Other national units established for the protection, conservation, preservation, or recreational development of areas on public domain lands, or on reservations created out of the public domain, or under the jurisdiction of the Department of the Interior.

(*c*) Military parks, battlefields, and national cemeteries administered by the Secretary of the Interior, and parks within the District of Columbia.

(*d*) National outdoor recreation plans and the Land and Water Conservation Fund programs.

(*e*) Preservation of prehistoric ruins and objects of interest on the public domain and other historic preservation programs.

Subcommittee on Water and Power Resources

(*a*) Irrigation and reclamation projects and other water resources development programs, including policies and procedures relating thereto.

(*b*) Compacts relating to the use and appointment of interstate waters.

(*c*) Water rights.

(*d*) Saline water research and development program and water resources research program.

(*e*) Water resources planning conducted pursuant to the Water Resources Planning Act.

(*f*) Activities of the National Water Commission.

(*g*) Legislation affecting the use of geothermal resources for the production of water and power.

Subcommittee on Energy and the Environment

(*a*) Recommendations with respect to laws and programs under the jurisdiction of the Committee made by the Council on Environmental Quality in its annual Environmental Quality Report to the Congress.

(*b*) Selected matters and proposals, as referred by the Chairman, involving the environmental impacts of any laws or programs under the jurisdiction of the Committee.

(*c*) Special oversight function with respect to nonmilitary nuclear energy and research and development, including the disposal of nuclear waste.

Subcommittee on Territorial and Insular Affairs

Puerto Rico, Guam, the Virgin Islands, American Samoa, Antarctica, the Trust Territory of the Pacific Islands, and the Insular possessions of the United States, except matters affecting revenue and appropriations.

Subcommittee on Mines and Mining

(*a*) Mining interests generally.

(*b*) Mineral resources of the public lands.

(*c*) Mineral land laws, and claims and entries thereunder.

(*d*) Geological survey.

(*e*) Mining schools and experimental stations.

(*f*) Petroleum conservation on the public and other Federal lands and conservation of the radium supply in the United States.

(*g*) Proposed long-range domestic minerals and energy programs, including availability of domestic minerals and energy to fulfill all domestic requirements.

Subcommittee on Indian Affairs

(*a*) Relations of the United States with the Indians and Indian tribes.

(*b*) Indian matters, including but not limited to, the care and allotment of Indian lands and general and special measures relating to claims which are paid out of Indian funds.

(*c*) Matters relating to Alaska Native land claims.

(*d*) Special oversight function with respect to all programs affecting Indians.

Subcommittee on Public Lands

(*a*) Public lands generally, including entry, easements, withdrawals, and grazing.

(*b*) Forfeiture of land grants and alien ownership, including alien ownership of mineral lands.

(*c*) Forest reserves created from the public domain.

(*d*) National wilderness preservation system.

(b)(1) In order to enable the Committee to carry out its responsibilities under Rule X, Clause 2 of the Rules of the House, each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that Subcommittee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, each such Subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that Subcommittee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of that subcommittee.

(2) Pursuant to Rule X, Clause 2 of the Rules of the House the Chairman of the Committee and the Chairman of the Subcommittee having jurisdiction over the matter involved or their respective designees, shall meet with representatives of the Committee on Government Operations to discuss and to assist in co-ordinating oversight plans of their respective committees.

Rule 17. Party Ratios.—The Chairman shall negotiate with the Minority with respect to the size of each Subcommittee, with due regard for the preference of Members for Subcommittee assignments, except that party representation on each Subcommittee shall be no less favorable to the Majority party than the ratio for the Committee. Members shall be assigned to a Subcommittee by the Majority and the Minority, respectively, with due regard for previous Committee service and individual preference. The size and party representation for each Subcommittee during the 94th Congress shall be as follows:

Subcommittee	Total members	Majority party	Minority party
National Parks and Recreation	25	17	8
Water and Power Resources	19	13	6
Energy and the Environment	19	13	6
Territorial and Insular Affairs	16	11	5
Mines and Mining	19	13	9
Indian Affairs	7	5	2
Public Lands	16	11	5

Rule 18. Special or Select Subcommittee.—The Chairman is authorized, after consultation with the Ranking Minority Member of the Committee, to appoint such special or select Subcommittees as he deems advisable for carrying out the responsibilities and functions of the Committee. Party representation on each such Subcommittee shall be in the same proportion as that on the Committee.

Rule 19. Powers and Duties of Subcommittees.—Each Subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee on all matters referred to it. Subcommittee Chairmen shall set dates for hearings and meetings of their respective Subcommittees after consultation with the Chairman and the other Subcommittee Chairmen with a view toward avoiding simultaneous scheduling of Committee and Subcommittee meetings or hearings wherever possible.

Rule 20. Travel.—(*a*) Subcommittee hearings outside of Washington, D.C., and travel by Members and staff shall be subject to approval by the Chairman pursuant to regulations promulgated by the Committee on House Administration. The Chairman of each Subcommittee may, for the purposes of field trips or hearings outside of the District of Columbia, assign any Members of the Committee to that Subcommittee.

(*b*) Staff members assigned to any Subcommittee may travel in connection with their respective duties only with the approval of the appropriate Subcommittee Chairman and with the approval of the Chairman of the Committee. Prior to submitting such travel requests to the appropriate Subcommittee Chairman, all Minority staff travel shall be subject to such approval as the Minority Members of the Committee deem appropriate. All such travel shall be subject to the regulations promulgated by the Committee on House Administration.

Rule 21. Subcommittee Chairmanship.—(*a*) The Majority Members of the Committee shall have the right, in order of Full Committee seniority, to bid for Standing Subcommittee Chairmanships except that the Chairman of the Committee shall not serve as the Chairman of any Subcommittee on the Committee. Any such bid shall be subject to approval by a majority of the Majority Members of the Committee. The Minority shall select a counterpart to the Subcommittee Chairmen for each of the Subcommittees. The Chairman of select and special Subcommittees shall be appointed by the Chairman of the Committee, subject to approval by a majority of the Majority Members of the Committee except that no Subcommittee Chairman shall be Chairman of another legislative Subcommittee of the House.

(*b*) Members chosen as Subcommittee Chairmen shall retain a ranking position on not more than one other retained Subcommittee. Any Subcommittee Chairman serving on more than two Subcommittees shall be assigned positions on additional Subcommittees only after all other Members are assigned to Subcommittees and their ranking established on such Subcommittee, then the Subcommittee Chairmen may serve in the order of their ranking on the Committee.

Rule 22. Duties of Chairman Upon Favorable Action by Committee.—Whenever the Committee authorizes the favorable reporting of a bill or resolution from the Committee, the Chairman shall report the same or designate some Member of the Committee to report the same to the House and he shall use or cause to be used all parliamentary methods to secure passage thereof, without such additional authority being set forth particularly in the motion to report each individual bill or resolution. Without limiting the generality of the foregoing, the authority contained herein extends in appropriate cases to moving in accordance with Rule XXIV, Clause 5, of the said rules that the House go into the Committee of the Whole House on the State of the Union to consider the bill or resolution; and to moving in accordance with Rule XXIV, Clause 2, of said rules for the disposition of a Senate bill or resolution that is substantially the same as the House bill or resolution as reported.

Rule 23. Committee Budget and Expenses.—(*a*) Each Subcommittee chairman and the ranking Minority members of the Committee shall submit to the Chairman a budget for each session of the Congress covering the funding required for staff, travel, and miscellaneous expenses. The Chairman shall prepare a consolidated budget for each session of Congress which shall include amounts required for all activities and programs of the Committee and the Subcommittees, except those Committee expenses to be paid from appropriations provided for by statute.

(*b*) Upon approval by the Committee of each such budget, the Chairman, acting pursuant to Rule XI, Clause 5, of the Rules of the House, shall prepare and introduce in the House a supporting expense resolution, and take all action necessary to bring about its approval by the Committee on House Administration and by the House.

(*c*) The Chairman shall report to the Committee any amendments to each expense resolution and any changes in the budget necessitated thereby.

(*d*) Authorization for the payment of additional or unforeseen Committee and the Subcommittee's expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(*e*) Committee members shall be advised of the availability of each monthly report, prepared by the Chairman for the Committee on House Administration, which shows expenditures made during the reporting period and cumulative for the year, anticipated expenditures for the projected Committee program, and detailed information on travel.

Rule 24. Recommendation of Conferees.—Whenever in the legislative process it becomes necessary to appoint conferees, Majority Members shall be recommended to the Speaker as conferees as determined by the Majority, and Minority Members shall be recommended to the Speaker as conferees as determined by the Minority. Recommended party representation shall be in the same proportion as that in the Committee.

LET'S BAN SALE OF GASOLINE—IT'S FLAMMABLE!

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, on February 14, the Consumer Product Safety Commission printed in the Federal Register, a petition, by the Committee for Handgun Control, Inc., a Chicago handgun control lobby, which asks the Commission to find that bullets for handguns, are a hazardous substance, under the Hazardous Substances Act of 1960, and to thereby ban the sale of bullets for handguns.

The petition by the committee, was originally denied by the Commission on September 5, 1974, on the grounds that such a ruling went beyond the intent of Congress in establishing the Commission. The Chicago group then appealed this decision and a District of Columbia Federal court, ordered the Commission on December 19, 1974, to "commence consideration of—the Committee's—proposal," and to solicit "information on which to base a ruling as to whether handgun ammunition is a 'hazardous substance.' "

I have written to the Chairman of the Commission and take issue with the interpretation of the Hazardous Substances Act, and I strongly believe such a ruling would indeed exceed the authority granted the Commission by the Congress.

I have received hundreds of letters from my State of Wyoming expressing outrage with the proposal. In no way does handgun ammunition constitute in itself, a hazardous substance; and when used with reasonable and sensible safety precautions does not constitute a menace to anyone. This is but a blatant "back door" attempt at gun control regulation. Gun control is the business of the Congress and not of a committee of but a few people.

I am, therefore, introducing legislation today which would prohibit the Consumer Product Safety Commission from issuing any ruling or restriction on the manufacture or sale of firearms, or firearm ammunition, in order to make clear the intent of the Congress in this respect, with regard to the role of the Commission, and to place the responsibility for gun control legislation where it belongs, here in this body.

THE U.S. INFORMATION AGENCY AND THE VOICE OF AMERICA

(Mr. SLACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLACK. Mr. Speaker, I have been disturbed by press reports that a panel headed by Dr. Frank Stanton is urging that the U.S. Information Agency be broken up and its functions dispersed. If newspaper accounts are accurate, the Stanton report, which has not yet been released, will recommended that part of USIA—those elements concerned with U.S. foreign policy be carved off and given to a new bureau in the State Department. The Voice of America is to be separated from the Agency and made independent, and the remainder of USIA would be combined with the Cultural Affairs bureau of State into a new semi-autonomous, AID-type organization whose director would report to the Secretary of State.

As chairman of the Appropriations Subcommittee dealing with the State Department and related agencies, it has been my responsibility to conduct hearings on the USIA and the Bureau of Educational and Cultural Affairs of the State Department. Their management and operation have been subject to rigorous scrutiny. As a long-time member of this committee I have for many years personally studied and followed our Government's overseas information, educational and cultural programs and their contribution to our Nation's diplomatic objectives. I have inspected USIA's operations and programs overseas at firsthand, and I have become increasingly convinced that a coherent public diplomacy—promoting understanding, support, and respect abroad for the United States and its policies—is an essential element in the conduct of our foreign policy.

The U.S. Information Agency is at this time a well-organized, solidly managed agency staffed by career professionals. The efforts of this Agency as now administered serve important national objectives of the United States. In fact, I have on other occasions expressed to this Chamber my confidence in our overseas information and cultural programs because of my high regard for the efficient and conscientious manner in which they are carried out by the dedicated men and women of the USIA.

Now it is proposed that this Agency be broken up, its functions and its trained personnel be divided and scattered. According to the news stories, USIA would be stripped of its press officers and media services whose present job it is to interpret and support American foreign policy overseas. These people and this function would be submerged in an enlarged bureau of public affairs within the State Department. It is only realistic to assume that the job of explaining U.S. policies to foreign audiences would have a much lower priority under the proposed scheme than it does now under USIA. I question the wisdom of this change, for I believe we are going to need all the support and understanding abroad that we can get. This is one field where I think that USIA will try harder and is better prepared to do the job than the vast bureaucracy of the State Department.

I am not sure what is to be gained by splitting off the Voice of America from its parent organization and making it independent. I am aware that some people would like the Voice to become a sort of CBS of the international airwaves, independent of Government control, but if its broadcasts do not support U.S. policy I do not see why the American taxpayer should be asked to pay for them. And if it is supposed to continue to operate under Government policy controls, then why break it off from USIA where it has worked successfully for more than 20 years? Apart from change for the sake of change, I do not see what these proposals would accomplish other than to disrupt and dismantle what is now an efficient, effective operation.

Now I am not opposed to change when it is indicated by logic and when the result would seem to be an improvement over the present situation. One approach of the Stanton panel has, in my opinion, considerable merit. I have long believed that the cultural and educational programs of the State Department and USIA should be consolidated in Washington just as they are overseas. The direction and planning of these programs should be unified and coordinated in Washington; after all, they are administered and carried out by USIA Foreign Service officers abroad.

But I am troubled by the assumption that "information" and "culture" are somehow separable and distinct and should not be used together. I particularly question the idea that the task of explaining U.S. policies should be totally divorced from the effort to promote mutual understanding. The two, in my opinion, should not be divorced; they are complementary and supportive of one another. I mentioned earlier that our public diplomacy must be coherent, but I question whether this can be achieved if our efforts are to be divided among three separate agencies.

Finally, as chairman of the Appropriations Subcommittee concerned with our overseas information and cultural programs, I would point out that fragmenting the function, staff, and resources of these activities into three different agencies makes the task of effective congressional oversight vastly more difficult. How much more easily and how much more efficiently could the committee carry out its oversight responsibilities if these programs were consolidated into one agency?

But apart from my own committee duties, I am most concerned with preserving and strengthening our Nation's overseas communications effort. An effective information/cultural/educational communications capability is an essential arm of U.S. diplomacy. At this juncture, both détente and the need for collective action on the part of the allied nations place the highest premium on persuasion and on the ability to conduct a meaningful dialog with other nations. This is prceisely the function of USIA. To fragment this effort would be a serious disservice to the national interest. Do we really want to cut up the USIA? Inevitably, it would result in confusion, disruption, and disarray in our public diplomacy at a time when these efforts are most needed and should be at their best.

It is my conviction that the best solution is a strong, consolidated, separate agency with close policy ties to the Department of State. Its mission should be to carry out all overseas informational, cultural, and educational activities of the U.S. Government. This would best serve the national interest at a time when such activities are more complex and important than ever.

LET US REVIEW 1975 U.S. PUBLIC WORKS PROGRAM

(Mr. EVINS of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVINS of Tennessee. Mr. Speaker, the President's message of October 31, 1974, transmitted to the Congress proposed deferrals of certain amounts appropriated to the Corps of Engineers and Bureau of Reclamation for fiscal year 1975 as provided in Public Law 93-393, enacted August 28, 1974.

The deferral actions proposed by the President at that time were solely because of inflation. He proposed that every project under construction to which Congress added funds above the amount contained in the 1975 budget request be reduced by one-half of the amount added.

Many changes have occurred since the President's proposal was received.

Mr. Speaker, today over 7.5 million Americans are out of work. Unemployment has reached 8.2 percent and in all likelihood will reach 9 percent before year's end. The budget for fiscal year 1976 projects that the unemployment rate will be 7.9 percent in 1976 and 7.5 percent in 1977. This, we feel, is an optimistic outlook unless action is taken both by the Congress and the private sector to provide jobs for Americans.

Public works projects provide jobs. Public works projects provide work for a sagging construction industry. Public works projects provide clean electric power on the line and capital assets for America.

The action I am recommending will assure the availability of $81,558,000 in new budget authority and $57 million in expenditures for the current fiscal year which is already appropriated. These funds will not only provide for new jobs but will also prevent the curtailment of existing contracts which would add additional people to the unemployment rolls.

Stretchouts, slowdowns, or other delays for Corps and Bureau projects under construction results in additional costs and loss of project benefits in addition to loss of jobs.

Therefore, I am today introducing House resolutions recommending disapproval of deferrals numbered D75-81, D75-82, D75-83, D75-84, D75-85, and D75-86.

I am taking this action to give the Members an opportunity to review the 1975 public works program in light of the unemployment situation we face today.

PERMISSION FOR SUBCOMMITTEE ON ENVIRONMENT AND ATMOSPHERE TO SIT DURING HOUSE SESSIONS THIS WEEK

Mr. BROWN of California. Mr. Speaker, I ask unanimous consent that the Subcommittee on Environment and the Atmosphere be permitted to sit during the afternoon for the remainder of this week.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PARAGUAY MAINTAINS STRONG U.S. FRIENDSHIP

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. COLLINS of Texas. Mr. Speaker, when our country's international trade law was passed by Congress, we heard from all over the world. I knew what to expect from Paraguay, because President Alfredo Stroessner and the strong Congress of Paraguay always stand united with our country.

From the floor of Congress here in Washington, I ask our Ambassador, George W. Landau, to express the thanks of those of us in Congress who appreciate so much our warm and sincere friends in Paraguay and especially their great leader, President Alfredo Stroessner. Their consistent support is reflected through the statements in the press of Paraguay. Let me quote some of these.

According to the largest Paraguay newspaper in Asuncion, ABC-Color, of January 10, 1975:

> The new trade bills without doubt a great step toward the liberalization of international commerce and an especially strong stimulus for the foreign trade of developing countries—like our own—which will receive from the United States the maximum conceivable franchise: the complete liberation of every tax or burden to the introduction of its products into that country. It goes on, "As far as the objections being made—it can only be concluded that they are essentially demagogic and that they reveal a strong anti-U.S. tendency."

An important radio station, Radio Chaco Boreal, on January 11, 1975 said, "Venezuela and Ecuador, members of OPEC, did not ask developing countries if the new oil prices would affect them and up to now have done whatever they wanted." Another newspaper, Ultima Hora on February 4, 1975, criticized fellow Latins' trade policies—and their vote against our Trade Bill in the OAS. "Apparently when we cast our vote in favor of the Venezuelans' proposal, we preferred that the oil producers sell at whatever price they pleased, that the Argentines and Brazilians continue to dump their shoes, that the Peruvians pay for their expropriations whenever they choose; we were apparently more concerned about all that than about the advantages with which the Act rewarded our honest poverty and favored our development.

Others are concerned about the interruption of our New Dialogue with Latin America. To quote an editorial from the *ABC-Color* of February 9, 1975, "There is no doubt that the postponement of the meeting that was to take place in Buenos Aires is a large step backward in Inter-American relations and that it represents a victory for the separatist policy of Cuba. It is a step of which Latin America has no cause to be proud." Yes we still have some friends in Latin America. That same editorialist also wrote recently in *ABC-Color* on January 31, 1975, on the same topic, the following:

"Maybe then it is about time to consider what Lain American solidarity really means, when it is only invoked in the selfish protection of a few without considering the consequences. It is clear that when a nation becomes a great power, as in the case of the United States, it acquires responsibilities and obligations toward other countries commensurate with that status; but those duties, like all the rest, also have their limits."

This newspaper and editorial comment strongly supporting the U.S. in the Trade Law controversy, is also unique among the nations of the Western Hemisphere. It is only one more in a long series of demonstrations of friendship and respect from a sincere ally, the Republic of Paraguay.

SELECT COMMITTEE TO INVESTIGATE AND RECOMMEND NATIONAL LAW AND POLICY FOR FOREIGN INVESTMENTS IN THE UNITED STATES, ITS POSSESSIONS, AND TERRITORIES

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, I am today introducing a resolution that would create a select committee to conduct a full and complete investigation and study of foreign investments in this country, and to develop and recommend legislation leading to the establishment of broad national policy with regard to foreign ownership of vital parts of our economy.

The recently reported Iranian purchase of what may amount to 25 percent of the stock of Pan American Airlines points out the need for such a policy. I do not believe the present laws and administrative procedures are geared to cope with the unprecedented circumstance of billions of petro dollars seeking investment in this country. In the case of the Pan American purchase by Iran, CAB approval will be required as Federal law does prohibit more than 25 percent foreign ownership in American airlines. There are, however, other areas ripe for foreign investment which are virtually uncontrolled by Federal law. The recently announced Saudi Arabian investment in the controlling interest of a Michigan bank is but one example. A recent editorial appearing in the Washington Star-News addresses the problem squarely and says that the "Government's say in foreign ownership is currently spotty, virtually limited to shipping and airlines, broadcasting, hydroelectric power, and nuclear energy."

I am not advocating a retreat from our national policy of free international trade and investment. I am advocating complete scrutiny of foreign investments in this country to insure that their extent and nature are not detrimental to our national interests.

KING CAUCUS REIGNS

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, the Democratic caucus' proposed new rule slashing the number of members necessary for a quorum in House committees further suppresses the democratic process and debases the reputation of this body itself. King Caucus reigns, and he has updated his symbol from an empty chair to an empty room. King Caucus has decreed that House committees no longer need a majority of members to do business. A third of a committee can make a quorum, and that slender third can vote, through proxies, for all committee members. Why not? It beats working.

And so the committee to counterreform marches on.

At least the quorumless quorum is consistent with other wonderful and creative reforms that King Caucus has laid on us. Part of the dreadful tally goes as follows:

First. More suspensions.—They are very "convenient" especially because they limit debate and prohibit amendments;

Second. The minority staff rip-off.—Never mind the promises of the Reorganization Act of 1970, or the House rules of 1974—if we do not give the minority its one-third, we can give ourselves lots more staff and blame it on the need to increase minority staff;

Third. Restore proxy voting.—Let someone else, anyone else, do it;

Fourth. Cheat on committee ratios.—Let King Caucus dictate two-thirds plus one—it will give our side an extra advantage we could not win at the polls;

Fifth. Let the caucus decide.—Never mind what our constituents want, the unit rule will think for us;

Sixth. Keep it secret.—Legislate behind closed doors in the shadowy darkness of the caucus.

Seventh. Cut the quorum.—Let us empty the chairs and committee rooms;

Eighth. More closed rules.—The people's representatives in the House cannot really be trusted on amendments; and

Ninth. Waive points of order.—Whenever rules interfere, forget them.

HOUSE RESOLUTION 208, TO PROVIDE ADDITIONAL PARKING FACILITIES

Mr. HAYS of Ohio, from the Committee on House Administration, reported the following privileged resolution (H. Res. 208, Rept. No. 94–18), which was referred to the House Calendar and ordered to be printed.

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 208.

The Clerk read the resolution, as follows:

H. Res. 208

Resolved, That the chairman, Committee on House Administration is authorized:

(1) to lease or to otherwise provide additional indoor and outdoor parking facilities for employees of the House of Representatives in an area or areas in the District of Columbia outside the limits of the United States Capitol Grounds;

(2) to provide for transportation of such employees to and from such area or areas and the United States Capitol Grounds;

(3) to regulate and assign such additional parking facilities;

(4) to utilize the United States Capitol Police with respect to such parking areas, and transit routes; and

(5) to utilize the services of the Architect of the Capitol to prepare bids, leases, or otherwise assist in obtaining such additional parking facilities.

Until otherwise provided by law, there shall be paid out of the contingent fund of the House of Representatives such sums as may be necessary to carry out this authorization.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE AMENDMENTS

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 1, line 6, following the word "outside" insert the words "but adjacent to".

Page 1, strike lines 8, 9 and 10 and renumber the subsequent paragraphs accordingly.

The committee amendments were agreed to.

The Chair recognizes the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Speaker, this was a resolution to permit the Committee on House Administration on behalf of the House to bid on some parking space which is between the Rayburn Building and the FBI Building. The House is going to take over and renovate the FBI Building for use of the committees. The parking space is under the freeway and belongs to the District of Columbia.

The committee would have preferred to have negotiated with the District of Columbia for the parking space, but the District had already advertised they were going to put it up for bids, and in order to give the Congress a chance to have some access to it the District did delay the bids for 2 weeks.

This resolution is to give the chairman of the committee the authorization to enter a bid for that parking space.

I might say to the House there are about 800 spaces there and, if we are successful in acquiring it, it seems to me that would relieve a great deal of the pressure which is upon all of us in connection with this parking problem at the present time.

The bill was considered in committee this morning, and it was then amended to put in the words "adjacent to the limits of the Capitol grounds", and a paragraph to provide transportation was stricken out by unanimous vote of the committee. The bill came out of the committee unanimously with a quorum present.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONGRESSMAN HUBBARD INTRODUCES RESOLUTION FOR MORE EFFORT BY CONGRESS TO SOLVE ECONOMIC AND ENERGY PROBLEMS

(Mr. HUBBARD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous material.)

Mr. HUBBARD. Mr. Speaker, today I have introduced a resolution in the House which expresses the desire of the people of the First District of Kentucky for a more dedicated effort on behalf of all Members of Congress to solve the Nation's economic and energy problems.

In part, the resolution states that in order to promptly work on and solve the economic and energy problems the Congress should, first, postpone all recesses until these dilemmas, these problems, have been met with helpful and equitable legislation; second, increase committee meetings and concentrate efforts in such meetings to solve the dilemmas; third, report bills promptly to the House for consideration; and fourth, meet every Monday through Friday, and more often if necessary, to facilitate prompt consideration of legislation dealing with energy and the economy.

I have introduced this resolution because I feel since we have indicated to the people of our districts that prompt action would be taken by the 94th Congress, we should work harder and exert a more concentrated commitment to solving these problems.

And, although we do work hard in our respective districts when we are in recess, and I realize the importance of our meeting with the people to discuss their individual needs and receive their views, I think the people of the Nation will understand the importance of the Members of Congress being in Washington until legislation is adopted relating to our economic and energy problems.

A SELECT COMMITTEE TO INVESTIGATE DEATHS IS SUGGESTED

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, last Wednesday, as you know, I introduced a resolution, House Resolution 204, requesting that you name seven Members of the House to a select committee, one of whom you shall name chairman, to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, and the attempted assassination of George Wallace.

By the sheerest of coincidences, Mrs. Eunice Shriver, sister of the slain Kennedys, was in my district in San Antonio over this last weekend. In fact, she traveled on the same plane which I did going down from Washington.

During her stay she was interviewed by a reporter for the San Antonio Light regarding her view of my proposal. She said she saw "no advantage to reopening investigations into the assassinations of her two brothers."

I have no objection to her giving her opinion on whether or not the resolution should have been introduced, but I do object to what she said further which was a gratuitous assessment of my act as being some sort of publicity stunt.

As reported in the Light, she said:

> There was a recent one (resolution) by a congressman from New York with a lot of fanfare and nothing happened. And as a member of my family, we are perfectly satisfied with the Warren Commission report.

Mr. Speaker, for the record I would like to point out that it has been some time since resolutions were introduced in Congress calling for an investigation of the assassination of President Kennedy.

Former Congressman Charles Goodell of New York introduced one in 1963, and in 1966 and 1967, former Congressman Theodore Kupferman, also of New York, introduced concurrent resolutions to determine the necessity of an investigation by establishing a committee.

This is 1975 and there are still a lot of questions still unanswered by the Warren Commission or any other agency, department, or person, as well as additional assassinations since the President's which have given rise to additional questions gone unanswered.

My resolution in no way can be associated with the earlier resolutions of a similar nature. Mrs. Shriver's remarks are, unfortunately, very untimely and miss the point entirely.

THE LATE HONORABLE ELIZABETH KEE

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from West Virginia (Mr. HECHLER) is recognized for 60 minutes.

Mr. HECHLER of West Virginia. Mr. Speaker, I rise today to pay tribute to the late Mrs. Elizabeth Kee, who passed away in Bluefield, W. Va., on February 15 of this year.

Mrs. Kee was the first and only woman to be elected to the House of Representatives from the State of West Virginia. She served with great distinction in the House of Representatives. She was elected in a special election in 1951 to succeed her late husband, Representative John Kee, who himself had been elected to the House of Representatives in 1932 and served in this body from 1933 until his death in 1951.

Representative John Kee was chairman of the House Foreign Affairs Committee.

Mrs. Kee served from 1951 until her voluntary retirement in 1965. She was undefeated in all primary and general elections in which she stood for office.

Mrs. Kee on her retirement in 1964 was succeeded by her son, former Representative James Kee, who served in this body from 1965 until 1973.

I believe history will record that this is the only instance in American history where a father, mother, and son served consecutively in the House of Representatives. So over a 40-year period, this remarkable family dominated southern West Virginia politics and legislation. The Kee family, first Representative John Kee and then Elizabeth Kee and James Kee, represented the southern coal fields of West Virginia in a 40-year span in the House of Representatives from 1933 to 1973.

Millions of veterans and their families, including orphans and widows, owe a special vote of thanks to Mrs. Kee, who served on the Committee on Veterans' Affairs during the Korean war era. Mrs. Kee had a special interest in seeing that veterans received their just due from a grateful nation for their many sacrifices.

She served on the Veterans' Affairs Committee from the 82d to the 88th Congress. During the 82d Congress, the Korean GI bill was enacted into law.

The 82d Congress also overrode Presidential vetoes to provide specially equipped automobiles for disabled veterans of World War II and the Korean conflict, and to establish a rate of pension for aid to dependents.

She left many legislative landmarks during her tenure on the subcommittee on hospitals. They have included an expanded VA medical care and outpatient treatment program, which was a major improvement, to take care of disabled veterans.

Another major legislative breakthrough was the establishment of nursing care beds at the VA and at the same time expanding the relationship of the VA with the various State soldiers' homes, and for the first time provided invalid lifts and other devices to aid veterans being nursed at home.

Mrs. Kee also authorized legislation establishing a war orphans educational program, and to prohibit the severance of a service-connected disability which has been in effect 10 or more years.

She was truly a first lady in the forefront of helping the disabled veterans and their families.

I am pleased to include the following portion of her biography compiled by the Library of Congress, which sketches the career of this lady:

> The first woman Representative in Congress from West Virginia, Mrs. Elizabeth Kee has represented that state's fifth district since the death of her husband, former Congressman John Kee, (Democrat) on May 8, 1951, to Dec. 31, 1964.
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> First elected by a special election to fill his unexpired term, Mrs. Kee campaigned for re-election in the 1952 general elections and won with a plurality of 36,000 votes over her Republican rival, topping the margin received by any other West Virginia Congressman. She also won the 1954 Democratic primary as a candidate for re-election in November.
>
> Elizabeth Frazier was born in Radford, Virginia, June 7, 1899. While she was still "too young to remember" her family moved to Roanoke where her father, J. W. Simpkins, was in the real estate business. During her childhood, the family lived in Vinton. After attending Roanoke's public schools, she obtained her first job, during World War I, as secretary to the late W. E. Thomas, business manager of the Roanoke *Times*. She later worked as a court reporter for the firm of Hart and Morris. In 1925 she moved to Bluefield, West Virginia. She became administrative assistant to her husband, John Kee, a lawyer, in 1932 when he was first elected to Congress.
>
> For several years she wrote a weekly column from Washington for a chain of West Virginia newspapers. She disconstinued this when her husband became chairman of the Foreign Affairs Committee, so that she could devote more time to assisting with his increased correspondence and office work.
>
> As a candidate for her husband's office after his death, Mrs. Kee was endorsed by the United Mine Workers. She wrote letters and toured the seven counties of the Fifth Congressional District—Greenbrier, Mercer, McDowell, Monroe, Summers, Wyoming, and Mingo. The district, with a population of approximately 329,584, contains the Pocohontas coal fields. Elected on July 17, 1951 (with 58 per cent of the voters in the mining district casting votes), she was sworn into office on July 26, 1951.
>
> Congressman John Kee was known as a progressive Democrat, and Mrs. Kee's voting record in the Eighty-second Congress followed a similar pattern. She voted against cut in economic aid for Europe and for the $7,500,000,000 foreign asistance bill. She opposed a 10 per cent cut in Federal jobs, the tidelands oil bill, the end of consumer price controls by June 30, 1952, the end of Federal rent controls September 30, 1952, and the use of the Taft-Hartley law to halt the steel strike.
>
> In the Eighty-third Congress she supported $4.4 billion for foreign aid appropriations (1953) and over $5 billion for foreign aid in 1954. In that year she voted against extending the Trade Agreements Act for one year, against building the St. Lawrence Seaway, and against a bill amending the Atomic Energy Act of 1946. She favored social security expansion and supported the bill making it a felony to be a Communist.
>
> A member of the House Committee on Veterans' Affairs, she served on a special

subcommittee charged with investigation of Veterans' Administration hospitals. She feels that "more attention should be devoted to the welfare of this country's veterans. . . . To begin with, they (veterans' hospitals) just aren't getting the appropriations they need from Congress. . . ." Consequently, in her opinion, there is inadequate hospital personnel. "You just can't economize at the expense of the veteran. And I know the American people—regardless of how much they want Government spending cut—I know they feel that way."

In addition to her concern for domestic problems, Mrs. Kee maintained her husband's interest in foreign affairs. The Congresswoman took a self-financed 16,000-mile air trip through seven South American countries in the latter part of 1952, fulfilling what had been her husband's life-long dream.

The Representative has established and sponsored a library for the physically handicapped at the Woodrow Wilson Rehabilitation Center at Fisherville, Virginia. In addition, she served as vice-regent of the Woodrow Wilson Birthplace Foundation at Staunton, Virginia.

Her son James, a former foreign service officer in South America, served as her administrative aide. Her daughter Frances also helps voluntarily on occasion despite partial disability caused by poliomyelitis.

Mrs. Kee was a member of the Christ Episcopal Church in Bluefield, and was active in Episcopalian organizations. She regularly attended weekly Congressional prayer breakfasts on Capitol Hill. "Legislation, if it is to serve its real purpose, must be spiritually motivated—and that is the purpose of this breakfast club," she explained.

Representative Kee was active in Red Cross work. She was a member of the American Newspaper Women's Club, the English-Speaking Union, Bluefield Country Club, and Daughters of the American Revolution. Blue-eyed, brown-haired Elizabeth Kee was known for her vitality and determination.

Mr. Speaker, I include an excellent editorial concerning Mrs. Kee:

Mrs. Elizabeth Kee

The late Mrs. Elizabeth Kee, who represented southern West Virginia in the House of Representatives for 13 years, was a remarkable woman in many ways. She probably was proudest of one distinction: She was the only woman ever elected to Congress from West Virginia. And since she was elected to six two-year terms in the House of Representatives, it is quite obvious that most of her constituents were satisfied with her conduct of that office.

She also was part of a remarkable political dynasty. Her husband, John Kee, held the same Congressional seat from 1932 to 1951, and her son, Jim Kee, filled the job from 1965 to 1972. The Kees, until 1972, were politically invincible, to the chagrin of numerous opponents of both political parties.

Mrs. Kee, in her quiet way, turned out to be an effective Congresswoman, and her effectiveness was not diminished following her retirement from the House. For instance, those familiar with the problem know that she deserves full credit for working out the key problems which had Bluefield's Edison Hollow Dam project stalled on dead center, which in the long run will turn out to be an inestimable service to this city and the surrounding area. It now is known as Kee Dam.

Mrs. Kee was a lady who took her job and her responsibilities seriously, and who worked at them full time. If there is a record of her speaking harshly of anyone, political opponent or not, we do not know of it. And if there is a record of her refusing any help her office could give to any constituent, regardless of his political affiliation, we do not know of that either.

Mrs. Kee served us well. In this newspaper's opinion she fully deserved the respect she won from political friend and foe alike.

Mr. SLACK. Mr. Speaker, a few days ago we learned of the passing of former Congresswoman Elizabeth Kee, who served six terms in the House of Representatives until forced by ill health to retire in 1964.

Her place in the history of this body is without precedent, since she not only served as a Member, but was both the wife and the mother of elected Members.

From 1932 until 1951 she was executive assistant to her husband, Congressman John Kee, at that time chairman of the House Foreign Affairs Committee. After retirement, she was succeeded by her son, Congressman James Kee who served until 1972.

Over a span of 40 years from 1932 to 1972 members of the Kee family represented the most southerly portion of West Virginia in Congress. Through depression and war and postwar adjustment they were ever in the front line of public service, working continuously to apply public programs to the solution of constituent problems.

During the bleak years after 1952, when automation swept through the Appalachian coalfields and wiped out the livelihood of 40 percent of the miners and their families, Congresswoman Kee was among the first to recognize the meaning of the term "technological unemployment" and to join the organized effort toward a permanent comeback for the area.

Throughout her years of service as a Member, and during the years before and after, Congresswoman Kee maintained a loyalty to the basic virtues and qualities of the people she represented. She was strong in their hearts and their convictions. The people of southern West Virginia were indeed ably served by her stewardship, and those of us who worked with her in Congress will not soon forget her sense of dedication to human betterment.

Mr. MORGAN. Mr. Speaker, I join with my colleagues in eulogizing Elizabeth Kee of West Virginia, a distinguished Member of the House of Representatives and servant of her congressional district.

I had the great honor of serving with her husband, John, Mrs. Kee, and her son, and I personally know of the great dedication of the family to the people of West Virginia and the Nation. During the 40 years when the family served in this Chamber, our country saw great changes, and Congresswoman Kee participated in the development of a great deal of significant legislation. Her interest in the coal miners of her State is a notable highlight of her career, and I remember our many discussions of the unique problems of the coal fields.

Mr. Speaker, Mrs. Morgan and I extend our sympathy to the Kee family. They are indeed a remarkable example of service to our Nation.

Mr. ADDABBO. Mr. Speaker, I rise to join my colleagues on this sad occasion to pay tribute to our former Member Elizabeth Kee of West Virginia. Mrs. Kee's passing earlier this month was a loss to all who knew her and to all students of American political life who knew of her contribution to public service.

Representative Elizabeth Kee was a dedicated elected official who was part of a most interesting and unique family which produced three Members of Congress. Her husband, Representative John Kee and her son, Representative James Kee compiled outstanding records in this body and together their service to our country covered 40 years.

The State of West Virginia and our Nation have lost a leader and a stateswoman but future generations will learn about the Kee family part in the development of our democratic system and will share our appreciation of the role Mrs. Kee played in the House of Representatives.

Mr. ROYBAL. Mr. Speaker, as the House pauses today to honor a former Member of Congress, I would like to join my colleagues in paying tribute to the memory of Elizabeth Kee.

While I did not have the privilege of serving in Congress with her husband Judge John Kee, I do consider it an honor to have known both Mrs. Kee and her son James, as colleagues in the House of Representatives. The individual contributions of each of these members of the Kee family have been considerable. Taken together, their membership in the House of Representatives has, indeed, been a unique and valuable ocurrence.

Following the death of her husband, Mrs. Kee decided to run for office and was elected to fill the remainder of her husband's term. The gentlewoman from West Virginia not only completed this term of office, but continued to serve the people of West Virginia and of the Nation for 13 years. During this time Mrs. Kee represented her constituents with outstanding ability and unfailing dedication. Her particularly strong concern for the veteran and the physically handicapped was evidenced through her continued efforts to improve their lot.

In 1964, when she decided to return to private life, Mrs. Kee's many friends here in Congress regretted the loss of such a fine Member of Congress. And it is with deep sorrow now that we mark the passing of a truly gracious lady and dear friend.

Mr. HELSTOSKI. Mr. Speaker, one of the House's former Members, Elizabeth Kee of West Virginia, died February 15 and I would like to take a few minutes to pay tribute to her and to extend my sympathy to the members of her family.

Congresswoman Kee, who held the distinction of being the only woman West Virginia has sent to Congress, was an able and articulate legislator. Though she succeeded her husband John Kee, after his death in 1951, she soon emerged in her own right as one of the most capable and dedicated Members of the House.

Mrs. Kee is best remembered for the work she did in the area of veterans' affairs, and for the visits she paid to veterans' hospitals throughout the country in her capacity as chairwoman of the Veterans' Affairs Subcommittee on Hospitals.

In addition to being preceded in Congress by her husband, Mrs. Kee was succeeded in 1965 by her son, James, who served with distinction until 1972. Mr. Speaker, Mrs. Kee, her husband, and son made many important contributions to Congress and the Nation, and the entire family will be remembered for their 40 years of exemplary public service.

Mr. JONES of Alabama. Mr. Speaker, the passing of my friend and former colleague in the House of Representatives, Mrs. Maude Elizabeth Kee, on February 15, is a great loss to all the Members of Congress with whom she served.

From the time she entered Congress in 1951, in a special election following the death of her husband, until her undefeated retirement in January 1965, after being reelected six times, Representative Kee's record was one of dedicated service. On her retirement, her son was elected to carry on this service.

Her keen insights into national affairs and her vast compassion for the needs of others made her a most valuable Member of the House of Representatives.

Serving on the House Veterans' Affairs Committee and chairman of the Subcommittee on Education and Training, her dedication to worthwhile efforts was reflected in all of her work. Her contributions to her State of West Virginia, as well as to the Nation, were great.

Each of us who shared her company has been enriched by the warmth of her friendship and the depth of her loyalty.

Mrs. Kee was a most remarkable person, and I treasure the opportunity of having served with her in the Congress.

My deepest sympathy has been extended to Mrs. Kee's son, James, our former colleague; her daughter, Frances; and other members of the family.

Mr. BELL. Mr. Speaker, I would like to join my colleagues in their special tribute to former Representative Elizabeth Kee.

It was a privilege to serve with her during the latter years of her term in Congress; and I, as well as the residents of her 5th Congressional District in West Virginia, can surely testify to the quality of her leadership. Her presence in the House has been sorely missed since her retirement in 1964.

It is with utmost sincerity that I extend my condolences to the family of Mrs. Kee and to the people of West Virginia whom she served.

Mrs. SULLIVAN. Mr. Speaker, the term "gentlewoman" or "gentlelady" traditionally used in House debate in addressing women Members, applied with particular appropriateness to Congresswoman Elizabeth Kee of West Virginia, whose death has saddened all of us who served with her during her 14-year career in Congress.

A gracious, kind, warm and outgoing friend, she was a woman of great dignity, integrity, and self-discipline, and a consummate politician. As a member of the House Committee on Veterans' Affairs and chairman of its Subcommittee on Education and Training prior to her retirement at the end of the 88th Congress, she brought to that assignment compassion for and sensitivity to the needs of the men and women who had served in the Armed Forces and worked diligently in their behalf. These same characteristics guided her hard work in behalf of the many citizens of her congressional district who lived in areas of high unemployment and depressed economic conditions.

She held the unusual distinction of being during her lifetime the wife of a Congressman, a Member of Congress, and the mother of a Congressman, a distinction shared by former Congresswoman Frances P. Bolton of Ohio.

I join my colleagues in expressing my condolences to Jim Kee and his sister Frances, and to the other members of Mrs. Kee's family on the passing of this fine and gentle and soft-spoken lady, who could engage in the demanding work of a successful political career without ever compromising her standards of good manners and innate politeness to all.

Mr. OBERSTAR. Mr. Speaker, I did not have the privilege of working with or knowing personally, the Honorable Elizabeth Kee, though, of course, her name and accomplishments were well known to me during my 12 years as administrative assistant to Congressman John A. Blatnik.

But I have been fortunate to work with two members of her family, her son, Representative Jim Kee, and granddaughter Karen.

Jim Kee served on the Public Works Committee, of which I was Administrator for 4 years; and I highly valued his expertise on economic development legislation, highways and other fields within the committee's jurisdiction.

Karen Kee, now Karen Gilbert, continued the distinguished record of her grandmother, as an outstanding legislative assistant to Congressman Blatnik. And through Karen I came to meet several other members of the Kee family.

To Karen, to Jim, and the entire family, I extend my most sincere condolences, and assure them that they are not alone in their grief, but have many friends to share with them the burden of sorrow and the shock of loss they must feel at this time.

GENERAL LEAVE

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in connection with the service of former Representative and late Mrs. Elizabeth Kee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

MINERAL RIGHTS GIVEAWAY IN SHAWNEE NATIONAL FOREST OF SOUTHERN ILLINOIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. SIMON) is recognized for 10 minutes.

Mr. SIMON. Mr. Speaker, I rise to alert the Congress to a threatened giveaway of mineral rights on land which is part of the beautiful Shawnee National Forest in my southern Illinois district.

As a result of leasing applications from a number of oil companies—including two of the world's largest—the Forest Service of the U.S. Department of Agriculture is considering leasing some 125,000 acres of the 250,000-acre national forest. The decision to lease is awaiting an environmental impact study by the Forest Service.

Under existing procedures, once the final Federal decision is made to lease, the companies applying for mineral rights receive them according to the order of their applications. And, under the Department of Interior's prevailing rate for leases in the area, the companies would be able to lease for a mere 50 cents per acre.

Under those procedures, Exxon, the world's largest oil company, and Amoco, the fifth largest oil company in the world, would probably receive all the potentially valuable mineral rights for token expenditures. Exxon was first to apply for mineral rights, asking for 11,116 acres, and Amoco was second, seeking 190,156 acres. A number of smaller, independent oil companies have also made applications, but later than the two "majors." They would most likely have no chance of securing any mineral rights under the present noncompetitive, first-come-first-served policy.

It is my strong feeling that any leases by the Forest Service should be granted on a competitive bidding basis—or at least for prices as high as those earned for mineral rights on surrounding, private land.

If competitive bidding were made part of the leasing procedure, small, independent oil companies would have an equal chance to secure mineral rights with the large firms—each making a bid on the basis of its forecast of profitability.

If the Forest Service goes ahead with a flat leasing rate determined by the Department of Interior, that rate should be increased substantially and the smaller independent companies should be, as a matter of policy, given some special preference in securing leases.

An increased price for leasing is of particular importance to the counties in my district with Shawnee National Forest land, because counties are now entitled to 25 percent of the lease income from Federal lands.

If all 125,000 acres now being considered for leasing are actually leased for 50 cents per acre, all the counties involved would receive a total of only $15,625, at the most. A $1 per acre rate would return twice that amount, $31,250, to the local governments; $2 per acre would return $62,500; and so on.

While these figures may not seem large to many, let me tell you about the plight of one county affected by all this. Pope County, Ill., is loaded with scenic beauty and good people—but, the average family income in this county is the lowest in the State of Illinois, $6,024 per family below the statewide average.

Last week I met with the county officials of Pope County about a problem they have. Because income is so low to the county general fund, next month, unless some State or Federal action is taken, the county payroll cannot be met.

Why?

Because 38 percent of the land of that county is occupied by the Shawnee National Forest and for that massive intrusion there was a payment this past year in lieu of taxes of 8½ cents per acre to the schools and 8½ cents per acre for road maintenance—and not one penny to the county general fund.

That would be a difficult burden for the county general fund of a wealthy county, but it is imposed on the county in my State with the greatest economic limitations.

And now the Federal Government moves in that county—apparently with much greater concern for the major oil companies than for the people who live in that area.

In addition to the price objection to the leases, let me add two other concerns which I have expressed several times.

I do not object to oil leases if safeguards are provided for the forest. I do not know specifically what area they have designated as acceptable for oil exploration without environmental damage, but presuming that they have made a proper judgment in that matter—and that may not be a correct assumption—there should be a much higher bond posted than is presently required to guarantee that wells that are dug do not provide severe damage after effects from either oil or saltwater. Properly dug and maintained wells should provide a minimum of environmental damage, but a higher bond would be a healthy assurance.

Second, the major damage often done in this type of territory is not the well itself but the path that must be created for vehicular traffic. There are a number of good roads in the area now. I hope that the Forest Service will be careful about where they will permit exploration for oil.

But my major concern is that there appears to be more attention paid to the wants of the major oil companies than to the needs of the people in areas like Pope County.

It is a sad commentary on our national priorities when we would even consider a virtual giveaway of potential valuable mineral rights to wealthy oil companies and, at the same time, treat these economically depressed counties in the way they are now being treated with regard to Federal land holdings.

In a few weeks I will be introducing legislation which will set a floor of 50 cents per acre in Federal in-lieu-of-tax payments for all counties in which there are national forest lands, part of which will go to the county general fund. I mention this now because this may be of interest also to my colleagues in Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho, Indiana, Kentucky, Maine, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Pennsylvania, South Dakota, Tennessee, Utah, Virginia, West Virginia, Wisconsin, Wyoming and the other States which would also benefit from a slight change in the present formula.

And in the meantime I hope some of my colleagues will join me in objecting to 50-cent-per-acre oil leases of federally owned land to two of the Nation's biggest oil companies, at the expense of the Federal Government, local government, and the smaller oil producer.

For my colleagues' information, I am inserting into the RECORD a copy of a letter I have sent to the Secretary of the Interior, Mr. Rogers Morton, concerning the oil leasing problem.

Mr. Speaker, the letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 24, 1975.

HON. ROGERS C. B. MORTON,
Secretary of the Interior,
Washington, D.C.

DEAR SECRETARY MORTON: This letter is to protest the Department of Interior's proposed leasing policy that, in effect, will result in federal land "give-aways" in the Shawnee National Forest that will benefit large oil companies at the expense of smaller companies and more importantly, the American public.

In particular, I protest the present Department of Interior plan to lease at 50 cents-per-acre, some 125,000 acres of the Shawnee National Forest located in my Southern Illinois District. I do not question leasing some of the forest land to allow for the exploration of oil, and I hope that both the Department of Interior and the Department of Agriculture will take the steps necessary to insure that the Shawnee Forest's environment will be protected. However, I do question both the manner in which the leases are being let, and the lease fees that are being considered.

The "first-come, first-served" procedure being followed by your Department will result in leasing 11,116 acres to the nation's largest oil corporation, Exxon, and of 190,156 acres to the nation's fifth largest oil company, Amoco. The remainder of the applicants, smaller, independent oil companies who applied after the two "major", stand little chance securing any mineral rights, since only 125,000 acres will be leased.

It is my strong belief that the smaller, independent companies should be, as a matter of policy, given some special preference in securing leases, it is not done on a competitive bid basis. But I would prefer that the Department of Interior grant all leases on federal lands on a competitive bid basis. If competitive bidding were made part of the leasing procedure, independent oil companies would have an equal chance to secure mineral rights with large oil firms—each making a bid on the basis of its forecast of profitability.

If the Department of Interior chooses to retain a flat lease fee, I suggest that the fees be increased to at least the level of the mineral right leases on surrounding, private land.

I hope that the Department of Interior will examine its present leasing procedures which seem to benefit the large oil interests, and amend those procedures to help insure that the best interests of the public are guaranteed.

Cordially,

PAUL SIMON,
U.S. Congressman.

THE CONGRESS HAS TO GET TOUGH WITH THE FEDERAL RESERVE

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, it is time for the Congress—particularly with our 2-to-1 Democratic majorities—to show courage in dealing with the Federal Reserve System.

Despite all of the brave statements and flurry of activity, we are not going to have a really responsive Federal Reserve until the Congress is willing to treat it like any other agency of the Federal Government.

As one giant step in this direction, I am planning to reintroduce legislation to require a top-to-bottom audit of the entire Federal Reserve System—an independent audit conducted by the General Accounting Office on a regular basis. It is my intention to circulate a draft of this legislation to give Members of the House an opportunity to cosponsor.

Every other major agency of the Federal Government is subject to GAO audits and if the 94th Congress is to live up to its pledges to push for open and responsive government and for a new day on the economic front, then a full-scale audit of our monetary agency must be carried out. The exemption of the Federal Reserve System—which carries on massive bank regulatory functions in addition to monetary policymaking—is an indication of the degree to which the Congress has kowtowed to this agency through the years.

Of course, an audit is only one step. Eventually, this agency must also be required to come to Congress for appropriations and to face the annual review which this process provides the legislative branch. At the present time, the Fedral Reserve finances its far-flung operations with an annual slush fund of nearly $6 billion created by interest payments on its huge portfolio of $85 billion of paid-up bonds—bonds which have been purchased in the open market and which reside in the portfolio of the Open Market Committee in the New York Federal Reserve Bank.

These are bonds which have been paid for once and which could be canceled, or at least made noninterest bearing, without any harm to our monetary structure. In fact, we could have an overnight reduction in the national debt of a whopping $85 billion if the fictional bookkeeping was eliminated and if paid-up bonds were indeed stamped "paid." The Federal Reserve—an entity of the Federal Government—now claims to "own" these bonds—in other words, it claims to own about 18 percent of the national debt and this is all the more reason for a full-scale audit.

The Federal Reserve loves to cloud this issue—to wrap it in mysticism—because it provides the agency with a gigantic fund which is not audited by the GAO, and over which the Congress exercises absolutely no review whatever—$6 billion in interest payments about which the Congress asks no questions.

Under these circumstances, it is no wonder that the Federal Reserve and its Chairman, Arthur Burns, hold the Congress in such contempt. It is no wonder—when the Congress is so willing to let this slush fund grow—that the Federal Reserve plays little games in its testimony and moves legislation around to suit its own whims and desires.

It is absurd to think that the Congress is going to screw up enough courage to direct the Federal Reserve System to do something in the public interest when it does not even have the courage to require an adult or to force the agency to come up on Capitol Hill for appropriations. Dr. Burns is no fool; he is an expert at reading the weaknesses of Congress.

Completely beyond the questions of audits and appropriations, the Congress and its leaders are going to have to take a tough stance about this agency and its officials. Cozy arrangements will not get the job done at the Federal Reserve any more than they will with other regulatory agencies or Cabinet departments.

This Congress has come in with a promise to do something about the economy and we have to face the fact that monetary policy is at least half—if not more—of the equation. We are not going to solve unemployment, inflation, or any other major economic question without dealing specifically with monetary questions and the great economic powers wielded by the Federal Reserve. If we are weak in our approaches toward this agency, we are just kidding the American public—and I think the public has been kidded enough on the economy.

Congress should speak in clear language about these issues. If it intends for the Federal Reserve to do certain things in the public interest it should say so.

The Constitution gives the Congress a very specific responsibility in these areas and all of us have sworn to uphold the Constitution in the performance of our duties as Members of Congress.

A CITY BETRAYED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, I once again today take the privileges of the floor of the House, as I have on several consecutive legislative days, to continue the discussion that I have initiated and which I call "A City Betrayed." And in this case I am speaking of my native city, the city of San Antonio, Tex.

Last week, on Thursday, I concluded by very briefly describing some of the insidious connections between crime, crime of the most sophisticated type, and other institutions. Some have defined this as "organized crime," some call it "The Syndicate," and others call it "The Mafia."

These connections are the most intimate of connections; they are most disturbing—and they should be—to every American. These connections of criminal elements are with business, business which is otherwise legitimate, and politics, including high and lowly placed officials in offices of public trust.

Mr. Speaker, I have pointed out that the reason I have imposed on the Members of the House to take the privileges of the floor was simply because I believe this has more than just a local connotation. I feel very strongly and most sincerely that what is happening in my own back yard is a national symptom, a malaise, a disease. I believe it is prevalent nationally, as well as in my own home town.

It is with a deep sense of sadness and disappointment that I bring these matters out, for I am a native of San Antonio. I have lived there; I love the city; it is where my family is, and God willing, I hope it will continue to be my city.

I have always felt much as Charles Peguy, the very famous French philosopher and writer, who said that—

> He who knows the truth and does not bellow it from the top of the roof is a liar and a cheat and a hypocrite.

I feel that I have been knowledgeable and am knowledgeable about these matters and that I have been given facts that are the truth. Therefore, I have imposed on the House as a forum, which is the only forum that a Member of this House really has, in which to utter these statements, which, as I say, sadden and disappoint me. But I feel compelled to speak out. I would much rather that I would not have had to speak out. But it seems that when all of the forces that a community has erected over the course of years for its own innate protection have either been abdicated or have failed, then a man placed in such an office of public trust as I am privileged to hold has an overriding and in fact a compelling duty to speak out.

This is not the first time that I have obeyed this sense of duty. In my career, starting first as a councilman on the city council of San Antonio 20 or 21 years ago, my 3 years there were marked with the most bitter, the most arduous, and the most difficult period in my entire experience in public life. It was mean. In fact, anybody who lived in San Antonio and lived through that period of time will tell us that there has been no meaner period of municipal turmoil, perhaps with the exception of what is going on now in San Antonio. I survived that experience for 3 years.

The people of the 26th senatorial district of the State, at that time, comprising the entire County of Bexar, elected me to the State senate. This was after a most bitter, derisive, cruel campaign. I served there for 5 years, again during a most hectic and very active period of time.

Mr. Speaker, I was elected to this body in 1961 as the result of a special election in November, and I have had the honor and what I feel to be the greatest privilege in the world of serving as the representative of the 20th Congressional District of Texas, which now comprises the inner city or the heart of the city of San Antonio. During my first 7 years I had the entire County of Bexar to represent.

All during this time I can truly say that there was no disturbing incursion into the local governmental or business life of San Antonio by what some would define as outside criminal elements. But we have it today, and we have it in one of the most insidious forms that a community could get it. It reaches its tentacles into the community business sector of San Antonio. It is reaching even into the political sector, and, therefore, the citizens of San Antonio are beset with a real problem which has not been fully explored and truly measured in all its dimensions and in all of its ominous significance to the city as yet.

Unfortunately, and by way of explanation, those of us serving in this capacity are confronted with one other basic fact of life that afflicts the city, and that is that practically 100 percent of the media, whether it is radio, television, or the newspapers, are not locally owned.

There is only one voice that we can truly say is amenable to the public will, directly subject to its choices and decisions in this great American society and in its processes of the formulation of public opinion and the dissemination of information and knowledge, and that is those who are elected regularly by the people for a stated period of time and must subject themselves to periodic review.

It becomes very difficult under these circumstances because, in the case of San Antonio, we have two principal daily newspapers. One is a combination morning and afternoon newspaper. Both are owned now by a gentleman who is in the publishing business from Australia to London and publishes extensively in the United States. He purchased this very important daily newspaper just barely 2 years ago.

Before that, the newspaper had been operated and owned by an ownership that was headquartered outside of San Antonio. True, I must point out that it is locally administered, and perhaps it would be unfair to say that these administrators are anything but very loyal San Antonians, very conscientious individuals, but that is not the point.

The other newspaper for years has been a Hearst-published enterprise.

With respect to radio and television, the three major English language television stations are wholly owned by outside interests, one lately purchased by a group in California from another group based in Washington and Ohio.

What does all this mean? From my standpoint, it means that when you get into one of these crunching crises and most difficult issues confront you, you find all the forces that are available to people who are very unhappy with what you say emerging to press and make known their pressures on those who have the power to report and wield public opinion.

But further, recently the city of San Antonio—in fact, 2 years ago, in the last municipal election—saw an incredible event. We had a city race for nine councilmen. At that time the city charter provided that we were supposed to have a city council-manager form of of government and that we have nine councilmen elected every 2 years. After their election and swearing in, they shall then designate one member to be the mayor—mostly it was thought to be a ceremonial mayor. But last year the electorate voted in the first changes in the city charter since its enactment in 1951, and now the office of the mayor is directly voted upon and designated as the mayor's office by the people, although the mayor has no more power or less power than he has had heretofore.

It is just the fact that whoever runs for that position is running for the office described as the mayor's place. But under the charter there is no additional responsibility. However, unfortunately, it yields to the tendency in San Antonio, at least, over the past 3 or 4 or 5 years, to really corrupt the council-manager form of government.

So in the last 2 years, particularly, we have had a heavy proliferation and a heavy incursion of direct political decisions impressing themselves on what the city charter says shall be only the prerogative of the city manager.

One might ask: What has that to do with what I am doing now? Well, just as in the case of the absentee media ownerships, it has a lot to do about what I am speaking out on.

For one thing, better than $300,000 was spent by one man alone in order to run and seek the office of city councilman 2 years ago. He is a powerful man.

A recent series of newspaper articles in San Antonio rated him as one of the top 10 powerful leaders in San Antonio.

He is also the inheritor of a tremendous chain of grocery retail outlets. He is also very, very sensitive about his friend Oscar Wyatt, who happens to be the chief mogul of the entity known as the Coastal Gas Co. which, as I have said repeatedly, has victimized the city of San Antonio, it has damaged the city, and it has plundered the city. If the Huns or the Visigoths had visited San Antonio they could not have done a better job than Oscar Wyatt and the Coastal Gas Co. have been doing to the city.

Apparently he also exerts a tremendous influence on those who have chosen to publish the newspapers, and he has made it known from time to time that if they antagonize him or do not act, as he says, "fairly," he will remove their access to over $1 million worth of advertising from such "injuring newspapers."

Well, I do not have to be a newspaper publisher to know that under those circumstances where the competition is almost cut-throat, dog-eat-dog competition in the city, that if I had to account to my absentee owners at the end of the year for the loss of half a million or three-quarters of a million dollars' worth of advertising revenues, that all the stories in the world about how I stood up for justice and righteousness would fade in the light of the hard, cold ledger sheet.

So this has had its impact, and it is visible to anyone who wishes to evaluate the situation.

Last week I also mentioned the fact that we had a judge who has been marked with a very, very—to me, at least—disturbing and interesting curious tendency to feel a great deal of empathy for those who are charged with a crime, or who fear that they are going to be charged with a crime.

Recently when the grand jury of Bexar County was impaneled—and there was no way of knowing what the judge would do—but this same judge, once he found out that the grand jury said they wanted to look into the circumstances surrounding gas prices in the city of San Antonio, he became terribly upset, and did everything in his power to prevent the grand jury from continuing on. He even threatened to dissolve the grand jury, but I think he was told by someone that he had better read the law before he tried to do so. He called the district attorney and did his best to intimidate him, even calling him in the wee hours of the morning, after midnight, and said, "Why are you doing this?" Or, "Cut it off", or "What are you trying to do?", or Don't do it." Fortunately, as I have said repeatedly, we are blessed with one thing, and that is an honest district attorney. Fortunately, I might add, we have a substantially honest police department. But the city of San Antonio was sensationalized just about a year or so ago—maybe a little bit more—when there was a great front-page exposé in one of the newspapers saying that the police—not that great criminal known as Fred Gomez Carrasco—most of those reading these remarks will not know who he is, but if they recall the front-line national news of last summer in August when in the Huntsville State Prison a man more or less took over an entire building and had about 10 hostages, and when the show was over with, he was dead, but, unfortunately, two of the innocent hostages were also dead. That is the one and the same Gomez Carrasco.

Believe it or not, they were trying to make a hero out of him. They still try to romanticize him.

They tried to make a romantic folk hero out of a dope peddler responsible for untold thousands of our youth who are now in the clutches of drug addiction. And, lo and behold, this front-page sensational Sunday story revealed: One, the illustrious mayor; two, a shadowy figure in business in San Antonio who admits that he has done business with Carlos Marcello, otherwise known as a New Orleans citizen of some distinction. And, lo and behold, the real impetus behind that exposure was to say that those men, members of the San Antonio Police Department, were in effect the ones who had killed two of Carasco's lieutenants who had been found with their bodies riddled through with bullets on one lonely road south of the city. This, one would say, is astounding. One would say, given this in any community, there would be an immediate follow-through and one would want to know what is the proof? Did these two police officers, with long years of experience on the police force, in effect do this? And if they did not, why should our mayor be involved?

Apparently nobody asked that question after it was all over with. The exposé said that there was an eye witness to the shootings of these two fellow criminals of Carasco's, and there was a secret witness that they had under arrest. Astoundingly, it turns out that the mayor of the city was paying for the secret witness' motel room because they were keeping him in the wings and were going to depend on this confirmed dope peddler, a criminal, and ally of Carrasco's, as a source for the incredible stories that he had witnessed two policemen shoot these other two criminals. One would say, given this in a community that is No. 11 in the United States in size, No. 3 in the State of Texas, why, surely, the citizenry would be up in arms to get to the bottom of it, find out who is telling the truth and who is not.

It all blew over, and the only thing that came of it was that the real thrust was to try to get rid of the chief of police, a man whom I have known since before he was chief of police, who is a native of San Antonio—in fact, he is a product of a very famous institution in San Antonio—St. Joseph's Orphanage—and who is a modest and honest, diligent, and hard working San Antonian and American. Why would anybody try to get rid of Chief Emil Peters on the basis of these shadowy stories about two members of the police department, who have not been engaged in crime themselves, killing these other two?

The truth of the matter was that the whole attack was going to be directed against one Captain Hutton who has distinguished himself as an inveterate pursuer of dope peddlers and otherwise criminal figures.

But Captain Hutton had made the mistake of keeping track of the whereabouts and the itinerary of one Carlos Marcello whenever he came over from New Orleans and visited in San Antonio. This was apparently his grievous error.

Also it turns out that the source of the story was another man in the police department. We have one officer in the police department and he is a source of information, or reported as a source of information to the mayor and his business partner in this exposé. This lieutenant also happens to be the man who was present when Carrasco was captured after a shootout at a motel. But this police officer also had been on the private payroll of the business partner of the mayor. Yes, while on the police payroll he was also working on the side. Apparently this was a key factor in this very, very malodorous story.

But the whole story collapsed less than a week later when it was discovered that the man the mayor was keeping secretly in a motel by paying his room and board was arrested by the drug enforcement agencies for not only possessing but also selling heroin while he was in the motel paid for by the mayor of the city of San Antonio. Now this man is comfortably, I think, resting in the Federal prison.

This was going to be the great exposer of these policemen who were supposed to have killed two criminals. They were charged with illegal execution, I believe were the words of one newspaper columnist.

Members may ask: Why this rather extensive narration of these stories? What have they got to do with the business of the Nation?

Well, everything, because the fact that two hostages died in the State prison and the fact that the whole United States was subjected to a period of absolute turmoil not only in the State of Texas, is related to the treatment Carrosco received locally after his arrest.

In fact, one of the newspapers now is talking about the need to investigate why Mr. Carrasco received a king's treatment in the county jail in Bexar County where it has been astoundingly revealed that during his incarceration he had access to a private phone which he was using to continue the drug peddling from within the county jail walls. This is incredible. Nevertheless it is true.

It goes back to the gentleman I mentioned last week, District Judge Preston Dial who seems to have a penchant for sympathy for the likes of Carrasco. He absolutely issued orders of a stern nature to the jailers that they had to give the gentleman this kind of treatment and that kind of treatment.

It led to the private phone and the daily and nightly visitations of Carasco's wife Rosa, a fugitive from justice at this time, who was aiding and abetting him in the most extensive dope peddling ring which has been discovered up to now.

This same judge is the one who wants to stop the grand jury investigation into the circumstances surrounding the tragic danger confronting the city of San Antonio which is endangering its entire future. This is the same judge who said last Friday: "It is not true that I tried to intimidate the district attorney. I just called him at midnight and asked him what he is doing and why does he want to do this? I was not trying to intimidate him."

I do not know how the good judge defines that word, but the district attorney certainly thought and he still says it was nothing but pure intimidation.

With this kind of pettiness, what hope is there? What can one man do? If the community forces have relaxed to the point where it is more profitable and more favorable to the sympathetic treatment of the known and established criminal victimizing the entire community, then what point have we reached in America?

This same pattern, I am sure I can say without fear of reasonable rebuttal, is true on the national level. I saw it in one or two incidents that I got involved with 4 or 5 years ago, which clearly proved to me then that the then Attorney General of the United States was nothing but a plain old-fashioned crook, and, by golly, the judge discovered that just last week and finally sentenced him; but if the story is ever told about other actions and patterns, I think it would be just as revealing.

The tragedy there is that the entire Justice Department became victimized, because once we penetrate the highest echelons of Government, we have got a power unmatched by anything on earth today. Syndicated and organized and incorporated crime has invaded the highest reaches of our Government, clear down to the lowest reaches of our Government.

The question is, and the $64 one, Will America, whether it is locally in San Antonio or nationally throughout the 50 States, will it still have the saving sap or juice in the American tree of democracy to knock out these invading germs and vermin, which is what they are? They are parasites on the body politic, they are criminal parasites, they are eating away the very fabric of the social life of our country.

I might add that the biggest headlines we have had in our local city are the dragnets that have been bringing forth hundreds of young San Antonians who are charged with having been involved not only in the use of drugs and related substances, but in the peddling thereof.

I am not talking about 20- or 21-year-olds. I am talking about 15-, 16-, 17-, 18-, and 19-year-olds. Should we take it out on them, as long as we do not have the courage, as long as we do not have the willingness to root out the real infesters, the real ones who should be guilty, instead of the victims?

We live in a day and time in which it seems that instead of going after the malefactors, instead of going after the criminals, we go after the victims. We have more sympathy for the criminal than we have for the victim.

I have seen, as I have said, this very disturbing incursion into the pattern of life reflected in the very bottommost rungs of our social structure.

Somebody told me, we picked up a rumor last night, somebody said I was talking too much and better look out, that there was the word going out and blah, blah, blah. One of the law enforcement agents got all excited talking to me on the phone and I said, "Track it down. I think you will probably find it was from a nightclub or a late bar joke or story." That is exactly what it turned out to be.

I do not necessarily worry about such things. They are entirely possible of happening, yes. What I am worried about is the failure to arouse the traditional American sense of indignation that has always characterized our society, the failure to arouse a sense of moral indignation, that may perhaps reveal why on the national level we have the pattern of crime that we do.

THE ANSWERS TO THE NATION'S ECONOMIC PROBLEMS REST IN THE FREE MARKET, NOT WITH THE CENTRAL PLANNERS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. **KEMP**. Mr. Speaker, every day we hear and read additional indications of decline in our economy.

The reason our economy is not rapidly recovering is the same reason it first slowed, then recessed, unwarranted interference by Government in the economic affairs of the Nation. Government's expansionist and interventionist economic policies and programs created the double-digit inflation which was the major factor in causing the current recession.

Instead of Government's central planners admitting error and learning a lesson, their intended solutions are to intensify Government involvement in—interference with—the economy.

It can come, therefore, as no surprise that our economic conditions are not appreciably improving. And, to the degree that Government persists in interfering in the economy in the months ahead, conditions will not improve.

No doubt, the tax cuts and massive deficits will stimulate the economy, and by the third quarter of this calendar year we will probably see more encouraging signs. But, because Government has relied on huge deficits to stimulate the economy—deficit spending which can be paid for only through additional borrowing and monetizing of the debt—the principal sources of inflation—Government is sowing the seeds of another inflation and, ultimately, an even worse recession if not depression.

I am, by nature, an optimist. I believe problems pose opportunities for people to solve them, and I believe that our economic problems are clearly within our capability of solving.

That optimism is being sorely tested, however, by the continued unwillingness of certain Government leaders—in the administration, the Congress, and State legislatures—to admit that it is Government which is holding an enduring recovery back or whose idea of recovery is only to unleash the forces of fiscal and monetary expansion so destructive to a free society.

It is unfair to ask the American people time after time to make sacrifices, when Government refuses to do likewise.

I receive letter every day from people telling me of the lengths to which they are going to cut back on their spending.

When I read one of these letters, I think of the marked contrast of their sacrifices with a Federal budget for fiscal year 1976 of $349.4 billion—an increase of 11.5 percent in just 1 year.

If there is any activity within our society that has not cut back on its spending and growth—both in constant dollars and in relation to such flexible standards as percentage of gross national product—it is government, especially the Federal Government.

Government wants everyone else in this country to sacrifice and to tighten their belts, but Government is not interested in making sacrifices or tightening its own belt.

STATEMENT ON ALTERNATIVE ECONOMIC POLICY

On February 5, 30 Members of the House of Representatives, from throughout the country, signed and announced a statement on alternative economic policy, offering through that statement a set of free enterprise, market solutions to our economic ills. I was pleased to help participate in the formation of that statement. That statement calls for the adoption of policies which will diminish the role of Government in the economy, expand individual liberty, and promote a recovery based on stability and productivity.

Seven specific proposals were set forth in it:

Controlling the run-away growth of government and the soaring increases in Federal expenditures and deficits, in an effort to better balance the budget. This would reduce the need for government borrowing from the capital markets and would put a brake on the inflationary expansion of the money supply.

The enactment of job-creating, accelerated capital formation techniques, sufficient to insure the full productive capacity of this country and the millions of jobs which would flow from such full capacity. Such measures would include:

A tax reduction for both small business and corporations, to spur production; and

A permanent increase in the investment tax credit, to allow long-range planning in order to help avoid a repetition of this recession.

Giving protection against inflation to the individual income taxpayer by indexing income tax brackets, thus taking the "windfall profit" out of inflation for the government when taxpayers slide into higher tax brackets solely as a result of government-created inflation.

The removal of anticompetitive regulatory practices of the Federal Government, practices which drive production down and prices up.

That a limitation, established as a percentage of aggregate national personal income, be placed on the level of revenue taken each year by the Federal Government.

Increased reliance on the laws of supply and demand to conserve fuel and to increase production, including the deregulation of natural gas and domestic crude oil.

That increases in the money supply be tied more directly to increases in national productivity, thus eliminating the price rises which accompany expansionary monetary policies.

Covering over 23 pages of text in the Record of February 5 are the facts, charts, observations, and conclusions drawn in the preparation of those seven courses of action.

I wish for a few moments to comment more extensively on several aspects of the matters dealt with in that statement and special order.

TAXES OUTRAN PRICE INCREASES IN 1974

A study just released by the staff of the Joint House-Senate Economic Committee confirms my contention that Government is unwilling to tighten its own belt.

According to that study, increases in personal taxes paced last year's cost-of-living rise. Taxes outran all other price increases in 1974—rising more than 25-percent.

These tax increases, in turn, contributed to a decline in the average American family's real income—its spending power after inflation and taxes.

As was pointed out in that study, this is the first recession in history during which the tax burden on families and individuals has increased.

Selecting a family at the "intermediate budget level"—which the study defined as a gross annual income of $14,466 for a family of four—the study showed that while Federal, State, and local personal income taxes made up 17.8-percent of the middle income budget—that is based on the actual tax paid on adjusted gross income credits, exemptions, and so forth have been deducted—in 1973, that share had grown to 19.5 percent in 1974.

That family's social security taxes rose an average of 21.6 percent in 1974—in just 1 year—from $647 to $787, while Federal, State, and local personal income taxes increased in that 1 year by 26.5 percent, from $1,607 to $2,033.

Because of the tax increases, the study found, the average middle-income family experienced a 3-percent loss in real income, even if earnings kept pace with the 12-percent inflation rate, which most earnings did not.

We see readily the rise in the cost of food, utilities, housing, etc. But, we do not see as readily increases in what Government takes from us, because taxes are paid in less obvious ways: Payroll deductions, sales taxes, excise taxes, real estate taxes paid as part of the mortgage payment each month, and so on. Here is, therefore, how the increase in costs rose during 1974:

Federal, State and local personal income taxes: 26.5 percent;

Social security taxes: 21.6 percent;

Utilities: 16.6 percent;

Overall cost-of-living increase: 14.6 percent;

Transportation: 14.3 percent;

Housing: 13.5 percent; and

Food: 11.9 percent.

It is for this reason that I assert that we can cut the cost of living most effectively by cutting the cost of Government.

THE IMPORTANCE OF CURTAILING GOVERNMENT'S DEFICIT FINANCING

Last week, following the colloquy of February 5, a Senator of long service in the other Chamber, commented:

> Budget deficits don't scare me a bit. What you have got to look at is the deficit as a percentage of the gross national product. In other words, the bigger you are, the more deficit you can have.

It is exactly that kind of thinking which has contributed to getting us into the mess in which we now find ourselves.

The relationship of the total national public debt—accumulated over the past 187 years—to the gross national product within any one year is like mixing apples and oranges for comparison. The point is not even close to the truest economic measure of what is relevant and important about the size of the annual deficit.

The most accurate measures to gage the potential adverse impact of rising deficit spending on the economy are twofold: First, the percentage of available capital for lending within a year which is taken by Government in the form of borrowing, and, second, the extent to which Government borrowing is monetized through expansion of the money supply unaccompanied by rises in national productivity—because such monetization pushes the price of goods and services upwardly—the cause of inflation.

GOVERNMENT BORROWING CAUSES A LOSS IN JOBS

Government borrowing of capital—of money available for borrowing from the total of financial institutions and investors—has reached a dangerously high level. Last year, Government borrowed 62 percent of the available funds in the United States—62 cents out of every $1. With the projected deficits in the proposed Federal budget for fiscal year 1976, coupled with the projected increase in the deficit for fiscal year 1975, economists are predicting upto 80 percent—80 cents out of every dollar—will be taken by Government borrowing over the next 18 months.

When Government takes that large a share of loan money, there simply is not enough for home construction, commercial and industrial expansion of businesses and plants or of equipment, or for the other uses of loan money. And, for those whose financial statements are still in such good order that they can get some of the 20 to 38 percent of the money which remains after Government borrowing, the interest rates are at very high levels, set there by market forces and to discourage anything but the most solid of borrowers from competing for funds.

The loss of jobs is the inevitable result of inadequate capital. Those first to lose their jobs are those within the construction industry who would have built the buildings and plants. That spills over into the job market of those who manufacture and supply materials and equipment for such construction—from electrical wiring to wallboard fabricators to heavy equipment manufacturers. In addition, since the plants were not constructed or expanded, jobs are not created within those commercial enterprises which needed the funds for growth. Taken as a whole and nationally, this means the loss of millions of jobs.

Last summer, Senator William Proxmire, of Wisconsin, now the chairman of the Senate Committee on Banking, Currency and Urban Affairs, addressed this point of how Goverment spending actually reduces jobs instead of making more of them. The Senator said:

> One of the most persistent myths held by almost everyone in and out of the Congress is that if we cut through the mammouth increases in Federal spending, then automatically and without question unemployment will increase.
>
> This myth—and it is just that, a myth; it is not true—has probably been as responsible as anything else for the skyrocketing growth of government over the past few years. The idea has been that every time the Federal Government spends another 10 or 20 thousand dollars it creates another job.
>
> The fact that that is not true should be apparent to anyone who can add. In the past 5 years the Federal budget has exploded from $184 billion to more than $305 billion. That colossal increase in spending should have resulted in a corresponding expansion in jobs and a reduction in unemployment. Did it?
>
> It is true the work force increased and em-

> ployment in the economy grew. But far less than it should have. Unemployment grew much more in proportion than jobs did. Indeed after a break-neck expansion of Government spending we find unemployment which was 3.4 percent 5 years ago, now at 5.3 percent.
>
> I predict that if we reduce the rate of increase in Federal spending, and do it in the right areas—being sensitive to the employment consequences of our action that unemployment will not worsen as a result of the slower rate of growth in Federal spending.
>
> Here is why: This year the Government will run a $10 billion deficit. It will borrow $10 billion and in doing so put more pressure on high interest rates to stay high or go higher.
>
> If we cut spending $10 billion and balance the budget, the Federal Government will not borrow that additional sum, and interest rates will begin to move down.
>
> Will that provide more jobs? Yes indeed. How?
>
> Because the housing market that is now in a serious depression because high interest rates make it almost impossible for millions of Americans to buy homes will fall. This could make a difference of as many as 500,000 more housing starts this year. That number of housing starts means 1 million additional direct jobs and probably 2 million indirect jobs.
>
> Of course the cut in Federal spending might reduce Federal employment by a part of that up to 3 million jobs, but it is likely that the net employment effect would be positive. In addition, of course, employment would be transferred from the Government sector where productivity and discipline is so much less to the private sector where all the pressures of a market economy, the profit motive, and competition increase efficiency.

One can see, then, that deficit financing by the Federal Government relates directly to the loss of jobs within our economy. As Government's share of the capital market increases, leaving less for nongovernment borrowing, unemployment increases too.

As I just indicated, this borrowing forces an upward pressure on interest rates too. Testifying this week before the Senate Finance Committee, the Secretary of the Treasury warned that while interest rates have begun to drop, increased Government borrowing threatens to halt that decline. The Secretary told the committee:

> The growing domination of the Government in our credit market represents an alarming situation.

He noted that lower interest rates are part of "the process by which the economy pulls out of a recession."

Thus, to the degree that borrowing keeps interest rates high, we severely limit our ability to get out of the recession. Government borrowing, stimulated by mounting deficits, is, therefore, counter productive to efforts to get us out of the recession.

FUELING THE FIRES OF MORE INFLATION

Let me now turn to the second facet of this question: The extent to which Government borrowing is monetized through expansion of the money supply unaccompanied by rises in national productivity.

When additional money comes into circulation and there is no increased productivity to stand behind that new money, it robs each of us that holds a dollar of some of its purchasing power.

The short term gains of pumping more money into the economy produce long-term losses for us all. We are each a little poorer when additional money is circulated and no rise in productivity accompanies it.

The Board of Governors of the Federal Reserve System now has the power to issue new money supply. Congress gave it that power long ago. It was a mistake.

When new money supply is kept at about 4 or 5 percent, it is at least manageable—even though it still contributes to inflation. But, when that new supply is up around 8 or 9 or even more of a percentage, it results in the 11, 12, 13, even 14 percent inflation we have been experiencing. The charts are clear on the phenomenon: The increase in money supply produces an increase in prices. There is a direct, commensurable correlation between additional money supply and higher prices.

When Government issues more money, the value of each dollar we hold is decreased. If there is a level of national productivity of, for example, 1,000 units, and there are $1,000 in circulation, then each has a value of $1. Now, if Government increases the money supply by 100 the next year—without any commensurate increase in national productivity—that means we have $1,100 in circulation, but productivity still stands at 1,000. Thus, the value of each unit of money is decreased to about $0.91. That simply means that it takes more of those units of money today to buy what you could have bought last year. What cost $1 last year, now costs about $1.09. That is inflation.

The largest single factor in influencing the Federal Reserve to increase money supply is pressure to make more credit available for lending, in order to take care of a greater share of nongovernment sector's needs for capital. Thus, the more capital taken by Government borrowing, the greater the pressure on the Federal Reserve to increase the money supply through additional extensions of credit to its member banks.

If we could, therefore, decrease Government borrowing through controlling spending and decreased deficits, we could take some, if not most, of this pressure off of the Federal Reserve. As the margin between existing money supply and national productivity was closed, so too would price levels decline. Inflation, as a direct result of increases in money supply unaccompanied by productivity, would abate.

THE ROLE OF PROFITS IN CREATING JOBS

In a free society—in which wages, costs and prices are left to the free play of the competitive market—the prospect of profits decides what articles will be made and in what quantities—and what articles will not be made at all. If there is no profit in making an article, it is a sign that the labor and capital devoted to its production are misdirected—the value of the resources that would be used up in making the article would be greater than the value of the article itself.

One function of profits, therefore, is to guide and channel the factors of production so as to apportion the relative output of thousands of different commodities in accordance with demand. No bureaucrat, no matter how brilliant, can solve this problem arbitrarily—by rule and regulation. Prices and profits will maximize production and relieve shortages quicker than any other system. Arbitrarily-fixed prices and arbitrarily-limited profits can only prolong shortages and reduce production and employment.

Another function of profits is to put constant and unremitting pressure on the head of every competitive enterprise to introduce further economies and efficiencies, no matter to what stage these may already have been brought. In good times he does this to increase profits further; in normal times he does it to keep ahead of his competitors; in bad times he may have to do it to survive at all. For profits may not only go to zero; they may quickly turn into losses.

Contrary to popular impression, profits are achieved not by raising prices, but by introducing economies and efficiencies that cut costs of production. The largest profits—as percentages of costs—go to the firms that have achieved the lowest costs of production. It is, thus, the consumer, the public, that is served.

The role of profits is particularly important during periods when there is little available capital for businesses to borrow. Thus, last year, when Government was borrowing 60 percent of the available capital in the United States, and during the next 18 months, when Government is expected to borrow 80 percent of the available capital, are periods in which profits must be encouraged in order to maintain the level of investment essential to maintain and expand productivity and jobs.

This should not be construed just as some type of "probusiness" position, for it is, as equally, a "prolabor" position.

I have stated my views on profits—in favor of them and concerned that the juggling of statistics makes it appear that they are actually higher than they really are—but a distinguished Member of the other House, Democrat, former Chairman of the prestigious Joint Economic Committee, and presently chairman of the Senate Committee on Banking, Housing and Urban Affairs, Senator PROXMIRE, has reinforced them on January 21 in the RECORD:

> Somehow the impression has developed in this country that corporate profits have been excessive. The fact is they have not been. I am not just talking about the corporate outlook for this year. I am talking about corporate profits over the past 5 years.
>
> * * * * *
>
> In 1950, profits represented 15.6 percent of national income compared to emplyees' cmpensation, which was 64.1 percent that year or four times profits. In the ensuing 25 years, profits fell steadily. Last year—viewed by many as a superyear of national income compared to 75.1 percent for employee compensation. So last year employee compensation was more than eight times profits.
>
> In other words profits are now about half as large a proportion of wages and salaries as they were 35 years ago.
>
> * * * * *
>
> In all fairness, we should appreciate the fact that profits are what drive this great economy. They provide the incentive for in-

vestment that is essential for acquiring the capital that in turn provides the technology that enables our country to grow more productive and efficient and support a higher standard of living. Profits also insure the discipline that forces businessmen to hold down costs. And to organize their operations more and more efficiently.

Also, if profits are too low, our economy cannot engender the capital essential for good jobs and an abundance of what we need for the good life.

We have suffered a drop in real wages in the past year for tens of millions of Americans. Six and a half million Americans are out of work. We are and should be acutely aware of this.

But we should not lose sight of the fact that for 25 years corporate profits have been falling in relation to other income shares in our economy, and it would be foolish and counterproductive for us to adopt any policy designed to penalize them further.

The delusion of high profits is distorting the premises from which those in decision-making positions—which is wrong in itself, for the people should be making the decisions—draw conclusions and recommend policies.

A recent article in a nationally circulated journal, authored by the distinguished Peter F. Drucker, comments extensively upon this delusion. It follows:

THE DELUSION OF "PROFITS"

(By Peter F. Drucker)

Businessmen habitually complain about the economic illiteracy of the public, and with good reason. The greatest threat to the "free enterprise system" in this country is not the hostility to business of a small, strident group, but the pervasive ignorance throughout our society in respect to both the structure of the system and its functioning.

But the same businessmen who so loudly complain about economic illiteracy are themselves the worst offenders. They don't seem to know the first thing about profit and profitability. And what they say to each other as well as to the public inhibits both business action and public understanding.

For the essential fact about profit is that there is no such thing. There are only costs.

What is called "profit" and reported as such in company accounts is genuine and largely quantifiable cost in three respects: as a genuine cost of a major resource, namely capital; as a necessary insurance premium for the real—and again largely quantifiable—risks and uncertainties of all economic activity; and as costs of the jobs and pensions of tomorrow. The only exception, the only true "surplus," is a genuine monopoly profit such as that now being achieved by the OPEC cartel in petroleum.

(1) All economists have known for 200 years that there are "factors of production," that is, three necessary resources: labor, "land" (i.e. physical resources) and capital. And all of us should have learned in the last 10 years that there are no "free" resources. They all have a cost. Indeed, the economists are way ahead of most businessmen in their understanding and acceptance of a genuine "cost of capital." Some of them, such as Ezra Solomon, a former member of the Council of Economic Advisers now back at Stanford University, have worked out elegant methods both for determining the cost of capital and for measuring the performance of a business in earning it.

We know that in the post-World War II period, until the onset of global inflation in the mid-'60's, the cost of capital in all developed countries of the Free World ran somewhat above 10% a year (it is almost certainly much higher in Communist economies). And we know that very few businesses actually earn enough to cover these genuine costs. But so far only a handful of businesses seem to know that there is such a cost. Fewer still seem to know whether they cover it or not. And even these few never talk about it and never in their published accounts subject their own performance to the test. Yet not to earn the cost of capital is as much a failure to cover costs as not to earn the costs of wages or of raw materials.

RISK AND UNCERTAINTY

(2) Economic activity is the commitment of existing resources to future expectations. It is a commitment, therefore, to risk and uncertainty—in respect to obsolescence of products, processes and equipment; in respect to changes in markets, distributive channels and consumer values and in respect to changes in the economy, technology and society. The odds in any commitment to the future are always adverse; it is not given to human beings to know the future. The odds, therefore, are always in favor of loss rather than gain. And in a period of rapid change such as ours, the risks and uncertainties are surely not getting smaller.

These risks and uncertainties are not capable of precise determination. But the *minimum* of risk in these commitments to the future is capable of being determined, and indeed quantified, with a fair degree of probability. Where this has been attempted in any business—and in both Xerox and IBM, for instance, it is known to have been done for years in respect to products and technologies—the risks have proven to be much higher than even conservative "business plans" assumed.

The risks of natural events—fire, for instance—have long been treated as normal business costs. A business that failed to set aside the appropriate insurance premiums for such risks would rightly be considered to be endangering the wealth-producing assets in its keeping. Economic, technological and social risks and uncertainties are no less real. They too require an adequate "insurance premium"—and to supply it is the function of profit and profitability.

The proper question for any management therefore is not: "What is the *maximum* profit this business can yield?" It is: "What is the *minimum* profitability needed to cover the future risks of this business?" And if the profitability falls short of this minimum—as it does in most companies I know—the business fails to cover genuine costs, endangers itself and improverishes the economy.

(3) Profit is also tomorrow's jobs and tomorrow's pensions. Both are costs of a business and equally costs of the economy. Profit is not the only source of capital formation; there is also private savings, of course. But business earnings, whether retained in the business or paid out (returned to the capital market), are the largest single source of capital formation for tomorrow's jobs and, at least in the United States, the largest single source of capital formation for tomorrow's pensions.

The most satisfactory definition of "economic progress" is a steady rise in the ability of an economy to invest more capital for each new job and thereby to produce jobs that yield a better living as well as a better quality of work and life. By 1965, before inflation made meaningful figures increasingly difficult to obtain, investment per job in the American economy had risen to from $35,000 to $50,000. The requirement will go up fairly sharply, for the greatest investment needs and opportunities are in industries: energy, the environment, transportation, health care and, above all, increased food production, in which capital investment per job is far higher than the average in the consumer goods industries which have dominated the economy these last 25 years.

At the same time, the number of jobs required is going up sharply—the aftermath of the "baby boom" between 1948 and 1960. We will have to increase the number of people at work by 1%, or almost a million people, each year these next few years to stay even with the demographics. And at the same time, the number of people on pensions will also increase, if only because workers reaching retirement age live longer, and so will the expectations of the pensioners. Any company which does not produce enough capital, i.e. enough earnings, to provide for this expansion in jobs and pensions fails both to cover its own predictable and quantifiable costs and the costs of the economy.

These three kinds of costs—the costs of capital, the risk premium of economic activity and the capital needs of the future—overlap to a considerable extent. But any company should be expected to cover adequately the largest of these three costs. Otherwise it operates at a genuine, certain and provable loss.

THREE CONCLUSIONS

There are three conclusions from these elementary premises:

(1) "Profit" is not peculiar to capitalism. It is a prerequisite for any economic system. Indeed, the Communist economies require a much higher rate of profit. Their costs of capital are higher. And central planning adds an additional and major economic uncertainty. In fact, the Communist economies do operate at a substantially higher rate of profit than any market economy, no matter that for ideological reasons it is called "turnover tax" rather than "profit." And the only economies that can be considered as being based on "profit planning" are precisely Communist economies in which the producer (state planner) imposes the needed profitability in advance rather than let market forces determine it.

(2) The costs which are paid for out of the difference between current revenues and current expenses of production and distribution are fully as much "economic reality" as wages or payments for supplies. Since a company's accounts are supposed to reflect "economic reality," these costs should be shown. They are, to be sure, not as precisely known or knowable as the accountants' "costs of doing business" supposedly are. But they are known and knowable within limits that are probably no wider or fuzzier than those of most cost accounting or depreciation figures—and they may be more important both for managing a business or for analyzing its performance. Indeed, it might not be a bad idea to tie executive bonuses and incentives to a company's performance in earning adequately these genuine costs rather than to profit figures that often reflect financial "leverage" as much as actual economic performance.

(3) Finally, businessmen owe it to themselves and owe it to society to hammer home that there is no such thing as "profit." There are only "costs": costs of doing business and costs of staying in business; costs of labor and raw materials, and costs of capital; cost of today's jobs and costs of tomorrow's job and tomorrow's pensions.

There is no conflict between "profit" and "social responsibility." To earn enough to cover the genuine costs which only the so-called "profit" can cover, is economic and social responsibility—indeed it is the specific social and economic responsibility of business. It is not the business that earns a profit adequate to its genuine costs of capital, to the risks of tomorrow and to the needs of tomorrow's worker and pensioner, that "rips off" society. It is the business that fails to do so.

The 20th century American philosopher, Richard M. Weaver, in his classic volume, "Ideas Have Consequences," observed:

In considering the world to which these matters (about the dissolution of the West) are addressed, I have been chiefly impressed by the difficulty of getting certain initial facts admitted. This difficulty is due in part to the widely prevailing Whig theory of history, with its belief that the most advanced point in time represents the point of highest development.

Few observations could be more relevant to the way in which far too many look at our economic history today.

Western man's most philosophically and practically successful economic experiments are not those most recent in time. To the contrary, those most recent in time have been reversions to the most regression of all economic systems—reversions to principles of merchantilism and that degree of state control which we know as socialism.

Man's most refined intellectual and practical achievements have been during periods of expanding personal freedom—economic freedom and the political freedom which cannot long exist without that economic freedom.

When individual choice is maximized, economic prosperity rises perceptibly, and when individual choice is restrained, prosperity declines. Our standard of living is inextricably intertwined with our freedom of choice in economic affairs.

It is not reactionary, therefore, to desire "a return" to a point where economic freedom—and the prosperity which accompanied it—were maximized. It may have been a point in past years when that was the case, but one does not seek to return to those years—to that point in time.

What one wishes to do on the contrary is to advance, once again, to the achievement of that degree of personal economic freedom within the framework of laws. It is those who want to return—or would allow others to return us—to the most archaic of all economic systems—the collectivist, centralized, controlled economy. These proponents are the true reactionaries of our age.

OUR DECLINING ECONOMIC FREEDOM

What all of this—Government's continued and growing interference in the economic lives of the people—adds up to is a declining economic freedom. To the degree that economic choices are made by someone else, rather than by oneself, that freedom is diminished. Once that process starts, it too often—and too easily—leads to the eventual and total loss of that freedom.

Does one have genuine economic freedom when one gives up over one-third his income to Government

Or, when he involuntarily surrenders his purchasing power because of Government-created and Government-fostered inflation?

Or, when he cannot plan his future and that of his children—for school, for retirement, or for whatever—because Government's policies are so unpredictable and are so corrosive of his livelihood?

I think not.

The essence of economic freedom is freedom of individual choice in the marketplace.

Does one have that freedom when one cannot get a loan—for himself or his business—because the money is so tight and the interest rates so high?

Or, when his life savings can be wiped out in several years' time by double-digit inflation.

Or, when he cannot buy a product or pay a freely negotiated price for it because of Government-control created shortages on one hand or mandatory price regulation on the other?

I think not.

AMERICAN HOSPITAL ASSOCIATION PROPOSES MALPRACTICE INSURANCE PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Hastings) is recognized for 5 minutes.

Mr. HASTINGS. Mr. Speaker, in view of the growing crisis in malpractice insurance costs and availability, I want to share with my colleagues some very constructive steps taken by the American Hospital Association at its recent meeting here in Washington.

By an overwhelming vote of its house of delegates, the AHA gave preliminary endorsement to a national program to provide malpractice/general liability insurance to hospitals and to positive efforts to seek legislative and other remedies to malpractice problems facing hospitals and physicians. The AHA plans to establish a captive reinsurance company to administer the hospital insurance program and to contract with an established licensed, national casualty carrier to market the policies in every State. Although this effort will meet the urgent and widespread need for availability of coverage, the AHA in cooperation with representative associations and governmental officials will also seek solutions to the long-term problems of cost compensation rates for medical injuries.

The AHA captive reinsurance company under contract with a national casualty insurance firm will make available malpractice/general liability insurance policies with first dollar coverage up to the limits of the policy. Pending final negotiations it is anticipated that coverage can be provided for each and every malpractice occurance of up to $15 million. Initial capitalization and startup costs would be met through a one-time assessment of AHA members, if final approval is given to the plan later this spring.

All employees of the hospital including house staff will be covered. Physicians under contractual compensation relationships may also be included for their professional services within the hospital. It is, however, not possible at this time to offer coverage to the private practitioner.

The insurance carrier will collect premiums based on rate structures within each State that are in part related to past claims experience. The carrier will deduct from these payments reasonable expenses including service fees, State taxes and commissions, remitting the balance of the premium to the national loss fund of the captive company. The loss fund would provide indemnification to the primary carrier and would be protected through the purchase of reinsurance by the captive company.

By providing a national focus for the management of malpractice insurance risks, AHA hopes to develop a data base to measure more accurately underwriting risks and thereby reduce claims. Some favorable impact on premium costs may be achieved through effective risk management, retention of investment income in the loss fund, and negotiation of commissions and underwriting expenses.

Mr. Speaker, as many of my colleagues know, I have been particularly concerned with the skyrocketing cost of medical malpractice insurance and the burden these costs place on all of us as consumers of health services. In order to take a comprehensive look at these issues I am sponsoring a 2-day meeting March 20–21 here in Arlington, Va., which will include leaders in the Congress, HEW, State government and providers, practitioners, attorneys, and consumers of health services. I am hopeful that a thorough examination of the causes and alternatives can result in a workable remedy which will protect both the patient and the provider at a reasonable cost.

THE SECRET TAX AMERICA CANNOT AFFORD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Miller) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, the single greatest cause of our present economic difficulties is inflation. Rampant inflation over the past several years has cheapened the value of every dollar of wages. At this point I would like to insert into the Record a recent article from the Reader's Digest which explains why inflation is "the secret tax America cannot afford":

THE "SECRET TAX" AMERICA CANNOT AFFORD

Government spending that keeps on even after it has used all your tax money is a major force driving up the price of everything from hamburger to houses. Only you can make it stop.

Ever wonder why you feel poorer even though you're probably making more money than your father ever dreamed of? You finally bought that house. You drive a nice car. Maybe you're making payments on that boat you always wanted. But why did that new tile in the kitchen cost so much more than you expected? Why did the bill for that washing-machine service call take your breath away? Why do expenses now seem to exceed income?

There is an easy one-word answer to all these questions—inflation. But do we really understand what inflation is, and why this "secret tax" keeps chipping away at our pay-checks?

Many factors have exacerbated this dollar-dissolving inflation—the energy crisis, crop prices, excessive and ill-advised government regulation, wages outrunning productivity. But the basic cause of inflation is one that most Americans seem largely unaware of: *spending money that hasn't been earned yet.*

In short, inflation is the creature of debt, and the most inflationary kind of debt is the one we—under our democratic system—are the most responsible for: the public debt. The officials we elect run up this debt to provide the loans, goods, services and programs that we have come to believe should be "paid for by government."

We forget, of course, that "paid for by government" means paid for by us. Government may *print* money, but this is only the symbol of wealth. Real wealth is the value of the goods and services produced by working men and women. It is their pay for making cars, houses, clothes, books, furniture and all the other myriad things we are accustomed to. Government depends upon this wealth that we create, and takes from each of us a portion of it through taxes and other revenues.

Last year we paid out $255.4 billion in federal taxes. Unfortunately, the government not only spent all this money; it kept right on spending, doling out $3.5 billion more than we gave it. And it has generally done the same for years—spending $66.8 billion more than income in the five years 1970 through 1974 alone.

That is where the trouble starts—when we, as electors, allow government, often for individually persuasive reasons, to spend dollars it doesn't have. It goes into debt.

But government and the average citizen go into debt under different rules. Government is the dominant borrower in the market, both from individuals (mainly through selling savings bonds) and by depositing IOUs with banks, then writing checks against them. Result: We taxpayers have to pay various banks and other lenders some $29 billion in yearly interest on the public debt.

And that's why we are in trouble. We pay all the government's bills, and we bear the burden of those bills government incurs after our tax money has run out. We pay by shelling out that secret tax that adds ten cents a pound of bacon, $5 to a pair of shoes, $20 to an electric stove.

Now this is the part of inflation that most of us don't fully understand: How the government's indebtedness pushes up the prices of the things we buy.

It works this way: We can't print money to cover our own debts. The federal government, however, can; through a complex procedure called "monetary policy," the Federal Reserve creates dollars and transfers them to banks. The banks make loans from these new "assets." Thus, money is "pumped into the economy"—money that was originally nothing more than the figures on a Federal Reserve check; soon more currency has to be printed to cover the new dollars. Many of these dollars originate through bank loans of various kinds. They find their way into the economy through various commercial transactions. But who has established the need for these new dollars in the first place? We have—through the many things we ask government to "do" for us; through loans and grants to businesses, schools, research groups; through "aid" programs of all kinds. Remember, most of these deficit dollars have not been earned by producing anything. They merely compete with our paycheck dollars for whatever goods and services we and others have produced. Result: The oldest of economic laws takes effect. With more money around than available goods, prices rise—and inflation is upon us.

Okay. Everybody talks about it. Almost everybody feels it. But what can we do about it?

Certainly, increased productivity—each of us producing more for the dollars we can—is one of the most effective counters to inflation. Many businesses and dedicated workers have performed amazing feats of productivity, enabling them to increase their wages and profits while cutting the price of their products to remain competitive.

But productivity increases cannot indefinitely make up for the steady cheapening of the dollar brought on by the government indulging legislative whims with more "thin air" money. It's time for some tough decisions in Washington. Decisions that will not be made unless citizens—businessmen, farmers, workers, housewives, pensioners—demand them and are willing to accept the sacrifices that must be made.

Particularly in times such as these, no one would deny the use of federal resources to take care of the truly needy. And to alleviate the rigors of recession, job programs and other relief may well be essential. But with additional costs, it is even more imperative that the rest of the budget be kept under control so we do not wind up compounding the inflation which brought about the recession in the first place.

If we expect government to cut spending, however, *we must all cut our expectations of government*. Businessmen seeking special treatment to pull them out of a hole dug by their own inefficiency must make do with their own resourcefulness. Special-interest groups must stop and consider the overall effects of their requests upon government, and thus upon inflation. Citizens must realize that government installations may close in *their* area. Because the money is not available, certain nonessential programs may have to be delayed or even discarded.

We, all of us, are trying to hold the line on spending at home, and we should expect government to do the same. We only fool ourselves if we think real progress can be made without getting the government's fiscal engine back in tune.

And remember, *we* are the government. That's why we can do something about inflation—if we have the sense to discipline ourselves and the ingenuity to get more out of the considerable human and material resources we already have.

HEARINGS ON ANTITRUST ENFORCEMENT BY STATE ATTORNEYS GENERAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I wish to announce that the Subcommittee on Monopolies and Commercial Law of the Committee on the Judiciary will hold 1 day of public hearings in March 6, 1975, on H.R. 38 and H.R. 2850, that seek to permit the attorneys general of the several States to secure redress to the citizens and political subdivisions of their States for damages and injuries sustained by unlawful restraints and monopolies. The hearing will be held in room 2141, Rayburn House Office Building, and will begin at 10 a.m.

INFLATION, RECESSION, AND CORPORATE PROFITS—ANOTHER RESPONSIBLE POINT OF VIEW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 15 minutes.

Mr. DANIELSON. Mr. Speaker, in this time of grave economic and fiscal crisis, it is essential that we receive and consider the opinions of the leaders of industry and commerce as we strive to work out solutions to the problems which plague us.

Recently, I received a letter from Martin Stone, chairman of the board of Monogram Industries, Inc., who enclosed for my information an analysis of some of the pending proposals relative to our economic problems of inflation and recession. It has been my pleasure to know Mr. Stone for many years. He is one of the leading industrialists in southern California, yet is generally identified as being a "liberal Democrat," whatever that means. Lest that description would cause some of our colleagues to discount Mr. Stone's opinion on inflation and recession, I hasten to point out that the company which he runs has sales in excess of $200 million per year, producing products in four major areas which are sold to virtually every industry in America.

Mr. Stone's analysis is thoughtful and factual, and I feel that it will be of great value to the Members of the Congress and of the executive department, who even now are grappling with those problems on behalf of the Government. Mr. Stone's analysis is as follows:

INFLATION, RECESSION, AND CORPORATE PROFITS—ANOTHER RESPONSIBLE POINT OF VIEW

The national effort to overcome the effects of the present economic recession and the high levels of inflation have produced a number of apparently conflicting recommendations from politicians and economists. What concerns me is that a rough consensus seems to be developing towards a solution that I believe has extremely adverse long-term consequences.

The same economists, both liberal and conservative, who only six months ago were assuring the country that we faced no recession are now panicking in the face of our present deep recession and suggesting remedies that are excessive for the degree of recession we are experiencing. In general, most economists appear to be convinced that a Federal budgetary deficit of anywhere between $30 billion and $60 billion a year is called for. A deficit of the magnitude of $50 billion would in all likelihood prevent an important reduction of inflation rates, guarantee extremely high future inflation rates, and compound the already desperate state of our private sector capital markets.

We are, in fact, in the midst of a capital crisis. Many politicians find it politically expedient to be critical of what they call "excessively high corporate profits" and any effort to reduce corporate taxes. This in the face of the fact that over the past ten years there has been a major erosion of profits of non-financial corporations. Over the past two years economists have properly pointed out that workers' wage increases have fallen below the level of increases in the rates of inflation. However, over the past ten years workers' wage increases have generally kept up with price increases. The same has not been true of corporate profits, which over the past ten years have shown a serious decline of approximately 20% in constant dollars (see the attached article). This has resulted in an increase in the difficulty of businesses to meet their expanding capital needs. So, for politicians to speak out against outrageous general corporate profits is not only doing a disservice to the health of our economy but is simply outright dishonesty. (This is not to say that there are no specific industries whose profits by reason of tax favors or monopoly practices are not excessive, but these industries represent a relatively small percentage of American business.)

The problems of corporations have also been compounded by the rapid rises in inflation which, together with declining profits, have caused a serious lack of liquidity for most medium-sized and small businesses—threatening the very existence of these businesses.

Over the past year, as corporate profits have recovered, the stock market—fearing the uncertainties of the overall economy—has declined drastically. As a result, the increased per share earnings of companies has not enabled them to raise money by the traditional method of selling equity securities. In fact, the market for new issues of common stock and preferred equity securities has virtually disappeared. This forced companies to turn to the bond markets. With the tremendous increases in inflation rates, interest rates in the bond market soared and only the largest companies could obtain long-term debt financings at economically viable interest rates. Medium and small-sized companies, denied access to the equity securities markets and the long-term bond markets, were forced to turn to banks for short-term loans. With all of the other demands being simultaneously made on banks, businesses were not and are not able to satisfy all of their financing requirements, thus causing curtailments of capital spending plans and other needed corporate expenditures.

It was hoped that in the future, as interest rates came down and inflation was reduced, the long-term bond market would once again be available to these firms. It is also not unreasonable for businessmen to expect that the government will conduct its affairs in a sufficiently fiscally responsible manner to give the public confidence in our economy and our political system. A restoration of such confidence would, in my opinion, immediately restore the equity markets as a means of corporate financing and the decline in interest rates would make long-term bond financing possible.

Now, as it appears that inflation and interest rates are in fact coming down politicians are panicking and suggesting remedies which may speed up the recovery from the present recession by virtually guaranteeing a resumption of the climb in long-term interest rates and inflation. If these "remedies" are adopted, in the future not only will the rise in interest rates and inflation rates start from higher levels but also, because of huge government deficits, the Federal government will drain off most of the funds available in the private bond markets, thereby guaranteeing that none but the very wealthiest companies will have access to needed capital. In this manner these same politicians who profess concern for the plight of the small and medium-sized businessman while condemning the trend towards ever greater consolidation of American enterprise will have been more responsible than any other force for putting small and medium-sized businesses out of business.

To add to this almost unbelievable combination of blows, politicians of both parties now believe that they can accommodate the financing needs of business by the device of the investment credit, which they hope will serve as a form of corporate tax relief which their individual constituents do not understand. What is the effect of a major increase in the investment credit rather than a significant reduction in corporate taxes? First, it favors the giant capital-intensive companies over the small and medium-sized companies which have never been able to develop the vast plants and facilities of the giant companies. And second, it ensures continued corporate decision toward the use of energy-intensive facilities rather than labor-intensive facilities. Many corporate capital decisions are marginal when it comes to the labor-saving value of new energy-intensive capital facilities. When you add in a large investment credit, it throws the balance heavily in favor of the energy-intensive capital decision. In these days of energy and capital shortage and widespread unemployment, it seems highly illogical to favor a large investment credit instead of a significant cut in corporate taxes as a means of helping businesses over their capital shortage crisis.

Having pointed out the things that I feel are wrong with existing proposals, I would suggest the following program as a means of overcoming our present recessionary problems without at the same time guaranteeing greater future problems:

(1) A significant reduction in many levels of existing government spending including cuts in the military budget and in selected social welfare budgets.

(2) A limit on increases in pay for government employees.

(3) An increase in unemployment-related expenditures to cushion the burden of those who are unemployed.

(4) A tax cut given primarily to middle-income and lower-income people and businesses.

(5) A rise of moderate proportions in the rate of increase in the money supply.

(6) A Federal deficit not exceeding $10 to $20 billion. This would mean a slower rate of recovery from the recession and that the recovery would be financed by both capital and consumer expenditures rather than simply consumer expenditures. It would also mean that there would be sufficient capital available in the capital markets so that we could look for a resurrection of the home building industry as well as an increase in corporate capital spending.

Under this scenario, interest rates and inflation rates would come down to far lower levels than would be true under present proposals and people in general could begin to develop some degree of confidence that the economy was being prudently managed. Thus they could justify the taking of financial and investment risks without fear that their returns would be eaten up by the inflation or that there would be recurrent major ups and downs in the economy.

I would also urge that when it is apparent that the economy has solidly recovered from the recession but has not yet reached boom conditions, a tax increase be instituted along with further cuts in Federal spending to ensure a major fiscal surplus which would enable us to look forward to a long and predictable period of economic health and stability.

In 1971 President Nixon, in order to assure his re-election, cut the 1970 recession too short so that our subsequent build-up in inflation began from a low point of 3.5% until reaching a level in excess of 12%. If we now repeat the same mistakes we will start our next climb in inflation rates from a 6 to 8% base and can likely look forward to a subsequent inflation peak of 16 to 20% before the next crash.

The long-term answer to inflation is spending prudence and adequate capacity to meet realistic needs. The proposals which have been made by the President and those apparently being considered by the Congress do not appear to me to be appropriately responsive to either of those needs.

MINNESOTA'S EIGHTH DISTRICT SPEAKS OUT ON THE STATE OF THE UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Oberstar) is recognized for 5 minutes.

Mr. OBERSTAR. Mr. Speaker, the recent congressional recess was an excellent opportunity for Members of Congress to fulfill one of the most important of their responsibilities—personally reporting to and hearing from the people in their respective districts.

Those who serve in public elective office have a special obligation to be accountable to the people who elected them, to be responsive to their interests, needs, and concerns, and particularly, to listen attentively to their views on the pressing national issues of our times.

In this post-Watergate period, when Americans are just emerging from an era of frustration, from feelings of alienation from their Government, confronted by issues so complex as to defy an easy solution, it is all the more vital for Members of Congress personally to return home to report on the activities of this great deliberative body and to hear what the people think about the issues of our times.

I want to thank the House leadership for responding to this need and to the wish expressed by so many Members of Congress and arranging the legislative schedule so as to provide weekday time when Members of Congress could return home without missing votes and communicate with the people of their districts.

President Ford has been preparing his economic tax budget and energy proposals for the past 6 months; I think it is only fair that Congress should first hear what the public thinks about those proposals in general outline and then proceed thoroughly, carefully, but expeditiously, with public hearings, receiving expert testimony from a wide range of noted and respected authorities on the issues then acting responsibility on programs which the Congress, in its judgment, feels are in the best public interest.

In the course of the Lincoln Day recess, I traveled nearly a thousand miles throughout my district and heard from some 2,000 people in several public listening sessions. At one of those sessions the Honorable Robert Beaudin, Mayor of Duluth, made a succinct, effective statement on the economic impact of the President's energy proposals.

Mayor Beaudin is one of the bright, young stars in local elective office in America and I would like to include his statement in the Record for consideration by my colleagues.

Others who testified include: Mr. Wayne Miller, president, Duluth Central Labor Body, who called for lowering of mortgage and interest rates or a Federal interest subsidy program to stimulate activity in the housing sector of the economy, which, in his words, "would put hundreds of thousands of building and construction tradesmen across the Nation back to work."

At the Mesabi Iron Range listening session, held in Hibbing, Minn., Steelworkers Local 1938 President Gene Simonson expressed concern over the prohibitively high cost of gasoline and home heating fuel that would result from President's Ford's proposed $3-a-barrel import tax on crude oil, voicing the fears of the membership of his large local over the heavy financial toll this tax would impose on those men who must drive long distances to their jobs. At International Falls, a succession of witnesses, including Falls mayor, Robert Bennett, school board chairman, Dr. C. M. Carney; school superintendent, James Roberts; Robert Walls, AFL–CIO Local Union 33 president; Littlefork Village clerk, Dale Peterson; Rainer mayor, Rodney Fox, and schoolteacher, Kenneth Perala, expressed strong opposition to the President's proposal to control energy consumption by increasing taxes, citing the already tripled cost of home heating oil and the impossibility of cutting thermostats back any further in this cold climate. Virtually all agreed that the President's budget is indifferent to the human and social needs of low- and moderate-income families, particularly in housing and community facilities. They urged budget increases in the job-related construction sectors of the economy.

Township officials represented by Warren Youngdahl of Marcel, Minn.—Itasca County—expressed grave concern over the rumored possibility that the administration might adopt a proposal to cut off general revenue sharing for townships with a population of 1,000 or less—a proposal I shall resist to the fullest of my ability.

The Minnesota Department of Economic Development also submitted a well-balanced, thoughtful statement on the President's proposals, which I submit for the Record and the consideration of my colleagues.

Mr. Speaker, this is only a sampling of the views of the people of the Eighth District on the President's proposals. But, it is a representative cross section of what the people think. Repeatedly, people urged a congressional response to the country's needs in a comprehensive, rather than patchwork approach to the Nation's problems. This we must do and I am confident we will do in the weeks ahead.

Mr. Speaker, the testimony of Mayor Beaudin follows:

TESTIMONY BY HON. ROBERT BEAUDIN, MAYOR, CITY OF DULUTH

Congressman Oberstar: Relating to Section 2 of your letter dated February 4, 1975, announcing this hearing, I have the following comments as representative of the City of Duluth:

The proposed new tariffs and taxes on petroleum products amount to 35¢ to 37¢ per million BTU. If carried through directly at the retail level in Duluth, this would amount to an increase of about $6½ million per year in home heating costs and a much larger increase in industrial fuel cost. On an individual account basis, this means an increase in the annual heating fuel cost of about $70/year ($6.00/month) for a home, $1,700 for a bakery, and $118,000 for an industry. In percentages this means 20% additional for a home, 29% for the commercial enterprise and a 60% increase for industry.

There have already been substantial increases in fuel costs. The combined impact of the recent increases in fuel costs and the proposed new tariffs and taxes must be carefully evaluated.

COMMENTARY OF THE MINNESOTA DEPARTMENT OF ECONOMIC DEVELOPMENT ON SELECTED AREAS OF THE PRESIDENT'S STATE OF THE UNION MESSAGE

We wish to thank you for this opportunity to comment on these critical issues as they will affect this area's economy and its citizens.

We will attempt to limit our community to those issues of concern to us as a State Department of Economic Development.

An overriding concen of our Department in this time of recession, energy shortages and confrontations over economic and environmental issues is where the impacts are most strongly felt . . . small business. Small businesses make up the majority of our economy's commercial/industrial base and it is these small firms which are least able to weather strong economic fluctuations. Of those that fall, few will ever make it back up again.

Yes, an investment tax credit is needed and should be spread across the board so that it will assist small business. But much more is needed. At a time when small business needs its greatest support, SBA loans and lian guarantees are extremely limited, if not non-existent.

Commissioner Heltzer, in an address before the Committee on Commerce and Economic Development of the Minnesota House of Representatives, said that the state was also lagging behind in its efforts on behalf of the small businessman. He supported proposals designed to:

Allow a certain percentage of the state's contracts to be set aside for bids from small businessmen only.

Create a state small business loan fund that would assist these enterprises in obtaining capital that has frequently been unavailable to them in the past when growth requirements generated the need for expanded facilities. These monies could also assist in fuel conversion by small businessmen.

Establish a small businessman's ombudsman program whereby the state could provide assistance to small businessmen with shortages of energy, raw materials and finished goods and especially with problems they have with state government.

We in the Department of Economic Development are very much aware of the intimate relationships between energy and a sound economy. It is particularly critical to Minnesota and other states in the upper midwest due to our unique situation. Minnesota has no internal sources of natural gas, crude oil or coal . . . the fuels which account for 98% of our energy usage. Ninety percent of the crude oil supply for our refineries is imported from Canada. We are now facing imminent cutback in these imports from Canada with a complete cutoff by 1982. Obviously a major tax on imported crude would have a devastating effect on our state's economy.

We are aware that the days of cheap fuel are over. We also also aware that the use of the price mechanism to force conservation will have its greatest impact on the small businessman and the citizen on the lower end of the economic spectrum.

We need to divide the solution into two parts: long- and short-term.

Short-term, we must insist on an all-out program of conservation. It is my personal feeling—shared, incidentally, by a number of leaders in business and industry—that the Minnesota public, including the management of smaller industries is unconvinced that we still are facing an energy shortage. It is impossible to conserve effectively in the midst of that mentality. Yet, according to research performed by the Minnesota Energy Agency, almost one-third of our projected energy deficit through 1980 can be eliminated through rigorous conservation in manufacturing. The State of Minnesota must launch an immediate program to benefit manufacturers, especially smaller manufacturers that lack capital and expertise to deal with specialized energy problems,

Provide accurate information on the Minnesota energy problem. This is not as easy a task as it may seem. We find that public utilities do not even agree with each other on the subject.

Provide expertise on a massive scale to perform energy audits to determine energy waste and methods to achieve energy efficiency in manufacturing for these companies.

Provide some kind of financial assistance, again focusing on smaller businesses, to companies that lack the immediate capital to convert to available fuel.

Long term, our objectives are much more difficult. Our top priority must be to decide what fuel or fuels Minnesota will adopt after 1980. We know, for example, that while oil and natural gas will represent a smaller fraction of Minnesota's energy resources, we in Minnesota can turn to Western coal from Montana and North Dakota for dependable fuel. For our purposes, it is virtually unlimited in quantity. We already have rail transportation between here and those western coal mines, and it remains for us in the next couple of years to obtain the necessary transportation capability and technology to make this a clean, economical and available primary energy source for our state.

But, unfortunately, today there is insufficient information upon which to base those decisions about fuel sources. We have no data or mechanism to analyze, for example, the dollar costs, energy costs and social costs of the various kinds of coal utilization that we might adopt. Should we choose mine-mouth generation of electricity, or generation in the Minnesota load center area? We ask the same questions about production of the various kinds of synthetic gas, but there are as yet no answers. *We do not know* the comparative energy efficiencies at end use between synthetic gas and electric power and natural gas. We cannot even account for the end uses of the various kinds of fuels in Minnesota, or have an inventory of which industries are, for example, natural gas intensive.

How can we go about developing a state economic plan that will relate in some reasonable way to energy availability without this kind of information. The necessary amounts of money must be committed to finance the research that our agency, the Energy Agency and others desperately need to answer these questions.

Our legislature is making energy decisions in many ways. But they have no general plan for making their decisions consistent, not even the data for guiding their decisions towards a harmonious end result. We must treat the problems of power plan location and land use, the question of large energy parks versus a proliferation of small sites, questions of oil or gas pipelines through Minnesota, pollution control and many other questions, together, within the parameters of a single, unified policy, which does not now exist. We must develop the ability to understand the economic ramifications of our policy, both in broad terms and in terms of specific industries—the snowmobile industry, paper industry, taconite, agriculture and food processing. For example, under a given energy scenario, where will we obtain the fertilizer, chemicals, machinery we need to provide food? What shifts in crops may be necessary? I don't know. You don't know. Frankly, nobody knows. . . .

Finally, we must seriously encourage the development of new technology for fusion, peat, utilization of agricultural and urban wastes, solar and geothermal technologies, and encourage improvements of gassification processes. According to NSP, while these technologies might make only limited contributions in the next 25 years, we must be able to count on them for major contributions after the year 2000.

I maintain that all this is necessary if Minnesota is not to suffer severe economic setbacks and indeed become the Appalachia of the Northern United States.

CALL FOR LITHUANIAN INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Hanley) is recognized for 10 minutes.

Mr. HANLEY. Mr. Speaker, 57 years ago the people of Lithuania achieved their reward for centuries of faith and work when, on February 16, the establishment of the independent Lithuanian Republic was proclaimed. Each year Lithuanian people throughout the world join together in spirit to celebrate the anniversary of this event. But this celebration is circumscribed by the sad events of history. In 1940 Lithuania was forcibly annexed to the Soviet Union. Since that date there has been a saga of courageous struggle. Struggle against oppression. Struggle against the repression of those basic human rights that are indivisible with true liberty. The people of Lithuania still hold the same love of freedom and independence they did when their Republic was born.

Recent events testify to the determination of these brave people; petitions and demonstrations against the religious repression of their Soviet rulers; protest involving the self-immolation of religious leaders; the story of Simas Kudirka, the Lithuanian sailor who sought sanctuary on a U.S. Coast Guard cutter; and the memory of 50,000 Lithuanians who died during 10 years of guerrilla warfare against Soviet domination.

We must continue our awareness and support for the plight of these people. America has never recognized the annexation of Lithuania and the other Baltic States by the U.S.S.R. And as a nation based on the principles of human rights and personal liberty we can only offer every avenue of support possible for these people.

The 200th anniversary of our independence is a celebration of a landmark in the history of the world, and a milestone in the continuing revolution for the freedom of man. Let the story of Lithuania's declaration of independence be a reminder to us that liberty is not found easily and once achieved is maintained only by continued effort. Their fight is both a lesson and a call to the American people.

HOME HEATING EFFICIENCY ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Reuss) is recognized for 20 minutes.

Mr. REUSS. Mr. Speaker, I am today joining as cosponsor with the gentleman from Pennsylvania (Mr. Barrett) in introducing the Home Heating Efficiency Act of 1975. This bill is designed to achieve two objectives—to reduce energy consumption and to ease the increasingly crushing burden of rising utility costs on low- and middle-income homeowners.

H.R. 3573 would achieve these two objectives by authorizing assistance payments to low- and middle-income homeowners to encourage and assist them in making home improvements which are designed to result in less energy consumption. These improvements would involve such items as additional insulation, storm windows and doors, and caulking and weather stripping.

The assistance provided by H.R. 3573 is in the form of payments by the Secretary of Housing and Urban Development to eligible homeowners. Assistance is limited to households with annual adjusted gross incomes for Federal tax purposes of less than $20,000. By and large, families with incomes over $20,000 will be able to afford the improvements out of their own or borrowed funds. As far as incentives are concerned, the economics of rising utility bills should be sufficient incentive for the more affluent households to make the required expenditures.

By targeting assistance to families with incomes under $20,000, H.R. 3573 can provide significant assistance to large numbers of households at less cost to the Government than more broad-based proposals. The assistance payment to any household can cover 25 percent of the cost of the improvements up to a maximum payment of $300. For homeowners with incomes below the poverty level, the bill permits 90 percent of the cost of the improvements to be subsidized, subject to the $300 maximum.

The 25-percent share of the cost of energy conservation improvement that is paid by the Federal Government should be adequate incentive to millions of homeowners to increase the thermal efficiency of their homes. The bill authorizes $800 million for this program, enough for approximately 8 million homes at an average payment per home of $100. The bill is designed to facilitate rapid processing of large numbers of assistance requests with little or no additional bureaucracy required. Payments should be made very shortly after the completion of the improvements, in many cases probably before the owner has had to compensate the dealer or contractor.

The direct assistance approach of H.R. 3573 is preferable to a tax program because: First, it can assist low-income families who are not required to file an income tax return; second, it provides cash assistance at the time the expenditures are incurred and not several months later; and third, it provides for consumer safeguards before expenditures are incurred by homeowners through review by HUD of the cost estimates of the proposed improvements to weed out plainly excessive estimates and through HUD's experience with unsatisfactory dealers and contractors gained through the administration of its other housing programs, particularly its property improvement loan insurance program.

H.R. 3573 is offered as a substitute and improvement over two energy-saving proposals submitted by the administration. The first proposal provides for a tax credit to all households filing returns of 15 percent of the cost of the improvements, up to a maximum credit of $150. Secretary of the Treasury Simon estimated that the revenue loss from this proposal would be approximately $1.5 billion. The second proposal provides for grants to States with which insulation and similar items may be purchased and distributed by the States to low-income households. The amount authorized for this program would be $174 million. H.R. 3573 is fiscally more responsible and restrained than the administration's proposals, involving a potential cost of only one-half the cost of the administration's proposals. Unlike the tax credit, which once unleashed can expand to its full revenue loss, H.R. 3573 contains a maximum cost limit. This limit may be increased in the future, but only if circumstances warrant an increase.

H.R. 3573 constitutes an important part of a congressional package of energy proposals. It is estimated that approximately 13 percent of U.S. energy demand is consumed in heating and cooling residential buildings and that 20 percent of this energy potentially could be saved through energy conservation improvements to existing residential structures. This potential reduction in energy use translates roughly into a savings of 500,000 barrels of oil per day and $2 billion per year in savings to consumers. H.R. 3573 provides an efficient and workable mechanism to achieve a significant portion of these potential savings.

LAWSUITS AGAINST POLICE OFFICERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. Ford) is recognized for 5 minutes.

Mr. FORD of Michigan. Mr. Speaker, a few years ago it was brought to my attention that law enforcement agencies were becoming increasingly concerned over the growing number of lawsuits filed against police officers for actions occurring while performing their official duties. It has been reported that in many instances officers have been forced to rely upon their own resources in defending suits of this nature, and in many cases the proceedings have turned out to be nothing more than "nuisance" suits.

It was for this reason that I introduced the Law Enforcement Officers' Legal Assistance Act in both the 92d and 93d Congress, and why I am reintroducing it today. This bill would authorize the Attorney General of the United States to make grants to any law enforcement official who is a defendant in any civil action which arises out of the performance of his or her official duties, and to reimburse the officer for any reasonable legal cost if he or she prevails in the civil action.

As a former legislator in the Michigan State Senate and now in the U.S. Congress, I have always vigorously supported legislation designed to assist law enforcement officers in performing their difficult and often dangerous jobs more effectively. I am hopeful that the 94th Congress will act on this measure soon so that aid will be made available to police officers who are forced to rely on their own resources to defend themselves in frivolous lawsuits.

Mr. Speaker, I am joined in offering this legislation by my distinguished colleagues from Michigan, Mr. Dingell, Mr. Nedzi, and with my good friend and colleague from New York, Mr. Biaggi, who served as a police officer before coming to Congress. At this point I would like to insert the text of H.R. 3581 into the RECORD.

H.R. 3581

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Law Enforcement Officer's Legal Assistance Act of 1975".

SEC. 2. The Attorney General is authorized to make grants to each law enforcement officer who is a defendant in any civil action, arising out of the performance by such officer of his official duties, if such law enforcement officer should prevail in that civil action, to reimburse such officer for the reasonable costs of investigation and legal fees incident to such civil action.

SEC. 3. As used in this Act, the term "law enforcement officer" includes attorneys general, prosecuting attorneys, chiefs of police, sheriffs, constables, and their subordinates.

RULES OF THE COMMITTEE ON FOREIGN AFFAIRS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MORGAN) is recognized for 5 minutes.

Mr. MORGAN. Mr. Speaker, at its organizational meeting on Thursday, February 20, 1975, the Committee on Foreign Affairs adopted its rules by a majority vote, a quorum being present.

In accordance with clause 2 of rule XI of the Rules of the House of Representatives, I submit the rules of the Committee on Foreign Affairs as adopted for publication in the RECORD:

RULES OF THE COMMITTEE ON FOREIGN AFFAIRS, 94TH CONGRESS

(Adopted February 20, 1975)

1. GENERAL PROVISIONS

The Rules of the House, and in particular the committee rules enumerated in Clause 2 of Rule XI, are the rules of the Committee on Foreign Affairs, to the extent applicable. Each subcommittee of the Committee on Foreign Affairs (hereinafter referred to as the "Committee") is a part of the Committee and is subject to the authority and direction of the Committee, and to its rules to the extent applicable.

2. DATE OF MEETING

The regular meeting date of the Committee on Foreign Affairs shall be the first Tuesday of every month when the House is in session pursuant to Clause 2(b) of Rule XI of the House. Additional meetings may be called by the Chairman as he may deem necessary or at the request of a majority of the Members of the Committee in accordance with Clause 2(c) of Rule XI of the House of Representatives.

The determination of the business to be considered at each meeting shall be made by the Chairman subject to Clause 2(c) of Rule XI of the House of Representatives.

A regularly scheduled meeting need not be held if there is no business to be considered.

3. QUORUM

No measure or recommendation shall be reported unless a majority of the Committee is actually present. For purposes of taking testimony, two Members shall constitute a quorum.

4. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(*a*) As required by Clause 2(g), Rule XI, each meeting for the transaction of business, including the markup of legislation, of the Committee or its subcommittees, shall be open to the public except when the Committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* that no person other than members of the Committee, and such congressional staff and such departmental representatives as they may authorize, shall be present in any business or markup session which has been closed to the public.

This provision does not apply to any meeting that relates solely to internal budget or personnel matters.

(*b*) As required by Clause 2(g), Rule XI, each hearing conducted by the Committee or its subcommittees shall be open to the public except when the Committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* that the Committee or subcommittee may by the same procedure vote to close one subsequent day of hearings.

5. ANNOUNCEMENT OF HEARINGS

Public announcement shall be made of the date, place, and subject matter of any hearing to be conducted by the Committee at least one week before the commencement of that hearing, unless the Committee determines that there is good cause to begin such hearing at an earlier date. Such determination shall be made with respect to any hearing by the Chairman, unless the Committee, by majority vote, shall determine otherwise.

Public announcement of all hearings shall be made at the earliest possible date and shall be published in the Daily Digest portion of the Congressional Record.

Members shall be notified in advance by the Chief of Staff of the Committee of all meetings of subcommittees and of the full Committee.

6. WITNESSES

A. Interrogation of witnesses

Insofar as practicable, witnesses shall be permitted to present their oral statements without interruption, questioning by the Committee Members taking place afterward, each Member being called in turn by the Chairman. A Member desiring to speak or ask a question shall address the Chairman and not the witness in order to insure orderly procedure.

Each Member may interrogate the witness for 5 minutes, the reply of the witness being included in the 5-minute period. After all Members have had an opportunity to ask questions, the round shall begin again under the 5-minute rule.

The Chairman shall take note of Members who are in their chairs when each day's hearing begins and, insofar as practicable, when the time occurs for interrogation, shall recognize each such Member ahead of all others.

B. Statement of witnesses

So far as practicable, each witness shall file with the Committee, 48 hours in advance of his appearance, a written statement of his proposed testimony and shall make a brief oral summary of his views.

7. PUBLIC ANNOUNCEMENT OF COMMITTEE VOTES

The result of each rollcall vote in any meeting of the Committee shall be made available for inspection by the public at reasonable times at the Committee offices, including a description of the amendment, motion, order or other proposition; the name of each Member voting for and against, and whether by proxy or in person, and the Members present but not voting.

A rollcall vote shall be ordered on any question at the request of 20 percent of those present.

8. PROXIES

Proxy voting is permitted in the Committee only under the following conditions:

The proxy authorization—

(*a*) Shall be in writing;

(*b*) Shall assert that the Member is absent on official business or is otherwise unable to be present at the meeting of the Committee; and

(*c*) Shall be limited to a motion to report a bill or a resolution.

Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies are not counted for a quorum.

9. STAFF SERVICES

The Committee staff shall be selected and organized so that it can provide a comprehensive range of professional services in the field of foreign affairs to the Committee, the subcommittees, and all its Members.

The staff shall include persons with training and experience in foreign affairs who have a variety of backgrounds and skills so as to make available to the Committee services of individuals who have a firsthand acquaintance with major countries and areas with major aspects of United States overseas programs and operations.

It is intended that the skills and experience of all members of the Committee staff shall be available to all Members of the Committee.

(*a*) The professional and clerical employees of the Committee, except those assigned to the minority or to a subcommittee as provided below, shall be appointed, and may be removed, by the Chairman with the approval of the majority of the members of the Committee. Their remuneration shall be fixed by the Chairman within the ceiling set in Clause 6(c) of Rule XI, and they shall be under the general supervision and direction of the Chairman. Staff assignments are to be authorized by the Chairman or by the Chief of Staff under the direction of the Chairman.

(*b*) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined as the minority Members of the Committee shall determine: *Provided, however,* that no minority staff person shall be compensated at a rate which exceeds that paid his or her majority party staff counterpart. Such staff shall be under the general supervision and direction of the ranking minority Member with the approval or consultation of the minority Members of the Committee.

(*c*) In the matter of subcommittee staffing:

(1) The chairman of each standing subcommittee of this Committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority Member of each of six standing subcommittees on this Committee is authorized to appoint one staff person who shall serve at the pleasure of said ranking minority Member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of clause 6 of Rule XI of the Rules of the House or (B) the rate paid the staff member appointed pursuant to subparagraph (1) of this paragraph.

(4) No member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the ranking minority party members pur-

suant to subparagraph (2) of this paragraph shall be made available from the staff positions provided under clause 6 of Rule XI of the Rules of the House.

10. NUMBER AND JURISDICTION OF SUBCOMMITTEES

There shall be 10 standing subcommittees. The names and jurisdiction of those subcommittees shall be:

Subcommittee on Oversight.—To deal with oversight of foreign intelligence; administration of foreign aid; external research (General Accounting Office, Congressional Research Service, Inspector General Foreign Assistance, Auditor General, Agency for International Development, etc.), and areas not covered by other subcommittees.

Subcommittee on International Security and Scientific Affairs.—To deal with national security and scientific developments affecing foreign policy; strategic planning and agreements; war powers and executive agreements; and Arms Control and Disarmament Agency.

Subcommittee on International Operations.—To deal with Department of State-United States Information Agency operations and legislation; diplomatic service; international education and cultural affairs; foreign buildings; and parliamentary conferences of the NATO countries.

Subcommittee on International Political and Military Affairs.—To deal with political and military aspects of foreign policy; international boundaries and regional pacts; conventional arms transfers; policy planning and research; and international communications.

Subcommittee on International Resources, Food, and Energy.—To deal with energy and natural resources; food and international commodity agreements; disaster assistance; and the American Red Cross.

Subcommittee on International Economic Policy.—To deal with international economic policy; international investments policy; international financial and monetary institutions oversight; Council on International Economic Policy oversight; and Overseas Private Investment Corporation oversight and legislation.

Subcommittee on International Organizations.—To deal with United Nations and related agencies, oversight and legislation; environmental issues; and international fishing agreements oversight.

Special Subcommittee on Investigations.—To deal with special foreign policy-related investigations referred by the chairman, with the consent of the committee.

Special Subcommittee on Future Foreign Policy Research and Development.—To identify and assess conditions and trends that might require future legislation by systematic, integrated study of principal national problems relevant to foreign policy; and forecasting and developing of options, by means of futures research, for meeting future problems relating to foreign policy.

Subcommittee on International Trade and Commerce.—To deal with international trade policy; measures to foster commercial intercourse with foreign countries; customs and Export-Import Bank oversight; foreign loans (other than development loans); trading with the enemy; and international claims.

11. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full Committee on all matters referred to it. Subcommittee chairmen shall set meeting dates after consultation with the Chairman of the full Committee and other subcommittee chairmen, with a view toward avoiding simultaneous scheduling of Committee or subcommittee meetings or hearings wherever possible. It shall be the practice of the Committee that meetings of subcommittees not be scheduled to occur simultaneously with meetings of the full Committee.

In order to insure orderly and fair assignment of hearing and meeting rooms, hearings and meetings should be arranged in advance with the Chairman through the Chief of Staff of the Committee.

The Chairman and the ranking minority Member of the full Committee may attend the meetings and participate in the activities of all subcommittees, except for voting and being counted for a quorum.

12. REFERRAL OF BILLS BY CHAIRMAN

All legislation and other matters referred to the Committee shall be referred by the Chairman to the subcommittee of appropriate jurisdiction within 2 weeks, unless by majority vote of the majority party Members of the full Committee, consideration is to be otherwise effected. The Chairman may designate a subcommittee chairman or other Member to take responsibility as "floor manager" of a bill during its consideration in the House.

13. PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

The majority party caucus of the Committee shall determine an appropriate ratio of majority to minority party Members for each subcommittee: *Provided, however*, that party representation on each subcommittee or conference committee shall be no less favorable to the majority party than the ratio for the full Committee. The Chairman of the full Committee and the ranking minority Member are authorized to negotiate matters affecting such ratios including the size of subcommittees and conference committees.

14. SUBCOMMITTEE BUDGETS AND RECORDS

(*a*) Each subcommittee shall have an adequate budget to discharge its responsibility for legislation and oversight.

(*b*) In order to facilitate Committee compliance with Paragraph (e)(1) of Clause 2, Rule XI, each subcommittee shall keep a complete record of all subcommittee actions which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each rollcall vote shall be promptly made available to the full Committee for inspection by the public at reasonable times in the offices of the Committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting.

All subcommittee hearings, records, data, charts, and files shall be kept distinct from the congressional office records of the Member serving as chairman of the subcommittee. Such records shall be coordinated with the records of the full Committee, shall be the property of the House, and all Members of the House shall have access thereto.

15. ACCESS TO CLASSIFIED INFORMATION

Access to classified information supplied to the Committee and attendance at closed sessions of the Committee or its subcommittees shall be limited to Members, and to members of the Committee staff and stenographic reporters who have appropriate security clearance when the Chairman determines that such access or such attendance is essential to the functioning of the Committee.

Notice of the receipt of classified documents submitted to the Committee by the Executive will be sent to Committee Members. Classified documents will be kept in the Committee safe and will be available to Members in the Committee office.

The Chairman of the full Committee shall establish such other procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received by the Committee classified as secret or higher. Such procedures shall, however, insure access to this information by any Member of the Committee or any other Member of the House of Representatives who has requested the opportunity to review such material. Such security procedures as are established by the Chairman may be modified or waived in any or all particulars by a majority vote of the full Committee.

16. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

When requested by the Superintendent of the House Radio and Television Gallery and upon approval by the Committee or its subcommittees, all Committee and subcommittee hearings which are open to the public may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any such methods of coverage, provided that such request is submitted to the Committee or its subcommittees not later than 4 p.m. of the day preceding such hearings.

The Chairman of the full Committee or the chairmen of the subcommittees are authorized to determine on behalf of the full Committee or its subcommittees respectively whether hearings which are open may be broadcast, unless the Committee or its subcommittees respectively by majority vote determine otherwise.

Such coverage shall be in accordance with the following requirements: (Section 116(b) of the Act, Clause 33(f) of Rule XI of the Rules of the House of Representatives).

(*a*) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(*b*) No witness served with a subpena by the Committee shall be required against his will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to paragraph (m) of Clause 27 of Rule XI of the Rules of the House of Representatives, relating to the protection of the rights of witnesses.

(*c*) Not more than four television cameras, operating from fixed positions shall be permitted in a hearing or meeting room. The allocation among cameras permitted in a hearing room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(*d*) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or its subcommittees or the visibility of that witness and that Member to each other.

(*e*) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(*f*) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee or subcommittee is in session.

(*g*) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(*h*) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(*i*) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the Committee or its subcommittees.

(*j*) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(*k*) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television media Correspondents' Galleries.

(*l*) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery Committee of Press Photographers.

(*m*) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

17. OTHER PROCEDURES AND REGULATIONS

The Chairman of the full Committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the Committee. Any additional procedures or regulations may be modified or rescinded in any or all particulars by a majority vote of the full Committee.

EMINENT SCIENTISTS SPEAK OUT ON ENERGY POLICY

(Mr. PRICE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, on January 16, 1975, a group of 32 eminent scientists made a public statement on energy policy for our Nation. I request unanimous consent to reproduce that statement at the conclusion of my remarks. I urge that my colleagues read the statement—it is a brief one—in its entirety and consider carefully the views expressed therein.

This group of scientists, which include 11 Nobel laureates, concludes that this country is "in the most serious situation since World War II." The statement underscores the critical nature of the energy dilemma which we presently face. They emphasize the need for the intelligent application of conservation in the short term. They also recommend increased reliance upon our domestic coal and uranium resources to substitute for the Nation's declining domestic oil and natural gas reserves.

This statement is unique not only in its content but in the bringing together in common consensus of these men who for the most part have distinguished themselves in singular fashion in their various scientific disciplines. Not all are expert in nuclear technology. They come from a broad range of scientific disciplines. They, nevertheless, have reviewed the present situation and concluded that there is no reasonable alternative to an increased use of nuclear power to satisfy our energy need. They point out that all energy alternatives involve risks and that nuclear power is no exception. And they express their confidence that with technical care in design and operation of all phases of the nuclear power program, the risks are acceptable and the public health and welfare can be adequately protected.

The statement follows:

SCIENTISTS' STATEMENT ON ENERGY POLICY

We, as scientists and citizens of the United States, believe that the Republic is in the most serious situation since World War II. Today's energy crisis is not a matter of just a few years but of decades. It is the new and predominant fact of life in industrialized societies.

The high price of oil which we must now import in order to keep Americans at their jobs threatens our economic structure—indeed, that of the Western World. Energy is the lifeblood of all modern societies and they are currently held hostage by a price structure that they are powerless to influence.

In the next three to five years conservation is essentially the only energy option. We can and must use energy and existing energy sources more intelligently. But there must also be long range realistic plans and we deplore the fact that they are developing so slowly. We also deplore the fact that the public is given unrealistic asurances that there are easy solutions. There are many interesting proposals for alternative energy sources which deserve vigorous research effort, but none of them is likely to contribute significantly to our energy supply in this century.

Conservation, while urgently necessary and highly desirable, also has its price. One man's conservation may be another man's loss of job. Conservation, the first time around, can trim off fat, but the second time will cut deeply.

When we search for domestic energy sources to substitute for imported oil, we must look at the whole picture. If we look at each possible energy source separately, we can easily find fault with each of them, and rule out each one. Clearly, this would mean the end of our civilization as we know it.

Our domestic oil reserves are running down and the deficit can only partially be replaced by the new sources in Alaska; we must, in addition, permit off-shore exploration. Natural gas is in a similar critical condition; in the last seven years new discoveries have run far below our level of gas consumption. Only with strong measures could we hope to reverse this trend.

We shall have to make much greater use of solid fuels. Here coal and uranium are the most important options. This represents a profound change in the character of the American fuel economy. The Nation has truly great reserves of these solid fuels in the earth. Our economically recoverable coal reserves are estimated to be 250 billion tons and exceed the energy of the world's total oil reserves. Our known uranium ores potentially equal to energy of 600 billion tons of coal; lower grade ore promises even more abundance.

The U.S. choice is not coal *or* uranium; we need both. Coal is irreplaceable as the basis of new synthetic fuels to replace oil and natural gas.

However, we see the primary use of solid fuels, especially of uranium, as a source of electricity. Uranium power, the culmination of basic discoveries in physics, is an engineered reality generating electricity today. Nuclear power has its critics, but we believe they lack perspective as to the feasibility of non-nuclear sources and the gravity of the fuel crisis.

All energy release involves risks and nuclear power is certainly no exception. The safety of civilian nuclear power has been under public surveillance without parallel in the history of technology. As in any new technology there is a learning period. Contrary to the scare publicity given to some mistakes that have occurred, no appreciable amount of radioactive material has escaped from any commercial U.S. power reactor. We have confidence that technical ingenuity and care in operation can continue to improve the safety in all phases of the nuclear power program, including the difficult areas of transportation and nuclear waste disposal. The separation of the Atomic Energy Commission into the Energy Research and Development Administration and the Nuclear Regulatory Commission provides added reassurance for realistic management of potential risks and benefits. On any scale the benefits of a clean, inexpensive, and inexhaustible domestic fuel air outweigh the possible risks.

We can see no reasonable alternative to an increased use of nuclear power to satisfy our energy needs.

Many of us have worked for a long time on energy problems and therefore we feel the responsibility to speak out. The energy famine that threatens will require many sacrifices on the part of the American people, but these will be reduced if we marshall the huge scientific and technical resources of our country to improve the use of known energy sources.

Hans A. Bethe,* Organizing Chairman, Laboratory of Nuclear Studies, Cornell University.

Luis W. Alvarez,* Lawrence Radiation Laboratory, University of California.

Peter L. Auer, Director, Laboratory of Plasma Studies, Cornell University.

Robert F. Bacher, Department of Physics, California Institute of Technology.

John Bardeen,* Department of Physics and Department of Electrical Engineering, University of Illinois.

F. Bloch,* Department of Physics, Stanford University.

Norris E. Bradbury, Former director, Los Alamos Scientific Laboratory.

Harold Brown, President, California Institute of Technology.

Cyril S. Comar, Professor of Physical Biology, Cornell University.

Arthur Kantrowitz, AVCO-Everett Research Laboratory, Everett, Mass.

Ralph E. Lapp, Energy consultant, Alexandria, Virginia.

Joshua Lederberg,*** Department of Genetics, Stanford University.

Willard F. Libby, Department of Chemistry, University of California at Los Angeles.

Franklin Long, Professor of Chemistry, Center for Science, Technology and Society, Cornell University.

Edwin M. McMillan,** Lawrence Radiation Laboratory, University of California.

Edward M. Purcell.* Department of Physics, Harvard University.

I. I. Rabi,* Professor of Physics, Emeritus, Columbia University.

Roger Revelle, Director, Harvard Center for Population Studies.

Glenn T. Seaborg,** Department of Chemistry, University of California.

Frederick Seitz, President, Rockefeller University.

Edward Teller, Lawrence Radiation Laboratory, University of California.

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* Nobel prize in physics.

** Nobel prize in chemistry.

*** Nobel prize in physiology and medicine.

James A. Van Allen, Department of Physics, University of Iowa.

Warren Weaver, Mathematician, New Milford, Conn.

Alvin M. Weinberg, Formerly, Director, Oak Ridge National Laboratory.

Victor F. Weisskopf, Department of Physics, Massachusetts Institute of Technology.

Edward Wenk, Jr., Director, Program on Social Management of Technology, University of Washington.

Richard Wilson, Department of Physics, Harvard University.

Norman Rasmussen, Department of Nuclear Engineering, Massachusetts Institute of Technology.

Eugene P. Wigner,* Professor of Theoretical Physics, Princeton University.

Kenneth S. Pitzer, Professor of Chemistry, University of California.

Richard H. Chamberlain, M.D. Chairman, Dept. of Radiology, Univ. of Pennsylvania.

William O. Baker, President, Bell Telephone Laboratories.

Professional affiliation is listed for identification purposes only.

LITHUANIAN INDEPENDENCE DAY

(Mr. PRICE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, on February 16 we observed the 57th anniversary of the establishment of the modern Republic of Lithuania. Lithuania enjoyed her status as a member of the family of nations for only 22 years until in 1940 this country was annexed and absorbed into the territory of the Soviet Union.

Since that time Lithuania's boundaries have become invisible within those of Soviet Russia. But though the territorial divisions are now indistinct, the people of Lithuania are still a viable, independent, and free-thinking nation unto themselves, and will continue in their heroic struggle to be again placed among the free nations of the world.

This date also marks the 724th anniversary of the founding of the Lithuanian State—a fact significant for our country as we plan to celebrate our 200th anniversary as a free nation. We should all take a moment to reflect upon the similarities between these two peoples—one the leader of the free world and the other struggling to regain its status in the ranks of the free.

I congratulate all Lithuanians and their descendants for keeping alive the fires of freedom so that we in our turn could enjoy the rewards of independence, and I pledge my continuing efforts as well as those of my country to assist freedom-loving men and women everywhere until the time when they come out of the shadows of repression and enjoy the pure light of freedom.

TIME TO CONSERVE

(Mr. RONCALIO asked and was given permission to extend his remarks at this point in the Record.)

Mr. RONCALIO. Mr. Speaker, on February 5, my distinguished colleague from Colorado (Mr. Evans), introduced legislation that confronts directly a major element of our energy crisis—conserving the use of the energy resources that are now available to this Nation.

His bill, 5 years after its enactment, would require all passenger motor vehicles manufactured or sold in this country, to be required to achieve at least 20 miles per gallon, with 200 horsepower or less and not weighing in excess of 3,000 pounds. In the interim 5-year period, any vehicle with an engine horsepower in excess of 200 would be taxed at one-half of 1 percent of the manufacturer's sale price for each horsepower in excess of 200.

These are stiff requirements and this is a hard-nosed bill. But it is a vitally necessary bill.

In States like mine, Wyoming, and Mr. Evans' Colorado, the people are almost solely dependent upon their cars for transportation. There is little public transportation, and communities are long distances from one another. The people in Wyoming are thus forced to pay the price for gasoline, whatever it may be, and the enormous difficulties that rationing would impose make it highly undesirable, if not impossible. We must make an all-out effort now, to obtain maximum efficiency from every single gallon of gasoline purchased. This legislation requires that.

No burden falls upon the consumer. The excise tax cannot be passed on to the consumer—it remains with the manufacturer. It compels the manufacturer to construct automobiles that are the most efficient—and penalizes them if they do not.

As well, this is not an unreasonable bill. In 1974, several vehicles manufactured in this country came within 100 pounds of the required weight limit—either above or below, and were well below the 200-horsepower level.

Economically it is reasonable. It is not detrimental to the automobile industry nor the local dealer. There will continue to be a demand for new cars, only they will be more efficient cars.

For any car to wear out, it must be used, and this legislation allows individuals to continue to use their vehicles as they desire, or as is necessary. It only insists that the most efficient use of the energy resources be insured.

Mr. Speaker, if this Congress is to honestly confront the energy problem, it is necessary that we make real decisions. True, we must work to discover new sources of energy, but it is most imperative that we also find ways of conserving the use of the energy we now have. With 1974 gasoline mileage only 14.7 miles per gallon, and with private passenger vehicles consuming gasoline at the rate of 270 million gallons of gasoline per day, we must move to insure the most efficient use of our present energy resources, that is possible.

Mr. Evans should be highly commended for his efforts with this legislation, and I am therefore introducing identical legislation to express my full support for this bill.

A PROGRAM OUT OF HIS OWN BUREAUCRACY REALLY ENTITLED TO A FORD VETO

(Mr. MELCHER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MELCHER. Mr. Speaker, Saturday I wired the President suggesting that he veto one of his own bureaucrat's plans to require that 2 million American farmers and 90,000 professionals be given written tests to get pesticide applicator licenses.

My telegram said:

> Environmental Protection Agency is instituting an unnecessary system of written tests for 2 million American farmers to qualify for pesticide applicator licenses contrary to clear Congressional directive. It will cost twice my Animal Health Research bill which you vetoed although my bill attacked $4 billion annual losses to food producers. Why this priority for bureaucratic boondoggles over needed research to protect our animal food supply? Are you going to veto it? Read my comments in Monday's Congressional Record.
>
> John Melcher,
> *Member of Congress.*

The background of the situation is that Public Law 92–516, section 4, states—

> That the Administrator shall prescribe standards for applicators of pesticides. Such standards shall provide that to be certified, an individual must be determined to be competent with respect to use and handling of pesticides, or to the use and handling of the pesticide or class of pesticides covered by such individual's certification.

The Senate Committee on Agriculture and Forestry, in its report on the bill, interpreted section 4 as follows:

> The flexibility of these provisions will allow the Administrator, in accordance with the guidelines in the Act, to establish restrictions which are suited to the degree of hazard and adverse environmental effects that would be caused by the misuse of the pesticide. For example, in some cases only the signing of a poison or pesticide register would be required while in other cases the purchaser or user might be required to certify that he has read the instructions and will apply it in accordance with the instructions. In other cases, general or seasonal licenses, permits, or other forms of approval may be required; but it is not intended that anything similar to a "permit only" type of restriction proposed in S. 745 is to be required.

On October 9, 1974, the EPA published a proposed regulation under which States are to take over the task of qualifying farmers as applicators.

The State of Minnesota accordingly proposed that purchasers of restricted pesticides be required to sign a form upon purchasing such a pesticide affirming that they had read and understood the directions for the use of the pesticide purchased, and would follow those directions under penalty of Federal law for failure to do so.

The EPA rejected this procedure; advised the State that written tests must be passed, and announced in a February 17, 1975, press release that—

> Farmers and other individuals who want to use certain highly toxic pesticides after Oct. 21, 1976, complete EPA-approved, state-administered testing. . .

The EPA press release reports that possibly "as many as 2 million farmers and roughly 90,000 commercial applicators will seek certification from the States."

One estimate is that the cost of devising and printing test sheets, distributing, setting up examination centers, establishing records, files, and administering the examinations will come to $77 million the first year. The EPA says that farmers seeking private applicator certification will be required to demonstrate the ability to recognize common pests needing control, to read and understand pesticide labels, to apply pesticides according to label, directions and warnings, to recognize local environmental situations, and to recognize poisoning symptoms and procedures to follow in case of pesticide accidents.

A majority of today's farmers—many of them college graduates—are familiar with complex feed formulae including medications, fertilizer formulae and application, pesticide, herbicide, and rodenticide formulae and use, and act as paramedics for their livestock, administering medicines, injections, and other treatments. Veterinarians do not object because they know the producers have qualified themselves to handle such work.

Pesticide dealers know who, among their customers, can read and write. Apparently, contrary to EPA's understanding, farmers are literate.

The universal requirement of written tests is going to require a bureaucracy resembling drivers' license testing—a multimillion dollar bureaucracy—that is wholly unnecessary.

It is no justification of the unnecessary expense to tell Congress that it is to be a State-administered system. Even if the States can be suckered into doing the job, the taxpayers will be paying for it and it will be only a matter of time until the Federal Treasury foots the bill, directly or by revenue sharing. Contrary to what executive branch witnesses often try to make us believe—that a program would not cost anything because the States can do it out of their revenue sharing funds—cost to taxpayers is involved, and it is only a matter of time until the States present us with an itemized statement of the chores and obligations transferred to them for which they demand appropriate increases in Federal funding.

The Animal Health Research Act which President Ford selected for his No. 1 veto authorized, when fully operational, about $40 million annually. That was about 1 percent of the estimated annual losses in this Nation to animal diseases. There is a real need for it.

We have learned to eradicate or control some livestock diseases—hog cholera and foot-and-mouth disease, to mention a couple. There remain many chronic disorders of animals yet to be attacked effectively. Conquering just one of the many would yield returns far in excess of the cost, and the cost of the whole program would be less than the excess cost of the EPA's written examination bureaucracy.

If that animal health bill deserved a veto, this testing program deserves two dozen and if the President does not do it, I shall ask our Appropriations Committees to try their hand at cutting EPA funds appropriately.

I include in the RECORD at the end of these remarks the EPA press release of February 17 asserting that testing will be required.

I again urge the President to veto this plan, adopt the Minnesota procedure which is in line with congressional intent, and let the money saved be used for constructive purposes.

EPA PROPOSES REGULATIONS FOR STATE PLANS TO CERTIFY PESTICIDE APPLICATORS

The Environmental Protection Agency has proposed regulations specifying the requirements of State plans to certify pesticide applicators.

Applicator certification refers to a requirement in the 1972 Federal pesticides law that commercial pesticide applicators, farmers and other private individuals who want to use certain highly toxic pesticides after October 21, 1976 complete EPA approved, State-administered testing to demonstrate their competency.

The pesticide uses for which an applicator will have to be certified are those which EPA will designate as "restricted use." Under the 1972 law, pesticides or specific uses will bear the "restricted use" classification if EPA determines that they may cause unreasonable adverse effects to the user or the environment unless subject to some type of regulation beyond label directions.

The Agency is now deciding which pesticide uses will be restricted to certified applicators and which will be available to the general public. EPA expects that the majority of pesticide products now registered will remain in the "general use" category, particularly those used by the homeowner or casual gardener. No type of testing will be required of persons wishing to use pesticides classified "general use." Of course, the label directions for these products will have to be followed. The designations of "restricted use" or "general use" will be indicated on the labels of pesticide products by October 1976.

EPA estimates that possibly as many as two million farmers and roughly 90,000 commercial applicators (persons in the business of controlling agricultural, forest, industrial, or other pests) will seek certification from the States. In the October 9, 1974 Federal Register, EPA issued the final minimum standards of competency that an applicator would have to meet under certification testing.

In general, the EPA standards are designed to ensure that an applicator knows how to use pesticides in a manner that will control the pest, protect himself and others during use, and will take appropriate precautions against contamination of the general environment. As an example, farmers seeking private applicator certification would be required to demonstrate the ability to: recognize common pests needing control, to read and understand pesticide labels, to apply pesticides according to label directions and warnings, to recognize local environmental situations, and to recognize poisoning symptoms and procedures to follow in case of a pesticide accident.

The 1972 pesticides law provides that the States develop and submit to EPA for its approval plans for certifying applicators in accordance with the EPA minimum standards. The proposed regulations describe what must be included in a State plan and related matters.

Specifically, the proposed regulations say that State certification plans should include:

Identification of the lead and cooperating State agencies that will administer certification and information indicating adequate funding.

An affirmative statement that the State agency has the legal authorities to administer the plan. EPA will consider contingency approval of a State plan pending enactment of the necessary legislation.

A procedure for reporting progress annually; and

Certification standards that conform with and are at least equal to the EPA standards and a description of the types of exams to be administered. The proposed regulations encourage the States to develop programs for recognizing the validity of one another's certification. This is intended for the convenience of applicators who operate in several States.

The States are not required to establish a system for reporting pesticide accidents. EPA, however, is inviting comments by State officials and others on the question of whether mandatory accident reporting should be a future requirement.

Persons interested in commenting on the proposed regulations should submit written comments by February 12, 1974 to the Federal Register Section, Technical Services Division (WH-569), Office of Pesticide Programs, Environmental Protection Agency, Room 423, East Tower, 401 M Street, SW., Washington, D.C. 20460.

The proposed regulations appeared in the Federal Register on January 13, 1974.

IMPORTED MEAT INSPECTION: HAMPTON ROADS INSPECTORS ARE SHOWING UP THE INADEQUACY OF THE PRESENT SYSTEM

(Mr. MELCHER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MELCHER. Mr. Speaker, today's Washington Post carries a story by Jane Rippeteau about the fact that the Federal meat inspectors at the port at Hampton Roads, Va., have been rejecting from 3 to 5½ times as much imported meat as at other ports in the United States.

The story speculates on why this difference.

There is not really much room to speculate. The Hampton Roads inspectors obviously have been trying to enforce our totally inadequate imported meat inspection standards considerably more zealously than at other ports.

The outcome of this undoubtedly will be that the Hampton Roads inspection is relaxed, or the port is boycotted by importers. I predict regretfully that the thoroughness of inspection at ports other than Hampton Roads is not going to be brought up to their standard, although that is the way it should go. Our State and Agriculture Departments operate on the theory that Americans must eat dirty imported meat so international relations are not upset.

Even if all ports were inspected as carefully as Hampton Roads, we still would not have adequate imported meat inspection. It is now done by taking samples—about one-half of 1 percent of the total shipments—thawing the meat and inspecting it. It is not piece-by-piece inspection of the type given domestic meat. It is a sort of Russian roulette; maybe you survive, maybe you do not. In any event, a certain amount of manure, dirt, cysts, lesions, hair, and other defects—minor, major, and other defects—even critical—are allowed to come in and go into our hamburgers, sausage, wieners, and even cut meat supplies. The difference in degree of thorough inspection at Hampton Roads as compared to other foreign meat inspection points has existed for several years. I have previously drawn to the attention of the Department of Agriculture the higher rate of rejection of imported meats at this port as compared to other inspection stations.

I include the Post story in the RECORD. I am also reintroducing my bill to tighten up all imported meat inspection, which should have passed several years ago, as it once did in the Senate, in the hope that Hampton Roads may stir some of the House Members to rebel against the filth fed to their constituents.

Meat Rejection Up at Hampton Roads

(By Jane Rippeteau)

Federal inspectors have been rejecting foreign meat imported into Hampton Roads at a higher rate than at other U.S. ports, prompting some shippers to consider cutbacks in their Hampton Roads business, according to the Virginia Port Authority (VPA).

Should those cutbacks occur, the port area economy could face a loss of $7.5 million in yearly revenues generated by meat and related shipping industries, according to John T. Nix, VPA acting director.

U.S. Department of Agriculture inspectors at Norfolk are rejecting imported meat at a rate 3 to 5½ times the rate at other ports handling imported meat—including Boston, New York, and Philadelphia—and twice the rate at Charleston, according to Agriculture Department figures cited by Nix.

The meat, which comes from Australia and New Zealand and is then shipped to the Midwest for processing into products such as sausage and hamburger, is randomly sampled at the port for freshness and such defects as bruises and bone and hair content. Hampton Roads ports annually imports about 255,000 tons of meat.

Agriculture Department officials and the Virginia Port Authority agree the rejection rate is higher at Hampton Roads ports, which include Norfolk and Portsmouth, but no one can pinpoint why.

There appear to be two possible reasons for the increased rejections, which shippers began complaining of about two months ago; inspection of the meat is less stringent at other ports, or a poorer quality of meat has been shipped to Hampton Roads recently.

"There's no reason for us to have a higher rejection rate than onyone else on meat," Nix said. But he noted that Hampton Roads receives none of the so-called special cuts of meat, which account for a substantial portion of the meat imported through the other ports. These cuts normally have a lower rejection rate, he said.

Nix also said that local inspectors might be applying inspection criteria for bruised meat more stringently at Hampton Roads, or that the port might have been receiving recently a higher percentage of meat from areas where bruising occurs.

The bruising of meat is related to the method of moving cattle from ranch to packing house, he said. If horns are clipped and the cattle are carried over good roads, less bruising occurs than if horns are not clipped before shipping, or if the roads are bad and the cattle bump into each other, he said.

Dr. R. B. Albritton, a USDA inspection supervisor responsible for two inspectors at the Norfolk International Terminal and two at the Portsmouth Terminal, said he could not explain the recent upsurge in rejections. He said inspection at every port is supposed to be uniform and made on the basis of the same criteria applied nationwide.

Nix said he has asked shipping companies to hold off a boycott of the port pending a complete USDA investigation of the inspection system.

Records show that 2.9 percent of Australian meat and 2.5 percent of New Zealand meat shipped for importation at Norfolk is now rejected, compared to 0.73 percent and 0.56 percent averages at other ports, Nix said.

A USDA official said, contrary to what Nix had said, that no investigation is underway and there are no plans for one because a recent meeting with port area inspectors showed they are complying correctly with meat inspection criteria. He said the standards are applied nationwide.

Rejected meat is either taken back to Australia or New Zealand or transported to other countries where inspectors are less rigid, shipping officials said. High rejection rates push up insurance rates for shippers, discouraging them from using ports where they are more likely to be turned away, they added.

"Shippers won't ship to a port that has a high incidence of rejection," said a spokesman for Columbus Line, one of the main shippers using Hampton Roads. The spokesman said area shippers are considering redirecting the same meat they would normally take to Hampton Roads to other ports where they expect they'll have less trouble getting it acepted.

According to Nix, the 255,000 tons of meat imported annually through Hampton Roads is the staple of the port's import industry that includes other products, mainly wool.

"Meat is the key leader," he said. "If we lost that we would lose other cargoes" and a $7.5 million service industry including dockage revenues and shipping-related jobs.

NATIONAL BAKE AND TAKE DAY

(Mr. SEBELIUS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEBELIUS. Mr. Speaker, I appreciate this opportunity to discuss legislation I am introducing today requesting the President to proclaim the fourth Saturday in March of each year as "National Bake and Take Day."

I realize many such requests have been "proclaimed" by this body in the past and that several of my colleagues feel such proclamations of no real significance. Let me say I believe this resolution merits serious consideration.

The original idea for a "Bake and Take Day" was conceived by an organization called the Kansas Wheathearts, the auxiliary organization of our Kansas Association of Wheatgrowers. This event was originally planned in Kansas to share the products of wheat, in Christian fashion, with the elderly, poor, and shut-ins in our many small communities. Almost overnight, the effort mushroomed; in popularity, in participation, and in success.

Last year, 19 States participated. This year people from many countries in the Far East and Africa will take part. Australia has expressed real interest in initiating similar activity.

Folks involved with Bake and Take Day state it will work on a national scale because we have the agricultural abundance and because this type of program enables volunteers to truly demonstrate compassion through personal contact with no cost to the taxpayer and with little or no redtape. In Kansas, this program has rekindled the spirit of voluntary participation and Christian sharing with those who are less fortunate.

I am hopeful this Congress will take prompt action on this resolution. I am also inserting a brochure discussing this activity and which outlined how local participation can be organized to initiate participation in this program. During this time of economic hardship in our Nation, it seems to me this kind of commitment would be most beneficial.

History of Bake and Take Day

In 1970 and 1971, as a forerunner to Bake and Take Day, the Sumner County Wheathearts were baking and taking baked goods to the elderly, ill, and shut-ins.

In 1972 the Kansas Wheathearts, the auxiliary of the Kansas Association of Wheat Growers, sponsored a unique project called "Kansas Bake and Take Day." On this day everyone was asked to bake something and take it personally to those less fortunate. It was an immediate success and is now a yearly observance.

Congressman Keith Sebelius of Kansas is currently sponsoring a Congressional Resolution to establish the Fourth Saturday of March as "National Bake and Take Day." A national promotion in 1973 resulted in the observance of Bake and Take Day in seventeen states; in 1974 nineteen states participated. In 1975 every state is again invited to sponsor a Bake and Take Day so that this observance will continue to grow and fluorish for the benefit of those less fortunate.

The steady growth of Bake and Take Day is indicative of the concern of the citizens of our country for those in need. What better way to show this concern than by a gift of baked goods and a personal visit.

It is the earnest wish of the Kansas Wheathearts that Bake and Take Day be observed in every state in the nation, thus making this truly a "National Bake and Take Day."

FACT SHEET

Project.—To promote the Fourth Saturday of March as Bake and Take Day in Kansas and throughout the nation.

Purpose.—To show concern and thoughtfulness for others and promote wheat.

Bake.—Bread, cookies, cake, and pies.

How to participate.—As an individual or through a club, civic organization, church group, and 4–H Clubs.

Suggestions.—A short personal visit when you deliver your gift will mean much to the recipient.

If you would like to go to a nursing or convalescent home, perhaps a club or similar organization could take part, thereby providing for all of the residents of the home. A phone call would provide you with the number of residents and also let the home know that you are coming. Special arrangements can be made for diabetic cookies without sugar. The rest homes also discourage coconut, chocolate, and nuts.

For Meals-on-Wheels, contact the chairman and make arrangements for the gift to be delivered with the daily meal.

Don't forget the individuals who live at home and would appreciate a gift and a visit from you on Bake and Take Day.

WHY NOT

Is there someone near you?
Someone who's all alone?
Why don't you try the Wheatheart plan
And call them on the phone?

Just tell them you'll be over
And bring them bread or cake,
Then give to them a cheery smile
And you've done "Bake and Take."

The Wheatheart Bake and Take Day
Was planned so all who care
Could share their many blessings
With the less fortunate everywhere.

Why don't you join the Wheathearts?
Bake cookies, pies or bread.
Make friends or neighbors happy
And lots of sunshine spread.

God gives to us the privilege
Of helping others along the way;
So why not join the Wheathearts
On their Bake and Take Day.

—Mrs. Frieda Worthington,
Burrton, Kans.

If you participate in this observance, we would appreciate hearing from you, so that your group and state will be recognized as a participant.

If you desire further information, please write: Kansas Wheathearts, 900 East 23rd Street, Hutchinson, Kansas 67501.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 15 minutes today.

Mr. Price, for 1 hour, February 26, to revise and extend his remarks and include extraneous material.

Mr. Gonzalez, for 1 hour, today, to revise and extend his remarks and include extraneous material.

(The following Members (at the request of Mr. Grassley) to revise and extend their remarks and include extraneous matter:)

Mr. Hansen, for 1 hour, today.

Mr. Kemp, for 15 minutes, today.

Mr. Miller of Ohio, for 5 minutes, today.

Mr. Hastings, for 5 minutes, today.

(The following Members (at the request of Mr. Duncan of Oregon), to revise and extend their remarks and include extraneous matter:)

Mr. Rodino, for 5 minutes, today.

Mr. Danielson, for 15 minutes, today.

Mr. Oberstar, for 5 minutes, today.

Mr. Bonker, for 5 minutes, today.

Mr. Hanley, for 10 minutes, today.

Mr. Moakley, for 5 minutes, today.

Mr. Reuss, for 20 minutes, today.

Mr. Ford of Michigan, for 5 minutes, today.

Mr. Rostenkowski, for 30 minutes, on February 26.

Mr. Morgan (at the request of Mr. Gonzalez), for 5 minutes today, and to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Grassley) and to include extraneous matter:)

Mr. Esch.

Mr. Andrews of North Dakota.

Mr. Walsh.

Mr. Crane in two instances.

Mr. Talcott in three instances.

Mr. Symms.

Mr. Kemp in three instances.

Mr. Martin.

Mr. Conable.

Mr. Jeffords in three instances.

Mr. Archer in two instances.

Mr. Young of Alaska.

Mr. Hastings.

Mr. Grassley.

Mr. Gilman.

Mrs. Smith of Nebraska.

Mr. Derwinski in three instances.

(The following Members (at the request of Mr. Duncan of Oregon) and to include extraneous matter:)

Mr. Krueger in five instances.

Mr. Anderson of California in five instances.

Mr. Gonzalez in six instances.

Mr. Scheuer in two instances.

Mr. Conyers.

Mr. McDonald of Georgia in 10 instances.

Mrs. Keys.

Mr. Jenrette in three instances.

Mr. Hughes.

Mr. Danielson in five instances.

Mr. Nowak in 10 instances.

Mr. Edwards of California in 10 instances.

Mr. McFall.

Mr. Drinan.

Mr. Richmond.

Mr. Solarz.

Mr. Annunzio in six instances.

Mr. Morgan.

Mr. Evins of Tennessee in five instances.

Mr. Rodino.

Mr. Dodd.

Mr. Aspin in 10 instances.

Mr. Waxman.

Mr. Fraser in five instances.

Mr. Boland in two instances.

Mr. Howard.

Mr. Slack.

Mr. Teague in two instances.

Mr. Early.

(The following Members (at the request of Mr. Gonzalez) and to include extraneous matter:)

Mr. Moffett.

Mr. Delaney.

Mr. Jones of Tennessee.

Mr. Pickle in five instances.

Mr. Teague in two additional instances.

Mr. Downey in five instances.

Mr. Leggett.

Mr. John L. Burton.

Mr. Bonker.

Mr. Krueger.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 441. An act to amend the Forest Pest Control Act of June 25, 1947; to the Committee on Agriculture.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 3 minutes p.m.) the House adjourned until tomorrow, Tuesday, February 25, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

387. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting quarterly reports on total amounts of foreign assistance obligations for Laos, Vietnam, and Cambodia, covering the first two quarters of fiscal year 1975 for Laos and Vietnam and the second quarter for Cambodia, pursuant to sections 40(f) and 38(e), respectively, of Public Law 93-559 in the cases of Laos and Vietnam, and section 655(f) of the Foreign Assistance Act of 1961, as amended, in the case of Cambodia; to the Committee on Foreign Affairs.

388. A letter from the Director, U.S. Information Agency, transmitting a draft of proposed legislation to authorize appropriations for the U.S. Information Agency, and for other purposes; to the Committee on Foreign Affairs.

389. A letter from the Deputy Secretary of Defense, transmitting a report on the activities of the Department of Defense under the Export Administration Act of 1969 during the quarter ended December 31, 1974, pursuant to section 10 of the act [50 U.S.C. App. 2409]; to the Committee on Foreign Affairs.

390. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense articles to the Government of Iran, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

391. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense articles to the Government of Iran, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

392. A letter from the Director of Communication, U.S. Department of Agriculture, transmitting reports of the various agencies of the Department of Agriculture on their activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to Committee on Government Operations.

393. A letter from the General Counsel, Pennsylvania Avenue Development Corporation, transmitting a report on the Corporation's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

394 A letter to the Acting Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of November 30, 1974, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

395. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

396. A letter from the Administrator, Law Enforcement Administration, Department of Justice, transmitting the first annual report of the National Institute of Law Enforcement and Criminal Justice, pursuant to section 402(c) of Public Law 93-83; to the Committee on the Judiciary.

397. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and for other other purposes; to the Committee on Merchant Marine and Fisheries.

398. A letter from the Assistant Attorney General for Administration, transmitting a report on positions in the Department of Justice in grades GS-16, 17, and 18 during calendar year 1974, pursuant to 5 U.S.C.

5114(a); to the Committee on Post Office and Civil Service.

399. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations to carry out the Standard Reference Data Act; to the Committee on Science and Technology.

400. A letter from the President of the United States, transmitting proposed supplemental appropriations for fiscal year 1975 for the Judiciary (H. Doc. No. 94-59); to the Committee on Appropriations and ordered to be printed.

401. A letter from the President of the United States, transmitting amendments to the request for foreign assistance and Department of State appropriations for fiscal year 1975 (H. Doc. No. 94-60); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS of Ohio: Committtee on House Administration, House Resolution 208. Resolution to provide additional parking facilities for the employees of the House of Representatives; with amendment (Rept. No. 94-18). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

Mr. ABDNOR:

H.R. 3570. A bill to amend the Emergency Livestock Credit Act of 1974 to provide additional temporary financial assistance to owners of livestock for the purpose of maintaining small farmers and ranchers and thereby preserving a competitive livestock production system; to the Committee on Agriculture.

H.R. 3571. A bill to establish the Great Prairie Lakes National Recreation Area in the States of South Dakota, North Dakota, and Nebraska, and for other purposes; to the Committee on Interior and Insular Affairs.

Mr. ADDABBO:

H.R. 3572. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. BARRETT (for himself and Mr. Reuss):

H.R. 3573. A bill to assist low and middle income owners of residential structures in purchasing and installing energy conservation improvements; to the Committee on Banking, Currency and Housing.

By Mr. BROOMFIELD:

H.R. 3574. A bill to alleviate massive unemployment in the housing and related industries, to provide homeownership opportunities not otherwise available because of excessive interest rates, and to assist in restoring the Nation's economic health; to the Committee on Banking, Currency and Housing.

By Mr. BROOKS (for himself, Mrs. Collins of Illinois, James V. Stanton, and Mr. Horton):

H.R. 3575. A bill to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of Government employees, and for other purposes; to the Committee on Government Operations.

By Mr. CARNEY:

H.R. 3576. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to provide for the establishment of safety standards for the living quarters of recreational vehicles, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DANIELSON:

H.R. 3577. A bill to place Arlington National Cemetery within the National Cemetery System; to the Committee on Veterans' Affairs.

By Mr. DANIELSON (for himself and Mr. Teague):

H.R. 3578. A bill to amend chapter 23, title 38, United States Code, so as to provide that where death occurs in a State Home, the Administrator shall pay the actual cost (not to exceed $250) of the burial and funeral, and transport the body to the place of burial in the same or any other State; to the Committee on Veterans' Affairs.

By Mr. EDWARDS of Alabama:

H.R. 3579. A bill to provide that the reservoir formed by the lock and dam referred to as the "Jones Bluff lock and dam" on the Alabama River, Ala., shall hereafter be known as the Robert F. Henry lock and dam; to the Committee on Public Works and Transportation.

H.R. 3580. A bill to amend the Internal Revenue Code of 1954 to increase from $1 million to $10 million the exemption from industrial development bond treatment for certain small issues; to the Committee on Ways and Means.

By Mr. FORD of Michigan (for himself, Mr. Dingell, Mr. Nedzi, and Mr. Biaggi):

H.R. 3581. A bill to authorize the Attorney General to make grants to certain law enforcement officers in reimbursement for costs incurred by such officers in certain legal actions arising out of the performance of official duties; to the Committee on the Judiciary.

By Mr. FORD of Michigan (for himself, Mr. Abdnor, Ms. Abzug, Mr. AuCoin, Mr. Badillo, Mr. Baucus, Mr. Biester, Mr. Conyers, Mr. Dent, Mr. Esch, Mr. Flood, Mr. Hammerschmidt, Mr. Harris, Ms. Holtzman, Mr. Hutchinson, Mr. Mitchell of New York, Mr. Nix, Mr. Nowak, Mr. Rodino, Mr. Roe, Mr. Sarbanes, Mr. Sebelius, Mr. Treen, Mr. Udall, and Mr. Vander Veen):

H.R. 3582. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates; to the Committee on Post Office and Civil Service.

By Mr. FORD of Michigan (for himself, Mr. Walsh, Mr. Weaver, and Mr. Andrews of North Dakota):

H.R. 3583. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates; to the Committee on Post Office and Civil Service.

By Mr. FORSYTHE:

H.R. 3584. A bill to limit the authority of States and their subdivisions to impose taxes with respect to income on residents of other States; to the Committee on the Judiciary.

H.R. 3585. A bill to amend the Internal Revenue Code 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. GUDE:

H.R. 3586. A bill to protect purchasers and prospective purchasers of condominium housing units, and residents of multifamily structures being converted to condominium units, by providing for the establishment of national minimum standards for condominiums, to encourage the States to establish similar standards, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. GUDE (for himself, Mr. Conte, Mr. Biester, and Mr. Hawkins):

H.R. 3587. A bill to authorize the voluntary withholding of Maryland, Virginia, and District of Columbia income taxes, pursuant to agreements subject to review by the Committee on House Administration of the House of Representatives, in the case of certain legislative officers and employees; to the Committee on House Administration.

By Mr. HALL:

H.R. 3588. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. HAMILTON:

H.R. 3589. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Ms. Holtzman, Ms. Burke of California, Mr. Walsh, Mr. Harris, Mr. Solarz, Mr. Peyser, Mr. Koch, Mr. Flood, Mr. Mazzoli, Mr. Scheuer, Mr. Fraser, Mr. Buchanan, Mrs. Holt, Mr. Seiberling, Mr. Hicks, Mr. Frey, Mr. Brodhead, Mr. Harrington, Mr. Rodino, Mr. Sarasin, and Mr. Rinaldo:

H.R. 3590. A bill to amend the Community Mental Health Centers Act to authorize a program for rape prevention and control; to the Committee on Interstate and Foreign Commerce.

By Mr. HEINZ (for himself, Mr. Richmond, Mr. Conyers, Mr. Mosher, Mr. Brown of California, Mr. Mitchell of New York, Mr. Boland, Mr. Miller of California, Mr. Eilberg, Mr. Studds, Mr. Winn, Mr. Frenzel, Mr. Steelman, Mr. Baldus, Mr. Maguire, Mr. Cohen, Mr. Roe, Mr. Bell, Ms. Chisholm, Mr. Ford of Tennessee, Mr. Stokes, and Mr. Gude):

H.R. 3591. A bill to amend the Community Mental Health Centers Act to authorize a program for rape prevention and control; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD:

H.R. 3592. A bill to provide compensation to U.S. commercial fishing vessel owners for damages incurred by them as a result of an action of a vessel operated by a foreign government or a citizen of a foreign government; to the Committee on Merchant Marine and Fisheries.

By Mr. JOHNSON of California:

H.R. 3593. A bill to amend the Federal Property and Administrative Services Act of 1949 for the purpose of improving public park and other public recreational facilities by authorizing donations of Federal surplus supplies and equipment to State and local public recreational agencies; to the Committee on Government Operations.

By Mr. JOHNSON of Colorado:

H.R. 3594. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, derived from the development of oil shale resources, may be used for purposes other than public roads and schools; to the Committee on Interior and Insular Affairs.

By Mr. LUJAN:

H.R. 3595. A bill to establish a temporary special commission on Guadalupe-Hidalgo land rights; to the Committee on Interior and Insular Affairs.

H.R. 3596. A bill to modify the boundary of the Cibola National Forest, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3597. A bill to amend titles 39 and 5, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. McCOLLISTER (for himself, Mr. Evins of Tennessee, Mr. Conte, Mr. Cochran, Mr. Addabbo, and Mr. Kemp):

H.R. 3598. A bill to give consumers the right of choice over automotive parts and service for their vehicles and to prevent a monopoly in the sale of aftermarket parts and service, amend the Clean Air Act to provide that the manufacturer's performance warranty with respect to the motor vehicle emission system shall be for 12,000 miles or 12 months which ever first occurs; to the Committee on Interstate and Foreign Commerce.

By Mr. MAHON:

H.R. 3599. A bill to rescind certain budget authority recommended in the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communications of the Comptroller General of February 7, 1975 (H. Doc. 94–46) and of February 14, 1975 (H. Doc. 94–50), transmitted pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. MELCHER:

H.R. 3600. A bill to provide for thorough health and sanitation inspection of all livestock products imported into the United States, and for other purposes; to the Committee on Agriculture.

By Mr. MITCHELL of Maryland (for himself, Mr. Solarz, Mr. Addabbo, Mr. Hicks, Mr. Conyers, Mr. Helstoski, Mr. Boland, Mr. Brown of California, Mr. Stark, Mr. Sarbanes, Mr. Dellums, Mrs. Burke of California, Mr. Richmond, Mr. Roybal, Ms. Boggs, Ms. Holtzman, Ms. Abzug, Mr. Baldus, Mr. Harrington, Mr. Rodino, Mr. Tsongas, Mr. Rangel, Mr. Stokes, Mr. Cotter, and Mr. Fascell):

H.R. 3601. A bill to provide for the monthly publication of a consumer price index for the elderly and to provide for studies to be made with regard to utilizing such index in determining cost-of-living adjustments authorized in certain Federal programs for individuals who are at least 62 years of age; to the Committee on Education and Labor.

By Mr. MITCHELL of Maryland (for himself, Mr. Ford of Tennessee, Mr. Scheuer, Mr. Roe, and Mr. Flood):

H.R. 3602. A bill to provide for the monthly publication of a consumer price index for the elderly and to provide for studies to be made with regard to utlizing such index in determining cost-of-living adjustments authorized in certain Federal programs for individuals who are at least 62 years of age; to the Committee on Education and Labor.

By Mr. MITCHELL of Maryland (for himself, Mr. Diggs, Mr. Conyers, Mr. Brown of California, Mr. Harrington, Mr. Stark, Mr. Badillo, Mr. Dellums, Ms. Schroeder, Mr. Richmond, Mr. Long of Maryland, Mr. Ryan, Mr. Roybal, Ms. Abzug, Mr. Beard of Rhode Island, Mr. Edwards of California, Mr. Moakley, Mr. Rangel, Mr. Stokes, Mr. Fauntroy, Mr. Ford of Tennessee, Mr. Maguire, Mr. Young of Georgia, and Ms. Chisholm):

H.R. 3603. A bill to limit use of prison inmates in medical research; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H.R. 3604. A bill to amend title II of the Social Security Act to modify the provisions defining insured status for purposes of disability benefits and the disability freeze in the case of workers who become disabled while young; to the Committee on Ways and Means.

By Mr. PICKLE:

H.R. 3605. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

By Mr. REGULA:

H.R. 3606. A bill to amend title XVIII of the Social Security Act to establish a program of long-term care services within the medicare program, to provide for the creation of community long-term care centers and State long-term care agencies as part of a new administrative structure for the organization and delivery of long-term care services, to provide a significant role for persons eligible for long-term care benefits in the administration of the program, and for other purposes; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. RONCALIO (for himself and Mr. Sikes):

H.R. 3607. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

Mr. RONCALIO:

H.R. 3608. A bill to amend the Internal Revenue Code of 1954 to impose a temporary excise tax on passenger motor vehicles based on horsepower, to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the manufacture of passenger motor vehicles which do not comply with certain limitations with respect to weight, fuel economy, and horsepower, and for other purposes; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. SISK (for himself, Mr. Melcher, Mr. Krebs, Mr. Harrington, Mr. Badillo, Mr. Bob Wilson, Mr. McFall, Mrs. Heckler of Massachusetts, Mr. Anderson of California, Mrs. Chisholm, and Mr. Van Deerlin):

H.R. 3609. A bill to amend the Public Health Service Act to provide financial assistance to medical facilities for treatment of certain aliens; to the Committee on Interstate and Foreign Commerce.

By Mr. WHALEN:

H.R. 3610. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. LUJAN:

H.J. Res. 238. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right to life to the unborn, the ill, the aged, or the incapacitated; to the Committee on the Judiciary.

H.J. Res. 239. Joint resolution designating the first Saturday in April of each year as National Brotherhood Day; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.J. Res. 240. Joint resolution authorizing the President to proclaim the month of February of each year as American History Month; to the Committee on Post Office and Civil Service.

By Mr. RODINO:

H. Con. Res. 143. Concurrent resolution to authorize the printing of the hearing on nomination of Nelson A. Rockefeller to be Vice President of the United States; to the Committee on House Administration.

By Mr. SEBELIUS:

H. Con. Res. 144. Concurrent resolution requesting the President to proclaim the fourth Saturday in March of each year as National Bake and Take Day; to the Committee on Post Office and Civil Service.

By Mr. HUBBARD:

H. Res. 239. Resolution for more effort by Congress to solve economic and energy problems; to the Committee on Rules.

By Mr. AuCOIN (for himself, Mr. Cohen, Mr. Emery, Mr. Pritchard, Mr. Leggett, and Mr. Duncan of Oregon):

H. Res. 240. Resolution disapproving the deferral of budget authority relating to operations, research, and facilities of the National Oceanic and Atmospheric Administration (deferral No. D75–94) which was proposed by the President in his special message of November 26, 1974, transmitted to the Congress under section 1013 of the Impoundment Control Act of 1974, and subsequently revised pursuant to section 1014(c) of such act; to the Committee on Appropriations.

By Mr. EVINS of Tennessee:

H. Res. 241. Resolution disapproval the deferral of certain budget authority (D75–81) relating to the Department of Defense-Civil, Department of the Army-Corps of Engineers-Civil which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974: to the Committee on Appropriations.

H. Res. 242. Resolution disapproving the deferral of certain budget authority (D75–82) relating to the Department of Defense—Civil, Department of the Army Corps of Engineers—Civil which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 243. Resolution disapproving the deferral of certain budget authority (D75–83) relating to the Department of Interior, Bureau of Reclamation which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 244. Resolution disapproving the deferral of certain budget authority (D75–84) relating to the Department of Interior, Bureau of Reclamation which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 245. Resolution disapproving the deferral of certain budget authority (D75–85) relating to the Department of Interior, Bureau of Reclamation which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 246. Resolution disapproving the deferral of certain budget authority (D75–86) relating to the Department of Interior, Bureau of Reclamation which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 247. Resolution to request that the House of Representatives proceed without delay in its consideration of legislation with respect to the Nation's economic and energy problems; to the Committee on Rules.

By Mr. McFALL:

H. Res. 248. Resolution expressing the sense of Congress concerning activities of the Federal Communications Commission regarding the expansion of sports blackout policies; to the Committee on Interstate and Foreign Commerce.

By Mr. REGULA:

H. Res. 249. Resolution to create a select committee to investigate and recommend national law and policy for foreign investments in the United States, its possessions and territories; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. QUILLEN introduced a bill (H.R. 3611) for the relief of Carl W. Houston, which was referred to the Committee on the Judiciary.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House Rule X. Previous listing appeared in the CONGRESSIONAL RECORD of February 18, 1975 (page 3239):

H.R. 901. January 14, 1975. Ways and Means. Amends the Social Security Act to authorize payment to married couples of Old-Age and Disability Insurance benefits which have been computed on the basis of their combined earnings record.

H.R. 902. January 14, 1975. Ways and Means. Authorizes Federal-State agreements under the Social Security Act to provide coverage for hospital insurance benefits for the aged for certain State and local government employees.

H.R. 903. January 14, 1975. Ways and Means. Amends the Social Security Act to eliminate the reduction in disability benefits received by individuals who also receive workmen's compensation benefits.

H.R. 904. January 14, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act by making the requisite number of covered quarters the same as that required for Old-Age Insurance benefits.

H.R. 905. January 14, 1975. Ways and Means. Revises the eligibilty requirements for Disability Insurance benefits for blind persons under the Social Security Act.

H.R. 906. January 14, 1975. Ways and Means. Amends the Social Security Act to prohibit any reduction in the amount of Old-Age Insurance benefits payable to a woman who has 120 quarters of coverage.

H.R. 907. January 14, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of the lump-sum death payment.

H.R. 908. January 14, 1975. Ways and Means. Amends the Social Security Act to extend Medicare hospital coverage to include drugs. Establishes a Formulary committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 909. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 910. January 14, 1975. Ways and Means. Amends the Social Security Act by guaranteeing a minimum annual income to the elderly.

H.R. 911. January 14, 1975. Ways and Means. Amends the Social Security Act by entitling recipients of supplemental security income benefits to participate in the food stamp programs.

H.R. 912. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require that interest be paid to individual taxpayers on the calendar year basis who file their returns before March 1 if the refund check is not mailed out within a certain period after the return is filed.

H.R. 913. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to adjust annually the personal exemption deduction by an amount based on the annual variations in the Consumer Price Index.

H.R. 914. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during the taxable year as a pension or annuity or other benefit under a public retirement system or by any individual sixty-five years of age or over.

H.R. 915. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit the deduction of medical expenses of persons sixty-five years of age and over without reducing the expenses by the percentage exclusion.

H.R. 916. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the percentage depletion allowance for coal and lignite.

H.R. 917. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a depletion deduction for any treatment process necessary to the conversion of coal to a low-sulphur synthetic fuel.

H.R. 918. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to impose a tax on new automobiles, based on the rate of fuel consumption.

Directs the Secretary of Transportation under the Automobile Information Disclosure Act to determine the fuel consumption rate for all automobile models, to determine a universal fuel consumption standard, to develop a program for more efficient automobile engines, and to report to Congress on needed legislation.

H.R. 919. January 14, 1975. Ways and Means. Exempts certain businesses from the Occupational Safety and Health Act of 1970.

H.R. 920. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Prohibits the Secretary of Health, Education, and Welfare from limting ingredients in "food supplements" unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 921. January 14, 1975. Judiciary. Authorizes the Law Enforcement Assistance Administration under the Omnibus Crime Control and Safe Streets Act to make grants to States to assist in the establishment, equipping, and operation of emergency communications centers to make the national emergency telephone number 911 available throughout the United States.

H.R. 922. January 14, 1975. Post Office and Civil Service. Requires both Houses of Congress to approve by roll call vote Presidential recommendations regarding rates of pay for certain Federal officials before such rates may become effective.

H.R. 923. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for those veterans and their survivors.

H.R. 924. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 925. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 926. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from Federal tax that portion of costs paid for communications services attributable to taxes imposed by State and local governments.

H.R. 927. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 928. January 14, 1975. Ways and Means. Entitles individuals who reside in certain public institutions to supplemental security income benefits under the Social Security Act.

H.R. 929. January 14, 1975. Judiciary. Standards of Official Conduct. Requires employees of the United States Government earning in excess of a certain amount, and candidates for election to Congress, to file certain financial information with the Federal Election Commission.

Requires that communications made to or by Federal agencies with respect to certain court cases be made part of the public record of such case.

H.R. 930. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by directing the Secretary of Labor to recognize differences between the light residential construction industry and the heavy construction industry, and by authorizing the Secretary to make on site consultations to assist certain small employers in complying with the Act.

H.R. 931. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the George Washington Boyhood Home National Historic Site in Virginia.

H.R. 932. January 14, 1975. Post Office and Civil Service. Authorizes the Postal Service to establish and collect royalty fees for the manufacture, reproduction or use of certain designs, legends, or insignias originated under the authority of the Postal Service.

H.R. 933. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a deduction from income for the purchase and installation of qualified insulation or heating equipment in the taxpayer's residence.

H.R. 934. January 14, 1975. Ways and Means. Excludes from gross income a limited amount of income representing the excess of the net long-term capital gain for the year over the net short-term capital loss from the sale or exchange of a security for taxpayers other than a corporation.

H.R. 935. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

H.R. 936. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act by allowing the natural or adoptive parent of a deceased serviceman to be naturalized without requiring an understanding of English or prior residence or specified physical presence in the United States.

H.R. 937. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act by raising the age below which certain children are eligible for automatic citizenship.

H.R. 938. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act by exempting persons 50 years old at the time of filing for citizenship who have resided in the United States for at least 20 years, from the English language requirement for naturalization.

H.R. 939. January 14, 1975. Judiciary. Extends certain provisions of the Voting Rights Act of 1965 for an additional period of time. Makes permanent the ban against certain prerequisites to voting.

H.R. 940. January 14, 1975. Education and Labor. Amends the Civil Rights Act of 1964 with respect to certain employment rights based on age.

H.R. 941. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants to the Deganawidah-Quetzalcoatl University to be used for its development and improvement.

H.R. 942. January 14, 1975. Government Operations. Amends the Accounting and Auditing Act of 1950 to direct the Comptroller General to audit certain Federal agencies each fiscal year.

H.R. 943. January 14, 1975. Government Operations. Authorizes the donation of surplus Federal supplies and equipment to State and local public recreation agencies. Authorizes the Secretary of the Interior to allocate such property.

H.R. 944. January 14, 1975. House Administration. Establishes within the Information Systems of the Congress an Office to compile and disseminate information relating to pending legislative proposals. Directs the Committee on House Administration to establish and administer such system. Gives the Office a toll-free telephone line.

H.R. 945. January 14, 1975. Interstate and Foreign Commerce. Prohibits or restricts the ownership or control by foreign interests of certain issuers of securities, corporations, real estate, or natural resources deemed to be vital to the economic security and national defense of the United States. Establishes the National Foreign Investment Control Commission to supervise and regulate foreign investments in domestic interests.

H.R. 946. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Services Act, to make grants and enter into contracts for projects to provide Huntington's disease screening, and research in the diagnosis, treatment, and prevention of Huntington's disease. Directs the Secretary to disseminate information on Huntington's disease and to provide voluntary screening, counseling, and treatment therefore within the public Health Service.

H.R. 947. January 14, 1975. Judiciary. Incorporates the Italian-American War Veterans of the United States.

H.R. 948. January 14. 1975. Merchant Marine and Fisheries. Establishes a fishery zone contiguous with the territorial sea of the United States having a limit of two hundred miles beyond the inner limit of the territorial sea or the outer limit of the Continental Shelf.

H.R. 949. January 14, 1975. Post Office and Civil Service. Prohibits Federal employees from interfering with Postal Service employees in their communicating with any member or committee of Congress in connection with any matter pertaining to the Postal Service.

H.R. 950. January 14, 1975. Post Office and Civil Service. Amends the Postal Reorganization Act of 1970 with respect to the applicability of certain civil service laws and regulations to the Postal Service.

Repeals that section of the Act which regulates labor disputes. Makes employees-management relations in the Postal Service subject to certain provisions of the Labor-Management Relations Act of 1947.

H.R. 951. January 14, 1975. Public Works and Transportation. Directs that no State shall receive less than 80 percent of the amount paid by that State into the Highway Trust Fund.

H.R. 952. January 14, 1975. Public Works and Transportation. Authorizes free or reduced rate transportation under the Federal Aviation Act of 1958 to handicapped persons and persons who are sixty-five years of age or older. Amends the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are sixty-five years of age or older.

Authorizes the Secretary of Health, Education, and Welfare, to make grants to public and private entities to plan, research, and develop special transportation systems for the handicapped and the elderly.

H.R. 953. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to include "young people" in the class of those eligible for reduced rate air transportation on a space-available basis.

H.R. 954. January 14, 1975. Rules. Creates within the Congress a Joint Committee on Foreign Investment Control in the United States to study the manner in which the National Foreign Investment Control Commission fulfills its purposes under the Foreign Investment Control Act of 1975.

H.R. 955. January 14, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 956. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption and the amount of a withholding exemption for a taxpayer. Increases the gross income level requirement for filing a return and the gross income level which allows a later joint return to be deemed filed as of the date of the separate return or returns filed for the same tax year.

H.R. 957. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount of income received as an annuity or pension by a taxpayer sixty-five years of age or older.

H.R. 958. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to substitute an amount certified by the Secretary of Health, Education, and Welfare as the maximum amount of old-age insurance benefits which could be paid in a year for the maximum amount of retirement income that can be used to determine the retirement income credit.

H.R. 959. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 960. January 14, 1975. Ways and Means. Authorizes the Secretary of the Treasury to create a volunteer program to provide tax counseling assistance to the elderly.

H.R. 961. January 14, 1975. Ways and Means. Revises the tax rates for Old-Age, Survivors and Disability Insurance and Hospital Insurance under the Internal Revenue Code of 1954. Raises the ceiling on income taxable for Old-Age, Survivors and Disability Insurance under the Social Security Act and Internal Revenue Code of 1954. Provides that one-third of the cost of the Old-Age, Survivors and Disability Insurance program be borne by the Federal Government.

H.R. 962. January 14, 1975. Ways and Means. Amends the Social Security Act by allowing an exchange of credits between the Old-Age, Survivors and Disability Insurance system and the civil service retirement system to enable individuals to obtain benefits under one system which are based on their combined service.

H.R. 963. January 14, 1975. Ways and Means. Amends the Social Security Act by lowering the age at which an individual becomes eligible for Old-Age, Survivors and Disability benefits.

H.R. 964. January 14, 1975. Ways and Means. Amends the Social Security Act by revising the eligibility requirements for Old-Age, Survivors and Disability Insurance benefits applicable to widows and widowers who have remarried.

H.R. 965. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during the taxable year as a pension or annuity or other benefit under a public retirement system or by any individual sixty-five years of age or over.

H.R. 966. January 14, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act by extending eligibility to individuals with 40 quarters of coverage regardless of when they were earned.

H.R. 967. January 14, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act by (1) authorizing emergency and temporary grants; (2) authorizing grants to persons who reside in proprietary homes; (3) authorizing cost-of-living increases in benefits; (4) eliminating the third-party payee requirement for certain recipients; (5) revising the method of determining income for the purposes of the program; and (6) entitling recipients to food stamps on a permanent basis.

H.R. 968. January 14, 1975. Interstate and Foreign Commerce. Interior and Insular Affairs. Establishes a Bureau of National Resource Information and a National Resource Information System within the Department of Commerce to maintain information and statistics on natural resources.

Requires major natural resource companies engaged in commerce to file reports with the Bureau detailing their worldwide assets and operations.

Authorizes the Secretary of the Interior to compile an inventory of all mineral reserves in the public lands of the United States.

H.R. 969. January 14, 1975. Banking, Currency and Housing. Establishes a presidentially-appointed National Landlord and Tenant Commission.

Directs the Commission to conduct a study of landlord-tenant problems, to review the implementation of the provisions of this Act, to grant funds to the States for the establishment and maintenance of housing courts, in accordance with standards established by the Commission, to develop model lease and rental agreements, and to appoint a body to develop and implement a national rent control plan.

Sets forth the rights and obligations of tenants and landlords.

H.R. 970. January 14, 1975. House Administration. Establishes in the Congress an Office of the General Counsel to the Congress to supply legal representation and advice to Members, employees, and committees of Congress relating to their official duties.

Confers original jurisdiction on United States district courts for certain civil actions brought by any Member, committee or House of Congress.

H.R. 971. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to prohibit harassing telephone calls made to collect alleged debts. Requires all telephone companies to notify each telephone subscriber by means of a notice on the front of the local telephone directory of his right to be free from such harassing calls.

H.R. 972. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to expand the maximum term of license and license renewal for the operation of broadcasting stations not engaged in the transmitting of pictures from three to five years.

H.R. 973. January 14, 1975. Interstate and Foreign Commerce. Establishes a Federal Commission on Boxing to exercise surveillance over the field of professional boxing. Grants to the Commission investigatory powers under the Federal Trade Commission Act.

H.R. 974. January 14, 1975. Interstate and Foreign Commerce. Establishes a National Medical Devices Commission to determine the manner and extent to which there should be Federal regulation of medical device manufacture. Empowers the Secretary of Health, Education, and Welfare, to remove from the market any medical devices that are determined to be unsafe, ineffective, or unreliable.

H.R. 975. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Transportation to prohibit the shipment in interstate commerce of any compressed gas cylinders not inspected in the United States.

H.R. 976. January 14, 1975. Interstate and Foreign Commerce. Makes unlawful the manufacture for introduction into commerce or the importation of any imitation antique glassware product which is not plainly and permanently marked with the year of manufacture.

Requires the Federal Trade Commission to enforce the provisions of this Act.

H.R. 977. January 14, 1975. Post Office and Civil Service. Makes Flag Day a legal public holiday.

H.R. 978. January 14, 1975. Public Works and Transportation. Extends the time limit for the States to begin implementing highway safety programs in order to qualify for

Federal-aid highway funds for such programs.

Increases the percentage by which Federal-highway funds will be reduced from a States' apportionment if the State fails to implement within a certain time a highway safety program which incorporates the uniform standards promulgated by the Secretary of transportation.

H.R. 979. January 14, 1975. Public Works and Transportation. Amends the Interstate Commerce Act by setting forth procedures for amending the standards for registration by States of interstate motor carriers operating within State boundaries.

H.R. 980. January 14, 1975. Public Works and Transportation. Amends the Interstate Commerce Act by extending coverage to certain motor vehicles used to transport schoolchildren and teachers to and from school.

H.R. 981. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act by increasing the number of aliens who may be admitted to the United States annually. Redefines "excludable aliens" and provisions for those persons who have certification for employment in the Virgin Islands to have their status adjusted or to be issued an immigrant visa. Authorizes the Secretary of State to parole into the United States those persons who are unable or unwilling to return to their country because of race, religion or political opinion.

H.R. 982. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act by revising the criteria under which the Attorney General may adjust the status of certain aliens to that of lawfully admitted.

Makes it unlawful to knowingly hire an alien not lawfully admitted into the United States. Requires that employees of the Department of Health, Education, and Welfare disclose the name of illegal aliens who are receiving assistance under the Social Security Act.

H.R. 983. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified brewerys.

H.R. 984. January 14, 1975. Ways and Means. Amends the Social Security Act to revise the method of calculating the amount of Federal grants to State public assistance social service programs.

H.R. 985. January 14, 1975. Interstate and Foreign Commerce. Sets forth procedures by which employees or their representatives can report violations by their employer of safety regulations promulgated by the Interstate Commerce Act with regard to motor carriers.

Establishes procedures for hearings on reported safety violations, and defines actions which may be taken against violators by the Secretary of Commerce.

H.R. 986. January 14, 1975. Public Works and Transportation. Amends the National Traffic and Motor Vehicle Safety Act of 1966 by setting forth procedures by which employees or their representatives can report violations by their employer of safety regulations promulgated by the Interstate Commerce Act with regard to motor carriers.

Establishes procedures for hearings on reported safety violations and defines actions which may be taken against violators by the Secretary of Transportation.

H.R. 987. January 14, 1975. Government Operations. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to make grants to States and units of local government to assist in the execution of consumer protection plans. Sets forth eligibility requirements for consumer protection plans.

H.R. 988. January 14, 1975. Interstate and Foreign Commerce. Prohibits any person engaged in commerce from selling any merchandise unless there is available for consumers at the place of sale the recent price histories of the products offered for sale.

H.R. 989. January 14, 1975. Interstate and Foreign Commerce. Requires manufacturers to display on a conspicuous label on each item of durable goods sold to consumers the performance life of each product. Declares the National Bureau of Standards to have final authority over the designations required by this Act, and requires the Federal Trade Commission to enforce the provisions of this Act.

H.R. 990. January 14, 1975. Interstate and Foreign Commerce. Requires that certain durable products be labeled with the date of manufacture. Directs the Federal Trade Commission to prepare a list of products to be so labeled and to administer and enforce this Act.

H.R. 991. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to include sales promotion games among unfair methods of competition.

H.R. 992. January 14, 1975. Post Office and Civil Service. Directs the Civil Service Commission to establish, and from time to time revise, a Special Cost-of-Living Pay Schedule for civil service employees and positions in certain metropolitan areas.

H.R. 993. January 14, 1975. Public Works and Transportation. Authorizes free or reduced rate transportation under the Federal Aviation Act of 1958 to handicapped persons and persons who are sixty-five years of age or older.

Authorizes the Secretary of Health, Education, and Welfare to make grants to public and private entities to plan, research, and develop special transportation systems for the handicapped and the elderly.

H.R. 994. January 14, 1975. Ways and Means. Amends the Social Security Act by guaranteeing a minimum annual income to the elderly.

H.R. 995. January 14, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act, that the labels for all food products contain the name of each ingredient in order of its predominance. Requires all packaged consumer food products to be labeled with an analysis of nutritional contents. Requires perishable or semiperishable food to be labeled with the pull date for such food and the optimum storage conditions. Requires disclosure of (1) the manufacturer, packer, and distributor; (2) the total retail selling price; and (3) any new ingredients, of a food product.

H.R. 996. January 14, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act, the posting of prices for prescription drugs by drug retailers. Directs the Federal Trade Commission to cooperate with the Secretary of Health, Education, and Welfare to implement, at the vendors discretion, the advertising of prescription drug prices.

H.R. 997. January 14, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act, the posting of prices for prescription drugs by drug retailers. Directs the Federal Trade Commission to cooperate with the Secretary of Health, Education, and Welfare to implement, at the vendors' discretion, the advertising of prescription drug prices.

H.R. 998. January 14, 1975. Interstate and Foreign Commerce. Requires the use of the established name along with the proprietary name for a drug every time the name appears. Allows licensed pharmacists to fill or refill prescriptions with a substitute drug if a practitioner, licensed to administer the drug, identifies it by its proprietary name, provided the substitute drug costs the patient less than any other substitute drug. Defines "substitute drug" as a drug having the same established name as the drug identified by its proprietary name or a drug that the Secretary of Health, Education, and Welfare has determined to have the same qualitative composition as the drug so identified.

H.R. 999. January 14, 1975. Interstate and Foreign Commerce. Requires the use of established name along with the proprietary name for a drug every time the name appears. Allows licensed pharmacists to fill or refill prescriptions with a substitute drug if a practitioner, licensed to administer the drug, identifies it by its proprietary name, provided the substitute drug costs the patient less thas any other substitute drug. Defines "substitute drug" as a drug having the same established name as the drug identified by its proprietary name or a drug that the Secretary of Health, Education, and Welfare has determined to have the same qualitative composition as the drug so identified.

H.R. 1000. January 14, 1975. Interior and Insular Affairs. Regulates surface and underground coal mining operations through a permit program administered by the Administrator of the Environmental Protection Agency. Requires applicants to meet minimum enivronmental protection performance standards.

Sets forth a system for gradual phasing out of all surface coal mining operations Allows States to establish surface mining control programs at least as stringent as minimum Federal standards.

Creates an Abandoned Coal Mine Stabilization Fund for use by the Chief of the Corps of Engineers and the Secretary of Agriculture in stabilizing abandoned mine site lands.

H.R. 1001. January 14, 1975. Interstate and Foreign Commerce. Requires that any drug whose effectiveness or potency becomes diminished after storage shall be prominently labeled, under regulations promulgated by the Food and Drug Administration, as to the date beyond which the product shall not be used.

H.R. 1002. January 14, 1975. Interstate and Foreign Commerce. Requires that any drug whose effectiveness or potency becomes diminished after storage shall be prominently labeled, under regulations promulgated by the Food and Drug Administration, as to the date beyond which the product shall not be used.

H.R. 1003. January 14, 1975. Judiciary. Empowers the Federal Trade Commission, after a patent on a drug is more than one year old, to review complaints made to it by a qualified applicant for a license under a drug patent, and, upon a finding that the price of the patented drug charged to druggists by the patentee may be more than five hundred percent of the cost of production, to order such patentee to grant an unrestricted patent license to any qualified applicant to make, use, and sell such drug.

H.R. 1004. January 14, 1975. Judiciary. Empowers the Federal Trade Commission, after a patent on a drug is more than one year old, to review complaints made to it by a qualified applicant for a license under a drug patent, and, upon a finding that the price of the patented drug charged to druggists by the patentee may be more than five hundred percent of the cost of production, to order such patentee to grant an unrestricted patent license to any qualified applicant to make, use, and sell such drug.

H.R. 1005. January 14, 1975. Banking, Currency, and Housing. Prescribes procedures and standards governing the disclosure of customer records by financial institutions to Federal agencies.

H.R. 1006. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1007. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude limited amounts received as dividends or interest on deposits in a savings institution.

H.R. 1008. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from the gross income of an individual a limited amount of interest or dividends received from certain savings institutions.

H.R. 1009. January 14, 1975. Banking, Currency and Housing. Sets forth additional requirements under the Fair Credit Reporting Act for the notification of consumers by consumer reporting agencies or their customers when an investigative report on a consumer is requested or furnished.

Establishes civil liability for the publication of untrue statements with respect to consumers.

Establishes a Presidentially-appointed Board of Consumer Investigator Examiners to license and regulate consumer credit investigators under the Consumer Credit Protection Act.

H.R. 1010. January 14, 1975. Education and Labor. Establishes an Office of Child Development in the Department of Health, Education, and Welfare to coordinate and promote programs in child development. Requires the Secretary of Health, Education, and Welfare to promulgate Federal Standards for Child Development Services and a uniform minimum code for facilities.

Repeals or revises related provisions in the Economic Opportunity Act of 1964. Amends the Higher Education Act of 1965 to authorize grants for the training of personnel for child development programs.

Establishes a National Center for Child Development to develop and evaluate research programs in the area of child development.

H.R. 1011. January 14, 1975. Interstate and Foreign Commerce. Creates a Federal Energy Commission to regulate rates and charges for energy resource products. Prohibits persons engaged in commerce in the business of refining energy products to acquire an interest in energy resource product extraction, energy pipeline, or energy marketing assets.

Directs the Attorney General and the Federal Trade Commission to independently examine the relationship of those engaged in one or more branches of the energy industry.

H.R. 1012. January 15, 1975. Interstate and Foreign Commerce. Requires that all motor vehicles to be used on the public streets, roads and highways be insured under a policy of no-fault insurance.

H.R. 1013. January 14, 1975. Judiciary. Changes the requirement for naturalization to require the ability to read, write and speak words in ordinary usage in the language in which the applicant for citizenship is most literate.

H.R. 1014. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act to redefine the term "special immigrant" as not to include immigrants born in any independent foreign country in the Western Hemisphere or the Canal oZne.

H.R. 1015. January 14, 1975. Judiciary. Sets forth criteria for certain aliens illegally in the United States to have their status adjusted to that of permanent residents.

H.R. 1016. January 14, 1975. Banking, Currency and Housing. Authorizes the Federal Deposit Insurance Corporation to terminate the insurance of any bank which fails to pay the Federal funds interest rate on all tax and loan accounts maintained at such bank.

H.R. 1017. January 14, 1975. Armed Services. Prohibits any change in the status of a member of the Armed Forces who was classified missing during service in Southeast Asia until there has been full compliance with the Paris Peace Accord of January 1973.

Directs the Senate Committee on Armed Services and the House Committee on Armed Services to study the method whereby the status of a member of the Armed Forces is changed from missing to dead.

H.R. 1018. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by (1) declaring that certain farmers are not employers; (2) requiring the Secretary of Labor to attach a statement of economic impact on employers to proposed rules; (3) placing certain limitations on the content of proposed rules; (4) authorizing variances for employers under certain circumstances; and (5) enumerating affirmative defenses for employers to proceedings brought under the Act.

H.R. 1019. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by authorizing the Secretary of Labor to make on site consultations to assist certain small employers in complying with the Act.

H.R. 1020. January 14, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to prohibit the requirement of an indirect source emission review as part of an implementation plan under the Act.

H.R. 1021. January 14, 1975. Interstate and Foreign Commerce. Prohibits the Federal Energy Administration from imposing any tax or fee on gasoline unless approved by Congress by law.

H.R. 1021. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Services Act, to make grants and enter into contracts for projects to provide Huntington's disease screening, and research in the diagnosis, treatment, and prevention of Huntington's disease. Directs the Secretary to disseminate information on Huntington's disease and to provide voluntary screening, counseling, and treatment therefor within the Public Health Service.

H.R. 1023. January 14, 1975. Interstate and Foreign Commerce. Extends the appropriations for grants by the Secretary of Health, Education, and Welfare for facilities of public and other nonprofit community health centers, under the Community Health Centers Act, for the fiscal years 1975, 1976, and 1977.

H.R. 1024. January 14, 1975. Post Office and Civil Service. Abolishes the Commission on Executive, Legislative and Judicial Salaries established by the Federal Salary Act of 1967.

H.R. 1025. January 14, 1975. Post Office and Civil Service. Redesignates Veterans' Day as November 11.

H.R. 1026. January 14, 1975. Rules. Creates a Joint Committee on Energy of the House of Representatives and the Senate.

H.R. 1027. January 14, 1975. Science and Technology. Authorizes the Administrator of the National Aeronautics and Space Administration to establish a research and development program on the nature of serious short-term weather phenomena and to develop improved methods of forecasting and monitoring of such phenomena.

H.R. 1028. January 14, 1975. Veterans' Affairs. Extends the maximum period of veterans' eligibility for educational benefits from thirty-six months to forty-five months.

H.R. 1029. January 14, 1975. Veterans' Affairs. Directs the Secretary of Defense to provide for the burial of an unknown American soldier who lost his life while serving in the Armed Forces of the United States during the Vietnam conflict.

H.R. 1030. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for expenses incurred in connection with the adoption of a child by the taxpayer.

H.R. 1031. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for the expenses of education above the twelfth grade paid by the taxpayer for providing an education for himself or any other individual.

H.R. 1032. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to revise and consolidate the provisions of the Code with respect to small business. Establishes a Committee on Tax Simplification for Small Business to suggest changes in the Code with respect to small business. Requires the Secretary of the Treasury, with the assistance of the Office of Small Business Tax Analysis to be created within the Office of the Secretary, to submit to the House Committee on Ways and Means and the Senate Committee on Finance recommendations for structural changes in the Code relating primarily to small business.

H.R. 1033. January 14, 1975. Ways and Means. Directs the Secretary of Health, Education, and Welfare to develop a system for issuing Old-Age, Survivors and Disability Insurance benefit checks and Supplemental Security Income benefit checks on a staggered or cyclical basis throughout the month.

H.R. 1034. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1035. January 14, 1975. Agriculture. Amends the Commodity Exchange Act to require the Secretary of Agriculture to revoke the registration of any future commission merchant or floor broker who accepts an order in violation of the Act. Requires any person who sells a commodity for export to inform the Secretary of Agriculture as to the facts concerning the sale, and requires the Secretary to make such information public.

H.R. 1036. January 14, 1975. Agriculture. Directs the Secretary of Agriculture to establish, maintain, and dispose of a separate reserve of inventories of wheat, feed grains, and soybeans.

H.R. 1037. January 14, 1975. Agriculture. Amends the Packers and Stockyards Act by limiting the amount of livestock which a meat packer, dealer or retailer may slaughter in any one week in any one location. Stipulates that this Act shall be considered an antitrust law for the purposes of the Clayton Act and the Federal Trade Commission Act.

H.R. 1038. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make educational assistance loans to students at nonprofit institutions of higher learning.

H.R. 1039. January 14, 1975. Judiciary. Allows claims against the United States for damage or injury to persons or property caused by members of the Army or Air National Guard without regard to the availability of remedies against the States for such damage or injury.

H.R. 1040. January 14, 1975. Ways and Means. Revises the Internal Revenue Code by amending and repealing portions of the Code with respect to capital gains and losses, income derived from the extraction of minerals, individual and corporate income, the estate and gift tax and State and local obligations.

H.R. 1041. January 14, 1975. Ways and Means. Revises the Internal Revenue Code by amending and repealing portions of the Code with respect to capital gains and losses, income derived from the extraction of minerals, individual and corporate income, the estate and gift tax and State and local obligations.

H.R. 1042. January 14, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay to educational or training institutions, for each eligible veteran enrolled in full-time courses, the customary educational costs, exclusive of board, lodging, and other living expenses, up to $2,500.

H.R. 1043. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit a State from imposing an income tax on any individual unless he is either domiciled within the taxing State or his income is derived from sources within the State.

H.R. 1044. January 14, 1975. Judiciary. Amends the Clayton Act to prohibit persons engaged in refining of petroleum products from also engaging in marketing of petroleum products.

H.R. 1045. January 14, 1975. Interstate and Foreign Commerce. Amends the Solid Waste Disposal Act to authorize the Administrator of the Environmental Protection Agency to make loan guarantee and interest subsidy payments to certain governmental units to assist in projects for the generation of energy from solid wastes.

H.R. 1046. January 14, 1975. Ways and Means. Amends the Internal Revenue Code of 1954 to allow a deduction for expenditures for the development, manufacture, distribution, and installation of equipment using solid wastes as a heat source in the generation of power.

H.R. 1047. January 14, 1975. Judiciary. Imposes Federal penalties for fixing horse or dog races, and for other related offenses.

H.R. 1048. January 14, 1975. Ways and Means. Imposes a tax on each person who conducts a racing meeting.

Requires that each person subject to the special tax imposed by this Act register with the Director of the Internal Revenue Service prior to each racing meeting.

H.R. 1049. January 14, 1975. Agriculture. Requires the Secretary of Agriculture to establish and maintain a program to prevent and control Dutch elm disease.

H.R. 1050. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by extending certain provisions of the Act to State and local government employees.

H.R. 1051. January 14, 1975. Armed Services. Prohibits discrimination against applicants to the service academies on the basis of sex, race, color or religious beliefs.

H.R. 1952. January 14, 1975. Banking, Currency and Housing. Establishes a three-member, residentially-appointed Economic Stabilization Board to control the level of prices, wages, rents, and interest rates throughout the country.

Directs the freezing of prices, wages, rents, and interest rates at the level prevailing on the date of enactment of this Act. Permits subsequent adjustments of all frozen levels to maintain stability in the United States economy.

H.R. 1953. January 14, 1975. Banking, Currency and Housing. Directs the President to take action necessary to stabilize prices, rents, wages and other comparable economic transfers at levels not less than those prevailing on April 30, 1974.

H.R. 1054. January 14, 1975. House Administration. Amends the Federal Election Campaign Act of 1971 by requiring radio and television stations to provide free broadcast time to eligible candidates for election to Federal office. Specifies the time allotted to such candidates.

H.R. 1055. January 14, 1975. Interstate and Foreign Commerce. Amends the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of crude oil beyond December, 1974 levels.

H.R. 1056. January 14, 1975. Interstate and Foreign Commerce. Makes it a violation of the Federal Trade Commission Act for any retailer to increase the price of a consumer commodity after the retailer has marked the price on that item.

H.R. 1057. January 14, 1975. Post Office and Civil Service. Authorizes additional creditable service for civil service retirement purposes for certain employees of the Post Office Department.

H.R. 1058. January 14, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Jr., as a legal public holiday.

H.R. 1059. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 1060. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a credit against the income tax of a limited amount paid during the year by an individual to institutions of higher education.

H.R. 1061. January 14, 1975. Ways and Means. Excludes general and cost-of-living increases in Old Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for supplemental security income benefits, Federal-State public assistance, veterans' pensions and dependency and indemnity compensation for parents of deceased veterans.

H.R. 1062. January 14, 1975. Ways and Means. Amends the Social Security Act by prohibiting payments to States which fail to prohibit public utilities from shutting off the supply of heat, light or power to private residences without adqeuate prior notification to, and investigation by, the appropriate State welfare agencies.

H.R. 1063. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which may be earned while receiving Old-Age, Survivors, and Disability Insurance benefits when the beneficiary reaches age 70.

H.R. 1064. January 14, 1975. Armed Services. Awards the Medal of Honor posthumously to former President Harry S. Truman.

H.R. 1065. January 14, 1975. Banking, Currency and Housing. Extends the prohibited grounds of discrimination of the Equal Credit Opportunity Act with respect to credit transactions to include discrimination on the basis of race, color, religion, national origin, and age.

Directs the Federal Reserve Board to establish an advisory committee with respect to the Board's functions under the Act.

H.R. 1066. January 14, 1975. Banking, Currency and Housing. Amends the Federal Home Loan Bank Act by authorizing the Federal Home Loan Bank Board to regulate the relationships between members, and members and other persons, with respect to possible conflicts of interest in the operation of insured savings and loan associations.

H.R. 1067. January 14, 1975. Interstate and Foreign Commerce. Prohibits denial or limitation of insurance coverage solely on the basis of sex or marital status.

H.R. 1068. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to regulate or prohibit the transportation, sale, or other distribution in interstate commerce of live creatures intended to be offered as household pets, if determined to be infected with a serious disease injurious to human beings.

H.R. 1069. January 14, 1975. Merchant Marine and Fisheries. Amends the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, to include intermodal carriers, under the coverage of the Acts with respect to the prohibition of rebates and discriminatory treatment of shippers, and the filing with the Commissioner of the Interstate Commerce Commission of agreements with other carriers and tariffs of rates and charters.

H.R. 1070. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of Commerce to promulgate regulations governing fishing in the fisheries zone and the high seas. Directs the Secretary of State to negotiate agreements with certain foreign states to abide by the regulations.

Establishes the Atlantic States Fisheries Advisory Council, the Gulf States Fisheries Advisory Council and the Pacific States Fisheries Advisory Council. Directs the councils to evaluate the regulations and submit recommendations to the Secretaries of Commerce and State.

H.R. 1071. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936, to require that a percentage of United States oil imports be carried on United States flag vessels.

H.R. 1072. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act to establish a monetary fine as an alternative to the existing forfeiture of cargo as penalty for the transportation of merchandise in violation of the coastwise laws.

H.R. 1073. January 14, 1975. Merchant Marine and Fisheries. Extends the provisions of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional five years, ending September 7, 1980.

H.R. 1074. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act to extend eligibility for appointment to the United States Merchant Marine Academy to the daughters, as well as the sons, of personnel of the United States Government and the Panama Canal Company residing in the Republic of Panama.

H.R. 1075. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act by permitting cargo vessels to carry more than sixteen passengers when emergency situations arise.

H.R. 1076. January 14, 1975. Public Works and Transportation. Modifies a flood protection project at St. Louis, Missouri.

H.R. 1077. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a deduction from gross income for expenses paid during the taxable year for the education of a dependent attending any primary or secondary educational institution.

H.R. 1078. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 1079. January 14, 1975. Ways and Means. Amends the Social Security Act to prohibit any reduction in the amount of Old-Age Insurance benefits payable to a woman who has 120 quarters of coverage.

H.R. 1080. January 14, 1975. Merchant Marine and Fisheries. Public Works and Transportation. Amends the Shipping Act, 1916, to extend to every carrier engaged in interstate intermodal transportation the same requirement as now applies to common carriers by water under the Shipping Act, 1916, to file with the Federal Maritime Commission a copy of all contracts with other such carriers.

Directs the Federal Maritime Commission, Interstate Commerce Commission, and the Civil Aeronautics Board to promulgate uniform rules and regulations governing the content, format, and filing of tariffs providing for intermodal service and systems.

H.R. 1081. January 14, 1975. Banking, Currency and Housing. Establishes the presidentially-appointed Home Owners Mortgage Loan Corporation to administer the Home Owners Loan Fund created by this Act in order to assure moderate-interest mortgage loans to credit-worthy families of moderate-income which are otherwise unable to obtain loans for the purchase or construction of a dwelling.

H.R. 1082. January 14, 1975. Merchant

Marine and Fisheries. Establishes a program, under the Secretary of Commerce, to insure the wholesomeness of fish and fishery products through inspection and certification of fish and fishery products processing plants in the United States and the inspection of imported fishery products.

H.R. 1083. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of the Interior to establish programs and regulations for the protection of the fishery resources of the United States, including the freshwater and marine cultural industries, against the dissemination of serious disease of fish and shellfish.

H.R. 1084. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act of 1920 by establishing a program of grants under the Secretary of Commerce to enable State and local governments and agencies to bring public ports into compliance with federally imposed requirements relating to environmental protection, public health and safety, or port cargo or security.

Directs the Secretary to conduct a study of the needs of U.S. public ports to meet requirements described above and for necessary expansion.

H.R. 1085. January 14, 1975. Post Office and Civil Service. Repeals certain restrictions on the private carriage of letters.

H.R. 1086. January 14, 1975. Education and Labor. Repeals the Occupational Safety and Health Act of 1970.

H.R. 1087. January 14, 1975. Interstate and Foreign Commerce. Prohibits the U.S. Consumer Product Safety Commission from making any ruling that restricts the manufacture or sale or firearms, or firearm ammunition.

H.R. 1088. January 14, 1975. Interior and Insular Affairs. Designates certain lands in the Pinnacles National Monument in California as wilderness.

H.R. 1089. January 14, 1975. Interior and Insular Affairs. Permits the exchange of certain lands in California.

H.R. 1090. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude limited amounts received as dividends or interest on deposits in a savings institution.

H.R. 1091. January 14, 1975. Armed Services. Grants members of the Armed Forces the right to be represented by civilian counsel when charged with crimes committed while engaged in combat. Authorizes the appropriate armed force to pay such counsel fees and other litigation costs.

H.R. 1092. January 14, 1975. Armed Services. Requires the Secretary of Defense to establish within the Department of Defense a center for research regarding the diseases, disabilities, and other medical and psychological problems of prisoners of war.

H.R. 1093. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Labor to make loans to industry and business in certain areas to aid in the financing of pollution control facilities.

H.R. 1094. January 14, 1975. Banking Currency and Housing. Directs the Secretary of the Treasury to coin 50-cent pieces to commemorate the life of the Honorable Sam Rayburn. Requires the proceeds of such coins to be used solely for the support of the Sam Rayburn Library.

H.R. 1095. January 14, 1975. District of Columbia. Amends the District of Columbia Sales Tax Act to exempt the sale of food or beverages to any person for use in the operation, by a nonprofit private voluntary organization, of a nonprofit food service program from the imposition of the sales tax.

H.R. 1096. January 14, 1975. Education and Labor. Stipulates that failure of an educational agency to attain a racial balance within its schools or the assignment of a student to the school nearest his home shall not constitute a denial of equal educational opportunity or equal protection of the laws.

Sets forth limitations on the use of judicial remedies, transportation of students, desegregation plans and allocation of Federal resources to achieve equal educational opportunity.

H.R. 1097. January 14, 1975. Education and Labor. Amends the Fair Labor Standards Act of 1938 by exempting certain individuals employed at sporting or recreational events from the child labor provisions of the Act.

H.R. 1098. January 14, 1975. Government Operation. Requires that individuals be apprised of records concerning them which are maintained by Federal agencies. Specifies guidelines to be followed in the maintenance and disclosure of such files.

H.R. 1099. January 14, 1975. Government Operations. Requires executive agencies to submit a report to a person elected to the House of Representatives on the scope and nature of such agencies' activities within that Representative's district during the previous Congress.

H.R. 1100. January 14, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to prohibit the requirement of an indirect source emission review as part of an implementation plan under the Act.

H.R. 1101. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1102. January 14, 1975. Judiciary. Makes it unlawful in time of declared war or armed conflict to support the enemies of the United States by monetary contributions or by opposing any lawful measure or policy related to the conduct of the war through public speeches, actions or dissemination of printed matter.

H.R. 1103. January 14, 1975. Judiciary. Prohibits officers or employees of Federal agencies from attempting to obtain information from any person being investigated for possible criminal or civil offenses without first informing such person of certain specified rights, unless a warrant has been issued. Excludes information obtained in violation of the Act from any Federal judicial proceeding.

H.R. 1104. January 14, 1975. Judiciary. Prescribes penalties for assaulting a member of the National Guard while he is engaged in carrying out official duties.

H.R. 1105. January 14, 1975. Judiciary. Imposes a moratorium on the implementation of Federal court orders that require local educational agencies to transport students and on the implementation of certain desegregation plans. Extends the moratorium until July 1, 1975, or until Congress establishes a uniform standard for the use of busing.

H.R. 1106. January 14, 1975. Post Office and Civil Service. Prohibits certain Federal officials from engaging in partisan political activities.

H.R. 1107. January 14, 1975. Post Office and Civil Service. Redesignates the date for observance of Veterans Day.

H.R. 1108. January 14, 1975. Public Works and Transportation. Directs that no State shall receive less than 80 percent of the amount paid by that State into the Highway Trust Fund.

H.R. 1109. January 14, 1975. Science and Technology. Directs the Administrator of the Energy Research and Development Administration to initiate a program of research to develop a low-emission vehicle engine. Authorizes study of the economic impact of placing a low-emission vehicle engine on all new and existing motor vehicles.

H.R. 1110. January 14, 1975. Science and Technology. Establishes a research and development program within the National Bureau of Standards of the Department of Commerce to alleviate existing and potential product and material shortages.

Authorizes the Secretary of Commerce to make grants and guarantee loans in order to improve technology to substantially reduce such shortages.

H.R. 1111. January 14, 1975. Science and Technology. Authorizes the Administrator of the Energy Research and Development Administration to establish a grant program for research and development to reduce the air drag on trucks using the Federal-aid highway systems.

H.R. 1112. January 14, 1975. Standards of Official Conduct. Requires persons engaged in lobbying to register and file activity reports with the Clerk of the House of Representatives or the Secretary of the Senate. Empowers the Clerk and Secretary to jointly prescribe such regulations as they deem appropriate to effectuate the purposes and provisions of the Act.

Repeals the Federal Regulation of Lobbying Act.

H.R. 1113. January 14, 1975. Ways and Means. Gives 1 percent of all income taxes collected under Federal statutes within a State or territory to that State or territory to be used for educational purposes only.

H.R. 1114. January 14, 1975. Science and Technology. Interior and Insular Affairs. Directs the Administrator of the Energy Research and Development Administration to investigate possible uses of solid wastes resulting from the mining and processing of coal.

H.R. 1115. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Federal Power Commission to establish a program of mandatory allocation of scarce supplies of natural gas designed to minimize the impact of natural gas shortages on any sector of the economy or region of the country.

H.R. 1116. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a credit against taxes for certain amounts deposited by a taxpayer in an educational savings plan for himself or a dependent to pay the expenses of postsecondary education.

H.R. 1117. January 14, 1975. Judiciary. Standards of Official Conduct. Creates a Federal Lobbying Disclosure Commission.

Requires Lobbyists to: (1) register with the Commission; (2) make and retain certain records; and (3) file reports with the Commission regarding their activities.

Repeals the Federal Regulation of Lobbying Act.

H.R. 1118. January 14, 1975. Education and Labor. Directs the Chairman of the National Endowment for the Arts to develop a program to further cultural activities by making unused railroad passenger depots available to communities for such activities.

H.R. 1119. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by requiring the Secretary of Labor to recognize differences between the light residential construction industry and the heavy construction industry.

H.R. 1120. January 14, 1975. Education and Labor. Amends sections of the Occupational Safety and Health Act of 1970 relating to civil penalties for employers in violation of the Act.

H.R. 1121. January 14, 1975. Veterans' Affairs. Extends the eligibility for specially adapted housing benefits to include veterans suffering the loss, or loss of use, of both upper extremities.

H.R. 1122. January 14, 1975. Veterans' Affairs. Extends the entitlement of veterans to educational assistance from thirty-six months to forty-five months.

H.R. 1123. January 14, 1975. Interstate and

Foreign Commerce. Requires any person using the instrumentalities of interstate commerce making any solicitation for charitable contributions to furnish specified information to any recipient of such solicitation who requests it.

H.R. 1124. January 14, 1975. Interstate and Foreign Commerce. Prohibits the shipment or sale in interstate commerce of nonreturnable beverage containers for which no reasonable refundable money deposit is required.

Directs the Secretary of Health, Education, and Welfare to define the term "nonreturnable containers."

H.R. 1125. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified brewery.

H.R. 1126. January 14, 1975. Agriculture. Exempts the Sabine River Authority of Louisiana and Texas from the payment of annual charges for the use of lands in the Sabine National Forest in Texas in recognition of benefits to the United States from the construction of the Toleda Bend Dam and Reservoir Project.

H.R. 1127. January 14, 1975. Education and Labor. Repeals those provisions of the Fair Labor Standards Act of 1938 covering domestic service workers.

H.R. 1128. January 14, 1975. Education and Labor. Amends sections of the Occupational Safety and Health Act of 1970 relating to civil penalties for employers in violation of the Act.

H.R. 1129. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by requiring the Secretary of Labor to recognize differences between the light residential construction industry and the heavy construction industry.

H.R. 1130. January 14, 1975. Foreign Affairs. Amends the Foreign Assistance Act of 1961 to require the President in rendering assistance under the Act to do so pursuant to agreements which provide for the exchange of necessary strategic or critical raw materials for such assistance.

H.R. 1131. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 1132. January 14, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to suspend motor vehicle emissions control in all parts of the United States except for certain designated air quality control regions.

Prohibits the Administrator of the Environmental Protection Agency and the States from enforcing motor vehicle emissions control standards in areas outside designated regions during the suspension period.

H.R. 1133. January 14, 1975. Judiciary. Declares that no Federal court shall have jurisdiction over any case arising out of a State law relating to abortion.

H.R. 1134. January 14, 1975. Judiciary. Defines the term "unitary school system" for purposes of equal protection under the 14th Amendment to the Constitution. Declares that it is the policy of the United States to encourage school systems to allow voluntary transfers by students to schools in which persons of the same race, color or national origin constitute a minority of the students.

H.R. 1135. January 14, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 1136. January 14, 1975. Judiciary. Increases the penalty for commission of any felony, excluding manslaughter, while using or carrying a firearm.

H.R. 1137. January 14, 1975. Merchant Marine and Fisheries. Amends the Migratory Bird Treaty Act to permit the possession or mounting of dead birds for display or educational purposes.

H.R. 1138. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1139. January 14, 1975. Ways and Means. Excludes from gross income a limited amount of income representing the excess of the net long-term capital gain for the year over the net short-term capital loss from the sale or exchange of a security for taxpayers other than a corporation.

H.R. 1140. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to revise the alternative tax on capital gains for individuals and corporations, remove capital gains as tax preference item, and exclude certain gains from the sale or exchange of a residence.

Reduces the estate tax rate schedule, increases the estate tax exemption, and excludes from the gross estate the value of closely held business under specified regulations.

H.R. 1141. Ways and Means. Amends the Internal Revenue Code to permit a deduction from gross income for taxes paid by employees under the Federal Insurance Contributions Act.

H.R. 1142. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a limited distribution deduction for certain cemetery perpetual care fund trusts.

H.R. 1143. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require the Secretary of the Treasury to repay the amount of the internal revenue taxes and customs duties assessed on alcoholic beverages held for sale and rendered unmarketable.

H.R. 1144. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to revise the definition of tax exempt social clubs. Prohibits the deduction of certain dividends received by such organizations.

H.R. 1145. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from Federal tax that portion of costs paid for communications services attributable to taxes imposed by State and local governments.

H.R. 1146. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1147. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 1148. January 14, 1975. Banking, Currency and Housing. Amends the Council on Wage and Price Stability Act by extending to the Council the authority to suspend wage and price increases for ninety days and to otherwise act to stabilize the economy.

H.R. 1149. January 14, 1975. Interstate and Foreign Commerce. Requires the President to establish a program for the rationing of gasoline and diesel fuel.

H.R. 1150. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption, to increase the percentage standard deduction, to decrease the tax rates for certain income brackets, and to increase the investment tax credit.

H.R. 1151. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to impose a tax, based upon weight, upon every new automobile manufactured or imported.

H.R. 1152. January 14, 1975. Agriculture. Amends those provisions of Federal law and the Animal Welfare Act of 1970, relating to the care and treatment of animals to include protection for birds in pet stores and zoos. Extends the applicability of such laws to include the terminal facilities used by any common carrier licensed to transport animals.

H.R. 1153. January 14, 1975. Education and Labor. Directs the Secretary of Labor to study the feasibility of, and need for, a Cost of Existence Index, such index being an index of prices paid by retired persons, computed similarly to the Consumer Price Index.

H.R. 1154. January 14, 1975. Merchant Marine and Fisheries. Establishes a Federal Zoological and Aquarium Board as an independent agency to establish standards for national accreditation of zoos and aquariums.

Authorizes the Board to make grants and guarantee loans to assist in training of personnel and in research into improved methods of operation of zoos and aquariums.

H.R. 1155. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of the Interior to make a comprehensive study of the wolf for the purpose of developing adequate conservation measures.

H.R. 1156. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of the Interior to make a study of the dolphin and porpoise for the purpose of developing adequate conservation measures.

H.R. 1157. January 14, 1975. Veterans' Affairs. Allows the widow of a veteran to remarry after age 60 without losing her veterans dependency and indemnity compensation.

H.R. 1158. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during any tax year as a civil service retirement annuity from the United States or any agency thereof.

H.R. 1159. January 14, 1975. Armed Services. Revises the method of computing years of service in the Armed Forces for the purpose of computing an enlisted member's retired pay.

H.R. 1160. January 14, 1975. Armed Services. Revises the method of computing years of service in the Armed Forces for the purpose of computing an enlisted member's retired pay.

H.R. 1161. January 14, 1975. Armed Services. Permits widows of former members of the Armed Forces to elect to receive an annuity under the Survivor Benefit Plan in lieu of other annuity benefits if the former member died prior to the effective date of the Survivor Benefit Plan and the widow is eligible for an annuity under other Armed Forces programs.

H.R. 1162. January 14, 1975. Armed Services. Prohibits reduction in survivor annuities under the Armed Forces Survivor Benefit Plan by reason of Social Security Old-Age, Survivor and Disability Insurance benefits unless such benefits are in fact received by the survivor.

H.R. 1163. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act to authorize the seizure and forfeiture of vessels, vehicles, or aircraft which have been or are being used to illegally transport aliens into the United States.

H.R. 1164. January 14, 1975. Public Works and Transportation. Directs the Secretary of Agriculture to establish a memorial to Benjamin Henry Boneval Latrobe at the National Arboretum.

H.R. 1165. January 14, 1975. Veterans' Affairs. Permits a veteran with a service-connected disability rated 30 percent or more disabling to be paid emergency officers, reserve, or regular retirement pay concurrently with compensation for the disability.

H.R. 1166. January 14, 1975. Armed Services. Authorizes retirement annuities under the Armed Forces Survivor Benefit Plan for widows whose husbands died prior to the effective date of the Plan.

H.R. 1167. January 14, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 1168. January 14, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 1169. January 14, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 1170. January 14, 1975. Government Operations. Establishes the Cabinet Committee for Asian-American Affairs to investigate the special problems of Asian-Americans and to assure that Federal and other programs are providing necessary assistance to Asian-Americans.

H.R. 1171. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to establish in the Public Health Service the National Institute of Aging for the purposes of carrying out research, investigations, experiments, demonstrations, and studies related to the diseases and the special health problems and requirements of the aged.

H.R. 1172. January 14, 1975. Judiciary. Prohibits discrimination or segregation on the basis of sex in any place of public accommodation. Authorizes the Attorney General to institute suits to eliminate sex discrimination in public facilities. Requires the Secretary of Health, Education, and Welfare to make recommendations to equalize the treatment of the sexes under Federal laws.

H.R. 1173. January 14, 1975. Post Office and Civil Service. Makes it unlawful for officers of Federal agencies, the armed forces, or the Civil Service Commission to require that Federal civilian employees and applicants disclose certain personal information.

Creates a Board on Employees Rights to enforce this Act.

H.R. 1174. January 14, 1975. Post Office and Civil Service. Increases the grade classification of positions of deputy United States marshal.

H.R. 1175. January 14, 1975. Post Office and Civil Service. Adds inspectors employed by the Immigration and Naturalization Service or the Bureau of Customs, and certain firefighting personnel, to the list of those engaged in hazardous occupations who are eligible for certain Civil Service retirement benefits.

H.R. 1176. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to disallow the percentage oil and gas depletion deduction, to disallow the option to deduct intangible drilling and development costs, and to disallow the foreign tax credit with respect to any oil or gas well located outside the United States.

H.R. 1177. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 1178. January 14, 1975. Judiciary. Authorizes the holding of Federal District Court for the Eastern District of New York at a suitable site in Nassau County in lieu of Mineola.

H.R. 1179. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 by authorizing State and local governments to regulate aircraft noise.

H.R. 1180. January 14, 1975. Public Works and Transportation. Establishes the Airport Noise Curfew Commission to study and make recommendations to the Congress regarding the establishment of curfews on nonmilitary aircraft operations over populated areas of the United States during normal sleeping hours.

H.R. 1181. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-five to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 1182. January 14, 1975. Ways and Means. Directs the Administrator of the Environmental Protection Agency to establish research programs to prevent harm to the marine environment from offshore oil extraction and transportation.

Amends the Internal Revenue Code of 1954 by imposing a tax on offshore oil extraction. Establishes an Offshore Oil Safety Trust Fund to finance offshore oil safety research programs.

H.R. 1183. January 14, 1975. Government Operations. Interstate and Foreign Commerce. Establishes a Consumer Protection Agency within the executive branch to represent the interests of consumers before Federal agencies, to receive and act upon consumer complaints, to perform research on consumer products, and to gather and disseminate information on consumer products and services.

Requires Federal agencies considering policies or regulations which may affect the interests of consumers to notify the Agency, and to consider the interests of consumers.

H.R. 1184. January 14, 1975. Agriculture. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment.

Makes it unlawful to promote or in any way assist in the promotion of dog fights.

H.R. 1185. January 14, 1975. Armed Services. Makes it unlawful for the Armed Forces to collect, distribute or store information relating to the political, social or religious belief, actions or affiliations of any civilian. Makes it unlawful for the Armed Forces to examine the academic or disciplinary records of any persons without their written authorization.

H.R. 1186. January 14, 1975. Armed Services. Authorizes disability discharges for members of the Armed Forces who have a drug dependency. Directs the Secretary of each military department to petition the appropriate United States attorney for the civil commitment of a drug dependent member of the Armed Forces to a Public Health Service facility. Directs the Secretary of each military department to issue retroactively an honorable discharge to any former member of the Armed Forces who was dishonorably discharged on the grounds of drug dependency.

Forbids the court-martial of any member of the Armed Forces who seeks treatment for drug dependency.

H.R. 1187. January 14, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt or transportation of handguns except as authorized by the Secretary of the Treasury or by members of the Armed Forces and law enforcement officials.

H.R. 1188. January 14, 1975. Public Works and Transportation. Prohibits commercial flights by supersonic aircraft over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and the Secretary of Transportation.

H.R. 1189. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to establish the Internal Revenue Commission to administer the internal revenue laws. Transfers all functions relating to the administration and enforcement of the Internal Revenue Code from the Secretary of the Treasury or his delegate, to the Internal Revenue Commission.

H.R. 1190. January 14, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act from being considered income for the purpose of determining eligibility for Supplemental Security Income, Federal-State public assistance programs, food stamps, public housing and veterans' pensions.

H.R. 1191. January 14, 1975. Merchant Marine and Fisheries. Public Works and Transportation. Directs the Administrator of the Environmental Protection Agency and the Secretary of the Interior to establish standards governing dumping in ocean, coastal, and other waters of the United States for the protection of marine and wildlife ecology.

H.R. 1192. January 14, 1975. Ways and Means. Veterans' Affairs. Interstate and Foreign Commerce. Stipulates that a finding of permanent and total disability under the Old-Age, Survivors and Disability Insurance and Supplemental Security Income provisions of the Social Security Act, the Railroad Retirement Act or veterans' disability compensation programs shall be considered a finding of disability for the purpose of determining eligibility for any of these programs.

H.R. 1193. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Army to build, and the Secretary of the Interior to operate and maintain the Devil Canyon and Denali Units of the Upper Susitna River Basin project, Alaska.

H.R. 1194. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the Klondike Gold Rush National Historical Park in parts of Alaska and Washington.

H.R. 1195. January 14, 1975. Interior and Insular Affairs. Makes available certain lands to the city of Ketchikan, Alaska, for the replacement of Carlanna Creek Dam.

H.R. 1196. January 14, 1975. Merchant Marine and Fisheries. Establishes the Marine Fisheries Conservation and Development Fund for the conservation, management, protection and development of the marine fisheries of the United States. Places administration of the Fund under the Secretary of Commerce.

Establishes an Advisory Committee to assist the Secretary of Commerce in carrying out his functions under this Act.

H.R. 1197. January 14, 1975. Merchant Marine and Fisheries. Increases the funds authorized under the Commercial Fisheries Research and Development Act of 1964 for the restoration of fisheries affected by natural disasters, foreign violations of international fisheries agreements or other undetermined causes.

H.R. 1198. January 14, 1975. Ways and Means. Amends the Social Security Act by requiring that Federal aid to Alaska and Hawaii for maternal and child welfare programs be adjusted to reflect the cost of living in those States.

H.R. 1199. January 14, 1975. Judiciary. Government Operations. Authorizes certain revenues from leases on the Outer Continental Shelf be made available to the States.

H.R. 1200. January 14, 1975. Armed Services. Revises the method of computing Armed Forces retired and retainer pay to reflect current active duty pay rates.

H.R. 1201. January 14, 1975. Education and

Labor. Amends the Age Discrimination in Employment Act by extending the coverage of the Act to individuals sixty years of age or over.

H.R. 1202. January 14, 1975. Foreign Affairs. Directs the President to halt all exports of gasoline, distillate fuel oil, and propane gas until Congress determines that no shortage of such fuels exists in the United States.

H.R. 1203. January 14, 1975. Foreign Affairs. Prohibits the exportation of fertilizer from the United States until the Secretary of Agriculture determines that an adequate domestic supply of fertilizer exists.

H.R. 1204. January 14, 1975. Foreign Affairs. Limits the assessed and voluntary contributions of the United States to the United Nations and its affiliated agencies to an amount not to exceed an amount which bears the same ratio to the total budget of the United Nations as the total population of the United States bears to the total population of all the member states of the United Nations.

H.R. 1205. January 14, 1975. Government Operations. Requires recipients of Federal funds to permit members of the public to inspect records relating to the expenditure of such funds. Prohibits the disbursement of such funds to recipients who fail to comply with this Act.

H.R. 1206. January 14, 1975. House Administration. Requires candidates for Federal elective office to resign any elective office the term of which ends after the beginning of the term of such Federal office before filing in the general election for such Federal office.

H.R. 1207. January 14, 1975. House Administration. Prohibits travel at Government expense outside the United States by Members of Congress who after the adjournment sine die of the last session of a Congress are not candidates for reelection in the next Congress.

H.R. 1208. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make grants for the establishment and operation of home health services and for the purpose of initiating, developing, and maintaining programs for the training of professional and paraprofessional personnel to provide home health services.

H.R. 1209. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1210. January 14, 1975. Judiciary. Makes it a Federal crime to assault or kill a fireman or law enforcement officer.

H.R. 1211. January 14, 1975. Judiciary. Prohibits the destruction, burning, or damaging of the property of an employer, or other person near any place where work or business of the employer or owner is carried on. Redefines the term "extortion" to include actual or threatened force or violence used to induce consent in the course of a legitimate labor dispute.

H.R. 1212. January 14, 1975. Judiciary. Increases the time period between the publication of a Federal rule and the effective date of such rule, and the time period between the publication of notice of a hearing and the beginning of such hearing.

H.R. 1213. January 14, 1975. Judiciary. Imposes criminal sanctions for specified acts of desecration of the flag of the United States.

H.R. 1214. January 14, 1975. Judiciary. Makes displaying the flag of certain hostile countries treasonable.

H.R. 1215. January 14, 1975. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to prohibit the issuance of permits which would authorize the taking of marine mammals in connection with commercial fishing operations.

H.R. 1216. January 14, 1975. Post Office and Civil Service. Prohibits the mailing of chain letters which imply or predict that harm or misfortune will befall the addressee or members of his family should such addressee fail to transmit such chain letter.

H.R. 1217. January 14, 1975. Post Office and Civil Service. Makes Flag Day, June 14, a legal public holiday.

H.R. 1218. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1219. January 14, 1975. Veterans' Affairs. Stipulates that for purposes of certification for veterans' educational benefits, attendance at vocational schools shall be measured by the same standards as attendance at other educational institutions. Directs the Administrator of Veterans' Affairs to require certification of enrollment, pursuit, and attendance from the eligible veteran at the end of each quarter, semester, or term, as the case may be.

H.R. 1220. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 1221. January 20, 1975. Veterans' Affairs. Directs the administrator of Veterans' Affairs to pay a pension to eligible veterans of World War I or to the widow or children of such veteran. Establishes maximum incomes at which point no pension is to be paid.

H.R. 1222. January 14, 1975. Veterans' Affairs. Directs the Secretary of the Army to establish one or more national cemeteries in the central west coast area of Florida.

H.R. 1223. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received by an individual during the taxable year as an annuity or pension established under the laws of the United States.

H.R. 1224. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1225. January 14, 1975. Ways and Means. Amends the Social Security Act to eliminate age as an eligibility requirement for wife's, husband's, widow's or widower's insurance benefits when the insured spouse is or was entitled to disability insurance benefits.

H.R. 1226. January 14, 1975. Public Works and Transportation. District of Columbia. Prohibits any officer of the United States or the District of Columbia to issue a permit for the use of public property in the District of Columbia for any mass activity where such officer has reason to believe that damages or other costs will result from such activity, unless the applicant posts a bond sufficient to indemnify the United States or the District of Columbia.

H.R. 1227. January 14, 1975. Public Works and Transportation. Interstate and Foreign Commerce. Directs the Secretary of Transportation to require common carriers by air, rail, or motor vehicle to designate a portion of the seating capaciy of each carrier as available to nonsmoking passengers only.

H.R. 1228. January 14, 1975. Post Office and Civil Service. Amends the Federal Salary Act of 1967 by making certain recommendations of the President regarding salary levels for certain Federal employees effective within a certain time period unless the Congress adopts a resolution disapproving all or part of such recommendations. Specifies procedures for adopting such a resolution.

H.R. 1229. January 14, 1975. Judiciary. Grants automatic, general amnesty to any person who, during the period of United States involvement in Indochina, violated the Military Selective Service Act or committed certain military crimes. Establishes an Amnesty Commission to grant general amnesty to individuals who violated Federal, State or local law in the course of protesting against United States involvement in Indochina and to review denials of honorable discharges.

Authorizes the district courts to restore the United States citizenship of war resisters who renounced such citizenship.

Grants jurisdiction to the district courts to hear actions brought to redress the deprivation of rights granted by the general amnesty.

H.R. 1230. January 14, 1975. Government Operations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 1231. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements as part of a licensing contract for the manufacture, distribution or sale of trademarked goods.

H.R. 1232. January 14, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for supplemental security income benefits, Federal-State public assistance, public housing, food stamps, veterans' pensions and dependency and indemnity compensation for parents of decreased veterans.

H.R. 1233. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 1234. January 14, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 1235. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Federal Food, Drug, and Cosmetic Act, to establish standards for food and drug labels, for medical devices, for batch-by-batch certification of certain drugs, for the regulation of sample drugs, and for pretesting cosmetics introduced into interstate commerce. Directs the Secretary of Health, Education, and Welfare to prepare and publish a drug compendium to provide adequate and reliable drug prescribing information.

H.R. 1236. January 14, 1975. Merchant Marine and Fisheries. Interior and Insular Affairs. Amends the Coastal Zone Management Act of 1972 to suspend Federal oil drilling activities on the Outer Continental Shelf until the Governor of the concerned coastal State shall give his approval.

H.R. 1237. January 14, 1975. Ways and Means. Amends the Social Security Act to increase the amount of the lump-sum death payment.

H.R. 1238. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of the Interior to make grants to States which have established motor vehicle disposal plans designed for the efficient removal of junked motor vehicles to scrap processing facilities. Requires States to control visibility of automobile graveyards as a grant condition.

Includes provisions for federally guaranteed loans and tax incentives for the acquisition of automobile scrap processing equipment.

H.R. 1239. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to prohibit the broadcasting of paid political advertisements for presidential candidates. Requires broadcasting stations to provide free broadcasting time to such candidates.

H.R. 1240. January 14, 1975. Standards of Official Conduct. Requires each Member of Congress and certain employees of Congress to file a report with the Comptroller General enumerating their sources of income and other financial interests.

H.R. 1241. January 14, 1975. Ways and Means. Directs the Bureau of Labor Statistics to prepare a monthly Consumer Price Index for the Elderly. Amends the Social Security Act by requiring that the Consumer Price Index for the Elderly be utilized in lieu of the Consumer Price Index in computing cost-of-living benefit increases when such use will yield a greater increase.

H.R. 1242. January 14, 1975. Interstate and Foreign Commerce. Merchant Marine and Fisheries. Directs the Secretary of Health, Education, and Welfare to establish, under the Federal Food, Drug, and Cosmetic Act, a licensing program for every owner of any establishment or any vessel that harvests, processes, displays, or sells fish or fishery products. Allows the importation of fish or fishery products only from those countries where there is a system of inspection of fishery products at least equal to the inspecting, harvesting, and processing standards imposed by the Secretary under this Act.

H.R. 1243. January 14, 1975. Interstate and Foreign Commerce. Science and Technology. Amends the Natural Gas Act to create a Federal Oil and Gas Corporation. Authorizes the corporation to acquire rights to develop natural gas or oil on Federal lands and to acquire refining and transportation facilities. Directs the Corporation to offer refined oil and gas products to consumers at fair and reasonable prices.

H.R. 1244. January 14, 1975. Government Operations. Judiciary. Directs Federal departments and agencies to assist the Secret Service by providing, upon request, personnel, equipment or facilities on a reimbursable basis.

Declares that all such facilities provided shall remain the property of the Federal Government.

H.R. 1245. January 14, 1975. Agriculture. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment.

H.R. 1246. January 14, 1975. Agriculture. Prohibits increases in the portion of income to be paid for food coupons under the Food Stamp Act of 1964.

H.R. 1247. January 14, 1975. Education and Labor. Requires persons who acquire a controlling interest in certain business facilities to notify employees, and the community in which the business facility is located, of any intention to close or relocate such business facility.

H.R. 1248. January 14, 1975. Foreign Affairs. Requires the Secretary of Commerce to limit the amount of iron and steel scrap that may be exported from the United States.

H.R. 1249. January 14, 1975. Ways and Means. Amends the Social Security Act to extend Medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 1250. January 14, 1975. Ways and Means. Amends the Social Security Act to maintain medicare inpatient hospital deductibles, supplementary medical insurance premiums, and hospital insurance premiums at their 1974 levels.

H.R. 1251. January 14, 1975. Agriculture. Ways and Means. Amends the Social Security Act by authorizing the Secretary of Health, Education, and Welfare to formulate and administer a food allowance program for the elderly.

H.R. 1252. January 14, 1975. Ways and Means. Banking, Currency and Housing. Establishes controls to insure that the national budget is balanced.

Limits the annual growth of the money supply.

Requires that all legislation contain a note disclosing the direct and indirect costs which will be incurred by such legislation.

H.R. 1253. January 14, 1975. Foreign Affairs. Directs the President to halt all exports of gasoline, distillate fuel oil, and propane gas until he determines that no shortage of such fuels exists in the United States.

H.R. 1254. January 14, 1975. Interstate and Foreign Commerce. Prohibits distributors and refiners of petroleum products from cancelling franchises without cause and without prior notice.

H.R. 1255. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Council on Environmental Quality to establish a county government environmental control demonstration project in Massachusetts.

H.R. 1256. January 14, 1975. Post Office and Civil Service. Revises the age and service requirements for civil service retirement benefits for Federal employees.

H.R. 1257. January 14, 1975. Judiciary. Establishes a Relocation Benefits Commission to provide assistance to persons relocated pursuant to Executive Order 9066, dated February 19, 1942, which authorized the removal of certain persons from designated military areas.

Creates and authorizes appropriations for a Relocation Benefits Trust Fund.

H.R. 1258. January 14, 1975. Interstate and Foreign Commerce. Amends the Social Security Act by revising the eligibility requirements for Medicaid benefits.

H.R. 1259. January 14, 1975. Education and Labor. Amends the Older Americans Act by (1) revising the administration of and requirements imposed upon State plans and programs; (2) establishing a National Information and Resource Clearing House for the Aging under the Administration on Aging; and (3) establishing a Federal Council on the Aging within the executive branch.

Authorizes grants for the development of special programs for the aged under the Library Services and Construction Act, the Higher Education Act of 1965, and the Adult Education Act.

Directs the Manpower Administration of the Department of Labor to establish and administer a mid-career development service program to help middle aged and older persons obtain employment.

H.R. 1260. January 14, 1975. Education and Labor. Establishes within the Department of Health, Education, and Welfare a Rehabilitation Services Administration to administer this Act. Authorizes grants to States for vocational rehabilitation services and grants for rehabilitation services to persons with severe disabilities. Establishes an Office for the Handicapped to coordinate and plan services and programs for handicapped persons.

Repeals the Vocational Rehabilitation Act.

H.R. 1261. January 14, 1975. Foreign Affairs. Requires the Secretary of Agriculture under the Export Administration Act to determine the amount of any agricultural commodity that will be available for export. Requires the Secretary of Commerce to publicly announce the determination. Prohibits the exporting of any agricultural commodity unless the person exporting such commodity has been issued an export license.

H.R. 1262. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants to assist the States in bringing publicly operated or publicly assisted facilities for the mentally retarded into conformity with standards which will assure humane care, treatment, habilitation, and protection of the mentally retarded in residential facilities. Establishes a National Advisory Council on Standards for Residential Facilities for the Mentally Retarded to assist the Secretary of Health, Education, and Welfare in implementing and reviewing the standards established by this Act.

H.R. 1263. January 14, 1975. Interstate and Foreign Commerce. Prohibits the appropriation or use of any funds for the purpose of carrying out any research activity on a living human fetus which is outside the womb of its mother.

H.R. 1264. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act to authorize the President to suspend air service to any foreign nation which fosters aircraft hijacking by disregarding or acting inconsistently with the Convention for the Suppression of Unlawful Seizure of Aircraft.

Requires the Administrator of the Federal Aviation Agency to prescribe regulations and develop techniques for the detection of weapons in a pre-boarding search.

H.R. 1265. January 14, 1975. Ways and Means. Prohibits most-favored-nation treatment and commercial and guarantee agreements with respect to any nonmarket economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration.

H.R. 1266. January 14, 1975. Government Operators. Interstate and Foreign Commerce. Establishes in the Executive Office of the President the Office of Consumer Affairs, and establishes the Consumer Protection Agency to advise the President and Congress and to represent the interests of individuals in the area of consumer affairs.

H.R. 1267. January 14, 1975. Armed Services. Requires the Central Intelligence Agency and certain other Government agencies to provide information to certain members or committees of Congress, when such information is within the jurisdiction of such members or committees.

H.R. 1268. January 14, 1975. Foreign Affairs. Requires executive agreements to be transmitted to Congress. Stipulates that such agreements shall come into force within a certain time period unless Congress disapproves such executive agreement by passage of a concurrent resolution by both Houses.

H.R. 1269. January 14, 1975. House Administration. Allows all accredited law schools to be constituted depositories to receive Government publications under the depository library program. Entitles these libraries to all the privileges of regional depository libraries.

H.R. 1270. January 14, 1975. Merchant Marine and Fisheries. Interior and Insular Affairs. Authorizes the Secretary of the Interior to issue licenses for the development of hard mineral resources of the deep seabed. Provides for the establishment of environmental criteria under which a license shall be issued.

H.R. 1271. January 14, 1975. Atomic Energy. Changes the name of the Holifield National Laboratory in Tennessee to the Oak Ridge National Laboratory.

H.R. 1272. January 14, 1975. Interstate and Foreign Commerce. Requires no-fault motor vehicle insurance as a condition precedent to using the public streets, roads, and highways.

H.R. 1273. January 14, 1975. Foreign Affairs. Requires executive agreements to be transmitted to Congress. Stipulates that such agreements shall come into force within a certain time period unless Congress disapproves such executive agreement by passage of a concurrent resolution by both Houses.

H.R. 1274. January 14, 1975. Interior and Insular Affairs. Authorizes establishment of the Edgar Allan Poe National Historic Park in Pennsylvania.

H.R. 1275. January 14, 1975. Judiciary. Creates a Council on Judicial Tenure to receive, investigate and make recommendations on any written complaint concerning a Justice or judge of the United States.

Makes it the duty of the Judicial Conference of the United States to sit as a court to hear any cause relating to the removal, censure, or involuntary retirement of a United States judge or Justice.

Specifies grounds for removal of such judges or Justices.

H.R. 1276. January 14, 1975. Judiciary. Authorizes appropriations to the Department of State for administering the Immigration and Nationality Act. Requires that all appropriations for the Departments of Justice and Labor for administration of the Immigration and Nationality Act be specifically made by an Act of Congress.

H.R. 1277. January 14, 1975. Judiciary. Sets forth regulations regarding grand jury witnesses. Authorizes independent grand jury inquiries. Permits a court to extend the term of a grand jury. Makes it a crime to disclose matters occurring before a grand jury.

H.R. 1278. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to appoint a Committee on Uniform Adoption Regulations to review current conditions, practices, and laws relating to adoption and to propose to the Secretary uniform adoption regulations. Directs the Secretary to make grants to States for allocation to State agencies and to public and private nonprofit adoption agencies to assist such agencies in meeting the cost involved in the adoptive placement of children

H.R. 1279. January 14, 1975. Judiciary. Authorizes the garnishment of the wages of Federal employees.

H.R. 1280. January 14, 1975. Government Operations. Directs the Secretary of Defense and the Administrator of General Services to insure the use by the Federal Government of products manufactured from recycled materials.

H.R. 1281. January 14, 1975. Interstate and Foreign Commerce. Establishes a temporary prohibition on increases in electrical utility rates based on a decrease in revenue caused by conservation efforts utilized by consumers.

H.R. 1282. January 14, 1975. Judiciary. Requires bidders on certain public works contracts to submit the names of subcontractors who will perform portions of the work bid upon, as a part of the bid.

H.R. 1283. January 14, 1975. Science and Technology. Authorizes the Secretary of Transportation to make grants for research and development of alternative fuels for motor vehicles.

H.R. 1284. January 14, 1975. Ways and Means. Directs the Bureau of Labor Statistics to prepare a monthly Consumer Price Index for the Aged. Amends the Social Security Act by requiring that the Consumer Price Index for the Aged be utilized in lieu of the Consumer Price Index in computing cost-of-living benefit increases when such use will yield a greater increase.

H.R. 1285. January 14, 1975. Education and Labor. Amends the black lung benefits provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend those benefits to miners who incur silicosis in iron mines.

H.R. 1286. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 1287. January 14, 1975. Foreign Affairs. Amends the United Nations Participation Act of 1945 by making regulations and prohibitions relating to strategic and critical materials inapplicable following a directive by the Security Council of the United Nations to the contrary.

H.R. 1288. January 14, 1975. Merchant Marine and Fisheries. Permits foreign vessels to transport passengers between United States ports upon determination that such vessels are not in direct competition with United States flag vessels.

H.R. 1289. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Commerce to conduct a study of the desirability, practicability, and cost of the adoption by the United States of a reformed calendar.

H.R. 1290. January 14, 1975. Agriculture. Establishes new rates, under the Agricultural Act of 1949, for the making of loans on crops of wheat, corn, sorghums, barley, and cotton.

H.R. 1291. January 14, 1975. Agriculture. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment.

Makes it unlawful to promote or in any way assist in the promotion of dog fights.

H.R. 1292. January 14, 1975. Agriculture. Prohibits, under the Federal Meat Inspection Act, the sale, transport, or offer for sale in interstate commerce of any horse, mule, or other equine, if the meat is to be used as human food.

H.R. 1293. January 14, 1975. Agriculture. Amends the Food Stamp Act to prohibit increases in the amount paid by households for food coupons.

H.R. 1294. January 14, 1975. Interstate and Foreign Commerce. Establishes the Bureau of Travel Agents Registration in the Department of Transportation for the purpose of regulating standards of performance and conduct in the travel agency industry.

H.R. 1295. January 14, 1975. Merchant Marine and Fisheries. Amends the National Environmental Policy Act of 1969 to provide for citizen actions in the United States district courts relating to environmental quality.

H.R. 1296. January 14, 1975. Post Office and Civil Service. House Administration. Reduces retirement benefits for Members of Congress who remain in office after attaining seventy years af age.

H.R. 1297. January 14, 1975. Interstate and Foreign Commerce. Sets forth standards, to be incorporated in State plans, pertaining to the discharge or transfer of Medicaid recipients from skilled nursing or intermediate care facilities.

H.R. 1298. January 14, 1975. Interstate and Foreign Commerce. Ways and Means. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to reimburse long-term care facilities for the cost of establishing and maintaining inpatient rehabilitation therapy programs.

H.R. 1299. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by (1) directing the Secretary of Health, Education, and Welfare to publish certain data on long-term care facilities and to develop a system for rating such facilities; and (2) requiring States, as a condition for receiving Federal aid, to conduct in-service training for nonprofessional employees of long-term care facilities.

H. Con. Res. 43. January 15, 1975. Foreign Affairs. Declares it the sense of Congress that the Holy Crown of Saint Stephen remain in the United States at this time.

H. Con. Res. 44. January 15, 1975. House Administration. Directs the printing of "Our American Government: What Is It? How Does It Function?" as a House document.

H. Con. Res. 45. January 15, 1975. Foreign Affairs. Declares it the sense of Congress that the United States, through the Department of the Treasury, shall require the repayment of longstanding debts of a delinquent nature by foreign countries.

H. Con. Res. 46. January 16, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 47. January 17, 1975. Foreign Affairs. Declares it the policy of the United States to encourage the establishment with other nations of institutions strong enough and reliable enough to prevent war.

H. Con. Res. 48. January 17, 1975. House Administration. Authorizes the printing as a House document the "Constitution de los Estados Unidos de America 1789", published by the Organization of American States.

H. Con. Res. 49. January 17, 1975. House Administration. Authorizes the printing as a House document the "Constitution de los Estados Unidos de America 1789", published by the Organization of American States.

H. Con. Res. 50. January 20, 1975. Rules. Directs the Congress to assemble in Philadelphia, Pennsylvania, on July 4, 1976. Establishes a Congressional joint committee to plan appropriate ceremonies for the meeting.

H. Con. Res. 51. January 23, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 52. January 23, 1975. Foreign Affairs. Declares it the sense of Congress that the contingent of United States troops stationed in Europe be substantially reduced over the next year and a half.

H. Con. Res. 53. January 23, 1975. Foreign Affairs. Declares it the sense of Congress that the United States, through the Department of the Treasury, shall require the repayment of longstanding debts of a delinquent nature by foreign countries.

H. Con. Res. 54. January 23, 1975. Foreign Affairs. Declares it the sense of Congress that efforts be made to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to account for personnel captured, killed, or missing during the Indochina conflict.

Declares the support and sympathy of the Congress for the families of those Americans missing in action.

H. Con. Res. 55. January 23, 1975. Rules. Creates a joint Congressional select committee to study the intelligence activities of Federal agencies.

H. Con. Res. 56. January 23, 1975. Post Office and Civil Service. Declares it the sense of the Congress that the designation of 1975 as International Women's Year is welcomed and full support is expressed for the goals for the year as proclaimed by the United Nations.

H. Con. Res. 57. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 58. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 59. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 60. January 23, 1975. Ways

and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 61. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 62. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 63. January 23, 1975. Foreign Affairs. Declares it the sense of the Congress that the President take the steps necessary to place the question of human rights violations in the Soviet occupied Ukraine on the agenda of the United Nations.

H. Con. Res. 64. January 23, 1975. Foreign Affairs. Urges the President to request the Soviet Union to release Valentyn Moroz and Leonid Plyushch from prison and allow them to emigrate.

H. Con. Res. 65. January 23, 1975. Rules. Establishes a Joint Congressional Committee on Energy: (1) to study the development, use, and control of all forms of energy, (2) to examine proposed energy legislation, and (3) to review executive agency policies on energy. Defines the jurisdiction of the committee.

H. Con. Res. 66. January 23, 1975. Foreign Affairs. Declares it the sense of the Congress that the United States Government shall cease to consider aid, trade, diplomatic recognition, travel, or accommodation with the Democratic Republic of North Vietnam or the Provisional Revolutionary Government of Vietnam until agreements are complied with regarding the dead and missing in action during the Indochina conflict.

H. Con. Res. 67. January 23, 1975. Merchant Marine and Fisheries. Declares it the policy of the Congress that the fishing industry be strengthened and coastal fisheries protected from excessive foreign fishing. Expresses the support of the Congress for conservation and scientific management of fisheries.

H. Con. Res. 68. January 27, 1975. Ways and Means. Declares it the sense of the Congress that no legislation imposing a ceiling on social security cost-of-living benefit increases be enacted.

H. Con. Res. 69. January 28, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 70. January 28, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 71. January 29, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 72. January 29, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 73. January 29, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 74. January 29, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 75. January 29, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 76. January 29, 1975. Foreign Affairs. Declares it the sense of the Congress that the designation of 1975 as International Women's Year is welcomed and full support is expressed for the goals for the year as proclaimed by the United Nations.

H. Con. Res. 77. January 29, 1975. Foreign Affairs. Declares it the sense of the Congress that the designation of 1975 as International Women's Year is welcomed and full support is expressed for the goals for the year as proclaimed by the United Nations.

H. Con. Res. 78. January 29, 1975. Foreign Affairs. Declares it the sense of the Congress that the designation of 1975 as International Women's Year is welcomed and full support is expressed for the goals for the year as proclaimed by the United Nations.

H. Con. Res. 79. January 29, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 80. January 29, 1975. Foreign Affairs. Requests the President and Secretary of State to determine the fate of all United States servicemen and civilians missing in Southeast Asia.

H. Con. Res. 81. January 29, 1975. Armed Services. Urges the President to establish a task force on the Missing in Action to make recommendations concerning Federal policies related to the missing in action.

H. Con. Res. 82. January 30, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 83. January 30, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 84. January 30, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 85. January 30, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 86. January 30, 1975. Foreign Affairs. Urges the President to request the Soviet Union to release Valentyn Moroz and Leonid Plyushch from prison and allow them to emigrate.

H. Con. Res. 87. January 31, 1975. Science and Technology. Declares it the sense of Congress that the Federal Government eliminate the use of animals in research to the extent feasible.

H. Con. Res. 88. January 31, 1975. Foreign Affairs. Expresses the disapproval of Congress, under the Military Sales Act, to the sale of certain defense articles and services to Turkey.

H. Con. Res. 89. February 3, 1975. Interstate and Foreign Commerce. Declares it the sense of Congress that the United States adopt "911" as the nationwide, uniform emergency telephone number.

H. Con. Res. 90. February 4, 1975. Foreign Affairs. Declares it the sense of the Congress that the designation of 1975 as International Women's Year is welcomed and full support is expressed for the goals for the year as proclaimed by the United Nations.

H. Con. Res. 91. February 4, 1975. Armed Services. Requests the establishment of a Presidential task force on the missing in action and their families (1) to achieve a full accounting, and (2) to make recommendations on Federal policies concerning the missing in action of the Vietnam conflict.

H. Con. Res. 92. February 4, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 93. February 4, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 94. February 4, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 95. February 4, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 96. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statute of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 97. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 98. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 99. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Res. 43. January 14, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 44. January 14, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 45. January 14, 1975, Agriculture Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 46. January 14, 1975. Standards of Official Conduct. Amends the Rules of the House of Representatives to prohibit a Member convicted of certain crimes from participating in the business and the voting of the House of Represenatives.

H. Res. 47. January 14, 1975. Rules. Creates a permanent Select Committee on Aging without legislative jurisdiction: (1) to study problems of older Americans, (2) to study means to assist older Americans, (3) to develop policies coordinating relevant programs, and (4) to review recommendations by the President or the White House Conference on Aging.

H. Res. 48. January 14, 1975. Foreign Affairs. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 49. January 14, 1975. Public Works and Transportation. Disapproves the President's proposed deferral of budget authority relating to the construction of waste treatment plants.

H. Res. 50. January 14, 1975. Rules. Amends the Rules of the House of Representatives by requiring that reports accompanying public bills contain estimates of the costs, to both public and private sectors, of carrying out the measure.

H. Res. 51. January 14, 1975. Rules. Amends the Rules of the House of Representatives to create a standing committee of the House to be known as the Committee on the Central Intelligence Agency.

H. Res. 52. January 14, 1975. Rules. Creates a select committee to study the ramifications of the United States Supreme Court decisions on abortion.

H. Res. 53. January 14, 1975. Rules. Amends the Rules of the House of Representatives to require public announcement of the date, place, and subject matter of committee hearings two weeks in advance.

H. Res. 54. January 14, 1975. Rules. Amends the Rules of the House of Representatives to create the Committee on the Environment.

Specifies the jurisdiction of the committee.

H. Res. 55. January 14, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 56. January 14, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 57. January 14, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 58. January 14, 1975. Administration. Authorizes funds for the House Committee on Science and Technology for operating expenses.

H. Res. 59. January 14, 1975. Rules. Instructs the House Judiciary Committee to make a continuing study of the fitness of Federal judges.

H. Res. 60. January 14, 1975. House Administration. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 61. January 14, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 62. January 14, 1975. Rules. Amends the Rules of the House of Representatives to prohibit the election of a Member who is seventy years of age or older as chairman of a standing committee.

H. Res. 63. January 14, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 64. January 14, 1975. Education and Labor. Directs the House Committee on Education and Labor to initiate a study on the impact of imported motor vehicles on unemployment.

H. Res. 65. January 14, 1975. Judiciary. Directs the President to provide to the House Committee on the Judiciary information relating to activities of the Central Intelligence Agency.

H. Res. 66. January 15, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 67. January 15, 1975. Rules. Establishes the House Committee on Internal Security to investigate (1) organizations which seek to overthrow the United States Government by unlawful means, (2) groups opposing by unlawful means the authority of the United States Government affecting internal security, and (3) any other question relating to internal security.

H. Res. 68. January 15, 1975. Foreign Affairs. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 69. January 15, 1975. Rules. Creates a select committee of the House of Representatives to study the ramifications of the United States Supreme Court decisions on abortion.

H. Res. 70. January 15, 1975. House Administration. Authorizes monetary allowances for toll-free telephone service to the district offices of the Members of the House.

H. Res. 71. January 16, 1975. Judiciary. Directs the President to provide to the House Committee on the Judiciary information relating to activities of the Central Intelligence Agency.

H. Res. 72. January 16, 1975. Armed Services. Directs the President to provide the House of Representatives with information on the Central Intelligence Agency contained in the report of William E. Colby.

H. Res. 73. January 17, 1975. Rules. Directs the standing committees of the House of Representatives to review the operations under their jurisdiction for the purpose of identifying and eliminating sex discrimination.

H. Res. 74. January 17, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 75. January 17, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Pasama Canal Zone.

H. Res. 76. January 20, 1975. Designates members of the standing committees of the House of Representatives.

H. Res. 77. January 20, 1975. House Administration. Authorizes the printing as a House document of the proceedings incident to the presentation of a portrait of the Honorable Charles C. Diggs, Jr.

H. Res. 78. January 20, 1975. Rules. Amends the Rules of the House of Representatives to establish a standing Committee on Intelligence Operations.

H. Res. 79. January 20, 1975. House Administration. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 80. January 20, 1975. Standards of Official Conduct. Prohibits a Member, officer, or employee of the House of Representatives from accepting an honorarium without donating the value of such honorarium to nonprofit institutions.

H. Res. 81. January 20, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 82. January 20, 1975. Judiciary. Refers to H.R. 1561 to the Chief Commissioner of the Court of Claims.

H. Res. 83. January 23, 1975. Names the Members of the House of Representatives elected to the standing committees of the House.

H. Res. 84. January 23, 1975. Authorizes expenditures of the select and standing committees of the House of Representatives to be paid from the House contingent fund.

H. Res. 85. January 23, 1975. Resolves that no documentary evidence may be taken from the House of Representatives and that no employee thereof may be compelled to disclose information relating to official duties by process of the courts without the approval of the House of Representatives.

Resolves that concerning such evidence or testimony the House of Representatives shall take such action as will promote justice.

Authorizes the Speaker of the House to appoint counsel to represent the interests of the House and its employees in Common Cause v. Klassen.

H. Res. 86. January 23, 1975. Names the Members of the House of Representatives elected to the House Committee on Ways and Means.

H. Res. 87. January 23, 1975. Foreign Affairs. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 88. January 23, 1975. House Administration. Creates a senior citizen intern program in the House of Representatives. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 89. January 23, 1975. Judiciary. Declares it the sense of the House of Representatives that Little League Baseball, Inc., should allow teams from foreign countries to participate in the Williamsport "World Series."

H. Res. 90. January 23, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 91. January 23, 1975. Appropriations. Disapproves the deferral of budget authority relating to atomic energy proposed by the President, transmitted under the Impoundment Control Act.

H. Res. 92. January 23, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 93. January 23, 1975. Rules. Creates a select committee of the House of Representatives to study the shortage of materials and natural resources affecting the United States.

H. Res. 94. January 23, 1975. Rules. Expresses the intention of the House of Representatives that each committee thereof base its decisions concerning locating and relocating of Federal facilities on considerations of management, fiscal, planning, and the interests of Federal employees and their families.

H. Res. 95. January 23, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 96. January 23, 1975. Rules Amends the Rules of the House of Representatives to require that the estimated cost of legislation and proposed administrative rules to both the public and nonpublic sectors be ascertained and published.

H. Res. 97. January 27, 1975. Expresses the sympathy of the House of Representatives on the death of the Honorable John C. Kluczynski. Appoints a committee to attend the funeral.

H. Res. 98. January 27, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Act of 1974.

H. Res. 99. January 27, 1975. House Administration. Requires that fixing or adjusting of allowances of Members of the House of Representatives to be approved by the House of Representatives.

SENATE—*Monday, February 24, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, who from the beginning hast ordained that man should work and have dominion over the Earth, be with all who are blessed with work, wherever they are and whatever their tasks. As we labor in this place make us mindful of those who have no work, whose days are cheerless and without hope. May our work help restore opportunities for those who would work if they could. Enable us to work with patience and power, with wisdom and alacrity, for the better world yet to come. Rule over our deliberations that we may concert our best efforts "to promote the general welfare and secure the blessings of liberty for ourselves and our posterity."

In Thy holy name we pray. Amen.

QUORUM CALL

The VICE PRESIDENT. A quorum not being present when the Senate, under an order previously agreed to, recessed on Saturday, the clerk will call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 6 Leg.]

Allen
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Clark
Griffin
Hartke
Hathaway
Hruska
Johnston
Mansfield
McClure
Roth
Weicker

The PRESIDING OFFICER (Mr. Johnston). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Cannon
Case
Chiles
Church
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Hansen
Hart, Philip A.
Hatfield
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Laxalt
Leahy
Magnuson
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevenson
Stone
Talmadge
Thurmond
Tower
Tunney
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. Hart), the Senator from Louisiana (Mr. Long), the Senator from Rhode Island (Mr. Pell), the Senator from Missouri (Mr. Symington), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that the Senator from Colorado (Mr. Haskell), is absent on official business.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. Scott) and the Senator from Alaska (Mr. Stevens), are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. Bartlett) and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

The PRESIDING OFFICER (Mr. Johnston). A quorum is present.

Mr. MANSFIELD. Mr. President, may I suggest the absence of a quorum briefly, not to exceed 1 minute?

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the distinguished Senator from Oregon (Mr. Hatfield) is recognized, there be a period for the transaction of routine morning business, with a time limitation of 3 minutes on statements therein, and only for the conduct of morning business.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Saturday, February 22, 1975, be considered as read and approved.

Mr. ALLEN. Mr. President, I object. Is that necessary, I ask the distinguished majority leader? Were we not in recess?

Mr. MANSFIELD. Oh. I withdraw the request.

Mr. ALLEN. Yes; otherwise I might ask that the Journal be read at length.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIRCUMVENTING THE CIVIL SERVICE RETIREMENT SYSTEM

Mr. MANSFIELD. Mr. President, over a year and a half ago, the Democratic Policy Committee adopted a resolution calling attention to an anomaly in the civil service retirement system. The anomaly arose out of the unforeseen high rate of inflation coupled with the automatic cost-of-living increases for annuitants and the freeze on salaries of Members of Congress, high-level appointees, and top-grade civil servants—including, incidentally, Federal judges, about which reference was made over the weekend—which has been enjoined by Congress for more than 5 years.

I bring in the appellation of Federal judges to point out that they are not the only ones, despite what the Chief Justice has said, who have not had a raise since the year 1969.

The situation to which I refer involves an unknown number of Federal employees who retire and thus qualify for automatic cost-of-living increases in annuities but are then reemployed by the Federal Government, sometimes immediately and for the identical job from which they retired. In this way, the reemployed annuitant receives from the retirement fund his annuity enriched whenever there is an automatic cost-of-living increase. Moreover, the rehiring agency need cover out of its appropriated funds only whatever amount is necessary to equal the rehired employee's previously frozen salary level.

Since the granting of automatic cost-of-living increases to annuitants has occurred every 6 months for the past 1½ years, for a total percentage of 25.3 percent, the advantage of retire-rehire to the annuitant is obvious. His pension for eventual retirement is permanently enriched by the cost-of-living increases. At the same time, by continuing to work for his full pay, he is not losing any of his current level of income. If a Senate aide or high executive official who retired June 1973, with an annuity which could be as high as $28,000, was rehired for the same or similar responsibilities by his agency, he could have reached an annuity of over $36,000 which would actually be in excess of the general excutive salary freeze maximum of $36,000.

That, in one year and a half. If the cost of living increases continue at 5 percent per year for the next 3 years—that is at the limit President Ford asked for Federal salaries and annuities—this person's annual take from the Federal Government would still rise to almost $43,000 by 1978, or more than the present salary of Members of Congress. In some cases, the prospect is for a compounded 100 percent increase in annuities in less than 10 years.

There are actually several related employment problems in this situation which grows so largely out of the inflationary spiral. Nevertheless, the whole range of Federal retirement-rehire and other matters pertaining to the retirement system—both civilian and military—needs a thorough examination. One such question, for example, involves the impact of the automatic cost-of-living increases for annuitants. The Washington Post on Sunday, February 16, contained an article on the subject by Associated Press reporter Dick Barnes raising complex questions of how annuities pyramid under the present system. While I shall not go into these matters here, they clearly warrant further attention by the Post Office and Civil Service Committee.

The specific practice of retiring from the Federal service and being rehired for the same job, however, which the Democratic Policy Committee focused on a year and a half ago has again surfaced. On January 10, 1975, the Commissioner of the Civil Service Commission wrote to me stating that as a matter of policy the Commission intended no longer to discourage the rehiring of retired annuitants in the top grades for longer than 6 months. For the good of the Civil Service System and the Government that was the maximum time which the Majority Policy Committee had urged be adopted as a standard a year and a half ago.

I have replied to Mr. Hampton's letter giving my reasons for disagreeing with this shift in policy by the Civil Service Commission. I can appreciate the considerations which may have led the Commission to give this incentive to top employees to go through the motions of retiring from the Federal Government and to return to work in the Federal Government. Nevertheless, it is my belief that the change constitutes a circumvention of the legal intent of Congress in establishing the freeze on their own salaries as well as on those of other higher officials. Moreover, if the Civil Service Commission permits the rehiring of retirees especially for the same or similar jobs to become extensive, the practice contains very grave implications for the maintenance of an alert and vigorous Federal career systems and a sound Federal administration, not to speak of the new financial drain on the already overladen Federal retirement fund. For the good of the Government, there must be a continuing flow of new faces and new ideas into the management levels of the Federal bureaucracy; regrettably, the new position of the Civil Service Commission moves precisely in the opposite direction.

Mr. President, I intend to bring this matter before the Senate majority policy committee in the near future. At that time, I will recommend that the policy committee urge the chairman of the Committee on Post Office and Civil Service to make a thorough examination of the particular practice to which reference is made in the exchange of correspondence between Commissioner Hampton and myself. In addition, there is a need for the latter committee to examine in a full investigation the broader related problems connected with Federal annuities notably those which emanate from the practice of rehiring by the Federal agencies and departments of growing numbers of civilian and military Federal retirees, in particular, the so-called double-dipping and triple-dipping practices.

As an immediate and, hopefully, at least partial deterrent to increasing numbers of "paper" retirements, however, I intend to recommend that the Post Office and Civil Service Committee report out promptly a bill which the Civil Service Commission is anxious to see passed and which I will introduce today. It would require agencies which have rehired persons receiving Federal annuities to deposit the savings which accrue to their budgets in the general fund of the U.S. Treasury. This would eliminate immediately an advantage to the rehiring agency whether it be a Senate committee, a Member of Congress or an executive department or agency. It would require the hiring agent to pay the full salary of the person and not merely the difference between his or her annuity and the listed salary of the position. This measure is essential if the retirement fund is not to be drained in order to pay part of the employment budgets of the agencies and departments who engage in this retire-rehire practice.

I ask unanimous consent, Mr. President, that the letters to which I have referred and related material to be inserted at this point in the Record.

There being no objection, the letters and related material were ordered to be printed in the Record, as follows:

U.S. Civil Service Commission,
Washington, D.C., January 10, 1975.

Hon. Mike Mansfield,
U.S. Senate,
Washington, D.C.

Dear Senator Mansfield: I am writing further concerning your interest in the matter of reemployment by the Government of employees retired under the Civil Service Retirement System which previously was discussed in our correspondence during June 1973 and my letter to you of March 8, 1974.

During the past few years we have seen a number of exceptionally able, high-level officials in the Executive, Legislative and Judicial branches leave the Government service at a date earlier than expected because of the ceiling on Federal salaries. Some of these officials with long service and eligibility for an immediate annuity might have been prevailed upon to continue their work as a reemployed annuitant, but we discouraged agencies from following this course. A few high-level officials were reemployed nonetheless, but the period of reemployment was generally only for a few months.

However, with the executive pay freeze now in its 6th year, we believe it is no longer in the interest of the Government to discourage the reemployment of recently retired high-level officials whose experience, knowledge and talent an agency needs to retain. The total number of such reemployed annuitants is expected to be quite small, but some may be retained for longer periods of time than heretofore.

There is one anomaly connected with the retirement and rehiring of retired Federal employees which the Commission thinks merits Congressional action. This anomaly is an omission in the retirement law which permits agencies to save the difference between a reemployed annuitant's salary and annuity. The Commission has recommended in the past and will do so again that the law be amended to require agencies to deposit savings on reemployed annuitant's salaries in the General Fund of the U.S. Treasury. We believe that correction of this anomaly would ensure that agencies will reemploy annuitants only where they are essential to carrying out the agency's mission.

Sincerely yours,
Robert E. Hampton,
Chairman.

Washington, D.C.,
February 21, 1975.

Hon. Robert E. Hampton,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

Dear Mr. Hampton: This will acknowledge your letter of January 10 regarding the Commission's latest rulings on the rehiring of annuitants. Quoting from your letter, you state:

"We believe it is no longer in the interest of the Government to discourage the re-employment of recently retired high-level officials whose experience, knowledge and talent an agency needs to retain. The total number of such re-employed annuitants is expected to be quite small, but some may be retained for longer periods of time than heretofore."

While I can understand and share the motive of serving the interest of the Government, I must most respectfully disagree with the policy through which you expect to do so in this instance. To be sure, it is in the interest of the Government to retain competent personnel in the career service and, perhaps, in unusual circumstances even to rehire them for short periods after retirement. However, there are additional facets involved in your present approach which are not alluded to in your letter.

In the first place, the responsible elected officials of the Government—the President and the Congress have adopted a ceiling on Federal pay scales. The law is specific: maximum salaries of civil servants, no less than those of other appointed officials, Members of Congress and the Judiciary are frozen under present law. This freeze is related to the state of the economy. Because of the high rate of inflation and the existing system of reflecting that rate in automatic increases in annuities, your policy of permitting the rehiring of retirees could constitute a circumvention of the freeze. If a retired annuitant with maximum annuity is rehired for an indefinite period, he could be receiving in due course out of the annuity fund more than the pay ceiling. In so saying, I am not arguing for or against the existing ceilings on Federal pay. Whether or not they are desirable, it is the sole responsibility of the President and the Congress to change them. It seems to me, however, that it is not a prerogative of the Civil Service Commission to adopt administrative courses which could tend to circumvent or nullify those policies.

In the second place, whatever the shortcomings of the present ceilings, the fact is that when coupled with the automatic cost-of-living increases for annuitants, the effect has been to provide a very powerful incentive for retirement of employees when they reach eligibility for retirement. Prompt retirement, which provides openings in the higher grades, in turn, has the effect of encouraging the career concept and stimulating a flow of new blood into the management and direction of the Federal agencies. That, too, it seems to me, is in the interest of the Government. I very much fear that the Commission's present course regarding rehiring of retirees could act to increase immobility and atrophy, at least in the upper levels, in the management of the agencies.

Insofar as the Senate is concerned, as you know, the Majority Policy Committee adopted a resolution last year which states in relevant part, the following:

"The Majority Leader is directed to communicate, jointly with the Minority Leader or separately, to all Committees of the Senate, to the Civil Service Commission, and the Director of the Office of Management and Budget as an urgent recommendation, that pending clarification of the situation (of rehiring retirees), all reemployment of annuitants by the Federal government, by the same office, agency or department for the same or similar responsibilities from which they may be retired be limited to a period not to exceed six months."

That policy is being maintained in offices responsible to the Senate through the Majority Leadership and it has been encouraged throughout the entire personnel structure of the Senate.

So I must reiterate my personal disagreement with the course which the Civil Service Commission has adopted in this matter. It would seem to me that at the very least you should have and make available without delay the following information for the consideration of the Congress and the appropriate Committees:

(1) The criteria or guidelines which have been communicated by the Commission to the Departments and Agencies concerning maximum numbers and permissible length of service for retired annuitants.

(2) The present number of civilian employees who are rehired retirees, broken down by agency by which they are presently employed as well as the broad pay categories (i.e.: "above $30,000 salary;" "above $20,000 salary," etc.)

(3) The number of retired military personnel now working as civilian employees of the federal government, analyzed on the same basis as the above.

For numbers (2) and (3) above, if it is feasible, the totals might be broken down further into those rehired by the same agency from which they retired and those hired by the agencies other than that from which they retired.

This exchange of letters will be called to the attention of the Majority Policy Committee with the suggestion that the Chairman of the Post Office and Civil Service Committee of the Senate be urged by the Committee to make a full and complete inquiry into all aspects of the Commission's present policies in connection with retirement-rehire. It would also be my intention to make this exchange of correspondence a matter of public record.

Sincerely,

Mike Mansfield.

[From the Washington Post, Feb. 16, 1975]

Huge Bonus Found in U.S. Pension Plan

(By Dick Barnes)

Federal retirees can get billion of extra dollars at taxpayer expense because a formula designed to keep their pensions in step with inflation actually propels them ahead.

The unintended bonus could easily cost taxpayers $100 billion or more by 1990, according to projections by the Associated Press—projections that Congress failed to make before it approved the formula.

So many variable factors are involved that the exact cost of the bonanza for today's nearly 2 million federal pensioners cannot be determined.

But Associated Press calculations show that a typical federal employee who retired in January, 1973, could, during the rest of his life, draw more than $27,500 beyond what he would receive if his pension merely kept even, month by month, with the cost of living index.

Put another way, at a point when the cost of living had risen 46 percent since this employee's retirement day, his monthly pension check would have increased by 57 percent.

The pension overpayments come about because under a 1960 law, retirees are given an extra permanent 1 percent pension increase each time their checks are adjusted for changes in the consumer price index. That index is the standard measuring tool for the cost of living.

The extra 1 percent is supposed to compensate for money lost between the time living costs increase and the time retirement checks are adjusted to meet those increases.

But in reality, the extra 1 percent compounds over the years, pushing retirement checks farther and farther ahead of any rise in the cost of living.

In fact, the faster the cost of living increases, the farther and faster federal pensions move ahead.

Civil servants, congressmen and retired military personnel all benefit from the extra 1 percent formula, which Congress approved in 1969.

Although it is more than five years old, the lucrative retirement pay formula has never drawn significant public attention.

In his budget message to Congress on Feb. 3, however, President Ford called for a comprehensive evaluation of the federal retirement system. He referred briefly to "cost-of-living adjustments which over-compensate by providing for permanent annuity increases in excess of changes in the consumer price index."

Ralph J. Devlin, who was top staff assistant on the House subcommittee that first approved the formula, expressed surprise in an interview about how the plan was operating in practice.

But he acknowledged that in 1969 no detailed projections of its effect had been made. He characterized the formula as "a throw-in in a bill that had some goodies."

The General Accounting Office warned the committee of a spiral effect, but even GAO did not make long-range projections.

Referring to the recent rapid rise in the cost of living, Devlin said, "Nobody had a crystal ball that could tell what would happen."

But Associated Press calculations show that overpayments occur whether the cost of living rises slowly or rapidly.

Take an employee who retired in January, 1973 at $400 per month, at the average civil service retirement age of 57 and who lives the 18 years predicted by insurance industry tables.

If future inflation is at a low rate of 3-plus per cent a year, he will be overpaid $13,688.29. But if it continues at the present high rate of 12-plus per cent per year, his overpayment will total $78,388.59.

When Congress more recently tied Social Security benefits to the cost of living, it did not add in the extra 1 per cent factor.

Total costs of the federal retiree overpayments in future years depend on so many factors they are difficult to compute. Rates of retirement, age of retirement, federal pay levels and the cost of living all affect calculations.

But for just the 133,318 civil servants who retired in the year ended June 30, 1974, the cost of extra payments in their lifetimes could exceed $5 billion if the cost of living rose steadily at .05 per cent per month—a rate well below current levels.

Add in another 800,000 civilians already retired, try to estimate future retirements in the 2.5 million-person federal work force, figure in nearly 1 million retired military personnel, who tend to retire earlier and draw benefits longer, and the cost of these overpayments by 1990 could easily exceed $100 billion.

For several years before the 1969 change, federal retirees' pensions followed the cost of living this way: when the cost of living increased 3 per cent from the most recent base month and stayed at or above that level for three consecutive months, pension checks would be increased by the percentage rise in cost of living from the base month to the highest month during the three-month period.

The increase would take effect two months later. The high month during the three-month period would then become the new base for any subsequent increase.

By 1969, however, employee organizations were arguing that retirees were losing money because of the time lag between increases in the cost of living and the effective date of pension increases.

Congress settled on adding one percentage point to each increase generated by the cost of living.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. GRIFFIN. Mr. President, if there is no objection, I would like to yield the 10 minutes allotted to me at this point to the Senator from Connecticut (Mr. Weicker).

The PRESIDING OFFICER. Without objection, the Senator from Connecticut is recognized.

BUSINESS AS USUAL IN THE SENATE

Mr. WEICKER. Mr. President, on the basis of our inaction or, more specifically, on the basis of our inability to even be present at our place of employ this past Saturday, we—and I refer to myself and all of my colleagues—looked ridiculous in the eyes of the American people.

I do not refer just to those who were here, those who were not here, but, in fact, when this type of image is established, and which we are establishing, it reflects on the entire U.S. Senate.

This has come to pass by virtue of the fact that we, in the Senate, have for several months preached crisis to the American people. The President has preached crisis to the American people and so, quite logically, the American people feel that we are in a period of crisis by the nature of our own words.

Now, having said that in our role of leadership, the American people also have the right to expect that we are going to respond to the various crises in some manner other than not being at our post, such as was the case this past Saturday.

We are preaching crisis but, insofar as

the deliberations of this body, its proposals, its attendance, we are acting as if it were business as usual, and so I do not think it is very long before the Nation is going to wonder whether indeed there is a crisis in energy or whether there is a crisis in the Penn Central, or jobs or what have you.

I would like to point out to my colleagues that in returning to my State—and I am sure the same holds true for everyone in this Chamber—when I went home for the day and a half after we recessed on Saturday, I had an opportunity to talk to quite a few people who are out of business because of the energy crisis. They no longer have their business; they are out. They do not have jobs.

We are all employed in this body. We have got a job. We have got some place to go. But, because of the inaction both of the executive and the legislative branches, businesses are going bankrupt. If we do not act on the Penn Central in fairly short order, the Penn Central is going to be out of business. If we do not act on the recession, then more and more individuals are going to lose their jobs. I just do not think that is something that we care to have on our heads. But this is what we have been preaching to the American people. This is indeed what has been happening throughout the country, and yet, insofar as our own attentiveness to the problem, it has been somewhat lacking.

Now, Mr. President, it is my intention from here on in—and I would hope I would have the support of my colleagues—to request of the leadership that when we have matters pending in the Senate Chamber waiting for a vote, if we have not done our business in the normal 5 days, then we can come back on Saturday, and we can come back on Sunday, and we could do the business that we are being paid to do.

I might add the same holds true if we have business pending when it comes up to one of the recesses which was established months ago, and the business has not been disposed of. Then I would suggest again to the leadership on both sides that we stay here until we have accomplished the job.

It seems to me if we do that then maybe once again we will establish confidence. We all keep on talking about the crisis in confidence in this Nation. Well, the first thing we have got to do is to establish some credibility between ourselves and the American people, and a confidence on the part of the American people that we are doing our job.

It seems to me in a day and age of reality that the only way that can be done is by example. I think we are all pretty darned fortunate to have a job. As each day goes by, more and more Americans do not have jobs. As each day goes by, more and more businesses are going bankrupt. As each day goes by, more hundreds of millions of dollars go offshore. As each day goes by, the type of crisis exemplified by Penn Central is on the increase.

I do not know what the Senate has been doing, and I wish that we could go at a more relaxed pace. Indeed, I would hope the whole country would not have to be concerned. But this is not business as usual. These are not normal times. This is probably as severe a test of the Nation as we have ever had, including armed conflict.

I would suggest, Mr. President, and very respectfully suggest to the leadership and to my colleagues, that by our example now we have people believing that what is going on down in Washington means something; and, at the present time, there is no reason why that belief should exist, principally because of our own omissions and our own activity.

Saturday really did not stand as testimony to either leadership or the urgency of the problems confronting us. I would hope that is the last time or the last Saturday—I might add with ample warning from the assistant majority leader, who indicated that there might be votes, and put everybody on full alert, just as on a normal session day of the Senate—I would hope that would be the last time that that occurs, but that we stop thinking of these very real problems as if they are academic or philosophical. They are not. An awful lot of people are being hurt, and the only way they are going to be stopped from being hurt is if we act, and I do not care whether that action comes on Monday, Tuesday, Wednesday, Thursday, Friday, Saturday, or Sunday.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. WEICKER. I yield to the assistant majority leader.

Mr. ROBERT C. BYRD. Mr. President, I might observe for the record that those who are responsible for the managing of the Penn Central measure could very well have entered a cloture motion on Friday and there would then have been a vote on that cloture motion today.

Mr. WEICKER. I would have to respond to that comment by the distinguished assistant majority leader by saying that there were indications or requests on the part of the leadership that we not file such a petition.

Mr. ROBERT C. BYRD. May I say that there was no indication, that I know about, that such a cloture petition not be filed.

I am not saying that the Senator does not know something about such; I do not know of any.

May I say also that a cloture motion could have been filed on Saturday and there would have been a vote on the cloture petition tomorrow, if that had been done, so the Saturday session need not have been entirely a futile effort.

Mr. WEICKER. If the distinguished Senator from West Virginia will yield for a minute, in order that the record be set straight——

Mr. ROBERT C. BYRD. I am sorry——

Mr. WEICKER. I think it important to point out it was in an attempt to achieve a compromise, or getting together of the parties, the distinguished Senator from Indiana forebore, if you will, filing a cloture petition. I think that ought to be stated on his behalf; that people were at loggerheads. He was not trying to throw fuel in the fire, but trying to get people together where we could move.

Make no mistake about it, having endured the ridiculousness of Saturday and the inability of the leadership and various parties to get together, I do not know what the Senator from Indiana is going to do. I suspect he has in the back of his mind filing the petition. If he does not by the end of today, I will by the end of today.

Mr. ROBERT C. BYRD. I am glad the distinguished Senator made that observation, but the record still stands as I indicated, that such a cloture petition could have been filed on Friday, in which case the meeting of the Senate on Saturday would have accomplished a purpose, that being the vote on the cloture motion would have been conducted today.

So when we talk about the responsibility of the leadership, the leadership cannot carry the whole responsibility for everything around here, but I think the Senator would have to agree that such a cloture motion, if it had been entered on Friday, the Saturday session would have been useful in that there would have been a vote thereon today.

Perhaps a lesson could be learned from that situation that, in the future, cloture motions ought to be——

Mr. WEICKER. Put it this way then, as I understand it the distinguished assistant majority leader has indicated what could or could not have been done. I can assure him from now on I will pay no attention to the entreaties of the leadership and the motion will be filed.

Mr. ROBERT C. BYRD. Well, may I say for the record, this Member of the leadership made no entreaties.

Mr. WEICKER. Then the Senator ought to consider——

Mr. ROBERT C. BYRD. I do not know to whom the Senator refers.

If the Senator is implying that this Senator made entreaties, he is wrong. I do not want the record to be left like that.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. WEICKER. May I request 1 additional minute from the distinguished Senator from Michigan?

The PRESIDING OFFICER. The Senator from Michigan has no additional time.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Oregon (Mr. HATFIELD) is recognized for not to exceed 15 minutes.

SIMPLIFORM ON INCOME TAX

Mr. HATFIELD. Mr. President, Congress is faced with a number of urgent economic proposals, including some significant changes in our income tax laws. Tax increases and decreases are standard tools of fiscal policy and may well be necessary instruments in dealing with our present evils of recession and inflation.

However, I believe that tax reform of a much broader nature is needed at this time, to achieve the long-range objective of social and economic justice and to solve the short-range problems of our economy.

The PRESIDING OFFICER. If the Senator will suspend, the Senate is not in order. Senators will take their seats, the Senator from Oregon is entitled to be heard.

The Senator may proceed.

Mr. HATFIELD. For this reason I am introducing a bill today which would totally restructure the individual income tax. I call this tax proposal Simpliform. It is only slightly changed from a bill I introduced in the last Congress and which has been under development since I presented the concept to the Republican Platform Committee in 1972.

None of us would deny that the income tax is an indispensable tool for gathering revenue and redistributing income. Since it was first authorized by the 16th amendment to the Constitution in 1913 it has played a leading role in our Federal revenue system. Income taxes are expected to provide 44 percent of the revenue for the budget recently presented to the Congress. State and local governments have also turned to the income tax to supplement other sources of revenue.

Almost 200 years ago Adam Smith offered a helpful set of criteria for a "good tax," He said:

It should be certain, convenient, cost little to collect, and be based on the capacity of the taxpayer.

While the income tax may come closer to meeting these standards than any other revenue tool used by the Federal Government, there is no doubt that it falls far short of these goals.

First of all, the income tax is not "certain" in the sense of being clear and indisputable to the ordinary taxpayer. The layman who itemizes his deductions must struggle through a very complex tax code or turn to the private tax preparer or Internal Revenue Service employee for help. Even the experts, who work with the tax code every day, frequently disagree about the application of tax laws to an individual.

The complexity of the forms required in filing a return with itemized deductions violates the criterion of convenience. While some progress has been made in the direction of simplification and the matter was considered further in the House Ways and Means Committee during the last Congress, the individual income tax is far from being convenient and simple. There is no question that the person who can afford to employ a tax accountant to handle his personal tax program benefits more than the person who cannot afford such services.

Of greatest concern to me, however, in offering the Simpliform tax proposal is the failure of our individual income tax to genuinely reflect the capacity to pay. Our tax code is still formally based on the principle of the ability to pay, that is, the rates are scaled upward along with income. There is nothing sinister or un-American about this commitment to income redistribution. From the very adoption of the income tax it has been assumed that the funds to meet the social and economic needs of those with little or no income must come from the higher tax rates of the wealthy.

The failure of the individual income tax to be genuinely progressive in this country is best seen by considering the total tax bill, particularly including the regressive payroll tax. But this combined analysis is not necessary to demonstrate the failings of the individual income tax. The public exposure of the minimal income tax payments of public figures in the last several years has dramatized the failings of our tax code. Quite apart from the ethical and legal questions about the tax payments of particular individuals, the point is that the intent of the tax has been violated when a wealthy person pays little or no tax and a person of modest income surrenders $1 in $5 to the Government.

It should not be thought that income tax underpayment is restricted to a few highly publicized cases. Studies by the Brookings Institution have indicated that the tax paid by those with income of six figures and above does not average more than 30 percent, in spite of a statutory rate up to 70 percent. Recent efforts to correct the problem by means of a minimum tax have not solved the fundamental problem. The result of this nonprogressive tax is a serious imbalance of income in a country supposedly valuing equal opportunity. Studies based on 1970 data indicate that the wealthiest 10 percent of the population receive 29 percent of the personal income and own 56 percent of the wealth. In contrast, the poorest 10 percent receive 1 percent of the income and owe more than they own.

The feature of the tax laws which allows most people, whatever their income, to keep their tax rate in the 20-percent range is, of course, the generous array of deductions, credits, and exemptions. Tax reform groups have been warning us about the violation of the progressive principle and now two significant studies by the legislative and executive branch lend weight to their arguments.

The Subcommittee on Priorities and Economy in Government of the Joint Economic Committee of Congress completed a study in October of Federal subsidy programs. This excellent document prepared under the direction of the subcommittee chairman, the distinguished Senator from Wisconsin (Mr. PROXMIRE) covers the full range of direct cash payments, credit subsidies and in-kind distributions. Of greatest significance in reference to tax policy is the section on tax subsidies, that is, those provisions of the law which allow an individual or firm engaging in a specific market activity to make smaller tax payments to the Government than would otherwise be made. Having dealt with items which allow reduced tax payments such as capital gains, charitable contributions, and medical expenses, the committee estimated that nearly $60 billion was retained by individuals and corporations in fiscal year 1975 because of tax subsidies.

Of even greater interest is the recent disclosure by the Office of Management and Budget of a similar listing of tax breaks, called tax expenditures in the "Special Analyses" to the 1976 budget now before Congress. Tax expenditures are defined in this report as "revenue losses attributable to a special exclusion, exemption, or deduction from gross income or to a special credit, preferential rate of tax, or deferral of tax liability." It is correctly pointed out that tax expenditures are best seen as alternatives to budget outlays. They are ways of distributing to individuals and organizations tax money which would normally be placed in the public coffers.

The administration cautions against adding up their list of tax expenditures, since each item was calculated on the assumption that other tax laws would remain unchanged and that taxpayer behavior and general economic conditions would remain unchanged. Nevertheless, it is illustrative to see their combined effort. Fortunately, the OMB provided separate columns for corporate and for individual tax expenditures. Some subsidies, of course, affect both corporations and individuals. Acknowledging that the totals may be misleading, it is interesting to note that a combined figure of $91.8 billion is expected in tax expenditures in fiscal year 1976, if no changes were made in the 1974 tax laws. The figures are consistently higher than those used by the Proxmire committee, even though OMB left out some significant corporate tax expenditures, such as investment credits and the "asset depreciation range."

Of greatest interest in the context of individual tax reform is the fact that $70.8 billion of the tax expenditures expected in fiscal year 1976 will go to individuals. Even allowing for a margin of error in these estimates, the amount is enormous when compared with the total expected receipts from individual income taxes in fiscal year 1976 of $106.3 billion.

Tax expenditures and subsidies, then, are responsible for short-circuiting a supposedly progressive income tax. We agonize over finding the funds to appropriate a few million dollars for various worthy programs, but do not bother to regularly review the system of hidden appropriations in the form of tax expenditures, referred to as tax expenditures and tax subsidies.

These new studies speak eloquently of the need for tax reform, as do the economic problems of our country and the world. The President in his state of the Union address and in his budget message has presented a program to combat excessive energy consumption and mounting unemployment. The American people seem to be the losers in this program, for it anticipates unemployment continuing at about 8 percent, inflation remaining above 11 percent and the annual budget deficit soaring to $49 billion. All of this is projected in the basis that new spending is ruled out and most human services are being curtailed. The only portions of the budget which seem to be judged worthy of strengthening are defense and energy development.

While I do not pretend that tax reform, whether achieved by my plan or any other, will cure all of our economic ills, I do insist that it be considered as a necessary component of current as well as long-range economic policy.

Despite the efforts of the House Ways and Means Committee to achieve tax reform in the last Congress, they were hindered not only by committee difficulties and election-year delays, but the resistance to tax reform from some sectors. Item-by-item reform, in my opinion, is doomed to failure. Beneficiaries of tax loopholes will continue to bring pressure to bear to guard the laws are advantageous to themselves.

For these reasons, Mr. President, I offer Simpliform as one solution to the failings of the individual income tax. I am leaving to others the needed reforms in the corporate income tax, the payroll tax, and the estate and gift taxes. My plan would be complementary to efforts to reform these other taxes, as well as to overhaul our welfare and income maintenance programs.

For most people Simpliform would substitute a four-line calculation for the present complex form 1040. It replaces 27 tax brackets with 9 and 4 tax tables with 1. It provides one tax credit for adults in place of a series of exemptions under present law. No technical assistance would be needed in most cases and the process of filing returns and receiving refunds would be quick and inexpensive.

The reform features of Simpliform are even more important than the simplification gains. The multitude of individual tax subsidies would be eliminated in favor of a lower, but progressive tax rate. While the personal tax credit would mean that a couple with income under $5,000 would pay no tax, the basic tax rate would be 10 percent. As income moved above $10,000, the progressive feature would be implemented by means of a surtax, which would reach a total of 50 percent for incomes over $1 million. While upper income people who have been benefiting from various deductions would be subject to more tax under Simpliform, their tax rate would not surpass 30 percent unless their income exceeded $50,000.

Simpliform would achieve some profound gains in fairness and equity. Personal tax credits are much more equitable than exemptions, for they always carry the same dollar value. The present personal exemptions provide four times as much tax saving for the wealthy as for the lower income person. Simpliform's restriction of credits to adults removes the tax disadvantage from the single and the childless taxpayers. The advantages enjoyed by the homeowner over the renter are eliminated, at least from the tax law. While these and other tax advantages under present law may actually be consistent with American goals and values, the problem is that these deductions always benefit the wealthy more than the middle- and lower-income person. As in the case of personal exemptions, the person in the higher tax bracket gains much more from the deductions than the lower-income person.

There are those who would be troubled at the thought of tampering with some of the tax subsidies, such as reduced rates for capital gains and deductions for charitable contribution. Actually, reduced rates for capital gains would no longer be necessary for most people, because their lower Simpliform rate would be comparable to the reduced capital gains rate.

The elimination of the deduction for contributions to charitable organizations should not be seen as a threat to the many worthy causes benefitting from these deductions. In some cases, such as educational institutions and health agencies, support should be provided by means of the direct and responsible route, that of appropriations. This could be done without seriously increasing the tax burden on the average person. Those organizations which should not be directly subsidized, such as religious groups, would continue to rely on the voluntary contributions of their supporters. Those who deeply believe in the goals and values of such groups will not cease their support because of the loss of the tax deduction. Moreover, the typical taxpayer would have additional funds to such purposes, because of the tax savings under Simpliform. A person can easily compare the effect of Simpliform on his own income tax obligation by a quick exercise in arithmetic and a comparison with his 1974 return. Simpliform is calculated by multiplying income by the appropriate tax rate and substracting the number of $250 adult tax credits. While those now substracting large deductions from an income over $20,000 will probably pay more tax, they can depend on the rate not exceeding a reasonable figure and are assured of fairness in the amount they pay. The modest-income family, the single person, and the typical senior citizen can count on paying less tax under Simpliform and can also be assured of fairness in what they pay.

Mr. President, I submit Simpliform in the hope that it will be given thorough consideration. Other tax reform plans are being offered and I am happy to have them considered as well, hoping that they too will be thorough and simple. Let us not become so preoccupied with short-range economic solutions that we neglect the urgent goal of tax reform.

Mr. President, I ask unanimous consent that the text of the bill, along with a brief summary of the bill, be printed in the Record.

There being no objection, the bill and summary were ordered to be printed in the Record, as follows:

S. 802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Simpliform Tax Act".

(b) Amendment of 1954 Code.—Except as otherwise expressly provided, whenever in this Act a reference is made (by way of amendment, repeal, or otherwise) to a section, chapter or other provision, the reference shall be considered to be made to a section, chapter, or other provision of the Internal Revenue Code of 1954.

(c) Technical and Conforming Changes.—The Secretary of the Treasury or his delegate shall, as soon as practicable but in any event not later than 90 days after the date of enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives a draft of any technical and conforming changes in the Internal Revenue Code of 1954 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this Act.

EFFECTIVE DATE

Sec. 2. Except as otherwise provided the amendments and repeals made by this Act shall apply to taxable years beginning after the date of the enactment of this Act.

REPEALS

Sec. 3. (a) The following provisions in chapter 1 (relating to normal taxes and surtaxes) are repealed:

(1) Section 4 (relating to rules for optional tax).

(2) Section 35 (relating to partially tax-exempt interest received by individuals).

(3) Section 37 (relating to retirement income).

(4) Section 41 (relating to contributions to candidates for public office).

(5) Part VI of subchapter A (relating to minimum tax for tax preferences).

(6) All sections in part III of subchapter B (relating to items specifically excluded from gross income), except—

(A) section 101 (relating to certain death benefits),

(B) section 102 (relating to gifts and inheritances),

(C) section 104 (relating to compensation for injuries or sickness),

(D) section 105 (relating to amounts received under accident and health plans),

(E) section 106 (relating to contributions by employer to accident and health plans),

(F) section 109 (relating to improvements by lessee on lessor's property),

(G) section 110 (relating to income taxes paid by lessee corporation),

(H) section 115 (relating to income of States, municipalities, etc.),

(I) section 118 (relating to contributions to the capital of a corporation), and

(J) section 122 (relating to certain reduced uniformed services retirement pay).

(K) section 124 (relating to cross references to other Acts).

(7) All sections in part IV of subchapter B (relating to standard deductions for individuals) except section 143 (relating to determination of marital status).

(8) Part V of subchapter B (relating to deductions for personal exemptions).

(9) Section 163 (relating to interest).

(10) Section 164 (relating to taxes).

(11) Section 170 (relating to charitable, etc., contributions and gifts).

(12) All sections in part VII of subchapter B (relating to additional itemized deductions for individuals) except—

(A) section 211 (relating to allowance of deductions),

(B) section 212 (relating to expenses for production of income), and

(C) section 215 (relating to alimony, etc., payments).

(13) Subchapter D (relating to deferred compensation, etc.).

(14) Section 911 (relating to earned income from sources without the United States).

(15) Section 6013 (relating to joint returns of income tax by husband and wife).

(b) All provisions of law (other than the provisions of subtitle A of the Internal Revenue Code 1954, as amended by this Act), and all administrative regulations or rulings which exempt or exclude items of income from the tax imposed by such subtitle A shall have no force or effect for taxable years beginning after the date of the enactment of this Act.

RATE OF TAX ON INDIVIDUALS

SEC. 4. Part I of subchapter A of chapter 1 (relating to tax on individuals) is amended to read as follows:

"PART I—TAX ON INDIVIDUALS

"Sec. 1. Tax imposed.

"Sec. 2. Community property laws not to apply.

"Sec. 3. Cross references relating to tax on individuals.

"SEC. 1. TAX IMPOSED.

"(a) BASIC TAX.—There is imposed on the income of every individual a tax of 10 percent.

"(b) SURTAX.—There is imposed on the income of every individual a surtax in accordance with the following table:

"If the taxable income is—	The surtax is—
Over $10,000 but not over $15,000	5% of the excess over $10,000.
Over $15,000 but not over $20,000	$250 plus 10% of the excess over $15,000.
Over $20,000 but not over $25,000	$750 plus 16% of the excess over $20,000.
Over $25,000 but not over $50,000	$1,500 plus 20% of the excess over $25,000.
Over $50,000 but not over $100,000	$6,500 plus 25% of the excess over $50,000.
Over $100,000 but not over $500,000	$19,000 plus 30% of the excess over $100,000.
Over $500,000 but not over $1,000,000	$169,000 plus 35% of the excess over $500,000.
Over $1,000,000	$344,000 plus 40% of the excess over $1,000,000.

"(c) NONRESIDENT ALIENS.—In the case of a nonresident alien individual, the tax imposed by subsections (a) and (b) shall apply only as provided by section 871 or 877.

"SEC. 2. COMMUNITY PROPERTY LAWS NOT TO APPLY.

"For purposes of this subtitle, the income of a married taxpayer shall be determined without regard to the property laws of any State under which any part of the income of a married individual is treated as the income of his spouse.

"SEC. 3. CROSS REFERENCES RELATING TO TAX ON INDIVIDUALS.

"(a) OTHER RATES OF TAX ON INDIVIDUALS, ETC.,

"(1) For rates of tax on nonresident aliens, see section 871.

"(2) For computation of tax where taxpayer restores substantial amount held under claim of right, see section 1341.

"(3) For limitation on tax attributable to claims against the United States involving acquisitions of property, see section 1347."

PERSONAL EXEMPTION CREDIT

SEC. 5. (a) Subpart A of part IV of subchapter A of chapter 1 is amended by redesignating section 42 as 43 and by inserting after section 41 the following new section:

"SEC. 42. PERSONAL EXEMPTION.

"(a) ALLOWANCE OF CREDIT.—There shall be allowed to an individual as a credit against the tax imposed by this subtitle for the taxable year, an amount equal to—

"(1) $250 for the taxpayer,

"(2) $250 for the spouse of the taxpayer (unless such spouse files a separate return), and

"(3) $250 for each dependent of the taxpayer who is 18 years of age or older.

"(b) DEFINITION OF DEPENDENT.—For purposes of this section, the term 'dependent' means any of the following individuals over half of whose support, for the calendar year in which the taxable year of the taxpayer begins, was received from the taxpayer (or is treated under subsection (c) or (e) as received from the taxpayer):

"(1) A son or daughter of the taxpayer, or a descendant of either,

"(2) A stepson or stepdaughter of the taxpayer,

"(3) A brother, sister, stepbrother, or stepsister of the taxpayer,

"(4) The father or mother of the taxpayer, or an ancestor of either,

"(5) A stepfather or stepmother of the taxpayer,

"(6) A son or daughter of a brother or sister of the taxpayer,

"(7) A brother or sister of the father or mother of the taxpayer,

"(8) A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the taxpayer.

"(9) An individual (other than an individual who at any time during the taxable year was the spouse, determined without regard to subsection(e), of the taxpayer) who, for the taxable year of the taxpayer, has as his principal place of abode the home of the taxpayer and is a member of the taxpayer's household, or

"(10) An individual who—

"(A) is a descendant of a brother or sister of the father or mother of the taxpayer,

"(B) for the taxable year of the taxpayer receives institutional care required by reason of a physical or mental disability, and

"(C) before receiving such institutional care, was a member of the same household as the taxpayer.

"(c) RULES RELATING TO DEFINITION OF DEPENDENT.—For purposes of this section—

"(1) The terms 'brother' and 'sister' include a brother or sister by the halfblood.

"(2) In determining whether any of the relationships specified in subsection (a) or paragraph (1) of this subsection exists, a legally adopted child of an individual (and a child who is a member of an individual's household, if placed with such individual by an authorized placement agency for legal adoption by such individual), or a foster child of an individual (if such child satisfies the requirements of subsection (b)(9) with respect to such individual), shall be treated as a child of such individual by blood.

"(3) The term 'dependent' does not include any individual who is not a citizen or national of the United States unless such individual is a resident of the United States, of a country contiguous to the United States, of the Canal Zone, or of the Republic of Panama. The preceding sentence shall not exclude from the definition of 'dependent' any child of the taxpayer—

"(A) born to him, or legally adopted by him, in the Philippine Islands before January 1, 1956, if the child is a resident of the Republic of the Philippines, and if the taxpayer was a member of the Armed Forces of the United States at the time the child was born to him or legally adopted by him, or

"(B) legally adopted by him, if, for the taxable year of the taxpayer, the child has as his principal place of abode the home of the taxpayer and is a member of the taxpayer's household, and if the taxpayer is a citizen or national of the United States.

"(4) A payment to a wife which is includable in the gross income of the wife under section 71 or 682 shall not be treated as a payment by her husband for the support of any dependent.

"(5) An individual is not a member of the taxpayer's household if at any time during the taxable year of the taxpayer the relationship between such individual and the taxpayer is in violation of local law.

"(d) MULTIPLE SUPPORT AGREEMENTS.—For purposes of subsection (b), over half of the support of an individual for a calendar year shall be treated as received from the taxpayer if—

"(1) no one person contributed over half of such support;

"(2) over half of such support was received from persons each of whom, but for the fact that he did not contribute over half of such support, would have been entitled to claim such individual as a dependent for a taxable year beginning in such a calendar year;

"(3) the taxpayer contributed over 10 percent of such support; and

"(4) each person described in paragraph (2) (other than the taxpayer) who contributed over 10 percent of such support files written declaration (in such manner and form as the Secretary or his delegate may by regulations prescribe) that he will not claim such individual as a dependent for any taxable year beginning in such calendar year.

"(e) DETERMINATION OF MARITAL STATUS.—For purposes of this section—

"(1) the determination of whether an individual is married shall be made as of the close of his taxable year; except that if his spouse dies during his taxable year such determination shall be made as of the time of such death; and

"(2) an individual legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married.

"(f) CROSS REFERENCES.—

"(1) For definitions of 'husband' and 'wife', as used in subsection (c)(4), see section 7701(a)(17).

"(2) For deductions of estates and trusts, in lieu of the credit under this section, see section 642(b)."

(b) The table of sections for such part is amended by striking out the last item and inserting in lieu thereof the following:

"SEC. 42. PERSONAL EXEMPTION.

SEC. 43. OVERPAYMENT OF TAX.

(c) Section 143(b)(1) is amended by striking out "deduction" and inserting "credit", and by striking out "section 152" and "section 151" and inserting in each place "section 42".

(d) Section 46(a)(3)(B) (relating to the investment credit) is amended to read as follows:

"(B) section 42 (relating to personal exemptions), and".

(e) Section 172(d)(3) (relating to net operating loss deduction) is amended to read as follows:

"(3) ESTATES AND TRUSTS.—No deduction shall be allowed for the personal exemption allowed an estate or trust under section 642(b)."

(f) Section 443(c) (relating to return for short period) is amended by striking out "a deduction under section 151 (and any deduction in lieu thereof)" and inserting in lieu thereof "as a credit under section 42 or a deduction under section 642(b)".

(g) The last sentence of section 642(b) (relating to estates and trusts) is amended to read as follows: "The deductions allowed by this subsection shall be in lieu of the credits allowed under section 42 (relating to credit for personal exemption)".

(h) Section 703(a)(2) (relating to partnership computations) is amended by striking out subparagraph (B).

(i) Paragraph (3) of section 873(b) (relating to nonresident aliens) is amended to read as follows:

"(3) CREDIT FOR PERSONAL EXEMPTION.—Except in the case of a nonresident alien individual who is a resident of a contiguous country, only one credit shall be allowed for exemptions under section 42."

(j) Section 891 (relating to citizens of foreign countries) is amended by striking out "under section 151 and".

(k) Section 933(1) (relating to residents of Puerto Rico) is amended by striking out "(other than the deductions under section 151, relating to personal exemptions)".

(l) Section 1211(b)(3) (relating to deduction of capital losses) is amended by striking out "the deductions provided in section 151 (relating to personal exemptions) or any deduction in lieu thereof" and inserting in lieu thereof "any deduction allowed by section 642(b)".

(m) Section 1402(a) (relating to self-employment income) is amended by striking out paragraph (7).

GAINS AND LOSSES ON PROPERTY HELD AT DEATH OR TRANSFERRED BY GIFT

SEC. 6. (a) Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end thereof the following new sections:

"SEC. 84. GAINS AND LOSSES ON PROPERTY AT TIME OF DEATH.

"(a) IN GENERAL.—Upon the death of an individual, there shall be taken into account in computing taxable income for the taxable period in which falls the date of his death, a percentage (determined under subsection (c)) of the gains and losses which would have been realized and taken into account in computing taxable income (of the decedent or some other person) if all the property (other than property described in subsection (b)) required to be included in determining the value of the decedent's gross estate under chapter 11 had been sold immediately before his death at the estate tax fair market value. This subsection shall not apply unless the aggregate amount of such fair market value exceeds $60,000.

"(b) EXCLUDED PROPERTY.—Subsection (a) shall not apply to—

"(1) property which passes or has passed from the decedent to his surviving spouse and which qualifies for the deduction provided by section 2056;

"(2) property which passes or has passed to a corporation, organization, or other entity described in section 2055 and which qualifies for the deduction provided by such section;

"(3) items of gross income in respect of a decedent described in section 691; or

"(4) any other property includable in the gross estate of the decedent under chapter 11 for which basis is not provided for in section 1014 (a).

"(c) RULES FOR APPLICATION OF SUBSECTION (a).—For purposes of subsection (a)—

"(1) The estate tax fair market value of property is the fair market value of the property at the date of the decedent's death, or, in the case of an election under section 2032, its value at the application valuation date prescribed by that section.

"(2) If the aggregate adjusted basis of all property subject to the provisions of subsection (a) is less than $60,000, and the gains under subsection (a) (without the application of this paragraph) exceed the losses, then the aggregate adjusted basis of such property shall be increased to $60,000.

"(3) Losses shall be taken into account without regard to the provisions of section 1091.

"(4) The percentage of gains and losses taken into account shall be determined in accordance with the following table:

"For taxable years beginning:	The percentage is—
Less than 1 year after the date of enactment of the Simpliform Tax Act	0
1 year or more but less than 2 years after such date	20
2 years or more but less than 3 years after such date	40
3 years or more but less than 4 years after such date	60
4 years or more but less than 5 years after such date	80
5 years or more after such date	100

"(d) TIME FOR FILING RETURN.—If subsection (a) applies to the taxable year, the time for filing the return for such year shall be the date nine months after the date of the decedent's death if such date is later than the time prescribed in section 6072 for filing such return.

"(e) LIABILITY WITH RESPECT TO PROPERTY TRANSFERRED BEFORE DEATH.—If gain is taken into account under subsection (a) with respect to property transferred by the decedent during his lifetime, the executor shall be entitled, unless the decedent directs otherwise in his will, to recover from the transferee of such property the amount of income tax imposed with respect to such gain.

"SEC. 85. GAINS AND LOSSES ON INTER VIVOS GIFTS.

"(a) IN GENERAL.—In the case of the transfer of property by an individual by inter vivos gift, there shall be taken into account in computing taxable income for the taxable period in which the transfer was made, the gain or loss which would have been realized and taken into account in computing taxable income if the taxpayer had sold the property at its fair market value at the time of the transfer.

"(b) EXCEPTIONS.—

"(1) IN GENERAL.—Subsection (a) shall not apply to a transfer of property, to the extent that, at the time of the transfer, the aggregate fair market value of—

"(A) property (including the transferred property) held by the taxpayer, and

"(B) property previously transferred by the taxpayer after the date of the enactment of the Simpliform Tax Act,

does not exceed $60,000.

"(2) GIFTS TO SPOUSE.—Subsection (a) shall not apply to a transfer of property to the taxpayer's spouse."

(b)(1) Section 1014(b) (relating to basis of property acquired from a decedent) is amended by striking out paragraphs (5) and (6).

(2) Paragraph (9) of section 1014(b) is amended by inserting "and" at the end of subparagraph (A), by striking out subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(3) Section 1015 (relating to basis of property acquired by gifts and transfer in trust) is amended by adding at the end thereof the following new subsection:

"(e) PROPERTY SUBJECT TO TAX UPON TRANSFER.—If the property was acquired by gift in a transfer to which section 85(a) (relating to gains and losses on inter vivos gifts) applied, the basis shall be the fair market value of the property at the time of the transfer."

(4) Section 6161(a) (relating to extension of time for paying tax) is amended—

(A) by inserting "or income tax for a decedent's final taxable period" after "estate tax" in paragraph (1),

(B) by inserting "and income tax on gains at death" after "Excise tax" in the heading of paragraph (2), and

(C) by inserting at the end of paragraph (2)(A) "or of any part of the tax imposed by chapter 1 attributable to the application of section 84,".

(5) Section 6166 (relating to extension of time for payment of estate tax where estate consists largely of interest in closely held business) is amended—

(A) by inserting "AND INCOME TAX ON GAINS AT DEATH" after "ESTATE TAX" in the heading, and

(B) by redesignating subsections (j) and (k) as (k) and (l), respectively, and by inserting after subsection (i) the following new subsection:

"(j) TAX ON GAINS AT DEATH.—Under regulations prescribed by the Secretary or his delegate, the provisions of this section shall apply with respect to so much of the tax imposed by chapter I as is attributable to the application of section 84 (relating to gains and losses on property at time of death) in the same manner as it applies to the tax imposed by section 2001."

(c) Section 84 of the Internal Revenue Code of 1954 (as added by subsection (a) and the amendments made by paragraphs (1), (2), (5), and (6) of subsection (b) shall apply with respect to decedents dying after the date of the enactment of this Act. Section 85 of such Code (as added by subsection (a)) and the amendments made by paragraphs (3) and (4) of subsection (b) shall apply with respect to transfers of property by inter vivos gift after such date.

TREATMENT OF CAPITAL GAINS

SEC. 7. (a) Section 1201(b) (relating to other taxpayers) is amended by inserting "or an individual" after "other than a corporation".

(b) Section 1202 (relating to deduction for capital gains) is amended by inserting "or an individual" after "other than a corporation".

(c) Section 1211 (relating to limitation on capital losses) is amended by—

(1) inserting "or an individual" after "other than a corporation" in subsection (a),

(2) inserting "or an individual" after "other than a corporation" in paragraph (1) of subsection (b), and

(3) striking out paragraph (2) and redesignating paragraph (3) as (2).

SPECIFIC INCLUSIONS IN GROSS INCOME

Sec. 8. (a) Part II of subchapter B of chapter 1, as amended by section 6, is amended by adding at the end thereof the following new section:

"SEC. 86. SOCIAL SECURITY AND WELFARE PAYMENTS.

"There shall be included in gross income monthly insurance benefits paid under title II of the Social Security Act to the taxpayer and any other cash benefits paid (other than a lump sum payable on account of death) to the taxpayer under such Act or any other Act of the United States or of any State providing for the payment of money to individuals in order to enable them to purchase food, clothing, and shelter and otherwise provide for their general welfare."

(b) The table of sections of such part is amended by adding at the end thereof the following new item:

"Sec. 86. Social security and welfare payments."

(c) Section 74 (relating to prizes and awards) is amended to read as follows:

"SEC. 74. PRIZES AND AWARDS.

"Gross income includes amounts received as prizes and awards, including amounts received as scholarships and fellowship grants."

(d)(1) Section 274(a) (relating to entertainment, amusement, or recreation expenses) is amended to read as follows:

"(a) ENTERTAINMENT, AMUSEMENT, OR RECREATION.—No deduction otherwise allowable under this chapter shall be allowed for any item with respect to an activity which is of a type generally considered to constitute entertainment, amusement, or recreation, or with respect to a facility used in connection with such activity. For purposes of this subsection—

"(1) dues or fees to any social, athletic, or sporting club or organization shall be treated as items with respect to facilities, and

"(2) an activity described in section 212 shall be treated as a trade or business."

(2) Section 274(e) (relating to specific exceptions to application of subsection(a)) is amended by striking out paragraph (1) (relating to business meals).

MISCELLANEOUS AMENDMENTS

SEC. 9. (a) Section 62 (relating to adjusted gross income defined) is amended by striking out paragraphs (3) and (8) and redesignating paragraphs (4), (5), (6), (7), and (9) as (3), (4), (5), (6), and (7), respectively.

(b) The text of section 63 (relating to taxable income defined) is amended to read as follows:

"For purposes of this subtitle the term 'taxable income' means gross income minus the deductions allowed by this chapter."

WITHHOLDING

SEC. 10. (a) Section 3402 (relating to income tax collected at source) is amended by—

(1) striking out subsections (b), (c), (f), and (m), and

(2) amending subsection (a) to read as follows:

"(a) REQUIREMENT OF WITHHOLDING.—Every employer making payment of wages shall deduct and withhold upon such wages (except as otherwise provided in this section) a tax determined in accordance with tables prescribed by the Secretary or his delegate.".

(b) Subsection (p) (relating to extension of withholding to certain payments other than wages) is amended by—

(1) striking "General rule." in paragraph (1) and inserting in lieu thereof "Supplemental unemployment compensation benefits and annuities.",

(2) redesignating paragraphs (1) through (3) as (2) through (4), respectively,

(3) striking "paragraph (1)" in paragraph (3)(A) (as redesignated by this Act) and inserting in lieu thereof "paragraph (2)", and

(4) inserting before paragraph (2) (as redesignated by this Act) the following new paragraph:

"(1) IN GENERAL.—Under regulations prescribed by the Secretary or his delegate, any person making a payment of interest, a dividend, or any other payment subject to tax under chapter 1, shall deduct and withhold upon such payment a tax of 10 percent. For purposes of this chapter (and so much of subtitle F as relates to this chapter) any such payment shall be treated as if it were a payment of wages by an employer to an employee for a payroll period."

BRIEF SUMMARY OF SIMPLIFORM TAX PLAN

PURPOSE

To reform the individual income tax and eliminate tax loopholes.

SUMMARY

Simpliform would replace most income tax deductions and exemptions with a uniform and fair tax rate. Nearly all taxpayers would use a simple, two-step calculation to determine their tax.

THE TAX RATE

Eliminating the loopholes would allow the rate to be lowered for most people. A couple with income under $5,000 would pay no tax. Above that the standard rate would be 10% with a surtax added for income above $10,000.

The surtax is summarized in this table:

	But not over	Basic surtax	Additional surtax (percent)	For income over
Income over:				
$10,000	$15,000		5	$10,000
15,000	20,000	$250	10	15,000
20,000	25,000	750	16	20,000
25,000	50,000	1,500	20	25,000
50,000	100,000	6,500	25	50,000
100,000	500,000	19,000	30	100,000
500,000	1,000,000	169,000	35	500,000
1,000,000		340,000	40	1,000,000

TAX CREDITS

In place of the present system of personal exemptions, Simpliform would allow a $250 credit for adults. The present personal exemptions provide up to four times as much tax saving for the wealthy as for the lower income person. Simpliform's restriction of credits to adults removes the tax disadvantages from the single and childless taxpayers.

TAX SAVINGS WITH SIMPLIFORM

Using the simplest method of calculating taxes under 1974 laws and using the standard deduction, the following examples illustrate some of the categories of people who would pay lower taxes with Simpliform.

A. Married couples with two children, gross income of $10,000.

Present tax laws

Gross income—$10,000:	
Standard deduction	$1,500
Exemptions	3,000
Taxable income	5,500
Tax	905

Simpliform

Gross income—$10,000:	
Tax	$1,000
Credits	500
Net tax	500

B. Single person, gross income of $12,000.

Present tax laws

Gross income—12,000:	
Standard deduction	$1,800
Exemptions	750
Taxable income	9,450
Net tax	1,852

Simpliform

Gross income—12,000:	
Tax	$1,200
Surtax	600
Credits	250
Net tax	1,550

C. Retired couple, $6,000 pension income, $2,000 Social Security income.

Present tax laws

Gross income—$6,000 (S.S. not taxed):	
Standard deduction	$900
Exemptions	3,000
Taxable income	2,100
Net tax	306

Simpliform

Gross income—$8,000:	
Tax	$800
Credits	500
Net tax	300

D. Married couple with three children, gross income of $21,000.

Present tax laws

Gross income—$21,000:	
Standard deduction	$3,150
Exemptions	3,750
Taxable income	14,100
Net tax	2,785

Simpliform

Gross income—$21,000:	
Tax	$2,100
Surtax	910
Credits	500
Net tax	2,510

ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER** (Mr. HATHAWAY). The Senate will now proceed to the transaction of morning business, with statements therein limited to 3 minutes.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

Mr. ALLEN. Mr. President, quite a bit has been said on the floor of the Senate today about the Penn Central bailout bill. The Senator from Alabama would like to relate a little history of the legislative process that has taken place with respect to the bill.

The Senate passed the bill. It went to the House, and they amended it and provided for more Federal subsidy. The bill came back to the Senate at 11:34 Thursday morning and could have been acted upon at 11:35 in the Senate. Instead of that, the proponents of Senate Resolution 4, the so-called rules change resolution, set the change in the Senate rules above the Penn Central issue and every other economic issue facing this country.

So when this time bomb was set off in the U.S. Senate, it was a conscious decision by the proponents of Senate Resolution 4 that they placed this resolution, this gag rule resolution, ahead of the so-called saving of the Penn Central.

On the matter of a final vote after the motion to proceed to Senate Resolution 4 on Thursday, the Senator from Alabama agreed on Friday—and it is in the record—to vote on the Penn Central issue, to vote on Friday, conditioned on being recognized today following the recognition of the two leaders. That offer was rejected. Why an effort was not made to invoke cloture by the filing of a cloture motion on Friday—which would have been voted on today—the Senator from Alabama does not profess to know.

He does feel, however, that the proponents of the Penn Central bill—and I reserve expressly from this charge the distinguished Senator from Connecticut (Mr. WEICKER)—are allowing their interests in Senate Resolution 4 to color their thinking with respect to the passage of the Penn Central issue.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. ROBERT C. BYRD. Mr. President, I yield my 3 minutes to the distinguished Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator from West Virginia.

Mr. President, why do I make that statement? Because they fear that if cloture is invoked on the Penn Central issue, it will be decisive of the question involved on Senate Resolution 4, as to whether that will take a majority vote or a two-thirds vote to cut off debate.

Once rule XXII is used to cut off debate, how could it be contended later that there is no rule XXII?

So I charge that some of those who support the Penn Central bailout are not pushing that matter with the strength they should or the energy they should because they are more interested in this rule change.

I suggest, Mr. President, that if this effort to amend the Senate rules is laid aside, we can pass the Penn Central bill today. So which is more important to the distinguished proponents of Senate Resolution 4—solving the Penn Central issue or insisting on the pushing of their resolution?

Mr. President, it would seem to the Senator from Alabama that following the legal fiction that is asserted by the proponents of the rules change, there is some different rule existing at the beginning of a session. Surely, at this late date, after an effort has been made by the proponents of the rules change to get it to a vote, and that effort has failed, the beginning of the 94th Congress has now come to an end; and any effort to amend the Senate rules and cut off debate thereon will require a two-thirds vote. I am hopeful that the distinguished President of the Senate will so rule when the matter is presented to him later this month or next month.

Mr. HARRY F. BYRD, JR. Mr. President, the able Senator from Alabama has set the situation in perspective, I feel.

In the same regard, talking about when the beginning of a session has ended, I had the Journal researched; and I find that the Senate has already passed 3 House bills, 1 House joint resolution, 1 House concurrent resolution, 5 Senate bills, 5 joint resolutions, 5 concurrent resolutions, and 20 Senate resolutions.

So it seems to me that if there is anything to the fiction that there is one type of rule for the beginning of a session and another type of rule for later in the session, that fiction goes by the board when one considers the measures that already have been passed.

As the able Senator from Alabama just pointed out, the Penn Central issue could be resolved very quickly if the proponents of Senate Resolution 4 were to recognize the facts and withdraw the resolution.

Mr. President, it also is clear that the matter can be resolved in regard to the Penn Central by filing a cloture motion. Under rule XXII, which is part of the Standing Rules of the Senate in operation today, if two-thirds of the Senate vote to cut off debate, the Penn Central issue can be resolved very quickly in that manner.

Mr. MONDALE. Mr. President, I think it is pretty obvious to all what is happening. We are being presented with two filibusters at the same time—one against the Senate in its attempt to amend the rules under the Constitution of the United States to permit three-fifths of the Senate to invoke cloture. The second one now is a filibuster to threaten the jobs of thousands and thousands of Americans unless the minority in the Senate has its way and unless we agree to frustrate once again the clear meaning of the Constitution of the United States, and frustrate once again the national demand that the American people get a Congress that can act, rather than one which is repeatedly subject to paralysis because of the archaic and indefensible two-thirds rule which permits a small minority to paralyze the Senate no matter what the Senate wishes to do, no matter what the American people want done, and no matter how large the margin is in the Senate, provided it is less than two-thirds.

Mr. President, the record is very clear. Senate Resolution 4 was not called up yesterday or the day before. It was called up before the Senate on January 14, 1975. Let me repeat that date. On January 14, 1975, over a month ago, the proponents of Senate Resolution 4 called up this resolution before the Senate. From that time forward, it has been opposed through a filibuster because the opponents of Senate Resolution 4 know that the Constitution permits us to change the rules, that the Vice President has now ruled that we are on sound legal ground in doing so. For the first time in American history, the majority of the U.S. Senate has sustained the Vice President in his ruling under the Constitution that we have a right to change the rules. So the opponents of this resolution have fixed on a new strategy; namely, two filibusters at the same time: One to prevent the Senate from adopting its viewpoints on the merits under the rules of the Constitution of the United States; the second, one which threatens the economy of America and the jobs of thousands and thousands of Americans who have nothing to do with this rules change. They are not involved at all. But their jobs are being placed in jeopardy by a minority in the Senate who say that they are entitled to have their way no matter what.

Now we hear a new argument: if Senate Resolution 4 is not pulled down, we will continue to have this filibuster, which jeopardizes the American economy. The second argument is that if cloture is invoked on railroad retirement, they are going to argue that we have waived our rights under Senate Resolution 4 and under the Constitution of the United States.

Mr. President, at the time we introduced Senate Resolution 4, it was made clear, and I cite page S10, that in no sense were we acquiescing to our rights and our remedies to push for rules changes by proceeding with the business of the Senate. I think the argument by the distinguished Senator from Alabama is a strained one, which would not and could not be sustained by the Vice President of the United States if he is required to rule.

In any event, let the American people know what is happening here. Despite the fact that the Vice President has ruled that we have a chance to change the rules, despite the fact that the U.S. Senate, last Thursday, voted to do so, we are being denied the right to do so by a filibuster, and the jobs of thousands and thousands of Americans and even the vitality of the American economy are being held hostage to a small minority, who insist on having their way nevertheless.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask that the Journal of Proceedings for Saturday, February 22, 1975, be approved.

The PRESIDING OFFICER. Without objection——

Mr. ALLEN. Mr. President, I object.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Reserving the right to object, Mr. President, the reason I do this is that the leadership, at the close of business each day, instead of adjourning the Senate, has recessed the Senate so that, no matter what day of the week or month Saturday was, last Saturday, it was part of the legislative day of the preceding date. All the distinguished assistant majority leader is doing here is getting approval of the Journal piecemeal; so just as soon as this legislative day has ended, and this is the same legislative day we were in on Saturday, it is the same legislative day we were in on Friday—I do not know how far back it goes. But until the legislative day has ended, I feel it would be inappropriate to bring up any request to approve the Journal piecemeal.

For that reason, I must respectfully decline the request.

Mr. ROBERT C. BYRD. The Senator certainly has the right to object.

Mr. President, my purpose in seeking to get the approval of the Journal was in the event that, at some future time, the Senate does adjourn, and I assume that that future time will come, and there is an objection on the next day of session of the Senate to dispensing with the reading of the Journal of the proceedings, at least part of the material will have been approved and the objector will not be given the pleasure of hearing such a lengthy recitation of the reading of the Journal of the Proceedings for the dates approved. It was only for that purpose. I thank the Senator for his explanation of his position, which he certainly has the right to take.

Mr. President, I yield to the Senator from Minnesota.

OBSTRUCTIONISM

Mr. MONDALE. Mr. President, I ask unanimous consent that an editorial appearing this morning in the New York Times, which refers to the old-fashioned obstructionism that is taking place at this time, be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

HISTORIC OPPORTUNITY

The U.S. Senate has an opportunity today to consolidate a fundamental change which reformers in both parties have struggled to achieve for a generation. This reform would relax the Senate's stringent pro-filibuster rule and make it easier for the democratic principle of majority government to prevail.

At the beginning of almost every new Congress since 1953, a bipartisan bloc of liberals has proposed that something less than a two-thirds majority be required to halt a filibuster—that prolonged **talkathon made** use of by a minority not merely to delay a decision or to debate issues thoroughly but to obstruct any action. The proposal now is for closure by a three-fifths majority.

Last Thursday, after 22 years of effort, the liberals had both a sympathetic Vice President and the votes to uphold his rulings. Vice President Rockefeller declared, in effect, that since the rules of the old Senate do not automatically carry over to the new Senate, members at the beginning of a Session are not bound by the two-thirds rule. In the past, Hubert H. Humphrey and Richard M. Nixon had made similar decisions but had been overruled by a majority of the Senate. But this time, when the Senate voted 51 to 42 to sustain Mr. Rockefeller's ruling, the long struggle seemed finally won.

Unfortunately, however, Senator James B. Allen, Alabama Democrat and the leading contemporary defender of the filibuster, obtained a further ruling that part of the reform proposal was subject to additional debate. In making this further ruling, Vice President Rockefeller relied in good faith on the Senate Parliamentarian's advice even though it contradicted common sense. In effect, it meant that a majority of the Senate did not know what it was doing when it voted to close debate on an issue on which it had been arguing for six weeks.

If it is resolute, the Senate majority can easily undo this mischief by voting upon the reform proposal in two separate stages. Senator Allen, however, is now filibustering to delay a vote. Delay works in his favor because the Senate leadership is eager to pass the bill that would provide emergency financial help to the bankrupt Northeast railroads. Unless this help is forthcoming very soon, the deficit-ridden Penn Central may cease operations. Although Senator Allen cares nothing about the railroad bill, he is threatening to hold it hostage until liberals abandon their fight to reform the rules. Nothing could better demonstrate the underlying cynicism and ruthlessness of his position.

But no man can hold the Senate floor indefinitely. If the Senate refuses to yield to these insolent tactics and, if necessary, holds a night session, both the railroad relief bill and the rules reform can be adopted promptly. Time is running out for this kind of old fashioned obstructionism. More and more members are realizing that public confidence and the good name of the Senate itself are at stake.

MESSAGE FROM THE HOUSE

At 12:31 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker has appointed Mr. Steed and Mr. Horton as members of the Commission on Federal Paperwork on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

Report of the Secretary of the Senate

(S. Doc. 94-29)

A letter from the Secretary of the Senate transmitting, pursuant to law, a report of the receipts and expenditures of the Senate during the period July 1, 1974 through December 31, 1974 (with an accompanying report; ordered to be printed and to lie on the table.)

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Common Council of the City of Buffalo, New York, in support of all antideferral resolutions concerning authorized budget authority; to all standing committees.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

S. Res. 86. An original resolution to authorize the Senate to respond to official invitations received from foreign governments or parliamentary bodies and associations (Rept. No. 94-19) (Referred to the Committee on Rules and Administration.)

By Mr. STENNIS, from the Committee on Armed Services:

S. Res. 87. An original resolution authorizing additional expenditures by the Committee on Armed Services. (Referred to the Committee on Rules and Administration.)

S. Res. 88. An original resolution authorizing additional expenditures by the Committee on Armed Services. (Referred to the Committee on Rules and Administration.)

By Mr. JOHNSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 326. A bill to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands (Rept. No. 94-20).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service:

William A. Irvine, of Pennsylvania, to be a Governor of the United States Postal Service.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MANSFIELD:

S. 801. A bill to amend section 8344 of title 5, United States Code, to require Government agencies to deposit in the general fund of the U.S. Treasury the amount of annuity payments withheld by them from the salaries of certain reemployed annuitants. Referred to the Committee on Post Office and Civil Service.

By Mr. HATFIELD:

S. 802. A bill to reform and simplify the Federal individual income tax. Referred to the Committee on Finance.

By Mr. McINTYRE:

S. 803. A bill to amend title 5, United States Code, to provide that an employee's accrued annual leave may be granted only upon such employee's request, and, absent such request, such accrued leave may not be required to be taken. Referred to the Committee on Post Office and Civil Service.

By Mr. CASE:

S. 804. A bill for the relief of Zoraida E. Lastimosa. Referred to the Committee on the Judiciary.

By Mr. DOMENICI:

S. 805. A bill to amend section 5(c) of the National Trails System Act. Referred to the Committee on Interior and Insular Affairs.

By Mr. MANSFIELD (for himself and Mr. Metcalf):

S. 806. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of Jeannette Rankin. Referred to the Committee on Post Office and Civil Service.

By Mr. METCALF:

S. 807. A bill for the relief of Nostratollah Moradi. Referred to the Committee on the Judiciary.

By Mr. HARTKE (for himself and Mr. Humphrey):

S. 808. A bill to establish an emergency fuel stamp program to assist low-income households to meet the rising cost of fuel used in home heating and cooking. Referred to the Committee on Labor and Public Welfare.

By Mr. HARTKE:

S. 809. A bill to amend the Public Health Service Act to provide for a study with regard to histoplasmosis. Referred to the Committee on Labor and Public Welfare.

By Mr. EAGLETON (for himself, Mr. Bayh, Mr. Cannon, Mr. Dole, Mr. Hartke, Mr. McIntyre, Mr. Nelson, Mr. Stevens, Mr. Stevenson, Mr. Symington, and Mr. Thurmond):

S. 810. A bill to amend the Flood Disaster Protection Act of 1973 and the National Flood Insurance Act of 1968 to permit owners of properties located in nonparticipating communities to participate in the flood insurance program and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. TUNNEY (for himself and Mr. Magnuson):

S. 811. A bill to amend the Horse Protection Act of 1970 to better effectuate its purpose. Referred to the Committee on Commerce.

By Mr. ABOUREZK (for himself, Mr. McGovern, and Mr. Stone):

S. 812. A bill to authorize the Secretary of Agriculture to make loans for a temporary period to farmers and stockmen who have suffered severe economic loss in connection with their livestock operations. Referred to the Committee on Agriculture and Forestry.

By Mr. ABOUREZK (for himself and Mr. McGovern):

S. 813. A bill authorizing the construction of a dam and reservoir on the Little White River, South Dakota (Rosebud site). Referred to the Committee on Public Works.

By Mr. PHILIP A. HART (for himself and Mr. Hartke):

S. 814. A bill to supplement the Federal Trade Commission Act by amending it to increase competition, promote interstate and foreign commerce, prevent unreasonable restraints on commerce and the commercial working of technology advancements, to protect the freedom of employment for scientists and engineers, and for other purposes. Referred to the Committee on Commerce.

By Mr. STAFFORD (for himself, Mr. Kennedy, Mr. Brock, Mr. Clark, Mr. Ribicoff, and Mr. Percy):

S. 815. A bill to provide for the public disclosure of lobbying activities with respect to Congress and the executive branch, and for other purposes. Referred to the Committee on Government Operations.

By Mr. HANSEN (for himself and Mr. Hartke) (by request):

S. 816. A bill to amend title 38 of the United States Code to require that certain veterans receiving hospital care from the Veterans' Administration for nonservice connected disabilities be charged for such care to the extent that they have health insurance or similar contracts with respect to such care; to prohibit the future exclusion of such coverage from insurance policies or contracts; and for other purposes. Referred to the Committee on Veterans' Affairs.

S. 817. A bill to provide for an 8-year delimiting period for the pursuit of educational programs by veterans, wives, and widows, and for other purposes. Referred to the Committee on Veterans' Affairs.

By Mr. SPARKMAN (by request):

S. 818. A bill to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes. Referred to the Committee on Foreign Relations.

S. 819. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. MAGNUSON (by request):

S. 820. A bill to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and for other purposes. Referred to the Committee on Commerce.

By Mr. McCLELLAN:

S. 821. A bill to preserve wildlife habitat. Referred to the Committee on Public Works.

By Mr. CHILES:

S. 822. A bill to reduce oil imports into the United States; to provide for the exploration and development of Naval Petroleum Reserves; and for other purposes. Referred, by unanimous consent, to the Committees on Armed Services, Banking, Housing and Urban Affairs, Finance, Interior and Insular Affairs.

By Mr. HELMS:

S. 823. A bill to amend section 8d(2) of the Agricultural Adjustment Act of 1933, reenacted, amended and supplemented by the Agricultural Marketing Agreement Act of 1937, as amended, to provide authority to grant certified public accountants access to confidential records for purposes of making an audit. Referred to the Committee on Agriculture and Forestry.

S.J. Res. 36. A joint resolution authorizing and directing the President to declare Aleksandr I. Solzhenitsyn an honorary citizen of the United States of America. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MANSFIELD:

S. 801. A bill to amend section 8344 of title 5, United States Code, to require Government agencies to deposit in the general fund of the U.S. Treasury the amount of annuity payments withheld by them from the salaries of certain reemployed annuitants. Referred to the Committee on Post Office and Civil Service.

(The remarks of Mr. Mansfield on the introduction of the above bill are printed earlier in today's Record.)

By Mr. HATFIELD:

S. 802. A bill to reform and simplify the Federal individual income tax. Referred to the Committee on Finance.

(The remarks of Mr. Hatfield on the introduction of the above bill are printed earlier in today's Record.)

By Mr. DOMENICI:

S. 805. A bill to amend section 5(c) of the National Trails System Act. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, I am today introducing a bill to amend the National Trails Act—Public Law 90–543—to include the Dominguez-Escalante Trail in the study category.

The Dominguez-Escalante Trail originates in Santa Fe, N. Mex., and follows the route of Fray Francisco Atanasio Dominguez and Fray Silvestre Velez de Escalante's expedition of 1776 in search of an overland trail from Santa Fe to Monterey, Calif. It winds along the Rio Grande and Santa Fe in New Mexico, the Dolores, Gunnison, and White Rivers in Colorado, the Green and Duchesne Rivers in Utah, and the Colorado River and Hurricane Fault of Arizona.

I believe this trail would be a fine addition to the national trails system. It would be particularly appropriate in connection with the Nation's Bicentennial. This historic 1776 Spanish expedition made a major contribution to the exploration of the American Southwest. The expedition increased available geographic knowledge leading directly to the later development of the old Spanish trails linking the Spanish settlements. The Dominguez-Escalante Expedition was coincident with the Declaration of Independence and the American Revolution in the eastern section of the new Nation. Spain soon joined our side as an important contributing ally in our struggle for independence.

Mr. President, it is my hope that the Senate will act quickly to approve this measure.

By Mr. HARTKE (for himself and Mr. Humphrey):

S. 808. A bill to establish an emergency fuel stamp program to assist low-income households to meet the rising cost of fuel used in home heating and cooking. Referred to the Committee on Labor and Public Welfare.

FUEL STAMP ACT

Mr. HARTKE. Mr. President, at the end of the 93d Congress I introduced a Fuel Stamp Act to alleviate some of the financial burden falling on lower-income families as a result of the dramatic increase in the cost of all home heating fuels.

I am reintroducing a modified and, I believe, strengthened version of that legislation today and am very pleased to have the distinguished Senator from Minnesota (Mr. Humphrey) as a cosponsor.

The need to deal with the impact of escalating fuel costs on lower-income households is more pressing than ever. President Ford has announced an energy program that, if accepted by the Congress, will push costs up still higher. Lower-income families are reaching the point where they must choose between home heat and other necessities. Many families in this country face the prospect of losing their home because they can no longer afford their utility bills.

Subjecting the elderly and the young to the winter's cold is not the way the United States can or should resolve its energy problem. We are allowing a situation where the most vulnerable members of our society are being forced to bear the brunt of economic inflation—recession and energy. It does no good to argue that we all pay for fuel at the same rate. The truth is that middle- and upper-income groups do have leeway in their energy consumption; there is, in a sense, an insulating area of nonessential consumption that can be cut back with little or no effect on esssential consumption.

Among the poor, however, this is not the case. Most lower-income families consume energy at the necessity level. When they are forced by dizzying price increases to cut back on consumption, they suffer. It is not a question of not heating the swimming pool this winter. It is a question of exposing oneself and one's children to cold; it is a question of taking fewer baths and lowering sanitary standards.

The poor, in the aggregate and on a per household basis, spend less on fuel than middle- and upper-income groups. They are not energy wasters. The poor use only 56 percent as much electric power and 82 percent as much natural gas as the nonpoor. On the other hand, they pay out a larger proportion of their incomes on fuel. In fact, they spend almost 600 percent more, relatively, than upper-income groups. On the average, poor families spend 11 percent of their incomes on gas and electricity while the well-off spend only an average of 2 percent.

The poor incur most of their fuel costs for space-heating—that is, for the most basic form of energy consumption. Unlike more fortunate groups, they own and operate fewer energy consuming appliances like air conditioners, clothes dryers, and so forth. The poor are also more likely to live in single bathroom dwellings, a further factor in their lower per household energy consumption. According to FEA estimates, the poor use about 60 percent of their total energy consumption for space-heating, compared to only 40 to 50 percent for the "typical" family.

Not only do the poor use less fuel on a per capita and per household basis because of the factors just outlined, their fuel needs are also lessened by the fact that a large proportion—larger than the national average for the entire population—live in warmer parts of the country. The FEA estimates that 46 percent of the poor live in areas having less than 4,000 annual heating days, as compared to 35 percent for the entire population.

The type of dwelling most frequently occupied by the poor contributed significantly to their relatively low use of heating fuels. First, they tend to have fewer rooms per person than the national average. About 26 percent of the homes of the well-off have fewer than six rooms, as compared to 72 percent of poor homes. The poor also live in multi-unit dwellings more often than the nonpoor. Multi-unit dwellings are far more space-heat efficient than single or double unit dwellings.

A Department of Housing and Urban Development study of heating requirements concluded that compared to a single dwelling unit, an 8-unit townhouse requires only 79 percent as much fuel per square foot; a 24-unit apartment only 62 percent as much; and a 192-unit apartment only 56 percent as much.

My point, Mr. President, is that when we speak of aiding the poor in their purchases of fuel we should keep in mind that the poor are not energy wasters. They use significantly less fuel than the nonpoor. They also use most of their fuel for space-heating, hot water, and cooking, and do not expend fuel frivolously. The poor are forced to use proportionately far more of their incomes toward the purchase of fuel than the rest of the population. During a period of unstable and rising prices, the burden is becoming not only unsupportable, but intolerable. The poor are unable to keep up with rising prices.

Utility rate structures add to the burden of the poor. Natural gas and electricity prices are often set so that the per unit cost decreases rather than increases with use. This represents an economic penalty for those households using less energy. According to a Ford Foundation study, the poor, on the average, pay 8 percent more per unit of natural gas and electricity than the nonpoor.

Natural gas tends to be the cheapest of the three major fuels in predominant home-heating use. Again, the poor as a group are less well off than other groups. They are less likely to have homes heated by natural gas than are the nonpoor. They are about as likely to use fuel oil or electricity. But many poor households use either nonstandard fuels like wood, coal, or kerosene—in some cases they use no fuel at all.

Estimates of space-heating costs for low-income families during the 1974/75 heating season were broken down by type of fuel in a recently released study by HEW-FEA. Families fortunate enough to have natural gas heat fared best. Their bill will be approximately $175. Families using oil will tend to pay about twice that amount, $350. Most hard hit will be families whose heating is electric. Their average bill this season will be about $400.

Quite frankly, Mr. President, I find these figures terribly depressing. When I read them I cannot help but to think of the good men and women—many of them elderly and retired living on social security—who are faced with this financial crisis. I cannot help but think of the psychological strain imposed upon them by burgeoning utility bills. I cannot help but fear for the health and welfare of those who will have to leave their heaters turned off. I cannot help but wonder how we can, as a Nation, regard with perfect equanimity military expenditures of approximately $100 billion and, at the same time, allow the elderly and the poor to suffer the pain of cold and other privation. I cannot help but think that a fuel stamp program, like the one I am proposing, and which will cost somewhere between $200 and $300 million a year, is the very least we can do.

The legislation empowers the Secretary of Agriculture to enter into agreements with each of the States that wish to participate. The State must demonstrate that it has the capacity to administer the program, sufficient evidence for which is the existence of a food stamp program. The State will also bear the full administrative costs of the program, but the Federal Government will provide all the energy coupons. Thus, the criteria for household eligibility are identical. Certification for food stamps carries automatic fuel stamp certification. On the other hand, households can participate in the fuel stamp program without also participating in food stamps.

The allocation by the Secretary of fuel stamps will be based upon need. In dealing with fuel, certain factors like geography, type of fuel in predominant use, type of dwelling, and so forth must be taken into account. Thus, two regions with the same number of certified households would not automatically receive the same allocation of fuel stamps. Those with the greatest need would get the greatest consideration.

Provision is also made for households that rent their dwellings with space-heating and cooking fuel included. In their case, higher fuel costs translate into higher rentals. Under certain conditions, households can use fuel stamps to defray legitimate rent increases.

I conclude, Mr. President, with a plea that the Congress act quickly on this most vital matter. We cannot continue to take an irresponsible attitude toward the poor and the elderly. Whatever the Congress ultimately approves as a national energy program, we can be quite sure that it will involve, at best, a continuation of present high fuel costs or, and this is more likely, an increase in those costs. Either way, the lower-income groups in our society will find it ever more difficult to obtain necessary and essential fuel supplies.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 808

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fuel Stamp Act of 1975."

Sec. 2. The Congress hereby finds that, because of the substantial rise in the cost of all types of fuel commonly used for home heating and cooking, and because low income households must devote a major portion of their incomes for the purchase of fuel, many low income households are experiencing considerable economic hardship which may seriously affect their health and well-being. It is the intent of Congress to establish a fuel stamp program to alleviate this hardship.

Sec. 3. As used in this Act, the term—

(1) "Secretary" means the Secretary of Agriculture;

(2) "coupon" and "stamp" refer to any certificate issued through the appropriate agency pursuant to the provisions of this Act;

(3) "household" means a group of individuals who are not residing in any State or Federal institution, but are living as one economic unit. Such term also includes an individual living alone who is not residing in any such institution;

(4) "landlord" means any individual or corporate entity who rents lodging to households on a regular basis of one week or more, whether or not the landlord resides on the premises, but only if the cost of fuel for the purposes of heating and cooking is normally included in the rental charge for such lodging; and

(5) "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

Sec. 4. The Secretary is authorized to enter into agreements with each of the several States pursuant to which such State shall be authorized to establish an emergency fuel stamp program under which eligible households will be provided with financial assistance in the purchase of fuel for domestic heating and cooking. Such program shall be terminated two years from the date of enactment.

Sec. 5. Under such programs, eligible households will be provided with coupons, redeemable at face value by the Treasury of the United States, with which to purchase, from authorized retail suppliers of fuel, fuel adequate for normal heating and cooking, or to defray legitimate increases in rental charges as provided by section 14 of this Act, as determined by the appropriate State agency.

Sec. 6. The fuel stamp program shall be administered by participating States in conjunction with the Secretary and the cost of administering the program will be borne by the participating States, except that the Secretary shall over-see the program in the several States.

Sec. 7. The Secretary is authorized to provide, without reimbursement, fuel stamps to participating States in sufficient quantity to carry out the purposes of this Act.

Sec. 8. The Secretary is authorized to make a determination, in conjunction with the appropriate agencies in the Department of Health, Education, and Welfare and the Federal Energy Administration, which States and regions within States have the greatest need for supplementary assistance towards the purchase of fuel. Such determination shall be based on the following criteria: (1) climate as determined by the average number of yearly heating degree days; (2) fuel type in predominant use; (3) increases in the cost of various fuels within regions since the 1973/74 heating season. Fuel stamps will be allocated to the various States according to that determination.

Sec. 9. The Secretary shall issue such regulations as he deems necessary or appropriate to carry out the purposes of this Act.

Sec. 10. The criteria for eligibility under this Act shall, except to the extent otherwise provided by this Act, be the same as those of the Food Stamp Act of 1964, as amended. Households that meet the requirements of this Act and such criteria in the Food Stamp Act of 1964 will be eligible for assistance under this Act, their participation or nonparticipation in the food stamp program notwithstanding.

Sec. 11. Coupons or stamps shall be printed in such denominations as may be determined by the Secretary to be necessary, and they shall be issued under any program established pursuant to this Act only to households which have been duly certified under such program as eligible to participate in the fuel stamp program.

Sec. 12. Any State desiring to participate in the fuel stamp program shall petition the

Secretary and provide, for his approval, a plan. Such plan shall contain a fuel stamp program in accordance with this Act and evidence sufficient to indicate that such State has instituted statewide fuel conservation efforts. Such program shall contain provisions assuring that the benefits of the program shall be available to eligible citizens residing in all its political subdivisions. The plan shall also provide for the distribution of fuel stamps at such intervals as to provide individual recipients with maximum financial benefit.

Sec. 13. The Secretary shall establish, in conjunction with State authorities, a schedule of benefits. The allocation of fuel stamps to households must take into account the following factors: (1) income; (2) household size; (3) type of dwelling; (4) type of fuel in primary use; (5) climate; and (6) the average increase in the cost of the primary fuel since the 1973/74 heating season. Benefits provided under this Act must be related to actual increases in the cost of fuel since the 1973/74 heating season.

Sec. 14. Any landlord who accepts any part of his rental charges in fuel stamps, as provided under any fuel stamp program established pursuant to this Act, shall, as a condition of such acceptance, agree that, if he increases rents, he will:

(1) increase rents only in accordance with those costs which he actually incurs for heating, lighting, and cooking;

(2) increase rents only in accordance with actual increases in other operating costs;

(3) submit his increases to review upon the request of the appropriate State agency, pursuant to this Act; and

(4) use as a base period in computing increases in fuel costs the average price of such fuels during the 1973/74 heating season.

Sec. 15. Whoever knowingly uses, transfers, acquires, or possesses coupons issued pursuant to this Act in any manner not authorized by this Act or the regulations issued pursuant thereto shall, if such coupons are of the value of $100 or more, be fined not more than $10,000 or imprisoned for not more than five years, or both, if such coupons are of a value of less than $100, shall be fined not more than $5,000 or imprisoned for not more than one year, or both.

Sec. 16. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. HARTKE:

S. 809. A bill to amend the Public Health Service Act to provide for a study with regard to histoplasmosis. Referred to the Committee on Labor and Public Welfare.

FUNDS FOR THE STUDY OF HISTOPLASMOSIS

Mr. HARTKE. Mr. President, I am reintroducing legislation to study and research histoplasmosis and ocular histoplasmosis, diseases that affect many individuals in various regions of our country. This legislation was proposed in the 93d Congress as S. 4220.

Some experts believe 2 out of every 3 people in Indiana and other parts of the United States may be carriers of histoplasmosis.

Histoplasmosis is caused by a fungus or mold existing in simple plant life form called Histoplasma Capsulatum. Certain conditions must exist for the fungus to live. These are commonly warm, moist and preferably dark. These conditions are found most often in droppings from chickens, pigeons, starlings, and other birds. In many cases, the fungus is prevalent around old chicken houses, barns, belfries and pigeon lofts.

Histoplasmosis is endemic, and characteristically found in the Mississippi, Ohio, Missouri and other river valleys in the United States. It has also been found in Latin America, North and South America, the East Indies and Australia.

Many people who come in contact with histo spores are infected. However, in most cases, contact with the fungus and the mold will not manifest any organic symptoms.

Schoolchildren of both sexes are frequent victims. More men than women get the disease as adults. Very young children and older men are the most susceptible to the generalized form of histoplasmosis that spreads from the lungs to other parts of the body.

When the fungus-bearing dust is breathed in, the tiny spores are carried into the bronchial tubes. Eventually, some of the spores reach deep down into the tiny sacs of the lungs. Here the spores are arrested by wandering cells and are taken to the lungs' lymph nodes. These filter-like nodes trap and hold the spores, and provide an excellent place for them to multiply.

Occasionally these areas become inflamed. There is often severe localized damage to the lymph nodes and lung cells. Scars and calcium deposits form. Usually the symptoms are those of a flu, and after a week of rest, a person recovers. A large dose of the fungus may bring more serious symptoms: loss of weight, extreme tiredness, and weeks or months of convalescence.

Another more serious type of histoplasmosis occurs when the spores spread from the lungs throughout the body. This condition may cause various organs to enlarge, fever to rise, or it may cause anemia.

In chronic, long-lasting cases of histoplasmosis, injured areas may be found in the lungs and at times in the throat and nasal passages. These cases occasionally can be fatal.

Ocular histoplasmosis occurs when the fungus or one of its products escapes from the lungs or other organs and lodges in the eye, causing inflammation behind the retina.

When the fungus lodges near or in the mascula of the eye the condition becomes serious, often resulting in blindness.

Dr. Ted Schlaegel, professor of ophthalmology, director of uveitis service at Indiana University School of Medicine, noted that in the endemic area, one out of every thousand people will suffer ocular disability from ocular histoplasmosis.

Histoplasmosis was originally treated as tuberculosis. With the introduction of the histoplasmosis skin test in 1941, the disease was separated from other generalities. However, it was not until the late 1950's that ocular histoplasmosis was discovered.

Mr. President, research into a disease which affects 2 out of every 3 people in Indiana and other States that have a high incidence of histoplasmosis should move along without hesitation. However, moneys are not available through existing programs for establishment of the necessary laboratories to carry out the research.

My bill provides $4.75 million over the next 3 years for research into histoplasmosis, and $4.75 million for research into ocular histoplasmosis. Additionally, my bill provides $500,000 for training of qualified individuals.

When so little is known about a disease that causes so much harm and suffering, I believe the modest amounts that are included in the bill should be swiftly approved.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 809

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part A of title III of the Public Health Service Act is amended by adding at the end thereof the following new section:

"HISTOPLASMOSIS RESEARCH

"Sec. 310. (a) The Secretary shall conduct a research program with regard to the diagnosis and treatment of histoplasmosis and ocular histoplasmosis. Such study shall include clinical and animal research.

"(b) From the funds appropriated to carry out this subsection, the Secretary is authorized to make grants to assist in initiating, developing, and maintaining programs for the training of personnel in the diagnosis and treatment of histoplasmosis and ocular histoplasmosis.

"(c) (1) There are authorized to be appropriated to carry out the research program with regard to histoplasmosis, $1,000,000 for the fiscal year ending June 30, 1976, $1,500,000 for the fiscal year ending June 30, 1977, and $2,250,000 for the fiscal year ending June 30, 1978.

"(2) There are authorized to be appropriated to carry out the research program with regard to ocular histoplasmosis, $1,000,000 for the fiscal year ending June 30, 1976, $1,500,000 for fiscal year ending June 30, 1977, and $2,250,000 for the fiscal year ending June 30, 1978.

"(3) For the purposes of conducting training programs under subsection (b) there are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1975 and a like sum for each of the next 2 succeeding fiscal years.".

By Mr. EAGLETON (for himself, Mr. Bayh, Mr. Cannon, Mr. Dole, Mr. Hartke, Mr. McIntyre, Mr. Nelson, Mr. Stevens, Mr. Stevenson, Mr. Symington, and Mr. Thurmond):

S. 810. A bill to amend the Flood Disaster Protection Act of 1973 and the National Flood Insurance Act of 1968 to permit owners of properties located in nonparticipating communities to participate in the flood insurance program and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

FLOOD INSURANCE RESTRICTIONS SHOULD BE RELAXED

Mr. EAGLETON. Mr. President, for myself and Senators Bayh, Cannon, Dole, Hartke, McIntyre, Nelson, Stevens, Stevenson, Symington, and Thurmond, I send to the desk a bill to amend the Flood Disaster Protection Act of 1973 and the National Flood Insurance Act of 1968, and ask that it be referred to the appropriate committee.

The purpose of this bill is to correct certain excesses and inequities in the Federal flood insurance program by:

First. Making Federal flood insurance available to an individual if that individual agrees to comply with relevant HUD construction standards on his own property, but regardless of what the community as a whole may do.

Second. Modifying the penalty provisions of the act to exclude the prohibition against commercial loans for construction in a flood plain area.

Mr. President, in December 1973, the Congress enacted a series of amendments to the National Flood Insurance Act to expand benefits and to provide certain penalties for nonparticipation by any community which the Secretary of HUD designates as having a flood or mudslide hazard. Thus far, more than 16,000 communities throughout the country have been so designated but only 5,400 or 34 percent have come into the program.

After July 1, 1975, or 1 year after it receives a HUD map showing the flood-prone area—whichever date is later—any designated community which has not signed up for insurance faces severe penalties. These includes loss of all Federal assistance for land acquisition or construction in the flood-prone area including disaster relief loans, FHA and VA insured home mortgages, and commercial construction loans if the lending institution is insured or supervised under a Federal program.

Mr. President, I support the Federal flood insurance program. I believe it is a vastly more efficient and equitable way of assisting flood victims than disaster grants and low-interest loans. But I do not believe Congress intended the program to become an instrument for usurping local powers and forcing communities to adopt Federal zoning and building codes in their flood plain areas.

Nor do I believe that is a proper Federal function except, perhaps, where there is a direct Federal investment or risk involved.

There are many good reasons why a community may decide not to participate in the insurance program. For one, the flood hazard identified by HUD may be so minimal both in terms of frequency and potential property loss that it is not worth the cost of the premiums let alone the building restrictions that go along with the program. Other communities have little discretion about where they build; local geography dictates the matter. Short of agreeing to dissolve their town after a flood, they cannot accept the HUD standards.

In my own State there are legal obstacles to participation. Unincorporated communities have no authority to adopt zoning and building standards on their own. They must win approval through a countywide referendum vote and, given the political volatility of the land-use issue, that has not been easy.

But whatever the reason, I believe a community should have the right to make its own decision and bear its own risks without unwarranted Federal intervention. Under the program as it stands, that is not permitted.

What it comes to is this: The Federal Government decides a community has a flood problem and notifies it that it is eligible for subsidized Federal flood insurance. As a condition of buying that insurance, however, the community must adopt the HUD building and zoning standards which are designed to protect future structures against any flood which might occur.

Now, I think that is probably a reasonable quid pro quo for the heavy Federal subsidy involved in this program. It makes sense, too, for the Federal Government now to invest taxpayers' money for construction loans or grants in communities which refuse to buy the insurance. But the program does not stop there. It has a catch 22 and a catch 23.

Catch 22 applies to communities which decide their interests are better served by staying out of the program because they cannot live with the building standards. The Federal Government thereupon invokes section 205 of the act which prohibits any lending institution which is insured or supervised by a Federal agency from making a loan for building or rebuilding in an uninsured flood area.

In short, the community which opts not to buy insurance suffers even more stringent building restrictions than those which come into the program. It cannot rebuild at all because no bank or savings and loan is allowed to put up the money. By Federal law and regulation the community is fated to become a ghost town. As one of my constituents put it, "what the floods don't take, the Federal Government will."

Catch 23 of the program limits insurance coverage to individuals whose communities have adopted the requisite zoning and building standards. It makes no difference that an individual is willing to comply with those standards with respect to his own property. Unless he is also able to persuade the community to go along, he must pay the penalty together with everyone else and that penalty amounts to virtual confiscation of his property.

Mr. President, the penalty provisions of the existing Flood Insurance Act are defended as necessary for good flood plain management. The fact is, however, that it is only a partial approach to the problem at best since it does not apply to construction in upstream communities which, while floodfree themselves, may be the cause of aggravated flooding downstream.

I support programs to encourage sound flood plain management but there are limits beyond which the inequities and hardships created outweigh any possible benefits. I think we have such a situation in the flood insurance program and I propose we restore balance to our effort by adopting these amendments.

Mr. President, I ask that the text of the bill and a State-by-State breakdown of the number of communities affected by this program be printed in the RECORD at this point in my remarks.

There being no objection, the bill and breakdown were ordered to be printed in the RECORD, as follows:

S. 810

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Section 2(a)(4), section 3(a)(5), section 102(b), and section 202(b) of the Flood Disaster Protection Act of 1973 are repealed.

(b) Section 2(b) of such Act is amended—

(1) by inserting "and" after the semicolon at the end of clause (2);

(2) by striking out "; and" at the end of clause (3) and inserting in lieu thereof a period; and

(3) by striking out clause (4).

(c) Section 205(b) is amended by striking out ", and each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions,".

SEC. 2. Section 1305(c) of the National Flood Insurance Act of 1968 is amended by adding at the end thereof the following flush sentence:

"In addition, notwithstanding the provisions of section 1315, the Secretary shall make flood insurance available for property in other States or areas (or subdivisions thereof), if the owner of such property agrees to meet such land use and control measures or to construct such a flood protection system as the Secretary may prescribe."

HUD FIGURES AS OF DEC. 31, 1974

State	Communities	Communities participating	Percentage participation
Alabama	310	72	23
Alaska	120	7	6
Arizona	78	22	28
Arkansas	374	49	13
California	462	185	40
Colorado	264	63	24
Connecticut	185	84	45
Delaware	53	25	47
District of Columbia	1	0	0
Florida	328	197	60
Georgia	256	91	36
Hawaii	4	4	100
Idaho	201	33	16
Illinois	807	267	33
Indiana	352	47	13
Iowa	532	68	13
Kansas	378	50	13
Kentucky	251	55	22
Louisiana	335	153	46
Maine	429	22	5
Maryland	156	53	34
Massachusetts	352	126	36
Michigan	305	205	67
Minnesota	661	285	43
Mississippi	241	126	52
Missouri	504	155	31
Montana	136	10	7
Nebraska	405	50	12
Nevada	25	5	20
New Hampshire	173	9	15
New Jersey	561	305	54
New Mexico	102	21	21
New York	515	358	70
North Carolina	282	109	39
North Dakota	254	27	11
Ohio	671	105	16
Oklahoma	454	43	9
Oregon	274	99	36
Pennsylvania	916	580	63
Rhode Island	39	26	67
South Carolina	215	52	24
South Dakota	225	29	13
Tennessee	239	78	33
Texas	987	250	25
Utah	224	34	15
Vermont	315	39	12
Virginia	306	159	52
Washington	299	93	31
West Virginia	278	35	13
Wisconsin	538	177	33
Wyoming	80	8	10
Puerto Rico	1	1	100
Total	16,117	5,488	34

By Mr. TUNNEY (for himself and Mr. MAGNUSON):

S. 811. A bill to amend the Horse Protection Act of 1970 to better effectuate its purpose. Referred to the Committee on Commerce.

Mr. TUNNEY. Mr. President, today I am reintroducing legislation to amend the Horse Protection Act of 1970. This legislation is identical to that passed by the Senate last fall. I am hopeful we can quickly act upon this bill and send it on to the House with a minimum of discussion.

When we passed the Horse Protection Act of 1970, it was with the specific intent to stop, once and for all, the inhumane and unnecessary practice of soring Tennessee Walking Horses, indeed any saddle horse, to affect their natural gait. Expert witnesses testified before the Commerce Committee that the practice of soring does indeed still exist on a widespread scale. In fact, there are as many, if not more, sore horses in the show ring today than there were when the initial act was passed over 3 years ago. Unfortunately, as the hearings made painfully clear, the will of Congress and the full intent of the law have yet to be translated into action.

The inhumane and brutal treatment of horses for financial gain—or to gain prestige by owning a "winner"—is a problem that anyone involved with animals must share to some degree. As long as owners, riders, or trainers can get by with inflicting pain and torment upon their animals, merely to develop a winning gait in the show ring, the tragedy raises many questions on our civilized standards.

The purpose of soring is to make a horse's feet so sensitive to pain that when it moves with its rider in the show ring it abruptly brings up its front legs as soon as its feet touch the ground. The visual effect is a high stepping graceful gait. It is an effect created by intense pain. It is a gait which can be achieved through careful and patient training over a long period of time, without the use of any soring agents. Soring boils down to these basic facts: greed, wanting to be first, and a total lack of sensitivity to animals. The viscious practice of hoof mutation means that in the show ring the winning walker is not necessarily the best trained horse; it can be the most tortured.

The Tennessee Walking Horses are brutally sored by irritants such as oil of mustard, salt rubbed into fine line cuts around the front pastern areas to blister the skin and then the application of heavy logging chains around the burned area to bruise and cause ugly sores and scars on the front feet. These horses are worked mercilessly in severe pain during a horse show class and reflect their suffering by excessive sweating, flared nostrils and a deep crouch in the rear with a swaying hock action. Several horses have been seen prior to a show in their stalls, with hooves so sore so as to cause the animal to constantly shift his weight from one leg to the other, or lie down to avoid bearing their own weight.

The American Equine Practitioners Association, in December of 1972, drafted a resolution stating that the soring of Walking Horses was indeed a cruel and barbaric act. They recommended that Congress amend the Horse Protection Act so that more proper implementation could occur so that violators could be more swiftly prosecuted.

As brought out by the testimony of witnesses to this cruel practice, several riders were overheard, after having completed their class in the ring, to remark, "If you'd have sored him more I would have won first place" How insensitive and how unnecessary.

Mr. President, I cannot stress enough the importance of passing this legislation as quickly as possible. The Walking Horse show circuit is again underway for the new season and unless something is done to enforce the law against soring, several hundred, indeed thousands, of Tennessee Walking Horses will be subjected to intense pain, all for the greed and selfishness of people for whom a blue ribbon is more important than the well being of their animals.

Mr. President, this bill does not seek to put an end to the Walking Horse industry and I do not mean to imply that all who breed and show walking horses subject their animals to this torture. Indeed, there are many concerned and conscientious people within the Walking Horse industry who seek to train their horses naturally, with great patience and care. Such people have little chance of winning the top prizes when competing with the sore horses but, thankfully, they have not allowed themselves to resort to torture in order to come out on top. It is for these conscientious breeders and trainers also that we must pass this legislation.

I ask that the Senate give this matter prompt attention and pass this measure before the show season is too far underway.

By Mr. ABOUREZK (for himself, Mr. McGovern, and Mr. Stone):

S. 812. A bill to authorize the Secretary of Agriculture to make loans for a temporary period to farmers and stockmen who have suffered severe economic loss in connection with their livestock operations. Referred to the Committee on Agriculture and Forestery.

Mr. ABOUREZK. Mr. President, the American livestock industry is in very, very serious trouble. Many producers with smaller ranches have already gone out of business because of disastrously low market prices. And thousands more are teetering on the brink of bankruptcy.

It is extremely important that the Congress and the administration recognize that the crisis in the livestock industry is genuine and that emergency action is badly needed.

In 1974, the United States had 127.7 million head of cattle. By January 1, 1975, that number had risen by over 4 million, to 131.8 million. But at the same time the total number of cattle was rising, the value of the livestock was dropping. In fact, those 127.7 million head were worth about $41 billion. Today, even with the increase in cattle numbers, the value has dropped by 50 percent, to $20.9 billion.

That 50-percent drop in value means a drastic cut in the net worth of livestock producers. It means their collateral for loans suddenly disappeared. And it means their ability to get operating loans or long-term loans has vanished. And, of course, it means their income is below even the cost of production.

There is no industry in this country that could withstand this kind of economic devastation. And there is no reason for the Federal Government to stand idly by while thousands of livestock producers—the people who produce the meat for our tables—go broke.

I believe there is a growing consensus in our Nation that the smaller farmer or rancher is a genuine asset in the production of food. Most people do not want anonymous conglomerates to take over. They do not want more economic power placed in the corporate hands of big chainstores or other middlemen. I believe they want a steady supply of high-quality food at prices that are reasonable both in the supermarket and at the producer level.

It is, then, in the interests of both consumers and livestock producers that I today introduce the Livestock Producers Emergency Loan Relief Act of 1975.

This bill provides emergency credit, on a long-term and low-interest basis, to enable our producers to stay in business until their income reaches a reasonable level. And it is structured as an emergency measure so that it can go into effect quickly if it is passed by the Congress.

I hope that every Member of Congress will recognize the need for emergency help for the livestock industry and will support this legislation.

By Mr. ABOUREZK (for himself and Mr. McGovern):

S. 813. A bill authorizing the construction of a dam and reservoir on the Little White River, S. Dak. (Rosebud site). Referred to the Committee on Public Works.

Mr. ABOUREZK. Mr. President, I am introducing today on behalf of myself and Senator McGovern a bill to authorize a dam and reservoir on the Little White River in South Dakota. It is my understanding that Congressman James Abdnor in whose district this project would be constructed is also introducing similar legislation in the House of Representatives.

This is not a new proposal. Over 10 years ago my senior colleague, Senator McGovern, requested a thorough study of the potential for multiple-purpose development of the White River and its tributaries in South Dakota and Nebraska.

Generally, the results of this study were not encouraging. However, in the case of the Rosebud site, the one proposed in this bill, the Corps of Engineers reported that—

> It might provide regional opportunities for increased economic activities through expansion of the tourism industry.

I feel that the opportunities go far beyond this limited report.

The area that would benefit from the

proposed dam and reservoir is very typical of many rural areas in our Nation. It is losing population and its economic base. The 1970 population of the White River basin was 47,000—a decrease of 13 percent since 1940. There are two Indian reservations within the basin. These reservations, again typical of reservations generally, have some of the highest unemployment, the lowest per capita income, and the poorest health and housing conditions to be found in the entire Nation.

This proposal is a modest one. At current estimates, it would cost about $7.5 million. It would create a scenic lake of 4.3 miles in length, with 26 miles of shoreline, and 2,400 acres of surface area. I would add that—aside from the tourist potential that this would add—this area has recently suffered from extremely severe drought. The water storage that this reservoir would make possible would have made a great deal of difference to hundreds of small farmers and ranchers during this past year.

We, as a Nation, cannot afford to continue to drive our small food producers off the land. Congress recognized that fact in the Agricultural Act of 1973 and the Rural Development Act of 1972. In those laws the Federal Government committed itself to a policy of balanced growth between rural and urban areas. Mr. President, this project would assist in the revitalization and development of one of our rural areas. It would do so at a modest cost. It would mean jobs and money in the Little White River area that would enable the young people to stay where they want to be instead of being forced to move to our great cities at the exact time when employment opportunities in those cities are at the lowest level they have been in decades.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Chief of Engineers, United States Army, is authorized to plan, construct, and operate a multiple-purpose dam and reservoir on the Little White River, South Dakota (Rosebud site), approximately one and one-half miles north of the Mellette-Todd County line, South Dakota, in the interest of flood control, recreation, sediment storage, water supply, low-flow, regulation, limited irrigation, and hydroelectric power.

Sec. 2. There are authorized to be appropriated such sums as may be required to carry out the provisions of this Act.

By Mr. PHILIP A. HART (for himself and Mr. Hartke):

S. 814. A bill to supplement the Federal Trade Commission Act by amending it to increase competition, promote interstate and foreign commerce, prevent unreasonable restraints on commerce and the commercial working of technology advancements, to protect the freedom of employment for scientists and engineers, and for other purposes. Referred to the Committee on Commerce.

Mr. PHILIP A. HART. Mr. President, today I introduce for myself and the senior Senator from Indiana (Mr. Hartke) legislation which would amend the Federal Trade Commission Act by making it an unfair act or practice subject to the FTC Act to refuse to license on reasonable and nondiscriminatory terms certain patents under enumerated criteria. Basically, patents that are not utilized, patents that block utilization of other major innovations, or patents on products not reasonably available to the public that involve the public health and safety, or protection of the environment would be required to be licensed for others to use.

The goals of this bill are two: First, to make the patent licensing system serve the public interest by providing that the system cannot be used to block implementation of technology which is in the public interest; second, to codify various legislative and court decisions which have said the same thing in limited areas of patent licensing.

Enactment of this bill would finally bring the United States into line with at least 20 other major industrial nations which long ago recognized the need for utilization of patented technology by the public to encourage rapid and open development.

In doing so, we should once more be competitive in the field of technology, offering more employment to our scientists and engineers, and removing artificial restraints on competition patents can create.

Mr. President, the patent system, in its entirety, has been thought of in many quarters as existing for the special good and benefit of inventors or their corporate employers.

Of course, this was never the goal of the patent system. It was set up by the Constitution to benefit the public by promoting the progress of the useful arts. Obviously, neither has been served if a patent is obtained merely as a way of locking up the technology so that it cannot be used.

In a 1974 opinion, the U.S. Court of Appeals for the Second Circuit unanimously applied this concept and stated as follows:

> We do not find any difficulty in agreeing with Judge Palmieri that an injunction would be an inappropriate remedy in this case. An injunction to protect a patent against infringement, like any other injunction, is an equitable remedy to be determined by the circumstances. It is not intended as a club to be wielded by a patentee to enhance his negotiating stance. Here, as the District Court noted, the appellee manufactures a product; the appellant does not. In the assessment of relative equities, the court could properly conclude that to impose irreparable hardship on the infringer by injunction, without any concomitant benefit to the patentee, would be inequitable.
>
> Instead, the District Court avoided ordering a cessation of business to the benefit of neither party by compensating appellant in the form of a compulsory license with royalties. This Court has approved such a "flexible approach" in patent litigation. Here the compulsory license is a benefit to the patentee who has been unable to prevail in his quest for injunctive relief. To grant him a compulsory royalty is to give him half a loaf. In the circumstance of his utter failure to exploit the patent on his own, that seems fair. *Foster* v. *American Machine & Foundry Co.,* 492 F.2d 1317 (2d. Cir. 1974) (citations omitted).

It seems clear to me, that in choosing the language to set up our patent system, the framers of the Constitution had in mind its forerunner, the statute of monopolies adopted in England in 1623. This authorized patents when not "mischievous to the State, by raising of the prices of commodities at home, or hurt of trade or generally inconvenient."

This country has faced up to the problem—on a piecemeal basis—a number of times in the past with specific industries. Most recently, the Senate included a mandatory licensing provision in the energy research and development bill (S. 1283, 93d Congress). That provision was dropped in the conference committee on the basis of a 4-to-4 vote of the House conferees. I ask unanimous consent to include at the end of my remarks some of these examples.

Also, I ask that an analysis of this bill be printed, along with the complete text.

Mr. President, the bill I think is not precedent setting, but merely commonsense. While still encouraging new ideas—and guaranteeing the inventor fair compensation—it sets out procedures whereby that new idea can be put to work for the public good.

The bill is substantially identical to S. 2287 which I introduced during the 93d Congress, and I hope that the committee's schedule will permit its consideration this Congress.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 814

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to create a Federal Trade Commission, to define its power and duties, and for other purposes", approved September 26, 1914, as amended (15 U.S.C. 41–58), is hereby amended by adding at the end of section 5(a) thereof the following new paragraphs, to read as follows:

"(7) It is hereby declared an unfair act or practice subject to this Act, and an inequitable practice, for the owner of a United States patent or any licensee having sublicensing rights thereunder, to refuse or fail to license such patent, together with all available know-how necessary commercially to work the best modes of making, using, and selling the subject matter of the patent, to any applicant in the United States on reasonable and nondiscriminatory terms, when the effect of such refusal or failure may be substantially to lessen actual or potential commerce, and:

"(A) the patented subject matter relates to the manufacture, use, sale, or commercial working of a product, material, or process involving or related to public health, safety, energy, or protection of the environment; and, in any section of the country, such product, material, or process is not commercially utilized or available to the public, or is commercially utilized or available only:

"(i) in insufficient amounts or quantities to satisfy the public need therefor, or

"(ii) in an inferior quality, or

"(iii) at price levels or subject to other conditions or circumstances the effect of which may be substantially to lessen competition in the manufacture, use, sale, or distribution of such product, material, or process, or tend to create a monopoly hereon, or which indicate that the same already exists; or

"(B) the patented subject matter has not been commercially worked during any continuous period of three years following the date of issue of the patent thereon, or of four years following the date of application for a patent thereon—unless such failure has been due solely to circumstances beyond the control of such owner and licensee; or

"(C) it is infeasible or impracticable for the applicant, without the grant of such license, to make, use, sell, or commercially work a product or process claimed in a subsequently issued patent which he owns or under which he has a license: *Provided, however*, That such applicant has offered to license the subsequently issued patent, on reasonable and nondiscriminatory terms, to the person from whom the applicant seeks a license; or

"(D) the applicant commercially worked the patented subject matter in the United States before the actual filing date for the patent in the United States; or

"(E) the applicant is the maker or seller of a product of which the portion embodying the patented subject matter constitutes less than 10 per centum or is otherwise only a minor part.

Any person injured or aggrieved by conduct declared an unfair act or practice by this paragraph may secure declaratory relief in respect to his entitlement to a license and the terms thereof, by civil action in a district court having jurisdiction of the parties, but nothing contained in this paragraph shall constitute a basis for an action for damages.

"(8) It is hereby declared an unfair act or practice subject to this Act, and an inequitable practice, for any corporation to enter into, maintain in effect, or in any way enforce or threaten to enforce any contract with any employee or prospective employee of such corporation, or to assert a construction or interpretation of such contract, which provides that, or which as a practical matter has the result that, such employee shall not or cannot engage in any trade, profession, or calling, or any branch thereof, subsequent to the termination of his employment by such corporation, where the effect of such provision may be substantially to lessen competition to tend to create a monopoly in any line of commerce or substantially lessen the opportunity of such employee to pursue his livelihood: *Provided, however*, That nothing continued in this paragraph shall make unlawful any agreement that such employee shall not divulge to others or utilize for commercial purposes trade secrets of such corporation. Any employee or former employee of any corporation who is hindered, limited, or damaged in his pursuit of his livelihood or engaging in any trade, profession, or calling, or any branch thereof, by reason of said corporation's violation of the provisions of this paragraph, may maintain an action in any court of competent jurisdiction for the recovery of such damages (including loss of anticipated profits, if any), together with the costs of maintaining such action, including attorneys' fees: *Provided, however*, That any such action shall be barred unless commenced within four years after the cause of action accrued.

SEC. 2. The Commission is authorized and directed to define any and all terms used herein, and otherwise to prescribe such procedural and substantive rules and regulations as may be necessary or appropriate for carrying out the purposes of this Act. The Commission, acting through its own attorneys, is authorized and directed to seek injunctive and such other relief as may be necessary or appropriate to prevent violation of any provision of this Act or of any rule or regulation promulgated hereunder, in any court of competent jurisdiction. The Commission shall further have all powers and enforcement duties with respect to unfair acts or practices subject to this Act as it does respecting unfair methods of competition, and the provisions of the Federal Trade Commission Act (15 U.S.C. 41–58) shall be applicable with respect to unfair acts or practices subject to this Act.

SEC. 3. If any provision of this Act or the application of such provision to any person or circumstances is held invalid, the remainder of this Act shall not be affected thereby.

SEC. 4. This Act shall become effective ninety days after the enactment thereof. It shall apply to all United States patents, whether issued before or after the effective date of this Act.

Historical Examples

Since at least a hundred years ago, the Federal courts have refused to enforce the privilege to exclude others, where the infringer was practicing technology important to public health, safety, or the environment. In the most famous of these cases, *The City of Milwaukee* v. *Activated Sludge, Inc.*, 69 F.2d 577, 593 (7th Cir. 1934), the City of Milwaukee was held to have infringed a patent for processing sewage, but the Seventh Circuit refused to grant an injunction. The court states:

"Ordinarily court will protect patents rights by injunctive process. . . . If, however, the injunction ordered by the trial court is made permanent in this case, it would close the sewage plant, leaving the entire community without any means for the disposal of raw sewage other than running it into Lake Michigan, thereby polluting its waters and endangering the health and lives of that and other adjoining communities."

Likewise, a Federal court has refused to enforce a patent which would provide poor people a cheap cure for rickets. In *Vitamin Technologists* v. *Wisconsin Alumni Research Foundation,* 146 F.2d 941, 945 (9th Cir. 1945), the court noted, "it is the poor people suffering with rickets who constitute the principal market for appellee's monopolized processes and products." Likewise, railroad car handbrakes, firehose couplers, and street lamps have been treated at various times as technology so imbued with public interest that injunctive relief has been denied against patent infringement. Whatever long term effect the patent system has in causing new inventions to come about has been reconciled with the immediate problem of saving or protecting human lives, safety, or the environment.

Congress itself has recognized the predominance of this public interest by providing for the compulsory licensing of plant patents, where such "is necessary in order to insure an adequate supply of fiber, food, or feed in this country and . . . the owner is unwilling or unable to supply the public needs for the variety at a price which may reasonably be deemed fair" (7 U.S.C. sec. 2404). In addition, Congress has provided for compulsory licensing of patents involving clean air, if the patent is "not otherwise reasonable available;" and the license is necessary to permit persons to comply with the Federal regulations promulgated under the Clear Air Act (42 U.S.C. sec. 1857h–6).

The Special Committee on Environmental Law of the American Bar Association in 1973 adopted a resolution as follows:

"Resolved That the American Bar Association supports the principle of mandatory licensing of patents in all areas of pollution control technology in those cases with respect to which the Environmental Protection Agency has determined that mandatory licensing is required because the patent holder is unwilling or unable to develop the patent or to supply the total market demand for the patented technology."

The government itself (the sovereign which grants the patent) has limited the private privilege to exclude by retaining the right to use patented inventions in public projects. Section 1498 of the Judicial Code (28 U.S.C. sec. 1498) provides that whenever a patented invention "is used or manufactured by or for the United States without license of the owner thereof," the patent owner's only remedy is for "his reasonable and entire compensation for such use and manufacture" by an action against the United States in the Court of Claims. The phrase "by or for" the use of the United States has been interpreted to include all contractors and subcontractors doing work for the United States. The original reason for this statute, and one that retains vitality today, is that the government retains the right to undertake work involving the national defense and security, or other public necessities, without being blocked by the patent system, although it should pay reasonable compensation for the use of the patented invention.

An extension of this philosophy is found in the Atomic Energy Act (42 U.S.C. secs. 2182–2187). In essence, this Act provides that no patent shall be granted for inventions for use solely in atomic weapons, although an inventor may apply for an award from the Atomic Energy Commission for the contribution he has made. An inventor may obtain a patent for a nuclear invention which has a nonmilitary use; but if the Atomic Energy Commission declares that such a patent is "affected with the public interest," under defined criteria, then others may obtain a compulsory license under the patent in order to maximize the distribution and utilization of the invention.

Federal courts have also required compulsory licensing or cancellation of patents used to violate the antitrust laws or other economic regulatory law. Numerous court cases, for example, have demonstrated how various industries in the United States have used patent agreements as instruments of very tight output and price control, leading to a monopolization of trade and a stifling of competition. As the privately owned patent monopoly is an exception to the general rule in favor of competition in the United States, courts order the licensing of patents to safeguard the competitive system against the adverse side effects of the exclusionary power of a patent. As the Supreme Court pointed out in *United States* v. *Glaxo Group Ltd.*, 410 U.S. 52 (1973):

"Mandatory selling on specified terms and compulsory patent licensing at reasonable charges are recognized antitrust remedies."

Compulsory licensing provisions are also a familiar feature of court-sanctioned antitrust consent decrees. Moreover, compulsory licensing has been applied to both patents and secret know-how. The privilege to exclude others is thereby subordinated to other general rules which favor the growth and development of the economy to help the patent system best fulfill its role in a competitive economy.

All of these ad hoc applications are in full accord with the Paris Convention for the Protection of Industrial Property of 1883—to which the U.S. is a signatory. Section 5 of that Convention recognizes that it is appropriate to have compulsory licenses if a patented invention is not being utilized commercially:

"Each country of the Union shall have the right to take legislative measures providing for the grant of compulsory licenses to prevent the abuses which might result from the exclusive rights conferred by the patent, for example, failure to work."

In Constitutional terms, failure to use an invention is an abuse of the patent monopoly, for such nonuse fails to achieve the constitutional purpose of promoting the progress of science and the useful arts. Compulsory licensing of a patent which has not been worked has nothing to do with the antitrust laws; this nonworking provision arises out of the failure to exploit the patent and let the public benefit from the invention.

Practically every other major industrial nation in the world has enacted provisions to provide for the utilization of patented technology by the public where necessary to encourage rapid and open development and exploitation of such technology. The most common of these provisions in foreign law prevent private patent monopolists from excluding the public from practicing (1) technology involving the public health or safety, (2) technology not being commercially worked by its owner, and (3) technology on which someone has obtained a valuable improvement patent.

The public health and welfare provision generally adopted abroad provides for the compulsory licensing of patents relating to the public health or safety if certain economic conditions designed to protect the patent owner and the public are met. These include findings by an appropriate government agency that the patented technology involving such public health or safety is being made available to the public only in insufficient quantities or in an inferior quality or at abnormally high prices.

The nonworking provision generally adopted abroad provides that if technology is not being fully and effectively commercially worked after the expiration of three years from the grant of a patent thereon, or of four years from the date the application for a patent thereon was filed, another member of the public is given the opportunity to work the technology. Such provisions do not apply, of course, if the owner has a legitimate excuse for failing to commercially work the technology involved.

The improvement patent provision generally adopted abroad prevents the owner of an earlier and presumably less advanced patent from blocking newer and more advanced technology. To be fair to the owner of the earlier patent, however, he is generally required to license the owner of the improvement patent only if he is in turn permitted to practice the improved technology.

ANALYSIS OF THE BILL

The first paragraph of this Act to supplement the Federal Trade Commission Act [designated as paragraph (7) of section 5(d)] would simplify and clarify the law of compulsory licensing. Essentially, it declares the refusal or failure to license a patent on a reasonable basis (and in a commercially useful way) to be improper if two basic legal tests are met. First, and applicable in all circumstances, is the test, based on the Clayton Act, that the effect of such refusal to license have the requisite impact on interstate commerce of substantially tending to lessen actual or potential commerce. The second requisite condition varies, as delineated, by the following subparagraphs to the Act;

Subparagraph (A) codifies the long established *Activated Sludge* case by requiring the compulsory licensing of patents "related to public health, safety, or protection of the environment," when it is necessary to do so to insure the public's use of the subject matter on a reasonable basis. This provision provides standards by which a manufacturer can determine when his patent would appropriately be subject to compulsory licensing in this area, rather than leaving him to the possible uncertainty of a case-by-case decision.

Subparagraph (B) provides that if a United States patent has not been commercially utilized for a period of three years from issuance or four years from application, and someone else is willing to utilize or work that patent and pay a reasonable fee for a license thereunder, he is permitted to do so. This is a direct codification of the provision agreed to by the United States in Article 5 of the Paris Convention of 1883.

Utilization of such an unused patent does the patent owner no harm; and can only be a benefit both to him, as a result of license fees, and to the public, through the introduction of new technology. Generally, the only reason that a given manufacturer, or a whole industry (such as the drug industry), will tend not to grant licenses or otherwise utilize a patent is to block competition or prevent development of certain lines of technology. Otherwise, if a patent owner is not able to utilize the patented invention himself, there is no other rational reason for him not to license his patent. Under this provision, if the patent owner is unable to market his invention for reasons "beyond the control of such owner," he then is not compelled to license the patent.

Subparagraph (C) provides that one patent may not be used to block the utilization of another. Often, one company will make a significant improvement over the invention of another (which improvement would have to be significant in order to be patentable). But, the company which had made the significant improvement might be unable to exploit this improvement because it would involve infringing a background or underlying patent owned by another. It frustrates the development of technological improvements to permit some patents to block the utilization of others containing significant improvements.

As a result, this bill would change the patent law to provide that one patent cannot be used to block the utilization or practice of another. The owner of the background patent is protected, however, because he does not have to license his background patent, unless he receives a license under the improvement. This permits two companies to practice the latest technology in competition with each other. This should stimulate considerably the expansion of industry and minimize court litigation. Moreover, opening up the commercialization of complementary inventions should do away with the need for elaborate industrywide patent pools which have been used in the past as devices to restrict the use or output of technology, to facilitate the division of markets, or to establish uniform, anticompetitive pricing policies. Of course, this provision would not permit the development of closed pools, which would be used to exclude the rest of an industry for the benefit of the members of a "club." That practice is already forbidden by the Sherman Act and such decisions as *Associated Press* and *St. Louis Terminal*.

Subparagraph (D) would protect a businessman who had commercially manufactured an item for which someone else had later filed and then obtained a patent. This provision is common in European patent law, for it is inequitable to force a manufacturer to take his product off the market if his product was on the market prior to someone else's actually filing his application for a patent and thereby giving notice that he planned to block this invention off for himself.

Subparagraph (E) permits compulsory licensing in situations where patented subject matter is "a minor part" of the product which the would-be licensee wishes to sell. It is unfair, and an undesirable blockage to commerce and industry, to permit a patent on only a small piece of a much larger machine or complex to block the sale or manufacture of such a complex machine. Such minor patents, or patents which deal with only a small part of a given area of technology, have been used in the past to block entire areas of technology. This has excluded others from coming in and competing, not as to the specific and claimed subject matter of the patent, but as to the whole area of technology. Through the use of such blocking patents, cartels have been able to divide markets to avoid newcomers from disrupting large and carefully controlled market schemes not related to the specific technology involved in the patent. Persons denied licenses to which this act entitles them may secure declaratory relief, but not damages, in the Federal courts. The refusal to grant a license would also constitute unclean hands, so the patentee could not sue an infringer to whom he improperly denied a license. Additionally, the FTC could enter a cease and desist order.

Such a general pattern of compulsory licensing, uniformly applied, and surrounded by provisions to safeguard the interests of the patent owner, but at the same time not to disregard other aspects of the public interest, should prove a useful means for promoting scientific and economic development and preserving competition. Maintaining a "safety valve" of compulsory licensing will open up sections of technology hitherto closed and provide an opportunity for qualified parties to carry inventions forward into production. This will increase the rate of utilization of patented techniques that have proven themselves commercially successful and needed by the public.

Such compulsory licensing should also prevent blocking valuable inventions and improvements thereon and will eliminate the opportunity for one manufacturer of a patented item to take over all competitors in similar items. Compulsory licensing, moreover, will remove opportunities for companies to impose as conditions for a license restrictions on use, output, markets, or prices, which interfere with efficient production and the free exercise of competitive forces in the economy. As the patent owner will receive a reasonable royalty in return for his license, his interests will be protected; and he will be rewarded for taking the risks he incurred. As a result, the undesirable side effects of monopolistic exclusion should be reduced while progress of science and the useful arts is maintained and fostered.

Paragraph (8) of this bill will assist scientists and engineers to pursue their livelihood. Some state trade secret laws, and the judicial interpretation of such state laws, have had the effect of denying to some scientists the opportunity to work for companies of their choice. Their mobility has been reduced, their personal freedom to change employers limited, their bargaining position weakened; and the more they have learned and the more productive they have become, the more they have been tied to their present employers.

All this has been done in the name of protecting trade secrets or formulas the scientists may have learned as a previous employee, although the protection given has not been so limited. Instead, the effect of some state decisions has been to prohibit an employee from working in his trade for a new company at all. This bill makes the law uniform and sets what I believe to be fair standards to protect both employers and employees. This is not a general trade secret law, however; and it neither legalizes nor makes illegal other agreements concerning trade secrets. Instead, it leaves the present law in the area undisturbed except to the extent necessary to protect the livelihoods of scientists and engineers.

By Mr. STAFFORD (for himself, Mr. KENNEDY, Mr. BROCK, Mr. CLARK, Mr. RIBICOFF, and Mr. PERCY):

S. 815. A bill to provide for the public disclosure of lobbying activities with respect to Congress and the executive branch, and for other purposes. Referred to the Committee on Government Operations.

OPEN GOVERNMENT ACT OF 1975

Mr. STAFFORD. Mr. President, it has been more than a quarter of a century since Congress passed the Federal Regulation of Lobbying Act of 1946. Since that time, there have been vast changes in the way lobbyists operate to influence the course of Government and vast changes in their impact on the Government. However, there have been no equal responses by the Congress to keep the law in step with changing times.

Today, for myself and five colleagues, I introduce legislation designed to give Members of Congress and other officials of the Federal Government, along with the American public, a better chance to identify the private forces that seek to influence the shape of legislation and the actions of the executive branch.

Existing Federal laws simply do not reveal the full range of the activities and influence of lobbyists. The Open Government Act of 1975 would require full and public disclosure of virtually every aspect of lobbying.

It would replace a law which is inadequate. Where we now have only estimates and rumor, we would have facts and truth. In place of shadow, we would have light. In place of suspicion, we would have information.

I am pleased to be joined in this effort by Senators KENNEDY, BROCK, RIBICOFF, PERCY, and CLARK.

To a substantial degree the bill I have introduced represents a merger of separate lobbying disclosure legislation that I and Senator KENNEDY have introduced in past sessions of the Congress. I am delighted that our efforts have won the support of the chairman of the Government Operations Committee, Mr. RIBICOFF; of the ranking minority member of that committee, Mr. PERCY; and of Mr. BROCK and Mr. CLARK. I am pleased also that the Open Government Act of 1975 has won the support of Mr. John Gardner and the organization he leads, Common Cause.

The bill is not designed to halt, curtail or even to regulate lobbying activities. This measure takes extreme care to preserve the constitutional rights of all Americans to petition their Government and to freely express their views.

At the same time, there is a need to provide a full accounting of what kind of lobbying is going on. This bill makes an effort to strike a proper balance between the need to make this information available to the public and to avoid burdensome or time-consuming requirements of reporting by lobbyists.

In the quest to provide this information for public scrutiny, the present law is a generation out of date. A combination of loopholes and court decisions have created a circumstance in which we have the appearance of a lobbying law, but little substance. The fact is that most lobbying activities go unreported at present. In addition, the 1946 act does not deal at all with lobbying directed at the executive branch of the Federal Government, or with so-called grassroots lobbying intended to influence Federal actions through stimulated efforts of the general public.

We recognize that there is a long and difficult road to be traveled before lobbying reform will be achieved. But I am heartened by the pledges we have received for early hearings by the committee of jurisdiction and for a nationwide campaign of support by Common Cause on this issue.

We are also aware that there are a number of difficult constitutional questions involved in legislative efforts to deal with lobbying. It is our goal to meet all the requirements of the Constitution at the same time we provide all Americans with a complete and accurate picture of the impact of lobbying on our Government.

Secrecy builds suspicion, and suspicion weakens public confidence in a government that requires the trust of its citizens to function effectively. We will strengthen our Government and win increased confidence in our efforts if we make our Government institutions more responsive to all Americans, not just to special interests.

I ask unanimous consent that the text of the Open Government Act of 1975, a summary of the bill, and a statement by Mr. John W. Gardner, chairman of Common Cause, in support of this proposed legislation be printed in the RECORD at this point.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 815

A bill to provide for the public disclosure of lobbying activities with respect to Congress and the Executive Branch, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Open Government Act of 1975."

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds—

(1) that the enhancement of responsible representative government requires that the fullest opportunity be afforded to the people of the United States to petition their government for a redress of grievances and to express freely to Federal officers and employees in Congress and the executive branch their opinion on pending legislative and executive actions and other policy issues;

(2) that, to promote legislative and executive actions in the public interest, the facts and opinions expressed to Congress and the executive branch by the advocates of one view or interest should be balanced against the facts and opinions of advocates with other views or interests, and all such facts and opinions should be available to officials in both branches of government; and

(3) that the identity and activities of persons who engage in efforts to persuade Congress or the Executive Branch to take specific legislative or executive actions, either by direct communication or by solicitation or employment of others to engage in such efforts, should be publicly and timely disclosed.

(b) It is the purpose of this Act, in order to enable Federal officers and employees to better evaluate the efforts of those who advocate certain Congressional or Executive Branch actions and to protect the interests of such advocates and the general public, to provide for the disclosure of the activities, and the origin, amount, and utilization of funds and other resources, of and by persons who seek to influence the legislative or executive process.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(a) "person" includes an individual, corporation, company, association, firm, partnership, society, joint stock company, or other organization;

(b) "policymaking process" means any action taken by a Federal officer or employee with respect to any pending or proposed bill, resolution, amendment, nomination, hearing, investigation, or other action in Congress, or with respect to any pending or proposed rule, adjudication, hearing, investigation, or other action in the Executive Branch;

(c) "Federal officer or employee" means any officer or employee in the Legislative or Executive Branch of the Federal Government, and includes a Member of Congress, Delegate to Congress, or the Resident Commissioner from the Commonwealth of Puerto Rico;

(d) "income" means—

(1) a gift, donation, contribution, payment, loan, advance, service, or other thing of value received; or

(2) a contract, promise, or agreement, whether or not legally enforceable, to receive any item referred to in paragraph (1).

(e) "expenditure" means—

(1) a gift, donation, contribution, purchase, payment, distribution, loan, advance, service, or other thing of value made, disbursed, or furnished; or

(2) a contract, promise, or agreement, whether or not legally enforceable, to carry out any transaction referred to in paragraph (1).

(f) "quarterly filing period" means the period covered by a calendar quarter;

(g) "voluntary membership organization" means an organization composed of individuals who are members thereof on a voluntary basis and who, as a condition of membership, are required to make regular payments to the organization;

(h) "identification" means, in the case of an individual, the name of the individual and his address, occupation, principal place of business, and position held in the business; and, in the case of a person other than an individual, the name of the person and its address, principal place of business, officers, and board of directors, if any;

(i) "lobbying" means a communication, or the solicitation or employment of another to make a communication, with a Federal officer or employee in order to influence the policymaking process, but does not include—

(1) testimony before a congressional committee, subcommittee, or joint committee, or before a Federal department or agency, or the submission of a written statement thereto, if such testimony or statement is made a matter of public record by the committee, subcommittee, department, or agency;

(2) a communication or solicitation by a Federal officer or employee, or by an officer or employee of a State or local government, acting in his official capacity;

(3) a communication or solicitation, other than a publication of a voluntary membership organization, made through the distribution in the normal course of business of any news, editorial view, letter to an editor, advertising, or like matter by—

(A) a newspaper, magazine or other periodical distributed to the general public;

(B) a radio or television broadcast; or

(C) a book published for the general public;

(4) a communication or solicitation by a candidate, as defined in section 591(b) of title 18, United States Code, made in the course of a campaign for Federal office; or

(5) a communication or solicitation by or authorized by—

(A) a national political party of the United States or a national, state, or local committee or other organizational unit of a national political party regarding its activities, undertakings, policies, statements, programs, or platforms; or

(B) a political party of a State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States, or a committee or other organizational unit of such political party, regarding its activities, undertakings, policies, statements, programs or platforms.

(j) "lobbyist" means any person who engages in lobbying and who—

(1) receives income of $250 or more as compensation for employment or other activity during a quarterly filing period, or of $500 or more as compensation for employment or other activity during four consecutive quarterly filing periods, when lobbying is a substantial purpose of such employment or activity;

(2) makes an expenditure for lobbying, except for the personal travel and lodging expenses of such person, of $250 or more during a quarterly filing period, or of $500 or more during four consecutive quarterly filing periods; or

(3) in the course of lobbying during a quarterly filing period, communicates orally on eight or more separate occasions with one or more Federal officers or employees.

(k) "Commission" means the Federal Election Commission.

NOTICES OF REPRESENTATION

SEC. 4. (a) Each lobbyist shall file a notice of representation with the Commission not later than fifteen days after becoming a lobbyist. The notice of representation shall be in such form and contain such information as the Commission shall prescribe, including—

(1) an identification of the lobbyist;

(2) an identification, so far as practicable, of each person on whose behalf the lobbyist expects to perform services as a lobbyist;

(3) a description of the financial terms and conditions, including contingent fee arrangements or other conditions, under which the lobbyist is employed or retained by any person, and the identification of that person;

(4) each aspect of the policymaking process which the lobbyist expects to seek to influence, including any committee, department, or agency, or any Federal officer or employee, to whom a communication is to be made, the form of communication to be used, and whether the communication is to be for or against a particular measure or action;

(5) an identification of each person who, as of the date of filing, is expected to be acting for such lobbyist and to be engaged in lobbying, including—

(A) the financial terms or conditions of such person's activity; and

(B) each aspect of the policymaking process such person expects to seek to influence; and

(6) in the case of a voluntary membership organization, the approximate number of members and a description of the methods by which the decision to engage in lobbying is made.

(b) Each notice of representation filed by a lobbyist under subsection (a) of this section shall be amended by the lobbyist at such intervals of time as the Commission shall prescribe to reflect the current activities of the lobbyist.

(c) a lobbyist who has filed a notice of representation under the subsection (a) of this section and who has not been a lobbyist for three consecutive quarterly filing periods shall file a notice of representation when he again becomes a lobbyist.

RECORDS

SEC. 5. Each lobbyist shall maintain such financial and other records of lobbying activity as the Commission shall prescribe. Such records shall be preserved for a period of not less than two years after the date of the activity. Such records shall be available to the Commission for inspection and shall include the following information:

(a) the total income received by the lobbyist, and the amount of such income attributable to lobbying;

(b) the identification of each person from whom income for lobbying is received and the amount received: *Provided, however,* That in the case of a voluntary membership organization, a contribution received during any quarterly filing period from a member need be recorded only if the contributions to such organization from such member are more than $100 during that quarterly filing period, or during that quarterly filing period combined with the three immediately preceding such periods;

(c) the expenditures of the lobbyist, including—

(1) the total expenditures of the lobbyist, and the amount of such expenditures attributable to lobbying;

(2) an itemization of any expenditure for lobbying which exceeds $10 in amount or value, including the identification of the person to or for whom the expenditure is made, the date of the expenditure, and a description of the nature of the expenditure;

(3) expenditures to employ any person who engages in lobbying on behalf of such lobbyist, and the amount received by each person so employed; and

(4) expenditures relating to research, advertising, staff, entertainment, offices, travel, mailings and publications used in lobbying;

(d) such other information as the Commission shall prescribe to carry out the purpose of this Act.

REPORTS

SEC. 6. Each lobbyist shall, not later than fifteen days after the last day of a quarterly filing period in which such lobbyist engaged in lobbying, file a report with the Commission covering the lobbyist's activities during that period. Each report shall be in such form and contain such information as the Commission shall prescribe, including—

(a) an identification of the lobbyist;

(b) an identification of each person on whose behalf the lobbyist performed services as a lobbyist during the period, but not including any member of any voluntary membership organization on whose behalf the lobbyist performed such services, if the member contributed not more than $100 to the organization during the period, or during that period combined with the three immediately preceding quarterly filing periods;

(c) each aspect of the policymaking process the lobbyist sought to influence during the period, including bill, docket, or other identifying numbers where relevant;

(d) an identification of each Federal officer or employee with whom the lobbyist communicated during the period to influence the policymaking process;

(e) an identification of the subject matter of each oral or written communication which expresses an opinion or contains information with respect to the policymaking process made by the lobbyist to any Federal officer or employee, or to any committee, department, or agency;

(f) an identification of each person, including other lobbyists, who engaged in lobbying on behalf of the reporting lobbyist during the filing period, including—

(1) each decision of the policymaking process such person sought to influence, including bill, docket or other identifying numbers where relevant; and

(2) each Federal officer or employee with whom such person communicated in order to influence the policymaking process;

(g) a copy of any written communication used by the lobbyist during the period to solicit other persons to lobby, an estimate of the number of such persons to whom such written communication was made, and an estimate of the number of such persons who engaged in lobbying;

(h) a description of the procedures, other than written communications, used by the lobbyist during the period to solicit other persons to lobby, an estimate of the number of such persons solicited, an estimate of the number of such persons who engaged in lobbying, the specific purpose of the lobbying, and the Federal officers or employees to be contacted;

(i) any expenditures made directly or indirectly to or for any Federal officer or employee which exceeds $25 in amount or value, and any expenditures made directly or indirectly to or for one or more such officers or employees which, in aggregate amount or value, exceed $100 in a calendar year, including an identification of the person or persons making or receiving such expenditure or expenditures and a description of the expenditures or expenditures;

(j) copies of the records required to be kept by the lobbyist under section 5, to the extent such records pertain to the period; and

(k) such other information as the Commission may by regulation prescribe to carry out the purpose of this Act.

EFFECT OF FILING ON CERTAIN DETERMINATIONS UNDER THE INTERNAL REVENUE CODE OF 1954

SEC. 7. Compliance with the requirements of section 4, 5, or 6 of this Act shall not be taken into consideration in determining, for purposes of the Internal Revenue Code of 1954, whether a substantial part of the activities of an organization is carrying on propaganda or otherwise attempting to influence legislation.

POWERS OF COMMISSION

SEC. 8. (a) The Commission has the power for the purposes of this Act—

(1) to require, by special or general orders, any person to submit in writing such reports, records, and answers to questions as the Commision may prescribe relating to the execution of its duties; and such submission shall be made within such a reasonable period of time and under oath or otherwise as the Commission may determine;

(2) to administer oaths or affirmations;

(3) to require by subpena, signed by the chairman or the vice chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in any proceeding or investigation, to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

(6) to initiate (through civil proceedings for injunctive, declaratory, or other appropriate relief), defend, or appeal any civil action in the name of the Commission for the purpose of enforcing the provisions of this Act, through its general counsel;

(7) to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act;

(8) to formulate general policy with respect to the administration of this Act;

(9) to develop and prescribe forms under sections 4, 5, and 6 of this Act;

(10) to conduct investigations and hearings expeditiously, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities;

(11) to modify the requirements of sections 4, 5, and 6 in specific cases where such requirements, due to extenuating or unusual circumstances, are overly burdensome for the lobbyist involved or unnecessary for the full disclosure of lobbying activities, provided such modifications are consistent with the disclosure intent of this Act.

(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

(d)(1) Whenever the Commission submits any budget estimate or request to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy of such estimate or request to the Congress.

(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation, requested by the Congress or by any Member of the Congress, to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

DUTIES OF THE COMMISSION

SEC. 9. It shall be the duty of the Commission—

(a) to develop forms for the filing of notices of representation, records, and reports pursuant to section 4, 5, and 6 of this Act and to furnish such forms to lobbyists upon request;

(b) to prepare a manual setting forth recommended uniform methods of bookkeeping and reporting and to furnish such manual to lobbyists upon request;

(c) to develop a filing, coding, and cross-indexing system to carry out the purposes of this Act;

(d) to make the notices of representation and reports filed with it available for public inspection and copying, commencing as soon as practicable, but not later than the end of the second day following the day on which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person, provided that the charge does not exceed actual marginal cost, but no information copied from such reports and statements shall be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(e) to preserve the originals or copies of such notices and reports for a period of ten years from date of receipt;

(f) to compile and summarize, with respect to each filing period, the information contained in such notices and reports in a manner which facilitates the disclosure of lobbying activities, including, but not limited to, information on—

(1) the lobbying activities and expenditures pertaining to specific legislative or executive actions, including an identification of the lobbyists involved, an identification of the persons in whose behalf the lobbyists acted, and the amount of income received by the lobbyist from such persons; and

(2) the lobbying activities and expenditures of persons who share an economic, business, or other common interest in the legislative or executive actions which they have sought to influence;

(g) to have such information, as so compiled and summarized, published in the Federal Register within fifteen days after the close of each filing period;

(h) to have each notice of representation which is filed by any lobbyist published in the Federal Register within three days after each such notice is received by the Commission;

(i) to have a description and explanation of each modification of general applicability under consideration pursuant to section 8(a)(11) of this Act published in the Federal Register for public comment at least 10 days in advance of granting such modification;

(j) to ascertain whether any lobbyist has failed to comply fully and accurately with the disclosure requirements of this Act and promptly notify such person to file such notices and reports as are necessary to satisfy the requirements of this Act or regulations prescribed by the Commission under this Act;

(k) to make audits and field investigations with respect to the notices and reports filed under the provisions of this Act, and with respect to alleged failures to file any notice or report required under the provisions of this Act, and, upon complaint by any individual, with respect to alleged violations of any part of this Act; and

(l) to prescribe suitable rules and regulations to carry out the provisions of this Act.

ADVISORY OPINIONS

SEC. 10. (a) Upon written request to the Commission by any person, the Commission shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such person is covered by the provisions of this Act.

(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings of such advisory opinion shall be presumed to be in compliance with the provisions of this Act.

(c) Any request made under subsection (a) shall be made public by the Commission. The Commission shall, before rendering an advisory opinion with respect to such request, provide any interested person with an opportunity to transmit written comments to the Commission with respect to such request.

ENFORCEMENT

SEC. 11. (a)(1) Any person who believes a violation of this Act has occurred may file a complaint with the Commission.

(2) The Commission, upon receiving any complaint under paragraph (1), or if it has reason to believe that any person has committed a violation of this Act, shall notify the person involved of such apparent violation and shall—

(A) report such apparent violation to the Attorney General; or

(B) make an investigation of such apparent violation.

(3) Any investigation under paragraph (2) (B) shall be conducted expeditiously. Any notification or investigation made under paragraph (2) shall not be made public by the Commission or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

(4) The Commission shall, at the request of any person who receives notice of an apparent violation under paragraph (2), conduct a hearing with respect to such apparent violation.

(5) If the Commission determines, after investigation, that there is reason to believe that any person has engaged, or is about to engage in any acts or practices which constitute or will constitute a violation of this Act, it may endeavor to correct such violation by informal methods of conference, conciliation, and persuasion. If the Commission fails to correct the violation through informal methods, it may institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person against whom such action is brought is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, the court shall grant a permanent or temporary injunction, restraining order, or other order.

(6) The Commission shall refer apparent violations to the appropriate law enforcement authorities to the extent that violations of this Act are involved, or if the Commission is unable to correct apparent violations of this Act under the authority given it by paragraph (5), or if the Commission determines that any such referral is appropriate.

(7) Whenever in the judgment of the Commission, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act, upon request by the Commission, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which such person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted by such court.

(8) In any action brought under paragraph (5) or (7) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

(9) Any party aggrieved by an order granted under paragraph (5) or (7) of this subsection may, at any time within 60 days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such order was issued for judicial review of such order.

(10) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of Title 28, United States Code.

(11) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection or under section 12 of this Act).

(b) In any case in which the Commission refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Commission with respect to any action taken by the Attorney General regarding such apparent violation. Each report shall be transmitted no later than 60 days after the date the Commission refers any apparent violation, and at the close of every 30-day period thereafter, until there is final disposition of such apparent violation. The Commission may from time to time prepare and publish reports on the status of such referrals.

JUDICIAL REVIEW

SEC. 12. (a) The Commission, or any person who seeks to engage in lobbying as defined in this Act, may institute such actions in the appropriate district court of the United States, including actions for declaratory judgment, as may be appropriate to construe the constitutionality of any provision of this Act.

(b) It shall be the duty of the district courts, the courts of appeals and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any action instituted under this section.

SANCTIONS

SEC. 13. (a) Any lobbyist who fails to comply with section 4, 5, or 6 of this Act shall be fined not more than $1,000 and be required to fully comply, retroactively or otherwise, with such sections.

(b) Any lobbyist who knowingly and willfully violates section 4, 5, or 6 of this Act shall be fined not more than $10,000 or imprisoned for not more than two years.

(c) Any person who knowingly and willfully falsifies all or part of any notice of representation or report which he files with the Commission under this Act shall be fined not more than $10,000 or imprisoned for not more than 2 years, or both.

REPORTS

SEC. 14. The Commission shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Commission in carrying out its duties under this title, together with recommendations for such legislative or other action as the Commission considers appropriate.

REPEAL OF FEDERAL REGULATION OF LOBBYING ACT

SEC. 15. The Federal Regulation of Lobbying Act (60 Stat. 839–842; 2 U.S.C. 261 et seq.) and that part of the table of contents of the Legislative Reorganization Act of 1946 which pertains to title III, also known as the Federal Regulation of Lobbying Act (60 Stat. 813), are repealed, effective on the date on which the regulations to carry out this Act first become effective.

PARTIAL INVALIDITY

SEC. 16. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 17. The provisions of this Act shall take effect upon the date of its enactment, except that any lobbyist shall not have any duties or obligations under this Act to maintain records pursuant to section 5 until the date on which the regulations to carry out this Act become effective.

SUMMARY—OPEN GOVERNMENT ACT OF 1975

Pupose: 1. The primary purpose of the Act is to improve the operations of Congress and the Executive Branch by full disclosure of lobbying activities by those atempting to influence legislative or executive action.

2. The Act would not prohibit any type of lobbying, but would require full disclosure, including disclosure of specific lobbying activities, reporting of income and expenditures for lobbying, and identification of persons seeking to influence Congress or Federal agencies.

3. The Act would replace the existing Federal Regulation of Lobbying Act of 1946, whose loopholes and lack of enforcement have made it ineffective as a lobbying disclosure law. The existing law does not apply to lobbying of the Executive Branch. In addition, there are serious gaps in the law's application to lobbying of Congress: (1) by covering only persons whose "principal" activity is lobbying, the law fails to cover many who engage in substantial lobbying activities; (2) the law fails to cover those who spend their own funds for lobbying; (3) it fails to cover so-called "grass root" lobbyists, i.e., those who solicit others to engage in lobbying by mass mail campaigns or other methods; and (4) its enforcement provisions are weak and are entrusted to the Secretary of the Senate and the Clerk of the House. The proposed reforms would remedy each of these defects.

Definition of lobbying—The Act defines lobbying as any communication with a member of Congress or the Executive Branch in order to influence any official action.

Covered lobbyists—The Act establishes three alternative tests to define lobbyists covered by the reporting and disclosure requirements:

1. Income Test—A lobbyist is covered if lobbying is a substantial purpose of his employment and he receives income of $250 or more per quarter or $500 or more per year for his employment. The income need not be attributable to lobbying activities; he is covered if he receives the income and engages in lobbying.

2. Expenditure Test—A lobbyist is covered if he makes an expenditure for lobbying of $250 or more per calendar quarter, or $500 or more per year. In computing the amounts, the Act excludes the lobbyist's personal expenses for travel and lodging.

3. Communication Test—A lobbyist is covered if, in the course of lobbying, he makes communications with one or more employees of Congress or the Executive Branch on at least eight separate occasions. The communications must be oral; a person is not a covered lobbyist under this test if his communications are written.

Exemptions from definition of lobbying—The Act excludes the following activities from the definition of lobbying:

Testimony or written statements before a Congressional committee or a Federal agency, if the testimony or statement is a matter of public record.

Communications through the press.

Communications by Federal, State or local employees acting in their official capacity.

Communications by a candidate for Federal office or by national, State, or local political parties.

Method of disclosure—To carry out its disclosure purpose, the Act adopts a three-part system of Notices of Representation, Records and Reports:

1. Notices of Representation—Fifteen days after becoming a lobbyist, a person must file a Notice of Representation identifying the lobbyist, his employers, his employees, the financial terms of his employment, and the purpose of his lobbying activities, including the specific actions he will seek to influence and the persons he expects to contact in Congress or the Executive Branch.

2. Records—Each lobbyist must maintain personal records of income and expenditures for lobbying, including itemized accounts of expenses of $10 or more.

3. Reports—Each lobbyist must file quarterly reports covering his lobbying activities during the quarter, identifying each lobbying activity and each person contacted in Congress or the Executive Branch. The reports must also include copies of relevant records kept by the lobbyist, and details of mass mailing campaigns and other efforts to solicit others to lobby.

Voluntary membership organizations—The Act modifies some of the detailed disclosure requirements for such organizations. The Notice of Representation must list only the approximate number of members and a general description of the mechanics by which the organization decides to engage in lobbying. The Reports must identify only those members who contribute more than $100 a year to the organization.

Gifts to Federal employees—The Act requires a lobbyist to include in his reports any expenditures made to or for any officer of Congress or the Executive Branch, if the expenditure exceeds $25.00 or if the total expenditures for such purposes exceed $100 a year. The provision applies to gifts, lunches, private plane trips, or other benefits provided directly or indirectly to Federal employees.

Enforcement—The Act places the enforcement of the lobbying disclosure provisions in the new Federal Election Commission. The Commission is given broad enforcement powers, analogous to those available for enforcement of the Federal election laws, including hearings, subpoenas, and investigative and civil injunction powers. The Commission is also given the authority to modify the reporting and disclosure provisions in particular cases where the requirements of the Act are unduly burdensome. The Commission is also directed to publish the lobbying reports filed with it and to compile and summarize the information in the reports, including a compilation of information on lobbying by those sharing a common economic or other interest in legislative or executive actions.

Penalties—The Act contains a $1,000 fine for failure to comply with the notice, record, or reporting requirements. Willful violations of the Act are subject to a fine of $10,000 and imprisonment for two years.

STATEMENT BY JOHN GARDNER, CHAIRMAN, COMMON CAUSE, ON THE NEW LOBBY DISCLOSURE LEGISLATION, FEBRUARY 24, 1975

Common Cause fully endorses the new lobby disclosure legislation introduced today by Senators Stafford, Kennedy, Ribicoff, Percy, Brock, and Clark. Similar legislation has also been introduced in the House by Representatives Railsback and Kastenmeier. We believe these members of Congress deserve enormous credit and gratitude for their initiative and leadership on this crucial issue. Lobbying has become one of the most secretive and potentially corrupting ingredients in American politics, and the time for legislation bringing it out in the open is long overdue.

The citizens of this land have a right to know about any individual or group that is spending money secretly to manipulate the political process. They must know because the price of their food, their heating bills, the safety of the toys their children play with, and a great many other things may be profoundly affected by such activity. Every citizen, every consumer, every taxpayer is directly affected.

Lobbying is not wrong in itself. In fact, it can serve useful purposes. It is a constitutional right. But it is wrong to lobby secretly, wrong to deceive the public, wrong to use money in ways that corrupt the public process. And that is what is going on today.

Information on lobbying is supposed to be provided by the Federal Regulation of Lobbying Act of 1946, but the 1946 law is a sham and a hoax. The biggest special interest lobbies in the country laugh at it and ignore it.

The Senate bill would replace the 1946 law with comprehensive and enforceable lobby disclosure requirements. The need for such legislation has never been more urgent. The deepening economic and energy crises demand decisive government action on matters of great concern to diverse interest groups, particularly energy industries, labor unions, and business organizations. Intense pressures are being exerted by these groups to win favorable government decisions. Public disclosure of these efforts is clearly in the public interest.

The bill being introduced today contains the essential ingredients of a broad and effective lobby disclosure law. It applies to lobbying of the Executive Branch as well as of Congress; it covers those who lobby directly or who employ or solicit others to lobby; it contains comprehensive reporting requirements on lobbying activities and expenses; and it gives enforcement responsibility to the new Federal Elections Commission.

This kind of lobby law is clearly a reform whose time has come. The results of a Common Cause survey conducted last year show that 318 House members of the 94th Congress favor comprehensive disclosure of lobbying activities. Of the 58 Senators who responded to our survey, 48 voiced support for this reform. The lobby disclosure bill recently introduced in the House by Representatives Railsback and Kastenmeier has 99 co-sponsors.

Enactment of a new lobby law should be a top priority for Congress this year.

Common Cause will be conducting a national effort on behalf of the Senate bill, as well as on HR 15, the Railsback-Kastenmeier bill in the House.

KEY LOBBY DISCLOSURE PROVISIONS

Common Cause believes there are four essential ingredients to a good lobby disclosure law. Both the Senate bill introduced today and the Railsback-Kastenmeier bill in the House contain these provisions.

(1) Application to lobbying of Executive Branch agencies and departments in addition to Congressional lobbying. This corrects one of the main deficiencies in the 1946 lobby law, which applies only to lobbying of Congress.

(2) Coverage of individuals and organizations which lobby directly, or indirectly by employing or soliciting others to do it, so long as a significant amount of money is involved in this activity. The legislation would cover those who lobby in relation to their employment—such as officers in corporations and trade associations—even though they are not specifically hired as lobbyists.

(3) Comprehensive disclosure provisions requiring lobbyists to report the source and amount of their income, itemized expenditures, the names of the officials they have contacted and on what issues, the activities of anyone who lobbied in their behalf, and what they have given or loaned to public officials in money, services or other favors.

(4) Enforcement of these reporting requirements by the new Federal Elections Commission, which also has the responsibility of making the information disclosed available to the public. The Commission has the power to investigate possible violations, to issue subpoenas and take depositions, and to initiate civil proceedings to compel compliance—all of which are essential to assure adequate enforcement.

Mr. KENNEDY. Mr. President, I am pleased to join with Senator STAFFORD and Senators BROCK, CLARK, RIBICOFF, and PERCY in introducing this bill to provide comprehensive reform of the Federal lobbying laws.

Our current Federal lobbying laws are a scandal and a national disgrace. Day after day, vast amounts of influence money are spent by lobbyists in secret ways and for secret purposes. The many private interests are rich and powerful, and their secret operations corrupt the public interest. The time has come to end their undue influence over Congress and the executive branch. Too often, we have allowed the voice of the people to be silenced by special interest groups clamoring for favored treatment. Too often, the public interest has been subverted by the massive assaults of the private interests.

The bill we propose today is an effort to change all that. It would improve the current lobbying law in five principal respects, each of which would close a major loophole in the existing law.

First, the coverage of lobbying activities would be extended for the first time to the executive branch. The existing law is applicable only to Congress.

Second, coverage would be expanded to include individuals or organizations which engage in "substantial" lobbying activities. Present law applies only to those whose "principal" activity is lobbying.

Third, coverage would be expanded to include individuals or organizations expending their own funds to influence official actions. Present law applies only to those who spend the funds of others.

Fourth, coverage would be expanded to include individuals or organizations seeking to influence legislation indirectly—the so-called grassroots lobbyists. Present law applies only to those who make direct communications with Congress.

Fifth, enforcement would be entrusted to the Federal Election Commission and strong enforcement powers would be provided, analogous to the Commission's current powers to enforce the Federal election laws. The weak enforcement provisions of the present lobbying laws are entrusted to the Secretary of the Senate and the Clerk of the House.

Mr. President, whatever justification there may have been in 1946 for the failure of the present act to cover lobbying directed at the executive branch, the justification is no longer valid today. In this modern era in which actions of the executive branch have pervasive effects on virtually every area of national life, it is essential that both Congress and the country be aware of the pressures that are used to influence executive decisions.

Yet, today, there is essentially no law at all applicable to executive lobbying, and the situation is hardly better with respect to congressional lobbying. The law that exists for Congress is little better than no law at all. In large part, the problem exists today because for many years, Congress has abdicated its responsibility to keep our basic truth-in-government lobbying law current with modern needs.

In part, the Federal Regulation of Lobbying Act of 1946 was flawed at the outset, a timid approach to a serious problem. In part, however, its current ineffectiveness is also the result of a major Supreme Court decision in 1954 that narrowly construed the ambiguous provisions of the act. For 20 years, Congress has ignored the Court's decision, content to leave this toothless law in force, rather than give it the teeth it ought to have.

As interpreted by the Supreme Court in the landmark decision in United States against Harriss in 1954, the 1946 act is applicable only to individuals or organizations whose "principal" purpose is to influence legislation. As a result, many out-and-out lobbyists have successfully avoided compliance with the act, on the ground that their lobbying activities, while substantial, are not their "principal" purpose within the narrow meaning of the act. In recent years, there have been some notable abuses in this area, involving organizations and groups which have mounted enormous lobbying activities in opposition to major legislation in Congress, but which have refused to comply with the provisions of the Lobbying Act, because they claimed lobbying was not one of their "principal" activities.

In addition, the 1946 act is applicable only to a person who "solicits, collects, or receives" money or any other thing of value for lobbying activities. In interpreting this language in the Harriss case, the Supreme Court held that persons who merely expend their own funds are not covered by the act.

However, the Court's opinion by Chief Justice Earl Warren contained an explicit invitation to Congress to close the loophole in this area. As the Court stated, if a broader construction of the act is to become law, it "is for Congress to accomplish by further legislation."

The invitation is more timely than ever now, because, as Mr. Justice Jackson stated in his dissent in the Harriss case:

> More serious evils affecting the public interest are to be found in the ways lobbyists spend their money than in the ways they obtain it.

In yet another way, the Harriss decision significantly weakened the 1946 act. It construed the act as applicable only to the sort of lobbying that involves so-called buttonholing of Members of Congress—direct communications with Members on pending or proposed legislation. As a result, many individuals and organizations—the grassroots lobbyists—who seek to influence legislation indirectly, through mass letter campaigns or other methods, are not subject to the present law.

These and other serious loopholes in present law should have been remedied long ago. To be effective, a lobbying law must cover lobbying of the executive branch. It must cover lobbyists who expend their own funds. And it must cover those who stimulate lobbying activities by others.

> The defects in the 1946 act have been widely criticized as gaping holes through which wealthy individuals and organizations can routinely pour large amounts of influence money, to the detriment of the public interest. It is time that these major loopholes were closed, and the bill we are introducing today is designed to accomplish that task.
>
> Seldom has there been such a clearcut demonstration that a major piece of legislation passed by Congress is an empty sieve, full of holes and escape hatches that allow lobbyists to stalk the halls of Congress and the executive branch with their bankrolls and identities undetected.
>
> Whatever impact the Lobbying Act may have had when it was enacted in 1946, it is virtually insignificant today, and Congress cannot allow this situation to continue.
>
> In addition to the major reforms on substantive aspects of lobbying, the bill also strengthens the provisions for enforcing the new requirements.
>
> Of particular importance here is the provision transferring the responsibility for policing the Lobbying Act from the Secretary of the Senate and the Clerk of the House to

the new Federal Election Commission. The Commission will be given broad authority to require full disclosure of lobbying activities, to compile and tabulate lobbying reports, to insure compliance with the act, and to refer violations of the act to the Department of Justice. One of the major defects of the present act is its failure to establish clearcut responsibilities for administration and enforcement in each of these areas, with the result that much of the information that is available under the present act is unusable and its provisions are unenforceable.

Overall, the various reforms in the bill we are proposing will produce major improvements over the existing law. The proposals to expand the coverage of lobbying activities will eliminate some of the most serious defects of the current act. These reforms will bring within the terms of the act a significant number of individuals and organizations currently engaged in extensive lobbying activities, and will provide important new information on the scope and intensity of efforts to influence both legislative and executive actions.

The reforms we propose are based on the straight-forward rationale that sunlight is the best disinfectant, that disclosure is the most suitable "control" over lobbying, and that lobbying laws should identify pressures, not restrict them.

That rationale applies equally to all persons engaged, directly or indirectly, in substantial lobbying activities, whatever the source of their funds. It in no way interferes with the fundamental right of all citizens, guaranteed by the first amendment, to petition Congress for the enactment of legislation.

The purpose of the 1946 act was eloquently summarized by Chief Justice Warren in the Harriss case:

> Present-day legislative complexities are such that individual Members of Congress cannot be expected to explore the myriad pressures to which they are regularly subjected. Yet full realization of the American ideal of government by elected representatives depends in no small extent on their ability to properly evaluate such pressures. Otherwise, the voice of the people may all too easily be drowned out by the voice of special-interest groups seeking favored treatment while masquerading as proponents of the public weal. This is the evil which the Lobbying Act was designed to help prevent.
>
> Toward that end, Congress has not sought to prohibit these pressures. It has merely provided for a modicum of information from those who for hire attempt to influence legislation or who collect or spend funds for that purpose.

Nearly 30 years have passed since Congress acted to require information about lobbying pressures. In the intervening years, there has been a revolution in the role of Congress and in the way lobbyists operate. It is time to meet the modern challenge of reform. Congress and the American people are entitled to know the ways our laws are made and carried out.

Last year, the Congress overwhelmingly approved major new election reform legislation, requiring comprehensive reporting and disclosure of political contributions and expenditures. The time is long overdue for us to apply the same full disclosure principle to lobbying activities.

I am especially encouraged by the broad range of bipartisan support we have in launching this reform effort in the Senate. In recent Congresses, Senator STAFFORD and I have each introduced separate lobbying reform measures. The bill we are submitting today represents, I believe, a synthesis of the best provisions and approaches in each of our earlier bills.

We are also pleased to have the support of Senator DICK CLARK, who has been a leader on many Government reform issues in the Senate; of Senator ABE RIBICOFF and Senator CHARLES PERCY, the chairman and the ranking minority member, respectively, of the Committee on Government Operations, which has jurisdiction over this legislation; and of Senator BILL BROCK, who is also a member of the committee.

I see this bill as the next major step forward in our continuing effort to improve the quality of Government and to make Congress and the executive branch more responsive to the people. I hope that there will be early action on the legislation we are introducing.

Mr. BROCK. Mr. President, I am pleased to have had the opportunity to participate in drawing the Open Government Act of 1975. However, I would be less than candid if I did not admit to having strong reservations about certain provisions of the bill. Any effort of this sort, involving different Senators of different philosophies necessitates extensive compromise to arrive at a version which is acceptable to everyone.

Despite my concern with particular points of the bill being introduced, I support the bill as a whole and the concept of responsible lobby reform. The lobby law under which we now operate is almost 30 years old, and an improvement is long overdue. At the same time, any change must be responsible and well thought out. I am concerned about the possibility of a legislative backlash following the deplorable events of Watergate. Lobby reform is a complex issue, so we must take every precaution to insure that the legislation we pass will improve the existing system rather than damage it.

The purpose of this bill is not to prohibit lobbying, but to inform Congress, the executive branch, and the general public as to who is doing the lobbying, the nature of their activities, and how much is being spent. Lobbyists will be required to register and file quarterly reports on various aspects of their lobbying activities. I see this as a positive benefit for all Americans, if the restrictions are not so restrictive or onerous that they discourage verbal discussion or encourage circumvention.

Formulation of viable lobby reform legislation is no easy matter. Constitutional problems are abundant. In seeking thorough disclosure, we run the risks of invading the privacy of individuals and organizations, overwhelming them with paperwork, and eventually compiling a morass of information which is unnecessary or undecipherable. In attempting to close various loopholes which now exempt many big lobbyists, we run the risk of including others who need not, or should not, be covered.

Besides these general concerns, there are particular provisions in the bill we have introduced which warrant examination. Administrative and enforcement powers are placed with the Federal Election Commission. The constitutional arguments against giving prosecutorial powers to a legislative body have arisen in our consideration of special prosecutor and campaign reform legislation. The question is presently facing a court challenge on the grounds of violation of the separation of powers doctrine.

I would prefer to see the General Accounting Office administer this bill with prosecution the responsibility of the Justice Department. Such a procedure is accepted practice and would minimize constitutional problems. The GAO has stated its willingness and ability to administer a similar program in congressional hearings on H.R. 5259 in 1971. I see no reason for establishing this program under the Federal Election Commission which is not yet even in existence, and will, in all probability, be inundated in formulating regulations for the Federal Election Campaign Amendments we passed last fall.

I am also concerned about the definition of a lobbyist. The expenditure and income levels of $250 per quarter or $500 per year may be unreasonably low. Requiring lobbying to be a "substantial purpose" of employment as a condition precedent to being a lobbyist is vague and creates problems similar to those in the 1946 act. Declaring someone a lobbyist based on a communications or minimum number of contacts test will be virtually impossible to administer and enforce. Fine distinctions will have to be drawn for example between lobbying and mere social contacts.

Requiring records and reports of not just lobbying income, but total income and the identification of its source is excessively broad and fails to further the purposes of the bill. I see no reason for requiring someone to report his entire stockholdings, real estate investments, disability payments, or whatever unless and until they are lobby related. To require otherwise is a flagrant invasion of privacy.

I am generally satisfied with the exceptions to the definition of lobbying except that advertising is exempted in addition to news, editorial views, and the like. The advertising exception appears to be a major loophole which I hope to impove in committee.

As defined, lobbying covers contacts concerning not only pending legislation or regulations, but those that are proposed. Furthermore, a lobbyist must report not only his past activities, but he must project in advance each aspect of the policymaking process he will seek to influence. Finally, he must file a copy of any written communication used to solicit others to lobby. Unmodified, these and other provisions will prove to be unrealistic and unworkable. Taken as a whole they fail to serve the purpose for which they were designed.

Let me repeat that I support this bill, despite my objections to certain features. The time has come for lobby reform. I am hopeful that the Government Operations Committee, of which I am a member, will expedite consideration of this matter.

By Mr. SPARKMAN (by request):

S. 818. A bill to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and a justification be printed in the RECORD at this point, together with the letter from the Acting Assistant Secretary of State for Congressional Relations to the President of the Senate dated February 11, 1975.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the Department of State such sums as may be necessary from time to time for payment by the United States of its share of the expenses of the United Nations peacekeeping forces in the Middle East, as apportioned by the United Nations in accordance with Article 17 of the United Nations Charter, notwithstanding the limitation on contributions to international organizations contained in Public Law 92–544 (86 *Stat.* 1109, 1110).

DEPARTMENT OF STATE,
Washington, D.C., February 11, 1975.
Hon. NELSON A. ROCKEFELLER,
President of the Senate.

DEAR MR. PRESIDENT: There is transmitted herewith proposed legislation which will authorize payment by the United States of its share of the costs of the United Nations Emergency Force in the Middle East (UNEF) and the United Nations Disengagement Observer Force (UNDOF). The United Nations Security Council, on October 23, 1974, extended UNEF for an additional six-month period and, on November 29, extended UNDOF for an additional six months. The United States vigorously supported these actions to facilitate a peace settlement in the Middle East and voted for the resolutions.

The Secretary-General has estimated the costs of the peacekeeping forces at $40 million for the first six months, and $6,666,667 each month thereafter until October 31, 1975, with an additional amount of $19.8 million needed to make up the shortfall for the period October 25, 1973 to October 24, 1974, the first year of operation. These costs have been apportioned by the General Assembly in accordance with Article 17 of the UN Charter and take into account the central peace and security role of the permanent members of the UN Security Council. The United States share will be $28,837,000 based on the Secretary-General's estimate of $80 million for the second year of operation plus $19.8 million for the first year's shortfall.

A detailed justification explaining the proposed authorization is enclosed.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed authorizing legislation to the Congress and that its enactment would be in accord with the program of the President.

If I can be of further assistance, please let me know.

Cordially,

KEMPTON B. JENKINS,
Acting Assistant Secretary for Congressional Relations.

JUSTIFICATION

With the cease-fire on the Egyptian-Israeli front in October 1973, the UN Security Council authorized the creation of the UN Emergency Force in the Middle East (UNEF). In May 1974, upon the signing of the Israeli-Syrian Disengagement Agreement, the Security Council authorized the establishment of the UN Disengagement Observer Force (UNDOF).

Following the Security Council authorization of UNEF, the UN General Assembly appropriated $30 million dollars for the first six-months period and authorized the Secretary-General to make commitments of up to $5 million per month for an additional six-month period. UNDOF has been funded and staffed by borrowing resources from UNEF and the UN Truce Supervision Organization (UNTSO), the latter having been established after the 1948 war in the Middle East.

The expenses for UNEF were apportioned among the UN members by a complex formula which recognized the special responsibilities of the permanent members of the Security Council under the Charter for maintaining the peace and implicitly endorsed the principle of collective responsibility of all members for the maintenance of international peace and security. The U.S. assessment for the first year was $17.3 million.

The Department of State proposed legislation on December 3, 1973, which would have authorized funding for UNEF from appropriations to the Department of State. However, the Congress did not act on this proposed bill and instead made funds available for the U.S. contribution from the $2.2 billion appropriated under the authority of the Emergency Security Assistance Act of 1973 (PL 93–199). This authority which was used to consummate the U.S. payment of $17.3 million for the first year expired at the end of FY-1974.

The Security Council, on October 23, 1974, extended UNEF for an additional six-month period and, on November 29, 1974 extended UNDOF for an additional six months. Financing for these UN peacekeeping forces in the Middle East through October 31, 1975 has been arranged in a resolution adopted by the UN General Assembly on November 29. This resolution continued the same complex funding formula agreed to for the first year; thus the derived U.S. percentage of the total costs remains as before (28.9%).

The Secretary-General has estimated the costs of the emergency forces at $40 million for the first six months, and $6,666,667 each month thereafter, with an additional amount of $19.8 million to make up for the shortfall for the first year of operation (October 25, 1973 to October 24, 1974). These costs have been apportioned by the General Assembly in accordance with Article 17 of the UN Charter. The United States share of the foregoing costs of $99.8 million is $28,837,000.

This authorization would provide for the assessed United States share of the operating costs of UNEF/UNDOF in the Middle East. It is important that the United States be in a position to pay its assessed share of these costs promptly.

By Mr. SPARKMAN (by request):

S. 819. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes.

The bill has been requested by the President and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the President to the President of the Senate dated February 18, 1975 and a letter from the Director of the U.S. Arms Control and Disarmament Agency in support of this legislation.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 819

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Arms Control and Disarmament Act, as amended, is further amended as follows:

(1) Section 45(b) (22 U.S.C. 2585(b)) is amended by adding at the end thereof the following: "Notwithstanding the foregoing and the provisions of subsection (a) hereof, the Director may also grant access to classified information to contractors or subcontractors and their officers and employees, actual or prospective, on the basis of a security clearance granted by the Department of Defense or any agency thereof, to the individual concerned: *Provided, however,* that access to Restricted Data shall be subject to the provisions of subsection (c) hereof."

(2) Section 49(a) (22 U.S.C. 2589(a)) is amended by inserting in the second sentence thereof immediately after "$10,100,000", the following: ", and for fiscal years 1976 and 1977 the sum of "$23,000,000."

THE WHITE HOUSE,
WASHINGTON, *February 18, 1975.*
Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I transmit herewith for consideration of the Congress proposed legislation to extend the appropriation authorization for the Arms Control and Disarmament Agency, together with a letter from the Director of the Agency in support of this legislation.

The negotiation of effective arms control arrangements, especially in the area of strategic arms, continues to be a priority objective of this Administration. To that end, the Strategic Arms Limitation Talks will continue in Geneva with a view to implementing the Vladivostok accords and reaching a new strategic offensive arms agreement between the United States and the Soviet Union. This agreement would cover the period through 1985 and include both quantitative and qualitative arms limitations. Additional efforts in the field of arms limitation and disarmament will be devoted to the negotiation of an agreement on underground nuclear explosions for peaceful purposes, to the development of sound international approaches to the problems of nuclear non-proliferation, to the continuation of efforts to reach agreement on mutual and balance force reductions in Central Europe, and to international discussions on the problems of chemical and environmental warfare.

The Arms Control and Disarmament Agency plays an effective and major role in all of these activities. By continuing these negotiations and by seeking solutions to the many complex and difficult problems involved, the Arms Control and Disarmament Agency will play an even more important role in future arms control and disarmament activities.

The attached draft bill would authorize $23.0 million in appropriations for the Arms Control and Disarmament Agency for fiscal years 1976 and 1977. Current authorization and appropriations expire June 30, 1975. The draft bill would also permit the Director of the Agency to grant access to classified information to contractors or subcontractors and their officers and employees on the basis of security clearances granted by the Department of Defense. This amendment would eliminate many unnecessary, expensive and time-consuming investigations in cases where the Agency would require the services of contractors whose officers and employees have already been cleared by the Department of Defense.

I urge early enactment of this measure.

Sincerely,

GERALD R. FORD.

U.S. ARMS CONTROL
AND DISARMAMENT AGENCY,
Washington, February 4, 1975.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Enclosed for your approval and transmittal to the Congress is a draft bill that would amend the Arms Control and Disarmament Act to extend the authorization for appropriations for the Agency.

The current authorization expires on June 30, 1975, and the proposed legislation would authorize $23.0 million in appropriations for fiscal years 1976 and 1977. The three-month transition period of July 1-September 30, 1976, between fiscal years 1976 and 1977 will be covered by a proposal for a general authorization of appropriations for the transition period which is being submitted to the Congress by the Administration. The new legislation enclosed herein will be required to keep the Agency operating, and its early enactment is essential to permit timely Congressional consideration of the Agency's 1976 budget.

The draft bill also amends section 45(b) of the Arms Control and Disarmament Act to permit the Director of the Agency to rely, in the case of contractors, on security clearances granted by the Department of Defense. This practice is followed by the National Aeronautics and Space Administration and the Department of State, among other agencies, but section 45 as presently written prevents ACDA from doing so.

This authorization request is supported by plans for what I believe will be a sound, effective, and well-conceived arms control and disarmament effort by the Agency over the 27-month period. As you know, the Agency has the principle support responsibility for the Strategic Arms Limitations Talks and the negotiations relating to mutual and balanced force reductions in Europe, and a central role in the negotiations on peaceful nuclear explosions in implementation of Article III of the Threshold Test Ban Treaty and the discussions on constraints on environmental warfare.

In addition, other important arms control activities, including those at the United Nations General Assembly, the Conference of the Committees on Disarmament in Geneva, international efforts stemming from the 1975 Non-Proliferation Treaty Review Conference, and other multilateral forums, as well as supporting research and these negotiations will also be funded under this authorization.

Respectfully,

FRED C. IKLE.

By Mr. MAGNUSON (by request):

S. 820. A bill to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce, by request, for appropriate reference, a bill to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and ask unanimous consent that the statement of purpose and need be printed in the RECORD with the text of the bill.

The legislation seeks authority for 2 fiscal years because of requirements of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344). Section 607 of the act provides that requests for authorization legislation beginning with the request for fiscal year 1977 must be submitted to the Congress by May 15 of the year preceding the year in which the fiscal year begins.

As was announced by the Senator from Indiana (Mr. HARTKE) on this past Saturday, February 22, 1975, hearings on this legislation will be held at 10 a.m. on Friday, February 28, 1975 in room 5110 of the Dirksen Senate Office Building.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the appropriation act may provide for the use of the Department of Commerce, for the fiscal years 1976 and 1977, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $245,000,000 for fiscal year 1976, and $251,000,000 for fiscal year 1977;

(b) payment of obligations incurred for operating-differential subsidy, $315,936,000 for fiscal year 1976, and $334,000,000 for fiscal year 1977;

(c) expenses necessary for research and development activities, $12,232,000 for fiscal year 1976, and $18,000,000 for fiscal year 1977;

(d) reserve fleet expenses, $4,242,000 for fiscal year 1976, and $4,437,000 for fiscal year 1977;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $11,500,000 for fiscal year 1976, and $12,301,000 for fiscal year 1977; and

(f) financial assistance to State Marine Schools, $4,708,000 for fiscal year 1976, and $3,658,000 for fiscal year 1977.

SEC. 2. In addition to the amounts authorized by section 1 of this act, there are authorized to be appropriated for the fiscal years 1976 and 1977 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this act as may be necessary for increases in salary, pay, retirement or other employee benefits authorized by law, and for increased costs for public utilities, food service and other expenses of the Merchant Marine Academy at Kings Point, New York.

STATEMENT OF PURPOSES AND NEED OF THE DRAFT BILL, "TO AUTHORIZE APPROPRIATIONS FOR THE FISCAL YEARS 1976 AND 1977 FOR CERTAIN MARITIME PROGRAMS OF THE DEPARTMENT OF COMMERCE, AND FOR OTHER PURPOSES"

Section 209 of the Merchant Marine Act, 1936, provides that after December 31, 1967, there are authorized to be appropriated for certain maritime activities of the Department of Commerce only such sums as the Congress may specifically authorize by law. This draft bill authorizes specific amounts for those activities listed in section 209 for which the Department of Commerce proposes to seek appropriations for the fiscal years 1976 and 1977, and reflects the continuing Departmental efforts to provide the essential resources required to accomplish the objectives of the Merchant Marine Act of 1970.

That Act was the most comprehensive and far reaching legislation in decades aimed at halting the pronounced decline of the U.S. merchant marine. The legislation provided for a 10-year program to improve the efficiency of American shipyards and to build a modern, efficient U.S.-flag merchant fleet so that the United States could once again be a major maritime nation. In the five years since enactment, substantial progress has been made toward rebuilding the U.S. merchant marine.

The amounts authorized to be appropriated by the draft bill are as follows:

"(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $245,000,000 for fiscal year 1976, and $251,000,000 for fiscal year 1977."

Construction subsidies are based on the difference between United States and foreign shipbuilding costs. These sums are paid to shipyards so that U.S. operators can purchase American-built vessels at the same price as similar foreign-built vessels. To encourage the competitiveness of American yards, the 1970 Act provides for the gradual reduction of the construction subsidy level from 45 percent in 1971 to 35 percent in 1976. Some subsidy awards have been at a lower rate, e.g., liquefied natural gas carriers have been contracted for at 16.5 percent.

Ships currently being built with the aid of constuction-differential subsidy are larger and more costly than those envisioned when the 1970 Act was passed. Although only 14 new ships will be funded in 1976, their productive capacity exceeds the capacity goal established in 1970. When in service, these ships will help to create a competitive U.S.-flag fleet.

The authorization request for this activity for fiscal year 1976 and 1977 will sustain an adequate and orderly shipbuilding program. Contracting for fourteen new ships is planned in 1976. Included are five containerships, three bulk carriers, three oil-bulk-ore carriers (OBO's), two liquefied natural gas carriers (LNG's) and one Ro/Ro. In concert with the multi-year funding concept, funding in 1976 is planned for twelve of these ships and for two ships resulting from 1975 contracts. Of the remaining two ships contracted during 1976, funding is planned for one during the transition quarter (July 1, 1976 through September 30, 1976) and for one in 1977. Also planned for funding in 1976 is the conversion of two containerships. The 1977 shipbuilding program anticipates a growing emphasis on construction of general cargo ships as required to replace obsolete tonnage. Contracting for eighteen new ships is anticipated for 1977. Planned contracts include five containerships, four LASH vessels, four dry bulk vessels, three LNG's, and two OBO's. Funding in 1977 is planned for thirteen of these ships and for the remaining ships contracted during 1976.

"(b) payment of obligations incurred for operating-differential subsidy, $315,936,000 for fiscal year 1976, and $334,000,000 for fiscal year 1977."

Operating subsidies are generally based upon the difference between United States and foreign vessel operating costs and are paid to promote the maintenance of a U.S.-flag merchant fleet capable of providing essential shipping services. Essential services are defined as those ocean services, routes and lines, and bulk carrying services essential for the promotion, development, expansion, and maintenance of the foreign commerce of the United States. Operators receiving subsidies for the provision of such services must operate American-built vessels manned by American crews. The fiscal year 1976 and 1977 authorization requests will finance operating subsidies to U.S.-flag operators in order to promote the continuation of essential American merchant marine services.

An estimated $236,624,000 in subsidy will be paid in 1976 for 201 ships and 195.2 ship years of operation. This latter figure can be broken down into 6.0 passenger and combination passenger/cargo, 175.7 general cargo, and 13.5 bulk carrier. An additional $79,312,000 will be paid for balances due for operations in prior years. The increase over the 1975 figure reflects cost escalation, full year costs of ships that entered the fleet in 1975 and 1976 delivery of bulk and general cargo ships. No funds are requested for fiscal year 1976 for the carriage of grain to Russia.

The 1977 program reflects additional ship deliveries entering the subsidized service as well as full year costs of those ships delivered in the previous year. Additionally, funds are requested for settlement of 1973 and 1974 operations for which final subsidy rates will be approved.

"(c) expenses necessary for research and development activities, $12,232,000 for fiscal year 1976, and $18,000,000 for fiscal year 1977."

The purpose of the research and development program is the development of technological superiority to enable U.S. shipyards and vessel operators to become more competitive.

The 1976 program level totals $20,000,000 and is composed of $12,232,000 in new budget authority, $3,468,000 deferral of 1975 appropriated funds, and $4,300,000 recovery of prior year obligations. Projects under the program involve the development of new and more efficient types of ships, machinery, and equipment, and the improvement of operating practices to improve American shipping and shipbuilding and to help overcome foreign advantages (e.g., low-wage costs). Industry participation and cost-sharing have been emphasized to insure the relevance and practicality and these projects.

The 1977 program will continue emphasis on projects similar to those undertaken in the 1976 program. The overall program will be at an $18,000,000 level as various projects move from initial formulation to engineering development to product use. Cost-sharing with industry will provide greater research efforts for the Federal investment.

"(d) reserve fleet expenses, $4,242,000 for fiscal year 1976, and $4,437,000 for fiscal year 1977."

The Maritime Administration maintains the National Defense Reserve Fleet to supplement our active merchant fleet in time of war or national emergency.

The 1976 reserve fleet program provides for the preservation and security of 222 ships, distributed among three active fleet sites. Periodic preservation of hulls, machinery and electrical components combined with continuous application of cathodic protection to the bottoms are methods employed in maintaining the ships for further service. The program also provides for custody of about 140 ships that are scheduled for disposal.

The 1977 program provides for the preservation and security of 222 ships held for national defense purposes. The program level will continue with a similar workload but at increased costs.

"(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $11,500,000 for fiscal year 1976, and $12,301,000 for fiscal year 1977."

The 1976 maritime training program provides for the operation of the U.S. Merchant Marine Academy at Kings Point, New York, in accordance with the Merchant Marine Act, 1936. The objective of the Academy is to instruct and prepare selected personnel for service as officers in the U.S. merchant marine. The level of funding supports continuation of the facilities modernization program, including major alteration and modernization of physical fitness facilities.

The 1977 program level will be a continuation of the prior year program with funding increases related primarily to cost escalations. The modernization plan continues the renovation and upgrading of the academic buildings and other facilities in accordance with recommendations set forth in the Facilities Master Plan.

"(f) financial assistance to State Marine Schools, $4,708,000 for fiscal year 1976, and $3,658,000 for fiscal year 1977."

The 1976 State maritime training program implements the Maritime Academy Act of 1958 by providing assistance to States in the operation and maintenance of maritime academies for the training of merchant marine officers. Grants to participating States (California, Michigan, New York, Maine, Massachusetts and Texas), allowances for uniforms, books and subsistence to the cadets, and maintenance of ships on loan from the National Defense Reserve Fleet to be used as training vehicles are provided. The installation of pollution abatement and control devices in those training vessels is included in this estimate.

The 1977 program will continue at the prior year level. A reduction in the funding requirement is due to the nonrecurring expense in 1976 for pollution abatement and control devices to be installed on training vessels in the prior fiscal year.

Section 2 of the draft bill would authorize to be appropriated for 1976 and 1977 additional supplemental amounts for the activities for which appropriations are authorized under section 1 of the bill to the extent necessary for increases in salary, pay, retirement, or other employee benefits authorized by law. The purpose of this section is to provide authorization for supplemental appropriations for these purposes.

Also requested is necessary authority for supplemental appropriations, should they be needed, for uncontrollable cost increases in public utilities, food services and other expenses at the Merchant Marine Academy at Kings Point, New York. For example, in the first two quarters of fiscal year 1975, food service costs, which are pegged to the Department of Labor Wholesale Price Index, rose 11 percent over what was estimated and it is impossible to predict what increases may be expected for fiscal years 1976 and 1977. Closely related to this cost is an 8.6 percent increase over fiscal year 1975 predictions in the number of meals being served. This is due to continued high enrollment, and no basis exists for predicting a higher attrition rate over the next two fiscal years.

Further uncontrollable and unpredictable increased costs have arisen in the area of public utilities. The cost of heating oil has risen 41 percent from fiscal year 1974, i.e., from 25.2 cents per gallon to 35.6 cents per gallon. As of January 1975, the costs of electric power have risen 68 percent over March 1974, kilowatt-hour costs. Increases have also been experienced in telephone, sewage and supplies and material costs. There is no basis on which to predict or control these costs.

By Mr. McCLELLAN:

S. 821. A bill to preserve wildlife habitat. Referred to the Committee on Commerce.

Mr. McCLELLAN. Mr. President, I am today introducing legislation to provide for the maintenance and preservation of wildlife habitat by the acquisition of environmental easements in mitigation lands which would otherwise be condemned for use by the Federal Government.

This bill will provide an alternative to Government condemnation and purchase of lands for mitigation purposes. At the same time, it will provide vast acreage for the preservation and enhancement of wildlife in the Nation's hardwood forests.

When the Federal Government has planned action for the taking of lands for fish and wildlife management or mitigation, the private owner is allowed to either sell his land—at a reasonable price—or receive a small payment for an environmental easement, thereby retaining private ownership of his land.

The benefits of this legislation are many. The recurring problem of private ownership versus public interest will be resolved by taking an easement which concurrently allows for private ownership and protection of the environment. It also allows local areas to retain their tax base, preventing the elimination of thriving businesses by public ownership.

An easement shall prohibit clearing of the land for commercial, agricultural or any other purposes inconsistent with the maintenance of wildlife habitat, but shall allow any landowner to harvest timber on a selective or partial cutting basis or to otherwise manage the land in such a manner as to provide food and habitat for a variety of wildlife.

The cost of this bill is minimal. In fact, the nominal price of easement acquisition is considerably less than the price of purchasing the title to such lands. Additionally, it increases the number of acres available for preservation by lowering the cost of acquiring an environmental easement.

Mr. President, this bill is a workable compromise which serves the best interest of both the private owner and the public. I urge immediate consideration of this proposed legislation so that we can obtain its desirable goals and objectives as soon as possible.

By Mr. CHILES:

S. 822. A bill to reduce oil imports into the United States; to provide for the exploration and development of naval petroleum reserves; and for other purposes. Referred, by unanimous consent, to the Committees on Armed Services, Banking, Housing and Urban Affairs, Finance, and Interior and Insular Affairs.

Mr. CHILES. Mr. President, like many of my colleagues I have viewed with some concern and apprehension the President's energy proposals and his action to increase import fees on crude oil and petroleum products up to $3 per barrel.

While I certainly commend the President for his initiative in developing a wide-ranging plan and support a number of his proposals, I have serious reservations with respect to his overall approach to our energy problems and the impact his proposals would have on our worsening economic dilemma.

This Nation's energy situation is a serious problem which requires prompt, effective, and tough measures if we are to move toward the goals of self-sufficiency, reasonable energy pricing, and reversing the trend of ever-increasing energy consumption.

However, while our energy problems are both real and pressing, the current state of the American economy is this Nation's most urgent and critical problem.

The cost of living continues to rise, industrial output is at its lowest level since 1937, and unemployment has reached totally unacceptable levels.

An energy policy which may serve to aggravate those conditions and in effect spur a further deterioration of the economy is of dubious value. Our national program for energy must not impede economic revitalization which is our No. 1 priority and I am convinced that the administration's plan would prove to be a serious impediment.

An initial point of concern is the President's proclamation raising import fees on each barrel of imported crude oil and petroleum products by $1 to $3 over the next 3 months.

Obviously this action will add to the burden already borne by areas of the country, most notably Florida, New England, and the eastern seaboard, which are largely dependent upon imported petroleum products for electrical generation and home heating and have already been paying much higher prices for imports.

Energy costs for residents and businesses in these areas already constitute a serious financial drain and the tariff increase represents a final and devastating blow to the consumer.

Any further cost increases, in terms of petroleum products for heating and electricity, cannot realistically be expected to result in decreases in usage since costs are already at a point where most people have cut usage to the bare minimum.

The import fee is an integral element of the administration's so-called market approach to the energy problem. By taking this first step without congressional participation the machinery is being set in motion to bring about petroleum price increases with all its potential for aggravating our economic difficulties. I and a great many of my colleagues do not agree with that approach and I urgently hope the Congress will be able to maintain its action in delaying the import tariff so Congress may act on alternative energy proposals.

The objective which is the keystone of the administration's program—the reduction of imports—is a necessary goal from a number of standpoints.

I have no argument with the fact that we need to lessen our dependence on foreign petroleum. The timetable and plan of action for moving toward that goal must, however, be carefully tailored to minimize a disruptive effect on the economy.

For 1975 the target figure of reducing imports by 1 million barrels a day has somehow achieved a wide range of acceptance and debate has centered on how best to meet that target. I believe we must first fully consider the implications of this arbitrary figure and I am not at all convinced that its adverse impact would not far outweigh any possible beneficial effects.

Some economists have argued that given the choice between a 1-million-barrel-a-day reduction and doing nothing, the advisable course of action would be to do nothing.

Since 1 million barrels represents only 3 percent of total exports by the oil-producing countries, the potential effects on the cartel and the price of world oil are questionable. When viewed in the perspective of significant costs and risks to our economy it becomes even more difficult to justify 1 million barrels.

The choice, however, does not have to be a million barrels or nothing.

My recommendation is a much lower target for 1975 to be phased in gradually through the employment of import quotas. With concurrent measures to increase domestic energy production and decrease domestic consumption I believe imports can be reduced with much less of an impact on the economy.

As economic conditions hopefully change for the better and domestic production and conservation figures improve, we can move to raise the import reduction target and progress perhaps more slowly but more surely toward energy self-sufficiency.

I propose a cut in crude oil imports by 500,000 barrels a day for 1975.

This figure still represents a significant reduction and a more reasonable goal we can achieve without forcing a continued downturn in the economy.

This reduction can be accomplished through import quotas, setting the level of imports at 100,000 barrels less each month until the 500,000 barrel reduction is reached. This gradual decrease will allow for a continued assessment of economic indicators to determine the effects of the import reduction.

In moving toward a gradual reduction in petroleum imports, even with the implementation of short-term measures to increase domestic supply and cut consumption, shortages will develop.

The lesson of experience argues strongly that every effort be made to insure that the burden of those shortages is shared equally throughout the country.

Energy is a national problem, not a regional one, and that means whatever sacrifices that may be involved in terms of costs or shortages should not impact more heavily in one area than another. What is one State's problem or one region's problem is everyone's problem and this must not be forgotten.

While I am certainly aware it is less than a perfect system, I recommend that the allocation system in place be continued to allocate scarce fuels among regions of the country and classes of consumers.

Congress, however, must insist that the allocation program meet the clear congressional mandate of "equitable distribution of crude oil, residual fuel oil and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry."

The question of energy policy must, of necessity, be addressed in national terms. And yet there exist very important differences in energy needs and usage among the various States; differences which must be reflected in the allocation program.

I fully realize that a program that is national in scope is limited in its ability to adequately address the different priorities of each State.

Therefore, every effort should be made in the further development and refinement of the allocation program to afford maximum flexibility to the States in setting priorities to best meet their requirements.

To achieve that flexibility I propose the creation of a bipartisan representative Council of State Governors to be named by the President upon recommendation of the National Governors' Conference.

Membership on the Council would reflect representation of each major geographic and economic sector of the Nation.

This Council would review present regulations and work with the Administrator of the Federal Energy Administration in further developing the allocation program to allow for a major role by the States in determining distribution and conservation of fuel, consistent with national energy goals and requirements of interstate commerce.

The Council can also play a significant role in assessing and improving upon the regulations from the standpoint of unequal treatment of a State or several States in terms of allocations or energy prices.

If import reductions are to be accomplished without drastic effect on the economy, it will be necessary to quickly implement available short-term measures to increase our domestic energy supply through expanding both domestic production and conservation efforts.

I support the President's call for commercial production at the naval petroleum reserve—NPR—in Elk Hills, Calif. This facility offers the best means for readily bringing a considerable amount of new domestically produced petroleum into the market.

The first priority for this oil must be getting it into the domestic economy and I am proposing the authorization of petroleum production from the California NPR to be sold for domestic consumption.

Revenue derived from the sale of oil produced at the California NPR would in turn be used to underwrite the costs of exploring and developing the naval petroleum reserve in Alaska. Indications are that the Alaska NPR contains major reserves of oil and a full-scale effort should be undertaken to get it into production as quickly as possible.

In a further effort to develop short-term sources of increased production, I recommend the repeal of the Connally Hot Oil Act and an expansion of Federal authority to increase petroleum production and productive efficiency.

The Connally Act defines as contraband any oil produced, transported or withdrawn from storage in excess of amounts allowed by the States. The act has allowed a situation to develop in which oil is not being produced from wells which still have productive potential.

In 1972, the number of producible shut-in zones offshore in the United States jumped by more than 2,000. These are zones that were producing and are listed by the U.S. Geological Survey as still economically producible.

Present conditions call for maximum usage of existing wells and there is certainly no reason now to facilitate market demand prorationing.

Our energy production policy must include Federal authority to insure full production, superseding any State statute which may serve to limit that production.

If we are to increase domestic production from new sources this will mean an accelerated program of exploration and development. It will also mean having drilling and production equipment available for use in the United States. At present much of this equipment is scattered throughout the world. Since this equipment is essential it should be placed under an allocation program to insure priority usage in the United States.

Of equal importance to efforts to expand domestic production is a program of conservation. Without serious conservation measures it is unlikely that we can avoid economic problems as a result of import reductions.

Reductions in fuel consumption for home heating and electrical generation must be encouraged. The President has proposed a program of tax credits for homeowners who install additional insulation to reduce energy consumption and has recommended mandatory thermal efficiency standards for new construction. I fully support measures of this nature.

However, the most promising area for significant energy savings lies in reducing gasoline usage for personal passenger cars.

While people need electricity and need to heat their homes, they do not need to use their cars as much as is presently the case. If real cuts in consumption are to be realized it will mean using our cars less and developing more efficient automobiles.

A number of alternatives have been raised in the recent past as ways to cut gasoline consumption. Most prominent among these are rationing and a much higher tax on gasoline.

The problems in both these approaches are apparent.

Rationing would be nothing less than a costly bureaucratic nightmare, and there is little reason to believe it would result in equitable treatment. Further, it would inhibit any long-distance travel and have far-reaching adverse effects on segments of the economy dependent on that travel.

Rationing has too many drawbacks and should only be considered in a true emergency situation. First we must explore and develop other alternatives and move to rationing only if all else fails.

The other major option suggested is higher gasoline taxes. To be effective it would mean a considerable increase in taxes. To a nation that has experienced tremendous gasoline price increases in the past few years, I doubt that another few cents a gallon would have that much effect on consumption levels.

So if you tax at a much higher rate, what does this mean for the poor, or the working person who often have no other means to get to work except by car?

Even with some form of tax rebate it means money out of the pocket now that he can't afford or in many cases simply doesn't have.

Higher taxes are an inequitable way to approach conservation. We should not ask those who are suffering the brunt of our economic troubles to once again pay the price—a price they cannot meet.

Obviously there is no solution that is going to be totally fair, reasonable, easy to administer, and not hurt anyone. If the situation is to be improved we are all going to have to suffer some inconvenience and cost.

One approach which has not been much discussed is the concept of mandatorily eliminating one day of driving for all cars. This plan could cut back significantly on the superfluous uses of gasoline by taking a real bite out of the number of days any given car could be on the road. One advantage is that we could start with a six-day limitation and then consider further limitations as needed.

Another is that the administrative requirements will be relatively simple, involving primarily the distribution of car stickers, identifying the day on which driving is not permitted. Enforcement would be the province of the normal law enforcement agencies.

Until such a system is undertaken it is not possible to determine how extensive the energy savings would be. However, because it is a relatively simple system that will not require creation of a large bureaucracy, I think it should be tried.

I also believe the administration and specific provisions of the program should be the responsibility of the States. To assist and encourage the States to set up this system, a Federal grant program would be established to defray the administrative costs of the program.

In the long run, however, the most effective means to cut back on consumption is to substantially improve the gasoline economy of automobiles.

We have the technology to do so and since the days of abundant energy are gone forever, there is certainly the incentive to do so. A number of suggestions have been put forth as ways to achieve that goal.

The simplest approach may be the best—set a reasonable goal and then require that it be met.

If all new cars were capable of getting 20 miles to the gallon then real energy savings will result.

Therefore, I propose that the Congress mandate that within 5 years all new automobiles will reach 20 miles per gallon or better as determined by testing procedures now used by the Environmental Protection Agency.

The need to do this is obvious. I can see no basis for delaying and I can see no basis for trading off important environmental goals as a means of encouraging automobile manufacturers to produce more gas efficient automobiles.

I have put forth these several proposals with the hope that they will receive careful consideration as we move toward the development of an energy program for the Nation. I certainly do not have all the answers to this very complex problem. No one in Congress does and I hope we will be able to work in a spirit of cooperation in setting our energy plan of action.

I have attempted to map out an approach which I believe looks realistically at both our economic and energy situation.

It is only the first step on a long and difficult road and I trust the Congress will move quickly to take that first step.

Mr. President, I ask unanimous consent that the text of the bill I am introducing today be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled,

TITLE I—OIL IMPORTS

Sec. 101. (a) During the twelve month period commencing on the first day of the first calendar month following the effective date of this section, and each twelve month period thereafter, imports of crude oil, residual fuel oil, and refined petroleum products into the United States shall not exceed in the aggregate an amount equal to twice the aggregate amount of crude oil and the crude oil equivalency of residual fuel oil and refined petroleum products imported during the period commencing July 1, 1974, and ending December 31, 1974, reduced by 182,500,000 barrels, except that, in order to provide a transition for reduced imports of such oil and products and to reduce the immediate impact on consumers and the economy, an additional 30,000,000 barrels of crude oil or its equivalency in residual fuel oil and refined petroleum products may be imported into the United States during the first 120 days of the first such twelve month period following the effective date of this section.

(b) This section shall take effect upon the expiration of the sixty day period following the date of the enactment of this Act.

Sec. 102. (a) On and after the first day of the first calendar month following the effective date of section 101, no crude oil, residual fuel oil, and refined petroleum products shall be imported into the United States except pursuant to a license issued by the Secretary of Commerce and in accordance with quota limitations established by the

Secretary of Commerce in accordance with this title. Such import quotas for crude oil, residual fuel oil, and refined petroleum products shall be based on imports thereof during the most recent period which the Secretary determines to be representatives of historical import levels.

(b) The Secretary of Commerce is authorized to issue such regulations as may be necessary to carry out the provisions of this title. Such regulations shall include methods or formulas for determining the crude oil equivalency of residual fuel oil and refined petroleum products.

TITLE II—DEVELOPMENT AND PRODUCTION OF NAVAL PETROLEUM RESERVES

SEC. 201. The production of petroleum (including crude oil and associated gas and other hydrocarbons) from Naval Petroleum Reserve Numbered 1 is hereby authorized at a rate to help insure that the domestic and national defense needs are met, but not to exceed the maximum efficient rate in accordance with sound engineering and economic principles. Such production (to the extent in excess of that otherwise authorized by chapter 641 of title 10, United States Code) is to commence within forty-five days after the date of enactment of this title.

SEC. 202. The Secretary of the Navy shall dispose of the production herein authorized as provided in chapter 641 of title 10, United States Code, by means of sales, uses, or exchanges effected, determined, or agreed upon after the date of enactment of this title. As required by such chapter, all sales shall be effected by competitive bid. The terms of the disposition shall be so arranged as to give full and equal opportunity for acquisition of the oil by all interested companies, including major and independent oil refineries alike.

SEC. 203. (a) The Secretary of the Navy is authorized and directed to conduct a program of exploration for oil and gas on Naval Petroleum Reserve Numbered 4 in order to determine the extent of oil and gas resources therein. Such program shall be completed within ten years from the date of the enactment of this title.

(b) The Secretary of the Navy shall make annual reports to the Congress regarding the progress, results, and findings of such exploration program, and shall include in such reports such recommendations as he deems appropriate regarding development, production, sale, exchange, transportation, or storage of oil and gas found to exist in such reserve.

SEC. 204. (a) There is hereby established on the books of the Treasury Department the Naval Petroleum Reserve Account. This account shall be administered by the Secretary of the Navy under such regulations as the Secretary of Defense may prescribe. Into such account there shall be transferred or credited during the period of increased production authorized by this title or as may be hereafter authorized by the Congress (1) unobligated balances of appropriations made available to the Department of the Navy for the fiscal year ending June 30, 1975, for exploration, prospecting, conservation, development, use, and operation of the naval petroleum and oil shale reserves, (2) all proceeds realized under chapter 641 of title 10, United States Code, from the sale of petroleum or refined products, oil and gas products, including royalty products, (3) the net proceeds realized from sales within the Department of Defense of refined petroleum products accruing to the benefit of the Department of Defense as the result of exchanges, and (4) such funds as may be appropriated for the Naval Petroleum Reserve Account. All funds transferred or credited to such account shall remain available until expended.

(b) Funds available in the Naval Petroleum Reserve Account shall be available for the expenses of (1) production, including preparation for production, as authorized by this title and as may hereafter be authorized, (2) all capital costs necessary for facilities both within and outside the reserve incident to production and delivery of crude petroleum, (3) the carrying out of the exploration program authorized by section 203, and (4) exploration, prospecting, conservation, development, use, and operation of the naval petroleum and oil shale reserves as authorized by chapter 641 of title 10, United States Code.

TITLE III—OIL AND GAS DEVELOPMENT

SEC. 301. The Act of February 22, 1935, as amended (15 U.S.C. chapter 15A) (commonly referred to as the "Connally Hot Oil Act"), is hereby repealed.

SEC. 302. (a) The Secretary of the Interior is authorized and directed to require that any oil and gas field on lands or interests in lands owned by the United States, including lands on the Outer Continental Shelf—

(1) be fully developed as expediently as is reasonably justified;

(2) be produced at the maximum efficient rate of production where such field has not been so developed and produced; or

(3) be produced in excess of its maximum efficient rate of production if the Secretary finds that production at such rates is necessary to meet essential national energy requirements, except that no producer shall be required to produce crude oil in excess of the maximum efficient rate if production at such rate for a period of more than one hundred and eighty days may create excessive risk of loss in the ultimate recovery of crude oil. As used in this subsection, the term "maximum efficient rate" means production at a rate which may be sustained without damage or loss to the oil and gas reservoir or the ultimate recovery of crude oil under sound conservation, economic, or engineering principles.

(b) Notwithstanding any other provision of law, the Secretary of the Interior is authorized and directed, under such terms and conditions as he may prescribe, to unitize or require the unitization of the lessees' interests in lands or interests in lands of the United States and such cooperative or pooling agreements as may be necessary or desirable for the joint operation of oil and gas fields referred to in subsection (a) to achieve full development and maximum production as provided herein.

TITLE IV—MOTOR VEHICLE FUEL CONSUMPTION STANDARDS

SEC. 401. Section 202(b) of the Clean Air Act is amended by inserting at the end thereof the following:

"(6) The Administrator shall prescribe standards under subsection (a) requiring that any light duty vehicle or engine manufactured for model year 1980 or thereafter which uses a liquid petroleum product for fuel be able to provide at least 20 miles of transportation under average highway driving conditions for each gallon of fuel consumed."

TITLE V—EXPORT CONTROLS ON CERTAIN DRILLING AND MINING EQUIPMENT

SEC. 501. For purposes of this title—

(1) "Secretary" means the Secretary of Commerce; and

(2) "essential drilling or mining article" means any article which the Secretary of the Interior has certified to the Secretary is used in the extraction, refining, or transportation of crude oil or gas, or in the extraction of coal, and is in short supply in the United States.

SEC. 502. (a) At least quarterly during any period of nationwide energy emergency, and at least annually during any other period, the Secretary shall determine the quantity of each essential drilling or mining article, if any, that will be available for export during the succeeding quarter or year, as the case may be, and shall cause such determination to be published in the Federal Register.

(b) Such determination shall be made by estimating the total quantity of each essential drilling or mining article and subtracting from each such quantity the sum of—

(1) the quantity of each such article which the Secretary estimates will be necessary to meet domestic needs; and

(2) the quantity of each such article the Secretary estimates will be necessary for a reasonable carryover, taking into account any current or possible future national and international emergencies and the need to maintain adequate inventories.

The quantity of any such article which remains, if any, shall be the quantity available for export.

SEC. 503. (a) No essential drilling or mining article may be exported to any foreign country unless the exporter has been issued a license by the Secretary for the export of a quantity of such article to such country, or unless such export is exempt under the provisions of section 506, or section 507(3).

(b) The quantity of any article available for export shall be allocated among foreign countries by the Secretary on the basis of—

(1) the quantity of such article exported to such country during a representative base period; and

(2) such other factors as the Secretary determines to be fair, equitable, and sufficient to protect the interests of traditional trading partners of the United States.

SEC. 504. (a) Upon establishing allocations under section 503, the Secretary shall publicly announce such allocations, and shall announce the time, manner, and place for the submission of bids for the purchase of licenses to export specified quantities of such articles to specified countries.

(b) Each license shall be issued under this section to the highest responsible bidder unless the Secretary determines that no bid is sufficiently high or that there has been collusion among the bidders.

SEC. 505. The Secretary may make adjustments in quantities determined under section 502 and of allocations determined under section 503 if he determines on the basis of new information that original determinations were erroneous.

SEC. 506. (a) The Secretary may exempt from payment of any license fee an export which he determines involves—

(1) the export of an essential drilling or mining article to a developing foreign country with a serious need for such commodity or article; and

(2) such action would be in the best interests of the foreign relations of the United States and would not have an adverse effect on the energy needs of the United States and the program provided for under this title.

(b) The Secretary may exempt from the application of this title or any requirement under this title the export of any essential drilling or mining article which he determines—

(1) involves a temporary export for processing purposes to a foreign country and will result in a subsequent import of such article to the United States; or

(2) will be offset by a subsequent import of another essential drilling or mining article or other matter essential to the energy needs of the United States.

SEC. 507. The Secretary is authorized to issue such rules and regulations as may be necessary to carry out the provisions of this title, including rules and regulations—

(1) providing for the reduction, suspension, or termination of the allocation of any article

made under this title to any foreign country if the Secretary finds that such country is reexporting all or any portion of such allocation under circumstances that tend to disrupt the regulatory program established under this title;

(2) limiting or prohibiting the sale or transfer after issuance of export licenses issued under this title if the Secretary finds such limitation or prohibition necessary to the orderly administration of the regulatory program established under this title; and

(3) exempting from application of this title any article the domestic production of which the Secretary determines will equal or exceed domestic and foreign demand.

TITLE VI—EXPERIMENTAL CONSERVATION PROGRAM FOR GASOLINE

Sec. 601. (a) The Administrator of the Federal Energy Administration is authorized to financially assist, by grant or otherwise, each of the several States in carrying out experimental gasoline conservation programs for motor vehicles involving primarily a twenty-four hour restriction on the use of a motor vehicle covered by such program during each seven day period.

(b) Financial assistance under this title shall be provided in such manner and in such amounts and subject to such conditions as the Administrator of the Federal Energy Administration shall by regulation prescribe.

Sec. 602. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

TITLE VII—ENERGY INFORMATION BANK

Sec. 701. (a) The Administrator of the Federal Energy Administration, utilizing the capabilities of appropriate Federal agencies to the maximum extent possible, shall establish and operate an Energy Information Data Bank (hereinafter in this title referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating information and data on energy, including resources, reserves, stocks, and technologies.

(b) In accordance with regulations precribed by the Administrator, the Administrator shall provide retrieval and dissemination services with respect to the information within such bank for—

(A) Federal, State and local governments;

(B) universities and colleges in their related research and consulting activities; and

(C) the private sector.

(c) The Administrator shall not disclose any information which concerns or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, except that such information shall be disclosed by the Administrator in a manner designed to preserve its confidentiality—

(1) to other Federal government departments, agencies, and officials for official use upon request;

(2) to Committees of Congress upon request; and

(3) to a court in any judicial proceeding under court order.

TITLE VIII—GOVERNORS' ADVISORY COUNCIL

Sec. 801. There is established a council to be known as the "Governors' Advisory Council" (hereinafter referred to as the "Council"), which shall be composed of nine Governors appointed by the President of the United States on the basis of recommendations of the National Governors Conference. Any vacancy in the Council shall not affect its powers but shall be filled in the same manner in which the original appointment was made. At no time shall more than five of the members appointed to be members of the same political party. The members of the Council shall elect one of the members as chairman and one as vice chairman. Five members of the Council shall constitute a quorum.

Sec. 802. Members of the Council shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Council.

Sec. 803. The Council shall meet at the call of the chairman or at the call of a majority of the members thereof, except that the first meeting of the Council shall be called by the President.

Sec. 804. (a) The Council shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(b) The Council may procure, in accordance with the provisions of section 3109 of title 5, United States Code, the temporary or intermittent services of experts or consultants. Persons so employed shall receive compensation at a rate to be fixed by the Council, but not in excess of $100 per diem, including traveltime. While away from his home or regular place of business in the performance of service for the Council, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

Sec. 805. It shall be the function of the Council to advise the Administrator of the Federal Energy Administration with respect to matters under his jurisdiction and to review all regulations promulgated by the Administrator and to make recommendations to him with respect thereto.

Sec. 806. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that a bill introduced today by the Senator from Florida (Mr. Chiles) be jointly referred to the Committee on Armed Services, Banking, Housing and Urban Affairs, Commerce, Finance, and Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. HELMS:

S.J. Res. 36. A joint resolution authorizing and directing the President to declare Aleksandr I. Solzhenitsyn an honorary citizen of the United States of America. Referred to the Committee on the Judiciary.

Mr. HELMS. Mr. President, today I am introducing a Senate joint resolution which would authorize and direct the President to declare Aleksandr I. Solzhenitsyn an honorary citizen of the United States of America. This is identical with Senate Joint Resolution 188, which unanimously passed the Senate last year with 43 cosponsors. Unfortunately, due to the press of business in the House Judiciary Committee, with which everyone is familiar, the resolution was unable to receive consideration.

There is no need at this point to recount Mr. Solzhenitsyn's outstanding service for peace and human rights and his remarkable witness to freedom. There is perhaps no other individual alive today who has done so much to bring the problems of freedom to the attention of so many millions of people throughout the world. His thoughts were recently expressed in the speech which he gave in Stockholm upon receiving his long-delayed Nobel Prize, words which express the depth of his concern and his fundamental humility despite great fame. The United States should join in honoring this great man. The resolution I propose is modeled exactly upon the same legislation which extended the same honor to that other great freedom fighter, Winston Churchill.

This resolution was originally introduced a few days after Mr. Solzhenitsyn's enforced exile into the West. I have been in close contact with him ever since. He has not sought this honor but, indeed, has been filled with awe and gratitude that it was introduced. When it passed the Senate, he was on vacation with his family for a few days and not at home to receive the cable which I sent. The first news he received was over his automobile radio in Switzerland, and he was overwhelmed with gratitude. Shortly afterward he wrote a letter to the U.S. Senate, thanking the Senate as a whole for passage of the resolution, and promising to come to the United States at an appropriate time for a visit.

Mr. President, I ask unanimous consent that the text of his letter to the Senate, the text of his Nobel Prize speech, and the text of the resolution I am reintroducing be printed in the Record at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

S.J. Res. 36

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized and directed to declare by proclamation that Aleksandr I. Solzhenitsyn shall be an honorary citizen of the United States of America.

Letter From Solzhenitsyn to the Senate of the United States of America

(Released by U.S. Senator Jesse Helms)

I am deeply grateful and moved by this unusual honor accorded me by the U.S. Senate in voting—and unanimously at that—its intention to bestow on me the title of honorary citizen of your country. More than that, I am deeply affected by this decision, recalling that so far in United States history only two men were honored with this title and both were outstanding allies of your country in difficult periods of trials.

Attempting to grasp the meaning of this decision, I understand that you had in mind not me exclusively but that through me, you honor with your kindness the multitude of those deprived of civil rights, denied a voice and longing to be heard. This aggregate experience was gathered under conditions completely unlike yours but in the essential unity of human endeavor is directed towards the same goals as are your ideals.

We all know that the world has entered a crisis of unprecedented type—a crisis when previously agreed upon definitions cease to be precise and the methods of former centuries cease to function. The problems of the contemporary life suddenly appear to be much more complex than heretofore when they were organized and regulated in two dimensional political levels. And now even completely economic phenomena have their roots in the psychology and ideology cutlook of people. Only by consolidation of our efforts and by our completely dissimilar and various experiences can we hope to grow and find a solution as to what it is that the history demands from us.

In this overall view, the hard experience to which I became as heir indeed is an ally of your experience. But because of the great distances between us, because of mutual unawareness, and because of premeditated distortions, the coordination and mutual assimilation of these experiences has been extremely difficult.

In my CBS interview, I already had an opportunity to do justice to the generosity of American people, which has been so poorly returned without gratitude by the world. I also stressed in the interview my anxiety for the difficult future awaiting your nation and our nation—because both our nations are confronted with the responsibility for today's world, which makes things so difficult for us.

At one time, I almost met young America on the Elbe River—but in those same weeks I was snatched away from that meeting by my first arrest. Now, thirty years later, it is as if I am given another opportunity for such a meeting.

I will be happy to make this meeting a reality.

With friendly handshakes and gratitude.

Aleksandr Solzhenitsyn.

October 30, 1974.

Mr. Solzhenitsyn's Acceptance Speech, December 10, 1974

(With the compliments of the Royal Swedish Embassy)

Your Majesty! Your Royal Highnesses! Ladies and gentlemen!

Many Nobel Prize laureates have appeared before you in this hall, but the Swedish Academy and the Nobel Foundation have probably never had as much bother with anyone as they have had with me. On at least one occasion I have already been here, although not in the flesh; once the honorable Karl Ragnar Gierow was already on his way to meet me; and now, at last, I have arrived out of turn to occupy an extra seat. Four years had to pass to give me the floor for three minutes, and the secretary of the Academy is being forced now to address the third speech to the same writer.

I must ask your forgiveness, therefore, for having caused all of you so much trouble, and thank you especially for the ceremony in 1970, when your King and all of you welcomed here an empty chair.

But you will agree that it has not been so simple for the prize-winner, either: carrying his three-minute speech around with him for four years. When I was preparing to come to you in 1970 no room in my breast, no amount of paper was sufficient to let me speak my mind on the first free tribune of my life. For a writer from a land without liberty his first tribune and his first speech is a speech about everything in the world, about all the tournaments of his country, —and it is pardonable if he forgets the object of the ceremony, the persons assembled there and fills the goblets of joy with his bitterness. But since that year when I was unable to come here, I have learned to express openly practically all my thoughts in my own country as well. So that finding myself expatriated to the West, I have acquired all the better this unhindered possibility of saying as much as I want and where I want, which is something not always appreciated here. I needn't, therefore, further burden down this short address.

However, I find a special advantage in not responding to the award of the Nobel Prize until four years later. For example, in four years it is possible to experience the role this prize has already played in your life. In my life it has been a very large one. It has prevented me from being crushed in the severe persecutions to which I have been subjected. It has helped my voice to be heard in places where my predecessors have not been heard for decades. It has helped me to express things that would have otherwise been impossible.

In my case, the Swedish Academy has made an exception, and a rather rare one, awarding me the prize when I am middle-aged and my open literary activity is a mere child of some eight years. For the Academy there was a great hidden risk in doing so: after all, only a small part of the books I had written had been published.

But perhaps the finest task of any literary or scientific prize lies precisely in helping to clear the road ahead.

And I would like to express my heartfelt gratitude to the members of the Swedish Academy for the enormous support their choice in 1970 has given my work as a writer. I venture to thank them on behalf of that vast unofficial Russia which is prohibited from expressing itself aloud, which is persecuted both for writing books and even for reading them. The Academy have heard for this decision of theirs many reproaches implying that such a prize has served political interests. But these are the shouts of raucous loudmouths who know of no other interests.

We all know that an artist's work cannot be contained within the wretched dimension of politics. For this dimension cannot hold the whole of our life and we must not restrain our social consciousness within its bounds.—Alexander Solzhenitsyn.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 104

At the request of Mr. Inouye, the Senator from Nevada (Mr. Cannon) and the Senator from Indiana (Mr. Hartke) were added as cosponsors of S. 104, a bill to provide for inclusion of the services of licensed registered nurses under medicare and medicaid.

S. 114

At the request of Mr. Inouye, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 114, a bill to amend the Social Security Act to provide that certain persons who have innocently entered into a legally defective marriage to an insured individual and have lived with such individual as his husband or wife for at least five years shall be treated as if such marriage had been legally valid.

S. 123

At the request of Mr. Inouye, the Senator from New Jersey (Mr. Case) was added as a cosponsor of S. 123, to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program.

S. 136, S. 137, S. 139

At the request of Mr. Montoya, the Senator from Idaho (Mr. Church) and the Senator from California (Mr. Tunney) were added as cosponsors of S. 136, a bill to amend the Internal Revenue Code; and the Senator from California (Mr. Tunney) was added as a cosponsor of S. 137 and S. 139, bills to amend the Internal Revenue Code.

S. 181

At the request of Mr. Case, the Senator from Iowa (Mr. Clark), the Senator from New York (Mr. Javits), the Senator from Florida (Mr. Stone), the Senator from Montana (Mr. Mansfield), the Senator from Vermont (Mr. Leahy), the Senator from Maine (Mr. Hathaway), the Senator from Colorado (Mr. Gary W. Hart), the Senator from Wisconsin (Mr. Proxmire), the Senator from California (Mr. Cranston), the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from Illinois (Mr. Stevenson), the Senator from Oregon (Mr. Packwood), the Senator from Utah (Mr. Moss), the Senator from Idaho (Mr. Church), the Senator from Florida (Mr. Chiles), the Senator from North Dakota (Mr. Burdick), the Senator from Oregon (Mr. Hatfield), the Senator from South Dakota (Mr. Abourezk), the Senator from New Mexico (Mr. Domenici), and the Senator from Maryland (Mr. Mathias) were added as cosponsors of S. 181, a bill to promote public confidence in the legislative, executive, and judicial branches of the Government of the United States.

S. 298

At his own request, the Senator from Utah (Mr. Garn) and the Senator from Arizona (Mr. Fannin) were added as cosponsors of S. 298, a bill to provide for the development and implementation of programs for youth camp safety.

S. 354

At the request of Mr. Magnuson, the Senator from Ohio (Mr. Taft) was added as a cosponsor of S. 354, a bill to require no-fault motor vehicle insurance as a condition precedent to operating a motor vehicle on streets, roads, and highways, or other lands open to automobile use by the public in order to promote and regulate interstate commerce.

S. 444

At the request of Mr. Montoya, the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of S. 444, a bill to establish an Office of Spanish-speaking Affairs in the Executive Office of the President, and for other purposes.

S. 454

At the request of Mr. Chiles, the Senator from Texas (Mr. Tower), the Senator from Arizona (Mr. Fannin), and the Senator from Nevada (Mr. Laxalt) were added as cosponsors of S. 454, a bill to amend the Occupational Safety and Health Act of 1970.

S. 525

At the request of Mr. Ribicoff, the Senator from New Jersey (Mr. Case) was added as a cosponsor of S. 525, a bill to freeze medicare deductibles and copayments.

S. 544

At the request of Mr. Clark, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 544, a bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems.

S. 609

At the request of Mr. Javits, the Senator from Vermont (Mr. Stafford) was added as a cosponsor of S. 609, the Emergency Public Service Employment Extension Act of 1975.

S. 667

At the request of Mr. Beall, the Senator from South Dakota (Mr. Abourezk) was added as a cosponsor of S. 667, a bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property, and for other purposes.

S. 668

At the request of Mr. BIDEN, the Senator from Florida (Mr. STONE) was added as a cosponsor of S. 668, a bill to provide a special payment to certain elderly and disabled social security recipients.

S. 732

At the request of Mr. DOLE, the Senator from North Dakota (Mr. YOUNG) was added as a cosponsor of S. 732, a bill to grant a preference in employment in the competitive Civil Service to individuals who have served an enlistment in a National Guard or Reserve unit.

S. 772

At the request of Mr. TALMADGE, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 772, the Beef Research and Consumer Information Act of 1975.

S. 792

At the request of Mr. TUNNEY, the Senator from South Dakota (Mr. McGOVERN) was added as a cosponsor of S. 792, the Part-Time Career Opportunity Act.

SENATE JOINT RESOLUTION 32

At the request of Mr. HOLLINGS, the Senator from Alaska (Mr. GRAVEL), the Senator from New York (Mr. JAVITS), and the Senator from New Hampshire (Mr. McINTYRE) were added as cosponsors of Senate Joint Resolution 32, a joint resolution to authorize and request the President to issue a proclamation designating the month of October as "National Fish and Seafood Month."

SENATE RESOLUTION 73 THROUGH SENATE RESOLUTION 80

At the request of Mr. PASTORE, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of Senate Resolution 73 through Senate Resolution 80, expressing the Senate's disapproval of the deferral of certain budget authorities by the President under section 1013 of the Impoundment Control Act of 1974.

SENATE CONCURRENT RESOLUTION 7

At the request of Mr. BEALL, the Senator from Maryland (Mr. MATHIAS) and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of Senate Concurrent Resolution 7, expressing the sense of the Congress that business concerns which lower prices shall not be penalized if certain economic controls are imposed.

SENATE RESOLUTION 86—ORIGINAL RESOLUTION REPORTED AUTHORIZING THE SENATE TO RESPOND TO OFFICIAL INVITATIONS RECEIVED FROM FOREIGN BODIES

(Referred to the Committee on Rules and Administration.)

Mr. SPARKMAN, from the Committee on Foreign Relations, reported the following resolution:

S. RES. 86

Resolved, That the President of the Senate is authorized to appoint as members of official Senate delegation such Members of the Senate as may be necessary to respond to invitations received officially from foreign governments or parliamentary bodies and associations (including the Commonwealth Parliamentary Association) during the Ninety-fourth Congress, and to designate the chairman of said delegations.

SEC. 2. (a) The expenses of the delegations, including staff members designated by the chairmen to assist said delegations, shall not exceed $35,000 for each such delegation, and shall be paid from the contingent fund of the Senate upon vouchers approved by the chairmen of said delegations.

(b) The expenses of each delegation shall include such special expenses as the chairman may deem appropriate to carry out this resolution, including reimbursements to any agency of the government for expenses incurred on behalf of each delegation and for compensation of employees officially detailed to each delegation and expenses incurred in connection with providing appropriate hospitality to foreign delegates.

(c) Each member or employee of each delegation shall receive subsistence expenses in an amount not to exceed the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954, as amended.

(d) The Secretary of the Senate is authorized to advance funds to the chairman of each delegation in the same manner provided for Committees of the Senate under the authority of Public Law 118, Eighty-first Congress, approved June 22, 1949.

SENATE RESOLUTION 87 AND SENATE RESOLUTION 88—ORIGINAL RESOLUTIONS REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON ARMED SERVICES

(Referred to the Committee on Rules and Administration.)

Mr. STENNIS, from the Committee on Armed Services, reported the following resolutions:

S. RES. 87

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, The Committee on Armed Services, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2 The Committee on Armed Services is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed $40,000, for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The Committee on Armed Services, or any subcommittee thereof, is authorized from March 1, 1975, February 29, 1976, to expend not to exceed $605,000, to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries in accordance with such succeeding sections of this resolution.

SEC. 4. Not to exceed $487,000 shall be available for a general study or investigation of—

(1) the common defense generally;

(2) the Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force generally;

(3) soldiers' and sailors' homes;

(4) pay, promotion, retirement, and other benefits and privileges of members of the Armed Forces;

(5) selective service;

(6) the size and composition of the Army, Navy, and Air Force;

(7) forts, arsenals, military reservations, and navy yards;

(8) ammunition depots;

(9) the maintenance and operation of the Panama Canal; including the administration, sanitation, and government of the Canal Zone;

(10) conservation, development, and use of naval petroleum and oil shale reserves;

(11) strategic and critical materials necessary for the common defense; and

(12) aeronautical and space activities peculiar to or primarily associated with the development of weapons systems or military operations.

SEC. 5. Not to exceed $118,000 shall be available for studies and investigations pertaining to military readiness and preparedness for the common defense generally.

SEC. 6. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 7. Expenses of the committee under this resolution, which shall not exceed in the aggregate $645,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

S. RES. 88

Resolved, That the Committee on Armed Services is authorized to expend from the contingent fund of the Senate, during the Ninety-fourth Congress, $75,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946.

SENATE RESOLUTION 89—SUBMISSION OF A RESOLUTION PROHIBITING DISCRIMINATION IN EMPLOYMENT IN THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. METCALF. Mr. President, I am today reintroducing my resolution calling for nondiscrimination in the employment practices of Senators, officers, or employees of the Senate. For an explanation of this proposal, Members may wish to see my statement to the Senate which appeared at pages 41298–41300 of the December 19, 1974, CONGRESSIONAL RECORD.

I ask unanimous consent that the text of the resolution be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 89

Resolved, that (a) no Member, officer, or employee of the Senate shall, with respect to employment by the Senate or any office thereof—

(1) fail or refuse to hire an individual.

(2) discharge an individual, or

(3) otherwise discriminate against an individual with respect to compensation, terms, conditions, or privileges of employment,

because of that individual's race, color, religion, sex or national origin.

(b) No Member, officer or employee of the Senate shall, with respect to employees under his jurisdiction, control, or supervision, limit, segregate, or classify such employees in any way which would deprive or tend to deprive any individual of employment opportunities, or otherwise affect his status as an employee, because of that individual's race, color, religion, sex, or national origin.

SEC. 2. (a) The Select Committee on Standards and Conduct shall have jurisdiction to enforce the provisions of the first section of this resolution. For such purpose, the Select Committee shall—

(1) prescribe procedures for the correction of violations of such provisions,

(2) prescribe penalties for such violations, and

(3) issue such rules and regulations as it deems appropriate.

(b) In carrying out its duties and functions under subsection (a), the Select Committee may exempt any position from the provisions of the first section of this resolution relating to discrimination because of sex, if the Select Committee finds that sex is a bona fide occupational qualification for that position.

SENATE CONCURRENT RESOLUTION 19—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE WORLD FOOD CONFERENCE

(Referred to the Committee on Foreign Relations.)

Mr. CULVER (for himself and Mr. CLARK) submitted the following concurrent resolution:

S. CON. RES. 19

Whereas, the means of producing, processing, and distributing food in nutritionally adequate quantities to feed an increasing world population is an awesome problem confronting the world today; and

Whereas, the land grant colleges of the United States have made notable contributions to increased agricultural efficiency and improved quality of food and feed crops, particularly through developments in soybean and maize crops, animal breeding and feeding efficiency, farm machinery, and the dissemination of information to farmers and consumers; and

Whereas, the Iowa State University of Science and Technology, one of the Nation's foremost land grant colleges, will host the World Food Conference of 1976 in Ames, Iowa, from June 27 through July 1, 1976, and

Whereas, the subject of the World Food Conference of 1976 will be "The Role of the Professional in Feeding Mankind"; and

Whereas, such conference will bring together scientists and scholars from many disciplines and many countries for the purpose of sharing and increasing agricultural and nutritional knowledge among the world's scientists and teachers, and for the purpose of accelerating the development of methods of food production, processing, and distribution that will result in improved capabilities for meeting the food and nutritional needs of all the people of the world; and

Whereas, the American Revolution Bicentennial Administration has endorsed the World Food Conference of 1976 as a bicentennial project of national and international significance: now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States endorses the World Food Conference of 1976 to be held in Ames, Iowa, from June 27 through July 1, 1976, and commends the Iowa State University of Science and Technology for a humanitarian undertaking of international significance.

Mr. CULVER. Mr. President, during the forthcoming Bicentennial year, the State of Iowa will host the World Food Conference of 1976. The conference will be held in Ames, Iowa, from June 27 to July 1.

Ames, Iowa, home of a distinguished land-grant college with an exceptional record of training agricultural professionals, is an ideal setting for this international gathering. The conference theme, "The Role of the Professional in Feeding Mankind," will draw participants from every nation of the world.

We believe this event is a particularly timely way to bring an enduring sense of purpose to the American Bicentennial. World food shortages will be inescapable in the years ahead. The need for new methods of food production and distribution, new forms of nutritional research, and additional knowledge and information on the special needs of individual nations across the world are all part of a common international agenda.

Land-grant universities have played an important role in providing the research and knowledge necessary for agricultural growth in this country. It is appropriate that the problems of world famine and global scarcity will be addressed at this time and place.

We congratulate Iowa State University for the leadership it is giving in organizing and sponsoring the World Food Conference during our Bicentennial and strongly hope that the Congress, by this resolution, will endorse this project and its contribution to the problems of world hunger.

AMENDMENTS SUBMITTED FOR PRINTING

FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS, 1975—H.J. RES. 210

AMENDMENT NO. 20

(Ordered to be printed and referred to the Committee on Appropriations.)

Mr. DOLE (for himself, Mr. GARY W. HART, Mr. PACKWOOD, Mr. DOMENICI, Mr. ABOUREZK, Mr. BARTLETT, Mr. BELLMON, Mr. BENTSEN, Mr. BIDEN, Mr. BROCK, Mr. CRANSTON, Mr. CULVER, Mr. FANNIN, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GRAVEL, Mr. HARTKE, Mr. HASKELL, Mr. HUMPHREY, Mr. JAVITS, Mr. JOHNSTON, Mr. LAXALT, Mr. LEAHY, Mr. MONDALE, Mr. MORGAN, Mr. MOSS, Mr. PELL, Mr. STEVENSON, Mr. TOWER, and Mr. TUNNEY) submitted an amendment intended to be proposed by them jointly to the joint resolution (H.J. Res. 210), making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

SENATE RURAL DEVELOPMENT HEARINGS RESCHEDULED

Mr. CLARK. Mr. President, the Senate Agriculture Subcommittee on Rural Development was scheduled to conduct oversight hearings on the Rural Development Act, to explore the economic conditions of rural areas and to look into the housing industry in rural areas on February 25. Due to scheduling problems, that hearing has been rescheduled for March 6, beginning at 1 p.m., in the Agriculture Committee, room 324.

ANNOUNCEMENT OF JOINT ECONOMIC COMMITTEE HEARING ON ADEQUACY OF U.S. OIL AND GAS RESERVES

Mr. HUMPHREY. Mr. President, a recent report of the National Academy of Sciences, entitled "Mineral Resources and the Environment," calls into question whether U.S. oil and gas resources are adequate to support the Nation's ambitions to become more nearly self-sufficient in energy supplies. It concludes that U.S. resources are much less than officially estimated heretofore by the U.S. Geological Survey and states that "a large increase in U.S. annual production is very unlikely."

Accurate information on this subject is vital to the effort now proceeding in Congress to formulate a wise national energy policy. If it is true that we cannot depend on significant increases in oil and gas production, then we must take a much more urgent look at ways to utilize our domestic coal resources. We also must put even heavier emphasis on conservation. If indeed the end of the era of oil and gas is not far away, then energy research and development activities may have to be forced ahead with even more determination.

I feel that this question is so important that I have scheduled an immediate hearing before the Joint Economic Committee to question the participants in the National Academy panel as well as officials of the Department of Interior and the Geological Survey. We also will have an independent outside witness to comment on the issue.

The hearing will begin at 10:30 a.m. on Tuesday, February 25, in room 4221 of the Dirksen Senate Office Building. The following witnesses are scheduled:

Jack Carlson, Assistant Secretary of Interior for Energy and Minerals.

Vincent McKelvey, Director, U.S. Geological Survey.

Kenneth Emergy, Chairman, Panel on Estimation of Mineral Reserves and Resources, National Academy of Sciences.

John Moody, member of the NAS Panel.

Harry Perry, Resources for the Future.

Hearings on energy policy are planned to resume after the completion of the committee's annual hearings on the President's Economic Report.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

William B. Cummings, of Virginia, to be U.S. Attorney for the eastern district of Virginia for the term of 4 years, vice Brian P. Gettings, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, March 3, 1975, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

ABORTION: A BRITISH VIEW

Mr. BUCKLEY. Mr. President, I recently came across an article written by John Linklater and published in the July 13, 1974, issue of the prestigious British periodical, The Spectator. The title of the piece—"Every Granny A Wanted Granny"—is a grim and ironic reminder that the alleged right of abortion-on-demand is based on a chilling view of the value of human life that could quite easily and logically be directed toward the very old as well as the very young. I have yet to read or hear a statement by proabortionists that would in any way clearly answer this question: If our Nation is to hold to the view that it is a right to terminate a human life in the womb because that life is perceived as being unwanted, what argument can be offered to combat the next logical step of such a view; that is, the killing of the aged or other unwanted human beings for the same reason?

Mr. President, the unexamined premise of the proabortion philosophy is that human life is to be valued only insofar as it is perceived to be useful or meaningful. What the prolife movement has said all along and what is being said with eloquence and persuasiveness in testimony before the Senate Subcommittee on Constitutional Amendments and in articles like the one written by Mr. Linklater is that the proabortion philosophy is a philosophy of death.

Mr. President, at this time I ask unanimous consent that the entire text of the article "Every Granny A Wanted Granny" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EVERY GRANNY A WANTED GRANNY

(By John Linklater)

There is at present no provision under the NHS for gas chambers to provide a final solution to the problem of a falling birthrate coupled with a rising proportion of elderly citizens. Indeed, many will feel that it is unrealistic to think about gas chambers in Britain today, but that is because they do not realise how far we have drifted in twenty-five years. Aneurin Bevan did not make provision for separate NHS abortion chambers (or abortion clinics, as we prefer to call them). The present demand for a separate abortion service was surely beyond the wildest stretches of his imagination—as was, no doubt, the concept of a publicly advertised series of British abortion package tours. Yet these things are with us now. The most heinous medical crime of 1964 has become the most common single cause of admission to a gynecological ward in 1974. Are we, then, quite so sure that there will be no gas chambers by 1984?

Anybody who has personal experience of looking after mongol children will know that they are happy, friendly and affectionate, and that they are easily pleased by a little personal attention. Yet these children are now being routinely destroyed while still in the womb, if their handicap is discovered in time. For whose benefit are they killed? The thin edge of the wedge has been inserted. We already have a predictable pressure group which would go yet further and require that eugenic destruction be allowed to take place legally, not only within the womb, but also during the first twenty-four hours after delivery, so as to eradicate all those obviously handicapped children who had managed to escape the abortionist.

In these, and in many other ways, we now demonstrate that, as a nation, we have all but lost our respect for human, in turning from traditional Christian morality towards materialistic hedonism based on a philosophy of amoral, pragmatic expediency. This loss of respect strikes at the very root of Christianity and we would, therefore, have expected that its church would have fought, tooth and nail, and regardless of cost, at least against the social clause, in the Abortion Act of 1967. But it had become soggy. Prelates who would previously have condemned now saw both sides of the abortion argument. The church chickened at the critical point.

It is very doubtful if we can ever again rely on the hierarchy of the established church to point the way when we find ourselves in moral doubt, if we have to face the *fait accompli* of an Euthanasia Act.

The established church has, in fact, created in the course of 400 years such a smooth amalgam of eccelesiastical and secular law that many people have come to confuse morality with legality, and now forget that morality exists as a separate entity. This is the weakness of our traditional strength as a constitutional monarchy, and explains why so many decent citizens who, ten years ago, accepted that abortion for reasons of convience was a crime against humanity, have now come to modify their views. They have accepted parliamentary statute as a moral arbiter.

This was why an extremist pressure group of perhaps one or two thousand abortion law reformists could, in the end, change the very mores of a nation which had lost its anchors and which was passing through its turbulent and rebellious phase of collective adolescence. We should not be too complacent that the same process cannot take place again under pressure from the Euthanasia Society and the humanist groups. We have now become somewhat hardened to the concept of taking an innocent human life, provided that cetrain conditions are fulfilled, and, and the humanists do, after all, have a controlling voice in the most powerful propaganda weapon of all time, the television screen. We have become morally numb.

When brought face to face with their atrocities committed before and during the 1939-45 war, the Germans blamed Adolf Hitler, but he had merely been the mouthpiece and catalyst, personifying the mass hysteria that was sweeping through Germany before he seized power. The concept of "releasing lives devoid of value" had originally been published by Karl Binding and Alfred Hoche in 1920 when Hitler was an unemployed nonentity, and German doctors had already, spontaneously, begun to kill mentally defective geriatric and paediatric patients well before the Nazi coup. At first they felt it necessary to destroy mentally handicapped children only if they were under the age of three, but as soon as the principle was firmly established, the age limit was raised to eighteen.

German doctors were not ordered to kill their patients. They did so spontaneously. They killed, furthermore with the tacit connivance of the population at large, thinly disguising the enormity of their crime by the widespread use of well-understood euphemisms like "voluntary mercy death," and "help for the dying." One common phrase in Germany, before the war, was the "problem of useless mouths to feed." Equally common was that meaningless concept, having a superficial appearance of good sense, "the right to die." They called it voluntary, and so it was—at first.

The German church, like ours, took an ineffective and desultory stand on behalf of the concept of the sanctity of life, and eventually compromised. The main difference between the two situations is that the Germans were burning with intense patriotism and preparing to seize their "living space" by waging savage war. They therefore first slew those whose presence would be an encumbrance in the war effort. We, however, are burning with intense hedonism and quite incapable, at present, of preparing for any external war. We are therefore likely to relieve our sense of overcrowding by slaying those whose presence interferes with our comfort or pleasure or sexual gratification.

Perhaps this is why we did not find it risibly ludicrous when six bishops and an archbishop all signed their names to a statement on a piece of paper with the letterhead of an organisation that sells condoms, exhorting us to pray for a reduction in population in the very year in which the national birthrate had fallen to the lowest ever recorded level of 13.7 births per 1,000 per population. 'Population Countdown' was the expression of an overcrowding hysteria, unrelated to logic or to demographic common sense.

Perhaps this is why, when Michael Litchfield and Sue Kentish so brilliantly exposed in March the gross abuses and breathtaking greed of the abortion racket as it goes on in some of the most expensive abortion chambers, justice has not yet been seen to be done; in a sense we are all tacitly conniving.

The facts must be widely known. If there were no massive connivance, we could not tolerate the existence of an advisory service in which girls are virtually always advised to pay for an abortion, often when they are not even pregnant, in which they are then escorted to their banks to get the cash, and finally operated on, all within the space of a few hours. Why do we not rise up in anger against the director of an abortion chamber who fiddles the gestation dates so as to make a mockery even of the grudging twenty-six weeks safeguard to which the unborn child is entitled? That man kills legally protected human life for financial gain, and we seem to tolerate it.

It may be that we fail to grasp the atrocity that he perpetrates because we see it subjectively, at least as human beings. I wonder what we would think, in our hearts, of a species of lower mammals, such as apes, which had developed a relatively safe technique for skewering the living young out of their bellies, in pathetic, bloody shreds, sometimes two or three times in a season, so that they could get on with their main business of random, non-reproductive compulation, usually with their own species and, mostly, with the opposite sex? How would we rate their chances of survival? Would we approve of them as pets, or would we, more likely, unanimously agree that they had thoroughly nasty habits?

The human race stands in danger. Abortion statutes, throughout the world, have swept aside strict adherence to the Hippocratic principles often, as in Britain, taking the medical profession by surprise. It is rarely feasible to set the clock back, but we must at least now ensure that we are not swept on, blindly, into further disaster. Next month at Bucharest, for example, the United Nations World Population Conference will be discussing population control policy. Euthanasia and child destruction are likely to be actively lobbied.

It is essential for the entire medical profession urgently to proclaim individual, personal adherence to some practical and acceptable modern alternative to the Hippocratic oath. Such an alternative is the Declaration of Geneva, 1948. If this is not done, and seen to be done, doctors will inevitably find themselves wielding the deadly, modern, sophisticated drugs and instruments of their trade at the behest of political pressure groups to alleviate whatsoever *ad hoc*, real or imaginary, social, economic, eugenic or emotional stresses. The results would be unthinkable.

It was with this in mind that largely on French initiative, some 200 doctors from many different countries assembled in Holland at Noordwijkershout on May 10, to analyse factually, without political or religious bias, the world-wide trends in population control policy which the medical profession is currently required to implement, or which it may be required to implement in the near future. Abortion was seen clearly as the trigger rather than the target. Brainwashing, slave-labour child destruction, genocide and voluntary and compulsory euthanasia were all brought under careful, dispassionate scrutiny.

During the conference a new, integrative organisation was founded, with a highly specific aim. It was entitled "World Federation of Doctors who respect Human Life." The challenge implicit in the title was intended.

The aim of the Federation was to integrate the numerous medical organisations and associations throughout the world that seek specifically to maintain the utmost respect for human life, to test the weight of medical opinion throughout the world on this issue and thus to clarify it, seeking a personal affirmation from every registered medical practitioner. It was realised that this might, at first, appear to cut across some existing channels, but the information about progressive intentions for Bucharest was so disquieting, and time so short, that if some such unorthodox plan had not been swiftly put into action, there might have been no means of organising an informed bulwark of medical opinion to counter the effect of predictable and mindless slogans such as "better dead than lonely," "the right to relief from senility," and "every granny a wanted granny."

EFFECT OF IMPORTS ON SHOE INDUSTRY

Mr. HATHAWAY. Mr. President, as Senators know, the shoe industry in New England and in other parts of the country have been severely hurt by foreign imports in recent years. For this reason, during consideration of the Trade Reform Act of 1974, I expressed some concern as to how the Secretary of the Treasury would use the discretionary authority in the countervailing duties section of the act with regard to nonrubber footwear. Since that time, I have received written assurances from Mr. Harald B. Malmgren, the Deputy Special Representative for Trade Negotiations, that the administration would use this authority only if restraints on nonrubber footwear exported to the United States have been effectuated.

I was further pleased to note that the administration has agreed to place a high priority on developing arrangements which will eliminate the disruptive effects of these imports on the footwear industry.

I ask unanimous consent that Mr. Malmgren's letter of December 26, 1974, be printed in the Record, so that those who will be affected by his commitment will have access to it.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Deputy Special Representative
for Trade Negotiations,
Washington, D.C., December 26, 1974.

Hon. William D. Hathaway,
U.S. Senate,
Washington, D.C.

Dear Senator Hathaway: I am writing with regard to the provisions in the Trade Act of 1974 which pertain to discretionary authority which may be exercised by the Secretary of the Treasury under the countervailing duty provisions of the statute. The statute outlines three conditions which have to be met before this discretionary authority may be exercised. The first condition states that "adequate steps have been taken to reduce substantially or eliminate during such (discretionary) period the adverse effect of a bounty or grant which he has determined is being paid or bestowed with respect to any article or merchandise."

On December 20, 1974, you and I discussed this matter orally. You then expressed the interpretation we had agreed in a statement on the Senate floor. You said that "I presume that with respect to nonrubber footwear, this means an actual agreement must have been entered into or voluntary understandings must have been undertaken by the exporting country or exporters within the country which would have the same effect as an agreement. I understand, further, that with respect to nonrubber footwear, the only type of agreement or understanding that would fulfill this requirement would be one of export restraints." I am taking this opportunity in writing to confirm that your understanding, as expressed in your Senate floor statement, is correct, whether we are talking about presently pending or future countervailing duty cases with respect to nonrubber footwear.

As for other provisions of the Trade Act of 1974 concerning nonrubber footwear, I can assure you that this Administration will, pursuant to the provisions of that Act, give immediate attention to devising some suitable form of arrangement with the governments of other nations whose exports to us are the significant causes of disruption to our footwear industry. The purpose of such arangements would, of course, be to reduce or eliminate the disruptive effects of imports.

Sincerely yours,

Harald B. Malmgren.

FINANCIAL PRIVACY

Mr. WEICKER. Mr. President, a fundamental right of all Americans is the right to face one's accusers. Under the Supreme Court's ruling in the case of United States et al., against Biscoglia, however, IRS investigators were given the right to rummage through an individual's bank records without informing him of this behind-the-back action.

We have all witnessed the massive attempts in recent years to use the vast powers of the Federal Government against the individual citizen. We do not need, and we do not want, a Government that sneaks around, doing business in the dark.

Now, the Supreme Court has upheld the dubious right of the IRS to enter the bank vaults of any citizen, organization, or corporation, find out all about your personal transactions, use that information any way they please—and never tell you about it.

Without retelling the entire litany of Watergate-related abuses by the IRS, let it be noted that misuse of the IRS was the basis for the second article of impeachment voted by the House Judiciary Committee.

Last July 31, I introduced an amendment to halt Government snooping through bank records without notification. The amendment was adopted by the Senate, but deleted in conference.

In his dissenting opinion, Justice Stewart expressed deep concern over the "breathtaking expansion of the summons power," which has resulted from the Court's decision.

> There are obviously thousands of transactions occurring daily throughout this country, which on their face, suggests the possibility of tax complications for unknown parties involved. These transactions will now be subject to forced disclosure at the whim of any IRS agent, so long only as he is acting in "good faith."

Such broad and discretionary authority of the IRS must be restricted in order to preserve the confidentiality of individual's financial records. As the Washington Post stated in a recent editorial, the decision of the Court—

> Illustrates again how limited and uncertain the rights of bank customers have become and how much protection against improper searches one surrenders by the ordinary act of putting money in the bank.

I ask unanimous consent that the full text of the editorial be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Washington Post, Feb. 23, 1975]

Searching John Doe's Bank Records

Bank records, so rich in detail about people's private lives, are often assumed to be as confidential as the financial files in the bottom drawer of one's own desk. In fact, law enforcement officers can gain access to bank records fairly easily without the customer's knowledge or consent. Because such files are regarded as the property of the bank, a customer has no recourse in most states if a bank voluntarily opens its books to agents of the FBI, the IRS or the local police. Many financial institutions require agents to present a summons or subpoena but the customer does not have to be notified of the search. Furthermore, under a 1970 federal law, financial institutions are now required to report large foreign and domestic transactions automatically to the Treasury Department.

The scope of this power to get sensitive personal information through the banks was underscored this week when the Supreme Court held that in some circumstances the IRS may demand certain bank records without being able to name the taxpayer involved. In this instance, a small Kentucky bank, within a 10-day period, made two deposits with the Federal Reserve which included a total of $40,000 in badly disintegrated $100 bills. IRS agents, who were routinely notified, concluded from these facts alone that somebody might owe some tax. An agent therefore issued a "John Doe" summons ordering the bank to produce records showing the source of the $40,000. A district court subsequently narrowed the summons to cover only records of large transactions during that particular month.

In a 7-2 decision, the Supreme Court held that the summons as modified by the district court was a proper exercise of IRS's authority to inquire into possible tax law violations. Chief Justice Warren E. Burger, writing for the Court, acknowledged that IRS's broad investigative powers may sometimes be abused, but concluded that in this situation an investigation was legitimate. Justices Blackmun and Powell, in a concurring opinion, emphasized that the decision was a narrow one and did not authorize general fishing trips where IRS did not have strong indications that a tax liability might exist.

In terms of individual privacy, what is striking about this otherwise fairly minor case is that the argument was wholly between the bank and IRS. There is no indication that "John Doe," the original possessor of the $40,000, even knows, except perhaps through press accounts, that IRS is interested in his financial dealings. By the same token, anyone else who might have deposited a large sum with the Commercial Bank of Middlesboro during that period will have no chance to contest the disclosure of those records to the IRS.

This illustrates again how limited and uncertain the rights of bank customers have become and how much protection against improper searches one surrenders by the ordinary act of putting money in a bank. Sen. Alan Cranston (D-Cal.), Rep. Fortney H. Stark (D-Cal.) and a number of their colleagues are advocating legislation to assure the customers of financial institutions more control over access to the records of their accounts. This week's decision, on top of a long list of earlier cases, shows how useful some new rules to promote confidentiality would be.

Mr. WEICKER. Mr. President, while vehemently disagreeing with the Court decision, I will nevertheless abide by it. However, I intend to press the cause of confidentiality of an individual's bank records against fishing expeditions.

As a cosponsor of the Financial Privacy Act of 1975, I urge the Senate Banking Committee to expeditiously consider this important measure. I commend Senator CRANSTON for his leadership in this effort to restrict access of Government officials to the records of customers of financial institutions.

RULES ON THE COMMITTEE ON FOREIGN RELATIONS

Mr. SPARKMAN. Mr. President, in accordance with the provisions of law, I submit the rules of the Committee on Foreign Relations and ask unanimous consent that they may be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF THE COMMITTEE ON FOREIGN RELATIONS

COMMITTEE AND SUBCOMMITTEE MEETINGS

1. The regular meeting day of the Committee on Foreign Relations for the transaction of Committee business shall be on Tuesday of each week, unless otherwise directed by the Chairman. All meetings shall be open unless the Chairman and the ranking minority member determine otherwise. A closed meeting may be opened by a majority vote of the Committee.

2. Six members shall constitute a quorum for the purpose of transacting Committee business.

3. Proxy voting will be permitted on all matters, except that no measure or recommendation shall be reported unless a majority of the Committee were actually present.

4. The Chairman of the Committee on Foreign Relations, or the chairman of any subcommittee thereof, is authorized to fix the number of members who shall constitute a quorum for the purpose of taking testimony.

5. Except when funds have been specifically made available by the Senate for a subcommittee purpose, no subcommittee of the Committee on Foreign Relations shall hold hearings involving reporting expenses without prior approval of the chairman of the full Committee or by decision of the full Committee.

6. Unless otherwise authorized by law or Senate Resolution, subcommittees shall be created by majority vote of the Committee and shall deal with such legislation and oversight of programs and policies as the Committee directs. The funds for the subcommittees shall be made specifically available by the Senate.

COMMITTEE TRAVEL

1. No member of the Committee on Foreign Relations or staff shall travel abroad on Committee business unless specifically authorized by the Chairman, who is required by law to approve vouchers and report expenditures of foreign currencies, and the ranking minority member. Requests for authorization of such travel shall state the purpose and when completed, a full report shall be filed with the Committee.

2. A member of the personal staff of a member of the Committee may travel with that member with the approval of the Chairman and the ranking minority member of the Committee. During such travel, the personal staff member shall be considered to be an employee of the Committee.

3. When the Chairman and the ranking minority member approve the foreign travel of a member of the staff of the Committee not accompanying a member of the Committee, all members of the Committee are to be advised, prior to the commencement of such travel, of its extent, nature, and purpose. The report referred to in the first paragraph of this section shall be furnished to all members of the Committee and shall not be otherwise disseminated without the express authorization of the Committee.

NOMINATIONS

1. Unless otherwise directed by the Chairman, the Committee on Foreign Relations shall not consider any nomination until six days after it has been formally submitted to the Senate.

2. Nominees for any post who are invited to appear before the Committee shall be heard in public session, unless a majority of the Committee decrees otherwise.

3. No nomination shall be reported to the Senate unless the nominee has been accorded security clearance on the basis of a full field investigation by the Federal Bureau of Investigation, and, in appropriate cases, has filed a confidential financial statement with the Committee.

TRANSCRIPTS

1. The Committee on Foreign Relations shall keep verbatim transcript of all Committee and subcommittee meetings and such transcripts shall remain in the custody of the full Committee, unless a majority of the Committee decides otherwise.

WITNESSES

1. The Committee on Foreign Relations will consider requests to testify on any matter or measure pending before the Committee.

2. If the Chairman so determines, the oral presentation of witnesses shall be limited to ten minutes. However, written statements of reasonable length may be submitted by witnesses and other interested persons who are unable to testify in person.

TRANSCRIPT REGULATIONS

1. Maintenance and security of classified transcripts.

a. The chief clerk of the Committee shall have responsibility for the maintenance and security of the classified transcripts.

b. A record shall be maintained for each use of the classified transcripts.

c. Classified transcripts shall be kept in locked combination safes in the Committee offices except when in active use by authorized persons. They must never be left unattended and must be returned to the chief clerk promptly when no longer needed.

d. Classified transcripts shall be permitted to leave the Committee offices only in the possession of authorized persons. Delivery and return shall be made only by authorized persons. They shall not be permitted to leave the city or the country, unless adequate assurances are made to the Chairman for their security.

e. Transcripts classified secret or higher shall not be permitted to leave the Committee offices.

f. Extreme care should be exercised to avoid taking notes or quotes from classified transcripts. Their contents must not be divulged to any unauthorized person.

2. Persons authorized to use classified transcripts.

a. Members and staff of the Committee, in the committee rooms, or, by permission of the Chairman, in their offices.

b. Senators not members of the Committee, in the Committee's Capitol offices, by permission of the Chairman.

c. Members of the executive departments in the departments, or, in the Committee's Capitol office, by permission of the Chairman.

3. Declassification of executive transcripts and other executive records.

Executive transcripts and other executive records of the Committee shall be released to the National Archives and Records Service for unclassified use in accordance with the policies of that Agency: *Provided*, That no such transcripts or other executive records shall be declassified within a period of 12 years except by majority vote of the Committee and with the permission of surviving members of the Committee at the time such transcripts or records were made and with the permission of the Executive Department, if any, concerned; and *Provided further*, That after 12 years from the date such transcripts or records were made, they shall be declassified unless the Committee by majority vote shall decide otherwise.

REGULATIONS FOR THE USE OF CLASSIFIED MATERIAL (OTHER THAN TRANSCRIPTS)

Receipt and distribution of classified material.

1. All classified material received or originated by the Committee shall be keyed in at the Committee's offices in the Dirksen Senate Office Building, and except for material classified as "Top Secret" shall be filed in the Dirksen Senate Building offices for Committee use and safekeeping.

2. Each such piece of classified material received or originated shall be card indexed and serially numbered, and where requiring onward distribution shall be distributed by means of an attached indexed form approved by the Chairman. If such material is to be distributed outside the Committee offices, it shall, in addition to the attached form, be accompanied also be an approved signature sheet to show onward receipt.

3. Distribution of classified material among offices shall be by Committee members or staff only. All classified material sent to members' offices, and that distributed within the working offices of the Committee, shall be returned to Room 4229, Dirksen Senate Office Building. No classified material is to be removed from the offices of the members or of the Committee without permission of the Chairman. Such classified material will be afforded safe handling and safe storage at all times.

4. Material classified "Top Secret," after being indexed and numbered, shall be sent to the Committee's Capitol offices for use by the members and staff in those offices only.

5. The Chief of Staff is authorized to make such staff regulations as may be necessary to carry out the provisions of these regulations.

STAFF REGULATIONS

The Committee recommends that the following concepts serve to guide the staff in its activities:

1. The staff works for the Committee as a whole, under the general supervision of the Chairman of the Committee, and the immediate direction of the Chief of Staff.

2. Any member of the Committee should feel free to call upon the staff at any time for assistance in connection with Committee business. Members of the Senate not members of the Committee who call upon the staff for assistance from time to time should be given assistance subject to the overriding responsibility of the staff to the Committee.

3. The staff's—as, indeed, the Committee's—primary responsibility is with respect to bills, resolutions, treaties, and nominations.

4. The staff and the Committee also have a responsibility under section 136 of the Legislative Reorganization Act which provides that ". . . each standing Committee . . . shall review and study, on a continuing basis, the application, administration, and execution of those laws or parts of laws, the subject matter of which is within the jurisdiction of that committee." In the case of foreign relations, there is an additional responsibility deriving from the advice and consent clause of the Constitution. By the same token there are limitations deriving from the President's special constitutional position in regard to foreign relations.

5. In addition to carrying out assignments from the Committee and its individual members, the staff should feel free to originate suggestions for Committee or subcommittee consideration, making it clear in every case that the decision lies with the Committee or subcommittee concerned. The staff should also be free to make suggestions to individual members regarding matters of special interest to such members.

It is part of the staff's duty to keep itself as well informed as possible in regard to developments affecting foreign relations and in regard to the administration of foreign programs of the United States. Significant trends or developments which might otherwise escape notice should be called to the attention of the Committee, or of individual Senators with particular interests.

6. In carrying out the responsibilities in paragraph 5, the staff should bear in mind the workload of Senators and attempt not to deal in trivia but to limit itself to broad questions of basic policy or specific matters which point up a question of basic policy.

7. The staff should pay due regard to the constitutional separation of powers between the Senate and the executive branch. It should, therefore, try to help the Committee bring to bear an independent, objective, judgment of proposals to the executive branch and when appropriate to originate sound proposals of its own. At the same time, the staff must avoid impinging upon the constitutional prerogatives of the executive branch in the day-to-day conduct of foreign affairs.

8. In those instances when Committee action requires the expression of minority views, the staff shall assist the minority as fully as the majority to the end that all points of view may be fully considered by members of the Committee and of the Senate. The staff must bear in mind that under our constitutional system it is the responsibility of the elected Members of the Senate to determine legislative issues in the light of as full and fair a presentation of the facts as the staff may be able to obtain.

9. The staff should regard its relationship to the Committee as a privileged one, in the nature of the relationship of a lawyer to a client. In order to protect this relationship and the mutual confidence which must prevail if the Committee-staff relationship is to be a satisfactory and fruitful one, the following criteria are suggested:

a. The staff must be completely nonpartisan and responsible only to the Committee. Staff members should be hired and fired by the Committee solely on the basis of merit and without regard to political considerations.

b. Members of the staff must not be identified with any special interest group in the field of foreign relations or allow their names to be used by any such group.

c. Members of the staff must not accept public speaking engagements or write for publication in the field of foreign relations without specific advance permission from the Chief of Staff, or in his case, from the Chairman and the ranking minority member. In any event, such public statements should avoid the expression of personal views and should not contain predictions of future, or interpretations of past, Committee action.

d. The staff must in no circumstances discuss with anyone the proceedings of the Committee in executive session or conversations with individual Senators without specific advance permission from the Committee or the Senator concerned.

PROVISIONS OF LEGISLATIVE REORGANIZATION ACT

In addition to the foregoing, the Committee on Foreign Relations is governed by the standing rules of the Senate and the rules and procedures set forth in the Legislative Reorganization Act of 1946 as amended.

RULES OF PROCEDURE OF THE SUBCOMMITTEE ON MULTINATIONAL CORPORATIONS

(Adopted by the subcommittee, Jan. 29, 1973)

1. No public hearing, public or executive, connected with an investigation shall be held without the approval of a majority of the subcommittee. The ranking minority member shall be kept fully informed on investigations and hearings. Members of the subcommittee shall, on request, be briefed by the staff with respect to such investigations. Preliminary inquiries may be initiated by the subcommittee staff with the approval of the chairman of the subcommittee and the ranking minority member.

2. Subpenas for the attendance of witnesses and the production of documents shall be issued by the subcommittee chairman with the approval of the ranking minority member. Other members of the subcommittee will be advised in advance (majority members by the chairman, minority members by the ranking minority member) of the intention to issue subpenas. If a member files a written objection with the chairman in 2 working days the matter shall be decided by a majority vote of the subcommittee.

3. The chairman shall have the authority to call meetings of the subcommittee. This authority may be delegated by the chairman to any other member of the subcommittee when necessary.

4. For public and executive sessions one member of the subcommittee shall constitute a quorum for the administering of oaths and the taking of testimony.

5. All witnesses at public or executive hearings who testify to matters of fact shall be sworn.

6. Counsel retained by witnesses shall be permitted to be present during the testimony of the witnesses at any public or executive hearings and to advise the witnesses of their rights.

7. Witnesses who wish to read a prepared statement in executive or public hearings shall file 20 copies of the statement with the subcommittee at least 24 hours in advance of the hearing at which the statement is to be presented unless the chairman and the ranking minority member waive this requirement.

8. A stenographic record of a witness' testimony whether in public or executive session shall be made available for inspection by the witness and his counsel under committee supervision.

9. Interrogation of witnesses at subcommittee hearings shall be conducted on behalf of the subcommittee by members and authorized subcommittee staff personnel only.

10. Any person whose name is mentioned in public hearings or who is specifically identified and who believes that testimony presented at a public hearing or comment made by a subcommittee member or counsel tends to defame him or otherwise adversely affect his reputation may appear before the subcommittee to testify in his own behalf or file a sworn statement of facts relevant to the testimony or other evidence or comment complained of.

11. Testimony taken in executive session shall be kept secret and will not be released without approval of the majority of the subcommittee.

12. Any corporation which has delivered documents to the subcommittee by request or under subpena and which wishes to have the document treated in a confidential manner shall within 2 weeks after the documents are submitted provide the subcommittee with a written request that the documents be kept confidential including a detailed statement of the reasons and the possible damage which may result from disclosure. The chairman with the approval of the ranking minority member shall be empowered to schedule an oral presentation of the request for confidentiality in a duly noticed executive session. Following full presentation the matter shall be decided by a majority vote of the subcommittee which shall be recorded and made public.

13. Nothing in the foregoing rules shall be construed as contradicting or superseding the rules of the full Committee on Foreign Relations.

THE STRAIT OF MALACCA

Mr. GOLDWATER. Mr. President, on a good many occasions I have attempted to warn my colleagues about the threats proposed by the Soviets and their friends to the important straits of the oceans of the world. Among these straits is the Strait of Malacca, which, if the Soviets gain domination in the Indian Ocean, which they are aiming to do, they could control the use of these important waters.

A newspaper article prepared by the United Press, appearing in the Arizona Republic, gives further information on this subject that I feel is of great importance to the United States and the free world. Therefore, I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RIGHT TO USE ASIA STRAIT IS DISPUTED

SINGAPORE.—Since the dawn of history men who go to sea have blessed and cursed the narrow treacherous passage called the Strait of Malacca.

The strait has served as a valued shortcut for Chinese and Arab traders, a Java invasion fleet dispatched by Genghis Khan, European explorers seeking the spice islands to the East, and more recently the massive supertankers that fuel the Japanese industrial boom.

A prime hazard for mariners once was

hungry fleets of Malay pirates, who viewed the 550-mile-long strait as a hunting ground.

A more permanent hazard, then and now, are the poorly charted rocks, reefs, shallows and shoals that are littered with the bones of ships, men and history.

The strait at its narrowest point is 2.5 miles wide. For large ships the zone of safe navigation shrinks in places to less than one mile.

Today an estimated 50,000 vessels of all types and sizes pass through the strait in a year's time. Most of them make it. A few, like the 237,698-ton Japanese supertanker *Showa Maru,* come to grief.

The nations of Indonesia, Malaysia and Singapore have nervously watched the birth and growth of the supertanker, which in a single decade has swelled in size from 100,000 tons to more than 500,000 tons.

The supertankers annually move more than half of Japan's energy needs through the strait in the form of Persian Gulf crude oil.

Indonesia and Malaysia seek safety regulations limiting tanker size to 200,000 tons. They also want to define the strait as territorial waters, subject to such control and to possible traffic fees to finance charting and marking.

Japan opposes limitations on the ground that large tankers would be forced to transit the deeper Strait of Lombok east of Bali, adding 40 hours to each journey and untold millions of dollars to an already staggering fuel bill.

Major world powers, such as the United States and the Soviet Union, oppose the definition of the strait as territorial waters for other reasons.

Their attention has shifted from the Pacific region to the Indian Ocean and the Persian Gulf, and they seek unrestricted passage for the warships that still play a part in modern diplomacy.

The idea of nationalizing the strait was put before the Law of The Seas Conference in Caracas last year and still awaits action.

In the meantime Malaysia, Indonesia and Singapore meet this year to plan joint measures to restrict the size of tankers, to avert future big oil spills, and lay out the method of collecting compensation if such a spill occurs.

Singapore has resisted any limitation on free traffic through the strait, because the big tankers fuel its own major refineries and the over-all traffic keeps its shipyards and service industries busy.

Mariners of all flags are firm about one fact—the hazards of navigating the strait.

A recent survey indicated that in a normal day there would be 30 instances of large ships meeting and passing at close quarters in narrow safety lanes.

A 1970 American-financed study of the needs for marker buoys and lights in the strait recommended $1.4 million worth of gear and nearly $3 million to service and operate it over the next 20 years. No action has been taken.

Until action is taken to make navigation safer, the green waters of the strait could become oil soup any unlucky day now, bringing disaster to a budding tourist industry and hard times to the coastal fishermen descended from the Malay pirates of old.

VICE PRESIDENT'S RULING ON SENATE RULE XXII ACTION

Mr. HUMPHREY. Mr. President, I wish to commend the Vice President's ruling of February 20, which, in effect, recognizes the constitutional right of the majority of the Senate to change its rules at the beginning of each Congress. Using precedents established by former Vice President Nixon on three occasions, and by myself as Vice President on two occasions, I believe Vice President Rockefeller has ruled wisely.

I also wish to commend my distinguished colleagues for voting for the first time to use the authority conveyed to them by the Constitution of the United States to stop debate and to move toward altering the rules of the Senate by a simple majority at the beginning of each new Congress.

I am most anxious, as many of my colleagues are, that we make progress on the critical issues that face us—tax reform, basic economic policy, the energy problem, and others.

The action of the Vice President and of my colleagues in the Senate is encouraging, and I am hopeful that we will soon be able to get on with the essential business of this country. Senate rule XXII must be changed to permit this action by stipulating that debate can be closed by a vote of three-fifths rather than two-thirds of Members present and voting. While appropriately recognizing the rights of a minority of Members and continuing to permit full and free debate, this rule change will mean that the will of a clear majority of Senators will no longer be thwarted.

CONTRIBUTIONS TO AMERICA BY BLACKS

Mr. FONG. Mr. President, Mr. William C. Bradshaw of Oakland, Calif., has drawn my attention to an article published in the February 7, 1975, Hawaii Marine in conjunction with Black History Week.

I find the article significant for two basic reasons. First, it is a reminder of contributions blacks have made to American life through important inventions. Second, it is a good example of what our armed services, in this particular case, the U.S. Marines, are doing to foster better race relations and to pay tribute to those who deserve it, regardless of race, creed, or color.

I ask unanimous consent that the article, entitled "American Life Style Benefits from Black Ingenuity," be printed in the Record so that my colleagues and readers of the Record can share in its insights.

There being no objection, the article was ordered to be printed in the Record, as follows:

Thanks to Enterprising Individuals—American Life Style Benefits From Black Ingenuity

(By GySgt. Dale Dye; Photos by Sgt. Rick Saylors)

Ask any person what he or she knows about black history. Go ahead, ask. You'll hear about 200 years of slavery, the emancipation proclamation, the underground railroad and the civil rights struggle.

You might even get a rundown on the black cultural revolution spiced with names such as George Washington Carver, Malcolm X, James Meredith and Martin Luther King. More likely you'll hear names like Hank Aaron, O. J. Simpson, Jimi Hendrix or Louis Armstrong.

What you'll be hearing is a superficial rundown of the history of a 200-year struggle for equality and identity based on headlines and a white perspective of the black experience.

What you won't hear about from most white people and many black people are the contributions made to American society by inventors and tinkerers who just happened to be black. Contributions made by little people like most of us that go unheralded simply because they are so valuable that they quickly become a part of the American lifestyle.

MINOR INNOVATIONS

While the contributions of these black men and women didn't do much for solidarity and understanding of the black people's way of life, they certainly had an impact on the American society as a whole.

The next time you're grooving to the staccato rhythms of a guitar on the stereo, recall that black man R. F. Fleming Jr., invented the instrument, as we know it, in 1850. Without Fleming and his research, a whole musical way of life would never have happened in America. Where would Country & Western, Rock & Roll, Soul, Folk and plain old get-down boogie be without the guitar?

In 1850, though, no one paid much attention to R. F. Fleming, Jr. When Americans began more and more to turn to music as a form of recreation and expression, his contribution was realized.

YOUR BASIC MAIL BOX

When you dump the next month's installment of bill payments or the latest letter home through the drop slot of that red, white and blue contraption commonly known as a mailbox, pause a moment. That simple, yet safe and handy receptacle for the U.S. Mail was invented by P. B. Downing, a black man.

Downing's contribution to the American way of life has become an institution; a street corner monument to open communications as guaranteed by our constitution

A BOON TO FEET

A good pair of hand-made shoes was a rare and expensive commodity in 1883 and no one knew it better than Dutch Guiana immigrant Jan Matzeliger who worked as a laborer in a shoe factory at the time.

For 12 years, single-handedly and without any funds other than his meager paycheck, Matzeliger worked to perfect a machine that would put shoes on even the poorest feet. It was his idea to invent a machine that could take the time-consuming process of joining the leather upper to the sole. When he finally realized his dream, shoes dropped to affordable prices and many barefoot Americans were shod.

Matzeliger's invention was so successful that he was eventually forced to form a corporation which, within several years after the patent was granted, listed capital stock in excess of 20 million dollars.

WRITING A PAGE OF HISTORY

One of the biggest hassles encountered by students, businessmen and almost anyone else who had to communicate by handwriting in 1890 was the scratchy, blotchy, messy implement which passed for a pen.

A writer was forced first to find a suitable pen and then practice until he mastered the technique of transferring a pen-load of ink from bottle to page. The system drove W. B. Purvis up a wall and he set out to make handwriting a simple chore.

In January 1890, he came up with the first refillable, reservoir-type pen which came to be known as the fountain pen for its seemingly endless, self-contained supply of ink. It was an invention of note for a black man with no formal training or education and one that could be seen clipped to the pockets or notebooks of generations of Americans.

GOLFING GREAT

At the turn of the century, G. F. Grant enjoyed an occasional round of golf but was upset with having to hit the ball from a flat lie on the ground when teeing off.

Why not, he thought, come up with something that would work like a little platform and give us duffers a better shot off the tee. Why not indeed? In 1899 black golf enthusiast G. F. Grant invented the common wooden golf tee.

Ask Nicklaus or Trevino if G. F. Grant made a significant contribution to the American way of life.

FLUSHING HIS WAY TO FAME

In 1899, black man J. B. Rhodes was as angry as everybody else over the inconvenience of having to make a trip to outside privies when the call of nature urged. Rhodes, however, had an inventive bent and decided to do something about it.

He eventually came up with a working flush toilet that has become the plumbing standard for virtually every American home. Ask farm kids who have had to make a trip to the two-holer in dead winter if Rhodes, an itinerant black man, made a contribution to American society.

Any one who has suffered under tear gas or read the horrible results of other toxic gas attacks will want to consider the importance of the gas mask to human survival.

The gas mask, as we know it, was invented by a black man named Garett Morgan who introduced it as a "protective inhaler" in the early 1900s. Mostly because he was a black man, Morgan found it difficult to market his invention, even though it had received widespread acclaim in several scientific expositions.

Finally, in 1916, Morgan and his brother were able to rescue several trapped miners using their mask and the public realized its value disregarding the color of its inventor's skin.

This boon to military and civilian survival proved itself on the battlefields of World War I, but men whose lives were saved during gas attacks in Flanders Fields by Morgan's gas mask never stopped to consider its inventor.

Morgan didn't let his fertile mind rest with one success. He went on to invent one of the most fundamental and important safety devices in the modern world, the automatic traffic signal.

Were Morgan's inventions a contribution to American society? Ask the next person who gets hit with tear gas or consider the plight of a child who is run down by a car crossing an intersection without a traffic light.

BLACK CONTRIBUTIONS

When you hear high-sounding phrases and black or white rhetoric concerning the progress in our society credited to famous black Americans, pause to consider the little guy.

Our history is fairly splashed with important contributions made by black people. You may not see such people revered, but consider our plight without their contributions.

NATIONAL GOALS AND THE IMPACT OF ENERGY CONSERVATION IN BUILDINGS

Mr. HOLLINGS. Mr. President, Representative GEORGE E. BROWN, JR., Democrat of Colton, Calif., who holds a degree in industrial physics from UCLA, and hence is one of the small handful of Members of Congress with a background in science, recently called for a "radical energy conservation program" to deal with the energy needs of the United States. Representative BROWN serves with me on the Technology Assessment Board. Respecting his expertise, I am anxious to share his thoughts with my colleagues.

Representative BROWN told participants in the Conference on the Design and Management of Energy Systems for Buildings meeting in San Diego under the sponsorship of several southern California chapters of the American Institute of Architects—San Diego, Cabrill, Orange County, and Inland chapters—that "the age of economic expansion of goods per capita is over." He noted that, because of the past availability of cheap energy, "we have overbuilt our homes, offices, cars, diets, and our way of life in thousands of little ways" so that they consume far more energy than more practical designs would demand. BROWN stated "that the best approach to projected shortages is the new conservation ethic." He said:

> When the need for a BTU (British thermal unit: specific measured quantity of heat) is eliminated from a building, it is a BTU which will never have to be generated. We'll never have to subsidize that BTU, regardless of how high energy prices climb; we'll never have to worry about the reliability of its availability or the next generation of facilities to produce it, and we'll never have to allocate public funds to cleaning up the pollution connected with its production or use.
>
> The conservation strategy presents a contrasting picture of building craftsmen making thousands of homes more comfortable, with the lower fuel bills putting extra money immediately and directly into the average citizen's pocket.

Representative BROWN's conservation program includes:

First. A 100 percent tax credit, or long-term, low-interest loan for energy conserving investments in homes and other buildings;

Second. Mandatory auto efficiency standards without relaxation of air pollution controls;

Third. Broad revision of tax and regulatory codes to remove presently existing incentives for energy waste and to replace them with measures which would promote conservation;

Fourth. Efforts for long-range planning in energy and economic development to insure a less wasteful society in the future; and

Fifth. Provisions in new energy conservation legislation to protect workers and businesses from the effects of economic dislocations.

Members of Congress are certainly conscious of their responsibility to develop solutions to our present economic and energy crises, and we are grateful to our colleagues for their thoughts and proposals.

I ask unanimous consent that Representative BROWN's remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL GOALS AND THE IMPORTANCE OF ENERGY CONSERVATION IN BUILDINGS

This Conference demonstrates that the "business as usual" of the past 20-30-years is now over. Those of you who are familiar with pre-World-War II buildings, or with various foreign building designs all know that environmental design was a major part of the structural restraint. In the United States, especially, we have prided ourselves on our ability to ignore the natural environment as a restraint. Now, after only a relatively few years of cheap, plentiful energy, we need to return to the days of designing for the environment, and the times of energy being a valuable commodity.

I do not pretend to know how to design buildings, but I do know that we must re-design our buildings to reduce our consumption of energy. Another problem that we must also face is the re-designing of existing buildings to cut their current levels of energy consumption without preventing their continued use. While some buildings, such as the World Trade Center in New York, might best be abandoned as a monument to our waste, the majority of our buildings must be used for a time indefinite, and must be retro-fitted to make them acceptable.

I do intend to describe what the Federal Government has done in the area of energy conservation in buildings, and what it has not done, but before I do that, I want to spend a few more minutes on describing the magnitude of the problem.

The age of economic expansion of goods per capita is over. The cost of energy will not decrease, and the cost of goods that cheap energy produced will continue to increase. Because of the availability of cheap energy, we have overbuilt our homes, offices, cars, diets, and our way of life in thousands of little ways. As a result of this wasteful use of energy, we have had environmental pollution, an increasing per capita energy consumption, and an increasingly hectic and less satisfying life. Dr. Rene Dubos recently commented, "If one judges on the basis of civic virtue, sophistication of thought, quality of writing, charm of landscapes, architectural styles, and perhaps even of average comfort, it is by no means certain that our present form of civilization is superior to that of pre-electric America."

While I fully agree with the doubts raised by Dr. Dubos, I am also cognizant of the objection that is raised to this type of discussion, which is that consumers, or the people, want all of the things that our modern, energy intensive, technology has produced. This may, or may not be true, but the fact remains that the growth patterns of the past cannot continue, and the physical limits of the earth will prevent these patterns from continuing into the future. Dr. George Woodwell recently published a provocative article entitled, "Short-Circuiting the Cheap Power Fantasy." One of his main conclusions was "we have reached a point in the development of our civilization where further increase in the flow of energy through technology will cause a significant reduction in the capacity of the earth to support mankind. The world cannot use more energy safely." Dr. Dubos seconded this statement, and added "another doubling of energy consumption in the United States would almost certainly result in local disasters and a world wide doubling is an ecological impossibility."

The documentation of the adverse effects of the current levels of energy use, and the damage that further increases will create are enough to cause anyone concerned about the future to pause. I need not elaborate on these limits here, but I do want to emphasis that they are real, and the limits to growth are already upon us. We are faced with no real alternative other than to radically conserve energy.

How can our institutions deal with this need?

Many of your speakers have already mentioned some of the methods. The steps that one is willing to take are largely conditioned by one's own perception of the problem, and those perceptions are molded by the institution in which one works. Thus, an engineer usually thinks of engineering solutions; a biologist of biological solutions; an economist of economic solutions; and so on. If we are to develop a comprehensive approach to an energy conservation strategy, we need a mix of solutions and a synthesis of ideas.

In energy conservation in buildings, then, we should consider the physical constraints of the local climate; the use of plantings to alter the micro-climate; the use of engineering techniques to save energy through hardware; the use of design to reduce waste; the use of tax laws to create incentives; and the use of zoning and safety laws to meet certain minimum standards. Many of these ideas are expressed in a new book by and for architects, "A Bucket of Oil: The Humanistic Approach to Building Design for Energy Conservation." A central theme of this book is that "a new morality of form is emerging. Personal expression, excessiveness and exhibitionism for buildings are on the way out. Beauty is now found in logical solutions to the problems of conserving natural resources."

Hopefully, a new morality is also emerging in the Congress. There are indications that this is happening, such as the joint report on "Conservation and Efficient Use of Energy" which was released just prior to last Christmas. This report represents a synthesis of ideas on energy conservation and efficiency that is seldom seen. It contains a catalog of what the Congress has done, what it has actively considered, and includes recommendations on what proposals it should consider in the future.

In the last two days you've heard a lot about the technological and economic prospects of various energy conservation approaches. I'll try to focus now on legislative setting, and what measures have been considered in the Congress. I will emphasize those which I think may become law, but I also want to point out some of the constraints which will impede action. I hope you won't take the catalog of constraints simply as my excuse for Congressional inertia. I mean it instead as a request for help—and to emphasize the vital role groups of locally or professionally organized citizens can and must play in turning our society toward new directions.

First, let me describe briefly the pressures that are making legislators look more and more at positive energy conservation steps as the first method of dealing with the energy crisis. The longer we look at the consequences of projecting anything like our past growth rates of energy consumption, the worse they appear. We know we can't afford or rely on foreign oil and gas to meet our projected appetites. Strip mining and massive off-shore oil drilling put terrible strains on our environment. The contemplated carving and gouging of the fragile western prairies and foothills is sickening to contemplate. When we reflect on our record of managing and planning a nuclear industry of relatively minute size, we can look forward with nothing but dread toward a massive expansion of the need to process, transport and store weapons grade fuel and eternally dangerous wastes. Even in the simplest economic terms we seem to find ourselves sliding down an ever steeper curve of diminishing returns as we try to find the energy for business as usual.

If we then try to think of reducing energy use by direct control of supply, as with strict import ceilings, we come up with equally gruesome images of the future. The gas lines of last winter are still vivid memories, and we have to add visions of the blackmarket and inequities of privilege which would surely develop during a long period of severe scarcity. Rationing calls to mind similar problems—a vast bureaucracy and complicated regulations attempting to distinguish between citizens with true needs and those with simply greedy self-indulgence.

Then we come to the purely economic approach of jacking up energy prices over higher—until waste can no longer be afforded. This is basically the course the President has proposed to the nation and the Congress. Of course, it is not difficult to argue that energy prices should have been higher throughout the twentieth century, or should be higher in the future, as efficient encouragement for less wasteful, less energy intensive, life styles. But it's very hard for a politician, or anyone with compassion for people struggling for their livelihood in a complex economic system, to map out how the transition can be made. A blind economic policy of survival of the fittest, applied either to individuals, or industry and commerce, will not be acceptable to any Congress responsive to the electorate.

These are the considerations which lead us to look so strongly toward a concerted energy conservation strategy as a national policy. First and foremost, we in the Congress can best help those hurt by spiralling energy prices by helping them to use less. As we begin to accept the notion that the social cost of energy justifies doubling or tripling its price, we must make it possible for people to meet their essential needs and still cut their consumption to one-half or one-third. There's little point in hoping for magic results in "voluntary" conservation programs. As you probably know better than any other group, the most effective conservation steps are capital-intensive, and capital is expensive and hard to get. Only when banks begin to hand out "voluntary" low interest long-term loans, or "conservation mortgages," can we talk confidently about voluntary conservation steps.

Beyond the human factor, experience seems to be showing the Congress that conservation investments are simply a good investment of public funds. When the need for a BTU is eliminated from a building, it is a BTU which will never have to be generated. We'll never have to subsidize that BTU however high energy prices climb; we'll never have to worry about the reliability of its availability or the next generation of facilities to produce it, and we'll never have to allocate public funds to cleaning up the pollution connected with its production or use. The simple economics can be seen in the President's energy program: The fifteen percent home insulation tax credit is projected to stimulate a total investment of ten billion dollars and save one-half million barrels of oil imports each day. To save the same one-half million daily barrels by installing nuclear power plants will take twenty-five major nuclear plants costing at least twenty billions. The conservation investment pays off on the surface, in terms of needed capital alone, without even considering operating costs or indirect problems.

From the public policy point of view, there is another important point favoring a conservation strategy. If we cause hundreds of billions of public or private capital to be invested in energy supply, the fruits of that economic activity will flow first to heavy construction, high technology, and financial institutions. Only through very complicated economic "diffusion" or "filtering down" processes, will those benefits spread through all economic sectors. An energy supply strategy conjures up a picture of giant earth-moving machines moving tons of prairie with the net result of ever higher fuel bills for each of us at the end of every month. The conservation strategy presents a contrasting picture of building craftsmen making thousands of homes more comfortable, with the lower fuel bills putting extra money immediately and directly into the average man's pocket.

Those are the reasons I think energy conservation investment is rising rapidly in priority among policy alternatives. Let me now mention some of the legislative proposals recently made in the Congress—though I could perhaps save time by saying as a rule, every idea in any field, good or bad, has probably recently been submitted as a proposed public law. I will go over a few quickly, just to give you an idea of the variety; then we will discuss one or two in more detail.

Related to building design bills have been submitted to:

1. Make energy use, and life-cycle cost, necessary criteria in Federal building procurement.
2. Direct the National Bureau of Standards and the Housing and Urban Development Department to develop more energy conserving building standards and include them in Federal Housing Administration requirements.
3. Arrange for research and development in energy conserving building design and materials, urban planning, and energy efficient industrial processes.
4. Require all federal buildings to have openable windows.
5. Offer low interest loans to homeowners and industry for installing energy conserving facilities.

In transportation, to:

1. Mandate a 20-mile per gallon minimum auto fuel economy standard by 1978.
2. Study energy efficiency potential in freight shipping and mass transport.

Establish a development program in non-polluting, energy conserving auto engines.

4. Allow federal subsidies to mass transportation systems in proportion to rises in fuel costs.
5. Put an excise tax on automobiles in proportion to their weight, and ban those above a maximum.
6. Promote carpools through toll adjustments, parking regulations and special traffic lanes.
7. Provide federal aid to establishing bike paths.
8. Increase allowed weight of trucks.

And there are many others:

1. Labeling vehicles and appliances for energy efficiency.
2. Mandating a four-day work week.
3. A general revision of the tax code to promote energy conservation.
4. Reforming utility rate structures and advertising to avoid promotion of energy waste.
5. Banning non-recyclable beverage containers, removing tax and regulatory inhibitions against use and transportation of recycled materials.
6. Promoting use of solid waste as fuel.

The legislation passed provides a much shorter list. Perhaps most significant in the long-run was the solar heating and cooling act, of which I was a co-sponsor in the Science and Technology Committee on which I serve. This act has directed a federal program to go beyond research and development, to the demonstration stage, in installing solar heating and cooling systems in a large number of homes. In the shorter time scale, we passed the 55-mile per hour speed limit, which seems to have been beneficial on balance; we also extended daylight saving time, and then decided that it wasn't such a good idea and repealed it. We did mandate demonstration projects for carpools, and the preparation of various conservation studies and plans. We included bicycle facilities in the aid provisions of the Federal Highway Act. Still, it does not add up to a very impressive program given the factors I listed which tend to make energy conservation measures attractive.

President Ford, in his recent energy message to the Congress, has added to the list of proposals that will be under Congressional consideration. While the major thrust of his program is to increase supply, there are several noteworthy conservation measures that I would like to comment on.

There are three basic provisions to the President's conservation, or "Demand Restraint Measures." Each of these measures is designed to reduce wasteful energy use, create jobs, and lessen economic hardships. Let me just list them. The first measure would establish mandatory thermal (heating and cooling) efficiency standards for all new homes and commercial buildings. It is anticipated that this program will save the equivalent of 500,000 barrels of oil per day in 1985. The Secretary of Housing and Urban Development in consultation with engineering, architectural, consumer, labor and industry reprsentatives would be responsible for developing thermal efficiency standards. Standards for residential dwellings would be promulgated and implemented within one year, and performance standards for commercial and other residential buildings developed and implemented as soon thereafter as practicable. State and local governments would assume primary responsibility for enforcing standards through local building codes.

The second measure would establish, within the Federal Energy Administration, a grant program for States to assist low-income persons, particularly the elderly, in winterizing their homes. This is modeled after a successful pilot project that was conducted in the State of Maine during 1974. Annual appropriations of $55 million would be authorized to fund the three year grant program, and enable States to purchase winterization materials for dwellings of low-income persons.

The last measure would authorize the President to require energy efficiency labels on all new major appliances and motor vehicles. This program would insure that consumers are fully apprised of the efficiency of various appliances and motor vehicles and would encourage the manufacture and greater utilization of more efficient products.

While these are noteworthy and positive proposals, I do not believe they are an adequate conservation program. But it is a start.

Since there is now a convergency of Congressional and Executive opinion, I would guess that some form of energy conservation incentives in buildings and industry will soon be enacted in law. The fifteen percent tax credit for energy conserving investment in homes, proposed by the President, is like previous legislation, though I and many others would favor a much larger credit or long-term, low interest loans to provide stronger incentives. A law requiring vehicles and appliances to be labeled for energy use is likely, and it will have the important side effect of requiring standardized energy consumption tests which will help future public and legislative judgment on energy use regulation. Some sort of mandatory energy efficiency standards for buildings and industry are likely too, though the industry standards, especially, may be slow in appearing because of the need to develop standards where experience is very scant. If the President fails to persuade the Congress to delay implementation of the Clean Air Act, as I fervently hope, we will probably enact mandatory auto efficiency standards. Many in Congress feel as I do that there is no excuse to trade public health for industry acceptance of a simple and easily attainable performance standard on automobiles, such as 20-mile per gallon fuel efficiency. I think we will feel it our duty to make this standard mandatory without compromising the responsibility of the industry to do its best to minimize air pollution.

A weight or fuel efficiency tax might also be enacted to shift consumers toward less wasteful vehicles. I would expect also a variety of directed studies about energy conservation in various sectors, but most importantly, I hope that we will mandate serious and practical revision of the tax and regulatory codes, and utility rate regulation, to promote energy efficiency and recycling. The Senate was considerably more bold than the House last session in passing energy conservation legislation. However, as I am sure you've read, there has been a virtual revolution in the attitudes and alignment of power in the House, with the arrival of 91 new Congressmen. Many of these new Members arrived with strongly environmental protective views. The attitude changes are pronounced in both the House Interstate and Foreign Commerce Committee, which handles much regulatory legislation, and in the Ways and Means Committee, responsible for tax initiatives. I think the roadblocks against taking many sound steps toward energy conservation have been removed.

But what are the constraints I have mentioned? Some are familiar. Congress is a committee of more than 500 Members. The President can change tariffs by a stroke of the pen—but any major policy initiated by Congress must hinge on extensive negotiations between dozens of strong-minded individuals and committees. Of course, Congress can often rely on the easier task of simply agreeing to, or slightly modifying, executive proposals. But rightly or wrongly, it is a simple fact that while the Congress was developing the many conservation policy initiatives I listed, the executive was considering energy conservation as a matter of purely voluntary actions like remembering to turn off lights. There was no apparent conception that energy conservation represents an investment decision, and can only be pursued in the right regulatory and tax climate—and that, in fact, past policies systematically discouraged conservation and needed to be dramatically changed if "voluntary measures" were ever to make sense. So the initiatives had to come from the 500-Member committee, and progress was slow. Congress can never be a rapid initiator of new policy, of course, but with the new composition I mentioned above, and at least a two-year head start on seriously facing this problem, I expect the Congress will be much more than an analyzing body for executive policy this term.

There are other, deeply rooted constraints, which are shared by both the Executive and Legislative Branches. First is the struggle to strike a balance between the need for policy and action, and the reluctance to apply coercive pressures to aspects of individual or commercial "lifestyle." This has surfaced, of course, in the argument over "mandatory" or "voluntary" conservation steps. It also is involved in debates over whether or not federal policies should be able to override state or local regulations. I am very sensitive to the argument that we must not move to federal coercion under the banner of conserving energy. But some of the warnings sounded in the past seem silly to me. The Executive Branch has been talking for months of "voluntary" appliance energy labeling. But what is voluntary about a system agreed upon by a few major manufacturers, especially if you happen to be a small company hoping to enter the market? Asking energy conservation steps of some builders or manufacturers in terms of "voluntary cooperation," and then not providing any assurance that the investment will be matched by competitors, is simply unfair. We must avoid coercion, and we must be aware that enthusiasm for energy conservation may blind us to coercive tendencies in proposed steps—but we also must be aware of all the existing promotional and coercive tendencies in government and commerce that have promoted waste. We have a long way to go in eliminating these.

Another deeply-rooted problem is our total inability to organize long-range planning on a rational level. I think state and local governments have been far more effective in this area. I have emphasized that energy conservation is an investment strategy—as much a part of our energy supply plans as nuclear power or oil shale development. The payoffs and trade-offs between the various investments will come in twenty, thirty or more years from now. And yet Presidents and Congressmen measure their success or failure in terms of two, four, six, or eight years. And, in neither Branch, is too much planning desired, for fear it will "limit future options"—usually political options. A potential example of our weakness is the popular feeling running against installation of electrical heating. We all know some version of the efficiency figures for resistance heating vs. oil or gas furnaces.

It seems logical to eliminate resistance heating—but what if there is no gas or oil? If, in thirty years, our only energy sources will be central generating stations, should we be starting a trend away from the heating systems which can make use of them? No one can count on the answer because we have no "plan" which indicates any commitment either way. As the problems get tougher, and longer in time scale for solution, the lack of future planning becomes more and more tragic and looks more and more like a crude political expedient in both the Congress and Executive. In Congress we have established an Office of Technology Assessment to project the long-term effects of various policy options. The Office of Technology Assessment has just begun a major energy assessment, which I will be intimately involved with through my appointment to the Technology Assessment Board and my service on the Science and Technology Committee in the House.

A last constraint I want to mention is our traditional blindness to the effects of economic dislocations caused by federal policy changes. It is much easier to promote a new industry than to provide for an orderly dismantling of an old one. It is no wonder labor and industrial organizations sometimes oppose moves that seem very socially desirable—they've learned too often that the laws promoting a change in industrial emphasis usually leave out any sections providing for retraining and relocation assistance for workers and businesses displaced. We've got to get over the idea that our nation is so rich that anyone can simply establish a productive new life to substitute for the one just eliminated. We in Congress must begin to consider the expenses and harm of social relocation as part of every legislative step we take. Instead of slowing social change we might find, surprisingly, that this attention will speed it up—because it will eliminate much of the fear associated with novelty.

As I said at the beginning, I listed these constraints as a way of emphasizing the monumentally important role people like yourselves must play in guiding us through the energy crisis years. New ideas must come from meetings like these—you can be sure if it is proposed by the President or Congress it's an idea that surfaced long ago. And Congress can't execute any plans—we may create a loose regulatory framework, but for the technical matters of building and designing we must depend on those in the field—and those in the state and local governments who are usually closer to the field problems than we are.

So, I conclude by asking this: think, with us in the Congress, about the complexity of the energy problem we are facing. Help us by mobilizing as a group—organizing all the professional experience and imagination you can muster to advance conservation strategies in building. You understand these best. Let us know what framework you need for your efforts in turning this society toward an ethic which emphasizes quality, endurability and compatibility with the beauty of the earth. You can be sure I will fight with all my energy to provide you with the support you need for the job that only you can do.

S. 181, A BILL PROMOTING PUBLIC CONFIDENCE IN ALL BRANCHES OF THE GOVERNMENT

Mr. CASE. Mr. President, today I would like to make additional comments about S. 181, a bill to promote public confidence in the legislative, executive, and judicial branches of the Government of the United States.

On behalf of Mr. HART of Michigan, Mr. WEICKER, and myself, I introduced this bill on January 16, 1975. Since that date 20 Senators have joined as cosponsors. They are:

Senators Dick Clark of Iowa, Jacob K. Javits of New York, Richard Stone of Florida, Mike Mansfield of Montana, Patrick Leahy of Vermont, William D. Hathaway of Maine, Gary Hart of Colorado, William Proxmire of Wisconsin, Alan Cranston of California, Hugh Scott of Pennsylvania, Adlai Stevenson of Illinois, Bob Packwood of Oregon, Frank E. Moss of Utah, Frank Church of Idaho, Lawton Chiles of Florida, Quentin Burdick of North Dakota, Mark Hatfield of Oregon, James Abourezk of South Dakota, Pete Domenici of New Mexico, and Charles McC. Mathias of Maryland.

S. 181 would require full public disclosure of personal financial interests by the President, the Vice President, Members of Congress, and the judiciary.

In addition, Federal employees earning more than $25,000 a year and all candidates for Federal offices would be covered by this bill.

And this does bring up two questions. I have been asked how many persons S. 181 would affect and would it not bring forth another of those great showers of paper—so much so that it might be necessary to build a building in which to store disclosure records.

By rough calculations S. 181—if it were to become public law today—would affect more than 100,000 persons.

Now about the great shower of paper that these people might generate in disclosing their personal finances, I can only say that I think most of us can give a full accounting in less than two typed pages. I know that I can.

While I am not expert in modern storage techniques, what I know about newspaper filing suggests to me that our financial records can be put on microfilm and made readily available without causing a great space crisis.

Our yearly records would be modest in comparison to a year's editions of the New York Times which the Library of Congress tells me occupies only about half of a drawer in a microfilm storage cabinet. In fact, the Library of Congress has the Times back to 1851 on microfilm and this fills only 50 storage drawers.

While I am glad to be able to answer these questions, because they indicate to me that we are seriously thinking about disclosure legislation, I want to return for a few minutes to the theory behind the bill.

As I have said before disclosure is preventive. If a person knows that his finances will be subjected to public scrutiny, he will "stop and think" before taking an action that involves a possible conflict of public and private interests.

Second, disclosure is a way of getting the facts on the table so that the press and the public can make their own judgments.

Third, disclosure will strengthen the election process by providing citizens with the additional facts that they need to more fully assess candidates—both newcomers and incumbents.

We have been close to getting this legislation passed before.

In fact, a bill very similar to S. 181 was approved by the Senate during the 93d Congress. I hope that we will see S. 181 passed and signed into law in the 94th Congress.

PRESIDENT FORD PROPOSES "ANTI" CHILD FOOD ASSISTANCE ACT TO CONGRESS

Mr. HUMPHREY. Mr. President, in his fiscal year 1976 budget message to the Congress, President Ford has proposed that the following federally financed child nutrition programs be eliminated:

First. The national school lunch program, as operated since 1946;

Second. The school breakfast program;

Third. The special milk program;

Fourth. The special food service program for children; and

Fifth. The special food supplement program for women, infants, and children—WIC.

Also, included in these program eliminations is the termination of year around nonschool feeding programs, such as day care, food assistance, and the summer child feeding programs.

The President's fiscal year 1976 budget further calls for complete elimination of USDA-donated foods for institutions, such as mental institutions, hospitals, and other institutions providing special care for adults.

The President's proposed Child Food Assistance Act of 1975 calls for the elimination of the above-mentioned school and child nutrition programs and would replace them with a single "block grant" program to the States. Furthermore, the $2.3 billion now estimated for all of these child nutrition programs in fiscal year 1976, would be reduced to about $1.7 billion under the President's block grant program. Also, under the President's program, the block grants provided States would be restricted entirely to financing school and child feeding programs for children whose family incomes are below the poverty level. This, of course, means the Federal financial assistance for school lunches now purchased by those children who families have incomes above the poverty level would be completely terminated. It is estimated that this alone would probably result in 7 to 10 million paying students dropping out of the school lunch program.

In addition, in my judgment, the President's proposal would further—not lessen—economic segregation and discrimination in our Nation's schools.

And it is for these reasons, Mr. President, why Mr. Ford's program deserves the title of the "anti" Child Food Assistance Act of 1975.

While I am the first to admit that our Nation's school and child nutrition programs need improvement, the President's proposal does not provide for such improvement. The President's proposal not only constitutes a major threat to the nearly 30 years of general progress we have made in these national child nutrition programs, but it even poses a threat to the nutritional standards now established for poor children. Under the President's proposal, each State could set its nutritional standards, with a maximum not to exceed one-third of a child's recommended daily allowance—RDA. Existing standards under the National School Lunch and Child Nutrition Acts provide that one-fourth of a child's RDA be met through the school breakfast program and one-third be met through the school lunch.

Mr. President, I do not know who is advising Mr. Ford regarding these matters, but I suggest he get some new advisers, and stop wasting the time of Congress with such a rediculous, ill conceived, absurd proposal.

I wish to serve notice on President Ford here and now that he is in for a fight if he chooses to press for passage of his "anti" Child Food Assistance Act of 1975. And HUBERT HUMPHREY will be in the forefront of that fight.

I also wish to serve notice that I intend to again press for consideration of my universal School Lunch and Child Nutrition Act this session of Congress. If President Ford wants to streamline some of these programs, he can do so by joining with me in urging prompt enactment of my universal program.

Mr. President, I wish to share with my Senate colleagues an analysis of President Ford's "anti" Child Food Assistance Act of 1975, recently conducted by the American School Food Service Association. I ask unanimous consent that this analysis be printed at the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ASFSA POSITION ON THE PROPOSED REPEAL OF EXISTING CHILD NUTRITION LEGISLATION

STATEMENT OF THE PROPOSAL

President Gerald Ford proposes legislation that would repeal and supercede all existing child nutrition legislation and substitute a single consolidated block grant program. The proposal would provide subsidies only for poverty children which would eliminate financial assistance to all other children including those now eligible for reduced price meals. The proposal specifically eliminates the National School Lunch Program as operated since 1946, the Breakfast Program, the Special Milk Program, the Special Food Service Program for Children and the Nutrition Program for Women, Infants and Children (WIC).

Even the program for poverty children would be cut back. The nutritional standards currently specify that ¼ of the child's Recommended Daily Allowance (RDA) will be met by the breakfast program and ⅓ of the child's Recommended Daily Allowance will be supplied by the school lunch. The new legislation will provide a maximum of ⅓ of the poverty child's Recommended Daily Allowance. Minimum nutritional standards will be eliminated and states will be free to set their own standards if any.

ASFSA POSITION

It is the position of the American School Food Service Association that there are strong and compelling reasons for total and complete opposition to the President's proposal to be known as "The Child Food Assistance Act of 1975." We cite the following specific reasons why child nutrition programs now in effect should not be repealed, nor curtailed:

1. The proposal eliminates assistance for the paying child, guarantees of nutritional integrity and adequate federal support to assure program continuation.

All children need one or more nutritionally adequate meals at school. The meals must be physically and financially within the reach of every child.

In a vast majority of schools, the poverty program alone would not support a viable school food service operation. With meal prices soaring to eighty cents and higher, pupil participation would be forced down dramatically.

The unit cost of production would rise as the volume of meals decline. Consequently, many school food service programs would close completely, depriving even the poverty child of school meals.

The administration's proposal runs counter to its own findings reported in The Comprehensive Study of Child Nutrition Programs, July 1974, page 56. The study states:

"Given the assumed strong relationship between price for the paying child and participation, any program alternative must first start by advantageously affecting the price paid. This aspect is further affected by the need to maintain a participation ratio—no matter what the percentage of total enrollment represented—closely parallel to the social makeup of the school."

The nation must be made aware that the President's proposal would transform child nutrition programs for all children to poverty programs for some children without even nutritional guarantees for the poverty child.

ASFSA finds it tragic that just at the time of the nation's dawning comprehensive of the relationship between nutrition and health; just at the time of documented proof of the relationship between nutrition and learning; just at the time of growing public acceptance of food and nutrition as a contributing factor to the quality of life, the administration proposes to turn its back on 30 years of progress in child nutrition! The psychology of the soup kitchen has returned.

2. The proposal imposes additional hardship on middle income America. It makes the poverty child more aware of his poverty, and deprives many another child of his birth right—enough to eat.

Middle income America needs help. At a time when the middle class taxpayer is struggling to pay his own bills, to grapple with inflation and recession, and to help pay the bill for less fortunate Americans, this modest assistance with school meals is taken away. At a time when the President proposes a tax rebate to help middle income America, it is ironic that he recommends what is in effect a head tax of $54.00 per child per year (cash assistance: 12c + commodities 11¢ + inflation for food and labor 7¢ = 30¢ × 180 days). At a time when every effort has been demanded of the schools to avoid overt identification of the non-paying child, a plan is proposed which makes such identification inevitable. Moreover, it is not unlikely many situations would occur in which the non-paying child would be the only one who could "afford" a full nutritious meal eaten in the presence of paying children whose daily funds would only permit meager fare—discrimination in reverse.

3. The President's proposal further depresses an already depressed economy.

The School Lunch Program represents a four billion meal per year market which is widely supported by and supportive of agriculture and industry. The President's proposal, in drastically cutting back the child nutrition programs, will also diminish its meaning as a market. If, by the United States Department of Agriculture's own estimate, seven million children per day drop out, in one year's time this would mean a loss of 126 billion meals. As just one example of the market potential, four billion half pints of milk are purchased for use in the Special Milk and School Lunch Program each year. Three-fourths of this number would be eliminated by the President's proposal.

The 28 million dollar equipment appropriation would be eliminated as would be most of the incentive to purchase the half billion dollars worth of equipment customarily absorbed by this market. Billions of dollars worth of equipment and facilities already purchased by program funds and taxpayer's money would be closed down while children go hungry.

Of the 350,000 persons gainfully employed in school food service at the present time, the vast majority of whom are in income brackets which scarcely lift them above the poverty level themselves, 120,000 would be made jobless. Increased unemployment compensation would go far to offset whatever savings the President might hope to realize with program cuts. Economic ramifications might cut even more deeply into the family budget; millions of women who are gainfully employed away from home would face the grim choice of either giving up their employment or sending the children home alone at noon to fend for themselves.

The President's proposal would require redirection of family income. Either children's nutritional intake will be seriously diminished or sharply increased amounts of family budgets will be absorbed by food costs. Such a major shift in family buying patterns would even further decrease middle America's purchasing power in all other market areas.

In the first instance the food industry loses; in the second instance the balance of the economy loses; in either instance the child loses.

CONCLUSION

The legislation upon which today's child nutrition programs are built reflects the concern of the Congress for the nation's youth over the past 30 years. Supportive of the leadership of Congress, boards of education and school administrators have painstakingly initiated and nurtured school nutrition programs which are living tributes to the awareness that health, nutrition and learning are inseparable. Indeed, school plants and schedules are facilitated by the presence of on-campus food programs. Such programs have made the concept of the consolidated school feasible. To now withdraw the federal support which has made this possible is unthinkable!

The President's proposal would undermine three decades of progress in child nutrition, would place the stamp of pauper indelibly upon the only child who eats at school at public expense, and would set back by a generation concern for and practice of good nutrition.

The President's proposals are so extreme and far reaching that any one of them could have a devastating effect:

1. Meal prices for 60% of the nation's youth would sky rocket; in some cases four times over.

2. Three decades of experience in the program dictates that such price increases will cause 7–10 million children to leave the program.

3. Decimated programs will experience prohibitive per unit increases in operating costs. It is predictable many school districts will be forced to get out of the school food service program all together.

4. Where food service of any description survives, the poverty child will be humiliated, the paying child often left hungry by inability to pay the price.

5. By stripping away nutrition guarantees and some assistance for all children, the original concept of school food service as a nutrition program for all children would be lost, possibly for all time.

6. Middle income American families would be hurt the most by the President's proposal, but it should also be remembered that provisions for poor children are cut as well.

7. The impact of the proposals on the economy—unemployment, agriculture, industry and family budget—would be further depressing.

Collectively the proposals are a calamity! How mixed up the nation's priorities appear to be when a proposed national budget calls for expenditures of one billion dollars per day and denies 60% of the nation's children a few pennies a day for food—an essential part of an equal educational opportunity!

ASFSA reiterates its position that it is not the concept of child nutrition that should be repealed and superseded, but rather the concept of economic segregation in the lunch room. What better time than now to reaffirm the nation's position for school food service for all children? What better time than now to establish a Universal School Food Service Program?

It is time to add stimulation to the economy; it is time to add jobs to the economy; it is time to be concerned with the needs of our people; it is time to help middle American families regain their economic footing; it is time to be sensitive to the feeling and needs of the poor child.

It is time the nation once and for all accepted responsibility for the nutritional well-being for children while they are at school.

The nation has an opportunity to meet with compassion and vision the needs of children, and lend a helping hand to them while strengthening a faltering economy.

A LADY WITH HEART

Mr. DOLE. Mr. President, today the Washington Star published an interview with one of the finest and most sincere individuals I have ever known. I wish to call the attenion of all Senators to this interview.

The individual is truly a lady with heart, and she is in a position where it is most important to have that quality.

Mrs. Virginia Knauer, the top consumer advocate in the administration, is a woman who understands and deals with human problems, not statistics. Her job is a tough one—to represent the administration to consumers and to represent consumers to the administration.

Mrs. Knauer works with limited resources. Yet she has always been known to the junior Senator from Kansas as a highly productive and resourceful public advocate. She has done a great deal in the administration to represent consumers and regretfully only a small number of the highly productive things she has done are indicated in the interview.

As stated before, she deals in human problems and not statistics. That is the sort of understanding we are seeking in Federal employees—that they should understand the human side of Federal policies and so design regulations and policies that benefit all Americans.

The success of Mrs. Knauer in influencing Federal problems in this manner is highly commendable.

UNDERSTANDS CONSUMER-PRODUCER RELATIONSHIP

Mrs. Knauer made a very important point throughout the interview with her. This is, interests of consumers and farmers are not necessarily contradictory.

In short, it means that a fair profit for farmers is also good for consumers. Agricultural producers are working for a profit incentive—to make money—just as every laborer or businessman is. When they receive a fair return they work hard to raise bigger and better crops. That means better quality and quantity for consumers.

When producers have losses, they cut back their output. That means less quality and quantity for consumers.

A good example of that exists right now in the disastrous conditions in the livestock industry.

A recent survey made by Successful Farming magazine, February 1975, shows that 82.8 percent of farmers answer "no" to the question "do you believe consumers have a good opinion of farmers?" Sometimes it seems that consumer representatives here in Washington do not understand farmers very well either.

WISDOM ENCOURAGING

So it is very encouraging to see that Mrs. Knauer, the top consumer advocate in the executive branch understands the producer-consumer relationship and how it can best benefit consumers. I commend Mrs. Knauer for the depth of her understanding. The junior Senator from Kansas believes that American consumers will benefit greatly if the President and his other advisors, and legislators here in Congress, listen carefully to her and give close consideration to the wisdom of her remarks.

I ask unanimous consent that her interview be printed in the Record.

There being no objection, the interview was ordered to be printed in the Record, as follows:

Questions and Answers—Mrs Knauer: Consumers' Champion

(Virginia Knauer, the President's adviser on consumer affairs, was interviewed by Washington Star Staff Writer Bailey Morris:)

Question: A great many consumer groups seem to have picked the middleman as their target in the battle against food prices. Do you think this is an appropriate target? Do you think that there are some grounds for this dissatisfaction?

Knauer: I don't think we know at this point. Everyone is highly suspicious. In fact—with farmers getting less at their end of the food chain and consumers paying more—something is wrong. And why aren't the reduced prices paid to farmers passed on to consumers. Naturally, the consumer movement and we in government are interested in that. The Wage and Price Stability Council, of which I am a member, is currently looking into it, and asking a lot of questions.

Q. In what area?

A: In the whole middleman area. We do have to realize there are increased costs in production—in transportation and cutting up meat, in packaging and wages. This has been passed through. But, as you know, we were suspicious about the sugar prices and we had the sugar price hearings. When we had a lot of consumer anxiety and rage about repricing, when people would go to the shelves and peel off five labels and find each one successively more. They couldn't imagine why they couldn't buy that product at the lower price, or the lowest price—and we had public hearings on that. We extracted from the people involved promises to stop that practice. In other words, they don't reprice an article that's been on the shelf. But you may have side by side two different prices for the same product. This adds a quality like roulette to food shopping.

Q: Has your office detected any change in eating habits of the average family as a result of the high prices?

A: Yes, I think that people are buying more carefully. I find that people, regardless of income level, are going to the supermarkets, not only with a list of the specials being offered, but also using the coupons for reductions. What breaks my heart, I think, is to see older people, agonizing over the choice of cans of this or cans of that, or smaller cuts of meat. I think people are perhaps eating less. I think they are substituting soy beans and other protein substitutes for meat. I think they did that when the meat prices were a lot higher, and this is an ongoing thing. My personal worry, and certainly that of the office, is that in these times of being careful about every penny and stretching that budget that people will not buy nutritiously balanced food. With the new nutritional labeling, I think people can make further choices in the area of nutrition. It is terribly important that they get the most nutrition for their dollar.

Q: Some consumer groups are now saying, especially among poorer families, that the nutrition content of the average meal has gone down markedly. Do you detect signs of this?

A: Well, the USDA does a national survey every 10 years and the last survey, that was 1965, showed that there had been a drop in what they consider a good nutritious diet. Now, I fear to find out what the 1975 survey shows. I'm afraid that it will drop further. This is why we have devoted so many of the resources of our office to making people aware that there are choices out there in the marketplace, that you can have a balanced meal and not necessarily have to have the higher priced meats. I think we have too long developed, shall we say, fancy taste. . . . Consumer information on labeling is something we have been pushing for a long time. It is essential. Our office has been forefront in urging the nutritional labeling of food. We think this is terribly important.

Q: Why do you think it hasn't been enacted?

A: Well, we went the voluntary route, as you know. To get any industry to do something voluntarily, you usually try to get the most competitive-minded group to get in there and do something first for consumers because they always get a piece of the action. To hold on to the piece of the action is competitive. We say using the competitive forces on the market in a creative way, gets things done for consumers a lot faster. It certainly worked in the labeling of cosmetics, which is one of our big battles. And now the cosmetics product line is adding this information.

Q: From your view as an adviser to both Presidents Nixon and Ford, how would you rate their attention to consumer matters?

A: I think it's hard to compare six months of the Ford administration with five-and-a-half years or six years of the Nixon administration. I enjoyed working with President Nixon, who was most supportive of the programs. I've also enjoyed working with President Ford. The new reorganization of the White House, I think, is most effective. It makes sense. We find in our present setup, we're in the organizational loop on everything. Not a day goes past that we're not asked for lists of consumer leaders to be asked to sit on this panel or that panel. The fact is that the Ford administration wants so much input from the public. I think we've been reading about meetings with manufacturers, but people don't realize how many of these consumer groups are meeting. We expect a meeting with the President and top consumer groups. I think that what the President has done so far has been remarkable in a tight budget year—he has committed money to increase investigation of antitrust problems in the Justice budget and FTC budget. Also—this got no publicity that I found—he enthusiastically supported the concept of Sen. Brooke's bill that would repeal the Fair Trade laws. Consumers lose from $1 billion to $3 billion a year on antiquated Fair Trade laws. I think this was a major thrust. This has never been done before and I think this was very interesting.

Q: Are you consulted routinely on matters, policy matters, such as the President's energy program?

A: Yes. The President appointed me to the Energy Resources Council, that's the top energy thing, and of course I have a personal relationship with Interior Secretary Morton and Energy Administrator Zarb. I don't like to say I'm a noisy member of the committee, but I ask questions to clarify situations. I bring concerns from my constituents, which, of course are the consumers, and we make recommendations. As you know I chair the repricing hearings on the wage and price stability council, the President appointed me to that. This is having consumer input at the highest level.

Q: Last year you took a step that many of the consumer groups thought was very courageous, when you split the administration line and promoted the Consumer Protection Agency bill. Or at least there seemed to be a split between you and Budget Director Roy Ash on what that bill should be.

A: Let's go back. The bill failed to pass because of the failure of some senators to vote to end a filibuster. Mr. Ash is no longer in the bureau. We didn't always see eye-to-eye on everything. There were many influences both in and out of government who were pro-CPA and those who were anti-CPA but I felt that I was translating as accurately as I could, Mr. Nixon's feeling on this thing.

Q: So you felt you had President Nixon's backing.

A: I know it. He signaled the Congress, that while he himself was not sending a bill to Congress, he would work with Congress and everyone took off from there.

Q: Do you feel that President Ford is as committed to a CPA bill?

A: There are a great many options on the President's desk and we hope that he will balance all of them and announce one as his plan.

Q: Do you personally feel that the public needs a federal-level advocate for consumers before the other government agencies?

A: We've always felt that our office has been a public advocate. But remember that we do not have statutory responsibilities. We were created by executive order. Yes, I do think that the time has come that there should be some voice or a voice divided among the other agencies. I think Congress, in its wisdom, working with the President will resolve this problem.

Q: What do you think of activist efforts to form groups of disparate elements—such as a coalition of consumer and farmer organizations?

A: I think this is the most exciting thing in the consumer movement. Rather than the simplistic idea that consumers are against farmers and blaming farmers and boycotting meat—and all these counterproductive measures—they're getting much more sophisticated. They're really looking at basic economics of the marketplace. And they realize that farmers—to get cheaper prices—need quantity. Farmers need to get their slice of the pie and you can't expect them to run into deficits and go broke producing cheap food. They're not going to do it anymore than you and I would do it. I've talked to farm groups, I've talked to consumer groups, I've talked to business groups. I've said that we're not entrenched enemies. We should be working as a team to make that food supply line work even better so that everyone gets part of the action, plentiful supply at prices we can afford. It means cooperation rather than this entrenched confrontation. And this increasing sophistication, I welcome. I think it's wonderful.

REX CONN—FRIEND OF THE FARMER

Mr. CULVER. Mr. President, recently, American agriculture lost one of its most beloved and articulate champions. I speak of the death of Rex Conn, whose varied career in the farming communities of Iowa made him a figure of both deep and broad respect. He was best known as the farm editor of the Cedar Rapids Gazette, but his interests carried him into many other realms of agriculture as well. Earlier in his career he was one of the most outstandingly able county agents in Iowa. For many years he served on the board of the All-Iowa Fair, and he untiringly preached the gospel of American agriculture across the breadth of Iowa as well as in many countries abroad. He was a shrewd and discerning observer of and commentator on rural life and the farm economy, and he had the rare gift for seeing the human dimensions of agricultural policies. Rex Conn was a man of strong convictions mingled with the capacity to improve the lives and understanding of all those he encountered in his many activities.

Eastern Iowa and Cedar Rapids have had few citizens in recent decades who have participated so fully in so many community causes as Rex Conn. Countless fund drives and innumerable church, educational, and public interest organizations have been the repeated beneficiaries of his persistent effort and personal dedication. At the same time he was a true teacher—to the many audiences he addressed, to the many individuals he counseled, and the many young journalists he trained and whose careers he furthered.

Rex Conn had a richly rewarding life. He always maintained the strongest bonds to his family, to his community, and to the people of the land. His memory will long endure.

Mr. President, I ask unanimous consent that an editorial from the Cedar Rapids Gazette, as well as a column of tribute by Al Swegle from the same paper, be printed in the RECORD.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

REX CONN

Rex Conn was one of those innately noble men who come along once in a generation—a humanitarian who now, at 74, has departed this earth after living a full and worthwhile life, always seeking to add to his vast knowledge of the world's basic industry, agriculture, and its attendant problems.

Yet, though agriculture was his main devotion after God and family and country, he always set aside precious time to fulfill what he believed to be the rseponsibilities of every good citizen.

Whether it was helping to promote the All-Iowa fair as a life mmeber of its board, to head rural fund drives for the Red Cross, to raise money for the First Presbyterian church or his beloved alma mater, Iowa State University, to share his views on the world scene with civic clubs and farm groups, or to dip into his great reservoir of amusing stories to cheer up a friend, he always was more than equal to the occasion. He never learned that a day has only 24 hours.

Rex Conn was a dedicated American, a devoted husband, the father of a fine family and another in a line of distinguished Gazette farm editors who earned national and international esteem.

Admired and respected by all who knew him, he clung tenaciously to the firm belief that every individual owes it to the future to leave this a better world than he found it. That's exactly what Rex Conn did.

[From the Cedar Rapids (Iowa) Gazette, Feb. 6, 1975]

HE LOVED THE PEOPLE OF THE LAND

(By Al Swegle)

Farmers lost a true friend this week with the passing of Rex Conn.

Folks who met Rex respected him, even if they disagreed with his position.

Rex's love for sharing experiences from his long and varied career in agriculture earned him a reputation as a story teller. He delighted in recalling for his friends incidents from his days as a country agent or cattle buyer.

A devoted family man, he took great—and well deserved—pride in the outstanding accomplishments of his children and grandchildren.

He was an international ambassador for Eastern Iowa farmers, making visits to South America, India, the Middle East and his final trip to Spain, where he died this week.

Although Rex was an international traveler, he also knew the backroads of Eastern Iowa. Harold Ewoldt, secretary of the Chamber agriculture bureau, recalls the time he followed Rex through the country, "and he cut through one place where I didn't think there was a road."

Rex knew personally the men who served in the office of U.S. secretary of agriculture, but he never lost touch with Iowa farmers.

As a county agent, he conducted membership drives for the Farm Bureau, because Farm Bureau membership funds helped pay the salaries of county agents in those days. He made it a point to visit all the farms in the county, and he came to know each family.

These acquaintances proved invaluable to him later when he became farm editor of The Gazette.

A whole new era opened up in agriculture during the time Rex served as county agent. The federal farm program, rural electrification, soil conservation programs and the All-Iowa fair were established in Linn county and survived because of his inspired leadership.

Rex was like a father to the fellows who worked for him as associate farm editors. He seldom raised his voice in anger.

Such men as Tom Doughty, managing editor of The Farmer, Paul Andre, editor of Beef magazine, and Jerry Davis with Inter-Agriculture all got their start with Rex, and he was proud of them.

One of his helpers in the farm department was a woman, Katherine Worley, now head of the journalism department at Washington high school.

Rex disagreed without being disagreeable. He disliked government interference in agriculture and violent tactics by farm groups. He wasn't afraid to tell farmers that they'd be better off on larger units, and that meant some farmers would have to leave the farm.

One time he took a picture of a milk dumping incident in Eastern Iowa, with milk running down the street and a farmer and a Cadillac in the background. That took courage.

Nevertheless, he was happiest when out in the country, driving The Gazette's Buick, visiting with his friends and writing features about rural families and the farmers whose friendship he valued.

He spent a lifetime trying to help farmers improve their lot, and his friends will miss him.

THE DEBT CEILING

Mr. BUCKLEY. Mr. President, last week I offered an amendment to abolish the debt ceiling. It failed. But I believe my reasoning remains sound, and I hope I shall gain support in a future effort.

In the meantime, I ask unanimous consent to have printed in the RECORD an article by distinguished New York reporter Alan Emory setting forth with great clarity the reasons why we should do away with what has become an anachronism.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATIONAL DEBT CEILING GAME

(By Alan S. Emory)

Today the federal government is deeper in red ink than the law allows. By the end of March the temporary legal limits on the national debt, $495 billion, expires and the limit reverts to $400 billion unless Congress increases it.

The Ford Administration wants the ceiling raised to $604 billion, a figure that ought to carry the government through the middle of next year, but, for the time being, is willing to settle for $531 billion, which is what the House has approved to last through June this year.

These are all staggering figures with not much meaning for John Q. Citizen except for their size. Even the administration's top officials concede "horror" at that size.

In what has become the Year of the Economists, therefore, it is startling to find a real traditionalist and a conservative to boot saying, "Frankly, they ought to abolish the debt ceiling." The author of those words? Hold onto your hats, but it is none other than Sen. James L. Buckley, the New York Conservative-Republican.

The debt ceiling, says Buckley, "has long since ceased to serve any purpose." And, looking at the way the administration and Congress treat it, he is dead right. Congress keeps extending the new temporary ceiling just a little bit at a time to make the administration nervous and, every once in a while, tacking on some politically-inspired amendment to make the White House sweat and threaten a veto if that nonessential rider is not removed. It usually is.

Instead of Congress' reexamining the spending situation when the debt ceiling comes before it, the lawmakers try to make a legislative Christmas tree out of the measure by adding enough to it to make it veto-proof. Now, with Congress having established budget committees to inspect at close range the overall matter of government spending, Buckley sees the debt ceiling issue as "clearly superfluous."

For himself, he has determined to refuse to vote for any debt ceiling bill that has been loaded down with as much as a single extraneous amendment.

Buckley believes that Congress is just indulging itself, and the public, by passing bills. He finds the ceiling "nothing but a nuisance" and adds that it has certainly not forced Congress into anything like economic discipline.

Instead, it has become what he calls "a silly game we play every six months." That game is being played right now, at a time when Treasury Secretary William E. Simon warns that the federal government is raising almost half the money in all sectors of the economy. In recent years Washington's stamp was on about one out of every four dollars of credit flowing in the country, but now that has escalated to one out of two.

Even the staggering $52 billion budget deficit forecast by the President for fiscal 1976—$53 billion with the recently-released highway money figured in—may be no more than an illusion.

Once Congress has gone into the full budget procedure with its new committees it is conceivable that it may throw a tighter rein on federal spending, even considering the liberal majorities that now command the structures in the House and Senate.

Whether it does or not, however, the debt ceiling will not mean any more.

Buckley is right. The ceiling should be abolished. The government keeps paying the interest on the debt, and Congress is not going to refuse to raise it periodically, so let the legislative carpenters raise the roof—and throw it away. It's not protecting it away. It's not protecting anybody now.

REPRESENTATIVE JERRY PETTIS

Mr. McGEE. Mr. President, the people of southern California and the Nation have lost a great public servant with the recent death of Representative Jerry Pettis in the crash of his private plane.

Jerry's death was particularly grievous for my wife, Loraine, and me, for it was in July 1973 that we traveled to the People's Republic of China as part of an official congressional delegation representing our Government. Jerry and his wife Shirley were also members of that delegation. The historic nature of the trip drew the delegation very closely together as we shared with each other one of the most exciting and unique experiences of our public and private careers. Thus, it was within this context that Loraine and I came to know, appreciate, and respect Jerry and Shirley.

As many others have already observed, Jerry Pettis led a very diversified and exceptional life, both as a private citizen and public figure. As a Congressman, he represented a district in which the Democrats held the edge in voter registration. Yet, as a Republican, he consistently was returned to office by ever-increasing margins, including a 2-to-1 spread in the last election. This represented a truly remarkable tribute not only to his popularity, but also to his abilities and qualities as a public figure.

Loraine and I convey our deepest and sincerest sympathies to Shirley during this most difficult period. Words cannot adequately express the depth of loss we feel with this tragedy. We will miss Jerry as a friend. The people of the 33d Congressional District of California will miss him as an effective representative of their interests in Congress.

SUPREME COURT BAR HONORS JUSTICE WHITTAKER

Mr. DOLE. Mr. President, on February 19, the Bar of the Supreme Court of the United States met to hold a memorial service and to receive resolutions of testimonial to honor the late Justice Charles E. Whittaker, a native of my home State of Kansas who served with distinction as an Associate Justice of the Supreme Court.

All Kansans, and particularly the bar of that State, have a special regard for Mr. Justice Whittaker because he so faithfully reflected the solid, down-to-earth approach to justice which we proudly claim as our heritage.

One of the participants in those ceremonies was our distinguished colleague, Senator Hruska, the ranking member of the Judiciary Committee, who was privileged to know Mr. Justice Whittaker during and after his service on the Supreme Court.

I ask unanimous consent, Mr. President, that Senator Hruska's tribute to the late Justice Whittaker be printed in the Record.

There being no objection, the tribute was ordered to be printed in the Record, as follows:

Remarks of Honorable Roman L. Hruska

Mr. Chairman, Mr. Justice Reid, members of the family of the late Charles Whittaker, Members and Guests of the Bar of the Supreme Court:

It is a great honor to be present here this afternoon, the afternoon upon which the Supreme Court will receive resolutions of testimonial to the late Justice Charles Whittaker.

I had the privilege of knowing Mr. Justice Whittaker during the time of his service in the Supreme Court and after his resignation. His friendship and counsel were of valuable assistance to me on many occasions. I valued his friendship and the help that he extended from time to time. Indeed it was a kindly feeling and a reminiscent feeling that I experienced this morning when I had the privilege of moving the admission to the Bar of the United States Supreme Court a nephew of the late Justice, Mr. Timothy Joseph Pugh of Omaha, a member of the Nebraska State Bar.

I come here not to testify of the early beginnings of Justice Whittaker nor of his struggles to become educated in the law or his later experiences when he became learned and wise in the law as a practitioner.

I come here rather as one who was his friend, and as an associate, I come here to bring a voice from another branch of the government, a branch that always elicited great cooperation from Justice Whittaker.

It is unfortunate that failing health permitted Justice Whittaker to serve on this Court only five years. At that time former Chief Justice Warren noted that "no Justice who has sat on this Court was more conscious of his great responsibilities, more diligent in performing them, or more concerned about the results of his efforts."

Justice Whittaker served at a time when this Court began to play a greater and a wider role in the American history. Sophisticated and complex problems required decisions. Justice Whittaker proved a valued asset to this Court during that time by exhibiting his qualities of modesty, gentleness, and sincereity. Furthermore, his understanding of the law and a demand for meticulous, precise, and well-reasoned decisions won him the admiration and respect of his colleagues and all who knew him.

It was my privilege on a number of occasions to counsel with Mr. Justice Whittaker about matters of concern to the Senate Judiciary Committee and therefore, to the Congress. He was always most generous with his time and with his advice, bringing always a practical down-to-earth grasp of the wide range of problems confronting the Judiciary and jurisprudence as a whole. He had little patience with the theorists and wide-eyed Utopians.

He was, as most members of this Bar, a strict constructionist, a member of the Court a few years ahead of his time, perhaps as it has developed. He believed in judicial restraint with something approaching a passion. He was often among the minority in the Court's decisions.

And yet I would suggest that all of us who are members of this bar could do nothing more useful this afternoon than to resolve to set aside a little time, at an early date, to go back and read some of those dissents.

We would, I suggest, in that way pay a tribute to the judicial wisdom of the departed Justice, but more importantly we would do ourselves an important service.

After his resignation, Justice Whittaker traveled extensively in pursuit of his principles. He was a frequent visitor at bar association meetings. He loved the law and he felt comfortable among lawyers.

We honor, a great, yet humble man, today. A man whose stature and judicial wisdom will, regrettably, be more recognized in death than it was in life.

This Court has been enriched by his membership. And we, the members of its Bar, have a rich and lasting legacy from his service.

TRIBUTE TO REV. FRANCIS PASCAL KELLY

Mr. HUMPHREY. Mr. President, it was my privilege some years ago to have the opportunity to meet the Reverend Francis Pascal Kelly, a Dominican priest from the Minnesota-St. Paul area.

When I met Father Kelly, he was confined to bed and to a wheelchair, a victim of multiple sclerosis.

Over the past 20 years, I have had occasion to enter St. Mary's Hospital in Minneapolis many times. Each time I was there, I was, indeed, privileged to have the opportunity to also visit with Father Kelly. Always, I saw Father Kelly working with other patients counseling them, advising them, or just being a good friend to them. Never once, on my many visits, do I ever recall hearing Father Kelly murmur a single complaint. Never did he take time for self-pity.

On February 7, 1975, Father Kelly was called to his reward. The loss of Father Kelly will be felt by many who, over the years, have worked and been part of St. Mary's Hospital in Minneapolis. His loss will be felt by the many Catholics throughout Minnesota—indeed, throughout the Nation—who knew of and loved Father Kelly.

Father Kelly was a man of deep Christian faith—a faith he gave to all who came to know him.

Mr. President, I ask unanimous consent that three Minnesota newspaper articles on the life and work of Father Kelly be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Minneapolis Tribune,
Feb. 18, 1975]

The Pilgrim Church

(By Dr. James P. Shannon)

On Feb. 7, Francis Pascal Kelly was called home to God. At the age of 71 Father Kelly, a priest of the Order of St. Dominic for 42 years, and a patient at St. Mary's Hospital in Minneapolis since 1956, surrendered his tired and wasted body to the inexorable demands of multiple sclerosis and ended a priestly ministry worthy to be called heroic.

Father Kelly came to Minneapolis in 1934, one year after his ordination, an assistant pastor at Holy Rosary parish. Shortly thereafter he began to notice ealy signs of the disease that would later claim his life. Friends who knew him then say that this discovery seemed to increase his pastoral zeal as it slowly sapped his physical energy.

By the time I first met him in the mid-1940s his illness had confined him, but not his ministry, to an upstairs corner room at the Holy Rosary parish house in south Minneapolis. For more than a decade, that room became a mecca for parishioners, priest and penitents in search of sound counsel and good example on how to pattern one's life on the teachings of Jesus Christ.

In those days, Father kelly had special permission to offer Holy Mass at a small table on the same level as the arms of his wheelchair. He could still control his head and hands, but not his feet or his other bodily functions. His close-cropped steel-gray hair and his bushy, black eyebrows gave him the appearance, from the neck up, of a drill instructor in the Marine Corps. Below the neck, his fragile body resembled a scarecrow with a vitamin deficiency.

In 1956, when he could no longer sit upright or manipulate his wheel chair, he accepted the inevitable and entered the hospital. By popular acclaim and by official pronouncement, he soon became the auxiliary chaplain at St. Mary's. Old friends, brother priests, former patients, visting movie stars, ball players and night-club celebrities in town for one-nighters somehow found their way to Pastor Kelly's room, to be called "dear girl" or "dear boy" by the motionless, bedridden priest.

No one of those visitors can recall ever hearing a murmur of complaint or self-pity from the wasted, smiling patient in the hospital bed. His room resembled Rube Goldberg's workshop. An overhead mirror, keyed to other mirrors in the room, gave him periscopic vision of the room and of the corridor outside. He could call out the name of a visitor before the visitor entered the room.

By nodding his head, he could turn the television on or off, change channels or make a phone call. A headset permanently in place above his head gave him a microphone always at the ready.

Self-pity was a weakness he never indulged. For three decades, he knew each day he was dying by inches. He accepted this fact the way he accepted the law of gravity. Each day was a reality which could neither be contested nor denied.

Visitors who came to see him left feeling that he, or God, or someone, had charged their batteries. Having come to cheer him, they left feeling that he had cheered them.

He had a light touch and a cosmic view of life which distinguished sharply between serious problems and garden-variety cuts and bruises. Visitors looking for sympathy were often put down with such subtlety that they never knew they had been rebuffed until they pondered his words as they drove home after the visit.

It is said on occasion of persons habitually happy that they do not grasp the seriousness of the human dilemma. Not so with Pascal. He knew pain, suffering and blighted hopes much more graphically than most of us ever experience, but maintained a degree of habitual composure and tranquillity which cloistered contemplatives could envy.

Underlying his marveous natural virtues of patience, generosity, kindness and unfailing good humor, Pascal Kelly was a man of deep Christian faith. His trusting confidence in the promises made by Jesus Christ to his followers was unshakable. When others would question the mercy of God who would allow one of his devoted sons to suffer slow death for years, Pascal would simply say that God knows best, and who are we to pick the mode of life in which we might best follow Christ. He was fond of saying that under ideal circumstances we would all undoubtedly be paragons of virtue.

Those weary debates—with visitors and with the final visitor who was death—are now over for Francis Pascal Kelly. And today, in the kingdom of heaven, where there is no more pain, no more sorrow, no more weariness, the immortal priestly soul of Pascal Kelly is finally home and at peace. Even in that blessed and distinguished company his must have been a hero's welcome.

A Ministry Ends for a Good Man

(By Jim Klobuchar)

You expect a certain amount of godliness from a wise and friendly Irish priest.

William Paschal Kelly was graced by that. It did not cling to him in thickly increased layers. It wore lightly but durably, and when he died a few days ago the hospital where he lived in paralysis for 20 years was swarmed by requests for mementos of his life from admirers who believe he will be canonized eventually.

It is a prospect that might intrigue Paschal Kelly without arousing any especially wild hopes. He would be Catholic enough to appreciate the office but Irish enough to deny running for election.

His sanctity, if such it was, had nothing particular to do with any charismatic presence. He advised well, and listened, and comforted and confessed. But the most memorable thing he gave to the thousands who met or knew him in his 20 years at St. Mary's Hospital was the unspoken testament of a crippled man. That useless bone and muscle should not dictate the terms of a person's happiness nor smother his urges to serve, if that is how he has lived out his life.

Yes, he had advantages as a priest. The world, and especially hospital administrators and sisters, will defer to a gritty Dominican priest. Affectionately he will be installed in something approaching resident sainthood, with all of the mechanical gadgets and mirrors required to give him comfortable access to his visitors, his hospital constituents and the world around him.

But when you talk about advantages to a man who suffered with multiple sclerosis for 40 years, you are dealing in very fragile and ironic stuff. It struck him just a year after his ordination. He was able to withstand it as a practicing priest for years, 12 of them in a wheelchair as an assistant at Holy Rosary in south Minneapolis. In his last years, he was scarcely able to move a finger, turn his head. He was locked into a physical rigidity that to outsiders would seem to exert a ruthless demoralization on the victim.

But thė reverend decided long ago that if he couldn't ignore the disease, he would just have to outlast it.

He saw himself as a sort of droll adjutant of St. Dominic, working out his commission by roaming the hospital corridors in his wheelchair, chatting with hospital friends, socializing with visitors, confessing the sinners face to face in his room.

He enjoyed the company of celebrities from show business, the Hildegardes, Fred Warings, Dennis Days; and the Tony Olivas and Gil Hodges and scores of jocks whose deeds he would view with tolerance but clinically on his television screen.

Some of these he confessed, which certainly gave the good priest unique insights into some of the hitting slumps around the American League.

But while his meetings with the celebrities were happy encounters, it was the hundreds of others, the relatively anonymous, for whom he provided the most lasting comforts—because he did have a very penetrating mind and a heart that not only understood trouble but tried to find ways around it for those so afflicted.

He liked the role of Your Genial Manipulator and Sometimes Meddler. He had friends and contacts and influence around the country, a flourishing Paschal Kelly underground that would perform favors or open doors for people who met him at St. Mary's. The beneficiaries did not have to be friends. If they needed, he found a way to contact the network.

People who appreciated swamped him with gifts. He called a friend to his side once and confided, with as close as he could manage to an Irish wink: "I've got 30 copies of 'Seven Storey Mountain' under my bed. I am dearly grateful for all of them, but I would trade a few for a few fingers of good Irish grog."

He was worldly in the best sense, because he had been around in his younger years and he refused to shut out the world once he was forced into the hospital. Several years ago a Minneapolis woman, Jewish, wrote him a note from the Midston women's hotel in New York, recalling some of their conversations at St. Mary's.

"In my most laborious years," he replied, "I helped install the plumbing at that hotel as an apprentice. Think of me when you use the bathroom there."

He was not free, of course, from the normal fears and he felt pain as grievously as the next. He never acknowledged it, but in his last weeks he asked his friends to pray for him. "I'd like to go home now," he said.

He died at 70. Nearly 500 people filled Holy Rosary yesterday to attend the last rites for a man who, Father George B. Ninetmann said, "had the kind of internal beauty and love that did not require touch to express. It was in his eyes and his spirit."

[From the Catholic Bulletin Feb. 14, 1975]

Father Kelly, "Saint of St. Mary's" Dies

The Rev. Francis Pascal Kelly, OP, the popular priest known as the "Saint of St. Mary's" hospital in Minneapolis, died there Feb. 7.

Fr. Kelly, a priest for more than 40 years, became a victim of multiple sclerosis while he was assigned to Holy Rosary parish, Minneapolis, in the early 1940s.

A patient at St. Mary's for more than 20 years, Fr. Kelly would have been 71 on March 1.

The Rev. Ralph Gorman, counselor at St. John Vianney seminary, St. Paul, and a former chaplain at St. Mary's, said, "Fr. Kelly never lost his Irish wit and spirit. He was a very unique man."

Fr. Gorman recalled that Fr. Kelly devised a wheel chair for himself that allowed him to concelebrate Mass daily in the hospital chapel and visit other patients.

"People felt attracted to him and he shared a lot of people's lives. He was a man who prayed for a lot of things and a lot of people," he said.

Fr. Kelley, whose name became known throughout the world, gave his blessing to many sports figures, entertainers and political figures who came to meet him.

The St. Paul Pioneer Press, commenting on his death, reported that "it was said that Fr. Kelly accomplished more flat on his back than most people do in a lifetime of roaming the world with good hands and legs."

A Mass of Christian Burial for Fr. Kelly was said Tuesday at Holy Rosary. Burial followed at St. Mary's cemetery, Minneapolis.

The principal concelebrant was the Rev. Gerald Cleator, OP, provincial of the midwest Dominican province. Main concelebrants were two of Fr. Kelly's classmates the Rev. John Malone, OP, archdiocesan director of the Holy Name society, and the Rev. Charles Carosela, OP, chaplain for the Dominican Sisters at Rosaryville, La.

The Rev. George Ninetemann, OP, prior at Holy Rosary, gave the homily.

BERKLEY BEDELL—FRESHMAN CONGRESSMAN FROM IOWA

Mr. CLARK. Mr. President, the 94th Congress is not yet 2 months old but it has already taken several giant strides toward internal reform—reform which was long overdue and which I believe will better enable this Congress to meet the critical challenges facing the Nation during these troubled times. Our colleagues in the House of Representatives have been parictularly successful in initiating these changes, and as the national press has noted, the new freshman class deserves much of the credit.

One of the early leaders of this historic group is Representative Berkley Bedell, who represents the Sixth District in my State of Iowa. Soon after his election victory, Berkley was selected by his new colleagues to serve as the temporary secretary of the new Democratic Congressmen, and in that capacity played an active role in achieving these changes in the seniority system. After his legendary business career, this success is not surprising and I know Berkley will continue to contribute his talents and leadership in the Congress and on behalf of his Iowa constituents.

A recent article in the Washington Post paid tribute to Berkley's auspicious beginning by selecting him as one of the six Members of the freshman class with the greatest potential. I wish to share that article with my colleagues, and ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Six From the Class of '75

They're a diverse crew, these 91 new members of the 94th Congress, the biggest freshman class in years. There are millionaires and a hard-hat or two. A pipe-smoking grandmother and a pair of Rhodes scholars.

Philosophically the range from a self-styled "social activist" to a John Birch society member.

The one thing that most of them have in common is their refusal to act like the customary House of Representatives newcomer—to be seen and not heard, to rock no boats, stir no turmoil. Above all, wreak no havoc.

But wreak they have already.

At their determined urging and with a unified bloc of votes, a tried, tested and barely challenged seniority system is left in shambles—three full committee chairmen dumped. Two more subcommittee heads deposed.

This is Congress?

What election returns promised would be a breath of fresh air turned into a veritable hurricane of change.

The articles below provide a closer look into half-a-dozen members of this precedent-shattering group—not so much representative of the class as of its potential.

Berkley Bedell

(By William Gildea)

When he came to Washington 10 years ago to be honored by President Johnson, Berkley Bedell had no idea his future would be in politics and that someday he would return as a congressman from Iowa's sixth district.

A decade ago Bedell was named "small businessman of the year" and hailed by Mr. Johnson in a Rose Garden ceremony. "Your imagination and your industry are typical of the qualities that built America and will keep it growing stronger," said the President, before handing over a bronze plaque.

What Bedell had done was develop a multimillion dollar fishing tackle business out of a boyhood idea. At 15, he began tieing flies in his bedroom for fishermen in the resort community of Spirit Lake, Iowa. Today Berkley & Co. employs 1,000 persons and grosses $20 million annually.

Once a Republican but now a liberal Democrat, the 53-year-old Bedell defeated Wiley Mayne, who as a member of the House Judiciary Committee defended former President Nixon. That stance clinched victory for Bedell, who had come close to beating Mayne two years earlier.

In his campaign, Bedell said the government should be run more like a business and called for reform of the seniority system. "You have to put the best performers in the right positions," he added recently. "You can't select people on what they did in the past, what nice people they are or what they might have done for you."

As temporary secretary of the new Democratic congressmen, Bedell helped bring about dramtic change in the seniority system with the removal of three committee chairmen. "I had no idea," Bedell said, "that I would be able to play such an active role in bringing about these changes."

Freshman or not, he seems anything but awed by Capitol Hill and its influential personalities. The story goes that he walked right up to Wayne Hays and said, "Everybody tells me you're a s.o.b. Are you?"

"If he has a fault, and it really may not be a fault," a Hill source commented about Bedell: "He really doesn't have any cynicism about the way things work here. He thinks he can come in and get things done. Well, if anybody can, maybe he can pull it off.

"I don't look for him to be any kind of superstar trying to hog publicity. That doesn't fit his personality. He's a very decent kind of guy, the hard-working, behind-the-scenes type of guy. He's very respected for this and he's likely to do very well."

Bedell is known as a religious man who has been active in the Methodist Church. His older son, Kenneth, is a Methodist Minister. Bedell said he and Harold Hughes, former Iowa senator, hold "similar religious convictions."

"I believe it's becoming increasingly clear that we have to change our value system and listen to the message of Jesus Christ, among others," Bedell said. "It seems to be loud and clear that we should concern ourselves with our fellow man and put away worship of material goods."

"We don't have morning devotionals, or anything like that," said a staffer in Bedell's office, where Bedell's wife, Elinor, and younger son, Thomas, work as volunteers and the congressman is called "Berk." But low key as it may be, the Bedell religious influence was noted on the cover of the Berkley & Co. magazine, on which was reprinted a psalm.

Bedell said he decided to seek office out of a search for "personal satisfaction," adding, "I came to the realization I couldn't get the satisfaction I wanted from building a bigger and bigger fishing tackle business."

With $50 he had saved from delivering papers, Bedell began his fishing tackle business while still in high school. By the time he graduated, he had a number of youths working for him. That summer he borrowed his parent's car and traveled about 3,000 miles, sleeping in the car at night and lining up customers by day.

He borrowed money from the local bank to buy the equipment he needed to fill his many orders. In just a few years, it became clear Bedell's was no ordinary business. He invented a new kind of nylon fishing leader, which connects the end of the fishline with the lure, as well as a longer lasting, more flexible monofilament line. The two discoveries were largely responsible for making him a multimillionaire.

As a member of the Agriculture Committee and small business subcommittee, Bedell is working in areas he is familiar with. He says he wants a "hands-off government policy" toward small business and greater interest in preserving the family farm.

As a result of a January blizzard in Iowa that left about 2,700 farmers with damages as high as $250,000 each in some cases, Bedell has introduced legislation to extend loans to the hard-hit farmers and called for extending the time for repayment of loans under the Emergency Disaster Relief Act from 5–7 years to 20 years.

Bedell said he has pledged to work for tax reform because "the lower and middle income groups pay an unfair portion of our taxes today."

THE GENOCIDE CONVENTION: SILENCE IS NOT GOLDEN

Mr. PROXMIRE. Mr. President, one can plausibly argue that under our law silence means approval. For example, the Constitution says that if the President does not explicitly veto a bill, Congress being in session, then that bill becomes law. His silence is tantamount to approval.

I regret that the same thing might happen regarding the failure of the Senate to ratify the United Nations Convention on the Prevention and Punishment of Genocide. Our silence might be taken to mean that we approve of the crime of genocide. Some argue that that is so, because the Genocide Convention has been before the Senate for 24 years without being ratified. There is no excuse for our silence.

By ratifying the Convention we can show the world that we do indeed abhor the crime of genocide. Mr. President, our silence condemns us. We must act before it is too late. I urge the Senate to join almost 80 nations throughout the world in ratification of the Genocide Convention.

It is all too obvious that, where the Genocide Convention is concerned, silence is not golden.

A BIPARTISAN FOREIGN POLICY

Mr. MUSKIE. Mr. President, last week I spoke at the University of Delaware on the subject of American foreign policy. My remarks were intended as a response to President Ford's recent appeal for a return to the bipartisan spirit in our external affairs. I have noted similar remarks in recent days by some of our distinguished colleagues, so I thought I would add my own to the Record. I ask unanimous consent that my speech of last week be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Bipartisan Foreign Policy: A Response to the President

(Remarks by Senator Edmund S. Muskie)

I would like to respond tonight to President Ford's recent call for a return to the bipartisan foreign policy which characterized the era of President Truman.

That spirit was typified by the late Republican Senator Arthur Vandenburg, who urged in the post-World War II period that we "unite our official voice at the water's edge so that America speaks with maximum authority against those who would divide and conquer us and the free world."

Invoking the spirit of Senator Vandenburg in a speech last week, President Ford claimed that partisan politics are now threatening "to bring our successful foreign policy to a standstill." He said he did not mean to exclude Congress from the foreign policy process, but that a distinction must be drawn between the making of policy—in which Congress should participate—and the execution of policy, which should fall within the exclusive domain of the Executive Branch.

It is a useful distinction, and I would like to respond tonight in a positive way to the President's initiative.

My mission tonight as a spokesman for bipartisanship is a role I have played before. Less than a year ago, in a speech at the U.S. Naval Academy, I expressed my own belief that "we are on the verge of a new coherence in American foreign policy, a new sense of direction and common purpose, and a restoration of the bipartisan tradition in America's foreign relations."

On that occasion I said that Americans were united on four fundamental principles of U.S. foreign policy: *First*, that an isolationist policy is not a viable option for America; *second*, that the general direction of détente is an important American interest; *third*, that our alliances with Europe and Japan are still vital, notwithstanding progress toward détente; and *fourth*, that our foreign policy must reflect the increasing interdependence of the developed and underdeveloped world.

I reaffirm those principles tonight. Obviously, a restored bipartisanship in American foreign policy must not stifle constructive debate on the day-to-day issues which confront our nation abroad. But a restored bipartisanship should recognize the broad base of agreement concerning our purpose in the world and the great tasks before us. We must draw upon the strength that such unity gives us in order to fulfill the role which history has assigned to us as the most powerful nation of the present era. We cannot shrink from those responsibilities. We must, in President Kennedy's words, welcome them.

And so I give my own measured support to President Ford's appeal last week for a restored bipartisanship in our foreign affairs. I understand his criticism of recent congressional actions. But a more effective working relationship between Congress and the President will require improvements on both sides. I have some suggestions which I would like to share with you tonight.

I.

The Congress has been reasserting its constitutional authority in the foreign policy area in recent years, and I am convinced that historians will look back on this period with favor. As a member of the Senate Foreign Relations Committee during the last two Congresses, I was privileged to be a part of this process. I am proud of the role Congress played in forcing an end to direct American involvement in Indochina. And I am proud to have floor-managed the War Powers bill—which was designed to prevent future Vietnams—and to have helped guide this historic legislation through a difficult House-Senate conference and over a Presidential veto. This bill, which resulted from thoughtful and persistent efforts of many Senators and Representatives, was one of the great legislative accomplishments of the 93rd Congress.

The purpose of the War Powers bill was not to alter the Constitution, but to restore and fulfill the intent of the Constitution in matters of war and peace. The essential purpose of the bill was to define—more exactly, to reaffirm—the constitutional authority of Congress to decide whether and when our country will go to war. In no sense was the legislation intended to encroach upon or to detract from the authority of the President as Commander-in-Chief. It merely reaffirmed what the framers of the Constitution intended, and the reasoning of the founding fathers is a matter of historical record: dismayed by the arbitrary power of the British Crown to drag the American colonies into unwanted wars, they vested the authority to initiate war in the legislature, transferring that power, as Jefferson put it, "from those who are to spend to those who are to pay."

The War Powers bill is properly regarded as legislation which should not have been necessary—and would not have bene necessary—if Congress and the President had remained within their respective constitutional spheres. But three decades of total war, limited war, and Cold War had propelled the American political system far along the road to executive domination in the conduct of foreign relations. This had been the result, in part, of presidential usurpation. But it had also resulted from congressional lassitude and unquestioning support of presidential leadership. Most of all, it resulted from war itself, and from these past three decades of constant crisis and disruption.

The events of recent years have shifted the balance between Congress and the Executive Branch in significant ways. Congress, with broad public support, rebelled successfully against the Executive Branch on the issue of Vietnam. Passage of the War Powers bill over a presidential veto restored the original constitutional design of checks and balances between the two branches in the area of war and peace. And Watergate left the American people more distrustful than ever before of presidential power. So the pendulum has swung.

But there remains the question of how far we should allow the pendulum to swing. Two recent congressional actions, undertaken for legitimate and valid reasons, have now led to unintended and unfortunate results. I refer to the Jackson Amendment to the Trade bill and the termination of military aid to Turkey. The failure of these congressional initiatives to achieve their purposes should cause us to reflect honestly upon what has happened, and to learn the lessons which might guide us more prudently in the future.

I supported the Jackson Amendment, along with over three-fourths of the Senate, because I believed it to be an effective expression of our legitimate concern for the rights of Soviet Jews. I need not cite examples of Soviet government abuse of those rights—which were guaranteed both under Soviet law and the Universal Declaration of Human Rights. Those abuses are well known.

The purpose of the amendment was to force the Soviet government to moderate its policy in exchange for a normalized trading relationship with the U.S., which it clearly wanted. During the early months of negotiations over the amendment among the various parties, there were hopeful signs of progress. For example, the Soviets responded to U.S. pressure by allowing an increased flow of Jewish emigrants during 1973—up to a total of 35,000 for the year.

But as the issue dragged on, the flow of emigrants began to drop. Only 20,000 made it out of the Soviet Union in 1974, a drop of 40 percent. This year, with formal Soviet repudiation of the trade agreement, the January emigration figure of 1,250 signals a further 20 percent reduction over the previous year's monthly average. The Soviet government says officially that applications are down, but U.S. sources say that at least 130,000 Soviet Jews have filed applications for exit visas, and that harassment of Jews seeking to leave and pressure on their families have increased.

I had always believed—and said so on several occasion—that the value of the Jackson Amendment would be proved or disproved in the process of implementation. Clearly it would be a failure—a tragic failure for Soviet Jews and a serious setback for proponents of détente—if it were pushed to the point of Soviet repudiation of the trade agreement. Compromise and accommodation were obviously required in the final stages of negotiation—but that is precisely where the negotiations broke down.

American idealism is rightly engaged with the question of personal liberties in the Soviet Union, if only because some minimal moral framework is essential to a stable peace. The practical question for American policy is not whether a degree of pressure for human liberties is warranted, but at what point pressure may become excessive, and therefore detrimental to its own purpose.

Clearly, there are limits to what we can demand of the Soviet Union in areas which they regard as matters solely of domestic concern. At the same time, we cannot be indifferent to those aspects of the Soviet system which are repugnant to our own social and political values.

But those of us who support the policy of détente believe that the steady normalization of political and economic relations provides the greatest opportunity for bringing about constructive changes in the Soviet society in the long run. Consequently, I look forward to a renewed partnership between Congress and the President in the pursuit of this vital foreign policy objective which we share in common.

A second congressional action which raises questions of judgment and timing was the cut-off of military assistance to Turkey. As in the case of the Jackson Amendment, the purpose of Congress was reasonable and legitimate. Turkey had in fact invaded Cyprus. The Turkish use of American-supplied arms in Cyprus violated the Foreign Military Sales Act, the Foreign Assistance Act, and the agreement under which Turkey accepted the arms. Under the law, the aid cut-off was supposed to be automatic. When the Administration failed to implement the law, Congress simply moved to ensure that the law was observed.

The problem is that the law itself—and congressional action to enforce it—may not have been a constructive contribution in this particular set of circumstances. The Cyprus tangle is enormously complex. The Turkish invasion followed a clumsy military coup on Cyprus under the thinly-disguised sponsorship of the Greek military junta. The prospect of a rapid move toward union with Greece seemed plausible, and the rights of Turkish-Cypriots appeared threatened. When British efforts to mediate the crisis broke down, the Turks acted. So the Turkish invasion, whether or not it was justified, was at least not totally unprovoked.

With the Turkish invasion and the subsequent fall of the Greek military junta, world opinion shifted against the Turks. Negotiations were slow and unproductive, and the Congress became exasperated with the spectacle once again of U.S. arms aid being used for purposes contrary to American interests. So the congressional response in cutting off arms aid to Turkey was understandable.

The problem was that congressional action limited the Administration's flexibility in dealing with the crisis. The international consequences have subsequently gotten out of hand, with Turkey's proclamation of an "autonomous Turkish Cypriot Administration" on the island. It is extremely doubtful that the Greek Cypriots will agree to a companion Greek Administration within what the Turks envisage as a "Bi-Regional Federation." More likely, Greek Cypriots will now press for union with Greece, completing the destruction of sovereign Cyprus. Another possibility is guerrilla warfare, complicated by Archbishop Makarios' threat to seek support from Moscow.

Continued American military assistance to Turkey might not have guaranteed effective American leverage over Turkish actions—but the unilateral termination of aid was an important factor contributing to the present diplomatic mess.

II.

If Congress can be faulted for some of its recent actions, I would like also to caution the President with respect to his handling of the most enduring burden of our recent foreign policy—the war in Indochina.

The outlook for Cambodia and South Vietnam is gloomy. The Cambodian capital is now isolated and under siege. In South Vietnam, an estimated 175,000 North Vietnamese regular combat troops have been infiltrated during the last two years of the so-called ceasefire. The Communists have captured eleven district capitals and one provincial capital during the same period. Another major battle now appears to be shaping up for control of Tay Ninh Province, only 45 miles northwest of Saigon.

The United States has paid an extraordinary price in helping to preserve friendly governments in Indochina over the last decade: about $150 billion and 56,000 American lives lost. We have done so for no other reason than stubborn, faithful support of allied governments under siege. For it cannot be said that the outcome of the Indochina war—whatever it may be—would measurably affect American security or our interests in the world.

So let no one say that we have not stood by our friends in Indochina. I do not know of any great power in the history of the world which has sacrificed so much for so little national gain as we have done in Indochina for more than ten years.

And that, I'm afraid, says a lot about the quality of our leadership in this whole sorry episode of our nation's history.

The failures of American policy in Indochina were bipartisan. If the future brings the final collapse of regimes which have been friendly to us—as I fear it will—let us accept that fate without shame or partisan recrimination. For it has always been true that the ultimate outcome in Indochina has depended on political realities unique to those peoples—realities which no amount of U.S. military or economic assistance could ever fundamentally transform. We have tried and failed. Let us accept our failure maturely—without bitterness and without self-recrimination.

As the situation in Cambodia and South Vietnam deteriorates, the atmosphere in Washington is becoming more tense. The President wants emergency assistance for those two governments amounting to $522 million—$300 million for South Vietnam and $222 million for Cambodia. In a desperate effort to show the Congress a glimpse of light at the end of the tunnel, he has pledged to end all aid within three years, regardless of the circumstances then prevailing.

And there is another sign of desperation—a chilling sign which troubles me deeply. It is the beginning of an Administration attack on the Congress, which is reluctant to provide the emergency assistance requested, for partaking in a sinister betrayal of our friends in Indochina.

I urge the President to put a stop to such mean-spirited demagoguery.

Last week, 82 members of the House and Senate sent a letter to President Ford which reflects the deep concern of Congress over what is happening. I would like to quote a passage from that letter: "another prolonged disagreement over events in Vietnam and our policy there may lead to acrimonious accusations over who 'lost' Indochina, reminiscent of the China debate over two decades ago. The result of that earlier experience was to freeze U.S. options in Asia for a quarter of a century. We must at all costs avoid a petition of such a struggle which would set the Congress against the Executive. . . . This is not the time for another divisive debate that can only impede the development of the cooperation so necessary in dealing with the complex problems of global inflation, domestic recession, and growing shortages of necessary raw materials. Instead, we need to work together."

III.

And so I call tonight for a return to bipartisanship in its most constructive form—with Congress and the President working together in making foreign policy, and with Congress giving adequate flexibility to the President for the execution of policy.

Such a relationship is possible because we are a nation which is united behind certain fundamental principles of foreign policy as well as on our purposes in the world and the great tasks before us.

But the President and Secretary Kissinger must give to Congress more than simply rhetoric about consultation and cooperation. The penchant for secrecy and surprise, for clandestine operations abroad, for misleading testimony before Congress if not outright lies—all this has been a part of the record of recent years.

We have a new President. Let us also have a new standard of honesty and candor in dealing with the Congress, the press and the public.

Given such an atmosphere, bipartisanship can flourish. Let's give it a chance.

NEED FOR PLANNING

Mr. McGOVERN. Mr. President, yesterday's New York Times carried an editorial calling for more long-range Federal planning so that the Nation's resources may be more effectively used. Given the complex range of problems facing the Nation today, it seems evident that we cannot afford a policy of drift and uncertainty.

I ask unanimous consent that the New York Times editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 23, 1975]

THE NEED TO PLAN FOR ECONOMIC POLICY

Why is planning considered a good thing for individuals and businesses but a bad thing for the national economy?

The traditional (and ideological) answer is that individuals and businesses, with limited resources, should have long-range goals to which they can relate their day-to-day decisions, but at the national level planning is bound to be inefficient and an unwarranted interference with the freedom of individuals and businesses to make those decisions in accordance with their own best judgments.

Whatever validity that anti-government planning view may have had historically, it is becoming increasingly impractical and costly—as a small but growing number of businessmen, labor leaders, politicians, economists and scientists now recognize. Henry Ford 2d, more outspoken than most of his business colleagues, has said the auto industry and others need to learn to live with dwindling supplies of oil and other materials, and hence there is a concomitant need for national planning in order to match scarce resources with consumption in an equitable and efficient manner.

But the importance of planning ahead goes beyond the problem of preserving economic health in the face of diminishing energy and other resources; it also relates to long-range tax and budget policies to avoid inflation. There is a need for integrated programs to ensure that critical national goals are met in such areas as housing and urban development, transportation, health, education, protection of the environment and to provide full employment for the nation's continuously expanding labor force.

The day-by-day operation of private markets cannot deal with all those objectives; all of them involve the participation of government through taxation, public expenditures, regulation, subsidies, and foreign economic policy. Government is involved, in fact, in virtually all aspects of the economy in this country—as in all other modern industrial economies. The more than $300 billion the United States Government currently spends each year only partly measures its total weight in the economic system.

Given the present and prospective role of government in the United States economy, the issue is no longer whether government planning would interfere with private business but whether the Federal Government should act in so uncoordinated and shortsighted a way as it now does.

Efforts by government to look farther ahead and to gather, analyze and publish the information on which it is basing its policy decisions would help private industry to make its own planning decisions—without government coercion of the private sector. Industries would still be free to make their own investment decisions, but they would do so on the basis of more complete information about long-term trends as affected by government policies. Not only the Administration but Congress, private industry, labor, and other groups in the society would participate in the ongoing national debate over planning and in the establishment of national goals.

There are different routes that could be followed toward a more rational approach to economic policy in the United States. One is that proposed by Senator Hubert Humphrey in his Balanced National Growth and Development Bill, which would establish a planning agency within the Executive Office of the President; this would bring together scattered existing Federal planning bodies, including the Office of Management and Budget and the Council of Economic Advisers. Other possible designs would be to model the new agency on the National Resources Planning Board of the Roosevelt Administration, on the system of indicative planning followed in France, or to create a new body that would be responsible jointly to Congress and the White House.

Whatever the ultimate administrative and political design—and this could emerge only from full Congressional hearings and debate—greater order and perspective are needed in the American governmental process and in the economy and society. Planning may have its flaws and dangers, but the traditional planless approach has already proved its capacity for producing disasters.

B-1 BOMBER PRODUCTION DECISION EMBODIED IN LONG LEADTIME FUNDS

Mr. PROXMIRE. Mr. President, it appears that the Air Force is attempting to slip the B-1 production decision by Congress a year early under the guise of long leadtime funding.

Here is how the sleight-of-hand works.

First the Air Force puts $77 million in the B-1 bomber request for fiscal year 1976 for long leadtime items for procurement. This money is called a premium on an insurance policy for next year.

The Air Force will argue that if Congress does not approve the long leadtime money, the costs next year will soar to over $1 billion for the same purpose.

But if Congress approves the long leadtime procurement funds, next year the Air Force will come back and say that a production decision was made with the release of the long leadtime funds the prior year.

They will argue that they have already

sunk costs in the production program which require ongoing expenditures. And they will claim that to cancel the program will result in huge termination costs plus the loss of the long leadtime procurement funds already authorized.

That is the game and how it is played.

Congress should not be fooled by this trick. It has been used with such frequency that it is old hat. When Congress approved the long-leadtime procurement funds for the billion dollar CVAN–70 aircraft carrier, it in effect authorized the carrier to completion. The same will happen with the B–1.

The Air Force has confirmed that the B–1 bomber program will cost $20.6 billion in then-year dollars. That is more than $84 million for each of the 244 aircraft.

At that price, the B–1 will be 123 times more expensive than the World War II bomber, the B–29, which cost $680,000. Allowing fully for inflation and onrushing technological costs, the difference is ridiculous.

The Air Force would have the American public think of the B–1 in constant 1970 dollars—$34.3 million each—to show the impact of inflation, which has been considerable. But the American public does not pay taxes in constant 1970 dollars. Nor do their grocery bills ring up in constant 1970 dollars. They will have to pay the full price of $20.6 billion.

I intend to offer an amendment to the military authorization procurement bill deleting the $77 million long-leadtime procurement money for the B–1.

It is a plane whose time has not come.

CRISIS IN HIGHWAY CONSTRUCTION

Mr. MONTOYA. Mr. President, the recent decision by U.S. District Judge John Lewis Smith, Jr., that the administration cannot impound highway funds creates an immediate challenge for this Congress. The $2.3 billion that is now impounded, along with $6.4 billion authorized for fiscal year 1976, will now be available to build needed roads and to provide badly needed jobs. This is in addition to $2 billion recently released by the administration. However, our States cannot use these funds until they meet their requirements under the Federal Aid Highway Act. Many States cannot meet matching fund requirements in the present economic crisis.

Inflation has taken an unusual toll in road user tax revenues which are available to States to build roads. Unlike most taxes, there is no growth factor built in. The taxes are not levied in proportion to rising costs; they are levied only in proportion to the gallons of gasoline used. While the road construction industry has been victimized by rapidly escalating costs, the State funds to meet road costs have declined. It is a critical situation which will become even worse unless Congress provides a remedy.

The Committee on Public Works met with the Transportation Committee of the National Governors' Conference on February 18 to discuss the range of highway transportation problems. The steadily increasing financial strain on States to meet national road needs and the very recent decision of the court to release impounded highway money combine to create an unusual opportunity for this Congress. Our interest must be fixed on a solution, and not become stuck in an unproductive discussion. There is no time to waste.

Mr. President, it has been estimated that each billion dollars invested in roads could result in 150,000 jobs within this year. The materials and equipment are available to start now. Unemployment has not been so high since 1937, and the administration is admitting that it will become even worse. The administration apparently spends more time studying unemployment than in solving it. The workers are available now to build roads and are certainly willing to work. The money that Congress provided under the Federal Aid Highway Act will now be available. The only remaining obstacle is that many States can no longer afford their share of the costs of a national road system.

Mr. President, the proportion between the Federal share of road costs and the matching State share was established during the long period of prosperity since World War II. That proportion is no longer adequate to meet the accumulated needs of the 50 States in this time of economic crisis. The Congress can amend the act to provide the temporary relief of improving the cash flow for the States. But that is only a first aid remedy. We must shift the balance in distributing these impounded funds so that all States can complete their portions of a truly national road system. We will gather the facts from Transportation Committee of the National Governor's Conference and act quickly to meet the States' needs. The constitutional responsibility and the opportunity for the Congress to provide leadership has been restored by the courts. I expect that Congress will consider legislation to meet the States' roads needs in the current economic crisis in the immediate future.

TIME TO END MILITARY AID TO VIETNAM AND CAMBODIA

Mr. McGOVERN. Mr. President, the United Church Board for World Ministries, in a letter from their executive vice president, Mr. David M. Stowe, has just recently provided a very concise and eloquent summary of the reasons why we must oppose the requests for supplemental military aid to South Vietnam and Cambodia.

Because I think it will be of interest to my colleagues, I ask unanimous consent that Mr. Stowe's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED CHURCH BOARD,
FOR WORLD MINISTRIES,
February 18, 1975.

Hon. GEORGE MCGOVERN,
Senate Foreign Relations Committee, U.S. Senate, Washington, D.C.

DEAR MR. MCGOVERN: The United Church Board for World Ministries strongly opposes any form of supplemental military aid to the Thieu regime in South Vietnam or the Lon Nol regime in Cambodia. Our opposition is not an expression of preference for their military adversaries, the Provisional Revolutionary Government of South Vietnam and the Khmeres Rouges in Cambodia. On the contrary, we regard the continuous U.S. support of the corrupt and unpopular military cliques governing South Vietnam and Cambodia today as one of the primary causes of the advances made by the North Vietnamese-directed insurrectionary movements. Only a representative Third Force-type government in Saigon, as in Phnom Penh, will be able to negotiate with the adversaries that peace grounded in "national concord and reconciliation" which was the declared objective of the 1973 Paris Peace Agreements.

As long as the United States funds and advises Thieu and Lon Nol, as long as genuine and popular political leaders are kept in jail or otherwise muzzled in South Vietnam, so long will the people of these two lands be unable to set up governments in which they believe, governments capable of negotiating peace with their adversaries, preparing with them the integration and not the annexation of their divided territories.

A policy of absolute neutrality on the part of the United States Government with respect to the internal political evolution currently underway in South Vietnam is essential. If once again U.S. intelligence services or military and diplomatic personnel interfere in the partisan political developments of South Vietnam, when Thieu falls another "Thieu," again dependent on his American sponsors and so detested by his own people, will be the inevitable result. U.S. Government policy-makers and implementers must this time keep hands off the selection of the falling president's successor. This is the only right and the only intelligent course.

Therefore the United States Government should make clear that the renewal of U.S. involvement in the Indochina War is absolutely excluded. Reconnaissance over-flights of North Vietnam should at once be halted, and U.S. military advisors—whatever their nominal role—effectively retired. U.S. funds and technical assistance for South Vietnam's political prisons should be at once cut off, and South Vietnam's political prisoners released.

There is no will in our constituency to support the prolongation of U.S. involvement in the Indochina War, and total opposition to increasing that involvement now. Therefore, we ask for the reduction of Cambodia Military Aid Regular FY '75 Appropriation, and for the defeat of Cambodia Military Aid Supplemental, FY '75 Authorization. We likewise ask for the defeat of South Vietnam and Cambodia Military Aid, FY '75 Supplemental Appropriation. We further ask for a sharp reduction in FY '76 Authorization for Military Aid for both Cambodia and South Vietnam.

Yours sincerely,
DAVID M. STOWE,
Executive Vice President.

SALE OF ARMS TO PAKISTAN AND INDIA

Mr. KENNEDY. Mr. President, I regret the decision of the administration to resume arms sales to Pakistan and India. For 10 years, we have imposed an embargo on the sale of various kinds of equipment to both countries. This was right and proper, in view of the role that these arms played in heightening tensions in the area—and in helping to bring on three wars in a decade.

I believe that no useful purpose would be served by removing the embargo. If we wish to improve our relations with Pakistan, surely we can find some other means than by once again contributing to another possible arms race. If we are concerned about the security of nations in the area, surely we should do so by promoting the effective working of the Simla agreement, not by selling arms.

To be sure, India has received arms from the Soviet Union. But it will do no good for us to compound this policy by ourselves joining in the sale of arms to either country in the subcontinent. Nor am I convinced by the argument—advanced by the State Department—that the change announced today will bring "U.S. policy into line with that followed by other major Western arms suppliers such as the British and French." Why has the State Department not tried to work with these countries to limit the flow of arms?

It will be a sorry day for the United States—and for the U.S. economy—when we have to underwrite our own strength by selling arms abroad. Not only does it buy us precious little influence with the recipient countries—two decades of this policy around the globe should have taught us that—but also we increase the dangers of war, and the risks of our own future involvement. We could spend countless billions of dollars—and perhaps even lose American lives—picking up the pieces of a policy of arms sales, now, to a part of the world where war has tended to follow the resurgence of an arms race.

At the same time, I am deeply concerned at what has been happening in Pakistan. That country has fallen on difficult times, especially with widespread flooding and human suffering. I recently met with Prime Minister Bhutto, and conveyed to him the depth of American feeling at the losses suffered by his people. I therefore strongly support humanitarian and economic assistance to Pakistan. And I look forward to the strengthening of ties between the United States and both Pakistan and India. It should also be our firm policy to promote good relations between these two countries.

GUYANA CELEBRATES INDEPENDENCE

Mr. HARTKE. Mr. President, I am very pleased to pay tribute to the Republic of Guyana, which on February 23 celebrated its national holiday.

Guyana, with an estimated population of 800,000, is racially divided into several distinct groups. The largest group or about 80 percent of the population is East Indian. The next largest or 40 percent is African. The other 10 percent is made up of Chinese, Caucasians, and Amerindians. There is also a rare religious mix of Hindu, Christians, and Muslims.

From 1796, the British exercised control of Guyana, but it was not ceded to the United Kingdom until 1814.

After many years of gradual preparation for independence, the British Government extended the franchise to all literate adults. Complete independence was achieved in 1970 when Guyana became a republic.

The economy of Guyana is based on Bauxite mining, aluminum production, and sugar which accounts for 80 percent of the gross national product.

The United States has maintained good relations with Guyana since her independence and has successfully participated in her growth through the foreign aid program—USAID—and Food for Peace.

Let us then extend our congratulations to the President, the Prime Minister, the Government, and all the people of Guyana on this their national day.

SUPPORT FOR HOUSE CONCURRENT RESOLUTION 416—SELF-DETERMINATION FOR THE BALTIC STATES

Mr. CASE. Mr. President, it is now 54 years since the people of Lithuania and Estonia proclaimed their independence and established their national identities in democratic republican states.

These declarations of independence were the culmination of generations of struggle to realize the ideals of nationhood and self-determination.

The achievements of the Baltic States during their 20 years of freedom were impressive, and despite the Soviet Union's invasion the spirit of the Baltic people remains strong and determined again to attain civil liberties and religious freedom.

On many occasions, the Congress of the United States has reaffirmed its concern for the rights of the Baltic people. The least we can do to indicate that concern is to approve House Concurrent Resolution 416 which supports self-determination for the Baltic States.

CHIEF JUSTICE BURGER'S JUDICIAL REFORM SPEECH

Mr. GARN. Mr. President, Chief Justice Warren E. Burger, at the midwinter meeting of the American Bar Association held in Chicago, February 23, 1975, delivered a speech which is timely and pertinent, and which should be of concern to all Members of Congress.

The issue of judicial reform is one which has strongly attracted my attention in this session of Congress, and while I may not agree with everything the Chief Justice says, I think it important that his remarks be easily available to all Members of Congress. For that reason, Mr. President, I ask unanimous consent that Mr. Burger's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ANNUAL REPORT ON THE STATE OF THE JUDICIARY

(Remarks of Warren E. Burger, Chief Justice of the United States)

Since 1970 you have invited me each year to report to you on the problems and progress of the Judicial branch and I welcome this invitation to meet with you again. In the past I have made this report at the annual meeting in August, but this was not possible last summer. One compensation, however, of meeting with a smaller group at the mid-winter meeting in February, rather than the much larger group in August, is that the problems that require legislative action may be pursued by you with the Congress early in its first session rather than at its end. As the most representative organization and spokesman for the legal profession of our nation, you have played the major role on behalf of the profession and the courts before the public and the Congress of the United States.

Many of the problems of the courts are closely related to the quality and competence of the major official participants—the contending lawyers and the judges—and the standards of professional conduct that govern in the courts.

The great increase in recent years in the demand for lawyers in the administration of criminal justice can be traced in large part to several desirable developments. Various enactments of Congress and decisions of the courts have sought to make more certain that justice will be administered in an even-handed way and that there will be faithful compliance with the statutes and constitutional provisions for the protection of the rights of accused persons.

These developments have occurred in a period of rising crime, and of mounting public concern over crime. These factors, taken together, have materially increased the burdens of the federal courts, and not all aspects of the added burdens are readily apparent. Even a casual review of the records, however, shows that the number of criminal cases in federal courts rose 25 percent between 1964 and 1974. Much less well known to the public is the fact civil case filings have increased at more than double this rate, that is, by 55 percent. The total combined increase in civil and criminal filings in that ten-year period was 45 percent, outstripping the increase in federal judges. And I note that the most recent figures suggest a dramatic upturn in district court filings. Combined filings were up 13 percent in the first half of this fiscal year over the comparable period last year.

An even more significant trend is that the proportion of federal criminal defendants actually going to trial has grown by one-fourth—from 12 percent in 1964 to 15 percent in 1974. In short, we have a ten-year increase of more than 60 percent, and this is accompanied by an increase in the length of criminal trials. We see, therefore, that there are new and substantial increases in the burdens of the trial courts that have not been clearly perceived.[1]

There has also been a substantial increase in the work of courts of appeals. In 1964 approximately one-third of all persons convicted by trial took advantage of the right to appeal. In 1974 almost three-fourths of those convicted appealed. These figures merely underscore the urgent need for additional judgeships, on the courts of appeals as well as the district courts. Few people know, for example, that there have been no increases in judgeships for the courts of appeals since 1968, and this has brought about an extraordinary 80 percent increase in cases per judgeship. Having been a court of appeals judge for 14 years, I assure you I can understand what an 80 percent increase means.

My purpose in presenting these figures to you is not to question the absolute right of every accused person to require the government to prove guilt in an adversary proceeding. What I am saying is that when the system is changed in a way that brings more cases into the courts, we must be provided with the tools.

This increase in criminal trials and appeals generated not only a large increase in public defenders but also in prosecutors. In this ten-year period staff attorneys in the 94 offices of United States Attorneys increased from about 700 to more than 1,200.

Footnotes at end of article.

While the district courts were trying to cope with a larger increase in cases, they were also trying to adjust to the infusion of this host of new lawyers, many of whom had had little experience in litigation and a minimum of training for the difficult and exacting task of prosecuting or defending a criminal case. Countless training seminars have been held, many of them sponsored by bar associations, including this Association, and by the Department of Justice, but the average tenure of lawyers in the office of United States Attorneys and on public defender staffs is relatively brief. The on-the-job training of these new lawyers will be valuable to them and, I would hope, ultimately, for our profession. But the short-range impact has created serious problems for trial judges. No private law firm could function effectively and perhaps could not even survive with that kind of rapid turnover of personnel.

The standards for selection and the tenure and compensation of these lawyers on whom the system of justice must depend should be made sufficiently attractive so that the federal courts will not continue to be used as a "bush league" facility to train trial lawyers for private practice.

No other developed country operates with the casual attitude we exhibit toward the need for qualified advocates on both sides of the table in the administration of criminal justice. This has placed on federal trial judges an enormous additional burden in terms of guiding a large proportion of both the prosecutors and the defense counsel on how to try a case. I urge all state and local bar associations to cooperate with the courts to establish a screening process so that no lawyer appears in federal court unless certain minimal standards of training and experience are met. Several federal districts are developing an examining and screening process for Criminal Justice Act attorneys and the concept should be broadened and developed for all federal courts.

The problem of regulating and disciplining the conduct of lawyers is far more complex in the United States, where we train lawyers in more than 150 law schools, as compared with a country like England, for example, where there is a centralized and comprehensive training facility for all trial lawyers. In England there are, as we know, two associations embracing all the barristers and solicitors. The admission of lawyers to practice in the courts of general jurisdiction is also centralized and coordinated in a central governing body. In this country admission power is distributed among more than 50 independent state bodies and in 94 federal districts. England has a total of only about 33,000 lawyers—barristers and solicitors—and we have more than 300,000. (Parenthetically, our law schools graduated approximately 33,000 in the past year.) Our diversity has many advantages but it also presents a staggering problem of enforcing discipline, and we have hardly scratched the surface of the problem.

Paralleling the lack of litigation training and experience of many of the lawyers appearing in the courts is the absence of adequate education in standards of professional ethics and conduct. This is not confined by any means to trial of cases—it is pervasive throughout our profession and it is a subject we have treated with a mixture of apathy and inertia. The 1970 report of the Association's Committee on Disciplinary Enforcement, chaired by my distinguished colleague Justice Tom Clark, is one of the few bright spots in this area. The problem is complicated because of the sheer magnitude of the task of convincing 150 law schools and more than 50 bar associations—to say nothing of more than 50 courts of last resort—to embark on a program of education and enforcement of the professional standards this Association has announced. Those standards were brought up-to-date in 1970 by a distinguished committee under the chairmanship of Edward L. Wright, after five years of careful study. They were supplemented in 1971 by a comprehensive report specifically directed to the standards for the prosecutors and defense counsel, which was adopted as part of the monumental Criminal Justice Standards Project of this Association.

The Association's Center for Professional Discipline has recommended rules for disciplinary proceedings and about half of the states have responded. This is an excellent beginning. Each of the 50 states and the District of Columbia should give a very high priority to implementing these recommendations and broadening their scope to deal with violations of professional standards in the day-to-day practice in the courts as well as in professional relations with clients. I submit that the Association's efforts and, more especially, the efforts of state and local bar associations should be multiplied and the states must provide adequate staffing and financial resources for this important work. The states that have not established adequate disciplinary procedures must be urged to do so.

The ultimate function of the lawyer, to provide the lubricant for satisfactory disposition of controversies and for the gradual change and evolution in the law so as to avoid self-help or collective violence, cannot be performed by our profession unless we enforce the standards we profess.

Comments that lawyers need more training in professional skills than law schools presently provide are sometimes met by the response that some judges also fall short of the minimal qualifications for their duties. That is a fair criticism. Of course judges, like lawyers, should continue the educational process and should comply with prescribed standards of judicial conduct. There has been tremendous growth in continuing education training seminars for judges during the past two decades. The National College of the State Judiciary at the University of Nevada, the seminars of the Federal Judicial Center, the Appellate Judges Seminars at New York University, and the developing programs of the new National Center for State Courts all attest that many judges are trying to improve the quality of their own work.[2] On another occasion, I hope to discuss with you the broad range of problems created by those few judges who do not measure up. In a country with more than 20,000 judges of various kinds and rank, the subject merits careful attention.

On several occasions, I have referred to the need to bring essential legal services within the means of middle income families by modernizing and simplifying the legal processes commonly used by millions of Americans in such matters as acquiring and financing a home, settling estates, recovering damages for injuries, and for other serious problems. The Association's support of these measures must continue. We must not close our eyes to the public disenchantment with legal institutions—a disenchantment which is described in a survey by a special committee of the Association and the American Bar Foundation.

The preliminary report of the survey is by no means a broadside indictment of our profession, but it should recall to us Bobby Burns' classic line: if we could but "see ourselves as others see us." Reading that report should also remind us that the restricted right accorded to members of the bar to perform defined legal services and to appear in the courts as attorneys for others carries with it a high public duty that our profession has acknowledged since its beginnings. The public obligation must be both recognized and performed.

There are many other problems that call for attention by the Association and in many cases action by Congress, and I will refer to only a few of them to remind you that they remain unsolved.

(1) The Congress should limit diversity jurisdiction of federal courts along the lines proposed by the American Law Institute in its 1969 Report.

(2) Three-judge courts should be substantially reduced or eliminated and appeals by right to the Supreme Court should be eliminated. These changes would confirm and extend the Supreme Court's power established by law 50 years ago, to select for review only the most important cases of broad general importance.

(3) The statutes relating to United States magistrates should be clarified to place in them broader powers, subject to final decision by a district judge, in order to release district judges for full-scale trials.

(4) A "pool" of federal judges should be created along lines proposed by Chief Justice Taft 50 years ago for assignment to meet emergencies in particular United States courts and to meet the needs of courts during the long delays that habitually attend the filling of vacancies. Delay in filling vacancies sometimes runs as long as two or three years, and this seriously impedes the work of a court.

(5) The very inequitable treatment of federal judges has placed them 50 percent behind the great bulk of civil service personnel who have received regular in-grade increases in addition to cost-of-living increases given during the past six years to maintain their real income. That inequity must be corrected if we are to retain the able younger judges appointed in the past decade, who are of an age where family burdens are at a peak. Correcting this serious inequity is also important if the nation is to attract the ablest lawyers to the federal bench. The Judiciary, along with the Congress and the upper level members of the Executive branch, are virtually one of the very few segments of the economy who are being asked to meet 1975 costs of living on 1949 incomes.

Specifically, I now ask the Association to take the leadership, through state and local bar associations, in support of immediate congressional action as follows:

(1) Provide an immediate 20 percent increase in federal judicial salaries;

(2) create a new statutory procedure to make an equitable long-range salary adjustment so as to provide federal judges with treatment comparable to that of other career federal personnel;

(3) place future salary adjustments scales on an automatic annual cost-of-living basis, once equitable comparability has been achieved.

This is more than a matter of simple fairness and equity—it is a matter of preserving a strong judiciary and maintaining the spirit of the Constitutional prohibition against reduction of salaries of federal judges during their terms of office.

Before turning to another immediate and pressing problem faced by the courts, I remind you that even when remedies will call for increased appropriations, we are dealing with a branch of government whose total budget represents less than one-tenth of one percent of the annual federal budget.

Two months ago Congress enacted the Speedy Trial Act, the first phase of which takes effect July 1 this year. It is a very complex piece of legislation. So far as we can learn, it was drafted without prior consultation with federal judges or court administrative officials, and it passed the Senate by a voice vote without debate, and without dissent. Subsequently when it was considered in the House, the Administrative Office of the United States Courts was able to persuade the House committee to make only a few minor adjustments in this legislation.

Footnote at end of article.

Before the House acted, the Judicial Conference of the United States expressed its view that the legislation was unnecessary. It did so because the Judicial branch had anticipated the underlying idea of the legislation by carefully worked-out pilot programs beginning with one large district from which our own Speedy Trial Rule was evolved. Our Speedy Trial Rule (Rule 50b) calls for the disposition of criminal cases within six months but it has not yet had enough time to have a major impact. It was the view of the Judicial Conference, therefore, that more time was needed to work out the problems of administering our own rule, which has precisely the same objectives as the Speedy Trial Act. We are fully in accord with Congress that the disposition of cases must be expedited. We agree that the swift disposition of criminal charges is a major deterrent that has not had sufficient attention in the administration of justice. There is, therefore, no disagreement whatever between the Judiciary and the Congress on the need for speedier trials in criminal cases. But caution must be observed so that in the pursuit of speedier justice in criminal matters we do not do violence either to individual rights or to the public interest. Nor should we risk increasing the delays in disposing of civil matters which likewise have their rightful place in the law.

At this point, I must go back to events preceding the passage of the Speedy Trial Act and recall that by statute Congress directed that the Judicial branch maintain specified records and conduct studies so the need for additional judges could be evaluated and anticipated every four years. Such an evaluation was completed in October 1972, and the Judicial Conference of the United States, acting on reports of the Committee on Court Administration, called on Congress for the creation of 52 new district judgeships and 13 circuit judgeships.

Senator Eastland, Chairman of the Senate Committee on the Judiciary, and Senator Burdick, Chairman of the Senate Subcommittee on Improvements in Judicial Machinery, promptly set in motion comprehensive studies and hearings in which the views of 36 Chief Judges were heard, along with staff members of the Administrative Office of the United States Courts. In 1973 the Subcommittee determined that 29 additional district judges were needed. For present purposes let us accept as reasonable the Senate Subcommittee figures as to the need for 29 additional judges as of 1973. Adequate or not, the Congress has taken no action on the Subcommittee's recommendation.

It was subsequent to the Senate Subcommittee's recommendation that 29 additional judgeships be created that the Congress proceeded to pass the Speedy Trial Act without any advance evaluation of the needs that would be brought on by that Act. The Speedy Trial Act is a matter of the *highest* priority since it will go into effect July 1 in its first phase, approximately four months from now. In the short span of two months since the Act was passed, the Administrative Office of the United States Courts has not been able to make a final evaluation of staff and equipment needs to meet the new Act. The best estimates we can make are that they will call for a large amount of computer equipment and personnel in the Administrative Office and the office of clerks of court in the 94 federal districts of not less than 100 additional employees. The Chief Judges of the 25 Metropolitan District Courts will meet in March to consider the adjustments that must be made in procedures to meet the provisions of the Act. Meanwhile, the Administrative Office now estimates that substantially more than the previously requested 52 district judgeships will be required. Since the Congress undertook no "impact study" as to the effects of this Act on the district courts, the Administrative Office has undertaken to do so and the tentative estimate is that the total additional cost for personnel and computer equipment will be upwards of $10 million. A supplemental appropriation request has been prepared for submission to Congress within the next week.

If we are not given the tools to meet the demands of the Speedy Trial Act with its first phase effective approximately 120 days from now, and its next phase July 1, 1976, the federal courts may be confronted with a crisis, particularly in the larger districts. The Administrative Office, the Federal Judicial Center, and the Judicial Conference Committee on Court Administration have done all that could be done in the short time allowed, in terms of planning to meet the burdens of the Act. It must be remembered that a substantial period of lead time is essential to train personnel and secure equipment.

I therefore urge the Association to give its full support to two very urgent requests to the Congress for:

(a) Immediate action on the pending Omnibus District Judgeship bills. Whether 29 new judges is the proper number is not as important as the necessity of giving the most over-burdened courts additional help without delay.

(b) Immediate action to provide additional appropriations for equipment and staff personnel to comply with the Act.

We are encouraged that some Members of Congress have indicated they recognize the needs created by this Act and have expressed their support for meeting those needs. Very recently one Senator stated:

"In passing this measure [the Speedy Trial Act], Congress is saying to the federal courts: Tell us what you need to clear away this backlog of untried cases and we will give it to you. But when we give you the tools, we will expect results."

Similar views have been expressed by other Members of both Houses and federal judges agree fully.

We in the Judiciary find ourselves in a position not unlike that expressed by Winston Churchill in writing to President Roosevelt during World War II when Churchill said: "Give us the tools, and we will finish the job."

It is now up to you—see to it that Congress gives "us the tools" and we will do the job.

FOOTNOTES

[1] In 1967 at Ripon College I called attention to the interaction of the Criminal Justice Act and the Bail Reform Act in the following terms:

"It sometimes happens that a development in the law which is highly desirable, standing alone, interacts with an equally desirable improvement and produces a result which is largely or even totally lacking in social utility. Let me give one example: the bail reforms of recent years were long overdue and helped to give meaning to the constitutional provisions on bail; similarly the decisions and statutes assuring a lawyer to every person charged with serious crime, were long overdue. Now look at the interaction: every person charged has a lawyer supplied to him and at the same time he has enlarged rights to be released without posting a conventional bail bond.

"We can now see that in a great many cases, no matter how strong the evidence against him, or how desirable the long range value of a guilty plea and the benefits of reduced charges and more moderate sentencing, the two 'good' things—bail reform and free defense—interact to discourage a guilty plea because the 'jail house grapevine' tells the accused that the thing to do is enter a not guilty plea, demand release without bond, and then use every device of pretrial motions, demands for a new lawyer, and whatnot to delay the moment of truth of the trial day. This means up to two years' freedom during which witnesses might die, or move, or forget details while the case drags on the calendar and consumes untold time of judges, lawyers and court staffs to process motions and continuances. This is one of the large factors in the congestion of the criminal dockets. Here, to repeat, two basically good things combine to produce a result never intended and wholly lacking in social utility or any meaningful relationship to the proper administration of criminal justice, in short an excess of a basic principle."

[2] The ABA has embarked on an important process of rethinking the problems of legal education with its distinguished Task Force on Advanced Judicial and Legal Education and its Standing Committee on Continuing Education of the Bar.

COERCION BY ARAB STATES IN COMMERCE AND INVESTMENT

Mr. JAVITS. Mr. President, there has been a great deal of concern over the question of Arab investment in the United States. The issue of most immediate concern, one which Senator WILLIAMS of New Jersey and I have addressed the Secretary of State, Treasury, and Commerce and the Attorney General, is the attempt by Arab investors to coerce others to exclude banking and investment institutions with Jewish membership. Such intrusion in our domestic affairs is clearly intolerable, and cannot be permitted in a free society.

Senator WILLIAMS and I recently wrote the four Departments concerned with this matter, State, Treasury, Commerce, and Justice, asking for a thorough investigation and such action as may be necessary to prevent religious discrimination. I note with satisfaction that a number of lawyers, law professors, government agencies, and the New York State Attorney General are examining into this issue.

With the quickening pace of Arab investment in this country and the large amount of economic power that could be brought to bear for discriminatory purposes, it is essential to set the ground rules for this investment now. I have no desire to exclude Arab investment from this country, but some Arab actions to date, both their unilateral actions in raising oil prices and their efforts to extend the boycott against Israel to Jewish interests everywhere, raise the most difficult questions about whether we can regard Arab investment as benign or a potential threat to our society and its institutions.

Mr. President, I ask unanimous consent that the letter from Senator WILLIAMS and myself to the Secretaries of State, Commerce, and the Treasury and to the Attorney General be printed in the RECORD, together with articles from the New York Times and the editorial from the Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., February 14, 1975.

DEAR MR. SECRETARY: We have noted with grave concern reports of efforts to discriminate against banking firms with Jewish members from participation in international financial transactions. This effort now seems to be spreading to the United States as evidenced by the reported withdrawal of the Kuwait Investment Company from two transactions in which it would have been an underwriter together with Lazard Freres and Company. We believe that the spread of this unconscionable practice so opposed to American principles and law should be stopped in the United States. Quite properly, Merrill Lynch, Pierce, Fenner, and Smith, Inc., as the leading underwriter, and Donald Regan, its chief executive, has announced its intention to proceed with the transactions not to be initimidated by the Kuwait withdrawal.

It is clearly intolerable to permit Arab—or any—investors to attempt to extend such religious discrimination to the United States. Indeed, the policy of the United States has been expressed in the Export Administration Act in an amendment we introduced in 1965—now law—which states:

"It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries friendly to the United States and (B) to encourage and request domestic concerns engaged in the export of articles, materials, supplies or information, to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against another friendly to the United States. . ."

This latest action by Arab interest is an attempt to extend the boycott against Israel to firms with any Jewish members everywhere, including the United States, and therefore contrary to stated U.S. policy.

These events have raised the distinct possibility also of pressure by Arab interests that could result in a positive discriminatory action or financial harm to a U.S. company or citizen. Furthermore, the Kuwait Investment Company may be engaged in other U.S. transactions of a comparable discriminatory nature. While U.S. law cannot compel the inclusion of underwriters who do not wish to participate in an underwriting, we cannot allow any investor to dictate the membership of an underwriting group on the basis of religious exclusion.

Prompt action is required to prevent the spread of such discrimination. We therefore request your department to act promptly to:

(1) determine whether any cases of religious discrimination against Jewish or any other Americans by the Arab interests have already occurred;

(2) examine closely U.S. law and regulations to determine whether violations of law are involved;

(3) promulgate, where possible, under existing law such regulations as may be necessary to prevent the occurrence of any such religious discrimination; and

(4) propose such new legislation as may be needed to prevent such discrimination.

We are aware that studies may be under way in your department with regard to foreign investment in the United States, and we welcome them. However, the issue of religious discrimination in business is so vital and so fundamental that it should be addressed immediately.

We feel the U.S. stands ready to welcome foreign investment, including Arab investment, that conforms to the standards of our society and the national security and interest, but Arab oil money should not be permitted to enter our country on a basis contrary to our morality and Constitution. This matter should be given high priority and we await your prompt response.

Sincerely,

JACOB K. JAVITS,
HARRISON A. WILLIAMS,
U.S. Senators.

[From The New York Times, Feb. 24, 1975]

COERCION BY ARABS IN FINANCE STUDIED—U.S. LAWYERS AND BUSINESSMEN EXPLORE A POSSIBILITY OF LEGAL REMEDIES FOR ANTI-JEWISH BLACKLIST EFFORTS

(By Marylin Bender)

Recent attempts by Arab financiers to discourage participation by Jewish interests in underwritings and other investments have caused a ferment in government and legal circles in New York and Washington.

Lawyers, both in government and out, are re-examining old, familiar laws and cases to see if they contain remedies for a potential new problem of economic warfare. The issue is being studied in government agencies, private law firms and academic circles.

Several developments last week highlight what may be the tip of a legal iceberg.

The Sterndent Corporation, a manufacturer of dental equipment, sued in Federal court here to rebuff a tender offer by the Magus Corporation. The Kuwait Investment Company has an interest in Magus along with a number of Jewish partners.

Kuwait Investment, which is owned by the Kuwaiti Government and private Arab investors, had vetoed the inclusion of Lazard Frères in an underwriting syndicate in France. Lazard is on the Arab boycott list, which is said to include more than 1,000 concerns regarded as friendly to Israel.

ILLEGALITIES ALLEGED

Citing such anti-Jewish blacklist efforts as a threat to Sterndent's business, the complaint alleged a host of illegalities ranging from improper disclosure under the Securities Exchange Act of 1934 to violations of Federal and state anti-trust and antidiscrimination laws.

Louis J. Lefkowitz, New York State Attorney General, announced an investigation into charges of alleged pressure from Arab sources against New York securities firms.

The most publicized instance has been the withdrawal of another Kuwait investment group from an underwriting led here by Merrill Lynch, Pierce, Fenner & Smith, Inc., for Mexican and Swedish financing because Lazard was a member of the syndicate.

"This is the first instance that I know of where our free market in securities has come under possible pressure and coercive tactics based on bigotry and demeanor unbecoming the securities market," Mr. Lefkowitz said. Possible violations of the state's antitrust, civil rights and securities laws may have been committed, he added.

At a luncheon forum sponsored by the New York County Lawyers Association last Wednesday, Commissioner Irving M. Pollack of the Securities and Exchange Commission was asked if the S.E.C. would take any action in matters where Arab financiers refuse to participate with certain Jewish partners.

Mr. Pollack replied that he was not sure the S.E.C. had direct, regulatory authority to intervene. However, he delivered a firm, personal declaration that such exclusions were "a misuse of economic power" reminiscent of the nineteen-thirties. "No society can long exist if it permits itself to be blackballed or blacklisted by persons asserting economic leverage," he said.

A REVIEW FUNCTION

Later, in a theoretical discussion, he pointed out that the securities law contains sections looking to promote "just and equitable principles of trade" and open markets. The National Association of Securities Dealers and the securities exchanges are charged with enforcing these principles through their rules of ethical standards for their members.

The commission would act only as a review board on a finding by the N.A.S.D. or the New York Stock Exchange of unfair discrimination between its member brokers, dealers or issuers. So far no such finding has been made.

Attorney General Lefkowitz's investigation is being made under several provisions of the state's general business law. As they relate to offerings of securities, broker-dealers' or issuers' registration statements must disclose anything about the underwriter of securities that might jeopardize the investment. Any coercion in connection with the offering might be considered fraudulent practice.

Antitrust phraseology is being used by lawyers and businessmen alike in connection with Mideast investments in United States concerns.

Last week Charles G. Bluhdorn, chairman of Gulf and Western Industries, Inc., said his company was studying whether the Organization of Petroleum Exporting Countries was subject to prosecution under American antitrust laws.

Prof. Glen E. Weston, who teaches antitrust law at the National Law Center of George Washington University, said, "You can't do anything about the OPEC countries." However, he added, "to the extent that there are private groups such as the Kuwait Investment Company and to the extent that an agreement has an impact on United States concerns, there is a serious question of violation of antitrust law. A boycott is an agreement not to deal. The law requires conspiracy as opposed to one firm's refusal to deal, however."

WHAT IS PROHIBITED

Both the Federal Sherman Antitrust Act and the state Donnelly Antitrust Act prohibit agreements in restraint of trade such as a concerted refusal to deal or an agreement between participants to exclude others.

Courts may grant injunctions or award civil and criminal penalties. The triple damages and the felony penalty of Federal law (up to three years in prison and fines of up to $1-million for a corporation) seem to contain more bite than the misdemeanor status and single-damage penalties of the state law. However, the Donnelly Act's prohibition of arrangements, as well as of agreements and contracts in restraint of trade, has been broadly interpreted by courts.

The state law applies to operations within New York State, such as an underwriting of securities. The Sherman Act extends to restraint of trade among states or with foreign nations.

Legal experts speculate that there may be jurisdictional questions if an investment company controlled by a foreign government is involved.

Professor Weston said that the Sherman Act had been held to apply to agreements between foreign companies that have an actual effect on United States commerce. "However, you may have procedural problems," he said.

TWO DIFFICULTIES NOTED

Protection against religious discrimination on an economic plane is found in the 14th Amendment to the Constitution, through its clause affording equal protection of the law, and in Federal and state civil rights legislation directed to areas such as housing and employment.

Some people have voiced fear that an Arab group might obtain control of an American business and try to discharge or not promote Jews. In the case of a bank, it might discriminate in granting credit. If proved, such efforts would clearly be illegal.

But, observers say, the difficulties are the obtaining of proof and the backlog of cases in government enforcement agencies.

[From the New York Times, Feb. 1, 1975]

U.S. OPPOSES BOYCOTTS

WASHINGTON, Feb. 20.—The State Department said today that the United States opposed any restrictive practices or boycotts of American financial institutions.

A Department spokesman, Robert Anderson, commented on reports that Arab countries were objecting to the participation of Jewish-controlled banks and institutions in financial operations in which they were involved.

"It is the well-established policy of the United States Government to oppose any type of restrictive practices or boycotts of this nature. Such restrictive action might interfere with the efficient operation of international capital markets," Mr. Anderson said.

Mr. Anderson added however, that he did not know what action the United States might take in the event of a boycott.

A State Department official said that some legal questions might be involved in such boycotts and that the Justice Department was examining the matter.

[From the Washington Post, Feb. 21, 1975]

Arab Exports: Oil and Bias

Arab banks are using the immense leverage given them by their accumulation of petrodollars to blacklist Jewish banking interests and force them out of the international loan market. In London, the firm of Kleinwort, Benson excluded the Rothschild and Warburg institutions from one loan syndication at Kuwaiti demand. Under similar pressure, the French state-owned Credit Lyonnais and the Banque de Paris et des Pays-Bas excluded Lazard Freres, and Lazard and Rothschild, respectively, from two international bond issues floated for French state-run agencies. The French and British, to be sure, are so reliant on Arab oil and money as to be especially vulnerable to this kind of blackmail. In New York, Merrill Lynch, Pierce, Fenner & Smith was asked by Kuwait International Investment to bar Lazard from two transactions. But Merrill Lynch refused and the Kuwaiti firm withdrew.

It is one thing for Arab banks not to deal with Israel: a state of war does still exist. But it is a very different thing for Arab banks to attempt to squeeze non-Israel banks out of transactions that have nothing to do with Israel. The defense is offered that the Arab blacklist distinguishes between "Zionist" banks that cooperate with Israel, and banks that just happen to have been founded or be run by Jews. But Arab blacklisters are the last people one would trust to make such a distinction, if that distinction were valid, which it is not. It is morally and politically indefensible for Arabs to extend by pressure their own practice of anti-Semitism to private third-country institutions. To the further claim that the publicity given to Arab blacklisting has only made moderate Arabs more militant, the answer is, of course, that the Arabs were in fact using the previous condition of banking-community discretion to *enforce* the blacklist.

Senators Javits and Williams note that Arabs would "extend the boycott against Israel to firms with any Jewish members everywhere, including the United States," and that this effort flies in the face of standing American policy to oppose such restrictive practices—the policy is expressed, for instance, in the Export Administration Act. The two senators have asked the administration to determine whether instances of Arab religious discrimination against American citizens or corporations have actually taken place, and to frame appropriate remedies. Certainly this should be done.

What is involved is not merely the objectionable fact that some Arabs may wish to export a religious bias as well as oil. The Arab oil exporters, eager for places to invest their new billions, are presumably on the verge of large prospective investments in the United States. This nation, for all its current difficulties, remains the single likeliest repository of Arab petrodollars. We hope Arab investments do flow to the United States. But we think it essential at the outset of the flow that Arabs understand the need to accept the laws and traditions of the country which they wish to receive their investments. For Arabs to feel they are free to use their money to enforce their own notions of ethnic or religious rectitude would be a great mistake all around. If the Europeans lack the political will to prevent their Arab friends from trampling on their traditional values of fairness and decency, Americans surely do not.

A MEDIA COVER-UP?

Mr. HELMS. Mr. President, Accuracy in Media is an organization based in Washington, D.C., which came into existence a few years ago to satisfy a desperate need for a responsible, private organization which would serve as a watchdog over the major mass media of America. These media proclaim themselves constantly as "watchdogs of government." As one who has worked in the media in the past, I am fully aware of how badly our so-called watchdogs of government need to be watched themselves.

AIM has not confined itself to general grumbling about the sins of the media. Instead, on an exceedingly modest budget it has undertaken to pinpoint particular abuses, inaccuracies, and imbalances in media operations, bring them to public attention, and have them corrected—for AIM recognizes the crucial importance of what could be called the "nervous system" of our society represented by the media. If the "nervous system" is malfunctioning, the body politic may make erroneous and damaging decisions.

Recently Accuracy in Media has scored a number of notable victories. It has gotten the FCC finally to rule that an NBC documentary on private pension plans was biased, and is fighting that ruling through the courts—with no encouragement from the FCC, I might add—so that eventually the entire Fairness Doctrine may be litigated in the Supreme Court. It has gotten the National News Council to agree that a recent Jack Anderson column on the International Police Academy was biased and inaccurate. It has analyzed the failure of mass media reporting on the real issues at stake in the West Virginia textbook controversy. At the moment it is engaged in an admirable campaign to bring the three major television networks to adopt a code of ethics binding them to fairness and balance in the reporting of news—against the most strenuous objections of the networks, incidentally. In short, AIM's activities are an inspiring example of what can be done by individual citizens against such unresponsive corporate giants as CBS and NBC.

Recently, Mr. President, AIM became concerned about another Jack Anderson column, this time one asserting that the United States had "strangled" the Allende government in Chile by cutting off multinational loans to it through the Inter-American Development Bank. Reed J. Irvine, AIM's board chairman, analyzed that column in a letter and demonstrated its inaccuracy. To his amazement, however, the Washington Post, in which the Anderson column had appeared, refused to print the letter, claiming that Anderson had effectively rebutted AIM's refutation in another letter. Anderson, however, that gallant foe of secrecy and coverup, refused to permit AIM even to see his counterarguments, and the Post declined to do anything further on this important issue. AIM was therefore left with no recourse but to expend a substantial sum to purchase an advertisement in the Post to bring its case to the public. I believe that story, as set out in the advertisement of February 18, is worth bringing to the attention of an even wider audience.

Mr. President, I ask unanimous consent that the advertisement entitled "The Post-Anderson Cover-Up" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 18, 1975]

The Post-Anderson Cover-Up

We at Accuracy in Media believe that journalists and newspapers have an obligation to correct their errors. The Code of Ethics of the Society of Professional Journalists says: "Mistakes should be corrected promptly and candidly." We hereby charge Jack Anderson and The Washington Post with failure to observe this code.

THE ERROR AND THE CORRECTION

The Jack Anderson column of November 3, 1974, contained serious errors of fact about the Inter-American Development Bank and Chile. AIM sent a letter correcting these errors to over 400 newspapers, including The Washington Post. Here is the letter, as printed in The Miami Herald:

MULTINATIONAL BANK DIDN'T FOIL ALLENDE

In a recent column, Jack Anderson charged that the United States sought to bankrupt the Allende government by denying multinational bank loans to Chile. He suggested that the U.S. had succeeded in this, bringing about Chile's "financial strangulation." This conclusion by Anderson was based on the assertion that Chile had come to depend on loans from the Inter-American Development Bank, and these were cut off.

Anderson is in error. Disbursements of Inter-American Development Bank (IDB) loans to Chile were actually higher during the three years Allende was in office than in the three preceding years. The bank disbursed $79 million in Chile in 1971–73, compared to $70 million in 1968–70.

It is also incorrect that Chile was heavily dependent on these IDB loans. IDB loan disbursements have never financed more than a fraction of Chile's imports. They were at their highest in 1972, when they amounted to $29 million. This was enough to pay for about 2.5 per cent of Chile's import bill. These loans have also represented only a small part of Chile's external borrowing.

Those who exaggerate the importance of the IDB loans to Chile and who falsely state that denial of these loans to Chile was an important cause of Chile's economic deterioration under Allende are usually trying to transfer the blame for Allende's economic mismanagement to someone else.

Allende confiscated large amounts of foreign property without paying for it, and he defaulted on most of Chile's foreign debt. It is not surprising that many lenders and investors were not eager to make new loans to

Chile. However, Allende did manage to finance a huge increase in Chile's imports, partly by using the money that should have gone for the payment of interest and principal on the foreign debt. Imports rose from $1 billion in 1970 to $1.6 billion in 1973.

But even this was not enough to offset the inflationary pressures generated by Allende's fiscal and monetary policies and by the fall in domestic production. The multinational banks could not very well signal their support of these harmful policies by authorizing new loans for Chile. In the Allende years they disbursed against loans that had been authorized before Allende took office. The decline in new loan authorization during the Allende regime will be reflected in a lower level of disbursements in the period after Allende's fall.

REED J. IRVINE,
Accuracy in Media, Inc., Washington, D.C.

NO CORRECTION IN THE WASHINGTON POST

When The Washington Post failed to print the above letter or make any correction, AIM took the matter up with the Chairman of the Board, Mrs. Katharine Graham.

Mrs. Graham wrote: "The editors have received from Jack Anderson a point-by-point rebuttal of your charges that satisfies them that your charges are unfounded. It would therefore be unfair to Mr. Anderson to print your letter. For this reason they have decided, and I agree, not to print this particular letter."

THE COVER-UP

We immediately asked The Post for a copy of Jack Anderson's "point-by-point rebuttal." To our utter astonishment, The Post refused to send us a copy or even let us see it! At most, they would give us only a general description of the contents orally.

We told the responsible editor, Mr. Philip Geyelin, that this was totally unacceptable. We could not respond to an attack on our credibility if we were not permitted to even see the letter.

Mr. Geyelin would not budge, but he let two things slip:

(1) He admitted that the Anderson reply had not satisfied him that our charges were unfounded;

(2) The author of the letter had been asked if it could be sent to AIM, and he had refused to permit it.

The irony of this will not be lost on the readers of The Post. Jack Anderson had incessantly criticized government for using the label "Secret" to hide its blunders. Look who is using the label now.

The Washington Post has been a powerful advocate of "openness" and "freedom of information." It did not ask permission of the U.S. Government to print the Top Secret Pentagon Papers. It has attacked the President of the U.S. for claiming the right of "executive privilege" to cover-up matters that ought to be open. But it asks Anderson for permission to show AIM a letter which obviously Anderson himself should have had the decency to send to us. It honors his refusal. Long live "journalistic privilege!"

AIM'S CHARGES STAND

Although we have not seen a copy of the alleged rebuttal, we know enough about the contents to see that our charges have not been rebutted. Mr. Geyelin admitted that he was not satisfied with the reply. He said it was a "close thing," and that he would not print the correspondence because it was not sufficient interest to the readers.

And yet The Post did print a letter from a Congressman which repeated the main error of the Anderson column!

In a letter to Mrs. Graham protesting the cover-up of Anderson's errors by The Post, we pointed out that this was a matter of considerable importance. The charge that the U.S. and the World Bank and the IDB were largely responsible for Chile's economic difficulties during the Allende years has been a dominant theme in leftwing propaganda. The Post has lent itself to the spreading of misinformation. It has a moral obligation to its readers to publish the facts.

The fact is that Anderson did not refute our charges. (If he had done so, he would no doubt have been delighted for us and all the world to see his refutation.) We showed that Chile never depended on the IDB loan disbursements to pay for more than a very small percentage of its import bill. Anderson cannot disprove that. We showed that the IDB actually disbursed more money to Chile under Allende than in any previous three-year period. Anderson cannot refute that. We showed that under Allende, Chile's imports rose to record highs, while exports fell. We noted that the increased imports were paid for by borrowing from abroad and by using money that normally would have been used to service Chile's debts and to pay dividends on foreign investments expropriated by Allende. Anderson cannot rebut that.

We have reiterated to Mrs. Graham that there is not the slightest evidence that the refusal of the Inter-American Development Bank to make substantial new loan commitments to Allende had anything to do with the shortages of goods and the severe inflation that characterized his administration. Anderson has failed to substantiate the charge that the IDB was largely to blame for Chile's "financial strangulation."

We have asked Mrs. Graham to give this information to the readers of The Post, as other papers have done. We have had no response.

AIM thinks the matter is important. The principle of correcting errors is even more important. We are therefore paying The Washington Post to correct Anderson's error and to uncover The Post-Anderson cover-up.

THE 57TH ANNIVERSARY OF INDEPENDENCE—NO CELEBRATION IN LITHUANIA

Mr. HELMS. Mr. President, last week marked the 57th anniversary of the Lithuanian Declaration of Independence. But there were no parades, no fireworks, no tributes to patriotic heroes—at least not in Lithuania.

We in America create bureaucracy after bureaucracy to stimulate interest in our upcoming Bicentennial. Lithuania, whose claim to nationhood reaches back more than 700 years, has no need for forcing patriotism. Repression has taught her people to value national and personal integrity as many Americans sadly do not.

And yet, too many Americans would rather joke about the people from the Baltic and surrounding states than to hear the tragic stories of life under the unrelenting fist of the totalitarian dictatorship of the moment. The truth of the matter is that we could all learn a great deal about freedom from these people who have and continue to pay the price for their quest for liberty. The lucky few who escape must live in the knowledge that they may never see their family and friends again. And while they enjoy the warmth of a free existence, they suffer in absentia for those they left behind. The horrors of separation and the direct knowledge of the tactics employed by the Soviets in dealing with those who form the opposition keeps them alert in the face of the complacent blindness which so often characterizes the American outlook.

The history of Lithuania is a confirmation of the aggressive nature of those who surround her. Nonetheless, with unfailing determination her people refuse to buckle to the Communist oppressors. They bitterly reject the "russification" program through which the Communists plan to methodically obliterate every aspect of the Lithuanian culture, from religion to language. From her early days, Lithuania has been dedicated to Christian principles—an orientation which to this day remains strong despite atheistic campaigns of massive proportions ranging from blatant social pressure to deportation to Siberia to the ultimate in blotting out one's opposition: Death. These reports are substantiated by underground publications which are smuggled out from time to time, as well as firsthand witness provided by the emigrants who reach our shores.

The ban on the Lithuanian language within her previous bounds of sovereignty is perhaps the cruelest edict of all. The proscription of the use of one's native language, which is not only the major means of communication, but also the binder for and reflection of the entire culture, paralyzes the very heart of the people. Lithuanian is the oldest living language in Europe; the Soviets' disregard for its antiquity and beauty demonstrates the shallowness of their own culture as well as their insecurity as they face the several states they have deigned to embrace.

One can hardly discuss captive nations under the domain of the Soviet tyrants without mentioning the issue of emigration. All the glorious plans for détente that have been put forth by our Department of State simply are not borne out by the figures on immigration. Of those individuals immigrating to the United States and giving Lithuania as their last permanent residence, an average of 40 per year arrived between 1951 and 1970; since that time, the average has dropped to 20 per year. Clearly, the number has been cut in half coincidentally with the enthusiastic implementation of our détente policy. The figures prior to 1950 are even more dramatic, with well over 2,000 individuals listing Lithuania as their previous homeland between 1931 and 1940. At no time during the period for which statistics were available has the official U.S. quota constituted a barrier to prospective emigrants from Lithuania—and I suspect that they are not alone. The undeniable effect of détente on emigration—at least from Lithuania—has been to further constrict the already narrow opening.

Once a proud and free sovereign nation, Lithuania has become another victim in the Communist game of tyranny. I offer my gratitude to those who continue to struggle. For their cause is ours.

CONCLUSION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, in order that Senators may proceed to discuss the Penn Central matter, I ask that morning business be closed.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore of the Senate, pursuant to Public Law 93-344, and on the recommendation of the chairman of the Senate Committee on the Budget, Mr. MUSKIE, appoints, with the concurrence of the Speaker of the House of Representatives, Alice M. Rivlin as Director of the Congressional Budget Office.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 93-642, appoints the Senator from New York (Mr. JAVITS) to the Harry S. Truman Scholarship Foundation Board of Trustees.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

The Senate resumed with the consideration of the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the fiancial assistance available under section 213 and section 215, and for other purposes.

The PRESIDING OFFICER. The question is on the motion to concur in the House amendment to S. 281.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate resumed with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Mr. ALLEN. Mr. President, I send to the desk a motion and ask that it be stated. Inasmuch as there is more than one question involved, I ask that the question presented by the motion be divided for the sake of debate.

The PRESIDING OFFICER. The clerk will state the motion.

The assistant legislative clerk read as follows:

MOTION

I move that the Senate proceed to the consideration of S. Res. 4.

And, I further move that the "beginning" of the 94th Congress having now ended and no constitutional question now existing, if in fact one ever existed, debate on this motion may continue until brought to an end as provided by the provisions of Senate Rule XXII.

And, I further move that the Vice President submit directly to the Senate any question of order presented by this motion as he is empowered to do under Rule XX and other provisions of the Senate Rules, and under his general powers as Presiding Officer of the Senate; and that the question submitted be the direct question and not on a motion to table.

Mr. MONDALE. Mr. President——

Mr. ALLEN. Mr. President, the Chair recognized the Senator from Alabama.

Mr. MONDALE. Mr. President, I have the floor in my own right.

Mr. ALLEN. The Chair recognized the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Minnesota has been recognized in his own right.

Mr. ALLEN. I understood the Chair recognized the Senator from Alabama.

Mr. MONDALE. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MONDALE. Mr. President, would the clerk be kind enough to send me a copy of the pending resolution?

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. Has the motion presented by the Senator from Alabama been divided in accordance with the rules?

Mr. ALLEN. The Senator from Alabama made that request.

The PRESIDING OFFICER. The request for a division has been made.

Mr. MONDALE. Mr. President, what is pending under the rules?

The PRESIDING OFFICER. The first part of the motion is before the Senate.

Mr. MONDALE. Under article I, section 5 of the U.S. Constitution, I move that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair by immediately putting this motion to end debate, without debate——

Mr. MANSFIELD. Mr. President, if the Senator will yield, what is the pending business at this time?

The PRESIDING OFFICER. The pending question is on agreeing to the motion to proceed to the consideration of Senate Resolution 4.

Mr. MANSFIELD. Mr. President, if the Senator will withhold that request, I would like to have the pending business, the Penn Central Railroad matter, continued as the pending business so that a cloture motion may be filed.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. May I have the assurance that it will be in order to file a cloture motion on the Penn Central matter today?

The PRESIDING OFFICER. Without objection, it will be in order to file a cloture motion.

Mr. MONDALE. Mr. President, I renew my motion. Under article I, section 5, of the U.S. Constitution, I move that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair by immediately putting this motion to end debate, without debate and with no intervening motions and without amendments, to the Senate for an immediate vote; and, upon the adoption thereof, by a majority of those Senators present and voting, a quorum being present, the Chair shall immediately thereafter put to the Senate, under article I, section 5, of the U.S. Constitution, without further debate and without intervening motions and without amendments, the question on the adoption of the pending motion to proceed to the consideration of Senate Resolution 4 for an immediate vote.

Mr. MANSFIELD. Mr. President, I make the point of order that the motion by the Senator from Minnesota is not in order.

Mr. MONDALE. Mr. President, I move to lay that point of order on the table, and ask for the yeas and nays.

Several Senators addressed the Chair.

Mr. MONDALE. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I raise the point of order that the whole resolution is out of order, which would supplant the point of order as to the motion to lay on the table.

The PRESIDING OFFICER. The Chair will state that the proceeding is in order, and the point of order is not sustained.

Mr. ALLEN. That the resolution is in order?

The PRESIDING OFFICER. That the proceeding is in order. That the motion to table is in order.

Mr. MONDALE. Regular order, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the point of order of the Senator from Montana. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 7 Leg.]

Allen
Beall
Biden
Brock
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Church
Cranston
Curtis
Garn
Goldwater
Hartke
Hathaway
Javits
Mansfield
McClure
McIntyre
Mondale
Pastore
Pearson
Schweiker
Scott,
  William L.
Stone
Tower
Weicker

The PRESIDING OFFICER. A quorum is not present.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Bayh
Bellmon
Bentsen
Brooke
Buckley
Bumpers
Cannon
Case
Chiles
Clark
Culver
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Glenn
Griffin
Hansen
Hart, Philip A.
Hatfield
Helms
Hollings
Hruska
Huddleston
Humphrey

Inouye
Jackson
Johnston
Kennedy
Laxalt
Leahy
Magnuson
Mathias
McClellan
McGee
McGovern
Metcalf
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Proxmire
Randolph
Ribicoff
Roth
Sparkman
Stafford
Stennis
Stevenson
Talmadge
Thurmond
Tunney
Young

The PRESIDING OFFICER. A quorum is present.

The question is on the motion to table.

Mr. ALLEN. Mr. President, point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Mr. President——

Mr. MONDALE. May we have order, Mr. President?

Mr. ALLEN. I must express my disappointment——

Mr. JAVITS. Mr. President, we cannot hear anything.

The PRESIDING OFFICER. The Senator from Alabama will suspend.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. The Senate will be in order, the Senator from Alabama will not proceed until the Senate is in order.

Mr. ALLEN. I must, Mr. President——

The PRESIDING OFFICER. The Senator from Alabama will state his point of order.

Mr. ALLEN. I am going to state it, if the Chair will allow me.

Mr. President, I must express my disappointment with the fact that the Presiding Officer, on the Senator from Alabama making the motion, having risen and immediately asking for recognition, failed to recognize the Senator from Alabama, but no point is going to be raised at that point.

I do Mr. President, raise the point of order that the entire motion is out of order.

Mr. HARRY F. BYRD, JR. I move to table the motion just made.

Mr. MONDALE. Mr. President——

Mr ALLEN. I ask for the yeas and nays.

Mr. MONDALE. Regular order.

Mr. HARRY F. BYRD, JR. I move to table, Mr. President.

Mr. MONDALE. Mr President, regular order.

Mr. JAVITS. Mr. President——

The PRESIDING OFFICER. The Chair has already stated when previous point of order was made that the point of order was overruled.

The question now is on the motion to table the point of order of the Senator from Montana. The yeas and nays——

Mr. ALLEN. The Senator from Alabama made the point, Mr. President, that the point of order as to the entire motion supplants a point of order with respect to only a portion of it.

As the distinguished Senator knows, when a motion is pending or a bill is pending, and an amendment is offered and the bill is tabled, that carries with it the amendment, so the point of order raised to the entire motion would supplant the point of order made merely as to one of its sections.

Mr. MONDALE. Mr. President——

Mr. ALLEN. The motion has been made to table my point of order.

Mr. MONDALE. I move to table the point of order.

Mr. JAVITS. I ask for the yeas and nays.

Several Senators addressed the Chair.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Chair has already stated that the point of order previously made by the Senator from Alabama is not in order, and the Chair will state the only recourse is appeal from the ruling of the Chair.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. The Chair is not going to recognize the point of order and the motion to table?

The PRESIDING OFFICER. The Chair already ruled the point of order raised by the Senator from Alabama is not well taken. The Chair stated that.

Mr. ALLEN. I appeal from the ruling of the Chair.

Mr. MONDALE. Mr. President, the yeas and nays.

Mr. JAVITS. Mr. President——

Mr. MONDALE. Mr. President, I move to table that point of order.

Mr. ALLEN. I call for the yeas and nays.

The PRESIDING OFFICER. The Senator from Minnesota moves to table the appeal.

Mr. MONDALE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. ALLEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. There is a sufficient second. The clerk will call the roll to establish a quorum.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 8 Leg.]

Abourezk
Allen
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Hart, Philip A.
Hartke
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevenson
Stone
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

The PRESIDING OFFICER. A quorum is present.

The question is on the motion to table. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I move that we recess for 1 hour.

Mr. MONDALE. Mr. President, I object.

Mr. ALLEN. Mr. President, I move that we recess for 1 hour.

I call for the yeas and nays.

The PRESIDING OFFICER. The question is on the motion to recess. Is there a sufficient second?

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. We do not know what is going on. Will all Senators be told to take their seats so we can at least hear?

The PRESIDING OFFICER. Will the Senators take their seats?

Mr. JAVITS. Mr. President, a parliamentary inquiry.

Mr. MANSFIELD. Mr. President, what is the situation?

The VICE PRESIDENT. The motion is to request a recess for a period of 1 hour, and the yeas and nays have been requested.

Is there a sufficient second?

Mr. MANSFIELD. Mr. President, is there a sufficient second? Had not the rollcall begun?

Mr. ALLEN. There has been no response because the Senator from Alabama did not respond.

Mr. MONDALE. Mr. President——

The VICE PRESIDENT. The question is on the motion to recess.

Mr. MANSFIELD. Have the yeas and nays been ordered?

The VICE PRESIDENT. They have not been ordered.

Mr. MANSFIELD. I ask for the yeas and nays, as long as it is in order, which seems to me an unusual procedure, may I say.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. LONG), the Senator from Arkansas (Mr. McCLELLAN), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that if present and voting, the Senator from Rhode Island (Mr. PELL), would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT), and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and

voting, the Senator from Pennsylvania (Mr. SCOTT), would vote "nay."

The result was announced—yeas 30, nays 56, as follows:

[Rollcall Vote No. 15 Leg.]

YEAS—30

Allen
Baker
Bellmon
Brock
Buckley
Bumpers
Byrd, Harry F., Jr.
Cannon
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Hansen
Helms
Hruska
Laxalt
McClure
Morgan
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower

NAYS—56

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Burdick
Byrd, Robert C.
Case
Chiles
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Griffin
Hart, Philip A.
Hartke
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevenson
Tunney
Weicker
Young

NOT VOTING—13

Bartlett
Gravel
Hart, Gary W.
Haskell
Long
McClellan
Pell
Percy
Scott, Hugh
Stevens
Symington
Taft
Williams

So Mr. ALLEN's motion was rejected.

The VICE PRESIDENT. The question is on the motion to table the appeal of the Senator from Alabama.

Mr. ALLEN. Mr. President.

The VICE PRESIDENT. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I rise for the purpose of making a priority motion, superseding the present motion to table. I move that item 1 of the motion be laid on the table.

The VICE PRESIDENT. Is that the motion of the Senator from Alabama?

Mr. ALLEN. I do move that item 1 be tabled.

The VICE PRESIDENT. The question is on that motion.

(Putting the question.)

Mr. ALLEN. I call for the yeas and nays, Mr. President.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, may we have order?

The VICE PRESIDENT. The Senate will be in order. The clerk will not proceed until the Senate is in order. Will the Senators please take their seats?

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. LONG), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

On this vote, the Senator from Ohio (Mr. TAFT) is paired with the Senator from Pennsylvania (Mr. HUGH SCOTT). If present and voting, the Senator from Ohio would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 38, nays 49, as follows:

[Rollcall Vote No. 16 Leg.]

YEAS—38

Allen
Baker
Bellmon
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Laxalt
McClellan
McClure
Morgan
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Weicker
Young

NAYS—49

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Case
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Philip A.
Hartke
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevenson
Tunney

NOT VOTING—12

Bartlett
Gravel
Hart, Gary W.
Haskell
Long
Pell
Percy
Scott, Hugh
Stevens
Symington
Taft
Williams

So the motion was rejected.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table the appeal of the Senator from Alabama from the ruling of the Chair.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 9 Leg.]

Abourezk
Allen
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Hart, Philip A.
Hartke
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stevenson
Stone
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the motion to table the appeal from the ruling by the Senator from Alabama. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. ALLEN. Mr. President, I move to recess for 1 hour.

Mr. JAVITS. Mr. President, parliamentary inquiry.

The VICE PRESIDENT. That motion of the Senator from Alabama is not in order because that motion was rejected prior to this.

Mr. ALLEN. Mr. President, I move to recess until 5 o'clock this afternoon.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from New York will state it.

Mr. JAVITS. At what point is a motion such as that just made by the Senator from Alabama dilatory?

The VICE PRESIDENT. The Chair is advised by the Parliamentarian that there is no dilatory motion unless cloture has been invoked.

Several Senators addressed the Chair.

Mr. JAVITS. Mr. President, another question.

Mr. ALLEN. Mr. President, will the Chair repeat that?

The VICE PRESIDENT. The Senator from New York has the floor.

Mr. JAVITS. A further parliamentary inquiry, Mr. President. The ruling having been that a motion to recess for 1 hour not being in order, and having been made, is not the motion to recess until 5 o'clock, in essence, the same motion?

The VICE PRESIDENT. Under the precedents of the Senate, the Chair would have to rule that it is a substantially different question.

Mr. ALLEN. I call for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. GARY HART), the Senator from Louisiana (Mr. LONG), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the

Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Rhode Island (Mr. PELL) would each vote "nay."

I further announce that the Senator from Minnesota (Mr. HUMPHREY) is absent attending a hearing.

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. HUGH SCOTT) would vote "nay."

The result was announced—yeas 28, nays 57, as follows:

[Rollcall Vote No. 17 Leg.]

YEAS—28

Allen
Baker
Bellmon
Brock
Buckley
Byrd, Harry F., Jr.
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Hansen
Helms
Hruska
Johnston
Laxalt
McClure
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower

NAYS—57

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Griffin
Hart, Philip A.
Hartke
Hatfield
Hathaway
Hollings
Huddleston
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevenson
Tunney
Weicker
Young

NOT VOTING—14

Bartlett
Gravel
Hart, Gary W.
Haskell
Humphrey
Long
McClellan
Pell
Percy
Scott, Hugh
Stevens
Symington
Taft
Williams

So Mr. ALLEN's motion was rejected.

The VICE PRESIDENT. The Senator from Montana.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MANSFIELD. What is the next order of business?

The VICE PRESIDENT. The pending question is the motion to table an appeal of the Senator from Alabama.

Mr. MANSFIELD. Mr. President, I would like to make a unanimous-consent request of the Senate. The reason I would like to make it at this time is that I would like to lay down a cloture petition on the pending legislation so that it would be possible—if otherwise impossible—to come to a vote on Wednesday, and I would not like to have it mixed in with the parliamentary situation which has developed since earlier this afternoon.

So, Mr. President, I ask unanimous consent that at this time a cloture petition may be presented and read without any prejudice to the situation which has been developing this afternoon.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

The clerk will read——

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object——

The VICE PRESIDENT. I am sorry——

Mr. MANSFIELD. I ask that the petition be withheld.

Mr. WILLIAM L. SCOTT. Reserving the right to object, Mr. President, I would ask the majority leader, does that mean that we would be operating under rule XXII, or without prejudice to rule XXII?

Mr. MANSFIELD. No, it would not change the situation which exists at the moment.

Mr. WILLIAM L. SCOTT. Perhaps the Chair could tell us, are we now operating under rule XXII of the Rules of the Senate, whereby a cloture petition may be filed?

Mr. MANSFIELD. Could not be filed.

Mr. ALLEN. Reserving the right to object, may I inquire of the distinguished majority leader if it is his plan, at the close of business today, to adjourn the Senate so that the cloture petition may become operative?

Mr. MANSFIELD. The Senator is correct.

Mr. MONDALE. Will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, when we adjourn, the cloture petition would become operative.

Mr. MONDALE. Will the Senator yield?

Mr. MANSFIELD. Yes.

Mr. MONDALE. As I understand the situation, there are four or five motions pending which could determine whether Senate Resolution 4 is the pending business.

In addition to that, we can take notice of the fact that the Vice President has ruled that it is the right of the Senate under the Constitution to do so. We can also take notice of the fact that the Senate has been held up for about 2 hours with a series of dilatory motions to prevent the Senate from working its will in establishing the rules so that we can go on with the business of the Senate.

It is the strategy of the opponents of the change of our rules to hold the Penn Central Railroad, and thousands of employees who work for them, hostage to their demand that we drop our attempts to change rule XXII.

As I understand the motion of the majority leader, and the unanimous-consent agreement that was arrived at, we will proceed with Senate Resolution 4 as though the cloture petition had not been filed, and proceed to action as though they were different matters. Am I correct in that?

Mr. MANSFIELD. If the Senator will yield, it would be the intention of the majority leader to move that the Senate stand in recess tonight so that the pending situation could remain alive.

When I made the unanimous-consent request, I stated that nothing would be changed, as far as the present parliamentary situation was concerned, and the purpose of offering the cloture petition at this time was to try to bring some relief to the difficulties which confront the Penn Central, the Erie-Lackawanna and other railroads, through a vote on the cloture petition on Wednesday.

I do not know whether the Senate will agree to that.

I yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Could the Senator tell me, would a two-thirds vote be necessary to impose cloture under the unanimous-consent request?

Mr. MANSFIELD. Yes.

Mr. ALLEN. Will the Senator yield?

Mr. WILLIAM L. SCOTT. Will the Senator include that?

Mr. MANSFIELD. That is under the rules.

Mr. ALLEN. Will the Senator yield further?

Mr. MANSFIELD. Yes.

Mr. ALLEN. I understood the Senator's intention to be to adjourn the session.

Mr. MANSFIELD. I have rethought my position.

Mr. ALLEN. That being the case, I have rethought my position, and I impose an objection.

Mr. MONDALE. The unanimous consent was agreed to, was it not?

The VICE PRESIDENT. That is right.

Mr. MANSFIELD. No; I had asked to withdraw it, so it was not agreed to.

The VICE PRESIDENT. Is there objection?

Mr. ALLEN. I object.

The VICE PRESIDENT. Objection is heard.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Indiana.

Mr. HARTKE. I would just like to call the attention of the Senate to some facts of which they may not be aware.

I have received a telegram from the Penn Central which I would like to have printed in the RECORD. It is not long. I would like to read it.

The telegram is addressed to me from the trustees of the Penn Central.

At 10 a.m. today——

Mr. MANSFIELD. May we have order, Mr. President?

The VICE PRESIDENT. The pending question is a motion to table an appeal and debate is not in order.

Mr. HARTKE. Mr. President, I ask unanimous consent that I may proceed, even in view of the——

The VICE PRESIDENT. Is there objection?

Mr. ALLEN. Mr. President, reserving the right to object, may I have an equal amount of time?

The VICE PRESIDENT. Is there objection?

Mr. MONDALE. I object.

Mr. MANSFIELD. Mr. President, I so request.

Mr. MONDALE. Mr. President, reserving my right to object, how much time?

Mr. HARTKE. I do not intend to take much time. I am just going to try to tell the Senate what is going on at the Penn Central. If Senators do not want to know, they can object and can find out someplace else.

Mr. MONDALE. I am anxious to know, but since the Senator from Alabama wants equal time——

The VICE PRESIDENT. Is there objection?

Mr. ABOUREZK. I object.

The VICE PRESIDENT. Objection is heard.

The question is on the motion to table the appeal.

Mr. HARTKE. Mr. President, I withdraw my request.

Mr. JAVITS. Mr. President, is it in order to demand the yeas and nays at this time on the original part 1 of Senator ALLEN's motion?

The VICE PRESIDENT. It would be in order.

Mr. JAVITS. I demand the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 10 Leg.]

Abourezk
Allen
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Hart, Philip A.
Hartke
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stevenson
Stone
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

The VICE PRESIDENT. A quorum is present.

The yeas and nays have been ordered——

Mr. ALLEN. Mr. President, I move that we recess until 7 o'clock.

Mr. MANSFIELD. Mr. President, what is the request?

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Montana has been recognized.

Mr. MANSFIELD. I yield to the Senator from Washington.

Mr. MAGNUSON. As I understand the rules of the Senate, when a Senator makes a motion, he should be at his chair and not in front of the desk. Is that correct?

The VICE PRESIDENT. There is no requirement as to where a Senator should be located.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Montana will state it.

Mr. MANSFIELD. Mr. President, is there a rule covering dilatory tactics in the Senate?

The VICE PRESIDENT. Only after cloture has been invoked.

Mr. MANSFIELD. In other words, a Senator may keep on suggesting the absence of a quorum or making a motion that we recess to a time certain or adjourn. Is that correct?

The VICE PRESIDENT. As long as business has intervened between quorum calls.

Mr. MANSFIELD. Ad infinitum?

The VICE PRESIDENT. I am afraid that is correct, sir.

Mr. MANSFIELD. And what is the business which has intervened between the suggestion of the absence of a quorum and the motion just made, whatever it is. I did not hear it.

The VICE PRESIDENT: We voted on the motion to recess until 5. Then the Senator from New York moved that we go to the vote on the question to table the appeal which the Senator from Alabama has made. There is a yea-and-nay vote waiting on that.

Mr. MANSFIELD. Mr. President, what is the value of a tabling motion which forecloses debate if it allows the continuation of tactics of a dilatory nature?

The VICE PRESIDENT. The proper motions can be entertained, not debated, if there has been intervening business.

Mr. MANSFIELD. What intervening business has there been?

The VICE PRESIDENT. The Senator from Alabama has made a series of motions to recess to different times. In between motions, he has suggested the absence of a quorum, which then has been called.

Mr. MANSFIELD. That is business?

The VICE PRESIDENT. There is now a quorum in the Chamber, according to the count.

Mr. MANSFIELD. If a call is made suggesting the absence of a quorum, and there is still a quorum in the Chamber, is the Chair, on that basis, forced to call a roll every time?

The VICE PRESIDENT. Not if there is a point of order from the floor that no intervening business has taken place since the last one and that is the case.

Mr. MANSFIELD. Mr. President, we are going to have an awful lot of rollcall votes today, and I think the Senate should be on notice that it will be in session for an indeterminate period.

Mr. CURTIS. Mr. President, will the distinguished leader yield for a unanimous-consent request?

Mr. MANSFIELD. Yes, indeed.

Mr. CURTIS. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a copy of the rules of the Senate.

Mr. MANSFIELD. All the rules?

Mr. ROBERT C. BYRD. Mr. President, I object to that request.

Mr. CURTIS. I find, Mr. President, that the majority leader and everyone else are asking about the rules and I would like——

Mr. MANSFIELD. Does the Senator know how much it would cost the people of this country to put the rules of the Senate in the RECORD?

Mr. CURTIS. I think it would be much less than what is going on here.

The VICE PRESIDENT. Debate is out of order.

Mr. ALLEN. I move we recess until 7 o'clock.

The VICE PRESIDENT. Yeas and nays have been ordered.

Mr. ALLEN. I move that we recess until 7 o'clock and I call for the yeas and nays.

The VICE PRESIDENT. The clerk will call the roll.

Mr. PASTORE. It has been moved and seconded.

Mr. MONDALE. Mr. President, has the rollcall been responded to?

The VICE PRESIDENT. Yes. Debate is not in order. The clerk will continue to call the roll.

Let there be order in the Chamber.

The second assistant legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr President, may we have order before the rollcall proceeds?

The VICE PRESIDENT. The clerk will not proceed until the Senate is in order.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. LONG), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT), and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from Ohio (Mr. TAFT).

If present and voting, the Senator

from Pennsylvania would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 54, nays 32, as follows:

[Rollcall Vote No. 18 Leg.]

YEAS—54

Abourezk
Allen
Bayh
Beall
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Robert C.
Case
Church
Clark
Cranston
Culver
Domenici
Eagleton
Ford
Glenn
Hart, Philip A.
Hartke
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevenson
Tunney
Williams

NAYS—32

Baker
Bellmon
Buckley
Byrd, Harry F., Jr.
Cannon
Chiles
Curtis
Dole
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Laxalt
McClellan
McClure
Morgan
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—13

Bartlett
Eastland
Gravel
Hart, Gary W.
Haskell
Long
Metcalf
Pell
Percy
Scott, Hugh
Stevens
Symington
Taft

So the motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The **VICE PRESIDENT**. The Senator from Alabama is recognized.

Mr. **ALLEN**. Mr. President, I move to reconsider the vote by which the appeal was tabled, and I call for the yeas and the nays.

Mr. **CRANSTON**. I move to table that motion.

Mr. **ROBERT C. BYRD**. Mr. President——

The **VICE PRESIDENT**. A motion to table is not debatable.

The question is on agreeing to the motion to table the motion of the Senator from Alabama.

Mr. **ROBERT C. BYRD**. Mr. President, the motion to reconsider is debatable.

The **VICE PRESIDENT**. The motion is is a motion to table.

Mr. **ROBERT C. BYRD**. I have not heard the motion to table.

The **VICE PRESIDENT**. There was such a motion.

Mr. **CRANSTON**. I ask for the yeas and nays.

The **VICE PRESIDENT**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The **VICE PRESIDENT**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **HELMS**. Mr. President, may we have order. May we have order, Mr. President.

The **VICE PRESIDENT**. The Senate will come to order.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. **ROBERT C. BYRD**. I announce that the Senator from Mississippi (Mr. Eastland), the Senator from Colorado (Mr. Gary W. Hart), the Senator from Louisiana (Mr. Long), the Senator from Rhode Island (Mr. Pell), the Senator from Missouri (Mr. Symington), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that the Senator from Colorado (Mr. Haskell) is absent on official business.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pell), would vote "Yea."

Mr. **GRIFFIN**. I announce that the Senator from Pennsylvania (Mr. Hugh Scott), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. Bartlett), and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

On this vote, the Senator from Pennsylvania (Mr. Hugh Scott) is paired with the Senator from Ohio (Mr. Taft).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 51, nays 35, as follows:

[Rollcall Vote No. 19 Leg.]

YEAS—51

Abourezk
Bayh
Beall
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Robert C.
Case
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Philip A.
Hartke
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevenson
Tunney

NAYS—35

Allen
Baker
Bellmon
Buckley
Byrd, Harry F., Jr.
Cannon
Chiles
Curtis
Dole
Domenici
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Laxalt
McClellan
McClure
Morgan
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—13

Bartlett
Eastland
Gravel
Hart, Gary W.
Haskell
Long
Pell
Percy
Scott, Hugh
Stevens
Symington
Taft
Williams

So Mr. Cranston's motion to table Mr. Allen's motion to reconsider was agreed to.

CLOTURE MOTION

Several Senators addressed the Chair.

Mr. **HARTKE**. Mr. President, I intend to file a cloture petition at this time, and I would like to ask unanimous consent to make a statement in connection therewith.

The **VICE PRESIDENT**. Is there objection? The Chair hears none. Without objection, it is so ordered.

Mr. **HARTKE**. Mr. President, I submit a motion on behalf of myself and other Senators.

The **VICE PRESIDENT**. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

Cloture Motion

> We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to agree to the House amendment to S. 281, an Act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.
>
> Vance Hartke, Harrison A. Williams, Lowell P. Weicker, Jr., J. Glenn Beall, Philip A. Hart, John O. Pastore, Wendell H. Ford, Jacob K. Javits, John Glenn, Robert C. Byrd, Mike Mansfield, Richard S. Schweiker, Patrick J. Leahy, Robert Dole, Hiram L. Fong, Alan Cranston, Joseph R. Biden, Jr., Frank Church, Abraham Ribicoff, Walter D. Huddleston, Frank E. Moss, William V. Roth, Jr.

Mr. **HARTKE**. Mr. President——

The **VICE PRESIDENT**. The Senator from Indiana is recognized for a statement.

Mr. **HARTKE**. Mr. President, let me first explain that I understand the situation with regard to parliamentary procedure and that this may cause additional complications.

I personally favor the modification of rules as recommended by Senate Resolution 4. At the same time, the Senator from Connecticut, with whom I have been working very closely on the Penn Central matter, is not in the same position on that matter.

It was his intention to file a cloture petition at this moment without the Senator from Indiana being on that petition.

In view of the fact that this is a substantive matter, dealing with the future of the country, I did not want to put myself in the position of saying to this country that I thought the change of the rules was more important than keeping the transportation system going.

I understand that this may cause some complications.

Let me at this time, if I may, just read a short telegram addressed to me today from the trustees of the Penn Central, which is in reorganization:

> At 10:00 a.m. today the Department of Transportation advised the Trustees that emergency assistance in the amount of $15.3 million will be made available today. Approximately $12.8 million of the total will be provided by means of the purchase of maintenance of way materials emergency funds under Section 215 of the Regional Rail Reorganization Act. The remaining $2.5 million will be provided from funds previously authorized and still available under Section 213 of the Act.
>
> The receipt of $15.3 million today will enable the trustees to avoid a 24 hour moratorium on all payments. Announcement of such a moratorium had been contemplated

prior to being informed of the action by the Department of Transportation.

The emergency assistance will permit Penn Central to continue operations until the end of this month.

Mr. ALLEN. Will the Senator yield?

Mr. HARTKE. Just a moment. I want to explain the situation.

I think the Department of Transportation has taken an extraordinary procedure, stretching the legal authority to the very end in order to utilize these funds. I want to compliment the Department of Transportation for taking this action. Otherwise, we would be faced at this moment with the shutdown of the railroad.

Let me point out that, in my judgment, I know of no other source in the Federal Government from which even a stretch of the law could possibly permit a release of funds to continue the operation of the railroad system in the Northeast and Midwest.

I just want to reiterate that if you permit this railroad to close down, the economic collapse in this country would be of such a severe nature that it might threaten the very foundation of our economic system.

As an example, General Motors would close down in 2 days; steel companies operations could continue not more than 1 week; and unemployment would probably skyrocket in 30 days more than 25 percent.

I realize that the proponents of Senate Resolution 4 are not happy with what I am doing. I realize that the Senator from Connecticut and myself were persuaded from not filing this petition last Saturday, even though that would have meant the vote would have been coming tomorrow instead of on Wednesday.

At this point, there seems to be no reason to delay further. This is not a very happy moment for me, but it appears to me that we are engaged in a business in which we ought to somehow be able to get all of the parties, those who are proponents of Senate Resolution 4 and those who are opponents, to put the economic interests of the country before our interests in these procedures.

I yield to the Senator from Connecticut.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. ABOUREZK. Mr. President, what is the next order of business?

The VICE PRESIDENT. The question is now on the motion to table the point of order by the Senator from Montana. The yeas and nays have been ordered, and the clerk will call the roll.

Several Senators addressed the Chair.

Mr. HARTKE. Mr. President, I have the floor. I yield to the Senator from Connecticut.

Mr. WEICKER. I want to associate myself with the comments of the distinguished Senator from Indiana relative to the filing of this cloture petition and his desire and my desire to see this matter voted on by the U.S. Senate before we are confronted with an economic situation far worse than that which already exists.

I would also like to put my colleagues on notice that if I can obtain the necessary parliamentary approval tomorrow, it will be my intention to file another cloture petition at that time.

Mr. ROBERT C. BYRD. The Senator does not need anyone's approval. He can offer it at any time.

Mr. WEICKER. Whatever is necessary will be done in order that we will vote, and we will vote, and we will vote until this crisis, so termed by many of us here in this body, is resolved by this body.

I yield back to the distinguished Senator from Indiana.

Several Senators addressed the Chair.

Mr. HARTKE. I yield the floor.

Mr. ALLEN. Mr. President——

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. A vote is in progress.

Mr. ALLEN. I had not responded.

Mr. ABOUREZK. I had responded.

Mr. WILLIAM L. SCOTT. Mr. President——

The VICE PRESIDENT. The clerk will continue calling the roll.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. Gary W. Hart), the Senator from Louisiana (Mr. Long), the Senator from Rhode Island (Mr. Pell), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that the Senator from Colorado (Mr. Haskell) is absent on official business.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

I further announce that if present and voting the Senator from Rhode Island (Mr. Pell) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. Hugh Scott) and the Senator from Alaska (Mr. Stevens) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. Bartlett) and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

On this vote, the Senator from Pennsylvania (Mr. Hugh Scott) is paired with the Senator from Ohio (Mr. Taft).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 48, nays 40, as follows:

[Rollcall Vote No. 20 Leg.]

YEAS—48

Abourezk
Allen
Bayh
Beall
Bentsen
Biden
Brooke
Burdick
Case
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Philip A.
Hartke
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevenson
Tunney
Williams

NAYS—40

Baker
Bellmon
Brock
Buckley
Bumpers
Byrd, Harry F., Jr
Byrd, Robert C.
Cannon
Chiles
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Laxalt
Mansfield
McClellan
McClure
McGee
Morgan
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—11

Bartlett
Gravel
Hart, Gary W.
Haskell
Long
Pell
Percy
Scott, Hugh
Stevens
Symington
Taft

So the motion to table was agreed to.

Several Senators addressed the Chair.

Mr. PEARSON. Mr. President, a parliamentary inquiry. Is the pending business the Mondale motion?

The VICE PRESIDENT. The Senator is correct.

Mr. PEARSON. Mr. President, pursuant to the provisions of that motion, under the ruling of the Chair, I ask for immediate consideration by the Senate.

Mr. WILLIAM L. SCOTT. Mr. President, a parliamentary inquiry.

Mr. ALLEN. Mr. President, having voted with the prevailing side on a motion to table a point of order, in a moment I am going to make a motion to reconsider. I ask the Chair, inasmuch as he would not recognize me at the time this vote was had, that he give me an opportunity to discuss the motion, which I have a right to make under the rules.

Mr. MONDALE. Point of order, Mr. President.

Mr. ALLEN. I move that the vote under which the appeal was tabled be reconsidered. I ask recognition.

Mr. CRANSTON. I move to table.

Mr. MONDALE. Mr. President, I move to table and ask for the yeas and nays.

Mr. CRANSTON. Yeas and nays, Mr. President.

The VICE PRESIDENT. The question is on the motion to table. All those in favor——

Mr. ALLEN. I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BROCK. Parliamentary inquiry, Mr. President.

The VICE PRESIDENT. A rollcall is in progress.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. Long), the Senator from Colorado (Mr. Gary W. Hart), the Senator from Rhode Island (Mr. Pell), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that the Senator

from Colorado (Mr. Haskell) is absent on official business.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pell) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. Hugh Scott) and the Senator from Alaska (Mr. Stevens) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. Bartlett) and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

On this vote the Senator from Pennsylvania (Mr. Hugh Scott) is paired with the Senator from Ohio (Mr. Taft).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 48, nays 40, as follows:

[Rollcall Vote No. 21 Leg.]

YEAS—48

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Case
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Philip A.
Hartke
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevenson
Tunney
Williams

NAYS—40

Allen
Baker
Bellmon
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Laxalt
Mansfield
McClellan
McClure
McGee
Morgan
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—11

Bartlett
Gravel
Hart, Gary W.
Haskell
Long
Pell
Percy
Scott, Hugh
Stevens
Symington
Taft

So the motion to lay on the table was agreed to.

Several Senators addressed the Chair.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from South Dakota will state his inquiry.

Mr. ABOUREZK. Is the pending question on the Mondale motion to end debate, and are the yeas and nays ordered on that motion if that is the pending business?

The VICE PRESIDENT. The Senator is correct.

Mr. ABOUREZK. Under the terms and the rules of that motion, I ask for a vote.

Several Senators addressed the Chair.

Mr. HARRY F. BYRD, JR. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HARRY F. BYRD, JR. Mr. President, I want to protest the rapidity with which the Chair is putting these questions and refusing to recognize some of us who have been seeking recognition. I hope that the Chair will give consideration to those——

Mr. ABOUREZK. That is not a parliamentary inquiry. Point of order.

Mr. HARRY F. BYRD, JR. I hope the Chair will give consideration to those who are entitled to that. I sought recognition prior to the last two votes, as did other Senators.

Mr. ABOUREZK. I raise a point of order. That is not a parliamentary inquiry.

Mr. HARRY F. BYRD, JR. Mr. President, my parliamentary inquiry is I would like to have the Chair state the pending business.

The VICE PRESIDENT. The pending question is on agreeing to the motion of the Senator from Minnesota.

Mr. ALLEN. Mr. President, I appeal from the ruling of the Chair that the question shall be put without amendment, and I am going to discuss that.

Several Senators addressed the Chair.

Mr. ALLEN. Mr. President, I raise a point of order and I am going to discuss it.

Several Senators addressed the Chair.

Mr. ALLEN. The Chair has never ruled on the subject up to now.

The VICE PRESIDENT. The Chair rules the point of order is not well taken.

Mr. ALLEN. I appeal from the ruling of the Chair, Mr. President, and I would like to discuss the appeal. I ask recognition.

Mr. MONDALE addressed the Chair.

Mr. ALLEN. I ask recognition to discuss the appeal.

The VICE PRESIDENT. The Senator from Alabama.

Mr. ALLEN. I thank the Chair.

Mr. President, I appreciate the Chair recognizing me for the purpose of discussing the matter of the appeal from his learned ruling.

I might state that we have been having a number of votes in this very hectic day. We will not have any more votes for quite a few hours. We are going to discuss the appeal which the Senator from Alabama has taken from the ruling of the Chair, that ruling being that this motion to proceed to the consideration of Senate Resolution 4 is not debatable, is not subject to amendment. That is not a sound ruling.

Now, Mr. President, I was interested in a statement made by the distinguished Senator from Minnesota (Mr. Mondale) at the time the first effort was made to run roughshod over the Senate rules.

Prior to that vote on Thursday, the distinguished Senator from Minnesota—and this is part of the legislative history—made this statement. This is on page 3844 of the February 20, 1975, Record, right before the vote to emasculate the rules, and to proceed outside of the rules:

> What are we seeking to do here? We are not asking the Senate today to rule on what rule XXII should be. After 5 weeks of the Senate's time, we are simply asking for a vote to bring Senate Resolution 4 before the Senate for consideration.

"It will be available for amendment," said the distinguished Senator from Minnesota. I did not say that—

> It will be available for deferral; it will be available for debate.

And the only way the Senator from Alabama is able to get an opportunity to debate it is to raise, to make, and appeal from the ruling of the Chair.

Now, if it is going to be agreed that this matter is subject to debate, well, let us get back on it. The Senator from Alabama questions whether we could depend upon this statement here. Says the distinguished Senator from Minnesota:

> What we would like to do, after 5 weeks, is to bring it before the body as the pending business. That is all. It does not seem to me that we are establishing any precedent. If we cannot do it in this way, the constitutional remedy that is ours is a farce, a nullity, a sham, useless. Tear it up and throw it away.

Now, all the Senator from Alabama was asking to do is to seek to amend this resolution, and he was offering this part of the public record where that statement was made here on the floor.

Well, what do we find? We find the distinguished Senator from Minnesota calling the matter up for a vote, and the Senator from Alabama has not been very happy over his inability to get recognized at crucial times, even to discuss his own motion. That hardly seems courteous, a simple act of courtesy, toward the Senator from Alabama.

How often, I will ask the Members of the Senate, has any Senator been denied the courtesy of discussing his own motion, a motion clearly within the rules, a motion to reconsider a vote, where he voted with the prevailing side; offer the motion, stand on his feet, demand recognition, and fail to get recognized.

I say, Mr. President, we do have a steamroller rolling in the Senate, and I do not appreciate it, for one. I am hopeful that the leadership will adjourn the Senate at the completion of business today in order that this motion to proceed will die. I do believe that it is going to be some while before the matter is acted on.

Now, Mr. President, a statement has been made here on the floor many, many times, and I understand it is the legal fiction upon which the contention of the performance of the gag rule rely, that supposing at the start of a session, at the beginning of a session, that some different constitutional provision, regarding the amendment of the Senate rules than that which exist throughout the session, is offered other than at the beginning.

I have searched the Constitution, particularly article I, section 5. Look at that, and all that says is we shall have a quorum for the purpose of transacting business, and that each House shall have a right to make its own rules.

Nowhere does it appear that there is a different rule at the start of a session from the remainder of the session.

Let us assume that what they say is correct, that there is a different rule at the beginning of a session. Well, when in the world does the beginning of a session end?

The distinguished Senator from Virginia had a list of matters that have been considered by the Senate and by the Congress since the start of this session on January 14. There are a large number of bills that have been acted on. We have acted in this Penn Central matter before. The Senate bill had $25 million in it more than the Department was asking for, and then when it got over to the House, they thought that was too little to ask for, so they forced another $50 million or more on Penn Central.

Well, it has come back——

The VICE PRESIDENT. Excuse me, Senator, but the Chair has indulged the Senator from Alabama for a reasonable time, but under the precedents of the Senate, an appeal arising in connection with a nondebatable motion is not debatable, except at the sufferance of the Chair.

The Chair, therefore, puts the question on the appeal.

Mr. ALLEN. Very well, I call for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Would the Chair state the question?

The VICE PRESIDENT. On the appeal on my ruling that the motion was nondebatable. I said the motion was nondebatable; the Senator appealed my ruling.

Mr. ALLEN. Well, the question is, Shall the ruling of the Chair remain, in the judgment of the Senate?

The VICE PRESIDENT. Shall the ruling be sustained as the judgment of the Senate.

Mr. ALLEN. I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. GARY W. HART), the Senator from Louisiana (Mr. LONG), the Senator from Rhode Island (Mr. PELL), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from Ohio (Mr. TAFT).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 48, nays 40, as follows:

[Rollcall Vote No. 22 Leg.]

YEAS—48

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Case
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Philip A.
Hartke
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevenson
Tunney
Williams

NAYS—40

Allen
Baker
Bellmon
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Laxalt
Mansfield
McClellan
McClure
McGee
Morgan
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—11

Bartlett
Gravel
Hart, Gary W.
Haskell
Long
Pell
Percy
Scott, Hugh
Stevens
Symington
Taft

So the ruling of the Chair was sustained as the judgment of the Senate.

Mr. ABOUREZK. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. ABOUREZK. What is the pending order of business? Am I correct that the pending order of business is the Mondale motion to cut off debate?

The VICE PRESIDENT. The Senator is correct. The yeas and nays have been ordered.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll. A quorum call is suggested.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. A quorum call is in order.

Mr. ABOUREZK. I asked for the inquiry before the quorum was called, Mr. President.

The VICE PRESIDENT. The call had been requested.

The clerk will continue.

The assistant legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their name:

[Quorum No. 11 Leg.]

Abourezk
Allen
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Hart, Philip A.
Hartke
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stevenson
Stone
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

The VICE PRESIDENT. A quorum is present.

Mr. ALLEN. Mr. President——

Mr. JAVITS. Mr. President——

Mr. ALLEN. Mr. President, I move that the Senate recess until 7 o'clock tonight.

The VICE PRESIDENT. Senator JAVITS was on his feet before the Senator from Alabama. The Senator from New York.

Mr. JAVITS. What is the pending business, Mr. President?

The VICE PRESIDENT. The pending business is the motion by the Senator from Minnesota. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. ALLEN. Mr. President, I move to recess until 7 o'clock.

Mr. JAVITS. Mr. President, I make the point of order that no intervening motions are in order.

Mr. ALLEN. Mr. President, I move to table that point of order, and I ask for the yeas and nays.

The VICE PRESIDENT. Since the pending motion was made under the Constitution and not under the rules, the Chair, under the precedents, submits the question to the Senate for its decision. Is the point of order well taken?

The Senator from Alabama.

Mr. ALLEN. Mr. President, I thank the Chair for recognizing me in this matter. As I understand the rule, a matter submitted to the Senate is debatable ad infinitum. So I appreciate the Chair's submitting this matter to the Senate. After all, that should be the body which decides these points of order.

The Senator from Alabama feels that the Chair did not properly submit, or properly use as a yardstick for deciding the constitutional question, a motion to table something else.

The Senator from Alabama recalls, of course, that the distinguished Senator from New York (Mr. JAVITS) from time to time offers amendments. He beseeches the Members of the Senate not to make a tabling motion because he wants an up-and-down vote. The Senator from Alabama has always been glad to accommodate him in that regard.

When the Presiding Officer stated, as did Vice President HUMPHREY in 1967, that he was going to use this question of tabling the point of order as decisive of the Senate's view on whether it took a majority or a two-thirds majority to cut off debate at the beginning of the session, that was not quite in order, as the Senator from Alabama saw it, to rule that a vote on one question is indicative of the view of the Senate on still another question. So the Senator from Alabama is pleased that the Chair has submitted this matter to the Senate itself on an up-and-down question on the constitutionality of this proceeding. The Senator from Alabama feels that we have passed the beginning of this session. What is the end of the beginning? It seems we have not come to that point in time. They say that during the beginning of a so-called new session of Congress——

Mr. TALMADGE. Will the Senator yield for a question?

Mr. ALLEN. For a question only.

Mr. TALMADGE. Is it not a fact that the Constitution does not even mention the beginning of the session? The Constitution merely states that each House may make its own rules.

Mr. ALLEN. That is right, and the Senate has complied with that constitutional provision.

Mr. TALMADGE. In fact, the rules were made with the original Senate, were they not?

Mr. ALLEN. That is true.

Mr. TALMADGE. And the rules have remained in force and effect from that time to date as amended, have they not?

Mr ALLEN. Yes, that is correct.

Mr. TALMADGE. I thank the Senator.

Mr. ALLEN. I appreciate the point made by the distinguished Senator from Georgia. He is absolutely right. I have been searching and searching in the Constitution for some basis for this legal fiction about a different rule obtaining at the beginning of a session.

Let us assume for the sake of argument that a different rule does obtain at the beginning of the session. Has the beginning of the session ended? Did it not end, as a matter of fact, last Thursday, when an effort was made to ram this proceeding to a vote—and there is something faintly reminiscent of Thursday at this time.

Mr. TOWER. Will the Senator yield for a question?

Mr. ALLEN. For a question only.

Mr. TOWER. Is it not true that since the time the Senate convened in January, we have confirmed Presidential appointments and we have enacted legislation, and therefore, it is assumed that the beginning is over?

Mr. ALLEN. That is what the Senator from Alabama feels.

Mr. TOWER. Is it not true that that raises the strong assumption that we were acting under rules when we confirmed these appointments, and when we passed legislation? If that were not the case, would not there be some grounds for questioning in the court the legitimacy, the legality, perhaps even the constitutionality, of what we have already done?

Mr. ALLEN. That would seem likely. Also, the Senator will recall that the House and Senate both voted to delay the President's imposition of an import duty on foreign oil. I doubt if any Member of the Senate—some would probably like to withdraw that vote, but a vast majority voted to delay that action.

I wish to point out still another indication that the rules of the Senate are in full force and effect. That is illustrated by the fact that when Senate Resolution 4 was introduced, it was introduced on 1 day's notice. If we were just a milling group of folks here on the opening day of a session, why would it be necessary to give 1 day's notice of the filing of this application to amend the rules? Obviously, we were operating under the rules at the time that Senate Resolution 4 was offered here in the Senate, or else the Senator from Minnesota would not have given 1 day's notice. That is quite obvious, I think.

Mr. McCLURE. Will the Senator yield for a question?

Mr. ALLEN. For a question only, yes.

Mr. McCLURE. I thank the Senator for yielding. The Senator from Georgia made a reference to and a comment upon the language of the Constitution itself, which makes no reference at all to the question of whether or not the rules are subject to a debate and adoption at the beginning of a session.

Mr. ALLEN. That is right.

Mr. McCLURE. I think it would go without saying, would it not, that if the constitutional provisions apply on the opening day of a session, they apply on every day of the session throughout the year.

Mr. ALLEN. Yes, but I am willing to go along with this legal fiction for purposes of argument and to embrace their view merely for the sake of argument, because they are, by that fiction, foreclosing their opportunity to amend the rules during the regular portion of the session.

Mr. McCLURE. Will the Senator yield for a further question?

Mr. ALLEN. For a question only, yes.

Mr. McCLURE. I understand the Senator's desire and I understand also the tactical situation in which he exposes the weakness of their argument in regard to the beginning of the session. But is it not possible also that, having then divided and conquered the Senate by saying that there is no danger except on the opening of the session, there is no danger except upon adopting the rules and, having established the precedent which has now been, by the Vice President, ruled—that this procedure cuts off all debate immediately—that same procedure could then be invoked, or at least urged that it be invoked, upon any rule change upon any day of the session in this Congress?

Mr. ALLEN. Yes. Just mutter the words "constitutional question" and we have the question decided by a point of order, coupled with a motion to table without any discussion whatsoever.

The Senator from Alabama feels that if it is a great issue, a constitutional issue, it ought to be discussed. We should not decide constitutional issues here in the Senate without debate. Yet that is what these motions would require us to do, decide them without debate. That is what the Senator from Alabama objects to.

The original constitutional questions which were decided in the Senate were decided by debate, and sometimes they would reach a decision and 2 or 3 days later, they would reverse that decision.

But certainly a free debate. I am surprised that the distinguished Senator from Minnesota (Mr. MONDALE) and the distinguished Senator from Kansas (Mr. PEARSON) are seeking to cut off a free debate. That is exactly what these maneuvers are seeking to do.

Mr. TALMADGE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I am delighted to yield for a question.

Mr. TALMADGE. Is it not a fact that the U.S. Supreme Court has stated that the U.S. Senate is a continuing body?

Mr. ALLEN. Yes, that is true.

Mr. TALMADGE. Is it not a fact that the Constitution of the United States provides that one-third of this body be elected every 2 years?

Mr. ALLEN. Yes.

Mr. TALMADGE. Was not the purpose of that to provide continuity for the U.S. Senate?

Mr. ALLEN. Yes.

Mr. TALMADGE. Is it not a fact that treaties remain over from Congress to Congress and still pend before this body?

Mr. ALLEN. Yes, that is a fact.

Mr. TALMADGE. Is it not a fact that the genocide treaty has been pending before this body for more than 20 years?

Mr. ALLEN. Yes.

Mr. TALMADGE. Would that treaty be pending before this body if it were not a continuing body?

Mr. ALLEN. The Senator's arguments, in my judgment, are unanswerable, and I heartily agree with him.

Mr. FONG. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I am happy to yield for a question.

Mr. FONG. Did not the pronouncement by the Presiding Officer that debate will be stopped by a majority vote in effect say there are no rules of the Senate at the present time?

Mr. ALLEN. It is hard for me to say there are no rules, when we have been operating under rules. The Chair received this cloture motion operating under rule XXII; so it is strange to me that we have one rule over here on Penn Central, and then a different type rule over here for the Senators from Minnesota and Kansas.

Mr. FONG. The distinguished majority leader has filed a motion for cloture, and in answer to a question propounded by the distinguished Senator from Virginia as to whether that would be by two-thirds vote or a majority vote, he responded that it should be on a two-thirds vote.

Mr. ALLEN. Yes, that is right.

Mr. FONG. If cloture is to be invoked only on a two-thirds vote, why should we now agree to this motion by a majority vote?

Mr. ALLEN. That is what the Senator from Alabama fails to understand.

I do believe this: That if this debate on Senate Resolution 4 lasts on into the time of the cloture vote on Penn Central, and cloture is invoked under rule XXII, is would seem—and I make this argument to the distinguished Vice President, because I might not get another opportunity, the ways things are operating around here—I would like to make the point that if and inasmuch as a cloture motion has been filed and it has been received by the distinguished Presiding Officer and has been accepted as a proper procedure to follow, it would seem to the Senator from Alabama that the distinguished President of the Senate has, in effect, ruled that rule XXII has been adopted, or in fact has remained in full force and effect, and therefore when the time comes, I feel sure that the distinguished President of the Senate will—let me modify that; I am hopeful that the distinguished President of the Senate will adopt a somewhat sounder view of this matter than he has up to now.

Mr. FONG. It seems to the Senator from Hawaii that since the Senate has received the cloture motion, the sense of the Senate is that it will go by rule XXII, and if it requires a two-thirds vote, that the rules of the Senate are continuing.

Mr. ALLEN. Yes, sir.

Mr. FONG. And that therefore the position of the Presiding Officer is incorrect.

Mr. ALLEN. That is the judgment of the Senator from Alabama.

I feel reasonably certain that as this debate progresses—and I think there will be opportunity from time to time to have a little discussion of some of these matters—I am hopeful that the distinguished Presiding Officer will give us further opportunities to decide this matter on up or down votes, and not by voting on collateral type issues instead of an up or down vote such as we all desire on our amendments. When we file amendments to bills, we do not want to have those amendments tabled; we want up or down votes on our amendments.

Mr. TALMADGE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield for a question.

Mr. TALMADGE. Can a vote on a procedural question change a fundamental rule of the Senate?

Mr. ALLEN. No, it cannot. I am glad that the distinguished Senator from Georgia asked that question, and I am delighted that the President of the Senate is presiding over the Senate at this time. We cannot, by a collateral move, change the substantive issue involved. That should be decided by the entire Senate.

Just as quickly as this motion was made to cut off debate by the distinguished Senator from Minnesota, that matter should have been committed to the Senate, if the Presiding Officer did not want to rule. He said, "No, you all decide this other question over here, and depending on how you decide that, I am going to rule that you decided this question over here."

A lot of people are for or against motions to table on a somewhat different basis, at least in some cases, from their views as to the substantive issue, and it is not a proper criterion to determine the Senate's decision on a basic question by how they might vote on another issue.

Mr. FONG. Mr. President, will the Senator yield for another question?

Mr. ALLEN. I yield for a question.

Mr. FONG. With the ruling of the Presiding Officer that this matter could be decided by a majority vote, and the feeling of the Senate that the motion which has been presented for the cloture of debate on the Penn Central matter is to be voted on by a two-thirds vote, does not the Senator think we are now operating under two separate rules?

Mr. ALLEN. Unless the Presiding Officer modifies his ruling, yes: one rule for the convenience of the proponents of Senate Resolution 4, and another for the proponents of giving relief to Penn Central.

And I say that here and now, Mr. President, to show that I am not holding up the Penn Central matter and that there is no need for a cloture motion, on last Friday I offered and those who were associated with me here on the floor at that time offered to let the Penn Central bill come to an immediate vote here in the Senate. The only restriction that I made was that I be given the floor on today.

Well, I got the floor today. We have already acted last Friday. So I feel that the proponents of the Penn Central are allowing their views with respect to the rules change to color their enthusiasm for the Penn Central. Their desire to change the rules is more important to them than is the fate of the Penn Central; otherwise why would we be here discussing this, Mr. President? I am ready to go back at any time; as far as I am concerned, I would be willing to recommend this: I would be willing to have an immediate vote on the Penn Central and then agree to proceed under the provisions of the rule XXII as to cutting off debate on the issue of changing the rules. I would be willing to agree to vote on both of those—to vote first on Penn Central, on finally agreeing to the House amendment, provided that the proponents of Senate Resolution 4 will agree to follow the Senate rules and get under the provisions of rule XXII as to invoking cloture.

That would be the way to solve this impasse in the view of the Senator from Alabama.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. ALLEN. For a question.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator's yielding. I know he is familiar with the rules of the Senate, perhaps as much so or more than any Member whom we have in this body. But I would ask is there any provision in the rules of the Senate other than rule XXII under which a cloture motion can be filed or is there any other rule of the Senate to cut off debate, to limit debate, other than rule XXII of the Senate?

Mr. ALLEN. The Senator from Alabama had not known of that until recently when he saw the steamroller at work here in the Senate, and the Senator from Alabama is going to do everything he can under the rules to keep from seeing Senate rules amended outside of the rules. That is what the Senator from Alabama is objecting to.

If cloture is invoked, I would certainly be the first to congratulate the proponents of this measure. They would have won an historic fight, they have accomplished their aim, and there certainly would be no blocking sought by the Senator from Alabama during his time for debate given under the cloture rule.

If cloture is invoked, the Senator from Alabama has debated enough. But until such time as cloture is invoked, he does not favor, and he will vigorously oppose, any effort to amend the Senate rules by what I used to call the backdoor approach to amending the Senate rules, but it seems that was not quite low enough a term, and I have changed that to a basement approach to the amending of the Senate rules.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. ALLEN. I yield for a question to the distinguished chairman of the Commerce Committee.

Mr. MAGNUSON. Is there not a simple procedure that we invoke in the Senate on many, many occasions when we have a pile-up of legislation, with some priorities here and there, just to ask unanimous consent to lay aside this matter and take up the Penn Central and come back to it? Is that not a simple rule? That is a rule of the Senate, and it has been around for a long time.

Mr. ALLEN. Yes; I will agree to that if the Senator will make that request.

Mr. MAGNUSON. Will the Senator do that?

Mr. ALLEN. Yes; I will be glad to lay it aside and take up the Penn Central. Make that request and——

Mr. MAGNUSON. I would have to confer with the person handling it, but I am asking if this is not a procedure that is always invoked.

Mr. ALLEN. I believe it is. I agree with the Senator, and, if the Senator makes the request, I will agree to it.

Mr. MAGNUSON. That is what we ought to do, get Penn Central out of the way and start all over again on this, and do something about it because we have got to do something about the Penn Central.

I thank the Senator for answering my question. It is a simple thing to do.

Mr. WILLIAM L. SCOTT. Mr. President, if the Senator will yield further for a question.

Mr. ALLEN. Yes; I would be delighted to yield.

Mr. WILLIAM L. SCOTT. Mr. President, as I understood the response of the Senator from Alabama it was to the effect that there was no rule of the Senate under which debate could be limited or which a cloture motion could be filed other than rule XXII. If that is the case, then when a cloture motion is filed and accepted, would not that indicate that we are operating under rule XXII and all of the rules of the Senate that we have used in the past Congress?

Mr. ALLEN. I think the distinguished Senator from Virginia is certainly right in saying that the filing of this cloture motion is indicative of the fact that we are very definitely under rule XXII. It is accepted by the Presiding Officer.

Mr. WILLIAM L. SCOTT. I do not know what estops anyone in this body, but ordinarily one would be estopped from denying that rule XXII is not in effect.

Mr. ALLEN. We certainly are going to make that point every opportunity we are given, but I do not know how many opportunities we will be given other than the opportunity we have right now.

Mr. WILLIAM L. SCOTT. Well, as the distinguished Senator knows, I attempted to gain recognition for that purpose of making a parliamentary inquiry of the Chair to ask whether or not the reception of the cloture motion meant that rule XXII was in effect in this body, and if the rule had been adopted then it would follow from that that it would take a two-thirds vote of the Senate to cut off debate. It seems to me that is a logical sequence.

Mr. ALLEN. I certainly agree with the distinguished Senator in that regard.

I believe before the issue has finally been disposed of we are going to get under the provisions of rule XXII.

I would like to say to the distinguished Senator from Virginia, in further discussing the comments he has made about cloture, I stated this morning, and it has not been challenged, that is, the statement I made, that I am of the opinion that the reason that a cloture motion was not filed on Friday or on Saturday was that influence of Senate Resolution 4 and the placing of a priority on that ahead of the Penn Central is what was at the bottom of the neglect, if you please, to file a cloture motion with respect to the Penn Central matter.

Now, Mr. President, I have very little doubt but what a cloture motion will carry when it comes up for a vote. I would certainly feel that their fears were and are well-founded that by the adoption of a cloture motion it proves conclusively in the view of the Senator from Alabama that we are operating under rule XXII with respect to Senate Resolution No. 4.

So, that being the case, at such time as we are given to understand that that is also the view of the Presiding Officer, I think that we can settle this issue very, very quickly.

But the point that I am seeking to make is that it is not the proponents of free debate in the Senate who are holding up the passage of the Penn Central bailout, because all that is required is to get action—I will vote against it—on Penn Central is for the proponents of the gag rule, represented by Senate Resolution 4, to agree to come under the Senate rules, to comply with the requirements of rule XXII as to ending debate.

Mr. HARRY F. BYRD, JR. Mr. President, may we have order in the Senate, please.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. ALLEN. Also I might state the distinguished chairman of the Commerce Committee asked the Senator from Alabama if he would agree to lay this matter aside in order that we might return to the Penn Central bill, and the Senator from Alabama said yes, that would be agreeable to him, and then I do not even see the Senator from Washington who made that proposal. I hope he is out getting agreement on that request.

The Senator from Alabama is ready to discuss Penn Central.

(At this point, Mr. STONE assumed the Chair.)

Mr. ALLEN. I think we have discussed this now for about $5\frac{1}{2}$ hours and, I believe, to get on to Penn Central again might be time well spent. So, any time the distinguished Senator from Washington, the chairman of the Commerce Committee, wants to make that request, well, the Senator from Alabama will join in the making of that request so that we can have the Penn Central fully debated at the time cloture is invoked on Wednesday.

So, Mr. President, it is those who are seeking this effort right here. This pinpoints the blame. It pinpoints what is the barrier in the way of reaching action on Penn Central. It is this effort to change the Senate rules through the basement approach.

I do not believe that those who are perfectly willing to vote on Penn Central at this time—that includes the Senator from Alabama, providing the agreement is made on the S. Res. 4—I do not believe those of us who stand for free speech in the Senate should be charged with the effort being made by the Senator from Minnesota (Mr. MONDALE) and the Senator from Kansas (Mr. PEARSON) to change the Senate rules by a method other than that provided in the Senate rules.

Well, Mr. President, we, as Members of the Senate, talk about our Nation being a government of laws and not of men, but we ought to be a Senate governed by rules and not by those who seek to amend the rules in methods other than as provided by the rules themselves.

So all the Senator from Alabama, the Senator from Virginia (HARRY F. BYRD, JR.), the Senator from Virginia (WILLIAM L. SCOTT), the Senator from Texas (Mr. TOWER), the Senator from Nebraska (Mr. CURTIS), the Senators from Tennessee (Mr. BROCK and Mr. BAKER), who are here, the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE)——

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, I will yield for a question, but I would have to limit it to that, otherwise I might be—I yield for a question.

Mr. GOLDWATER. Without the Senator from Alabama losing the floor.

Mr. ALLEN. Mr. President, is there agreement to that request?

The PRESIDING OFFICER (Mr. STONE). Yes.

Mr. ALLEN. Let us get the agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, many of us have been through this procedure many, many times, that is, the effort to change rule XXII, and for the life of me, I cannot, since the civil rights question was resolved over 10 years ago, find out just why it is that the proponents are now suggesting the rule change that they have suggested.

I have been trying to think back to any votes that might have required a lesser amount, but for the life of me, I cannot come up with any.

I am wondering if the Senator from Alabama can give me the reasoning of these gentlemen who are trying to change the rule.

The reason I am asking that, if the Senator would allow me to continue for just a moment to pursue this question, in looking over the votes to revise the cloture rule since 1961, that goes back 14 years, in 1961 we rejected cloture on a three-fifths change.

Again in 1962, we rejected cloture on the literacy bill.

In 1962 invoked cloture on the COMSAT bill.

Then in 1963, we tabled the constitutional question on whether the majority of the Senate could end debate at the beginning of the session and vote on rules changes, notwithstanding Senate rules. If my memory serves me correctly, this is one of the larger stumbling blocks we have come across at this particular time.

In 1963, we rejected cloture again on the three-fifths motion.

In 1964, we invoked cloture on civil rights bill.

In 1964, we rejected cloture on a reapportionment amendment.

In 1965, we invoked cloture on the voting rights bill.

In 1965, we rejected cloture on a motion to take up repeal of 14(b). I might say that 14(b), the Taft-Hartley amendment that allows States like mine to have right-to-work amendments, would be, I believe, the first target that this body would aim at if we changed this two-thirds majority the way that it is being attempted.

Again in 1966, we rejected cloture on a motion to take up repeal of 14(b).

The same thing in 1966, again on 14(b).

In the same year, 1966, we rejected cloture in the motion to take up civil rights bill.

In 1966 we rejected cloture on the motion to take up civil rights bill.

Now, this gets to be very interesting to the junior Senator from Arizona because when I first came to this body the people who supposedly practiced filibustering were Southerners who were attempting to prevent the passage of civil rights laws and yet since 1961 every motion on cloture to protect and allow votes on civil rights have been passed by two-thirds majority of the Senate.

It seems to me that that is pretty well dead now. We have not had anything like that up in a good many, many years.

For example, in 1966, we rejected cloture motion on home rule, the home rule rider to higher education bill.

The next year, in 1967, we rejected the motion to table the Dirksen point of order against the McGovern motion to close debate by majority vote on rules change.

Once again, this body upheld its right to change its rules, but upheld the proper way to do it, not from recently thought up shortcuts.

In 1967 we sustained again the point of order that I have just made.

In 1967, we rejected cloture motion on

the McGovern motion to take up the three-fifths reservation.

In 1968 we rejected a cloture motion on Civil Rights Protection Act, including fair housing.

Again, in the same year we rejected a cloture motion on civil rights, including fair housing.

In 1968, we rejected a cloture motion on the Dirksen substitute fair housing amendment.

In 1968 we invoked cloture motion on Dirksen substitute for fair housing amendment.

Again 1968, we rejected a cloture motion to take up the nomination of Justice Abe Fortas as Chief Justice.

In 1969 we rejected cloture motion on Senate Resolution 11 to provide for three-fifths instead of two-thirds.

So, once again, that came before this body, but I will remind my colleagues, it was rejected in the proper way and not the method being attempted at this time.

In 1969 we did not sustain a motion to vote on Vice President HUMPHREY's rulings that this be sustained.

Again in 1969, we rejected the second cloture motion on Senate Resolution 11 to provide for three-fifths instead of two-thirds.

In 1970 we rejected a cloture motion on direct election of President and Vice President.

I might say, Mr. President, that this is a very little understood suggestion by the people of this country and I feel certain that after proper explanation to the citizens of this country, they would never fall for the idea we should have direct elections, but under three-fifths vote there is no question in my mind that this body would vote it out.

We, again, in 1970 rejected a cloture motion on direct election of President and Vice President.

In 1970 we rejected a cloture motion on transportation appropriations, and in 1970, the same year, we did the same thing.

But getting back to the three-fifths proposal, in 1971 we, on four different occasions, rejected the cloture motion on the three-fifths vote.

In 1971 we agreed to the Mansfield motion to table the Javits' appeal from the Chair, the ruling that the motion to invoke cloture had been rejected.

In 1971 we invoked cloture on the Military Selective Service Act amendment. Again, in 1971 we rejected the cloture motion on the emergency loan guarantees, and the same thing again in 1971, and again in 1971.

Then in 1971 we invoked a cloture on the Military Selective Service Act amendments; and again in 1971 we rejected cloture motion on William Rehnquist's nomination to be an Associate Justice of the Supreme Court.

In 1972 we rejected a cloture motion on the Equal Employment Opportunities Enforcement Act. Again in the same year, one more rejection of that, and then we invoked cloture in 1972 on the Equal Employment Opportunities Enforcement Act.

In 1972 we invoked cloture on the weapons limitation agreement between the United States and the U.S.S.R. In 1972 again we rejected a cloture motion on the Consumer Protective Organization Act of 1972.

Mr. President, you may think it strange that I am reading these into the RECORD when they are already probably a part of the RECORD, but what I am trying to point out is that we have done very well in this body over many, many years of its history with the two-thirds requirement. I have yet to hear—yet to hear—a logical argument as to why we should go to three-fifths. I think if an argument can be made for three-fifths, it can be equally made for 51 percent of those present and voting. I feel certain that if we go to three-fifths, the next movement is going to go to 51 percent. If that ever comes, we will find the nine big States of this country controlling in this body and the other body, and it is not going to be long until some of their long-dreamed schemes are going to come into sight and into enactment, such as New York State, for example, with its great population.

Why should they only have two Senators while the little State of Arizona has two Senators? Why should the little State of Nevada have two Senators when probably any county in Pennsylvania has more people than live in Nevada?

This, I suggest, is running contrary to the intent of the Constitution, and I feel this whole effort to change our voting rule is an attack upon the Constitution and its intent. Once we start weakening the rules to the point that a mere majority can prevail, then we are doing untold damage to the minorities.

If you will just recall the cloture actions that I have indicated in this list that I am reading into the RECORD, you will see that these did not constitute legislation that was enacted necessarily for the minority or the majority.

The minority in this country has the right to think that something is wrong, whether the majority thinks it is right or not. If the majority prevails, then the minority has to go along, as they usually do. But the minority position in this country has always been protected.

I can recall back in the days before this Chamber was air-conditioned. I often think one of the biggest mistakes we made was air-conditioning the Senate and House Chambers because they are nice comfortable places to be in now in the hot summer days.

In the late 1920's when Hoover Dam was being constructed, the question came up as to why Arizona, a very small State, should participate in any revenues from that dam, the southern buttress being on Arizona soil and the lake and all the rivers pertaining to it coming from Arizona, with the exception of one. Why should we not have the right to some power and some money?

Our two Senators, Senator Hayden and Senator Ashurst, in the midst of summer when it was just as hot in here as it was outside, undertook extended debate, or the nasty word "filibuster."

After 2 days of being convinced these two gentlemen were going on forever, the Senate gave in, and the minority was recognized. This small Western State I represent received a share of the income revenues, water, and power from Hoover Dam.

I do not think there is a State represented in this body that could not relate a similar tale as we go back into history and realize what the protection of the minority has done for this country.

We all believe in majority rule, but we also believe very strongly that the minority has a time and a place, and has a right, to argue their position.

In looking at some more of these cloture efforts, we rejected a cloture in 1973. In fact, before that, we invoked cloture on the Voter Registration Act. We can all remember that. That was back in 1973. Many of us felt that was wrong, but, nevertheless, we went along with it.

In 1973 we rejected a cloture motion on a temporary increase in the public debt limit, and again in 1973 did the same thing. In 1973 we rejected a cloture motion on an amendment to the United Nations Participation Act of 1945. Again in 1973, we rejected a cloture motion on an amendment to the United Nations Participation Act of 1974.

In 1973 we rejected another motion on the Economic Opportunity Act. In 1973 another one on the same act. And yet, just a little bit later, in fact about 4 days later, we invoked cloture on an amendment to the United Nations Participation Act. And again a few days later, we invoked cloture on the Economic Opportunity Act of 1964.

So, if it does not come about the first time, if the proponents keep on trying, it seems invariably they have made their point with cloture having been invoked.

In 1974 we rejected the cloture motion on the International Convention on the Prevention and Punishment of the Crime of Genocide; and in 1974 the same thing.

In 1974 we invoked cloture on a resolution disapproving pay recommendations of the President with respect to the rate of pay for Members of Congress.

In 1974 we also rejected a cloture motion on the Federal Election Campaign Act Amendments of 1974.

And so it goes, Mr. President, on down through the list of attempts at cloture since 1961, a period now of 14 years.

I related at the outset when I first came to this body, the filibusterers, those people who attempted extended educational debate, were mainly from the South. They were trying to protect what we then called segregation. That began to disappear with the Brown decision, and in subsequent years an effort to change the rule gradually resulted in the Civil Rights Act of 1964 which pretty much took care of the whole matter of civil rights, with some small additions that had to be made to the law.

I get back to the question I proposed to my friend from Alabama.

I see that he is busy at the desk, so I can go on a little bit more before he can answer this question.

I might say if we get into this matter of discussion, a full discussion, on the protection of the minorities, over 20 percent of the Indians of the United States live in my State, some 15 tribes. They certainly constitute the smallest, least powerful minority in this country, a minority that has never had any attention paid to it.

If we are going to discuss this at some length I intend to get into the background of the Indians of my State, language origins, and their places of origin. If any of my colleagues are interested, I can go into the details of some 400 different tribes who live within the continental United States.

Mr. TOWER. Will the Senator yield for a question?

Mr. GOLDWATER. I yield for a question——

Mr. TOWER. I hope the Senator from Alabama will not leave the Chamber.

Mr. ALLEN. I do not want to get involved in a parliamentary hassle here. I have yielded to the distinguished Senator from Arizona under the unanimous-consent agreement that he might make a statement without the Senator from Alabama losing his right to the floor.

The PRESIDING OFFICER. The Senator from Alabama has the floor.

Mr. ALLEN. I am not going to endanger the holding of the floor. I will continue to yield under the same basis to the distinguished Senator from Arizona, after which I will be delighted to yield to the distinguished Senator from Texas.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Alabama can yield only for a question.

Mr. ALLEN. I yield only for a question. There has been objection to extending it beyond that, so I must limit the distinguished Senator from Arizona to a question.

Mr. GOLDWATER. The question I asked at the outset—and I backed my reason for the question with a few comments—I will repeat. Can the Senator from Alabama tell me what is the basic reason why our colleagues who want to change rule XXII want to change it?

Mr. ALLEN. In the judgment of the Senator from Alabama, it is to pave the way for the enactment of any type legislation that might strike the fancy of those proponents of Senate Resolution 4.

Mr. GOLDWATER. I would agree with that.

Mr. President, I thank my friend from Alabama for having yielded, and I will ask him one more question.

Mr. ALLEN. I will be delighted to yield for a question. The Senator from Alabama understands that he can do that without losing his right to the floor.

Mr. GOLDWATER. This will be in the form of a question.

If I ask my friend to yield to me for the purpose of discussing the rights of our American Indians that are in danger by this action, will the Senator yield for that purpose?

Mr. ALLEN. Only by asking unanimous consent that I might yield for that purpose, and without my subsequent remarks being considered a second speech.

Mr. JAVITS. I object, Mr. President.

The VICE PRESIDENT. Objection is heard.

Mr. ALLEN. Mr. President, the Senator from Arizona, in commenting on some of the questions raised by the Senator from Alabama, listed a long number of cloture votes, in some of which cloture was invoked and in some of which cloture was not invoked. But these statistics having to do with the number of times cloture was tried and the number of times it was invoked are, like many statistics, unreliable in this respect: They count every cloture effort as being an effort to invoke cloture. As we know, sometimes they have four efforts to invoke cloture. That would count as four times.

So the truth of the business is that the two-thirds rule has not interfered with the right or the ability of those who want to invoke cloture, except in very, very, very rare instances.

As an example of the fact that the two-thirds rule on cloture imposes no hardship whatsoever on those who advocate legislation that the Senate agrees to or feels is sound, I call attention to the vote back in December on the trade bill. There was considerable opposition to the trade bill in some quarters. But when the effort was made to invoke cloture, without any debate whatsoever on the bill, cloture was invoked by a vote of 71 to 19, which indicates that when the Senate gets ready to move, as it was on that occasion, it will invoke cloture. This two-thirds rule imposes no hardship whatsoever in this regard.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield.

Mr. HARRY F. BYRD, JR. Is it not correct that this past December, the Senate invoked cloture on three separate occasions within a 1-week period?

Mr. ALLEN. Yes, that is certainly true.

Mr. HARRY F. BYRD, JR. Does that now show how easy it is to get cloture, if the measure has merit?

Mr. ALLEN. Yes, that is certainly true.

I appreciate the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) raising this point, because the two-thirds requirement for choking off debate has not interfered with the passage of legislation on which the Senate is ready to move.

Mr. President, why should this effort to cut off debate by a majority vote, when the rule says it takes a two-thirds vote, be countenanced by the Senate? Clearly, under the rules—rule XXXII, specifically—it is provided that the rules of the Senate carry over from one session of the Senate to the next session and that they must be amended as provided in the Senate rules. So to amend the Senate rules, a simple majority is required, provided it comes up for a vote under the rules. But rule XXII—which, by the way, is not a rule of license but one of limitation—provides that debate can be cut off by a two-thirds vote.

Mr. President, if we did not have any cloture rule, what would be the rule in the Senate? Prior to 1917, there was no cloture rule, and they could not cut off debate in the Senate. As a matter of fact, for a period of 110 years, from 1807 to 1917, they had no rule whatsoever for cutting off debate. That being true, if they say that rule XXII is not in effect—and I do not follow that line of reasoning, as I will explain in a moment—we go back, then, to the rules as they existed without rule XXII, which permitted unlimited debate.

Mr. President, in 1959, a compromise was reached in the Senate with regard to cloture provisions—long before the time of the Senator from Alabama. At that time, back in 1959, the rule on invoking cloture required what is called a constitutional two-thirds vote. That meant that if we had a hundred Senators, it would take 67 votes to cut off debate.

Well, with the absentee record in the Senate, it is pretty hard to get 67 votes on anything, much less a cloture motion. So that was one thing that the gag rule Senators wanted to amend.

Another situation in the rules that the gag rule Senators wanted to change was the fact that under the Senate rules, a motion to proceed to the consideration of a bill was not subject to cloture. Mr. President, those Senators back in 1959 apparently had not heard of this basement approach to amending the rules, where one comes in and files a motion, makes a point of order, and runs the steamroller over it.

Suppose it said that 40 percent, Mr. President, could cut off debate and made a point of order and the Senate refused to table that point of order—or the Senate did table the point of order. Would the Presiding Officer rule that 40 percent could cut off debate? Where is the limit to that rule?

Suppose somebody came in with a provision saying that debate could be cut off on the request of any two Members of the Senate provided that the request was endorsed by two of the U.S. Senate pages, and a point of order was made, and the Senate, in its wisdom or lack of it, tabled the point of order. Where would we stand?

Well, we might say, that is not likely to happen. I do not know about that. We have seen some strange things happen. I do not know what might be next.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield for a question?

Mr. ALLEN. For a question, yes.

Mr. WILLIAM L. SCOTT. Mr. President, will not the Senator agree that we have had some consideration of the rules today, some decisions that have been reached that are rather difficult to understand, that might possibly or might appear to be in conflict with one another?

I might say to the Senator that I am trying to lay the premise for a review of each of the Senate rules as we go along and get the Senators——

Mr. ALLEN. The Senator from Alabama is yielding only for a question, so he must limit the distinguished Senator to the propounding of a question.

Mr. WILLIAM L. SCOTT. What I wanted to do was ask the Senator's opinion on the various rules of the Senate because of the distinguished Senator's knowledge of the Senate. The first sentence in rule I, for example says:

> In the absence of the Vice President, the Senate shall choose a President pro tempore.

Would the Senator agree that this is a good rule for the Senate to have?

Mr. ALLEN. Yes sir, I believe it is.

Mr. WILLIAM L. SCOTT. Will the Senator agree that the following sentence:

> In the absence of the Vice President and pending the election of the President pro tempore, the Secretary of the Senate, or in his absence, the Chief Clerk, shall perform the duties of the Chair—

Is that a reasonable rule for the Senate to have?

Mr. ALLEN. The Senator from Alabama believes that it is.

Mr. WILLIAM L. SCOTT. If the Senator will yield for a further question, the third paragraph says:

> The President pro tempore shall have the right to name in open Senate, or, if absent, in writing, a Senator to perform the duties of the Chair; but such substitution shall not extend beyond an adjournment, except by unanimous consent.

Is this a reasonable rule for the Senate to have to help it perform its functions?

Mr. ALLEN. I certainly believe that that rule is in effect now.

Mr. WILLIAM L. SCOTT. Will the Senator agree that if we develop these rules, may I get the opinion of the distinguished Senator from Alabama that the rules of the Senate are for the purpose of orderly debate and orderly procedure and to let the Senate work its will on a given matter?

Mr. ALLEN. Yes, that is the purpose of the Senate rules.

Mr. WILLIAM L. SCOTT. Numbered paragraph 4 says:

> In the event of a vacancy in the office of the Vice President, or whenever the powers and duties of the President shall devolve on the Vice President, the President pro tempore shall have the right to name, in writing, a Senator to perform the duties of the Chair during his absence; and the Senator so named shall have the right to name in open session, or in writing, if absent, a Senator to perform the duties of the Chair, but such discussion shall not extend beyond adjournment, except by unanimous consent.

Will the Senator tell me whether he feels this is a reasonable rule and make such comment as he may see fit about paragraph 4 of rule I?

Mr. ALLEN. I do feel that that is a reasonable rule.

Mr. WILLIAM L. SCOTT. Then we turn to rule II that talks about the oath or affirmation required by the Constitution and prescribed by law which shall be taken and subscribed by each Senator, in open Senate, before entering upon the duties of his office.

Does the Senator feel that we should take an oath or affirmation for the faithful performance of our duties as Members of the U.S. Senate?

Mr. ALLEN. Yes, I feel that that is incumbent upon us, not only under the rules but under the law.

Mr. WILLIAM L. SCOTT. Rule III then says:

> The Presiding Officer having taken the Chair, and a quorum being present, the Journal of the preceding day shall be read, and any mistake made in the entries corrected.

Does the Senator agree that this is a reasonable provision for the conduct of the business of the Senate?

Mr. ALLEN. Yes, I do, indeed.

Mr. WILLIAM L. SCOTT. Then the next sentence reads:

> The reading of the Journal shall not be suspended unless by unanimous consent.

Is it customary to read the Journal each day or will the Senator tell me, as one of the more senior Members, what is the custom with regard to the reading of the Journal?

Mr. ALLEN. The Journal must be read at the start of every new legislative day, but not every calendar day. In other words, we are in the same legislative day as we had on Saturday, the same one we had on Friday, and I assume the same one we had on Thursday. It seems that we are going to be in the same legislative day for some little while, because the majority leader first stated to the Senator from Alabama that he would adjourn the Senate at the close of business today and then, later on, said he had reconsidered his position and is now going to recess the Senate at the close of business. So on tomorrow, when we meet—I do not know when that will be. We will probably meet right on through, I might say, so there will be no reading of the Journal on the next calender day. I am hopeful that somewhere along the line, we are going to adjourn the Senate and remove this fiction that no matter how many days we are in session, it is still the same legislative day. When we finally get around to reading this Journal for a couple of weeks, it is going to be quite a task, I might state.

Mr. WILLIAM L. SCOTT. Does the Senator agree with the next phrase of rule III:

> . . . and when any motion shall be made to amend or correct the same, it shall be deemed a privileged question, and proceeded with until disposed of.

Is this a reasonable rule for the Senate to have?

Mr. ALLEN. Yes, I certainly agree.

Mr. WILLIAM L. SCOTT. I appreciate the distinguished Senator enlightening me with his opinion on this.

I notice in the next paragraph:

> A quorum shall consist of a majority of the Senators duly chosen and sworn.

Does a majority for a quorum appear to be a reasonable number to transact business of the Senate?

Mr. ALLEN. Yes.

Mr. WILLIAM L. SCOTT. Does the Senator feel that some amendment should be made in that?

Mr. ALLEN. No, I will agree that that is a fact. In talking about rule XXII contravening the provisions of the Constitution, I have not seen where that takes place, but I will say that if the Senate rules said that 40 percent constituted a quorum, I would feel like that would be contrary to the Constitution, which says that a majority should constitute a quorum. We could not make any rules contravening the provisions of the Constitution. And I will say to the distinguished Senator that all of the great constitutional lawyers we have had in the Senate, including those who served in the first Senate, many of whom had been signers of the Constitution itself—do you think they would have had a two-thirds requirement if that was against the Constitution? I would not feel that they would.

Mr. WILLIAM L. SCOTT. I notice that rule IV, the first sentence, indicates "The proceedings of the Senate shall be briefly and accurately stated on the Journal." Would the Senator feel we should go beyond that? We have our CONGRESSIONAL RECORD, but is this sufficient to be the Journal of the Senate?

Mr. ALLEN. Well, I think the Journal is a fine thing to keep. It must be kept as a journal of the proceedings.

I will say this: From time to time, when we get around to the Journal, it is amendable. The Journal is amendable; even though some of the motions filed here from time to time continue not to provide for amendment, such a document as the Journal is amendable, to make it speak the truth. The Journal may say one thing happened when something else happened, but then we would have the right to seek to amend the Journal at such time as the leadership will allow the Journal to be read at the start of a new legislative day. I am hopeful that possibly on tomorrow we may have a new legislative day, but I would not hold up too much hope in that regard.

Mr. WILLIAM L. SCOTT. Would the Senator agree that the various itemized things that are mentioned here are reasonable to include in the Journal? It mentions messages of the President in full, titles of bills and joint resolutions, and such parts as shall be affected by proposed amendments; every vote, and a brief statement of the contents of each petition, memorial, or paper presented to the Senate, shall be entered.

Is this, in the Senator's opinion, a reasonable item in the Journal, or would the Senator suggest that there be amendments of any kind in respect to this part of rule IV of the Senate rules?

Mr. ALLEN. I believe it is sound. I might state to the distinguished Senator from Virginia that if I wanted to amend the rules, I would seek to amend the rules in accordance with the rules; I would not try to come in the basement door with my amendment, as an effort is being made to do with respect to rule XXII.

I might state that if rule XXII is not now in effect, I wonder why this resolution (S. Res. 4)—I mention this because I do not know how much debate we will have when we get to Senate Resolution 4, although the Senator from Minnesota, according to the CONGRESSIONAL RECORD, has stated that we will have an opportunity to debate, and I hope that legislative history will influence the Vice President, who, by the way, has not made any ruling to the contrary about Senate Resolution 4 being debatable; he has not said anything or ruled anything. He has been answering parliamentary questions.

But why, if rule XXII is not in effect, would this resolution say, "*Resolved,* That rule"—I declare, this is interesting: it says:

> *Resolved,* That rule XXVII of the Standing Rules of the Senate is amended to read as follows:

That is quite interesting. I assume that an amendment would be in order to that figure there, if I remember my Roman numerals correctly; possibly I do not. It says X-X-V-I-I.

Mr. WILLIAM L. SCOTT. May I ask where the Senator is reading?

Mr. ALLEN. I am reading Senate Resolution 4, Calendar No. 1, star print. I would assume they would let us amend where it says X-X-V-I-I. I believe that is 27. I think this is supposed to be an amendment of rule XXII. It is interesting to see these things, I might say, and I feel like possibly the Chair will allow us to offer an amendment to that, to let us amend the right rule.

But the point I am making is, why would they offer an amendment—I assume they meant rule XXII—why would they offer an amendment to rule XXII unless rule XXII was in effect? That is quite elementary, it seems. But the very document itself, the very resolution itself, admits the fact that rule XXII is in full force and effect, and they are seeking to amend it.

If the rule is not already in effect, why are they amending it? Why not just come up with a new rule?

That seems to the Senator from Alabama to be proof positive that rule XXII, even by their own concession, is in full force and effect; and if they seek to amend it, if that question is decided in the affirmative, by three-fifths of the Senators present and voting—this is a new rule XXII, an amendment to rule XXII, but they will have to knock out the provision that says it takes two-thirds.

Mr. WILLIAM L. SCOTT. Would not the Senator agree that the resolving clause, "Resolved, that rule XXII of the Standing Rules of the Senate is amended to read as follows," recognizes the existence of the rules?

Mr. ALLEN. Yes; Yes, indeed.

Mr. WILLIAM L. SCOTT. Well, then, if we say that the rules are existing until amended by the Senate, would it not follow that we are governed by the rules as they exist until they are amended?

Mr. ALLEN. Well, that would certainly seem to be elementary to the Senator from Alabama. If you are seeking to amend a rule, you go by the provisions of the old rule until a new rule is adopted.

It is not like this hybrid-type motion. I do not know just what it was. I really ought to call it a little bit different name than that, but that is the name I will call it, this hybrid motion that they filed, it received no standing whatsoever. It does not come under rule XXII, the motion to proceed to the consideration of Senate Resolution 4. There is no basis for it whatsoever.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, for a question.

Mr. TOWER. Would it not seem proper to the Senator from Alabama that if, indeed, rule XXII is not in effect that the motion should be ruled out of order because rule XXII is not in effect, and it is amending something that does not exist?

Mr. ALLEN. I think——

Mr. TOWER. Would that not be a consistent ruling?

Mr. ALLEN. I think that is a very good point and, possibly, a little later on in the proceedings it might be well for the Senator from Texas to make this motion. I think it is a well-founded point of order.

Right now we are discussing another point of order which the distinguished Senator from New York very kindly made in order to provide a basis for us to discuss this matter, I would imagine.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. ALLEN. For a question, yes.

Mr. CURTIS. If rule XXII is not a valid rule of the Senate, do we have other rules in the Senate—if rule XXII is not a valid rule of the Senate are there other rules of the Senate—that are valid?

Mr. ALLEN. No, not unless by usage—I would feel that all the rules very definitely are in effect because of the provisions of rule XXXII, if nothing else. Of course, that was a rule long before that.

I did digress from the statement I was making a few minutes ago by yielding to some questions, and I would hate those who are going to read the CONGRESSIONAL RECORD—that will not include the Senator from Alabama, I would say he will connect up the points that I was making with respect to the 1959 compromise that was reached here in the Senate—but I will very definitely say that all rules of the Senate are in full force and effect because they are carried over from one Senate to the next as provided in the Senate rules themselves, and as was the case even before that rule was made, and the then majority leader, Lyndon Johnson, stated that this amendment was made and agreed to for the purpose of removing this question for all time as to whether the Senate was, in fact, a continuing body.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for another question?

Mr. ALLEN. Yes.

Mr. CURTIS. Would it not seem proper that those who advance the theory that there is a constitutional right to determine rules at the beginning of a session by a majoriy vote should proceed to do that with the entire body of the rules before any other legislation is taken up?

Mr. ALLEN. Yes, certainly that would be the case if we conceded that that could be done and not be subject to the provisions of rule XXII. I must insist that rule XXII carries forward, and I would hate to agree to any premise that would fracture that understanding or that view.

Mr. CURTIS. On February 20, 1975, the Senate passed a suspension of authority to impose tariffs and quotas on petroleum products.

My question is was the consideration of this bill under the existing and continuing rules of the Senate?

Mr. ALLEN. Yes, unquestionably.

Mr. CURTIS. Is it not true that the proposal today for a cloture motion on the railroad bill is on the assumption that the continuing rules of the Senate are in full force and effect as of now?

Mr. ALLEN. Yes, yes, sir; that is correct.

Mr. CURTIS. Is it not true that the Constitution itself came into being by requiring a two-thirds action? Is it not true that the Constitution, in order to be valid among those States that ratified it, had to be ratified by nine of the 13?

Mr. ALLEN. That is correct.

Mr. CURTIS. Is it not true that before a constitutional amendment can be proposed and submitted to the States it must pass both houses by a two-thirds vote?

Mr. ALLEN. That is correct.

Mr. CURTIS. Is it not true that many of the very important decisions in government require more than a majority vote?

Mr. ALLEN. Yes, that is very definitely true.

Mr. CURTIS. Is it not true that one's life and property, when being tried by a jury, require more than a majority vote?

Mr. ALLEN. Yes, sir. In my own State, of course, it takes a unanimous vote of a jury.

Mr. CURTIS. Yes. I think it does.

Mr. President, while the Senator does not concede in any sense that we do not have completely valid rules of a continuing body, if a contention were to be made otherwise, it would have to be done and pursued and disposed of before the Senate proceeded to take up other business, would it not?

Mr. ALLEN. That would be the view of the Senator from Alabama unquestionably.

Mr. CURTIS. Is it not true that the Senate action on the petroleum import bill ratified the existence of the continuing rules of the Senate?

Mr. ALLEN. Yes; that would be the judgment of the Senator from Alabama.

Mr. CURTIS. I thank the distinguished Senator.

Mr. ALLEN. I thank the distinguished Senator from Nebraska for his fine points which he has made in this connection.

Mr. GRIFFIN. Mr. President, will the Senator from Alabama allow me to ask a question or two that logically follow on?

Mr. ALLEN. Yes; I would be delighted to yield for a question, a question only.

Mr. GRIFFIN. I think that it is important to focus on the Constitution as it applies to this particular question.

Is there anything in the Constitution that expressly provides that the Senate or the other House can amend its rules by a majority vote or that a majority vote is all that is required?

Mr. ALLEN. No; there is not. Then, of course, under the Senate rules a majority vote can change the rules subject to the right of Senators to discuss the proposed rules change, and to have debate choked off only under the provisions of rule XXII.

I might say in that connection that rule XXII, far from being a license to engage in unlimited debate, is, in fact, a rule of restriction because it does provide a method for cutting off debate by two-thirds of the Senators, whereas in the absence of that rule, as was shown and as the practice was in the Senate from 1807 to 1917, 110 years, there was no way to end debate in the U.S. Senate.

So, rule XXII, far from being a rule that permits undue debate, puts a lid on the amount of debate that can be engaged in by allowing two-thirds of the Senators to cut it off.

Mr. GRIFFIN. Mr. President, will the Senator yield further for another question?

Mr. ALLEN. Yes, I would be delighted to yield for another question.

Mr. GRIFFIN. I appreciate that, and I want to go back to the Constitution.

It seems to me that we are confronted with here is an interpretation of the Constitution. Reference is made over and over to section 5 of article 1. Is it not true that the only time that the word "majority" is used in section 5 is with reference to the establishment of a quorum?

Mr. ALLEN. Yes, that is the recollection of the Senator from Alabama, that it does take a majority to constitute a quorum, which is certainly a wise provision.

Mr. GRIFFIN. If there were a constitutional requirement that a majority would have to be allowed to amend the rules, is it not logical that that would have been provided in the preceding clause because section 5 reads like this:

> Each House shall be the Judge of the Elections Returns, and Qualifications of its own Members, and a Majority of each shall constitute a Quorum to do Business.

Later on, it says that each House may determine the rules of its proceedings.

Why not the drafters of the Constitution have said "Each House, by a majority vote, shall determine the rules of its proceedings?" They did not say that.

Mr. ALLEN. They sure did not.

Mr. GRIFFIN. Although in the preceding clause of section 5 they specifically did provide that a majority shall constitute a quorum.

Mr. ALLEN. A very good point, it is quite obvious.

Mr. GRIFFIN. In other words, they were not telling the Senate or the House by what vote they shall determine the rules of proceedings, just that each House shall determine its own rules.

Mr. ALLEN. That is correct.

Mr. GRIFFIN. So that we are really reading something into section 5, which there was a logical opportunity for the drafters to provide, if they so intended. But made the application only to the establishment of a quorum.

Mr. ALLEN. That is correct.

Mr. GRIFFIN. Is that correct?

Mr. ALLEN. Yes, that is correct.

Mr. GRIFFIN. I thank the Senator.

Mr. ALLEN. So, Mr. President, I was discussing a moment ago, and I digressed in order to yield to the Members for the propounding of questions, I was discussing the compromise of 1959 and I pointed out that this compromise of 1959, having to do with the Senate rules, covered three important areas.

One, the matter of how many votes it took to invoke cloture, and the rule at that time was that it took a constitutional two-thirds, which means that they had to have two-thirds of the elected membership of the Senate to cut off debate.

Well, as I suggested a moment ago, with the absentee record in the Senate it would be difficult to get 67 votes on a cloture motion.

So the gag-rule Senators wanted to amend that.

Also the rules at that time did not provide that cloture could be invoked with respect to a motion to proceed to the consideration of the rules change, and, of course, gag-rule Senators did not like that.

A third circumstance that Senators wanted changed, the free-debate Senators wanted to nail down once and for all the proposition that the Senate rules go over from one Senate to the next until they are amended as provided in the Senate rules.

The Senate at that time unquestionably was a continuing body, but since assaults had been made on the proposition that the Senate was a continuing body the free-debate Senators wanted that nailed down, and then majority leader Lyndon Johnson stated that this would settle the matter once and for all.

Well, he was not a mindreader, he was not a soothsayer or fortuneteller or a predictor of the future. He did not realize that an effort would be made in which it would be contended that the Senate is not a continuing body and that debate can be choked off in matters not provided by the Senate rules.

Mr. President, another circumstance in this connection, proof that rule XXII is in effect, was the filing by the distinguished Senator from Indiana (Mr. Hartke) of a cloture motion with respect to the Penn Central bailout, some $300 million in grants and loans, sending it down a rathole.

When an effort was made to cut off debate there, they filed a cloture motion. They filed a motion; under what authority?

Well, let us read and see what it says:

> We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to agree to the House amendment to S. 281, an Act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Let us see who is here:

Senator Vance Hartke, Senator Williams, Senator Weicker, Senator Beall, Senator Hart, Senator Pastore, Senator Ford, Senator Javits, Senator Glenn, Senator Robert C. Byrd.

The name of Senator Mondale is here, but is scratched off; I do not know what the significance is there, unless he figures if his name is left on there that might be some sort of indication that he felt it necessary to proceed under rule XXII to end debate.

I declare, I believe I would mark my name off if I were the distinguished Senator—and he has done that.

So the distinguished Senator does not want it said that he feels like he has got to follow the rules to cut off debate. He would not be for that. But his name is scratched off, and in real bold scratching here, there would be no doubt about the Senator not wanting to join in following the rules.

Well, the Senator does not want to follow the rules because rule XXII, that is something he does not want to follow.

Let us see if the distinguished Senator from Kansas is on here.

It says: "Mike Mansfield, Robert"—something here, that is not Pearson, I am pretty sure.

I will say some Senators' signatures are not quite legible. I do not know whether they thought maybe others would not recognize the names there, or not.

In looking here——

Mr. CURTIS. Is there one signed with an X?

Mr. ALLEN. If that is a question, I will say I do not believe anyone has signed with an X. I do not believe the distinguished Senator from Kansas (Mr. Pearson) wanted to follow rule XXII in bringing debate to a close. He thought better of it, apparently, before putting his name there. The distinguished Senator from Minnesota first signed his name to it and then said, "Oop, slippance. I did not intend to do that," and he marked through his name.

The point I am making is here are some 21 Senators who signed a cloture motion under rule XXII. If rule XXII is waiting on the distinguished Senator from Minnesota to give it life with his amendment, I wonder why this was received by the distinguished President of the Senate. It would seem to me that the distinguished President of the Senate is looking with some more favor on the requirements of rule XXII. The Senator from Alabama is glad to see that. He is hopeful that having accepted a motion under rule XXII in the Penn Central case, he would require the distinguished Senators from Minnesota and Kansas to go the rule XXII route with respect to their amendment.

Mr. President, I am wondering why there are two standards of requirements exacted by the President of the Senate; why he would give the distinguished Senator from Minnesota (Mr. Mondale) and the distinguished Senator from Kansas (Mr. Pearson) priority treatment that says, "All right, Senators, we are going to let you in the basement door. We are going to let you operate in a manner not provided by the rules." But he says to the advocates of the Penn Central, "Come in under rule XXII or not at all."

Mr. President, there has been too much emphasis on Senate Resolution 4 and not enough interest in the Penn Central. I say, lest I be understood, I am going to vote against the Penn Central bailout, but yet I do wonder why it is that those who make pretense of having so much interest in Penn Central really are interested more in this gag-rule provision.

The gag-rule Senators, some 51 in number according to the last count, in my judgment could care less about the Penn Central if they can ram this rules change through without following the Senate rules.

The Senator from Alabama on Thursday of last week agreed that 1 hour might be carved out of the time that might be employed in the consideration of the motion to proceed to Senate Resolution 4, and that the Penn Central bill be acted on in that hour. That was Thursday. No ifs, ands, buts, or conditions. The Senator from Alabama agreed in negotiations with the various parties in interest in that legislation and the rules change that as far as he was concerned there might be a vote on Thursday after 1 hour's consideration.

One of the distinguished sponsors of the gag-rule proposal said, "No. We have waited for weeks to come to this point. I will not allow any of my time to be used on the Penn Central."

Then, Mr. President, on Friday the Senator from Alabama made the offer here on the floor of the Senate that he would agree to the passage of the Penn Central bill on Friday, provided he would be allowed to call up, on Friday, one of the innocuous measures on the calendar, and that on today he be recognized by the Presiding Officer.

Well, that offer—and it is not something that Senator from Alabama is just thinking of; it is in the RECORD of Friday—was rejected by the distinguished majority leader here in the Chamber. Let us see what would have happened. Let us see if the Senator from Alabama is an obstructionist in this matter. He agreed to vote on it Thursday. He agreed to vote on it Friday, provided an innocuous measure was brought up for consideration and the Senator from Alabama might be given the floor today.

Well, he has the floor. If the offer that he made on Thursday and on Friday had been accepted, we would have Penn Central behind us.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. ALLEN. I yield for a question only.

Mr. CURTIS. Is it not true that the Constitution of the United States provides that the States shall have equal power in the Senate?

Mr. ALLEN. If the Senator will excuse me, would be repeat his question?

Mr. CURTIS. Does not the Constitution provide that the States shall have equal power in the U.S. Senate?

Mr. ALLEN. Yes, and that their representation cannot be taken away from them.

Mr. CURTIS. What right or opportunity, under the contention of the proponents, do the Senators from any State have to express their views on the Pearson motion?

Mr. ALLEN. Very little, except little snatches we get from time to time by the indulgence of the distinguished Presiding Officer, who does allow us from time to time to discuss parliamentary issues; and the Senator from Alabama is hopeful that that situation will obtain in the future. But, in and of itself, it gives no right to debate.

I am encouraged, I say to the distinguished Senator from Nebraska, and I hope that he will derive encouragement from this statement of the distinguished Senator from Minnesota who here expressed my view as to the parliamentary situation. I hope that the distinguished President of the Senate will pay close attention to this, because I think it is very, very important.

If we could have the unanimous-consent agreement and if the words of the distinguished Senator from Minnesota in arguing his motion on Thursday can be relied upon, we can end this discussion right now.

Let us see what the Senator from Minnesota said as an inducement, I assume—certainly, as part of the legislative history—as an inducement for Senators to vote for his tabling motion. This is the distinguished Senator from Minnesota speaking, as shown by page 3844 of the RECORD for February 20 :

> Our opponents say, "But you are moving to table and the motion to table is nondebatable." They say, "You are allowing a motion to table to shut off debate." Well, that is a rule of the Senate. A motion to table is always nondebatable.
>
> What are we seeking to do here? We are not asking the Senate today to rule on what rule XXII should be. After 5 weeks of the Senate's time, we are simply asking for a vote to bring Senate Resolution 4 before the Senate for consideration.

That is all the Senator from Minnesota is trying to do, it says here.

"It will be available for amendment."

Let us have unanimous consent on what the distinguished Senator said. We will have no further difficulty this evening.

> It will be available for amendment; it will be available for referral; it will be available for debate. What we would like to do, after 5 weeks, is to bring it before the body of the pending business. That is all. It does not seem to me that we are establishing any precedent. If we cannot do it in this way, the constitutional remedy that is ours is a farce, a nullity, a sham, useless. Tear it up and throw it away.

Mr. President, the distinguished Senator from Minnesota in this statement has certainly stated the view of the Senator from Alabama.

I am not making this request, but I am merely stating that if the distinguished Senator from Minnesota would agree that that be entered as a unanimous-consent agreement, we have made a great deal of headway.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield for a question, yes.

Mr. ROBERT C. BYRD. Will the Senator be willing to yield the floor to me so that I might move to recess until a time certain tomorrow, with the understanding that on tomorrow, when the Senate goes back into session, following the recognition of the two leaders or their designees, the Senator from Alabama would retain his right to the floor, without this being counted against him as a second speech?

Mr. ALLEN. I certainly could have no objection to that. May I first inquire, though, as to the hour of convening on tomorrow?

Mr. ROBERT C. BYRD. Make it 11 o'clock or 12 o'clock noon.

Mr. ALLEN. Suppose we make it 12 o'clock noon.

Mr. ROBERT C. BYRD. Does the Senator yield for that purpose?

Mr. ALLEN. I would agree to that request. It is understood that I have not lost my right to the floor by our colloquy.

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. TOWER. Mr. President, will the Senator yield to me for a question?

Mr. ALLEN. I do not have the floor. The Senator from West Virginia temporarily has the floor. It is to be returned to me when the colloquy has been concluded. I yielded to him for that purpose.

Mr. TOWER. Mr. President, will the Senator from West Virginia yield to me?

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. Could the Senator include in that request the fact that the leaders will be recognized but not for the purpose of moving consideration of Senate Resolution 4?

Mr. ROBERT C. BYRD. The Senator does not need to be concerned. There are not going to be any tricks played here. The Senator from West Virginia is talking about recognition for the two leaders under the standing order on tomorrow, and after their recognition, the Senator from Alabama would be recognized.

Mr. ALLEN. Yes, I would certainly agree to that.

Mr. THURMOND. Mr. President, reserving the right to object—and I do not object—is it the intention of the acting majority leader to stay on this subject until it is determined?

Mr. ROBERT C. BYRD. I am not stating what the intention of the majority leader is. I am simply saying that if it is agreeable to the Senator and all Senators, we will shortly recess until tomorrow, at the hour of 12 o'clock noon. The two leaders would then be recognized in accordance with the standing order, after the prayer, and the Senate would resume its consideration at the point where it left off today, on the same matter, and with the Senator from Alabama being recognized.

Mr. THURMOND. Mr. President, I do not object.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield for that purpose, I assure him that I will not allow anything to happen to our understanding. I do have a couple of other requests which have no bearing upon this matter whatsoever.

Mr. President, I ask unanimous consent that I may retain the floor from here on, until such time as I move to recess.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the

Senate completes its business today, it stand in recess until 12 o'clock noon tomorrow.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on tomorrow, Mr. JAVITS be recognized for not to exceed 15 minutes, after which the Senate resume consideration of the point of order made by Mr. JAVITS, and that Mr. ALLEN then be recognized again, without this having counted as a second speech.

Mr. CURTIS. Mr. President, reserving the right to object, I wonder whether the distinguished leader would give me 15 minutes tomorrow.

Mr. ROBERT C. BYRD. Following Mr. JAVITS?

Mr. CURTIS. Yes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. JAVITS has been recognized on tomorrow, the distinguished Senator from Nebraska (Mr. CURTIS) be recognized for not to exceed 15 minutes, after which the Senate resume its consideration of the point of order raised by Mr. JAVITS, at which time the distinguished Senator from Alabama be recognized, without the recess having counted as a second speech against him.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield for a brief comment?

Mr. ROBERT C. BYRD. Yes, I yield, with the understanding that it is only for a comment, no motion, and that I will not lose my right to the floor.

Mr. HARRY F. BYRD, JR. I wanted to state for the RECORD that if and when the Penn Central issue is called up, I hope it will be called up at a time so that the Senator from Virginia may have an adequate opportunity to query the managers of the bill and get an understanding of the measure—the cost to the taxpayers, and so forth.

I hope it will not be called up late in the evening, because I do want to go into it with some fullness, not a filibuster. I have no intention of a filibuster. I am ready to vote on the bill, so long as I can get a few answers to a few questions, but it may take an hour or so.

Mr. ROBERT C. BYRD. I say to the distinguished Senator that that is a matter which may be taken out of the hands of the leadership by virtue of the cloture motion. But to the extent that I will be able to do it, I will be glad to do all I can to see that the distinguished Senator has some little time. How much time is he thinking of?

Mr. HARRY F. BYRD, JR. I am thinking of an hour. I would get that under cloture, but I would not want to be confined to that.

Mr. ROBERT C. BYRD. The Senator would not get an hour until cloture is invoked. How much time does the Senator want? Does he want 30 minutes for himself?

Mr. HARRY F. BYRD, JR. I would not want to state that categorically until I see how I get along with the replies to the questions I expect to propound. I would think I would need an hour.

Mr. ROBERT C. BYRD. May I say that as the matter now stands, the Senate will vote 1 hour after it comes in on Wednesday. One hour after it comes in on Wednesday, there will be a live quorum. Then the Senate will proceed to vote on the cloture motion. If cloture is invoked, the Senator will have his hour.

Mr. HARRY F. BYRD, JR. That is what I was speaking of. I would have an hour under that procedure.

Mr. ROBERT C. BYRD. Yes, the Senator would have an hour.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 12 noon tomorrow, following a recess. After the two leaders or their designees have been recognized under the standing order, Mr. JAVITS will be recognized for not to exceed 15 minutes, after which Mr. CURTIS will be recognized for not to exceed 15 minutes, after which the Senate will resume its debate on the point of order made by Mr. JAVITS, with Mr. ALLEN again holding the floor. There may be rollcall votes tomorrow.

RECESS

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 7:10 p.m. the Senate recessed until Tuesday, February 25, 1975, at 12 noon.

EXTENSIONS OF REMARKS

READERS OF NATION'S BUSINESS OVERWHELMINGLY FAVOR PRAYER IN SCHOOL

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. McDONALD of Georgia. Mr. Speaker, businessmen are supposed to be hardnosed individuals only interested in their profits and losses, at least that is the popular myth. So, to me, it was refreshing to learn that the readers of Nation's Business support a return to prayer in our schools by a margin of 14 to 1. In the view of these businessmen, much would be gained by a return to prayer in schools. I, personally, agree. The moral and spiritual decay we are experiencing is an exceedingly dangerous thing for our Nation. Such issues should not be forgotten even during these troubled economic times. I commend this article from the February 1975 edition of Nation's Business to the thoughtful attention of my colleagues:

PRAYER IN THE SCHOOLS: AN OVERWHELMING VERDICT

Congress and the U.S. Supreme Court might well take note of the response to the "Sound Off to the Editor" question posed in the December issue of *Nation's Business*: "Should prayer be allowed in public schools?"

By a margin of 14 to one, readers say the Supreme Court ruling of almost 13 years ago banning school-conducted or -supervised prayer should be overturned.

"With simple prayer illegal in public schools for the very young, soon they will be ashamed to bow their heads in any public place," writes D. W. Glover, president, Glover Distributing Co., Inc., Shreveport, La. "Will the church be next? Then the family dinner table? The senile old men of the Supreme Court will have long since gone to their reward, but will God then help those of us who let it happen?"

Says Curtis D. Eagle, president, Eagle Engineering & Supply Co., Alpena, Mich.: "This country was founded 'under God' but our government has interfered with this concept by legislating through the Supreme Court."

F. R. Van Hooreweghe, a Moline, Ill., attorney, says: "The lesson of present government corruption should perhaps induce one to contemplate a return to some of our traditional moral values. Awareness of a Supreme Being might lead to improved morality by all."

Another attorney, C. Allen Elggren, of Salt Lake City, Utah, takes a somewhat similar tack: "Any practice in the public schools which would tend to influence the students to develop moral conduct cannot help but be good. Certainly, the sterile atmosphere of our public schools over the past 12 years has shown itself in the great increase of undisciplined, immoral action among our young people."

On the other hand, Richard J. Guenther, superintendent of the Hastings, Mich., public schools, writes: "Spiritual values are a joint responsibility of church, school and home. Unfortunately, there are some who want to push the whole responsibility onto the schools. We must guard against introduction of sectarian religious values in the schools."

Prayer, writes the Rev. Roberty W. Tully of First Congregational Church, Watertown, Wisc., "is only meaningful as a private or personal act, and not as a public display. Prayer must not be used by the state to serve its own purposes."

Says R. C. Pittenger, director, antibiotic production, Eli Lilly & Co., Indianapolis, Ind.: "If freedom of religion is still sacred, then state-supported religious exercises should be forbidden regardless of their character."

Another No response comes from Waynette Corby, of San Antonio, Texas: "When I was in grade school they had prayers over the loudspeakers and they always ended with 'in Jesus' name we pray.' Since I was Jewish, I didn't feel right praying. Unless prayers are really nondenominational and are checked up on—forget having them at all."

F. Roger Little, principal of the Craig, Colo., junior high school, is on the majority side. "Forces outside the school," he writes, "are overwhelming young people today—with the result in so many cases that students cannot concentrate, study, pursue goals, or possess the necessary foundations (from home and church) that are needed to sustain us all, not only in times of stress but just in living. Our young people should recognize God's power."

Says Peter J. Leofsky, president, Dapexs Consultants, Syracuse, N.Y.: "God is fundamental to this country—to people. If we always appease the minority, what rights are left for the majority?"

R. C. Wittlinger, president, Pioneer Foundry, Inc., Houston, Texas, says: "Voluntary prayers should be guaranteed. To do otherwise is a violation of the rights of those (majority) who desire it. Some schools have even gone so far as to stop the Pledge of Allegiance!"

James R. Spees, president, Rapid-Packaging Corp., Grand Rapids, Mich., says his "family is being denied the recognition of Christian faith in public schools on one hand and force-fed the gospel of 'humanism' in all subject matter on the other hand." He calls this a "travesty of liberty."

Another emphatic Yes comes from M. L. Murphey, president, Jordan Millwork Co., Sioux Falls, S. Dak. "This is a privilege that should not be denied to anyone," he says. "Next they may want to ban prayer at public events and then in homes. Give God a chance."

J. L. Stephenson Jr., president, Chambers Lumber Co., Macon, Ga., wants prayer in public schools restored, but at the same time he has some doubt. "I only hope there are still some schoolteachers qualified to teach young people to pray," he says.

WHAT HAVE WE LEARNED ABOUT THE MOON?

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. TEAGUE. Mr. Speaker, recently nine Congressmen, all members of the Science and Technology Committee, and I visited the Kennedy Space Center in Cape Kennedy, Fla., and the Johnson Space Center in Houston, Tex., to orient new members of the committee to the NASA programs.

The briefings at those facilities were of tremendous benefit to all of us. Of particular note was an address by Dr. Harrison H. Schmitt, a member of our astronaut team. I submit to you, my fellow Members of Congress and the general public, his remarks on "What have we learned about the Moon?"

Dr. Schmitt's remarks follow:

WHAT HAVE WE LEARNED ABOUT THE MOON?

(By Dr. Harrison H. Schmitt)

It is rare, I believe, that men of one time can anticipate what will be written of them and their deeds in another future time. In the instance of the exploration of the Moon, however, I believe that we can predict in broad outlines what the historians of 100, 500 or 1,000 years from now will say.

They will say that in the history of technology man, for the first time, made a major and practical increase in his ability to do things without war and without the threat of war; competition, yes, but not war.

They will say that in the history of men the first truly space-faring nation was the only nation of the times with both the power and idealism to protect the seed of freedom; a seed carried to these shores by many peoples and now being carried by our nation into the planets and the stars.

They will say that in the history of mankind Apollo marked man's evolution into the universe; an evolution no longer limited by the infinitely slow rates of biological change but now determined only by the collective use of our technology and our desire.

Finally, and of particular interest to us here today, the historians of the future will say that in the history of science men for the first time achieved a first-order understanding of a second planet; a place in the solar system called Moon. What are the broad outlines of this understanding and how does it relate to our understanding of the Earth and our future on the Earth? These are the questions I wish to explore further with you now.

Mysterious events were taking place around our youthful sun about 4.6 billion years ago. The materials left over from the birth of that sun were combining in systematic ways, but by largely unknown processes, to form the planets and their satellites. The specific beginning of the moon remains unclear as is the case for all the planets and their natural satellites; however, there now appears to be no reason to doubt that the beginning occurred about 4.6 billion years ago. In addition, the rate at which new planetary and solar information is being provided by the space investigations of the Soviet Union and the United States makes it almost certain that an internally consistent hypothesis for the origin of the solar system will appear in the not-too-distant future. It is this very rate by which we are learning, plus the vast detail that now constrains the possible models, that has presently saturated our collective ability to find a satisfactory hypothesis. A return to fundamental principles, extrapolated under the new constraints, has begun. However, the first new, generally accepted model for the evolution of the solar system has not appeared although the excitement is high.

We are reasonably confident from the detailed chemistry of their rocks that the Moon and Earth formed in about the same part of the youthful solar system; however, the two planets evolved separately as planets beginning as far back as we can study, that is, about the same time as they formed 4.6 billion years ago.

As new or experienced congressmen, I think that I can expect you to comprehend the word "billions" better than most people. This is often a problem, however, even for geologists.

As many of us lunar scientists view the results of our Apollo studies, once the Moon formed, it evolved through six major phases.

1. There was a phase from about 4.6 to 4.4 billion years ago when at least an outer shell of the Moon was melted or partially melted.

2. There was an incredibly violent phase from about 4.4 to 4.1 billion years ago when the crust of the Moon was bombarded by meteors to create the light-colored, cratered highlands we see today.

3. A phase from about 4.1 to 3.9 billion years ago was the period when the large, circular basins, the "man in the Moon", were formed by remarkably energetic impacts of large meteors or small planets.

4. A fourth phase appears to have occurred at about 3.9 billion years ago when controversial features called the light-colored plains were formed.

5. The familiar dark-colored maria or "seas" formed from about 3.8 to 3.1 or less billion years ago when basaltic lava flows erupted on the Moon's surface.

6. The sixth and final phase is that from about 3.1 billion years ago to the present when little has happened to greatly affect the appearance of the Moon's crust.

The significance of this last number of 3.1 billion years cannot be over-emphasized. The fact that major changes ceased on the Moon about 3 billion years ago means that most of what we have learned is about the first 1.5 billion years in the history of a planet similar in important ways to our own. That 1.5 billion years of early history has been largely obscured on Earth by subsequent dynamic processes such as vulcanism, erosion and mountain building. Thus, the Moon has become a partial window into our own past. We could have hardly asked for more.

As we look through the window of the Moon, it is important to keep in mind the few fundamental physical differences between the Moon and the Earth. These two bodies in space are of a similar general chemical composition; that is, a composition dominated by oxygen, silicon and metallic elements in combination as silicates and oxides. The Moon (2160 miles in diameter) and the Earth (7900 miles in diameter) are, however, very different in mass and in their ratios of surface area to mass. The lower mass of the Moon relative to the Earth means a gravitational field only one-sixth as great; the greater ratio of surface area to mass of the Moon relative to the Earth means that the Moon will lose heat, that is, cool faster than the Earth.

The most notable effects of these physical differences are that the Moon's gravity cannot hold an atmosphere or an ocean and that the Moon's internal "heat engine" has never been as active as that of the Earth. The Earth's atmosphere, oceans and heat engine have been and continue to be responsible for the dynamic changes in the Earth such as those which accompany earthquakes, volcanoes, and weathering.

The detail by which we understand the six phases of lunar evolution is quite great; however, I will only summarize the major characteristics we interpret for each. The knowledge we have is the result of the analysis of samples and their geologic setting on the Moon; the interpretation of geophysical and geochemical data from stations still operating on the Moon and previously operating in lunar orbit; and the constraints of logic and of our experience on Earth.

The melted shell phase of lunar history from about 4.6 to 4.4 billion years ago was a time when at least the outer 150 miles and possible the entire Moon was molten or partially molten. Through the processes of crystal formation and crystal setting in this melted shell as it cooled, major chemical differences were created between various levels in the Moon. As a result, a crust mantle and core appear to have formed, the crust composed of light-colored minerals rich in calcium and aluminum, the mantle composed of dark-colored minerals rich in magnesium and iron and a probable core composed of molten material rich in iron and sulfur.

As our confidence grows in the interpretation that the early shell of the Moon was molten, we are beginning to emphasize this thought in our considerations of the early history of the Earth. It is now very likely that Earth's first crust mantle and core were formed soon after its birth in the solar system. At that time, the Earth probably also had a sphere of fluids surrounding it which was the early form of our atmosphere and our oceans.

Little direct evidence remains of the characteristics of the first crust of the Earth. However, in the oldest rock complexes on Earth there are some large masses of very old rocks rich in calcium and aluminum and which resemble the rocks in the crust of the Moon. These possible relics of our first crust are called "anorthosite" on Earth and they contain most of our known resources of titanium. Thus, this new insight into their origin is not in the least trivial.

The early fluidsphere of the Earth is also of great interest particularly with respect to the origins of life. The fluidsphere can be assumed to have contained nitrogen, water and carbon because of the present great abundance of these components in the atmosphere and hydrosphere. These fluid components are also abundant in some meteorites. The analysis of lunar samples indicates that the early fluidsphere of the Earth probably also contained significant sulfur and chlorine.

The possibility that the core of the Earth and its associated magnetic field formed early as appears to have happened on the Moon must now take on new emphasis. If the magnetic field formed early on Earth, then the radiation protection we enjoy from it has been with us through most of the evolution of life. The existence or non-existence of this field may have had a critical influence on the course of the development of life and life forms in the early fluidsphere.

The cratered highland phase of lunar history from about 4.4 to 4.1 billion years ago was simply, but extremely violently, the bombardment of the light-colored crust by the solid residue of planetary creation. This debris caused the surfaces of the crust to be literally pulverized and to end up saturated with craters at least 50 miles in diameter. The sheer violence of these times on the Moon and certainly also on the Earth is hard to comprehend even for geologists.

It is highly probable that the early crust of the Earth underwent comparable disturbance as did that of the Moon. There is no clear evidence of this yet recognized on Earth; however, we should begin to consider the implications of the occurrence of such intense cratering. For example, the rates of mechanical and chemical weathering of the early crust of the Earth in the environments of the early fluidsphere probably were greatly accelerated. The rates of early biological evolution also may have been greatly enhanced by the availability of nutrients and thermal energy and by the continuous mixing caused by impacting debris. That debris also may have continuously supplied small amounts of the early organic building blocks of life which are present even now in some meteorites and in interstellar space.

The large basin phase of lunar history from about 4.1 to 3.9 billion years ago was the time when large basins, hundreds of miles in diameter, formed as a distinctly different type of bombardment. Possibly the Earth and Moon were sweeping up small planets, possibly the Moon was sweeping up other moons; or possibly large meteors were coming from the vicinity of Jupiter and the asteroids. Whatever the origins of these immense features, the events resulted in the excavation and heating of vast amounts of material. This ejected debris covered major portions of the Moon's surface for hundreds of miles around the basins.

There are many good reasons to believe that the early crust of the Earth suffered the same disruptions during the formation of large basins as did the Moon's crust. Although the subsequent 4 billion years of dynamic earth history have masked the effects of this violence, there are now many new things to look for and many new lines of interpretation to pursue, for example, the distribution of the early ocean basins may have been determined by the distribution of large impact basins and groups of basins. Also, throughout the Earth's crust there have long been recognized regional provinces that are rich in certain important elements and in which are concentrated ore deposits of those elements. For example, the southwestern United States is one such geochemical province rich in copper. Our present understanding of the origin and structure of these provinces is very limited even though much time, effort, and money has been spent endeavoring to understand. Locked in the mechanics of the formation of the very large lunar basins, and their penetration into the crust, and in the distribution of ejecta around such basins may be much of the understanding we seek.

The light-colored plains phase about 3.9 billion years ago is a controversial, but brief period when old, large and small basins appear to have been partially filled with debris largely derived from the surrounding light-colored crust. The processes which created these plains are poorly understood but may include several processes that produced similar results, such as, the settling of ejecta from the last of the large basins, or the redistribution of pulverized highland rocks by volcanic eruptions. Such eruptions may have occurred as the Moon began to warm up again because of the internal accumulation of radioisotopic heat.

The basaltic maria phase of lunar history from about 3.8 to probably somewhat less than 3.1 billion years ago was the main period during which the accumulation of radioisotopic heat in the Moon produced melting and volcanic eruptions at the surface. These eruptions resulted in the partial filling of all the large basins by thick masses of dark-colored basalt which we call the maria. The upper portions of the maria are basalt flows. Many flows have significantly different chemical and mineral character from other flows. The differences vary with respect to both the age and area of eruption of the flows. These lunar basalts are very different from basalts on Earth, particularly in that they have much less sodium, carbon and water and commonly much more titanium and iron.

We perhaps should note at this point that the oldest rock terrains on Earth also contain vast layered rock sheets that resemble the lunar maria and which are basaltic in composition. Their resemblance to the lunar maria may be more than coincidental. Again, as with the anorthosites and titanium, the terrestrial maria are not of trivial interest because much of the nickel, chromium, and platinum-group metal resources of our planet are located within these sheets of rock.

The quiet crust phase from about 3.1 billion years ago to the present was largely just that, quiet, with the exception of the formation of scattered craters like Copernicus, regional fault system and mysterious light-colored swirls. In addition, there seems to have been local continuations of the eruption of basaltic maria. These events during the quiet crust phase may be indications of continuing internal activity, such as the slow convection of the mantle during a time when the crust was too strong to be greatly affected. For the most part, however, the Moon appears to have completed the record of its tale about 3 billion years ago, except for the continued rain of meteors.

One of the most important side effects of the relative constancy of the surface of the Moon over the last 3 billion years has been the recording of the radiation history of the sun and of the cosmos in the soil. As meteor impact overlapped impact, the layers in the soil gradually formed what is a unique record of particle radiation, a record which, with difficulty, we are beginning to translate by study of the lunar samples. The sun is the source of our life and energy. Through the soils of the Moon, the eyes of astronomers and the cameras and men of Skylab, we have finally begun to ask the right questions of this sun.

For all of our Apollo missions we left the Moon before the lunar sunrise had progressed into the vast regions of the lunar west: Mare Procellarum, with the young mysterious features of that region's central ridge system, still awaits the crew of a mission diverted after the difficulties of Apollo 13. Mare Orientale, with its stark Alpine rings, has as yet been viewed closely by man only in the subdued blue light of the Earth. The promise of the story in these regions and of the far-side of the Moon has not diminished, but seemingly watches for the progression of the sunrises and the landing craft of another generation of explorers. When that time comes and we merge the scientific revolution brought about by Apollo on the Moon with the simultaneous revolution brought about by new insight into the origins of ocean basins and continents on the Earth, we may begin to understand the great stresses and strains within our crust as ocean floors grow and continents move. Within future understanding of features like the ridge system of Mare Procellarum and the immense and tantalizing mountains and canyons of Mars may lie even greater inspiration for all of us.

Thus, we bring ourselves to the Moon as it is at present. In many respects, the Moon is as chemically and structurally varied as the Earth, lacking only the continued refinements of the melting and convection of the mantle below the crust and the weathering and metamorphism of the crust itself. In other respects, the Moon moves through space as an ancient text, related to the history of the Earth only through the interpretations of our minds, and, as the modern archive of our sun, recording in its soils much of immediate importance to man's future well-being. Our only means of reading the text and using the archive is to continue to go there.

HOW MUCH IS A BILLION?

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mrs. SMITH of Nebraska. Mr. Speaker, while in my district several weeks ago I participated in a discussion broadcast on Station KHOL in Kearney, Nebr., concerning issues facing the 94th Congress.

Among other things, we talked about how long our Nation can afford a policy of deficit spending whereby we spend a billion dollars a day and charge another billion dollars a week. This is a question we in the Congress—as well as every citizen—must ponder.

We talk in terms of billions of dollars so easily these days—yet, it is difficult for the average person to visualize such an amount of money. Our discussion set editorial writers at Station KHOL at work. Under leave to extend my remarks in the Record, I would like to share their subsequent editorial with my colleagues in the Congress and those of the American public who are genuinely and deeply concerned about current trends in Federal spending:

How Much Is a Billion?

Sunday night in an exclusive interview, Nebraska's 3d District Congressman pointed out that the national budget for next year will be about a billion dollars a day. We know a billion is a lot, but it is easy to say, "What's a billion, more or less? Who cares if the budget is 328 billion or 330 billion . . . or even more?" The point is that if we understood better what ONE billion amounts to, we'd all care and care plenty. So let me try to help you visualize it. You know how thin a dollar bill is. Yet, if you were to pile one on top of the other until you had a billion, the stack would reach almost 68 miles into the stratosphere—that's about half the distance from Kearney to Lincoln. If, instead of stacking them up, you were to lay the dollar bills end to end, those billion dollar bills would stretch out 97,000 miles. They'd go around this planet 4 times. If you wanted to rent a warehouse in which to store that billion dollars, you'd have to find one 35 feet wide by 57 feet high and 20 feet deep . . . around 40,000 cubic feet.

And get this: Say a business had started out the year Christ was born . . . one AD . . . with a billion dollars of capital. If that business had lost a dollar a minute it wouldn't have gone broke until around the middle 1900's. Now is that enough to give you an idea how enormous ONE billion is? Well, that will give you one way to measure present plans to spend at least 306 billion dollars during this fiscal year. And even worse, to go into debt by 20 to 50 billion dollars or more this same fiscal year. Discuss that with your congressman and your senators. After all, they're the ones who make the basic decisions.

A NATIONAL HOLIDAY BILL IN HONOR OF DR. MARTIN LUTHER KING, JR.

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. WAXMAN. Mr. Speaker, it is now nearly 7 years since Dr. Martin Luther King, Jr., was murdered in Memphis. The flight of time is frighteningly fast: Was he not taken from our midst only yesterday? And, more tragically, our movement toward the goals Dr. King lived and died for has been so frustratingly slow. His dream of more than a decade ago still cries out for fulfillment.

The era of Dr. King's greatest successes—the 1960's—was a time of enormous opportunity and transition. Everywhere barriers seemed to be crumbling. In civil rights enforcement, education, jobs, and housing, advances were made that were unthinkable a few years previously. White America was shaken into opening its eyes and appreciating the opportunities before it, and finally began to pay attention to the just needs of black Americans—needs whose fulfillment had been ruthlessly delayed.

Though the 1960's may have held out promise, the slow pace in meeting rising expectations led to frustration. Our cities exploded when the promises of the Great Society were rendered empty. Our campuses were convulsed and polarized by the confusing demands on resources, reason, identities, and needs.

These were times, ultimately, of National Guard troops and tanks in the streets, and of a half-million men in Vietnam. They were times that finally left us empty and silent.

Dr. King had a dream which is yet to be fulfilled. The hopes and frustrations of the 1960's have been followed by the acquiescence of the 1970's. We now see a time when recession, inflation, and employment are of personal concern to all Americans. But in this new preoccupation with the loss of affluence, it is too easy to forget that black Americans have been living in an economic depression for some time, and are suffering today to a greater degree than white America.

Martin Luther King, Jr., through his nonviolence, stirred the conscience of America—a conscience which must be stirred again if we are to fulfill the American ideal of equal opportunity for all.

With each day we must affirm the values he cherished—that men are endowed with dignity and to realize that God-like quality, society must be just. In each year we must mark his life and ideals. We have the opportunity to do so now.

This is the year Congress must establish January 19, Martin Luther King, Jr.'s birthday, as a national holiday, a day of commemoration and rededication.

I urge this Congress to designate Dr. King's birthday a national holiday.

THE SCRUTABLE CHINESE

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. ARCHER. Mr. Speaker, the Republic of China on Taiwan remains an outstanding example of a dynamic and growing nation of Asia. The people on Taiwan have experienced great economic development during the past 25 years, especially in the fields of agriculture and industry. The Republic of China has also served the world as an important depository of the traditional culture of the Chinese people.

While the United States should continue to try and establish dialogue with the Communist leadership in mainland China, our country must not abandon the Chinese on Taiwan. The American people understand the need to remain loyal to an ally and the need to oppose actions which would encourage the aggressive tendencies of mainland China throughout Asia and the world. Our recent experiences with the Communist leadership in mainland China have given us an important insight into some of the contradictory policies of the Communists.

A Gallup poll taken in August of 1974 reflects the view of our citizens on this issue. An overwhelming 72 percent of the people oppose diplomatic relations with Communist China if it would mean that the United States would sever relations with Nationalist China. A mere 11 percent would favor such a policy, with 17 percent undecided. If the United States should one day decide to recognize mainland China, it should not be based on terms dictated by the Chinese Communists. The United States must seek peace in Asia, but not at the expense of abandoning longtime friends and allies.

I would like to include in the CONGRESSIONAL RECORD a perceptive article from the February 10, 1975, issue of U.S. News & World Report by Howard Fleiger entitled "The Scrutable Chinese." The article points out that Communist China wants to dictate terms on policies ranging from diplomatic recognition to advertisements in U.S. newspapers to regulation of procedures for art exhibits to the conduct of the United Nations. Communist China wants to set the rules or it refuses to cooperate. If we look carefully at the actions of the Chinese Communists, we find that they are not difficult to understand.

The article follows:

THE SCRUTABLE CHINESE

(By Howard Flieger)

Are the Chinese Communists really as inscrutable to the Western world as Asians are supposed to be?

It certainly seems so when one tries to puzzle out the meaning of conflicting explanations of a new Communist constitution.

That, of course, is an internal matter. But the Chinese can be equally bewildering in their external affairs. Take, for example, the recent cancellation by Peking of a press preview of ancient Chinese art at the U.S. Government's National Gallery of Art in Washington.

What happened was this:

The Chinese demanded that the Gallery exclude newsmen from Israel, South Korea, South Vietnam, Taiwan and South Africa—countries that have no diplomatic relations with the People's Republic of China.

Gallery officials said the U.S. couldn't bar the reporters because that would be a violation of America's constitutionality guaranteed freedom of the press.

So the Chinese called off the preview.

To Americans, it looked like a triumph for the principle of free speech. That is not the way it looks to the Chinese Communists.

As far as they are concerned, the episode demonstrated to the world that the United States, superpower though it may be, couldn't force its will on the Chinese. Among the underdeveloped nations, which Peking courts most ardently, such "victories" over the powerful U.S. are not meaningless.

There's nothing new about this tactic. Communist China has made it clear time and time again in dealing with other governments or people that either it writes the rule book or there is no ball game.

For several years, "The New York Times" has wanted to open a news bureau in China. Peking would consider the request only if the newspaper stopped carrying advertisements describing the economic accomplishments of Taiwan—ads bought and paid for by the Chinese Nationalists. "The Times," of course, said no. It still has no news bureau in China.

Years ago, Peking decided that Japanese newsmen would be allowed to work in China only so long as they write no "critical" reports about the Chinese. One major Japanese publication refused to accept the restriction. It does not have a correspondent in China.

This sort of thing isn't limited to the handling of news dispatches.

China moves in today's world just as it did centuries ago when it regarded itself the "Center of the Universe."

So far as it has the capacity to do so, China rewards friends and punishes enemies. And everything it does is designed to enhance its prestige in the eyes of others.

Take nuclear power. Peking has a nuclear arsenal, but it is not one bit interested in arms-control talks with the U.S. and the Soviet Union. It plays to a gallery of weak countries and wants no negotiations that might lower its nuclear stature among lesser nations watching the drama of power politics.

The Chinese are tough, obstinate and patient. They spent years of bridgebuilding and wheeling and dealing to get into the United Nations. And they finally made it.

Now, as a permanent member of the U.N. Security Council, China holds a veto. This demonstrates to its audience—the "have nots"—that, in the United Nations, Peking is every bit as powerful as Washington or Moscow or London or Paris.

This is serious business to the Chinese. They didn't call off the art gallery affair out of pique. To them it was a show of authority—that nobody was going to tell them who could preview their own art treasures.

Prestige is the thing—the image of power. Once that is understood, the inscrutability of the Chinese Communists vanishes.

STATE OF VERMONT JOINT RESOLUTION 7

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. JEFFORDS. Mr. Speaker, last Friday the National Governors' Conference concluded its sessions here in Washington. The Honorable Thomas P. Salmon, Governor of Vermont, was here in the capacity of chairman of the Committee on Natural Resources and Environmental Management of the National Governors' Conference. This committee has jurisdiction over energy matters.

On previous occasions, Mr. Speaker, I have called to the attention of this Chamber the disproportionate burden carried by the people of Vermont and New England in providing for their energy needs. Even if the President's entire energy package were to go into effect, over the long term New Englanders, who comprise 5.8 percent of the Nation's population, would still pay 8 percent of the Nation's energy costs.

Mr. Speaker, Governor Salmon would like to convey to the Congress his concern over this very serious situation. In conjunction with his efforts, I wish to insert into the RECORD the text of Joint Resolution 7, a joint resolution of the two Houses of the Vermont General Assembly:

JOINT RESOLUTION 7.—RELATING TO THE PROPOSED TARIFF ON IMPORTED OIL

Whereas, the tariff on oil imported into the United States called for by the President of the United States would result in increased oil costs for customers purchasing the imported oil, and

Whereas, the New England States are almost entirely dependent on imported oil for their fuel needs, and

Whereas, the people of New England cannot afford to pay the increased price of imported oil without severe hardship, now therefore be it

Resolved by the Senate and House of Representatives: That the Governor of this state is about to meet with the Governors of the other New England States to plan and put into action an effort to prevent the tariff on imported oil, and be it further

Resolved: That the General Assembly strongly support the Governor of this state and urge him to convey to the President, the Congress and the other Governors of New England the plight of many Vermonters presently unable to pay fuel bills, and be it further

Resolved: That the Secretary of State be directed to send copies of this resolution to the President of the United States, to our Congressional delegation and to the Governors of the New England States.

REPEAL THE DAVIS-BACON ACT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. CRANE. Mr. Speaker, in a variety of ways, many of which are now coming under increasing public scrutiny, governmental intervention in the economy has caused higher prices, inefficiency, and stagnation—all of which are the essential ingredients of the recession into which we are now moving.

Regulatory agencies, for example, have hurt the average consumer while benefiting the very industries they were created to regulate. This is particularly true with regard to such agencies as the Civil Aeronautics Board and the Interstate Commerce Commission. If these agencies ceased to exist, prices would be uniformly lower in their particular areas of jurisdiction.

Another example of the manner in which Government works against the economic interests of the Nation may be seen in the Davis-Bacon Act.

This act, as amended, requires that contractors adhere to wage scales which the Department of Labor has determined are prevailing in the areas in which Government work is to be performed. Harold C. Gordon points out—

> What this means is that in determining wages under the act, the Labor Department soon came to adopt as its yardstick the union wage scales of whatever large city was nearest the site of any federal project.

Mr. Gordon points out—

> That the result is that the people of San Luis Valley of Southern Colorado had to pay two and one half times what they should have to construct a community center because the Department of Labor decreed that Denver wage rates should apply to the project. Similarly, Las Vegas wage rates have been applied to federally-assisted projects in rural Utah and Arizona.

These examples, Mr. Gordon points out, are only a small part of the problem. He notes that—

> By routinely applying Davis-Bacon to major new spending programs, Congress has increased the cost of public works in this country by staggering amounts. In the case of just one program—The Federal Highway Act—Senator Fannin estimates that the Davis-Bacon provision added $3 billion to the total cost. . . .

Even liberal economists such as Dr. Walter Heller, former chief economic adviser to President Kennedy, has called for repeal of the Davis-Bacon Act. It is impossible to fight inflation if such inflation-producing legislation remains.

I wish to share with my colleagues the column, "Repeal The Davis-Bacon Act," by H. C. Gordon, and issued by the U.S. Industrial Council, and insert it into the RECORD at this time:

REPEAL THE DAVIS-BACON ACT

(By H. C. Gordon)

At a time when government intervention in the economy remains the biggest single cause of our chronic inflation, the American people can be grateful to those of our representatives who are attempting to solve the problem by limiting government instead of expanding it.

Special recognition should certainly go to Senators Fannin (R-Ariz.) and Tower (R-Texas) for their current efforts to repeal the Davis-Bacon Act—a piece of legislation which over the years has cost the American taxpayer literally billions of dollars.

Enacted as an emergency measure during the great depression, Davis-Bacon initially provided that contractors engaged on federal projects must pay wages comparable to the "prevailing wage rates" of the local areas. Fair enough, one might suppose, especially since it was left to the contractors themselves to ascertain what the "prevailing" rates were.

The problem arose when the act was amended in 1935. In its new form, the act required that contractors adhere to wage scales which the Department of Labor had determined were prevailing in local areas. Considering the growing power and influence of organized labor in this country, the result of this amendment was predictable: in determining wages under the act, the Labor Department soon came to adopt as its yardstick the union wage scales of whatever large city was nearest the site of any federal projects.

Thus, as Sen. Fannin carefully notes, the people of San Luis Valley of southern Colorado had to pay 2½ times what they should have to construct a community center because the Department of Labor decreed that Denver wage rates should apply to the project. Similarly, Las Vegas wage rates have been applied to federally-assisted projects in rural Utah and Arizona.

But these examples are only small potatoes. By routinely applying Davir-Bacon to major new spending programs, Congress has increased the cost of public works in this country by staggering amounts. In the case of just one program—the Federal Highway Act—Sen. Fannin estimates that the Davis-Bacon provision added $3 billion to the cost of the project.

Nor is the end in sight. Sen. Tower, for his part, has calculated that the number of wage determinations issued yearly by the Department of Labor has increased approximately eightfold between 1945 and 1970. At last count, the Department was issuing over 25,000 determinations a year and, as these determinations have the effect of increasing the construction costs borne by the federal government by 5 to 15 per cent, there is simply no telling the astronomical figure that this single law has cost or will continue to cost the American taxpayer.

Even liberal economists have become alarmed over the inflationary impact of Davis-Bacon. In an open letter to President Ford, Dr. Walter Heller—former chief economic advisor to President Kennedy—recently urged the act's repeal in the strongest terms. Dr. Heller suggested that if the President were really "dead serious" about fighting inflation he would call for the repeal of the Davis-Bacon Act no matter how much bitter opposition could be expected from organized labor because "now is the time to take those political risks."

Clearly, thoughtful Americans of all persuasions are increasingly recognizing the negative effects of Davis-Bacon on the economy. But mere recognition is not enough. Every effort should be made to inform the American people of the nature of the problem and to urge widespread support of the current attempt to repeal the act. The success of the continuing struggle to restore our economic well-being requires it.

AMERICAN OPINION ON TAIWAN—WE LIKE 'EM

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. LEGGETT. Mr. Speaker, I have followed both political and economic developments in the Republic of China on Taiwan for many years. Just last December I brought to the attention of the House the unique solution that Taiwan had found to its economic difficulties during 1974. I felt that it was quite interesting to note, in the midst of our growing stagflation, that this small nation in the East seemed to be doing a much better job of dealing with its economic problems than many of the countries in the West.

I am also quite concerned, as are all of us, with the political future of the island vis-a-vis its powerful neighbor on the mainland. The prospects of the inhabitants of Taiwan, both mainland Chinese and Taiwanese natives, to maintain the island as an independent state represent a legitimate interest for many of us. The native Taiwanese population appears to be attaining a greater role in the political affairs of the island. I applaud this trend as conferring greater legitimacy on a government which I think should be focusing increasingly on the future of the island itself rather than the Nationalists' long-standing hope of returning to the mainland.

Dealing with Taiwan vis-a-vis the People's Republic of China poses, of course, a fundamental problem. My view is that, while we have a major interest in developing relations with the PRC, we should not pursue it at the expense of terminating our relationship with Taiwan. In short, I believe that we should pursue a policy which, if not necessarily "two Chinas" as such, at least is oriented toward the preservation of an independent state on Taiwan.

In this connection, I was most interested to learn the results of a Gallup poll conducted last August on our policy toward China. One of the principal questions was whether the United States should establish diplomatic relations with the PRC if that requires breaking relations with Taiwan. A substantial majority—72 percent—answered in the negative, while only 11 percent favored this approach and 17 percent had no opinion. Moreover, almost half, or 48 percent, felt the United States should continue to honor its treaty commitment to defend Taiwan in the event of a communist attack. Some 35 percent opposed the defense commitment and 17 percent had no opinion.

Our citizens' opinions were more divided on the action of the United Nations in 1971 of admitting the PRC and expelling the Republic of China. It is interesting to note, however, that while 45 percent said they approved of this action, with 37 percent disapproving, a substantial majority of 58 percent felt that the expulsion was unfair to Taiwan.

This poll appears to me to provide an important indicator of American sentiment on several aspects of the China issue, and I would like to insert the results of the poll at this point in the RECORD:

GALLUP POLL REPORTS 72 PERCENT OF AMERICANS OPPOSE U.S. RECOGNITION OF RED CHINA

An overwhelming majority of the American people, 72% to be exact, are opposed to the establishment by the United States of diplomatic relations with Communist China, if it entails a diplomatic break with Nationalist China.

According to a recent Gallup Poll, conducted on August 14–20, 1974, only one American out of ten, or a mere 11% favors diplomatic relations with Communist China on such a condition, while 17% have no opinion. These statistics also show that the predominant majority opposing recognition embraces all age groups and every key stratum of American society.

Altogether the Gallup Poll put five questions to 1590 adults, 18 years of age or older during its nation-wide survey.

The most important question is:

(1) "Communist China seeks diplomatic relations with the United States, but it insists that the United States must break off diplomatic relations with Nationalist China. Would you favor or oppose having diplomatic relations with Communist China on this condition?"

The results, as tabulated, were as follows:

[In percent]

	Favor	Oppose	Don't know
Total	11	72	17
Age:			
18–34 yr	13	70	17
35 to 49 yr	11	76	13
50 and older	9	71	20
Occupation:			
Professional	17	76	7
Clerical	10	79	11
Manual labor	9	71	20
Nonlabor	7	69	24

(2) A related question is:

"The United States is bound by treaty to help defend Nationalist China in case of Communist attack. Do you think the United States should always honor this commitment or not?"

Almost half of those questioned, namely 48%, answered that the United States should always honor its commtment—in this case, the Sino-American Mutual Defense Treaty—to help defend Nationalist China in the event of a Chinese Communist attack. Those against honoring the Treaty commitment made up 35% while 17% expressed no opinion, as revealed in the following figures:

[In percent]

	Yes	No	No opinion
Total	48	35	17
Age:			
18 to 34 yr	51	32	17
35 to 49 yr	53	34	13
50 and older	42	40	18
Occupation:			
Professional	50	40	10
Clerical	49	38	13
Manual labor	48	34	18
Nonlabor	44	34	22

The three other questions asked are:

(3) "In 1971, the United Nations admitted China and at the same time expelled Nationalist China. Do you approve or disapprove of the United Nations' action in granting Communist China membership?"

The Poll shows that nationally, opinion is divided regarding the United Nations action, 45% approving and 37% disapproving, while 18% did not express an opinion.

Generally, as clarified in most of the answers, those approving the United Nations action did it only because they felt "all nations should be members of the United Nations."

Percentages of the tabulated answers are as follows:

[In percent]

	Approve	Disapprove	Don't know
Total	45	37	18
Age:			
18 to 34 yr	52	33	15
35 to 45 yr	45	38	17
50 and older	40	40	20
Occupation:			
Professional	65	25	10
Clerical	50	36	14
Manual labor	41	41	18
Nonlabor	33	44	23

(4) "Do you feel it was just or fair or not that Nationalist China lost its membership?"

Answers to this question appeared to support the afore-mentioned interpretation—approval of Communist China's membership was based on the belief that membership should be universal. The Poll shows that a majority of the American people expressed the positive view that it was "unfair" that Nationalist China should simultaneously have been expelled from the world organization. It is a decidedly minority opinion (only 15%) that believes the admission of Communist China to the United Nations at the expense of Nationalist China is a fair action while 58% think it is unfair, as may be noted in the following percentages:

[In percent]

	Fair	Unfair	Don't know
Total	15	58	27
Age:			
18–34 yr	15	59	26
35–49 yr	14	60	26
50 and older	16	56	28
Occupation:			
Professional	16	65	19
Clerical	14	66	20
Manual labor	16	57	27
Nonlabor	13	53	34

(5) "Recently, the United States has taken steps to normalize relations with Communist China, and President Nixon visited Communist China in 1972. Do you think this was fair to Nationalist China or not?"

Public reaction to the question of fairness to Nationalist China was quite evenly divided, as shown in the following figures:

	Percent
Fair	45
Unfair	36
Do not know	19

REJECT THE FORD ENERGY PLAN

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. MOFFETT. Mr. Speaker, I have been adamant in my opposition to President Ford's proposal to raise the tariff on imported oil. Ont of the major factors influencing my position is the discriminatory impact of the program on the New England region. For the benefit of my colleagues I am today inserting into the Record a copy of the Senate Joint Resolution No. 34 adopted by the Connecticut General Assembly which calls for the rejection of the Ford energy plan and recommends the implementation of a more equitable method of limiting national oil consumption:

Resolution Rejecting the Ford Energy Plan and Recommending Implementation of a More Equitable Method of Limiting National Oil Consumption

Resolved by this Assembly:

Whereas, President Ford intends to reduce the Nation's oil consumption by raising tariffs on imported oil; and

Whereas, these scheduled tariff hikes will significantly increase utility bills and the cost of all products which are made from or use petroleum; and

Whereas, Governor Grasso has testified that these increased prices will impose an unjustly severe hardship upon all consumers, especially those in Connecticut and the Northeast;

Now, therefore, be it resolved, that the members of this General Assembly unite in recommending the implementation of a nationwide plan for a more effective and equitable method if limiting national oil consumption.

Be it further resolved, that the Senate and House Clerks cause a copy of this resolution to be sent to President Gerald Ford and to each member of the Connecticut congressional delegation.

IN TRIBUTE TO MALCOLM X ON THE 10TH ANNIVERSARY OF HIS DEATH

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. RANGEL. Mr. Speaker, today marks the death of one of the black nation's great leaders, Malcolm X. Born as Malcolm Little he grew to become the leader of the Organization of Afro-American Unity before being cut down by an assassin's bullet 10 years ago today on February 21, 1965.

Malcolm X was a man who sincerely believed in the brotherhood of the races, but it had to be a mutual brotherhood. He often spoke of the need to love those who love you, but he also spoke of the need to defend yourself from those who would harm you.

His search for brotherhood included the oppressed peoples in Africa and Asia as well as in America. He saw the necessity for human rights to supersede the petty political dealings of the world powers. He had only started to identify and deal with the worldwide oppression when he was brutally murdered.

Too many people today, especially in the white community are unaware of the contribution made not only to black liberation, but to the liberation of the human spirit, by men such as Malcolm X, Medgar Evers, and Dr. Martin Luther King, all of whom were assassinated in the prime of their lives. But the spirits of these men should not and cannot die. Although the death of Malcolm X left a major void in spearheading the fight for the world's oppressed peoples we take small consolation in commemorating his spirit and techniques. I wish my distinguished colleages would join me in honoring this man who, without a doubt, was one of the most important and significant spiritual leaders in the 20th century.

CONGRESSIONAL OVERSIGHT OF INTELLIGENCE ACTIVITIES

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. CONABLE. Mr. Speaker, I hereby submit a statement by the Republican Policy Committee on Congressional Oversight of Intelligence Activities:

Congressional Oversight of Intelligence Activities

Recent books and press accounts of abuses in government intelligence activities at home and abroad have focused attention on the need for Congress to strengthen its oversight of this sensitive area. The Republican Policy Committee urges the concentration of effort in a single, bipartisan committee to investigate these reports, formulate such remedies as might be needed and provide continuing oversight of the intelligence activities necessary to national security. A joint House-Senate committee would, of course, be preferable.

What is at issue is not *whether* Congress should intensify its until now somewhat relaxed oversight of government intelligence, but rather *how* this task should be accomplished.

Our first concern is the alarming proliferation of intelligence oversight committees. A Presidential Commission was recently initiated with instructions to report its findings by April 4 this year. The Senate Appropriations Subcommittee on Intelligence Operations has begun hearings and the Senate Armed Services Central Intelligence Subcommittee is also conducting an investigation. On January 27 of this year, the Senate enacted S. Res. 21 to establish an 11-Member Select Committee to Study Government Operations With Respect to Intelligence Activities—authorized $750,000 and instructed to report by September 1. In the House, pursuant to the committee reforms of the 93rd Congress, the Foreign Affairs Committee plans to establish a Subcommittee on Oversight concerned with, among other topics, foreign intelligence. The House Armed Services Committee will maintain its Subcommittee on Intelligence. The Judiciary Subcommittee on Civil and Constitutional Rights has scheduled hearings later this week on the FBI's role in the alleged abuses, and the Subcommittee on Courts, Civil Liberties and Administration is conducting hearings on FBI and military surveillance.

Against this background of burgeoning intelligence oversight, the House later this week will consider whether to establish yet another House Select Committee on Intelligence. We support a single bipartisan inquiry and feel strongly that any Select Committee should preempt the separate inquiries by the standing committees.

To allow further duplication and overlapping would be both a monumental waste of time when there are many equally-pressing problems facing the country and an unconscionable waste of money when we should be cutting rather than creating new programs.

We fear that the growing number of investigative committees will favor partisan political publicity contests rather than the extremely serious fact-finding and remedy-seeking effort needed in response to the important and troubling questions raised about government intelligence activities. Such a multitudinous investigative approach could well prove counterproductive to the national interest if it led to harmful leaks of sensitive information. The fear of such leaks, furthermore, could well compromise the effectiveness of the oversight effort. It is imperative that careful safeguards be established to protect against the leaking of national security information.

The alleged improper conduct of Federal agencies concerns both Republicans and Democrats alike, and involves both Republican and Democratic administrations. Investigating these allegations should be the responsibility of a balanced nonpartisan committee with equal representation of both parties.

Approving a select committee pursuant to H. Res. 138 would be a step in the wrong direction. It promises to have strong partisan overtones; it is open-ended in both the scope of its investigation and its cost; it provides no safeguards for protecting sensitive information; and it would delay the establishment of the kind of continuing oversight function that is truly needed.

The Republican Policy Committee advocates the establishment of a single, nonpartisan joint House-Senate permanent committee to monitor and investigate government intelligence activities, both at home and abroad, and where necessary to develop remedies to prevent future illegal activities. A committee of this type would merit considerable respect and prestige and would prove far more effective than the current tend toward the proliferation and resulting dissipation of effort.

We recognize that intelligence efforts are vital to national security and prefer the joint committee approach as the best way to monitor them and thereby guarantee that they will continue to function in the best interest of individual citizens and the entire nation.

DEREGULATION OF NATURAL GAS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. SYMMS. Mr. Speaker, I recently received one of the finest articles I have read to date on the subject of deregulation of natural gas at the wellhead. For the benefit of my colleagues who will be considering this issue in the 94th Congress, I would like to enter it into the Record at this point:

Low Price, But Where's the Gas?

(By Earl W. McMunn)

We are hurting because of the shortage of natural gas. Government orders have forced industries to make big cutbacks to conserve fuel. This has created layoffs and loss of income. Nitrogen plants are working at less than capacity, because they can't get enough gas. This will mean less fertilizer and farm chemicals for the coming crop season.

People clamor for government to "do something." The truth is that government "did something" about 20 years ago. What it did was the wrong thing. It imposed right price controls over gas prices at the wellhead.

We have had cheap gas—too cheap in relationship to the cost of other sources of energy. This has encouraged wasteful use. It has also discouraged exploratory drilling to find new gas fields. Now we are reaping the result of our folly. Demand has outpaced supply and there isn't enough gas to go around.

In many ways, natural gas is the most desirable of fuels. It is cleanest from an environmental standpoint. It doesn't require extensive refining. It is moved to customers through unseen underground pipelines. Consumer storage facilities are not needed. No wonder gas is so much in demand.

In fact, it is estimated that natural gas now provides about a third of our energy needs. Some 40 million homes are heated with gas. Each year about half a trillion cubic feet of natural gas is used to produce nitrogen for fertilizer. Natural gas is also the feedstock for propane, another source of energy on the farm. More than half the farms in the United States use propane to heat and cool homes, dry crops and run pumps.

Yet, natural gas is our cheapest fuel. It is cheapest because of government action—not because of the forces of supply and demand. This is the heart of the problem. Gas, among all energy sources, was singled out about 20 years ago for federal price controls. This was not the result of Congressional action, or even an executive order.

Gas prices have been controlled because of a decision by the United States Supreme Court. This was the Philips case which was decided in 1954. That decision interpreted the language of the Natural Gas Act of 1938 in such a way as to require the Federal Power Commission to regulate prices at the wellhead for gas sold across state lines.

For 20 years gas prices have been regulated, while other forms of energy have responded to the forces of supply and demand. Natural gas prices have been held far below the cost of competitive fuels. For instance, at mid-year 1974 prices, natural gas sold by producers in interstate commerce was about 26 cents per thousand cubic feet. The same amount of energy in crude oil was costing about $1.30. Equivalent energy in bituminous coal was costing 60 to 65 cents, and this did not include the higher costs of transporting coal.

Is it any wonder that such bargain prices made gas easy to sell? Or, that use of natural gas doubled in just two decades? Something always happens when you offer rib-eye steak at hamburger prices. You soon run out of steak. That is what is happening to gas. And, for an obvious reason. Political controls were substituted for the economic forces of supply and demand.

Again, we are learning that you don't "protect consumers" by controlling prices at unrealistic levels. At least, you can't do it over long periods of time. When prices get out of line, supplies become scarce or disappear completely. There must be gas in the pipelines, just as there must be livestock in feedlots if the people are to prosper.

No one has yet been able to devise a system which combines low prices with adequate supplies. The socialist countries have tried, but with little success. This is the major reason our production has so far outpaced theirs. Where profit incentives have been permitted to operate, we have had economic development unmatched in the history of the world.

Edward J. Mitchell of the University of Michigan says it this way:

"To create a shortage, you simply depress the market price below the level that equates supply and demand. To eliminate the shortage, you free the price and allow it to rise to equate supply and demand once more. To create a surplus, you raise the price above the market-clearing level. And, to eliminate the surplus you let it fall back. We always have three options. A market-clearing price; a price that gives us shortages; a price that gives us surpluses."

These principles are easy enough to understand. They are not going to operate in a controlled economy. They don't get the chance. Political pressures are always to keep prices low as a "protection for consumers."

It is only when supplies disappear that we become aware of the danger. There is little question but what arbitrary price control on natural gas has been one of the greatest handicaps to energy production. Congress much deregulate the gas business if we are to get production moving in the right direction.

Already, there is firm evidence to show that producers will respond to higher prices. Increases in oil prices and higher natural gas prices in the intrastate market have resulted in a sharp turnaround in drilling activity. During the first 16 years after the Supreme Court decision, the number of exploratory gas wells dropped by about 50 percent. During the past three years the number of drill rigs in operation went up more than 50 percent.

Energy experts say that our reserves of natural gas are far from exhaustion. But gas in the pipeline is what counts now. And recent price increases to oil and gas producers can't stimulate enough production any time soon. It takes time—as much as three to five years—to build new equipment, find and develop new fields. Vast amounts of new capital must be plowed back into exploration and development. All this in the face of opposition from some dreamers who clamor that "profits must be eliminated." We may eliminate profits. If we do, we will also eliminate production. And, it's production we need.

It is obvious that federal price control on gas at the wellhead was a bad choice. Only Congress can make a change. And the lawmakers have been slow to act. In fact, legislation to decontrol the industry has been stalled in the Senate Commerce Committee and the House Interstate and Foreign Commerce Committee for well over a year.

Some members say the industry is "holding back" natural gas reserves. There is ample evidence to the contrary. Others claim that decontrol would cause retail prices to rise, thus hurting individual consumers. Until this winter they didn't have to face the stark reality of plant shut down because of gas shortages. This hurts people too! Now we are face to face with the question of whether we want enough gas at higher prices, or low prices and no gas.

Gas is much more than a source of heat and power. It is also an important input in farm production. This is because a substantial part of our nitrogen fertilizer production depends upon the use of natural gas. And fertilizer plants in many parts of the country have already had their gas supplies interrupted by action of the Federal Power Commission.

Just how much government limitations will affect next spring's fertilizer supplies remains to be seen. Fertilizer shortfalls for 1974 were estimated at between five and 10 percent. Edwin M. Wheeler, president of The Fertilizer Institute, says: "With nitrogen inventories almost non-existent, the dangers to next year's food production are alarming. Our industry is making an all-out effort to prepare for a booming demand, but with our feedstocks cut off we are powerless."

We know food reserves are at low levels both here and abroad. Production is the only cure for shortages. Fertilizer is a necessary ingredient if we are to get the production. We can't have enough fertilizer if natural gas supplies are unavailable or interrupted over long periods of time. It is time for Congress to correct the mistake the Supreme Court made 20 years ago.

MY RESPONSIBILITY AS A CITIZEN—WINNING ESSAY

HON. MARK ANDREWS

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. ANDREWS of North Dakota. Mr. Speaker, I am proud to announce that Miss Janet Doreen Sims of Enderlin, N. Dak., has won the Voice of Democracy essay contest in North Dakota.

Miss Sims is currently an 11th grader in high school and an outstanding student. She has held several school offices and has many achievements and awards to her credit. She plans to enter the University of North Dakota to pursue a career in nursing.

She is the daughter of Mr. and Mrs. Pershing Sims of Enderlin.

In her winning essay, entitled "My Responsibility as a Citizen," Miss Sims stressed that freedom is both a privilege and a responsibility. The spirit of responsibility that all of us as citizens must have, she says, is "one of generosity, determination, and perseverance. It gives freely of its time and energy and is never spent out, because it is identified with the will to serve."

Miss Sims is an outstanding example of one who puts her ideas of citizenship into practice. She has demonstrated her sense of responsibility and citizenship through her accomplishments and activities inside and outside of school.

I would again like to congratulate Miss Sims. Her essay deserves public attention and at this time I would like to insert it into the RECORD:

MY RESPONSIBILITY AS A CITIZEN

Being a citizen is certainly a right, but in a deeper sense, it is truly a privilege. After all, as full-fledged citizens, we are not deprived of our fundamental rights: freedom of speech, freedom of assembly, freedom of religion and the right to petition the government to correct unjust actions. What do these freedoms consist of? Freedom is often misunderstood as privileges without limitations or restrictions: in other words, doing just as one pleases. Along with freedoms come duties or obligations. When children are not taught to follow rules, they will most likely disregard regulations later in life. They will live along the side lines, hesitant, cowardly, and selfish, ready to enjoy the benefits that others provide. The sense of responsibility is rather the realization that one has certain duties and obligations to fulfill to the best of one's ability. It involves a recognition of definite laws or principles of behavior and understanding of the distinction between right and wrong, and good and better.

The spirit of responsibility is one of generosity, determination, and perseverance. It gives freely of its time and energy and is never spent out, because it is identified with the will to serve.

What is citizenship? Citizenship means full membership in a country. It signifies something much more than just a dictionary meaning. One could read a whole book on being a responsible citizen, but the reading would be worthless unless the ideas discussed were put into practice.

In the days when the Romans ruled, the fact of being a 'Roman citizen' was a source of individual pride second to none. We, too, should develop this sense of pride in our country.

Do we take our citizenship for granted? Do we realize how fortunate we are to be guaranteed of certain rights?

The establishment of a goal is the key to successful living. The most important step toward achieving responsibility is to first define it. To be responsible we must all be leaders, setting good examples. An effective leader has such qualities as confidence, energy, concern, a good set of morals, and above all, faith.

When does the sense of responsibility begin? It begins in the home with the parents' influence. If the parents are loyal and honest, their children will most likely radiate their likeness. The seeds of confidence are planted long before a child goes to school. It begins with the successful performance of limited tasks. Parents must see that certain values exist in the home: respect, pride, cooperation, and sharing. Good citizenship goes farther, though, out of the home and into the community and country.

In your community, take part in church and school doings, social affairs, organizations and clubs, and so on. Being an active member keeps you well-informed of the community's operations and goals, not only to be informed, but to help the community.

Most important, be loyal and true to your country. Have faith in your nation's leaders, even in crucial times, regarding such things as wars, energy crises, and scandalism. These problems implore an increasing need for all people to unite into one body to solve them. We gain from this atmosphere of unity an inner strength, a sense of belonging, as well as of responsibility to others.

"Life must be revealed not as a dubious and pointless struggle but as a magnificent privilege, a torch that must burn as brightly as possible before it is handed on to the next generation."[1]

ENERGY CRISIS

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. JOHN L. BURTON. Mr. Speaker, I am sure all of our colleagues are concerned with finding solutions to the energy crisis.

I would like to share with the House, a letter I have received from the California Service Station Council that addresses itself to solving the current problem.

The letter follows:

CALIFORNIA SERVICE STATION
COUNCIL,
Oakland, Calif., February 10, 1975.

DEAR CONGRESSMAN BURTON: The California Service Station Council represents several thousand service station dealers in the state of California. We are totally opposed to President Ford's plan to conserve energy by raising gasoline taxes. We would propose to you that for a period of ninety days that the following six points be implemented:

1. Mandatory allocation per station at 90–95% of 1972 sales, and equal allocation for every dealer.
2. Major oil companies' refinery capacity to be adjusted to 90–95% allocation to conform to same allocation as retail outlets to prevent surplus.
3. Restrict imports to 1972 allocation fractions.
4. Mandatory closing of retail service stations on Sundays in urban areas, mandatory closing of retail service stations in rural areas on Wednesdays or limiting hours of operation, for example, six days a week, twelve hours a day.
5. Mandatory closing of all retail stores, food, clothing, furniture, etc. on Sunday.
6. Mandatory implementation of Oregon odd-even plan.

If this does not work, then we can go either to gasoline tax increases or as a last resort, rationing coupons.

The Federal Energy Administration is functioning already and this plan can be put into effect by February 15 at no cost to the taxpayer and an immediate reduction in imported oil would be the result.

Sincerely,

JIM CAMPBELL,
Chairman, California Service Station Council.

ESTONIAN INDEPENDENCE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. DERWINSKI. Mr. Speaker, 57 years ago today, the people of a small republic on the Baltic Sea achieved their liberation from the bondage of czarist Russia. The nation of Estonia had been under the rule of various powers for 700 years, the largest segment of the time being under Soviet domination, but on February 24, 1918, while World War I was still going on, the Estonians resisted the Bolsheviks' invasion and declared their independence.

Freedom for the Estonian people came to an end two decades later after the Communists and the Nazis divided Poland between them, and the nation was forced to sign a treaty which permitted the construction of Soviet military bases and Russian troop occupation. Annexation soon resulted and on August 6, 1940, the tiny Republic was absorbed by the Soviet Empire.

As is common in Soviet-dominated nations, the people of Estonia were continually subjected to arrest and exile. From 1941 to 1944, about 10 percent of the population was either killed or forced to flee the country. Ten of thousands of Estonians were shipped off to other parts of the Soviet Union.

However, the history of terrorism and the continued suppression of their culture and self-expression, has not dampened the innate desire of the enslaved people for national independence and for their human rights and personal dignity to be restored.

Mr. Speaker, I believe it is important for the United States to continue its full and uncompromising support for the basic concept of the rights of a people to their free and independent choice of the form of the government under which they wish to live. We must never forget the fate of those who have fallen under Communist totalitarianism for the free world must not crumble bit by bit and be engulfed in the same way as those countries which are behind the Iron Curtain.

House Concurrent Resolution 11, which I have submitted, concerns recognition by the European Security Conference of the Soviet Union's illegal occupation of Estonia, Latvia, and Lithuania. The U.S. policy of nonrecognition of this forcible annexation reinforces Estonians in their determination to keep alive their traditions and to await national independence and restoration of individual liberties.

Today, we join with millions of Estonians in expressing to the world our firm determination never to forget the freedom aspirations of Estonia and to work in every possible manner for the achievement of eventual liberation from the bondage of Russian colonialism.

ESTONIAN FREEDOM

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. HOWARD. Mr. Speaker, today marks the 57th anniversary of the establishment of the independent Republic of Estonia on February 24, 1918. I would like to take this opportunity to join the many Americans of Estonian origin and descent in commemorating Estonian Independence Day. Further, I would like to add my prayers to those of hundreds of Estonian-Americans who someday hope to see their relatives and friends liberated from the brutal repression of Soviet rule.

Those of us who are privileged to enjoy the bounties of freedom must lend our support and encouragement to the oppressed people of the Baltic nations in their continuing struggle to obtain the economic, social, and political liberties with which we are blessed. In their ongoing efforts to achieve the restoration of sovereign rights and self-government in their homelands, the Baltic peoples are this year confronted with a greater threat to the eventual emancipation of their nations. The government of the Soviet Union has recently intensified its efforts to gain international recognition of the post-World War II boundaries in Europe, and it is expected that the Soviets will attempt to seek final international authorization for these boundaries this summer at the proposed summit meeting of the European Security and Cooperation Conference in Helsinki, Finland.

Thus, it is imperative that the democratic countries of the world assert their opposition to this attempt to gain international recognition of what is essentially an illegal regime of military occupation and political tyranny. Therefore, I would like to insert in the RECORD a memorandum which was submitted to the General Assembly of the United Nations by the members of the Estonian Democratic Movement and the Estonian National Front. I would hope that each Member would examine this memorandum and resolve to lend support to the future attempts of Estonia and other Baltic nations to regain the freedom they once knew.

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[1] Clark, General Mark W., "What It Takes To Be a Leader," *Reader's Digest*, July 1967, p. 162.

The memorandum submitted to the United Nations follows:

MEMORANDUM TO THE GENERAL ASSEMBLY OF THE UNITED NATIONS ORGANISATION

The Estonian Democratic Movement and the Estonian National Front present to the General Assembly of the United Nations the following memorandum, concerning the fate of the Estonian nation.

In view of the fact:

That existence of different nations constitutes the riches of the humanity;

That as a result of forcible levelling and assimilation of national cultures the humanity grows poorer;

That national independence is main condition for the survival of a nation and her culture;

That one of the basic features in the development of the world during the last decades has been the emergence and growth of independent national states-members of the UNO;

That the International Covenant of Economic, Social and Cultural Rights (art. 1), the Declaration of the Granting of Independence to Colonial Countries and Peoples (par. 2) as well as other analogous UNO documents declare the right of all nations to self-determination, under which they shall freely determine their political status, and exercise their economic, social and cultural development;

That in accordance of the Universal Declaration on Human Rights (art. 21, par. 3) the power of government lies in the peoples' will, which must be expressed through periodic and unfalsified elections . . . and forms, that guarantee the freedom of voting;

That Estonia, a former internationally recognized independent state and member of the League of Nations (beginning from 1921) was in 1940 forcibly deprived of her national independence and reduced in fact to the status of a colonial territory;

That as a result of such status and the policy of the Soviet government, aimed at the gradual assimilation of all nationalities living on the Soviet territory into a Russian-dominated nation, there has arisen a serious threat as to the further national, political and spiritual existence of the Estonian nation;

That the states—signatories of the Atlantic Charter (including the Soviet Union) committed themselves (art. 3) to promote restoration of sovereign rights and self-government to those peoples, who have been forcibly deprived of them;

That the aforementioned commitment has not been fulfilled solely in the case of three Baltic nations, including Estonia;

That under the colonial rule the Estonian nation has not been guaranteed the fulfillment of the articles 3, 8, 9, 10, 11, 12, 13, 14(1), 18, 19, 20, 21, 26(2), 27(2) of the Universal Declaration on Human rights, articles 1, 8(14), 13(3), 15(3) of International Covenant on Economic, Social and Cultural Rights and articles 6, 7, 9, 10, 12, 14, 17, 18, 19, 21, 22 of the International Covenant on Civil and Political Rights

The Estonian Democratic Movement and the Estonian National Front

Demand:

1. restoration of the independent Estonian state in the frontiers fixed by the 1920 Tartu peace-treaty between the Estonian Republic and Soviet Russia;

2. admission of Estonia as a former member of the League of Nations to United Nations membership;

To these ends the Estonian Democratic Movement and the Estonial National Front consider necessary:

(a) to liquidate the existing colonial administration, which does not correspond to the art. 21 par. 3 of the Universal Declaration of Human Rights, depends entirely on the Soviet central government and is an instrument of the latter's imperialist and chauvinistic aims;

(b) to liquidate the Soviet military bases on Estonian soil and withdraw from Estonia all Soviet military personnel (who, under the agreement between Estonia and the Soviet Union were stationed for 10 years only, the agreement expired in 1949);

(c) up to the formation of national organs of government through free democratic elections to place Estonia temporarily under the UNO administration and to introduce to Estonia the UNO's peace-keeping forces;

(d) pending the UNO administration, opportunity for return to Estonia must be given to all persons of Estonian nationality, who have been forcibly deported from Estonia (including these detained on political reasons), or who have left Estonia at their own will, also to all other persons, who have been citizens of the Estonian Republic, and to their descendants;

(e) to restore normal political life and to create conditions for really free democratic elections (under the supervision of the UNO observers) in order to form a representative body of the Estonian people—the Constituent Assembly.

All political parties and groups, who respect the democratic principles and the right of peoples to national independence, may participate in the elections to the Constituent Assembly.

In the elections to the Constituent Assembly suffrage belongs to all those persons at least 18 years old, who have been (or among whose parents at least one has been) citizens of the Estonian Republic, or who were born on the Estonian territory.

The Estonian Democratic Movement and the Estonian National Front are convinced that only the implementation of the aforementioned considerations and demands permits the United Nations Organization to exercise consistently her obligations which lie on her in accordance with the articles 1, 2, 4, 5 of the Declaration on the Granting Independence to Colonial Countries and Peoples, article 1 par. 3 of the International Covenant on Civil and Political Rights and articles 103, 104, 105 of the UNO Charter.

The Estonian Democratic Movement and the Estonian National Front demand the UNO to take effective steps in order to abolish the immoral, inhuman and illegal Soviet colonial rule in Estonia and to compel the Soviet Union not to hinder the restoration of the legal rights and national sovereignty to the Estonian nation.

Estonians will never accept the colonial status of their fatherland.

At present, when even the smallest nations of the world have been recognized the right to national independence, the Estonian nation looks forward to urgent and real help from the United Nations Organization.

HERB FORESTER—GRAND STRAND PIONEER

HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. JENRETTE. Mr. Speaker, on Wednesday of last week, one of the pioneer leaders of the tourist industry in South Carolina passed away.

Herb Forester was a dedicated worker toward bringing tourism to the Grand Strand area. He operated the oldest hotel in Myrtle Beach and was instrumental in developing facilities making the Grand Strand a national golf mecca.

Tourism is the second largest industry in South Carolina, and over half of the tourist industry is in the Grand Strand area. Mr. Forester's early and continuing leadership is in large part responsible for achievements of such magnitude.

Mr. Forester was a World War II veteran and a dedicated family man. He and his wife, Josephine, were blessed with four daughters. He was extremely interested in young people and an active supporter of youth activities.

One of the most memorable characteristics of Mr. Forester was his dependability. It was well known that when Herb Forester became involved in a project, you could depend on the job getting done.

South Carolina has lost a fine citizen whose contributions to his community are immeasurable. The Grand Strand area and the South Carolina tourist industry are what they are today because of Herb Forester and people like him. He will be greatly missed.

CONGRESSMAN LESTER WOLFF

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. DELANEY. Mr. Speaker, recently, our colleague from New York (Mr. WOLFF) was honored by Irish-Americans for his efforts to seek peace in Northern Ireland and to restore civil liberties to the Irish people. I would like to share with my colleagues the tribute that was paid to Congressman WOLFF in recognition of his humanitarian efforts. The tribute follows:

CONGRESSMAN LESTER WOLFF

A life-long resident of New York City and Nassau County, Congressman Wolff and his wife, the former Blanche Silver, live in Kensington. They have a married son, Bruce, an attorney, a daughter, Diane, Mrs. James Jorg, and three grandchildren. He is an honorary life member of the Ancient Order of Hibernians and is the recipient of the 1974 International Gaelic Hall of Fame "Friend of the Irish" award for his record of legislative activity on behalf of the rights of all minorities and his continuing concern for human liberties. Lester Wolff was not a late arrival in Irish circles, instead he has been a consistent supporter of Irish freedom and the right to self-determination for the Irish people. During the hectic months of government badgering of Irish-Americans over an alleged gun-running conspiracy, Mr. Wolff came to the support of the "Fort Worth Five" and Irish Northern Aid.

On the floor of the House of Representatives he has been the initiator and co-sponsor of resolutions on Northern Ireland. Mr. Wolff's resolutions were not diluted, but concrete directives. In the opening session of the next Congress, he will introduce legislation asking the President to direct our United Nations Ambassador to demand that Britain return to the Irish people basic human rights.

In 1972 Lester Wolff took a trip to Northern Ireland, not as a Congressman, but as an ordinary citizen not allotted the protection a Congressman would be afforded. He went disguised into Long Kesh Concentration Camp to obtain firsthand information and visual perceptions as to conditions and treatment. He was astounded by what he saw, but determined to assist the distressed victims.

After the burning of Long Kesh in October, 1974, and retaliatory beatings and brutality by British soldiers, the Irish National Caucus requested Mr. Wolff to go to the North once again. Mr. Wolff, during a hectic re-election campaign, was prepared to go immediately. His Irish friends persuaded him to wait until he was re-elected. Subsequent to the election, he went with Sean Walsh, the National Director of the Irish National Caucus, requesting the British government to permit them entry into Long Kesh. He made one request prior to his departure and another in Ireland through the American Embassy. Both times he was refused admission.

Mr. Wolff may never be nominated for the Order of the British Empire, or made a Knight of the Garter, honors sought by the likes of the Cosgraves, Humes and Cruise-O'Briens, but he will remain a cherished friend of a free Irish People. Lester Wolff's humanitarian efforts on behalf of the Irish is deeply appreciated.

ARE WE GOING MAD?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the best commentary on President Ford's 1976 budget that I have seeen is the following article by Prof. Hans F. Sennholz of Grove City College. I commend it to the attention of my colleagues:

ARE WE GOING MAD?

(By Hans F. Sennholz)

You can tell the 1976 U.S. Government Budget by its red-ink cover. Billed as the bicentennial budget it is dressed up in red, white and blue to celebrate the nation's 200th birthday. Its authors meant to use a patriotic red, but unfortunately it turned out to be a deep deficit red.

President Ford's new budget is a shocker. He envisions a deficit of $51.9 billion for the fiscal year beginning July 1, which would follow the projected $34.7 billion of red ink for the current year. But the total deficit can easily top $100 billion if Congress refuses to go along with his call for $17 billion in spending hold-downs or reduces taxes beyond the Ford proposals.

In fact, the two-year deficit is likely to exceed $120 billion if you add the red ink of certain federal agencies that are omitted from the budget. These so-called "off-budget" agencies, nine of them, are federally owned and operated—the Export-Import Bank, the U.S. Postal Service, the U.S. Railway Association, the Environmental Financing Authority, the Federal Deposit Insurance Corporation, the Federal Financing Bank, the Rural Telephone Bank, the Rural Electrification Administration, and the Department of Housing and Urban Development's Housing for the Elderly Fund. The outlays of these off-budget agencies are growing rapidly, with a deficit expected to total $13.7 billion in the fiscal year ending June 30 and $10.6 billion next year.

Looking further ahead, the Democratic-dominated Congress isn't likely to agree with Mr. Ford's prescription. The gloomy two-year outlook of slump and inflation is propelling Congress to launch a more expansionary program. The prospect of a deep and lengthy recession, which is dangerous to all politicians seeking re-election, horrifies Congress. Democratic Senator Hubert Humphrey of Minnesota, chairman of the Joint Economic Committee, already rejected the Ford budget as "completely unacceptable." According to him, "the entire emphasis . . . must be on restoring economic growth." Therefore, we must anticipate Congress to pass an even more stimulative economic program than Mr. Fords wants, that is, more red ink through more government spending and greater tax reductions.

If the Ford budget should scare you, wait until you see George Mahon's calculations. Representative Mahon, the chairman of the House Appropriations Committee, estimates that the federal government will have to borrow $150 billion to $170 billion during the next 18 months. But no matter which estimate you believe, the federal debt increase, instead of stimulating the economy, can only accelerate the inflation, raise interest rates and cause more unemployment. We are headed toward a first-class economic and social disaster.

Under the influence of the "new economics" both the Administration and the Congress are joining to shift the growing burden of government from taxpayers to lenders. True, the tax reductions will keep more money in the pockets of individual taxpayers. And the increase in outlays from $268.4 billion in 1974 to $313.4 billion in 1975 and $349.4 billion in 1976 may benefit millions of recipients. But every penny of this spending that is not taken from taxpayers must come from the capital market. This is the ghastly significance of the federal deficit.

Think of the capital market as your friendly neighborhood bank or savings and loan association. The savings deposited by you and many of your neighbors permit your bank to make a great number of loans to individuals and businesses. It may finance the purchase of cars and household appliances, new or old homes, make home improvements, or assist a business to expand and modernize, or merely carry its inventory. Its service as mediator of savings is absolutely essential for economic progress and prosperity.

The deficit mania of the federal government is about to end, or at least greatly curtail, this banking service. Savings are to be channelled to the federal government to finance its gigantic deficits. It is obvious that your neighborhood will stagnate or deteriorate as sales decline and businesses fail.

There are few, if any, stronger depression forces than those of large federal deficits that are financed with the people's savings. As the U.S. Treasury enters the capital market to sell its bills, notes and bonds, it absorbs and consumes the very substance of economic progress and well-being. This is why I expect the recession to get worse, output to drop, business profits to fall, and unemployment to rise during the next 18 months when the federal government will have to borrow $150 billion to $170 billion.

But there is yet another consequence that is even more frightening than the deepening recession: *galloping inflation*. Enmeshed in economic decline and mass unemployment the federal government will call on its monetary authorities to finance recovery with new money and credit. As the recession deepens the Federal Reserve System must be expected to create massive quantities of new money by Presidential and Congressional order and popular demand. In utter confusion and desperation the Federal Reserve will seek to replace the economic substance that is consumed by the federal government with tons of paper money. This is how the recession will usher in the triple-digit inflation.

Do not blame President Ford or any other Washington politician. He and all the others are giving us what the vast majority of American voters are clamoring for: more governmental action toward economic redistribution and full employment. The public clamor is almost deafening. Our spokesmen on TV and in the press, in schools and political assemblies are shouting continually: Government must save us! We need more government! By popular demand government conducts policies of massive spending and inflating in order to build a "new society" and "better deal." The American people are convinced that government spending can give them full employment, prosperity and economic growth. When the results fall far short of expectations and economic conditions grow even worse, the disappointments breed radicalism, cynicism, nihilism, and above all, bitter social and economic conflict. Just listen to our politicians' charges and counter-charges and their loud confessions of faith in political solutions! Their shouts and calls for government action raise a crucial question: Are we going mad?

INVESTMENT CAPITAL IS A PRECONDITION TO THE CREATION OF JOBS AND A BETTER STANDARD OF LIVING

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. KEMP. Mr. Speaker, our posperity and productivity rest—more than on any other factors—on the amount of capital invested per capita. That is the reason I have talked so often on this floor about the need for Congress to accelerate incentives for capital formation.

The more capital invested per person, the greater the economic growth, the higher the standard of living—in real dollars. It is, ultimately, the best answer to increasing opportunity for all peoples.

Economic growth or decline rests on three factors: Labor, natural resources, and capital. In that finite natural resources can only be depleted and in that population growth—the labor force—adds not only more hands and minds to work but also more mouths to feed, capital becomes the crucial, pivotal factor in assuring economic progress. Thankfully, capital—when nurtured—can grow indefinitely. Conversely, when impeded, through confiscatory taxation and deficit financing, capital shrinks or gets choked off—and that is what is happening in America.

In a thought-provoking editorial by the Wall Street Journal of February 20, this essential character of investment capital—especially as it relates to production and jobs—is dealt with at length.

There are many points in that column which must be brought to the attention of everyone making judgments both about our present economic conditions and about means of restoring the economy's prior strength. In examing the decisions which have been made by Government in recent years, one is left, unfortunately, with the conclusion an insufficient number of people in Government know enough about, or appreciate adequately, the role of capital.

I will, in a moment, include the full

text of that editorial, but let me first highlight its points:

Economic progress began on that distant day when a primitive grain-gatherer saw that if he did not eat all he gathered he could sow seed for a new crop. Progress took a quantum leap when the first farmer saw that if he saved a surplus he could trade it for a plow. And today economic progress continues when an individual or society foregoes current consumption and invests the savings in ways that create more goods and services in future years.

In short, economic progress has always depended on capital, that which is saved from current consumption to lay a base for future production.

A society increases its standard of living primarily by increasing the capital input relative to the labor input. A worker can enjoy a sustained increase in his standard of living only if he becomes more productive. And sustained increases in productivity come from supplying the worker with better tools, that is, by investing more capital. In a far from trivial sense, economic progress consists of capital formation.

The question for this Nation's immediate consideration is the extent to which it is favoring immediate consumption and, thereby, wreaking havoc with the requirements of increased savings for capital investment.

Our Nation is in the view of many, including myself, quite conceivably foregoing the strength of our economic tomorrows by, in effect, eating our seed corn today. We are quite possibly reducing the means to assure a greater prosperity for our children and our grandchildren—as well as for ourselves.

The full text of the editorial follows:

Capital

Economic progress began on that distant day when a primitive grain-gatherer saw that if he did not eat all he gathered he could sow seed for a new crop. Progress took a quantum leap when the first farmer saw that if he saved a surplus he could trade it for a plow. And today economic progress continues when an individual or society foregoes current consumption and invests the savings in ways that create more goods and services in future years.

In short, economic progress has always depended on capital, that which is saved from current consumption to lay a base for future production. Classical economics posits three factors of production—labor, land including all finite resources, and capital. Land cannot be expanded, and population growth adds not only more hands to work but more mouths to feed. Happily, capital can grow indefinitely.

A society increases its standard of living primarily by increasing the capital input relative to the labor input. A worker can enjoy a sustained increase in his standard of living only if he becomes more productive. And sustained increases in productivity come from supplying the worker with better tools, that is, by investing more capital. In a far from trivial sense, economic progress *consists* of capital formation.

The adequacy of capital formation, or alternatively of the savings that underlie it, tells a great deal about the future prospects of the economy. It is of course not easy to measure "capital," let alone "adequacy." Machine tools are obviously capital, but some economists cavil at the inclusion of housing. Education is obviously to some extent a capital investment, but is seldom included as such. "Adequacy" depends on a society's goals and other value judgments. But subject to such caveats, it's worthwhile to look at U.S. capital formation from a number of different perspectives.

A good place to start is with international comparisons. For reasons which we will discuss presently, the United States clearly lags behind most other industrial societies in both capital investment and productivity growth. While the OECD concepts used in international comparisons result in higher numbers than more common concepts, the trend is clear in this adaptation of a Treasury table:

INVESTMENT AND PRODUCTIVITY 1960-73

[In percent]

	Average investment OECD concept[1]	Average annual productivity growth[2]
United States	19.2	3.3
Canada	22.4	4.3
Japan	33.4	10.5
France	24.9	6.0
Germany	26.2	5.8
Italy	21.4	6.4
United Kingdom	18.9	4.0

[1] Private investment plus government purchases of machinery and equipment for nondefense purposes, as a percentage of gross domestic product excluding defense expenditures.

[2] Output per man-hour.

One way to estimate whether this capital formation will be sufficient to future needs is to estimate the capital needs of various industrial sectors, and to compare this with the savings being generated. The New York Stock Exchange has done this, and concludes that between now and 1985 there will be a capital shortfall of $650 billion, or 13% of capital needs.

Another way to judge adequacy is to look at capital investment per worker. This is the key to increased worker productivity, and hence to higher real wages and higher standards of living. In recent years the labor force has grown with exceptional speed, while savings and investment have grown only normally. In offering the following table in recent congressional testimony, Professor Paul McCracken remarked that the fall in investment per worker helps explain why even in the recent boom the economy did not push unemployment below 5%. "Our plant capacity was too small to offer the number of job opportunities required for reasonably full employment."

Direct business investment per worker (1955 dollars)

1971–74	$41,000
1966–70	46,400
1961–65	53,300
1956–60	49,500

It is decidedly more comforting to look directly at savings and investment in the U.S. national income accounts. We continue to save and invest at about our historic rate. There was some falloff in 1974, probably because of the especially virulent inflation, but 1973 was an especially good year.

	Savings and investment as percent of GNP gross national savings	Gross private domestic investment
1974	14.8	15.0
1973	16.6	16.1
1972	15.5	15.0
1971	14.4	14.6
1966 to 1970	15.3	14.8
1961 to 1965	15.6	14.9

The stability of the gross saving figure, though, masks some definite trends among its components:

COMPONENTS OF NATIONAL SAVINGS
PERCENT OF TOTAL SAVINGS

	1974–p	1973	1963
Personal savings	37.0	34.7	22.0
Corporate profit[1]	8.2	12.0	18.0
Capital consumption allowances	57.6	51.7	58.0
Government surplus or deficit[2]	—2.8	1.6	1.9

[1] Undistributed corporate profits plus inventory valuation adjustment.

[2] Includes State and local government.

Obviously more saving has come from individuals, and less from corporate profits, which have been falling steadily as a percentage of gross national product. Individuals increased their saving rate to 8.2% of their disposable income in 1973 from 4.9% in 1963, and it is probably not realistic to expect such a rapid rate of increase to continue. Nor is it likely that the government will start running large surpluses. Any large future gains will almost certainly have to come through reversing the downtrend in the corporate sector.

Capital consumption allowances reflect the depreciation of existing capital; theoretically they are the amount necessary merely to keep the capital plant you already have. In the figures there is a bias toward overestimation, since at the end of the official depreciation period a machine may still have some useful life. There is also a bias toward underestimation, since depreciation is based on historic costs rather than replacement value. In periods of especially rapid inflation, like the present, the net effect is almost surely a sharp underestimate. Some of the personal savings and profits must be spent just to stand still.

Finally, note that government deficits come directly out of the savings pool. The low rate of savings in 1971 evident in table 3, for example, reflects that year's record peacetime federal deficit. The prospect of huge deficits for at least two years and probably beyond makes it highly unlikely we will be able to maintain our historic rate of saving.

At the same time, it's clear that capital needs are going to increase. In particular, huge amounts of capital are necessary to buy clean air and water. While this clearly is socially valuable, capital spent for such items does not add directly to worker productivity. Unless additional capital is somehow generated, we will pay for clean air and water with slower economic growth.

Some people feel it would be just fine to sacrifice growth to finance clean air and the transfer payments that account for so much of the growth in federal spending. But they have not studied the implications, for much of our projected future growth is already committed to worthy social tasks.

This is most evident in the Social Security System. The whole system is built on the premise that real economic growth will match certain historic norms. Otherwise, workers in future generations will not be able to pay retirement benefits when the current generation retires. The existence of Social Security, for that matter, almost certainly tends directly to reduce savings by reducing the necessity to prepare for retirement. This effect has to be offset by incentives to save elsewhere in the system.

Which brings us back to the international comparisons. To some degree, the low U.S savings and investment rates reflect its already high state of development. Savings and investment are marginally more profitable and thus attractive in less-developed societies. But it is also true that other societies have tax systems that encourage savings.

The U.S., to take one example, has the most stringent treatment of capital gains; some

European nations do not tax them at all. The U.S. also has especially stringent provisions for depreciation. Some other nations have lower corporate tax rates, or special provisions for dividends. Savings could be increased by tax reform in these directions.

Such reforms would in the first instance tend to benefit those with above-average incomes, since they are after all the people who do most of the saving. Somehow in this society the very words "tax reform" have come to connote opposite measures, those that increase the tax load on savings and reduce it on consumption. Congress is at this very moment making tax cuts the bulk of which will go to non-savers. This is in the name of helping the poor, but the poor will not be helped by slower economic growth.

Sometime after the primitive grain-gather made his epochal discovery, and perhaps even after the first farmer learned to trade his surplus, another great but unrecorded man thought up a tale about a goose that laid golden eggs.

Mr. Speaker, through a review of our economic policies, tax laws, and spending programs we must address ourselves fully to the issues raised by this editorial.

ANNIVERSARY OF THE DECLARATION OF INDEPENDENCE OF THE REPUBLIC OF ESTONIA

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. GILMAN. Mr. Speaker, on February 24, 1975, the 57th anniversary of the Declaration of Independence of the Republic of Estonia is celebrated.

The Estonian peoples enjoyed only a fleeting period free of oppression after the fall of the Tsarist regime. Subsequent to the Kremlin's seizure of Estonia, some 120,000 Estonians have been deported by the Communists. Estonian children are forced to participate in Russian youth programs emphasizing military training. More than four-fifths of their farms have been collectivized. In an attempt to suppress their religion, Estonian church leaders have been replaced by Russians. The list of Kremlin outrages against these proud, hard-working people is long.

The Estonians, renowned for their colorful folklore, have a strong national identity. Their resplendent holiday costumes are world famous. Because of their traditions and deep love of country, they have retained an intense desire to once again be totally free of Soviet domination and to be self-governing.

Today, Mr. Speaker, on Estonian Independence Day, our prayers are with those citizens of Estonia who still dream of once again attaining their own precious freedom. May it also serve to remind those of us who enjoy the free world, that we dare not take our glorious freedom for granted.

RICHARDSON CITY COUNCIL OF PTA'S

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. COLLINS of Texas. Mr. Speaker, I would like to take this opportunity to inform my colleagues in Congress of the outstanding volunteer services of the Richardson City Council of PTA's in the Third Congressional District of Texas. This organization is comprised of 37 associations with over 20,000 dedicated members involved in its varied activities. The positive impact they have made on their community has been a tremendous inspiration for service.

Through the leadership of the council, the local PTA has become an organization which presents timely programs, hosts school events, greets newcomers with hospitality, and, in general, creates rapport between parents and teachers. More than ever before associations are recognizing the need to give more careful study to these tasks, knowing that individual neighborhoods have individual needs.

The Richardson City Council of PTA's was established in the spring of 1959, under the direction of Superintendent of Schools J. J. Pearce. For the past 16 years, Dr. Pearce's outstanding leadership and dedication has been a basic cause of the continued effectiveness of the council in promoting the abilities of children.

Although the accomplishments of the Richardson City Council of PTA's have been many, I would like to especially recognize their achievements in the area of special education volunteer services. In September of 1972, council president, Mrs. Lee Mays and PTA special education chairman, participated in the first awareness workshop of the Richardson Association for Children with Learning Disabilities. In February of 1973, the Richardson City Council of PTA's were invited to hold a workshop on the topic of "The Role of the PTA in Special Education," at the third annual conference on the Multidisciplinary Approach to Learning Disabilities held in Richardson. The Richardson Council's success in volunteer work for special education not only became quickly recognized, but also eagerly copied across the State.

On the basis of the successful program in Richardson, Mrs. Mays was invited to the International Conference of Associations for Children with Learning Disabilities in Houston. Along with her presentation on behalf of the Richardson City Council of PTA's, Mrs. Jerry Wiedemann spoke as president of the Richardson Association for Children with Learning disabilities. At this conference, the R.A.C.L.D. and the Richardson City Council of PTA's were recognized as having performed possibly the most effective program for children with learning disabilities of any program in the world. The many hours of volunteer services for children with special education needs should indeed be an inspiration to all interested organizations and individuals throughout the country.

THE EFFECT OF THE PRESIDENT'S BUDGET ON SENIOR CITIZENS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. BONKER. Mr. Speaker, I wish to register my protest and outrage over President Ford's budget reductions in program for senior citizens. The administration's budget proposals for fiscal 1975 and 1976 are totally devoid of understanding for the problems and needs of America's 20 million elderly citizens. In fact, the President's budget severely reduces or eliminates many important federally funded programs for senior citizens, including programs for food and nutrition, health care, and social services.

Mr. Speaker, I submit that it is heartless and irresponsible for our Government to treat its older citizens this way. They have worked hard and contributed substantially to America's growth and success. They deserve a decent standard of living in their retirement years.

Recently, I conducted public meetings in my district and talked to hundreds of constituents, most of whom were over 65. Many expressed concern and even fear over the ways things are today. They have lost confidence in our system and our future. Our elderly citizens are proud and do not want Government handouts, but they are slowly losing their capacity to survive.

The administration's budget will make it even more difficult for those on fixed incomes. It proposes to lower their standard of living and reduces needed programs and services on which so many depend. The end resullt will be a loss of security and dignity.

Mr. Speaker, as the Representative for the 47,000 senior citizens in the Third District of Washington, and as a new member of the House Select Committee on Aging, I wish to express my strong commitment to restoring the Federal programs that rightfully belong to our elderly citizens. I urge my fellow Members to reject this move to erode what little progress has been made in behalf of the aging. I am hopeful that the Congress will act responsibly to maintain and even expand the programs so vitally needed by our Senior Citizens.

Listed below are some of the proposed budget cutbacks affecting the elderly:

BUDGET CUTBACKS FOR SENIOR CITIZENS

Retirement benefits. The most-discussed proposal affecting the elderly would limit social security and other retirement benefits to 5 percent, even if the rate of inflation is the projected 8.7 percent or higher. When the Congress provided automatic cost-of-living increases in retirement benefits, it recognized that our elderly Americans on low, fixed incomes cannot absorb the costs of inflation. Senior citizens already hold down spending because their limited incomes hardly permit them to do otherwise. I have cosponsored a resolution expressing the sense of Congress that no ceiling be imposed on their benefits.

Health care. Proposed cutbacks in medical care for the aged are also extensive:

A $465 million cutback in the medicare program. Older Americans who now pay a $92 deductible for an average hospital stay would have their out-of-pocket expense increased by 124 percent to $205.65. An elderly patient with a hospital stay of 60 days would have a 675-percent increase in the size of his payment, from $92 to $712.80. Also proposed is an increase in the deductible for physicians' insurance, raising the cost from $60 to $67 a year;

A decrease from 50 percent to 40 percent in the Federal minimum guaranteed matching funds for the medicaid program;

Elimination of Federal minimum matching funds for adult dental care; and

Elimination of the emergency food and medical services program.

Nutrition. Because of recent congressional action, senior citizens will not be forced to pay 30 percent of their incomes for food stamps. About 2 million persons aged 65 and over receive food stamps. Had the President's proposal not been stopped, most elder Americans would have been forced to pay $10 to $15 more per month for food.

The President's budget still calls for a $25.4 million cut this year and next in the nutrition program of the Older Americans Act.

Social services. The revised fiscal year 1975 budget and the proposed fiscal year 1976 budget call for the following decreases in social service programs under the Older Americans Act and related legislation:

$9 million from social service programs;

$12 million in community service jobs for people over 55;

$7.1 million in training funds for work with the elderly;

No funds whatsoever would be provided for title V multipurpose senior centers or section 309 transportation for the elderly in fiscal year 1976; and

Nor would funds be provided under anti-poverty legislation for the senior opportunity and services program or for the community partnership program.

Tax discrimination. In theory, a number of the proposed cutbacks in the President's budget will be counterweighed by other sections of the total budget package. However, two major components of that package—the crude oil import tax and the tax rebate plan—only reinforce the budget's negative impact on senior citizen welfare.

The crude oil tax. We start with an elderly population that is relatively poor. In my congressional district and in all of Washington State, one-fourth of those individuals aged 65 and over live below the low-income level. One-third of the citizens in the lowest fifth of our national economy are elderly. Indeed, the median income for a senior citizen nationwide is only $2,785 per year.

Studies by the Library of Congress have shown that the crude oil import tax has its sharpest proportional impact on poor families and a progressively smaller impact on higher-income families. The proportional impact of the Ford plan on a poor family's income would be 13.6 percent, while it would have a proportional impact of only 4.2 percent on a well-off family's income. I supported congressional action to halt this unfair tax for 90 days, while the new Congress studies more equitable alternatives.

The tax rebate plan. The tax rebate itself would be of relatively little value to elder Americans. Roughly 60 percent of the elderly do not pay taxes and hence would derive no benefit at all from the rebate. Another 20 percent would receive an average benefit of less than $6.

The President has proposed an $80 distribution to persons with no tax liability. Those with limited tax liability would receive the difference between their liability and $80. This plan would, of course, benefit those seniors who will receive nothing from the tax rebate.

When the tax rebate and the tax distribution are considered together, however, the unfairness of the proposal to low income persons becomes clear. A family with an adjusted gross income of $40,000 would receive a $955 rebate, while the low-income level senior citizen family would receive only an $80 per person distribution.

In summary, I think that the President's proposed rescissions for fiscal year 1975 and budget for fiscal year 1976 do a great injustice to the Nation's elderly Already living on very modest incomes, they are being asked to absorb cutbacks in income, health, food, energy and social services programs.

Mr. Speaker, the elderly in this Nation have for too long been forgotten. They desperately need to be heard, to have an active voice in Government. The administration's lack of concern for the elderly, as evidenced by the 1976 proposed budget, only magnifies their need for more representation in the legislative branch. Therefore, I am extremely pleased that the House of Representatives has acted to create a Select Committee on Aging. I think that as a first priority, the committee should focus on the President's budget proposal and its devastating effect on the Nation's senior citizens.

EXPLANATION OF VOTES

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. KRUEGER. Mr. Speaker, I take this opportunity to explain two "present" votes which I cast this week. As correctly reported in the February 19, 1975, Congressional Record, I answered "present" to the vote on H.R. 2051, the amendments to the Regional Rail Reorganization Act of 1973. I also answered "present" to the vote on House Joint Resolution 210, making further urgent supplemental appropriations for fiscal year 1975, as reported in the Congressional Record of February 20, 1975.

Both bills represented a potential conflict of interest since I own a small amount of stock in the Penn Central Railroad. For that reason, I chose to avoid any possibility of personal gain as a result of my vote and voted "present." In the future I shall follow this policy if I feel a possible conflict of interest exists.

MAJORITY WHIP ADDRESSES GOVERNORS CONFERENCE

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. REUSS. Mr. Speaker, our distinguished majority whip, Congressman John J. McFall of California, addressed the National Governors Conference at the Mayflower Hotel in Washington on Wednesday, February 19, and presented a thoughtful review of the challenges facing this country and the legislative responses now underway in Congress. I would like to share with my colleagues and the readership of the Record Congressman McFall's comments, and the text of his speech follows:

Remarks of Hon. John J. McFall

Good afternoon.

This morning you heard Vice President Rockefeller evaluate our nation's problems and recommend his solutions, speaking in a single voice for the administration.

You have just heard Senator Pastore talk about the same situation, albeit with different solutions. And for the remainder of this afternoon you will hear this panel—made up of representatives of the House and the Senate—go over the subject matter again, probably with several more alternatives for action.

We have with us a considerable body of expertise from the House—several distinguished colleagues of mine who are now working hard on the problems facing our nation.

Congressman John Brademas of Indiana, the Chief Deputy Majority Whip of the House,

Congressman Jim Wright of Texas, the Chairman of the Task Force on the economy and a Deputy Whip, and

Congressman Henry S. Reuss of Wisconsin, Chairman of the Banking, Currency and Housing Committee.

Two other panelists expect to be here a little later. Congressman Al Ullman of Oregon, Chairman of the Ways and Means Committee, is at this moment presiding over the committee as it gives final consideration to the tax cut bill. He expects to be here about four, and I hope you will hold your questions on the tax cut until then.

Congressman Brock Adams of Washington, Chairman of the Budget Committee, is now on the House Floor where the emergency railroad assistance bill is being considered. Congressman Adams is also a Member of the Commerce Committee which reported the railroad bill. He plans to be here to answer budget questions as soon as possible.

We have effective teamwork within the House and Senate working on the problems of the nation. But no matter how much expertise we can muster, there is no denying that a single voice advocating a single course of action sounds simpler and neater. A single voice comes through clearly and more forcefully, without the options and differences of opinion that arise in a representative assembly.

Governors are certainly familiar with this phenomenon of many voices. You speak with 54 voices. You know what is involved in arriving at an agreement or consensus.

There are 535 of us in Congress. One of the facts of life on Capitol Hill is that Congress speaks with many voices—before it arrives at a single, unified course of action.

This process of sorting out the good from the bad and working toward our consensus is often difficult, and it may take a little time. You may be tempted to set aside your reservations and jump into line behind the recommendations of that clear and direct single voice.

The only trouble is that the single voice may not necessarily be right.

At the Administration's Conference on Inflation last September, the single voice of the Administration said that the problem was inflation. The many voices, of outside economists and Members of Congress, said that the problem was recession. It turned out that the many voices was right.

Late last year, the single voice said that a tax increase in the form of a five-percent surcharge was needed. Today, the single voice has agreed with the many voices that the need is a tax cut.

Two years ago the single voice insisted on withholding funds for water pollution control, even though the many voices voted for clean water by more than the two-thirds necessary to override a veto. Yesterday, the Supreme Court upheld the many, ruling that the President had no authority to impound water pollution control funds.

Recently, the single voice said that we should raise the price of food stamps to the poor. The many voices emphatically said no.

Right now, the single voice says that an increase in the oil import fee is required. The many voices are now saying that an abrupt and staggering increase in energy prices can only drive us deeper into recession; let us not instead for a gradual reduction in energy use and a simultaneous push to create new jobs and spur economic recovery. And I think that in this instance the many voices are going to be proved right again.

The democratic process is not always the neatest route or the quickest. But in our country we know it is the best. The important thing is to recognize that dialogue is not necessarily dichotomy.

This is the way that Congress reaches its decisions, beginning with many opinions and the winnowing them down to a single course of action. So far, this new Congress has done a remarkable job of getting organized quickly and getting down to substantive legislation. At present, we in the House are working under a self-imposed sixty-day deadline to enact a tax cut and a ninety-day deadline to report out other important economic legislation.

The energy and economic crisis that is our number one problem today deeply involves the states and has severe implications for state and local governments and their ability to maintain essential services to the people.

State and local governments are as much victims of the recession as the people themselves. This Administration created this recession by its tight budget and monetary policies coming on top of the energy crunch. Yet, the Administration seems little inclined to be responsive to the needs of the states.

Congress is now at work on the misplaced priorities of the new budget and the Administration's policies. We intend to revise them to reflect the needs of our people and the various governments that serve them.

State and local governments need some offset on their real revenue loss caused by inflation and recession. Otherwise, their situation can only get worse; some big cities are already laying off city employees in droves.

The Ford budget in terms of its real effect, asks for a sharp drop in the level of federal support to the states. For education, manpower and social services there is actually a drop in absolute dollars. Health and revenue sharing show minor increases that do not compensate for the purchasing power lost to inflation.

Congress is already acting to adjust these priorities. We have stopped the food stamp fiasco. We are in the process of halting the ill-conceived $30 billion energy-income tax shuffle proposed by the Administration. We are about to enact a significant tax cut, and our committees have begun to take a hard look at those misplaced priorities in the Ford budget.

States and localities need immediate relief and assistance as well as the longer term support of revenue sharing. The heavy financial and economic pressures now bearing on states and localities show that revenue sharing and other past measures have not solved all state and local financial problems.

We need to create jobs as one of the best forms of assistance to the states and to the people.

Our endeavor in Congress is to put people back to work so that we can restore buying power and give a boost to tax revenues, state and local as well as federal. That is the best way to deal with budget deficits or impending deficits at all levels of government.

Public service jobs are a form of revenue sharing. This program puts money into the hands of state and local governments, and it does this quickly. Last year the Congress authorized $3.25 billion and appropriated $1.8 billion for public service jobs and local public works projects. Our House Democratic Steering and Policy Committee will meet next Tuesday to consider a program of full funding for the remainder.

This program expires June 30, and the House Education and Labor committee today began hearings on a bill that would authorize $5 billion in fiscal 1976 for 700,000 public service jobs.

We will seek to overturn a request by President Ford for deferral of a $125 million appropriation earmarked for local public works under the Economic Development Administration.

Right now the Appropriations Committee is looking for job-intensive programs that it can fund quickly. Chairman Mahon has asked Treasury Secretary Simon and Economic Adviser Greenspan to report not later than Monday on items in the Ford budget that would create immediate jobs. Chairman Mahon said this morning that he is considering pulling all these items together in a single bill, no matter where they fall throughout the Ford budget, and get the bill to the Floor as soon as possible.

What we want is a quick fix on job creation, but our intention is that these jobs will lead to more jobs of a permanent nature.

We are acting to stimulate job creation in the private sector through the tax cut bill being reported today. This bill is expected to include an $8 billion rebate on 1974 taxes and an immediate $8.4 billion reduction in 1975 withholding from current paychecks. For business, there is a $3.8-billion cut in the investment tax credit. The full House is expected to act on the tax cut next week.

Our congressional energy program is now taking shape. You have heard from Senator Pastore about the Senate's Task Force report, and Congressman Jim Wright can give you details on the recommendations of the House Task Force. He can tell you how Congress intends to stimulate the development of new energy sources and the conservation of available energy supply.

We in the Congress are much concerned with the President's proposal to reduce oil imports by a million barrels a day this year and two million next year.

The consequences could be an additional $50 billion in energy costs, which would throw more people out of work and send another round of inflation throughout the economy. We don't feel that the economy, especially in its present condition, can stand that kind of a drain.

Walter Heller, former Chairman of the Council of Economic Advisers under Presidents Kennedy and Johnson told the Democratic Steering Committee this morning that the economy has moved from spongy, to soggy, to sagging, to sliding.

Real output is now dropping by seven to eight percent from the end of '73 to the middle of '75. The worst previous post-war drop was four percent in 1957–58. By mid-year, Mr. Heller said, we will be running twelve percent below output potential. That is $160 billion to $170 billion below our capabilities.

In light of all this slack in the economy, the stimulus provided by our $20 billion tax cut certainly would not be excessive. In fact, it is less in real terms, than the $12 billion tax cut of 1964. That $12 billion cut would be the equivalent today of a $26 billion cut.

It is President Ford's energy program that would worsen our rate of inflation, not the tax cut. His energy program would add sixty percent to the rate of inflation, Mr. Heller estimates. That means that toward the end of 1975, when inflation should be getting down to about five percent, President Ford's energy program would push it up to eight percent.

In view of this situation, we need to determine how much of an oil import reduction is appropriate. There are many considerations: the effect on unemployment, on economic activity, on tax revenues, on the need to adjust environmental considerations—regarding clean air, strip mining and nuclear plant siting, for example.

These are complex matters, and that is why we are insisting on a deferral of the President's oil import fees. We can well afford ninety days to put together a more effective and less disruptive program. Under any circumstances, the oil import fee can only make things worse: it is guaranteed to raise prices, but it is not known whether it will have any significant effect on energy conservation What we are saying is that the President's bill may not necessarily be the right one, even if it does have 180 pages in it and our tariff deferral bill only four.

Congress is also moving on other urgent matters. The House is voting today on a bill to provide $374 million to keep seven major northeastern and midwestern railroads from ceasing operations.

Revenue sharing will get a thorough review, although the exact timetable is not known. As you know, that jurisdiction has been transferred from Ways and Means to the Government Operations Committee. The committee and subcommittee both have new chairmen—Chairman Brooks and Chairman Fountain respectively—and eight of the eleven subcommittee members are new. It seems likely that the entire program will be reviewed from scratch and evaluated in light of the full financial picture relating to state and local government. The Administration indicates that it will propose a $40-billion extension covering five and three-quarter years (to accommodate the changeover in fiscal year dates). No recipient units would be eliminated, although there would be some adjustments. There is a chance for House action on revenue sharing this year. I am advised the Senate will not act before we do.

Emergency housing legislation is now undergoing hearings. A number of proposals are under consideration: subsidizing interest rates down to six percent, providing mortgage assistance to the jobless to prevent foreclosures, making condominiums eligible for federal mortgage purchase, providing rental assistance to stimulate the financing of low-income projects, and providing subsidies for home insulation. Further down the road are oversight hearings on HUD's suspension of the new communities program and HUD's management of the housing subsidy and community development block grant program. The committee also plans to undertake a study of mortgage credit, including federal, state and local programs as well as the private mortgage insurance industry, and a review of programs for preserving and rehabilitating older housing.

The Banking, Currency and Housing Committee this morning reported two bills: one would reduce interest rates, and the other would allocate credit. The intention of the second bill is to assure that credit is allocated to productive uses and away from speculative uses. Chairman Reuss can give you details. Both bills may get to the House Floor by next week.

There are many other areas of legislation which would affect states. I suspect that the governors have many questions of their own. We would be glad to hear them.

HAL FISHMAN'S SPEED RECORD—A NEW WORLD RECORD

HON. ALAN CRANSTON

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Monday, February 24, 1975

Mr. CRANSTON. Mr. President, I am pleased to announce that Los Angeles newsman Hal Fishman recently broke the world speed record for propeller-driven light planes.

Mr. Fishman, piloting a twin-engine Aerostar, clocked a time of 305 miles per hour over a 100-kilometer—620-mile—closed course. The previous speed record of 274 miles per hour was set by the Soviet Union.

Mr. Fishman, who will soon become news anchorman for TV station KTLA, already holds seven world records for speed and altitude in prop planes and jets.

In another flight in the same plane, TWA Capt. Barry Schiff also recorded a 305-mile-per-hour speed to break the 500-kilometer—310-mile—record.

Both records are for the CID class, composed of piston engine light planes weighing 3,300 to 6,000 pounds.

I ask my fellow Senators to join me in congratulating Hal Fishman and Barry Schiff for the honor their new records bring to our country.

PROBLEMS WITH THE SOCIAL SECURITY SYSTEM

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. ARCHER. Mr. Speaker, an essential task for the 94th Congress should be a complete review of our Social Security System with the objective of initiating long-range reform of this giant program. The consequence of a failure to take such action could be financial disaster.

A report entitled "Social Security: A Sound and Durable Institution of Great Value" has attempted to cover up the problem by asserting that the Social Security System is sound and healthy despite reports of serious financial problems. William J. Cohen, former HEW Secretary—1968–69—and 1 of the 8 cosigners of the report, stated that people did not need to worry about the program.

Unfortunately, the attempt to raise some relevant and serious questions about the Social Security System was dismissed as a "disservice" to the Nation. Ignoring the problems or attacking those who have serious questions about its financing will not solve the problems in the Social Security System—problems which we need to face now and in future years. In fact, the authors of this "white paper" admitted that from now until the end of this century, a 10 to 25 percent increase in social security revenues will be needed but they failed to specify how this additional money could be raised.

The Social Security Advisory Council is soon to release some disquieting figures concerning the potential effects of the mounting costs of social security outlays on our national budget. Even the most optimistic projections by the Social Security Administration are shocking. They admit to a debt totaling $1.3 trillion. This $1.3 trillion debt is based on the assumption that there are no adjustments in the present tax and benefits level.

However, independent economists have estimated that this debt could be as high as $2.5 trillion. Furthermore, this deficit fosters additional strain on the currently overburdened tax revenue resources, capital and labor, which would be bearing total annual benefits of $350 billion—assuming no more than 3-percent inflation—by the year 2000.

One proposed solution would allow medicare, which accounts for about 20 percent of our social security payments, to be disbursed from general tax revenues. This approach, however, would merely serve to purchase a few more years of partial relief. The Wall Street Journal in an editorial discussing the predictions of the Social Security Advisory Council observed:

> The other proposal put forth by the council last month would have raised the wage base for Social Security taxes in 1976 to $24,000 a year from $14,000 at present which would have had a severe effect on the profits of both capital and labor. However, the council reversed itself yesterday on that proposal and recommended dipping into the general fund to support some of the Medicare costs that come under Social Security. This is not much of an improvement either since it would add a further burden to an already overloaded federal budget.

The Report of the Panel on Social Security Financing to the U.S. Senate Committee on Finance highlights some of the major problems in the system. After an intensive study, the panel members were unanimous in their findings and recommendations. The report noted:

> Thus, we not only confirm the seriousness of the long range financing problem indicated in the 1974 Trustees' Report, but we believe that the size of the deficit may be even greater than predicted in that Report . . . While the long range financing problem is far more serious than the short range one, we believe the benefit structure of the social security system should be overhauled in the near future along with additional financing. Unless this is done the present Trust Fund will be seriously eroded in the years immediately ahead, and will be exhausted by the late 1980's.

A part of this special study places a special responsibility on Congress. It notes:

> Unless material changes are made in the present benefit formula, Congress will not have the appropriate control over the reasonableness and consistency, of benefits and it will be difficult, if not impossible, to finance the system on a satisfactory actuarial basis.

I would like to enter into the Record two articles on this problem. The first article is an editorial from the Wall Street Journal, January 20, 1975, entitled "The Social Security Report" and the second is an article from the U.S. News and World Report, "February 17, 1975, entitled "Overhaul of Social Security":

The Social Security Report

Last July, after we made the first of a series of comments on the dreadful state of the Social Security System and the need for immediate reform, an adviser to the system suggested we were being unfair in leaving the impression that the government was not addressing the problems. It was pointed out that an Advisory Council had been formed and "we should expect to receive, within the next year, carefully prepared and well thought out recommendations for the long-run financing and benefit structure of the system."

The Advisory Council has now finished its work. And at the risk of being criticized as unfair, we repeat that the government is not addressing the problems of Social Security. The council's tentative recommendations have not been well thought out. It still does not see that there is both a financial and an economic problem, and it is likely that if its laundry list of proposals to correct the financial problem were adopted, the economic problem would be made much worse.

The financial problem is that even based on SSA's optimistic actuarial asumptions about the next 75 years the system is in deficit in the amount of $1.3 trillion, discounted to present value. This means that if there are no changes in tax and benefit levels, financing the deficits over the next 75 years would require a fund of $1.3 trillion in hand today and earning interest.

The economic problem is that because the system is financed pay-as-you-go, if the deficit is covered by increased taxes on capital and labor, economic growth will slow, pushing the Social Security System further into actuarial deficit and requiring even higher taxes. If no change is made in the present system, in 25 years benefit outlays will hit $350 billion a year—assuming 3% inflation—

all of which has to be paid out of taxes on capital and labor.

Only one of the council's major proposals addresses this problem, easing the financial condition of the system without damaging the economy. If must be approved by Congress if there's to be any hope for the system's future. When Congress three years ago tied benefits to the Consumer Price Index, which was reasonable, it also tied future benefits to both price increases and wage increases. This double-indexing of benefits will by itself bankrupt either the system or the economy and has to be eliminated. Otherwise, before too many years, workers will get higher benefits when they retire than the wages they were getting when they worked.

In its other proposals, though, the council only considers ways to close the deficit once double-indexing is removed. One tentative idea is to push the retirement age to 68 from the present 65 in the year 2005. Some members of the council think that because it's likely people will live longer in the year 2005, they'd like to work longer. It's hard to see how this could close the deficit. If people are going to live three years longer than the actuaries now contemplate, they'll collect benefits for the same number of months even if they do retire at 68.

The other proposal put forth by the council last month would have raised the wage base for Social Security taxes in 1976 to $24,000 a year from $14,000 at present which would have had a severe effect on the profits of both capital and labor. However the council reversed itself yesterday on that proposal and recommended dipping into the general fund to support some of the Medicare costs that come under Social Security. This is not much of an improvement either since it would add a further burden to an already overloaded federal budget.

Very similar considerations apply not only to 1976 but to the long run. There is no way to resolve the economic problem inherent in the Social Security pay-as-you-go system by raising the tax rate, either on payroll taxes directly or through contributions from the general fund. The economy will produce less with higher taxes, an axiom that has now gained wide acceptance as it applies to the short run. But the Advisory Council's tunnel vision does not permit it to see this problem in either the short run or long run.

The AFL–CIO doesn't quite see it either, as the letter from their Mr. Seidman on the opposite page indicates. While he accepts the argument that the central question turns on the sufficiency of capital formation, he argues that capital sufficiency is evidenced by the rapid growth in corporate cash flow, which is perhaps the very worst of all the ways to measure capital growth. If the AFL–CIO really believes there is no problem of capital formation, it should ponder the question of why even at the height of the latest boom we found ourselves with a surplus of labor. This is a subject we will discuss in a future editorial.

Unless its final report is sharply different from what we've seen, we can only express disappointment in the half of a job the Advisory Council has done so far. Before President Ford passes any of these recommendations on the Congress, it would be wise to do the other half.

Overhaul of Social Security

Pressure is building anew for a major overhaul of Social Security before the system drowns in red ink. Unless something is done soon, experts predict, a small deficit in 1976 could balloon into a massive gap between benefits and taxes in just a few years.

The problem: Pensions are scheduled under law to soar far beyond taxes paid by workers and employers in years ahead.

As a result, the Government is searching for ways to shore up the ailing old-age plan. Among the proposals:

Cut way back on benefit increases, especially on a big break the law gives to workers who haven't retired yet.

Postpone the age at which retirees can receive Government pensions.

Increase the payroll for Social Security, already the fastest growing levy in the nation.

End the special Social Security tax and pay for benefits out of general federal revenues, putting the burden of bigger pensions on wealthier individuals and corporations.

Just what changes Congress will make are not yet clear, but experts insist a drastic break with Social Security's past is inevitable.

For years, Congress regularly voted even-higher pensions, even as the number of beneficiaries grew and the tax rate climbed. Until now, there's never been a problem in finding the money to pay for bigger benefits.

But suddenly, experts are telling the Government that things are different.

FUTURE PROSPECTS

Two groups of consultants, the Social Security Advisory Council and a special panel advising the Senate Finance Committee, have just evaluated the prospects for the old-age program. Here's what they see ahead:

It's too late already to avoid a gap between pension outlays and payroll-tax revenues in 1975. The Social Security Administration hoped to add about 3 billion dollars to its 45.9-billion-dollar emergency trust fund in 1976, but instead it will dip into the kitty for 3 to 4 billion just to meet the pension benefits. To wipe out the expected 6-billion-dollar shortfall, another 1 per cent would have to be added to the payroll tax which finances the plan.

And unless the system is revamped soon, deficits will rise with each passing year. The Senate panel predicts taxes in 1995 will fall about 16 per cent short of benefit payments. By the year 2045, taxes could cover less than half the cost of pensions.

If a deficit equal to half the cost of benefits occurred in 1975, it would amount to a gap of over 35 billion dollars. As wage and price increases push up furture benefits, deficits later on will be even larger.

That's the generally dismal picture the two panels present, even though they disagree on specific conclusions. One reason they differ is the difficulty of projecting important trends such as inflation, birth and death rates, and wage growth 75 years into the future.

But as one Senate panelist observed, "Even if we're both wrong by 20 per cent, it's still a disaster."

SHIFTING PATTERNS

What is it that has suddenly clouded Social Security's future? Basically, the blame falls on two unforeseen events.

First, young Americans are having fewer children than their parents had. That means there will be fewer young workers to pay for pensions when today's bulging work force is retired.

The "baby boom" after World War II resulted in unprecedented population growth until the mid-1950s. Today, the boom-era babies are married. But they live in an ecology and economy-minded society in which large families are expensive and unwanted.

As a result, the American birth rate is currently down to 1.9 children per family, less than enough to keep the population constant in years ahead. Over the longer term, both panels of experts predict, birth rates will rise to 2.1 children per family. At that level, which is far below rates during the "baby boom," the U.S. population would eventually stabilize.

The Advisory Council predicts the current ratio of 30 retired persons per 100 taxpaying workers will rise to 45 per 100 by the year 2030. The Senate panel's results suggest that the ratio may jump even higher. Whichever group is correct, the bulging retired population will put strains on workers whose payroll taxes cover most of the cost of retirees' pensions.

The second problem upsetting the financial balance of the system stems from the decision of Congress in 1972 to increase retirement benefits in step with inflation.

The idea was to protect the purchasing power of pensions and survivors' benefits from inflation by raising payments each year in the same proportion that prices increased during the prior 12 months.

As long as wages, and the taxes paid on them, also rise with inflation, this "indexing" system puts no added pressure on taxpayers.

LEGAL "FLAW"

But when Congress passed the 1972 law, the indexing feature included an obscure but costly provision now widely characterized as a "flaw." The law not only increases retirees' benefits along with inflation, it also gives double relief from inflation to workers not yet retired. Here's how:

Imagine two workers with equal wages in 1975. In principle, Congress wanted them to earn pensions of equivalent purchasing power at retirement.

One worker retires at the end of 1975, receiving Social Security payments of $200 per month. After one year, because of inflation, that pension rises 5 per cent to $210.

The second individual waits a year to retire. During 1976, he receives a wage hike of 5 per cent as a result of inflation. But under current formulas for calculating pensions, his higher wage at retirement entitles him to a base pension of more than $200 per month. And that higher pension also comes in for a 5 per cent boost because of inflation.

In effect, the worker who retires later is compensated twice for increases in the cost of living. And he receives a pension permanently higher than Congress intended.

The longer this double adjustment for inflation continues, the faster benefits will climb ahead of more slowly rising payroll taxes.

That leaves the Government searching for a way out of deficits caused by the indexing plan and a growing old-age population.

NEED FOR HASTE

The solution has to be found soon, before the Social Security trust funds are seriously depleted. Those funds, which currently contain 45.9 billion dollars, are counted on to meet any short-term money problems the pension plan encounters. But if deficits continue even at the moderate 3 billion dollar pace expected in 1976, the funds will run dry after about 15 years.

What can be done? There's a grab bag of options being offered on Capitol Hill. But no solution to so complex a problem seems likely to satisfy taxpayers, retirees and lawmakers alike. Here are some ideas getting serious consideration—

The most important change, the panels of experts agree, must be to correct the "flaw" in the current benefit calculation. By doing no more than holding pension increases in step with hikes in wages and taxes, the Advisory Council calculates that expected future deficits could be cut by one third.

In principle, the change should be possible while still retaining the cost-of-living adjustment for retired persons. How? By changing the method of calculating retirees' initial benefits.

At present, an individual's basic pension is calculated by averaging his taxable monthly wages over his working years. His monthly pension is based on that lifetime average.

The "flaw" could be eliminated by deflating each year's average monthly wage, for example, by the amount of change in the price level during that year. The lifetime average would then be calculated and the pension based on the purchasing power of monthly wages over the worker's life.

But even with that change, the pension plan's budget will still be seriously out of balance, at least by the turn of the century when the "baby boom" generation retires.

THE OPTIONS

That leaves policy makers to choose among three options: cutting back benefits, increasing the payroll tax still more, or finding alternative sources of revenue for pensions.

Proposals to hold down benefits have come from many sources. Most recently, the President proposed holding the cost-of-living increase in Social Security pensions to 5 per cent this year, even though inflation was more than twice that much in 1974.

Some legislators have considered permanently limiting or even eliminating the yearly adjustments for inflation.

A variation on the theme comes up in the Advisory Council's proposals. Beginning in the year 2005, they suggest, the age for retirement at a partial pension could be pushed forward to 65 from 62, and full pensions could be delayed until age 68, rather than the current 65. That plan, they suggest, would permit a balanced Social Security budget well into the 21st century with only moderate increases in taxes.

By the year 2005, when labor growth has begun to lag, employers and labor may be more eager to put off retirement. But the plan flies in the face of current trends toward earlier, not later, retirement.

In the past, Congress has been loath even to vote against bills raising Social Security benefits. The President's plan to limit this year's inflation adjustment has stalled in Congress, and politicians in the future will hesitate before cutting the payments a retirement-age population still growing in numbers, wealth and influence can expect to get.

Can the payroll tax alone take up the burden if benefits aren't cut?

Calculations by one expert suggest that after the turn of the century a payroll tax rate as much as double the current tax might be needed, even if the "flaw" in benefit calculation is fixed.

Currently the tax is about 11.7 percent of the first $14,100 of a worker's annual pay, split between the employer and the employe. That tax includes a 1.8 per cent levy to pay for medicare.

STANDARDS ABROAD

In comparison with some European countries, a pension tax of even 20 per cent would not be extraordinary. But by American standards, a tax double the current one would be an unprecedented drain on workers take-home pay.

And many economists say the Social Security tax is already too costly for low-income workers. The tax, these critics point out, is based only on wages, and therefore does not touch investment income such as dividends and interest. In addition, a tax ceiling holds down the payments of wealthy-individuals.

There's another side to the story. Low-income families also get more in benefits from Social Security relative to the taxes they pay.

But the debate over whether and how to "reform" the payroll tax continues. Until the question is resolved, big leaps in the tax rate are not likely to get easy approval in Congress.

That leaves legislators one last option to narrow Social Security's deficits—find new sources of money.

The Advisory Council suggests one move to meet deficits expected from 1976 on. Their plan: Use part of the present 1.8 percent payroll tax that now goes for medicare to pay for pensions, and fund the medical aid program out of general government revenues.

For the longer term, they'd like to see all of medicare paid for with the Treasury's regular revenues. And beyond that, some Council members would use those general tax receipts to pay for the part of the low-income person's pension that, in effect, is a form of welfare—the extent to which his pension exceeds the wage he got before retiring.

Over the years, Social Security benefits have been tilted toward the poor by Congressmen who believe that individuals without other sources of income at retirement merit larger pensions. Opponents of the financing change fear it might set the stage for a cutback in pension and medicare payments for some people.

NEW CONCEPT

There's growing support instead, in and out of Government, for a plan to merge the Social Security tax into the personal income tax and pay for all pension benefits out of general federal revenues.

Then the Government would be tapping taxes from corporations and would be getting more from individuals with middle and upper incomes to cover Social Security costs.

And that would signal a revolution in the philosophy underlying Social Security. Since its inception in the 1930s, the idea behind the Government old-age plan has been that workers pay for pensions out of their wages.

Opponents of the switch to general revenue financing say it would open the way to greater drains on the economy to pay for growing pensions.

Behind all options and problems facing Congress, however, stands one stark fact: The Government must do something soon before the Social Security system finds itself in real trouble.

REPUBLIC OF ESTONIA

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. RICHMOND. Mr. Speaker, I would like to join my colleagues in offering congratulations to the people of Estonia as they celebrate the 57th anniversary of Estonian independence. This is a nation of peace-conscious people, all dedicated to the betterment of their children's live and the dreams of their fathers.

The history of the Estonian people has provided them with tragedy upon tragedy and only because of their brave convictions have the people of Estonia remained united behind their great cause. The suffering which has dominated Estonians for so long has only strengthened their beliefs and the dreams of her once again becoming a state of freedom in the Baltic lives and in the hearts of many.

We in the United States vividly recollect the importance of independence. It was a time when our forefathers stood strong for a belief. This belief became a reality and one which we pray the Estonians may also once again experience.

WHO PAYS ATTENTION TO RESEARCH

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. BROWN of California. Mr. Speaker, the place of research in our society is now firmly established. In times of war, the policymakers have little difficulty in considering new approaches to problems; especially new approaches to cause death and destruction. This relationship between the military and research continues today, where military related research and development is still more than 50 percent of the 1976 budget requests for all research and development programs.

In the civilian sector, and especially in the area of materials, energy, and the environment, the Federal research efforts have been relatively small, and, if impacts on public policy are any indication, ineffective. The criticisms of the Federal R. & D. program are many, and its defenders few. The House of Representatives recognized the fractured nature of our civilian R. & D. efforts when it chose to adopt last year's committee reorganization which gave the House Science and Technology Committee oversight responsibility over all civilian research and development. This centralization of civilian R. & D. within the House comes none too soon, as the host of problems we must face grows.

One of the most persistent criticisms of research is that policymakers will not listen to the results. The large number of examples of this phenomena can lead one to conclude that research is irrelevant. One need only review the farsighted reports and recommendations of President Franklin Delano Roosevelt's National Resources Committee, or President Harry S Truman's Materials Policy Commission, the so-called "Paley Commission," to recognize that history has tended to prove the cynics correct.

The Washington Star carried an article by H. Peter Metzger in its February 23 edition entitled, "Who Pays Attention to Research?". I do not intend to call Mr. Metzger a cynic, but if his views are correct, then what the House of Representatives approved when it reorganized last year, and what the Congress approved when it established the Office of Technology Assessment, amounts to nothing.

Mr. Speaker, I do not believe that the Congress, with its new-found self-determination, will ignore either the need for research nor the results of good research. In this regard, I would like to mention another article that appeared in the February 23 edition of the Washington Post concerning the current state of environmental research, particularly as it relates to human health. If there was ever an area where research should be the basis for public policy, it is in the area of human health.

Mr. Speaker, I ask that both the article by Mr. Metzger and the article by Gershon Fishbein on environmental standards be printed in the RECORD at this time.

The articles follow:

[From the Washington Star-News, Feb. 23, 1975]

Who Pays Attention to Research?

(By H. Peter Metzger)

There have been few examples of a research project actually affecting public policy. That may seem surprising, but the fact is that governments end up doing whatever they want to do. Research findings are used mostly for window dressing if they're supportive, and are ignored if they are not.

The president's panel on marijuana several years ago was supposed to give the government's last word on effects of "grass," good and/or bad. But because the experts' final report didn't come down hard enough on the weed, President Nixon announced that he would ignore it.

That wasn't the only technical advice Nixon was ignoring. Shortly afterwards he abolished the position of Presidential science adviser.

But whether or not anybody cares, research projects, with all their pretension and extravagance, go on.

Only last month the Ford Foundation announced the largest grant it had ever made in the field of resource development and environment. It gave $12 million to a research outfit called Resources for the Future, to study "policy alternatives" concerning the development of our natural resources and the consequences.

One would think that the Ford Foundation would have learned its lesson by now, having just blown $4 million on the much ballyhooed Ford Energy Project. Like most grandiose studies of the behavior of mankind, that research gave the same trite but true advice on how to solve our energy problems that you would get from any intelligent high school student: That we should cut consumption and let the prices rise as energy becomes more scarce.

But with only its good sense to recommend it, that recent study now has all the earmarks of being ignored permanently, and the money could better have contributed to the solution of the energy crisis if it had been incinerated in some local power plant.

As I write these words, I can scan my library. It is filled with similar reports on all the current crises: Energy, pollution, hunger, climate—the works. There are even several there I personally helped put together. But I have never seen a thing come from any of them.

I suppose I shouldn't be surprised. Dire warnings on man's various crises have been ignored before, especially pronouncements on population and energy. Justice Holmes wrote in 1866 that he attended a discussion concerning the question: "Should England's financial policy be based upon the predicted exhaustion of her coal reserves 90 years hence?" Nearly a century later a report presented to President Truman on the state of our natural resources revealed that man had used up as much of the planet's resources in the previous 50 years as in his entire existence until then. So warnings are old and the fact that they are ignored is not new either.

My pessimistic impression has solid support from a 1974 project at the University of Michigan. Sponsored by the National Science Foundation, the study included interviews of more than 200 government officials just below cabinet rank. These key officials got almost none of their information from the federal scientific research establishment, they learned. Instead, they got most of their scientific information from the newspapers.

It may be there is just no hope that careful research studies can ever affect public policy-making. Certainly history supports that view. At the very least we can say:

Those who attempt to change public policy by writing research reports must realize that some wildly innovative approach is required. For if God himself wrote the next crisis report, it would be thrown in the pile with all the rest, only to be moved out with the trash after serving a respectable period in the files of some key government decisionmaker.

Setting Environmental Standards

[From the Washington Post, Feb. 23, 1975]

(By Gershon Fishbein)

Two recent appeals court decisions have restricted the authority of the Environmental Protection Agency to establish standards to protect the public health from environmental contaminants under present laws.

The first ruling overturned a lower court order closing down Reserve Mining Co. in Silver Bay, Minn., because of the alleged presence of asbestos in the drinking water, which some scientists said could lead to cancer. More recently, the court in Washington set aside EPA's regulations phasing out the lead content of gasoline.

In each case, the court based its ruling on the same premise: that EPA had not furnished definite proof that the asbestos or the lead had caused demonstrable illness in a substantial part of the population. And in each case, the court cited the absence of a cause-and-effect relationship between statistics on deaths and illnesses and exposure to the environmental contaminants.

To EPA administrator Russell Train and his subordinates, it was clear that the combined effect of the two decisions was to impose a near-impossible burden on the agency's ability to enforce the Clean Air Act, in which the primary standards are based solely on protection of public health, and the water pollution laws related to health.

Train's concern, shared by many authorities and researchers, is based on the widely held view that the health hazards of environmental exposures cannot be pinned down in the same way that communicable diseases in one individual can be traced to one virus or bacteria. Yet that is the sort of proof which the courts appear to want before they uphold EPA's health regulations and, presumably, the standards of other agencies as well.

The concept of "one germ, one disease," or Koch's Postulate (named for Robert Koch, the 19th Century German bacteriologist who discovered the cause of tuberculosis) is one of clinical medicine's most cherished maxims. It holds that a single organism causes a single disease.

This principle holds especially true in communicable diseases such as tuberculosis or common cold when an infected individual can threaten the community in environmental health, however, the cycle of disease transmission is reversed. It is the community which threatens man—through air pollution from many sources, or radiation, or pesticides. Thus, multiple causation is one distinctive characteristic of environmental health.

Another is the long period—sometimes 20 years or more—between exposure to a contaminant and the clinical evidence of cancer or other disease. This is in contrast to viral diseases, when symptoms frequently appear in 24 to 48 hours.

Still another characteristic is the accumulation of cellular and other damages in the body from many sources over a long period of time, adding up to what is referred to by environmental physiologists as "total body burden."

MAJOR OBSTACLES

Train and his deputy, John R. Quarles, Jr., believe that the courts ignored all of these distinctive characteristics of environmental disease in insisting on specific cause-and-effect proof—body counts, as Train put it. Such proof is, of course, available in clinical medicine but almost never in environmental medicine; there is, however, a fairly strong consensus among researchers that air pollution will, as a minimum, aggravate the condition of those with heart disease and asthma was well as the very old and very young (collectively, a substantial percentage of the population).

Faced with such scientific uncertainties, regulatory agencies charged with establishing standards of public health protection from environmental sources run headlong into major obstacles in trying to be as specific as possible in selecting standards. Dr. John F. Finklea, director of the National Environmental Research Center in North Carolina—the principal EPA health laboratory—and his colleagues ticked off some of the problems in a recent paper which sought to predict the health benefits and risks of equipping automobiles with catalysts:

There is usually insufficient information regarding the magnitude and frequency of exposure to environmental agents because health-related environmental monitoring has been an "underdeveloped activity" and because of wide variations in human reaction to the same agent.

The links between exposure and disease are complex. For example, the effects of infrequent short-term peak exposures may well differ markedly from the effects of long-term exposure or frequently repeated short-term exposures over a long time. Furthermore, a single environmental agent may contribute to a number of different disorders and a single disorder may result from a combination of agents.

Environmental health studies are limited by deficiencies in vital records and imperfections in assessment of deaths and illnesses.

A research data base which draws on the results of studies in occupational as well as clinical settings is usually lacking.

But that sort of information might not be available for years. Meanwhile, the air and water pollution laws demand numerical standards and deadlines. So the environmental scientists dig in with animal investigations, develop computerized models, plot weather characteristics, study hospital admissions during air pollution episodes and measure them against national illness and health data—and generally come up with a series of projections, inferences and presumptions.

It is possible to determine from death certificates how many people in a community with excessive air pollution levels died of lung conditions. But death certificates don't indicate whether the victims were smokers or where they lived in relation to a polluting factory, for example.

LOOKING AT OPTIONS

Health standards based on presumptions usually give the public a greater margin of safety than otherwise. But is it fair to expect industry to spend the money necessary to comply with health standards based on little more than presumptions? Perhaps more relevant to the current dilemma, is it legal?

In the leaded gasoline and asbestos cases, EPA relied on what it believed to be the preponderance of scientific data suggesting adverse health effects in establishing standards or taking other corrective action. But the affected industries produced their own scientific studies to indicate the opposite. The court agreed with the industries.

This pattern, projected into the future, illustrates why EPA cannot rely entirely on the preponderance of scientific opinion indefinitely in trying to find a way to develop health standards which not only satisfy the research community but also survive the sterner tests imposed by the courts.

If not, what options are open to EPA in attempting to cope with the problem?

As a short-term step, EPA may consider asking Congress to amend the Clean Air Act to give the administrator greater discretionary authority in determining what constitutes "endangerment to public health." The objective would be to avoid any requirement of proving cause-and-effect relationships. EPA has made no decision on this, but the problem seems certain to surface when the Senate Public Works Committee begins consideration of Clean Air Act amendments March 19.

Other legislation includes the omnibus toxic substances control bill, which would require companies to put their chemical products through detailed and extensive tests for health effects and other environmental safeguards before being put on the market. EPA might push for precise review of health data here.

Then there is the bill by Sens. Philip Hart (D-Mich.) and Gaylord Nelson (D-Wis.) which would shift the burden of proof from government to industry in environmental suits. The bill, introduced just before adjournment in the last Congress and scheduled for reintroduction shortly, would require that industrial defendants prove the absence of environmental and human health damage in lawsuits rather than require the government to prove the existence of the hazard.

Alan G. Kirk II, who recently resigned as assistant EPA administrator for enforcement and general counsel to become general counsel of Pepco, had testified that the agency supported the general purpose of the legislation, which was introduced in the wake of the Reserve Mining case decision. Sen. Hart explained the objective this way:

"It would provide that once a 'reasonable risk' of a threat to public health was established by parties requesting relief, the burden would then be on the defendant to prove that the relief requested was not justified. Thus, in situations where crucial evidence as to the extent of an acknowledged public health risk was lacking, defendants would be required to come forward and demonstrate the need for its activity outweighed the risks inherent in allowing the activity to continue. Most significantly, plaintiff's failure to prove actual harm would not, in and of itself, amount to a bar to relief."

EPA is also in the process of establishing standards of safety and purity in public drinking water supplies as a result of legislation passed in the final days of the 93d Congress. It seems certain that, forewarned by the lead and asbestos decisions, it will try to make such health standards courtproof.

High officials of EPA express their view privately that the two judges who wrote the majority opinion in the leaded gasoline ruling took into consideration the energy and economic crisis in coming to their conclusions on health effects. Their view supports the dissent of Judge J. Skelly Wright, who contended:

"I suspect that the rigor of the majority's review and hostility to these regulations are related to the energy crisis and a reluctance to 'waste' a single gallon of gasoline for reasons of health when extra gallons might prove to be in short supply. . . . It is the anguish of the children and urban adults who must continue to breathe our lead-polluted air that moves me."

If the court decision was in fact formulated with an eye on the energy crisis, it would, of course, not be the first time judicial rulings took into consideration the social and economic consequences of their actions. In past years, at the height of the environmental era, such decisions often favored the ecological cause. Now that the pendulum may be swinging a bit the other way, the courts may do the same.

PLIGHT OF FARMERS

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. JONES of Tennessee. Mr. Speaker, we of the Subcommittee on Cotton have just completed 3 days of hearings in conjunction with our colleagues on the Subcommittee on Livestock and Grains concerning possible alterations in the target and loan prices of farm products.

As a member of the Subcommittee on Cotton and a farmer myself I can sympathize very closely with the plight of the farmer in this period of economic upheaval. He has been beset with higher costs of production in every phase of his business. Fertilizer is higher and equipment that is so essential to the high rates of productivity demanded of our modern farmer has doubled in cost over the past several years. To add this list, fuel costs, insecticides, repair of equipment, and labor have all contributed to higher overhead to the farmer who actually represents the Nation and the world's food basket.

I would therefore like to enter into the RECORD this story from the Commercial Appeal newspaper of Memphis, Tenn. While this story focuses primarily on the Mississippi cotton farmer, I think that it states well the plight of our country's farmers whatever their main crop:

BELEAGUERED COTTON FARMERS MULL HUGE SPRING CUTBACKS

(By Carol Boydstun)

COLUMBUS, MISS., February 21.—A. B. Hanson is a 50-year-old farmer who claims he "was born on a cotton sack in a cotton patch" and can remember when his "daddy would borrow $50 to make a two-mule crop" that his mother and six sisters and brother hoed and picked.

"I was supposed to start school in 1930, but I couldn't go until after the first of the year because we couldn't buy shoes until Daddy borrowed the money for the next crop."

Those weren't the good old days. But then, neither are these, Hanson says.

And the closer spring planting dates come, the harder Hanson and other cotton farmers watch to see what the market and Congress are going to do.

Cotton produced last year at about 50 cents a pound and selling now for less than 40 cents is still sitting in warehouses waiting for the price to rise.

Faced with the rising production costs and diminishing returns on what was once called "white gold," Hanson, come spring, may be planting soybeans where he once sowed cotton seeds.

Cotton may be his first love, but a man's got to make a living and "cotton's in a hell of a mess," Hanson says.

"The price of cotton is not really what's hurting us—it's the cost of everything else," he says.

"At least 99.9 percent of the farmers don't even know completely (what they will plant)," Hanson says, citing high production costs as the main reason for the uncertainty.

Hanson bought a mechanical picker last fall to harvest his 1,220 acres of cotton. It cost $33,000.

"In 1968, that (cotton picker) cost $15,000 to $16,000. In 1965, I bought a 100-horsepower tractor, disk, harrow and four-row cultivator for $8,700. That tractor and the same three pieces of equipment cost $20,000 now. That's fact."

Rapid-fire, he lists other production costs that have doubled or tripled in the last two years alone.

Diesel fuel was 17.5 cents per gallon in 1973. Now it's 39.9 cents. A popular cotton insecticide was $3.85 per gallon in 1973 and $8.75 in 1974. Repairs went up more than 100 percent. Fertilizer went from $62 per ton in 1973 to $150 per ton in 1975. And interest rates on farm loans have jumped to an average of about 10 percent.

Last year, according to U.S. Department of Agriculture figures, the nation planted 13.8 million acres of cotton. Predictions are that cotton acreage will drop to 9.5 million, or a 32 per cent decrease, in 1975.

In Mississippi, a "cotton state," the average expected decrease is 34 per cent—from 1.8 million acres in 1974 to 1.2 million in 1975.

"The thing that really bugs me is that where you reduce planting drastically, we have a lot of production, harvesting and ginning equipment that will be sitting idle. It's expensive equipment and somebody's got to make payments on it," says state Cooperative Extension Service agricultural economist Rupert Johnston.

"It's like a farmer told me up at Tupelo—'It takes a hulluva lot of soybeans to pay for a cotton picker.'"

Extension Service figures show that the cost of producing an acre of cotton in the Delta is about $225.51. That acre normally will produce well over a bale of cotton and the cost includes seed, chemicals, fertilizer, equipment, harvesting, hauling, ginning and labor, as well as the interest farmers pay on their operating capital. It does not include the cost of leasing land.

If the price of cotton averages about 40 cents and the yield per acre is high, a Delta farmer can expect to make $89 per acre on his cotton crop.

Similar figures for the hills, or non-Delta portion of the state, show cotton farmers spend $245.21 per acre in producing a crop, have a lower yield per acre and can expect a return of only $2.79 at 40 cents per pound.

As a result, Johnston says the state's farmers are facing the most serious problem in three decades.

"Soybeans are about the only choice many farmers have. They represent the only major alternative for large acreage in Mississippi, and cost about one-third as much as cotton to produce," Johnston says.

Some farmers have indicated they plan to plant more acres in rice and grain sorghum, but Johnston says they will be few because rice requires expensive irrigation systems and grain sorghum requires expensive drying equipment for harvest. Both represent heavy initial investments.

The switch from cotton to soybeans in the state is going to hit the Mississippi businessman "right in the pocketbook," Johnston says.

"Business on Main Street will be reduced almost $100 million if farmers shift 600,000 acres from cotton to soybeans."

He says there is a difference of at least $161 per acre between production costs of cotton and soybeans. If you multiply that by 600,000 (the acreage reduction expected), that's a $96 million drop in what farmers are going to be buying.

But "It's not reasonable at all to think a farmer is going to keep raising a commodity just because he personally likes it, if it doesn't produce returns," says Panola County farmer Carlton Hays.

Hays, who retired this year from 16 years on the board of the county's Agriculture Stabilization and Conservation Service, is one of a group of farmers and bankers in that county who are concerned about what is happening to the farmer.

"Congress today is consumer-oriented and couldn't care less what's happening in Mississippi. They're not attentive to anything except the food issue. They must be made to realize what's going to happen—right down to their own pocketbooks," Hays says.

Most cotton farmers raise food crops, too. If a great many farms fail and cease to be productive this year, it's going to result in higher prices on the grocery shelves because of the scarcity, Hays explains.

"The man on the street in 1976 is going to realize the mistake when the money pinch gets down to the cash registers—then it's going to be too late, he warns.

The money pinch already is at the farm level.

Farmers like Hanson, who did not forward contract their 1974 cotton crop, held on to the cotton after the November harvest in hopes of higher prices.

From lows of about 35 cents per pound, the prices have rallied little, though some predict prices will rise to the mid-40s during the year.

Noel Reedy, manager of the Federal Compress and Warehouse company at Aberdeen, says the warehouse is holding about 25,345 bales of cotton, as compared to 15,317 at the same time last year. This January they have shipped only 1,160 bales of cotton to buyers, compared to 5,152 shipped in January, 1974.

"Everybody's waiting for higher prices," Reedy says.

As a result of hanging on to their cotton, rather than take a heavy loss at harvest time, most farmers have not repaid their 1974 loans.

"Panola is one of the larger counties in land area and about 25 per cent of the row-crop acreage in the county is farmed by farmers who rent rather than own the land," Hays says.

"These people are unable to repay their 1974 loans to the lending institutions and now they're going back for refinancing for the 1975 crop.

"The banks have not recovered the 1974 loans and here they estimate there is going to be 25 per cent less money available to be loaned out in 1975 than in 1974.

"Tenant farmers cannot go to the Farmers Home Administration for disaster loans because they have no equity to put up as security for the loan.

"Unless some financing is relaxed or FHA equity requirements are waived to help the farmer farm in 1975, it does not take any wizard at all to see what is going to happen to the economy right down to the merchant level.

"The problem ceases to be limited to the farmer."

Hearings on target prices for cotton and grains have begun in the Senate in Washington and the National Cotton Council plans is pushing, there and elsewhere, resolutions formulated for, among other things, a raise in the current 38 cent target price.

(When the market price of cotton falls below the target price, the government is supposed to make up the difference to the farmer. However, the target price regulations contain a triggering mechanism based on the average market price for the 12-month period beginning in January.)

With 1974, cotton market prices ranging from the mid 80's to the low 30s, the average market price for 1974 was above the 38-cent target price and the farmer can't collect even if he, individually, sells his cotton for less than the target price, Hays points out.

The Senate committee, chaired by Sen. Herman Talmadge (D-Ga.) is considering a 50 cent target price for cotton.

And Hays says the "target price must be of a positive nature, not regulated through a triggering mechanism."

Credit for farmers also is expected to be tighter this year. With many banks cutting loan programs.

Clayton Junkin of the Columbus Merchants and Farmers Bank says he does not think "any farmer will be turned down at any lending institution where he has been before."

But, he added, "they're going to have to be able to secure their credit a little better than in the past. The farmer is just going to have to take the frills off and put the necessities in the ground."

FREEDOM FOR LITHUANIA

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. EARLY. Mr. Speaker, last Sunday, February 16, 1975 the Lithuanian Naturalization and Social Club of my home city of Worcester, Mass. conducted, in the club quarters at 67 Vernon Street, their annual public ceremony commemorating Lithuania's Declaration of Independence which occurred on February 16, 1918.

It was my privilege to address the large gathering of the Lithuanian club members and guests and I have been requested to include in the RECORD excerpts from the excellent article about the ceremony by Mr. Jack Tubert that appeared in the February 17 issue of the Worcester Telegram Newspaper and my own remarks to the assembly, which follow:

[From the Worcester Telegram, Feb. 17, 1975]

LITHUANIAN INDEPENDENCE DAY: FLAME OF FREEDOM IS MEMORIALIZED

(By Jack Tubert)

Imagine Independence Day, the fabulous Fourth of July if—a big, frightening if—the British had reoccupied the colonies in the 19th century. A century after all the 1776 fireworks.

Grandfathers today would whisper to awed little ones how they had sat at their grandfather's knee and heard tales of the wonder of living free. The glory of long ago that would have been "Camelot" for the short-lived United States of America.

Melancholy, the day would be.

Melancholy, the day was. Yesterday. For Worcester's Lithuanian community. Its people marked the 58th "Fourth of July" of that tiny Baltic nation. The Feb. 16, 1918, Independence Day celebration that goes unnoticed behind the Iron Curtain now that Lithuania once again is just a colony of the Soviet Union.

Grandfathers might not have talked of the glory days—between World War I's burst of renewed freedom and the Soviets' return in 1940.

But at the Lithuanian Naturalization and Social Club, 67 Vernon St., hundreds of people from 35 organizations, wearing their hearts on their sleeves for a Lithuanian heritage, commemorated the 57th anniversary of that 1918 day when freedom was restored—if only for two decades. (Lithuania had been a major power, a cultural kingdom for 700 years before Czarist troops first clamped the lid on freedom back in the early 1800s.)

"Yes, it is a very sad day, but a day of commemoration, of recalling a time when Lithuania was free, and to join in the pledge to one day see it free once more," said Mrs. Ausra Zerr of Philadelphia.

She was the featured speaker at yesterday's Independence Day commemoration. She knows whereof she speaks.

She was Ausra ("It means Dawn in Lithuanian") Maciulaitis when she was forced to flee her birthplace in Kunas as the Soviets poured across the Lithuanian border after World War II. Her father, a lawyer-teacher, had died before the family began the long journey that so many DPs—displaced persons—took from Europe in the late 1940s to find our Statue of Liberty.

Now married to a computer company executive, Mrs. Zerr is the vice president of the Lithuanian executive committee of the Lithuanian American Community of the U.S.A.

UNRESOLVED LEGACY

Mrs. Zerr said the Lithuanian communities are concerned that during a summit conference between President Ford and the Soviet leaders this spring, "the Soviets will attempt to gain an official stamp of approval on the territorial status quo as it exists now in the Baltic states."

She cautioned that it would be tragic if in seeking to reach new agreements with the Russians, the United States "put a stamp of approval to present day territorial boundaries." They were fixed in the mid-1940s, and Mrs. Zerr refers to them as "the unresolved legacy of World War II."

To agree to make the boundaries permanent, "we feel, is against U.S. policy," said Mrs. Zerr. She said the U.S. government never recognized in the 1940s the then-allied Russia's "forcible inclusion of the Baltic states (Lithuania, Latvia and Estonia) into the Soviet Union."

U.S. Rep. Joseph D. Early, D-Worcester, made his first public appearance here since being sworn in to Congress last month.

SUPPORT URGED

Anthony M. Miner, president of the Worcester Area Council of Lithuanian Organizations, read resolutions to be sent by his organization to various political leaders urging them their support of the drive to make Lithuania free.

Joseph Tribandis, president of the Lithuanian Naturalization and Social Club, welcomed the visitors.

ADDRESS OF U.S. REPRESENTATIVE JOSEPH D. EARLY

As a life-long friend of the Lithuanian people and as your new Representative in the United States Congress, I am very pleased to be with you today commemorating the annual anniversary of your native Lithuania's declaration of independence, which took place on February 16, 1918.

Unfortunately that independence was inhumanly and illegally taken away from Lithuania in 1940 by the Soviet Union. To this day in 1975, the Communist Russian leaders continue to brutally persecute the good people of your native country.

Although, Lithuania's present slavery causes us all to be saddened, there is no reason why we should despair.

Repeatedly throughout her history Lithuania has demonstrated that her people can overcome the temporary triumph of any oppressor.

We know that the Christian faith which, in 1399, defeated the Tartar Invasion and saved all Europe from domination is still with her today.

It gives her the spiritual capacity to outlive and defeat any dictatorship.

In the heart of every Lithuanian there is an everlasting desire for freedom and liberty which will never die.

That is why Lithuania still lives despite Russian tyranny.

She lives in the hearts of her brave sons and daughters who have survived the brutal Soviet persecution.

She lives in her inspiring literature, her great history, the deep religious faith of her people, and in their burning devotion to the land of their ancestry. The Lithuanian people have proved they can not be destroyed by any type of terror and tyranny however inhuman it may be.

The history of the world clearly shows that every nation that has depended upon inhuman force and injustice for its power and rule was eventually destroyed by its own evil ways.

In the end that is what will happen to the communist atheistic power that now illegally rules over Lithuania.

Therefore, in commemorating the 57th anniversary of Lithuania's independence we are not making any idle or temporary sentimental gesture.

We are, rather, looking confidently to the brighter future that must come to all courageous people who remain loyal to their Christian faith and principles.

We know that, "sooner or later," whoever stands in the way of any peoples god-given right to freedom and liberty will eventually be made powerless to dominate and persecute their fellow men.

In the meantime I am very happy to join with you in this effort to inspire the people in your native Lithuania to continue to keep the bright flame of liberty burning in their hearts. We must let them know that their American friends have not and never will abandon them.

I believe it is in the best interest of this country to support the cause of freedom for Lithuania because so long as Lithuania remains enslaved our own liberty will be ever threatened.

Therefore, as your United States Representative, I will continue to urge the President and the Congress to exert every moral, legal, political and diplomatic resource at the command of this government to persuade the Soviet Union to give back to Lithuania the independence which is now being illegally withheld from her.

Also, as your friend, I pledge that I shall work with you until Lithuania's freedom is regained and your native country is restored to her rightful proud place among the civilized nations of the world.

ESTONIAN INDEPENDENCE DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. RODINO. Mr. Speaker, today Estonians will mark the 57th anniversary of their republic's declaration of independence. Yet, for a number of decades now, that independence has remained a dream rather than a reality for that courageous nation. For in 1940, Estonia was annexed to the Soviet Union through military force and occupation. Since that infamous day, the people of Estonia have struggled valiantly to maintain their resolve to be free. The American people share that hope and determination. The depth of our conviction that Estonia will once again take its place as a sovereign nation is demonstrated by our continued recognition of their diplomatic representatives. The fierce desire to be free will not die within Estonia, and we all look forward to the time when that paramount ambition for self determination will be finally realized.

LIMIT TO BELT TIGHTENING

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. DODD. Mr. Speaker, President Ford's proposal to limit the cost-of-living increases in social security, civil service, and military retirement pay, and food stamps, was ill advised. In this time of spiraling inflation, the people most adversely affected are those trying to live on a fixed income. These people, who already find it a difficult task to survive on the meager amount of money which comes into their households, are the wrong ones to penalize in an attempt to save money.

I would like to place into the RECORD an editorial which appeared in the Norwich, Conn., Bulletin. It is an impassioned response to the "impersonality" of the President's proposal.

The article follows:

LIMIT TO BELT TIGHTENING

There was something too impersonal about the wording of President Ford's proposal to limit the cost of living increases during the next year for Social Security recipients and pensioners. "In all government programs tied to the consumer price index—including social security, civil service and military retirement pay, and food stamps—I also propose a one-year maximum increase of 5 per cent," Ford told the Congress.

He might more accurately and honestly have addressed the people whom his proposal would affect. He might have said, "I'm asking you, aged mothers and fathers of the United States, to eat a little less, live in colder homes, wear more threadbare clothing, and discontinue any expenditures that are not essential to bare survival."

Ford did not make similar demands on wage earners, for whom he proposed tax rebates, or on the corporations, for whom he has proposed greater tax credits. Perhaps that is because wage earners and corporations are in a better position to fight back. The elderly are among the politically helpless of the nation. They are an easy target.

The nation as a whole, is guilty of the sin committed by politicans who see Social Security recipients as faceless parasites. We call the aged poor "Senior Citizens," flattery that suggests a respect for the wisdom of age. We do not show that respect in any other way. We give ardent support to federal and state programs that will keep the elderly amused and out of the way, so that we do not have to share the personal burden of their care. We keep them out of sight and out of mind, while we attend to our own needs and problems. We have, since World War II, moved the aged out of our homes and out of our circle of concern. We watch in wonder a television melodrama about a home in which three generations live side by side. It is a situation that we cannot picture for ourselves.

But the elderly are real, living, breathing human beings. But for Social Security pensions, many of them might not exist at all. The fact is that about 3.4 million, or one fifth of the elderly live in households with incomes below the official poverty level. Few of the others approach the affluence of the average American family.

Under President Ford's proposal, an elderly couple's monthly benefits would be increased from $310 to $325, instead of the anticipated $337, the amount that would be required were the Social Security pension tied to the cost of living increase. That translates to about $76 per week. How many of us would accept an income of that size? What portion of that income should the elderly be asked to sacrifice in order to share in the general belt-tightening? How tight can a belt be drawn before it strangles?

The Department of Labor has informed us that, balancing increased income against increased cost of living in 1974, the average family lost 5.4 per cent of its purchasing power.

But the elderly had little to offset the 12 per cent increase in prices, so little that the cost of living formula would have required a 9 per cent increase in pensions to allow them to stay on even ground. Five per cent of bare subsistence income is a major sacrifice, far out of proportion to the sacrifices that the younger population has been asked to make.

As a society, we have willingly and voluntarily, if not eagerly, turned over the care of our aged parents to the federal government. It is a luxury that we must forgo if we are not willing to pay the price. If the Social Security tax, as it is now constituted, will not pay the bill, it is the working age population that must sacrifice more—not the aged who have given up almost everything.

HOPES FOR FREEDOM AND LIBERTY IN BALTIC STATES

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. DOWNEY. Mr. Speaker, 57 years ago the cause of freedom was strengthened when the Baltic States established themselves as independent republics free from foreign domination. February 16 marked the 57th anniversary of establishment of the Republic of Lithuania, and today we commemorate the Declaration of Independence of the Republic of Estonia.

But today both of these Republics lie within the borders of the Soviet Union, victims of the power struggles of pre-World War II Europe. Their history is one of struggle. Their people have undergone great hardships, but their faith remains strong.

We in the United States cherish the principles of freedom on which our Nation was founded. Today, as we continue our own hard work of being free, we extend our compassion and understanding to the people of the world who still must struggle for their freedom.

These days of commemoration are a reminder that the yoke of repression still binds many peoples of the world. It is appropriate that the people of the United States join in that commemoration to demonstrate to Lithuanians and Estonians that we share their ardent hopes for freedom and liberty.

THE LATE RAYMOND MOLEY

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. SOLARZ. Mr. Speaker, I wish to briefly note the recent death of Dr. Raymond Moley, a close adviser to President Franklin D. Roosevelt in his early years in office.

Dr. Moley organized FDR's noted Brain Trust and was the leader of this august body of presidential advisers and confidants. He brought into the New Deal such capable persons as Rexford Tugwell and Adolph Berle. He played an active and vital role in Mr. Roosevelt's election and continued to serve FDR after his victory.

Although Raymond Moley's importance and role was to dim shortly after the New Deal was launched and he was to eventually part ways with President Roosevelt, his distinctive mark was left on many aspects of President Roosevelt's recovery efforts. Even after he left Government service, however, Moley continued to play an active role in public affairs. He proved that a person can continue to make a contribution to national life even though he is not in a governmental position.

Raymond Moley was a unique and capable person whose counsel and guidance was sought and valued by political leaders of both major parties.

I present herewith, for inclusion in the RECORD, a rather perceptive article regarding Dr. Moley's background and career:

[From the New York Times, Feb. 20, 1975]

RAYMOND MOLEY, ROOSEVELT AIDE, DIES; BRAIN TRUST LEADER COINED "NEW DEAL"

PHOENIX, Ariz., February 18.—Raymond Moley, who coined the term "New Deal" during President Franklin D. Roosevelt's Administration in 1933 and who was a leader of the original Brain Trust, died Tuesday. He was 88 years old.

Mr. Moley had a heart attack last year while on a trip to New York and had been in ill health since. However, the political adviser had been working as late as last week on memoirs going back to the Presidency of William McKinley.

His latest book, on the Irish patriot Daniel O'Connell, was published recently.

Survivors include his widow, Frances; two sons, Dr. Malcolm Moley of New York and Raymond Moley Jr. of Berea, Ohio, and a daughter, Nell Moley, also of Berea. His two sons were by his first wife, the former Eva Dall. That marriage ended in divorce.

BRIGHT SHINING STAR

(By Albin Krebs)

Although Raymond Moley's star as one of the New Deal's most influential architects rose and fell within a relatively short span, while it shone it cast a brilliant light.

He was one of the original members, and swiftly became the tacitly acknowledged leader of the Brain Trust, the team recruited by Franklin D. Roosevelt to advise him in his race for the Presidency in 1932.

During the period before the Inauguration, Mr. Moley was Mr. Roosevelt's most heeded adviser, the one-man conduit through whom politicians with ideas on how to get the nation out of the Depression had to go to get to the President-elect. He was Mr. Roosevelt's chief intermediary with potential Cabinet officers.

And during the hectic Hundred Days of Mr. Roosevelt's first term, Mr. Moley served as the White House's principal liaison with Congressional leaders who were writing the historic New Deal legislation that was to change American history radically.

BROKE WITH PARTY IN 1936

Even though he continued to wield a substantial influence with Mr. Roosevelt well into the President's first term, Mr. Moley's position gradually eroded as he fought with other Presidential advisers over what he considered a too-radical trend the New Deal was taking.

Finally, no longer able to square his essentially conservative views with the programs Mr. Roosevelt was advancing, Mr. Moley broke with him and the Democratic party in 1936. In 1940, by which time he had become a columnist for Newsweek magazine, Mr. Moley supported Mr. Roosevelt's Republican opponent, Wendell L. Willkie, and in the elections that followed he also endorsed Republicans, including Barry Goldwater and Richard M. Nixon.

Mr. Moley, who had gone to work for Mr. Roosevelt while remaining a professor of government and public law at Columbia University, was nurtured in the great Ohio school of political and social reform that flourished in the early part of the century.

Born Sept. 27, 1886, at Berea, Ohio, Raymond Charles Moley was the son of Felix James and Agnes Fairchild Moley. His Dublin-born father was so enthusiastic a Democrat, Mr. Moley recalled some years ago, that young Moley was vociferously asserting his own political views at the age of 6.

A SCHOOL SUPERINTENDENT

Graduated from Baldwin-Wallace College in Berea in 1906, Mr. Moley became Superintendent of Schools in Olmstead Falls, Ohio, and at 21 was elected Town Clerk. Four years later he was elected Mayor, but he had to resign soon after to move to New Mexico and Colorado to recuperate from tuberculosis.

Although he had intended to study law, Mr. Moley decided to follow the example of the hero of his youth, Woodrow Wilson, by becoming a political scientist. He received a master's degree from Oberlin College in 1913, taught at a Cleveland high school and at Western Reserve University and in 1918 received his doctorate at Columbia under the guidance of Charles A. Beard, the Progressive reformer.

As director of the Cleveland Foundation, Mr. Moley played a major role in reforming the administration of criminal justice in that city, and his achievements won him a professorship in government at Columbia in 1923. He also attracted the attention of Louis Howe, a Roosevelt confidant and chairman of the National Crime Commission, who hired him to make studies of criminal justice in a number of cities.

Mr. Howe persuaded Mr. Moley to work for Mr. Roosevelt's election as Governor of New York in 1928. After the election Mr. Roosevelt appointed him research director of a State Commission on the Administration of Justice.

The hard-working professor caught the eye of a top Roosevelt adviser, Samuel Rosenman (who later became a State Supreme Court justice). And when, early in 1932, Mr. Roosevelt was girding for the Presidential race, Mr. Rosenman urged him to call in some university professors, headed by Mr. Moley, to advise him on national issues.

Mr. Roosevelt accepted the idea and Mr. Moley recruited two Columbia colleagues, Rexford G. Tugwell, an economist and now senior fellow of the Center for the Study of Democratic Institutions, and the late Adolph A. Eerle Jr., a law professor. Thus was born the Brain Trust—a term coined by Mr. Howe with less than admiring intent.

Mr. Roosevelt was no economist, and what he most needed was guidance on how to cope with the pervasive fact that the American economy had collapsed. A fourth of the labor force was out of work, national income was half what it had been four years earlier, mass starvation and perhaps even revolution threatened.

The importance of the Brain Trust was that in advising Roosevelt on how to make the American system work again, their philosophy was one that broke radically with tradition. The Trust members rejected the two traditional views—laissez faire, or the faith that business was inherently good and should be left alone, and the Progressive reformer assumption that business was by nature evil and should be kept small by "trust-busting."

Rather, the Trust members—offering a third view that seems commonplace now but was radical in 1932—counseled that Government should not ignore business nor beleaguer it; Government should work with business to achieve a sturdy economy. (Mr. Roosevelt accepted that general approach and held to it through 1935, when he decided that the business community did not want to cooperate with the Government, and shifted from a philosophy of economic planning to old-fashioned trust-busting.)

As leader of the Brain Trust, Mr. Moley wrote many of Mr. Roosevelt's campaign speeches. After the election he set up headquarters in the Carlton Hotel in Washington, acting as the President-elect's chief strategist.

He accompanied Mr. Roosevelt on two visits to the White House, where, under coldly formal conditions, they questioned outgoing President Herbert Hoover about the state of the nation.

Years later Mr. Moley said that he really had not wanted to become involved, but Mr. Roosevelt implored him to stay at his side. He said Mr. Roosevelt told him that "no one in the Administration would have a more intimate relationship with the President. No one, except himself, would have more to do with making policy. . . . My authorization seemed to make me Roosevelt's de facto minister of the moment."

SOUGHT BY POLITICIANS

Mr. Moley had his fingers in so many pies, as the new Administration was being organized, that politicians literally lined up at his door to see him. So sought-after was he, and so powerful, that there sprang up a parody of an old hymn that went: "Moley, Moley, Moley/Lord God Almighty!" A joke widely circulated had it that one of Mr. Roosevelt's oldest friends said to the President-elect: "Franklin, can you do me just one favor? Can you get me an appointment with Moley?"

Years later he took credit for saving J. Edgar Hoover's job. Louis Howe and other advisers had urged Mr. Roosevelt to dismiss the director of the Federal Bureau of Investigation, but Mr. Roosevelt listened to Mr. Moley.

Mr. Roosevelt persuaded Mr. Moley to accept appointment as an Assistant Secretary of State in his Administration, with the understanding that he would actually have no official duties as a diplomat but would function as the President's special assistant.

As such, Mr. Moley was credited with persuading the President to abandon the gold standard. He recommended the naming of Joseph P. Kennedy as chairman of the new Securities and Exchange Commission, which turned out to be one of Mr. Roosevelt's wisest appointments.

He also was influential in steering the New Deal toward Federal regulation of agriculture and (in the National Industrial Recovery Act) organization of industry and commerce under Government authority.

DELEGATE TO LONDON

Despite these accomplishments, Mr. Moley was headed for trouble. It came with the disastrous London Economic Conference, which began in June, 1933. After it became apparent that the delegates from the nations taking part could agree on nothing and that the conference was in near-chaos, Mr. Moley wangled Roosevelt's consent to a plan for him to join the American delegation.

The delegation was headed by Secretary of State Cordell Hull, who had never liked Mr. Moley. The British, assuming that Mr. Moley was Mr. Roosevelt's personal spokesman, rushed to see him on his arrival. Mr. Hull, fearful that Mr. Moley was there to undercut him, was furious and humiliated, but he wrote in his diary: "I decided to give him all the rope he might want and see how long he might last."

Mr. Moley sent Mr. Roosevelt the suggestion that he make an innocuous declaration that he looked forward to eventual restoration of the gold standard, which the other conferees favored. But the President instead issued a statement condemning the conference for its "singular lack of proportion."

The Roosevelt actions were a great, public blow to Mr. Moley's reputation. "You had better get back home," Mr. Hull told him. "You had no business over here in the first place."

Having had to resign as Assistant Secretary of State, Mr. Moley worked briefly for the Justice Department, then left the Administration to edit a new magazine, Today. This was later merged with Newsweek, for which Mr. Moley wrote a column.

The 1940 Presidential campaign was enlivened by Mr. Moley's book dissecting the New Deal, "After Seven Years." In the years that followed he wrote several other books, including "What Price Federal Reclamation?" and "The Republican Opportunity in 1964."

Mr. Moley, who had sharp and penetrating eyes, was a man of medium height and a bit on the portly side. He had a blunt, outspoken manner that often riled his detractors and opponents, but close associates considered him a nervous, sensitive fellow, one whose feelings would be easily offended.

GOVERNMENT DEFICITS: THE CAUSE OF INFLATION AND UNEMPLOYMENT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. CRANE. Mr. Speaker, a great deal of fallacious economic reasoning is now being heard in the Congress, in the press, and in the academy concerning the best means to ameliorate our current difficulties of rising inflation together with rising unemployment and recession.

A popular misapprehension is that inflation and unemployment are unconnected and that to fight recession we must, somehow, ignore inflation and, beyond this, stimulate it—by cutting taxes at the same time that we increase expenditures. Those who advance such arguments tell us, in effect, that the best way to move out of the current slump is through increasing deficits and increasing inflation.

This may be popular politically, for it enables legislators to increase subsidies to a variety of constituent groups—farmers, teachers, veterans, businessmen, welfare recipients, et cetera—but it is bad economics. If we follow that prescription we will find ourselves approaching not recession or slump, but a full-scale depression.

Discussing the manner in which mounting inflation leads inevitably to mounting unemployment, economist Friedrich A. von Hayek notes that inflation—

> . . . gives the whole structure of the economy a distorted, lopsided character which sooner or later makes a more extensive unemployment inevitable than that which that policy was intended to prevent. It does so by drawing more and more workers into kinds of jobs which depend on continuing or even accelerating inflation. The result is a situation or rising instability in which an ever-increasing part of current employment is dependent on continuing and perhaps accelerating inflation and in which every attempt to slow down inflation will at once lead to so much unemployment that the authorities will rapidly abandon it and resume inflation.

Dr. von Hayek makes it clear that it is not free enterprise which is responsible for the current state of affairs but, instead:

> . . . our own mistaken monetary and financial policy. What we have done is to represent on a colossal scale what in the past produced the recurring cycles of booms and depressions . . .

It is high time that we return to the fiscal sanity which is the only proper response to the circumstances we face. This involves balanced budgets, a responsible monetary policy, and a refusal to fulfill through the political structure the irresponsible economic demands of various pressure groups within the American society.

I wish to share with my colleagues the article, "Inflation and Unemployment," by Friedrich A. von Hayek, cowinner of the 1974 Nobel Memorial Prize in Economic Science, which originally appeared in the Daily Telegraph of London and was reprinted in the New York Times of November 15, 1974, and insert it into the RECORD at this time:

INFLATION AND UNEMPLOYMENT

(By Friedrich A. von Hayek)

LONDON.—The responsibility for current worldwide inflation, I am sorry to say, rests wholly and squarely with the economists, or at least with that great majority of my fellow economists who have embraced the teachings of Lord Keynes.

What we are experiencing are simply economic consequences of Lord Keynes. It was on the advice and even urging of his pupils that governments everywhere have financed increasing parts of their expenditure by creating money on a scale which every reputable economist before Keynes would have predicted would cause precisely the sort of inflation we have got. They did this in the erroneous belief that this was both a necessary and a lastingly effective method of securing full employment.

The seductive doctrine that a government deficit, as long as unemployment existed, was not only innocuous but even meritorious was of course most welcome to politicians. The advocates of this policy have long maintained that an increase of total expenditure which still led to an increase of employment could not be regarded as inflation at all.

And now, when the steadily accelerating rise of prices has rather discredited this view, the general excuse is still that a moderate inflation is a small price to pay for full employment: "Rather 5 per cent inflation than 5 per cent unemployment." as it has recently been put by the German Chancellor.

This persuades most people who do not see the grave harm which inflation does. It might seem—and even some economists have maintained—that all inflation does is to bring about some redistribution of incomes, so that what some lose others will gain, while unemployment necessarily means a reduction of aggregate real income.

This, however, disregards the chief harm which inflation causes, namely that it gives the whole structure of the economy a distorted, lopsided character which sooner or later makes a more extensive unemployment inevitable than that which that policy was intended to prevent.

It does so by drawing more and more workers into kinds of jobs which depend on continuing or even accelerating inflation. The result is a situation of rising instability in which an ever-increasing part of current employment is dependent on continuing and perhaps accelerating inflation and in which every attempt to slow down inflation will at once lead to so much unemployment that the authorities will rapidly abandon it and resume inflation.

We are already familiar with the concept of "stagflation" to describe that state in which the accepted rate of inflation no longer suffices to produce satisfactory employment. Politicians in that position have now little choice but to speed up inflation.

But this process cannot go on forever, as an accelerating inflation soon leads to a complete disorganization of all economic activity.

Nor can this end be avoided by any effort to control prices and wages while the increase of the quantity of money continues: The particular jobs inflation has created depend on a continued rise of prices and will disappear as soon as that stops. A "repressed" inflation, besides causing a still worse disorganization of economic activity than an open one, has not even the advantage of maintaining that employment which the preceding open inflation has created.

We have in fact been led into a frightful position. All politicians promise that they will stop inflation and preserve full employment. But they cannot do this. And the longer they succeed in keeping up employment by continuing inflation, the greater will be the unemployment when the inflation finally comes to an end. There is no magic trick by which we can extricate ourselves from this position which we have created.

This does not mean that we need go through another period of unemployment as we did in the nineteen-thirties. That was due to the failure to prevent an actual shrinkage of the total demand for which there was no justification. But we must face the fact that in the present situation merely to stop the inflation or even to slow down its rate will produce substantial unemployment. Certainly nobody wishes this, but we can no longer avoid it and all atempts to postpone it will only increase its ultimate size.

The only alternative we have, and which, unfortunately, is a not unlikely outcome, is a command economy in which everyone is assigned his job; and though such an economy might avoid outright worklessness, the position of the great majority of workers in it would certainly be much worse than it would be even during a period of unemployment.

It is not the market economy (or "the capitalist system") which is responsible for this calamity but our own mistaken monetary and financial policy. What we have done is to represent on a colossal scale what in the past produced the recurring cycles of booms and depressions; to allow a long inflationary boom to bring about a misdirection of labor and other resources into employments in which they can be maintained only so long as inflation exceeds expectations. But while in the past the mechanism of the international monetary system brought such an inflation to a stop after a few years, we have managed to design a new system which allowed it to run on for two decades.

As long as we try to maintain this situation we are only making things worse in the long run. We can prevent a greater reaction than is necessary only by giving up the illusion that the boom can be prolonged indefinitely and by facing now the task of mitigating the suffering and preventing the reaction from degenerating into a deflationary spiral. It will chiefly be a task not of preserving existing jobs but of facilitating the opening of (temporary and permanent) new jobs for those who will inevitably lose their present ones.

We can no longer hope to avoid this necessity, and closing our eyes to the problem will not make it go away. It may well be true that, because people have been taught that government can always prevent unemployment, its failure to do so will cause grave social disturbances. But if this is so, we probably have it no longer in our power to prevent this.

THE DRAMATIC DECLINE IN U.S. NAVAL STRENGTH

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. McDONALD of Georgia. Mr. Speaker, how ever one totals it up, our Navy is sliding to a No. 2 position in the world. True, we are building new ships, but not in enough quantity, but more important the Soviet Union is achieving its aim of disarming us psychologically via its policy of détente. Even the best weapons in the world, and there is serious question as to whether our naval vessels are, will not be enough in a future conflict if the national will to fight is lacking. I commend this column by Alan Brownfeld, as it appeared in the Christian Observer on February 5, 1975, to the attention of my colleagues:

THE DRAMATIC DECLINE IN U.S. NAVAL STRENGTH

(By Allan C. Brownfeld)

WASHINGTON.—While liberals in Washington tell us that we are spending too much money for national defense, and conservatives assure us that under the current Republican administration we have maintained our national strength, the facts tell a far different—and far more depressing story.

Part of this story is described in some detail in the 1974–75 edition of Jane's Fighting Ships, the British annual which has long been regarded as "the bible of the world's navies."

Looking at the Soviet Navy, "Jane's" editor Captain John E. Moore of the British Royal Navy finds a number of "great strengths" as well as a few—very few—"possible weaknesses."

The current list of Soviet naval "weaknesses" is very short: "manpower and, consequently, technical maintenance submarine silencing, anti-submarine operations, shipborne aircraft and custom-built fleet supply ships, although this last is now being remedied."

The Soviet Navy's "great strengths" are much more numerous. A few examples of the many cited include:

"The Soviet Navy leads the world in seaborne missile armament, both strategic and tactical, both ship and submarine-launched. Their shore based air-force is second to none, they have large mine-warfare forces and a considerable amphibious capability."

The USSR's submarine force, already the world's largest—and probably the most powerful as well—continues to grow in quality and numbers. The new "Delta" class ballistic missile submarine is now operational, and the "Delta-11"—a giant amongst big submarines"—and two additional new classes are on the way.

The Soviet surface Navy, which for the first time ever now outnumbers the U.S. surface Navy, is also coming into its own. Among the Soviet superstars: (1) The KRIVAK-class destroyer, which "is more than a match for any Western destroyer and, in any event, could outrun anything opposed to her"; (2) The KARA-class cruiser, possessed of "formidable power with her own helicopter and double the strength of missile-power possessed by the KRIVAKs—a single vessel of the KARA class could well engage a squadron of attacking aricraft"; and (3) the KURIL-class aircraft carrier which, carrying both V-STOL (vertical-short take-off and landing) aircraft and helicopters, "will provide a much-needed strengthening of the 'balance' in the Soviet fleet."

DESPITE DÉTENTE

More ominous than present Soviet naval capabilities is the probability of even more powerful capabilities in the future. The Soviet research and development program, Captain Moore observes, has increased "by well over half in the last five years."

Thus, while political leaders in our own country and elsewhere in the West discuss "détente" and a forthcoming generation of "peace," the Soviet Union pursues only a rhetorical "detente" while pushing ahead in all major weapons systems and armaments.

Our deteriorating defense position is the responsibility of both parties—of the Democrats who say that, despite Soviet superiority, we spend "too much" on defense—and Republicans who assure us that, despite dramatic Soviet advances we are still "number one."

The U.S. Navy has been cut almost in half within the past six years. In addition, states Captain Moore, the U.S. Navy is afflicted with a "serious gap" in surface-to-surface missile armament and an "inferior balance" in nuclear submarines. Another gap, perhaps equally serious, was "left by the disposal of the specialized anti-submarine carriers," illustrating the dimensions of the problem that exists when the other side gets the jump in an important area of technology is the fact that U.S. nuclear attack submarines do not even now possess the anti-ship missile capability "such as the USSR has had since the first 'Whisky' class modification some 15 years ago."

MORE THAN QUANTITY

Captain Moore declares that, "Of those countries to whom a navy is today essential, the United States of America is one of the foremost, and the U.S. Navy is probably also in the vain of those subjected to misinformed, illogical and irrational attacks by some of those who depend most upon it."

Commenting upon the latest findings in "Jane's" concerning our deteriorating naval position, Sea Power, the journal of the Navy League of America, declares that, "The big problem for the U.S. Navy is much more than numbers, and much more than technology. It is a matter of national will, which in our opinion translates into a matter of national education—about the need for Navy and the needs of the Navy. In a democracy it is not possible to develop and maintain the strong oceanic forces necessary for national survival without the confidence and backing of the general public, and the public's elected representatives in Congress. But achieving that confidence . . . is no easy matter. It is, indeed, a desperately heavy burden."

The burden becomes even heavier in the face of repeated statements from public officials that somehow the Cold War is over and somehow, world Communism no longer is an aggressive and disruptive force. The Nixon-Kissinger-Ford foreign policy, it seems, is based on the proposition that an enemy no longer exists. If Communism was an enemy, Americans seem to believe, we would not sell it wheat at a subsidized price, would not contemplate providing it with our advanced computer technology, and would not refuse to condemn its barbaric practices toward dissidents and religious minorities. And—if no enemy exists—there is no need for a strong military force.

One of the first victims of "détente" has been our own ability to defend ourselves—and this is dramatically shown with regard to our naval forces. It is essential that Americans wake up to this unfortunate reality before it becomes too late to correct it.

HOUSE OF REPRESENTATIVES—*Tuesday, February 25, 1975*

The House met at 12 o'clock noon.

Pastor Clyde B. Wasdin, North Highland Assembly of God, Columbus, Ga., offered the following prayer:

Heavenly Father, this is Your Nation. We have survived many crises by Your grace. Now bring us to one mind with stouthearted patriotism.

Bless our President and all our Congressmen, grant them love, cooperation, and unanimity.

May we never forget that all the gold, silver, even oil, belongs to You. Your faithfulness to deliver will never be forgotten. The depression of the thirties, the nightmare of December 7, 1941, by You were reconciled.

O, God, we need You now. Hear us and respond as we humble ourselves in Your presence.

Help us proudly wave our flag and love one another, for with Your power and our togetherness we can, as always before, triumph over sin and evil.

For Your glory and our preservation, I pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

PASTOR C. B. WASDIN

(Mr. BRINKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRINKLEY. Mr. Speaker, may I add my welcome to Pastor Clyde B. Wasdin of North Highland Assembly of God and welcome him to our Nation's Capital.

In the words of Commissioner McKenzie of New York at Andersonville, Ga., in 1916, when he said, "This is the finest country upon which the Sun has ever shone," and in that context, may we welcome Pastor Wasdin to the Capital of that country and thank him for his inspirational prayer on behalf of these United States of America.

In Columbus, the church that Pastor Wasdin ministers to is attended by my former district representative, now Mayor Jack Mickle. The spirit of good will, the singing and everything that goes into this ministry is exceptional, and we are glad to have Pastor Wasdin here with us today.

Two hundred and fifty years ago, Jonathan Swift, writing in "Gulliver's Travels," said that the man who could make two blades of grass grow where only one had grown before, would do more essential service for mankind than the entire race of politicians put together.

Pastor Wasdin is such a man. He is a builder. He is a man of God. We welcome him here today.

APPOINTMENT AS DIRECTOR OF THE CONGRESSIONAL BUDGET OFFICE

The SPEAKER. The Chair desires to announce that pursuant to the provisions of section 201(a)(2) of the Congressional Budget and Impoundment Control Act of 1974, Public Law 93-344, the Speaker of the House of Representatives and the President pro tempore of the Senate did, on Monday, February 24, 1975, appoint Ms. Alice M. Rivlin as Director of the Congressional Budget Office.

APPOINTMENT AS LAW REVISION COUNSEL OF THE U.S. HOUSE OF REPRESENTATIVES

The SPEAKER. The Chair desires to announce that, pursuant to the provisions of section 205(d), House Resolution 988, 93d Congress, and enacted into permanent law by Public Law 93-554, he has appointed Edward F. Willett, Jr., Law Revision Counsel of the U.S. House of Representatives, effective February 24, 1975.

SUPPLEMENTAL MILITARY AND ECONOMIC ASSISTANCE TO CAMBODIA—COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the President of the United States:

THE WHITE HOUSE,
Washington, February 25, 1975.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I wish to convey to the House of Representatives my deep concern over the present critical situation in Cambodia. An independent Cambodia cannot survive unless the Congress acts very soon to provide supplemental military and economic assistance.

Unless such assistance is provided, the Cambodian army will run out of ammunition in less than a month.

The Cambodian people are totally dependent on us for their only means of resistance to aggression. The Communist forces now attacking have a constant, massive outside source of supply from the North as has been demonstrated by their ability to sustain the current heavy offensive.

If additional military assistance is withheld or delayed, the Government forces will be forced, within weeks, to surrender to the insurgents.

The economic situation is almost as difficult. Refugees forced to flee their homes by the Communists' repressive measures and scorched-earth policies have poured into Phnom Penh and other cities. Severe food shortages are already beginning. If the Congress does not provide for continued deliveries of rice and other essential supplies, millions of innocent people will suffer—people who depend on us for their bare survival.

The Government of the Khmer Republic has demonstrated on countless occasions its willingness to negotiate a compromise political settlement to bring peace to its tormented land. It has been proven over the past two years that the progressive cutbacks of American support have only undercut the possibilities of negotiation by encouraging a ruthless enemy in the hope of obtaining a total victory.

These are the harsh realities which the Congress must bear in mind as it considers the Administration's request for supplemental assistance to Cambodia.

It has been a basic policy of this Government to give material support to friends and allies who are willing and able to carry the burden of their own self-defense. Cambodia is such an ally.

This is a moral question that must be faced squarely. Are we to deliberately abandon a small country in the midst of its life and death struggle? Is the United States, which so far has consistently stood by its friends through the most difficult of times, now to condemn, in effect a small Asian nation totally dependent upon us? We cannot escape this responsibility. Our national security and the integrity of our alliance depend upon our reputation as a reliable partner. Countries around the world who depend on us for support—as well as their foes—will judge our performance. It is in this spirit and with this sense of responsibility, Mr. Speaker, that I urge rapid and favorable action on my request for additional assistance to Cambodia.

Sincerely,

GERALD R. FORD.

REQUEST FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO SIT ON WEDNESDAY, FEBRUARY 26, 1975, DURING 5-MINUTE RULE

Mr. HALEY. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be permitted to sit on Wednesday, February 26, while the House is meeting under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PERMISSION FOR SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS OF COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING 5-MINUTE RULE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Subcommittee on Civil and Constitutional Rights of the Committee on the Judiciary be allowed to proceed this afternoon with its hearing on the Voting Rights Act extension legislation during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PRESIDENT'S SUPPLEMENTAL APPROPRIATION REQUEST FOR VIETNAM AND CAMBODIA

(Mr. MITCHELL of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL of Maryland. Mr. Speaker, in the past 6 months, I, and all Members of Congress, have heard a nonstop flow of rhetoric from the White House proclaiming the desire of this administration, particularly of this President and of this Secretary of State, to establish a "meaningful dialog" with Congress, a "policy partnership," a "mutual understanding and respect," et cetera, et cetera, ad infinitum.

My message to the White House today is a simple one. It is merely that the desire and the ability of two persons or of two bodies to communicate has, as a nonnegotiable prerequisite, the desire and the ability of each to listen to what the other is saying.

The request of this administration for a $300 million appropriation for the country of Vietnam and for a $222 million appropriation for the country of Cambodia belies all of its rhetoric concerning "mutual understanding and respect." The White House obviously does not respect the will of this Congress. However, I find it hard to believe that it so thoroughly does not understand this body. Therefore, I feel that it is imperative that we state clearly, once again, and for the last time, that the Members of this Congress, representing as they do the will of this country, will not extract from a recession-ridden nation a half a billion dollars to finance continuing hostilities in Southeast Asia.

The United States has been involved in the Vietnam war for the past 14 years. A $500 million request for military aid to Vietnam and Cambodia in February 1975 is unthinkable, as will be the requests for similar aid in August 1975 and February 1976, August 1976 and February 1977.

I heartily and sincerely urge the administration, in the name of communication, to listen this time.

CALL OF THE HOUSE

Mr. WYLIE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 23]

Abzug
Andrews, N.C.
Annunzio
Ashley
Barrett
Bell
Boggs
Broomfield
Brown, Mich.
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Butler
Chappell
Chisholm
Collins, Ill.
Conlan
Conyers
Derrick
Diggs
Dingell
Drinan
Edwards, Ala.
English
Esch
Eshleman
Fenwick
Flowers
Flynt
Fountain
Fraser
Gude
Hébert
Howard
Ichord
Jarman
Kelly
Kindness
Krueger
Lent
Long, La.
Lott
McCloskey
Metcalfe
Mills
Minish
Moakley
Moffett
Moorhead, Calif.
Moorhead, Pa.
Murphy, Ill.
Murtha
Rangel
Roncalio
Rosenthal
Rostenkowski
Ruppe
St Germain
Scheuer
Skubitz
Staggers
Stokes
Taylor, Mo.
Teague
Thompson
Udall
Ullman
Walsh
Waxman
Young, Fla.

The SPEAKER. On this rollcall 362 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FURTHER CONTINUING APPROPRIATIONS, 1975

Mr. MAHON. Mr. Speaker, pursuant to authorization of the House on Thursday last, I call up a House joint resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes, and ask unanimous consent that the joint resolution be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 219

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (c) of section 102 of the joint resolution of June 30, 1974 (Public Law 93-324, as amended by Public Law 93-448 and Public Law 93-570), is hereby further amended by striking out "February 28, 1975" and inserting in lieu thereof "June 30, 1975": *Provided, however,* That, notwithstanding any other provision of this joint resolution or any other Act, the appropriations and funds made available and authority granted pursuant to the fourth unnumbered clause of section 101(b) and sections 112 and 114 of such joint resolution as amended relating to foreign assistance and related programs appropriations shall remain available until March 31, 1975.

Mr. MAHON. Mr. Speaker, the Committee on Appropriations brings before the House today a resolution making further continuing appropriations for the fiscal year ending June 30. This is the third extension to the original June continuing resolution which has been required. The original resolution expired on September 30, 1974, and was extended until the sine die adjournament of the 93d Congress. In December, it became apparent that further continuing authority would be required and the expiration date was extended until February 28—this coming Friday.

NEED FOR A FURTHER CONTINUING RESOLUTION

The resolution before the House today is rather routine in nature. it is necessary to continue certain governmental functions for which appropriations have not yet been enacted. The resolution extends continuing appropriations for foreign assistance activities until March 31, 1975, and extends authority for various programs of the Department of Health, Education, and Welfare and the Community Services Administration until June 30, 1975.

HEALTH, EDUCATION, AND POVERTY PROGRAMS

The resolution provides continuing authority for various programs not yet funded under the Department of Health, Education, and Welfare and certain activities of the Community Services Administration, the successor agency to the Office of Economic Opportunity. Consideration of 1975 appropriations for these programs and activities was deferred in the 93d Congress, primarily due to lack of authorizing legislation.

Legislation has now been enacted which authorizes 1975 appropriations for a number of programs, including health planning and resources development, emergency school assistance, drug abuse education, and programs formerly authorized by the Economic Opportunity Act. Appropriations for such programs will be considered in connection with a supplemental appropriation bill. The Labor-HEW Subcommittee, headed by the gentleman from Pennsylvania (Mr. FLOOD) has scheduled hearings on supplemental items as have other subcommittees and we hope to have hearings concluded and markups held on the supplemental items before the House adjourns for the Easter recess on March 26. This would allow us to bring a bill to the floor by mid-April, as soon as possible after the House returns.

Mr. Speaker, other ongoing health programs still lack authorization for 1975 appropriations. These include the programs which would have been authorized in the following legislation of the 93d Congress which did not achieve final enactment: Health Revenue Sharing and Health Services Act of 1974; Nurse Training Act of 1974; Health Manpower Act of 1974; Development Disabilities Services and Facilities Construction Act Amendments of 1974. These programs are covered by this resolution.

FOREIGN ASSISTANCE

Mr. Speaker, as I indicated earlier, this resolution also provides interim operating authority for the foreign aid and related programs until the end of next month. Although the Committee on Appropriations completed the regular hearings in June 1974 on the budget requests for foreign assistance programs for fiscal year 1975, the necessary authorizing legislation did not clear Congress until the final days of last session and did not become law until December 30, 1974. It was anticipated that a foreign aid appropriation bill might be before the House this week but certain delays have occurred. It is hoped that the bill can progress rapidly and it is recommended that the continuing authority for these programs be extended only until March 31 by which time it is anticipated that the regular bill can be sent to the President.

The rate provided for the foreign assistance programs is some $2.4 billion below the 1974 level and, when reported by the committee last Thursday, was some $2.1 billion below the budget estimates pending at that time. However, on yesterday the House received additional budget estimates for foreign aid totaling $388 million. These amounts are not provided for in today's resolution.

Mr. Speaker, in my judgment, we have no reasonable alternative but to provide the further continuing authority contained in this resolution and I urge its adoption.

So I would trust that the House would approve both the continuing resolution, which is so vital to the foreign aid program and particularly vital to certain Health, Education, and Welfare programs.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Yes. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Speaker, did not the President veto the Health Manpower Act?

Mr. MAHON. I am told by Members of the subcommittee that he did not.

The SPEAKER. Will the gentleman yield to the gentleman from Michigan?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I just want to join the distinguished gentleman from Texas in regard to what he said about the necessity of the continuing resolution. We discussed this matter in the full committee.

I just do not see where we have any option at all but to take the course approved by the full committee to bring this matter to the floor. It is essential these actions be continued and the only way it can be done is by the vehicle we have here today.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Texas.

Mr. KAZEN. Did the President veto the Health Revenue Sharing and Health Services Act?

Mr. MAHON. The Health Revenue Sharing and Health Services Act was pocket vetoed.

Mr. KAZEN. Then that means that we do not have a bill on the books; does it not? What is the purpose of the appropriation for that particular bill if there is no bill on the books?

Mr. MAHON. Mr. Speaker, I would ask the gentleman from Pennsylvania (Mr. FLOOD) to come forward to the microphone where he will be more accessible, and comment on the matter.

Mr. FLOOD. Mr. Speaker, I move to strike the last word.

Mr. Speaker, the purpose of all this is to keep the existing programs alive. That is the whole purpose.

Mr. KAZEN. And no money will be spent for anything that was countered by veto?

Mr. FLOOD. The continuing resolution will simply keep existing programs alive.

Mr. BAUMAN. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I would just observe for the record that this bill contains $3½ billion in continuing authorizations for the foreign aid program. I assume from the remarks made by the gentleman from Texas, the distinguished chairman of the Appropriations Committee, that we are about to have a foreign aid bill brought to us within a few weeks, when there will only be about 3 months of the fiscal year remaining.

It seems to me that this is an indictment of the process that this House has been denied the right to amend and to consider in detail the foreign aid bill for most of the fiscal year, and then will be confronted with voting in a sort of "after-the-fact" situation on a foreign aid bill for fiscal year 1975.

Mr. Speaker, last year some of us have voted against those continuing resolutions four or five times. The House already has been in session for 5 or 6 weeks and had a 10-day recess as well. We can bring out a continuing appropriations resolution, but we still seem unable to get at the foreign aid program, to cut it and pare it as it should be.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Speaker, I would say that first we did not have legislation until December 30. Then, of course, no committees were in existence or subcommittee chairman elected until late January. We had to wait and get organized, and we have had just a very brief time to rehash the bill and consider the budget amendments to the budget. So, we are actually moving as rapidly as possible and we hope that in just a matter of days we can bring out the regular bill.

Mr. BAUMAN. Mr. Speaker, I will just observe to the distinguished subcommittee chairman that the last Congress sat for a full year, during which this bill should have been reported and brought to the floor. Because of the political situation it was not opportune and it was never brought here, and the House was denied the right to work its will on the important issue of foreign aid.

Mr. PASSMAN. First, we had no authorization bill. We had to wait on the Committee on Foreign Affairs and the Committee on Foreign Relations to reach a compromise, and the legislation providing for the appropriation was not made available until December 30. Then, when we returned, we had no committees to function until we could organize.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Speaker, I support the remarks of the gentleman from Maryland.

Mr. Speaker, I appreciate the gentleman from Maryland yielding. I plan to vote against this further continuing appropriation because it contains a further extension for foreign aid activities in the amount of $3,501,000,000. It would continue funding until March 31, 1975.

In addition to the continuance of foreign aid there is also contained continuing appropriations for certain health and HEW programs which would have been authorized in the 93d Congress but did not achieve final enactment: These bills are H.R. 14214, Health Revenue Sharing and Health Service Act of 1974; H.R. 17805, Nurse Training Act of 1974; S. 3585, Health Manpower Act of 1974; H.R. 14215, Developmental Services and Facilities Construction Act Amendments of 1974. Under the procedure under which this resolution has been brought to the floor it will be necessary to vote for or against the two matters tied together. I would have voted for the HEW billls as a separate matter. I expect the resolution will be adopted by the House but out of protest against the foreign aid appropriation I shall vote no. Should the resolution be defeated I would support separate funding for those HEW bills in extending them as ongoing programs until June 30 or until necessary regular authorizations and appropriations are enacted.

Ms. HOLTZMAN. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I would like to ask the distinguished chairman of the Committee on Appropriations about an item that is contained in this bill. I have discussed it with staff members of the Appropriations Committee, and I would appreciate a clarification of this point.

As a member of the House Budget Committee and as a Representative from a district very hard hit by this economic crisis, I am well aware that the taxpayers of this country are concerned with saving every possible tax dollar. I understand that in this continuing resolution there is a provision for grant-in-aid to Saudi Arabia for training of their military forces.

Aside from the broad policy question as to whether or not the United States ought to be engaged in providing military training for the Saudi Arabians, I would like to ask the distinguished Chairman if, in fact, this is the case, why we are supporting grants-in-aid to Saudi Arabia which has made billions and billions of dollars in oil royalties and does not seem to qualify as an impoverished country for the giveaway of hard-earned U.S. tax dollars.

Mr. MAHON. Mr. Speaker, if the gentlewoman will yield, I will say the training of military forces of Saudi Arabia is paid for in cash and has nothing to do with the bill before us today. I agree with the gentlewoman that they should pay for their military training and military programs.

However, our Nation does try to maintain friendly relations with the Arab countries, including Saudi Arabia. Saudi Arabia is friendly toward the United States and we are friendly toward Saudi Arabia. We do bring to this country from Saudi Arabia certain military people who visit our installations and receive certain military briefings and indoctrination.

Ms. HOLTZMAN. Is this at our expense?

Mr. MAHON. It is at our expense. They come to this country as guests of the U.S. Government, and they receive visitors and are briefed and learn more about our country. This tends to generate some degree of friendship.

So this is the situation which confronts us. Maybe it is not quite the right way to do it, but that is the way it is being done. The funds involved in the context of the bill before us are very small. There is $220,000 requested in the budget for military assistance to Saudi Arabia for fiscal year 1975 for this purpose. They have obligated $38,000. Maybe if the gentlewoman and I were administering the program, we would not do it just that way. The gentlewoman has a good point, and I shall be glad to get in touch with the Secretary of State and the Director of the Budget and see if some additional arrangement could be worked out whereby this expense could be financed by the Saudi Arabians. I am aware that they are fully and amply able to pay for it.

(On request of Mr. MAHON and by unanimous consent Ms. HOLTZMAN was allowed to proceed for 3 additional minutes.)

Ms. HOLTZMAN. Mr. Speaker, I thank the gentleman for the extension of time.

If I understand the gentleman correctly, he is saying that there is no grant-in-aid money in this continuing resolution for Saudi Arabia, except with respect to this matter of their military people coming to the United States for the purpose of touring this country and understanding our American culture, and the like.

Mr. MAHON. To my knowledge at this time that is correct. Of course, they come here primarily for military purposes.

Ms. HOLTZMAN. Is this a grant-in-aid military program, as contained in the bill?

Mr. MAHON. It could be interpreted as a grant-in-aid military program but not in the typical sense. It is a training program to see how some of our military activities are conducted.

Ms. HOLTZMAN. I see. In other words, we are providing military training—and cultural exposure—to the Saudi Arabians at our taxpayers' expense under this bill; is that correct?

Mr. MAHON. In a limited way.

Ms. HOLTZMAN. I would just like to voice my concern about this. In my judgment the policy of providing military training and sophisticated weapons to the Arab countries is at best dubious if not dangerous. Since, however, this bill contains only a minor component of that policy and expires in 1 month, this is not an appropriate or advantageous occasion for a full-scale consideration of, or attack on, that policy. Nonetheless, it is essential at this time to register my objection to the fact that in this bill we are providing this military training to Saudi Arabia free of charge. The amount of $220,000 for Saudi Arabia may sound very small in a budget of $300-some-odd billion, but to the average American taxpayer it is still a lot of money, and I would question very strongly the wisdom of this giveaway to oil-rich Saudi Arabia from the taxpayer's point of view and from a policy point of view, as well.

Mr. MAHON. Certainly the gentlewoman has a good point, and I shall certainly undertake to persuade the administration to work out a more acceptable arrangement.

Mr. WYLIE. Mr. Speaker, I move to strike the last word.

Mr. Speaker, may I have the attention of the chairman of the Committee on Appropriations for just a moment for a question?

On page 2 of the report accompanying this bill it says that, "the following legislation of the 93d Congress which did not achieve final enactment," is included in this continuing appropriation. Among those is the Health Revenue Sharing, Health Services Act, Nurse Training Act, and Health Manpower Act.

As I understand it, those are not existing programs. An authorization has not been passed for those programs.

Mr. MICHEL. Mr. Speaker, if the gentleman will yield, I might say in answer to the gentleman's question that in this continuing resolution there are 11 authorized health programs in the HEW area and 31 unauthorized ones which are provided for in the continuing resolution. Really there are 42 in all, at an annual authorization rate of $2,300,000,000.

I do have an amendment that I am going to offer whenever I am recognized with respect to the regional medical program and the Hill-Burton Act because of the new legislation superseding the old act.

Mr. WYLIE. Mr. Speaker, there is one other program listed that I meant to mention. And this is the one I really wanted to ask about. I have reference to S. 3585, the Health Manpower Act of 1974.

As I understood it, that was a new program for which no conference report was reported and, therefore, the program was not enacted into law.

Is the health manpower training program existing law, and if not, does this continuing appropriation bill put the program in business?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, I believe the gentleman from Pennsylvania (Mr. FLOOD) can better sum this up.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, as is true in many of these cases, the existing law as a matter of fact has expired, but these are ongoing programs. Several of the programs the gentleman has mentioned are ongoing programs.

Mr. WYLIE. Mr. Speaker, I will ask this, then: The Health Manpower Act is an ongoing program, and there is a statute on the books right now providing for it?

Mr. FLOOD. Mr. Speaker, if the gentleman will yield further, the act has expired, and the continuing resolution is keeping the health manpower programs alive until the authorizing legislation is extended and further appropriations can be enacted.

Mr. WYLIE. Mr. Speaker, how can there be an appropriation for something when there is no statute in existence for that program?

Mr. FLOOD. The continuing resolution provides funding for many programs for which the authorizing legislation has expired. There is nothing unusual about that.

Mr. WYLIE. What the gentleman is saying is that we are legislatively authorizing the program in this bill in effect, are we not, without authorization legislation?

Mr. MICHEL. Mr. Speaker, if the gentleman will yield, I might say to the gentleman that under a regular appropriation bill we could very well knock it out on a point of order.

Mr. FLOOD. The gentleman is correct.

Mr. MICHEL. But we have on more than one occasion extended both authorizations and appropriations through a continuing resolution.

Mr. WYLIE. Why is there, then, a difference between the date for the foreign aid appropriations and the funds for the 42 health programs which the gentleman mentioned a little earlier?

The foreign aid appropriation continues until March 31, 1975, and the other appropriations run until the end of the fiscal year, June 30, 1975. That is for 42 health programs. So we really do not need an authorization bill for the health programs, do we?

Mr. FLOOD. Mr. Speaker, what we are doing in our bill is this: We are giving the Members a chance to go ahead with the authorization. The matter of foreign aid is different.

Mr. WYLIE. In the foreign aid authorization there is a greater amount than called for in this continuing appropriation for fiscal year 1975?

Mr. FLOOD. I am not sure about that.

Mr. WYLIE. Mr. Speaker, I still do not see the difference then between the foreign aid appropriations and health programs appropriations. It seems to me as if we are appropriating money for 31 programs which have not been authorized by any existing legislation, and we are appropriating the money until June 30, 1975, which really means that we have nothing further to do regarding authorizing legislation. What further would the authorizing legislation authorize?

Mr. MICHEL. Mr. Speaker, if the gentleman will yield, what we are trying to do is to get some breathing time for ourselves here. We could very well have this read until March 31, just as the foreign aid bill, and if the authorizing committee had not acted, we would be going over the same traces again. Instead, we have extended the resolution until the end of the fiscal year, and in the meantime we can continue to work on the authorizing legislation and to hold hearings on the supplemental appropriation bill, and that, of course, gives us more breathing time.

Mr. WYLIE. Mr. Speaker, I thank the gentleman.

Mr. FLOOD. Mr. Speaker, the continuing resolution we have considered has a number of programs continued at the "current rates." Among them is the new independent Community Services Administration, the successor agency to the Office of Economic Opportunity. The budget received by the Congress on February 3 from the President for fiscal year 1976 discontinues the $2.5 million required for the senior opportunity and services program through June 30, 1975; the State economic opportunity offices program requiring $3 million; the national summer youth sports program requiring $3 million, and the emergency food and medical services program requiring $25 million. I wish to make the record clear that the continuing resolution considered here does provide for the continuance of these programs at the current rate through June 30, 1975.

AMENDMENT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MICHEL: On page 1, line 7, after the words "June 30, 1975", insert the following: "And that clause (d) of section 101 of said joint resolution is amended by striking out 'titles VI and IX, and' ".

Mr. MICHEL. Mr. Speaker, the amendment which I am offering today deletes from the continuing resolution authority for continued obligation of funds for the old Hill-Burton medical facilities construction program and the regional medical program.

This authority was included in our earlier continuing resolution because the authorizing legislation for these programs had expired and the Committee on Interstate and Foreign Commerce had not yet completed their consideration of their revision and extension of these programs. With the signing into law of the National Health Planning and Resources Development Act of 1974 (P.L. 93-641) we now have new authorization, and it would be much more appropriate for us to provide the funds in a supplemental appropriation or in the regular bill rather than in this continuing resolution.

As a matter of fact, we are going to begin hearings tomorrow on the supplemental and I would expect we would complete consideration of the supplemental in ample time to provide for an orderly transition from the old law to the new.

Without my amendment I think we are going to run the risk of court action because of the uncertainty surrounding the funding of these programs. It can be done much more definitively in a supplemental appropriations bill.

Now it should be pointed out that both the medical facilities construction program and the regional medical program have available to them ample funds for their continued operation until such time as we are able to appropriate funds under Public Law 93-641 in a supplemental appropriations bill. The medical facilities construction program has available the $291 million which the President recently proposed for rescission and which the Congress insisted that he obligate. The regional medical program has available $45 million in impounded and subsequently released 1973 and 1974 funds, and the 1974 awards have funded the RMP's through fiscal year 1975. There is thus no need for their inclusion in the continuing resolution even until the supplemental appropriation become available.

The comprehensive health planning program which was also replaced by Public Law 93-641 is provided for in this continuing resolution. My amendment does not affect this program because alternative sources of funding for it are not available from any other source and it would, therefore, be without funds until the supplemental appropriation became available.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the distinguished gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I rise in support of the amendment and urge its adoption. This amendment will delete from the continuing resolution (Public Law 93-324) authority for continued obligation of funds for the medical facilities construction program and the regional medical program. This authority was included in the continuing resolution when it was first enacted because the authorizing legislation for these programs had expired and our committee had not yet completed consideration of their revision and extension. However, our committee did complete its consideration with the signing of the National Health Planning and Resources Development Act of 1974 (Public Law 93-641). Since new authorizing legislation is now available, I feel very strongly that continued use under the continuing resolution of the old authorities is wrong for a variety of reasons.

First, since the legislation which we are considering today would extend the continuing resolution through the end of the fiscal year, the resolution will become effectively a 1-year authorization for these expired programs as well as an appropriation of funds for them. Were this an appropriations bill, instead of the continuing resolution, a point of order that it contained authorizing legislation would clearly lie against the continuing resolution, but the fact remains that it is being used to extend, and appropriate funds under, laws which have expired and for which alternative legislative authorities are now available. This is an inappropriate use of the continuing resolution and creates a bad precedent to which I would anticipate my colleagues in the House would be very sensitive. With the kinds of court cases which now exist I must assume that the funds appropriated by this device would have to be spent as though they had been actually appropriated and must anticipate that if we proceed we will receive from the President requests for both deferrals and rescissions of the moneys involved. It is worth remembering that in 1973 all appropriations for HEW were made by continuing resolution and that suits for release of those funds were successful. The new authority for health planning and development programs, Public Law 93-641, contains ample authority for the appropriation of funds for regional medical programs and medical facilities construction. We should use that authority in a supplemental appropriations bill rather than this approach.

Second, both the medical facilities construction program and the regional medical program have available to them ample funds for their continued operation until such time as we are able to appropriate funds under Public Law 93-641 in a supplemental appropriations bill. The medical facilities construction program has available the $291 million which the President recently proposed for rescission and which the Congress insisted that he obligate. The regional medical program has available $45 million in impounded and subsequently released 1973 funds. There is, thus, no need for their inclusion in the continuing resolution even until the supplemental appropriation becomes available. I might note that the comprehensive health planning program which was also replaced by Public Law 93-641 is also contained in the continuing resolution, and it should not be deleted from the resolution because alternative sources of funding for it are not available and it would, therefore, be without funds until the supplemental appropriations became available.

Third, while this use of the continuing resolution to appropriate money for 1975 is practically invisible, it is money. The legislation would provide authority for the obligation of $187 million for medical facilities construction and $75 million for the regional medical programs, a total of $262 million. This is clearly inappropriate in an era of fiscal constraint and equally clearly in excess of any available budget. Furthermore, these funds have not been the subject of hearings or specific consideration in subcommittee or full committee markup. Finally, they would be obligated under the provisions of the legislative authorities which have expired and which have been revised by the Committee on Interstate and Foreign Commerce, rather than under the new provisions of the new law. My committee wrote new law on these subjects in order to refocus the use of these funds and improve that use. If we wish to appropriate $262 million for these purposes, fine, but let us do it through the normal appropriations process and using the current legislative authorities in effect for this fiscal year as written by the authorizing committee rather than those which have expired over 6 months ago.

Gentlemen, this is not a partisan issue. All of us should be sensitive to activities on the part of the Committee on Appropriations which constitute the making of new authorizing legislation whether it be in an appropriations bill itself or in the continuing resolution. All of us should be sensitive to the appropriation of as much money as $262 million without hearings or committee consideration. All of us should be sensitive to the appropriation of funds under an expired authority whose provisions have been considered by authorizing committees and specifically rejected as longer appropriate in the present time. Supporting this amendment will not bring any existing programs to a screeching halt, they have funds available to them now from other sources. Supporting this amendment will not make it impossible to appropriate as much money as we may choose for these purposes. It will only mean that we must use the current rather than the expired legislative authority for doing so.

I urge the adoption of the amendment.

Mr. FLOOD. Mr. Speaker, if the gentleman will yield, since there is no authorization in the new law for further appropriations under title VI of the Public Health Service Act, and since we are advised that there are ample funds available to support the regional medical programs for the remainder of the fiscal year, and as the gentleman from Illinois (Mr. MICHEL) has stated, since we are now working on supplemental budget requests to carry out the new health planning programs, we have no objection to the proposed amendment.

Mr. MICHEL. Mr. Speaker, I appreciate the comments made by the gentleman from Pennsylvania, and the fact that the gentleman is willing to agree to accept our proposal.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I thank the gentleman for yielding, and I just want to make certain that we really understand what we are doing.

First of all, as I understand it, and as the gentleman from Illinois understands it, there is absolutely no holdup in fiscal years 1974 and 1975 on Hill-Burton?

Mr. MICHEL. That is right, and there is no impounding any more, so that there would be more funds which are still in the pipeline.

Mr. OBEY. Second, although the gentleman did mention the possibility of funding under the supplemental for construction, and that the administration testified that they will not be able to gear up for the new program because of the new planning requirements and rules and regulations that are not expected to be formulated until September, there would really be no practical possibility of funding additional new construction under this, and this would have to come before fiscal year 1976?

Mr. MICHEL. Yes, because, as I indicated, there is $291 million in the construction pipeline available, and it would be, I think, rather ridiculous to pile it on in a supplemental in that area since we have ample time with that kind of carryover to handle it in the regular bill.

Mr. OBEY. I thank the gentleman.

The SPEAKER. The time of the gentleman has expired.

Mr. OBEY. I thank the gentleman from Illinois.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois (Mr. MICHEL).

The amendment was agreed to.

Mr. FORD of Tennessee. Mr. Speaker, I intend to vote for passage of the further continuing appropriations contained in House Joint Resolution 219. I do so, however, while objecting to the $3.5 billion contained in this resolution for our foreign aid program.

We are in a grave economic crisis. We are talking about double-digit inflation and 10 percent unemployment as reality in 1976. Our constituents are concerned about their economic well-being, and in some cases, their economic survival. We are appropriating millions in grants to the Middle East where both sides use our tax dollars to prepare for war while our President asks the poor and elderly to pay more for food stamps they can barely afford as it is.

I am voting affirmatively on House Joint Resolution 219, because it also contains urgently needed funding for vital health programs and for activities of the Community Services Administration both of which serve human needs of great importance. Without passage of this emergency funding the coffers of such valuable programs as the Nurse Training Act, health revenue sharing, Health Services Act, Health Manpower Act, developmental disabilities services and facilities, emergency school assistance, and Drug Abuse Prevention Act will run dry.

These measures represent an investment in the quality of care our citizens will enjoy for years to come. We cannot allow their dissolution. I do urge my fellow Members, however, to view this funding resolution as an opportunity to recognize the irony involved in voting for weaponry for war and for research and development to improve our health care system at the same time. It is time for all of us to seriously work for a restructuring of this Nation's economic priorities.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WYLIE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 308, nays 75, not voting 49, as follows:

[Roll No. 24]

YEAS—308

Adams
Addabbo
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Brown, Calif.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Casey
Cederberg
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Conable
Conte
Conyers
Corman
Cornell
Coughlin
D'Amours
Daniels, Dominick V.
Danielson
de la Garza
Delaney
Dellums
Dent
Derwinski
Diggs
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Frenzel
Frey
Fulton
Fuqua
Giaimo
Gilman
Goldwater
Gonzalez
Gradison
Green
Gude
Guyer
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holtzman
Horton
Howe
Hubbard
Hughes
Hyde
Jacobs
Jeffords
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Lagomarsino
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
McClory
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Macdonald,
Madden
Madigan
Maguire
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Mineta
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nix
Nolan
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman
Patten
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Rodino
Roe
Rogers
Rooney
Rose
Rosenthal
Roush
Roybal
Ruppe
Russo
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thone
Thornton
Traxler
Tsongas
Udall
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Wampler
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—75

Abdnor
Archer
Ashbrook
Bauman
Beard, Tenn.
Bennett
Bevill
Brinkley
Brown, Ohio
Broyhill
Byron
Clancy
Clawson, Del
Cochran
Collins, Tex.
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis
Derrick
Devine
Dickinson
Gaydos
Gibbons
Ginn
Goodling
Grassley
Haley
Hammerschmidt
Hansen
Harsha
Hechler, W. Va.
Holland
Holt
Hungate
Hutchinson
Jarman
Johnson, Colo.
Jones, Tenn.
Kemp
Ketchum
Kindness
Krueger
Landrum
Latta
Lott
McCollister
McDonald
Mann
Martin
Mathis
Milford
Miller, Ohio
Montgomery
Moore
Nichols
Pickle
Quillen
Robinson
Rousselot
Runnels
Satterfield
Schneebeli
Sebelius
Shuster
Skubitz
Snyder
Spence
Steiger, Ariz.
Stephens
Symms
Treen
Waggonner
Wylie
Young, Alaska

NOT VOTING—49

Abzug
Alexander
Annunzio
Barrett
Bell
Boggs
Broomfield
Brown, Mich.
Burke, Fla.
Burleson, Tex.
Butler
Chappell
Collins, Ill.
Conlan
Cotter
Esch
Eshleman
Fenwick
Findley
Flynt
Fountain
Fraser
Hagedorn
Howard
Ichord
Jenrette
Kelly
Leggett
McCloskey
Metcalfe
Mills
Minish
Moorhead, Calif.
Moss
Murphy, Ill.
Murtha
Nowak
Roncalio
Rostenkowski
Ryan
St Germain
Staggers
Taylor, Mo.
Teague
Thompson
Van Deerlin
Walsh
Waxman
Young, Fla.

So the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Jenrette.
Ms. Abzug with Mr. Nowak.
Mr. Thompson with Mr. Ichord.
Mr. Rostenkowski with Mr. Ryan.
Mrs. Boggs with Mr. Burleson of Texas.
Mr. Barrett with Mr. Taylor of Missouri.
Mr. Flynt with Mr. Esch.
Mr. Fraser with Mr. Conlan.
Mr. Howard with Mr. Kelly.
Mr. Roncalio with Mr. Broomfield.
Mr. St Germain with Mr. Butler.
Mr. Teague with Mr. Eshleman.
Mr. Alexander with Mr. Bell.
Mr. Chappell with Mr. Findley.
Mr. Cotter with Mr. Burke of Florida.
Mrs. Collins of Illinois with Mr. Van Deerlin.
Mr. Metcalfe with Mr. Waxman.
Mr. Minish with Mr. McCloskey.
Mr. Moss with Mr. Brown of Michigan.
Mr. Murtha with Mrs. Fenwick.
Mr. Murphy of Illinois with Mr. Young of Florida.
Mr. Staggers with Mr. Walsh.
Mr. Leggett with Mr. Fountain.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the Record on the House joint resolution just passed, and that I may be permitted to revise and extend my remarks in the Record and insert extraneous material, being certain tables.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I ask unanimous consent that the Committee on Rules may have until midnight tomorrow night, February 26, 1975, to file a privileged report on the bill H.R. 3166.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. HORTON. Mr. Speaker, the Record of February 19, 1975, incorrectly lists me as not having voted on rollcall No. 18, final passage of House Resolution 138, establishing a Select Committee on Intelligence.

Apparently, the machine did not record my vote. I wish to indicate for the Record that I was present and voted in the affirmative on this measure.

BUDGET RESCISSION BILL

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3260) to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93-398) and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94-39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93-391), transmitted pursuant to the Impoundment Control Act of 1974; and, pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Michigan (Mr. Cederberg) and myself.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. Mahon).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 3260, with Mr. Sisk in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas (Mr. Mahon) will be recognized for 30 minutes and the gentleman from Michigan (Mr. Cederberg) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, this is the second rescission bill, and the first during the 94th Congress, to be reported by the Committee on Appropriations to the House under the provisions of title X of the new Congressional Budget and Impoundment Control Act of 1974.

A total of 40 pending rescissions and 137 pending deferrals that had been submitted to the 93d Congress by the President were automatically resubmitted to the 94th Congress. This bill and report reflect the recommendations of the Committee on Appropriations on these 40 rescissions. The committee is recommending approval of either all or some part of 27 rescissions and is recommending that 13 rescissions not be approved.

Another package of proposed rescissions was transmitted by the President on January 30. These items are not treated in this bill, but the committee had them under consideration and will report its recommendations in the near future. The Presidential message of January 30, 1975, proposed 36 rescissions of $1.2 billion in budget authority.

RESCISSION TOTALS

The estimated total of budget authority recommended to be rescinded in H.R. 3260 is $99 million and a decrease in limitation of $20 million. This is $829 million less than the amount proposed for rescission by the President, and this amount will have to be made available for obligation on March 1, 1975, the day after the expiration of the 45-day period prescribed by law. Outlay reductions will total $87 million in 1975 and $25 million in 1976.

Mr. Chairman, the rescissions proposed by the President and considered in connection with this bill were handled by 7 of the 13 appropriations subcommittees in the usual fashion. Of the total of $99 million recommended for rescission by the committee, $60 million is in the Defense area and $30 million is within the jurisdiction of the subcommittee which handles appropriations for the Departments of State, Justice, and Commerce.

The committee reported this bill on last Thursday and the report and hearings have been available since that time. Details on each of the many rescissions considered are contained in the messages of the President, the committee hearings, and in the report which is organized by Appropriation Subcommittee.

Mr. Chairman, the members of the committee and myself who participated in the preparation of this bill will be pleased to undertake to answer questions.

Under leave to insert extraneous material, I am submitting the following table which provides a comparison of the rescissions proposed by the President and the actions recommended by the committee:

COMPARISON OF RESCISSIONS PROPOSED AND ACTIONS RECOMMENDED IN H.R. 3260—SUMMARY

Rescission No.	Department or activity	Amount proposed for rescission	Amount recommended for rescission	Amount to be made available for obligation Mar. 1, 1975
R75-8 [1]	Department of Agriculture: Water bank program.	$21, 212, 940	------------	$21, 212, 940
	Department of Defense—Military:			
R75-17	Operation and maintenace, Army	41, 000, 000	$20, 500, 000	20, 500, 000
R75-18	Operation and maintenance, Navy	27, 500, 000	13, 750, 000	13, 750, 000
R75-19	Operation and maintenance, Marine Corps.	5, 000, 000	2, 500, 000	2, 500, 000
R75-20	Operation and maintenance, Air Force.	40, 000, 000	20, 000, 000	20, 000, 000
R75-21	Operation and maintenance, Defense agencies.	1, 900, 000	950, 000	950, 000
R75-22	Operation and maintenance, Army Reserve.	1, 800, 000	900, 000	900, 000
R75-23	Operation and maintenance, Navy Reserve.	1, 100, 000	550, 000	550, 000
R75-24	Operation and maintenance, Air Force Reserve.	400, 000	200, 000	200, 000
R75-25	Operation and maintenance, Army National Guard.	1, 400, 000	700, 000	700, 000
R75-26	Operation and maintenance, Air National Guard.	500, 000	250, 000	250, 000
R75-27A [1]	Aircraft procurement, Army	5, 700, 000	------------	5, 700, 000
R75-28A [1]	Aircraft procurement, Air Force	152, 500, 000	------------	152, 500, 000
	Total, Department of Defense	278, 800, 000	60, 300, 000	218, 500, 000
R75-48 [3]	Department of Housing and Urban Development: Homeownership assistance (annual contract authority).	[2] 264, 117, 000	------------	264, 117, 000
	Department of Agriculture—Forest Service:			
R75-10	Forest land management	10, 000, 000	------------	10, 000, 000
R75-9	State and private forestry cooperation	4, 921, 000	------------	4, 921, 000
	Total, Subcommittee on Interior.	14, 921, 000	------------	14, 921, 000
R75-29A [1]	Department of Health, Education, and Welfare: Health-resources	284, 719, 332	------------	284, 719, 332
	Department of State:			
R75-35	Contributions to international organizations	2, 000, 000	2, 000, 000	------------
R75-36	International trade negotiations	100, 000	100, 000	------------
	Subtotal, Department of State	2, 100, 000	2, 100, 000	------------
	Department of Justice:			
R75-30	Federal Bureau of Investigation	5, 300, 000	5, 300, 000	------------
R75-31	Immigration and Naturalization Service	1, 300, 000	------------	1, 300, 000
	Federal Prison System:			
R75-32	Salaries and expenses, Bureau of Prisons	5, 250, 000	5, 250, 000	------------
R75-33	Buildings and facilities	1, 750, 000	1, 750, 000	------------
R75-34	Drug Enforcement Administration	2, 400, 000	2, 400, 000	------------
	Subtotal, Department of Justice	16, 000, 000	14, 700, 000	1, 300, 000
	Department of Commerce:			
R75-11	Social and Economic Statistics Administration.	$373, 000	$373, 000	------------
R75-12	Economic Development Administration.	2, 000, 000	------------	$2, 000, 000
R75-13	Trade Adjustment Assistance	12, 000, 000	12, 000, 000	------------
R75-14	U.S. Travel Service	250, 000	250, 000	------------
R75-15A [1]	National Oceanic and Atmospheric Administration.	3, 227, 000	3, 227, 000	------------
R75-16	Patent Office	700, 000	700, 000	------------
	Subtotal, Department of Commerce.	18, 550, 000	16, 550, 000	2, 000, 000
	Total, Subcommittee on State, Justice, Commerce, and the Judiciary.	36, 650, 000	33, 350, 000	3, 300, 000
	Department of the Treasury:			
R75-37	Office of the Secretary	310, 000	310, 000	------------
R75-38	Federal Law Enforcement Training Center.	60, 000	60, 000	------------
R75-39	Bureau of Accounts	630, 000	630, 000	------------
R75-40	U.S. Customs Service	3, 000, 000	------------	3, 000, 000
	Internal Revenue Service:			
R75-41	Salaries and expenses	530, 000	------------	530, 000
R75-42	Accounts, collection and taxpayer service.	9, 230, 000	------------	9, 230, 000
R75-43	Compliance	10, 240, 000	------------	10, 240, 000
	Subtotal, Treasury Department.	24, 000, 000	1, 000, 000	23, 000, 000
	Executive Office of the President:			
	Special action office for drug abuse prevention:			
R75-45	Pharmacological research	2, 760, 000	2, 760, 000	------------
R75-46	Special fund	2, 240, 000	2, 240, 000	------------
	Subtotal, Executive Office of the President	5, 000, 000	5, 000, 000	------------
R75-44	Independent agencies: General Services Administration: Federal Building Fund (limitation)	(20, 022, 900)	(20, 022, 900)	------------
	Total, Subcommittee on Treasury, Postal Service, and General Government:			
	Budget authority	29, 000, 000	6, 000, 000	23, 000, 000
	Limitation	(20, 022, 900)	(20, 022, 900)	------------
	Total budget authority	929, 420, 272	99, 650, 000	829, 770, 272
	Limitation	(20, 022, 900)	(20, 022, 900)	------------
	Grand total	949, 443, 172	119, 672, 900	829, 770, 272

Mr. Chairman, I will not take much additional time at the moment, but I would like to point out that Congress is a coequal branch of Government.

When we enact legislation, we intend that the legislation should be carried out by the executive branch in accordance with the law. The rescissions involved here relate to measures that were passed by the Congress, and, I believe, in all instances signed into law by the President of the United States.

So I would say that it is not appropriate, in my view, for the Executive to transmit a rescission proposal that only contains funds which have been enacted into law as a result of the initiative of the Congress. I do not subscribe to the theory that everything the Executive does is correct and right and defensible, and that everything the Congress does by way of providing additional sums or modifying sums is all wrong.

Mr. Chairman, I will not use further time at this point.

Mr. CEDERBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are here today on a question of whether or not we are going to go along on the Presidential request for rescissions.

If I recall correctly, in most instances, as we went to the voters last November, a very large percentage of the Members of this body on both sides of the aisle pledged to the voters that we would take every opportunity to come up with some kind of a balanced budget. That seemed to be the theme of the political oratory last November.

We are going to have an opportunity now to determine whether or not we really want to put into practice what we said then we ought to do.

Mr. Chairman, I do not have to remind the Members that the budget deficit as anticipated for the close of the fiscal year, on June 30, is going to be something in the area of $35 billion. As we look at the 1976 budget, the budget deficit appears to be in the area of $52 billion.

Those deficits are predicated upon this Congress taking certain actions that are recommended by the President, and if these actions are not taken, the result will be an increase in these deficits

Here we are today, looking at the rescissions which have been requested in the amount of $949,443,172. Our various subcommittees looked at all of these items and could only find $119,672,900 to rescind. I just do not believe that we have done the job that we should have, because I think there are more areas here where we could have gone along with the rescissions.

This means that we have failed to rescind $829,770,272. In other words, what we are saying is that we are going to increase substantially the proposed deficit in this fiscal year and in the coming fiscal year.

So, Mr. Chairman, we have a responsibility to take some further action.

I wish to call to the attention of the Members something that has been bothering me just a little bit. As we know, we passed the Budget and Control Act last year, and under the Budget and Control Act we put this provision in on rescissions and deferrals. That came about because of our concern about impoundments by the Executive, and I understand that.

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[1] Modified by H. Doc. 94-39.

[2] Amount shown is annual contract authority. The maximum budget authority over a 40 year period is estimated in the 1976 budget at $7,815,510,000.

[3] Reclassified as a rescission by the Comptroller General (H. Doc. 93-391).

But it seems to me that what we ought to do is take a good, hard look at some of the things that we have done and what we have required the Executive to do in the area, for instance, of rescissions of such items as $60,000 and $200,000.

Let me just read a few of them: It was $2 million for contributions to international organizations; $100,000 in international trade negotiations; $373,000 for the Social and Economic Statistics Administration; Office of the Secretary of the Treasury, $310,000; for Law Enforcement Training Center, $60,000.

These are small items that are not worth the bureaucratic paperwork that is necessary to even bring them up for a rescission.

What we ought to do, Mr. Chairman, is change that act so that the rescissions will have to be rather large and meaningful, because are placing an undue burden, in my opinion, on the various agencies downtown that are required to go through all of their agencies, present all this to us, and then we and all our subcommittees have to hold hearings on them. They ought to have some administrative leeway here on items like this so that they do not have to be burdened with this kind of work.

Let me give just one example. There is one deferral, I think it was a deferral of the rescission having to do with, I think, the Tiajuana project down in California. The reason that it had to be deferred or rescinded was because the City of San Diego just is not ready to go along with it. Why not let the agency just say, "OK. That is it." No, they have to present it under the law to us as a deferral or a rescission.

I think we have gotten ourselves into a lot more paperwork for, I think, no good purpose. As far as I am personally concerned, it seems to me that what we should do is go along with more rescissions than we have here. I recognize that there are some areas that are very sensitive, and certainly we ought to have been able to rescind a portion of them between now and the end of the fiscal year.

Let me just say this: Most of the agencies downtown were advised back in about November that they were going to be required to present a certain amount of rescissions from that particular agency. Those agencies presented their rescissions, and they have been spending at a rate consistent with the fact that the Congress would agree with the rescission. Now here we are, about the 1st of March, a few months left in the fiscal year, and we are going to say, "No. Between now and the end of the fiscal year, you spend it all, whether you can do it wisely or not." I think that is very, very poor administration.

Let me give just one other example. There is one in my own subcommittee. The Immigration and Naturalization Service sent up a rescission for $1,300,000, out of a $175 million budget.

No one can tell me that they cannot rescind $1,300,000 out of $175 million. But an agency always comes in and says, "OK. We are going to rescind. We are going to rescind this $1,300,000, but it will have a serious impact on our alien program, the finding of our aliens and getting them back."

We are all for that program, particularly those in southern California, and those areas recognize the merits of this program. But no. The agency comes in and says, "This is the one where, if you rescind that money, we are going to have to slow down that program of finding these aliens that are taking the jobs of Americans."

No one can tell me that that agency could not find that money, or at least a portion of that money, in some other area that is not as vital and one does not have as much concern to all.

These are some of the problems that we are faced with. I know that there are others who are going to speak on the subject and discuss them with us. We are going to have other rescissions that are going to come up. It is becoming very difficult to rescind anything or to try to bring any fiscal sanity to the problems that are confronting our Government.

Some of these things we could spend the money for, and it would be wisely spent, but it just seems to me in the light of the fiscal conditions we find our country in today that we ought to go further than we have in this particular bill.

Mr. FRENZEL. Mr. Chairman, I support the budget rescission bill, because it will decrease our expenses in this fiscal year by over $100 million. But, I object very strongly to it, because we are wasting the chance not to make more significant budget cuts.

As I understand it, this rescission bill approves only about 13 percent of the items considered by the committee for rescission. In turning down over $800 million worth of proposals and accepting only a little more than $100 million worth, the committee has demonstrated that Congress has not learned to control its spending appetite and has no intention of reducing it.

Those of us who have a great deal of concern over growing budget deficits can only conclude that Congress was kidding itself and its constituents when it passed the Budget Control Act. Our budgets are more out of control today than when we passed that act, and we ought to tell the people that we have no intention of paying for the things we want.

The projected deficit for the fiscal year ending in June, based on our unwillingness to make rescissions, and our enthusiasm to return tax money, may go as high as $50 billion. For the fiscal year beginning in June, the President's forecast of $50 billion seems likely to turn into an $80 billion deficit.

Nobody likes making cuts in good programs. Nevertheless, if everything is not cut slightly, we will continue to compound our deficits. But we have here some programs that can stand a cut. The F-111 appropriation, which was not even requested by the Defense Department, has got to be classed as pure waste. I will admit that we have already laid cuts pretty heavily on the Defense Department, since half of the rescissions in that bill come from that Department. Nevertheless, Defense is a prime candidate for reductions, and the F-111 should go. But each Department should make at least a token sacrifice.

Mr. Chairman, this Congress quite obviously intends to make other sizable, and as yet unbudgeted, appropriations. These will occur in the fields of emergency jobs, extended unemployment and other so-called recession fighters. Faced with those perhaps necessary, emergency expenses, we are showing the height of fiscal irresponsibility in not accepting the rescission package which was presented to the Congress.

When the Budget Control Act was passed, many Members of this Congress, including myself, stated that Congress now had the mechanism to begin controlling its expenses and setting its own priorities but that it might never have the backbone to do so. I think we have demonstrated today that the Congress has the capability but not the desire to be fiscally responsible. We have the way but not the will.

Mr. BADILLO. Mr. Chairman, I am pleased to rise in support of H.R. 3260, which nullifies a number of budget cuts proposed by President Ford. In particular, I am glad to note that the bill refuses to uphold a drastic rescission of section 235 housing funds, a large reduction in Hill-Burton programs, and a substantial cutback in the Commerce Department's Economic Development Administration's budget.

On several occasions in the past I have sharply disagreed with the budgetary priorities of the administration. Repeatedly I have stressed the need to reorder our spending priorities to assure that our pressing domestic needs are adequately met. In view of our current economic crisis, budgetary policies assume a heretofore unprecedented importance. Inflation is eroding the purchasing power of those with fixed incomes, plunging the Nation's senior citizens into deprivation; joblessness robs members of our workforce of wages and their families suffer. Food and energy-related costs have risen enormously, and the resultant transfer of income is contributing to the spiral of lower demand, production cutbacks, and loss of jobs. Now, more than ever, our budget policies must be designed to safeguard the weak and bring about a strong economic recovery. Yet, the administration continues to disregard ominous warning signals and persists in cutting funding for essential domestic programs. Congress clearly must take the initiative to right our topsy-turvy spending priorities.

The measure before us will help to reverse this trend. It nullifies a proposed $284,719,332 rescission of the Hill-Burton program, presently utilized for the erection and modernization of health centers and the construction of much-needed outpatient facilities. It also prevents a $264 million rescission of 235 housing funds, the homeownership program for the poor, as well as a $2 million reduction of EDA's technical assistance moneys, scheduled to aid distressed areas experiencing economic adjustment problems.

But while I applaud the work of the committee in keeping the above programs viable, I am unhappy with the cuts that were permitted to stand. The deferral of

$50 million section 701 comprehensive planning grants will disrupt New York City's programs in education, economic development and health planning. It will also have an adverse effect on planning for environmental systems, social welfare, parks and recreation management, housing and capital programs. I cosponsored legislation disapproving this deferral and wish that it had received the committee's favorable consideration.

Also unfortunate is the over $7 million cutback in prison program funds. I am particularly unhappy about the loss of the $300,000 scheduled for community drug treatment projects. If savings had to be effected, they should have come out of our inflated defense budget, not our domestic assistance programs.

Mr. Chairman, I am daily receiving communications from constituents who are dismayed, angered and upset by the budgetary policies of the administration and who call on Congress to take the initiative and safeguard the national welfare. I hope that Members of this body will rise to that challenge and take the necessary steps to assure realistic and equitable funding levels for our vital domestic programs.

Mr. BIAGGI. Mr. Chairman, I rise briefly to state my opposition to the President's request to rescind $1.3 million of the moneys appropriated for the Immigration and Naturalization Service fiscal year 1975 budget. I am pleased to note that the committee did not approve this request, and I hope my colleagues realizing the importance of the INS toward solving the illegal alien crisis will follow suit and vote down this request.

America is contending with a silent invasion of between 4 and 12 million illegal aliens who are posing a dangerous threat to the economic security of this Nation and her people. For example, 1 million of these illegal aliens are employed in jobs which are desperately sought by American workers.

The Immigration Service is the primary agency responsible for locating and deporting illegal aliens. Yet despite the severity of this crisis we find this administration directing its misguided budget slasher into the wrong victim. Already this year the INS has been forced to cut back on its apprehension operations due to lack of sufficient funding, and yet we find efforts to trim the budget still further.

I feel we should be increasing the INS budget and thus their ability to better deal with the illegal aliens problem. I have introduced legislation H.R. 257 which will provide the INS with 2,500 additional personnel to help them slow the influx of illegal aliens, as well as intensify their efforts at locating those living in the United States. For years the INS has fallen victim to underfunding and staffing yet they have still managed to increase both their apprehension and deportations, the latter increasing by 71 percent in the last 3 years.

The illegal alien problem is a grave one, one whose solution must be found quickly. Adequate INS funding will allow them to free the 1 million jobs held by illegal aliens and will allow them to return them to American workers. Adequate INS funding will allow them to deal with projections that the numbers of illegal aliens seeking entry into this Nation will double in the next 5 years. Adequate funding will show to the INS that we in Congress do consider them to be one of our most important law enforcement units.

Today's vote could be a step in the right direction in our battle against the illegal alien problem. We must recognize this problem, and intensify our efforts to achieve its effective control.

Mr. EVANS of Indiana. Mr. Chairman, I suppose that half a loaf is better than none, and for that reason, I support the budget rescission bill before us today.

I have read the report accompanying this bill carefully. I respect the committee's judgment that all but $119.6 million of the proposed $949.5 million rescission be restored. But there will be some skepticism as to whether we have done enough in this measure to reduce unnecessary Government expenditures. Without indepth oversight, it is my belief that skepticism is justified.

I note that only one subcommittee mentions the expense of official employee travel. In two instances where the proposed rescission included a reduction in such travel, the subcommittee approved the rescission. But yet in a third instance, where such travel restrictions were included as a reason for reduction in spending, the reduction was disapproved. I can tell this body that the thought of Government employees traipsing to conventions and meetings in various parts of the country depending on the season makes the taxpayers I represent absolutely irate.

The request for reduction in military maintenance funds was cut in half, despite the fact that the rationale for even this funding, which is to reduce the backlog of maintenance projects, could not even be supported by the identification of the exact amount of the backlog. In other words, we are mandating the expenditure of $60 million when we don't know whether the actual needs call for $10 million or $100 million.

Then, despite the fact that the Department of Defense does not seem to want the F–111 bomber, they will get it anyway. Because a miscalculation in costs was made in the beginning with the B–1 bomber, whose costs have about doubled since the original cost estimates of 1971, the taxpayer will be paying for both the very expensive B–1, and its back-up, the F–111. Wouldn't the wiser course be to make a determination now as to whether or not the B–1 will ultimately work out?

I do not have to remind anyone of voter dissatisfaction with the Federal Government, including the Congress. Whether or not we change this situation depends, to a large measure, on how responsibily we spend Federal tax dollars.

Mr. OBERSTAR. Mr. Chairman, during the vote on the final passage of H.R. 3260, rescinding certain budget authority recommended by the President, I will be at a meeting in the Senate wing of the Capitol to discuss industrial-monetary exchange between the United States and Sweden with the Swedish industrial delegation, led by His Royal Highness Prince Bertil of Sweden and hosted by Senator HUBERT H. HUMPHREY.

While I will be present to vote on amendments to this bill, because of this important meeting I will be unable to be present on the floor during the vote on final passage of H.R. 3260. Had I been present I would have voted "aye."

Mr. MILLER of Ohio. Mr. Chairman, this rescission bill being considered today contains approved rescissions of slightly less than $100 million. President Ford had submitted proposals totaling $930 million. I will support this bill since even $1 saved by a rescission is a step that is urgently needed. However, I feel very strongly that the Congress is not doing its job properly when only one-ninth of the proposed rescissions are approved.

The budget deficits for fiscal years 1975 and 1976 are projected, at a minimum, to reach a total of $87 billion. What the administration has proposed here in the way of rescissions is just a drop in the bucket when compared to the overall picture—and yet their request is still denied. Each of the subcommittees has heard testimony from the agencies and programs affected by the proposed rescissions to the effect that their operations will not be adversely affected by rescinding these funds. In spite of this testimony, less than 15 percent of the rescissions are being approved by this bill.

In some instances there has been criticism that these rescissions will not have the net effect of saving money, since reducing operating capabilities in one area will only increase the burden in another Government-supported area. This theory has proven to be highly speculatively, with no facts to back it up. Until such time as those supporting facts are presented, the presumption that the rescissions are indeed money-saving proposals should be adhered to.

At a time when every citizen is being asked to tighten his belt and reduce family expenditures, the Federal Government cannot be expected to do any less. However, by approving such a small proportion of these rescissions the Congress is not acting responsibly and is failing to do its share to reduce Federal spending.

Mr. MAHON. Mr. Chairman, I have no further requests for time.

Mr. CEDERBERG. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following rescissions of budget authority contained in the message of the President of November 26, 1974 (H. Doc. 93–398) and as those rescissions are modified by the message of the President of January 20, 1975 (H. Doc. 94–39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), are made pursuant to the Impoundment Control Act of 1974, namely:

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. MICHEL: Strike out all after the enacting clause, and insert in lieu thereof:

That the following rescissions of budget authority contained in the message of the President of November 26, 1974 (H. Doc. 93-398) as modified by the message of the President of January 30, 1975 (H. Doc. 94-39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93-391), are made pursuant to the Impoundment Control Act of 1974, namely:

CHAPTER I

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service

WATER BANK PROGRAM

Appropriations provided in the Agriculture-Environmental and Consumer Protection Appropriation Act, 1973, 1974, and 1975 to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301-1311), are rescinded in the amount of $21,212,940.

CHAPTER II

DEPARTMENT OF DEFENSE—MILITARY

Operation and Maintenance

OPERATION AND MAINTENANCE, ARMY

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $41,000,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, NAVY

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $27,500,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, MARINE CORPS

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $5,000,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, AIR FORCE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $40,000,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

Appropriations provided only for the maintenance of real property facilities under this head in the Department of Defense Appropriation Act, 1975, in the amount of $100,000 for the Defense Mapping Agency, in the amount of $1,000,000 for the Defense Supply Agency, and in the amount of $800,000 for Intelligence and Communications activities; in all: $1,900,000, are rescinded.

OPERATION AND MAINTENANCE, ARMY RESERVE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $1,800,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, NAVY RESERVE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $1,100,000, to be derived from the sum provided only for maintenance of real property facilities.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $400,000, to be derived from the sum provided only for maintenance of real property facilities.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

Appropriations provided under this head in the Department of of Defense Appropriation Act, 1975, are rescinded in the amount of $1,400,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $500,000, to be derived from the sum provided only for maintenance of real property facilities.

Procurement

AIRCRAFT PROCUREMENT, ARMY

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $5,700,000.

AIRCRAFT PROCUREMENT, AIR FORCE

Appropirations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $152,500,000.

CHAPTER III

Department of Housing and Urban Development

HOMEOWNERSHIP ASSISTANCE

The limitation otherwise applicable to the total payments that may be required in any fiscal year by all contracts entered into under Sec. 235 of the National Housing Act, as amended (12 U.S.C 1715z), is hereby reduced by the uncommitted balances of authorizations heretofore provided for this purpose in appropriation acts.

CHAPTER IV

DEPARTMENT OF THE INTERIOR

Related Agencies

DEPARTMENT OF AGRICULTURE

Forest Service

FOREST PROTECTION AND UTILIZATION

Appropriations for the fiscal year 1975 for "Forest Protection and Utilization" for "Forest Land Management" are rescinded in the amount of $10,000,000.

Appropriations for the fiscal year 1975 for '"Forest Protection and Utilization" for "State and Private Forestry Cooperation" are rescinded in the amount of $4,921,000.

CHAPTER V

DEPARTMENT OF STATE

International Organizations and Conferences

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Appropriations provided under this head in the Department of State Appropriation Act, 1975, are rescinded in the amount of $2,000,000.

INTERNATIONAL TRADE NEGOTIATIONS

Appropriations provided under this head in the Department of State Appropriation Act, 1975, are rescinded in the amount of $100,000.

DEPARTMENT OF JUSTICE

Federal Bureau of Investigation

SALARIES AND EXPENSES

Appropriations provided under this head in the State, Justice, Commerce, Judiciary, and Related Agencies Appropriation Act, 1975, are rescinded in the amount of $5,300,000.

Immigration and Naturalization Service

SALARIES AND EXPENSES

Appropriations provided under this head in the State, Justice, Commerce, Judiciary, and Related Agencies Appropriation Act, 1975, are rescinded in the amount of $1,300,000.

Federal Prison System

Bureau of Prisons

SALARIES AND EXPENSES

Appropriations provided under this head in the State, Justice, Commerce, Judiciary and Related Agencies Appropriation Act, 1975, are rescinded in the amount of $5,250,000.

BUILDINGS AND FACILITIES

Appropriations provided under this head in the State, Justice, Commerce, Judiciary, and Related Agencies Appropriation Act, 1975, are rescinded in the amount of $1,750,000.

Drug Enforcement Administration

SALARIES AND EXPENSES

Appropriations provided under this head in the State, Justice, Commerce, Judiciary, and Related Agencies Appropriation Act, 1975, are rescinded in the amount of $2,400,000.

DEPARTMENT OF COMMERCE

Social and Economic Statistics Administration

SALARIES AND EXPENSES

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975, are rescinded in the amount of $373,000.

Economic Development Administration

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975, are rescinded in the amount of $2,000,000.

Trade Adjustment Assistance

FINANCIAL AND TECHNICAL ASSISTANCE

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1972, are rescinded in the amount of $12,000,000.

United States Travel Service

SALARIES AND EXPENSES

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975, are rescinded in the amount of $250,000.

National Oceanic and Atmospheric Administration

OPERATIONS, RESEARCH, AND FACILITIES

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975, are rescinded in the amount of $3,227,000: *Provided*, That no part of the remaining sums shall be subject to the second proviso of said appropriation.

Patent Office

SALARIES AND EXPENSES

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975, are rescinded in the amount of $700,000.

CHAPTER VI

DEPARTMENT OF THE TREASURY

Office of the Secretary

SALARIES AND EXPENSES

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $310,000.

Federal Law Enforcement Training Center

SALARIES AND EXPENSES

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $60,000.

Bureau of Accounts

SALARIES AND EXPENSES

Appropriations provided under this head in the Treasury, Postal Service, and General

Government Appropriation Act, 1975, are rescinded in the amount of $630.000.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $3,000,000.

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $530,000.

ACCOUNTS, COLLECTION, AND TAXPAYER SERVICE

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $9,230,000.

COMPLIANCE

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $10,240,000.

EXECUTIVE OFFICE OF THE PRESIDENT

SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION

PHARMACOLOGICAL RESEARCH

Appropriations provided under this head in the Executive Office Appropriation Act, 1975, are rescinded in the amount of $2,760,000.

SPECIAL FUND

Appropriations provided under this head in the Executive Office Appropriation Act, 1975, are rescinded in the amount of $2,240,000.

INDEPENDENT AGENCIES

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

Limitations on Availability of Revenue

The amount made available under this head in the Treasury, Postal Service, and General Government Appropriations Act, 1975, is hereby reduced in the amount of $20,022,900, which reduction shall apply specifically to the limitation on alterations and major repairs.

Mr. MICHEL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Chairman and members of the committee, there were total rescissions recommended to us in the amount of $949 million. As has been alluded to several times here, the various subcommittees have agreed in total to $119 million of rescissions. I propose by my amendment in the nature of a substitute to agree to all the rescissions that have been proposed except for the $284 million Hill-Burton funds which have been already released by the Department, and which the House of Representatives has already asserted itself and said it would not go along with this rescission.

We then find a total of $545 million in the balance of rescissions that are affected by my amendment in the nature of a substitute.

In the Department of Agriculture the water bank program, $21.2 million.

In the military:

Operation and maintenance for the Army, $20,500,000; Navy, $13,750,000; Marine Corps, $2.5 million; Air Force, $20 million.

Defense agencies, $950,000.

For the Army Reserve, $900,000; Navy Reserve, $550,000; Air Force Reserve, $200,000; Army National Guard, $700,000; Air National Guard, $250,000.

Aircraft procurement for the Army, $5.7 million; Aircraft procurement for the Air Force, $152.5 million.

In the Department of Housing and Urban Development there is $264 million.

Forest land management, $10 million.

State and private forestry cooperation, $4,921,000.

Immigration and Naturalization Service, $1.3 million.

Economic Development Administration, $2 million.

U.S. Customs Service, $3 million.

For the Internal Revenue Service: Salaries and expenses, $530,000; accounts, collection and taxpayer service, $9,230,000; compliance, $10,240,000.

That makes a total of requested rescissions on the part of the administration in the amount of $545,050,940, and which, by way of my amendment in the nature of a substitute, I would like to see an expression on the part of the House that we are willing to go along with these rescissions.

As the ranking minority member, the gentleman from Michigan (Mr. CEDERBERG), said, and as has been stated in the minority views, we just do not think that we have any alternative here but to go along as best we can and save another half billion dollars when given that opportunity. It certainly is not going to be all that tragic; when you look at the items where there is less than $1 million involved in some of the departments; I think we ought to go along with it.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding.

In the deliberations of the Committee on Appropriations when these rescissions were requested by the President, was there any evidence that these rescissions would in any way greatly hamper any of these programs or force any drastic cutbacks?

Mr. MICHEL. As the gentleman well knows, I only serve on two subcommittees and do not have that area of expertise. But when we had our full committee hearings, I was not all that impressed with the arguments that we had to turn down the rescissions in the amount that we did in these various categories which I have menioned. I just do not have that kind of fear, and obviously the administration does not either, or they would not have proposed them in the first place.

Mr. ROUSSELOT. Will the gentleman yield further?

Mr. MICHEL. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding.

In other words, as the gentleman from Michigan (Mr. CEDERBERG) indicated, when most of these agencies were questioned on these particular rescissions, they complained only slightly because they wanted "this additional money." But in most cases it was shown that the rescissions would in no way hamper these programs or cause a great depression?

Mr. MICHEL. I do not think so. There may be those who would argue to the contrary. Obviously there was some compelling reason for their having turned them down in their various subcommittees. I just do not happen to have that fear. There will be a difference of opinion, whether it is on that side of the aisle or on this side.

Mr. ROUSSELOT. If the gentleman will yield further, in other words, for those Members of the House who were here last year and voted for the Budget Control Act which said we want now to begin to control this budget, and for those people who do not want to contribute to this massive debt that we are going to have in this fiscal year—which we have been told will be anywhere from $35 billion——

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. CHARLES H. WILSON of California, and by unanimous consent, Mr. MICHEL was allowed to proceed for 3 additional minutes.)

Mr. MICHEL. I thank the gentleman.

Mr. ROUSSELOT. If the gentleman would yield further, the Chairman of the Federal Reserve Board, Mr. Burns, told our Committee on Banking and Currency last week that his estimates are that the deficit for this fiscal year is going to be far greater than $35 billion. As a matter of fact, he said it could go as high as $50 or $60 billion, the way this Congress is spending.

So, for all of my colleagues who said they were going to support a balanced budget and were going to try to trim in those areas where we could logically trim, this is the key vote: to support my colleague's amendment; is that correct?

Mr. MICHEL. I thank the gentleman.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. I thank the gentleman for yielding.

I wonder if my friend, the gentleman from Illinois, will explain to me what his amendment will do insofar as the Department of Defense items are concerned. I am particularly concerned with the aircraft procurement for the Army and the aircraft procurement for the Air Force, the $5.7 million for the UH-1H helicopter and the money for the A-7 and the F-111.

Mr. MICHEL. I will say to the gentleman from California in that particular Army, the amounts that I have alluded area of aircraft procurement for the to are $5.7 million and for the aircraft procurement in the Air Force, $152½ million.

Mr. CHARLES H. WILSON of California. Is the gentleman rescinding that?

Mr. MICHEL. We are agreeing to the rescission in my amendment, yes.

Mr. CHARLES H. WILSON of California. The rescission?

Mr. MICHEL. Yes.

Mr. CHARLES H. WILSON of California. This is all rather technical, and I want to be sure we are talking about the same things. The gentleman is eliminating the money for the F-111 and the A-7?

Mr. MICHEL. Yes.

Mr. CHARLES H. WILSON of California. And the Bell helicopter under this amendment?

Mr. MICHEL. I am sure of the first two——

Mr. CHARLES H. WILSON of California. I did not hear the gentleman mention the $5.7 million. However, that is not as important.

Mr. MICHEL. Yes. The $5.7 million is also included.

Mr. CHARLES H. WILSON of California. I think this is an excellent amendment. I, for one, am proposing support for the amendment. I think that many other Democrats on this side who supported the Budget Control Act should do the same thing. I think the only responsible thing is to try and save. I have looked through here, and I cannot see any programs that are going to hurt job training or any of this type of thing that is important to my district.

I think this is a very responsible thing the gentleman is doing.

Mr. MICHEL. The gentleman makes a very valid contribution and I appreciate his support.

Mr. ARMSTRONG. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I commend the gentleman from Illinois for this amendment because it puts before the body squarely the issue of whether or not we are really serious about doing something about the skyrocketing deficit or only giving it lipservice.

As pointed out by the gentleman from California (Mr. Rousselot) and others, many of us have gone to the people to say we want to do something about inflation and stopping the skyrocketing budget. Here is our chance. We can do it without crippling programs by taking the modest cuts proposed by the administration.

It seems to me if the President and the department heads can come to us and say that they can do with $950 million less, it is a sorry performance by the Congress if we accept only 13 percent of the proposed reductions.

I think we can and must do better than that. The amendment is right on target.

There is one additional issue. After the subcommittee refused to go along with the rescission for HEW, the Department went ahead and released those funds. I think they made a terrible mistake and I hope if anybody from the Department reads today's proceedings he will be on notice that some of us think the Department should have awaited final action by the Congress instead of caving in at the outset.

With these remarks I am pleased to support the amendment offered by the gentleman from Illinois and I hope others will do the same.

Mr. KEMP. Mr. Chairman, I rise in support of the Michel amendment and heartily endorse his comments.

The Committee on Appropriations considered 39 proposed rescissions of budget authority. Those proposed rescissions totaled nearly a billion dollars—$949,433,172. Of that amount, the committee has recommended the rescission of only $119,672,900—slightly more than 13 percent of the dollars under consideration. We must do better on behalf of the taxpayers of America.

The budget authority recommended not to be rescinded through this bill totals $829,760,272. In that Federal spending is already far in excess of anticipated revenues, these funds will have to be borrowed by the Federal Government, adding to the deficit for the year and to the national public debt and taking away funds needed for private borrowing by prospective home purchasers, businesses, industries, and so forth.

That these funds will have to be borrowed is beyond question. In this evening's edition of the Washington Star, there appears an article about the Government having to now borrow $38 billion just to match current expenses.

It says in part:

United States May Have To Borrow $38 Billion To Pay Debts

(By Lee M. Cohn)

> The Treasury now believes it may have to borrow a net $38 billion—or $10 billion more than previously estimated—to finance the budget through the end of June.
>
> The Ford administration is worried that the government may squeeze out private borrowers and raise interest rates—impeding the economy's recovery from recession—especially if Congress enlarges the budget deficit sharply.

This borrowing will have a number of effects—all detrimental to our efforts to revitalize the economy.

This Nation faces Federal deficits of at least $86.5 billion in this and the next fiscal years. An extensive analysis of February 3, made by our distinguished and able chairman of the Committee on Appropriations Mr. Mahon, a Member for whom I have the highest regard, shows that 2-year deficit could rise to as high as $166.6 billion.

Yet, the size of Federal spending—as evidenced by the lack of action on the administration's proposed rescissions continues to mount.

That deficit spending is fueling inflation and strangling our ability to recover from this recession.

It is robbing our capital markets of the ability to create jobs.

It is undercutting our ability to restore private funds for the critically sagging construction industry, especially housing construction.

It is pushing up the rates of interest my constituents and others must pay on loans.

It is destroying the capacity of the average American family to make ends meet and to plan for the future.

And, it is jeopardizing our Nation's leadership in international affairs.

As we said in our minority views accompanying the committee's report, the Congress could have done much better on this bill than rescinding only 13 percent.

I believe the Congress can and must prove its fiscal record. It should start that process immediately.

This afternoon, we have that opportunity, through this amendment to restore over a half billion of the rescissions proposed by the administration.

If every Member views this bill and this process from solely a parochial interest—how it affects a congressional district or a favorite program—we will rescind very little either today or in the months to come. I know there are items in here in which I have an interest and which I favor. But that is not the point.

Today, we must decide whether the Congressional Budget Act is to have a real meaning, or whether it is to be no more than a sham.

Is the Congress going to continue to tax and spend and tax some more, putting heavier and heavier burdens on the taxpayers, especially through the inflation which is a direct result of excessive Federal deficit spending and which will rob them of their purchasing power no matter how many tax rebates are enacted?

Or, is the Congress going to exercise the authority given to it by the Budget Act, approving the rescissions recommended by those certainly in a position to know how much is not needed, and helping remove some of the burdens from the backs of the people who have to foot the bills incurred by congressionally approved Federal spending? At last notice, taxes had risen 25 percent in the last year, higher than any other segment of the rise in the cost of living.

Mr. Chairman, I urge adoption of the amendment to save more than a half billion dollars.

Mr. BURGENER. Mr. Chairman, will the gentleman yield ?

Mr. KEMP. Mr. Chairman, I yield to the gentleman from California (Mr. Burgener).

Mr. BURGENER. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Michigan (Mr. Cederberg) and the gentleman from Ilinois (Mr. Michel) and the gentleman from California (Mr. Rousselot) and the gentleman from California (Mr. Charles H. Wilson) and the gentleman from Colorado (Mr. Armstrong) and the gentleman from New York (Mr. Kemp).

I think now is the time when we must decide whether or not we can have it both ways. I think we cannot. I think the amendment offered by the gentleman is reasonable and I intend to support it.

Mr. Chairman, I thank the gentleman for yielding.

Mr. KEMP. Mr. Chairman, I appreciate the remarks made by the gentleman from California.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from Indiana (Mr. Hillis).

Mr. HILLIS. Mr. Chairman, I too, would like to associate myself with the comments which have been made here. I rise in support of the amendment and I associate myself particularly with the remarks made by the gentleman from New York (Mr. Kemp).

It seems to me this is the first test of the Budget Reform Act. What does it really mean? Does it mean what it said last year, that we are going to strive for a balanced budget, particularly on low priority items?

As my colleague, the gentleman from California (Mr. Charles H. Wilson) said, there is nothing in here about manpower, nothing about putting people back to work. We are going to take up the tax cut this week or next week. That is going to accelerate and enlarge the deficit.

It seems to me it is time to economize and cut where we can and this is the time to do it.

Mr. STEED. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know it is a very hectic thing to get up and beat our breasts and talk in favor of economy and all that sort of thing; but I think at the same time we can and should be a little responsible and take a good look at what we are faced with here.

These recommendations of the Appropriations Committee were not arrived at blindly. On the part of this bill of which I have the chairmanship, we very carefully considered every item.

Whenever we say that we think we ought to make rescissions for the Internal Revenue Service and the U.S. Customs Service, that might be fine and dandy if it did not have any serious impact. But here we are talking about how much indebtedness we are faced with and yet there are some who want to cripple the very few agencies that bring in the funds to pay the bills, when they are hard pressed with the workload they already have. Every time the Congress turns around they talk about new acts that will place heavier burdens on these agencies for this fiscal year.

Next Monday, the subcommittee that I chair will start hearings on supplemental requests for these very same agencies by the Office of Management and Budget that recommended these rescissions. What good is it if on their recommendation everything that is recommended they turn down, and after they have recommended it and we have approved it and the need is established for it and now they want to rescind it? Before we get around to finish that part of the work, here is a recommendation from the same OMB experts to put it back in again.

I think this is a charade that should be taken care of today. I hope my colleagues will take a responsible course and support this bill and defeat this amendment.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in the long list of accounts that the gentleman from Illinois (Mr. Michel) read, he referred to an item in the Department of Housing and Urban Development, $264 million in contract authority under the section 235 homeownership program. Originally the administration sent a deferral message to the Congress on this item. I want to emphasize this to the members sitting in the committee at the present time. It was sent up as a deferral message, so clearly the administration did not intend that that program would be rescinded.

The reason the subcommittee took action insofar as a rescission is concerned is because the Comptroller General sent an opinion to the Congress concluding that the recommendation of the President was a de facto rescission. That is the reason the committee considered it to be a rescission and recommended no action.

The reason why the Comptroller General indicated it was a de facto rescission was that the Housing and Community Development Act of 1974 terminates the unused contract authority as of August 22, 1975, and this would not give the Department time to actually obligate the $264 million in contract authority that is available under this program. Consequently, the Comptroller General reclassified it as a de facto rescission and under the rules we had to consider it as a rescission.

In my judgment, it is a program which we are better off with as a deferral. I think it is a program that ought to be held in abeyance until it is clearly determined whether or not it is an activity which ought to be continued, particularly under the economic conditions of the housing industry today. As a matter of fact, the $264 million contract authority would probably build about 215,000 units throughout the United States.

So, within the amount of $550 million that the gentleman from Illinois proposes for rescission, $264 million is in contract authority for homeownership assistance under the 235 program. So, the Members here can make their own judgment as to whether he or she believes that this program ought to be killed.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, is it not true, however, that the Banking and Currency Committee last year, because it felt that there had been so many failures in the 235 program, agreed to phase it out just for that reason? As the gentleman himself said, there is great doubt as to whether the program should be continued, especially because it is not producing housing for low-income people.

Therefore, I wonder why my good colleague from Massachusetts is so insistent in eliminating dollars for this program that has proven to be such a failure. It is not providing housing for low-income people.

Mr. BOLAND. Mr. Chairman, there could be an argument made on either side with reference to whether or not it is providing housing for low-income people. It is the judgment of the committee that it has provided housing for low- to moderate-income people. Reservations for more than 487,000 housing units have been made. Today more than 438,000 housing units have been insured under the 235 program.

There have been some problems with it, as the gentleman so well knows from serving on the Banking and Currency Committee. We have not had much experience to date on what the default rate might be in this area. This program is only about 5 or 6 years old. However, the fact of the matter is that we have built hundreds of thousands of units under the program, and it has been a successful program in many areas.

The subcommittee which I chair has investigated and monitored the administration of this program. There have been some serious problems which we have pointed out. The investigative staff on the Appropriations Committee pointed them out as early as 1971 before any of the scandals occurred. The fact that cannot be denied, however, is that the section 235 program has worked well in many areas and has provided substantial housing to a great number of people in the low- to moderate-income areas.

My argument is that because of the seriousness of the depression in the housing industry, where housing starts declined to 1,352,000 in 1974, and dropped to a seasonally adjusted annual rate of only 874,000 starts in December, this is an area in which the administration could very well make use of this program. It is a program that could be resurrected, and the faults the committee has been concerned about might very well be corrected if the program is continued.

AMENDMENT OFFERED BY MR. CONTE TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MICHEL

Mr. CONTE. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Conte to the amendment in the nature of a substitute offered by Mr. Michel: On page 4 of the amendment offered by Mr. Michel, strike lines 10 through 18 (all of chapter III).

Mr. CONTE. Mr. Chairman, I certainly am not going to take my 5 minutes. In fact, I should not take any time at all, because my colleague from the Second District of Massachusetts proved my case.

There is a need for stimulation in our housing market today. There have been all kinds of plans here in the Congress, like giving interest exemptions to the holders of savings accounts. There have been all types of projects proposed here to try to stimulate the housing market, which is very badly depressed at the present time.

As the gentleman from Massachusetts has said, this could provide 150,000 housing units and housing starts, which would be a great stimulus to the economy. I agree with the gentleman from California in his remarks. I read the hearings conducted by the gentleman from Massachusetts, and there have been some very serious abuses in this program.

I think as a result of the investigation held by the staff of the committee of the gentleman from Massachusetts that these abuses have been corrected. This will provide somewhat of a transfusion to the housing market. I agree with the gentleman from Illinois. I do not feel the committee has gone far enough with rescissions, but I feel in this case that this is a worthwhile program and we ought to retain it.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Mr. Chairman, I yield to my good friend from Massachusetts.

Mr. BOLAND. Mr. Chairman, I support the amendment offered by the gentleman from Massachusetts. As I indicated, this recommendation came up as a deferral. As all of the Members realize, under the Congressional Budget and Impoundment Control Act of 1974, a deferral is used when some possible future of the money is intended. So the administration apparently gave some consideration to the thought that, perhaps, this is a program that might very well be carried on if the housing industry suffered any greater depression.

Mr. Chairman, I think no one could stand here and argue that the housing industry is in very good shape. With new housing starts down to a seasonally adjusted annual rate of only 874,000 starts in December, all of us recognize the fact that this is a disastrous situation for the industry. It is a terribly important factor in the economic health of the United States. It would seem to me that the wise course here would be to adopt the amendment of the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I think the gentleman from Massachusetts makes an excellent point. This is contract authority, and if the administration does not want to avail itself to the contract authority, it does not have to.

I urge my colleagues to vote for the amendment.

Mr. STRATTON. Mr. Chairman, I move to strike the last word. I rise in opposition to the amendment in the nature of a substitute offered by the gentleman from Illinois primarily because of what it does in the field of Defense Department aircraft.

This amendment is well motivated. The idea is to save money, the idea is to help balance the budget. But I am not sure that many Members realize that by striking out funds for the F-111 aircraft we would actually be creating a situation in which the Department of Defense, either this year or next year, will be committed to spending far more for bomber airplanes than it would have to do if the FB-111 aircraft is continued as a possible alternative to the B-1.

What is important about the F-111 aircraft, which is included in this rescission, is an alternate plane to the costly B-1 bomber, which the Air Force and the Pentagon have been trying to sell to the Congress and trying to sell to the American people and trying to sell to the House Armed Services Committee for a long, long time.

The message today, if Members had an opportunity to sit in on the open hearings of the House Armed Services Committee under the chairmanship of our distinguished colleague from Illinois (Mr. PRICE), is that the Armed Services Committee itself now has very grave doubts about the feasibility of the B-1 as the new bomber in our triad in the nuclear deterrent field. The cost of the B-1 is now up to $84 million a copy and may well run to $100 million a copy.

The Air Force wants 249 of them, and that means that the entire program will cost $25 billion for a single weapons system. And we are going to be committed to that plane and to that costly program, regardless of what happens unless some alternative to the B-1 continues to be available.

That alternative is known as the FB-111, the FB-111H, to be exact. But to have that alternative available, and to have it available at about one-third or one-quarter of the cost of the B-1, we must keep the current F-111 production line open for 1 additional year.

That is precisely what the Committee on Armed Services agreed to last year. It is also what the Committee on Appropriations agreed to. Unfortunately, this is what the President has requested be rescinded.

So, in sum, if we really believe in economy, then it makes sense to keep this cheap alternative aircraft available until we have to make the final production decision on a new bomber, which will probably not be until next year.

But if we go along with this rescission and kill the FB-111, we will have no alternative at all when the time comes, and we will be forced to vote for a $100 million bomber; and I do not think that makes any sense.

Mr. MICHEL. Mr. Chairman, I rise in opposition to the Conte amendment.

Mr. Chairman, the amount of money involved here is $264 million in contract authority for the Department of Housing. That makes up more than half of the total of my amendment.

I am disturbed about that, naturally, but more so because frankly, when one talks to people in private, they tell us that that $264 million is not going to be spent anyway. There was testimony before the liberal-dominated Committee on Banking and Currency that there is 40 percent fraud in that 235 program. That is why they are phasing it out. That is why there is not going to be a program.

Therefore, why ante up the money? We have a good opportunity here to make amends all the way around, and I have to speak out in opposition to the amendment because of the chance here to save ourselves an additional $545 million, which would be done with my substitute.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE) to the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. MICHEL).

The amendment to the amendment in the nature of a substitute was rejected.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. MICHEL).

The question was taken; and the chairman being in doubt, the committee divided, and there were—ayes 35, noes 35.

RECORDED VOTE

Mr. MICHEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 127, noes 268, not voting 37, as follows:

[Roll No. 25]

AYES—127

Anderson, Calif.
Anderson, Ill.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bennett
Biester
Blanchard
Brown, Ohio
Broyhill
Burgener
Butler
Byron
Carter
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Derwinski
Devine
Duncan, Tenn.
du Pont
Edgar
Edwards, Ala.
Emery
Erlenborn
Fithian
Forsythe
Frenzel
Frey
Gibbons
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hammerschmidt
Hansen
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Hillis
Hinshaw
Hutchinson
Hyde
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Kasten
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Lujan
McClory
McCollister
McDade
McDonald
Madigan
Martin
Mathis
Mazzoli
Michel
Miller, Ohio
Moore
Mosher
Mottl
Myers, Ind.
Myers, Pa.
O'Brien
Pressler
Pritchard
Quie
Quillen
Regula
Rhodes
Robinson
Rogers
Rousselot
Runnels
Ruppe
Schneebeli
Schulze
Sebelius
Sharp
Shriver
Shuster
Simon
Skubitz
Smith, Nebr.
Snyder
Spence
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symms
Talcott
Thone
Treen
Vander Jagt
Wampler
Wiggins
Wilson, Charles H., Calif.
Winn
Wydler
Wylie

NOES—268

Abdnor
Adams
Addabbo
Alexander
Ambro
Andrews, N.C.
Andrews, N. Dak.
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Bedell
Bergland
Bevill
Biaggi
Bingham
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Casey
Chisholm
Clay
Conyers
Corman
Cornell
Cotter
D'Amours
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Dickinson
Diggs
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Early
Eckhardt
Edwards, Calif.
Eilberg
English
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Green
Gude
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hefner
Helstoski
Henderson
Hicks
Hightower
Holland
Holt
Holtzman
Horton
Howe
Hubbard
Hughes
Hungate
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McCormack
McFall
McHugh
McKay
McKinney
Macdonald
Maguire

Mahon
Mann
Matsunaga
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mineta
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Moss
Murphy, N.Y.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patman
Patten
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Preyer
Price
Railsback
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Roush
Roybal
Russo
Ryan
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Seiberling
Shipley
Sikes
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Stanton, J. William
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Taylor, N.C.
Teague
Thompson
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, Charles, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—37

Abzug
Annunzio
Barrett
Beard, R.I.
Bell
Brooks
Broomfield
Brown, Mich.
Burke, Fla.
Burleson, Tex.
Chappell
Collins, Ill.
Eshleman
Fenwick
Findley
Flynt
Fountain
Fraser
Howard
Ichord
Kelly
McCloskey
McEwen
Madden
Metcalfe
Mills
Minish
Moorhead, Calif.
Murphy, Ill.
Murtha
Rostenkowski
St Germain
Staggers
Taylor, Mo.
Walsh
Waxman
Young, Fla.

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $250,000, to be derived from the sum provided only for maintenance of real property facilities.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 4, following line 10, insert the following:

AIRCRAFT PROCUREMENT, AIR FORCE

Appropriations provided under this head in the Department of Defense Appropriations Act, 1975, are rescinded in the amount of $122,900,000, to be derived from the sum provided for the procurement of 12 F-111F fighter/bomber aircraft.

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Chairman, I rise in support of my amendment to rescind $122.9 million from funds appropriated for the procurement of 12 F-111F aircraft for the Air Force.

Mr. Chairman, this rescission bill represents, for this Congress, the first major test of the promose of fiscal responsibility given to the people of this country when we passed the Congressional Budget and Impoundment Control Act of 1974. I fear that this bill fails that test, but my amendment is one step which might help it achieve a passing grade.

In the committee bill, we are being asked once again to endorse additional procurement of F-111F fighter-bomber aircraft, despite the repeated protestations of the Air Force and the Defense Department that current force levels are sufficient.

The Air Force currently has 66 of these aircraft, a number which it considers sufficient to provide a strategic force mix which is capable of deterring any possible attack.

The Air Force and the Defense Department have not requested an increase in their F-111F force for the past 4 years. In those years, however, the Congress has added funds to the Defense appropriations bill to cover limited production of the F-111F, largely at the insistence of some members of the committee.

Those who favor additional procurement of the F-111F cite the fact that no firm decision has been made on the B-1 bomber. They say that until we know what kind of strategic force we are going to work toward, we should keep the F-111F production lines warm.

Certainly the question of the B-1 is still a matter of controversy, but it is one which is not particularly relevant to the point under discussion here.

In the debate on the Defense appropriations bill last August 6, the gentleman from Iowa (Mr. GROSS) correctly pointed out that "the F-111 is not the B-1 and never could be the B-1." And the distinguished chairman of the Appropriations Committee (Mr. MAHON) agreed with him.

I think that the important point which ought to be the focus of our debate here is that further production of the F-111F is simply not necessary. The Defense Department does not want any more of them, the Air Force does not want any more of them, and the administration does not want any more of them.

On more occasions than I can recall, this Congress has been accused of being a rubberstamp for the Defense Department and its requests. Yet here we are, giving the Defense Department more than it has asked for.

Mr. Chairman, you know that I would never offer an amendment of this sort if I thought that it would have a detrimental effect upon our national defense effort. I am a firm believer in necessary defense expenditures.

All I am doing with my amendment is cutting $122.9 million of waste and fat from the Defense budget, money which the Air Force itself has said is unnecessary.

Mr. Chairman, you know that I sometimes hesitate to accept the word of the Pentagon when they tell us how much money they need. I have found that too many times they tend to overstate their case, and ask for more than they actually need. Given this tendency among those who prepare the budgets for the Pentagon, I am inclined to believe, and I think my colleagues will agree, that if the Pentagon says it does not need any more of a particular plane, they really do not.

Mr. Chairman, I am sure that I do not have to remind you and my colleagues of the inflationary impact which these wasteful military expenditures have on our economy. Defense spending is extremely inefficient relative to other types of Government spending in creating jobs. And by not producing things which consumers can buy, military spending of this sort leads to the classic "too much money chasing too few goods" type of demand-pull inflation.

This is the first opportunity which the 94th Congress has had to come down four-square against wasteful spending. It could set the tone for the year to come in dealing with our economic crisis. It should be clear to all that we cannot solve our problems by appropriating unnecessary funds; that will only make the problems which we do face worse.

Mr. Chairman, I believe that we can demonstrate our fiscal responsibility by voting for my amendment. These planes are unnecessary, they cost about $20 million each to produce, and further production will not increase our national security one iota.

Over the past 4 years nearly $550 million has been appropriated for the procurement of this plane, a plane which the Air Force does not want. Mr. Chairman, the time has come to end this madness.

I urge my colleagues to support this amendment.

SUBSTITUTE AMENDMENT OFFERED BY MR. CHARLES H. WILSON, OF CALIFORNIA, FOR THE AMENDMENT OFFERED BY MR. CONTE

Mr. CHARLES H. WILSON of California. Mr. Chairman, I offer a substitute amendment for the amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. CHARLES H. WILSON, of California, for the amendment offered by Mr. CONTE: Page 4, after line 10, insert the following:

AIRCRAFT PROCUREMENT, ARMY

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $5,700,000.

AIRCRAFT PROCUREMENT, AIR FORCE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $152,500,000 (of which $122,900,000 is to be derived from the sum provided for the F-111F contract and $29,600,000 is to be derived from the sum provided for the A-7D contract).

Mr. CHARLES H. WILSON of California. Mr. Chairman, I rise to offer an amendment to rescind budget authority from aircraft procurement for the Army—$5.7 million for the UH-1H helicopter, and aircraft procurement for the Air Force of $152,500,000 of which $122,900,000 from the F-111F contract and $29,600,000 from the A-7D contract.

I respectfully disagree with the distinguished chairman of the Appropriations Committee, Congressman MAHON, in his committee decision not to go along with the President's recommendation that this program is no longer needed and as such be a rescission under the Budget Control Act. Instead, the committee is asking today that its obligational authority as evidenced in Public Law 93–347, the Defense Appropriations Act for this current fiscal year, be continued.

I strongly feel my amendment should be supported and included in the final rescission bill for the following reasons. First and foremost, and I quote from page 28 of President Ford's message of January 30, 1975:

> These items were not requested by the Air Force, not included in the President's 1975 budget, and are considered marginal in light of present and projected aircraft inventory.

I urge my colleagues to seriously reflect on that statement. The Appropriations Committee is asking today that we continue a program that both the Department of the Air Force and Army and the President have stated in unnecessary. Thus, the continuance of this program cannot be justified on grounds of national defense and security.

What then, you may ask, are the reasons this program is being continued?

I would submit that naturally the Texas delegation wants to see defense contracts continued to be performed in Texas in light of the fact that the companies that build the F–111, General Dynamics, and the Bell Co., which produces the UH helicopter are both located in Texas.

However much I recognize the need for jobs in our aerospace industries, I cannot myself, nor should any other Congressman, vote for the continuation of this project or any project purely as a public works program. The key question should be whether it is essential to our Nation's defense. As I stated earlier, it is not. It is worth mentioning that the unemployment rate in the Dallas-Fort Worth area is approximately 3½ percent—far below the current national average. Unemployment figures in the Los Angeles-Long Beach area are 7.9 percent.

Nor do I feel a program should be continued because of the high "sunk" costs already in them or the expense to terminate them. If we follow this reasoning, all we would have left in defense arsenal is bloopers.

The committee states that if the rescission on the F–111 is approved, "approximately $80 million for the most part will have been wasted." Yet, if the total $205.5 million as appropriated is spent this fiscal year, it is not possible that we may find next year that the plane is not meeting our needs, and that over $200 million would have been spent? I suppose next year we will hear that the F–111 should be continued because over $200 million of "sunk" costs are in it.

It is time to admit that the F–111 aircraft has just not performed as its company stated it would. The dismal record in Vietnam and the cost overruns of the F–111 are well known and documented.

Aside from the fact the F–111's, the A–7's and the UH helicopters are not needed for defense is the need for the Congress to curtail unnecessary spending in this period of recession and rapid inflation. The time has finally come to critically assess each program—whether defense or foreign aid—to ascertain whether it is performing.

Mr. Chairman, for the reasons stated above, I urge my colleagues not to continue funding for the nonessential F–111's, A–7's, and UH helicopters and to vote for my amendment to include them in the rescission bill being considered today.

Mr. STRATTON. Mr. Chairman, I rise in opposition to the amendment offered as a substitute for the amendment offered by Mr. CONTE.

Mr. Chairman, this amendment is like the cat with nine lives. We shot it down a moment ago, and now it is up here again. In fact we have had it before us on a number of occasions, and it seems that all kinds of efforts are being again made to confuse the issue, and hope that an overall desire for economy in defense spending will prevail.

But if we are really interested in economy in defense, as I said a moment ago when we were discussing the Michel amendment, this is not the way to go.

Instead the Conte amendment is the way to get ourselves committed to spending a lot more money. This amendment offered by the gentleman from Massachusetts (Mr. CONTE), with the few embellishments added by the gentleman from California (Mr. CHARLES H. WILSON), is designed to eliminate the F–111 aircraft.

But if we eliminate the F–111 aircraft, we either commit ourselves to a B–1 bomber at $100 million a copy, or else we will have to eliminate the Strategic Air Command and go out of business as far as strategic bombers are concerned.

Mr. Chairman, let us make no mistake about it, the gentleman from California has taken literally remarks of the Air Force that were really offered in jest, just tongue in cheek. Why the B–52 is not even being produced. It is obsolete; it is out of date. They could not even resurrect it. To suggest seriously that we would want the B–52 as our bomber of the future is ridiculous and absurd and incredible and the Air Force knows it. Either we have an alternative to the B–1 or else we are committed to it irrevocably. Or, of course, we can just put an end to the Strategic Air Command. That is the basic issue. It is as simple as that.

Of course the Air Force does not want the F–111. Of course the Air Force did not come in and ask for any more F–111's. Why? Because the big bomber boys have gotten themselves tied up, not only emotionally but scientifically, with the idea of a big bomber. The B–1 is their dream bomber, and they are going to get it come hell or high water, even if it costs $100 million a copy. And they regard the FB–111 as a grave threat to the future of the B–1.

Some Members may not have been in the Chamber when I made some earlier remarks on this same subject. But the Air Force wants 249 of these B–1's, and that makes a total of $24.9 billion for just one weapons system.

Well, the Committee on Armed Services of the House, the Committee on Armed Services of the Senate, the Committee on Appropriations of the House, and the Committee on Appropriations of the Senate, all of them for the last 2 years have said, "No, we do not want to be locked into that kind of an expenditure. We want some viable alternative to the B–1."

That viable alternative is the FB–111, which is virtually the same as the F–111. In fact, today we have a stretch version of the FB–111. It is the FB–111H—and it will do almost everything that the B–1 can do but it will cost only about one-third or one-quarter of the cost of the B–1. But the only way we can have that alternative in 1976 and have it economically, is to keep this F–111 production line open for another year. That is what this $129 million is designed to do, and that is all. It is good, sound insurance for the future.

So if we want to avoid having to vote for an aircraft that is now listed at $84 million a copy, but may well go to over $100 million a copy, and if we share some of the doubts that Armed Services Committee members have been raising in the course of our hearings over the last week, then for heaven's sakes let us keep this production line open, because thereby we could save the American people millions and millions of dollars without degrading our defenses at all.

As a matter of fact this vote represents an opportunity for Congress to have some say in what happens with our defense. We do not have to be a rubber stamp for the Pentagon; we do not have to have a knee-jerk reaction to whatever the "big bomber" generals want.

Congress told the Navy a long time ago to build a fleet of Polaris submarines. And at first we had to drag them, kicking and screaming, into accepting the idea of the Polaris submarine. We can be mighty glad today that Congress took the lead, made the decision, and today we have that Polaris submarine fleet.

Mr. Chairman, we can and should do exactly the same thing here. Let us turn down the Conte amendment and keep this line open.

Mr. EDWARDS of Alabama. Mr. Chairman, I rise in opposition to the amendment and the substitute.

Mr. Chairman, I think it is important for us to reflect on the rescission bill that is before us.

There is only $120 million in there that the committee has approved, and $60 million of that $120 million comes out of the Defense budget. I do not think that that ought to be overlooked.

The Defense Subcommittee has faced up more squarely to the rescission process than any other subcommittee of the Committee on Appropriations.

As far as the F–111 is concerned, I am not going to throw the B–1 at the Members. I am going to talk purely from the standpoint of economics.

If we are going to attack the F–111, we should have done it last year. It should have been knocked out last year.

Here we are in March, virtually in March of 1975, with obligations in the amount of $72 million. If we cut this out right now, rather than ending up with 12 planes, we are going to end up with a bunch of wings and tails and wheels and spare parts and nothing else. It is penny-wise and pound-foolish at this time to try to scrub that operation for these 12 planes.

The same is more or less true with the Huey helicopter. If we stop now, we end up with nothing but spare parts.

As to the A-7D, if we stop now, we end up with nothing but spare parts. There is a crying need in the Air National Guard to make use of the A-7D.

I want to point out to the Members, and I think this is important, the F-111 has been a controversial plane, and it is true that the military has not been asking for it. We faced up to that, in a way, in our committee at the beginning of the year.

In the conference report for the 93d Congress on the Defense bill, there is this quote, and I would like to read it. It is on page 22 of the conference report:

> The conferees agreed to the appropriation of $205,500,000 for 12 F-111's aircraft, as proposed by the House, and the deletion of the $15 million proposed by the House for advanced procurement. The conferees do not intend to provide any further funds for this program unless it is sufficiently justified by the Congressional committee.

What that means now is that we are in the process of an orderly termination of the F-111 contract. We are in the process of an orderly phase-down, under the conference report, of that line. When these 12 planes are completed, there will not be any more planes unless the administration comes over here and makes a case for building more of those planes.

Therefore, Mr. Chairman, I think it behooves this House—at this time—not last Novmeber or last October or last September—at this time it behooves this House to continue those operations and see this through. If we made a mistake a year ago, so be it. This is not the time, now, to terminate those contracts.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. Surely, I yield to the gentleman from New York.

Mr. ADDABBO. Is it not a fact that if we terminate the contract right now, it would cost over $100 million to terminate the contract and we would get absolutely nothing for it?

Mr. EDWARDS of Alabama. The gentleman is correct. We have already obligated $72.2 million on the F-111. Termination costs estimates are $10.4 million. Assuming we can hold the line on all of that, we would end up spending $82.6 million and have nothing to show for it, just for the F-111.

Mr. ADDABBO. We would get the 12 planes for this money and in the meanwhile, would it give us a chance to make a final determination on the B-1 or F-111?

Mr. EDWARDS of Alabama. The gentleman is correct, but I wish to make the point agan that I do not hold the B-1 hostage in any way in my argument.

I say that we ought to see this through because of what we have already done, and then end it. Whatever happens to the B-1, as far as I am concerned, has no bearing on the F-111.

Mr. ADDABBO. Mr. Chairman, I join with the gentleman from Alabama in the remarks that he has made, and oppose the amendment.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, the gentleman from Alabama is not exactly right. I had heard the rumors going around the House, and I called up Col. Robert Alexander, and he told me that none of the $122.9 million which was being proposed for rescission has been obligated.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Edwards of Alabama was allowed to proceed for 2 additional minutes.)

Mr. EDWARDS of Alabama. Mr. Chairman, I must say that the gentleman from Massachusetts must have misunderstood what I said. I did not say that the $122.9 million had been obligated.

Mr. CONTE. Let us get the record straight. The rumors have been going around that if we won this amendment we would not get any planes for it. The facts are that the $122.9 million would revert back to the general Treasury.

Mr. EDWARDS of Alabama. That is right.

If I may be permitted to restate my statement, it is that $72.2 million has been obligated and another $10.4 million would be spent on termination, which would mean we would have expended $82.6 million, leaving $122.9 million, which is the subject of the gentleman's amendment, unobligated and unexpended; that is correct.

Mr. CONTE. And that would revert back to the U.S. Treasury.

Mr. EDWARDS of Alabama. And we would not get the 12 planes we are expecting to get.

Mr. STRATTON. If the gentleman would yield, my understanding is that this money that may not yet have been obligated is intended to continue production of the F-111F for about another 11 to 18 months. We were informed at the beginning of this year that a decision on whether to go into production on the B-1, has been deferred until 1976. So this money, although it may not have been obligated as yet, is intended to keep the F-111 line going for another year or year and a half until we get to the point where we will have to make that decision on the B-1. I think it makes a lot of sense.

Mr. EDWARDS of Alabama. Mr. Chairman, I cannot include the gentleman's argument as to the B-1 into my argument. I simply want to see the 12 planes finished in an orderly way, and the contract terminated in an orderly way. The only way we can do that is to see the program through.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, Mr. Edwards of Alabama was allowed to proceed for 2 additional minutes.)

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I think we should make the record clear.

Can the gentleman tell me, or can the chairman of the Committee on Appropriations tell me how many tankers we will have to buiild to supply the F-111F?

Mr. EDWARDS of Alabama. Insofar as air tankers are concerned, I would have to yield to someone who would have that information.

Mr. CONTE. You have got to keep tankers up there for refueling purposes.

Mr. MAHON. Mr. Chairman, if the gentleman would yield, I would say that no additional tankers would be required.

The question is whether we want 12 airplanes or whether we want spare parts and junk for the $205 million.

Mr. CONTE. I just asked the gentleman the question as to whether we need any further air tankers. The spare parts will be used by the 66 planes that have already been built. We all know that. This is not for junk. It is to keep some people working down there, and we know where.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am opposed to the substitute offered by the gentleman from California (Mr. Charles H. Wilson) and I most certainly oppose the original amendment offered by the gentleman from Massachusetts (Mr. Conte).

Mr. Chairman, I would like to address myself to the question of the F-111F. I would like to urge and encourage those of my colleagues who are perhaps thinking that this is their first chance to vote for some savings in the Defense Department to please not be carried away. It may sound good, but this is not the place to do it. I promise you that we will give you plenty of places in which to cut spending or save money.

This is $122 million. I am telling the Members right now there is about $500 million, I am sure, in the defense budget for the Safeguard ABM program which, in my opinion, is worthless, utterly worthless. We could not get it out last year; I hope we can do it this year.

There are lots of areas where we can save some money, but let us not get carried away. We are told that the Air Force has not asked for this money, and they have not. For years they have known that they had very powerful protectors in this Congress from certain parts of the United States, who shall go unnamed. But this is a good airplane, and the reason, in my opinion, why they are not asking for funds for this airplane is because it is involved with the B-1 bomber.

We are talking about bombers. We are talking about supersonic bombers. B-52's are not supersonic. The United States is going to have to make a decision. Are we going to have a supersonic bomber, a low-level bomber, that can fly at several hundred feet under the radar screen at supersonic levels and go in? We have none except for the FB-111.

We are thinking right now of perhaps going to the B-1—that is where the Air Force wants us to go—at a minimum of $100 million an airplane. Think of it! The Members and I are going to have to decide and determine whether we are going to build the B–1 bomber at a minimum of $100 million. With escalating costs and underestimations constantly before us, I have no doubt it will be much more. We can say no to the B–1—and we may well do that—and if we do, then it is important that we have a medium-range supersonic low-flying bomber. We have one. We have one in existence, and contrary to much of the debate and discussion about it over the years, it is one of the finest airplanes in the inventory. It costs in the neighborhood of $20 million, not $100 million.

So what are we saying to everyone? We are saying, Let us put in this money, especially since, as the gentleman from Alabama tells us, we are going to waste at least $80 million of it in termination costs an contract costs and get nothing. Let us vote this money. Let us keep this production line warm at a minimum 12 airplanes so that we will have in effect a medium-range-bomber capability, a supersonic capability in the late seventies and eighties. Then we will have a greater flexibility in exercising our decisions and our options as to whether or not to go for a very expensive, long-range heavy bomber—the B–1.

I plead with the Members, do not be carried away by what sounds like an easy way to save some money in the defense budget. There are many other more valid areas where we can save money in the defense budget, and we will do it.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chariman, for 3 consecutive years the Congress has required continued production of the F–111 aircraft even though the Pentagon did not request funds to build them.

Similarly, for the last 3 fiscal years, the Department of Defense has not requested funds for the A–7D aircraft and the Congress led by our colleagues from Texas have also insisted on spending more than the Pentagon requests.

On November 26, 1974, the President requested the rescission of $248 million of the $305.6 million appropriated for fiscal year 1975 for 12 F–111's and 24 A–7D's. President Ford resubmitted his rescission proposal on January 30 with amendments and lowered the requested rescission for the F–111's and the A–7D's to $152.5 million.

The Appropriations Committee has decided to reject the President's proposed rescission for the F–111's and the A–7D's.

I thought the White House and Pentagon might be serious about trying to reinstate this rescission. Many people agree it is a dumb idea to buy more F–111's and A–7D's and the President says he is serious about cutting the excessive Government expenditures. So I asked my staff to check with the White House and the Pentagon to offer our assistance in an attempt to put the rescission back in the bill.

The White House did not call back.

The Pentagon did return my staff's phone calls. "Yes," they told my staff, "we are still for the rescission." But, they went on to agree with the assertion by the House Appropriations Committee that if the rescission were approved, $153.1 million would have already been spent and we would not receive any of the 36 planes. In short, for the expenditure of $153.1 million we would receive a few spares and wings but no aircraft.

Apparently, both the Air Force and the contractor figured out that this program could be subject to a rescission or impoundment. The money for the two programs became available on July 1, 1974. By November 26, 1974, when the President asked for the rescission of $248 million for the planes the Air Force had already spent $57.6 million. Similarly, between the President's original submission on November 26, 1974 and in his resubmission on January 30, the Air Force and the contractor managed to spend another $95.5 million or a total of $153.1 million.

It is more than a little suspicious when a procurement account is good for 3 years that the Air Force has managed to spend in 7 months $153.2 million of a program whose total cost is $305.6 million.

Mr. Speaker, the President is playing a cute little shell game with the Congress. When the Congress rejects this kind of rescission, he is in a perfect political position to campaign in 1976 against a fiscally irresponsible Congress.

Furthermore, the President can allege that he fought wasteful military spending by his attempted rescission on the F–111's and A–7D's. The President leaves us with a very diconcerting decision. We can accept his rescission and waste $153.1 million or we can reject his rescission and buy the unneeded aircraft.

Obviously, the President is not really interested in cutting defense expenditures. He is more interested in piling up ammunition for his 1976 Presidential race which will emphasize the irresponsibility of Congress.

Frankly, Mr. Chairman, the President has insulted our intelligence. I hope that the President will stop dealing in absurdities and start a serious effort to reduce unneeded expenditures, both inside and outside the Department of Defense.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding. Will the gentleman address himself to the question which was raised earlier by the gentleman from Massachusetts about the requirement for an expanded tanker force if the FB–111 is to be used for anything other than short-range missions? I have read and I have talked with Air Force officers, and that is where the information comes from, to the effect that if the FB–111 is to be used for any kind of range at all, it would require an enormously expanded tanker force, which would be very expensive. We do not have any figures on that expense. I do not know if this is true.

Mr. GIAIMO. I cannot respond to that question specifically. I am sure that there most likely would be some need for some additional tankers assigned to the FB–111. It would depend upon where it would be flying from. If it were used from European bases, for example, there would be a lesser degree of tanker capability, but I do think that is an area in which we already have many tankers that could be assigned.

Let me say this. It is the only bomber that we will have of a modern vintage, because the B–52 just will not meet the requirements.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILFORD. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Conte amendment.

Mr. Chairman, once again we are embroiled in whether to act toward long term goals—or shortsighted economies.

I am referring of course to the amendment offered by my distinguished colleague from Massachusetts which would stop production of strategic weapons.

Do you know what this production stoppage would do? It would cost the taxpayers of the United States at least $55 million on just one aircraft alone. That is on stoppage of the LTV's A–7D attack fighter.

Last year the Congress appropriated $100,100,000 for these combat-proven planes. By Saturday the Defense Department will have already spent $65 million.

Do you know what it will cost the people to save the $29.6 million? At least $55 million. It will cost the Government $5½ million just in termination charges. Then $65 million on work already in process. Of that, perhaps $15 million in parts can be salvaged for use in planes already flying.

In other words, the Government will have spent at least $55 million for nothing.

And may I remind my distinguished colleagues of the intent of Congress when they ordered the 24 A–7D's.

The thought then was that as we decrease our active duty forces, the Air Force National Guard should be modernized and should be combat-ready as a trained defensive force.

With that goal in mind, Congress ordered the planes for the Air Force to turn over to the Air National Guard, to continue the modernization as started the year before.

Both the Air Force and the Navy have used this plane in combat. Over 900 of these versatile aircraft have been produced. With its computer-aided weapons delivery system, the A–7D excels in the mission of close air support and battlefield interdiction. It is the backbone of the Navy and will be such until the mid-1980's.

This aircraft is the best buy in combat aircraft today with a $3.3 million-per-plane price tag.

At a time when we are vitally concerned with economizing, let us remember that we have an excellent plane at the lowest price possible today.

There is another fact to which I would like to call the attention of my colleagues. The latest model—more expensive, too—new production fighter/attack aircraft call for an air-to-ground weapons delivery system comparable to the A–7 aircraft.

That means that there has been no technological breakthrough in the air-to-ground delivery systems to be incorporated in future combat aircraft which would tend to make this plane's equipment an obsolete system.

In other words, the air-to-ground delivery system of tomorrow can be purchased at a reasonable cost today.

Three guard squadrons have transitioned from the older F–100's to the more combat-able A–7D to date. One squadron received the last A–7D plane to fill its squadron requirement in December 1974. Only 38 days later, the squadron was judged combat ready.

The Air Force plans a slow transition of additional A–7D's to the Guard over the next several years as the A–10 is phased into active inventory.

Let us remember though that General Brown made this statement:

> The U.S. tactical aircraft inventory has slightly, but steadily, declined over the past several years.

Furthermore the rate of deployment of the F–14, F–15, and A–10 will not equal the numerical attrition of older aircraft in the system.

Besides the consideration of the intent of Congress to modernize the Guard, it just does not make good economical sense to stop a production program midstream in order to save $29.6 million at a cost of at least $55 million, an expense for which the taxpayers will receive no benefit.

Another factor I would like to mention; the cutoff of this A–7D program alone would cut out 800 jobs for people now employed. Is that what we really want to do in this recession era?

Another vital defense program under attack today is the F–111 another combat-proven supersonic bomber, and there is no replacement for this aircraft on the immediate horizon. This line is the only supersonic bomber production line open in the United States today. It has been continued at minimal production, and should be continued.

While defense foes are whacking at defense production budgets, they are also trying to deprive the Army of the UH–1H helicopters. These are ones which represent a "pay back" to the Army for those losses caused during the Vietnam war years.

At a time when we are considering all kinds of make-work programs to employ the unemployed, it seems counter productive to unemploy even more in the aerospace industry by these cutbacks which overall will cost the Government—that is the taxpayer—$62.6 million to save $35.5 million.

I urge the Congress to remember its intent, frugality, and to abide by it.

Mr. PRICE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I need not take the 5 minutes because the last three gentlemen, the gentleman from Alabama (Mr. EDWARDS), the gentleman from New York (Mr. ADDABBO), and the gentleman from Connecticut (Mr. GIAIMO) have used the very valid arguments that I intended to use in support of the F–111 and the A–7D, and in opposition to the pending amendments, the one offered by the gentleman from California (Mr. CHARLES H. WILSON) and the one offered by the gentleman from Massachusetts (Mr. CONTE).

Now in answer to the question whether the additional tankers would be required, I can say categorically no, there is no requirement for additional tankers to meet the needs of the 12 new F–111's. This is almost just a replacement for the other F–111's taken out of our inventory for other purposes. It is such a fine aircraft that the Air Force finds many uses for it.

I would also like to answer the point raised by the gentleman from Massachusetts (Mr. CONTE) that it is not a requirement of the Air Force. As late as yesterday, the Air Force told our committee they want this additional squadron of F–111's.

I would like to point out in reference to the B–52, that no one would say the B–52 was not one of the finest aircraft built by American industry. It is—that is why it has lasted over 25 years. The first B–52 was put under contract in 1951, and the first delivery was about 4 years later. The newest B–52 is a fine bomber, based on the earlier vintage—and it still is doing a fine job—but the newest of these is about 10 or 12 years old. We do need additional bombers in our inventory. The newest and most modern one we have in being is the F–111.

I would also remind the members of the committee that the A–7D's in this bill, the two squadrons are actually not for the Air Force. They are for the Air Force National Guard in all the 50 States of this country. We have been seeking for years to modernize the National Guard, and our Reserve Forces. This is one of our efforts to do that. This is an idea, I will grant, of the committee, but the Air Force has gone along with that idea. If we knock out these two squadrons of A–7D's we are knocking out the best equipment we can possibly provide to the Air National Guard. I hope we will not take that action today.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, is the gentleman from Illinois saying that a vote for the amendment to knock out the A–7's would be an anti-National Guard vote?

Mr. PRICE. Yes, I would say it would be.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose both amendments.

Adoption of the Conte amendment would mean no new F–111 aircraft. Approval of the Wilson amendment would mean no aircraft, period, no F–111's and no A–7's, and no helicopters.

I think everyone here who is knowledgeable about the military situation knows we need more first-line aircraft. Comparatively speaking we have very few. We have given away or sold many of our F–4 aircraft, which has been our first line fighter bomber aircraft for 15 years, many of them to Israel, and the F–15 is just beginning to come into inventory.

As the distinguished gentlemen who preceded me have pointed out, the procurement of F–111's provided in this bill is really only sufficient to replace inventory losses.

The A–7 is for the National Guard. Surely everyone here knows National Guard air units need more modern aircraft. Many planes intended for the Reserve components have for years been diverted either to Southeast Asia or to Israel.

I would like to point out to the Members that $65 million will have been obligated as of March 1, 1975, for the A–7 procurement program.

If that should have to be cancelled as a result of the amendment, only $15 million of the $65 million already obligated can be used for spare parts for existing A–7D and A–7E aircraft in the Air Force and the Navy. That would result in a serious net loss, because the result would be not airplanes but largely unusable spare parts and junk; a net loss to the taxpayer of $55 million. I do not think that would be a very good economy program.

It has been said here that the administration and the military did not ask for any of these aircraft. The facts are that under budget limitations the Air Force and the Navy were not allowed to ask for these aircraft, because they were not included in the administration's budget recommendations to Congress. But the Army did ask for more helicopters than this bill allows. The Army budgeted $23.6 million for 128 helicopters in the fiscal 1975 program and Congress provided only $18.5 million for 48 such aircraft; so the Army asked for more helicopters than are included in this bill.

Now, I reiterate. No additional tankers will be required for aircraft than would be acquired in this bill. We are talking about large contract termination costs if the Government must cancel contracts because of the adoption of these amendments. We are talking about the accumulation of a pile of junk and a few usable spare parts. By contrast we could get badly needed aircraft if the bill before you is approved.

Mr. HINSHAW. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to correct and to clarify some of the comments which have been made by some of the previous speakers.

During our recent hearings by the Committee on Armed Services, we heard from Secretary Schlesinger, from Dr. Currie, who is in charge of the Department of Defense research programs, from Gen. David C. Jones and Secretary of the Air Force John L. McLucas. Without exception, these individuals told our committee the Russian threat they perceive will exist in the 1980's and how to counter that threat with weapons systems is different than I think many of the members of the committee had, and many Members of Congress have.

The amendments before us today are not a controversy between the B–1 and the FB–111, no matter what we have heard so far today. The Air Force and the Department of Defense have told our committee that the threat they perceive in the 1980's is such that if they do not get the B–1 bomber, their next preference would be the B–52, not the FB–111, as their next preference in priority.

Further, we have heard comments that the B–1 would cost $100 million. Just yesterday before our committee the best estimates from the Secretary of the Air Force are that the B–1 would cost approximately $84 million, not the $100 million that we have been told about today.

Further, that $100 million we are bandying about today, even if it were to be correct, is based on 1984 projected and inflated dollars.

We heard testimony from Secretary McLucas yesterday that the estimates made by the Air Force and the contractor, Rockwell, on the B–1 were so accurate they would have no reason to change their estimates, notwithstanding the fact that upon questioning was elicited there has only been some 12 percent increase in the projected costs.

So I urge that we not let emotion run away with us today. This is not a controversy between the B–1 and FB–111. It should not be considered a controversy. Those who are not interested in having a good strategic bomber force indicate that the Air Force and the Department of Defense may not need the B–1, because it would have the FB–111. I urge you to not let emotion run away with us and let considerations of where the engines or aircraft are manufactured play a part in our decision today. Look at whether we are going to have a good Air Force, irrespective whether it is the FB–111 or the B–1 which is the backbone of the main bomber force.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to my colleague from California.

Mr. CHARLES H. WILSON of California. Mr. Chairman, I appreciate the remarks of my colleague from California. He attended the same Armed Forces Committee hearings I was attending. I think it is valuable that he has brought many of these points out.

Contrary to the statement the gentleman from New York (Mr. STRATTON) made that the Air Force was just talking in jest when they said that they preferred the B–52, I did not hear anything said by General Jones to us that appeared to be in jest. Everything which was told by Secretary McLucas and General Jones was very serious matters they were discussing. I think it is a very unnecessary thing to try to cloud the issue the way it has been done by the gentleman from New York.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, the gentleman has made a very persuasive argument. Would the gentleman tell me how many B–52's are included in this bill?

Mr. HINSHAW. I do not know——

Mr. SIKES. There are none. Will the gentleman tell me how many B–52's are included in the fiscal 1976 budget?

Mr. HINSHAW. I do not know, nor do I think it is an important part of the controversy today.

Mr. SIKES. There are none. The alternative to talking about planes in this bill are not either one for the next 2 years.

Mr. HINSHAW. Mr. Chairman, I can tell the gentleman in response to his question that the Air Force, if it decides the B–52 is the only plane it could get, would ask for money to update the engines and probably the wings. But, in respect to the B–52, I think it is a very preferable plane to the FB–111 for the threat as perceived in the years of the 1980's.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, a little background is appropriate at this time. Along about last October or November, the President of the United States made the statement that he advocated a surtax, and he advocated a balanced budget in fiscal year 1976. Of course, economic conditions have been such that he has drastically modified his position with respect to those matters, but at the time he was thinking about a balanced budget in 1976, the administration took steps to make some reductions in ongoing programs.

Generally speaking, they went through the entire budget and cut out programs that had been added by Congress, including the A–7 and the F–111 procurements. These aircraft had been approved by Congress but had not been recommended by the administration in the fiscal year 1975 budget, so they were all proposed for rescission. Congress has a rightful voice in defense decisionmaking.

I called the Secretary of the Air Force today. I said:

> Give me a little background with regard to this situation. What do you think of the F–111?

I do not quote him, but the F–111 is highly regarded by the Air Force as one of the finest, most modern planes in the whole free world today. It is a great plane.

I said:

> Well, what was your recommendation with respect to this rescission?

He said, the Air Force was not consulted as to this rescission.

So, this throws considerable light on the situation. The absurdity of the amendment cutting out these defense weapons is made evident with respect to the UH–1 helicopter. The Army is asking for 48 UH–1 helicopters in the 1976 budget—48 helicopters in the 1976 budget. The rescission would cut out funds for the 48 UH–1 helicopters that are now in production. If defense officials want money for 48 UH–1 helicopters, why do they not go ahead with the program underway and then, if they want to cut the 48 UH–1's out of the 1976 budget, that would be a different situation.

It is an utterly untenable position to suggest that these 48 helicopters should be cut out now as a rescission item and then be restored in the regular fiscal year 1976 defense bill.

With respect to the Air National Guard A–7, the A–7 is a plane that the National Guard is eager to acquire.

It is one of the finest planes that could possibly be used for this purpose. We have tried to build a strong Reserve and National Guard because the regular forces have been reduced, and so we provide funds for the A–7D. I do not see where we make any mistake there.

The question with the F–111 is, do we want to get something for our money? We have financed with about $205 million 12 additional F–111's. I would like for us to get something for it. But I have inquired, "Would we get one new F–111 if we rescind this money?"

Officials said, "No, you would not get one aircraft. You get a quantity of spare parts and scrap." Many of the spare parts would not be needed.

It would seem that this pending amendment is in a sense an antidefense amendment because it would deprive this country, in the dangerous world, of 12 additional highly effective planes.

I will not mention it as an antijob amendment, but the company that has the contract for the F–111 performs one-third of the work in Texas, and two-thirds of the work is done outside Texas. Nineteen percent is done in New York, 16 percent is in Connecticut, and 15 percent is in California. But regardless of where the jobs are, the purpose of the F–111 is national defense and not jobs.

As an incidental situation, it can be pointed out that, at a time when we are trying to prevent more dislocations, if this amendment is adopted it would have tremendous repercussions from the standpoint of jobs.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from California (Mr. CHARLES H. WILSON) for the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The substitute amendment for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONTE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 230, noes 164, not voting 38, as follows:

[Roll No. 26]

AYES—230

Abdnor
Adams
Anderson, Calif.
Andrews, N. Dak.
Armstrong
Ashley
Aspin
AuCoin
Badillo
Baldus
Beard, R.I.
Bedell
Bennett
Bergland
Biester
Bingham
Blanchard
Blouin
Bonker
Bowen
Brademas
Brodhead
Brown, Ohio
Broyhill
Buchanan
Burke, Calif.
Burton, John
Burton, Phillip
Butler
Carr
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cochran
Cohen
Conable
Conlan
Conte
Conyers
Corman
Cornell
Coughlin
Danielson
Dellums
Devine
Dingell
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Fascell
Findley
Fish
Fisher
Fithian
Ford, Mich.
Ford, Tenn.
Forsythe
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Goldwater
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hamilton
Hanley
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Hinshaw
Holland
Holtzman
Howe
Hughes
Hungate
Hutchinson
Jacobs
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Karth
Kasten
Kastenmeier
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
LaFalce
Lagomarsino
Latta
Lehman
Levitas
Long, Md.
Lujan
McClory
McCollister
McDade
McHugh
Macdonald
Madden
Madigan
Maguire
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Mink
Mitchell, Md.
Moakley
Moffett
Moore
Moorhead, Pa.
Mosher
Mottl
Myers, Ind.
Myers, Pa.
Neal
Nolan
Nowak
Oberstar
Ottinger
Patterson, Calif.
Peyser
Pressler
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Rooney
Rosenthal
Roush
Rousselot
Roybal
Ruppe
Russo
Ryan
Sarbanes
Scheuer
Schneebeli
Schroeder
Sebelius
Seiberling
Sharp
Shriver
Shuster
Simon
Skubitz
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Stanton, J. William
Stanton, James V.
Stark
Steiger, Wis.
Stokes
Studds
Talcott
Taylor, N.C.
Thompson
Thone
Traxler
Tsongas
Udall
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Wampler
Weaver
Whalen
Wiggins
Wilson, Charles H., Calif.
Winn
Wirth
Wylie
Yatron
Young, Ga.

NOES—164

Addabbo
Alexander
Ambro
Andrews, N.C.
Archer
Ashbrook
Bafalis
Baucus
Bauman
Beard, Tenn.
Bevill
Biaggi
Boggs
Boland
Bolling
Breaux
Breckinridge
Brinkley
Brown, Calif.
Burgener
Burke, Mass.
Burlison, Mo.
Byron
Carney
Carter
Casey
Cleveland
Collins, Tex.
Cotter
Crane
D'Amours
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis
de la Garza
Delaney
Dent
Derrick
Derwinski
Dickinson
Diggs
Dodd
Downey
Downing
Duncan, Tenn.
Edwards, Ala.
English
Evins, Tenn.
Flood
Florio
Flowers
Fulton
Giaimo
Ginn
Gonzalez
Hall
Hammerschmidt
Hannaford
Hansen
Hays, Ohio
Hébert
Hefner
Henderson
Hicks
Hightower
Holt
Horton
Hubbard
Hyde
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
Krueger
Leggett
Lent
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
McCormack
McDonald
McEwen
McFall
McKay
McKinney
Mahon
Mann
Mathis
Milford
Mitchell, N.Y.
Mollohan
Montgomery
Morgan
Moss
Murphy, N.Y.
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Passman
Patman
Patten
Pattison, N.Y.
Pepper
Perkins
Pickle
Pike
Poage
Preyer
Price
Quillen
Randall
Risenhoover
Roberts
Robinson
Roncalio
Rose
Runnels
Santini
Sarasin
Satterfield
Schulze
Shipley
Sikes
Sisk
Slack
Spence
Steed
Steelman
Steiger, Ariz.
Stephens
Stratton
Stuckey
Sullivan
Symington
Symms
Teague
Thornton
Treen
Van Deerlin
Waggonner
White
Whitehurst
Whitten
Wilson, Bob
Wilson, Charles, Tex.
Wolff
Wright
Wydler
Yates
Young, Alaska
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—38

Abzug
Anderson, Ill.
Annunzio
Barrett
Bell
Brooks
Broomfield
Brown, Mich.
Burke, Fla.
Burleson, Tex.
Chappell
Chisholm
Collins, Ill.
Eshleman
Fenwick
Flynt
Foley
Fountain
Fraser
Howard
Ichord
Jenrette
Kelly
Landrum
McCloskey
Metcalfe
Mills
Minish
Moorhead, Calif.
Murphy, Ill.
Murtha
Rostenkowski
St Germain
Staggers
Taylor, Mo.
Walsh
Waxman
Young, Fla.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. MAHON (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, that it be printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Are there further amendments?

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SISK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 3260) to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93–398) and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), transmitted pursuant to the Impoundment Control Act of 1974, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. ROUSSELOT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 389, nays 3, not voting 40, as follows:

[Roll No. 27]

YEAS—389

Abdnor
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Frenzel
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Jacobs
Jarman

Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mineta
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman
Patten
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vigorito
Waggonner
Wampler
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—3

Harsha
Stratton
Wright

NOT VOTING—40

Abzug
Anderson, Ill.
Annunzio
Barrett
Bell
Brooks
Broomfield
Brown, Mich.
Burke, Fla.
Burleson, Tex.
Chappell
Collins, Ill.
Eshleman
Fenwick
Flynt
Fountain
Fraser
Guyer
Howard
Ichord
Kelly
Landrum
McCloskey
Metcalfe
Mills
Minish
Moorhead, Calif.
Murphy, Ill.
Murtha
Oberstar
Pritchard
Risenhoover
Rostenkowski
St Germain
Staggers
Taylor, Mo.
Vanik
Walsh
Waxman
Young, Fla.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Fountain.
Ms. Abzug with Mr. Mills.
Mr. Flynt with Mr. Risenhoover.
Mr. Fraser with Mr. Vanik.
Mr. Barrett with Mr. Young of Florida.
Mr. Rostenkowski with Mr. Walsh.
Mr. Howard with Mr. Anderson of Illinois.
Mr. Chappell with Mr. Moorhead of California.
Mrs. Collins of Illinois with Mr. Waxman.
Mr. Metcalfe with Mr. McCloskey.
Mr. Murphy of Illinois with Mr. Bell.
Mr. Murtha with Mrs. Fenwick.
Mr. St Germain with Mr. Guyer.
Mr. Minish with Mr. Broomfield.
Mr. Staggers with Mr. Eshleman.
Mr. Brooks with Mr. Brown of Michigan.
Mr. Landrum with Mr. Kelly.
Mr. Ichord with Mr. Burke of Florida.
Mr. Oberstar with Mr. Pritchard.
Mr. Burleson of Texas with Mr. Taylor of Missouri.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, and that I may include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REMUNERATION OF DIRECTOR OF OFFICE OF MANAGEMENT AND BUDGET

(Mr. TALCOTT asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. TALCOTT. Mr. Speaker, today I am introducing legislation which will right a grievous wrong.

Several years ago the Congress acted to clip the wings of the last administration by passing legislation to require Senate confirmation of all future Directors and Deputy Directors of the Office of Management and Budget. This legislation was an attempt by the Congress to reassert the proper influence of the legislature in the operation of our Government.

As many Members know, over the years the functions of the Director of Management and Budget have become more and more complex. The Congress recognized this in passing the legislation I have mentioned by giving the Director full Cabinet-level status. This is only right since he already exercises full Cabinet-level responsibilities.

However, in our haste to chastise the last administration and the last Director of the Office of Management and Budget we forgot to examine the question of remuneration.

As a matter of equity we should pay the Director at an equal level with other Cabinet officers. If the position is so important to call for Cabinet status, then the position should also call for Cabinet pay. My bill will amend the United States Code to allow the Director to receive Cabinet salary.

It is a matter of record that the President has called on a new man to take over the responsibilities of this position. The new Director, James T. Lynn, is a man with whom I have had the pleasure of working in recent years. He is a man dedicated to public service who has been General Counsel of the Department of Commerce, Deputy Secretary of Commerce, and then this Nation's third Secretary of Housing and Urban Development.

As Secretary of Housing he was paid at the Cabinet level. There was no question that he was worth every cent he received. But when the President of the United States called on him to move over and take over the Office of Management and Budget he also had to take a $17,500 pay cut.

We in the Congress know that it is difficult to attract the best qualified men to Federal service. We know that many times the individual is not able to make the financial sacrifices that public service often entails. But here we have a highly qualified individual, a man who has proved his worth in a series of important posts, who has been asked by the President to continue in public service at a substantial individual sacrifice.

Mr. Speaker, I hope that the Congress will agree with me that this is a matter of equity which should be righted. It is not a question of the individual now in office, although he deserves relief, it is a question of equal pay for equal responsibility. I urge that this bill receive quick consideration and approval.

NEW FARM LEGISLATION HIGH ON PRIORITY LIST

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, it is of vital importance that this Congress place new farm legislation high on our priority list.

We enacted legislation in 1973 that included several protections for farmers against undue financial loss from collapsing prices for their products. But there have been many changes since that recent year and it appears that the target prices stated then for key commodities are no longer adequate—or even realistic.

My own south Texas district is heavily agricultural. Farmers there—and farmers elsewhere—have been hit hard by sharp increases in prices of fertilizers, machinery, fuel, and everything else required for agricultural production. But they are getting less for their crops.

The escalator clause in the Agriculture Act of 1973, calling for the adjustment of target prices in line with rising costs of production, does not take effect until the 1976 and 1977 crop years. We should make this provision effective now. This step is necessary in order to implement the purpose of the Commodity Credit Corporation to stabilize and protect farm income and prices and to help maintain balanced and adequate supplies of agricultural commodities and their products.

There is a clear need for amending the Agriculture Act to establish a firm loan rate at the time a crop is planted, and that time is now, for they are already planting in my district. It should be a rate based on estimated production costs. The purpose would not be to guarantee the farmer a profit but to enable him to obtain adequate financing to meet the production costs.

Also, I call the attention of my colleagues to the fact that Farmers Home emergency loans as now administered can result in the marketing of crops under highly unfavorable marketing conditions. This program was established in order to make it possible for a farmer to finance another crop when extreme weather conditions have caused the loss of the first crop. It should be so administered.

Mr. Speaker, many U.S. farmers are in, or approaching, a crisis situation. Their urgent needs are for credit at reasonable interest rates at the beginning of the crop year and for sufficient stability in market prices for them to be able to plan ahead. Farming is not, and can never be, a moment-to-moment or even a day-to-day business.

These are matters of the utmost urgency. We cannot afford delay in dealing with them.

STRAIGHT TALK FROM BROCK ADAMS

The SPEAKER pro tempore (Mr. McFALL) under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, there is no question that one of the brightest luminaries of this House is our distinguished colleague, the Honorable BROCK ADAMS. In fact, he received an official accolade of eminence when he was selected as the first chairman of our newly established Committee on the Budget which will, I know, bring greater clarity, order, and effectiveness to all our deliberations.

It is my pleasure to submit for the RECORD the following verbatim transcript of an interview between the noted journalist and commentator Paul Duke and my good friend, BROCK ADAMS, on the program, "Washington Straight Talk" on WETA television, February 17, 1975.

ANNOUNCER. Brock Adams, Democratic congressman from Washington, Chairman of the new Committee on the Budget of the House of Representatives. Tonight on "Washington Straight Talk," Congressman Brock Adams is interviewed by NPACT correspondent Paul Duke.

PAUL DUKE. Good evening.

Like all institutions, Congress is now changing, with a battalion of new young leaders on the rise. One of those leaders is the man who's with us tonight, Congressman Brock Adams. And because you are assuming a major position of responsibility in Congress, Mr. Adams, we are including you in our series of special interviews of people we regard as "The Accountables," those who are charged with helping to get this country going again.

President Ford has recommended a budget of three hundred and fifty billion dollars, with a deficit of approximately fifty-two billion dollars. Is Congress going to add to Mr. Ford's budget, or is Congress going to cut Mr. Ford's budget?

Representative BROCK ADAMS. I think Congress is going to try to cut Mr. Ford's budget. I don't know whether Congress will be successful or not, because a great part of it will depend upon how deep the recession becomes within the next year. There is approximately seventeen billion dollars worth of cuts already included in that budget from presently existing programs. And if unemployment continues to rise and federal receipts continue to drop because the recession keeps people from making money, then I don't see that the Congress will cut that budget.

DUKE. Well, most Democrats are certainly talking about adding to the budget. On the one hand, you have the Democrats concerned about recession, as you just suggested. On the other hand, Democrats are now talking about a tax increase [sic] bigger than Mr. Ford has recommended, and they're also talking about putting more money into unemployment. So isn't it rather academic? Isn't Congress going to increase the budget?

Representative ADAMS. I think that probably they will, unless we get an upturn in 1976. That's calendar 1976. You see, Paul, about fourteen billion dollars worth of receipts are lost every time you have another percentage point of unemployment. And it costs you another two billion dollars in unemployment benefits that are paid. So you get about a sixteen billion dollar swing every time one more percentage point of unemployment goes up. Now that to me is the only salvation for trying to reduce the budget this next time.

I think we may make some reductions in defense spending and some reductions in foreign aid programs. But overall, those two factors of receipts and unemployment benefits are really beyond our control unless we want to produce considerable suffering during this recession.

DUKE. How much do you think Congress may reduce the defense part of the budget?

Representative ADAMS. Well, the proposals that I've heard are between five and ten billion dollars. This represents a cut of somewhere between eight and ten percent in the various programs. We also have a problem with the defense budget in that about fifty-five percent of it now is involved in personnel. And to really begin to make substantial cuts you have to reduce the number of people who are involved in the armed services. And their cost has been going up because we established a volunteer Army and the additional benefits for being in the service. And as we start to lay those people off, we exacerbate the unemployment problem.

So I think what I'm really saying to you is that those of us involved in this budget process understand it's very difficult. And we're willing to undertake it as a political problem and have it out with the President on where the money should be spent. But the country, overall, is in real trouble from what I think has been, to a very great degree, an induced recession, an idea that the way to combat inflation, which was evolved by the administration about three years ago, was that you sort of went into a recession, and this would stop inflation. And we were saying this would stop the economy, and I think that has happened. Now the administration is backing off, and I kind of think both parties are entering into a new era of political debate on what they do with the budget.

DUKE. Well, they may be entering into a new era of political debate, but are they entering into a new era of political partisanship? President Ford has been talking the past few days about a partnership with Congress on foreign policy. Is it possible for Congress and the President to get together on domestic policy? Because it seems to me if there is one thing the American people don't want today, they don't want politics as usual with the enormous problems that we have.

Representative ADAMS. I agree they don't want politics as usual. And whether we can arrive at a partnership just depends, I think, on whether or not the President or his economic advisers, whoever is setting policy, will recognize the very great difference in viewpoint of what we think is a bulk of the American people on where their federal dollars should be spent and how we should go about coming out of recession. The President's proposals are basically that if you hold federal spending and really go with what would in 1974 have been a balanced budget, leave interest rates high, and try to give some help to business, that this will bottom out and come out by itself. This is the old cyclical theory, and it's combined with a trickle down theory.

Well, the Democratic Congress just simply does not believe that. We believe that consuming power has been badly eroded by inflation and by transfers of great amounts of purchasing power to the oil sector and, to a degree, into the corporate profit sector and into the whole area of food prices and interest payments, and, therefore, people don't have the money to buy a car or to make the economy turn over.

So we're going to have to have some recognition by the President and his advisers that we ought to have a chance to try some of our programs now to bring us out of the recession rather than continuing his, which got us there. Now that is possible. But right at the moment, as you can see, he's driving with "let's continue what we've been doing," and we're trying to say "no, let's shift over and do a new thing."

DUKE. Are you suggesting that the combination of terrific inflation and now a very bad recession is, in effect, producing a redistribution of income in this country?

Representative ADAMS. Yes, this is what is happening. You are taking money. And in very simplified forms, it's something like this. The poor and the middle income people, particularly in the lower middle income groups, are having a greater and greater portion of the amount of money they get every month, which is not going up, incidentally, very fast—that is being transferred into their food payments, into the payments for their housing, which is in the interest rate sector, and into what they pay for oil and gas—in other words, their heating and how they drive their automobile. By the time they have finished paying for those things, which is transferred over into the business sector, or, in some cases, being transferred abroad to the Arabs, you have less money available to buy goods in the internal economy. So the automobile manufacturer—he isn't suffering from a lack of productive capacity; he's suffering from a lack of market. And the same thing is now shifting down through all the durable goods. And we are saying that you have to build that back by giving back, say, a tax increase to these people and try to put a lid on some of the prices that they're being forced to pay, or else you distribute the income to a group of people who are not going to feed it back into the income stream, and you start a cycle down, much like [what] happened in the 1920s.

DUKE. Well, you mention a lid on prices. Are you suggesting that we may need some kind of permanent wage/price controls in this country?

Representative ADAMS. I think at some point we may very well need that, particularly in the administered price sector. And by that I mean in, for example, oil pricing. Oil pricing is now being controlled by the Arab cartel. And if you do what the President has suggested and take the present price control off crude oil here in the United States and de-regulate natural gas, you'll get an automatic increase, because the number of people who are operating in that industry are a limited number. They will simply increase their prices up to what we're paying for imported oil.

Now the President and his advisers think this is a very good thing because they say, well, that'll make it attractive then to mine coal or to go to other sources because you won't have inexpensive or fairly inexpensive petroleum products available. Well, what we're saying is if you try to pile that on the American economy right at this moment, which is the President's energy program—and it's built into his budget—what you're going to do is you're going to simply take more money out of the consuming stream and you're going to drive us further down into recession.

Now that's a basic philosophical difference with the President. It has nothing to do with partisanship: it has to do with how you think the economy in the United States runs.

Duke. Well, let me throw out what many people regard as a dirty word at this point, "socialism." But aren't you really bordering on—aren't you really moving in that direction? Aren't you really talking about more state planning when you mention administered prices, which, in effect, is price controls over the major industries in this country? Are you saying that the old formulas, the old programs, the old policies for dealing with the economy just can't work any more and that we must have more state, more government planning?

Representative Adams. Well, there are two alternatives that you can come out with on it. You can either in effect regulate the markets to produce a situation where they are not unfair markets, or what I call an administered price market, or the government can go in with planning.

Now the reason that you've had the markets tilt so much into areas of economic concentration is, for the past four or five years, you've had no major effort to try to break up concentrations of economic power or to say "let's make it competitive." I think most of us believe in trying to make it more competitive and having all the businesses compete on an equal basis and have the laws of supply and demand, in effect, work. But right now that doesn't happen. And if you have to, in the short time, say, well, we will put in some type of government controls, a council on pricing, for example, that will report where prices have gone up and how much they've gone up and let the American public know this, with a back-up power in an administration to say, well, if you've gone beyond a certain set of guidelines, why, then the government is going to move on you, this may be necessary. Because right now, you find, for example—well, let's take the automobile pricing. They're worried about wage and price controls, so they have left their prices up. They're capable of leaving their prices up because there's no other effective competition. And instead they offer a rebate, which is really a snapback in pricing. The moment that you want to take the rebate off, you snap back up to your original prices. If they have enormous inventories, which indicates that the demand isn't there [sic]—so what is happening in that market is that the laws of supply and demand either aren't working or are working with terribly sticky prices. And as long as that continues, people are going to be laid off in that industry, because the average individual doesn't have, as I pointed out before, the money to pay those prices.

Well, the government and the people of this country have to face that problem. And so do the business people. And I think that that is the kind of program that we're trying to present to them. And I think the Congress will, through both the Senate Ad Hoc Task Force and the House Ad Hoc Task Force—and all of us that are in as committee chairmen I think have to work into those to say "This is our alternative to what the President proposes."

Duke. Let me take you back to the mid 1960s when the Democrats enacted a number of major programs designed to improve the general welfare of the lower income groups, the war on poverty, the model cities' program, and so forth. I take it from everything you are saying now that government policy in this direction just has not worked and that we must have more regulation by the federal government.

Representative Adams. Well, I don't think those programs have been successful overall. I think we've had some successes within them. But I think you're going to have to have the private sector distributing income into this area, as well as the government doing it. Because what has happened is that we really use the government as the sole agency to try to bring up the lower income, the very poor and the lower middle income people in the United States to a level where they could participate in society. Well, the result of this has been that our programs in that area are now becoming astronomically expensive, because we're taking a greater and greater portion of the federal tax receipts and using it in those areas. Whereas if we could get the private sector more involved in carrying that, the government wouldn't be just continually borrowing money.

Duke. Well, then, I take it you agree with President Ford, who suggested recently that spending by government, not just the federal government—the local and state governments as well—is now approaching an ominous level, that we cannot afford to pour so much money into domestic welfare programs in this country.

Representative Adams. We cannot continue the present course of just letting these programs increase—I think he is right on that—unless there's a fundamental decision made in the United States that we wish to tax ourselves at a greater rate in order to redistribute income throughout the society.

Duke. Do most Democrats in Congress agree with you on that? Because I had the opinion that a great many Democrats still favor putting more money into social welfare programs.

Representative Adams. Oh, I don't think most Democrats at this point agree with me on this. I don't think most of them have really sat down and looked at the total budget and decided where their program fits. That's the whole problem and purchase effect of the budget committee—is that we will for the first time lay out to both the Democratic Caucus and the Republican Conference, and then later to the full floor of the House, what each program costs and what its projection will be out five years, how much we will be taking in in total receipts and how much we'll be spending in each program.

And every one of these prgrams has merit. I don't think there's any question about it, or we wouldn't have passed it at that time. But we passed them all in separate compartments. And we haven't really thought often of what the final effect would be out five, six, seven, eight years when the escalator clause kept climbing each year and the total number of people who were eligible kept climbing. And so unless the decision is made overall for a greater taxing effort to pay for these programs, we will have to continue borrowing.

And what I guess I'm saying to you, Paul, is that the size of the national debt is now going to reach about six hundred billion dollars. Now that isn't going to break this country and we can manage it within our gross national product. But we cannot continue this indefinitely, that we begin to arrive at a point where the debt becomes so large and the amount of gross national product and federal income that we are paying in just to service the debt makes it impossible to do anything else. So we are not able to continue the programs by borrowing.

Duke. Well, then, what do you think Congress must do then?

Representative Adams. Well, I think Congress is going to have to—and this is going to be a three, four or five year process, because we've been at this for twenty-five years doing the other, and, in particular, a great deal the last ten years—is that Congress is going to have to sit down and look at the total receipts that they can bring in. And the Ways and Means Committee chairman will make his proposition to the House and later the Finance Committee of the Senate, that this is what we think we can raise that the people will stand for. And we're going to have to take that and then divide it among sixteen functional categories which we have set up now and decide, all right, this amount of money goes into each one. And if we have, for example, as we will this next year, a recession, we may decide, as I think we'll have to, well, we're going to have to take care of the people that are unemployed. This is going to feed money back into the consuming stream. So this year we may have to run a deficit to take care of it. But when we come out of this recession area and you come into an area where unemployment is in, say, the four percent range, then you're going to have to balance that budget and perhaps run a surplus for the potentially bad years.

Now that is what I think is going to come out of the discussion. But that's just my opinion. And as you mentioned, there are many other Democrats that are very much ready to put in their particular new program and haven't really focused on where it fits in the total spectrum.

Duke. Well, this is the fundamental question. On the one hand, you find the Democrats saying Congress must now exercise greater budget discipline; it must hold down spending. And then on the other hand, they're saying we must put a lot more money into some of the social welfare programs; we must help the unemployed with new programs for them. And as you well know, the customary way in Congress is the back-scratching way—"I support your project; you support my project," and the budget goes to hell.

Now the question is, can Congress really change? Can it—can it adopt new methods? Can it be more responsible?

Representative Adams. Well, we're going to find that out in the next two years. That was the whole purpose of passing the Budget Act, which is to, in effect, gather the non-interest groups on a particular program all together with the interest groups at the same time in one concurrent budget resolution in the spring and another one in the fall. Now, the way it's gone in the past—and, incidentally, I think there's only a fifty-fifty chance this will succeed—but I think Congress at this point would then have to admit that it's really going to just respond to presidential budgets if it doesn't succeed. Because our theory is that if we gather everyone together, then you go down through the list of programs—we use the buzz words "national priorities"—but you go down through the list and you target so much money for each one, and you try to stay within your targets, and the people who are desirous of having their program have to, in effect, have it out with the others who want their program and a compromise reached as to what each one gets. And then at the end you either have to vote to raise or lower the borrowing system.

Now that's going to be very hard, and it runs right into the established system. This is not going to be politics as usual. And if we don't hurdle that, then I think that the whole process will break down.

DUKE. Well, isn't there also a good deal of demagoguery, especially where the defense budget is concerned? And you mentioned that earlier about the pressure to help the unemployed, so you don't cut the defense budget so much. But in reality, despite the cries by so many Democrats that we can cut the defense budget as much as ten billion dollars, the defense budget—isn't it true that the defense budget really takes a much smaller share of overall spending than it did only four or five years ago?

Representative ADAMS. Yes, this is true. And I think that we have to avoid being demagogues on the defense budget, because its total percentage of both the total budget and its percent of the whole amount of money that turns over—again we use buzz words "gross national product"—has gone down. And what has to be faced is that you cannot take enough out of the defense budget to satisfy all of the other programs. And once you make that fundamental decision, then you can look at each of the other programs on its own merits and decide that this one has to stop, this one has to go. Now that's going to be hard, and it's going to destroy a lot of political speeches around the country. But it's the truth.

DUKE. What's going to happen on Vietnam? Is Congress just going to deny the President the additional three hundred million in military aid he is asking? And more importantly, what about the future? Is your committee going to scale down the amount of money which it will recommend for Vietnam?

Representative ADAMS. Oh, I think that the Congress is probably going to deny the President additional money in Vietnam. I think the general feeling. . . .

DUKE. What about in future years?

Representative ADAMS. And I think in future years it's going to scale down and phase out, simply because more and more people have arrived at the conclusion that, really, the amount of money that we pour in there, whatever we put in, will be spent and the connection, or the ability of the government there to survive is not—is not in direct proportion to our money, but in proportion to what they are doing with their money, and that our money doesn't affect it that much. I get this feeling out of it. I don't think they're going to immediately say, well, you know, we won't give anything more to help this country. But I don't think they're going to go with the President's program. They don't see America's self-interest involved that deeply in this country.

DUKE. Congressman Adams, there's a great euphoria now existing in Congress, a feeling that it is changing, that it is improving its ways of doing business. And in the House of Representatives, a number of reforms have been adopted to make the process work better, including the establishment of your committee.

Is Congress really going to do a better job now? At a time when this country is in crisis and people are looking for leadership, can they find that leadership in Congress?

Representative ADAMS. I think so. I think you're going to see a lot of new leaders emerging and a greater desire and capability of facing a problem and voting it up or down. But I think, Paul, that this depends to a very great degree on personnel now. We have put in all of the necessary reforms and changes to make this instrument work. Now the question becomes, can we play the instrument? In other words, do we get substantive results and can we get them rapidly enough to match the ability of the executive, which, actually, is one man with subordinates and can move very rapidly, that the people will get a feeling that the Congress is keeping up with the byplay of what should be done in particular programs? This will mean very strong leadership and a very great desire on the part of the congressmen to change business as usual and get on with either voting a program up or down.

I am hopeful about it. I'm not euphoric, but I'm hopeful.

DUKE. . . . The question I have to ask is many Democrats, when you talk to them privately, express doubts, because they say that Carl Albert and Mike Mansfield, some of the older hands who have been the traditional leaders have not led as they should have in the past. Are they going to change? Are they going to give us a new brand of leadership now?

Representative ADAMS. Well, I think that the process is producing this. Like, for example, notice what has been done by both Mike Mansfield and Carl Albert in putting together these ad hoc committees of the committee chairmen involved and some other members on the economy and on energy and saying "Come up with a program, and we'll take it into our policy committees and see if we can't get it through."

You see, these entities or instruments, like the Policy Committee and the ability to call committee chairmen together and have them work on one program, is new. Now, I think they can do it. If they don't, then I think the American public is going to throw everything into the 1976 presidential election and say, "Well, it's whoever is President, and we'll just let Congress dispose of things." And I think the leadership in Congress and the committee chairmen and certainly the newer members are well aware that we're on trial before the American public in this two year period.

DUKE. Very briefly, do you think you can make a real difference with your committee?

Representative ADAMS. Yes, I think we can. And we'll know the answer to this by October 1, 1976. If we can get out a concurrent resolution in the spring of '76 and another one in the fall that sets the overall spending, sets the budget limit and divides up the money, then I will consider that we have been successful. If it blows apart, then you might just as well do away with this Budget Committee and decide that you're going to have the executive or somebody else run it.

DUKE. We'll talk to you in two years then. Congressman Brock Adams, thank you very much.

ANNOUNCER. "Washington Straight Talk." From Washington, NPACT has brought you the Chairman of the House Committee on the Budget, Congressman Brock Adams, with NPACT correspondent Paul Duke.

Next week on "Washington Straight Talk," Arthur Okun, economist with the Brookings Institute and Chairman of the Council of Economic Advisers in the Johnson Administration. He will be interviewed by NPACT correspondent Jim Lehrer.

Production funding provided by public television stations, the Ford Foundation and the Corporation for Public Broadcasting. This has been a production of NPACT, a division of GWETA.

FORSYTHE INTRODUCES LEGISLATION TO REGULATE OFFSHORE DRILLING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. FORSYTHE) is recognized for 10 minutes.

Mr. FORSYTHE. Mr. Speaker, the United States has become petroleum dependent. Our life style as individuals and as a people has become energy intensive and petroleum supplies 78 percent of our energy thirst. With only 6 percent of the world's population, this Nation consumes over 30 percent of the world's energy resources.

In 1947, coal supplied almost one-half of our energy needs. Yet by 1950 coal supplied only 38 percent of the U.S. energy requirements and last year coal's contribution fell to only 20 percent. During this same period, natural gas and oil usage doubled to 32 percent of U.S. energy consumption and crude oil now accounts for 46 percent of the U.S. energy need.

In the complacent period that was the late 1960's and very early 1970's it was anticipated that with domestic petroleum production declining, over 50 percent of the U.S. energy requirements would be met with foreign imports by 1980. However, the Arab oil embargo clearly established that we have already reached an advanced state of dependence on imported oil.

During the past months we have also learned that such dependence has a high price. Energy prices have propelled the cost of living to unacceptable heights and have severely strained the entire world monetary structure. We have also learned that without an uninterrupted flow of oil the U.S. economy could grind to a halt.

The realization that the United States is energy dependent has generated a national effort to find new domestic resources. New life has been given to research and development of resources such as geothermal and solar energy. Increasing emphasis has been given to developing the nuclear fusion process that uses 1 gram of water to produce the energy equivalent of 5,500 gallons of oil, with water and oxygen as waste products.

However, these are long-term solutions and will not make a significant contribution to our energy supply for 10 or 15 years. Thus, in the short term, U.S. production of oil, gas, and coal must be increased.

In terms of oil and gas the primary thrust of the administration efforts has been to move forward rapidly with the development of Outer Continental Shelf petroleum resources.

The U.S. Geological Survey—USGS—estimates of offshore gas reserves range from 25 to 45 billion barrels of oil and from 130 to 250 trillion cubic feet of natural gas. However, the USGS also estimates that undiscovered, economically recoverable resources of crude oil and natural gas range between 200 to 400 billion barrels and between 1,000 and 2,000 trillion cubic feet, respectively.

The magnitude and potential of these reserves becomes clear if one considers that the present total of U.S. oil and gas reserves is 48.3 billion barrels and 266.1 trillion cubic feet.

Mr. Speaker, I do not believe that it is necessary to belabor this point. Our Nation needs energy and the energy potential of the Outer Continental Shelf is vast.

However, massive offshore development can be accompanied by massive onshore development. Offshore petroleum production carries with it the threat of oil spills and the poisoning of the marine life of the Outer Continental Shelf—a renewable resource of inestimable value.

Without effective regulation, offshore drilling for oil and gas can have serious environmental, economic, and social consequences. Will we pemit our pristine beaches to become oil wastelands—our rural areas to become clogged with people and our urban areas to become even more congested? Will we stand by while refineries and petrochemical plants turn the eastern seaboard into a huge smog belt, spelling doom for our thriving resort industry? Can we permit our State and local governments to incur the huge expense of providing support services for untaxable offshore drilling operations?

Presently, the necessary controls to protect these State and local interests are lacking. Without congressional action, they cannot properly be protected. Still, our Nation faces a real energy crisis. Domestic oil and gas production is declining and petroleum import costs are propelling inflation skyward.

Our national need is immediate. But the States must have time to prepare for the major impacts of offshore activities and to control them. I am proposing legislation to deal with this problem directly by:

Creating a $200,000,000 Coastal States Fund within the Treasury of the United States. The purpose of the fund is to provide financial assistance to affected coastal States to plan, study, and assess the economic, environmental, and social effects which offshore energy-related facilities and activities will have on their coastal zones so that these States may designate areas which are unsuitable for the location of facilities necessary to support offshore drilling operations. The Coastal States Fund, which will be financed from general tax revenues, may also be used to construct public facilities and to provide public services in order to alleviate the anticipated social, economic, and environmental impacts of such activities.

Preventing any offshore exploratory drilling until the affected State has submitted and had approved under the Coastal Zone Management Act, a coastal zone plan for the areas most heavily impacted by exploratory drilling States would have 1 year to comply with this section. Since the Coastal Zone Management Act was enacted in 1972, coastal States have been assured that no coastal State will experience undue difficulties in meeting this 1-year deadline.

However, if a coastal State does not wish to delay exploratory drilling, the State may waive the protections of this section, thus permitting exploratory drilling within the 1-year period. Such a waiver will in no way affect the State's eligibility to receive grants under the Coastal States Fund.

Preventing any production drilling on the Outer Continental Shelf until the affected States' complete coastal zone management plan has been submitted and approved, provided that the plan is in effect by June 30, 1977. The planning provisions of the Coastal Zone Management Act expire on that date and if a State is to participate in the coast zone program its plan must be approved by June 30, 1977. Again, any State may waive its rights under this section.

Requiring each leasee to inform the Federal Government and the affected States of the nature, location, and magnitude of resources on the Outer Continental Shelf. Currently there is no requirement that the oil companies reveal this data which is essential to the States' planning process.

Changing the filing procedure for environmental impact statements to require that two supplemental information statements be filed—the first after geophysical exploration is completed and before exploratory drilling begins; the second, after exploratory drilling ends and before production drilling starts. Thus, whatever additional information has been discovered regarding the environmental hazards of offshore drilling would be made public. The supplemental statements will also list what equipment performance standards will be used to alleviate environmental dangers. The performance standard requirement is especially important since the new information in the supplemental statement may clearly establish the need to strengthen equipment standards which were previously considered adequate.

Requiring that the Secretary of the Interior with the concurrence of the Secretary of Commerce, and the Secretary of Transportation, shall set equipment performance standards. Presently the Secretary of the Interior has sole responsibility for this function despite the recognized expertise of these other departments.

Requiring that inspections of drilling sites and related operations be conducted at least once every 60 days to insure that all safety, equipment, and other environmental protection standards are being met. Currently, inspections occur approximately once a year and, in my view, this is totally inadequate. In fact, the Office of Pipeline Safety has only one inspector to monitor over 220,000 miles of oil and gas pipeline.

Requiring that each affected coastal State and its political subdivisions be reimbursed for the costs of governmental services necessitated because of offshore oil and gas development. Exploitation of the energy resources of the Outer Continental Shelf will mean an increased population in certain areas of the State and this population will necessitate the expansion of governmental services such as waste water treatment plants, police, fire, schools, et cetera. Unfortunately, because the industrial activity generating this population increase is located beyond the State's taxing authority, coastal States may realize more costs than revenues from this offshore activity. Last year, for instance, the difference between the cost of services provided and the tax revenues raised in Texas was $62 million. In Louisiana the difference was $40 million.

The amount reimbursed to the State and its political subdivisions shall be the difference between the amount expended by the State and these jurisdictions for support services, and the amount collected from taxes levied on facilities involved in or related to oil and gas development in or on the Outer Continental Shelf. Adoption of this cost reimbursement formula instead of a formula allocating a fixed amount to the affected States—that is, one-third of the royalties received by the Federal Government—will insure that the State and its political subdivisions are neither overcompensated nor undercompensated for the cost of the required support services.

Thus, under my legislation affected States will be able to utilize the $200 million Coastal States Fund to plan for the onshore impacts of offshore operations. Affected States may also apply under the cost-reimbursement provisions of my bill for financial assistance to pay for governmental services necessitated because of this offshore activity.

While both these provisions will require the expenditure of new funds, I hasten to point out that last year, the Federal Government earned $6.8 billion in royalty payments from offshore oil and gas production. Next year, it is estimated that royalties paid to the Federal Government will exceed $8 billion.

Creating an Outer Continental Shelf Research Fund to support studies on ways to improve the technology related to Outer Continental Shelf oil and gas exploration and development, and the environmental impact of developing these resources, including the development of needed marine baseline data.

Creating a $500,000,000 Outer Continental Shelf Liability Fund that will automatically reimburse persons damaged by an oil spill caused by offshore drilling operations. Persons so damaged will be able to collect directly from the fund. The fund will in turn assume the claimants rights to sue the leasee—or the owner or operator of any vessel transporting oil from the drill site—for the recovery of damages sustained by the claimant and paid by the fund.

For any one oil spill the fund may expend a total of $500,000,000 to the claimants. If the damages exceed $500,000,000, the amount paid to each claimant shall be reduced proportionately. However, the right of any claimant to sue for the recovery of damages in addition to what he has been paid by the fund, shall in no way be affected by this section.

The fund will be financed by a 10-cent-per-barrel fee levied on the leasee. Further, 10 percent of the revenue collected from the initial lease bidding shall be deposited in the fund and repaid to the Federal Government from the revenues collected by the fund through the per barrel levy.

Directing that the Secretary of the Interior promulgate regulations requiring the removal of all structures sited on the Outer Continental Shelf after these structures have become nonfunctional.

Mr. Speaker, it is not responsible for individuals in positions of leadership and governmental responsibility to decry the shortage of natural gas and oil in the United States and at the same time take unyielding positions against reasonable efforts to develop available energy supplies.

It is not responsible for Members of Congress, specifically, to blindly obstruct the development of offshore energy resources if these resources can be obtained and if the coastal environment and economy can be protected as well.

But that protection is essential to the development of offshore oil or gas wells, and the Congress must act so that potentially rich energy deposits can be utilized in a manner that will preserve our beaches and the seashore environment.

I intend to meet this responsibility to help our Nation become less dependent upon foreign interests for its energy supplies, and to provide the necessary safeguards that are presently lacking.

Legislation that I am introducing today is designed to do this, and I challenge my colleagues in the House to put aside parochial interests and to seriously review my proposals.

EQUAL TREATMENT FOR COUNTRY'S NATIONAL GUARD TECHNICIANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, I have for introduction today, two bills to provide equal treatment for a group of dedicated and indispensable Federal employees—the country's National Guard technicians.

While in recent years it has been the clear intent of Congress to provide equal treatment for all Federal employees, conflicts in previous legislation have provided loopholes that have denied these technicians full retirement credit for service prior to 1969. Likewise, legislative loopholes have denied the technicians payment of overtime as provided their counterparts—wage grade and general schedule employees.

The record of the National Guard technician force has been impressive. Their ability to provide and maintain combat ready reserve units and their ever-increasing contribution to our defense posture is a real bargain when measured against the cost of active military units.

These two bills represent not only a measure of equity, but also a sound investment in a strong and viable reserve force. I hope that we will be able to move expeditiously to correct these inequities.

H.R. 3706

A bill to provide equitable treatment for persons employed as technicians in the National Guard in crediting service for civil service retirement, and for other purposes

Be it enacted by the Senate and House of Representatives in Congress assembled, That (a) section 8332 (b) of title 5, United States Code, is amended by striking out the last sentence thereof which provides that service referred to in section 8332(b)(6) is allowable only in the case of persons performing service under section 709 of title 32, United States Code, on and after the effective date of the National Guard Technicians Act of 1968, the result of this amendment being to restore full effect to the equitable provision of section 8332(b)(6), of title 5, United States Code, which makes creditable for retirement purposes employment under section 709 of title 32, United States Code, or any prior corresponding provision of law.

(b) Section 8334 (c) of title 5, United States Code, relating to deposits for periods of creditable service for civil service retirement purposes, is amended by striking out the last sentence thereof which provides that, notwithstanding the foregoing provisions of such subsection, the deposit with respect to a period of service referred to in section 8332 (b)(6) which was performed prior to the effective date of the National Guard Technicians Act of 1968 shall be an amount equal to 55 per centum of a deposit computed in accordance with such provisions.

(c) Section 8339 of title 5, United States Code, relating to computation of civil service retirement annuities, is amended by striking out subsection (m) thereof which provides that in determining service for the purpose of computing an annuity under each paragraph of this section, 45 per centum of each year, or fraction thereof, of service referred to in section 8332(b)(6) which was performed prior to the effective date of the National Guard Technicians Act of 1968 shall be disregarded.

(d) Section 3(c) of the National Guard Technicians Act of 1968 (82 Stat. 757; Public Law 90–486), relating to crediting of National Guard technicians service for the purposes of leave, Federal employees death and disability compensation, group life and health insurance, severance pay, tenure, and status, is amended by striking out the last sentence thereof which provides that the subsection shall apply only in the case of persons who perform service under section 709 of title 32, United States Code, on or after the effective date of the National Guard Technicians Act of 1968.

(e) That in computing creditable service, within 120 days from enactment of this statute, the Civil Service Commission shall issue regulations offering optional procedures for deposits to be made by those employees now on the annuity rolls, and for beneficiaries of such annuitants. In addition service credit shall be recomputed for former employees consistent with provisions of this Act.

SEC. 2. The foregoing provisions of this Act shall become effective as of January 1, 1969, the effective date of the National Guard Technician Act of 1968.

H.R. 3707

A bill to provide equitable treatment for persons employed as technicians in the National Guard in crediting service for civil service retirement, and for other purposes

Be it enacted by the Senate and House of Representatives in Congress assembled, that it is the sense of Congress that all Federal employees are entitled to equal consideration and to be equitably and fairly compensated for services rendered, including overtime, consistent with the pertinent provisions of Title 5, United States Code, and the requirements of the Fair Labor Standards Act, as amended,

To this end, it is the sense of Congress that residual discrimination against National Guard Technicians should no longer be permitted and that, for this reason, section 709 (g)(2), of title 32, United States Code, is amended by striking out the last sentence of paragraph (2) thereof which provides that notwithstanding sections 5542 and 5543 of title 5, United States Code, or any other provision of law, certain technicians shall not be entitled to compensation for any time spent by them in irregular or overtime work, but instead shall be granted compensatory time off.

SEC. 2. Technicians employed under section 709 of title 32, United States Code, shall be compensated for overtime in the same manner as other employees of the Department of the Army or the Department of the Air Force, in accordance with the pertinent provisions of title 5, United States Code, and the Fair Labor Standards Amendments of 1974 (Public Law 93–259).

THE IMPACT OF MEDICAL MALPRACTICE ON CONSUMERS OF HEALTH CARE SERVICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 30 minutes.

Mr. HASTINGS. Mr. Speaker, on February 19, I issued a statement to my colleagues in the House on the problem of medical malpractice. At that time, I concentrated on the impact of the medical malpractice problem on the providers of health services in this country. Today, I would like to offer some observations about the impact that medical malpractice is having on the consumers of health care services in this country.

When reviewing Government reports, journal articles, and stories in the media concerning medical malpractice, it is easy to get the impression that the major problem is that of the availability and the high cost of medical malpractice insurance for health care providers. This is indeed a serious and pressing problem. But as we are all aware, it is the injured patient who pays the highest price when malpractice occurs and it is all health care consumers who must ultimately pay for the high dollar costs associated with medical malpractice. It is, therefore, the health care consumer who stands to benefit most from approaches which will reduce the number or lessen the impact of medical injuries caused by medical malpractice and contain rising costs caused by the medical malpractice problem.

In my previous background paper on medical malpractice, I cited the impact of medical malpractice on the health care providers. In that paper, I noted that many providers, notably many physicians, do not see their negligence as the principal cause of medical malpractice claims. I mentioned a study which showed that only 2 percent of the doctors surveyed considered poor medical practice as the primary cause of the increase in the number of medical malpractice claims. Instead the doctors surveyed listed poor communications between doctors and patients and aggressive lawyers as the major factors in the medical malpractice problem. One physician and a member of the Secretary's Medical Malpractice Commission noted that the public was becoming increasingly suit-conscious, and that this was the major factor contributing to the increase in the medical malpractice problem.

What evidence is there regarding the extent of medical injuries caused by negligence?

At the request of the Secretary's Medical Malpractice Commission, Geomet, Inc., examined the records of two hospitals to determine the number of medical injuries overall and those caused by negligence. The investigators employed by Geomet were skilled in making determinations of medical malpractice. Altogether, they sampled over 800 medical records for this purpose. Their conclusions were based on that sample. The investigators concluded that of the 23,750 patients discharged in 1972, 1,780 or 7.5 percent of the total number suffered from medical injuries, and 517 or 2.2 percent of the total number suffered medical injuries caused by negligence. The investigators noted that these figures "significantly underestimate the true rate," because of the approach they used. Regarding the severity of injuries found, roughly 30 percent were classified as temporary but major, 5 percent as either significant and permanent or major and permanent, and 13 percent of the patients died from the injuries caused during hospitalization. The investigators made no attempt to extrapolate national estimates from their findings. Dr. Roger O. Egeberg, who is responsible for HEW's efforts to deal with medical malpractice, estimates that the number of medical injuries may be as high as 2 million and the number of medical injuries caused by negligence may be as high as 700,000. Equally significant as the findings of medical injuries was the finding that only 31 claims were filed during 1972, even though there were an estimated 517 medical injuries caused by negligence. The surprisingly small number of claims instituted relative to the number of medical injuries caused by negligence is consistent with the conclusions of most experts that medical malpractice seldom results in a claim by the injured patient.

The estimated number of medical malpractice claims probably exceeds 20,000 per year at this time. One of the claims frequently made by health care providers and by insurers is that health care consumers are increasingly instituting medical malpractice claims. The available evidence supports this contention. The American Medical News on November 4, 1974, reported that claims were increasing by 13 to 14 percent per year. The New York State Medical Society, according to an article in the New York Times on January 19 by David Bird, stated that claims had increased from 891 in 1964 to 2,072 in 1974. The rapid increase in medical malpractice insurance premiums which I cited in my February 19 paper are caused, in part, by an increase in the number of claims.

Although the evidence supports the contention that claims are increasing, it appears that most injured patients are reluctant to institute medical malpractice claims. Partial support for this contention comes from the wide disparity between the number of injuries caused by negligence which were found in the study cited earlier and the number of medical malpractice claims instituted by or on behalf of the injured patients. This contention is further reinforced by a study done by Dr. James L. Peterson on consumer knowledge and attitudes regarding medical malpractice. Dr. Peterson interviewed a sample of household heads and spouses at the request of the Medical Malpractice Commission. He found that over 40 percent of the persons interviewed reported some negative medical experience in their families. Most felt that there was some failure or negligence of the doctor involved. Most felt that some damage had resulted, either physical injuries, economic loss, or unnecessary pain and suffering. Despite these perceptions of loss, only 8 percent of those alleged to be injured considered seeking the advice of an attorney and only 4 percent did. Two additional pieces of information refute the contention that frivolous claims are being instituted. One regards the actions of attorneys, who are more skilled at determining the merits of cases than the injured patient, in most instances. According to the Medical Malpractice Commission, lawyers only accept one out of eight cases brought to them. According to George Annas, director of the Boston University Center for Law and Health Sciences, the lawyer's office is "a place where weak and unfounded cases are screened out."

The second piece of information pertains to a study done by the insurers themselves. At the request of the Medical Malpractice Commission, insurers were asked to examine their closed claim files and to judge the merit of the claims made. The insurers judged 46 percent of the claims to be meritorious. Depending on the point of view a person wishes to advance, this finding can be used to support the contention that there are a large number of frivolous claims or support the contention that there are a large number of claims made which have merit. What is not true, and is often alleged, is that the vast majority of claims made are without merit.

When an injured patient or his legal representative does file a claim for damages resulting from medical malpractice, how well does he fare? Again, most of the data available regarding the outcome of medical malpractice claims comes from the report of the Secretary's Medical Malpractice Commission.

The Commission examined some 12,000 claim files closed in 1970. They found that payments were made to the claimant in approximately 45 percent of the cases. The great majority of the claims were settled without a lawsuit or before a verdict was rendered. In view of the allegations made by the medical profession that juries favor the plaintiff, it is surprising that the plaintiffs were successful only in 20 percent of the cases when cases went to a jury.

In approximately half the cases, the claim payment amounts were less than $2,000. Almost 90 percent were less than $20,000. Less than one out of a thousand claims paid were for a million dollars or more. There is little question that the size of the claims has increased substantially since the Medical Malpractice Commission looked at the size of claims payments. According to the American Medical News on November 4, 1974, the average—total value of claims paid divided by the number of claims paid—increased from $5,000 in 1970 to $8,000 in 1973. In California, according to the same article, there were three cases where the plaintiff received more than $1 million prior to 1971. Since that time, there have been nine. At the time of the article, $1 million-plus awards had been granted in 6 consecutive months. In New York, according to an article in the January 19, 1975, New York Times, the average medical malpractice claim settlement amounts had increased from $6,042 in 1964 to $23,426 in 1974. Since both New York City and California are the highest medical malpractice cost areas in the United States, and appear to be experiencing a crisis now, occurrences in these two areas probably do not accurately reflect the trends nationwide. Unfortunately, recent comprehensive data is not available for all the States, at this time.

One of the major problems for the injured patient who is involved in a medical malpractice claim is the length of time it has taken to settle medical malpractice claims. It takes 10 years to resolve all of those cases which subsequently arise from medical injuries occurring in a particular year. This issue was examined in some detail by Baird et al. under contract with the Medical Malpractice Commission. The investigators found that the average time from the incident to resolution of the medical malpractice claim was from 3 to 5 years, depending upon the approach used in reaching a settlement. Actions at law requiring a jury verdict took an average of 5 years to settle, with 10 percent of these cases to be decided by a jury still pending after 6 years and 10 months. Baird et al. stated:

> It can be concluded from the preceding analysis that the time to resolve a medical malpractice dispute by existing formal methods is extraordinarily long, from the perspective of the negligently injured patient and the wrongfully accused physician.

I think we can all appreciate the hardship such delay can cause to a seriously injured patient.

Perhaps as lamentable as the delays that injured patients or their legal representative experience in obtaining payment is the amounts of professional liability insurance dollars that finally get to the patient.

The Medical Malpractice Commission, in addition to their other work, held public hearings around the country. According to the Commission report:

> One witness in Los Angeles told us: "I had a serious back injury, and was out of work for two years. I made a $22,000 settlement, and after the settlement I realized $3,000. The attorneys got the balance of the profits and split it with the doctors." We heard other witnesses testify similarly, and while we are not in a position to evaluate the credibility of these witnesses on the amounts they actually recovered, their combined testimony was compelling.

Estimates of the amount of the professional liability insurance premium dollar which finally reaches the injured patient or his legal representative are as low as 16 cents and as high as 38 cents. The remainder goes to insurance company profits, administrative costs, agents' commissions, and plaintiff and defense attorneys' fees.

Factors contributing to the high cost of medical malpractice insurance relative to patient benefits will be discussed in greater detail in future background papers on insurers' and lawyers' involvement in medical malpractice. Although the information in this area is admittedly imprecise, the amount of the medical malpractice insurance that gets to the injured patient or his legal representative should be of great concern to the Congress when it begins to address itself to the medical malpractice problem.

One final point regarding injured patients pertains to claims with relatively small potential dollar value. As I mentioned earlier, the Medical Malpractice Commission estimated that attorneys accept only one out of eight cases. Many injured patients are rejected, because the amount of the claim is too small for the lawyer to recover what he considers to be an adequate fee. The amounts of potential recovery may have to be $5,000, $10,000, or more for highly skilled lawyers to take the case. These statements are not intended to imply that the contingent fee is the cause of lawyer unwillingness to take cases which they consider to have small potential dollar value. Most persons with small claims would probably be unwilling to pay a lawyer on a straight fee basis where the potential recovery is small, and many could not afford to pay the lawyer on such a basis. The loss of several thousand dollars in medical expenses and lost earnings is not insignificant to the injured patient, however, and some means need to be devised to enable the patient to recover where they have a just claim.

Up to this point, Mr. Speaker, I have addressed myself primarily to the question of the injured patient, and how well he fares in our present system of resolving medical malpractice disputes.

There is, in addition, the negative impact of medical malpractice on all consumers. The evidence, albeit tentative, is nevertheless disturbing regarding the extent of medical injuries that are occurring, many of which we must assume are preventable. We need a clearer picture of the number and nature of medical injuries that are occurring in this country.

Although again the evidence is tentative, some experts claim we are spending billions of dollars on defensive medicine, a concept which I discussed at some length in my February 19 paper on medical malpractice. If, as Dr. Egeberg stated at a recent briefing of Congressmen and Senators and their staffs, we are spending as much as $7 billion on defensive medicine, the cost to each person in this country would exceed $30 a year.

Finally, there is the cost of medical malpractice insurance itself. If the costs are a billion dollars, it adds about 1 percent to our national health costs and the rate of increase may be 10 times the rate of increase for medical prices generally. If as alleged, the amount that finally goes to the patient is less than 40 cents on a dollar, the waste is excessive.

NEED FOR PROTECTION OF FISH RESOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. TALCOTT) is recognized for 5 minutes.

Mr. TALCOTT. Mr. Speaker, some things we read and hear these days would be amusing if they were not so tragic and so potentially dangerous to our national well-being.

For instance, it has often been repeated that "our free markets cannot survive secret and evasive purchases of our resources by foreigners, such as the Russian wheat deal and the Japanese purchases of our lumber and coal."

However, I have yet to hear or see those who make such complaints take to the airwaves or to the printed page to oppose or condemn the dredging and confiscation of our fish resources by other nations without any payment whatsoever and without any effort on their part to utilize conservation techniques.

Lumber is a renewable resource which we can increase by improved harvesting and conservation techniques. Coal is our most plentiful energy resource which we could beneficially use to supplement our energy shortfall or even use for international barter. At the very least, we do control the sale of these products.

On the other hand, we do not control our fish resources. Where are the complaints about "Russian wheat deals" and "Japanese lumber buys" when this more serious theft and malicious destruction by these same nations occurs every day in the oceans just 12 miles or less from our shores.

Our fish and other ocean food and chemical resources may soon be critical to American and world food requirements. The ocean, and the ocean beds, could supply most of our nutritional needs in the not-too-distant future.

However, our fish and marine food resources could be permanently depleted—as some already have been—unless we stop the stealing and destruction of our fisheries by foreign intruders. Therefore, we must act promptly and decisively to end this unchecked looting of a vital natural resource.

FEDERAL FIREARMS CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, today I am pleased to announce that the Subcommittee on Crime of the House Committee on the Judiciary will continue hearings on more than 20 proposals concerning amendments to the Federal firearms laws. During our first two hearings last week, a number of Members appeared before the subcommittee to comment on proposals which they have introduced on this issue. Because the interest among Members has been so overwhelming, I have scheduled a hearing for Thursday February 27, at 10:30 a.m. in 2237 Rayburn House Office Building for the purpose of hearing those who were unable to participate in the first two hearings.

Members wishing to testify or to submit a statement for the RECORD should address their requests to the House Committee on the Judiciary, 2137 Rayburn House Office Building, Washington, D.C. 20515.

A CITY BETRAYED—X

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the Coastal States Gas Co. conducted its business very much in the way that a short trader in stock operates. They contracted to sell gas at a certain rate, but did not actually own the gas to cover that contract. This was perfectly all right, as long as the price of gas remained steady or went down. But unfortunately for Coastal and tragically for its customers, the price of gas started going up in the late sixties, and Coastal could no longer sell short. They either had to live up to their contracts, taking losses—or break those contracts.

Rather than lose money or go bankrupt, Coastal decided to try and break their contracts. Early in this decade, Coastal started renegotiating gas supply contracts as rapidly as possible, but could not do it fast enough to save the situation. More heroic measures were needed.

The biggest problem facing Coastal was that their larger, more sophisticated customers were determined to hold the company to its contracts. Coastal's chairman, Oscar Wyatt, decided on a two-pronged strategy to break the big contracts: Gentle persuasion, and an effort to get a State law passed that would enable him to break any contract he had, regardless of customer wishes or his own lawful obligations. If his big customers could not be talked into renegotiating their contracts, Wyatt aimed to use his so-called "Coastal States" bill in the legislature to see that things were done his way.

San Antonio and other big customers resisted the Coastal legislation, and eventually it failed to pass. But in the meantime there was tremendous pressure on the city public service board and other big customers to give in to Wyatt's demands.

Wyatt had a strong ally in San Antonio, in the form of businessman Morris Jaffe. Through the efforts of Jaffe and his friend Charles Becker, Wyatt hoped to charm San Antonio's ex-mayor, Walter McAllister, into supporting his cause. Private meetings were held with McAllister. Jaffe followed up on these with a letter to McAllister, outlining the case for Wyatt's demands. In this letter, Jaffe said that if San Antonio renegotiated, Wyatt would give the city a reliable gas supply for the next 25 years. McAllister seemed unmoved by this, so the campaign was stepped up.

Wyatt arranged to have one of his top lieutenants, Rue Thomas, get in touch with San Antonio's newspaper editors, to win them over. He planned, with the support of the newspapers and hopefully that of McAllister, plus other businessmen, to talk the city public service board into renegotiating its contract.

The campaign was coordinated through Coastal's secretary, Norman Davis, who got his marching orders directly from Wyatt. Wyatt informed Davis, according to Davis' notes of October 4, 1971:

> Rue Thomas is working to coach (1) S. A. newspaper editor; (2) another S. A. businessman; and (3) Jaffe.

Wyatt wanted a high-powered delegation to go to the city public service board to make a pitch for him. Walter McAllister, as one of the strongest citizens in the community, was vital to his effort. Wyatt evidently felt that Morris Jaffe was not the man who could win his case—but possibly he could talk McAllister into supporting Coastal. So Wyatt instructed Davis:

> Jaffe to talk to McAllister and support my plan. Jaffe not to participate in presentation. Instead, suggest three people to go before CPSB on Oct. 11: 1. Chas. Becker, 2. Newspaper editor, and 3. Local businessman, to talk about "gas shortage."

After thinking the plan over, Wyatt changed his mind about the delegation. He decided instead that a newspaper executive was to make the presentation alone. Presumably, of course, this would be done with the support of the business and community leaders that Davis, with Jaffe's help, was rounding up.

I find it extremely interesting that Wyatt wanted to make use of Charles Becker. Only a few months before, Becker had been elected to the San Antonio City Council. Was this with Wyatt's help? After all, Coastal had clearly invested in the city council election that spring. No records of those contributions exist, perhaps because they were part of the "anonymous" donors reported that year, or because the Coastal money had been funneled through other accounts. Possibly it was because Becker had gotten funds from Wyatt, or because he was a good friend of Morris Jaffe, or some other reason. Whatever the case, Wyatt wanted to be sure that Becker spoke up for Coastal. He did support Wyatt's cause, and in the election a couple of years later, when Becker ran for mayor, he reported large amounts of "anonymous" contributions.

Furthermore, he employed Wyatt's own public relations man in the 1973 election campaign, which was the most lavish and vicious municipal election campaign in many years—perhaps unprecedented in San Antonio's history. A good part of the Becker campaign was run out of a committee headed by Jim Dement, a large San Antonio builder. In recent times, Dement himself appears to have had some connections with Wyatt's business empire. Some say that Dement has received construction financing through Wyatt-dominated institutions.

Whatever Wyatt's reason for tapping Becker was, and whatever Becker's reason for taking up Wyatt's fight, the point is that if Wyatt was going to save his pipeline business in Texas, he had to break his contracts. He used every resource at his command—influence in the legislature, and influence and pressures on the San Antonio City Council. These efforts of Wyatt's were certainly helped along by unreported campaign contributions, and by his numerous business connections of one kind or another. The web of influence Wyatt cast over the city did not cause the city public service board to break its contract, however, and Coastal faced the hard reality of having to choose between honoring its contracts and losing massive amounts of money in the process, or letting its customers go short.

A few months after Wyatt's desperate bid to break the San Antonio contract, Coastal started a vicious curtailment program in San Antonio. The city had little or no warning of what was about to happen, and had less than a 10 day supply of fuel oil to run its generating plants with. San Antonio came to the brink of utter catastrophe.

All of this demonstrated very well that Oscar Wyatt did not intend to lose any money, contract or no contract. He aimed to bring San Antonio to its knees, by fair means or foul. When he could not buy the legislature or frighten his customers into compliance with his demands, he coldly and cynically decided to drive them to the very brink of disaster. A colder heart cannot be found than Oscar Wyatt's. His decisions and actions in restrospect look like those of a master criminal. Who suffers? Not Wyatt, except in the sense that his ego is hurt by adverse publicity. Only his customers are hurt—because they thought that Wyatt would live up to a contract that one and all, including his own attorney, said was ironclad—containing no "escape clauses" of any kind. Oscar Wyatt does not know the meaning of integrity or honesty.

STATEMENT ON THE BILL TO ESTABLISH THE ADMINISTRATIVE RULEMAKING CONTROL ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. Levitas) is recognized for 5 minutes.

Mr. LEVITAS. Mr. Speaker, today I am introducing a bill which would control Federal agency rulemaking.

Embodied in the principles of Magna Carta, the Declaration of Independence, the Constitution of the United States, and its Bill of Rights is a basic concept that government must be by consent of the governed and that due process of law is essential. Would any average citizen seriously argue that a person should be deprived of liberty or property under decrees which no elected official has participated in promulgating? Yet, today the fact is that vastly more rules are made by the decree of an unelected bureaucracy than by the elected Members of Congress. Last year alone approximately 6,000 administrative rules were adopted by 67 Federal agencies, departments, and bureaus. In most instances, a consequence of violating these administrative rules is imprisonment or fine or both.

One only has to glance at the daily Federal Register to realize that Federal agencies have evolved into a fourth branch of Government with hosts of regulations that carry the force of law without benefit of legislative consideration. While it may be true that Congress has previously given—or abandoned—to the bureaucracy the power to enact these administrative laws, that does not itself justify continuing this practice. There is definitely a need to have administrative rulemaking to fill in the detailed gaps between the broad principles embodied in acts of Congress, but this does not mean that Congress should leave it to civil servants or appointed officials to pass thousands upon thousands of far-reaching laws that can put citizens in jeopardy of liberty or property without having anyone elected by the people or answerable to them involved in the process.

As the size and reach of the Federal bureaucracy has grown, the need to reexamine its force and power has come upon us. Curbs on administrative legislation, which may have not been needed in years gone by, may be needed today. We have too many examples of administrative excess and zeal, going far beyond any congressional intent. Congress now has the responsibility of facing up to a reexamination of the necessity of congressional control over the administrative process.

When an act of Congress contains the pithy section which reads something like this:

> The Secretary shall have the power to promulgate regulations to carry out the purposes of this act . . .

Then the citizen is at his peril. Congress has passed the buck, and the citizen must deal with people unaccountable to him and frequently unresponsive to him. Congress has done this far too often, and thereby has opened Pandora's box of administrative rules.

A "lawmaking" process follows upon these words quoted above, which process never again permits the Congress effectively to determine whether its intent has been followed.

After going through a series of procedures and hearings—all by civil servants or appointed officials—a rule comes forth. To test the validity of that rule, a citizen must go to court, or, at his peril, face prosecution. The standards adopted by the judiciary for review of administrative rules are lax indeed, are rarely effective and never go into the issues of policy contained therein.

The frustrations of going through the administrative process; the feeling that no one listens or cares; and the practical inability of an individual to face up to the faceless bureaucracy is all part of the scene—a scene that needs changing to make the rules and the bureaucracy more responsive to Congress and ultimately, thereby, to the people.

Under my proposal, whenever an administrative rule is adopted by an agency under procedures of the Administrative Procedure Act—section 553 of title V, United States Code—and a violation of the rule could result in a criminal sanction, then either House of Congress would have 30 days in which to pass a resolution disapproving of the adopted regulation. Passing of such a resolution by either House will have the effect of preventing the regulation from becoming operative.

My proposal will provide for an expedited procedure for bringing the resolution to the floor of the House or the Senate. Modeled after the procedures for consideration of recision and deferral messages from the President, it would allow prompt and efficient consideration and action by either body.

The procedure for consideration initially requires that all affected rules be placed before both Houses for a period of 30 days. If within this period of time a Member of either body introduces a resolution disapproving the specific rule, the resolution can be voted on, or can be referred to a committee, in which latter event an additional 30 days is allowed for consideration and action by the particular House. A majority vote would be needed in order to refer the resolution to an appropriate committee which would then have a specified time to report its recommendations back to the House. A majority vote to adopt the resolution would nullify the proposed rule.

The full procedure provided by this legislation—which would be entitled "the Administrative Rulemaking Control Act"—would not in most, or even in many cases have to be followed to its end nor require that the numerous rules promulgated by the bureaucracy would have to be individually considered by Congress. Most rules are not controversial, and most others will clearly be consistent with congressional purposes and will not, therefore, be challenged. Still others which are challenged will be summarily dealt with and accepted, or infrequently, summarily rejected. Only a few will require close scrutiny by Congress, and in those instances they certainly deserve such scrutiny.

Finally, my proposal provides that if Congress fails to adopt a negative resolution, such inaction will not be deemed to be an expression of approval; thus, avoiding interference with any future litigation which may arise from an adopted rule.

Legislative review of administrative decisions has precedents in Congress, several of the States, and in other countries. From 1948 to 1973, all executive reorganization plans were required to be reviewed by Congress with either House authorized to disapprove within a certain period of time. The Budget and Impoundment Control Act of 1974 established similar procedures for proposed budget adjustments by the President. Five States have established required procedures for legislative review of and action on administrative regulations. In Great Britain statutes delegating power to make regulations of general applicability have usually required regulations to be laid before Parliament for negative or affirmative action. The more widely used negative action provides that if within a stated period either House resolves that the regulation be annulled, it shall have no effect. Similar requirements exist in Australia, Canada, and New Zealand law.

My bill would not destroy the administrative process; it will make it more responsive. It does not substitute congressional decision for administrative decision; it assures that those few administrative rules which clearly go beyond congressional contemplation are never inflicted on the public.

Most employees of the Government try to do a good and conscientious job and they indeed do so. We need their services and we respect them for it. But, those officials who are overzealous and think that they—not Congress—make the laws need to know that there is the eye of Congress looking over their shoulder and, which, when necessary, will spot the excesses so that Congress can remedy them.

The judicial process is not the way to solve the problem because that process is not available in all instances due to excessive cost, and is cumbersome and does not get to the heart of the problem itself. Traditional legislative oversight and repeal legislation is not the answer. That is ex post facto and not suited to dealing with routine rulemaking excess. Therefore, I propose to let Congress at least have the opportunity in advance of disapproving of rules which it believes exceed the original congressional intent and which could subject citizens to criminal punishment.

This bill does not commend itself solely to those who call themselves "liberals" or solely to those who call themselves "conservatives." It commends itself to those who are concerned about the place and plight of an individual in the face of a vast and sometimes unresponsive bureaucracy. It commends itself to those who believe that the basic principles of Magna Carta, the Declaration of Independence, the Constitution and its accompanying Bill of Rights are still valid—that no person should be deprived of liberty or property without someone elected by and answerable to the citizen being involved in the adoption of a decree that can place him in jail or impose a fine upon him.

This bill is not the final answer to administrative and bureaucratic problems. It is a first step that needs to be taken. I shall, in the future, propose other legislation dealing with the administrative process to make it more responsive, more open, more accessible, swifter—which is frequently a problem when needed regulation is unduly delayed and snarled in a game of legal technicalities—and more consistent with the needs of a modern society founded on enduring principles of freedom, democracy, and republican government.

ELIMINATION OF CHAUFFEUR-DRIVEN LIMOUSINES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 10 minutes.

Mr. HAMILTON. Mr. Speaker, I am introducing legislation today to eliminate the unnecessary and possibly illegal annual expenditure of taxpayers' money for the chauffeur-driven limousines used by about 770 lower-level Government officials in the Washington area.

My bill, which is identical to one being introduced by Senator PROXMIRE, would reduce the number of persons assigned these limousines to about 27: The President, the Vice President, the head of each executive department, the Chief Justice of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate, the majority and minority leaders of both Houses, the majority and minority whips of both Houses, and the U.S. Representative to the United Nations.

Federal law already explicitly limits the use of these vehicles to the President of the United States, his cabinet members, and principal diplomatic, and consular officials. Yet, by virtue of an all too liberal interpretation of the law by the executive agencies, some 800 persons ride to and from their jobs daily in Government-owned cars driven by Government-paid chauffeurs. The cost to the taxpayer, in drivers' salaries alone, is about $13 million.

These are hard times. The President has called on us all to make sacrifices in a time of national difficulty. I agree with the President that sacrifices are necessary, as I agree with the President that unnecessary Government expenditures must be eliminated. These cars certainly fall in that category.

An expenditure for such a purpose is never justifiable; in these times it is just plain onerous. We are faced today with a depressed economy and an energy shortage. The American people are being asked to endure hardships and suffer deprivations they have not seen since World War II. How can we make such demands of the public if the sacrifices stop at the Government's own door? Government should be out front, pointing the way. But not in a chauffeured limousine.

In early 1973, I began the slow, painful process of extracting information about these chauffeured cars from one executive department, the Department of Defense. What I learned was that the DOD furnishes too many cars to too many persons and at too great expense to the American taxpayer.

At present, the DOD figure is 44 chauffeured cars. When I began my investigation, it was 52. As I read the law, it should be no more than four: the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force. The average annual cost per car, including chauffeur salaries and overtime, is more than $14,000. The average annual busfare should be less than $500. The cost to the taxpayer to provide these 44 persons with a free ride to work will be more than $635,000 this year. Although DOD has slightly reduced the cost from the 1973 high of $676,000 by shifting to smaller cars, that clearly is not enough.

The Honorable James R. Schlesinger, on assuming the duties of Secretary of Defense in July of 1973, made these remarks:

> We must be prepared to accept adjustment and change. There are luxuries that we shall have to do without.

I am in complete agreement with the Secretary's remarks, and I would apply them to the entire Federal Government. These chauffeur-driven cars are one of the luxuries we ought to do without.

I urge prompt and affirmative action on this bill.

DISAPPROVAL OF DEFERRAL OF FUNDS FOR MARINE-RELATED PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. AuCOIN) is recognized for 15 minutes.

Mr. AuCOIN. Mr. Speaker, at a time when the specter of famine haunts so many areas of the world, and when hundreds of millions of people at home and abroad are looking to the sea as a potential source of food to supplement their diets, I find it alarming that the administration has proposed a deferral of funds which would give important assistance to the development of our ocean resources. Instead, this Nation should be doing all it can to increase our **food**-producing capability.

Yesterday, I introduced a resolution to disapprove the administration's proposed deferral of budgetary authority for operations, research, and facilities of the National Oceanic and Atmospheric Administration for fiscal year 1975. I am particularly concerned about the administration's deferral of $600,000 in grant-in-aid funding under the Anadromous Fish Conservation Act and the Commercial Fisheries Research and Development Act, as well as the deferral of $1,034,000 for the sea grant program. These programs, Mr. Speaker, are of great significance to the Nation's long-run ability to harvest the sea.

There are many examples of what these programs mean, Mr. Speaker, but let me use Oregon as an illustration. It serves as an excellent example. Oregon's portion of the $600,000 grant-in-aid funding has been used in this way:

First, to subcontract several studies concerning the development of new and better products from Oregon's food-fish resource;

Second, to make resource surveys of bottomfish and shrimp to determine the extent of the fishery so that sustainable yields may be identified;

Third, to make shellfish investigations;

Fourth, to develop and improve hatchery techniques—improvement of the Oregon pellet, a fish food, has led to better diets and healthier salmon and has greatly improved the annual salmon catch; and

Fifth, to fund research-management programs on anadromous fish stocks outside of the Columbia River system to better manage and protect U.S. stocks of salmon.

According to the National Marine Fisheries Service, the $600,000 reduction in funding for the Anadromous Fish Conservation Act and the Commercial Fisheries Research and Development Act would be spread equally among the States on a pro rated basis.

While this reduction on a State-by-State basis would appear to be small, the cumulative effect has profound implications for the future of programs funded under these laws. With annual cost-of-living increases these programs have had to be continually reduced in number so that the program budget could be balanced. The President's deferral now would result in a total reduction of about $51,179 to Oregon for these two programs for the last 5 months of the fiscal year. This will be in addition to the high inflationary costs which the programs must also continue to absorb, and the actual result in Oregon will be a loss of two research positions and a decrease in the number of salmon reared.

These cuts would come at a time when the Nation's fishing industry is having to adjust to foreign fishing practices which have been harmful to resource management efforts and which the Federal Government has proved impotent to prevent. Another consideration is the status of Canadian-American negotiations concerning the salmon resources of the Pacific Northwest. Reduction in grant-in-aid support of State/Federal research and management programs will impair ongoing cooperative salmon taking and recovery programs between these two nations. Since these programs represent only a part of a joint Canadian-American study of the salmon stock, a decrease in support for these programs would be viewed by Canada as a failure by the United States to live up to these agreements.

Turning to the deferral of $1,034,000 for the sea grant program, Mr. Speaker, this would have a devastating effect on our national marine research and development effort. Using Oregon as an example again, the following would be the effect of the administration's deferral:

First, reduced support of marine and commercial fisheries technology training projects;

Second, termination of support of a coastal zone management specialist;

Third, termination of studies to determine feeding habits of salmonid fishes in estuaries, and programs which would assist in protecting natural runs, managing hatchery releases, and predicting the effects of manmade changes on estuaries;

Fourth, termination of studies to evaluate the potential for a krill fishery off Oregon. Krill, the largest standing crop in the ocean, may equal the combined tonnage of all other marine life forms. The Soviet Union and Japan are already harvesting krill, and this project was the only one in the United States designed to develop this potentially largest of all fisheries;

Fifth, termination of studies to provide information on the nature and extent of commercial and recreational fishing on neritic reef fishes; and

Sixth, termination of a project to provide a guidebook to coastal and estuarine fish larvae off Oregon. This was requested by the Atomic Energy Commission and the National Marine Fisheries Service and would have assisted in ecological baseline studies and fishery management.

Program reductions such as these are not limited to Oregon, Mr. Speaker. When projected on a national basis, such reductions of congressionally appropriated funds will have tremendous negative impact on our efforts to increase our knowledge of the sea. If the administration's deferral is sustained, for example, Oregon State University has been told to expect a 10-percent reduction in its sea-grant funding, from $1.55 to $1.40 million, or about $155,000. When this amount is added to cost-of-living increases and increases due to inflation, the result is a 25-percent decrease in program capability. The effect of such decreases nationwide on our marine resources development effort is apparent.

Four other programs, unrelated to the marine-related programs I have just mentioned, are included in the President's deferral request. These are:

First. Funds to establish a National Severe Storms Forecast Center in Kansas City;

Second. Funds for procurement of radar data processing units for long-range weather radars;

Third. Funds in contracts and grants to universities for work on development of weather-related satellite remote sensing techniques; and

Fourth. Funds for the acquisition of minicomputers and display systems within the Weather Service.

To be very frank, I am not as concerned about the last four programs as I am about the two which are part of our national marine research and development effort. It is unfortunate that, according to the interpretation I have obtained from the Parliamentarian's office, in order to disapprove the President's deferral request for the two marine research programs, one must submit a resolution disapproving the entire deferral request. I understand fully the need for Congress to review carefully and critically all Federal expenditures to insure that such funding is necessary, appropriate, and in the national interest, and I believe that some of the President's proposed deferrals are justified and should be concurred with by Congress.

In my view, however, the much-needed resources of the sea will be ours only if we develop them wisely. The first conservation and research programs and the sea-grant program were established in order to carry out this policy. Therefore, because of the increasing demands which are being made upon our fishing and marine resources now, and because these demands will be magnified in the future, it is essential that the 94th Congress disapprove the President's proposed deferral of these vital funds.

NATIONAL EMPLOY THE OLDER WORKER WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, today I am introducing a resolution designating the second full week in March as National Employ the Older Worker Week.

I believe that such a reminder is particularly appropriate in 1975, a year when rampant inflation, growing recession, and worsening unemployment create special burdens for older Americans. While all of these factors clearly indicate that we need a national policy to maximize job opportunities for all workers, young and old alike, I believe that this resolution is necessary to focus particular attention on the problems facing our middle-aged and older workers.

Indeed, Mr. Speaker, I am hopeful that this resolution will persuade employers across the country of the advantages of hiring older workers, who are among the best trained and most productive members of the labor force. Several studies, Mr. Speaker, have clearly demonstrated these qualities. Moreover, old workers are likely to have strong records of attendance in their employment, and their productivity is often enhanced by experience and skills gained over years of past employment.

Mr. Speaker, consider the necessity of this resolution in light of the following Department of Labor statistics: Today, there are nearly 1.5 million unemployed persons in the 45-plus age bracket. In addition, the jobless level for middle-aged and older persons has risen by an astonishing 75 percent since last July.

However, Mr. Speaker, these statistics represent only the tip of the iceberg. Since older workers have such a difficult time, once they are unemployed, regaining employment, they become the hidden unemployed, who are not accounted for through current methods of compiling unemployment statistics.

Of the 20 million Americans who were 65 years and older in 1973, the Department of Labor estimated that 2.8 million were employed, 88,000 were unemployed, and 7.2 million people had retired or were too old to work.

That leaves more than 10 million people 65 and over for whom we cannot account.

Indeed, Mr. Speaker, experts estimated in 1971 that there were between 4 to 5 million people 55 years or over in need of some form of employment. This 1971 figure appears to be more realistic than the current unemployment statistics issued by the Department of Labor—1.5 million unemployed aged 45 and over. And I am sure the Senate's estimate has grown enormously in the past 4 years.

Mr. Speaker, as I urge my colleagues to endorse this resolution, I must also say a word about the impact of the President's tragically misguided economic policies on the lives of many older workers and older Americans in general.

As our Nation endures its worst economic crisis in 35 years, I wish to remind my colleagues that the administration is proposing to terminate two highly successful older worker employment programs which are designed to meet the unique needs of older workers.

Just last month, Mr. Ford asked the Congress to rescind the entire $12 million that we appropriated in fiscal year 1975 for the Older Americans Community Service Employment Act. This program provides more than 3,300 part-time jobs for older workers aged 55 and older who have poor prospects for employment. I might also add, Mr. Speaker, that the administration has failed to request an extension of this vital legislation which will expire at the end of this fiscal year.

In addition, the Department of Labor continues to state that after June of this year it will no longer fund the highly successful Operation Mainstream programs, which provide part-time work to more than 9,000 older workers under the Comprehensive Employment and Training Act.

Indeed, Mr. Speaker, when the administration's proposals to eliminate these vital programs are viewed alongside its recent attempts to limit increases in social security benefits and to increase the cost of food stamps, it becomes abundantly clear that the administration has placed the Nation's senior citizens at the bottom of the list.

Mr. Speaker, the administration policies in these respects represent what can only be described as a blatant disregard for human need.

Let me close by observing that as Congress works on the development of an economic program which will restore economic prosperity and full employment, we must not forget the older Americans who have already given so much to their country and who still have much to contribute.

I urge my colleagues on both sides of the aisle to join in reaffirming commitment to the older workers of our Nation by giving unanimous approval to this joint resolution. The resolution follows:

H.J. Res. 241

Joint resolution to provide for the designation of the second full calendar week in March 1975 as "National Employ the Older Worker Week"

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the second full calendar week in March 1975 as "National Employ the Older Worker Week", and calling upon employer and employee organizations, other organizations officially concerned with employment, and upon all the people of the United States to observe such week with appropriate ceremonies, activities, and programs designed to decrease employment discrimination because of age.

MATSUNAGA INTRODUCES HEALTH SECURITY ACT WITH STRENGTHENED MENTAL HEALTH PROVISIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. Matsunaga) is recognized for 15 minutes.

Mr. MATSUNAGA. Mr. Speaker, it is common knowledge—and sad knowledge—that the United States is the only major industrial nation which lacks a comprehensive national health insurance program. Through the years we have heard debate among members of the health care industry, organized labor, politicians, and the health care consumer, as to the necessity for a health insurance plan. In my judgment, a consensus has developed: Democrats and Republicans, doctors and patients, hospitals and insurance companies—all responsible parties—agree that some form of national health insurance is essential in order to save our present health care system from total collapse. The evidence is all around us.

The past few years have witnessed sharp increases in the amounts spent for medical care. In fiscal year 1973, this Nation spent $94.1 billion for health and medical care—3½ times the amount spent in 1960 and nearly eight times the amount spent in 1950. In the past two decades, each person's average yearly health bill has grown from $78 to $441.

At the same time the cost of health care was skyrocketing, the quality of care was lagging. This lack of quality in our present health care is indicated by our failure to keep up with other industrial countries in such important health care factors as infant mortality, maternal mortality, and life expectancy. By these measurements, the United States ranks further behind other industrial countries than it did 15 or 20 years ago.

The most alarming evidence of the failure of our health care system is its inability to reach the many who need it most. The poor have twice as much illness, four times as much chronic illness, three times the heart disease, five times the eye defects, and five times as much mental retardation as the nonpoor.

After more than 30 years of trying, private health insurance has failed even to approach meeting the Nation's need for adequate coverage. In 1972, only 36 percent of persons under the age of 65 earning less than $3,000 were covered by any hospital or surgical insurance. Even the wealthy did not enjoy great protection. Only half of the population had major medical insurance, with the typical limit of reimbursement being $5,000. Health insurance coverage, in short, is nonexistent for many of the poor and inadequate for almost everyone else.

What is needed therefore, is a health insurance plan aimed at guaranteeing that every individual's right to health is not denied by external factors such as lack of ability to pay or geographical remoteness.

The National Health Security Act which I have introduced today is aimed directly at this goal and addresses the basic problems I have set forth. It affirms the sound judgment of the more than three score Members of this House who have joined in sponsoring a similar bill (H.R. 21), but it differs in a critical respect. My bill recognizes and responds more fully to the most insidious, destructive and commonplace health problem in America today: Mental illness. These are some of the tragic facts about mental illness:

Some 1.6 million Americans are under care in various mental health institutions.

Four million persons annually experience one or more episodes of care for mental disorders.

Of the 75 million children in this country, 7 million are handicapped and must learn to cope with that handicap if they are to survive outside of institutions or independent of local, State, or federally financed support.

Three percent of our schoolchildren require care for mental disorders. Ten percent require help for emotional problems.

Persons over 65 constitute only 10 percent of the population, but occupy 29 percent of all public mental hospital beds. Ironically, this same age group accounts for only 2 percent of the outpatient services rendered for mental problems. These people are going untreated.

Ten million Americans are alcoholics. Alcoholism is treatable as an emotional disorder and we must treat this disease.

In recent studies, Mr. Speaker, 10 percent of all children in a midwestern school setting were discovered to be under prescription for some kind of personality altering drug. I do not refer to unauthorized drug usage; I am speaking rather of legitimately prescribed depressants or stimulants which school authorities and parents urge as temporary treatment for children.

It is estimated, Mr. Speaker, that 1 in every 10 persons in the United States—in excess of 20 million people—need help with some sort of mental or emotional disorder.

Therefore, it is quite apparent that the inclusion of mental health coverage is an essential element in a truly comprehensive and effective Health Security Act.

One other aspect of the National Health Security Act which I have introduced today is worthy of mention. It attempts to address a very urgent crisis facing the quality of our health care system—that of medical malpractice. It is my hope that the inclusion of provisions directly concerned with this issue will help to alleviate this crisis, which threatens not only to add unnecessary costs to our present health care delivery system but also to mar the quality of the health care dispensed.

Mr. Speaker, I offer this National Health Security Act with much confidence.

What is needed is a national health insurance bill which guarantees to all persons the services which are now being provided to only a few individuals. This must be done with no diminution of the quality or availability of the services which the few now receive.

This is what the National Health Security Act which I have introduced would do.

What is further needed is a national health insurance bill which assures adequate treatment for mental as well as physical illness, and which marshals the health manpower, including the psychological as well as the medical providers who are trained to this task.

This is what the National Health Security Act which I have introduced would do.

A guarantee of health services will be a milestone toward guaranteeing health as a right of every American. By bringing the services of physicians and other providers of basic care within the economic reach of everyone—essentially by reorganizing the setting in which services are provided—the National Health Security Act will bring to fruition an American dream that has been ignored for far too long.

I am confident that the months ahead will bring a careful review of my bill and the many other proposals in the field by the Health Insurance Subcommittee of the Committee on Ways and Means, chaired by the able and distinguished gentleman from Illinois (Mr. ROSTENKOWSKI). The national dialog which will result will undoubtedly aid us in resolving what is truly a natioanl crisis.

I am hopeful that the bill which I have introduced today will form part of the basis for such a thoughtful and meaningful dialog.

THE PERSONAL SAFETY FIREARMS ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 30 minutes.

Mr. DRINAN. Mr. Speaker, of the many vital issues facing this Congress, few generate more controversy, more intensive lobbying, and more diametrically opposed points of view than the issue of Federal gun control. Most significantly, however, few issues are more important, more pressing, and more completely related to the quality of life in this country.

I would like to bring to my colleagues' attention, Mr. Speaker, a bill which I recently introduced, the Personal Safety Firearms Act of 1975 (H.R. 2433). While a more detailed explanation of this legislation will follow, the Firearms Act can be briefly described as providing for the registration of all firearms and the licensing of all gun owners. In addition, the bill prohibits the sale or delivery of "Saturday Night Specials," deadly but inexpensive handguns.

Our claim to be a civilized nation cannot be sustained until we enact tough, effective and enforceable Federal gun control laws that will put an end to the tragic and scandalous level of violence that permeates life in America.

We are a people who have become habituated to violence in our daily lives. Nothing symbolizes this fact more than the 25,000 gun deaths that occur in our Nation each year. The annual record of gun-related carnage is a national tragedy and international disgrace. Every year 12,000 homicides, 10,000 suicides, and 3,000 fatal accidents are caused by guns. Another 200,000 people are wounded by firearms resulting in paralysis, sterilization, dismemberment, blindness, deafness, and other disabling effects.

How long will the Congress avoid its clear responsibility to protect the public safety and the general welfare by allowing this gun-related slaughter to continue?

Mr. Speaker, the Massachusetts Council on Crime and Correction has provided me with some of the most up-to-date gun statistics available. It is crucial that Congress become aware of this compelling evidence:

There are approximately 40 million handguns in the United States. These handguns are easily concealable and highly lethal, causing accidents and murders by the thousands.

Nearly 3 million new handguns are produced each year in this country; one handgun is sold every 13 seconds.

The annual sales of handguns has quadrupled since 1963.

Fifty-four percent of all murders committed in 1972 were carried out with handguns. That rate was 63 percent last year.

In 1973, out of 131 policemen killed in the United States or Puerto Rico, 124 were felled by guns, 90 of them handguns.

Five billion rounds of ammunition are produced annually in this country by 10 manufacturers.

One out of every hundred deaths in the United States—including natural deaths—is caused by a gun.

On any given day an average of 69 people in the United States are killed by firearms. Of that total, 27, or more than 1 per hour, are killed by a handgun.

Most murders are committed by previously law-abiding citizens, the killer and the victim being acquainted. In only one-fifth of all homicides are offenders strangers to their victims. About 25 percent of murders occur within families.

More people—over 800,000—have been killed in America by privately owned guns since 1900 than the number of Americans who have died in all our wars since the Revolution.

The United States has more gun deaths every year than any other country in the world. In fact, the total number of gun deaths in all other free nations is exceeded by the number of gun deaths in the United States alone.

Mr. Speaker, these statistics, and dozens more like them, can no longer be ignored. In poll after poll, the citizens of this country have revealed their overwhelming desire for strong, effective gun control laws. Both the Harris and Gallup polls have found that two-thirds of our citizens favor registration of all firearms and the licensing of all gunowners. The people are weary with the dread of violence. They are outraged by congressional inaction. If we do not act swiftly and forcefully to establish Federal gun control laws, the Congress will have to share the responsibility for much of the violence and suffering caused by the unchecked proliferation and unregulated use of firearms in America.

WHY THE FEDERAL GUN CONTROL ACT OF 1968 HAS NOT WORKED

The Federal Gun Control Act of 1968 was a sadly inadequate compromise law that was virtually emasculated before its passage. It was further weakened by a 1969 law eliminating the act's dealer recordkeeping requirements with respect to the sale of long gun ammunition. In its major thrust, the 1968 act bans the interstate and mail-order shipment of firearms to individuals and forbids over-the-counter sales to minors. It prohibits the possession of guns by convicted criminals and certain undesirables, and also bars the importation of cheap, concealable, foreign handguns, responsible for so much violence in this country.

Unfortunately, however, that 1968 act is fatally flawed with so many loopholes that there are now more cheap, concealable handguns produced and privately owned in this country than ever before. Some of the most glaring deficiencies in the 1968 Gun Control Act include:

First. The importation of "Saturday Night Specials" was banned by the law, but the ban did not extend to the importation of their parts. As a result, total domestic assembling and production of these cheap handguns during 1970 exceeded 1 million—a total far higher than the number of foreign guns that annually flowed into this country prior to the 1968 act.

Second. The interstate ban on gun shipments was rendered meaningless by allowing licensed gundealers in different States to ship firearms between themselves with no restrictions. Since it is extremely easy to become a gundealer, many individuals obtain guns from other States merely by ordering them as "dealers" through other federally licensed sellers.

Third. The 1968 act contains no foolproof safeguards for gundealers to check the background, or even the identity, of would-be gun purchasers. Neither are the purchasers' background or identity checked by local or State police; fingerprints are not even required. The purchaser's signed statement that he is not a felon, minor, or mental incompetent is almost always accepted after a driver's license is produced.

Fourth. Private individuals can transfer ownership or possession of their own legally purchased firearms to anyone within their own State. And "anyone" means anyone—any criminal, juvenile, lunatic, drug addict, or other incompetent who would not otherwise be permitted to purchase a gun. The 1968 law provides no penalty whatsoever for such clearly irresponsible and dangerous private gun transactions.

Because of these loopholes, Mr. Speaker, firearms are still available, in most instances, to any and all who want them. Whether legally or illegally, the ease with which firearms can be purchased in this country means that Congress has failed to exercise its full authority on the issue of gun control. How many more assassinations, how many more years of increasing gun-related crimes, how many more friends, neighbors, even relatives have to be gunned down on the streets and in their homes before the Congress will clearly see the need to enact tough and comprehensive gun control legislation?

PERSONAL SAFETY FIREARMS ACT OF 1975

Mr. Speaker, I believe that this Nation's tragic and shameful experience with firearms can only be reversed if all firearms are required by law to be registered, and all firearms owners are licensed. In addition, the irrefutable evidence linking handguns to crime must be acknowledged through a total ban on the production, possession and sale of the inexpensive and easily available handguns known as "Saturday Night Specials." These provisions are incorporated in my bill, H.R. 2433. Its sections are as follows:

TITLE I: REGISTRATION

The first provision of my bill requires the registration of all firearms—long guns as well as handguns. Firearms newly purchased after the passage of this act must be registered at the time of purchase, and guns already owned must be registered within 6 months.

The purpose of this registration procedure is to locate all guns in circulation, determine their number, and identify their owners. This information will prove to be of invaluable aid to law enforcement agencies in tracing those who commit crimes with firearms. If lost or stolen, registered firearms are more easily identified, and noncommercial transfer of guns will be more thoroughly recorded. This provision also makes registration a prerequisite to the purchase or sale of ammunition, since a valid registration certificate must be shown before a licensed dealer may sell ammunition.

An individual who carries a firearm must have the registration certificate with him at all times while he is carrying the firearm. Violation of the registration provision is a criminal offense punishable by imprisonment for up to 5 years or a fine of $5,000 or both. Therefore, simple possession of an unregistered firearm is an unlawful act, and subjects a violator to criminal penalties even before any other criminal activity takes place.

TITLE II: LICENSING

Licensing all gun owners will mean that for the first time in this country's history, strong and reasonable national standards will determine who will exercise the privilege of owning firearms. The licensing must be provided for either through a Federal program or through a State system which complies with certain minimal standards. A licensed dealer or private individual may not sell firearms or ammunition to any person unless that person has a State or Federal license.

The license will require identification of the holder including the individual's name, address, age, signature, and photograph. Persons who are under indictment, are fugitives from justice, or who have been convicted of a crime punishable by a term of more than 1 year may not receive a license. Similarly, individuals who cannot be relied on to possess or use firearms responsibly because of age, mental condition, alcoholism, drug addiction, or previous violations of firearms laws, are precluded from obtaining a license. All applicants will be thoroughly investigated before receiving a license and the would-be purchaser will no longer be the sole source of information as to his reliability.

As with the registration requirement, violation of the licensing provisions will result in a criminal penalty of not more than 5 years in prison or a $5,000 fine or both.

TITLE III: PROHIBITING SALE OR DELIVERY OF "SATURDAY NIGHT SPECIALS"

The third provision of the bill—the banning of domestic commerce in cheap handguns—is directed toward the elimination of the so-called Saturday Night Specials. These inexpensive and easily concealable guns have no legitimate sporting purpose; on the contrary, their sole use is in aiding the criminal in his illegal objectives, whether robbery, murder, or rape.

This section will remove from the market place any handgun which does not meet the criteria specified. These standards serve to ban all handguns without the sporting and safety features delineated in the bill. This ban, though not a total one against handguns, will effectively eliminate the ubiquitous and deadly Saturday Night Specials.

GEN. GEORGE WASHINGTON: THE BELLS TOLL FOR HIM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, the Father of our Country, Gen. George Washington, died on December 14, 1799, at his stately home, Mount Vernon, overlooking the Potomac River. Promptly hailed as "first in war, first in peace, and first in the hearts of his countrymen," he was greatly revered for many years and his Farewell Address is still read in both Houses of the Congress on his birthdays.

Soon after his death, vessels of the U.S. Navy, when passing Mount Vernon started the custom of passing craft honoring his memory. The earliest known description of such ceremony is that by Comdr. Charles Morris who, as young midshipman, had witnessed the impressive honors in May 1801, less than 2 years after Washington's death.

In a recent article in the U.S. Naval Institute Proceedings, Capt. William H. Gridley, U.S. Naval Reserve, retired, gives a vivid account of the evolution of this naval custom and of how in 1853 the women of the United States started the movement for the preservation of Mount Vernon for future generations.

In it I note with special interest that the naval honoring of George Washington's memory was not official until made so on June 2, 1906, by President Theodore Roosevelt after witnessing the impressive ceremony during a cruise on the Presidential yacht *Mayflower*.

As the naval custom, which was once widely practiced by other vessels, is not now generally followed, Captain Gridley appeals for all craft passing Washington's tomb to pay the tribute to the Father of our Country.

One of the best brief descriptions of Washington's life and achievements is that by Gen. William H. Wilbur entitled "The Making of George Washington," published by Patriotic Education, Inc., P.O. Box 1088, Deland, Fla. 32720. In this volume, General Wilbur ably describes the heritage that Washington left for the American people.

Captain Gridley's moving article follows as part of my remarks:

[From the U. S. Naval Institute Proceedings, February 1975]

THE BELL TOLLS FOR HIM

(By Capt. William H. Gridley, U.S. Naval Reserve, retired)

At noon on the anniversary of George Washington's 243rd birthday this month, U.S. naval stations and naval vessels throughout the world will fire a 21-gun salute, as has been the custom since 1818.

Another, even older Navy custom of honoring President Washington is the impressive ceremony that occurs wherever a Navy or Coast Guard vessel passes Washington's home at Mount Vernon.

As a ship nears the tomb of General Washington adjacent to the mansion, the crew forms on deck and attention is sounded. When opposite the tomb, "hand salute" is signaled. The ship's bell is struck eight times at five-second intervals, and the national ensign is lowered to half mast. If a band is embarked, the national anthem is played. At the end of the tolling, the ensign is raised to the peak; two blasts of the whistle signal "end of salute" and three "carry on."

The earliest known account of this ceremony is recorded in the autobiography of Commodore Charles Morris who, in May 1801, was on board the USS *Congress* as a midshipman, when she passed up the Potomac River to the new Navy Yard in Washington. He recalled:

"About 10 o'clock in the morning of a beautifully serene day, we passed Mount Vernon. Everyone was on deck to look upon the dwelling where Washington had made his home. Mrs. Washington and others of the family could be distinguished in the portico which fronts the river. When opposite the house, by order of Captain Sever, the sails were lowered, the colors displayed half-masted, and a mourning salute of thirteen guns was fired as a mark of respect to the memory of Washington, whose life had so recently closed, and whose tomb was in our view. The general silence on board the ship and around us, except when broken by the cannon's sound, the echo and re-echo of that sound from the near and distant hills, as it died away in the distance, the whole ship's company uncovered and motionless, and the associations connected with the ceremony, seemed to make a deep impression upon all, as they did certainly upon me. When the salute was finished the sails were again set, the colors hoisted, and we proceeded up the river."

Today's observance of these honors vary according to the size and complement of a ship but the tolling of the bell and the lowering of the flag is consistent.

The custom was adopted by other vessels passing the tomb, and thus, by the tolling of a bell, a tradition begun by the Navy played a part in preserving the home of our first President.

On a brilliantly moonlit winter night in 1853, Mrs. Louisa Cunningham was travelling by steamer from Alexandria, Virginia, down the Potomac and along the coast to Charleston when she was aroused by the bell and went on deck. Struck by the dilapidation of the mansion, she wrote her invalid daughter, Ann Pamela:

"I was painfully distressed at the ruin and desolation of the home of Washington and the thought passed through my mind: why was it that the women of his country did not try to keep it in repair, if the men could not do it? It does seem such a blot on our country!"

Ann Pamela Cunningham, immediately wrote a letter to the most influential newspaper in the south, the *Charleston Mercury*. Addressed to "Ladies of the South," she urged "that by your combined efforts, in village and country town, and city, the means may be raised, from the mites of thousands of gentle hearts upon whom the name has yet a magic spell, which will suffice to secure and retain the home and grave as a sacred spot for all coming time." Newspapers throughout the south reprinted the letter and the ladies responded warmly. The home was purchased in 1858 by the Mount Vernon Ladies Association, the first women's patriotic organization in the nation, who maintain the mansion to this day.

The naval honors were merely a custom in 1906 when President Theodore Roosevelt witnessed the impressive ceremony on board the Presidential yacht *Mayflower*. On learning that the honors were not official, he promptly made them so. General Order No. 22, dated 2 June 1906, designated the ceremony to be observed by all vessels of the United States Navy passing Mount Vernon between sunrise and sunset, and although the tenses skip from past to present to future, the meaning is crystal clear:

"Marine guard and band paraded; bell tolled and colors halfmasted at the beginning of the tolling of the bell. When opposite Washington's Tomb, buglers sound taps, marine guard present arms, and officers and men on deck stand at attention and salute. The colors will be mastheaded at the last note of taps which will also be the signal for 'carry on.'" The playing of the National Anthem was added to the ceremony in 1913.

This naval custom, once practiced by most river craft passing Mount Vernon, is now observed by only a few sailors, imbued, perhaps, with a deep awareness of our history and tradition.

On the eve of our nation's Bicentennial when so much of our national heritage is being burnished, it would seem fitting if all craft passing Washington's tomb at Mount Vernon were once again to pay tribute to the Father of our Country in this unique manner.

OPPOSING CUTS IN CHILD NUTRITION PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Richmond) is recognized for 5 minutes.

Mr. RICHMOND. Mr. Speaker, I have today introduced legislation to extend the school breakfast, special food service for children, and supplmental feeding for women, infants, and children—WIC—programs of the Department of Agriculture past their June 30 expiration date. If the administration has its way, these programs will be terminated and the Government's role in providing nutritious food to our Nation's children will be severely impaired. While more comprehensive legislation will be introduced shortly in the House, I feel it is imperative that we put the administration on notice immediately that we will not tolerate the dismantling of these specific food and nutrition services to mothers and children. The administration's proposal to substitute block grants, at a seriously reduced funding level, for these and other food service programs may do irreparable damage to the health and welfare of many young children at a time when their families are already hard-pressed to provide adequately for them. It is the responsibility of the Federal Government to insure that a nutritionally adequate diet is available to all our children.

As an example of the growing sentiment around the country against reducing or eliminating child nutrition programs, the New York City School Breakfast Coalition, comprised of public health officials, school personnel, nutritionists, parents and community groups in the New York City area, recently passed a resolution expressing their outrage at the administration's proposal. This resolution is the product of a conference held last week in New York, and provides a good example of how the private and public sectors of our communities can join forces in combating such insensitive proposals, and seek to maintain these vital and needless to say, worthwhile programs. The resolution follows:

Resolution

The Ford Administration, once again, has displayed its insensitivity to the nutritional needs of poor people by proposing to cut back significantly, the Federal funding for various Child Nutrition Programs. As part of its budget for fiscal 1976, the Administration proposes to replace the existing funding structure for individual Child Nutrition Programs with a single "block-grant" per State for all such programs. The Administration's proposal envisions a reduction of $600 million to $700 million in Federal food assistance under the "block-grant" proposal—an accomplishment of no merit since the price of these savings is the denial of vital nutritional aid to needy children.

Whereas the Ford Administration's proposal eliminates the vital day care, summer feeding, school breakfast, and Women, Infants and Children (W.I.C.) programs, and will result in an increase in the price of school lunches, thereby reducing the effectiveness of that program;

Whereas a secondary, but equally important effect of the proposal is that summer feeding program regulations, due to be issued this month, have not been issued, and consequently, millions of children may be denied the benefits of this program this coming summer;

Whereas in addition, the Administration has placed a 5% ceiling on cost-of-food adjustments for the period from July 1, 1975 to June 30, 1976 when current estimates put the rise of food costs for that period at 20%;

Be it resolved that we, the New York City School Breakfast Coalition and all supportive health and nutrition agencies and organizations concerned with child nutrition and the alleviation of hunger, declare that the proposed Administration actions are devoid of public sensitivity and an appreciation of the rights and needs of our nation's children, and we therefore demand that any and all such proposals be renounced. We call on President Ford to act in the interests of the people in preventing the implementation of these proposals.

S/February 21, 1975.

New York City School
Breakfast Committee.

Members of the Planning Committee include:

Evelina Antonetty, United Bronx Parents.

Norberto Caban, School Breakfast Program, District 4.

Patricia Caldwell, District Council 87.

Kathy Goldman, TAP Resources.

Jan Kernodle, Fund for the City of New York.

Ruth Larsen, New York City Department of Health.

Elizabeth Lopez, Human Resources Administration.

Rev. Leonard Miller, Interfaith Coordinating Council & Citizens Committee for Children.

Florence Rice, Harlem Consumers Education Council.

Arthur Schiff, Community Service Society.

Alice Scott, Food Research Action Center.

David Seeley, Public Education Association.

Vicky Spiegel, Community Council of Greater New York.

Joan Swan, American Friends Service Committee.

RISING UTILITY RATES A NATIONAL PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. Fisher) is recognized for 5 minutes.

Mr. FISHER. Mr. Speaker, in recent weeks, many in my congressional district, private citizens and local government officials, have expressed their concern over rising utility rates. I have met with representatives of local consumer groups seeking relief from spiraling utility costs. In some areas, electric bills have jumped as much as 100 percent in 2 months. Many young families, having bought their first homes, find their dream houses suddenly transformed into nightmares as utility bills begin to rival mortgage payments in competition for the monthly paycheck.

Rising utility rates are part of a larger national problem that concerns us all—the energy/economic crisis—with inflation and the price of imported oil steadily pushing fuel costs to ever-higher levels. The President has put forth a program, and Congress is now formulating its own comprehensive plan.

As we wrestle with the larger issue, I would urge, on behalf of the people of my district as well as other Virginians, that we move quickly to give some relief. What I urge does not resolve the whole problem, but will lighten the burden while a solution is sought.

Many local governments in Virginia have chosen to levy utility taxes in lieu of raising local real estate or personal property taxes. Reduction of these taxes, in the face of rising utility costs, would mean substantial revenue losses to the local governments, already financially hard pressed.

Under current provisions of the Internal Revenue Code, utility taxes are not deductible for Federal income tax purposes. Since the State of Virginia grants the same deductions as those granted by the Federal Government, utility taxes are therefore not deductible under its State income tax regulations either.

Virginians, then, are clearly at a disadvantage—paying a higher rate of income tax at both the State and Federal level than residents in other States that do not follow this method of taxation.

A change in Federal law would prompt a corresponding change in Virginia's income tax laws, preserve local revenue sources, and provide a new deduction for many Virginians. Such legislation, I feel, could be drafted to provide benefits to other States while still precluding deductions for such other special sales taxes as alcoholic beverages, tobacco, or other luxury items.

The last general congressional review of the State and local taxes that are deductible for Federal income tax purposes was in 1964. Another review is needed and is relevant in the consideration of general tax reform matters.

As a first step toward a change in legislation, I have asked the Joint Committee on Internal Revenue Taxation for comment on this proposal. I have asked also for information as to other taxes which would have to be treated similarly and estimates of overall revenue impact.

I expect to be introducing legislation in the near future and ask that it be given your fullest support.

EXEMPTING RURAL HOSPITALS FROM NEW HEW REGULATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH. Mr. Speaker, I am today introducing legislation to correct a situation in rural America which has inadvertently threatened the operation of hundreds of small hospitals across America.

Under a set of HEW regulations which became effective February 1 of this year, all hospitals are required to set up a fairly complicated utilization review procedure as a precondition of their receipt of medicare and medicaid funds.

While the intent of Congress and the Department in proposing these regulations was clearly to protect the American taxpayer, the new regulations would have precisely the reverse effect in rural America.

In hospitals where there is only one staff doctor, for example, it is clearly impossible to consult a "disinterested physician" in reviewing the validity of an admission.

Mr. Speaker, the bill I am introducing today on behalf of myself and three Oklahoma colleagues would temporarily exempt rural hospitals from these regulations, and the PSRO requirements which would become effective at a later date. The bill directs the Secretary of HEW to develop, during the period that the regulations are suspended, a more realistic plan for utilization review in rural areas.

I ask that the text of the bill which is attached be printed in the RECORD at this point.

H.R. 3716

A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such Act (and the recently-approved regulations relating thereto) on utilization review and utilization control under the medicare, medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any provision to the contrary in the Social Security Act or in any other law—

(1) the provisions of part B of title XI of the Social Security Act shall not apply with respect to any rural hospital (as defined in section 3 of this Act) during the eighteen-month period beginning on the date of the enactment of this Act;

(2) the provisions of subsection (f)(4) of section 506, the last sentence of section 1861 (k), and subsections (g), (h), and (i)(4) of section 1903 of the Social Security Act shall not apply with respect to any rural hospital (as so defined) during the eighteen-month period beginning on February 1, 1975; and

(3) the regulations on utilization review procedures for hospitals and nursing facilities (as a condition of participation in the medicare program) and on utilization control of care and services (under the medicaid program), as approved by the Secretary of Health, Education, and Welfare on November 25, 1974, and printed in parts II and III of the Federal Register for November 29, 1974 (Vol. 39, No. 231, pp. 41603–41618), shall not apply with respect to rural hospitals (as so defined) during the eighteen-month period specified in paragraph (2) of this section.

SEC. 2. The Secretary of Health, Education, and Welfare shall study and investigate alternative methods of utilization review and utilization control for rural hospitals (as defined in section 3 of this Act) with the objective of developing, for application to such hospitals in lieu of the provisions of part B of title XI of the Social Security Act and the relevant portions of titles XVIII, XIX, and V of such Act, one or more methods of utilization review and control which will more fully and realistically take into account the special needs and circumstances of such hospitals. The Secretary shall submit to the Congress no later than six months after the date of the enactment of this Act a full and complete report of such study and investigation, together with his recommendations (including suggestions for the implementation of the alternative methods of review and control recommended).

SEC. 3. As used in the first two sections of this Act, the term "rural hospital" means a hospital which is located in a community having a population of less than 50,000, but only if (as determined under regulations of the Secretary of Health, Education, and Welfare)—

(1) there is no other community which has a population of 50,000 or more within a ten-mile radius of such hospital;

(2) the combined average patient load for all hospitals within such ten-mile radius is less than forty per day; and

(3) the number of practicing physicians on the regular staff of such hospital does not exceed seven.

ETHIOPIAN ARMS REQUEST: LITMUS TEST OF CONGRESSIONAL-EXECUTIVE FOREIGN POLICY COOPERATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 10 minutes.

Mr. FASCELL. Mr. Speaker, according to press reports the executive branch is nearing a decision on a response to a request by the Government of Ethiopia for some $30 million in military supplies to be used in connection with its military operations against rebel elements in Eritrea. This request and the U.S. response present an excellent opportunity to test the recent statements by President Ford and Secretary Kissinger urging a new spirit of cooperation between the Executive and the Congress in the area of foreign policy.

Ethiopia is a long-time friend of the United States and we certainly must seriously take into account that government's request to us. On the other hand, the nature and timing of our decision may have long-term consequences for the United States which go far beyond the significance of any specific military situation which may now exist. Since it would appear that Ethiopia's military requirements are not critical at this moment it seems to me that the executive branch should delay any decision to provide large arms supplies to Ethiopia until there has been ample opportunity for the Executive to review with Congress the various options for and potential consequences of U.S. policy toward Ethiopia.

T. D'ARCY QUINN—DISTINGUISHED CITIZEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 10 minutes.

Mr. DANIELSON. Mr. Speaker, an outstanding citizen of the Alhambra, Calif., community, T. D'Arcy Quinn, will be honored at a community recognition dinner tomorrow, February 26, 1975, in Pasadena. I am pleased to join the Alhambra Chamber of Commerce on this occasion to recognize such a distinguished citizen, councilman, businessman and personal friend.

D'Arcy Quinn came to Alhambra in 1923 from Hoquiam, Wash., and soon became well-known in the automobile business through his custom body works shop, well-known as the "D'Arcy Coach Works," and his holding the first auto show in the San Gabriel Valley.

His career as a local government official began in 1947 with his election to the Alhambra City Council, and reelections to the councilman position continued until 1974. He has served as mayor of Alhambra seven times during his tenure. D'Arcy Quinn was instrumental in the establishment of the State water project and successfully pushed the bond issue to insure its maintenance.

He consistently promoted significant community projects and improvements such as the city hall, which was completely paid for when completed, a county courthouse, a court consolidation, a new city library, the Alhambra Community Hospital, the Joslyn Senior Citizens Center, Granada Park swimming pool, fire stations, Almansor Golf Course, and numerous other community facilities.

Entering the investment and finance field in 1956, D'Arcy Quinn turned his automobile business over to his brother Arch and his foreman Vaughn Bryant. He now serves as director of various boards in a financial advisory position, including the southern California coastal water research project.

D'Arcy Quinn is one of the true pioneers of aviation. He started flying in 1920, before he came to Alhambra. Some of his first days in Alhambra were spent experimenting in and developing aviation, as he worked with Professor Merrill of the California Institute of Technology in performing wind tunnel tests on the Davis airfoil. D'Arcy Quinn may particularly be remembered for flying his plane over Alhambra Park each Memorial Day to drop roses. He is probably the only man ever to "loop-the-loop" in a Ford tri-motor over Hollywood at night.

I am happy to recognize T. D'Arcy Quinn on this occasion, and I share with the Alhambra Chamber of Commerce and all of the people of Alhambra and the San Gabriel Valley their appreciation to him for his many significant contributions to the community as a citizen, as a community leader and as a true friend.

THE RIGHT TO LIFE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 5 minutes.

Mr. ZABLOCKI. Mr. Speaker, it is with a deep sense of responsibility and concern that I am introducing a resolution today calling for a constitutional amendment to preserve and safeguard man's basic right to life, including the life of the unborn.

The right to life is the most basic of all human rights. It is a fundamental tenet of our society and form of Government that the State protect each of our lives until natural death occurs. Our very own Declaration of Independence written and approved nearly 200 years ago affirmed every individual's basic right to life:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are Life . . .

Yet, Mr. Speaker, on January 22, 1973, the Supreme Court in Wade and Bolton made a mockery of the right to life provision in the Declaration of Independence. It failed to offer the protection of the laws to this God-given and most basic human right.

Subsequently, we find ourselves in a society where abortion is becoming a common, everyday experience and where physicians and intellectuals freely discuss taking the lives of those whom they judge to be of no use to society.

Mr. Speaker, I along with millions of our fellow Americans, am greatly distressed with this downward thrust of this interpretation of American laws protecting the sanctity of life. It is already clear that the Supreme Court decision of January 22 has led to excesses and abuses never intended or envisioned by proponents and supporters of the decision. Supreme Court Justice White astutely foresaw this development in his disagreement with the Supreme Court arbitrary decision on the value of life which makes the worth of a potential human being dependent upon being wanted by his or her mother. In his dissenting opinion, Justice White argued:

> At the heart of this controversy are those recurring pregnancies that pose no danger whatsoever to the life or health of the mother but are nevertheless unwanted for any one or more of a variety of reasons—convenience, family planning, economic, dislike of children, the embarrassment of illegitimacy, etc . . .

The fact is, human life irrespective of age, health, function or condition of dependency, guaranteed under our Constitution, must be preserved and protected. The unborn have long been held to have legal rights under the law. They have property rights. They may inherit property, family names, and in some societies, family titles. The rights to property have long been affirmed by the courts of this country. As such, they deserve to be safeguarded just as an adult is protected under existing laws governing homicide.

There is, of course, the difficult moral question which arises when the mother's life is seriously endangered by the continuation of pregnancy. In this case, it is clear that abortion may be permissible. This adheres to self-defense principles long established within our body of laws. We must remember, however, that abortion statutes are written to protect the unborn child—not to serve the whims of one or both parents, social planners, or popular faddists. Furthermore, the responsibility of saving the child should be equal to the responsibility of saving the mother in those cases where abortion is necessary.

This requirement is not arbitrary or vague in nature; rather, it serves a vitally clear and well-established purpose which is the protection of the civil rights of the unborn. The question most often raised by proponents of abortion is that the mother's civil rights should take precedence over the unborn child's, even to the point of killing the child. It is argued that each woman should have the final and only say with regard to her productive life. In Corkey against Edwards, the court ruled that a great deal more was involved than the simple question of a woman's right not to bear children:

> The basic distinction between a decision whether to bear children, which is made before conception and one which is made after conception, is that the first contemplates the creation of a new human organism but the latter contemplates the destruction of such an organism already created.

The right to life, especially for the unborn, must be reaffirmed and protected. In that spirit, Mr. Speaker, I offer the following resolution to restore this most basic human right and to insure that this right is recognized and safeguarded under the Constitution of the United States:

RESOLUTION

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), that the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"SECTION 1. With respect to the right of life, the word 'person', as used in this article and in the fifth and fourteenth articles of amendment to the Constitution of the United States, applies to all human beings, including their unborn offspring, at every stage of their biological development, irrespective of age, health, function, or condition of dependency.

"SEC. 2. No unborn person shall be deprived of life by any person; provided, however, that nothing in this article shall prohibit a law permitting those medical procedures required to save the life of the mother when a reasonable medical certainty exists that continuation of pregnancy will cause the death of the mother, and requiring that person to make every reasonable effort, in keeping with good medical practice, to preserve the life of her unborn offspring.

"SEC. 3. Congress and the several States shall have power to enforce this article by appropriate legislation within their respective jurisdictions."

THE NEWSMEN'S RIGHT TO PRIVACY ACT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the inclusion of freedom of the press among the first amendment guarantees reflects the conviction of the Founding Fathers that the strength of democratic government depends upon the unrestrained diffusion of information. They saw the press as that organ of society with the power and responsibility to scrutinize self-interested sources of information and, out of that scrutiny, make it more likely that the public will ultimately hear the truth. Essential to the role of the press in a free society is the greatest possible accessibility of information to the newsman himself. This explains the critical dependence of the newsman on his sources. The integrity of the press as an alternative to official organs of information is seriously jeopardized if the newsman's freedom to assemble reliable sources is infringed.

Recent years have seen an alarming upsurge of judicial and legislative demands for confidential information in the hands of the press—information which often yields the identity of confidential news sources. Rather than violate promises of secrecy, some reporters have gone to jail. Others are simply not pursuing the leads that would require confidentiality. Still others are discovering that formerly good sources are refusing to provide information. The impact of these subpenas constitutes an indirect, but ominous form of press censorship.

A number of measures have been introduced in this Congress to protect the press from the long arm of the subpena. These proposals give newsmen various degrees of privilege to refuse to disclose confidential sources before courts and legislative bodies. However, we have witnessed the use of a means of press intimidation not covered by the measures currently pending. It was reported in 1973 that the American Telephone & Telegraph Co. had surrendered the records of newsmen's telephone calls in response to a court request. In April of last year it was discovered that the FBI was using Jack Anderson's telephone records to trace the identity of his sources. In view of the essential role of the telephone in news gathering, any disclosure of a newsman's phone records constitutes a severe threat to the confidentiality of sources. It presents a coercive effect on freedom of the press as grave as any disclosure of information in the possession of the newsman himself.

To close this avenue of press intimidation, I am today introducing the Newsmen's Right to Privacy Act. This bill provides that the disclosure of information with respect to any member of the news media by a telephone or telegraph company will be lawful only in response to a court order requiring that disclosure. Such an order will follow a court hearing in which the newsman involved will have the right to participate. No order requiring disclosure may be issued unless it is found that disclosure will not reveal or threaten to reveal the identity of any source of information with respect to the newsman.

The only exception will be a finding by a U.S. district court that disclosure will serve a "compelling and overriding national interest." Enforcement will consist of criminal sanctions against companies and company employees who effect unlawful disclosure.

Mr. Speaker, I believe this bill provides a reasonable rule to guide courts in judgments on the validity of phone record subpenas. It recognizes the necessity of confidentiality to press freedom and thus affords confidence to the newsman and his sources that statements made in trust will remain so. At the same time, it recognizes the possibility of an overriding State interest, but places a severe burden on the Government to justify disclosure. It is a solution consistent with the primacy of freedom of the press as a first amendment guarantee. It is, I believe, a 20th century implementation of the wisdom of Tocqueville when he wrote 150 years ago:

> The more I consider the independence of the press in its principal consequences, the more I am convinced that it is the ... constitutive element of liberty.

RESOLUTION TO DISAPPROVE PRESIDENT'S DEFERRAL OF FUNDS FOR ARTIFICIAL HEART

(Mr. McKAY asked and was given permission to extend his remarks at this point in the Record.)

Mr. McKAY. Mr. Speaker, I am today introducing a resolution to disapprove the President's deferral of $4 million in fiscal year 1975 budget authority for the development of an artificial heart.

Work on a nuclear-powered artificial heart system has been conducted under contract with the Atomic Energy Commission. The program was begun in 1971 and is scheduled to be completed in 1976. Artificial ventricle development and animal implantation is being carried out at the University of Utah, Division of Artificial Organs, under Dr. W. J. Kolff, whose many accomplishments include development of the artificial kidney. Other segments of the system are being carried out by Westinghouse Astronuclear Laboratory and their subcontractor, North American Philips Laboratory, Los Alamos Scientific Laboratory, the Cleveland Clinic Foundation, Cornell University, Pacific Northwest Laboratory, and the University of Washington.

The Office of Management and Budget has recommended that this program be canceled after years of highly promising work and with 65 percent of the program complete. The project is only a few months away from demonstration of a totally implantable nuclear-powered artificial heart in a calf. That implementation would be the first of three such systems which have been planned through fiscal year 1977 to achieve a prototype artificial heart.

The decision to abandon this program is ill timed and wasteful of money and resources. The artificial heart program has been well planned and has run smoothly. It has operated ahead of its schedule and there is every indication that the program will continue to meet its carefully plotted objectives and milestones as they fall due. There is careful coordination with the National Heart and Lung Institute to insure that there is no duplication of effort, and there are plans to consolidate the AEC program with the NHLI program in December of 1976. Termination at this point would mean that the American people get no return on an investment of years of research and millions of dollars. To my way of thinking, it makes no sense to abandon a program after spending $11 million on it without first reaping the benefits it was designed to produce.

My resolution is as folows:

H. Res. 253

Resolved, That the House expresses its disapproval of proposed deferral D 75-115, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

I urge my colleagues to join in support of this very important measure.

HOUSE INTERNAL SECURITY COMMITTEE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, when the Democratic Caucus met on January 14 and voted the House Internal Security Committee out of existence, I brought to our colleagues' attention the matter concerning Mr. Nat Hentoff, a distinguished writer, a constituent, and someone who happens to be a good friend.

The gentleman from Missouri (Mr. Ichord), then chairman of the HIS Committee, and I discussed before the caucus my unsuccessful attempt last year to secure all of the records of that committee pertaining to Mr. Hentoff—at Mr. Hentoff's request. Our colloquy terminated with Chairman Ichord in effect saying that if I were to discuss the matter with him after the caucus it would be satisfactorily resolved. I met with the chairman. Unfortunately, the matter has yet to be resolved as is indicated in the correspondence which follows.

Indeed, my letter of February 21 on this matter apparently met with the former chairman's disbelief that I should not let the matter rest—he thought it was the product of an "overzealous member of (my) staff." I can assure the chairman that the letter of February 21 was mine. I am sorry if he feels I am being "overzealous" in this matter. But, I would submit that the protection of individual rights requires such persistence. For, the clandestine maintenance of files—especially of files with erroneous information in them—is a danger that subverts the freedom of all. And it demands a response from us, particularly since it has taken place in our own House.

Because this matter is important and demands the expungement of many of the HISC files now in the possession of the Judiciary Committee, I am setting forth the entire correspondence I had with the former chairman of the now defunct HIS Committee.

U.S. House of Representatives,
Washington, D.C., February 1, 1974.

Richard H. Ichord,
Chairman, Internal Security Committee,
Washington, D.C.

Dear Mr. Chairman: I have been requested by Nat Hentoff, who has had some dealings with your Committee, to obtain access for him to the file on him maintained by your Committee. Would you permit him to see his file or alternatively, if you would not do so, allow me to view the file and report its contents to him. I believe that contents of the files maintained by your Committee should be available for inspection by the respective individual on whom the file is maintained, to at the very least, make certain that errors are corrected and explanations where necessary provided.

If I understood you correctly when we discussed the files of the Committee, some time ago, they contain no independent inquiry on the part of the Committee, but consist of a collection of news clippings and other public documents concerning the particular individual. If that is so, what harm could there be in providing Mr. Hentoff and anyone else similarly affected with access to these "biographical materials"?

I would appreciate your advising me as to whether access could be arranged, and if not why not.

All the best.

Sincerely,

Edward I. Koch.

House of Representatives,
Washington, D.C., February 12, 1974.
Hon. Edward I. Koch,
Longworth House Office Building,
Washington, D.C.

Dear Congressman Koch: In response to your letter of February 1, 1974, I have enclosed information found in a search of Committee indices concerning Mr. Nat Hentoff.

Sincerely yours,

Richard H. Ichord,
Chairman.

U.S. House of Representatives,
Washington, D.C., February 22, 1974.
Hon. Richard H. Ichord
Chairman, Committee on Internal Security,
Washington, D.C.

Dear Mr. Chairman: I want to acknowledge with thanks your letter of February 12th and the enclosure.

Sincerely.

Edward I. Koch.

House of Representatives,
Washington, D.C. July 3, 1974.
Hon. Richard H. Ichord,
Chairman, Internal Security Committee, House of Representatives, Washington, D.C.

Dear Mr. Chairman: You will recall your providing, at my request, the HISC file on Nat Hentoff, a writer for the *Village Voice* and a constituent of mine.

Mr. Hentoff now advised me that he has ascertained that HISC "has two sets of dossiers on everyone they consider to be of sufficient political interest to maintain a file on; one set being the information you furnished to me; the other set having as Mr. Hentoff put it, "a lot more 'raw' information to use the argot of the secret police, and thereby a lot more damaging information—unchecked, unverified."

I am writing to you to ask whether Mr. Hentoff's information on the two sets of files is accurate; and if in fact two sets do exist, I would appreciate your providing me with the undisclosed file including all the raw, unverified data contained therein for examination by Mr. Hentoff. Since it concerns him, I believe he should be made aware of it. You will recall that on a prior occasion you advised me that the HISC files merely contain information culled from public sources such as newspapers. If there has been a change in the procedure, or if I did not understand you clearly on the nature of these files, I would be most obliged if you would provide me with what, in fact, the HISC files consist of.

Sincerely,

Edward I. Koch.

House of Representatives,
Washington, D.C., July 18, 1974.
Hon. Edward I. Koch,
House Office Building,
Washington, D.C.

Dear Ed: This is in response to your letter of July 3, received July 8.

I do recall providing you with a report of information found in a search of committee indices regarding Nat Hentoff, and I recall further that in the village VOICE of March 7, 1974, Mr. Hentoff stated that you had "persuaded" me to send it to you. As you know, no persuasion was necessary. You made your request routinely, and we responded routinely and promptly.

Mr. Hentoff's column was filled with inaccuracies and misleading statements, and I have no reason to think that he would do otherwise with any further information which we might be able to furnish concerning him. However, that is not why I must deny his request, through you, for additional information.

The committee does maintain two types of files. One type is sometimes referred to as the "public" files. This does not mean that the public is free to browse among them. It simply means that these files consist of material from public sources. Such material could be found independently by any good researcher, and there is nothing secret about it, either in its content or in our methods of obtaining and processing it. In response to written requests from Members, the committee's reference service prepares reports based upon information in these public sources.

Like any other investigative body, this committee necessarily has files which contain lead material and confidential information. Material in these "investigative" files is not used for general reference purposes, and it is available only to key staff members—for investigative purposes, and as a basis for determining the need for hearings. I hardly think I need to point out that, because of the nature of these files, it is essential to maintain their confidentiality, and to prevent misuse of any information therein, by strictly denying access to all persons except the few key people who have immediate responsibility for investigations and hearings. Mr. Hentoff would have you and the public believe that this "raw" material is freely disseminated. This is not the case; moreover, neither I nor other members of the committee have direct access to these files.

Being an investigating committee, we necessarily record information regarding individuals, because the organizations whose activities we are concerned with are made up of individuals; however, the purpose of our investigations is to discover the facts regarding subversive organizations, to serve as a basis for legislation, rather than to assemble "dossiers" on individuals. In fact, whatever reports are compiled on individuals usually result from requests, such as yours in February, from Members of Congress who desire such information. Under normal procedure, it is only then that a folder is set upon the individual, as a repository for the Member's letter and the ensuing report of our findings.

I personally do not know what information, if any, relating to Mr. Hentoff may be in the investigative files of the committee. Disregarding Mr. Hentoff's penchant for publishing information from and about the committee, along with his inevitable diatribe, I believe you will understand the untenable position the committee would be placed in were I to set a precedent of releasing confidential information, even for private case.

If you have not had occasion to do so, you may be interested in reading the enclosed extract from "Cannon's Procedure in the House of Representatives" concerning committee papers. As you will note, the right of a committee to preserve secrecy of papers and proceedings has been sustained by Federal court.

Sincerely,

Richard H. Ichord,
Chairman.

House of Representatives,
Washington, D.C. August 15, 1974.
Chairman Richard Ichord,
Rayburn House Office Building,
Washington, D.C.

Dear Mr. Chairman: I have introduced H.R. 694 which provides that individuals be apprised of records concerning them which are maintained by the House Committee on Internal Security.

There is legislation now being considered by the House Government Operations Committee which would permit any person to inspect his own file held by any government agency, to supplement the information contained therein, and would permit the removal of erroneous or irrelevant information. However, this legislation as presently drawn would affect only executive departments and agencies.

With respect to the House Internal Security Committee, I would ask you to hold hearings on the issue of their record-keeping procedures. The need for this is demonstrated by the fact that they have secret files—secret often from the Committee members themselves.

The enclosed statement from the Congressional record of last week in which I set forth correspondence between us on the dual filing system of HISC bears upon this matter.

Sincerely,

Edward I. Koch.

House of Representatives,
Washington, D.C., August 22, 1974.
Hon. Edward I. Koch,
Longworth Office Building,
Washington, D.C.

Dear Ed: This is to acknowledge receipt of your letter of August 21, 1974.

I do not know what more I can say to you than that which I have already repeatedly reiterated both on the floor and in correspondence with you that this Committee's record keeping procedure is, as true in the instance of other committees of the House, a matter for regulation by the rules of the House, and that if any Member seeks any alteration in the rules of the House, there is an appropriate course to be taken to accomplish that purpose.

As to your bill H.R. 694, a copy of which you bring to my attention, I must wholly oppose any effort to regulate the activities of the committees of the House through bills or acts of Congress in which the Senate, the President, or the Judiciary participate.

Any such effort must be regarded as in blatant defiance of Constitutional processes and the principle of separation of powers. The provisions of article 1, section 5, of the Constitution expressly commit to each House the determination of the rules of its proceedings. As a Member of Congress with a sworn oath to uphold the Constitution, I must oppose any course that would thus improperly attack the independence of this body.

Yours truly,

Richard H. Ichord,
Chairman.

U.S. House of Representatives,
Washington, D.C., January 23, 1975.
Nat Hentoff,
Twenty-five Fifth Avenue,
New York, N.Y.

Dear Nat: At the Democratic Caucus held on January 13, the House Internal Security Committee was abolished and its jurisdiction was transferred to the Judiciary Committee. I used the opportunity to have a colloquy with Richard Ichord.

I told the Caucus of the prior attempts on my part to obtain the HISC files pertaining to you and that a file was furnished to me. But that you were later informed that there was a second file and when I made a request for that, access was denied. Ichord conceded the existence of the second file system—one being the simple collection of material and the other confidential in nature relating to actual investigations conducted by the Committee. He asked that I discuss the matter with him after the Caucus and he would see whether the file could be made avaliable to me. On Tuesday of this week I met in his office and he exhibited the contents of the file to me. It contained references to the fact that on December 4 and 5, 1968 you attended the Bratislava Conference called by Dave Dellinger where 40 persons participated in a meeting relating to the NLF. In the file were photostats of two applications that you had made for passports. The file that I saw was basically what I am describing to you.

All of the files will be transferred to the Judiciary Committee. It may be that were you to make the request of Chairman Rodino, he would permit you to examine the file yourself.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 4, 1975.
Hon. RICHARD H. ICHORD,
Chairman,
House Internal Security Committee.

DEAR MR. CHAIRMAN: After our conversation of January 21st I sent the original of the enclosed letter to Nat Hentoff. He then called me to tell me that he had never been to any "Bratislava Conference." Even if he had, I believe it is unreasonable and unwarranted for the government to have a file on an American citizen tracking his travels around the world, particularly when attendance of the conference was not a criminal act.

Even more insidious is that such files are maintained without the subject's knowledge. And as this case demonstrates, they apparently contain erroneous and potentially damaging information.

Since an error has been found in Mr. Hentoff's file—and further since it reveals that his travels were monitored, contrary to the fundamental rights of all Americans to go where they may, except for few and very defined limits, without being put under surveillance by the government, one can conclude that such information and errors have been amassed on many other people on whom these "second" and confidential files are retained. Furthermore, shouldn't everyone on whom these files exist be notified of their existence so as to have an opportunity to refute the information, and refute the allegations if they are erroneous? Even more basic, shouldn't these files be destroyed since at least some of the information they contain evidences practices that are an affront to our basic liberties to move about and assemble without suffering the chill of surveillance?

In view of this latest information and Mr. Hentoff's statement to me that he never attended the Bratislava Conference, I ask in all fairness that he be permitted to view the entire file. If the file is still within your custody and not yet transferred to the Judiciary Committee, I would appreciate your advising me as to whether or not you would afford him that opportunity.

All the best.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 18, 1975.
Hon. EDWARD I. KOCH,
Longworth House Office Building,
Washington, D.C.

DEAR ED: Your letter of February 4, 1975, with enclosure, was received during my absence over the Lincoln's Birthday recess and awaited me upon my return to Washington.

In the letter to Mr. Hentoff, a copy of which you sent me, you advised him that the Internal Security Committee's investigative file, which I permitted you to peruse, "contained references to the fact that on December 4 and 5, 1968, you (Hentoff) attended the Bratislava Conference called by Dave Dellinger where 40 persons participated in a meeting relating to NLF (National Liberation Front)." This, of course, is not an accurate statement as the record will disclose.

Your erroneous conclusion apparently rests upon your misconstruction of a three-sentence memorandum from an investigator to the then staff director in explanation of the inclusion of the Hentoff passport application in the files. This memorandum, however, makes clear that the investigator did not identify the area to which Hentoff traveled under this passport and nowhere is any reference made to his attendance at the Bratislava Conference. Indeed, a review of existing files discloses that there has never been any indication that Mr. Hentoff actually attended this conference.

It is a matter of record that the Bratislava Conference was held September 6 through 12, 1967, and not in 1968 as you misstated in your letter to Mr. Hentoff. It would appear that your confusion concerning the actual dates resulted from a misreading of a transmittal note which accompanied the delivery of the file to me and which you saw.

This note quoted from Dave Dellinger's testimony of December 4 and 5, 1968, before HCUA to the effect that "Dissent" magazine noted that Dellinger and others during their visits to Hanoi were invited to gather a group of about 40 American radicals to arrange a meeting with a group of Vietnamese counterparts. The Bratislava Conference, it was specifically mentioned, was held September 6–12, 1967.

Referring to your letter of February 4 addressed to me, you stated that you sent the letter to Mr. Hentoff following our conversation of January 21, 1975, on which date I exhibited the contents of his investigative file to you. My personal recollection, however, as supported by office records, indicates that I actually made this file available for your examination on January 20, 1975. However, I cannot extend this same courtesy to Mr. Hentoff for his personal review of the file as you requested. The property and records of the former House Internal Security Committee, as you know, have been transferred to the Committee on the Judiciary.

With best wishes,

Sincerely yours,

RICHARD ICHORD,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 21, 1975.
Hon. RICHARD H. ICHORD,
House of Representatives,
Washington, D.C.

DEAR DICK: I have your letter of February 18th responding to mine of February 4th. Our correspondence reminds me of the movie "Rashomon" in which a number of observers of the same incident when reporting on it had totally different recollections. And each, I am sure engaged in an honest retelling of the incident. Apparently, each of us differs on our recollection of our conversation.

Let me recount to you my recollection. You will recall that after correspondence with you in February 1974, you gave me a copy of the information that your files allegedly had regarding Nat Hentoff. I had no reason to believe that what you gave was other than all of the information relating to him. I forwarded this material to Mr. Hentoff. Subsequently, Mr. Hentoff advised me that your Committee maintained two types of files and that he believed there was a second file which related to him which had not been furnished. I made an inquiry of you and you confirmed that your Committee indeed did maintain two kinds of files: one which you said is sometimes referred to as the "public files" and the other file as being "available only to my staff members for investigative purposes." All of that was reported in your letter of July 18, 1974.

Then on January 14, 1975 when the Democratic Caucus debated the question of transferring the functions of HISC to the Judiciary Committee, I engaged in a dialogue with you bringing to the attention of the Members that I had made the request on behalf of Mr. Hentoff for his second file and that you had denied me access to that file. In the course of the colloquy you stated that were I to see you subsequently, you would seek to accommodate my request.

Subsequently, I came to your office. Since I came in response to a telephone call from you, I do not have the meeting in my calendar. I thought it was on the 21st, but since you have a record of its being on the 20th, I am happy to accept that date. Whether it was the 20th or the 21st is not critical. At our meeting you exhibited a file which you told me was the investigative file. Prior to showing me the file you told me that the file indicated that Mr. Hentoff had attended a Bratislava Conference in 1968, that the conference had been called by David Dellinger and attended by 40 persons, and that they had received a telegram from a North Vietnamese officer. I asked you whether I might see the file and you said I could. I opened it and found two passport applications by Mr. Hentoff.

In your letter of February 18th you make reference to a letter of transmittal which accompanied the file and which you say I apparently misread. Not only did I not misread the letter, I never saw it. You did not show it to me. The Bratislava Conference which apparently is not mentioned in the file itself, was brought to my attention by you. Presumably you saw mention of it on the letter of transmittal.

Why is all this important? The first thing is that since the file I saw did not have any reference to the Bratislava Conference and did not include the letter of transmittal, one can only conclude that there is still another yet to be disclosed file on Mr. Hentoff. Second, what is most important is that had I not pursued this matter with you Mr. Hentoff and I would never have been apprised of the Bratislava Conference to which he allegedly had some connection. Furthermore, he would not have had the opportunity to tell me that he had never attended a Bratislava Conference, and we would not have known that you don't believe he attended a Bratislava Conference either, although I understood when we had our discussion on the 20th or the 21st that his appearance there was exactly why this file was being maintained.

In your letter you report that all of these files have been turned over to the Judiciary Committee. I will now ask Chairman Peter Rodino to allow me to see all of the files concerning Mr. Hentoff, including the letter of transmittal that you refer to and any other papers you did not show me.

I urge you Dick, do see "Rashomon."

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 24, 1975.
Hon. EDWARD I. KOCH,
Longworth Building,
Washington, D.C.

DEAR ED: I cannot believe that the attached is an example of your workload, but that of an over-zealous member of your staff.

Sincerely,

RICHARD H. ICHORD,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 25, 1975.
Hon. RICHARD ICHORD,
Chairman, House Internal Security Committee, Washington, D.C.

DEAR DICK: I would like to clarify one aspect of our correspondence. My letter to Mr. Hentoff mentioned that his file contained references to the fact that on December 4 and 5, 1968 he attended the Bratislava Conference. My recollection, and of course I am not infallible, is that the references to the Bratislava Conference were orally provided by you to me, and that the folder itself which you gave me to look at merely contained the two passport applications. However, even if the folder did contain the letter of transmittal and the reference to the Bratislava Conference it is of little moment since the heart of the matter is Mr. Hentoff's right to examine that file and any other material which the now defunct HISC Committee maintained on him, particularly since you agree that he did not attend the conference and since it is not alleged that he is involved in any criminal matter or in any matter affecting the security of the United States.

It is for that reason that I am as you put it "zealous"—and I would hope that on reflection you would not think overly so. I feel compelled to make the request of Chairman Peter Rodino that Mr. Hentoff be given access to his complete file.

Sincerely,

EDWARD I. KOCH.

"ANYTHING GOES" APPROACH NO SOLUTION TO EDUCATION NEEDS

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, an increasing number of parents have in recent years become concerned over the "anything goes" attitude apparently widespread among public education authorities. If some of the attitudes expressed at the recent National Education Association conference on "educational neglect" are any indication, that concern is well-founded.

Berkeley psychology professor, William D. Rohwer, Jr., unveiled to the NEA members his plan to abandon the teaching of basic reading, writing, and arithmetic skills to students in the elementary grade levels, and to replace it with a scheme to allow the grade school children to select their own course of study. He also proposes eliminating conventional report cards and standardized achievement tests.

Professor Rohwer's thesis is that young children should be allowed to become successful achievers in school, no matter that the "success" of doing their own thing has nothing to do with their education. Tasting success during their early school years, he contends will improve their appetite for learning later. Presumably, they will learn to read somewhere down the road.

He neglects to mention how that appetite will be satisfied without the basic educational skills to pursue academic learning.

Rather than learning to read or solve arithmetic problems, the professor suggests that second-graders study "computer programing, winemaking, or the lore of professional baseball," if this is their desire. I fail to see how an 8-year-old functional illiterate, which is what the student who followed the "Rohwer Plan" would be, could even begin to program a computer, brew his own booze, or calculate Hank Aaron's batting average without basic reading and math skills.

I cannot help recalling the legal case of a high school student in San Francisco, near Professor Rohwer's modern education experimental farm of Berkley, who sued the local school board because he had reached the point of graduation and was still unable to read. The contention was that the "progressive school system" had denied him his right to an education by promoting him, rather than making certain that he had learned his lessons.

Allowing children in the formative years to follow their own educational inclinations is a disservice not only to them as individuals, but to the democratic system which demands an educated populace to function.

This thesis removes from teachers the role of inspiring and motivating youngsters to learn, and replaces it by telling students "if you have difficulty with a subject, follow the path of least resistance."

In an increasingly complex and verbal society, children need to become literate as early as possible simply to participate. Whatever happened to "if at first you don't suceed?" Apparently this is too reactionary to be included in some modern educators' teaching skills.

I insert the related newsclipping:

[From the Washington Post, Feb. 18, 1975]

DEFERRAL OF 3 RS TO JUNIOR HIGH URGED

(By Eric Wentworth)

If a second-grader would rather memorize Catfish Hunter's strikeout record than the multiplication tables, let the pupil do it, a Berkeley psychology professor proposed yesterday.

Teach arithmetic, and reading and all the other basic skills later at junior high school, Prof. William D. Rohwer Jr. said. The student probably will learn them better when he or she is older—and like them more.

Rohwer's proposal earned polite applause from a National Education Association audience of teachers and social activists assembled here for a conference on "educational neglect."

But don't expect to find the "Rohwer Plan" being adopted in hundreds of school systems next fall. It's a bit wide of the plate for most educators these days.

Rohwer's thesis is that educators may be neglecting as much as anything, all the differences in children's rates of development and in their intellectual strengths, weaknesses and interests.

He proposes abandoning the force-feeding of reading and arithmetic skills to children in elementary school. Likewise, he would do away with conventional report cards and standardized achievement tests.

These drastic steps would spare millions of children the "constant struggle dotted with repeated public notices of failure" which school has come to represent, he argues.

The University of California professor even wags a finger at the conventional approach of extra help for the child who runs into early trouble, say, learning to read. A child likely to have trouble in first-grade reading gets help in kindergarten. That same child, during first grade, gets special help to prepare for second grade, and so on.

As a result, Rohwer continues, the more time this child spends on reading the less time for other school pursuits at which he might do better.

"Thus," he concludes, "a child identified as in need of special help, precisely because of the special help, has less opportunity to learn other things than a child who is regarded as progressing normally . . . By the end of the third grade, he will be behind not only in reading, but in virtually every other school subject as well."

What should really count, according to Rohwer, is that youngsters become successful achievers by the time they finish high school. He would make junior high the period for students to master reading, arithmetic and the other basic skills they'll need for senior high.

As for second-graders, if they're ready to learn reading or arithmetic, geography or science—fine. But if their enthusiasms run to "computer programming, wine making, or the lore of professional baseball," that's all right too.

Children in elementary school, under Rohwer's proposal, simply would be required to pick study topics, pursue them extensively, and "succeed" in terms of work quality and completion. Tasting success rather than failure in their early school years, he contends, will improve their appetite for learning later—and increase the odds they'll ultimately achieve more.

ERNEST PALMISANO RECEIVES WELL-DESERVED ACCLAIM

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, it is always a pleasure to see the people we represent get national recognition for their accomplishments and talents. It is even more of a delight when we know personally that the notoriety is richly deserved.

Such was the case recently when I read James J. Kilpatrick's column in the Washington Star-News, entitled "In Shreveport, Success." Mr. Kilpatrick so appropriately praised the culinary mastery of a longtime personal friend and constituent of mine, Mr. Ernest Palmisano.

Out-of-State visitors have had a tendency to think only of New Orleans as the center of haute cuisine in Louisiana. At long last, Mr. Kilpatrick, outstanding journalist that he is, has set the record straight.

In a State which has a well-deserved reputation for fine cooking and good food, Mr. Palmisano has achieved new heights in his art. His story is one of hard work, perseverence and dedication. It deserves wide recognition. I insert the related newsclipping following my remarks. Then try his talents yourself.

The article follows:

[From the Washington Star-News, Feb. 12, 1975]

IN SHREVEPORT, SUCCESS

(By James J. Kilpatrick)

Had enough of doom and gloom? Had your fill of heavy stuff? Then consider, if you will, the life and times of Ernest Palmisano. The story has a moral to it.

The gentleman is the sole proprietor of Ernest's Supper Club Inc., located at 516 Commerce Street in downtown Shreveport. Until a few years ago, the waterfront neighborhood was little more than a slum. Its old warehouses offered shelter for rats and bums. No one came to Commerce Street by night.

But a few persons had imagination. Perhaps they knew what San Antonio and Denver and Atlanta had done with comparable neighborhoods. They saw a chance at "atmosphere." Most of the old waterfront buildings were structurally sound; they could be brought back to profitable life.

Shreveport went to work, and while much remains to be done, an amazing start has been achieved. A new convention center will add fresh impetus to the area's development.

Even on a dark and rainy night last week, Shreve Square was humming with the convivial sounds of good jazz and good times. And squarely in the middle of this modest renaissance one could find the local institution known as "Mr. Ernest."

At 64, he has the trim figure of a tackling dummy and, except when he smiles, the sad face of a St. Bernard. How did he get so big? "Tasting." Most of his working day is spent in his spotless kitchens, eternally tasting the sauces that sustain his reputation.

He started earning that reputation as a boy of 11 in his native New Orleans. There his father ran an establishment in the finest tradition of free enterprise: a root beer parlor in front, a speakeasy in back. Young Ernest began at the "dish trough." After a while he graduated to busboy, then to waiter, then to bartender, then to assistant cook.

Today he operates a restaurant that draws customers from hundreds of miles away. It is a standing regional joke that Ernest's in Shreveport is the best restaurant in Dallas. Every weekend brings planeloads of hungry fans from New Orleans, Memphis and Jackson. The restaurant seats 200; it can serve 500 a night; most Saturdays he turns away twice that number.

Three ingredients have produced this success. These are work, hard work, and even harder work. About 10 o'clock every night, an insulated truck starts a six hour run down to New Orleans. There Ernest's agent haggles over every fresh fish; he will buy nothing that has ever been frozen. He buys fresh crabs and shrimp, fresh vegetables, specially baked bread. By early afternoon, the truck is back on Commerce Street. In white apron and billowing chef's cap, Ernest descends upon the kitchen like a great cumulus cloud. His aim is perfection.

He comes remarkably close to achieving it. A typical dinner begins with a platter of crab claws swimming in an oil-and-vinegar sauce. If guests fail to sop up the leftover sauce with hot bread, Ernest instructs them in the art. This is followed by a shrimp cocktail with a special tartar sauce of its own. Then a flaming crab soup, rich and spicy. Then a salad of Louisville lettuce (flown in twice a week). Finally an entree of red fish topped by lump crab. A white wine. Irish coffee. Dessert for those not yet stupefied. In 30 years as a roving reporter, I have never hit anything better.

Is our country raising a fresh generation of Ernests? One wonders. If a restaurateur these days attempted to employ an 11-year-old at the dish trough, the Feds would land all over him like a mushroom sauce. The demand for volume is so great that quality widely gets second place. A nation in a hurry will settle for the quick thaw and the fast grill. If you want the moral, this is it: Quality pays. And if you want to see for yourself, go to Ernest's in Shreveport—but call two weeks in advance.

"EVERYBODY'S BUSINESS," THE WORK OF CONGRESS

(Mr. RHODES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RHODES. Mr. Speaker, I am including with my remarks a treatise written by our minority clerk, Joe Bartlett, on the work of Congress. Joe has been helping the Congress with its work since he began as a page in August of 1941, and he draws from this experience some observations and suggestions which I believe you may find interesting.

The material follows:

"EVERYBODY'S BUSINESS"—THE WORK OF CONGRESS

(By Joe Bartlett)

"That which is everybody's business, is nobody's business," or so Izaak Walton quoted the wisdom of a friend. He probably did not have in mind the people's business as performed by their representatives in Congress assembled, but it bears some comparison.

In our own special, ingenious, brand of democracy—our elected, representative, republican form of government—the responsibility for the fundamental conduct of the people's business is so broadly shared as to lose identity and to escape attention.

To describe our representative system as merely "ingenious" is to vastly understate the tremendous respect and admiration that a third of a century of working within that system has engendered. It is brilliant; it is beautiful; and I am thoroughly convinced that such a visionary plan of self-government could only have been the inspiration of Divine collaboration. Still, I stop short of declaring it sacred. After all, it was devised as an arrangement among fallible and mortal men. And it is to be respected and appreciated not so much as a venerable national institution, but rather for its effectiveness and usefulness as an instrument serving our citizens so very well for such a long time.

However, even the finest instrument is no better than the hands that guide it, and while I can find precious little fault with our basic system of government, I must admit we have not always used that system as wisely nor as well as we might have.

Even some who are not as prejudiced as I, regard the House of Representatives, or at least, the Congress, as the heart of the American body politic. It is to this vital organ of government that I would invite your examination.

Many have a cursory concern for the Congress, and many—so very many—have diagnosed its ills and prescribed its cures, more often with detachment, if not disdain.

We will try to treat it differently. We will regard it not only with acute awareness from years of close association, but with unabashed affection. We want it to survive, but even more, we want it to prosper and perpetuate. We claim uncommon cause: we love this Republic!

If I have persuaded you of my profound admiration for our magnificent framework of government, as well as of my devotion to the collective heartbeat of our democracy in the assembled Congress, perhaps you will grant my deep sincerity and objectivity when I observe that the ordering of the procedures for performing the people's business is, in my opinion, altogether archaic and abysmal.

Before we commence our analysis, permit me to establish one standard, against which we will test every suggestion, every comparison, and every criticism. That standard will be: Does it serve the ends of democracy? For those of us who still believe in democracy—and this 200-year-old grand experiment of entrusting free men with the deciding of their civil destinies—we believe that that which truly "serves the ends of democracy," will surely best serve each of us within the democracy.

One ventures into this "nobody's land" of discussion at the certain risk of provoking somebody. We have heard others accused of self-serving and subterfuge behind a gossamer concern for congressional rehabilitation. Some have seen in every prescription for the improvement of Congress a power ploy on the part of the prescriber. It has been charged that maneuverings for advantage and favor have been the passion behind the myriad jurisdictional disputes. The specter of special interest has been sighted. And it has been alleged that most of the "cures" have been little more than cosmetic.

It is not our purpose to dismiss such subjective and temporal considerations as unimportant or unproductive. On the contrary, the exhaustive deliberations on such subjects in recent months have surely served many noteworthy purposes. We simply feel we can add little to these considerations.

Instead, we will try to deal in fundamentals—the basic procedures for the performing of the public business which have been almost totally ignored in spite of the super scrutiny of recent congressional reform movements.

Just for a starter: Can you imagine any business that would open its doors at twelve o'clock noon, and immediately send the bulk of its personnel off to lunch? How long do you think they could continue to open their doors at all? Yet, that is exactly what we in the Congress do every day! And does anyone really think that "best serves the ends of democracy?"

In the minds of some I am sure I am already being challenged for comparing the business of Congress to any other kind of business. I fully recognize the difference. Democracy, by its very nature, is not expected to be highly efficient or economical. There are transcending standards by which it should be judged. But that must not be used as an excuse for ignoring good, sensible practices. In fact, it is incumbent upon public officials to use the most efficient and economical methods they can devise, so long as they do not compromise the ultimate test: "Does it best serve the ends of democracy?"

During the Second Session of the 93rd Congress just concluded in December, the House met 159 days, for some 813 hours, or about five hours per day.

With our elaborate new computerized voting system we recorded 727 Roll Calls during 1974, which required over 205 hours—or about 41 full work days!

Most of these Calls, and most of this time, are directly attributable to the fact that a quorum of the House was not in attendance to do business. Pray tell, how could this serve the ends of democracy?

(Parenthetically, let me say there are some tremendous advantages to the new electronic voting procedure, but saving time has not, predictably, proven to be one of them.)

The 41 days we cite above does not include a great deal of time spent on a new "quickie quorum" whereby the bells are rung to summon the Members, and as soon as 100 register their presence, they quitclaim the Call, and the Committee continues, even as the attendance again drains away. The same faithful 100 provide the necessary number for the Call almost every time (although there is no record kept to show it) while the other 335 Members need no longer concern themselves at all about interrupting whatever they may be doing. This undoubtedly provides a convenience for some, but does it serve the ends of democracy?

Whenever one Member is absent, some half a million constituents are without representation in the House, just as surely as if they had been disenfranchised by any other means. How anyone can rationalize a dereliction of this high trust of representation is beyond me. Even if you can find some excuse for congressmen in general, you may be a lot less tolerant when the absentee proves to be your own congressman, in particular!

Through the years Congress itself has created and compounded more conflicts with the primary legislative duties of the congressmen than you could imagine. That certainly does not serve the ends of democracy, and it ought not to be countenanced.

It is to sorting out and rearranging and remedying these conflicts that I would bid you to reason along.

If we accept the premise that a maximum participation in the primary functions of the Congress—the enactment of laws—is desirable—nay, essential!—how do we achieve it?

It seems to me it is going to take some pretty courageous and comprehensive departures from a lot of bad work habits we have allowed to develop over the decades.

For a long time I have been advocating a reordering of the business of the whole session of Congress, and I was gratified to see the December organizational meeting adopted by the recent House reforms. But these are just Party caucuses, and if this year is any indication, they really do not give Congress the "running start" for which we had hoped. I would like to see Congress resume the original Constitutional requirement to meet the first Monday in December (Article I, Section 4) and formally organize . . . elect officers, adopt rules, select committees, receive the President's budget message (the second Monday in December), and adjourn to the second Tuesday in February.

This would commence a legislative year divided into four parts. This first period would be for overall budget determinations, with a preliminary Congressional budget statement being published one month later, on the second Monday in January, specifying exceptions to the President's budget message (notwithstanding the proposed timetable of the new Congressional budget program). These exceptions would be in terms of general outside limitations, not categorical specifications.

This first period would also be for the intensive and uninterrupted activities of the authorizing committees. So that when Congress came back on the second Tuesday in February, it could launch forth on authorizing legislation exclusively.

One of the most urgent needs of the legislative calendar is to reverse the incentive for the tardy reporting of measures by committees. Everyone is aware that controversial measures are regularly held back to arrive on the House Floor for consideration when the rush for adjournment distracts scrutiny and dissuades controversy. It is no secret that this bad habit has resulted in a lot of inferior legislation, and it certainly does not serve the ends of democracy.

The surest incentive for the early reporting of legislation would be a penalty for late reporting: Bills reported after April 1st would require a two-thirds vote for passage; bills reported after April 15th, a three-fourths vote for passage.

And aim to adjourn the authorizing session no later than May 1st.

Then send the Congress home for six weeks to consult their constituents on the programs that have been authorized, before they meet again to fund the programs. During this period the final, detailed Congressional budget would be published.

The Congress would reconvene the second Tuesday in June to commence a session devoted to "Appropriations and Budget Implementation." All other subject measures would be out of order unless the Speaker declared them essential, not merely convenient, and even then they would require a two-thirds vote for adoption.

The same incentives we cited above should apply to this session, with the penalty of a two-thirds vote required on bills reported after August 1st, and stepped up to a three-fourths penalty after August 15th. This session should target adjournment by the end of August.

If this rearranging of the Congressional session should cause the Country to want to establish a general election day a month earlier, in October, that might prove to be one of the best byproducts of the whole reform.

Now that we have considered revolutionizing the legislative year, let us look at some proposals for improving the legislative week and day.

If Congress organized its daily work more efficiently—and if it is going to obtain the diligent attendance of its Members, this efficiency will be obligatory—I contend that the public business can readily be accomplished in three legislative days a week. This would leave Mondays and Fridays completely free for committee work or other activities.

However, on Tuesdays, Wednesdays, and Thursdays, the House would convene at 9:30 A.M. for a morning session lasting for two hours. Then a mid-day break for two hours. The session would resume at 1:30 P.M., and aim to conclude by 4:30. Such an arrangement makes so much sense it hardly seems worth taking time to enumerate the virtues.

If this were to achieve the ends of democracy we seek, the Congress would have to take the most stringent measures to prohibit *any* other activities during the actual sessions of the House. And the attendance of a full House would be the greatest possible inducement, I assure you, to the expeditious consideration of the legislative business!

To register attendance and avoid a time-consuming quorum call, I would propose that the electronic system be activated at the time the bells are rung 15 minutes before the convening of both the morning and afternoon sessions, and the Members be instructed to record their presence at that time. The system would close when the gavel fell to call the House to order, and the Roll at that time would constitute the official attendance at that session.

A preacher once told me that the surest way to increase the size of your congregation is to estimate it, but I expect the above procedure would cause a substantial improvement in attendance in the House, at least for the Chaplain's inspiring, opening prayers, and if there is one thing we really need above all else it is the continued grace of Him whom we earlier acknowledged as the co-author of our framework of freedom.

Now, if all of these measures have failed to achieve that "essential maximum participation" in the primary responsibilities of representatives, Congress could use the Rolls obtained above to enforce a statute that has been the law of the land since 1856 requiring the Secretary of the Senate and the Sergeant at Arms of the House to withhold the pay of any Member not in attendance at any session (other than for illness). It might be a very effective measure to encourage diligence in the duties of democracy.

Methinks we have ventured about as far abroad as we dare on this first voyage into unchartered waters. I trust the experience has been thought provoking, if not too boggling, and that you will continue to give it your earnest reflection and abiding concern. *Making Congress work the very best we can is our most promising hope of preserving this beloved Republic!*

So, let us now summarize this unusual examination of the congressional conduct of the people's business—everybody's business—*your* business, and mine! First, we established the singular, supreme standard that all our endeavors should "*best serve the ends of democracy.*" Secondly, we have adopted certain goals, such as *maximum participation*, as essential to that standard. Third, we have considered reorganizations that might contribute to our goals. We have proposed revolutionary restructuring of the congressional work day, the work week, and the legislative work year. And lastly, but most importantly, we have suggested incentives which might make these high aspirations attainable.

Would it all *serve the better ends of democracy?*

I believe it would.

WHITE PAPER ON SOCIAL SECURITY

(Mr. BURKE of Massachusetts asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, the social security program has come under fire recently for a number of reasons. Some of the criticisms of the system are legitimate, but many of them have been without substance and, in my opinion, highly irresponsible.

Legitimate questions concerning the financing of the program have been raised which must be and will be faced by the present Congress. Many of the attacks that have been made upon the social security program have resulted in a loss of confidence in the system by both present social security beneficiaries and present workers whose taxes are now being used to finance the program.

In an effort to give some perspective to the questions that have been raised, a white paper on social security entitled, "Social Security: A Sound and Durable Institution of Great Value," was released on February 10, 1975. This white paper was signed by five former Secretaries of Health, Education, and Welfare: Wilbur J. Cohen, Robert Finch, Arthur S. Flemming, John W. Gardner, and Elliot L. Richardson; and by three of the surviving Social Security Commissioners: Robert M. Ball, William L. Mitchell, and Charles I. Schottland.

I commend this white paper to the attention of my colleagues and the American people:

SOCIAL SECURITY: A SOUND AND DURABLE INSTITUTION OF GREAT VALUE

Nearly every American has a personal stake in the social security system. Many millions rely on it to safeguard themselves and their families against economic catastrophe when earnings stop because of old age, disability, or death. Attacks on the system designed to create doubts of its soundness and durability are a disservice to the nation.

Several elements of the system, to be sure—the level of benefits, for example, the test of retirement, the benefit rights accorded to women, the adequacy and equity of financing—are quite properly subjects of continuing public debate. Social security has not been and should not be a static structure, for it best serves its purpose if it is adapted to changing times and changing conditions. Public discussion addressed to improvement of the system is both necessary and helpful. But discussion of that kind is very different from assertions that the system is basically unsound, that it is bankrupt, or for some other reason doomed to collapse, or that it is a deception foisted on the American public. Charges similar to these have recurrently been made in the past, and as often have been found baseless. They have no more foundation now than they had when first made nearly forty years ago.

Social security has been probably the most thoroughly and continuously studied, both within and outside government circles, of any program ever enacted by Congress. On five occasions, from 1938 to 1971, the system has been exhaustively reviewed by advisory councils established under congressional auspices and composed of economists and other social scientists and leaders of labor and business, including distinguished actuaries and leaders of the insurance industry. In each instance, the integrity of the system has been vigorously reaffirmed. This history, if it does nothing more, should foster a healthy skepticism toward the current destructive attacks.

The conclusions of these councils have carried much weight and have been an influential factor in bringing about the improvements that have been made in the system over the years. The current statutory advisory council will soon issue a report. Like its predecessors, it has a broad assignment—to review the entire social security program and advise how to make it best serve the public interest. We may well await the recommendations of this council and ensuing congressional hearings on substantive changes in the system which are being widely debated. But we should not wait to deal with irresponsible attacks on the soundness of the structure.

THE ASSURANCE OF FUTURE BENEFIT PAYMENTS

The most vicious of these attacks is the one charging that promised social security benefits may not be paid when they fall due twenty or thirty or forty years hence. To the worker who is compelled to contribute from his earnings every payday, who is counting on these benefits for his security in retirement and for the protection of his family in the meantime, planting seeds of unwarranted doubt is a cruelty.

What are the facts?

The first fact is that the payment of benefits is mandated by the law of the land. A claim to social security benefits is a legal right enforceable in court, and many claims are in fact so enforced when eligibility is unclear. However, one may define a "legal right", it certainly embraces a payment commanded by law and judicially enforceable.

The second fact is that Congress has gone far—probably as far as any Congress can go in binding its successors—to assure that future legislators will not, by changing the law, weaken the obligation to pay these benefits. By earmarking the proceeds of social security taxes for the payment of benefits and depositing them in a trust fund for this purpose, by entitling the system insurance, by continuing actions to assure its financial soundness, and by innumerable pronouncements of congressional committees and individual spokesmen, Congress has made clear beyond question its pledge to the American people that the social security commitment will be honored.

The social security system is, in effect, a compact between the people of the United States and their government. Congress, it is true, retains the legal power to violate this compact, which would be a highly irresponsible act, altogether inconsistent with the Congress's 40-year record of responsible action on social security. If there are doubters among us, they should be reminded that a member of Congress who hopes for reelection will not vote to repudiate a promise to virtually his entire constituency. It is inconceivable that a majority of the members of each House of Congress will ever do so.

THE NATURE OF THE CONGRESSIONAL COMMITMENT TO CONTRIBUTORS

The social security commitment differs in an important respect from that of a private insurance company, which in writing a policy fixes its terms in every detail for the life of the policy. Congress, by contrast, has of necessity built an element of flexibility into the national social insurance system. Thus, when Congress has amended the law to improve the benefit structure it has generally given the advantage of the change to those already on the benefit rolls as well as to those who are still contributing. Occasionally, improvement of the structure involves substitution of one benefit for another, as when a provision in the original Act for refund of certain contributions was replaced by the far more valuable provision of dependents' and survivors' benefits. One cannot say that under no circumstances will any individual in this massive system suffer some loss in some future contingency as a result of overall improvements in the system. Such adjustments must, of necessity, fall within the range of flexibility that has been reserved to Congress. What one can say with confidence is that the congressional sense of fair play, reflecting that of the public, gives assurance that the power of amendment will not be abused.

SOCIAL SECURITY IS PROPERLY DESCRIBED AS INSURANCE

It is occasionally asserted that social security is not in fact insurance, that so describing it is misleading, and that its trust funds are grossly inadequate. These assertions have been used by some to foster doubt that the promised benefits will be paid. All these assertions are unfounded.

Although the propriety of its use is a semantic question, the term "insurance" is not without significance to either the congressional or the public perception of social security. Social insurance is a concept long and well recognized across the world, and is one into which social security fits neatly. For good reasons, social insurance differs in important respects from private insurance, but it embodies the central element of financial protection against defined hazards, through a pooling of contributions and a sharing of risks, with benefits payable as a matter of legal right on the happening of stated events. It is fallacious to argue, as some persons do, that the workers' payments are not insurance contributions because they are taxes—all taxes are compulsory contributions, either for the general support of government or for some particular governmental activity, and these payments are none the less contributions to an insurance system because they are also taxes. Congress used the word "insurance" in the statute as one indication of the character of the commitment it was undertaking, and the Supreme Court of the United States has stated that the term "social insurance" accurately describes the program. While anyone has the privilege of dissent, the Court's approval should have put an end to charges that the nomenclature is deceptive.

THE ADEQUACY AND INTEGRITY OF THE TRUST FUNDS

The matter of reserves has been a topic of confused debate almost since the ink dried on the original enactment of social security. In the early days it was said that the contemplated "reserve account" would be unmanageably large; now it is being charged that the social security trust funds are far too small. It was also said in 1936, and is occasionally even said today, that the funds are fictitious because they are invested in government bonds. Charges that social security reserves have been grossly inadequate and charges that they are fictitious have been emphatically rejected by every one of the advisory councils, and they were rejected unanimously as early as 1945 by the social security committee of the insurance industry. A government insurance system which has its future income assured by the taxing power has no need to build up the huge funds that a private insurer would require if it underwrote similar liabilities, and indeed, it would be unwise to the point of irresponsibility to accumulate such sums. The only need for a trust fund is as a contingency reserve large enough to tide the system over any temporary change in income and outgo; if an increase in revenues should be necessary, the trust fund would enable Congress to delay such action during a period of economic recession. As for the worth of the assets in the funds, one need only consider that if a private trustee held these government bonds they would be gilt-edged securities, and then ask oneself how their value disappears when the same bonds are held by government officers as trustees.

The funds reflect the fact that, now, with a substantially mature system, annual contribution income and annual outgo are roughly in balance. This is another way of saying what critics harp on as though it were a demerit, that the benefits paid this year to the aged, the disabled and their dependents, and to survivors of the deceased derive in the main from this year's contributions by workers and their employers. As long as his benefits are adequately assured by the government's ability to obtain future income, today's young worker need have no concern because his contributions are used to pay today's beneficiaries, or because his future benefits will be paid from future contributions.

OFT-REFUTED CHARGES

The charges thus far considered are, in their main outlines, repetition of earlier efforts to discredit the social security program, and they are no more valid now than they have been in the past. Repeatedly and consistently, Congress, after extended study by its responsible committees as well as the distinguished advisory councils, has found these charges to be without merit.

Other charges, though not new in themselves, have acquired a new emphasis because of the steady rise over recent years in the contribution rate and in the ceiling on taxable earnings, and these charges deserve consideration. The increase in the amount of contributions, of course, must be heavily discounted if one thinks in terms of purchasing power rather than of dollars, and in terms of the increase in personal incomes. But whatever the value of the dollar, providing a decent measure of economic security to the retired, to the disabled, and to widows and orphans is a hugely expensive undertaking. The questions that demand serious thought relate not so much to the total sum which the system raises by taxation as they do to the manner in which the burden is distributed.

THE SOCIAL SECURITY SYSTEM IS NOT REGRESSIVE

It is said, for one thing, that social security taxes are regressive because the wealthy pay smaller percentages of their earned income than do the poor, in contrast to the general income tax, under which the wealthy pay higher percentages. If social security collections were taxes for general support of the government, this charge would be unanswerable; one can hardly imagine that Congress would ever have imposed these levies, or would now allow them to remain on the statute books, except as a part of a social insurance system. This charge illustrates, indeed, the fallacy of looking at the two parts of social security in isolation from each other, an approach which inevitably distorts the issues and loads the argument. The issue here is not whether social security *taxes* are regressive but whether the social security *system*, taking into account both benefits and contributions, is open to this charge. The answer to that question is "no." The benefit formula is so designed as to give a larger return for each dollar of contributions to the low-wage earner than to the high. While there are other factors to be considered, some favoring the poor and some working against them, the net effect of the system is to transfer some income from the more affluent as a group to the less affluent. It is legitimate to argue that the system ought to be made more progressive than it is, as for instance by the introduction of a government contribution derived from general revenues, but it is not legitimate to argue, by disregarding the benefit payments, that the system as now structured is regressive.

Another contention which has gained in prominence with the increasing amount of contributions is that, regardless of the liberality of future returns, the present burden is simply more than people in low and moderate income brackets ought to bear out of current earnings. It is often pointed out that many of these people pay more in social security than in income taxes, though the significance of this comparison is not apparent. Many persons pay more for any number of things than they pay in income taxes, and there is nothing inherently inequitable in charging them more for the protections afforded by social security than they are charged for the general support of government. No one can be dogmatic about what burdens on various income groups are tolerable, or represent good social policy, but to say that the poor are too heavily taxed for social security is to say either that their protection should be reduced or that it should be more largely subsidized by the wealthier segments of society. Not many argue for the former alternative, but the latter is widely and properly a matter of debate.

SOCIAL SECURITY GIVES CONTRIBUTORS A GOOD BARGAIN

Statements have been broadly disseminated that social security gives the contributor a poor bargain, and that he could do far better by investing the amount of his contributions in the private markets. This is not true. If we exclude speculative investments (including investment in the erstwhile "ever-rising stock market"), which can always yield some individual a windfall but can also yield a terrible loss, the individual under the social security system receives better value from the government than he could obtain elsewhere. With the automatic escalation of workers' benefit rights as wages rise, and the automatic cost-of-living increase for those already on the benefit rolls, there is no question at all that the worker receives protection worth more than his total contributions with interest. This is true even if all or most of the employer contribution is assumed to rest on the employee in final incidence (either in the form of lower wages or in terms of higher prices to him as a consumer). As long as protection for current workers is kept up to date via automatic escalation provisions there is no way for the social security contributor to get better protection for his or her money.

IMPROVING SOCIAL SECURITY FINANCING

Congress keeps a watchful eye on the actuarial balance of the social security system. It has sought, so far as knowledge available at any given time makes possible, to assure the system of adequate financing both for the short run and for the long run. Thus on the basis of all the information available at the time of the most recent amendments, it was thought that the system was adequately financed within a reasonable range for such estimates.

It now appears likely, however, that the system will require some additional financing. The current rate of inflation is so high that benefit increases tied to the cost of living are outrunning the additional income from higher wages. It is estimated that over the next 25 years income to support the cash benefit program will need to be increased by about 10% to 15%. Much less than this will be needed in the early part of this period and more in the latter part. The additional income could come, of course, in part from an increase in the maximum earnings base rather than entirely from the contribution rate or it could come from general revenues rather than from either. In any event, the size of the problem over the next 25 years is easily manageable and certainly does not constitute a financial crisis.

It is possible that in the very long run, say from 2010 to, the active labor force in the Unitd States may be required to support relatively more retired people than was thought to be the case until recently. The fertility rate in the United States has been dropping steadily since 1957 and is now at a point slightly below the rate that would ultimately produce zero population growth. A continuation of fertility rates as low as those experienced in the last few years would mean that the population aged 20 to 65 would stabilize early in the next century but that the number of older people would continue to grow for some time. If this happens it is inevitable, of course, that a higher proportion of goods and services in the next century will need to go to older retired persons as compared with active workers. This is true quite aside from social security and applies equally to other devices for meeting the needs of older people such as private pensions, public assistance, or any other system that might be designed for that purpose.

Fortunately, the same assumptions that produce an increasing burden of support for older people reduce the burden of support for children. Thus active workers will not have to support any more non-workers than they do today as a result of these changed fertility rates, but under the assumptions they will be supporting more older people and fewer younger people.

There are many ways that the next generation may choose to deal with problems caused by an increasing proportion of older people in the population. One approach would be to increase the labor force participation rate for older people and thus reduce the burden of retirement benefits. And then, too, with smaller families more women might work, again reducing the ratio of retired people to active workers. It may be true, too, that over the long run productivity increases in the United States will help meet the problem of supporting an increasing number of older people.

The 1972 amendments provided for the automatic adjustment of benefits in accordance with increases in the cost of living. These amendments also provided that protection for current wage earners would be automatically upgraded as wages and prices changed. The way these provisions work can result in protection over the long run increasing at a rate either more or less than increases in wages, depending on the relative movement of prices and wages. Because of the specific wage and price assumptions used, current cost estimates project that, over the long run, benefit rates at the time individuals come on the rolls will have been increased more than increases in wages.

Congress may wish to consider substituting a formula which assures that protection will automatically keep up with increases in wages but will not exceed such increases. If in the future it seemed desirable for benefits to be increased even more, this could be done by legislation. Such a change in the formula would have two results: One, it would provide workers with a greater certainty that benefits would reflect their level of living at the time of retirement, or disability, or death; and, two, it would result in a substantially lower long-range cost than is shown by the current estimates.

WEIGHING THE ALTERNATIVES AND THEIR COSTS

Congress in the years ahead will by no means confine its attention to the problem of financing, but will examine a wide range of issues about particulars of the system. These particulars reflect past judgments of the best use to which available funds can be put, but those judgments have always been and are now open to reassessment. Some of these issues, however, have been seized upon by current critics of the system with the assertion that present provisions of the law are manifestly unjust and that this supposed injustice somehow affords a reason to abandon social security altogether or to change its basic characteristics as a contributory, earnings-related system. Neither part of this assertion holds water: each of these provisions is the product of a considered weighing of the equities, the costs, and of the arguments pro and con; each of them is subject to change, without disruption of the present system, if change of conditions or change of opinion is found to make that desirable.

THE RETIREMENT TEST

One of the provisions most frequently under attack is the test of retirement. This test, indeed, has been a bone of contention for many years with much support for its abandonment and for the automatic payment of benefits upon attainment of age 65. Basically, social security has been designed as insurance against loss of earnings, and loss of earnings does not occur automatically at age 65. The retirement test is the mechanism that is used to determine whether such a loss has taken place, its effect being reduction or suspension of benefits for periods in which earnings are above stated amounts. The amounts will be increased to keep up to date with rising earnings by the automatic adjustment provisions in present law and, of course, as in the past they may be further increased by amendments to the law, but the present structure of the test is probably as fair a method as can be devised if we are not to abandon retirement altogether as a condition of eligibility.

Some people believe, however, that this condition of eligibility is basically unfair in depriving people of benefits for continuing to work after reaching 65, and that it is undesirable because it stands in the way of people on the benefit roll who wish to supplement their social security income as much as they can. Those who support the retirement test point out that its abolition would cost the equivalent of a one-half of 1% increase in the combined employer-employee contribution rate and would benefit less than one-tenth of the people over 65 who are otherwise eligible for benefits. They ask whether funds in this amount are better used to supplement the incomes of those who still have substantial earning power or by spreading the funds among the nine-tenths who do not, or cannot, earn enough to bring them within the ambit of the retirement test. Arguments such as these have persisted over the years, but they have no bearing on the soundness or durability of the social security system; abolition of the retirement test would aggravate somewhat the problem of financing, but it would no more spell the doom of the program than does retention of the test. Congress has repeatedly concluded that adaptation of the test in response to rising levels of earnings is preferable to its repeal.

A different attack on the retirement test, however, does have destructive implications. This is the contention that if benefits are withheld on account of earnings, they should also be withheld on account of the receipt of private pension payments, dividends, interest, or other unearned income—in other words, that the payment of benefits should be conditioned on a means test. This change would deprive the program of one of its major strengths, its encouragement of people in their working years to supplement their social security protection through savings and private pension plans. The change, indeed, would in all likelihood mean the end of contributory social insurance, since the masses of self-supporting people would hardly put up with paying social security contributions if they knew they would get nothing in return unless they should ultimately fall into the ranks of the indigent.

SOCIAL INSURANCE—NOT A MEANS-TEST PROGRAM

Mechanisms for preventing destitution in old age or in the event of the death or disability of the family breadwinner are, broadly speaking, of two kinds, contributory and noncontributory. The nation has chosen contributory social insurance as the primary mechanism, and those who would abandon that system must be prepared to substitute some form of noncontributory aid to those groups in the population who are now eligible for social security benefits.

A 100-percent noncontributory system, lacking the compact between government and contributors that is built into social security, could offer no comparable assurance to working people, or even to those already on the rolls, that the promised benefits would not be curtailed in times of budgetary stringency. Designing such a system, moreover, would raise many thorny questions in specifying who should receive benefits, how large they should be, and how, if at all, their amounts should be varied.

There is an almost infinite variety of theoretical answers to these questions but the hard reality is that a noncontributory system would almost inevitably come to rest upon a means test so that no one would receive benefits until after poverty had overtaken him. Why, the argument would run, should the general taxpayer support persons who can support themselves if they have made no contribution to their own insurance protection? The experience of public assistance (commonly known as "welfare") augurs ill for the willingness of taxpayers to help their fellow citizens who are thought, rightly or wrongly, to be able in one way or another to support themselves. It is not likely that taxpayers would be willing or that Congress would be willing to compel them to provide noncontributory benefits without a means test and at a comparable level of adequacy to the thirty million people who now receive social security benefits—the elderly, the disabled, and their dependents, the widows and the widowers, and the motherless or fatherless children.

The benefits these people now receive are earned rights based on their past work and contributions, or on those of family members, thus reflecting their previous standards of living and serving in some measure as a reward for diligence. The benefits are payable without scrutiny of individual means and needs and so permit supplementation by anything the recipients have been able to save. Because they are payable as an earned right, the benefits accord with the self-respect of people accustomed to providing for themselves. It is small wonder that Congress and the people have preferred contributory social insurance to a system benefiting only those who can show themselves to be destitute.

The working portion of our population must, in one way or another, support that portion that is not working and does not have enough resources to meet the cost of living. Most non-working wives and children are supported, in normal course, by family breadwinners. The retired and the disabled, the widows and orphans, on the other hand, commonly have neither family support nor savings sufficient to maintain them, and some governmental mechanism is essential if they are not to be allowed to go hungry.

The ultimate question posed by current attacks on social security is whether the American people should continue to support contributory social insurance which is designed to prevent poverty from occurring, or should place basic reliance on measures to relieve poverty after it has become a fact. Necessary as relief programs are, most of us think them a poor second to prevention.

Critics who say that social security is nothing but a "welfare" program probably intend the remark to be pejorative. If so, in using this word they speak more truly than they know. Social security is indeed "welfare" in the true sense of the word, which is the sense also in which the Constitution uses it. The system was created by an exercise of the power of Congress to raise and spend money to "provide for the . . . . general welfare of the United States"—the welfare of all the millions of people who, though now self-supporting, would without social security quickly face destitution if or when earnings cease because of old age or disability, or support ceases because of death of a family breadwinner; as well, of course, as the welfare of the other millions who have already suffered one of these deprivations. "The hope behind this statute," said Mr. Justice Cardozo in 1937, "is to save men and women from the vigors of the poorhouse as well as from the haunting fear that such a lot awaits them when journey's end is near." That hope has been too largely fulfilled to make for tolerance of those who would now destroy it.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Messrs. Flynt, Fraser, Murtha, and Chappell, and Ms. Abzug (at the request of Mr. O'Neill), from today through Tuesday, March 4, 1975, on account of official business.

Mr. Howard (at the request of Mr. O'Neill), for today on account of attending a funeral.

Mr. Young of Florida (at the request of Mr. Rhodes), for today, on account of official business.

Mr. Barrett (at the request of Mr. Eilberg), for today and the balance of the week, on account of necessary absence.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman today, for 45 minutes and to revise and extend his remarks and to include extraneous matter.

(The following Members (at the request of Mr. Grassley) to revise and extend their remarks and include extraneous material:)

Mr. Forsythe, for 10 minutes, today.

Mr. Young of Alaska, for 5 minutes, today.

Mr. Hastings, for 30 minutes, today.

Mr. Talcott, for 5 minutes, today.

Mr. Bob Wilson, for 60 minutes, February 27, 1975.

Mr. Conable, for 5 minutes, today.

(The following Members (at the request of Mrs. Lloyd of Tennessee) to revise and extend their remarks and include extraneous matter:)

Mr. Conyers, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Levitas, for 5 minutes, today.

Mr. Hamilton, for 10 minutes, today.

Mr. AuCoin, for 15 minutes, today.

Mr. Brademas, for 5 minutes, today.

Mr. Matsunaga, for 15 minutes, today.

Mr. Drinan, for 30 minutes, today.

Mr. Flood, for 5 minutes, today.

Mr. Richmond, for 5 minutes, today.

Mr. Fisher, for 5 minutes, today.

Mr. English, for 5 minutes, today.

Mr. Evans of Indiana, for 5 minutes, today.

Mr. Fascell, for 10 minutes, today.

Mr. Danielson, for 10 minutes, today.

Mr. Zablocki, for 5 minutes, today.

Mr. Downey, for 5 minutes, on February 26.

Mr. Thornton, for 20 minutes, on February 26.

Mr. Solarz, for 30 minutes, on March 4.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Burke of Massachusetts, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $834.

(The following Members (at the request of Mr. Grassley) and to include extraneous material:)

Mr. Hastings in two instances.

Mr. Archer in two instances.

Mr. Gilman in two instances.

Mr. Broomfield in two instances.

Mr. Young of Alaska.

Mr. Bell.

Mr. Crane in five instances.

Mr. Derwinski in three instances.

Mr. Whitehurst in two instances.

Mr. Hinshaw.

Mr. Guyer in two instances.

Mrs. Holt.

Mr. Lagomarsino.

Mr. Armstrong in three instances.

Mr. Ruppe.

Mr. Findley.

Mr. Frenzel in five instances.

Mr. Shuster.

Mr. Moore.

Mr. Buchanan in two instances.

Mr. Mitchell of New York.

Mr. Kasten in eight instances.

Mr. Bob Wilson.

Mr. J. William Stanton.

Mr. du Pont.

(The following Members (at the request of Mrs. Lloyd of Tennessee) and to include extraneous matter:)

Mr. Hamilton in two instances.

Mr. Rosenthal in 10 instances.

Mr. Sisk.

Mr. Florio in five instances.

Mr. Wolff in three instances.

Mr. Anderson of California in four instances.

Mr. Gonzalez in three instances.

Mr. Santini.

Mr. McKay.

Mr. Bolling in two instances.

Mr. Conyers.

Mr. Teague in 10 instances.

Mr. Roush.

Mr. McDonald of Georgia in two instances.

Mr. Jones of Oklahoma.

Mr. Matsunaga.

Mr. Nowak.

Mr. Reuss.

Mr. Edwards of California.

Mr. Mikva.

Mr. Burke of Massachusetts in four instances.

Mr. Long of Maryland.
Mr. Dent.
Mr. Hébert.
Mr. Fraser.
Mr. Nix.
Mr. Green in two instances.
Mr. Rogers in five instances.
Mr. Bonker in two instances.
Mr. Drinan.
Mr. Boland in two instances.
Mr. Simon.
Mr. Danielson in five instances.
Mr. Zablocki.

ADJOURNMENT

Mrs. LLOYD of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 5 minutes p.m.) the House adjourned until tomorrow, Wednesday, February 26, 1975, at 12 o'clock noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1974, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the Congressional Record pursuant to section 4(b) of Public Law 85-804:

National Aeronautics and
Space Administration,
Washington, D.C., February 20, 1975.

Hon. Carl Albert,
Speaker of the House of Representatives,
Washington, D.C.

Dear Mr. Speaker: This is a report to the Congress pursuant to Section 4 of the Act of August 28, 1958 (Public Law 85-804; 50 U.S.C. 1431-35), submitted to the Speaker of the House of Representatives pursuant to Rule XL of that House.

During calendar year 1974, the National Aeronautics and Space Administration, acting through its Contract Adjustment Board, utilized the authority of the above-cited statute as follows:

a. Under date of December 20, 1974, the Board authorized the adjustment of a contract with Automation, Inc. for one line printer modified to interface with the Honeywell DDP-516 Computer. The adjustment was granted on the basis that the Company incurred a loss as the result of the Government's action in delaying the award of the contract for about four months through amendments to the Invitation For Bids and changing the procurement procedure. As a result of the delay, the cost of the major item of the contract was increased by the supplier. The amount of the adjustment was $1,900.

b. During CY 1974, the Board also considered and denied one other request for extraordinary contractual relief under P.L. 85-804.

Sincerely,

James C. Fletcher,
Administrator.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

402. A letter from the Secretary of the Army, transmitting a copy of the Army's year-end report for 1974; to the Committee on Armed Services.

403. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on amendments and modifications to contracts in connection with the national defense executed by NASA during calendar year 1974, pursuant to section 4(a) of Public Law 85-804 [50 U.S.C. 1434 (a)]; to the Committee on the Judiciary.

404. A letter from the President, Jewish War Veterans, U.S.A., National Memorial, Inc., transmitting the annual audit reports of the organization for the fiscal years ended March 31, 1973 and 1974, pursuant to Public Law 88-504; to the Committee on the Judiciary.

405. A letter from the National Adjutant, Veterans of World War I of the U.S.A., Inc., transmitting the proceedings of the organization's 1974 national convention, its annual report, and its financial statements for the year ended August 31, 1974 (H. Doc. No. 94-61); to the Committee on the Judiciary and ordered to be printed with illustrations.

Received From the Comptroller General

406. A letter from the Comptroller General of the United States, transmitting a summary report on the financial status of selected major civil acquisitions funded by the Federal Government; to the Committee on Government Operations.

407. A letter from the Comptroller General of the United States, transmitting a report on the status and problems involved in Federal coal research; jointly to the Committees on Government Operations, Interior and Insular Affairs, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ULLMAN: Committee on Ways and Means. H.R. 2166. A bill to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low income allowances and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit, and for other purposes; with amendment (Rept. No. 94-19). Referred to the Committee of the Whole House on the State of the Union.

Mr. REUSS: Committee on Banking, Currency and Housing. House Concurrent Resolution 133. Concurrent resolution to lower interest rates; with amendment (Rept. No. 94-20). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONABLE:

H.R. 3612. A bill to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the investment credit and the surtax exemption, and for other purposes; to the Committee on Ways and Means.

By Mr. ABDNOR:

H.R. 3613. A bill authorizing the construction of a dam and reservoir on the Little White River, S.D., (Rosebud site); to the Committee on Public Works and Transportation.

By Mr. ADDABBO:

H.R. 3614. A bill to amend the Internal Revenue Code of 1954 to allow handicapped individuals a deduction for certain commuting expenses; to the Committee on Ways and Means.

By Mr. ANDERSON of California:

H.R. 3615. A bill to amend title 38 of the United States Code to make certain that recipients of veterans pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 3616. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

Mr. ARCHER:

H.R. 3617. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. ASPIN:

H.R. 3618. A bill to prohibit the licensing of certain activities regarding plutonium until expressly authorized by Congress, and to provide for a comprehensive study of plutonium recycling; to the Joint Committee on Atomic Energy.

By Mr. AuCOIN (for himself and Mr. Duncan of Oregon):

H.R. 3619. A bill to provide for addition to the Fort Clatsop National Memorial of the site of the salt cairn utilized by the Lewis and Clark Expedition, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BIAGGI:

H.R. 3620. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of Dr. Enrico Fermi; to the Committee on Post Office and Civil Service.

H.R. 3621. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

H.R. 3622. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 3623. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. BRADEMAS (for himself, Ms. Mink, Mr. Bell, Ms. Heckler of Massachusetts, Mr. Cornell, and Mr. Hannaford):

H.R. 3624. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mrs. BURKE of California (for herself, Mr. Addabbo, Ms. Abzug, Mr. Brown of California, Mr. John L. Burton, Mr. Carr, Mr. Drinan, Mr. Edgar, Mr. Fauntroy, Mr. Ford of Tennessee, Mr. Gude, Mr. Harrington, Ms. Holtzman, Mr. Koch, Mr. Long of Maryland, Mr. Maguire, Mrs. Meyner, Mr. Mitchell of Maryland, Mr. Nix, Mr. Pattison of New York, Mr. Rangel, Mr. Riegle, Mr. Roybal, Mr. Solarz, and Mr. Stark):

H.R. 3625. A bill to amend title 18, United States Code, to provide a penalty for the use of expanding (dum-dum) bullets in the United States; to the Committee on the Judiciary.

By Mrs. BURKE of California (for herself, Mr. Stokes, Mr. Studds, Mr. Thompson, Mr. Wiggins, and Mr. Won Pat):

H.R. 3626. A bill to amend title 18, United States Code, to provide a penalty for the use of expanding (dum-dum) bullets in the United States; to the Committee on the Judiciary.

By Mr. COLLINS of Texas:

H.R. 3627. A bill to amend section 924 (relating to commission of Federal felonies with firearms) of title 18 of the United States Code to make applicable to a first conviction under that section the rules for suspended or probationary sentences now applicable to second and subsequent convictions; to the Committee on the Judiciary.

By Mr. CRANE:

H.R. 3628. A bill to protect the freedom of choice of Federal employees in employee-management relations; to the Committee on Post Office and Civil Service .

By Mr. DENT (for himself and Mr. Gude):

H.R. 3629. A bill to guarantee the constitutional right to vote and to provide uniform procedures for absentee voting in Federal elections in the case of citizens outside the United States; to the Committee on House Administration.

By Mr. DEVINE:

H.R. 3630. A bill to give greater assurance that national and regional needs are satisfied in times of shortage of natural gas and petroleum and its products; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWNEY:

H.R. 3631. A bill to amend the Internal Revenue Code of 1954 to allow the deduction of the portion of certain taxes which is allocable to the construction of sewage treatment works; to the Committee on Ways and Means.

By Mr. DRINAN (for himself, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Ms. Burke of California, Mr. Carr, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Ms. Holtzman, Mr. Maguire, Mr. Mitchell of Maryland, Mr. Patterson of California, Mr. Rosenthal, Mr. Roe, Mr. Roybal, Mr. Scheuer, Mr. Simon, Mr. Solarz, Mr. Stark, Mr. Thompson, Mr. Tsongas, Mr. Wirth, and Mr. Hannaford):

H.R. 3632. A bill to amend the Internal Revenue Code of 1954 to increase the excise tax on cigarettes, and to amend the Public Health Service Act to increase the authorization for appropriations for the National Heart and Lung Institute by amounts equal to the increase in receipts from such tax; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 3633. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

H.R. 3634. A bill to amend title II of the Social Security Act to provide that the earnings standard used in determining whether a recipient of disability insurance benefits is able to engage in substantial gainful activity shall be the same as the exempt amount in effect under the regular earnings test for recipients of retirement and survivor benefits; to the Committee on Ways and Means.

By Mr. FORD of Michigan (for himself and Mr. O'Hara):

H.R. 3635. A bill to provide emergency relief with respect to home mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes who are unable to amortize their debt elsewhere, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. FORD of Michigan (for himself, Mr. Gaydos, Mr. Roe, Mr. Sarbanes, and Mr. Studds):

H.R. 3636. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; to the Committee on Education and Labor.

By Mr. FORSYTHE:

H.R. 3637. A bill to amend the Coastal Zone Management Act of 1972 in order to authorize financial assistance to coastal States to enable them to study, assess, and plan effectively with respect to the impact within their coastal zones of off-shore energy-related facilities and activities and to assure the maximum effectiveness of the coastal zone management plans of such States; and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

H.R. 3638. A bill to amend the Outer Continental Shelf Lands Act to provide for strict liability in the case of damage caused by oil spills, and for other purposes; jointly, to the Committees on the Judiciary, Merchant Marine and Fisheries, Interior and Insular Affairs, and Science and Technology.

By Mr. FRASER (for himself, Mr. Biester, Mr. Buchanan, Mr. Diggs, Mr. Weaver, and Mr. Maguire):

H.R. 3639. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome; to the Committee on Foreign Affairs.

By Mr. FREY:

H.R. 3640. A bill to amend title 18, United States Code, to promote public confidence in the legislative branch of the Government of the United States by requiring the disclosure by Members of Congress and certain employees of the Congress of certain financial interests; to the Committee on Standards of Official Conduct.

By Mr. FREY (for himself, Mr. Ford of Tennessee, Mr. Hungate, and Mr. Mitchell of New York):

H.R. 3641. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. GIAIMO:

H.R. 3642. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits to the Committee on Veterans' Affairs.

H.R. 3643. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3644. A bill to amend the Social Security Act to assure that whenever there is a general increase in social security benefits there will be a corresponding increase in the standard of need used to determine eligibility for aid or assistance under State plans approved under title I, X, XIV, XVI, and XIX of such act; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. GIAIMO (for himself, Mr. Cotter, Mr. Dodd, Mr. McKinney, Mr. Moffett, and Mr. Sarasin):

H.R. 3645. A bill to provide one additional permanent district judgeship for the district of Connecticut; to the Committee on the Judiciary.

H.R. 3646. A bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years and to make permanent the ban against certain prerequisites to voting; to the Committee on the Judiciary.

By Mr. GOLDWATER:

H.R. 3647. A bill to amend the Federal Aviation Act of 1958 to permit aliens holding permanent residence visas to register aircraft in the United States, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HAMILTON:

H.R. 3648. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

By Mr. HANNAFORD:

H.R. 3649. A bill to amend the National School Lunch Act and the Child Nutrition Act to extend certain authorizations of appropriations for 3 additional fiscal years; to the Committee on Education and Labor.

By Mr. HENDERSON:

H.R. 3650. A bill to clarify the application of section 8344 of title 5, United States Code, relating to civil service annuities and pay upon reemployment, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3651. A bill to amend title 5, United States Code, to provide that employees subject to certain pay limitations shall be credited, for civil service retirement and life insurance purposes, with the pay they would have received if such pay limitations were not applicable, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. KASTEN:

H.R. 3652. A bill to amend the State and Local Fiscal Assistance Act of 1972 to extend the Federal revenue sharing program for an additional period, to periodically increase the amounts returned to States and local governments under such program, and for other purposes; to the Committee on Government Operations.

By Mr. KASTENMEIER:

H.R. 3653. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

H.R. 3654. A bill to amend the Internal Revenue Code of 1954 to permit the deduction of household and dependent care expenses by a married couple when one spouse is a full-time student to the same extent that such expenses could be deducted if both spouses were employed; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 3655. A bill to restrict the disclosure of information in the possession of telephone companies or telegraph companies concerning members of the news media; to the Committee on Interstate and Foreign Commerce.

By Mr. KREBS:

H.R. 3656. A bill to study certain lands in the Sierra National Forest, Calif., for the possible inclusion in the National Wilderness Preservation System; to the Committee on Interior and Insular Affairs.

By Mr. LENT:

H.R. 3657. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain interest on deposits in savings institutions; to the Committee on Ways and Means.

By Mr. LEVITAS:

H.R. 3658. A bill to permit either House of Congress to disapprove certain rules proposed by executive agencies; jointly, to the Committees on the Judiciary, and Rules.

By Mr. LITTON (for himself, Mr. Alexander, Mr. AuCoin, Mr. Carr, Mr. Emery, Mr. Ford of Tennessee, Mr. Howe, Mr. Jeffords, Mr. Krebs, Mrs. Lloyd of Tennessee, Mr. Maguire, Mr. Mann, Mr. Mathis, Mr. Mikva, Mr. Moss, Mr. Oberstar, Mr. Ottinger, Mr. Pattison of New York, Mr. Patterson of California, Mr. Richmond, Mr. Simon, Mr. Solarz, Ms. Spellman, Mr. Weaver, and Mr. Wirth):

H.R. 3659. A bill to amend the Legislative Reorganization Act of 1970 to provide seminars to freshmen Members of the Congress, and for other purposes; to the Committee on House Administration.

By Mr. LUJAN:

H.R. 3660. A bill to prohibit the sale, alienation, or commitment of gold by the Secretary of the Treasury without prior approval by act of Congress; to the Committee on Banking, Currency and Housing.

H.R. 3661. A bill to amend the Foreign Assistance Act of 1961 to expand American exports by utilizing foreign currencies owned by the United States to pay foreign import duties on such exports, and for other purposes; to the Committee on Foreign Affairs.

H.R. 3662. A bill to provide for the conveyance of certain real property in Sandoval County, N. Mex.; to the Committee on Interior and Insular Affairs.

H.R. 3663. A bill to designate the Miners Hospital in Raton, N. Mex., a public health service hospital to be known as the "Miners' Rehabilitation and Medical Hospital"; to the Committee on Interstate and Foreign Commerce.

H.R. 3664. A bill to establish regional Federal Medical Malpractice Boards to reduce the expense of bringing, and the awards granted in, medical malpractice suits in the United States; to the Committee on the Judiciary.

H.R. 3665. A bill to provide that members of all commissions, councils, and similar bodies in the executive branch of the Government appointed from private life shall serve without any remuneration for their services other than travel, subsistence, and other necessary expenses; to the Committee on Post Office and Civil Service.

H.R. 3666. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

H.R. 3667. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

H.R. 3668. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence; to the Committee on Ways and Means.

H.R. 3669. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain social security taxes; to the Committee on Ways and Means.

H.R. 3670. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 3671. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

H.R. 3672. A bill to establish a national family health protection program under which the Federal Government, in cooperation with, and acting through, private qualified companies, will make adequate health insurance available to every individual and family in the United States regardless of their income; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. McEWEN:

H.R. 3673. A bill to authorize the Secretary of Agriculture to regulate the transportation of horses in commerce, and for other purposes; to the Committee on Agriculture.

By Mr. MATSUNAGA:

H.R. 3674. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. MIKVA (for himself, Mr. Rostenkowski, Mr. Russo, Mr. Scheuer, and Mr. Stokes):

H.R. 3675. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, where authorized, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

By Mr. MILLER of Ohio:

H.R. 3676. A bill to amend the National Flood Insurance Act of 1968 to continue the present federally subsidized flood insurance program in any locality where construction of an adequate flood protection system has begun, and to eliminate the compulsory features added to such program by the Flood Disaster Protection Act of 1973; to the Committee on Banking, Currency and Housing.

H.R. 3677. A bill to prevent the abandonment of railroad lines covered by the Rail Reorganization Act; to the Committee on Interstate and Foreign Commerce.

By Mr. NIX:

H.R. 3678. A bill to amend the Sherman Antitrust Act to clarify the intent of the Congress with respect to marketing cooperatives; to the Committee on the Judiciary.

By Mr. OBERSTAR:

H.R. 3679. A bill to amend the Social Security Act to provide for inclusion of the services of licensed registered nurses under medicare and medicaid; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. OBEY:

H.R. 3680. A bill to declare that certain federally owned land is held by the United States in trust for the Lac Courte Oreilles Band of Lake Superior Chippewa Indians, and to make such lands parts of the reservation involved; to the Committee on Interior and Insular Affairs.

H.R. 3681. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

By Mr. PICKLE:

H.R. 3682. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the authority of the Secretary of Health, Education, and Welfare with respect to foods for special dietary use; to the Committee on Interstate and Foreign Commerce.

By Mr. PERKINS:

H.R. 3683. A bill to amend title II of the Social Security Act to make it clear that an individual who loses his or her entitlement to child's insurance benefits by reason of marriage may again become entitled to such benefits if divorced (while still otherwise entitled) before attaining age 22; to the Committee on Ways and Means.

By Mr. PEYSER:

H.R. 3684. A bill to amend the Older Americans Act of 1965 to provide that the Secretary of Agriculture shall buy beef and beef products for donation to nutritional programs for the elderly during fiscal years 1975 and 1976; to the Committee on Education and Labor.

H.R. 3685. A bill to authorize the Secretary of the Interior to establish a National Law Enforcement Heroes Memorial within the District of Columbia, and for other purposes; to the Committee on House Administration.

H.R. 3686. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 3687. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on deposits in certain savings institutions; to the Committee on Ways and Means.

By Mr. PEYSER (for himself, Ms. Abzug, Mr. Carr, Mr. Conyers, Mr. Dodd, Ms. Fenwick, Mr. Fraser, Mr. Harrington, Mr. Koch, Mr. Rosenthal, Mr. Solarz, Mr. Stark, and Mr. Stokes):

H.R. 3688. A bill to provide Federal assistance for programs of consumer's nutritional education; to the Committee on Agriculture.

By Mr. PRICE (for himself and Mr. Bob Wilson) (by request):

H.R. 3689. A bill to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes; to the Committee on Armed Services.

By Mr. RICHMOND:

H.R. 3690. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. RICHMOND (for himself, Ms. Abzug, and Mr. Rosenthal):

H.R. 3691. A bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 for the purpose of authorizing additional appropriations for programs authorized by those acts; to the Committee on Education and Labor.

By Mr. ROUSH (for himself, Mr. Badillo, Mr. Bevill, Mrs. Burke of California, Mr. Cleveland, Mr. Corman, Mr. Davis, Mr. Eilberg, Mr. Flood, Mr. Gaydos, Mr. Hannaford, Mr. Hechler of West Virginia, Mrs. Heckler of Massachusetts, Mr. Hinshaw, Mrs. Keys, Mr. Madden, Mr. Mann, Mr. Obey, Mr. Rodino, Mr. Roe, Mr. Sarbanes, Mr. Sikes, and Mrs. Sullivan):

H.R. 3692. A bill to amend the Communications Act of 1934 to provide grants to States and units of local government for the establishment, equipping, and operations of emergency communications facilities to make the national emergency telephone No. 911 available throughout the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. RUPPE:

H.R. 3693. A bill to authorize and direct the Secretary of Agriculture to study lands within the Keweenaw Peninsula of Michigan to determine if the lands should be acquired and administered as National Forest lands; to the Committee on Agriculture.

By Mr. SIKES:

H.R. 3694. A bill to amend the Internal Revenue Code of 1954 to increase from $1 million to $10 million the exemption from industrial development bond treatment for certain small issues; to the Committee on Ways and Means.

By Mr. SIKES (for himself and Mr. Lott):

H.R. 3695. A bill to amend the act establishing the Gulf Islands National Seashore to increase the amount authorized for the acquisition of private property to be included in the seashore; to the Committee on Interior and Insular Affairs.

By Mr. SISK:

H.R. 3696. A bill to amend the eligibility requirements for an emergency loan from the Farmers Home Administration; to the Committee on Agriculture.

By Mr. TALCOTT:

H.R. 3697. A bill making a supplemental appropriation for the Department of Health, Education, and Welfare for the fiscal year ending September 30, 1976, to provide funds to conduct a study of the effects of the red tide on human health; to the Committee on Appropriations.

H.R. 3698. A bill to provide for paper money of the United States to carry a designation in braille indicating the denomination; to the Committee on Banking, Currency and Housing.

H.R. 3699. A bill to establish a Federal program to encourage the voluntary donation of pure and safe blood, and to establish a national registry of blood donors; to the Committee on Interstate and Foreign Commerce.

By Mr. TALCOTT (for himself, Mr. Horton, Mr. Johnson of Pennsylvania, and Mr. Young of Florida):

H.R. 3700. A bill to amend title 5, United States Code, to provide that the Director of the Office of Management and Budget be paid the annual rate of basic pay prescribed for Level I of the Executive Pay Schedule; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE:

H.R. 3701. A bill to amend chapter 41 of title 38, United States Code, to improve job counseling and employment services for veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. TEAGUE (for himself and Mr. Hammerschmidt) (by request):

H.R. 3702. A bill to provide for an 8-year delimiting period for the pursuit of educational programs by veterans, wives, and widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. WHALEN:

H.R. 3703. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. WHITE (for himself, Mr. Lehman, Mr. Hinshaw, Mr. Bafalis, Mr. Erlenborn, Mr. Fuqua, Mr. Green, Mr. Udall, and Mr. McKay):

H.R. 3704. A bill to amend title 13, United States Code, to provide for a mid-decade sample survey of population, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.R. 3705. A bill to amend title 10, United States Code, to permit the recomputation of retired pay of certain members and former members of the armed forces; to the Committee on Armed Services.

By Mr. YOUNG of Alaska:

H.R. 3706. A bill to provide equitable treatment for persons employed as technicians in the National Guard in crediting service for civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3707. A bill to provide equitable treatment for persons employed as technicians in the National Guard in crediting service for civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ALEXANDER:

H.R. 3708. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes; to the Committee on Education and Labor.

H.R. 3709. A bill to amend the Internal Revenue Code of 1954 to raise the estate tax exemption from $60,000 to $180,000; to the Committee on Ways and Means.

By Mr. BEARD of Tennessee:

H.R. 3710. A bill to authorize the One Hundred and First Airborne Division Association to erect a memorial in the District of Columbia or its environs; to the Committee on House Administration.

By Mr. BROYHILL (for himself, Mr. Crane, Mr. Buchanan, Mr. Don H. Clausen, Mr. Lent, Mrs. Fenwick, and Mr. Hammerschmidt):

H.R. 3711. A bill to provide authorizations for appropriations for the regulatory agencies of the Federal Government for fiscal years 1976, 1977, and 1978; jointly to the Committees on Interstate and Foreign Commerce, Public Works and Transportation.

By Mr. COHEN (for himself, Mr. Andrews of North Dakota, Mr. Stokes, Mr. McKinney, and Mr. Jeffords):

H.R. 3712. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist homeowners and other owners of residential structures in purchasing and installing more effective insulation and heating equipment; to the Committee on Banking, Currency and Housing.

By Mr. COHEN (for himself, Mr. Andrews of North Dakota, Mr. Gude, Mr. Stokes, Mr. McKinney, Mr. Jeffords, Mr. Sarbanes, and Mr. Buchanan):

H.R. 3713. A bill to amend the Internal Revenue Code of 1954 to encourage greater conservation of energy in home heating and cooling by allowing individuals a credit for 25 percent of amounts paid or incurred for the installation of more effective insulation and heating equipment in existing residential structures; to the Committee on Ways and Means.

By Mr. DOWNING (for himself, Mr. Whitehurst, Mrs. Spellman, and Mr. Won Pat):

H.R. 3714. A bill to direct the Secretary of Transportation to make a comprehensive study of a high-speed ground transportation system between Washington, District of Columbia, and Annapolis, Md., and a high-speed marine vessel transportation system between the Baltimore-Annapolis area in Maryland and the Yorktown-Williamsburg-Norfolk area in Virginia; and if the study findings are positive, to direct that the Department of Transportation proceed with construction within 1 year from resources allocated for such programs or seek enabling legislation for additional resources if such is required; to the Committe on Public Works and Transportation.

By Mr. DRINAN:

H.R. 3715. A bill to require the President to take all necessary action to strictly enforce the regulation promulgated under section 4 of the Emergency Petroleum Allocation Act of 1973 and all orders issued under such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ENGLISH (for himself, Mr. Jarman, Mr. Risenhoover, and Mr. Steed):

H.R. 3716. A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such act (and the recently-approved regulations relating thereto) on utilization review and utilization control under the medicare, medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. FINDLEY (for himself, Mr. Hagedorn, Mr. Johnson of Colorado, Mr. Litton, Mr. Madigan, Mr. Sebelius, Mr. Thone, and Mr. Anderson of Illinois):

H.R. 3717. A bill to amend the Agriculture and Consumer Protection Act of 1973, as amended, for the purpose of terminating the requirement for the prior approval of the export sales of agricultural commodities; to the Committee on Agriculture.

By Mr. FOLEY (for himself, Mr. Poage, Mr. Wampler, and Mr. Sebelius):

H.R. 3718. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products; to the Committee on Agriculture.

By Mr. FORSYTHE:

H.R. 3719. A bill to amend the National Environmental Policy Act to provide for the filing of certain supplemental information statements; to the Committee on Merchant Marine and Fisheries.

By Mr. FULTON:

H.R. 3720. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

H.R. 3721. A bill to amend title 18 of the United States Code to prohibit any person to travel in or use any instrumentality of interstate commerce to acquire a purported title to a stolen automobile; to the Committee on the Judiciary.

H.R. 3722. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed, and restore on behalf of certain veterans educational assistance benefits which had previously terminated; to the Committee on Veterans' Affairs.

H.R. 3723. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 3724. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; to the Committee on Veterans' Affairs.

By Mr. HOWE:

H.R. 3725. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

By Mr. JENRETTE:

H.R. 3726. A bill to provide for the control of imported fire ants by permitting the judicious use of Mirex in coastal counties; to the Committee on Agriculture.

By Mr. JOHNSON of Pennsylvania:

H.R. 3727. A bill to prevent the abandonment of railroad lines covered by the Rail Reorganization Act; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Mr. Symms, Mr. du Pont, Mr. Henderson, Ms. Holt, Mr. Frenzel, Mr. Coughlin, Mr. Gude, Mr. Ruppe, Ms. Lloyd of Tennessee, Mr. Jeffords, Mr. Cohen, Mr. Ketchum, Mr. Cochran, Mr. Lujan, Mr. Preyer, and Mr. Hammerschmidt):

H.R. 3728. A bill to amend the Food Stamp Act of 1964 to prohibit any individual from receiving food stamps who receives at least one-half of his income from any other individual who is a member of another household which is ineligible for food stamps; to the Committee on Agriculture.

By Mr. LITTON (for himself, Mr. Solarz, Mr. Lagomarsino, Mr. Stokes, Mr. Roybal, Ms. Schroeder, Mr. Hawkins, Mr. Andrews of North Dakota, Ms. Chisholm, Mr. Patman, Mr. Gilman, Mr. Aspin, and Mr. Hagedorn):

H.R. 3729. A bill to amend the Higher Education Act of 1965 to provide that institutions of higher education and vocational schools shall not be eligible for purposes of federally assisted student loans unless they carry out a policy of tuition refunds for students who withdraw from courses of study at such institutions or schools, and for other purposes; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mr. Roush, Mr. Wolff, Mrs. Schroeder, Mr. Jeffords, Mr. Corman, and Mr. Hammerschmidt):

H.R. 3730. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mr. Bowen, Mr. Carr, Mr. Broomfield, Mr. Hinshaw, Mr. Symms, Mr. Seiberling, Mr. Stark, Mr. Mitchell of New York, Mr. D'Amours, Mr. Henderson, Ms. Chisholm, Mr. Ketchum, Mr. LaFalce, Mr. Flood, and Mr. Hyde):

H.R. 3731. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render on site consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mr. Boland, Mr. Nedzi, Mr. Waggonner, Mr. Gilman, Ms. Schroeder, Mr. Fulton, Mr. Thone, Mr. Ford of Tennessee, Mr. Sarbanes, Mr. Mollohan, Mr. Davis, Mr. Charles Wilson of Texas, Mr. Thompson, Mr. Hechler of West Virginia, Mr. Hinshaw, Mr. Forsythe, Mr. Won Pat, Mr. Burlison of Missouri, Mr. Roe, Mr. Krebs, Mr. Charles H. Wilson of California, Mr. Cotter, Mr. Mosher, and Mr. Mezvinsky):

H.R. 3732. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. Mollohan, Ms. Holtzman, Mr. Eilberg, Ms. Abzug, Mr. Rinaldo, Mr. Richmond, Mr. Lagomarsino, and Mr. Breaux):

H.R. 3733. A bill to provide an excise tax on every new automobile in an amount relating to the portion of such automobile's fuel consumption rate which falls below certain standards, to provide an Energy Research and Development Trust Fund, and for other purposes; to the Committee on Ways and Means.

By Mr. McCORMACK:

H.R. 3734. A bill to amend the Atomic Energy Act of 1954 to provide for improved procedures for planning and environmental review of proposed nuclear powerplants, and for other purposes; to the Joint Committee on Atomic Energy.

By Mrs. MINK:

H.R. 3735. A bill to amend the Mineral Lands Leasing Act to provide for a more efficient and equitable method for the exploration for and development of oil shale resources on Federal lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PERKINS (for himself, Mr. Quie, Mr. Meeds, Mrs. Schroeder, and Mr. Mottl):

H.R. 3736. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs; to the Committee on Education and Labor.

By Mr. SISK:

H.R. 3737. A bill to require that specific alien and citizenship status information be provided prior to the issuance of a social security card, to require that social security cards which cannot be duplicated be issued, to require that these cards be presented to employers by prospective employees before obtaining employment, to provide penalties against employers for violating the provisions of this act, and for other purposes; to the Committee on Ways and Means.

By Mr. TRAXLER:

H.R. 3738. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. WHITE:

H.R. 3739. A bill to amend the Immigration and Nationality Act to provide for the issuance of nonimmigrant visas to certain aliens entering the United States to perform services or labor of a temporary or seasonal nature under specific contracts of employment and fair employment conditions; to require an immigrant alien to maintain a permanent residence as a condition for entering and remaining as an immigrant to the United States, and for other purposes; to the Committee on the Judiciary.

Mr. WHITE (for himself, Mr. Horton, Mr. McKay, Mr. Carr, Mr. Rees, Mr. Howe, Mr. Sisk, Mr. Evans of Indiana, Mr. Krueger, Mr. Robinson, Mr. Forsythe, Mr. Murphy of New York, Mr. Abdnor, Mr. Breckinridge, Mr. Lagomarsino, Mr. Johnson of California, Mr. Murtha, Mr. Rodino, Mr. Gude, Mr. Long of Maryland, Mr. Hinshaw, Mr. Whitehurst, Mr. Ketchum, Mrs. Holt, Mr. Walsh, and Mr. Bowen):

H.R. 3740. A bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. WHITE (for himself, Ms. Holtzman, Mrs. Schroeder, Mr. Vander Veen, Mrs. Boggs, Mr. Buchanan, Mr. Gilman, Mr. Hicks, Mr. Yates, Mr. Traxler, Mrs. Sullivan, Mr. Treen, Mr. Eilberg, Mr. Mazzoli, and Mr. Wolff):

H.R. 3741. A bill to amend title XVIII of the Social Security Act to provide payment under part A (the hospital insurance program) for care and treatment furnished at a central radiation therapy treatment facility, and to provide full payment under part B (the supplementary medical insurance program) for radiation therapy services furnished by physicians to inpatients or outpatients of any hospital or any such facility; and for other purposes; jointly to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Mr. BRADEMAS:

H.J. Res. 241. Joint resolution to provide for the designation of the second full calendar week in March 1975 as National Employ the Older Worker Week; to the Committee on Post Office and Civil Service.

By Mr. COUGHLIN (for himself, Mr. Taylor of North Carolina, Mr. Bell, Mrs. Boggs, Mr. Cochran, Mr. Conable, Mrs. Fenwick, Mr. Flood, Mr. Frenzel, Mr. Gilman, Mr. Henderson, Mr. Johnson of Pennsylvania, Mr. Richmond, Mr. Roe, Mr. Ruppe, Mr. Sarbanes, Mr. Scheuer, Mr. Treen, Mr. Vander Veen, and Mr. Winn):

H.J. Res. 242. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning May 12, 1975, as National Historic Preservation Week; to the Committee on Post Office and Civil Service.

By Mr. DENT (for himself and Mr. Fulton):

H.J. Res. 243. Joint resolution requiring congressional approval of postal rate increases; to the Committee on Post Office and Civil Service.

By Mr. McCORMACK:

H.J. Res. 244. Joint resolution designating the square dance as the national folk dance of the United States of America; to the Committee on the Judiciary.

By Mr. PEYSER:

H.J. Res. 245. Joint resolution to authorize the President to proclaim the 22d day of April of each year as Queen Isabella Day; to the Committee on Post Office and Civil Service.

By Mr. SNYDER:

H.J. Res. 246. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right of life to the unborn; to the Committee on the Judiciary.

By Mr. WHITTEN:

H.J. Res. 247 Joint resolution providing for the designation of the first week in May of each year as Be Kind to Animals Week; to the Committee on Post Office and Civil Service.

By Mr. ZABLOCKI:

H.J. Res. 248. Joint resolution proposing an amendment to the Constitution of the United States to insure that due process and equal protection are afforded to an individual with respect to the right to life; to the Committee on the Judiciary.

By Mr. PERKINS:

H. Con. Res. 145. Concurrent resolution authorizing the printing of additional copies of the joint committee print of the Committee on Education and Labor and the Committee on Labor and Public Welfare entitled A Compilation of Federal Education Laws; to the Committee on House Administration.

By Mr. BRADEMAS:

H. Con. Res. 146. Concurrent resolution authorizing the printing of a revised edition of the booklet entitled "The History and Operation of the House Majority Whip Organization (94th Congress)"; to the Committee on House Administration.

By Mr. BINGHAM (for himself and Mr. Mikva):

H. Con. Res. 147. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. FISH:

H. Con. Res. 148. Concurrent resolution; Northeast rail abandonment; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD:

H. Con. Res. 149. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. LUJAN:

H. Con. Res. 150. Concurrent resolution to collect overdue debts; to the Committee on Foreign Affairs.

By Mr. ROUSH (for himself, Mr. Badillo, Mr. Bevill, Mrs. Burke of California, Mr. Cleveland, Mr. Corman, Mr. Coughlin, Mr. Davis, Mr. Eilberg, Mr. Flood, Mr. Gaydos, Mr. Hannaford, and Mr. Hechler of West Virginia):

H. Con. Res. 151. Concurrent resolution that it is the sense of Congress that the United States and the various political entities thereof should adopt 911 as the nationwide, uniform, emergency telephone number; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUSH (for himself, Mrs. Heckler of Massachusetts, Mr. Hinshaw, Miss Holtzman, Mrs. Keys, Mr. McClory, Mr. Madden, Mr. Mann, Mr. Obey, Mr. Rodino, Mr. Roe, Mr. Sarbanes, Mr. Sikes, Mrs. Sullivan, and Mr. Wolff):

H. Con. Res. 152. Concurrent resolution that it is the sense of Congress that the United States and the various political entities thereof should adopt 911 as the nationwide, uniform, emergency telephone number; to the Committee on Interstate and Foreign Commerce.

By Mr. COCHRAN:

H. Res. 250. Resolution amending rule XLIV of the Rules of the House of Representatives, relating to financial disclosure; to the Committee on Standards of Official Conduct.

By Mr. DRINAN:

H. Res. 251. Resolution to request that the Department of Justice investigate the Federal Energy Administration with respect to any possible conflicts of interests; to the Committee on the Judiciary.

By Mr. HAYS of Ohio:

H. Res. 252. Resolution to provide funds for the expenses of the investigations and studies by the Committee on House Administration; to the Committee on House Administration.

By Mr. McKAY:

H. Res. 253. Resolution disapproving the deferral of certain budget authority relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. MORGAN (for himself, Mr. Anderson of California, Mr. Bauman, Mr. Biester, Mr. Bingham, Mr. Carney, Mr. Carr, Mr. Cotter, Mr. Crane, Mr. D'Amours, Mr. Eilberg, Mr. Flood, Mr. Gilman, Mr. Howe, Mr. Lent, Mr. McDade, Mr. McKinney, Mr. Mathis, Mr. Obey, Mr. Perkins, Mr. Peyser, Mr. Solarz, Mr. Vander Jagt, Mr. Bob Wilson, and Mr. Wirth):

H. Res. 254. Resolution expressing the sense of the House of Representatives with respect to the missing in action in Southeast Asia and the Paris Agreement; to the Committee on Foreign Affairs.

By Mr. PEYSER:

H. Res. 255. Resolution calling for peace in Northern Ireland and the establishment of a united Ireland; to the Committee on Foreign Affairs.

H. Res. 256. Resolution relative to Irish National self-determination; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILIP BURTON:

H.R. 3742. A bill for the relief of Cenaro Barbosa and his wife Ramona; to the Committee on the Judiciary.

By Mr. DU PONT:

H.R. 3743. A bill for the relief of the Knights of Pythias Hall Co., of Wilmington, Del.; to the Committee on the Judiciary.

By Mr. EDGAR:

H.R. 3744. A bill for the relief of Maria Elena San Agustin; to the Committee on the Judiciary.

By Mr. KASTENMEIER:

H.R. 3745. A bill to grant a Federal charter to the Mid-Continent Railway Historical Society; to the Committee on the District of Columbia.

By Mr. KETCHUM:

H.R. 3746. A bill for the relief of Mrs. Elmer Andreotti; to the Committee on the Judiciary.

H.R. 3747. A bill for the relief of Teopista Sabelino; to the Committee on the Judiciary.

By Mr. RUPPE:

H.R. 3748. A bill granting authority to the Secretary of the Army to renew the license of the Ira D. MacLachlan Post No. 3, The American Legion, Sault Sainte Marie, Mich., to use a certain parcel of land in Saint Marys Fall Canal project; to the Committee on Public Works and Transportation.

By Mr. YATRON:

H.R. 3749. A bill for the relief of Ierotheos (Jerry) Kallias; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

35. By the SPEAKER: Petition of World War I Overseas Flyers, Milwaukee, Wis., relative to a memorial honoring the services rendered by the National Guard; to the Committee on House Administration.

36. Also, petition of the Ohio Energy Emergency Commission, Columbus, Ohio, relative to deregulation of the price of new natural gas; to the Committee on Interstate and Foreign Commerce.

37. Also, petition of the Jacksonville Chamber of Commerce, Jacksonville, Tex., relative to adjournment of Congress for a minimum of 4 months each year; to the Committee on Rules.

38. Also, petition of John F. Crane, San Diego, Calif., relative to solar energy; to the Committee on Science and Technology.

39. Also, petition of the City Council, Erie, Pa., relative to taxes on oil; to the Committee on Ways and Means.

SENATE—*Tuesday, February 25, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou who art a spirit, infinite, eternal, and unchangeable in Thy being, and in wisdom, power, holiness, justice, goodness, and truth, we cannot comprehend all Thou art. But we rejoice we can know Thee. We have seen Thy glory once walking in human flesh, and we would serve Thee as He made known Thy presence and Thy will in the common life of man. Give us grace to live the servant-life as he lived it. Grant us an awareness of Thy nearness not only in great events but in the little acts of daily life—the kindly deed, the friendly gesture, the courteous consideration. Give us grace so to comport ourselves as always to advance Thy kingdom.

And to Thee shall be the praise and the thanksgiving. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, February 24, 1975, be approved.

Mr. ALLEN. I object, Mr. President.

Has there been an adjournment, I ask the distinguished majority leader?

Mr. MANSFIELD. No.

Mr. ALLEN. I do not believe this motion is required, then, is it?

Mr. MANSFIELD. It is not necessary.

Mr. ALLEN. I am hopeful, I state to the distinguished majority leader, that at the close of business today, the Senate will adjourn rather than recess, so that we can approve this Journal—it is accumulating—rather than to recess from day to day. I wish to interpose a standing objection to approval of the Journal piecemeal, I state to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, may I say that the Senator cannot oppose, on a standing basis, the reading of the Journal, but that if he wishes to oppose the reading of the Journal, he or somebody acting in his behalf should be on the floor of the Senate to make such a motion.

Mr. ALLEN. The Senator will be here, then.

Mr. MANSFIELD. May I say that, insofar as special consideration has been given—and I understand that the distinguished Senator has raised that question from time to time—he has been given his share, and more than his share, of special consideration by the leadership. For example, at the conclusion of the special orders today, he will be given special recognition for the second time, which is most unusual and which is generally not accorded to any Senator.

Second, I have noted some reference in the press to the effect that I asked Senator Hathaway to take the Chair yesterday. I wish to acknowledge that as a fact.

I also wish to state that I made a personal trip to see the distinguished Senator from Louisiana (Mr. Johnston), who succeeded the distinguished Vice President, the Presiding Officer of this body, in the Chair, for 1 hour, and also to Mr. Hathaway on that occasion. I told them both not to recognize any written request for recognition and that they should be guided by Members who were on their feet first.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. ALLEN. I hope the Senator's statement does not suggest that the Senator from Alabama was, in any way, involved in that, directly or indirectly.

Mr. MANSFIELD. Not at all. But there have been references in the press to that, and I wanted the Record to be clear. Not at all. I want that understood.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be permitted to meet during the session of the Senate today.

Mr. ALLEN. Mr. President, reserving the right to object, when was the start of this legislative day?

Mr. MANSFIELD. Several days ago. I will withdraw the request.

Mr. President, I make a unanimous-consent request that at this time the Senate go into executive session to consider a nomination on the calendar.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I hope the Senator from Alabama will not interpose an objection to committees meeting during the session of the Senate, because committees are meeting on legislation that deals with the economy, that deals with the energy problem, that deals with the recession, that deals with unemployment, that deals with the stimulation of the housing industry. I would hope that those committees would be permitted to meet.

Mr. ALLEN. The Senator from Alabama understands that that permission was granted at the start of this legislative day, possibly some weeks ago.

Mr. MANSFIELD. Some days ago. But it has been reiterated from day to day, just as a matter of information for the Senate.

Mr. ALLEN. I interpose no objection to committees meeting, and I hope they will churn out a large volume of work for the Senate to work on, instead of this rules change.

Mr. MANSFIELD. Not too large a volume of work, but, hopefully, work which will be significant and of value, in face of the difficulties which face the Nation today.

Sometimes I think we turn out too much work, pass too many bills; and I think it would behoove us to be a little more careful and not be so expeditious in the consideration of all kinds of legislation, but only in legislation which is vital to the interests of the Nation as a whole.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield, without losing his right to the floor?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. I think we ought to have a clarification of this point, as to whether or not the permission granted to committees at the beginning of a legislative day carries through a number of successive calendar days. I am of the opinion that such permission must be granted anew on each calendar day. The fact that permission was given at the beginning of this legislative day, which began last Thursday or Friday, does not carry with it the permission for committees to meet on calendar day today. Conceivably, this could become a point in a court case at some future time, and I think we should have some clarification of it now.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. MANSFIELD. I agree with the distinguished assistant majority leader, because I think that the Senate should be prepared, on a day-to-day basis, to entertain objections to all committees meeting or specific committee meetings for specific purposes.

Mr. ALLEN. Mr. President, reserving the right to object, I am delighted that the distinguished Senator from West Virginia has raised this point, that unanimous consent must be given at the start of each calendar day for committees to meet. I am delighted that that is the rule.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Let us hear from the Chair if it is the rule or not.

Mr. MANSFIELD. I will wait for the Chair's ruling.

The PRESIDING OFFICER (Mr. Abourezk). The Chair rules that it pertains to calendar days. Therefore, a new consent is required each calendar day.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. MANSFIELD. The exception is, of course, the Committee on Appropriations. The Senate, as a matter of courtesy, at the beginning of each session, accords that committee permission to meet.

Furthermore, committees do have the right to meet, as I interpret the rules, until the conclusion of the morning business.

Mr. ALLEN. That being the case, the Senator from Alabama serves notice that if on the next calendar day the Senate has not adjourned, he will interpose an objection to committees meeting; because he does not feel that it is right to recess the Senate each day and carry this same item forward each day in its present status. So as long as we continue this recess process at the close of each day, the Senator from Alabama, on the following day, will interpose an objection to committees meeting. That can be resolved very easily if the Senate is adjourned at the end of a day. The Senator from Alabama will interpose no objection the following day to committees meeting.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. For the information of committees, they need not meet during the session of the Senate. They may meet when the Senate is not in session. They also may meet without consent, for the first 2 hours of the daily session, if there is no pending business transacted and no morning business.

Mr. ALLEN. That is all understood.

The PRESIDING OFFICER. Will the Senator from Montana renew his request?

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

U.S. POSTAL SERVICE

The second assistant legislative clerk read the nomination of William A. Irvine, of Pennsylvania, to be a Governor of the U.S. Postal Service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

The PRESIDING OFFICER. Does the acting minority leader seek recognition?

Mr. STAFFORD. The acting minority leader does not desire recognition at this time.

The PRESIDING OFFICER. Under the previous order, the Senator from New York (Mr. Javits) is recognized for not to exceed 15 minutes.

(The remarks made by Mr. Javits at this point appear in today's Record under Statements on Introduced Bills and Joint Resolutions.)

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Nebraska (Mr. Curtis) is recognized for not to exceed 15 minutes.

THE PROPOSED AMENDMENT OF RULE XXII

Mr. CURTIS. Mr. President, I rise for the purpose of making some observations about Senate Resolution No. 4, the consideration that that proposal has received in the Senate in the last few days, and also a few comments concerning the Mondale motion which would take it up.

Mr. President, there are two very fundamental issues involved here. One of them is: Shall the Senate amend its rules so that three-fifths of those present can bring the debate to a close, or shall it remain two-thirds? That question has been with us for a long time.

The other question arises out of that. It has to do with the manner in which the Senate will proceed to make that determination, whether or not to keep the two-thirds rule or to go to the three-fifths rule. What is happening in reference to the Mondale motion, which provides that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair immediately, putting this motion to end debate to the Senate for a yea-and-nay vote, and, upon the adoption thereof by a majority of those Senators present and voting, a quorum being present, the Chair shall immediately thereafter put to the Senate, without further debate, the question of adoption of the pending motion to proceed to the consideration of Senate Resolution 4.

Mr. President, this is the most reactionary antiliberal proposal that has been made in this Senate in a long, long time. The very essence of the Senate, as a part of the legislative branch, is that all States shall have equal power in the Senate. With the House of Representatives basing their membership upon population, it means that the smaller States are outvoted in the House not twice but maybe 20 times by a State such as California. The Founding Fathers adopted a system of balance.

They provided that, in the Senate, not only does each State have the same number of Senators, but they explicitly provided that all States shall have equal voting power in the Senate.

How are we going to make our voices count unless we have an opportunity to state our views and attempt to influence the outcome?

It is rather interesting that the Presiding Officer of the Senate is not elected by the Senators. The Presiding Officer of the Senate comes from the executive. He is not chosen by the Senate to be our Presiding Officer, but he is a part of the executive branch and, as such, is bound by the constitutional traditional makeup of the Senate. How are we going to go about giving to each State or preserving for each State equal voice in the Senate? There is one thing that is sure: it means that the Senators representing any and all of the States shall have a right to arise and state their view. Any time a Presiding Officer, by use of the gavel, prevents Senators who arise and seek recognition to speak, when they are gaveled down and a motion is put, the Constitution is flagrantly violated because the States shall have been denied equal power. If one State has a right to send a Senator here to propose a motion, another State has a right to send someone here to take the opposite side and to state their views.

Now, Mr. President, the only way that the right of States for equal representation can be maintained is the way it has been done through the years. Through the years, if a Senator arose in his place and sought recognition, the putting of a motion was delayed until every Senator that arose and sought recognition was given an opportunity to speak except those motions which the rules of the Senate specifically provide shall be voted upon without debate.

If we follow any other course, if we proceed in a manner such that an individual can get the floor and say "I move thus and so," and that ends it, we have flagrantly violated the principle that every State is entitled to equal representation in the Senate.

The Constitution is not built on the premise that the first Senator who shouts, or the one who shouts the loudest, gets the floor to make his motion, and the others are denied the right to speak. That may be true in some meetings. It may be true in some organizations. But here we are bound by a constitutional provision that each State shall have equal representation; so there is no question of someone coming first. There is no question of someone being able to attract the attention of the Presiding Officer. So long as a Senator stands in his place and seeks recognition, he is entitled to be heard, unless by unanimous consent or proceeding under the written rules debate is brought to a close.

So much for the situation as to the Mondale motion to bring up this matter under a procedure that totally disregards the equal right of every Senator to be heard on it. Let us think about the change from two-thirds to three-fifths.

Some might say, "That is a small change; why do we not do it in a spirit of compromise?"

That is a valid argument, up to a point. But all these things have to be weighed as to what is good for the country. And I submit that when we have less than two-fifths of the Senate belonging to the minority party, we should never adopt a rule here that would permit the majority party to silence the minority should an occasion arise.

It may be argued that most issues are not that partisan. How do we know? How much bipartisanism was involved in the handling of the election contest for the State of New Hampshire? I am not saying that the minority was entirely right and the majority was entirely wrong, but I am saying that it is an illustration of the situation where the decision was on a party line. And I am surprised at my Republican colleagues who advocate a change in the rules which would make it impossible for the minority to carry on the debate if the majority chose to shut it off.

That is not liberalism, Mr. President. That is not progress. That is not advancement. That is reaction. That is tyranny of the majority.

I have watched a few filibusters. Most of them fail. The only way a filibuster can succeed is by getting the country behind it, and that is the sole purpose of it; the right of a Senator to speak at length in the hope of convincing his colleagues and the country that the proposed course is unwise.

We are a very complex Nation. We are not only a heterogeneous people, coming from many places around the world; our economy and our industrial attainments are complex. Our laws have to be complex. By the very nature of the size of the House of Representatives, they must operate under rules that limit debate.

What is wrong with having one place in this government where individuals can take the floor and talk, with the hope that they will be able to convince others, and to prevent the happening of something that is believed to be not best for our country?

There is always a sense of balance. I have never known anyone here, in my time, to get up and read the telephone book or a mail order catalog, or do any of those things. The minute a Senator departs from constructive debate, he loses his influence, and just as soon as a little group starts to filibuster on something that does not have a chance of appealing to the American people, that filibuster is doomed.

Mr. President, we are not faced at this time with an attack made by obstructionists to prevent legislation from being enacted.

The VICE PRESIDENT. The Senator's time has expired.

Mr. CURTIS. We are faced with a threat against the minority, and with the tyranny of the majority.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate resumed with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

The VICE PRESIDENT. The Senate will now resume the consideration of the motion to proceed to the consideration of Senate Resolution 4.

The Chair wishes to state at this point that he has examined, with the assistance of the Parliamentarian, the precedents, and finds that the point of order raised yesterday by the Senator from New York against the motion by the Senator from Alabama that the Senate recess until 7 o'clock died when the hour of 7 o'clock arrived last evening with the Senate still in session.

The pending question is on agreeing to the motion of the Senator from Minnesota. Pursuant to the previous order, the Chair recognizes the Senator from Alabama.

Mr. ALLEN. Mr. President, may I inquire of the Chair, inasmuch as he has withdrawn the question which he submitted last night from the Senate, as to under what circumstances and for what purposes the Senator from Alabama is recognized, in the view of the Chair?

The VICE PRESIDENT. The Senator from Alabama is recognized pursuant to an order that was entered yesterday before the Senate recessed.

Mr. ALLEN. Was there any limitation imposed on the right of the Senator from Alabama to speak at this time?

The VICE PRESIDENT. The order was for recognition, but the pending question is nondebatable.

Mr. ALLEN. Very well. I am recognized for some purpose, I assume.

The VICE PRESIDENT. The Senator has the floor.

Mr. ALLEN. Having been recognized for this purpose, Mr. President, I am leading up to the making of a motion which I hope the Chair will submit to the Senate just as he submitted the question last night as being a constitutional question.

Now, let us review for a moment, if the Chair will indulge me to state the background for the motion. I assure him I will not delay the Senate long because I want to get to discussing this other motion.

Last evening——

Mr. MONDALE. Regular order, Mr. President.

Mr. ALLEN. The Senator from Alabama——

The VICE PRESIDENT. For a brief statement.

Mr. ALLEN. Very well.

On last evening the Senator from Alabama made a motion that the Senate recess until 7 o'clock. The distinguished Senator from New York (Mr. Javits) raised a point of order that no intervening motions were in order.

The Chair stated that that was a constitutional question, the matter of an intervening motion, and he would submit it to the Senate, and it was submitted to the Senate. Now he has withdrawn it from the Senate, and I am not arguing with the Chair's position in this regard.

The VICE PRESIDENT. It expired.

Mr. ALLEN. At this time, Mr. President, I make a motion and I ask the Chair to submit it to the Senate because it raises a constitutional question, just as did the motion last evening.

I move—will the Senator allow me to make the motion before he makes his motion?

The VICE PRESIDENT. The Senator from Alabama will proceed.

Mr. ALLEN. Mr. President, I move—and I ask the distinguished occupant of the chair to submit it to the Senate, I move—that the pending question be postponed until the next legislative day, and I ask that he submit it to the Senate as being a constitutional question.

Mr. MONDALE. Mr. President——

Mr. ABOUREZK. Mr. President, I move to table that motion.

Mr. ALLEN. The Senator has not been recognized.

The VICE PRESIDENT. The Chair yesterday submitted the point of order which was raised to the body as a whole. It was raised against the motion, so yesterday is precedent for submitting a point of order.

Mr. MONDALE. Mr. President——

Mr. ALLEN. Let the Chair rule.

Mr. MONDALE. The Chair has ruled, I believe, that the regular order requires a vote on the pending Mondale motion.

Mr. ALLEN. What was the Chair's ruling on my request for submission?

Mr. MONDALE. I would ask for the regular order.

The VICE PRESIDENT. The pending question is the motion offered by the Senator from Alabama.

Mr. ALLEN. Very well.

Mr. MONDALE. Mr. President, I move to table that motion and I ask for the yeas and nays.

Mr. ALLEN. I move that the Senate recess until 7 o'clock this evening, which was the same motion as yesterday.

The VICE PRESIDENT. There was a request for the yeas and nays.

Mr. ALLEN. I move we recess until 7 o'clock this evening, and I ask for the yeas and the nays.

The VICE PRESIDENT. The Chair has not recognized anybody for another motion yet.

The Senator from Alabama made a motion which will be voted on. I recognize the Senator from Minnesota.

Mr. TOWER. Mr. President, point of order.

Mr. MONDALE. I move to table the motion, and I ask for the yeas and nays.

Mr. ALLEN. Is the Senator moving to table?

Mr. TOWER. The motion of the Senator from Alabama is out of order.

Mr. ALLEN. I move to table the point of order. I move to table the point of order.

Mr. BAKER. I ask for the yeas and the nays, Mr. President.

Mr. MONDALE. Mr. President, who has the floor?

Mr. ALLEN. I move to table the point of order.

The VICE PRESIDENT. The question is now on the motion to table the point of order to the motion that was made, to table the motion of the Senator from Alabama.

Mr. GRIFFIN. A parliamentary inquiry, Mr. President. Was this not a similar situation or is this not a similar situation to the situation we had on yesterday where the Chair decided this was a matter of a constitutional issue to be submitted to the Senate?

The VICE PRESIDENT. The Chair has already submitted for a vote the point of order which was raised, and will call——

Mr. ALLEN. Mr. President, the point of order has been made against the motion. A point of order has been made.

Mr. ABOUREZK. Point of order, Mr. President.

The VICE PRESIDENT. There already was a motion to table the motion, and that takes precedence over a point of order against the motion.

Mr. JAVITS. I ask for the yeas and nays on the motion to table.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I move that the Senate recess until 7 o'clock this evening. I hope the Chair heard me.

The VICE PRESIDENT. The clerk will call the roll on this motion.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President——

Mr. MONDALE. Regular order.

Mr. CRANSTON. Regular order.

Mr. HARRY F. BYRD, JR. Mr. President, the Chair has not stated what the question is. The Senator from Alabama has made a motion to recess until 7 o'clock, and that is a privileged matter.

The VICE PRESIDENT. The Senator had not been recognized when the vote had started and, as I understand it, under the procedure when the vote has started it is too late then to make a motion.

The question is on agreeing to the motion to table the motion of the Senator from Alabama.

The legislative clerk resumed the call of the roll.

Mr. MAGNUSON. Mr. President, can we have order in front of the seats here so that we can not only hear how we are going to vote, but see how we are going to vote.

The VICE PRESIDENT. Order, please, in the Senate.

The legislative clerk resumed the call of the roll.

The VICE PRESIDENT. Order, please.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. Symington), the Senator from Texas (Mr. Bentsen), and the Senator from North Carolina (Mr. Morgan) are necessarily absent.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New Mexico (Mr. Domenici) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. Bartlett), the Senator from Massachusetts (Mr. Brooke), and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "nay."

The result was announced—yeas 55, nays 35, as follows:

[Rollcall Vote No. 23 Leg.]

YEAS—55

Abourezk
Allen
Bayh
Beall
Biden
Bumpers
Burdick
Byrd, Robert C.
Case
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee

McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Tunney
Williams

NAYS—35

Baker
Bellmon
Brock
Buckley
Byrd, Harry F., Jr.
Cannon
Chiles
Curtis
Dole
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Laxalt
Long
McClellan
McClure
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—9

Bartlett
Bentsen
Brooke
Domenici
Gravel
Morgan
Percy
Symington
Taft

So the motion of Mr. Mondale to lay on the table the motion of Mr. Allen was agreed to.

The VICE PRESIDENT. The pending question is——

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Does the Senator from Virginia have recognition to have the floor?

The VICE PRESIDENT. The Senator has the floor.

Mr. HARRY F. BYRD, JR. Mr. President, I move that the Senate postpone the pending business for a period of 1 week.

Several Senators addressed the Chair.

Mr. TOWER. Mr. President, the motion of the Senator from Virginia is out of order, and I ask the Chair to rule.

Mr. HELMS. I ask for the yeas and nays.

Mr. MONDALE. Mr. President——

Several Senators addressed the Chair.

The VICE PRESIDENT. Since the pending motion was made under the Constitution and not under the rules, the Chair, under the precedents, submits the question to the Senate for its decision. Is the point of order well taken?

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from New York.

Mr. JAVITS. Mr. President, I move to table the point of order.

The VICE PRESIDENT. The question is on the motion to table.

Mr. MONDALE. I ask for the yeas and nays.

Several Senators addressed the Chair.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. Symington) and the Senator from North Carolina (Mr. Morgan) are necessarily absent.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New Mexico (Mr. Domenici) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. Bartlett), the Senator from Massachusetts (Mr. Brooke), and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "yea."

The result was announced—yeas 89, nays 2, as follows:

[Rollcall Vote No. 24 Leg.]

YEAS—89

Abourezk
Allen
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Culver
Curtis
Dole
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—2

Chiles
Talmadge

NOT VOTING—8

Bartlett
Brooke
Domenici
Gravel
Morgan
Percy
Symington
Taft

So Mr. Javits' motion to table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. Stevenson). The question recurs on the motion of the Senator from Virginia. The Chair recognizes the Senator from Minnesota.

Mr. HARRY F. BYRD, JR. Mr. President.

Mr. MONDALE. Mr. President, in a moment, I am going to move to table the dilatory motion offered by the Senator from Virginia. I should like my colleagues to know what we are going through here.

Since the 14th of January, the Senate has repeatedly and overwhelmingly indicated its desire to amend rule XXII. A small minority, having lost that fight, has repeatedly resorted to irrelevant, dilatory tactics, hoping to frustrate the U.S. Senate in its obvious desire to change the rule and modernize it so that we can get some business done. Now we have this motion to postpone which is presented only, presumably, because its proponent thinks it is debatable.

Therefore, Mr. President, I make a motion to table the amendment to postpone—the motion to postpone of the Senator from Virginia and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. GRIFFIN. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. There is a sufficient second. The clerk will call the roll.

Mr. McCLURE. Parliamentary inquiry, Mr. President.

Mr. HARRY F. BYRD, JR. Parliamentary inquiry, Mr. President.

Mr. CURTIS. Point of order, Mr. President.

Mr. MONDALE. Regular order, Mr. President.

Mr. CURTIS. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The rollcall is in progress.

The legislative clerk called the roll.

Mr. HELMS. May we have order in the Senate, please? It is the duty of the Presiding Officer to keep order in the Senate.

The PRESIDING OFFICER. The Senate will be in order.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. McClellan) and the Senator from Missouri (Mr. Symington) are necessarily absent.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bartlett), the Senator from Massachusetts (Mr. Brooke), and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "nay."

The result was announced—yeas 55, nays 37, as follows:

[Rollcall Vote No. 25 Leg.]

YEAS—55

Abourezk
Bayh
Beall
Bentsen
Biden
Bumpers
Burdick
Byrd, Robert C.
Case
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Tunney
Williams

NAYS—37

Allen
Baker
Bellmon
Brock
Buckley
Byrd, Harry F., Jr.
Cannon
Chiles
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Laxalt
Long
McClure
Morgan
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—7

Bartlett McClellan Taft
Brooke Percy
Gravel Symington

So the motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I ask unanimous consent that I might submit to the Chair a cloture motion relative to the motion to agree to the House amendment to S. 281.

The VICE PRESIDENT. Is there objection?

Several Senators addressed the Chair.

Mr. ABOUREZK. Reserving the right to object, Mr. President——

Mr. GOLDWATER. I object.

Several Senators addressed the Chair.

Mr. MONDALE. Mr. President, I have the floor.

Mr. ROBERT C. BYRD. Mr. President, I call attention to the fact——

The VICE PRESIDENT. The Senator from West Virginia.

Mr. ROBERT C. BYRD (continuing). When a Senator addresses the Chair he is supposed to be standing.

Several Senators addressed the Chair.

Mr. ROBERT C. BYRD. Therefore, the objection was not properly made.

Mr. GOLDWATER. I object.

The VICE PRESIDENT. Objection is heard.

The Senator from Minnesota.

Mr. MONDALE. Mr. President, understanding that the pending business, the regular order, now comes on the vote on the motion which we have been trying to vote on now for 2 full days, I ask for the yeas and nays on my motion of yesterday to end debate on the motion to consider Senate Resolution 4, and to vote to consider Senate Resolution 4. I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second and the yeas and nays are ordered.

Mr. MONDALE. And I call for the regular order.

Several Senators addressed the Chair.

Mr. CLARK. Regular order.

The VICE PRESIDENT. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Has not the Senator from Minnesota reserved the right to object?

Mr. MONDALE. No, not on this. I called for the regular order.

Mr. ALLEN. The regular order implies amendments and motions to postpone, so I ask recognition for the purpose of making a motion.

The VICE PRESIDENT. The Senator from Alabama.

Mr. ALLEN. Mr. President, in my remarks I am going to make a motion that this matter be postponed for 1 month.

The VICE PRESIDENT. The motion is not debatable, but if the Senator wants to make a few remarks he may.

Mr. ALLEN. I make the motion that this matter be postponed 1 month, and I ask recognition to discuss it.

Mr. MONDALE. Mr. President——

Mr. ALLEN. Mr. President, I have been recognized.

The VICE PRESIDENT. The Senator from Alabama has the floor.

Mr. ALLEN. The Senator from Minnesota has been recognized about 10 times here.

Mr. ABOUREZK. A parliamentary inquiry.

Mr. ALLEN. I do not yield for a parliamentary inquiry.

The VICE PRESIDENT. Does the Senator yield? He does not yield.

Mr. ALLEN. Mr. President, I believe, I would say, that while the Vice President was in the chair he recognized the distinguished Senator from Virginia to make a motion that this matter be postponed for 1 week. A parliamentary point of order was made by the distinguished Senator from Texas, and the Chair, very appropriately, said that that motion was not in order, and he made the ruling on the point of order that it was not in order, and then a motion was made to table the point of order, and that motion carried.

Now, Mr. President, what was the effect of that? The point of order made by the Senator from Texas that the motion of the Senator from Virginia was not in order was stricken. Therefore, the motion of the distinguished Senator from Virginia was in order and, under the Senate rules, is debatable.

So, Mr. President, what we have had here is an example of the steamroller at work. We have seen a determined majority seeking to change the rules by a method not countenanced by the rules.

A great drive is in progress right now to get this matter agreed to by the Senate prior to the cloture vote on tomorrow. Now, if the Chair will allow the Senator from Alabama to continue his discussion—and I understand that he has ruled that the Senator from Alabama may discuss the motion—it is not likely that there will be votes any time soon even on the Senator's motion.

Mr. President, the point is made by the proponents of Senate Resolution 4 that at some time during the beginning of a session they can amend the Senate rules by methods other than those provided by the rules.

Mr. President, the beginning of the session has ended, and I am in hopes that some time during the proceedings the Chair will rule that rule XXII is applicable in this area and that it will take a two-thirds vote to cut off debate with respect to Senate Resolution No. 4. I believe even the sponsors of the proposal concede that or else they would not be throwing the rule book out of the window here today.

Today and yesterday were sorry days in the history of the U.S. Senate—where Members of the Senate, a majority of them, are willing to resort to any method whatsoever to accomplish their ends.

Now, the distinguished Senator from Montana, when he made the point of order on Thursday that a motion to cut off debate by majority vote was not in order, that it was going against the rules, he said that those who sought that method were letting their desire to accomplish what they considered a worthwhile end justify any means to accomplish that end.

Well, I do not believe any end justifies the tactics we have seen here today and yesterday, when Senators on their feet clamoring for recognition could make motions well within the rules and were not given that opportunity, where Senators who offered motions were not given the right to explain those motions.

A sorry day in the U.S. Senate.

Mr. President, the issue is, Are we going to allow the majority to run roughshod over the rights of the minority? Are we going to allow the majority to flout the Senate rules, say they do not exist, yet at the same time we operate under the rules?

I do not believe in the final analysis that effort will prevail.

Mr. FONG. Mr. President, will the Senator yield for a question?

Mr. ALLEN. For a question only.

Mr. FONG. Tomorrow we are expected to vote on the cloture motion. Does the Senator expect that those who advocate a change in rule XXII will raise a point of order that that cloture petition is not in order because we have no rules in the Senate at the present time?

Mr. ALLEN. No, I doubt if they will rule that, or if they will take that position. They will say it is a rule that is not a rule, I think that is what they will say they are entitled to a different type pretty well the attitude.

Mr. FONG. Does the Senator believe that there will be a point of order made to the question as to whether a two-thirds vote is necessary to stop debate on that Penn Central question?

Mr. ALLEN. No, I do not believe, and I might say this: The Senator knows there is a mixture of support here on these two issues, yet the distinguished Senator from Minnesota (Mr. MONDALE) and the distinguished Senator from Kansas (Mr. PEARSON) arrogate unto themselves this rule that they are entitled to change the Senate rules by a majority vote and cut off debate by a majority vote to get to that end.

Yet the proponents of the Penn Central legislation have to go the two-thirds route, which seems to make some people kind of second class citizens here in the Senate. The Penn Central people have to go the two-thirds route to cutoff debate.

The Senator from Kansas (Mr. PEARSON) and the Senator from Minnesota (Mr. MONDALE) take the position that they are entitled to a 50–51, or a simple majority rule, on cutting off debate, and while we should have one standard for Penn Central, and the Senator is supporting that, Penn Central would not be the only issue. Take anything; take the delay of the President's tariff. Any of these things would have taken two-thirds to cutoff debate.

But there is a special class of citizen here in the Senate constituting, I am sorry to say, more than 50 percent that say. Here today, gone tomorrow; that is of rule and that is the rule of applying cloture or choking off debate by a simple majority vote.

Now, this effort has been carried on for years here in the Senate and it looks like the fever is getting—fever pitch is a little harder right now to do this, and as I say, they are making a great drive to get this done before the cloture vote on tomorrow, and I am doubtful if that is going to take place. I am not absolutely sure. I am doubtful that it is going to take place; that this matter will be disposed of before the cloture vote.

Mr. FONG. Will the Senator yield?

Mr. ALLEN. I will yield for the question and then I will come back.

Mr. FONG. If the distinguished Senator from Alabama——

Mr. GRIFFIN. Would the Senator from Hawaii use his microphone?

Mr. FONG. If the distinguished Senator from Alabama does not anticipate that a point of order will be raised by the proponents who wish to change rule XXII to the number of votes that may be required to pass the Pennsylvania Railroad petition to close debate, suppose the Senator from Hawaii were to raise that point. What would the distinguished Senator from Alabama say would be the ruling of the Chair in that regard?

Mr. ALLEN. Well, I feel confident that the Chair would rule on the Penn Central that it would take a two-thirds vote to invoke cloture. I am confident, too, that if cloture is invoked by a two-thirds vote on Penn Central, the Vice President is going to rule that it is going to take two-thirds to invoke cloture on this rules change effort. That is the reason they are so hot to get some action on this to the point of going to the extremes that they have in flouting the Senate rules in order to try to get this legislation rammed down the Senate's throat and rammed down the country's throat, because this is an issue that is vital to the people of the United States.

If it just affected the Members of the Senate, that would be one thing. I could live with any rule. The point I have been making is that if we can agree that a majority in the Senate, a simple majority, can cut off debate just because a motion is made saying the majority can, the point of order is made against it, and this same majority votes to table the point of order, so I would feel that if this same majority decided, "Well, gee, it is awful hard to get 51 people to cut off debate, maybe we ought to cut that down to 40 people to cut off debate here in the Senate," so what would prevent them from offering a motion here on the rules change saying that 40 Senators could cut off debate.

The point of order would be made against it, these same 51 Senators who said that the majority could do it when the rules say it takes two-thirds. Well, they could just as easily say that 40 Senators could cut off debate.

So there is no end to this thing.

Some people who are advancing Senate Resolution 4 say, "Gee, we are for 60 percent cloture, but we are not for majority cloture." What do you think you are getting, except majority cloture? That is exactly what you are getting. It is handing to a group of Senators, numbering some 51, carte blanche to set any standard they want to, just because a majority can table any point of order. It is going to make this great, so-called, greatest deliberative body in the world just a disorganized horde of individuals. That is what is going to result, if this effort is followed to the extreme.

How can we deliberate on legislation milling around, as has been done here for the last 2 days in an effort to ram this thing down the country's throat?

Mr. FONG. Will the answer given by the distinguished Senator from Alabama——

Mr. ALLEN. I lost sight of the Senator's question, perhaps, in my answer.

Mr. HARRY F. BYRD, JR. May we have order in the Senate, Mr. President? This is an important matter.

The VICE PRESIDENT. There will be order in the Senate.

Mr. FONG. I am referring to the answer given by the distinguished Senator from Alabama that he contemplated the Chair would rule, should the Senator from Hawaii raise a point of order as to the number of votes that may be required to agree to the motion to invoke cloture on the Pennsylvania Railroad question. The distinguished Senator from Alabama said that he thinks the Chair would rule that it would require a two-thirds vote.

Mr. ALLEN. That is merely a judgment. He has not been in communication with the Vice President.

Mr. FONG. If the Chair does not rule that it will require a two-thirds vote and say that this is still a constitutional question because it is before a new Congress, then he must rule that it needs only a majority vote to be consistent. Is that true?

Mr. ALLEN. That would be true, yes.

Mr. FONG. But should the Chair rule that it requires a two-thirds vote to invoke cloture on the Pennsylvania Railroad motion, then the Chair would be inconsistent, would he not?

Mr. ALLEN. Yes. It would seem so to me. I am sure the Chair would not want to be inconsistent.

Mr. FONG. So you either have rules or you do not have rules. Is that correct?

Mr. ALLEN. That has always been the rule. Up to now it has always been the rule.

Mr. FONG. If we said that we have to follow rule XXII in the disposition of the motion filed by the distinguished Senator from Connecticut on the Pennsylvania Railroad question to invoke cloture by two-thirds vote, then you do have rules. The rules which were adopted last year are still the rules of the Senate this year.

Mr. ALLEN. Yes, sir.

Mr. FONG. If those are the rules of the Senate, then how can we now dispose of the question which is before us by a majority vote?

Mr. ALLEN. I do not feel we can. I would certainly agree with the distinguished Senator from Hawaii that we are operating under the rules. They carry forward from one session of the Senate to the next. There is no hiatus there. It is a continuing set of rules. It is provided in rule XXXII that they remain the rules of the Senate until they are amended as provided in the rules. As provided in the rules would mean that debate would have to be cut off, also as provided in the rules. So there is not any hiatus by which they can rush in and say, "Look, we are going to operate on a majority now during the beginning of the session." When does the beginning end is what concerns the Senator from Alabama. I rather believe it ended on last Thursday when an effort was made to bring this matter up and it died with the adjournment of the Senate that night.

Mr. FONG. The Senator from Hawaii would say that in this greatest deliberative body——

Mr. ALLEN. I will yield for a question. Will the Senator phrase it in such a way as to constitute a question?

Mr. FONG. My question is, How can this greatest deliberative body in the world have two sets of rules?

Mr. ALLEN. The Senator from Alabama is trying to keep them on the one-track system, not a two-track, not a double set of rules. A set for the favored few and a set for the rest of us is what the Senator from Alabama does not like to see.

Mr. FONG. I thank the Senator.

Mr. ALLEN. I thank the distinguished Senator from Hawaii for his fine comments and his penetrating questions.

Mr. WEICKER. With the understanding that the Senator from Alabama will not lose his right to the floor, would the Senator yield to me for the purpose of making a unanimous-consent request that a cloture motion be filed with the Chair?

Mr. ALLEN. If the Senator from Alabama can yield the floor temporarily for that purpose without losing his right to the floor and without a resumption of his remarks constituting other than a continuation of his first speech, he would be willing to yield briefly for that purpose. However, he has a number of points he wishes to make and he would not want too much time consumed on this cloture motion.

Mr. WEICKER. I understand.

The VICE PRESIDENT. Is there objection?

Mr. JAVITS. Mr. President, reserving the right to object——

Mr. ABOUREZK. I ask for regular order.

The VICE PRESIDENT. Is there objection?

Mr. ABOUREZK. I object.

The VICE PRESIDENT. Objection is heard.

Mr. WEICKER. Will the distinguished Senator from Alabama yield for a question?

Mr. ALLEN. I yield for a question.

Mr. WEICKER. Is it not amazing that we have on the one hand a group——

Mr. CLARK. Regular order, Mr. President.

Mr. WEICKER. I am asking a question of the distinguished Senator.

The VICE PRESIDENT. The Senator can yield for a question.

Mr. WEICKER. Is it not amazing that on the one hand we have the Senator from Alabama and those associated with him——

The VICE PRESIDENT. Regular order. Is this a question?

Mr. WEICKER. I once again would ask the Senator from Alabama——

The VICE PRESIDENT. Thank you.

Mr. WEICKER. If it were possible to get unanimous consent that he would not lose his right to the floor, would he yield to me for the purpose of submitting a cloture motion to the Chair?

Mr. ALLEN. I would be delighted to yield for that purpose if it also be agreed that the Senator from Alabama, when he resumes his remarks, will be considered as having merely continued with his first speech on this subject.

Mr. JAVITS. Mr. President, reserving the right to object——

Mr. ALLEN. There has not been any——

The VICE PRESIDENT. The question is objected to.

Mr. JAVITS. Mr. President, I have not objected. I have reserved the right to object.

The VICE PRESIDENT. Objection has already been heard.

Mr. ROBERT C. BYRD. Mr. President——

The VICE PRESIDENT. The Senator from Connecticut was talking.

Mr. ROBERT C. BYRD. The Senator from Connecticut had not made his request. He was just asking if the Senator from Alabama would yield for a request.

Mr. ALLEN. Mr. President, I must resume my remarks. It is getting too far afield now. At such time as agreement is worked out, the Senator from Alabama would be glad to yield——

Mr. TOWER. Will the Senator from Alabama yield for a question?

Mr. ALLEN. I will yield for a question only.

Mr. TOWER. Is the Senator from Alabama aware that the 15 largest States in the Union have well over 50 percent of the population of the United States?

Mr. ALLEN. Yes, I would feel that is probably accurate.

Mr. TOWER. Is it correct that those 15 States have 30 percent of the representation in the U.S. Senate?

Mr. ALLEN. Yes, that is unquestionably correct.

Mr. TOWER. Then is not the right of extended debate a protection for the representatives of a majority of the people of the United States, perhaps, under certain circumstances?

Mr. ALLEN. Yes. I think the Senator makes a good point.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. ALLEN. Yes, for a question.

Mr. ROBERT C. BYRD. For a question only, and with the understanding that the resumption of his remarks do not constitute a second speech.

My question is: Would he yield to the Senator from Connecticut for the purpose of allowing the Senater from Connecticut to offer his cloture motion and have it read, after which the Senator from Alabama would resume?

Mr. ALLEN. If the Chair will state that that unanimous consent has been given, at that time, the Senator from Alabama will yield for that purpose.

Mr. ROBERT C. BYRD. I make such a request.

Mr. JAVITS. Mr. President, reserving the right to object, I would like to state why, because I do not wish the Senator from Alabama to acquire by this unanimous consent any greater rights than he already has in terms of speaking on the floor, as we have certain contentions respecting the propriety of extended debate by the Senator from Alabama, which we should have a right to raise. Therefore, I ask the following parliamentary inquiry.

Mr. ALLEN. Mr. President, I object. I did not yield for that purpose. I yielded only for a question. I demand the regular order, and I demand the right to proceed.

Mr. ROBERT C. BYRD. I make the request.

Mr. ALLEN. The Senator from West Virginia should make the request of the Senator from New York first, before he asks me again.

Mr. ROBERT C. BYRD. Mr. President, if that is the attitude, I will not make that request again. There were no tricks involved in my request.

Mr. ALLEN. But it got far afield.

Mr. ROBERT C. BYRD. The Senator from Alabama would not be prejudiced in his rights, nor would the Senators on the other side of the question.

Mr. ALLEN. Yet, I will say that the distinguished Senator from New York was trying to raise some sort of parliamentary question. I am not yielding for that purpose.

The VICE PRESIDENT. The Chair recognized the point made by the Senator from West Virginia.

Mr. ROBERT C. BYRD. I make the request, and it is understood that reservations of objections are not debatable. If any Senator wants to object, let him make objection.

The VICE PRESIDENT. Is there objection?

Mr. ALLEN. Reserving the right to object, is it understood, Mr. President, that I may yield for this purpose without losing my right to the floor and without the resumption of my remarks being counted as other than a continuation of my first speech?

The VICE PRESIDENT. That is the understanding of the Chair.

Mr. JAVITS. Mr. President, will the Senator from West Virginia yield?

Mr. ROBERT C. BYRD. If the Senator will allow me to yield.

Mr. JAVITS. For a question, nothing more.

Mr. ALLEN. I have the floor, if the Senator would like to propound a question.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Alabama may be permitted to yield to me for not to exceed 1 minute, for the purpose only of my offering the motion which the Senator from Connecticut has in his hand, to invoke cloture, and with the understanding that the distinguished Senator from Alabama does not lose his right to the floor; that a resumption of his speech does not constitute a second speech; and that I will not be empowered to make any other motion or point of order, point of no quorum or any such thing.

Mr. ALLEN. I have never thought the Senator would. I never objected to yielding.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, the cloture motion is at the desk.

The VICE PRESIDENT. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The second assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to agree to the House amendment to S. 281, an Act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Richard S. Schweiker, Jacob K. Javits, Robert T. Stafford, Mark O. Hatfield, Hiram L. Fong, Lowell P. Weicker, Jr., Edward W. Brooke, James A. McClure, James L. Buckley, Charles McC. Mathias, Jr., Bob Packwood, William V. Roth, Jr., J. Glenn Beall, Jr., Howard H. Baker, Jr., Pete Domenici, Jake Garn, Clifford P. Case, Jennings Randolph.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. I thank the Senator from Alabama and all Senators.

Mr. WEICKER. I thank the distinguished Senator.

Mr. ALLEN. I thank the distinguished assistant majority leader. I assure him that the Senator from Alabama has been agreeable at all times to help facilitate the Penn Central issue in coming to a vote. I would be less than candid if I did not say that I am inclined to vote against the Penn Central bailout. I feel that it is not in the public interest.

I was a little amazed at the procedure in connection with this bill. The Department of Transportation went before the committee with a request up in the millions—I think about $275 million. If I am incorrect by plus or minus $10 million, I am sure the chairman of the Committee on Commerce will correct me on that.

Mr. MAGNUSON. That is correct.

Mr. ALLEN. I am delighted to hear the Senator say that I am correct in that figure.

Then, if I am not mistaken, the committee set the figure of the bailout at an additional $25 million and urged that upon the department. Then the bailout was passed in the Senate. The Senator from Alabama did object to a voice vote on that, without any debate, and he requested and obtained an agreement for 4 hours of debate, 2 hours on each side. I believe that only about an hour of debate was consumed on the floor of the Senate.

Then the bill went to the House, and the House thought that the figure in the Senate bill, by way of loan and grant—I say that in my opinion, this loan, in effect, is a grant—but they thought that figure was woefully inadequate, the figure was passed in the Senate, and they urged another $50 million or so on the Penn Central.

That, Mr. President, is what has been made the basis of the cloture motion at the desk.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Let me finish this line of thought with regard to the Penn Central.

On Thursday of last week, the Senator from Alabama, not wanting to hold up this issue, but still reserving his right to be against it, did agree that on Thursday of last week the issue could come to discussion and vote during a 1-hour period that was carved out of the time that was set or available for discussion of Senate Resolution 4. But that agreement did not meet with the approval of the proponents of Senate Resolution 4, who stated: "No. We have been waiting for weeks, and we want to work on this Thursday, without any time taken off." So the Senator from Alabama's efforts there were thwarted.

Then, on Friday of last week—which shows that the Senator from Alabama is not trying to hold up the Penn Central bailout, although he is going to vote against it—the Senator from Alabama right here on the Senate floor said—I assume it is in the RECORD. I have not bothered to check. Our Official Reporters of Debates are very, very efficient and they are accurate, and I am sure that that does appear in the RECORD. The Senator from Alabama said, "All right, let us vote on this Penn Central issue on Friday." That was Friday of last week. I said that in return for that vote, for my acceding to the request that a vote be had, I wanted to be recognized on Monday, on yesterday, and that prior to Monday—that is, on Friday—I wanted to have the opportunity to make a motion to bring up an innocuous measure on the Calendar.

So the distinguished majority leader, who was trying to seek a compromise in the Penn Central issue and who finally was forced to move for cloture, after conferring for quite some time—an hour and a half or so—with the proponents of Senate Resolution 4 and the proponents of the Penn Central issue came back and said, "No, we can't agree to that. We'll just go on."

Well, knowing that they were not going to get a vote on Friday, that they were not going to take the opportunity to get a vote, why did they not file a cloture motion then? That would have been very simple. They could file the cloture motion on Friday, have a session Saturday, and vote on the cloture motion on Monday. That was yesterday.

That was yesterday. So who has been dilatory in this matter? Not the Senator from Alabama. He has been pushing Penn Central along, reserving his right to vote against it.

I will tell the Chair why they did not file cloture on Friday. They knew they were not going to get a vote on it on Monday on Penn Central. The reason they did not file the vote on Friday was because their thinking with respect to the Penn Central issue was clouded by their greater interest in changing the Senate rules by this steamroller method. That was the trouble. Penn Central would have been gone long ago if it had not been for their greater interest in this effort to amend Senate rules by a method not provided by the rules.

I first called this effort to steamroller this change "through a backdoor approach," and it is something of a backdoor approach. But I later revised the "backdoor approach" to change it to "basement approach," because I do not believe it quite lives up to or justifies or deserves the moniker "backdoor approach." I am wondering if "basement approach" is low enough for this effort. I am wondering about "subway approach."

Well, I am hopeful that about the time they finish the subway here in Washington, this matter will come up for a vote. I hope not before then, and I hope not then.

Proof positive is available of the greater interest by those who push the Penn Central issue—I except from this statement the distinguished Senator from Connecticut (Mr. WEICKER), because it does not apply to him. Proof positive is shown of the attitude of a number of those who support the Penn Central and the rules change that they are more interested in the rules change. How do we prove that other than by their actions here in the Senate? Why are we not on Penn Central now? Because of the greater interest in the rules change.

This amendment to the Penn Central, adding these extra millions of dollars, came back to the Senate at 11:34 a.m. on last Thursday. Yet, with that message before us, and it would probably have taken only a very short time to dispose of it—the Senator from Alabama agreed to an hour's time—despite the fact that it could have been disposed of on Thursday, the proponents of this effort to gag the Senate rushed into their rules change. That was back on last Thursday. Why did they not push Penn Central? Well, they thought it might get in the way of the rules change, and their greater interest was in the rules change.

I am glad to see the distinguished Senator from California (Mr. CRANSTON) in the Chamber, one of the ablest of Senators. The distinguished Senator from California and I came to the Senate together in January of 1969. He took one position on the rules change and I took another. I was opposed to a rules change in 1969 and the Senator from California was not opposed to a rules change. A couple of years later, the Senator from Alabama still had the same position, but the Senator from California had come around to the position of the Senator from Alabama, and the Senator from Alabama welcomed him into the fold of those opposing a rules change.

I may say that one of the finest and greatest speeches made on the Senate floor in behalf of retaining rule XXII was the speech of the distinguished Senator from California.

A little later on, when I am looking for other arguments, other comments on this issue, I am going to get out that great speech by the distinguished Senator from California and advance some of those arguments to the Senate and to the distinguished Senator from California, hoping that, since he did change once on this issue and come over to the side of those opposing the change in rule XXII, I rather imagine that the 1971 CRANSTON would have been aghast at any such effort as is being perpetrated here at this time by the gag rule Senators, that he would not countenance that at all.

I will say this for the distinguished Senator: I have not heard him make a single statement in behalf of this rules change by throwing the rule book out of the window. He is a very effective, efficient head counter, and watchman here in the Senate for his side, but he has not said a word that I recall, and I have been here most of the time. So maybe the distinguished Senator from California has not gone too far but what a reading of his 1971 speech might bring him back over to the side of the minority.

A lot of the Senators pushing Senate Resolution 4 talk long and loud about the rights of the minority. They are very much concerned with the rights of minorities, as we all are. But here they are not much interested in the rights of the minorities in the U.S. Senate. They kick us around, slap us in the face, do anything that suits their fancy. But I am delighted that——

Mr. THURMOND. Mr. President, will the distinguished Senator from Alabama yield for a question, with the understanding that he will not lose his rights to the floor?

Mr. ALLEN. Yes; I will be glad to yield.

Mr. THURMOND. Upon resuming, it will not be considered a second speech on this subject?

Mr. ALLEN. I have the right to respond to a question without being in danger of losing the floor.

Mr. THURMOND. Is it not a fact that the U.S. Supreme Court has ruled that the U.S. Senate is a continuing body?

Mr. ALLEN. Yes, that is true.

Mr THURMOND. Does the Constitution of the United States provide that one-third of this body shall be elected every 2 years?

Mr. ALLEN. That is correct.

Mr. THURMOND. Was not the purpose of that provision to provide continuity for the U.S. Senate?

Mr. ALLEN. That is correct, yes.

Mr. THURMOND. Have there not been in the past treaties which remained from Congress to Congress, and still lay before this body?

Mr ALLEN. Yes, that is true.

Mr. THURMOND. Has not the genocide treaty been pending before the Senate for more than 20 years?

Mr. ALLEN. Yes, it has.

Mr. THURMOND. Does all this not suggest that the U.S. Senate is a continuing body, aside from the fact that the Supreme Court has so ruled?

Mr. ALLEN. Yes. And not only that, I cite to the distinguished Senator rule XXXII, which emphasizes that point and lays it to rest by saying that the rules of the Senate remain in full force and effect from one Congress to the other, and that any change in those rules has got to be by using the rules of the Senate, which provide for limitations on debate.

Mr. THURMOND. Was not a cloture motion filed concerning the Penn Central Railroad bill yesterday?

Mr. ALLEN. That is correct. It should have been filed Thursday or Friday, it would occur to the Senator from Alabama.

Mr. THURMOND. Did not the Chair receive that cloture motion under rule XXII?

Mr. ALLEN. That is correct.

Mr. THURMOND. Does the Senator from Alabama have any idea why there is one rule for the cloture motion on the Penn Central, and a different rule for the Senators from Missouri and Kansas?

Mr. ALLEN. From Minnesota and Kansas?

Mr. THURMOND. From Minnesota and Kansas.

Mr. ALLEN. No. The Senator from Alabama sees what the Senator is talking about, but he does not have any justification for it. I would have to state that there is no justification for two rules; we would all be entitled to equal treatment under the Senate rules as well as before the law, I would assume.

Mr. THURMOND. Did not the Chair respond yesterday, in response to a question as to whether cloture would be by a majority vote or two-thirds vote, that a two-thirds vote would be required for cloture on the Penn Central matter?

Mr. ALLEN. That is correct. That was his statement, and I am hopeful that somewhere down the line he will at least submit that question to the Senate for a direct vote, not just on some ancillary proceedings but on the direct question.

Mr. THURMOND. Does not all this suggest the present rules of the Senate are in effect now?

Mr. ALLEN. Yes, that is the judgment of the Senator from Alabama. I do not see how it could be otherwise. They have been invoking the use of them.

Mr. THURMOND. Does not the second part of rule XXXII of the rules of the Senate read as follows:

> The rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules.

Mr. ALLEN. That is correct. I noticed that the Senator emphasized the word "Congress," and there is a reason for that, I am sure. That is, they did not say, "from one Senate to the next Senate," because the Senate does not change. We have a new Congress, and it is designated by a different number. It is now the 94th Congress, but it is still the same U.S. Senate. This has been a continuing body from the start, and that is underscored there.

A little later I will talk about the compromise of 1959, where it was thought that this matter was laid to rest. It was for about 8 years, but it has come up again after a lapse of still another 8 years. So it looks as though at 8-year intervals they try this method of amending the Senate rules. We might call that the "8-year itch" to change the rules other than by the rules themselves. It seems to come along every 8 years.

Mr. THURMOND. What could this part 2 of rule XXXII mean when it says "The rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules"?

Mr. ALLEN. It means just what it says.

Mr. THURMOND. Is not the wording there clear, concise, and to the point?

Mr. ALLEN. It certainly is.

Mr. THURMOND. When it says that the rules shall continue from one Congress to the next?

Mr. ALLEN. That is exactly right.

Mr. THURMOND. Then if rule XXXII provides that the rules of the Senate may not be amended except in accordance with the existing rules, and rule XXII provides that debate may not cease except if two-thirds vote cloture, how can debate be terminated by a majority vote?

Mr. ALLEN. The Senator from Alabama does not see any method, and he is doing everything he possibly can within the rules to prevent this effort to choke off debate with a majority vote, where the rules call for two-thirds.

Mr. THURMOND. I think I heard some Senator say that the Constitution provides that each house will make its own rules at the beginning of each session.

Mr. ALLEN. It is not there.

Mr. THURMOND. Does not the Consitution, in article I, section 5, paragraph 2 say that each House may determine the rules of its proceedings?

Mr. ALLEN. That is correct.

Mr. THURMOND. And it does not say "at the beginning of any session?"

Mr. ALLEN. Oh, no, absolutely not.

But, for the purpose of argument, let us accept that statement, that there is a different rule at the start of a session—at the beginning of a session, that is the great word they use, that there is a different rule, supposedly, at the beginning of a Congress, that enables them to say there is a hiatus there during which there are no rules.

The beginning of this session surely has ended, with all the actions we have taken here in the Senate. Certainly the beginning has now ended, and this special dispensation that they are claiming they are entitled to certainly has ended by now, even adopting their view, which I do not.

Certainly the beginning of the session has ended long since, and they are definitely under the Senate rules, including rule XXII. The existence and applicability of rule XXII was pointed out and demonstrated in the matter of the handling of the Penn Central cloture motion, showing that rule XXII is in effect, and as a matter of fact, the very Senate resolution, the motion with regard to the Senate resolution——

Mr. THURMOND. Does the Senator from Alabama know of any precedent in the 186 years that we have had a Congress in which less than two-thirds have stopped debate?

Mr. ALLEN. No, the Senator from Alabama does not recall any such thing happening.

Mr. THURMOND. The Senator from Alabama, I am sure, is familiar with the fact that throughout the Constitution there are various provisions where a majority cannot control, showing that when our forefathers wrote the Constitution, they were setting up a republic and not a democracy; therefore, a majority cannot control in many instances, such as overriding a veto, expelling a Member of the Senate, or ratifying a treaty. The Senator is certainly familiar with those provisions.

Was not the purpose of those provisions to prevent a majority from running roughshod over the minority?

Mr. ALLEN. Yes, that is my judgment.

Mr. THURMOND. The Senator is familiar with the fact, I am sure, that a majority crucified Jesus Christ?

Mr. ALLEN. That is true.

Mr. THURMOND. The Senator is familiar with the fact that a majority burned the Christians at the stake?

Mr. ALLEN. Yes, sir.

Mr. THURMOND. The Senator is familiar with the fact that the majority drove the Jews into exile.

Mr. ALLEN. Yes.

Mr. THURMOND. The Senator, I am sure, is familiar with the fact that the majority established slavery?

Mr. ALLEN. Yes.

Mr. THURMOND. The Senator, I am sure, is familiar with the fact that the majority chained to the stakes and surrounded with circles of flames martyrs throughout all the ages of world history?

Mr. ALLEN. Yes, sir.

Mr. THURMOND. The Senator, I am sure, is familiar with the fact that the majority jeered when Columbus said the world was round?

Mr. ALLEN. That is right.

Mr. THURMOND. I am sure the Senator is familiar with the fact that the majority threw him into a dungeon for having discovered a new world?

Mr. ALLEN. Yes, sir.

Mr. THURMOND. The Senator is familiar, I am sure, with the fact that the majority said that Galileo must recant or that Galileo must go to prison?

Mr. ALLEN. That is right.

Mr. THURMOND. The Senator is familiar with the fact, I am sure, that the majority cut off the ears of John Pym because he dared to advocate the liberty of the press?

Mr. ALLEN. Yes.

Mr. THURMOND. I am sure that the Senator is familiar with the fact that all down through history the majority have been tyrannical, and is not that the very reason why his type or structure of government was formed by our forefathers—to prevent that tyranny from happening to the minority?

Mr. ALLEN. That is correct; yes, sir.

Mr. THURMOND. Is that not the very reason why we have rule XXII today, more than a bare majority, from stopping debate and shutting off a Senator from any section of this country who wants to represent not only the Nation, but the people of his region or his State in order that their views may be heard on the floor of the U.S. Senate?

Mr. ALLEN. That is right.

Mr. THURMOND. Is the Senator not of the opinion that if we revise this rule and whittle it away by now cutting it to three-fifths, there will be another effort to cut it further, and we will ultimately end up with majority rule in the Senate, and the Senate will no longer be a deliberative body?

Mr. ALLEN. Yes, sir; I think that is true, and I feel that not only will that happen in the future, I would say it would happen right now if this effort succeeds, because that would show the right of the majority to impose cloture, for the three-fifths rule would be out of the window when a majority wanted to cut it off by a majority.

So what we are doing by going outside of the rules is certainly amounting to the establishment of majority cloture. So there is just no need of even talking about cloture, because it would just be a majority vote from then on.

Mr. THURMOND. Is not the Senator of the opinion that if this change should be made that we will be setting a course that is going to destroy the U.S. Senate as a deliberative body, and it will be no different, in effect, from the House of Representatives so far as possible is concerned?

Mr. ALLEN. That is correct. Yes.

Mr. THURMOND. Was that the purpose of the forefathers who wrote this Constitution——

Mr. ALLEN. I do not believe it was.

Mr. THURMOND [continuing]. To have one body that would speak at length and inform the people of the Nation about the issues of the day, and to caution them and to warn them about steps that might be detrimental to the protection and security of the people of this country?

Mr. ALLEN. That is right; yes, sir. I certainly agree with the Senator.

Mr. THURMOND. I wish to thank the able Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator from South Carolina for his very fine remarks and for the questions that he has propounded.

I asked for a print of this resolution, Senate Resolution 4, and was given a star print here which looks rather new and fresh, indicating recent printing of it, and I am just wondering if the reason for this is that in the star print—I might state for the record that a star print is a print made after the first print of a bill, after more sponsors have been added, but there do not seem to be any additional sponsors here that I can see. Possibly there are some.

But on yesterday, just in case there might be difficulty later on when Senate Resolution 4 has been brought up—and I rather imagine that in time it will come up for consideration—and if the contention is made that amendments cannot be made to Senate Resolution 4, the rules change, outside of the rules, I might add—if the contention is made that it is not subject to amendment, I noticed in the print of the resolution last night when we were looking at it, it seems to have a mistake here which says that rule XXVII of the Standing Rules of the Senate be amended to read as follows—and, of course, it is rule XXII, and when I called attention to that error, there seemed to be consternation in the ranks of the proponents of the resolution. But, sure enough, there it is. So I assume we are going to have that established as being amendable so that we can amend that.

I was also interested in examining the cloture motion that was filed yesterday on behalf of the Penn Central bailout legislation—and I was looking there to see who all signed it and, sure enough, pretty nearly everyone who signed it is also one of the sponsors of Senate Resolution 4.

They are almost identical. There are some exceptions. Out of curiosity I was checking to see who all was represented here, because it has been my thought, and I think it has been pretty well proved, that the sponsors of the Penn Central legislation, with the exception of the distinguished Senator from Connecticut (Mr. WEICKER), I always hasten to say, that they were more interested in this effort—and I hope to be able to say abortive effort—to change rule XXII so as to apply a gag rule here in the Senate—they are more interested in that gag rule effort than they are in the Penn Central.

That is pretty definitely shown by the refusal of Penn Central supporters to agree to votes on that issue when they thought that it might prejudice the rights of those who are sponsoring Senate Resolution 4.

Looking over the names of these people who signed the cloture motion on the Penn Central bailout, I notice that the name of the distinguished Senator from Minnesota (Mr. MONDALE), if it did not lead the list, because it is 10th here on the list originally, that, at least, it led the list of those who put their names on it and then marked the names off because he is the only one who did that, and that pretty well shows, Mr. President, that the distinguished Senator from Minnesota (Mr. MONDALE) did not want to be found guilty of operating under the Senate rules. He did not want to do that because if you sign up a cloture motion under rule XXII, that indicates you are willing to follow the Senate rules in choking off debate.

But he did not want to get himself in a box where he could successfully be accused of supporting the rules and supporting the following of the rules in the matter of invoking cloture. So he marked his name off of this original cloture motion, and it is marked off pretty well. It is just a little bit difficult to see the distinguished Senator's name there.

I was commenting last night on the fact that some of these signatures are almost not legible. In about 10 cases somebody has printed the names outside, opposite the names, indicating that some of the Senators possibly did not study penmanship too much when they were back in school.

The distinguished Senator from Nebraska (Mr. CURTIS) rose yesterday and asked if any of the Senators signed by mark, but I was glad I was able to inform the Senate that none of the Senators signed by mark. All signed something, even though in about 10 cases it is pretty well illegible without the aid of the printed name opposite them.

Mr. CURTIS. Would the distinguished Senator yield for a question?

Mr. ALLEN. Yes, I am delighted to yield for a question.

Mr. CURTIS. Is it true the proponents of Senate Resolution 4 assert the position that it is not subject to amendment?

Mr. ALLEN. No, sir, I do not believe so. I am glad the Senator asked that question because I am going to make the offer, I would be glad to make it any time, to agree to a unanimous-consent agreement, if we can agree on the promise of the distinguished Senator from Minnesota (Mr. MONDALE).

This is what he said on February 20, and it is at page 3844 of the RECORD of February 20, 1975, when we were in practically the same position back then as we are now, and the distinguished Senator from Minnesota had this to say:

> What are we seeking to do here?

He thought it was necessary to inform the Senate of what they were up to. I believe by that time the Senate knew.

He asked that rhetorical question:

> What are we seeking to do here? We are not asking the Senate today to rule on what rule XXII should be. After 5 weeks of the Senate's time, we are simply asking for a vote to bring Senate Resolution 4 before the Senate for consideration.

Well, that is exactly the position we find ourselves in today, some 4 or 5 days later. But this is what the distinguished Senator from Minnesota said would be the status after the Senate Resolution 4 was brought up for consideration.

Let us see what he says:

> It will be available for amendment.

So that is contrary to the impression the distinguished Senator from Nebraska had based on the statement of the Senator from Minnesota (Mr. MONDALE):

> It will be available for amendment; it will be available for referral—

And here is the significant phrase:

> It will be available for debate.

Well, now, Mr. President, if the distinguished Senator from Minnesota can be believed—and I do not know of any Senators who cannot be—but if the distinguished Senator from Minnesota can be believed and if we would put in the Record as a unanimous-consent agreement this language, not of the Senator from Alabama, but of the Senator from Minnesota, we could proceed from there and the Senator from Alabama would be glad to yield the floor for that purpose.

Mr. CURTIS. Would the Senator yield for a further question?

Mr. ALLEN. For a further question, yes, sir.

Mr. CURTIS. Is it true that the statement of the distinguished Senator from Minnesota, just now read by my distinguished friend from Alabama, that that constitutes a true statement of the rules of the Senate?

Mr. ALLEN. Yes, sir, it does.

Mr. CURTIS. Is it not true that the rules of the Senate spell out which motions are debatable?

Mr. ALLEN. They do.

Mr. CURTIS. And which ones are not debatable?

Mr. ALLEN. Well, the motions having to do with adjournment or recess are not debatable. A motion to indefinitely postpone or a motion to table is not debatable.

Mr. CURTIS. What happens when a motion to recess or a motion to adjourn is made by a Senator who arises for that occasion?

Mr. ALLEN. Well, just suggest it to the Chair, makes his motion, if he can get recognition, I might say.

Mr. CURTIS. Does it not take precedence over all other motions?

Mr. ALLEN. Yes, a motion to adjourn is always in order.

Mr. CURTIS. A motion to adjourn takes precedence over a motion to recess?

Mr. ALLEN. Yes, that is correct.

Mr. CURTIS. But a motion to recess, does it take precedence over other motions?

Mr. ALLEN. It would take precedence over any motion other than a higher adjournment-type motion. Yes, sir, that is true.

Mr. CURTIS. Well, did the distinguished Senator from Alabama make a motion to recess at any time during these proceedings?

Mr. ALLEN. The Senator from Alabama has not made a motion to recess. He tried to make one, but the distinguished Presiding Officer—not now in the Chair—did not see the Senator from Alabama, but the Senator from Alabama made it orderly, but he was never recognized for that purpose.

Mr. CURTIS. At the time the Senator made his motion for recess for a period, was there any other motion pending?

Mr. ALLEN. No, sir. No, sir, not——

Mr. CURTIS. Was the Senator's motion to recess put to the Senate?

Mr. ALLEN. Of course, there was a motion pending, but I mean, this would take priority over that. Of course, the motion to proceed to the consideration of this Senate Resolution 4 was available, but the motion to recess would take precedence, yes, sir.

Mr. CURTIS. I will ask it this way: If the Senator from Alabama arose in the presence of the entire Senate, so it could be heard throughout the Chamber, made a motion to recess for a stated period?

Mr. ALLEN. Yes, sir, that is correct.

Mr. CURTIS. Was that motion put to the Senate?

Mr. ALLEN. No, sir, it was not.

Mr. CURTIS. In the opinion of the Senator from Alabama, should it have been under the written rules of the Senate?

Mr. ALLEN. Well, unquestionably it should have been put, the Senator from Alabama should have been recognized for that purpose.

The Senator from Alabama would say that he was not recognized for that purpose, but a motion to adjourn or to recess is always in order and he should have been recognized.

Mr. CURTIS. May I ask the Senator whether or not a unanimous consent is equivalent to having a vote taken and all the Senators present voting?

Mr. ALLEN. Now, Senator, with respect to——

Mr. CURTIS. Any matter, when a unanimous consent is put and there is no objection.

Mr. ALLEN. Yes.

Mr. CURTIS. Is that not equivalent to all Senators present voting for the proposition?

Mr. ALLEN. Yes, sir, that is correct. All have given assent to it.

Mr. CURTIS. Now, is it true that during the deliberations the last few days, a unanimous consent has been given for proceeding under rule XXII as is now printed?

Mr. ALLEN. Yes, that is correct.

Mr. CURTIS. Does that constitute an affirmative vote by every Senator present of recognizing the existence and the validity and the force of rule XXII as it appears in the books?

Mr. ALLEN. That is certainly a good point and it impresses the Senator from Alabama greatly.

Mr. CURTIS. Would the Senator ask unanimous consent to have printed in the Record at this point rule XXII as it is now enforced in the Senate?

Mr. ALLEN. Well——

Mr. MONDALE. I object to that. I object to that.

Mr. CURTIS. I have not made any——.

The PRESIDING OFFICER (Mr. Goldwater). I know of no suggestion made.

Mr. CURTIS. I just asked the question.

Mr. ALLEN. Well, I would be delighted to do it, I would say to the distinguished Senator, but the distinguished Senator from Minnesota seems to have some sort of an aversion to rule XXII and he has already indicated he would object.

I do not believe it would be worthwhile to make that request again. The less he sees of rule XXII the better he would like it. He does not want that in the Record, I assume.

Mr. CURTIS. I thank my distinguished friend for his responses. I certainly would like to see the rule printed in the Record so the general public, who do not have access to the rulebook, might know what we are talking about.

Mr. ALLEN. That is a good point, I will say to the distinguished Senator. For those who are interested in Senate rule XXII, interested in seeing it in the Record, I believe they would find rule XXII embraced in Senate Resolution 4, with the exception of the two-thirds being changed to three-fifths. That is another point that the Senator from Alabama would like to make, that the gag rule Senators apparently recognize the existence of rule XXII because Senate Resolution 4 amends rule XXII. How can you amend something that is not in being? How can rule XXII not be effective, as they contend, and yet when they go to amend it, they amend a nonexistent rule XXII? They, themselves, are conceding that rule XXII is in full force and effect when they amend it. If they thought rule XXII was not effective, all they would have to do would be to put in a rule and not number it anything. They would just say this would be the rule of the Senate.

They overlook the fact that this would show that rule XXII is effective. Their effort to change this rule XXII would obviously be subject to the very rule that they are seeking to amend in their effort.

Mr. CURTIS. Will the Senator yield for a further question?

Mr. ALLEN. For a question, yes.

Mr. CURTIS. Is it not true that the doctrine of estoppel comes in when a party makes use of a right, a law, or a principle for his benefit, that he is estopped from denying its existence?

Mr. ALLEN. I agree with the distinguished Senator.

Mr. CURTIS. I thank my distinguished colleague.

Mr. ALLEN. I was commenting a moment ago on these star prints of Senate Resolution 4, where they seek to amend rule XXII, at the same time saying there is no rule XXII in effect at this time.

The star print we had last night, a one-star print, had a typographical error in it. That is not too important. Ordinarily it could be amended very easily. But the gag rule Senators may not always agree with what the distinguished Senator from Minnesota said was going to be the rule when we got to Senate Resolution 4, where he said:

> It will be available for amendment. It will be available for referral. It will be available for debate.

That sounds more like the Senator from Alabama talking. The Senator from Minnesota assures the Senate that that will be the case as soon as we get to the consideration of Senate Resolution 4. I do not know when we are going to get there, but when we do get there it looks like, according to this assurance which the Senator from Minnesota has given all of us, we will have a fine time amending, referring, and debating that issue.

In the event they forget that commitment, as it were, in the event their desire for this end of changing these rules by main strength and force, their desire to accomplish that end becomes so great that they are willing to accomplish it by any means available, they might wipe out that promise. I do not know how much resistance the Senator from Minnesota would give to that effort. I would think, surely, he would rise in the Chamber and say, "You cannot do this to me. I made a pledge here in the Chamber of the Senate that Senate Resolution 4 would be amendable; it would be referable; it would be debatable. You must not try any effort that would cause my statement, made in good faith, and received in good faith by the Senate, to be null and void."

We have constantly heard it said that the Senator from Minnesota, at the proper time, will insist, with his great oratory, his great influence, his great skill, and see to it that Members of the Senate do have the right to amend, to refer, and to debate Senate Resolution 4.

I am ready at any time. I would be willing to stop my debate at this time if a unanimous-consent agreement might be entered into, adopting as a unanimous agreement here in the Senate the promise of the Senator from Minnesota, that it is agreed that when Senate Resolution 4 is before the Senate for consideration it will be available for amendment; it will be available for referral; it will be available for debate.

I am ready at any time. The distinguished Senator from Minnesota (Mr. Mondale) is in the Chamber. Any time that unanimous-consent agreement is entered into we can get this matter up for consideration. That is what they have been asking for. They have been trying for a long time, they say, to get Senate Resolution 4 up for consideration. The Senator from Alabama is willing to bring it up. The Senator from Alabama is willing to comply with that request, if the Senator from Minnesota will agree to it, that it is unanimously agreed that this matter will be considered by the Senate under those conditions. Why there is no agreement to that effect the Senator from Alabama does not know.

The Senator from Minnesota is in the Chamber. The Senator from Alabama is willing to comply with his request. All he would ask is that the Senator live up to the promise he made here in the Chamber as to the consideration that might be given to Senate Resolution 4. The Senator from Alabama is ready to comply.

I hear nothing from the Senator from Minnesota. And why not? The Senator from Alabama is at a loss to know. Does he have other stratagems that would cause the Senator from Minnesota to do contrary to what he has promised here in the record? Surely not. Surely not.

Who knows how many Senators were influenced on their vote on the motion that was then pending by the words of the sponsor of the motion, the Senator from Minnesota (Mr. Mondale)? Who knows that that vote would have been the same had not the Senator from Minnesota made these assurances?

The Senator from Alabama does not mind this issue coming up for a vote if it comes up under the promise made by the Senator from Minnesota.

So why are we discussing this? Let us agree. The Senator from Alabama wants to proceed further, go to the next step. It has been a long and tortuous trail—the rule book out the widow, steamroller tactics here on the floor, a solid majority voting in a bloc, no matter what the issue or the discussion or the principle involved.

Here, again, we are seeing what Senator Mansfield meant, feeling that improper means are justified by an end that these Senators deem desirable. Senator Mansfield said he could not go along with that. I am not surprised.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. ALLEN. I will yield for a question.

Mr. CURTIS. Is the printed motion of the distinguished Senator from Minnesota (Mr. Mondale) of February 24 in harmony with the statement he made in the record to which the distinguished Senator from Alabama has referred?

Mr. ALLEN. The motion made when?

Mr. CURTIS. February 24. Is it in harmony with the statement previously made by the distinguished Senator from Minnesota to which the Senator from Alabama has referred?

Mr. ALLEN. I believe it is. I believe that has to do with bringing on for consideration Senate Resolution 4.

In other words, the promise that the distinguished Senator from Minneosta made was that once Senate Resolution 4 became the business of the Senate, these conditions would apply. We have not yet reached that point.

The Senator from Alabama is saying that if the Senator from Minnesota will agree to the entering of a unanimous consent agreement that the promise he made on February 20 will be lived up to—that is all the Senator from Alabama is asking, that they live up to their promises—if the Senator from Minnesota will have it entered as a unanimous-consent agreement, that they will live up to their promise as set in the record. That does not seem to be too much to ask of a Senator or of a group of Senators, that they live up to their solemn assurances made on the floor of the U.S. Senate.

So the Senator from Alabama is ready to accede to their desire that Senate Resolution 4 be brought up and become the business of the Senate under this unanimous-consent agreement.

That is the point that the Senator from Alabama makes. But he is met with a great vacuum of silence, because apparently it is too much to expect that they would enter into an agreement to live up to their solemn assurances made on the floor of the U.S. Senate.

Mr. CURTIS. Mr. President, will the Senator yield for another question?

Mr. ALLEN. I yield.

Mr. CURTIS. Section 7, article I, of the Constitution reads:

> All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills.

It is the opinion of the distinguished Senator that that provides, in substance, that all bills are subject to amendment?

Mr. ALLEN. Yes, unquestionably. That is what they come before the Senate for, to be put in proper shape and to give each Senator an opportunity to express his view on the issue and to discuss it.

But the Senator from Minnesota has given his solemn assurance that that will be done. So even though he is not willing to enter into a unanimous-consent agreement, the Senator from Alabama must feel that that promise will be lived up to; because there is a code among Senators, I have been told, that they will comply with the promises and the pledges that have been made—certainly, those made on the floor of the Senate—and the Senator from Alabama is optimistic at this point.

Mr. CURTIS. Mr. President, if the Senator will yield further, I hold in my hand a printed motion offered by Senator Mondale on February 24, legislative day February 21. Is it not true that it proposes to take up or to have a vote on Senate Resolution 4, without debate, without intervening motions, and without amendments?

Mr. ALLEN. Will the Senator let me look at it a moment?

No. I will have to state to the Senator that this is as the Senator from Alabama said, that all this has sought to do is to get a vote on the motion to proceed to the consideration of Senate Resolution 4, and it does not go beyond that. All this would do would be to get Senate Resolution 4 before the Senate. The Senator from Alabama is saying that once it comes before the Senate and it becomes the business of the Senate, then we have reason—some reason—to rely on the pledged word of the distinguished Senator from Minnesota, made on the floor of the Senate, that that would be subject to amendment, Senate Resolution 4.

Mr. CURTIS. I thank the distinguished Senator.

Mr. ALLEN. Mr. President, I was discussing the matter of the star print that I requested last night for examination, and I found that they are seeking under the printing of that resolution, to amend rule XXVII instead of rule XXII. I called attention to that, and it caused a considerable amount of consternation and dismay, because there was some thought on their part that they might possibly cut off amendments to that, and how could they offer to amend the typographical error if they would not allow other amendments?

But, Mr. President, I asked this morning—just a few minutes ago, as a matter of fact—for one of the star prints that I had last night; and lo and behold, I was given a brandnew Senate Resolution 4. One is a little yellowed with age and the other is brandnew, fresh, clean, with a new feel and a new smell to it.

I say the word "smell" advisedly. But this is star print 2. Lo and behold, star print 2 does not have a typographical error.

I then asked one of the young men who are pages here if I could not have a copy of the star print that they had last night.

"No, Senator," he said, "we destroyed those."

Apparently, we had a kind of book-burning last night when it was found that star print 1 had an error in it. So we come out with a brandnew, fresh, clean, smell. But it has the old smell, even though it has a superficial new smell—a new-smelling resolution that does not have this typographical error.

This cloture motion that was filed on Penn Central has the name of the distinguished Senator from Minnesota (Mr. MONDALE) in bold signature on that cloture petition. Then when he realized that he was advocating following the rules when he signed this petition, he decided he wanted to mark through his name; he wanted to come off of anything that suggested following the rules.

That was more than he could abide, Mr. President. If it became known that he was going to follow rule XXII, that would be bad, because he says there is not any rule XXII. He said:

> We are going to have a new Rule XXII and we are going to say that we are amending Rule XXII, yet there is not any Rule XXII.

It is hard to see the logic of their position.

Why did he not want to be a party to signing the cloture motion on rule XXII? It is pretty obvious. He does not want to concede that rule XXII is in effect, that to stop debate on an issue, one has to follow rule XXII and invoke cloture.

No, Mr. President, this subway approach that the Senators from Kansas and Minnesota are using to try to amend the Senate rules assumes, I guess, that there is a hiatus now, when we do not have any rule XXII, and that they can do what they want to by force of a majority of the Senators. They overlook the fact that before we had a rule XXII, debate was unlimited here. In the United States Senate, for a period of about 110 years, debate was absolutely unlimited. So when we talk about rule XXII—and some people are opposed to it—they seem to have the notion that rule XXII permits unlimited debate in the Senate. Actually, it is far from that. Rule XXII is not a rule of license, it is a rule of restriction, Since, before rule XXII, the Senate did not have any method of shutting off debate, with the advent of rule XXII, we do have a method of closing debate, that being the application of cloture, applying for it, 16 Senators, and then a vote 2 days later.

But they do not want to follow that route, because they feel that they do not have two-thirds, and I rather imagine they have not, because the votes have been pretty much around 40, 41, or 42 against their effort. And, of course, 34 would prevent the invoking of cloture. Mr. President, once the cloture motion with regard to Penn Central was introduced and accepted, whether they go through with it or not, it has been accepted as being a valid, in-force rule of the Senate. Certainly, when a vote has been taken and debate has been closed by a vote of two-thirds of the Senate, then unquestionably, there is a rule XXII, and it has been used in stopping debate.

Mr. President, we speak of our country as being a government of laws and not of men. We in the Senate are governed by the Nation's laws, but we are also governed by the rules of the Senate. I would feel that a Senator would be just as hesitant in breaking a Senate rule as he would in breaking a law of the land. That is what we have rules for—rules to govern the orderly procedure of business here, in the Senate. Well, Mr. President, today and yesterday, it did not look like we had a rule XXII or any other rules in the Senate, for that matter. The Senate was milling around like a mob, and mob rule pretty well was governing. Senators could not get recognized for making motions; questions were put with Senators loudly demanding recognition. So I wonder what we are coming to.

It was a bad day for the Senate, yesterday and today, a bad day for constitutional government. It was a bad day for the records of many Senators who, knowing what the rules require, are willing to take shortcuts. It makes one wonder where we are headed. The rules say one thing; the gag rule Senators go another, easier route. They know they cannot win under the rules, so they go the shortcut, the back door, the basement, the subway approach. Why not go in the front door?

Why not file a cloture motion? Why not admit, I say to the sponsors of Senate Resolution 4, the gag rule Senators, that they, too, are governed by the rules, that the rules are not just a halter to put on some Senators' necks, but that they are governed by those rules as well?

But, no, their philosophy is that might makes right, or, stated in another way, that the end justifies whatever means need to be employed.

The Senator from Alabama is never going to buy that philosophy. He will never be subjected to it as long as each man has a right to comment or to differ.

Mr. President, I turn now—unless the distinguished Senator from North Carolina has a question to present——

Mr. HELMS. Mr. President, will the Senator yield for a question?

Mr. ALLEN. For a question only.

Mr. HELMS. The Senator alluded earlier to the end of the beginning of the session.

Mr. ALLEN. That is right.

Mr. HELMS. When does the beginning of a session end?

Mr. ALLEN. It is hard to say. Some think the first day would be the beginning of the session, and the end of the first day would be the end of the beginning.

Mr. HELMS. Does the Senator from Alabama have the impression that there may be some in this Chamber who think that the end of the beginning might occur on Christmas Eve of this year?

Mr. ALLEN. If they harbor any such feelings, I hope they are disabused of those feelings by the distinguished Presiding Officer, by the Senate itself, or by those of us who are willing to discuss this issue.

Mr. HELMS. Here is the point I want to make, the point of the question: Is it not correct—it is according to figures available to me—that the Senate this year has already passed 20 Senate resolutions? Is that not correct?

Mr. ALLEN. I am not sure, but quite a number.

Mr. HELMS. Five concurrent resolutions, five joint resolutions, five Senate bills, one House concurrent resolution, one House joint resolution, and three House bills? If that is correct, I say to the distinguished Senator from Alabama, that is 40 pieces of legislation. Does that not constitute the end of the beginning?

Mr. ALLEN. I believe it would, I would just have to say. The Senator will also recall that this is not the first time this issue has been before the Senate. He will recall that last Thursday this very same effort was made, it did not succeed, and it became dead; it died with the adjourning of the session for that day.

If the Senator from North Carolina will indulge the Senator from Alabama in order that he might digress a moment, he would like to comment on the colloquy, the action that took place here in the Senate about 12:02 or 12:03, or possibly 12:05, I guess, this afternoon.

The distinguished majority leader sought to have the Journal for Saturday approved, and possibly the Journal for yesterday, I am not sure. But, you know, the Journal covers a legislative day, and strange to say, here in the Senate legislative days do not necessarily correspond to calendar days.

I have not been too happy with this policy of the leadership that when they close out business at the end of the day, the leadership has been recessing the Senate rather than adjourning the Senate, and that makes a great big difference, I will say to the distinguished Senator from North Carolina, whether the Senate is adjourned or recessed. It sounds about the same, you know, but it is not; and herein lies the difference: Any matter that is pending, like a motion to proceed, to be specific a motion to proceed to the consideration of a measure, would die with the adjournment of the day's session. But if the Senate recesses, then that same legislative day carries over, and it can be carried on and on. As a result of the recess, then, we are back where we were with respect to motions to proceed.

So the Senator from Alabama has felt that it might be fair to recess 1 day, and maybe to adjourn the next, but not to give one side such a top-heavy advantage by recessing and leaving the Senate exactly where it is day after day.

So the Senator from Alabama, when they wanted to get the Journal approved for yesterday and Saturday, I believe, had to object, because the legislative day has not ended. When they call a legislative day to an end, in other words, when they adjourn some night, then the following day the Senator from Alabama will certainly not interpose any objection to the reading of the minutes.

The Senator from Alabama would like to have the legislative day end sometime. It also limits the number of speeches that a Senator can make on a particular issue. In other words, if you make a speech today, tomorrow, on that same issue—it is pretty easy to get a new issue, but if you just had the same issue you would be limited to one more speech on that issue in a legislative day. But if the Senate adjourns, that starts over again. So they do not like to adjourn; they like to keep on recessing, to help the gag rule Senators who like to recess, you see.

So the Senator from Alabama, while he did not object to committees meeting this morning, did serve notice that if we do not adjourn tonight, and we recess instead, when the request is made on the next calendar day that the committees of the Senate may meet while we are in session, the Senator from Alabama will object.

All I am asking is that every now and then we adjourn. I do not care if we adjourn every night; it is all right to carry on 1 or 2 calendar days on 1 legislative day. That is all the Senator from Alabama asks.

But tomorrow, if we do not adjourn tonight, the Senator from Alabama is going to request that the committees not meet while the Senate is in session. The committees can meet, I believe, while the Senate is not in session, they can meet up through the morning hour, and they can meet after the Senate adjourns; but there will not be too many committees hanging around after the Senate adjourns, the Senator from Alabama does not believe.

I am hopeful that the leadership will adjourn the Senate tonight and let us wipe the slate clean, and come back here tomorrow, get rid of this cloture matter, and that we can decide this thing tomorrow. I believe we can.

Mr. HELMS. Mr. President will the Senator yield for another question?

Mr. ALLEN. Yes, I would be delighted to yield.

Mr. HELMS. The Senator from North Carolina has heard the expression of the view that the Senator from Alabama is holding up the pendency of the Penn Central vote. Is it not true that the Senator from Alabama offered a proposal which would permit the Senate to vote on Friday?

Mr. ALLEN. That was the first item of the request on the Penn Central which I had on the sheet of paper.

Mr. HELMS. Is it the belief of the Senator from Alabama that the proponents of this resolution are holding up action on that matter?

Mr. ALLEN. There is no doubt about that.

I would like to put a little background in about that. I inquired at the desk to find out when the Penn Central amendments came over from the House. They came over Thursday, February 20, at 11:34 in the morning.

Well, it was just a little bit after 12 o'clock when this bombshell was thrown here in the Senate in the shape of this effort to bring up Senate Resolution 4. So if they had really been interested in Penn Central they could have brought it up at 11:35 Thursday morning, and probably had it out of the way by 12 o'clock.

Mr. HELMS. If the Senator will yield further for a question, Mr. President—and it is more in the nature of a statement—I heard the distinguished Senator from Minnesota describe those who believed that the gag rule should not be imposed as being dilatory.

The shoe would be on the other foot, would it not?

Mr. ALLEN. Well, I doubt if that is the Senator's real opinion. I might have to place that in the category of remarks made here on the floor that we were trying to get him to agree to now, and I just wonder if he really believes that.

Mr. HELMS. I think, if the Senator from Alabama will yield further, the proposition stated by the Senator from Minnesota on that occasion ought to be in the record at this point just so the Senator will be aware of it.

Mr. ALLEN. Yes. I do not know, there are a lot of technicalities around here, and I do not know whether I want to put the thing in the record.

Mr. HELMS. At least at that time.

Mr. ALLEN. They might claim I yielded the floor, so I would not want to do that.

Mr. HELMS. At least at that time the Senator from Alabama would be perfectly willing to agree.

Mr. ALLEN. I will tell the Senator what I will do, I will read it into the record, I will say to the distinguished Senator from North Carolina.

Mr. HELMS. One other thing, while the distinguished Senator from Alabama is speaking about debate as free as possible in the Senate: Is he aware of a statement made by James Madison, President Madison, referring to the Senate, when he said:

> In order to judge of the form to be given to this institution, it will be proper to take a view of the ends to be served by it. These were, first, to protect the people against their rulers.

Mr. ALLEN. Yes, that is certainly a good thought

Mr. HELMS. He went on to say, and I quote:

> Secondly, to protect the people against the transient impressions into which they themselves might be led.

That is the point I think the Senator from Alabama is making.

Mr. ALLEN. I think the Senator is right.

I might point this out: A lot of Senators seem to think this is just an issue here in the Senate. Actually this rule or this desire for protection of the right to debate is not just a matter affecting the Members of the Senate whether they get to debate or not, but really one of the main purposes of it is as a safeguard against the power of the Executive, because we are not always going to have Executives who do not have a large voice in the affairs of Congress of the major party, and we might find a different alinement here in the Senate. But the right of debate is a protection of the entire legislative body, in a sense, from the power of the Executive because many administrations have had great influence here in the Senate, and it might be that Members of both parties might be against the effort of the administration.

But if we allow 51 to cut off debate or a majority, whether it is 51 or not——

Mr. HELMS. It could be 26.

Mr. ALLEN. That is right. If you have a simple majority that could cut off debate, you might find a Chief Executive throwing his weight around here a whole lot more, and instead of having a legislative tyranny we could well have an Executive tyranny. Right now we do not see anything in sight but a legislative tyranny, but it is possible we could have an Executive tyranny, and this debate limitation is a protection against legislative tyranny and Executive tyranny as well.

Mr. HELMS. Well, George Washington, I think it was George Washington, who described the Senate as a "cooling off process." That is the reason there was no limitation of debate in the beginning. I think the American people, I would say to the Senator, ought to understand that there is something much more fundamental in this discussion than, perhaps, they have been led to believe.

I commend the Senator for his comments, and I appreciate his yielding to me.

Mr. ALLEN. I thank the distinguished Senator from North Carolina.

Mr. President, I think it might be well at this time to discuss the compromise of 1959 having to do with rule XXII. At that time there were areas in connection with the cloture rule that were displeasing to Senators, both the gag rule Senators and the free debate Senators.

The gag rule Senators objected to the fact that the rule at that time required a constitutional two-thirds to cut off debate under rule XXII. That means that at that time two-thirds of the elected Members of the Senate had to join in and vote for cloture or else it could not be invoked.

Well, that put quite a hardship on the gag rule Senators. It gave the free debate Senators a little too much advantage.

There was another circumstance regarding the provisions of rule XXII, and that was cloture could not be invoked on debate on a motion to bring a rules change or any other measure, for that matter, to a vote. So the free debate Senators were not very well pleased over arguments made from time to time that the Senate rules did not carry over from one session of Congress to the other.

Mr. President, the guiding force in that compromise, as he was in many other compromises, was the then majority leader of the U.S. Senate, Senator Lyndon Johnson. The compromise that they reached back in 1959 was that the requirement for a constitutional two-thirds vote for cutting off debate would be reduced to two-thirds of those present and voting, provided the quorum was present.

That could be, under the existing rule, as few as 34, 34 Senators for a bare quorum could cut off debate here in the Senate under a cloture petition provided there were only 51 Senators present, a quorum, because there would be 34 for cloture and 17 against.

So a constitutional two-thirds would mean now 67, that would be pretty hard to get sometimes, getting 67 Senators to vote for gag rule.

So that was changed down to two-thirds of those voting which, as I say, could be as low as 34.

So, the other provision, as I say, that interested the free debate Senators was the fact that the argument was made from time to time that the rules of the Senate did not carry forward from one session to another.

So these objections of Senators on either side of the question, the gag rule Senators and the free debate Senators, were resolved. The constitutional two-thirds was cut down to two-thirds, motions to proceed to measures on the calendar were made subject to debate limitations, and then an amendment was added to rule XXXII that expressly provided that the rules of the Senate carried over from one Congress to the next Congress unless amended as provided in the rules.

So that compromise was worked out and the distinguished majority leader at that time, Senator Lyndon Johnson, said that he hoped that this would lay the matter to rest as to whether the Senate was a continuing body or whether it was not.

Now, if it is a continuing body—and as has been pointed out here on the floor, the Supreme Court of the United States has from time to time ruled that the Senate is a continuing body—then the rules of the Senate carry over from one Congress to the other and can be amended only as provided in the Senate rules.

Well, the Senate rules provide a method of ending debate, an exclusive method of ending debate, and that is the filing of the cloture petition by 16 Senators and the next calendar day but 1—in other words, 2 days later—a vote is taken.

Now, the gag rule Senators are trying to amend the rules by a method not countenanced by the rules. While accepting the existence of the rules, they claim that there are no rules, yet the distinguished Senator from Minnesota, when he introduced his Senate Resolution 4, gave 1 day's notice as required by the Senate rule. So his very first action in this connection was an acknowledgement of the existence of the Senate rule.

His second acknowledgement of the existence of the rules is that Senate Resolution 4, seeking to amend rule XXII, is an amendment of rule XXII, and how in the world can one amend something that does not exist? So the very nature of his document, his resolution, presupposes the existence of the rule.

So when one seeks to amend the rule, well, one has got to be governed by the method provided by that rule until such time as the amendment has been adopted.

Well, that is elementary. One cannot seek to amend the rules and at the same time say there is no rule, and that is exactly the kind of logic that there is in the effort of the gag rule Senators. Feeling that they do not have sufficient votes to invoke cloture, they are trying a method not provided or countenanced by the rule, in order to amend those rules.

The distinguished majority leader was highly critical of this effort and raised a point of order against this effort. He stated—and I wish I had a copy of his remarks, I had them at one time, possibly I can get it out of the Record—he made a great speech against this effort of the gag rule Senators. He said that maybe they think what they believe is a worthwhile end justifies the means that they are using.

Senator Mansfield said, "I do not agree. I do not agree."

I will say to the distinguished Senator from Minnesota (Mr. Mondale), I do not agree with the means that are being adopted to ram this measure through without regard to the Senate rule.

That is what the majority leader said.

The assistant majority leader (Mr. Robert C. Byrd) made an eloquent address, pointing out that the Senate would rue the day that we turned this procedure into mob rule, or words to that effect.

That is what is going to result if we are not willing to abide by the rules. We are not much better than a person who picks and chooses the laws that he is going to be governed by. We are supposed to operate under the rules, and yet gag rule Senators, feeling the strength of a solid majority behind them, are seeking to run roughshod over a minority which is seeking to protest, in the best manner it has, under the rules.

That is something that sort of frightens the gag rule Senators. They do not like proceeding under the rules. And yet, Mr. President, the Chair yesterday, in response to a parliamentary inquiry, stated that this cloture motion on the Penn Central issue will have to be determined by a two-thirds vote here in the Senate, admitting the existence, applicability, and pertinency of Senate rule XXII.

(Mr. CURTIS assumed the chair at this point.)

Mr. ALLEN. I have stated before a time or two, and I will state again, that this Penn Central bailout issue, as the Senator from Alabama is wont to call it, could have been passed days ago.

But, Mr. President, the Members who are pushing the Penn Central bailout have a greater interest in Senate Resolution 4, seeking to amend the Senate rules. If they had not been so concerned with this backdoor approach to the amendment of the rules, they could have passed the Penn Central bailout long ago. But they are more interested in this rules change, this gag rule, than they are in Penn Central.

Mr. GOLDWATER. Will the Senator yield for a question?

Mr. ALLEN. For a question, yes.

Mr. GOLDWATER. Tomorrow, as I understand it, we are to vote under the rule of cloture on the Penn Central resolution; am I correct in that?

Mr. ALLEN. That is correct.

Mr. GOLDWATER. I know the Senator cannot give a definitive ruling—it would require a ruling of the Chair—but would he assume that if we vote on the Penn Central matter we would be doing so under rule XXII?

Mr. ALLEN. Yes, sir. I believe the distinguished President of the Senate so stated, that it would require a two-thirds vote to cut off debate under the cloture provision. I believe he made that statement.

Mr. GOLDWATER. Would it be true that this body would be faced with the situation of voting under rule XXII when that very rule is being contested by a group of our colleagues?

Mr. ALLEN. Yes, that is exactly right.

Mr. GOLDWATER. Again I do not expect the Senator to be able to give a binding ruling, because, as I say, that would have to come from the Chair, but assume that a Senator representing those who want to change rule XXII raised a point of order, the point being that the Chair has already ruled, in effect, that a majority can change the rule, what would that, in the Senator's opinion, have as an effect on the Penn Central motion?

Mr. ALLEN. I believe that this effort would have no effect. I think the Vice President has stated that it would take a two-thirds vote. I do not believe the other point would apply. I would hope that he is about ready to abandon that position, anyhow. I would feel considerably encouraged if his ruling on the issue came after the cloture vote. I believe that is well nigh decisive of this question. If we are under the cloture rule as provided by rule XXII for Penn Central, why are we not under the cloture rule for all efforts to bring matters to a vote? I believe that a different rule will apply, and all further rulings and points of order, motions to table, will become moot because entirely new questions will be presented, in the view of the Senator from Alabama.

Mr. GOLDWATER. If the Senator will yield for a further question, assuming that someone raises a point of order before the vote is taken on the Penn Central and the Chair sustains the point that a majority rule will suffice—in other words we are not operating under rule

XXII, an appeal is made and the ruling of the Chair is sustained. First, it is sustained. What effect, in the Senator's opinion, would that have?

Mr. ALLEN. If a point of order as to what is sustained?

Mr. GOLDWATER. As to whether we were operating under a majority rule or under rule XXII.

Mr. ALLEN. I think they might appeal from the ruling of the Chair. I do not anticipate that would be done. Really, any opinion I might have would not necessarily have a whole lot of weight with the Presiding Officer. The Senator from Alabama has advanced several points which have not been accepted. I would say unquestionably, based on the Chair's acceptance of the cloture motion, the statement from the Chair that two-thirds would be required under this cloture motion pretty well binds him to that ruling. I would feel having ruled that way with respect to Penn Central, that when this issue comes again before the Vice President, which I feel will be after that cloture vote, the Vice President will take a different view and he will concede that the beginning of the session has ended, and that there is no longer validity, if there ever was any, to the contention that at the start of a session a new and different rule applies.

Mr. GOLDWATER. I have another question, if the Senator will yield.

Mr. ALLEN. Yes, I yield.

Mr. GOLDWATER. If the Chair took that position, would the Chair not be inconsistent, if it held to a prior ruling that a majority rule could determine the resolution of that matter?

Mr. ALLEN. If the Chair persisted in that inconsistency, it would certainly be bad, but I am hoping that the inconsistent approach will become the rule rather than the exception. I am hoping that his ruling will be that two-thirds is required to cut off debate not only on the Penn Central issue, but also, having used the two-thirds requirement on Penn Central, the same two-thirds requirement is made as to Senate Resolution 4.

Mr. GOLDWATER. Mr. President, will the Senate yield for another question, or possibly two, not on a subject about which we have been talking?

Mr. ALLEN. I yield.

Mr. GOLDWATER. The Senator is aware, of course, as we all are, that it requires a two-thirds majority to sustain or override a Presidential veto. Would it not be natural, in the Senator's opinion, for those who are seeking to impose gag rule to have as their next objective a simple majority for the silencing of the President's privilege?

Mr. ALLEN. It could well be, because I used to point out that they would have to do more than just run roughshod over the Senate on that. They would have to amend the Constitution, which might be somewhat more difficult.

Mr. GOLDWATER. I thank the Senator.

The matter of the Penn Central vote tomorrow became of interest to me, because I think it is going to put some of our colleagues on a rather embarrassing and difficult log—that is, they are going to be for one thing on one side of the log and another thing on another side of the log; and if they try to get in the middle of that log, they are going to embarrass a lot of their colleagues who are looking to them for support.

Mr. ALLEN. Yes.

Mr. GOLDWATER. And it might be to the advantage of those of us who are opposed to Senate Resolution 4 to hope that they might take that step; because keeping the Penn Central alive, in the minds of some of our colleagues—not necessarily mine—is of as much importance to them, from a constituent standpoint, as a vote on Senate Resolution 4.

So I thank my friend from Alabama for the answers, and I commend him for the work he is doing. I feel that more and more, as hours go by, the American people are beginning to realize that they are having shot from under them one of the most dependable horses we ever created for the travel of the Senate.

Mr. ALLEN. I thank the distinguished Senator from Arizona for his fine comments and for the questions he has propounded. He has brought out splendid points.

Discussing a little further the cloture effort on the Penn Central issue, it is quite obvious that the proponents of the Penn Central issue—the leading proponents, I will say, and I except from this statement, as I have before, the distinguished Senator from Connecticut (Mr. WEICKER), because he is opposed to this effort to amend the Senate rules through the backdoor approach—but the Senators in the main who have taken the lead on pushing the Penn Central bail-out owe a higher allegiance and a higher degree of interest to the fate of Senate Resolution 4.

In my judgment, most of the Senators supporting Senate Resolution 4—and I use the word most advisedly—could care less about the fate of Penn Central. They would gladly scuttle Penn Central, in the opinion of the Senator from Alabama, in order to pass Senate Resolution 4. They would gladly do it. Their first loyalty is to Senate Resolution 4. The Senator from Alabama does not profess any loyalty to the Penn Central issue. He states very frankly that he will vote against the Penn Central bail-out when that comes to a vote. But he has not prevented the issue from coming to a vote. On the contrary, he has sought on more than one occasion to bring it to a vote or to agree to an agreement or assent to an agreement that would bring it to a vote.

On last Thursday, the Penn Central amendments came over from the House and reached the desk at 11:34 Thursday morning.

Let me digress a moment to get a little history on the Penn Central issue.

We had already pumped approximately $190 million into Penn Central, but that is just a drop in the bucket. It was stated on the Senate floor, when we were debating the matter, when the measure was passed in the Senate some weeks ago, that it would take some $5 billion to rehabilitate Penn Central. Where is that going to come from? From the taxpayers. Where else? This is just a start of a steady stream of loans and grants that we are going to have to make to that railroad.

When the matter was first before the Senate some weeks ago, they were trying—I say trying; they made an effort to pass the bill without any debate or without even a rollcall vote. The Senator from Alabama wanted some little discussion of the matter, and it was agreed that a period be set aside for the proponents and the opponents, and it was debated about 2 hours, I suppose, and then it went over to the House.

The Senate bill appropriated a greater amount than the Department of Transportation asked for. I believe they asked for approximately $275 million. The committee said, "Well, that is not enough; let us raise that $25 million." And that is what they did.

Then, when it got over to the House, they said, "That is not enough; let us raise it $50 million." So that is the amendment they put on over there, adding an additional $50 million, plus or minus $5 million. I think it was in that near neighborhood.

Then it came back to the Senate and, as I say, it reached the Senate desk at 11:34 on Thursday morning. One would have thought that they would have brought it up straightaway. But, no, the gag rule Senators sponsoring Senate Resolution 4 decreed otherwise. They had an order to recognize the distinguished Senator from Kansas (Mr. PEARSON) at 12 o'clock, I believe, or thereabouts. They wanted a full day for discussion of Senate Resolution 4, or the motion to proceed to it. So, showing their interest in what they considered the top priority facing the Nation. Mr. President, can you imagine that? All the problems facing the Nation today and the Senators from Minnesota and Kansas say that changing this Senate rule from two-thirds to three-fifths in order to cut off debate is the most important issue facing this Nation.

The PRESIDING OFFICER. (Mr. CURTIS). Will the distinguished Senator yield to receive a message from the House?

Mr. ALLEN. Only if it is understood that I do not lose my right to the floor.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ALLEN. And that I shall not be considered as making a second speech after the message has been read.

The PRESIDING OFFICER. It is so understood.

Is there objection?

There is none.

MESSAGE FROM THE HOUSE

At 4:12 p.m., a message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that, pursuant to section 194 of title 14 of the United States Code, the chairman of the Committee on Merchant Marine and Fisheries has appointed the following

Members on the part of the House to serve as members of the Board of Visitors to the U.S. Coast Guard Academy for the year 1975: Mr. BIAGGI, Mr. DE LA GARZA, Mr. DU PONT, and Mrs. SULLIVAN, ex officio.

The message also announced that, pursuant to Public Law 301 of the 78th Congress, the chairman of the Committee on Merchant Marine and Fisheries has appointed the following Members on the part of the House to serve as members of the Board of Visitors of the U.S. Merchant Marine Academy for the year 1975: Mr. DOWNING, Mr. ZEFERETTI, Mr. MCCLOSKEY, and Mrs. SULLIVAN, ex officio.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. With all of the economic problems facing the Nation, all of our problems in the foreign relations field before us, what do the gag rule Senators say is the most important issue facing the Nation? I bet that if these gentlemen, one or both of them, were on "Meet the Press" or "Face the Nation" or something of that sort and they were asked the question: "Mr. MONDALE, what do you think are the most critical issues facing the Nation today, facing the U.S. Senate today?" I bet that the distinguished Senator from Minnesota would not have come out with a statement: "Why, changing those Senate rules, those oppressive Senate rules; that is the most important issue confronting the Senate."

I doubt if he would have said that. I believe he would have put Penn Central in there somewhere. But he does not here, on the floor; he does not say that here, on the floor. His actions say that the most important issue facing this Nation today is changing little old rule XXII.

Does he make a tremendous change in it? Well, he thinks it is important. And I do, too. But I do not place it ahead of the Nation's economic problem, the Nation's international problem, the problems of unemployment, inflation, high prices. What is the Senator doing in this connection? Is that not important? It might be important, but it is not that important to the Senator from Minnesota and to the distinguished Senator from Kansas. They say Senate Resolution 4 is the most important thing before the Senate.

Well, that is some set of priorities. I bet that he would not campaign out in Minnesota that way. Those dairy farmers out there say, "What about us?" Those wheat farmers out there say, "Well, what about our problems?"

"Oh, I am trying to get rule XXII changed."

Well, what of that? What of that? Let us do something about the Nation's problems; do not take up the time of the Senate with the backdoor approach.

When I first started talking about this approach that the Senators from Minnesota and Kansas are using in an effort to subvert the Senate rules, I called it a backdoor approach. Then, as the little discussion continued and the tactics of the proponents of this measure became obvious, I changed that to "basement approach." Then, when this Senate was turned into a disorderly mob on the Senate floor by the flouting of the Senate rules by Members, I changed that to a little lower status, "subway approach," lower down in the ground, at any rate. But a Member in the Senate has handed me a note making the suggestion that this ought to be called, not a subway approach, but a sewer approach. Possibly it should, because it does give off a pretty bad odor—a pretty bad odor—this effort to run a steamroller through this Chamber, running over the rights of a minority in the Senate.

The minority in the Senate is the only minority that the sponsors of Senate Resolution 4 do not give allegiance to. They are interested in every minority in the country, as we all are, but they are not interested in minority opinion, minority views, or minority rights, here in the U.S. Senate.

They take the position that might makes right, that an end they think desirable can be pursued and sought by means that are less than admirable.

I must say, Mr. President, that I am sincerely shocked and disappointed in the majority here in the Senate that has stooped to the tactics that they have stooped to, in order to accomplish this end.

Now where is the Senate, in the judgment of the Senator from Alabama? You know, he comes to the Senate thinking that he is going to the greatest deliberative body in the world, that every Member there is high-minded, that they are patriots, advocates of the concept that we are a nation of laws and not of men, that we are bound by rules of conduct and rules of ethics; that the famous rules of the Senate that have been handed down since the very first Senate, I guess, or very few Senates afterward—the Senate rules are based on the Senate Manual that was compiled by Thomas Jefferson while he was Vice President of the United States—that these are historic, time-honored rules and that no Senator would think of departing from the Senate rules. So it is frustrating to find, as the distinguished majority leader (Mr. MANSFIELD) said, that he did not agree with the moves being used to achieve an end with which he agreed. He agreed with the effort to get 60 percent cloture, but he did not agree with the means being used.

I will tell you, Mr. President, if the majority leader were to state here on the floor of the Senate that the effort which is being made by the Senator from Alabama with respect to the rules was a means not worthy to be used in an effort to accomplish a desired end, the Senator from Alabama would fold his tent and depart. The Senator from Alabama is not going to be guilty of using any means not provided by the Senate rules. I stand here today under the Senate rules. If I did not so stand, I would not be here.

But we have an effort that has been branded as unworthy by the distinguished majority leader, a man of great conscience and character. I would not want to buck that indictment, and I would not.

Let us get back to what are the most important issues facing the country. Is it the economy, inflation, recession, high prices—of everything but farm products? Is it the Penn Central railroad, the fact that it might close down operations? Some of us might think so. But not the sponsors of Senate Resolution 4. They do not think so. They think their resolution is. And they would like to have it said, "Mondale and Pearson break through and achieve a half-century-old desire."

That would be fine. I hope they get proper credit for it, but I surely would not want it. I would not want it said that I rammed through a measure with questionable tactics by throwing the rule book out the window, by saying that black is white and white black. I would want to follow the rules.

To follow the rules. Is it so difficult to follow the rules? I do not think so. Why cannot these gag rule Senators comply with the rules in bringing this issue to a vote?

Let us see what this famous rule XXII is. As I said a few moments ago, last night I asked for a copy of Senate Resolution 4, and was given the so-called star print, that showed a typographical error in that, instead of saying "Resolved, that rule XXII of the Standing Rules of the Senate is amended to read as follows," it said, "Resolved, that rule XXVII of the Standing Rules of the Senate is amended."

I pointed out that if they ever got to the point where they claimed no amendments could be offered to amend rule XXII, surely they would claim they could offer an amendment to correct that typographical error which said it was amending rule XXVII instead of rule XXII.

So I called that to their attention, and there seemed to be considerable dismay and consternation in the ranks of the gag people because, I am sure, they do not want to see any amendment to Senate Resolution 4.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. ALLEN. For a question only, yes, sir.

Mr. CURTIS. Has the Senator seen an attempt to vote cloture fail during the years that he has served in the Senate?

Mr. ALLEN. Yes; I have seen it fail a few times, and then later get it invoked—many times.

Mr. CURTIS. But with reference to the same piece of legislation?

Mr. ALLEN. Does the Senator mean on a rules change?

Mr. CURTIS. No; I mean in reference to legislation.

Mr. ALLEN. Yes; I have seen it invoked and not invoked.

Mr. CURTIS. Usually, is it not true, if it is turned down the first time, they try again?

Mr. ALLEN. That is true, yes, sir.

Mr. CURTIS. Does the Senator believe that a filibuster can ever be successful unless those who are engaged in the filibuster can arouse the people of the country and get a substantial amount of people backing it?

Mr. ALLEN. I certainly agree with the Senator, and I have said on many occasions, that no extended debate or filibuster can succeed without the backing of public opinion.

Sometimes though measures are rammed through here without debate or without rollcall, and sometimes we just have to yell, "Stop, let us see what you are trying to do here. Let us give this a little thought." And I might state that on extended debate it really can accomplish a great deal in the matter of shaping legislation. It may be outrageous proposals will be toned down somewhat to make them more palatable to the Senate and to the people, and if we did not have this type of rule they could just ram anything through the Senate.

Mr. CURTIS. Does it follow, in the opinion of the distinguished Senator, that the more thoroughly something is debated the better legislation we will have in the end?

Mr. ALLEN. Yes; I think that is true.

Mr. CURTIS. Would it not be true that to take a contrary view would be to say if there is no debate at all, we would have better legislation?

Mr. ALLEN. That certainly is true.

Mr. CURTIS. Which would be, of course, very ridiculous.

Is there much legislation or are there many legislative proposals that come before the Senate where time is more important than the soundness of the legislation itself?

Mr. ALLEN. Very, very few; very, very few.

Mr. CURTIS. Is it the opinion of the Senator from Alabama——

Mr. ALLEN. I might say this: that cloture was invoked in rapid-fire order here in the Senate in December of last year on matters involving some minor tax matters—they were pretty large in some areas—but the trade bill, without a bit of debate on that subject, and the Senate imposed cloture by a vote of 71 to 19 on the very first try.

So it shows when the Senate wants to move on an issue they have no difficulty in mustering strength to invoke cloture.

Mr. CURTIS. It is not the opinion of the distinguished Senator from Alabama that there was wide support from the people of the country for a treaty?

Mr. ALLEN. Yes, I believe so.

Mr. CURTIS. Is it then the opinion of the Senator from Alabama that to encourage debate leads to sounder laws, and to discourage debate leads to a danger of unwise laws or ill-drafted laws being enacted?

Mr. ALLEN. Yes, I would certainly think so. Certainly the tactics of the sponsors of Senate Resolution 4 have been deplorable in this regard in not allowing debate, trying to cut off all debate even before the matter is discussed at all.

Mr. CURTIS. Would our country have been blessed in a greater way if the Constitutional Convention would have completed its work 3 months earlier but drafted a much inferior document?

Mr. ALLEN. No. By waiting a little while it had a document, came up with a document, that has survived for centuries and, doubtless, will continue to survive. That would not have been the case had there been hasty action.

Mr. CURTIS. Well now, the Senator is a member of the Committee on Agriculture. Would he say that to meet the agricultural needs of the country it is more important that an agricultural law be enacted, say, the first 8 weeks of a session or to take 16 weeks and have a better, more workable piece of legislation?

Mr. ALLEN. I would say it would be better to consider it carefully. Of course, the plight of the farmers is great and they do need some help, some relief.

Mr. CURTIS. Has there ever been, to the Senator's knowledge, a threat of extended debate at a time when time was important, involving the security of our country?

Mr. ALLEN. Well, of course, on the declaration of war we had to take quick action, but it was well-nigh unanimous.

Mr. CURTIS. To the knowledge of the distinguished Senator, was there any threat of extended debate at that time?

Mr. ALLEN. Not in the slightest.

Mr. CURTIS. Is there any way that the passage of Senate Resolution 4 would enhance the quality of the legislation that might be passed in the U.S. Senate?

Mr. ALLEN. On the contrary, I think it would open the door for much ill-conceived legislation. I think it would be highly detrimental to the public interest for this resolution to be adopted.

Mr. CURTIS. Does the Senator find in his travels around his States that the people are aroused at the many governmental obligations placed upon them, such as not only paying taxes but complying with regulations and laws and filling out questionnaires, making reports, and complying with inspections?

Mr. ALLEN. They are very much upset.

Mr. CURTIS. Does that point to the need for speeding up the enactment of laws or slowing down the enactment of laws?

Mr. ALLEN. I think they would like to see us repeal two or three laws for every one we pass. That would be my judgment.

I might say further that the Senator from Alabama went back to Alabama and was there Friday night, Saturday, and Saturday night of this last week, and met with hundreds of people, three large crowds at which he spoke, and in comments from his constituents there, literally hundreds of people, the opinion expressed was that great favor was given to the efforts of the Senator from Alabama in seeking to prevent this effort to amend the Senate rules outside the rules themselves.

Mr. CURTIS. Does the Senator believe that to change the rule from two-thirds to three-fifths as to the number of Senators required to shut off debate will lessen or increase the expenditures out of the public treasury?

Mr. ALLEN. Well, that is a pretty simple and easy question. I think passing Senate Resolution 4 could add many tens of millions of dollars to the cost of Government by the easy passage of high spending measures.

Mr. CURTIS. Does the Senator believe that the enactment of Senate Resolution 4 would lessen or increase the number of laws with which our citizens must comply?

Mr. ALLEN. I think it would greatly increase the number of laws passed.

Mr. CURTIS. Does the Senator believe that to refuse to adopt Senate Resolution 4 would, in the end, prevent the enactment of the law that was to the best interest of our people and was widely supported?

Mr. ALLEN. Would the Senator repeat his question?

Mr. CURTIS. Does the Senator believe that the refusal of the Senate to adopt Senate Resolution 4 would lead to the prevention of laws that are needed and asked for by a wide sector of the population?

Mr. ALLEN. No, I do not think so at all. I think it would just allow the Senate to be a little more selective in its approach.

Mr. CURTIS. Does the Senator believe that the two-thirds rule grants more protection to the people than a three-fifths rule from hasty legislation that might be supported by loud and militant pressure groups, not representing a majority of the people?

Mr. ALLEN. Yes, sir, that is correct.

Mr. CURTIS. Is it not true that the longer that an erroneous idea or an erroneous proposal is exposed to debate, the lesser chance that it has of being enacted into law?

Mr. ALLEN. I beg the Senator's pardon.

Mr. CURTIS. Does the Senator believe that the longer time that an unwise or erroneous proposal is debated, there is a lesser chance that it will be enacted into law?

Mr. ALLEN. Well, I think that is right, and when public opinion catches up to what is going on, I feel that public opinion would make itself felt in its influence on the individual Members of the Senate.

Mr. CURTIS. On the other hand, if a proposal is wise and in the interests of our country, will extended debate lessen its value or chance of passage?

Mr. ALLEN. No; I do not think so. I think we would see much better legislation with a two-thirds proposal than with a three-fifths. I think we would have more selective and discriminating choice.

Mr. CURTIS. Does the Senator believe that the more information that is available about a proposed piece of legislation that better legislation will result therefrom?

Mr. ALLEN. Why, very definitely.

Mr. CURTIS. Does the Senator believe that adequate debate without restraints exposes error?

Mr. ALLEN. Yes, sir, I sure do.

Mr. CURTIS. Does the Senator believe that adequate debate without restraint brings to light good points and sound points in reference to legislation?

Mr. ALLEN. Yes.

I might point out that on this issue here, we have not had an opportunity to discuss the real issue involved, the constitutional issue, with the Presiding Officer, and his submission of the question on an extraneous motion was certainly not a submission of the constitutional question to the Senate, and I feel we would have come to the real point much better if this matter had been submitted to the Senate for its decision, and we would be talking about the constitutional point rather than going all around the issue.

Mr. CURTIS. Why do we find this provision in the Constitution:

> Immediately after they shall be assembled in Consequence of the first Election,—

Speaking of the Senate:

> They shall be divided as equally as may be into three Classes. The Seats of the Senators of the first Class shall be vacated at the Expiration of the Second Year, of the second Class at the Expiration of the fourth Year, and of the third Class at the Expiration of the sixth Year; so that one-third may be chosen every second Year.

Why is that?

Mr. ALLEN. Well, the reason for that is making the Senate a continuing body so that there will be only a third of its Members coming up every 2 years. I think, unquestionably, that is it and so that there will be some continuity of a continuing body. Whereas the House does change every 2 years, the entire House, we need some continuity in the Senate.

Mr. CURTIS. In the Senator's study of the Constitution, does the Senator detect a continuous and conscious effort to bring about what might be termed as balance between various forces and States?

Mr. ALLEN. Yes, very definitely, very definitely. There was a compromise once.

Mr. CURTIS. Yes.

Mr. ALLEN. A series of compromises.

Mr. CURTIS. Well, is it not true that the term of the Chief Executive is one for a fixed term of years?

Mr. ALLEN. Yes, sir.

Mr. CURTIS. It expires on a date certain?

Mr. ALLEN. That is right.

Mr. CURTIS. Is that not true of the entire House of Representatives?

Mr. ALLEN. Yes, sir.

Mr. CURTIS. Now, as a matter of balance, is it the Senator's opinion that the Senate was established as a continuing body so that there would not be a complete turnover of the entire Government at one time?

Mr. ALLEN. Yes, sir, that is correct.

Mr. CURTIS. Is there anything in the Constitution, according to the study of the distinguished Senator, that would make it incumbent upon the Senate every 2 years to adopt a new set of rules?

Mr. ALLEN. None at all, and I think—I have been in the Senate only a short time, but I have studied the question—as far as I have been able to ascertain there has never been a readoption of the Senate rules here in the Senate, the same ones that we have had have continued on from early times on down to now.

There is no occasion for readopting them, because the Senate is a continuing body and the same rules apply to each Congress, so there is no need of adopting new rules, they carry forward automatically.

Mr. CURTIS. Does the Senator believe that the passage of Senate Resolution 4 would lead to fewer or a greater number of laws in the land?

Mr. ALLEN. Well, I believe it would increase the Senate's output, I believe. I believe it would.

Mr. CURTIS. Does the Senator find that the people of his State are clamoring for more laws?

Mr. ALLEN. No, fewer and better laws, I would say, plus repeal of some we have on the statute books.

Mr. CURTIS. Does the Senator find that they would consider that their happiness and their liberty would be enhanced if they could live under fewer laws?

Mr. ALLEN. That seems to be the view, yes, sir.

Mr. CURTIS. Does the Senator also find that certain militant pressure groups in the country oftentimes advocate more laws?

Mr. ALLEN. Yes, I find that that is certainly correct. I believe they are certainly advocating this Senate Resolution 4, some of these very groups the Senator is talking about. I think that might be one reason it received so much support in the Senate.

Mr. CURTIS. Then do you believe that any procedure which slows up the process of enacting a law is a protection to the people?

Mr. ALLEN. Yes, I would say to slow them up in the sense that by doing so we would end up with a better law, if, in fact, a law is needed at all.

Mr. CURTIS. Is it not true that sometimes an issue arises that on a particular day or for a few days it seems very imperative that national action be taken, only to find out that 10 days or 2 weeks later it was a wise decision not to seek a legislative remedy?

Mr. ALLEN. Yes, I believe there is something in that. I did not vote for cloture with reference to it, but I do not think the trade bill that we passed will live up to its advance billing. I believe that will be the panacea that many people seem to believe, and which became the prevalent thought here in the Senate. I believe it will fall far short of its expectations. But at the time everybody was clamoring for it, that we had to get it, so they rammed the cloture motion through and it passed by a vote of 71 to 19, showing that when the Senate does want to move, it can certainly move.

Mr. CURTIS. Does the Senator find that the small businessmen of his State are clamoring for more laws?

Mr. ALLEN. No. They are worrying about the Occupational Safety and Health Act, and heavy taxes. That is what they are worrying about.

Mr. CURTIS. Does the Senator find that local officials, attempting to serve people locally, are clamoring for more dictation, more laws, and more regulations from Washington?

Mr. ALLEN. No. As is the case with a large percentage of our people, of course, they are wanting more revenue sharing, I will say. They do not necessarily want additional laws, but they want additional moneys through some route. I do not think they are looking for more oppressive laws, though.

Mr. CURTIS. Can the distinguished Senator think of any good reason for adopting a procedure that will impose more laws on the people of our country?

Mr. ALLEN. I certainly cannot.

Mr. CURTIS. Is it the opinion of the Senator that freedom and liberty are enhanced by a multiplicity of laws being forced upon the people?

Mr. ALLEN. I do not see any help for the people there, no.

Mr. CURTIS. Does the Senator agree with the Senator from Nebraska that no true liberal can vote for Senate Resolution 4?

Mr. ALLEN. The liberals have used the extended debate a great deal. As a matter of fact, rule XXII came into existence as a result of what you might call liberal opposition or dovish opposition to the arming of the merchant marine of the United States, our merchant vessels, prior to America's entry into World War I. So the true liberals that the Senator speaks of ordinarily want freedom of expression.

Maybe some of these supporters of Senate Resolution 4 are pseudo-liberals. Has the Senator ever wondered about that?

Mr. CURTIS. All I can do is ask questions or the Senator from Alabama will lose the floor.

Mr. ALLEN. Yes, sir.

Mr. CURTIS. That gives me an advantage.

Does the Senator believe that to impose more laws on an intelligent, freedom-loving people as we have in America is an act of liberalism?

Mr. ALLEN. No, I do not think so. It is not an act of conservatism, either. It is kind of an unidentified type of action, a big-Government-type of action, I would say—social programs, big spending-type programs.

Mr. CURTIS. What is there to gain by adopting a procedure that speeds up and adds to the laws, regulations, and requirements placed upon this great free people that we have in America?

Mr. ALLEN. I really do not see the justification for it. I have been arguing against that for some little while.

Mr. CURTIS. Then would it not be a good idea to just lay aside Senate Resolution 4?

Mr. ALLEN. I think it would be.

Mr. CURTIS. For about how long? A year or two?

Mr. ALLEN. A decade, possibly.

Mr. CURTIS. I assure the Senator if he propounds a unanimous-consent request to do so, I would not object.

Mr. ALLEN. I would be glad to propound one but some technical Senator might say that by propounding the unanimous-consent request this Senator has lost the right to the floor. He would not want to do that. I rather imagine some of these fellows would like to table something, move to adjournment, or something like that.

Mr. CURTIS. I have one final question: If the distinguished Senator from Alabama would find any sound reason for adding to the multiplicity of laws, regulations, requirements, penalties, and duties imposed on our people, that they should be increased, will he tell the Senator about it?

Mr. ALLEN. Yes. If I ever run into any reason the Senator will be the first to hear from me.

Mr. CURTIS. I thank the Senator.

Mr. ALLEN. Mr. President, I appreciate the remarks of the distinguished Senator from Nebraska and his fine questions.

It might be interesting to give a little history of the so-called filibuster.

Prior to the adoption of rule XXII there was no way to end debate in the U.S. Senate. But we got along fairly well during that time. I believe from 1807 to 1917 there was no method provided for limiting debate in the U.S. Senate.

During that time they had great Senators like Webster, Clay, Calhoun. In my home State we had Senators John T. Morgan, Edmund Pettus, Oscar W. Underwood—many, many great Senators during that period. As a matter of fact, I would say some of our greatest Senators made their names and their reputations here in the U.S. Senate during a period when debate could not be cut off at all. They could talk from morning until night. There was no method to cut it off at all. The Senate seems to have survived. I dare say that in the last couple of days we have not done much to enhance our image here in the Senate.

But I can say that back in the great days of the Senate, in the period from 1807 to 1917, the Senate saw its greatest days. They did not have any majority vote to cut off debate. They did not have any way at all. They had extended discussion every now and then. But does anybody know of any important measure that was defeated during that time, other than possibly the bill to arm our merchant vessels?

Mr. President, I think that shows the growth of the power of the Executive, the power of the President—which has diminished in the last few years.

President Wilson, back before the United States entered World War I and when our merchant vessels were being attacked by the German submarines, wanted to arm our merchant vessels. A President today—or in recent years, possibly—would think nothing of ordering the arming of vessels and possibly not even saying anything about it. He would have done it and thought nothing of it.

President Wilson was a strong President in many respects, but he did not have too great success with Congress. At any rate, he advocated a bill that would have allowed the arming of our merchant marine. Senators Norris and LaFollette and other liberal Senators, who were antiwar Senators, debated that bill to death, because there was no way to cut off debate. President Wilson attacked this group of Senators, and he referred to this little group of willful men, representing no opinion but their own, who brought the great Government of the United States to a halt. He said that there had to be some reasonable way to stop debate in the Senate. So in 1917 a rule, which is now rule XXII, was adopted; and that has been the rule, with some modest changes from time to time, since then.

Mr. President, some think of rule XXII as being a rule of the Senate that permits so-called unlimited debate. There is no such thing as unlimited debate in the Senate, because under the rule governing limitation of debate, rule XXII, debate can be brought to a close. But rule XXII does not confer any debating rights at all. They are just assumed. Rights to debate are assumed. We do not need a rule to permit Senators to debate—a special rule. That is governed by the rules saying what motions are not debatable. So rule XXII does not give any license to debate. All it does is to limit the right to debate. Now, on a debatable motion, a Senator can debate an issue as long as he wishes and is able to do so physically, until he is taken from the floor by cloture.

Mr. President, we have an issue here that is debatable. Rule XXII can bring an end to debate.

(At this point, Mr. ABOUREZK assumed the chair.)

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield for a question.

Mr. STENNIS. Mr. President, I was compelled to leave the floor a few minutes ago. I was going to ask the Senator from Alabama from whence comes this call for a change in the rules of the Senate. I am not referring to any Member personally, of course. I am referring now to the condition of the country with reference to energy, with the budget out of balance for energy, and it is certainly out of balance for money, and it is out of balance for inflation or lack of inflation. From where comes the demand here, at the beginning of this new year, for a change in rule XXII, which has been working so successfully? Where is the pressure? From where is the demand coming?

Mr. ALLEN. There is no demand whatsoever on the Senator from Alabama. As he was stating earlier, it is certainly a surprise and a disappointment to him that, with all the issues that the Senator from Mississippi is discussing—our farm problems, our economy, our energy, our inflation, our recession, our high prices—surely the Senator from Minnesota would feel that some of these issues should have a higher priority in his agenda of priorities than seeking to amend rule XXII by Senate Resolution 4.

I hazard the guess that if the Senator from Minnesota were called upon, on some national TV news show, to name the leading priorities in this Nation for governmental action, I seriously doubt that he would suggest amending rule XXII as being of paramount importance.

Yet his actions show that that is what he believes. That is the answer I would give to the distinguished Senator from Mississippi on that point.

Mr. STENNIS. I certainly have been in the channels of receiving communications, not only from my own State but from over the Nation, regarding these problems to which the Senator has referred, excluding for the time being foreign policy matters and foreign relations matters, on which we are in trouble, and I have not detected one iota of evidence that people are concerned or give a hoot about a change now in rule XXII.

Mr. ALLEN. They could not care less.

Mr. STENNIS. I just do not think of anything that could be more away from their interest at the time being.

I have just been called from the Chamber to see school people from Mississippi who wanted to see me about a very legitimate matter. They have been working now for years in conjunction with HEW with reference to schools, integration in schools. They had a court order put on them and they are trying to comply and now, all of a sudden, the money, or a great part of the money, is going to be cut off. The problems they have been trying to meet have been worked on and they have made some progress. But there is going to be cut off nearly all of the money now and HEW frankly said, "We have to send it where the demand is most; we have to send it to Boston." So they are going to take it away from those who have been working and trying.

I am in sympathy with any kind of trouble, any kind, in Boston. I do not hold that up with any glee or anything like that. I am talking about the justice of it and keeping faith. Now we have to try to keep them from cutting off that money, certainly, too soon.

My point is there is no pressure here about anyone failing to comply with the law with reference to the schools and, therefore, a bill needs to be passed, and all the legislation on that we can get in a book that we can think about. We have been working on it, having some success. So from these sources like that, there is no demand that I can imagine, much less that I have heard of, for any change in the rules of the Senate.

I had not mentioned this matter to the Senator before.

Mr. ALLEN. I certainly agree with the Senator.

Mr. STENNIS. I know his experience has been the same. I have not heard a claim made here on the floor, by any Senator, that there is a desire on the part of the people, or pressure—I mean legitimate political pressure—of any kind.

Mr. ALLEN. No evidence offered at all.

Mr. STENNIS. If the Senator will yield further for a question——

Mr. ALLEN. Yes sir.

Mr. STENNIS. I judge from his answer that he has no evidence of any real, genuine interest on the part of the people——

Mr. ALLEN. No.

Mr. STENNIS. Throughout the Nation.

Mr. ALLEN. That is certainly true. As a matter of fact, there is a whole lot more interest, the Senator from Alabama has found, in not giving this top priority over everything else. People resent this action on the part of the gag rule Senators to put this ahead of everything else on the Senate's agenda.

Mr. STENNIS. There might be some argument here that the Senator from Alabama and others should remove their resistance so we can get on, let this thing go the way it ought to go about the rules to get to other matters, including energy. But I know that there has been, really, no time lost in working on this problem of energy and fiscal affairs and inflation, on conservation of energy and as to new sources of energy.

I was proud to be a Senator the day I sat a great part of the day and heard the chairmen of subcommittees and committees that have been holding hearings here for the last several months on these problems that I have just referred to, the fine knowledge they had of the subject matter, the problem, the facts that they had to bring to those of us who had not been in those hearings, and their discussions of the possible remedies that could be applied. I was very proud of the work that they had done. It gave me a new understanding of the magnitude, though, of legislation that is necessary. That work is being carried on still.

It is not easy to get arrangements and agreements. The House of Representatives has competent people working on the same matter, and they have not yet gotten any agreement, as I understand it, with the membership of our body. I mention those things in total refutation of any kind of claim here that the Senator from Alabama is holding up things, holding up other urgent matters.

Mr. ALLEN. The Senator from Alabama is not worried about that.

Mr. STENNIS. I know the Senator from Alabama is not worried, but if there were any truth in it, I would be worried.

Mr. ALLEN. I say to the Senator from Mississippi that on Thursday the Senator from Alabama agreed to a vote on Penn Central. On Friday, he agreed to a vote on Penn Central, and he is ready to vote at such time as cloture is invoked. So the Senator from Alabama is not the one who is setting the priority, as being the top priority in the Nation, on Senate Resolution 4. He thinks that that resolution would have priority so far down the list that it could not been seen.

Mr. STENNIS. I thank the Senator from Alabama. If the Senator will yield further to a new question here.

Mr. ALLEN. Yes.

Mr. STENNIS. I shall bring up a new angle. Of course, the Senator from Alabama is so familiar with all phases of the Constitution, but just bring this into focus here, each State, of course—it is provided in the Constitution that each State shall have two Senators.

Mr. ALLEN. Yes.

Mr. STENNIS. And the provision is also in the basic law, is it not, that each Senator will have one vote?

Mr. ALLEN. That is correct.

Mr. STENNIS. That is written in bold letters there; is it not?

Mr. ALLEN. Yes, sir.

Mr. STENNIS. In that way, those who wrote this fundamental compromise—and that is what it was—in the Constitution of the United States as to the voting strength of the House of Representatives and the Senate were making certain that no Senate would ever qualify in any way a State having two votes—that is, one full vote to each Senator. Is that correct?

Mr. ALLEN. Yes, sir.

Mr. STENNIS. They put it beyond the rules of the Senate, put it beyond any presiding officer to touch.

Mr. ALLEN. Yes, sir.

Mr. STENNIS. It is further provided, is it not, in the Constitution, that that representation for each State would never be changed—and "never" is a long word—never be changed without that State's consent. Is that not true?

Mr. ALLEN. That is correct.

Mr. STENNIS. That, I think, underscores the rules of the Senate. That is what they were talking about, the Senate and the Senators, and certain things would prevail. So is it not true that there was put beyond doubt and beyond the reach of any future Senate——

Mr. ALLEN. Yes, sir, that is correct.

Mr. STENNIS (continuing). Changing in any way the representation or that representation's right to vote, each with one vote, and then said, it shall not be changed unless that State agrees; even if it be 1 State out of 13 or 1 out of 50, whatever it might become later, still that State would have to consent?

Mr. ALLEN. Yes, sir.

Mr. STENNIS. Still, we have had here now, by the ruling of one man—one man only—he is a constitutional officer and I am not talking about him personally, but he has made a ruling here that has swept aside the practices and written rules of almost 200 years. Is that not correct? That is the effect of the Rockefeller ruling, is it not?

Mr. ALLEN. That is correct, yes.

Mr. STENNIS. And opened the door to a near majority of this body changing those rules.

Mr. ALLEN. Yes.

Mr. STENNIS. Now, I know of one other person, and I am speaking with great deference to him; he is a great favorite of mine; I speak now of our former Vice President, the present Senator from Minnesota (Mr. HUMPHREY). He ruled the same way; and no other Vice President, as far as I know, has ever ruled that way. Is that not what the record shows?

Mr. ALLEN. Yes, I believe that is correct.

Mr. STENNIS. I know I have been through many debates with the Senator from Minnesota, and he was already committed before he ever became Vice President. He believed that with all of his heart and soul, and worked for it here day after day and some nights.

But I think it is a strange day when, with all this historical precedent, and especially in view of the last few years, when this rule as written now has been working, it seems to me, almost perfectly under the two-thirds rule, it is a strange day when it can all be swept aside here just by one person opening the door, and the momentary numerical strength happens to be in favor of the rule change.

Mr. ALLEN. I certainly agree with the Senator.

Mr. STENNIS. I commend the Senator for the work he is doing, and I am glad to be associated with him.

Mr. ALLEN. I thank the Senator for his comments and his questions, and the facts he has given.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Alabama yield for a question only?

Mr. ALLEN. Yes, I am delighted to yield.

Mr. ROBERT C. BYRD. Mr. President, would the distinguished Senator from Alabama be willing to yield the floor to me, not necessarily at this moment—he may wish to hold it further for a while—but would he yield to me for a unanimous-consent request that when the Senate completes its business today it stand in recess until the hour of 12 o'clock noon tomorrow with the understanding that when I make that request, if he wishes to discuss this matter a bit further, he may do so? I would like for other Senators to be on notice as to whether or not there will be further votes today, or whether we will stand in recess shortly.

Mr. ALLEN. I would like first to inquire if the distinguished assistant majority leader expects to use the first hour tomorrow in the traditional 1 hour of debate prior to the cloture motion being acted on tomorrow.

Mr. ROBERT C. BYRD. Mr. President, if I may respond without the distinguished Senator losing his right to the floor, and without the resumption of his remarks being considered a second speech, if the Senate recesses over until 12 o'clock noon tomorrow, it would be with the anticipation that the Senate would follow the cloture rule, that being that after the prayer there would be 1 hour of debate, and it would be with the understanding—and we could, if desired, include that in our unanimous-consent request—that that hour would be for the purpose only of debate on the cloture motion, after which the Chair would have the clerk call the roll to establish a quorum, after which there would be a vote on the motion to invoke cloture.

If the vote on the motion to invoke cloture fails, then the Senate would resume its consideration of the now pending matter. If cloture is invoked under the rule, then the Senate would have to proceed with the disposition of that matter to the exclusion of all other business, and when that matter, to wit, the Penn Central question, has been disposed of, then the Senate would resume its consideration of the now pending matter at that time.

Mr. ALLEN. Who would have the floor on the resumption of our session?

Mr. ROBERT C. BYRD. The floor would be up for grabs; just whatever Senator is recognized by the Chair.

Mr. ALLEN. That does not seem to give the Senator from Alabama too much chance.

Mr. ROBERT C. BYRD. The Senator would have equal chance with every other Senator.

Mr. ALLEN. Well, theoretically.

Mr. ROBERT C. BYRD. May I say that based on my own observations, and I have not been able to be on floor at all times, I think the Senator has done right well in obtaining recognition.

Mr. ALLEN. I wonder who will be in the Chair at that time.

Mr. ROBERT C. BYRD. I have no way of knowing that.

Mr. ALLEN. I hope not a couple of fellows who have been up there earlier this session.

I wonder if I might inquire whether we might have a short quorum call in order that I might confer with others interested in the same problem.

Mr. ROBERT C. BYRD. Yes. Will the Senator allow me to ask, while he is conferring with others, that there be a period for the transaction of routine morning business, with statements therein limited to 3 minutes, and that the period for the transaction of routine morning business not extend beyond 15 minutes, and that at the conclusion of the period for the transaction of routine morning business the distinguished Senator from Alabama be recognized, and that his recognition the second time not be considered a second speech? I do this because it is necessary that there be some space in the RECORD today allocated for the purpose of morning business.

The PRESIDING OFFICER (Mr. ABOUREZK). Is there objection?

Mr. MONDALE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, for a question.

Mr. MONDALE. How long is it anticipated that the quorum call would need to be?

Mr. ALLEN. Oh, I would not have in mind letting it go live. Just 10 or 15 minutes.

Mr. MONDALE. That would be all right.

Mr. ROBERT C. BYRD. It would be my thought that the period for routine morning business would suffice for a quorum, and if no Senators sought recognition, there would be a quorum call, with the understanding that following the quorum call the Senator from Alabama would retain his right to the floor.

Mr. ALLEN. Subject to morning business, which would be right before we go out?

Mr. ROBERT C. BYRD. I thought we would take care of the morning business at this time; or we can make it following the quorum call, if the Senator would prefer.

Mr. ALLEN. Well, any way the Senator wants to do it.

Mr. ROBERT C. BYRD. Then, Mr. President, if the Senator will yield under the same understanding——

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. I shall shortly suggest the absence of a quorum, with the understanding that immediately following the quorum call the Senator from Alabama be recognized under the conditions as previously stated, and then, if we can reach the agreement we are attempting to reach, shortly after that, we would have a motion to recess until tomorrow, but prior to that motion to recess I would hope that we can get a period for the transaction of routine morning business included.

Mr. ALLEN. That sounds good.

Mr. ROBERT C. BYRD. Mr. President, under those conditions, if there be no objection, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama.

Mr. ALLEN. I thank the Chair for recognizing me in accordance with the unanimous-consent agreement, of course, and I am willing after having discussed the proposed unanimous-consent agreement suggested by the distinguished assistant majority leader with those Senators who do oppose Senate Resolution 4, and it is our agreement that we do agree to the unanimous-consent request.

Mr. ROBERT C. BYRD. Will the Senator yield to me for the purpose only of making that request at this time?

Mr. ALLEN. I yield to the Senator.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11:30 a.m. tomorrow; provided further, that after the prayer and the two leaders have been recognized under the standing order—with the understanding that the leaders can make no motion or do anything that would affect in any way whatsoever the pending matter—the distinguished Senator from Oklahoma (Mr. BELLMON) be recognized for not to exceed 15 minutes, after which the 1 hour under the cloture rule begin running on the motion to invoke cloture on the Penn Central matter, the time during that 1 hour to be equally divided between Mr. HARTKE and Mr. WEICKER; and provided further that—

Mr. President, what occurs thereafter, takes care of itself automatically.

Mr. MONDALE. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. If the Senator will allow me.

Mr. ALLEN. Yes.

Mr. MONDALE. As I understand it——

Mr. JAVITS. Will the Senator use his microphone?

Mr. MONDALE. Yes.

As I understand the proposed unanimous consent request, we would now go off the question of Senate Resolution 4 onto morning hour and Senate Resolution 4 would not come up again until after the cloture vote, if it is unsuccessful, or until after the completion of the railroad legislation, if it is successful.

Depending on when it comes up, the floor would then be open to proceed from the point we are now and the floor would be open; is that correct?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. ALLEN. What is the pending business, may I inquire.

Mr. ROBERT C. BYRD. Will the Senator yield to me further at this point?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. Let me restate my unanimous-consent request.

The answer is in the affirmative to both of the questions of the Senator from Minnesota.

I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11:30 a.m. tomorrow; provided further, that, following the prayer, the two leaders be recognized under the standing order, with the understanding that no motions in any way affecting Senate Resolution 4 be in order during that time; provided further, that, following the recognition of the two leaders under the standing order, Mr. BELLMON be recognized for not to exceed 15 minutes, after which the 1 hour provided under rule XXII on the motion to invoke cloture begin running, the time to be equally divided between Mr. HARTKE and Mr. WEICKER; provided further, that upon the disposition of the cloture vote, if the motion to invoke cloture fails, the Senate than resume its consideration of Senate Resolution 4, the question now pending, being again pending that point; and that, in the alternative, if the motion to invoke cloture carries, under the rule, the Senate proceed with the further consideration of the Penn Central matter until that matter is disposed of; at which time, upon the disposition of that matter, the Senate resume its consideration of Senate Resolution 4, with the question then before the Senate being the question in its present status.

Mr. MONDALE. Will the Senator yield for a question only?

Mr. ALLEN. Yes.

Mr. MONDALE. What you mean by status as it is now, the present parliamentary situation, is the floor would be open for recognition; is that correct?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. What is the pending business, Mr. President?

The PRESIDING OFFICER. The pending business is the motion of the Senator from Alabama to postpone the pending business for a period of 30 days, the pending question being the motion by the Senator from Minnesota.

Mr. ROBERT C. BYRD. That would

be the pending question when the Senate resumes consideration of the matter.

Mr. MONDALE. What happened to the Senator's motion to postpone it for a decade?

Mr. ALLEN. That was just casual talk.

The PRESIDING OFFICER. Is there objection to the request? There being no objection, it is so ordered.

Mr. ROBERT C. BYRD. Now, Mr. President, if the Senator will yield, we might now have a period for the transaction of routine morning business with the understanding that when that period is closed the Senate will stand in recess.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with statements limited therein to 3 minutes, such period not to extend beyond 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

Report on the Relative Status of the ANG and the AFR

A letter from the Secretary of Defense, transmitting a secret document entitled "Report on the Relative Status of the ANG and the AFR (with an accompanying document); referred to the Committee on Armed Services.

Supplemental Estimate of Appropriation for the Veterans' Administration

A letter from the Deputy Director of the Office of Management and Budget reporting, pursuant to law, that the appropriation for the Veterans' Administration for Compensation and Pensions has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation for the fiscal year 1975; to the Committee on Appropriations.

Report of the Assistant Secretary of Defense

A letter from the Assistant Secretary of Defense reporting, pursuant to law, on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under German Offset Agreement for the quarter October 1, 1974, through December 31, 1974; to the Committee on Appropriations.

Report of the Assistant Secretary of Defense

A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report on the Defense Manpower Requirements for the fiscal year 1976 (with an accompanying report); to the Committee on Armed Services.

Report of the General Services Administration

A letter from the Acting Administrator of the General Services Administration transmitting, pursuant to law, a report on borrowing authority for the period ending June 30, 1974 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Report of the Secretary of Commerce

A letter from the Secretary of Commerce transmitting, pursuant to law, a report on export administration covering the third quarter of 1974 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Report of the Secretary of Defense

A letter from the Deputy Secretary of Defense reporting, pursuant to law, on the applications for a license to export goods or technology to the Soviet Union, Eastern Europe, or the People's Republic of China; to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation by the Secretary of Commerce

Two letters from the Secretary of Commerce each transmitting a draft of proposed legislation (1) to authorize appropriations to carry out the Standard Reference Data Act; and (2) to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and for other purposes (with accompanying papers); to the Committee on Commerce.

Report of the Secretary of Commerce

A letter from the Secretary of Commerce transmitting, pursuant to law, the annual report of the activities of the Department of Commerce during fiscal year 1974 (with an accompanying report); to the Committee on Commerce.

Report of the Secretary of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on grants approved by the Department of Health, Education, and Welfare which are financed wholly with Federal funds (with an accompanying report); to the Committee on Finance.

Reports of the Department of State

A letter from the Acting Assistant Secretary of State transmitting, pursuant to law, reports on foreign assistance obligations regarding Laos, Vietnam, and Cambodia; to the Committee on Foreign Relations.

Proposed Legislation of the Department of State

A letter from the Acting Assistant Secretary of State transmitting a draft of proposed legislation to authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during fiscal years 1976 and 1977 (with accompanying papers); to the Committee on Foreign Relations.

Reports of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a list of the reports of the General Accounting Office for the month of January 1975 (with accompanying papers); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on Federal coal research—status and problems to be resolved, multiagency (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on improved cooperation and coordination needed among all levels of government—Office of Management and Budget Circular A-95, Office of Management and Budget, and other Federal agencies (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on improvements needed in cost-effectiveness studies for major weapon systems, Department of the Army (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on government support of the shipbuilding industrial base, Maritime Administration, Department of Defense (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on premium pay for Federal inspectors at U.S. ports-of-entry, Department of the Treasury, Department of Justice, Department of Agriculture, Department of Health, Education, and Welfare (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on local housing authorities and ways they can improve their operations and reduce dependence on operating subsidies, Department of Housing and Urban Development (with an accompanying report); to the Committee on Government Operations.

Plan for Use and Distribution of Judgment Funds Awarded the Stillaguamish Tribe of Indians

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a proposed plan for the use and distribution of the judgment funds awarded to the Stillaguamish Tribe of Indians in Docket 207 before the Indian Claims Commission (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report of the Administration of the Freedom of Information Act

A letter from the Executive Director, Emergency Loan Guarantee Board, transmitting, pursuant to law, a report of the administration of the Freedom of Information Act, covering the period January 1, 1974, through December 31, 1974 (with an accompanying report); to the Committee on the Judiciary.

Proposed Amendment of the Antitrust Civil Process Act

A letter from the Attorney General of the United States, transmitting a draft of proposed legislation to amend the Antitrust Civil Process Act to increase the effectiveness of discovery in civil antitrust investigations (with accompanying papers); to the Committee on the Judiciary.

Third Preference and Sixth Preference Classification

A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting, pursuant to law, reports concerning visa petitions which have been approved according the beneficiaries of such petitions third preference and sixth preference classification (with accompanying papers); to the Committee on the Judiciary.

Notice of Final Regulations and Guidelines, Title III, Elementary and Secondary Education Act

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, notice of final regulations and guidelines, title III, Elementary and Secondary Education Act, section 306, supplementary educational centers and services; guidance, counseling, and testing (with accompanying papers); to the Committee on Labor and Public Welfare.

Department of Justice Positions in Grades GS-16, GS-17, and GS-18

A letter from the Assistant Attorney General for Administration, United States Department of Justice, transmitting, pursuant to law, a report on Department of Justice positions in grades GS-16, GS-17, and GS-18, January 1, 1974, through December 31, 1974 (with an accompanying report); to the Committee on Post Office and Civil Service.

Review of the Comptroller General of Rescissions and Deferrals

A letter from the Comptroller General of the United States, transmitting, pursuant to law, review of rescissions and deferrals transmitted with the President's Eighth Special Message (with accompanying papers); to the Committee on Appropriations, the Committee on the Budget, the Committee on Labor and Public Welfare, the Committee on Commerce, the Committee on Agriculture and Forestry, the Committee on Armed Services, the Committee on Public Works, the Committee on Interior and Insular Affairs, and the Committee on Finance, pursuant to order of January 30, 1974; and ordered to be printed.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution from the Legislature of the State of Hawaii; referred to the Committee on Agriculture and Forestry:

"House Concurrent Resolution 20

"Requesting the Congress of the United States to direct the United States Department of Agriculture to maintain food stamp prices at their present level

"Whereas, the United States Department of Agriculture is responsible for formulating and administering a food stamp program under the Food Stamp Act of 1964 as amended; and

"Whereas, on December 6, 1974, the Secretary of Agriculture has proposed in the Federal Register (39CFR 47200) that the schedule of prices charged for food stamps be increased beginning March 1, 1975; and

"Whereas, the United States Department of Labor, Bureau of Labor Statistics, has reported that the Consumer Price Index increased 12.2 percent during the year ending December 31, 1974; and

"Whereas, the effect of inflation coupled with increased food stamp prices will be to make it impossible for the poorest families in the United States to afford to purchase enough food to meet the most minimal standards of decency and health; and

"Whereas, food stamps is the only nationwide assistance program because many states do not provide public assistance to poor, intact families in which the father works more than 100 hours a month; now, therefore,

"Be it resolved by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1975, the Senate concurring, that the Congress of the United States is requested to direct the Secretary of Agriculture to maintain food stamp prices at their present level; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to members of Hawaii's Congressional Delegation, the President of the United States Senate, the Speaker of the United States House of Representatives, and the respective committees on Agriculture of the Senate and House of Representatives."

A concurrent resolution from the Legislature of the State of Louisiana; referred to the Committee on Banking, Housing and Urban Affairs:

"Senate Concurrent Resolution No. 21

"A concurrent resolution to memorialize the President of the United States, the Vice-President, the Council of Economic Advisors and the members of Congress to take appropriate action to provide an economic stimulus to the home building industry and to take appropriate action to encourage homeownership by middle and moderate income families, particularly young families

"Whereas, the United States Department of Commerce, in a recent report, stated that the number of new housing units begun in December, 1974, dropped to its lowest level in eight years and that the number of privately owned new houses and apartments started in the year 1974 was thirty-five percent less than in the year 1973; and

"Whereas, the virtual standstill and lack of productivity in the home building industry has a substantial deleterious effect upon many areas of our national economy, particularly those areas which provide materials and related services to this industry; and

"Whereas, the home building industry is a vital part of the construction industry as a whole, an industry which has a tremendous impact on the economic growth of our country; and

"Whereas, home construction is directly influenced by the ability of people to purchase homes; and

"Whereas, due to the high cost of financing homeownership, many moderate and middle income families, particularly young families, are unable to afford a new home or an already existing older home and find it necessary to live in rented houses or apartments long after they are otherwise ready to assume the responsibility of homeownership; and

"Whereas, homeownership constitutes a stabilizing influence on family life and thus has a positive effect on all areas of life as well as the national economy; and

"Whereas, in the preamble to the Housing Act of 1949, Congress set forth a national housing goal of "a decent home and suitable living environment for every American family", and in carrying out this goal, the federal government has provided financial assistance to lower income families to encourage homeownership; and

"Whereas, in order to encourage homeownership by middle and moderate income families, particularly among younger people, the federal government should consider providing financial assistance to such families, possibly through loans or subsidies on interest payments, commensurate with the income and needs, both present and future, of each individual family.

"Therefore, be it resolved by the Senate of the Legislature of Louisiana, the House of Representatives thereof concurring, that the President of the United States, the Vice-President, the members of the Council of Economic Advisors and the members of Congress are hereby memorialized to take appropriate action to provide an economic stimulus to the home building industry.

"Be it further resolved that the President, Vice-President, members of the Council of Economic Advisors and members of Congress are hereby memorialized to take appropriate action to encourage homeownership by middle and moderate income families, particularly young families.

"Be it further resolved that a copy of the Resolution shall be transmitted to the President of the United States, the Vice-President the members of the Council of Economic Advisors and the members of the congressional delegation of this state."

A concurrent resolution from the General Assembly of the State of South Carolina; referred to the Committee on Commerce:

"A Concurrent Resolution to Memorialize the Congress of the United States to Terminate Daylight Saving Time Each Year at Midnight on the Sunday Following Labor Day

"Whereas, for the safety of children attending school and for the convenience, benefit and more effective operation of certain industries and the farmers of this State the General Assembly of South Carolina has concluded that an earlier termination of daylight saving time is appropriate. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the General Assembly by this resolution respectfully requests the Congress of the United States to take necessary action to annually terminate daylight saving time at midnight on the Sunday following Labor Day.

Be it further resolved that copies of this Resolution be forwarded to the Speaker of the United States House of Representatives, the Vice-President and each member of the South Carolina Congressional Delegation in Washington, D.C."

A resolution from the House of Representatives of the Commonwealth of Puerto Rico; referred to the Committee on Finance:

"Resolution

"To express the (*concern*) of the House of Representatives of Puerto Rico (*with*) (*the* OPINION *recently issued by the United States Department of Justice*) *to the effect that the reimbursement of the 'license' fees collected on imported oil to our Treasury is not in order, and* (*to request*) *from the pertinent Federal authorities that* (*said* OPINION *be rendered ineffective*) accordingly

"Statement of Motives

"Through the newspapers of our country, we have learned with real dismay that the United States Department of Justice has just issued an opinion on Puerto Rico which violates the fundamental principle of the American democracy, and directly violates the political relationship between the United States and Puerto Rico. The Federal Justice Department, reversing a continued fiscal record between the United States and Puerto Rico, ruled that it is illegal for the Federal Government to return to our Treasury the 'license' fees collected on imported oil.

"It is already known that President Ford has just levied a $3.00 tariff per barrel of imported oil. Being Puerto Rico one of the main importers of oil, the 'license' fees collected should revert into our Treasury. With the Federal Justice Department newly issued opinion, Puerto Rico shall lose that benefit.

"It is imperative, for the economy of Puerto Rico and the success of the petrochemical industry, that the aforementioned opinion of the Justice Department be repealed. We must not and cannot permit that such a serious injury be inflicted upon the people of Puerto Rico.

"Be it resolved by the House of Representatives of Puerto Rico:

"SECTION 1.—To express the concern of the House of Representatives of Puerto Rico with the opinion recently issued by the United States Department of Justice to the effect that the reimbursement of the 'license' fees collected on imported oil to our Treasury is not in order.

"SEC. 2.—To request from the President of the United States, the Honorable Gerald Ford, and from the Congress of the United States that such opinion be rendered ineffective accordingly.

"SEC. 3.—To send a certified copy of this resolution, duly translated into English, to the President of the United States, the Honorable Gerald Ford, to the Senate and to the House of Representatives of the United States, to the Honorable Jaime Benitez, Resident Commissioner in Washington, to Mr. Carlos Romero Barcelo as Chairman of the National League of Cities of the United States, to the press, radio and television stations of Puerto Rico for its broadcasting."

A resolution from the Legislature of the Commonwealth of Massachusetts; referred to the Committee on Finance:

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT A NATIONAL HEALTH CARE EXPANSION AND IMPROVEMENT ACT

"Whereas, The per capita cost of medical services is higher in the United States than in other developed nations; and

"Whereas, The health delivery system of the United States is significantly behind that of other developed nations in important categories; now, therefore, be it

"Resolved, That the General Court of Massachusetts hereby respectfully urges the Congress of the United States to enact a *national health insurance program* that will provide for expanded and improved benefits for the health care of all our citizens; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of the Congress of the United States and to each member thereof from the Commonwealth."

A resolution from the Legislature of the Virgin Islands; referred to the Committee on Finance:

"RESOLUTION NO. 730

"Bill No. 6489—Tenth legislature of the Virgin Islands of the United States, regular session, 1974, to petition to the Governor and the V.I. Delegate to urge the Congress of the United States to amend the Internal Revenue Laws regarding their application to the Virgin Islands

"Whereas the internal revenue laws in force in the United States are likewise in force in the Virgin Islands; and

"Whereas the Virgin Islands is a separate taxing jurisdiction from the United States; and

"Whereas the internal revenue laws of the United States are being administered in the Virgin Islands in such manner as to tax certain United States citizens as 'Aliens', to tax United States corporations as 'foreign' corporations, and to deny Virgin Islands taxpayers certain elections, deductions and credits which are granted to all other U.S. citizens living in the Continental United States; and

"Whereas if all citizens of the United States are not accorded equal tax treatment, whether they be residents of the United States or residents of the Virgin Islands, a detrimental effect on business, investment and tax revenues in the Virgin Islands will undoubtedly result; and

"Whereas the term used to describe the manner in which the internal revenue laws of the United States are applied to the Virgin Islands is the 'mirror theory' or the 'mirror system' of taxation; and

"Whereas only the Congress of the United States is empowered to enact legislation which would effect a change in the internal revenue laws; Now, Therefore,

"Be it resolved by the Legislature of the Virgin Islands:

"Section 1. That the Legislature is in favor of eliminating the so called "mirror system" of taxation in all instances in which said system results in any United States citizen residing in the Virgin Islands or any Virgin Islands corporation being denied any deduction, credit, election or exemption under the Internal Revenue Code of 1954, as amended, by reason of the fact that the Virgin Islands is a separate taxing jurisdiction from the United States.

"Section 2. That the Legislature, in order to secure the revenue levels of the Government of the Virgin Islands, is in favor of limiting the amount of income taxes paid to the Virgin Islands Treasury by any taxpayer, to an amount equivalent to that which would be paid the United States Treasury were the Virgin Islands a state of the United States, since, in so doing, United States citizens residing in the Virgin Islands would have equal tax treatment whether they were residents of the United States or residents of the Virgin Islands.

"Section 3. That the Legislature hereby petitions the Governor of the Virgin Islands and the Virgin Islands Delegate to the United States House of Representatives to use their good offices in urging the Congress of the United States to enact legislation which would accomplish the sentiments of this Body as expressed in Sections 1 and 2 hereof.

"Section 4. That copies of this Resolution, immediately upon its passage, be forwarded to the President of the Senate, the Speaker of the House of Representatives, the respective chairmen of the House and Senate standing Committees on Ways and Means, and the Virgin Islands Delegate to the United States House of Representatives, Washington, D.C.

"Thus passed by the Legislature of the Virgin Islands on December 19, 1974."

A resolution from the Legislature of the State of Oklahoma; referred to the Committee on Foreign Relations:

"A RESOLUTION RELATING TO THE PRESENT DRUG PROBLEM IN THE UNITED STATES; MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO MAKE IT THE SENSE OF CONGRESS THAT THE TURKISH GOVERNMENT SHOULD PREVENT THE RESUMPTION OF OPIUM PRODUCTION; AND AUTHORIZING DISTRIBUTION

"Whereas, after a two-year limitation, the Turkish Government announced in July of 1974 that the opium poppy would once again be grown in Turkey; and

"Whereas, prior to the ban on the cultivation of the opium poppy, Turkey was the primary source of nearly eighty percent of the heroin that reached the United States; and

"Whereas, Turkey's action is in direct breach of a 1971 agreement wherein the United States was to pay for the loss of the opium crop; and

"Whereas, during the two years that Turkish fields lay fallow, the estimated number of United States addicts dropped from 600,000 to 200,000; and

"Whereas, narcotic officials fear it will be impossible to keep the heroin made from Turkish opium out of the United States market if the Turkish Government does not prevent the resumption of opium production in Turkey.

"Now, therefore, be it resolved by the House of Representatives of the 1st session of the 35th Oklahoma legislature:

"Section 1. That it is the firm conviction of the people of Oklahoma that the Congress of the United States make it the sense of Congress that the President of the United States should immediately initiate negotiations at the highest level of the Turkish Government to prevent the resumption of opium production and, if such negotiations prove unfruitful, to exercise the authority provided by the Congress under the Foreign Assistance Act to terminate all assistance to the Government of Turkey.

"Section 2. That duly authenticated copies of this Resolution, signed by the Speaker of the House of Representatives and attested by the Chief Clerk shall be transmitted to the President Pro Tempore of the United States Senate and to both United States Senators from the State of Oklahoma and to the Speaker of the House of Representatives of the United States and to each member of the House of Representatives from the State of Oklahoma."

A concurrent resolution from the Legislative Assembly of the State of North Dakota; referred to the Committee on the Judiciary:

"SENATE CONCURRENT RESOLUTION NO. 4007

"A concurrent resolution for the ratification of a proposed amendment to the Constitution of the United States, prohibiting states from denying a citizen equality of rights under law on account of sex

"Whereas, the 92nd Congress of the United States of America at its second session, in both Houses by a constitutional majority of two-thirds thereof, adopted the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"JOINT RESOLUTION

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), that the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the Legislature of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE

"Section 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

"Section 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

"Section 3. This Amendment shall take effect two years after the date of ratification.

"Now, therefore, be it resolved by the Senate of the State of North Dakota, the House of Representatives concurring therein: ernor of the state of North Dakota, to the Constitution of the United States of America be and the same is hereby ratified by the Forty-fourth Legislative Assembly of the state of North Dakota; and

"Be it further resolved, that certified copies of this resolution be forwarded by the Governor of the state of North Dakota to the Administrator of General Services, Washington, D.C., and to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States."

A petition from the Legislative Council, the State of Wisconsin, requesting the Congress to hold public hearings on the Plan for Transfer of All the Assets of Menominee Enterprises Inc., A Wisconsin Corporation Pursuant to Sections 6(a) and 6(b) of the

Menominee Restoration Act which was submitted to Congress December 27, 1974; referred to the Committee on Interior and Insular Affairs.

A resolution from the General Assembly of the State of Rhode Island; referred to the Committee on Public Works:

"Senate Resolution Memorializing Congress, the Rhode Island Delegation in Congress, the President of the United States, and the Legislature of the Various States to Support Legislation to Grant Funds to the Various States for the Purpose of Public Works Projects

"Whereas, Because of the state of the economy in the State of Rhode Island and throughout the nation there is a high rate of unemployment, which condition is projected to become more severe; and

"Whereas, Funds available for such projects would create employment, and provide necessary public works projects for the State of Rhode Island and the various states of the nation; and

"Whereas, There is a need for hospitals, schools, playgrounds, conservation projects, wildlife protection, preservation of natural resources, playgrounds, highways, roads, streets, bridges, prisons, public buildings, and other public works projects in the State of Rhode Island and the various states of the nation; now, therefore, be it

"Resolved, That Congress, the Rhode Island delegation in Congress, the President of the United States, and the legislatures of the various states be memorialized and respectfully requested to support legislation to grant funds to the various states for the purpose of public works projects; and be it further

"Resolved, That the Secretary of State be and he is hereby respectfully requested to transmit duly certified copies of this resolution to the presiding officer of the United States Senate, the presiding officer of the United States House of Representatives, to the Senators and Representatives from Rhode Island in the Congress of the United States, the President of the United States, and the presiding officers of the legislatures of the various states."

A concurrent resolution from the General Assembly of the State of Delaware; ordered to lie on the table:

"Senate Concurrent Resolution No. 12

"Congratulating United States Senator Joseph R. Biden, Jr., on his appointment to the Foreign Relations Committee of the United States Senate

"Whereas, the members of the General Assembly of the State of Delaware have learned with pride and appreciation of the appointment of United States Senator Joseph R. Biden, Jr., of Delaware to the prestigious Foreign Relations Committee of the United States; and

"Whereas, this appointment of Senator Biden is a signal honor for Delaware both because of the Senator's comparative youth and because Delaware rarely, in the history of the United States, has had the distinction of having one of its sons on this internationally-respected committee; and

"Whereas, Senator Biden through this appointment continues to fulfill the high hopes of the citizens of Delaware in the growth of his Senatorial career; and

"Whereas, the appointment of Senator Biden to the Senate Foreign Relations Committee speaks volumes for the respect in which he is held by his colleagues in the United States Senate; and

"Whereas, in his many statements and talks Senator Biden has given strong evidence of his unusual ability to analyze problems involving foreign policy; and

"Whereas, in his appointment to the Foreign Relations Committee at the age of 32 Senator Biden will be able to bring his fine mind and analytic powers to bear on the most difficult problem of our era, achieving and maintaining peace; and

"Whereas, Senator Biden began his service as a member of the Foreign Relations Committee on January 17 of this year.

"Now Therefore be it resolved by the Senate of the 128th General Assembly of the State of Delaware, the House concurring therein, that this resolution expresses the sincere congratulations of the General Assembly on the appointment of United States Senator Joseph R. Biden, Jr. to the Foreign Relations Committee of the United States Senate.

"Be it further resolved that this Concurrent Resolution also expresses the deep faith of the citizens of Delaware in Senator Biden's ability to serve with great distinction and purpose on this the most prestigious committee in the world's greatest deliberative body, the United States Senate.

"Be it further resolved that a copy of this Concurrent Resolution be transmitted to Senator Biden and that a copy be transmitted to Vice-President Nelson A. Rockefeller, the presiding officer of the United States Senate, for the purpose of inclusion in the pages of the Congressional Record as a permanent expression of the esteem in which Senator Biden is held by the citizens of Delaware through their elected representatives to the 128th General Assembly."

A resolution from the Department of Environmental Protection of the State of Maine relating to availability of sewage treatment funds; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, Budget, and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.J. Res. 210. A joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 94–21).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. RANDOLPH, from the Committee on Public Works:

Wilmer D. Mizell, Sr., of North Carolina, to be an Assistant Secretary of Commerce.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JAVITS (for himself, Mr. Fong, Mr. Abourezk, Mr. Bayh, Mr. Brock, Mr. Brooke, Mr. Buckley, Mr. Case, Mr. Clark, Mr. Cranston, Mr. Dole, Mr. Gravel, Mr. Hatfield, Mr. Hathaway, Mr. Humphrey, Mr. Inouye, Mr. Jackson, Mr. Kennedy, Mr. Mathias, Mr. Metcalf, Mr. Mondale, Mr. Moss, Mr. McGee, Mr. McGovern, Mr. Nelson, Mr. Pell, Mr. Ribicoff, Mr. Roth, Mr. Hugh Scott, Mr. Sparkman, Mr. Stevens, Mr. Tunney, and Mr. Williams):

S. 824. A bill to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. CASE:

S. 825. A bill to amend the Outer Continental Shelf Lands Act to provide for strict liability in the case of damage caused by oil spills, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

S. 826. A bill to amend the Coastal Zone Management Act of 1972 in order to authorize financial assistance to coastal States to enable them to study, assess, and plan effectively with respect to the impact within their coastal zones of off-shore energy-related facilities and activities and to assure the maximum effectiveness of the coastal zone management plans of such States, and for other purposes. Referred to the Committee on Commerce.

S. 827. A bill to amend the National Environmental Policy Act to provide for the filing of certain supplemental information statements. Referred to the Committee on Public Works.

By Mr. HATFIELD (for himself and Mr. Packwood):

S. 828. A bill to provide for addition to the Fort Clatsop National Memorial of the site of the salt cairn utilized by the Lewis and Clark Expedition, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. FONG (for himself, Mr. Beall, Mr. Brock, Mr. Brooke, Mr. Buckley, Mr. Church, Mr. Cranston, Mr. Dole, Mr. Domenici, Mr. Eastland, Mr. Fannin, Mr. Garn, Mr. Hansen, Mr. Philip A. Hart, Mr. Inouye, Mr. McClure, Mr. McGee, Mr. Moss, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Roth, Mr. Stafford, Mr. Thurmond, and Mr. Tower):

S. 829. A bill to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65. Referred to the Committee on Finance.

By Mr. HUDDLESTON:

S. 830. A bill to waive the statute of limitations with regard to the tort claims of certain individuals against the United States. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 831. A bill for the relief of Mrs. Hoamwatie Paderat, Mr. Hemprashad Padaret, Miss Neranjanie Padaret. Referred to the Committee on the Judiciary.

By Mr. MOSS:

S. 832. A bill for the relief of Kristen Marisol Kneebone. Referred to the Committee on the Judiciary.

By Mr. WILLIAMS:

S. 833. A bill to amend the Natural Gas Act in order to give the Federal Power Commission emergency authority to allocate supplies of natural gas. Referred to the Committee on Commerce.

By Mr. HASKELL (for himself, Mr. Hansen, and Mr. Gary W. Hart):

S. 834. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, derived from the development of oil shale resources, may be used for purposes other than public roads and schools. Referred to the Committee on Interior and Insular Affairs.

By Mr. McCLURE:

S. 835. A bill to amend chapter 2 of title 16, United States Code (relating to national forests), to provide a share of timber receipts to States for schools and roads. Referred to the Committee on Agriculture and Forestry.

By Mr. STAFFORD:

S. 836. A bill to amend title 38, United States Code, to liberalize the provisions for payment of educational assistance benefits to certain disabled veterans. Referred to the Committee on Veterans Affairs.

By Mr. BUCKLEY:

S. 837. A bill for the relief of Rose Minutillo. Referred to the Committee on the Judiciary.

By Mr. McCLURE:

S. 838. A bill to authorize the Secretary of the Army to delegate to the States certain functions with respect to the location and plans for structures, excavations, or fills in or on certain navigable waters. Referred to the Committee on Public Works.

By Mr. HUGH SCOTT:

S. 839. A bill to designate the birthday of "Susan B. Anthony" as a legal public holiday. Referred to the Committee on the Judiciary.

By Mr. McCLURE (for himself, Mr. Dole, Mr. Domenici, Mr. Hansen, Mr. Mathias, Mr. Metcalf, Mr. Thurmond, Mr. Young, and Mr. Church):

S. 840. A bill to amend the Funeral Transportation and Living Expenses Benefits Act of 1974 (88 Stat. 53) to also provide memorial transportation and living expense benefits to the families of deceased servicemen classified as prisoners of war or as missing in action. Referred to the Committee on Armed Services.

By Mr. NELSON (for himself and Mr. Philip A. Hart):

S. 841. A bill to protect individuals against conduct creating serious potential environmental health hazards. Referred to the Committee on Public Works.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JAVITS (for himself, Mr. Fong, Mr. Abourezk, Mr. Bayh, Mr. Brooke, Mr. Buckley, Mr. Case, Mr. Clark, Mr. Cranston, Mr. Dole, Mr. Gravel, Mr. Hatfield, Mr. Hathaway, Mr. Humphrey, Mr. Inouye, Mr. Jackson, Mr. Kennedy, Mr. Mathias, Mr. Metcalf, Mr. Mondale, Mr. Moss, Mr. McGee, Mr. McGovern, Mr. Nelson, Mr. Pell, Mr. Ribicoff, Mr. Roth, Mr. Hugh Scott, Mr. Sparkman, Mr. Stevens, Mr. Tunney, and Mr. Williams):

S. 824. A bill to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes. Referred to the Committee on Foreign Relations.

JAPAN-UNITED STATES FRIENDSHIP ACT

Mr. JAVITS. Mr. President, today, with 32 cosponsors, I introduce the Japan-United States Friendship Act. The bill sets aside 10 percent of the $320 million being received from Japan pursuant to the reversion of Okinawa to establish a trust fund to promote scholarly, cultural and artistic exchanges between Japan and the United States. The programs authorized and to be funded under the bill are to be administered by an independent commission. The bill is introduced in the form in which it passed the Senate on June 7, 1974.

Joining as cosponsors are: Senators Fong, Abourezk, Bayh, Brock, Brooke, Buckley, Case, Clark, Cranston, Dole, Gravel, Hatfield, Hathaway, Humphrey, Inouye, Jackson, Kennedy, Mathias, Metcalf, Mondale, Moss, McGee, McGovern, Nelson, Pell, Ribicoff, Roth, Scott of Pennsylvania, Sparkman, Stevens, Tunney, and Williams.

I hope that such a measure will become law this year, as it is uniquely relevant to the time.

The relationship of the last 30 years between Japan and the United States is one of the most remarkable in the history of East-West relations. Evolving from the bitterness and enmity of total war, through a prolonged postwar occupation and a period of political tutelage, the present day Japan-United States relationship is one of cooperation, mutual respect and trust between allies and equals. This unique relationship grows out of the experience of the last 30 years and is the foundation for plans and aspirations for peace and development in Asia for the next 30 years.

Japan is the linchpin of America's foreign policy in Asia; it is our closest and most important ally in Asia and is our second largest trading partner. It is a world economic power in the non-Communist world second only to the United States, and is a working democracy with free institutions. The perpetuation of our mutually beneficial relationship with Japan will require mutual understanding as well as continuing intelligent diplomacy, mutual self-interest and reciprocal respect.

The programs to be established under this legislation are intended to contribute in a most important way to the consolidation of United States-Japan friendship through deeper mutual understanding and broader cultural ties. The peaceful reversion of Okinawa is a milestone of 20th century diplomacy and a significant symbol that we seek to commemorate. The return of Okinawa to Japanese administration under the Okinawa Reversion Agreement, approved by the Senate 84 to 6, provides that Japan pay $320 million to the United States over a period of 5 years as reimbursement of the cost to the United States for public utilities and other facilities on the island which were turned over to Japanese administration, plus some costs in connection with relocation of American facilities and employment of indigenous labor.

While the "Japanese miracle" is one of the major developments of the last half of the 20th century, relatively little is known and understood about the remarkable Japanese society and culture which produced such progress. The Japanese language is the least known in the United States of any of the world's greatest languages. Japanese art and literature are considered to be treasures by the experts but remain largely unexplored and unknown to the American public outside of a small group of scholars. It is essential to our national interest that we achieve a deeper and broader understanding of Japanese society and culture. This legislation could make a major difference, and it commands overwhelming support in academic circles.

Japanese studies programs presently are available in only a handful of American colleges and universities. Foundations are withdrawing their support for the most part from even the few existing programs, as such aid was never intended to be permanent but to get programs off the ground in the expectation that the U.S. Government could then step in with financial aid when the programs had proved their worth. Moreover, despite moderate increases in recent years, funds for the Fulbright-Hays exchange programs with Japan are still far below their 1966 peak. In all areas, Federal assistance has not been forthcoming on a scale to fulfill even minimum needs.

The Japan-United States Friendship Act establishes a Trust Fund within the U.S. Treasury which would draw interest. Additionally, tax-free gifts can be made to the Trust Fund. The interest, and up to 5 percent of the capital of the Trust Fund, would be available annually for the purposes designated in section 3 of the bill. The capital and unused interest in the Trust Fund remain in the Treasury in the form of Treasury bills. Actual annual expenditures would be between $2 and $3 million per year.

The Japan-United States Friendship Act has received a very favorable reaction in Japan as well as in the Senate since its original introduction in August 1972. It was passed by the Senate without a dissenting vote on June 7 but was not acted upon in the House of Representatives. Throughout its legislative history, the Japan-United States Friendship Act has enjoyed broad bipartisan cosponsorship.

Also, highly significant is the support of the academic community. This support was articulated most convincingly on May 1 and 2, 1974, when Prof. Edwin O. Reischauer of Harvard University and former U.S. Ambassador to Japan, Prof. Robert E. Ward of Stanford University and Prof. John W. Hall of Yale and others testified before the Foreign Relations Committee. As Professor Reischauer, the dean of American scholars on Japan, referring to the state of United States-Japan relations stated:

> We have got to work hard to make up for this slide in confidence, in closeness of relationships that I think has gone on for the last few years, and it is for this reason that I see this [the Japan-United States Friendship Act] as being vastly more important today. . . .

Professor Hall of Yale, who is chairman of the United States-Japan Cultural Conference, stated:

> I would like to emphasize the fact that a critical gap in public communication and understanding continues to exist between the United States and Japan, the gap existing despite the increasing economic, political and cultural importance of Japan to the United States, and despite the fact that our diplomats and businessmen have gained each other's confidence and have learned to adjust their differences on a practical basis. . . . The Japan-United States Friendship Act will go a long way toward enhancing the effort.

I am hopeful that this bill will be acted upon soon in the Senate and the House of Representatives. Our relationship with Japan merits support in this form.

I ask unanimous consent to have printed in the Record the text of the Japan-United States Friendship Act, parts I and II of the report of the Foreign Relations Committee of May 29, 1974, articles that have appeared in the news media concerning this bill, and the names of the cosponsors of this bill in the 92d, 93d, and 94th Congresses.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Japan-United States Friendship Act."

STATEMENT OF FINDINGS AND PURPOSE

Sec. 2. (a) The Congress hereby finds that—

(1) the evolution of the relationship between Japan and the United States from wartime bitterness to peacetime friendship and partnership is one of the most significant developments of the postwar period;

(2) the agreement between Japan and the United States of America concerning the Ryukyu Islands and the Daito Islands, signed at Washington and Tokyo on June 19, 1970, is a major achievement and symbol of the new relationship between the United States and Japan; and

(3) the continuation of close United States-Japan friendship and cooperation will make a vital contribution to the prospects for peace, prosperity, and security in Asia and the world.

(b) It is therefore the purpose of this Act to provide for the use of an amount equal to a part of the sums to be paid by Japan to the United States in connection with the reversion of Okinawa to Japanese administration to aid education and culture at the highest level in order to enhance reciprocal people-to-people understanding and to support the close friendship and mutuality of interests between the United States and Japan.

ESTABLISHMENT OF THE FUND; EXPENDITURES

Sec. 3. (a) There is established in the Treasury of the United States a trust fund to be known as the Japan-United States Friendship Trust Fund (hereafter referred to as the "Fund").

(b) Amounts in the Fund shall be used for the promotion of scholarly, cultural, and artistic activities between Japan and the United States, including—

(1) support for studies, including language studies, in institutions of higher education or scholarly research in Japan and the United States, designed to foster mutual understanding between Japan and the United States;

(2) support for major collections of Japanese books and libraries at United States colleges and universities located throughout the United States;

(3) support for programs in the arts in association with institutions of higher education in Japan and the United States;

(4) support for fellowships and scholarships at the undergraduate, graduate, and faculty levels in Japan and the United States in accord with the purposes of this Act;

(5) support for visiting professors and lecturers at colleges and universities in Japan and the United States; and

(6) support for other Japan-United States exchanges consistent with the purposes of this Act.

(c) Amounts in the Fund may also be used to pay administrative expenses of the Japan-United States Friendship Commission, established by section 4 of this Act, as directed by that Commission.

(d) There is authorized to be appropriated to the Fund, for fiscal year 1975, an amount equal to 10 per centum of the funds paid to the United States pursuant to the Agreement Between Japan and the United States of America Concerning the Ryukyu Islands and the Daito Islands, signed at Washington and Tokyo, June 19, 1970. Any unappropriated portion of the amount authorized to be appropriated for such fiscal year may be appropriated in any subsequent fiscal year.

THE JAPAN-UNITED STATES FRIENDSHIP COMMISSION

Sec. 4. (a) There is established a commission to be known as the Japan-United States Friendship Commission (hereafter referred to as the "Commission"). The Commission shall be composed of—

(1) the Secretary of State;

(2) the Secretary of Health, Education, and Welfare;

(3) six members appointed by the President from among individuals who are (A) conversant with Japan-United States relations; (B) expert in the field of education, the arts, or the humanities; or (C) representative of the general public;

(4) the Chairman of the National Endowment for the Arts, who shall have no vote; and

(5) the Chairman of the National Endowment for the Humanities, who shall have no vote.

(b) The term of office of each of the six public members of the Commission appointed under clause (3) of subsection (a) of this section shall be three years, except that (1) such members first appointed shall serve as designated by the President, two for terms of three years, two for terms of two years, and two for terms of one year, and (2) any member appointed under such clause to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

(c) Members of the Commission who are not regular, full-time employees of the United States shall, while serving on business of the Commission, be entitled to receive compensation at rates fixed by the President, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(d) The President shall appoint the Chairman of the Commission. A majority of the members of the Commission shall constitute a quorum. The Commission shall meet at least twice in each year.

FUNCTIONS OF THE COMMISSION

Sec. 5. The Commission is authorized to—

(1) develop and carry out programs of public or private institutions for the promotion of scholarly, cultural, and artistic activities in Japan and the United States consistent with the provisions of section 3(b) of this Act;

(2) make grants to carry out such programs; and

(3) submit to the President and to the Congress an annual report of its activities under this Act together with such recommendations as the Commission determines appropriate.

ADMINISTRATIVE PROVISIONS

Sec. 6. In order to carry out its functions under this Act, the Commission is authorized to—

(1) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(2) receive money and property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purposes of this Act; and to use, sell, or otherwise dispose of such property (including transfer to the Fund) for the purpose of carrying out the purposes of this Act, and any such donation shall be exempt from any Federal income, State, or gift tax;

(3) in the discretion of the Commission, receive (and use, sell, or otherwise dispose of, in accordance with paragraph (2)) money and other property donated, bequeathed, or devised to the Commission with a condition or restriction, including a condition that the Commission use other funds of the Commission for the purposes of the gift, and any such donation shall be exempt from any Federal income, State, or gift tax;

(4) direct the Secretary of the Treasury to make expenditure of the income of the Fund and not to exceed 5 per centum of the annual principal of the Fund for the purposes of this Act, including the payment of Commission expenses if needed;

(5) appoint an Executive Director, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, who shall be compensated at the rate provided for a GS–18 of the General Schedule of such title;

(6) appoint and fix compensation of such additional personnel as may be necessary to carry out the provisions of this Act;

(7) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code;

(8) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(9) enter into contracts, grants, or other arrangements, or modifications thereof to carry out the provisions of this Act, or any other provisions of law relating to competitive bidding; and

(10) make advance, progress, and other payments which the Commission deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529).

MANAGEMENT OF THE FUND

Sec. 7. (a) The Fund shall consist of—

(1) amounts appropriated under section 3(d) of this Act;

(2) any other amounts received by the Fund by way of gifts and donations; and

(3) interest and proceeds credited to it under subsection (b) of this section.

(b) It shall be the duty of the Secretary of the Treasury (hereafter referred to as the "Secretary") to invest such portion of the Fund as is not, in the judgment of the Commission, required to meet current withdrawals. Such investment may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

For such purposes, the obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States issued during the preceding two years then forming part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 per centum next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

(c) Any obligation acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at par plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

(e) In accordance with section 6(4) of this Act, the Secretary shall pay out of the Fund such amounts, including expenses of the Commission, as the Commission considers necessary to carry out the provisions of this Act.

S. 649

PURPOSE OF THE BILL

The basic purpose of the bill is to create a "Japan-United States Friendship Trust Fund," employing 10 percent (i.e., $32 million) of the proceeds from the Okinawa Reversion Agreement approved by the Senate in November 1971 by a vote of 84 to 6. Interest and possibly up to five percent of the principal annually from the proposed Fund would be used to support a variety of mutual educational and cultural studies, facilities, exchanges, and other activities between Japan and the United States.

BACKGROUND AND PROVISIONS

The initiative for this proposed legislation came from Senator Jacob K. Javits following the Nixon-Tanaka meeting in 1972, which particularly agreed on the need for better understanding between the United States and Japan. Expanded academic and cultural programs and contacts were seen as essential elements in that understanding—especially in view of the comparatively tiny Japanese language and area studies in the United States. The main sponsor of this legislation believed that the requirement for a better relationship between the two countries had never been greater, and that employment of some of the Okinawa Reversion funds would symbolize both a new attitude by the United States and a new stress on the independent status of Japan. Such funds were scheduled in the Agreement to be paid to the U.S. Treasury over a five-year period; more than $100 million had been received when the legislation was introduced.

To administer the programs noted above, the bill would establish a "Japan-United States Friendships Commission," composed of ten distinguished U.S. citizens, comprising the Secretary of State, the Secretary of Health, Education and Welfare, six public members appointed by the President, and the chairmen of the National Endowments for the Arts and the Humanities; the last two named persons would have no vote. The six public members would be freely chosen by the President from among individuals who are either specially conversant with Japan-U.S. relations, expert in the fields of education, the arts, or the humanities, or representatives of the general public. The bill would also provide necessary staff services and the usual management requirements for controlling such a Fund.

The position of the Administration, as expressed by the Department of State, subscribed entirely to the objectives of S. 649, but proposed a different means of attaining those objectives through an amendment to the Mutual Educational and Cultural Exchange Act of 1961. Instead of attempting to establish a trust fund, the executive branch suggested employing the remainder of the $25 million in GARIOA (Government and Relief in Occupied Areas) funds which in 1962 were expressly reserved for educational and cultural exchanges with Japan, subject to appropriation by the Congress. Something roughly in the neighborhood of $15 million in unencumbered funds remain in that GARIOA account. Under the Administration proposal these would underwrite U.S. exchanges with Japan for about ten years and then would be exhausted.

COMMITTEE ACTION

S. 649 was introduced on January 31, 1973, by Senator Javits for himself and 23 cosponsors (now totalling 30 in number) and referred to the Committee on Foreign Relations. Some delay was encountered in a vain attempt to compromise with the Administration position printed below:

DEPARTMENT OF STATE,
Washington, D.C., April 24, 1973.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Secretary has asked me to reply to your letter of February 15 requesting the coordinated Executive Branch comments on S. 649, the Japan-United States Friendship Act.

There presently exists a critical gap in communication and understanding between Japan and the United States. The Department of State favors all efforts that contribute to the narrowing of this gap. The Department agrees that the establishment of a Japan-United States Friendship Trust Fund could contribute to better understanding and knowledge between the two countries by putting additional resources into certain important areas, notably Japanese Studies and American Studies at institutions of higher education in both countries.

However, the administration has proposed a revision in the method by which Federal funds are provided for foreign language and area studies programs in the United States. As you know, the 1974 Federal Budget proposes to eliminate categorical grant funding of foreign language and area studies programs of the Department of Health, Education, and Welfare in favor of expanded student aid. This reflects the shift in Federal support from categorical institutional aid to student assistance. Federal funds will still flow to the language and area studies centers from direct training support (Federal employees in international and national security areas) and through students receiving expanded student assistance who go there.

Many of the objectives of S. 649 can be accomplished by increased funding for educational and cultural exchange activities with Japan under existing authorities. We note that the President's Budget for FY 1974 requested increases under P.L. 87-256, the Mutual Educational and Cultural Exchange Act (MECEA). This would include increases for programs relating to Japan. If this request were approved in full, it would be possible to carry out a number of the activities proposed in S. 649.

As your committee will recall, the Congress in 1964 denied the Department's request to appropriate for cultural exchange purposes 25 million dollars of GARIOA (Government and Relief in Occupied Areas) repayment funds from Japan. By agreement with Japan, these funds are available only for educational and cultural exchanges with Japan, subject to appropriation by the Congress. These funds would have been used to establish a new foundation whose purposes would have been nearly identical with the purpose of S. 649.

The largest part of the GARIOA funds, now amounting to approximately 19 million dollars, remains in existence and unused. As discussed in the State Department authorization hearings with your Committee on April 4, the Department is considering ways for more rapid utilization of the remaining balance of these GARIOA funds.

The Department therefore would suggest prior consideration be given to the use of existing funds. To this end, we solicit the understanding and support of the Senate for the FY 1974 budget request for the MECEA program and for more rapid utilization of the GARIOA funds.

The Office of Management and Budget advises that from the standpoint of the Administration's program, there is no objection to the submission of this report.

Sincerely yours,
MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

Public hearings on S. 649 were held on May 1 and 2, 1974. On the first day, acting Chairman Sparkman invited the bill's main sponsor, Senator Javits, to introduce the proposed legislation. That testimony was followed by statements favoring the bill from Professor Robert Ward of Stanford University, Mr. Henry Owen of the Brookings Institution, and Professor John Hall of Yale University. On May 2 the Administration's position was presented by John Richardson, Jr., Assistant Secretary of State for Educational and Cultural Affairs, who was accompanied by former U.S. Ambassador to Japan, Robert S. Ingersoll, now Assistant Secretary of State for East Asian and Pacific Affairs. That testimony was followed by a strong statement of support for S. 649 by Congressman Wendell Wyatt of Oregon, and by equally favorable testimony from Professor Edwin O. Reischauer of Harvard University, also a distinguished former U.S. Ambassador to Japan.

On May 9, 1974, Senator Sparkman, as acting Chairman, introduced the Administration's bill (S. 3468) by request. On the afternoon of May 21 the Committee on Foreign Relations met in executive session and decided, by voice vote and without objection, to order S. 649 reported favorably without amendment.

COST ESTIMATE

It is anticipated that an appropriation of $32 million would be approved on a lump-sum, no-year basis. In each of the next five years expenditures could not exceed the interest payments on that sum as well as (and reduced by) five percent of the principal of $32 million.

COMMITTEE COMMENTS

The Committee on Foreign Relations considers the relationship between Japan and the United States in all fields to be of signal importance and delicacy. Members believe S. 649 will support and strengthen that relationship, and they subscribe to the following excerpts from Senator Javits' statement introducing the proposed legislation:

* * * just 28 years ago U.S. relations with Japan were in a state of total war and were characterized by distrust and enmity. Today, Japan is a close ally, our second biggest trading partner, and a thriving democracy. Through intelligent diplomacy, mutual self-interest, and reciprocal respect, the relation-

ship of 28 years ago has been transformed into a cooperative and mutually beneficial friendship that is unprecedented in East-West relations. Perhaps, the most significant symbol of this new United States-Japan relationship is the Okinawa Reversion Agreement * * *

This legislation is most timely. The "Japanese Miracle" is one of the major developments of the last half of the 20th century. But relatively little is known and understood in detail about the remarkable Japanese society that has achieved such progress. The Japanese language is probably the least known in the United States of any of the world's greatest languages. Japanese art and literature are treasures which remain to be more fully explored by American scholars and by the American public. It is essential to our national interest that we achieve a deeper understanding of Japanese society and culture. This act could make a major difference in this regard. It enjoys broad and enthusiastic support in academic and scholarly circles.

JAPAN-UNITED STATES FRIENDSHIP ACT SUPPLEMENTAL REPORT (PART II)

(To Accompany S. 649 and Report No. 93-885)

COMMEMORATION OF OKINAWA REVERSION TREATY

The central thrust of this bill is to commemorate institutionally the special significance and symbolism of the Okinawa Reversion Agreement (agreed to by the Senate on November 10, 1971, by a vote of 84–6). This agreement, which effected the return of Okinawa to Japanese administration, provides that Japan pay $420 million to the United States over a period of 5 years for repayment of the cost to the United States for public utilities and other facilities on the island and now turned over to Japanese administration. As pointed out by Mr. Henry Owen, director of the Brookings Institution, during the committee's hearings on May 1 and 2 on S. 649, this agreement:

"* * * was a turning point in United States-Japanese relations. It was an issue which threatened, if poorly handled, to poison those relations and, if well handled, it could mark the start of a new relationship, and it was well handled on both sides of the Pacific, and I think credit goes to both governments.

Using that event as the cornerstone of a (trust) fund * * * seems to me an extremely fortunate choice * * *"

Clearly, the Okinawa Reversion Agreement is an example of diplomatic cooperation, mutual respect, understanding consummated on a high level of statesmanship. In style and substance, the relationship between the United States and Japan must be maintained in the highest interest of peace and stability in the Pacific. Leading experts believe that the adoption of S. 649 is a significant step in support of that objective; the committee concurs in that judgment.

TESTIMONY OF WITNESSES

As pointed out in part I of this report, on May 1 and 2 the committee heard testimony from several distinguished Americans—Prof. Edward O. Reischauer, Harvard University and former U.S. Ambassador to Japan; Prof. Robert E. Ward, Director Center for Research in International Studies, Stanford Universty; Mr. Henry Owen, director of the Brookings Institution; Prof. John W. Hall, chairman, Department of East Asian Languages and Literatures, Yale University; Congressman Wendell Wyatt, and State Department witnesses. Written statements were submitted by Senators Tunney and Fong, Prof. Zbigniew Brzezinski, Director of the Trilateral Commission; Mr. Ward Morehouse, director, Center for International Programs and Comparative Studies, University of the State of New York; and others. All of these witnesses expressed their strong and enthusiastic support for S. 649. Speaking for the Department of State, Assistant Secretary of State for Educational and Cultural Affairs John Richardson, Jr., stated, "* * * we, therefore, heartily endorse the intent of S. 649. * * *."

Of particular interest to the committee was the testimony of Ambassador Reischauer, perhaps the most prominent American scholar of Japan. Referring to present state of Japan-United States relations, he stated:

"We have got to work hard to make up for this slide in confidence, in closeness of relationships that I think has gone on for the last few years, and it is for this reason that I see this (S. 649) as being vastly more important today * * *."

Professor Hall, Chairman of the United States-Japan Cultural, Educational Conference and who has been very much involved in that conference's work in connection with existing cultural and educational exchange programs with Japan, similarly stressed his support for S. 649:

"I would like to emphasize the fact that a critical gap in public communication and understanding continues to exist between the United States and Japan, the gap existing despite the increasing economic, political and cultural importance of Japan to the United States, and despite the fact that our diplomats and our businessmen have gained each other's confidence and have learned to adjust their differences on a practical basis. * * *. The Japan-United States Friendship Act will go a long way toward enhancng the effort."

The committee also carefully examined the mechanism established by S. 649 to implement the cultural, educational and artistic exchanges and programs contemplated.

In commenting on the self-sustaining nature of the Japan-United States Trust Fund established in the bill, Professor Ward stated:

"* * * I would prefer a permanent one (source of funds) of the sort that is contemplated in your bill (S. 649), that * * * would be a revolving fund * * * and that this be permanently available."

Both Mr. Owen and Professor Reischauer drew the committee's attention to the independent nature of the Japan-United States Friendship Commission set up by the legislation.

Mr. Owen:

"First, having an independent American committee disbursing money for these kinds of activities seems to me extremely useful, particularly when studies which involve questions of U.S. policy toward Japan are involved. There is naturally a feeling that the Japan Foundation[1] will simply not have the credibility of a similar study U.S. financed with U.S. funds. So I think having the American committee is extremely important."

Professor Reischauer:

"What the State Department does through its cultural affairs side, I think is very, very good, but like most of the programs of that sort it is basically focused on getting the other people to understand us. This one (S. 649) has that other focus of helping us try to understand them, which under present conditions is perhaps the bigger of the two problems."

The committee also considered a proposal submitted by the State Department during the hearings and subsequently introduced by Senator Sparkman by request on May 9. This legislation (S. 3468) would draw on an existing U.S. account in Japan pursuant to the agreement between the United States of America and Japan regarding the settlement of postwar economic assistance to Japan (signed in Tokyo on January 9, 1962), commonly referred to as the GARIOA Account (Government and Relief in Occupied Areas), on an annually appropriated basis over a period of 10 years. It should be noted that this account (now totaling approximately $17 million) is now being used, subject to annual appropriations, for existing Fulbright-Hays exchange programs with Japan and to rely solely on this account would add no new source of funds to the presently inadequate level of Japan-United States understanding and cooperation.

More importantly, the GARIOA Agreement grew out of the U.S. occupation of Japan, has been a constant irritant to our relations with Japan, and is hardly an appropriate symbol of a constructive, cooperative relationship of mutual self-respect: points constantly repeated during the committee's hearing on S. 649.

Ambassador Reischauer, who took a leading hand in the negotiations of the GARIOA Agreement and an earlier effort by the Department of State to augment United States-Japan cultural exchange programs, commented on the present State Department proposal: "* * * I am a bit appalled they (the State Department) are on the other side today * * *"

In addition, S. 3468 would establish no self-sustaining trust fund, and, therefore, would be temporary in nature. Finally, the Commission established under the State Department's proposal would have only the power to make recommendations to the President and the Secretary of State, who would in actuality administer the program as is presently the case with the existing Fulbright-Hays legislation.

However, the committee listened with interest to the recommendation of Congressman Wyatt and other witnesses that the GARIOA funds might be combined in an appropriate manner with the source of funds authorized to be appropriated in S. 649.

EXPLANATION OF PROVISIONS FOR TRUST FUND AND COMMISSION

The $32 million (which is 10 percent of the $320 million paid to the United States by Japan pursuant to the Okinawa Reversion Agreement) authorized to be appropriated by the Japan-United States Friendship Act will create a Japan-United States Trust Fund that would draw interest at the average rate of Federal obligation for the preceding 2 years.

The interest of the trust fund, gifts and donations, and up to five percent of the principal would be available for expenditure annually for the following purposes:

First, support of studies, including language studies, in institutions of higher learning of scholarly research in Japan and the United States, designed to foster mutual understanding between Japan and the United States;

Second, support for major collections of Japanese books and libraries at American colleges and universities located throughout the United States;

Third, support for programs in the arts in association with institutions of higher education in Japan and the United States;

Fourth, support for fellowships and scholarships at the undergraduate, graduate, and faculty levels in Japan and the United States in accord with the purposes of this act.

To administer these programs the bill establishes a Japan-United States Friendship Commission, composed of the Secretary of State, the Secretary of Health, Education and Welfare, and six public members, appointed by the President and to serve terms of 3 years on a rotating, staggered basis. The six public members would be selected from persons who are:

First, conversant with Japan-United States relations, or

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[1] The Japanese Government has established the Japan Foundation to expand cultural and educational exchanges with the United States and Southeast Asia; this foundation is scheduled to have an endowment of $100 million and may be expanded to $320 million.

Second, generally recognized experts in the field of education, the arts and the humanities, or

Third, representative of the general public.

The chairman of the National Endowment for the Arts and the National Endowment for the Humanities would serve as ex-officio, nonvoting members.

To administer the programs enumerated above, the Japan-United States Friendship Commission is empowered to expend annually, at its own discretion, the trust fund's annual and accumulated interest and up to 5 percent of the principal.

JAPAN-UNITED STATES FRIENDSHIP ACT COSPONSORS

92D CONGRESS (S. 3872)

Javits, Boggs, Brooke, Case, Cooper, Cranston, Fong, Harris, Hatfield, Hughes, Kennedy, Magnuson, Mondale, Muskie, Ribicoff, Roth, Stafford, Tunney.

93D CONGRESS (S. 649)

Javits, Abourezk, Brock, Brooke, Case, Cranston, Dole, Fong, Gravel, Hatfield, Hughes, Humphrey, Inouye, Jackson, Kennedy, McGovern, Magnuson, Metcalf, Metzenbaum, Mondale, Moss, Muskie, Nelson, Ribicoff, Roth, Scott, Pa., Stafford, Stevens, Tunney, Williams.

94TH CONGRESS

Javits, Fong, Abourezk, Bayh, Brock, Brooke, Buckley, Case, Clark, Cranston, Dole, Gravel, Hatfield, Hathaway, Humphrey, Inouye, Jackson, Kennedy, Mathias, Metcalf, Mondale, Moss McGee, McGovern, Nelson, Pell, Ribicoff, Roth, Scott, Pa., Sparkman, Stevens, Tunney, Williams.

Mr. CLARK. Mr. President, I am pleased to be able to join my distinguished colleague from New York (Mr. JAVITS) today in introducing the Japan-United States Friendship Act.

This is a most appropriate time for the consideration of such legislation. It is no secret that diplomatic and economic considerations at times have strained United States-Japanese relations in recent years, and there certainly is a need to strengthen the bond that has made Japan our friend, trading partner and ally for so many years.

This legislation would create a Japan-United States Friendship Trust which would be used to foster mutual understanding between the two countries by supporting cultural and academic exchanges. Funds for the trust would come from the money Japan is now paying to this country under the Okinawa Reversion Agreement of 1971.

In January, I was a part of the United States delegation to the Sixth United States-Japan Parliamentary Exchange Program Conference in Tokyo sponsored by Columbia University and the Japan Center for International Exchange. At the Conference, the members of the U.S. delegation, including several representatives from the House and Senate, conferred with a number of Japanese legislators, academics, and businessmen. The discussions involved wide-ranging topics—trade, investment, monetary policies, energy and food resources, political and military issues.

The conference was valuable from a number of standpoints, not the least of which was the tremendous learning experience that it offered. From my standpoint, it represented an opportunity to discuss with the Japanese the future of trade—especially in agricultural products—between our two countries, a topic of particular importance to Iowa and to the Nation.

This privately funded Conference provided an important link between Japan and the United States, the same kind of link that will be fostered by establishment of the Japan-United States Friendship Trust.

The funds from this trust—which also will be supported by gifts and donations—will be used to stimulate a variety of programs. These will include language studies in the institutions of higher learning in both countries, major collections of Japanese literature in this country, and fellowships, scholarships, and visiting professor and lecturer programs to foster mutual appreciation.

It will provide support for programs in the arts at colleges and universities in both countries.

The thrust of this legislation is to bring our two countries closer together: to cement the bonds of friendship that already exist and to foster the kind of mutual understanding that will enable us to deal effectively with problems of the future.

The bill we are introducing today was passed by a voice vote in the Senate during the 93d Congress. Unfortunately, it did not reach the floor of the House for a vote. I am confident, however, that it will receive the support of the 94th Congress, and I urge my colleagues to join in this effort to strengthen understanding between the people of this country and our friends in Japan.

By Mr. CASE:

S. 825. A bill to amend the Outer Continental Shelf Lands Act to provide for strict liability in the case of damage caused by oil spills, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

S. 826. A bill to amed the Coastal Zone Management Act of 1972 in order to authorize financial assistance to coastal States to enable them to study, assess, and plan effectively with respect to the impact within their coastal zones of offshore energy-related facilities and activities and to assure the maximum effectiveness of the coastal zone management plans of such States, and for other purposes. Referred to the Committee on Commerce.

S. 827. A bill to amend the National Environmental Policy Act to provide for the filing of certain supplemental information statements. Referred to the Committee on Public Works.

INCREASED REGULATION OF OFFSHORE OIL AND GAS DRILLING

Mr. CASE. Mr. President, there can be no doubt today that we need to develop new domestic sources of energy in this country.

Eventually, it is my hope that we can reduce our dependence on petroleum, which currently is the source of 78 percent of the energy consumed in this country.

But it will take time to develop such alternative energy sources as nuclear fusion, solar energy, coal gasification and liquefaction, and geothermal energy. In the meantime, even with the best effort to curtail energy waste, we are going to need additional domestic supplies of oil.

One of the best prospects for increasing our supplies of domestic oil is the so-called frontier areas of the Outer Continental Shelf—OCS—off our Atlantic and Pacific coasts and in the Gulf of Alaska.

Unfortunately, there are some who have gained the impression that leasing of these lands will result in new production of millions of barrels of oil per day within the next year or so. This, of course, is not the case.

As the Environmental Protection Agency said in its comments on the draft environmental impact statement for the offshore leasing proposal:

> (Project Independence Blueprint) data clearly refutes the underlying precepts of the programmatic decision to lease OCS lands very rapidly. The justification for rapid leasing assumed that leasing was a constraint on resource exploitation; while PIB (Project Independence Blueprint) indicates that materials are the constraint.

Much as we would welcome the earliest possible addition of Outer Continental Shelf oil to our energy supplies, the delay imposed by the shortage of materials does give us the opportunity to help insure that drilling in the frontier areas does not create undue problems for the environment or for our State and local governments.

Because we have this opportunity, I am today introducing a package of three bills which require greater preparation for offshore oil drilling in frontier areas. Companion bills are being introduced in the House simultaneously by Representative EDWIN B. FORSYTHE of New Jersey.

Briefly, these bills will:

Prohibit any offshore exploratory drilling until the affected coastal, State has submitted to the Department of Commerce for approval a coastal zone management plan for areas most heavily impacted by exploratory drilling. The States would have 1 year in which to have the plan submitted and approved.

Prohibit any offshore production drilling until the affected coastal State has submitted and had approved a complete coastal zone management plan. The complete plan would have to be submitted and approved by June 30, 1977.

Stiffen requirements for environmental impact statements.

Require disclosure to the Federal Government of information about the nature, location, and magnitude of resources discovered during exploration.

Provide for regulation inspection of drilling sites.

Provide for reimbursement of States and local communities for additional costs of government services required because of drilling operations.

Establish funds to reimburse automatically persons damaged by an oil spill resulting from offshore drilling, provide for improved drilling technology, and help States plan for the economic, environmental, and social impact of offshore drilling and related onshore facilities.

Mr. President, I ask unanimous consent that the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the Record, as follows:

S. 825

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Outer Continental Shelf Lands Act (43 U.S.C. 1331–1343) is amended as follows.

(1) The first sentence of section 5 of that Act (43 U.S.C. 1334) is amended by striking out "shall prescribe such rules" and inserting in lieu thereof "shall, with the concurrence of the Secretary of Commerce, and the Secretary of Transportation.

(2) The second sentence of such section 5 is amended by inserting", in accordance with the preceding sentence," immediately after "Secretary".

(3) Such section 5 is further amended by inserting after the second sentence the following: "Such rules and regulations shall include a provision requiring the removal by the leasee of all structures sited in or on the outer continental shelf which have declared by the Secretary to be nonfunctional."

(4) Such section 5 is further amended by adding the end thereof the following: "The Secretary annually shall, after an opportunity for public hearings, review the rules and regulations prescribed by him under this section. In addition, the Secretary shall take action he deems necessary to ensure that each offshore drilling site operating under a lease issued under this Act be inspected at least once every 60 days to determine whether such site is being operated according to such rules and regulations and the terms of the lease issued for its operation."

(5) Section 9 of that Act (43 U.S.C. 1338) is amended by striking out "deposited in the Treasury of the United States and credited to miscellaneous receipts." and inserting in lieu thereof "paid by the Secretary to those States which are placed in an adverse fiscal position because of activities in or on the outer continental shelf conducted under a lease issued under this Act. Payments to any one adversely affected State shall be equal to the difference between the increase in tax revenues amounts received by such State (and its political subdivisions) as a result of such activities and the amounts expended by such State (and its political subdivisions) on governmental services required as a result of such activities. Any sums collected by the Secretary and not paid to any State under this section shall be deposited in the Treasury of the United States and credited to miscelleaneous receipts."

(6) Section 16 and 17 of that Act are redesignated sections 18 and 19, respectively.

(7) Such Act is amended by inserting-immediately after section 15 the following:

"Sec. 16. Strict Liability.—(a) Notwithstanding any other provision of law, each lessee, and the Outer Continental Shelf Liability Fund (hereinafter in this section referred to as the 'Fund') shall be strictly liable without regard to fault, in accordance with the succeeding provisions of this section, for all damages, including clear-up costs, sustained by any person or entity (public or private) as a result of operations or activities at, related to, or in the vicinity of, any offshore drilling site operated by the lessee.

"(b) Notwithstanding any other provision of law, the owner or operator of any vessel (jointly or severally) and the Fund shall be strictly liable wtihout regard to fault, in accordance with the succeeding provisions of this section, for all damages sustained by any person or entity (public or private) within the United States or within the coastal waters of the United States within 200 nautical miles of the shore line of the United States, which result from any discharge of oil from the operation of any offshore drilling site, including the transportation of oil from the drilling site to an onshore storage site.

"(c) Strict liability shall not be imposed under this section—

"(1) if the lessee, owner or operator of any vessel or transport, as the case may be, or the Fund, can show that the damages concerned were caused by an act of war, or negligence of the United States, or other governmental entity; or

"(2) with respect to the claim of a damaged party, if the lessee, owner, or operator of any vessel or transport, as the case may be, or the Fund, can show that the damage was caused by the negligence of the party sustaining such damage.

"(d) Strict liability for all claims arising out of any one incident shall not exceed $500,000,000, and the Fund shall be liable for all such claims not exceeding $500,000,000. If the total claims exceed $500,000,000, they shall be reduced proportionately. The unpaid portion of any claim may be asserted and adjudicated under other applicable provisions of Federal or State law. The liability of any lessee or owner or operator of any vessel or transport for damages in excess of $500,000,000 arising out of any one incident shall be determined in accordance with the ordinarily applicable rules of evidence.

"(e) The Fund is hereby established as a nonprofit corporate entity which may sue and be sued in its own name. The Fund shall be administered by the Secretary. The Fund shall be audited annually by the Comptroller General of the United States, and a copy of each such audit shall be submitted to the Congress.

"(f) (1) The Fund shall consist of moneys transferred into the Fund as follows:

"(A) Twenty percent of all money paid as bids on leases issued under section 8 shall be paid by the Secretary into the Fund.

"(B) The Fund shall collect from each lessee a fee of 10 cents per barrel of oil produced at any site leased under this Act.

"(2) Collections and contributions made under paragraphs (1) (B) and (1) (C) shall cease when the amount in the Fund reaches $500,000,000, and shall be resumed when the amount in the Fund falls below $500,000,000. The cost of administering the Fund shall be paid out of money in the Fund, and all sums not required for either administration or for the satisfaction of claims may be prudently invested by the Secretary in securities approved by him. Interest from such investments shall be paid into the Fund.

"(g) The strict liability applied under this section shall cease to apply to oil which has been brought ashore and removed from the shore storage facility.

"(h) In any case where liability without regard to fault is imposed pursuant to this section and the damages involved were caused by the unseaworthiness of the vessel or by negligence, the owner or operator of the vessel, or the Fund, as the case may be, shall be subrogated under applicable State and Federal laws to the rights under such laws of any person entitled to recovery hereunder. If any subrogee brings an action based on unseaworthiness of the vessel or negligence of its owner or operator, it may recover from any affiliate of the owner or operator if the respective owner or operator fails to satisfy and claim by the subrogee allowed under this subsection.

"(i) This section shall not be interpreted to preempt the field of strict liability or to preclude any State from imposing additional requirements.

"(j) If the Fund is unable to satisfy a claim asserted and finally determined under this section, the Fund may borrow the money needed to satisfy the claim from any commercial credit source, at the lowest available rate of interest, subject to approval of the Secretary.

"(k) For purposes of this section the term 'affiliate' includes—

"(1) Any person owned or effectively controlled by the vessel owner or operator;

"(2) any person that effectively controls or has the power effectively to control the vessel owner or operator by—

"(A) stock interest,

"(B) representation on a board of directors or similar body,

"(C) contract or other agreement with other stockholders, or

"(D) otherwise; or

"(3) any person which is under common ownership or control with the vessel owner or operator.

"Sec. 17. Research Fund.—(a) There is hereby established the Outer Continental Shelf Research Fund (hereinafter in this section referred to as the "Research Fund") which shall be administered jointly by the Secretary, the Secretary of Commerce, and the Secretary of Transportation. Amounts in the Research Fund shall be available, in a manner to be prescribed jointly by the Secretaries named in the preceding sentence, to—

"(1) improve the technology related to the exploration and development of the oil and gas resources of the Outer Continental Shelf

"(2) develop baseline data relating to the marine environment on the outer Continental Shelf and

"(3) develop data regarding the impact of developing the oil and gas resources of the outer continental shelf on the marine and associated onshore environment.

"(b) The research conducted or funded, as the case may be, under paragraph (1) of subsection (a) may include downhole safety devices, methods of controlling blowing out or burning wells, methods for containing and cleaning up oil spills, improved drilling bits, improved flaw detection systems for undersea pipelines, new and improved methods of development in water depths of over 600 meters, deepsea diving systems and subsea production systems."

S. 826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 302 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451) is amended—

(1) by striking out "and" at the end of clause (g);

(2) by striking out the period at the end of clause (h) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new clause:

"(i) The Nation's coastal zone is significantly affected by activities on or in the outer continental shelf, such as the siting of energy producing facilities and the exploration, production, and development of oil and gas on the outer continental shelf."

Sec. 2. Section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453) is amended by adding at the end thereof the following new subsection:

"(j) 'Affected coastal State' means any State bordering on the Atlantic, Pacific, or Arctic Ocean, the Gulf of Mexico, or the Long Island Sound.

Sec. 3. The Coastal Zone Management Act of 1972 (16 U.S.C. 1451–1464) is further amended by adding at the end thereof the following new section:

"Sec. 316. (a) For purposes of this section—

"(1) The term 'offshore energy facility' means any facility of any kind the purpose of which is the production or generation of energy from the resources of the outer Continental Shelf, and which is located on or above such Shelf.

"(2) The term 'related onshore facility' means any facility located within, or adjacent to, the coastal zone of any affected coastal State which is required to support the development (including exploration) or operation, or both, of any offshore energy facility.

"(b) (1) Notwithstanding any other provision of this title or any other provision of law, no Federal agency may take any action which authorizes the commencing of, or the carrying out of, any preproduction, exploration (except geophysical exploration) with respect to any offshore energy facility within any area of the outer Continental Shelf before the affected coastal State—

"(A) develops pursuant to section 306(h) and the Secretary approves, a segment of the State coastal zone management program concerning the impact on the coastal zone of such State of activities related to the development and operation of offshore energy facilities in such area; or

"(B) certifies to the Secretary that the prohibition on such Federal agency action set forth in this paragraph shall not apply with respect to such area of the outer Continental Shelf.

"(2) Within 30 days after the date on which—

"(A) the Secretary approves the coastal zone management plan segment referred to in paragraph (1) (A) of any affected coastal State, or

"(B) any affected coastal State certifies pursuant to paragraph (1) (B) to the Secretary that the prohibition on Federal agency action is waived with respect to such state; any other affected coastal State (the coastal zone management plan of which has not been approved by the Secretary and which has not so certified such a waiver) which considers that such Federal agency action in such area of the outer Continental Shelf will, or may, have an impact on its coastal zone may petition the Secretary to suspend, or to prohibit, any such Federal agency action in that area. If the Secretary determines on the record after opportunity for agency hearing that any such Federal agency action in such area will or may, adversely affect the coastal zone of the coastal State submitting such petition, he may suspend, or prohibit, any such Federal agency action in such area for such time as he determines appropriate.

"(3) The prohibition on Federal agency action set forth in paragraph (1) of this subsection shall cease to apply after the close of the one-year period which begins on the effective date of this paragraph. The Secretary may not, pursuant to paragraph (2) of this subsection, suspend or prohibit any such Federal agency action for any period of time after the close of such one-year period.

"(c) (1) Notwithstanding any other provision of this title or any other provision of law, no Federal agency may take any action which authorizes the commencing of, or the carrying out of, any production from, or any production development of, any offshore energy facility within any area of the outer Continental Shelf before the affected coastal State—

"(A) develops, and the Secretary approves, the coastal zone management program of each State pursuant to Sec. 3C6; or

"(B) certifies to the Secretary that the prohibition on Federal agency action set forth in this paragraph shall not apply with respect to such area of the outer Continental Shelf.

"(2) Within 30 days after the date on which—

"(A) the Secretary approves the coastal zone management plan of any affected coastal State, or

"(B) any affected coastal state certifies pursuant to paragraph (1) (B) to the Secretary that the prohibition on Federal agency action is waived with respect to such state;

any other affected coastal state (the coastal zone management plan of which has not been approved by the Secretary and which has not so certified such a waiver) which considers that such Federal agency action in such area of the outer Continental Shelf will, or may, have an impact on its coastal zone may petition the Secretary to suspend, or to prohibit, any such Federal agency action in that area. If the Secretary determines on the record after opportunity for agency hearing that any such Federal agency action in such area will, or may, adversely affect the coastal zone of the coastal state submitting the petition, he may suspend, or prohibit, any Federal agency action in such area for such time as he determines appropriate.

"(3) The prohibition on Federal agency action set forth in paragraph (1) of this subsection shall cease to apply after the close of June 30, 1977. The Secretary may not, pursuant to paragraph (2) of this subsection, suspend or prohibit any such Federal agency action for any period of time after June 30, 1977.

"(d) (1) Each appropriate Federal agency shall inform, on a continuing basis, all affected coastal states of the nature, location, and magnitude of potential resources in or on the outer Continental Shelf. Any lessee of any area of the outer Continental Shelf shall, upon obtaining any information described in the preceding sentence, transmit it to the appropriate Federal agency within 30 days, and such agency shall, within 15 days after receipt of such information transmit it to the appropriate affected coastal states.

"(2) Each Federal agency which has authority to grant licenses, leases, or permits for, or otherwise authorize, the exploration or development of resources in or on the outer Continental Shelf shall make available to the appropriate affected coastal states all information relating to the timing, location, and magnitude of any authorizing activity including any proposed long-term plans, in which that agency, is planning to engage.

"(3) In the process of granting licenses, leases, or permits for, or otherwise authorizing, the exploration or development of resources in or on the outer Continental Shelf, each appropriate Federal agency shall coordinate and consult with all affected coastal states likely to be impacted by such exploration or development and shall utilize, to the maximum extent practical, any data developed by any affected coastal state pursuant to subsection (e). Such coordination, consultation, and utilization shall be made an integral part of such agency authorizing process as soon as possible to enable each affected coastal state to plan for, and ameliorate, the effects of exploration and development on the Outer Continental Shelf.

"(e) (1) The Secretary may, subject to such terms and conditions as he deems appropriate, make grants pursuant to this subsection to any affected coastal state for the purposes of providing to such state financial assistance to carry out one or more of the following activities—

"(A) The collection and assessment of the economic, environmental, and social data which is necessary to enable such state to identify and designate those sites within or adjacent to its coastal zone which are suitable or unsuitable for the location of related on-shore facilities.

"(B) The development of a process for the selection and designation of such sites within, or adjacent to, its coastal zone.

"(C) The construction of such public facilities and works, and the provision of such public services, as may be necessary and appropriate to provide for the integration of any related on-shore facility into the community where sited.

"(2) No affected coastal state may receive any grant under this subsection unless such state—

"(A) is receiving a program development grant under section 305 and is making satisfactory progress (as determined by the Secretary) toward the development of a coastal zone management program under section 306, or is receiving an administrative grant under section 306;

"(B) demonstrates, to the satisfaction of the Secretary that any such grant will be used solely to carry out one or more of the purposes set forth in paragraph (1) of the subsection; and

"(C) in the case of a grant which will be used to develop a site selection process, demonstrates, to the satisfaction of the Secretary that the process so developed will be incorporated into the management program of the State developed under section 306.

"(3) (A) There is established in the Treasury of the United States an Affected Coastal States Fund (hereafter referred to in this paragraph as the 'Fund'). The Secretary shall make grants pursuant to this subsection from the Fund.

"(B) No affected coastal state may receive grants in any one fiscal year the aggregate amount of which exceeds 15 percent of the total amount which is available for disbursement by the Secretary during that fiscal year to all impacted coastal states pursuant to this subsection.

"(C) There is authorized to be appropriated to the Fund (i) $100,000,000 for each of fiscal years 1976 and 1977; and (ii) for fiscal years after fiscal year 1977 such sums as may be necessary to carry out the purposes of this subsection. Any appropriations made to the Fund shall remain available until expended."

S. 827

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title I of the National Environmental Policy Act is amended by adding immediately after section 105 the following section:

"Sec. 106. (a) In addition to any statement that may be required under section 102 (C) (i) with respect to any Federal action to lease any site on the outer Continental Shelf for the exploration and development of oil and gas, there shall be prepared by the responsible official—

"(1) before any reproduction exploration (except geophysical exploration) or preproduction development is commenced with respect to any such site, a supplemental statement on the environmental impact of such exploration or development which sets forth—

"(A) the specific environmental hazards associated with such exploration or development, and

"(B) the specific measures which will be taken by the lessee and the Federal agency concerned to alleviate such hazards including those performance standards which will be applied with respect to any equipment used during such exploration or development; and

"(2) before any production or production development is commenced with respect to any such site, a supplemental statement on the environmental impact of such production or development which sets forth—

"(A) the specific environmental hazards associated with such production and production development, and

"(B) the specific measures which will be undertaken by the lessee and the Federal agency to alleviate such hazards, including those performance standards which will be applied to any equipment used during such production or development.

"(b) Any supplemental statement prepared pursuant to subsection (a) shall be treated for purposes of consultation and public availability as if such statement had been made pursuant to section 102(C) (i)."

Mr. HATFIELD (for himself and Mr. Packwood):

S. 828. A bill to provide for addition to the Fort Clatsop National Memorial of the site of the salt cairn utilized by the Lewis and Clark Expedition, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. HATFIELD. Mr. President, today I introduce and send to the desk legislation to add the site of the salt cairn utilized by the Lewis and Clark Expedition to the Fort Clatsop National Memorial in Oregon.

The availability of salt was of the utmost importance to the Lewis and Clark Expeditions. Their journals tell us that during the preparations for the journey and on the trip itself the leaders were greatly concerned about having enough salt for their men. It was necessary because the strenuous physical activity involved in such an endeavor resulted in the loss of body salt, as well as to make their food more palatable.

When the expedition arrived at Fort Clatsop in December of 1805, it was imperative that their salt supply be replenished. Capt. William Clark wrote:

> We haveing fixed on this Situation as the one best Calculated for our Winter quarters I deturmin'd to go as direct a Course as I could to the Sea Coast which we could here roar and appeared to be at no great distance from us, my principle object is to look out a place to make Salt.

The place was found and a group of men spent 2 months to produce 20 gallons of salt by a continuous process of boiling sea water in five "kittles." The site of that salt cairn is located in what is now Seaside, Oreg. The land is presently owned by the Oregon Historical Society which is willing to give it to the National Park Service as a satellite of the Fort Clatsop National Memorial, some 25 miles away.

I believe this action would be highly appropriate. The two areas are joined historically, and the designation of the salt cairn as a part of the Fort Clatsop National Memorial will result in better maintenance and identification of the area.

We in Oregon are fortunate to have Dr. E. G. Chuinard as the driving force behind this effort. Dr. Chuinard, who serves as chairman of the Oregon Lewis and Clark Trail Heritage Foundation Committee, has worked hard on this proposal with local government and interested citizens in an effort to protect this site. We owe it to our heritage to do so.

Mr. President, I ask unanimous consent that a letter to Dr. Chuinard from Mr. Thomas Vaughan, director of the Oregon Historical Society, be included in the RECORD at this point, because it includes useful background information and states clearly the society's willingness to give the property to the National Park Service.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OREGON HISTORICAL SOCIETY,
Portland, Oreg., December 31, 1973.

E. G. CHUINARD, M.D.,
Portland, Oreg.

DEAR DOCTOR CHUINARD: As you know, the Oregon Historical Society worked very hard in 1900–01 to truly authenticate and establish the site of the Lewis and Clark salt works. Some of the very best scholars ever associated with this century-old learned society worked very hard on this problem (including T. C. Elliot, Ralph Budd, Judge Charles Carey, and George Himes, himself). They were as certain of that site as they were of the now well-established Fort Clatsop site, which bright jewel in the National Park holdings was also once owned by this society, and also once questioned as to accurate location.

As you know, we have resisted many private inroads into the historic Cairn property as our minutes frequently attest. We have safeguarded the site as originally instructed, secure in the fact that it would continually be recognized as the site in the Tillamook Head area, one which should increase in size and general recognition, with open access to the beach and the ocean.

As earlier stated I again declare the interest of the Board of Directors is that this unique and historically authenticated site, as established and successfully used by the Lewis and Clark expedition as a salt works, be given over by title to the National Park Service, the Department of Interior, United States Government to become an extension and satellite of the Fort Clatsop National Memorial. It is only logical to join these two important properties. Our Society Board unanimously supports this long established intention and has for many years.

As you may remember, I was Director of this Society when, in 1954, we all first began to work on the establishment of the Clatsop site. Many persons then said it was an impossible conception. What a wonderful park it is today; how much better it will be with the true salt operation formally associated with it. When it is available for proper development, any thought of a simulated salt making operation is in my personal estimation anathema.

Please inform our president, David Abram, or me of any way in which this Society can support the splendid work being undertaken, under your direction, by the Lewis and Clark Trail Heritage Foundation Committee. Following the expressions of our Board we wish to join however we can in assuring the success of this important national preservation project.

Sincerely yours,
THOMAS VAUGHAN, *Director.*

Mr. HATFIELD. Mr. President, I am pleased to have my colleague from Oregon, Senator BOB PACKWOOD, join me in introducing this bill today. Congressman LES AUCOIN, who represents Oregon's First Congressional District, is introducing a companion bill in the House, cosponsored by Congressman ROBERT DUNCAN.

I ask unanimous consent that resolutions adopted by the cities of Cannon Beach, Oreg., and Seaside, Oreg., be included in the RECORD, as well as editorials from the Oregon Journal and the Oregonian in support of this proposal.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 74–13

Whereas, a replica of the Lewis and Clark Salt Cairn is established on a site which has been authenticated, in the City of Seaside, Oregon, and

Whereas, the site and replica are owned by different parties, and funds are not always available for development and maintenance, and

Whereas, the Salt Cairn was an important part of the Lewis and Clark Expedition and Fort Clatsop, and

Whereas, the present Salt Cairn should be an important adjunct to the present Fort Clatsop National Memorial which is maintained and operated by the National Park Department.

Therefore, be it resolved, That Common Council of the City of Cannon Beach, meeting in regular session, joins with the Governor's Oregon Lewis and Clark Trail Heritage Foundation, the City Council of Seaside, Oregon, and other interested parties, to petition the Congress of the United States, to direct the National Park Service to accept title to, develop and maintain this important part of the Lewis and Clark Expedition and the nation's historical heritage, the Lewis and Clark Salt Cairn in Seaside, Oregon.

Passed by the Common Council of the City of Cannon Beach, this 4th day of March, 1974.

RESOLUTION

Whereas, the Lewis and Clark Expedition, in conjunction with Fort Clatsop, constructed, at Seaside, Oregon, a location for extracting salt from the seawater, and

Whereas, the salt cairn at Seaside was an integral part of the operation of Fort Clatsop, even though it was located several miles from the Fort proper, and

Whereas, the salt cairn at Seaside, Oregon is of historic interest and should be included in the Fort Clatsop National Memorial, even though located several miles away.

Now, therefore, be it resolved, That Clatsop County Historical Advisory Committee, undertake to urge the Department of the Interior of the National Parks Service and the Government of the United States to include the salt cairn at Seaside, Oregon as a satellite or appendage of Fort Clatsop National Memorial.

[From the Oregon Journal, Jan. 18, 1974]

A GREAT STORY ABOUT SALT

The importance of salt in the affairs of humankind has been recognized throughout recorded history.

The meaning of the biblical quotation, "Ye are the salt of the earth," is based on this recorded history.

In the period of the Roman Empire, each soldier was given a regular "solarium," or salt allowance for money to buy salt, and from this came the word "salary."

It is in this context that the site in the city of Seaside, where members of the Lewis and Clark Expedition made salt in the winter of 1805–06, earns the right to be accepted as "nationally significant" in history.

When the party reached the end of the long trek from St. Louis in December, 1805, and built its winter quarters on the site of the present Fort Clatsop National Memorial near Astoria, the men were desperately in need of salt.

Next to building a shelter, a top priority was finding a spot where salt could be extracted from sea water not only to meet immediate requirements but to last the expedition on the return journey as far as the Great Falls in Montana, where the nearest cache was located.

The place, where in a period of two months 20 gallons of salt was obtained by a laborious process of boiling sea-water, was acquired by the Oregon Historical Society in 1910 through donation from Mrs. Charlotte Cartwright.

While the Salt Cairn is marked and preserved in perpetuity, and has received care from the Seaside Lions Club, it deserves to be upgraded and maintained on a level which it has never enjoyed before.

The Governor's Lewis and Clark Heritage Foundation Committee, headed by Dr. E. G. Chuinard, one of this nation's most dedicated Lewis and Clark buffs, is spearheading a drive for National Park Service acquisition of the Salt Cairn as a satellite of Fort Clatsop. The project has the support of the Historical Society. It seems to be winning general approval in Clatsop County.

The approaching Bicentennial makes this an appropriate time to put renewed focus on all aspects of the Lewis and Clark journey. It is this region's major link with the nation's early history, since it was President Thomas Jefferson who commissioned the expedition, which in turn helped to pin down the nation's claim to this part of the continent.

Other things can be done further to identify and exploit the rich legacy of Lewis and Clark history in Clatsop County. One idea now being explored is construction of a bicycle trail by the Oregon Highway Division between Fort Clatsop and the Salt Cairn.

The National Lewis and Clark Heritage Foundation, headed by Robert Lange of Portland, will hold its annual meeting in Astoria next August. This organization hopefully will give its backing to the project of making the Salt Cairn a satellite of Fort Clatsop.

Federal legislation will be required. Sen. Mark Hatfield and Rep. Wendell Wyatt are interested. Fort Clatsop became a national memorial only because influential Oregon people and organizations put their weight behind the project. That is what it will take for the Salt Cairn project to be realized.

MEMORIAL PART MISSING

Salt was a vital commodity to the members of the Lewis and Clark expedition. Consequently, the site of the salt cairn in which they evaporated sea water to get salt to sustain them through the winter of 1805-6 is of historical importance. But its current condition does not reflect that fact.

The location of the cairn has long been known. It is on a small lot among residences near the promenade at Seaside and about 100 feet from high tide. The site was authenticated by authorities; and, in May, 1910, the private owner of the property deeded it to the Oregon Historical Society, "in trust for the people of the State of Oregon for historical purposes only."

A modest marker designates the site and its significance, and many have visited it over the years. But neither the site nor those who might want to visit it have received proper attention, for lack of suitable custodianship.

The Governor's Lewis and Clark Heritage Foundation Committee of Oregon and the Oregon Historical Society have studied the matter and prepared a reasonable recommendation: That the cairn be made a part of the Fort Clatsop National Memorial, a reproduction of the Lewis and Clark winter encampment just a few miles north of the cairn site.

This small but important expansion of the memorial to the historic expedition requires federal legislation. Senator Mark Hatfield has informed the sponsors that he is introducing a bill to that end. It deserves support. The cost would be infinitesimal, the dividends in awareness of the significance of the history of the Oregon Country considerable.

Mr. PACKWOOD. Mr. President, true history is a fragile possession, not easily discovered. When we are blessed, however, with tangible evidence of an historic and courageous endeavor then we, through the visible trace of efforts left by our forebears, grow stronger.

The Lewis and Clark Expedition, 1803-7, was one such endeavor that will forever mark American annals as a courageous enterprise. Spurred by fabulous reports of the unexplored Oregon country and led by Capts. Meriwether Lewis and William Clark, an intrepid band of explorers wound its way through the western half of the North American Continent for more than 3 years, reporting back to President Jefferson in February, 1807.

Surely, the evidence of this bold journey should be preserved to remind us of our strong foundations in the past and to prod us to maintain this frontier spirit in facing the future. This is why I am very pleased to join Senator HATFIELD in sponsoring legislation which seeks to expand the Fort Clatsop National Memorial to include the salt cairn built by the expedition a mere 100 feet from the Pacific Ocean.

Lewis and Clark arrived at their Pacific destination, at Fort Clatsop, during the winter of 1805-6. The value of salt to the expedition is made apparent by the many references to this commodity in the Lewis and Clark Journals; its importance was particularly made vivid by Captain Clark's insistence that immediately following the selection of where winter quarters were to be established—

> I determin'd to go as direct a Course as I could to the Sea Coast which we could here roar and appeared to be at no great distance from us, my principal object is to look out a place to make Salt, blaze the road or rout that they men out hunting might find the direction to the fort if they Should get lost in cloudy weather—and See the probability of game in that direction, for the Support of the Men, we Shall Send to make Salt.

Back and forth, again and again, Lewis and Clark and their men trekked the same 7 miles from Fort Clatsop to the salt cairn during their winter stay. Twenty gallons of precious salt was the fruit of their difficult labor for the arduous journey of return to the eastern seaboard.

Today, the remains of this salt cairn, the evidence of a great era of American exploration, are maintained by the Oregon Historical Society. I think it entirely appropriate that this site of national historic significance be integrated into the Fort Clatsop National Memorial.

In sum, the value of the salt cairn is best expressed by the words of the Governor's Lewis and Clark Heritage Foundation Committee of Oregon; they are to be congratulated on their work and words:

> The story of the western end of the Lewis and Clark Trail cannot be complete without proper recognition of the Salt Cairn, and this can best be done with it becoming a satellite component of the Fort Clatsop National Memorial.

In conclusion the committee noted—

> Woodrow Wilson said: "A spot of local history is like an inn upon a highway: it is a stage upon a far journey: it is a place that national history has passed through. There mankind has stopped and lodged by the way."
>
> The Salt Cairn is a spot of local history; it was a stage upon a far journey; it is a place that national history has passed through. We must see to it that national history shall not pass it by.

By Mr. FONG (for himself, Mr. BEALL, Mr. BROCK, Mr. BROOKE, Mr. BUCKLEY, Mr. CHURCH, Mr. CRANSTON, Mr. DOLE, Mr. DOMENICI, Mr. EASTLAND, Mr. FANNIN, Mr. GARN, Mr. HANSEN, Mr. PHILIP A. HART, Mr. INOUYE, Mr. MCCLURE, Mr. MCGEE, Mr. MOSS, Mr. PERCY, Mr. RANDOLPH, Mr. RIBICOFF, Mr. ROTH, Mr. STAFFORD, Mr. THURMOND, and Mr. TOWER):

S. 829. A bill to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65. Referred to the Committee on Finance.

PROPOSAL TO PROVIDE 6⅔ PERCENT ANNUAL PREMIUM IN SOCIAL SECURITY BENEFITS FOR PERSONS RETIRING AFTER AGE 65

Mr. FONG. Mr. President, on behalf of myself and Mr. BEALL, Mr. BROCK, Mr. Mr. BROOKE, Mr. BUCKLEY, Mr. CHURCH, Mr. CRANSTON, Mr. DOLE, Mr. DOMENICI, Mr. EASTLAND, Mr. FANNIN, Mr. GARN, Mr. HANSEN, Mr. PHILIP A. HART, Mr. INOUYE, Mr. MCCLURE, Mr. MCGEE, Mr. MOSS, Mr. PERCY, Mr. RANDOLPH, Mr. RIBICOFF, Mr. STAFFORD, Mr. THURMOND, and Mr. TOWER, I am introducing today a bill, S. 829, to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65.

S. 829 would expand choices open to older Americans under social security by providing that persons choosing to delay retirement will qualify for higher benefits on the same percentage basis as benefits are now reduced for early retirement.

It provides for an increase of 6⅔ percent in benefits for each year between age 65 and 72 that an individual elects to delay his or her receipt of social security retirement benefits. For those who choose to wait until age 72, benefits will increase at least 46⅔ percent.

Since continued work after age 65 may also raise the retiree's average monthly wage for social security benefit calculations, the actual maximum increment at age 72 could be well above 50 percent.

FLEXIBILITY AND EQUITY

The purpose of our bill is to make the social security system more flexible by giving the beneficiary more freedom in adapting its provisions to his or her situation.

The retiree will be able to elect the benefit approach which best suits individual need and desire. To maximize choice, the bill provides a benefit increase of five-ninths of 1 percent for each month that an individual chooses to continue employment after 65.

The proposed benefit increment is a first major step in correcting a serious inequity in social security which sharply penalizes the hundreds of thousands of persons who prefer to continue working or must work after age 65. Together with flat dollar liberalization of the earnings test, which now reduces OASDI benefits by 50 percent of earnings over $2,520 a year, S. 829 moves us toward complete individual freedom in choice of time for retirement.

This bill would in no way interfere with or jeopardize the current right of a person to elect early retirement for social security benefit purposes.

As a simple matter of equity, our bill would recognize the principle of flexibility for those who delay retirement in much the same way as the law now recognizes the right of persons who choose to retire between 62 and 65.

A BEGINNING—NOT AN END

S. 829 is essentially the same as S. 2815, which I introduced in 1973 with cosponsorship by Senator Tower, and reintroduced as S. 3386 in 1974 with multiple cosponsorship.

As I said then, my decision to propose a 6⅔-percent annual increment was based on two considerations. The percentage is identical to the reduction percentage for early retirement. As a matter of fiscal and legislative practicality, it is probably the maximum increment percentage now attainable.

If, instead of our proposal, Congress authorized the full actuarial benefit increase which should be available if we assume full entitlement to social security benefits at age 65, the annual increment would be 12 percent. This is a laudable objective, but I do not believe we are able to go that far at this time.

First year cost of our bill to the social security system will be approximately $200 million. Long-range average cost would be approximately 0.21 percent of taxable payroll. While the bill contains no provision for financing, I strongly believe that all additional costs to the social security system should be properly financed from their beginning and I would expect the Committee on Finance to incorporate such language in the bill before reporting it out for floor action.

Currently those who choose to remain in the work force after 65 are entitled to a 1 percent annual increment in benefits. This provision, enacted in 1972, was welcome, but it does little more than recognize the social security taxes paid after 65. It falls far short of real equity. It is relatively ineffective in expanding choices open to older Americans.

It would be my hope that eventually we would amend social security to provide fully equitable consideration for those who continue work after age 65. Our proposal is a beginning, but not necessarily an end.

INFLATION MAY INCREASE INEQUITY

I have long been disturbed by the high share of social security costs now borne by working persons over 65. Older people who work are now actually paying over $4 billion a year, through benefit losses, as a subsidy to those drawing benefits.

There have been reports that the inflationary spiral of the past several years may have made many older Americans increasingly reluctant to retire because of fears that retirement income will be continuously less adequate in meeting their needs.

To the extent that this is true, it heightens the current law's inequitable treatment of those who defer retirement for any reason. Arguments for the 6⅔ percent annual increment, which were valid when I first introduced this legislation in 1973, thus become even more pertinent.

BALANCED RETIREMENT INCENTIVES NEEDED

Even so, it is small wonder that older persons are unwilling to remain in the work force, despite personal preferences. The actual return for continuing to work is not enough to impel him or her to continue. Not only does the full time worker lose social security benefits, but he or she must also pay income taxes and social security taxes on earnings. When these are added to expenses incurred in going to the job, often little if any net gain remains for the worker's own use.

The Nation's loss of wealth from waste of skills and experience among older Americans is substantial. More important is the economic and psychological loss to the individual through disinvolvement from life's mainstream. There is ample evidence that retirement is often accepted reluctantly because there is little practical choice in terms of economic advantages.

It is time that we counterbalance present incentives in society for early retirement with comparable incentives for later retirement. Without such balance, older Americans are denied full freedom of choice.

Comments from individuals and such distinguished organizations of older people as the American Association of Retired Persons and the National Retired Teachers Association convince me that older Americans—both employed and retired—feel strongly that they should have the right to choose. This demands flexibility in social security along the lines that we now propose.

During recent years, there has been a great deal of talk about need for a new national policy in aging. Despite some progress, and every step forward is good, we have not yet really come to grips with the challenges in our new era of aging.

Millions of words have been used in thousands of articles and meetings ranging from the White House Conferences of 1961 and 1971 to sessions in our smallest villages. In them all, there has been a call for action to give older Americans full freedom of choice—with honor, dignity, and self-respect. And yet too often our seniors find themselves treated as second-class citizens.

In examinations of need for a new national policy in aging—whether by authorities in medicine, economics, sociology, or other disciplines—one key element in our problem comes clear. There is need for a new look at retirement practices in this country. We need to reconsider obsession with the numbers game—our pursuit of retirement based solely on artificial chronological rules of age without regard for either actual abilities of older persons to participate in the Nation's productive forces or the desire of many for continued involvement in society's mainstream.

Deliberations by the real experts on aging—older persons themselves—have been no less emphatic about the need for new approaches to the question of retirement. We need to reinstate the principle that choices should be made by the individual in the light of individual abilities and individual desires.

No one would claim that this objective can be achieved through legislation alone. Education about the tremendous productive potential and the will for involvement among older persons may, indeed, be the most important element in solving the problem.

But there are some things that Congress can do. Perhaps most important will be decisions in Federal programs, such as social security, which will offer incentives for continued life-participation by older persons at least equal to current disincentives.

This bill to provide higher social security benefit increments for those who choose to delay retirement until after 65, in my judgment, is an essential step toward this objective. I urge its speedy and favorable consideration by the Congress.

Mr. WILLIAMS. Mr. President, I am pleased to join Senator Fong, the ranking minority member of the Senate Special Committee on Aging in cosponsoring legislation to increase the increment in social security benefits payable to individuals who delay their retirement beyond age 65.

As the former chairman of the Senate Special Committee on Aging, I have long supported efforts to increase the retirement security of our senior citizens. For more and more of America's 20 million persons who are aged 65 and over, the current runaway inflation is turning life on a fixed income into a nightmare.

Working men and women nearing retirement age are caught in the vise of rocketing prices with the prospect of retiring on a fixed income which may have little chance of keeping up with the inflationary spiral. This situation demands that our national retirement income policy provide a greater freedom of choice regarding retirement.

This bill would expand the choices open to older Americans under social security by providing that persons choosing to delay retirement will qualify for higher benefits on the same percentage basis as benefits are now reduced for early retirement.

Workers who now claim social security benefits before age 65 have their benefits actuarially reduced by 6⅔ percent for each full year. This bill would allow an increase of 6⅔ percent in benefits for each year between age 65 and 72 that an individual elects to delay his or her receipt of social security retirement benefits.

However, this bill would not interfere with the current right of any individual to elect early retirement. It simply allows the individual the alternative to elect to stay in the work force for a few more years and thereby increase the future benefit.

Recent reports indicate that early retirements at many firms are either sharply off or far below expectations. In some cases, workers who have reached mandatory retirement age are requesting special permisison to stay on for a year or two more, or until the economy becomes more stable.

Many older Americans are increasingly reluctant to retire because of their fear that their retirement income will not be sufficient to meet their needs. Declining market values for the assets of many private retirement plans have been translated into sharply reduced benefits which are badly needed supplements to the social security benefits.

But current personnel practices tend to favor compulsory retirement at a specified calendar age usually age 65 which is the normal retirement age under social security. Only about 14 percent of all aged Americans are in the labor force and the trend is clearly downward.

There are many barriers in our national retirement policies which prevent our senior citizens from remaining active during their later years. Many of our senior citizens argue that our national retirement policies should not encourage compulsory retirement at a specified age.

They point out that cronological and functional age do not necessarily coincide.

A predetermined date, therefore, will not provide an adequate index of the effects of aging upon a person's capacities to perform the job. A flexible retirement policy would be in harmony with the realities of functional aging, the wishes of many workers and employees, and the requirements of full productivity for the Nation.

By Mr. WILLIAMS:

S. 833. A bill to amend the Natural Gas Act in order to give the Federal Power Commission emergency authority to allocate supplies of natural gas. Referred to the Committee on Commerce.

EMERGENCY ALLOCATION OF NATURAL GAS

Mr. WILLIAMS. Mr. President, the stated congressonal objectives in the Natural Gas Act direct the Federal Power Commission to provide a continuing and adequate supply of natural gas at reasonable prices. It has become increasingly clear that the Federal Power Commission is unable to meet this goal. Furthermore, the short term outlook for greater quantities of natural gas is dismal. The proposed solutions will not substantially increase the current supply for several years.

Until coordinated, long-term programs do solve the gas shortages severely affecting a great portion of the Nation, there is a desperate need to provide immediate interim relief. The shortfall must be allocated equitably throughout our Nation.

Recently the people of New Jersey, faced with one of the more serious unemployment problems in the Nation, received notificatoin of a proposed curtailment of natural gas to the southern half of the State. The proposal called for an overall cut of 30 percent in south Jersey's supplies. Since residential customers must receive the highest priority, the curtailment would have had a grave effect on other users such as schools and hospitals, and particularly industries.

It is significant that over 111,000 people earning an annual payroll of over $1 billion are now employed in manufacturing in this area. It contains 19 major industrial consumers employing 25,000 persons which depend on natural gas from the South Jersey Gas Co. These workers earn wages of over $284 million a year. Thus, 23 percent of those employed in manufacturing in this area are directly dependent on natural gas for their livelihoods, and companies dependent on natural gas provide nearly 30 percent of the wages attributable to industrial production in the south Jersey area.

It is worth noting that much of the industrial production dependent on natural gas in south Jersey is directly related to the production of essential goods and services throughout the Nation. Over half of the major natural gas consumers produce glass containers used for health care products, foods, beverages, and laboratory equipment. Others provide products which are also of critical importance to our Nation. Owens-Corning, for example, manufactures pipe and block insulation which are employed in the power generating, refinery, and defense industries.

Fortunately, the proposed curtailment to south Jersey has been temporarily avoided by a mild winter and a loosening of supplies from other sources. South Jersey can still expect to be cut back by 50 percent of its supplies next January. Industrial, commercial, and even residential customers could be affected. We must make every effort to avoid the catastrophic effects which disproportionate curtailments would have.

Although I have emphasized the problems which confront New Jersey, I am equally concerned over the shortages experienced throughout the Nation. The curtailment of natural gas has been particularly severe this winter. A continued supply of natural gas is equally essential to avoid serious economic dislocations.

Today I am introducing legislation to deal with this natural gas shortage on an interim basis until adequate supplies are readily available. This measure will grant the Federal Power Commission the authority to intervene in natural gas disasters. It enables the Commission to allocate natural gas to sections of the Nation facing natural gas emergencies which would curtail the operation of essential services. By authorizing the Federal Power Commission to act decisively in periods of extreme shortages, the uncertainties about future supplies that confront many natural gas users will be reduced.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 833

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Natural Gas Allocation Act of 1975".

SEC. 2. The Natural Gas Act is amended by redesignating sections 23 and 24 as sections 24 and 25, respectively, and by inserting before such sections a new section as follows:

"EMERGENCY ALLOCATION OF NATURAL GAS

"SEC. 23. (a) In any case where the Commission determines that the reduction of natural gas supplies in any area for residential heating or industrial purposes will seriously endanger the public health, safety, or welfare in such area, the Commission is authorized to issue such orders as may be necessary to provide for the allocation of natural gas subject to regulation under this Act either nationwide or in such areas as may be necessary in order to provide, in accordance with priorities established by the Commission, adequate supplies of natural gas for such purposes.

"(b) The Commission shall consult with the Administrator of the Federal Energy Administration prior to making or establishing any determinations, orders, or priorities pursuant to this section."

By Mr. HASKELL (for himself, Mr. HANSEN, and Mr. GARY W. HART):

S. 834. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, derived from the development of oil shale resources, may be used for purposes other than public roads and schools. Referred to the Committee on Interior and Insular Affairs.

Mr. HASKELL. Mr. President, the legislation I am introducing today renews an effort started last year. It amends the Mineral Leasing Act to provide that moneys due the States resulting from the leasing of Federal oil shale lands be made available for a variety of purposes.

The law now limits the States' use of these moneys to "the construction and maintenance of public roads or for the support of public schools or other public institutions, as the legislature of the State may direct."

The legislation, which passed the Senate last year, would permit each State to use its share of oil shale revenue for planning, construction and maintenance of public facilities, and provision of public services.

The need for this legislation is enormous.

The oil shale reserves in the Green River formation in Colorado, Utah, and Wyoming contain the equivalent of 600 billion barrels of oil—a quantity approximately equivalent to the entire known world reserves of oil. Others estimate the reserves may be as high as 1.8 trillion barrels, a total which would be 47 times the total U.S. reserves.

The vast majority of these deposits—approximately 80 percent—is on public lands.

This Nation has recently embarked on a program of leasing those public lands for the development of our shale resources. Through its prototype leasing program the Department of the Interior has leased two 5,000-acre tracts in Colorado and two 5,000-acre tracts in Utah. Two more tracts in Wyoming were offered for lease but were not accepted.

If, as seems likely, there is a substantial oil shale boom, State and local governments will have to provide a wide range of community service to large numbers of new residents. Roads and schools are just part of such services.

Water and sewer treatment plants, health and emergency services, police and fire protection all must be considered, planned, and funded.

Once the Federal law is changed, local governments in the affected area can immediately begin using available funds to plan and provide the entire range of services growth will demand. The comparable change in State law has already been made.

The need to provide the necessary flexibility to State and local governments to use funds derived from sales, bonuses, royalties, and rentals of public lands for oil shale development is obvious. The local people will bear the impact of helping to meet national energy needs.

The legislation introduced today differs from S. 3009 which passed the Senate last May in one significant respect. It directs that the directly affected areas of the State be given a priority in use of these funds. The funds should not be regarded as ordinary revenue for the State, They have a special purpose and that purpose must be protected.

I have discussed the purpose and the desirability of this legislation with my colleagues on the Senate Interior Committee and with our colleagues on the House Interior Committee as well.

I am looking forward to early action on the measure. I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 834

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That section 35 of the Act of February 25, 1920 (41 Stat. 450), as amended (30 U.S.C. 191), is further amended by striking the period at the end of the proviso and inserting in lieu thereof the language as follows: ": *And provided further*, That all moneys paid to any State on or after January 1, 1974, from sales, bonuses, royalties, and rentals of public lands for the purpose of development of or research concerning oil shale deposits may be used by such State and its subdivisions for (1) planning, (2) construction and maintenance of public facilities, and (3) provision of public services, as the legislature of the State may direct giving priority to those subdivisions of the State socially or economically impacted by the development or research activities."

By Mr. STAFFORD:

S. 836. A bill to amend Title 38, United States Code, to liberalize the provisions for payment of educational assistance benefits to certain disabled veterans. Referred to the Committee on Veterans Affairs.

Mr. STAFFORD. Mr. President, today I am introducing a bill to amend section 1661 of title 38, United States Code, to increase the eligibility of disabled veterans to the GI educational benefits.

In regards to the Veterans' Administration training under section 34 of title 38, United States Code, the present law states that any honorably discharged veteran who has served 18 or more months on active duty shall have 36 months GI bill entitlement.

Veterans with less than 18 months of service shall only be entitled to 1½ months of training for each month of active service.

Thus, in the case of a veteran who is discharged for a service connected disability prior to 18 months of active service, a full entitlement to educational benefits would not have accrued.

The Congress tried to anticipate such situations of service-connected disabled veterans when it developed chapter 31 of the Vocational Rehabilitation benefits.

Under chapter 31 the service-connected disabled veteran is eligible to receive vocational rehabilitation benefits which can include a college education. However, a veteran does become ineligible for further chapter 31 benefits when the Veterans' Administration classifies him as "rehabilitated."

There are cases where veterans have been classified as "rehabilitated" prior to their being able to complete college, and if those veterans were disabled before 18 months of active duty service, they would not have sufficient entitlement in order to complete their education.

I ask unanimous consent that a letter from a veteran, Randall B. Chiapetta, Jr., be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Clifton, N.Y.,
January 16, 1975.

Dear Sir: I volunteer two years service for the U.S. Marine Corp to go to Viet Nam at the end of 1967, I was with the 3rd Marine division F.M.F. While serving I was wounded. They sent me home to St. Alban hospital, Long Island, N.Y., where I was discharge Sept. 13, 1968.

I just took advantage of my G.I. schooling for on the job training, as an off set cameraman. I was advised by the Veterans that Congress allowed more time on the program. I ask if I could have more time for on the job training, but was told that I only had 13 months.

The reason they gave me is I didn't complete the two full years in the Marine Corp.

I don't think this is fair to me or any other veteran. What ever length of time we signed up for the service, I feel we should receive the full benefits. We did not plan to be wounded. Therefore I do not see why we could not have the rest of the G.I. schooling for the length we signed up for.

I repeat, I do not think its fair for the veterans who could not complete their service time, to be allowed only the benefits for the time they put in.

I'm asking for your opinion and help. I feel that there are many veterans who will back me up on this matter. Also, the veterans who served in the war should be allowed to have their schooling for as long as they signed up in the service.

I'm not prejudice against the veterans that weren't in the war, but I think the veterans that were wounded should have more privileges than the others.

I would like to find out if there's any veterans who feel the same way as I do. If so I would like them to Sound Off.

Thank You

R. B. Chiappetta, Jr.

Mr. STAFFORD. Mr. President, the pertinent facts that should be derived from this veteran's letter are that the veteran enlisted in the U.S. Marine Corps for 2 years in late 1967. He received a combat wound in Vietnam which necessitated his medical evacuation back to the United States and ultimately, his medical discharge.

The veteran was discharged on September 13, 1968, which gave him approximately 9 months of active duty service, and hence, under present law, he is only entitled to 13 months of GI educational benefits.

If the veterans' rehabilitation counselor determines that some other goal should be established for this veteran and it does not include a college education, this service-connected disabled veteran will be unable to obtain a college education if he so desires.

I believe that once a veteran has suffered a service-connected disability, he should receive full entitlement to all benefits, and it is to correct this inequity in the law that I am introducing this bill.

Simply, this bill would authorize full GI bill entitlements to any veteran who is medically discharged from service due to a service-connected disability regardless of actual months served on active duty.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that subsection (a) of section 1661 of Title 38, United States Code, is amended by inserting immediately after "active duty obligation," the following: "or served for a period of less than 18 months after such date and received a medical discharge because of service-connected disabilities,".

By Mr. McCLURE:

S. 838. A bill to authorize the Secretary of the Army to delegate to the States certain functions with respect to the location and plans for structures, excavations, or fills in or on certain navigable waters. Referred to the Committee on Public Works.

Mr. McCLURE. Mr. President, I am today introducing legislation intended to ease the burden created by what I consider has been an error in judgment in the operations of the navigational permit program run by the Army Corps of Engineers.

I introduce similar legislation last year as S. 4031. That bill was the subject of an extensive hearing by the Committee on Public Works. The record of that hearing demonstrated the need for early action during this session of the Congress.

Specifically, the bill allows the Secretary of the Army to delegate certain navigational permit authorities over the location of structures, excavations, or fills in navigable waters when the States have similar systems of permits. The bill would extend only to so-called navigable waters that are not regularly used for interstate transportation of commercial goods.

To understand this problem, we must go back to the 1899 Rivers and Harbors Act. Section 10 of that act created a system of Corps of Engineers permit covering the placing of any structure, excavation, or fill in navigable waters. The act, however, does not define what a navigable waterway is.

Over the years, through legal actions, the courts of the United States have established the definition of navigable waters. The latest definition is set out in section 209.260 of title 33 of the Code of Federal Regulations. Generally, that definition is that navigable waters of the United States are those waters which are presently, or have been in the past, or may be in the future, susceptible for use in purposes of interstate or foreign commerce.

Up until a few years ago, the Corps was using a loose interpretation of this definition which stressed the existing commercial navigability of the waterway. Not much attention was paid to previous commercial uses of a waterway or to waters with the potential of commerce. The waterway also had to go from a commercial starting point in one State to a final destination in another State, with no land links in between. Therefore, if the water was presently being used for commerce and if the commercial transportation was entirely waterborne, then the waterway was considered navigable. Permits were then required from the Corps, under the 1899 act, to insure that structures built into the water would not interfere with the flow of commerce.

In the late 1960's, the Nixon Administration recognized the damaging effects of pollution on the waterways of the United States and sought ways to control it. One tactic was to enforce another provision of the old 1899 Act: Section 13, which dealt with discharges into navigable waters. To insure that all waters would be included, and thereby protected from pollution, the definition of "navigable waters" was expanded. The end result was to broaden the Corps of Engineers' jurisdiction so that permits would be required for discharges as well as structures on virtually all of the Nation's waterways.

Eventually, jurisdiction for Federal pollution permits was transferred to the Environmental Protection Agency, with the Corps continuing to hold its traditional jurisdiction over structures.

But the Corps continued to use the broader definition of navigable waters.

The Corps was no longer concerned only with waters which were presently being used for interstate commerce; they were now concerned with waters which were once used for and/or could possibly be used in the future for commercial navigation. And they were no longer concerned only with waters which provided interstate transportation; they were now also concerned with waters which would or could serve as one link, in conjunction with land transportation, with the interstate movement of commerce.

This interpretation had a profound effect on the Corps' scope of jurisdiction.

In 1932, the Corps made a navigability study of the Spokane, St. Joe, St. Maries, and Coeur d'Alene Rivers and determined them to be nonnavigable. In 1950, the Corps evaluated the navigable status of Lake Coeur d'Alene, and determined that it and its tributaries were not considered to be navigable waters of the United States.

And yet, under the new interpretation, the Corps on January 2, 1974, declared that Lake Coeur d'Alene, Lake Chatcolet, Round Lake, Hidden Lake, and the lower reaches of the St. Joe River, Idaho, were navigable waters and subject to permits. In the two earlier studies it was determined that these waters were not being used as the sole highway for commerce; in 1974 it was determined that they form a link in a chain of transportation which carries commerce between the States. And yet there is no appreciable difference in the navigable status since the earlier studies—and there was no change in the law by any legislative body.

It is one thing to administer the law as it was intended. It is quite another to shift back and forth between interpretations of its administration. The situation is not unique to North Idaho. I know of at least two other examples, Kuapa Pond in Hawaii and Lake Oswego in Oregon. In each case, these are waters which would meet the current legal definition of "navigable water," and yet are not being used for commercial navigation. In fact, they have become essentially recreation-oriented waters.

This is particularly true at Lake Coeur d'Alene. The shoreline property is mostly owned by private citizens and the lake is lined with lovely summer and permanent homes. With few exceptions, the use of the water is now dominated by recreational endeavors—boating, fishing, swimming, and sailing. Cruise ships offer scenic trips the length of the 30-mile-long lake and up into the St. Joe River. Annual hydroplane boat races are held on Lake Coeur d'Alene. The lake lies on a major east-west thoroughfare, helping tourism to become one of the most important industries of the community—tourism that is mostly water-oriented.

The Corps' decision means that those residents will need both Corps and State permits for the construction of any additional docks or piers for boats and for any excavation or fills to perhaps add a patio or deck to a summer home.

It seems to me that there are many other waterways which are truly supporting commercial navigation and which are more deserving of the Corps' time and attention. In situations such as that at Lake Coeur d'Alene, it seems more appropriate to let the State handle the matter of permits and to let the corps devote its efforts to areas more truly navigable. That is the purpose of the bill.

There are certain stipulations, however. The bill does not allow the Secretary of the Army to delegate this permit authority to any State, which might have a situation comparable to that of Lake Coeur d'Alene, Kuapa Pond, or Lake Oswego. The bill specifies that the authority will be delegated only to those States which themselves have adopted a program to regulate and develop along waters that are navigable, but not commercially navigable. The issue here is not whether permits should be required, but rather whether the Federal Government must be involved in such a function. I maintain that it should not.

By Mr. McCLURE (for himself, Mr. DOLE, Mr. DOMENICI, Mr. HANSEN, Mr. MATHIAS, Mr. METCALF, Mr. THURMOND, Mr. YOUNG, and Mr. CHURCH):

S. 840. A bill to amend the Funeral Transportation and Living Expense Benefits Act of 1974 (88 Stat. 53) to also provide memorial transportation and living expense benefits to the families of deceased servicemen classified as prisoners of war or as missing in action. Referred to the Committee on Armed Services.

MEMORIAL EXPENSES FOR MIA'S AND POW'S

Mr. McCLURE. Mr. President, on March 22, 1973, we extended certain courtesies and benefits—similar to those given to the families of our returned POW's in 1973—to the families of our servicemen who died in captivity in Southeast Asia during the Vietnam conflict. We provided funeral transportation and living expenses to the families of those prisoners of war whose remains were returned to the United States after January 27, 1973, for burial.

But what about those servicemen who died while classified as prisoners of war or as missing in action, whose remains cannot be returned? The memories of these brave men should be no less respected than of those whose bodies have been returned to American soil. These men should be memorialized with such suitable honor and ceremony as befits our war dead. And their families should receive the same courtesies and expense benefits as extended to those families whose loved ones have been returned home for burial.

The measure I am introducing today will extend these expense benefits to the families of military personnel who died in captivity during the Vietnam conflict and for whom memorial services are held because their remains cannot be returned to the United States.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 840

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 2 of the Funeral Transportation and Living Expense Benefits Act of 1974 is amended by adding at the end thereof the following:

"(c) Likewise, those servicemen who died while classified as prisoners of war or as missing in action, but whose remains cannot be returned to the United States, should be memorialized and the same comparable courtesies and amenities should be extended to the families of these deceased military personnel.".

SEC. 2. Section 3 of such Act (88 Stat. 53), is amended to read as follows:

"SEC. 3. (a) The Secretary of Defense is authorized to provide funeral or memorial transportation and living expense benefits for the family of any deceased member of the Armed Forces who shall have died while classified as a prisoner of war or as missing in action during the Vietnam conflict.

"(b) Such benefits shall include transportation roundtrip from such family members' places of residence to the place of burial or memorialization for such deceased member of the Armed Forces, living expenses and other such allowances as the Secretary shall deem appropriate.".

By Mr. NELSON (for himself and Mr. PHILIP A. HART):

S. 841. A bill to protect individuals against conduct creating serious potential environmental health hazards. Referred to the Committee on Public Works.

Mr. NELSON. Mr. President, Senator PHILIP A. HART and I will now jointly introduce two separate pieces of environmental health legislation. The first is a bill entitled the Environmental Health Act of 1975 and the second is a proposed amendment to S. 776, the Toxic Substances Control Act.

The purpose of each of these measures is to protect individuals threatened by certain kinds of conduct which cause very serious potential health hazards. Both measures address themselves to situations where a court is asked to enjoin conduct which creates a serious potential health hazard to human beings, but the risk cannot be proven for a certainty. Although procedurally very different, both the bill and the amendment exemplify a legislative policy that in such situations, it is better to err on the side of safety.

Senator HART will join me in cosponsoring the Environmental Health Act of 1975, and I shall in my remarks, address myself to the text of that bill. Senator HART will introduce, and I shall cosponsor, the amendment.

The text of the amendment was passed unanimously in the Senate last year on December 18, in the form of an amendment to the Coastal Zone Management Act. Both the bill and the amendment have been the subject of hearings and both have received substantial support from Government agencies and recognized experts in the field.

The need for this legislation is urgent—so urgent, in fact, that we believe the best way to proceed is by introducing both these measures. One, the amendment, amplifies the purposes of the toxic substances bill. The other, the separate bill, goes further by providing a clear, straightforward procedural mechanism for accomplishing a similar purpose.

Ironically, as I will explain in detail, I do not believe that either of these measures really changes the law. I believe it has for many years been the law that courts must protect human life and health when either is seriously threatened. However, some courts have expressed doubts about what the law is and how it should be interpreted. These two pieces of legislation are intended to eliminate all such doubts once and for all.

Until June of last year I would never have thought we need such legislation as we are introducing today. I believed that any court of law or any Government administrator, when faced with a real risk of such serious injury to human beings, would have made sure that the danger is removed. But on June 4, 1974, the U.S. Court of Appeals for the Eighth Circuit proved we do need such a law. On that date, the Eighth Circuit Court of Appeals lifted an injunction which Judge Lord of Minnesota imposed on the Reserve Mining Co. Reserve had been dumping taconite tailings into Lake Superior and the plaintiffs—which included the States of Wisconsin, Michigan, and Minnesota—proved to Judge Lord that there was a risk of cancer to those living in the Superior-Duluth region who ingested the water from the lake.

Judge Lord refused to "accept the company's argument that the discharge should continue until such time as it can be established that it has actually resulted in death to a statistically significant number of people. The sanctity of human life is of too great value to this court to permit such a thing," he said. Aware that "any environmental litigation must involve a balancing of economic dislocation with the environmental benefits," Judge Lord based his decision on his view that the defendants "have the engineering and economic capability to obviate the risk and chose not to do so in order to continue (the) profitability of the present method of operation." He put the whole issue into a few words and said, "This court cannot honor profit over human life and therefore, has no other choice but abate the discharge."

But in a shocking opinion, the appeals court said: "Judge Lord apparently took the position that all uncertainties should be resolved in favor of health safety."

Apparently, this court thought that in a case where tens of thousands of people were threatened with a potentially serious health hazard, all uncertainties should not be resolved in favor of health or safety.

The appeals court went on to say that Judge Lord's "determination to resolve all doubts in favor of health safety represents a legislative policy judgment, not a judicial one." In other words, that court has asked us in the Congress to provide specific legislation before it decides this case in favor of the people whose health is threatened. These two pieces of legislation, therefore, specifically respond to this part of the court's opinion.

As I stated above, I disagree with the eighth circuit's view of the law. I believe that the present law, even without this legislation, clearly protects the plaintiffs in the Reserve Mining case. I say this because I want no one to infer from our introducing these measures that I agree with the eighth circuit's notion that the law without such legislation does not protect the plaintiffs in the Reserve Mining case.

The Reserve Mining case has three key elements: First, there was a course of conduct which created a potentially serious health hazard. Second, the risk of harm was potential—not a certainty or a clear probability. And finally, it was decided that, since no one could be certain that a tragic result would occur, the course of conduct should not be stopped.

This, I submit, is more than misguided conduct; it is irresponsible in the extreme. To tolerate a serious potential health hazard when it is not absolutely necessary is unacceptable.

Mr. President, the Environmental Health Act of 1975, which we now introduce, addresses itself to this very kind of situation.

The bill is very specific and applies only in certain court proceedings:

First, the bill is restricted to proceedings brought under one of the statutes administered by the Administrator of the Environmental Protection Agency.

Second, it is triggered only when a party is seeking equitable relief—for example, an injunction, but not monetary damages.

Third, the course of conduct must involve a kind of "discharging, emitting, or manufacturing," and those words are defined in the bill.

Fourth, the potential risk created must be real, it cannot be a negligible risk or only a theoretical possibility.

Fifth, the potential health hazard must be a very grave one: death, serious illness or disease, or irreparable physical harm to humans.

In these highly urgent circumstances, the bill would shift the burden of proof to the party creating the grave risk to health and require that party to prove either that no threat to health exists, that the threat is negligible, or that other considerations outweigh the health threat.

In other words, this measure is aimed at those situations where some evidence of a serious potential hazard exists, but the evidence is inconclusive. The legislation would prohibit the potentially dangerous conduct until it could be proved to be safe, or until it could be shown that the benefit substantially outweighs the risk.

I was greatly encouraged by some of the very strong support received by this bill when it was introduced last year—in the form of an amendment to a bill entitled "The Environmental Protection Act of 1973". For example, Chairman Russell W. Peterson of the Council on Environmental Quality, testified that—

* * * * *

> The amendment represents a conservative approach to judicial decision-making, in the sense that it resolves uncertainty in favor of protecting the public's health. Congress and the legislatures in this country have given high priority to keeping our communities in good health, and this measure would be consistent with that well established policy. The principal effect of the amendment will, of course, come in those cases where evidence falls short of showing an inescapable cause-and-effect connection between the defendants' activities and the disease or health hazard that is threatened.
>
> The defendant then must establish that his activities are either safe or worthy of protection for other reasons, or else he must risk a court's order of appropriate equitable relief.
>
> In these times, we have reached the point in our use of technology where we may sometimes permit polluting activities to take place before there has been time or opportunity to test the pollutants or to guarantee that the discharges are not hazardous. By this amendment we would take a step toward sound management. The general practices of the past would continue, except in those cases where on the basis of some evidence, a court would have reason to believe that a public health threat was created. The person responsible for creating that

threat must then establish that his activities are safe or are justified for other reasons.

To put the issue in perspective, consider the problem of a nineteenth century judge who might have been asked by a State health agency to enjoin the discharge of municipal sewage into downstream drinking water supplies. Until the discovery of "microbes" several decades later, neither party could have conclusively proven that the sewage caused disease. But in retrospect, it is shocking to think that a court might have been prevented from enjoining the discharge without the cause-and-effect knowledge that was first discovered several decades later.

The problems we face today are the same, only the stakes are higher. One of today's problems, cancer, involves several decades of latency between exposure and discoverable illness. The latency period means, in an ever increasingly mobile society, that in most instances it will be difficult, if not impossible, to associate an induced cancer with its cause. In fact, in the instance of the well-known cases of diethyl stilbesterol (DES), asbestos, and vinyl chloride if it weren't for the rare forms of cancer induced in occupational settings we might not have recognized the hazards of their production and use for years to come.

We are in the same position as the nineteenths century health authorities in that we know something, but certainly not everything, about the cause of our century's diseases. But the facts we do have should be given weight, and should not be discarded because we do not know everything. The courts should deal with the "unknowns" by favoring the safest course of action. They should act on the best knowledge available, as their sense of fairness might dictate, but they should not delay action while waiting for knowledge that is not available.

The second strong point is this proposal's flexibility. It does not create new causes of action. It applies to a limited class of cases, and only to the more serious cases within that class. It would retain in the court, the full power to balance all physical and economic considerations against the public's need for equitable relief.

A third principal effect of the amendment will be to improve the judicial process in these cases, by asking those who create risks to the public, to expeditiously come forward with all the facts they have early in the case. They would no longer sit back and refuse to come forward with their information until after the plaintiffs have made a strong case on the limited information available to them. By placing the burden on the defendant who is in the best position to offer information from his files, the courts can reach a decision more quickly and at less cost in pretrial expense.

* * * * *

In an October 4, 1974, editorial entitled, "Try It—It May Be Safe," the New York Times said:

> Industries where such health risks have been uncovered would do well to consider a legislative risk to themselves. Senators Gaylord Nelson of Wisconsin and Philip A. Hart of Michigan have already introduced a bill that, under specified circumstances, would prohibit "potentially dangerous" activity of this sort until it is proved to be safe or it is shown that "the benefit substantially outweighs the risk." The burden of proof would be placed where it belongs—on the shoulders of those who stand to gain from a risk otherwise confined solely to those who work for them.

Jeff Stansbury and Edward Flattau, the syndicated environment columnists, wrote on September 22, 1974, in the Louisville Courier-Journal:

> Yet it is feared that without passage of this amendment a lot of environmental protection laws will remain emasculated. Since most of these laws' penalties are in the form of injunctions, how effective can the statutes be if plaintiffs suing under them must demonstrate they have been victimized before they can obtain relief?

Mr. President, in order to provide the legal context in which this amendment would operate, I would like to set forth in the RECORD at this point an analysis of the precedents in this area of law. These precedents make it clear that this amendment reinforces and clarifies the oft-stated principle that environmental health and safety is of utmost importance.

ANALYSIS OF PRECEDENTS

In any proceeding for injunctive relief, the court's decision is discretionary and based upon equitable principles. Initially, the party seeking the injunction against an alleged hazard or nuisance must establish by a preponderance of evidence that without injunctive relief, he, or the interests he represents, is presently or imminently threatened with irreparable harm. In addition, he must carry the burden of proving that there are feasible alternatives to the other party's actions. See generally, J. Moore, Federal Practice, Section 65 (2d ed. 1972); Krier, J., "Environmental Litigation" in Law and the Environment 105 (Baldwin and Page eds. 1970). If the complainant is unable to carry this initial burden of proof, judgment will be rendered against him.

However, where there are judicially or legislatively recognized public interests at stake, courts do have broad discretion and power to protect such interests. In *United States* v. *Nutrition Service Inc.*, 227 F. Supp. 375, 399 (W.D. Pa. 1964), the U.S. dstrict court made it clear that this is a significant power which very much affects just what a plaintiff or complainant must prove when he brings a health hazard to the court's attention:

"There is sufficient showing where as here, the Government presents evidence of violations of the provisions of a statute enacted for the protection of the public. Nor is it necessary to demonstrate the precise way in which violations of the law might result in injury to the public interest. It is sufficient to show only that the threatened act is within the declared prohibition of Congress."

In other words, the court here was satisfied with proof of a technical violation and did not require extensive proof of just how the threatened acts could harm humans.

Environmental health has been stated to be an important, even paramount, public policy by both the Congress and the courts. Congress has in fact repeatedly declared that it is the Nation's policy "to promote efforts that will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man." NEPA, 42 U.S.C. 4321 (1970).

It stated this policy again in the Air Pollution Control Act:

"The purposes of this subchapter are . . . to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare . . ." 42 U.S.C. 1857(b)(1) (1970).

Similar unequivocal statements of public policy were expressed in the Federal Water Pollution Control Act:

"Standards of quality established pursuant to this subsection shall be such as to protect the public health or welfare." 33 U.S.C. 1160 (c)(3) (1970).

Congress has also mandated that where environmental degradation is also causing harm to the public health, such pollution shall be abated.

"The pollution of interstate or navigable waters . . . which endangers the health or welfare of any persons, shall be subject to abatement. . . ." 33 U.S.C. 1160(a) (1970).

And with regard to air pollution:

"The pollution of the air in any state or states which endangers the health or welfare of any persons shall be subject to abatement as provided in this section" (42 U.S.C. 1857d (1970)).

Courts, as well, have recognized the importance and seriousness of the stakes that are involved in litigation concerning the health and safety of the public. They have, moreover, recognized that these "newer" interests are not only equal to traditional ones but also have declared that environmental health and safety are necessarily of paramount consideration.

Faced with a problem of having to decide novel, complex issues of scientific fact, the court in *Environmental Defense Fund et al.* v. *Ruckelhaus*, 439 F.2d 584, 594 (D.C. Cir. 1971) remanded the case for further testimony and substantiation noting.

"Courts are increasingly asked to review administrative action that touches on fundamental personal interests in life, health and liberty. These interests have always had a special claim to judicial protection in comparison with the economic interests at stake in a rate-making or licensing proceeding."

The court also made a special point to note that a threat to the public health is the most serious consideration where the standard of proof required is one of "imminent" hazard to the public. Because of the serious implications where the issue at stake is the public's health, a hazard should be considered "imminent" even though its impact will not be apparent for many years.

Noting that there was substantial disagreement between the two parties as to the validity of the evidence present the court, in *Ball* v. *Goddard*, 366 F.2d 177, (7th Cir. 1966), nonetheless, upheld the order withdrawing approval a new drug application because of the paramount interest in protecting the public health from potentially hazardous drugs.

In *United States* v. *Nutrition Service*, supra at 388, the court weighed the relevance of the different interests represented and determined that:

"Ordinarily where no harm may be accrued by delaying a process in judicial procedure, a delay or postponement should be granted. But where the public health is a matter of concern in such litigation as it is here, no possible delay or obstruction should be permitted."

The court concluded:

"Congress intended that all persons in the national domain be protected against any such injury and this is reason enough for preventing and irreparable injury existing or threatening the public." *United States* v. *Nutrition Service, supra* at 388.

This, then, is not only the law, but it is good common sense. Not only must courts now respect environmental concerns as important ones, but some interests, like some of those in the category of environmental health and safety, are paramount to others.

This is an important point because in deciding what is generally considered as "environment" or "environmental health" cases, courts virtually always are required to weigh these interests against other legitimate interests. That is, it is not enough simply to say "an environmental asset is being threatened"; we must also consider the value of the enterprise threatening it.

In this weighing process, some courts—like the court of appeals in the Reserve Mining case—have found themselves unable to break away from what the law used to be. The law for a long time gave great protection to economic interests, but rarely considered interests like those we now call environmental health and safety. And now, despite the unequivocal mandates cited above, some courts still fail to give adequate weight to the fact that some environmental resources, once lost, can never be regained or compensated for. Even more imperative are threats to human health. Clearly Judge Lord was correct to value health over profits.

Thus, when the court of appeals in Reserve Mining said that only the legislature could make policy of the sort demanded by plaintiffs, it must not have realized that the legislature has already declared such policy and made it the law of the land.

Another problem faced by plaintiffs in environmental health and safety cases—like Reserve Mining—is that the facts are often very complicated, with highly complex scientific and statistical questions. As a result, a court is tempted to shy away from these difficult issues. This reticence, however, consistently discriminates against plaintiffs—the ones who must rely on such scientific arguments. The court in *Crowther* v. *Seaborg,* 312 F.Supp. 1205, 1232 (7th Cir. 1966), affirmed a refusal to enjoin a nuclear project bemoaning a "lack of knowledge" about atomic radiation and said that such lack of knowledge "is not the product of insufficient scientific inquiry, but rather of the complexity of the problem presented." Under the amendment introduced by Senator Hart and me, such lack of complete scientific knowledge will not prevent a court from enjoining a grave health hazard when it is brought to the court's attention.

Mr. President, I ask unanimous consent that the text of the bill as introduced be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record as follows:

S. 841

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this act may be cited as "The Environmental Health Act of 1975."

DEFINITIONS

Sec. 2. As used in this Act—

(A) "Administrator" means the Administrator of the Environmental Protection Agency;

(B) "discharging, emitting, or manufacturing" shall include, but not be limited to disseminating, dispersing, distributing, producing, processing, disposing of, or any other meaning which each of these words has under any Act administered by the Administrator, and shall include causing to discharge, emit, or manufacture;

(C) "a reasonable risk" means a risk where the possibility of harm or injury is not negligible; and

(D) "threat to public health" means a threat causing death, serious illness or disease, or irreparable physical harm.

PRESUMPTIONS

Sec. 3. In any proceeding requesting equitable relief pursuant to any statute administered by the Administrator or instituted at the request of the Administrator, other than a suit for review of a Federal administrative action, a showing by a party that any person is engaging in a course of conduct of discharging, emitting, or manufacturing any substance, where such conduct presents a reasonable risk of being a threat to public health, shall give rise to a rebuttable presumption that a threat to public health exists warranting the granting of such equitable relief as is deemed appropriate to protect the public against such threat.

BURDEN OF PROOF

Sec. 4. In any proceeding—which requests equitable relief pursuant to any statute administered by the Administrator or instituted at the request of the Administrator, other than a suit for review of a Federal administrative action—where a showing is made giving rise to a presumption under Section 3 of this Act, the person engaging in such course of conduct of discharging, emitting, or manufacturing shall have the burden or proving—

(A) that in fact no threat to public health exists or that the risk of any such threat is negligible; or

(B) that the physical and economic considerations in favor of such course of conduct outweigh all costs incident to the conduct, including any possible threat to public health.

DISCLAIMER

Sec. 5. Nothing in this Act shall in any way affect the burden of proof with respect to the question of whether a violation of any statute administered by the Administrator has been committed.

APPLICABILITY

Sec. 6. To the extent this title would otherwise apply, it shall apply in all proceedings pending at the time of its enactment, unless a court determines that its application in such a pending proceeding would prejudice the rights of a party.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 50

At the request of Mr. Humphrey, the Senator from Massachusetts (Mr. Brooke) was added as a cosponsor of S. 50, a bill to establish a national policy for guaranteeing to all Americans able and willing to work the availability of equal opportunities for useful and rewarding employment.

S. 276

At the request of Mr. Tower, the Senator from Arkansas (Mr. McClellan) was added as a cosponsor of S. 276, a bill to repeal the Davis-Bacon Act.

S. 364

At the request of Mr. McClure, the Senator from Mississippi (Mr. Eastland) was added as a cosponsor of S. 364, a bill to permit transfer of earned but unused purchaser credits between timber sales on the same national forest.

S. 390

At the request of Mr. Church, the Senator from Florida (Mr. Chiles) was added as a cosponsor of S. 390, a bill to provide a program of income tax counseling assistance for elderly individuals.

S. 463

At the request of Mr. Thurmond, the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of S. 463, a bill to amend the Internal Revenue Code of 1954 to encourage the use of recycled oils.

S. 525

At the request of Mr. Ribicoff, the Senator from Idaho (Mr. Church) and the Senator from Maryland (Mr. Mathias) were added as cosponsors of S. 525, a bill to freeze medicare deductibles and copayments.

S. 772

At the request of Mr. Talmadge, the Senator from North Dakota (Mr. Burdick), the Senator from Indiana (Mr. Hartke), tht Senator from North Carolina (Mr. Helms), and the Senator from Minnesota (Mr. Mondale) were added as cosponsors of S. 772, the Beef Research and Consumer Information Act.

S. 789

At the request of Mr. McClure, the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of S. 789, a bill to prohibit any pay increases for Senators and Congressmen.

S. 792

At the request of Mr. Tunney, the Senator from Indiana (Mr. Hartke) was added as a cosponsor of S. 792, the Part-Time Career Opportunity Act.

SENATE RESOLUTION 23

At the request of Mr. Humphrey, the Senator from Connecticut (Mr. Weicker), the Senator from Washington (Mr. Jackson), the Senator from North Carolina (Mr. Morgan), and the Senator from Ohio (Mr. Glenn) were added as cosponsors of Senate Resolution 23, to disapprove the administration's proposed deferral of $50 million of the funds appropriated by Congress for HUD section 701 comprehensive planning grants this fiscal year.

SENATE RESOLUTION 85

At the request of Mr. Humphrey, the Senator from Minnesota (Mr. Mondale) and the Senator from New York (Mr. Javits) were added as cosponsors of Senate Resolution 85, relating to the appointment of a Food Coordinator to deal with both the short- and long-term hunger problems.

AMENDMENTS SUBMITTED FOR PRINTING

TOXIC SUBSTANCES CONTROL ACT—S. 776

AMENDMENT NO. 21

(Ordered to be printed and referred to the Committee on Commerce.)

Mr. PHILIP A. HART. Mr. President, it is a pleasure to join my distinguished colleague, Senator Nelson, in introducing this amendment to the Toxic Substances Control Act (S. 776). The Toxic Substances Control Act is an appropriate vehicle for a congressional statement on the urgent need for a clarification of standards of proof in environmental health cases. Because the scientific evidence of health and environmental effects is so difficult to obtain with precision, and the costs of data collection can be so high, the standard of proof which a party must meet is of great importance. In many situations where the scientific evidence is tenuous or in equipoise, a procedural mechanism is essential to resolve close disputes in favor of the public interest as established by the considered political judgement of Congress. In certain statutes—for example, the Federal Environmental Pesticide Control Act, the standard of proof explicitly requires the private registrant to establish the safety of his product, but this specificity appears to be an exception to the general rule. In most cases, the burden of proof is, at least by implication or judicial gloss, on the opponent of continued use of a chemical. Until this burden is met, release of a potentially dangerous chemical into the market place and the environment continues. The public may therefore be exposed to the risk of a suspect chemical for an indefinite period of time while regulatory decisions are made.

It appears more equitable for the vendors of a chemical, who profit from its use and have superior access to pertinent data and other research resources, to carry a heavier evidentiary burden in these proceedings than the public. Further, the vendor's costs in studying the product are passed on to users of the chemical through market mechanisms, thereby spreading the costs equitably among the beneficiaries.

For these reasons, this amendment is vital to the future of public health litigation. It was prompted by a decision of a panel of the U.S. Court of Appeals for the Eighth Circuit in litigation involving the Reserve Mining Co. In the Reserve case, the panel stayed a lower court injunction against the company—thus allowing the company to continue its discharges—on the ground that the parties requesting the injunction "had failed to prove a demonstrable health hazard." It was made clear by the panel that the plaintiffs would have to show actual harm to human health before it could grant the relief requested.

It is our view that to require such proof of harm in many cases would ask of plaintiffs more than science is capable of delivering. The feared result of such a requirement is that polluting activities may continue which severely risk—but do not demonstrably harm—the health of the public. Under this amendment, such proof of actual harm would not be required of the Government or of private plaintiffs in lawsuits alleging a risk to the public health as a condition precedent to the court granting injunctive relief.

A provision similar to this amendment was passed by the Senate as an amendment to the Coastal Zone Management Act Amendment in December 1974. Additionally, it has received the endorsement of the Environmental Protection Agency and the Council on Environmental Quality.

In sponsoring this amendment, it is not my intention to make any judgment on the merits of the Eighth Circuit panel's decision. Rather, this amendment expresses the intent of Congress that courts fully consider risks to the public health—potential as well as demonstrable hazards—when claims for equitable relief are argued.

The Subcommittee on the Environment has scheduled hearings on the Toxic Substances Control Act for next week. It is my hope that the Congress will move quickly on both the Toxic Substances Control Act and on this important amendment impacting the future of environmental health law.

NOTICE OF RESCHEDULING OF HEARING

Mr. METCALF. Mr. President, the Subcommittee on Minerals, Materials, and Fuels of the Committee on Interior and Insular Affairs, has rescheduled the hearings on S. 391, the "Federal Coal Leasing Amendments Act of 1975," for May 6, 7, and 8. These hearings were originally scheduled for February 25, 27, and 28. The hearings will begin at 10 a.m. in room 3110, Dirksen Senate Office Building.

NOTICE OF HEARING ON NATURAL GAS PRICING

Mr. STEVENSON. Mr. President, for the past 16 months the Senate Commerce Committee has conducted an intensive review of natural gas pricing. Seventeen hearings, over 180 witnesses, and hundreds of hours of staff and Senate manhours have gone into the effort.

Therefore, the Subcommittee on Oil and Gas Production and Distribution will hold a markup session on March 11 in Room 5110 at 10 a.m. to consider natural gas bills pending before the subcommittee, including S. 187, S. 269, S. 310, S. 319, S. 320, S. 353, S. 504, S. 594, S. 692, and S. 701.

In the intervening 2 weeks, the committee will receive comments on these proposals from concerned parties. Such comments should be received by the Senate Commerce Committee, Subcommittee on Oil and Gas Production and Distribution, Room 5202, by Friday, March 7, 1975.

I expect the subcommittee to proceed rapidly with the markup until work on the bill is complete and it is reported to the full committee.

ADDITIONAL STATEMENTS

SOYBEANS IN THE PEOPLE'S REPUBLIC OF CHINA

Mr. HUMPHREY. Mr. President, I wish to point out a very informative article in the January 1975 issue of Soybean News entitled, "Soybeans in the People's Republic of China."

The article provides the observations of Dr. R. L. Bernard on soybean production in the PRC. He visited that country during August-September 1974 as a member of a team of plant scientists. I had the privilege of visiting the PRC at the same time as a member of the U.S. congressional delegation.

The author, who is an expert on soybean research at the University of Illinois, reports how and where soybeans are grown. He describes where research is being carried out and indicates that the research objectives are: First, higher yield; second, high oil content; third, resistance to pests; fourth, adaptation to intercropping; and fifth, strong stems.

Several of the basic diseases are indicated, such as the soybean pod borer, soybean mosaic, soybean stunt, bud blight, and leaf disease target spot.

I have urged earlier that the United States and the People's Republic of China cooperate in establishing a joint soybean research institute to work together in dealing with common problems.

To further this objective, I have introduced S. 697. This could and should be a cooperative venture between our two great countries in order to further soybean production and encourage improved diplomatic relations.

Mr. President, I ask unanimous consent that this informative article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Soybean News, January 1975]

Soybean in the Peoples Republic of China

(By Dr. R. L. Bernard)

Dr. Richard L. Bernard, ARS–USDA and the University of Illinois, visited the PRC in August-September, 1974. He was a member of an American Plant Science delegation which consisted of ten scientists and two Americans who are specialists on China. Dr. Bernard is in charge of the U.S. world soybean germplasm collection. In an interview with your editor, Dr. Bernard expressed the following observations.

The purpose of the trip, sponsored by the Chinese Association of Agriculture, was to initiate contact with Chinese plant scientists to encourage and implement future exchange of scientific information and plant materials. For twenty-five years there has been very little exchange between the U.S. and PRC.

The soybean is very widely grown in China. However, it is considered to be a major commercial crop in only the three northeastern provinces. Large amounts of soybeans are sold from that area to the state for making traditional soy food products such as soy sauce and various bean curds for sale throughout China. These foods represent an important high-protein part of the diet. Soy product foods are in such demand in the Shanghai area that they are the main food items which must be rationed in the markets there.

In most of eastern China soybean plants can be seen growing in waste areas, gardens, and small fields even where it is not a major crop. In the Peking and Sian areas, the ripe seeds are used in food products usually by the grower himself or at least within the commune. In the Nanking, Shanghai, and Canton areas, the soybean is used as a green vegetable in addition to using the ripe seeds. Large quantities of soybeans are sold in the market when they are in the green pod stage. In some areas the soybean seed or the whole plant is used for livestock feed. The plant is also used for green manure or hay as it was in this country on much of our acreage until World War II.

CROPPING PRACTICES

In the Northeast, soybeans are planted in late April or May and harvested in September and October. The season is considered too short to permit double cropping. Seeds are planted 5 cm deep on top of ridges formed about 20 cm high and 60 cm apart (24 inches). Ridge planting keeps excess water from the seedlings and provides a warmer seedbed in early spring. A good plant population is about 170,000 plants per hectare. That is only half the U.S. rate.

Planting is done by hand or with a planter. Hand-thinning is often practiced. Manure is applied at the rate of 30 to 40 tons per hectare (2.471 acres). Soybeans are rarely irrigated in this area. Hand weeding is the common practice but some herbicides are used on highly mechanized farms. Soybeans are usually harvested with a hand sickle, and after a little drying are threshed with an electricaly powered cylinder thresher.

An unusual planting pattern was observed in central Kirin province where virtually all soybeans are intercropped with corn. Six to eight-row strips of soybeans are planted between much wider strips of corn.

In other areas of eastern China the ways of growing soybeans are as varied as the climate, topography and cropping systems into which they must fit. Soybeans, more than any other crop, are used to plant in what otherwise would be wasted land. They are seeded along ditch banks, stream banks, terrace walls, roadsides, paddy dikes, field margins and any other odd shaped piece of land too small or too steep for commercial crops. "Normal" cultural practices are almost nonexistent under these conditions. Weeds are sometimes controlled by hand clipping or with grazing livestock. Although soybean bean stands and growth are poor, some food or feed is produced from land which would otherwise be unproductive.

Soybeans are found throughout China with some small fields in most areas. Soybeans are intercropped with corn or sorghum in the North and with fruit trees, bananas, mulberries, etc. in the South. Everywhere soybean plants are seen in small gardens around farm homes, and are often the predominant plant in the garden. Soybeans may be double cropped after winter grains in the North. In the South two crops are possible.

BREEDING

The major soybean breeding center Dr. Bernard visited was the Kirin Academy of Agriculture at Kungchuling. Two other stations visited were the Genetics Institute in Peking and the Northwest College of Agriculture located west of Sian in Shensi province. There are other breeding centers in the northeastern provinces of Heilungkiang and Liaoning. There may be only a few small breeding or testing programs elsewhere in China.

Soybean breeding has evolved since 1949 from an early stage when local varieties were gathered, evaluated and superior selections were popularized to the present stage. They now develop improved varieties through intervarietal hybridization followed by pedigree selection. Approximately 80 percent of the soybeans seeded in Kirin province are improved varieties developed at academies or agricultural colleges. In other parts of China where soybeans are not an important commercial crop, local varieties are much more dominant.

Soybean breeding was started at Kungchuling after 1949 by first collecting local varieties. In 1956 growers throughout China were asked by the Ministry of Agriculture and Forestry to collect local varieties. At Kungchuling the better local varieties were identified and promoted. Kirin local varieties have a growing period ranging from 110 to 140 days and seed size ranging from 10 to 20 grams per 100 seeds. The predominant plant type is indeterminant with semi-determinant next and determinant last. Predominant characteristics of varieties currently grown in Kirin are white flowers, gray pubescence and about one-third have narrow leaves. Scientists preferred the narrow leaves "to get better light penetration" but they didn't feel that seed yield was necessarily higher.

Intervarietal crossing has involved varieties from Kirin and other provinces in China. Pollination is done on an unusual time schedule with emasculation beginning at 5 AM and pollination from 8 to 10 AM. After 10 the pollen is gone. A winter nursery on Hainan Island is used to grow F_1 and alternate generations to accelerate the breeding program. There was about one hectare of F_2 populations being grown at Kungchuling involving about 50 different combinations. The F_5 to F_8 generations are grown in progeny rows there (1300 in 1974) and visually selected lines are performance tested in subsequent years.

Final strain testing is done in a regional test grown at Kungchuling and over 30 other locations in the province. The 1974 test consisted of 25 varieties including experimental strains developed at Kungchuling and at 5 district research institutes. The Kungchuling tests were at 2 population rates in plots 5 rows wide spaced 60 centimeters apart and 10 meters long in 4 replications with 1 replication at a higher fertility level. The expected yield level was 2000 to 3500 kilograms per hectare (30 to 50 bushels per acre). There was also a test of 11 U.S. varieties of maturity groups I to IV being grown at Kungchuling for the first time. Amsoy 71, Beeson, Calland, Clark 63, Corsoy, Harosoy 63, Kanrich, SRF 307, Wayne, Wilkin, and Williams were the U.S. varieties being tested. Growth was good with a height of nearly 4 feet on the taller varieties with no lodging, partly because of the low population of 170,000 plants per hectare. The varieties were similar to their appearance in the U.S. except Williams was stunted and poorly podded.

In addition to intervarietal hybridization, a mutation breeding program is underway using x or gamma rays to develop early maturity. Some progeny rows in the R_5 generation appeared to be earlier than the check variety.

Objectives of their breeding program are: (1) higher yield, (2) high oil content, (3) resistance to pests, (4) adaptation to intercropping, and (5) strong stems. They have developed 8 improved varieties at Kungchuling and popularized them in the Kirin province and nearby areas.

The major pest problem in Kirin is the soybean pod borer. Fields not treated with insecticide have 10 to 20 percent of the pods infested. A local variety has been found to have moderate resistance. Although soybean mosaic is not considered important in the breeding program, Dr. Bernard observed that a mosaic-like disease appeared to be affecting yields. Aphids are a major insect problem but resistant varieties have not been found.

The only cultural research on soybeans was seen at Kungchuling where experiments were conducted on intercropping with corn. Preliminary results indicated 6 row strips of soybeans alternated with corn produced more total yield from the land.

The soybean breeding program at the Genetics Institute, Peking, started in 1968 with emphasis on disease resistance. Two varieties have been developed which are resistant to purple stain and are being grown by farmers. The main disease problems now are 3 viruses, soybean mosaic (the most serious), soybean stunt, bud blight, and the leaf disease target spot. Soybean mosaic stunted plants were almost podless and had much more severe symptoms than plants associated with the disease in the U.S. Resistance has been identified by observing plants in the field, checking with inoculation tests and by use of the electron microscope. Two varieties were found to be moderately resistant and 2 appeared to be immune.

Having found disease resistance, their next step will be to breed for yield and lodging resistance. Determinant varieties having lodging resistance are being grown in the lowland, and indeterminant varieties are grown which do well in poor soil areas in the upland. North of Peking soybeans of an indeterminant type with medium to small seeds were interplanted with corn and grain sorghum but did not appear to have good yields in competition with the taller crops. Grown alone, the varieties appeared to be much better.

Soybean breeding at the Northwest College of Agriculture west of Sian was initiated more than 10 years ago and is in cooperation with the nearby Academy of Agriculture which is the source for germplasm. Their first objective is to develop early maturing varieties to be planted after wheat harvest in mid-June for harvest during the first half of October. Disease resistance is their second objective with work concentrated on an unidentified virus which causes stunting of the plant and wrinkling of the leaves. The only other disease considered is bacterial leaf spot. Although pod borer is the most important insect pest, adequate resistance has not been found.

A new determinant variety was developed in 1970 at the College by pedigree selection. It grows 70 to 80 centimeters tall when planted after wheat, matures early in 105 to 110 days, is shatter resistant and virus resistant. Farmers are growing it in central Shensi province. Local varieties in Shensi are used for bean curd or annual fodder for cattle and hogs. There are a number of black-seeded indeterminant varieties grown for fodder. Sometimes the threshed grain is fed to cattle and hogs.

In the remainder of China there does not appear to be much soybean research. Because the crop is widely grown in China and is an important source of protein, especially in the diet of rural people, Dr. Bernard believes more research is justified in the PRC.

WILD SOYBEANS

The wild soybean is a source of germplasm that is apparently not being used in China. It occurs in many areas and was observed to be abundant in the Northeast. Perhaps it was eradicated from any agricultural areas of China since it was not found in the Peking, Sian and Canton areas. It was only found in forest parks and wasteland around a factory and airport in the Nanking-Shanghai area.

At the Institute of Botany of the Academy of Science at Peking the herbarium has a collection of about 100 sheets of Glycine soja from 17 provinces or regions. An interesting report of **G. hainanensis** (or Teyleria koordersii) was found by Dr. Bernard at the herbarium of the Sun Yat Sen University in Canton. This specimen, collected in 1933 on Hainian Island was listed as an annual with seeds and pods appearing to be close to G. soja. However, the pods occur in rather large clusters and have up to 7 seeds per pod which would make it an interesting variant G. soja, if not a distinct species. This species should be obtained for further study and as potential germplasm for soybean breeding.

POSTHUMOUS CITIZENSHIP FOR ROBERT E. LEE

Mr. HARRY F. BYRD, Jr. Mr. President, on Monday, February 10, 1975, the Fairfax County Board of Supervisors approved unanimously a resolution calling upon the U.S. Senate to act favorably on Senate Joint Resolution 23, a resolution to restore posthumously full rights of citizenship to Gen. Robert E. Lee.

The Fairfax resolution was introduced by the Honorable John F. Herrity, supervisor from Springfield district. It was unanimously approved by the Fairfax County Board of Supervisors, acting on behalf of the people of Fairfax County, the largest political subdivision in the Commonwealth of Virginia. Mrs. Jean Packard is chairman of the board.

I ask unanimous consent that a copy of the resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

RESOLUTION

Offered by Supervisor John F. Herrity,
Springfield District, February 10, 1975

Whereas Senator Harry Byrd, United States Senator of Virginia, has submitted to the Senate Judiciary Committee a resolution asking that the citizenship of General Robert E. Lee be fully restored; and

Whereas General Robert E. Lee had applied to President Andrew Johnson for amnesty and restoration of citizenship June 13, 1865 under the President's Amnesty Proclamation of May 29, 1865; and

Whereas General Lee's application for citizenship was not acted on, despite vocal support by General Ulysses S. Grant, because it did not include an oath of allegiance; and

Whereas General Lee later submitted the oath of allegiance when he learned of its requirement; and

Whereas General Lee's affidavit was apparently lost and not discovered until 1970; and

Whereas General Lee's application for citizenship and oath of allegiance have satisfied the conditions of the 1865 Amnesty Proclamation but have yet to be approved; and

Whereas General Robert E. Lee is the only one of the Confederate Soldiers not reinstated as a citizen of the United States; and

Whereas General Lee was a man of high character, noble nature, and great moral courage, who won respect and devotion from opponent and follower alike; therefore

Be it resolved that the Fairfax County Board of Supervisors wholeheartedly endorses General Robert E. Lee's application for citizenship and respectfully requests the United States Senate to look with favor on Senate Joint Resolution No. 23 so that this great American may finally receive the citizenship he so rightfully deserves.

BROADCAST JOURNALISM AWARD

Mr. JAVITS. Mr. President, I previously commended to the attention of my colleagues an ABC news investigative documentary on health care of children.

This impressive electronic journalism was one, in a series of outstanding public-interest programs, in the "ABC News Close Up" series.

I recently learned that Dr. William J. McGill, president of Columbia University, chose Av Westin, ABC News vice president and director of television documentaries, to receive the prestigious Alfred I. duPont-Columbia University Award for the "ABC News Close Up" series.

I ask unanimouus consent that the full text of the American Broadcasting Co. release, with respect to the announcement of the award, given in recognition of the distinguished and educational contribution of this new series, be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

AV WESTIN AND ABC NEWS CHOSEN AS RECIPIENTS OF THE ALFRED I. DUPONT-COLUMBIA UNIVERSITY AWARD IN BROADCAST JOURNALISM FOR THE "ABC NEWS CLOSE-UP" SERIES

Av Westin, ABC News Vice President and Director of Television Documentaries, and ABC News have been chosen as recipients of the prestigious Alfred I. duPont-Columbia University Award in Broadcast Journalism for the "ABC News Close-Up" series it was announced Sunday, Feb. 2, by Dr. William J. McGill, President of Columbia University.

The "Close-Up" series was described by the award's jurors as "the most consistently gripping and outspoken series of TV reports since 'See It Now.' Put together by a stable of top TV talents, 'Close-Up' had a unique willingness to dig out evil, show it unvarnished on the screen and then give it a name and address."

Mr. Westin and ABC News will receive the award for "the best in broadcast journalism for the year 1973–74," at the sixth annual presentation at the Graduate School of Journalism on Columbia University's Morningside Heights campus on March 21.

Also receiving an award will be WPVI-TV, the ABC Television Network affiliate in Philadelphia, for its investigative report, "Public Bridges and Private Riches." Receiving a citation at the awards presentation will be KAUM, the ABC Owned FM Radio Station in Houston, for its report, "Mass Murders."

The award winners were selected by a seven-member jury working in conjunction with the Alfred I. duPont-Columbia University Survey of Broadcast Journalism, an independent study of news and public affairs broadcasting across the country.

The judging was the most extensive in the history of the awards and involved nationwide screening by duPont correspondents and monitors in over 300 communities and final evaluation of the 650 individual examples of broadcast journalism suggested for consideration by the jurors.

The jurors said of their task, "The lengthening lists of awards and citations that this jury is commending say much about the quality of broadcast journalism. When networks and stations set their minds to news coverage and documentary and are willing to expend talent and money, they frequently achieve distinguished results. The jury finds its task of screening prize-winners increasingly rewarding and difficult with every passing year."

The jury said of WPVI–TV's production, " 'Public Bridges and Private Riches' is a distinguished piece of local investigative reporting. Taking a Delaware Valley scandal, WPVI's reporters ranged wide and then, in a carefully built 30-minute program, circled in ever-tightening spirals and finally swooped down on the venal public servants who were benefiting themselves and their relatives at the public's expense."

TAX EXPENDITURES: A LITTLE NOTICED $91 BILLION TAX LOSS

Mr. HUMPHREY. Mr. President, in the 1976 budget, for the first time ever, the Office of Management and Budget provided a special analysis estimating the cost of tax expenditures to the Federal Treasury and the American taxpayer. This summary shows that the Treasury will lose $91 billion this fiscal year through special provisions of the U.S. Tax Code.

In the past these figures have only been available at irregular intervals, and I wish to compliment OMB for providing them voluntarily in the 1976 budget. This is important data and I hope that this practice will be continued in all future budgets.

Because it is buried in a little noticed section of the budget, I wish to direct my colleagues attention to a summary of this huge tax expenditure, and I would like to provide for the RECORD an analysis of the tax expenditure budget, which was prepared by Tax Analysts and Advocates.

Mr. President, I ask unanimous consent that these items—"Tax Expenditure Tables by Function," and "Special Report—Tax Expenditure Budget: Pluses and Minuses"—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TAX EXPENDITURE TABLES BY FUNCTION

[In millions of dollars]

Description	Corporations			Individuals		
	1974	1975	1976	1974	1975	1976
National defense:						
Exclusion of benefits and allowances to Armed Forces personnel				650	650	650
Exclusion of military disability pensions				65	75	85
International affairs:						
Exclusion of gross-up on dividends of LDC corporations	55	55	55			
Exclusion of certain income earned abroad by U.S. citizens				90	95	100
Deferral of income of domestic international sales corporations (DISC)	870	1,070	1,320			
Special rate for Western Hemisphere trade corporations	50	50	50			
Agriculture:						
Expensing of certain capital outlays	170	145	155	580	480	495
Capital gain treatment of certain income	30	20	25	520	280	340
Natural resources, environment and energy:						
Expensing of exploration and development costs	750	950	1,235	80	100	130
Excess of percentage over cost depletion	1,815	2,200	2,610	305	370	445
Capital gain treatment of royalties on coal and iron ore	5	5	5			
Timber: capital gain treatment of certain income	130	145	155	55	60	60
Pollution control: 5-year amortization	35	30	20			
Commerce and transportation:						
$25,000 corporate surtax exemption	3,270	3,590	3,570			
Deferral of tax on shipping companies	35	35	40			
Railroad rolling stock: 5-year amortization	70	60	55			
Bad debt reserve of financial institutions in excess of actual	1,000	1,030	980			
Deductibility of nonbusiness State gasoline taxes				865	850	850
Community and regional development:						
Housing rehabilitation: 5-year amortization	35	45	35	50	70	60
Education, manpower and social services:						
Child care facilities: 5-year amortization	5	5	5			
Exclusion of scholarships and fellowships				195	210	190
Parental personal exemptions for student age 19 and over				655	670	690
Deductibility of contributions to educational institutions	155	160	155	355	405	435
Deductibility of child and dependent care expenses				230	240	250
Credit for employing public assistance recipients under work incentive program	5	5	5			
Health:						
Exclusion of employer contributions to medical insurance premiums and medical care				2,940	3,340	3,745
Deductibility of medical expenses				2,125	2,375	2,630

Footnotes at end of table.

TAX EXPENDITURE TABLES BY FUNCTION—Continued

[In millions of dollars]

Description	Corporations			Individuals		
	1974	1975	1976	1974	1975	1976
Income security:						
Exclusion of social security benefits:						
Disability insurance benefits				235	260	280
OASI benefits for aged				2,530	2,655	2,940
Benefits for dependents and survivors				410	435	480
Exclusion of railroad retirement system benefits				160	170	180
Exclusion of sick pay				255	275	295
Exclusion of unemployment insurance benefits				1,050	2,370	3,830
Exclusion of workmen's compensation benefits				520	570	620
Exclusion of public assistance benefits				75	85	90
Net exclusion of pension contributions and earnings:						
Employer plans				4,790	5,200	5,740
Plans for self-employed and others				230	410	710
Exclusion of other employee benefits:						
Premiums on group term life insurance				680	740	805
Premiums on accident and accidental death insurance				40	45	50
Privately financed supplementary unemployment benefits				5	5	5
Meals and lodging				175	180	190
Exclusion on capital gain on house sales if over 65				10	10	10
Excess of percentage standard deduction over minimum standard deduction				1,260	1,370	1,420
Additional exemption for the blind				15	15	15
Additional exemption for over 65				1,150	1,200	1,250
Retirement income credit				100	75	70
Veterans benefits and services:						
Exclusion of veterans disability compensation				485	525	550
Exclusion of veterans pensions				25	30	35
Exclusion of GI Bill benefits				290	255	250
General government: Credits and deductions for political contributions				10	25	50
Revenue sharing and general purpose fiscal assistance:						
Exclusion of interest on State and local debt	2,805	3,155	3,505	1,060	1,160	1,260
Exclusion of income earned in U.S. possessions	350	350	350	5	5	5
Deductibility of nonbusiness State and local taxes (other than on owner-occupied homes and gasoline)				6,955	8,820	9,950
Business investment:						
Depreciation on rental housing in excess of straight line	105	115	120	375	405	420
Depreciation on buildings (other than rental housing) in excess of straight line	285	280	275	220	220	215
Expensing of research and development expenditures	605	630	660			
Capital gain: corporate (other than farming and timber)	745	595	755			
Investment credit	3,690	4,160	4,420	880	905	950
Personal investment:						
Dividend exclusion				320	340	360
Capital gain: individual (other than farming and timber)				6,150	3,280	4,165
Exclusion of interest on life insurance savings				1,420	1,620	1,820
Deferral of capital gain on home sales				255	285	315
Deductibility of mortgage interest on owner-occupied homes				4,870	5,590	6,509
Deductibility of property taxes on owner-occupied homes				4,060	4,660	5,270
Deductibility of casualty losses				255	275	300
Other tax expenditures:						
Exemption of credit unions	105	115	125			
Deductibility of charitable contributions (other than education)	290	295	285	3,820	4,485	4,840
Deductibility of interest on consumer credit				2,435	2,885	3,460

Note: All estimates are based on the tax code as of Jan. 1, 1975.

Source: Office of Management and Budget; Treasury Department.

TAX EXPENDITURE BUDGET: PLUSES AND MINUSES

Last week, for the first time ever, the official federal budget was accompanied by an estimate of the cost to the Treasury of tax expenditures: a whopping $91 billion for fiscal 1975, more than one-fourth the size of the $349.4 billion in direct outlays projected in the budget document. (See pages 4 and 5 for tables listing the tax expenditures.)

The estimated cost of these tax revenues foregone because of departures from generally accepted tax policy will be $81 billion for fiscal 1975, about equal to the $78.3 billion estimated a year ago for fiscal 1975 by Tax Analysts and Advocates. (See Tax Notes, January 21, 1974, page 4.) The current figures were prepared by the Treasury Department and published by the Office of Management and Budget in Special Analyses, a supplemental document to the budget.

While the Executive Branch has resisted the idea of regular publication of tax expenditures ever since a total was first put together in 1968, this release by OMB was voluntary. The new budget law, passed last year by Congress, requires regular publication of tax expenditure figures by the administration beginning with the fiscal 1977 budget.

NO OMB ANALYSIS

"Tax expenditures are one means by which public policy objectives are pursued by the federal government," OMB wrote in Special Analysis F to the budget. "In most cases, they can be viewed as alternatives to budget outlays, credit assistance or other instruments of public policy."

In spite of the implication that tax expenditures rank as an equal alternative to direct spending, OMB gives no indication it has made any analysis—nor intends to—of the effectiveness of the tax expenditure programs. If some program included in the main budget increased by $10 billion from one fiscal year to the next, OMB could surely be counted on to comment on the reasons.

The first tax expenditure figures issued under the aegis of the federal government were prepared in 1968 at the direction of Stanley S. Surrey, who served the Kennedy and Johnson Administrations as Assistant Secretary of the Treasury for Tax Policy; the figures were included in the fiscal 1968 annual report of the Secretary of the Treasury.

(They were made public on the last day in office of the Johnson Administration in January 1969. But the tax news that day was dominated by the statement to the Joint Economic Committee by Treasury Secretary Joseph W. Barr that more than 200 high-income taxpayers, including several millionaires, paid no federal income taxes.)

Treasury published no further tax expenditure figures until threatened with a Senate amendment to the Revenue Act of 1971 requiring such disclosure. The amendment, sponsored by Sen. Jacob Javits, R-N.Y., was dropped in the House-Senate conference committee when Treasury officials agreed to make such reports regularly but asked that they not be a statutory requirement. Tax expenditure figures were prepared by Treasury in 1972 and 1973 but no government figures were released between June 1973 and now.

WHAT IS A TAX EXPENDITURE?

The term "tax expenditure" is capable of systematic definition, using a standard economic concept of income. A rigorous definition, however, proves impractical for political discussion. A systematic definition would include among tax subsidies such things as the tax-free status of imputed net rent of personality (cars, clothing, etc.), gifts and bequests, and charities' receipt of gifts.

A more useful definition is one which draws upon common experience. Under such a definition, a "tax subsidy" is a deliberate governmental departure from generally accepted tax accounting principles defining net income. Such a "departure" results in collecting less tax.

Most of the deviations, which admittedly require the exercise of judgment and are open to criticism, are due to difficulty of measurement, negligible dollar amounts, acceptance of the separate-entity theory of corporations, and problems of tax administration. Fundamental aspects of progressivity such as rate differentials, personal exemptions, and the low income allowance are not considered tax expenditures. Nor are the foreign tax credit, the effect of income splitting and head-of-household treatment, or the standard deduction. There is broad agreement as to what a "tax expenditure budget" should contain. The OMB listing generally follows this consensus with noteworthy exceptions.

As the OMB report states, tax expenditures are in many cases substantially equivalent to direct outlays of similar amounts of money to accomplish the same goals. Looked at this way, the fiscal 1976 tax expenditure budget is another $91 billion of federal spending—representing a federal effort 25% again as large as the conventional budget.

Pulling all the tax expenditures (or "tax subsidy") figures together enables citizens to examine the total effort of the federal government in a given field. Good illustrations of the usefulness of this more comprehensive picture are contained in the fiscal 1975 budget (see the index to that document for references).

OMB'S APPROACH TO THE TAX EXPENDITURE BUDGET

OMB has made a contribution to analysis of the problem by departing from previous formats for the tax expenditure figures. The new format allows for two new categories which are not elsewhere used in the budget documents, "personal investment", and "business investment", reflecting the tax system's stimuli to essentially private activity, e.g., buying and selling stock in a personal portfolio.

The OMB has muddied the waters, however, by abolishing the housing category, which would have totalled $13.7 billion for fiscal 1976. OMB may be sensitive to the criticism that it spends much more time scrutinizing the effectiveness of the considerably smaller loan and direct spending programs for housing, but none at analyzing the effectiveness of the massive tax expenditure program for the housing category. One response is to abolish the housing category and disperse the tax expenditure elsewhere, but this does not help analysis.

Departing from past Treasury practice, OMB declined to offer totals of categories or of the entire budget. OMB offered two reasons why this should not be done: (1) some arithmetic totals would be too low, because repealing two or more tax subsidies would put taxpayers in increasingly higher brackets, whereas the estimates are based on average brackets; and (2) other arithmetic totals would be too high, because repealing two or more tax expenditures in the case of a moderate income family would bring them down to the standard deduction but not below, limting the revenue gain for such repeal, whereas many of the estimates ignore this possible limit.

This OMB position can be criticized as follows. First, since corporations generally have neither a progressive marginal rate structure nor a standard deduction, corporate tax expenditure figures may be freely added. Second, the "too high" problem in the case of individuals only arises when one is aggregating many tax expenditures which are predominantly used by middle-income families, such as state income and property tax deductions. If one were aggregating more controversial preferences, such as those for capital gains and municipal bond interest, the totals would be conservative. Third, the "too high" and "too low" problems may be small or may cancel each other out, but OMB sheds little light on this. Last, totals are meaningful as a way of indicating relative magnitude; and as long as participants in policy debates agree on estimating rules, neither side should worry about dependent variables or hesitate to use the totals. Errors in totals only become important when one is estimating revenue and macroeconomic effects of major tax legislation, and when Ways and Means marks up such legislation it will assuredly have access to better totals.

OMB has abandoned another important feature of Treasury's presentation of the tax expenditure budget—tables showing the income class incidence of tax expenditures. Treasury's 1973 report showed, for example, that 51% of the $7 billion capital gains tax subsidy went to families with adjusted gross income of more than $10,000 while 84% of the $.7 billion tax benefit for the military went to families with incomes of under $15,000. These tables are crucial if any effort is to be made to determine whether the benefits from the expenditures actually reach the persons whose behavior is sought to be influenced or who are sought to be helped.

ADR LEFT OUT

OMB has left out at least two major tax subsidies which appeared in Treasury's previous publications and has left out one important expenditure which was included in TA/A's tax expenditure budget for FY 1975. Left out are (1) the tax deferral for the unrepatriated profits of foreign subsidiary corporations, (estimated by TA/A at $375 million for FY 1975), and (2) the asset depreciation range (ADR), (estimated at $1.5 billion by TA/A for FY 1975). OMB cites theoretical grounds for the first deletion and supports the omission of ADR by suggesting that previous depreciation rules amounted to a tax penalty. The force of this suggestion is diminished when it is recalled that previous guidelines were shorter than industry averages and still allowed for acceleration. The item left out, which TA/A did list, is the nontaxation of capital gains at death, which was estimated to cost $5.4 billion in FY 1975. OMB explains that taxing such gains would be overly difficult to administer and that, therefore, such gains should not be part of the tax base. OMB also has left out the revenue loss from the exclusion of U.S. possessions income, which cost $90 million in FY 1975 (according to the TA/A analysis).

Also left out is the proposed tax credit for mortgage investment that the Ford Administration has included in its Financial Institutions Act. The credit, equal to 3% of interest income from mortgages, would be available to any investor in mortgages, including individuals. It is designed to replace the bad debt reserve, which will cost an estimated $1 billion in fiscal 1976, fifth largest tax subsidy on the corporate list.

EXPLANATIONS NEEDED

In certain cases, the fiscal 1975 numbers are dramatically higher than TA/A or Treasury computations for recent past years. This may mean that Treasury, which did the new estimates for OMB, now have access to better tax return data, or has improved its computing or estimating capability in other ways. Treasury should be asked to explain how it reached some of the new figures. Examples are:

[Millions of dollars]

Item	TA/A fiscal year 1975	Treasury-OMB	
		Fiscal year 1975	Fiscal year 1976
DISC	$240	$1, 070	$1, 320
Excess bad debt reserve deductions by financial institutions	360	1, 030	980
Tax exempt State and local bonds	3, 700	4, 315	4, 765
Deduction of half of long-term capital gains	6, 500	3, 280	4, 165
Lower rate for corporations' capital gains	390	595	755

REVIEW AND ANALYSIS OF TAX EXPENDITURES

The direct outlay budget and off-budget loan programs undergo extensive review. The federal agencies and OMB have hundreds of cost-effectiveness studies under way at any given moment. The budget requests are reviewed by the approximately two dozen congressional authorizing committees and a like number of Appropriations Committee subcommittees.

This is not true with tax expenditures. Neither the many executive agencies, nor OMB, nor the non-tax congressional committees have a formal role in the analyzing tax spending. When the tax expenditure budget gets to Ways and Means, there is no application of subject matter expertise to the problems such a budget raises. While the technical advice available to the Ways and Means Committee is quite good, the staff of the Joint Committee on Internal Revenue Taxation usually gets spread rather thin and must give primary attention to the technical aspects of tax legislation.

It is possible to praise too generously the annual review which the agencies, OMB, the authorizing committees, and the appropriations subcommittees give to the regular budget. Nevertheless, a number of independent viewpoints have at least an annual crack at the outlay programs. In the tax subsidy area, however, there is no governmental program to study the effectiveness of these programs. Given that OMB has responsibility for studying the effectiveness of all federal programs, it is ironic that it has presented a $91-billion tax expenditure budget for FY 1976 without mentioning that there is no cost-efficiency analysis of tax expenditures anywhere in the federal establishment.

RESTRUCTURING OUR RAILROADS

Mr. CASE. Mr. President, I have just learned that, beginning on March 17, the Rail Services Planning Office of the Interstate Commerce Commission will hold hearings in 23 cities throughout the Midwest and Northeast United States on a preliminary plan for restructuring seven bankrupt railroads, including the Penn Central.

Under the Regional Rail Reorganization Act of 1973, as amended, the U.S. Railway Association is required to publish the preliminary system plan on February 26. Then the RSPO is to hold hearings throughout the region to receive the views of the public. After the hearings are completed, the RSPO will analyze the plan and transmit a report of its findings to the USRA by April 28.

Following receipt of the RSPO report, and after taking into account the views of the public, the USRA is required to publish a final system plan and transmit it to the Congress by July 26 of this year.

I have been advised by the ICC's Rail Services Planning Office that Senators who wish to testify at the upcoming hearings should have their staffs make arrangements either with Larry Lesser or Jean Lesure of the RSPO on (202) 254-3287 by March 1.

For the benefit of my colleagues, I ask unanimous consent to have printed in the RECORD a brief RSPO explanation of the Regional Rail Reorganization Act of 1973 and its implementation to date, as well as a February 18 ICC news release and notice which lists the hearing sites, dates, and procedures.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., February 18, 1975.

RAIL SERVICES PLANNING OFFICE ANNOUNCES PUBLIC HEARINGS ON USRA PRELIMINARY SYSTEM PLAN

The Rail Services Planning Office (RSPO) of the Interstate Commerce Commission will hold public hearings on the U.S. Railway Association's recommendations regarding the restructuring and discontinuance of certain service of bankrupt railroads in the Northeast and Midwest.

The Association is scheduled to issue a preliminary system plan February 26 with recommendations for restructuring the bankrupt railroads and the discontinuance of service for certain rail lines operating with light density traffic. The bankrupt railroads affected are the Ann Arbor, Central of New Jersey, Lehigh Valley, Lehigh and Hudson River, Penn Central, Reading and possibly the Erie Lackawanna.

Hearings are to be conducted in 23 locations and commence March 17. These hearings are being held to provide local communities, consumer groups, labor, rail freight users and other interested parties an opportunity to present their views on the preliminary system plan.

Planning Office Director, George M. Chandler said, "We will be reviewing the Association's recommendations to assess whether the preliminary system plan meets both the letter and spirit of the Regional Rail Reorganization Act of 1973. Testimony from the public will have a major impact on the Office's report to the Association and Congress."

He added, "My staff has already provided assistance to thousands of persons who are seeking to protect their businesses, their jobs and their communities while the reorganization takes place. We welcome and encourage participation and stand ready to help in any way we can."

The dates, locations and rules for the hearings are contained in the attached Notice of Public Hearing, Ex Parte No. 293 (Sub. No. 5). The notice also outlines the assistance available to the public.

Advance copies of USRA's preliminary system plan will be available for review in all ICC Field Offices within the region during the first week of March.

For further information contact: Government and Industry Liaison Section (202) 254-3294 and 254-3287.

Interstate Commerce Commission: Notice of Public Hearing—Ex Parte No. 293 (Sub No. 5)

REVIEW OF THE UNITED STATES RAILWAY ASSOCIATION'S PRELIMINARY SYSTEM PLAN RAIL SERVICES PLANNING OFFICE HEARINGS

Present: George M. Chandler, Director, Rail Services Planning Office, to whom the above-captioned proceeding has been referred pursuant to Section 207(a)(2) of the Regional Rail Reorganization Act of 1973.

Pursuant to Section 207(a)(2) of the Regional Rail Reorganization Act of 1973, notice is hereby given that the Rail Services Planning Office will conduct hearings on the Preliminary System Plan of the United States Railway Association:

It is therefore ordered that:

(1) The following dates and hearing sites are established together with the local coordinator who will receive requested appearance times at the respective hearings:

Monday, March 17–Friday, March 21, 1975

Albany, New York—Hearing Room A, at the New Legislative Office Building, South Swan and State Streets, Albany, New York. Contact: Marjorie Maxwell, c/o ICC Office, 518 New Federal Building, Maiden Lane and Broadway, Albany, New York 12207 Phone: 518-472-2273.

Buffalo, New York—John Lord O'Brian Hall, University of Buffalo, Amherst Campus, Amherst, New York. Contact: Anne Siler, c/o ICC Office, 612 Federal Building, 111 West Huron Street, Buffalo, New York 14203, Phone: 716-842-2008.

Hartford, Connecticut—Rooms 148 and 149, State Department of Transportation Building, 24 Wolcott Hill Road, Wethersfield, Connecticut. Contact: Diane Sevey, c/o ICC Office, 324 U.S. Post Office, 135 High Street, Hartford, Connecticut 06101, Phone: 203-244-2560.

Trenton, New Jersey—Labor and Industry Building, Room 1203 John Fitch Plaza, Trenton, New Jersey 08625. Contact: Elizabeth Guttenberger, c/o ICC Office, 204 Carroll Building, 428 East State Street, Trenton, New Jersey 08608. Phone: 609-599-3511.

Harrisburg, Pennsylvania—Holiday Inn Town, 2nd and Chestnut Streets, Harrisburg, Pennsylvania. Contact: Sandra R. Diehl, c/o ICC Office, 278 Federal Building, 228 Walnut Street, Harrisburg, Pennsylvania 17108. Phone: 717-782-4437.

Pittsburgh, Pennsylvania—Courtroom #2, 8th Floor, U.S. Post Office and Courthouse Building, 7th and Grant Streets, Pittsburgh, Pennsylvania. Contact: Henrietta S. Vlasic, c/o ICC Office, 2111 Federal Building, 1000 Liberty Avenue, Pittsburgh, Pennsylvania 15222. Phone: 412-644-2929.

Columbus, Ohio—Ohio Departments Building, 65 South Front Street, Columbus, Ohio. Contact: Mary A. White, c/o ICC Office, 220 Federal Building and U.S. Courthouse, 85 Marconi Boulevard, Columbus, Ohio 43215. Phone: 614-469-5620.

Lansing, Michigan—City Council Chambers, Lansing City Hall, Capitol and Michigan Streets, Lansing, Michigan. Contact: Mary Brown, c/o ICC Office, 225 Federal Building, 325 West Allegan Street, Lansing, Michigan 48933. Phone: 517-372-1910.

Indianapolis, Indiana—Indiana Convention and Exposition Center, 100 South Capitol Avenue, Indianapolis, Indiana. Contact: Frances Sterling, c/o ICC Office, Century Building, 8th Floor, 36 South Pennsylvania Street, Indianapolis, Indiana 46204. Phone: 317-269-7701.

Springfield, Illinois—Hotel St. Nicholas, 4th and Jefferson Streets, Springfield, Illinois. Contact: Janice Livingston, c/o ICC Office, 414 Leland Office Building, 527 East Capitol Avenue, Springfield, Illinois 62701. Phone: 217-525-4075.

Tuesday, March 18–Friday, March 21, 1975

Boston, Massachusetts—Minnehan Auditorium, Massachusetts Division of Employment Security and Government Center, Causeway Street, Boston, Massachusetts. Contact: Elaine Spencer, c/o ICC Office, 150 Causeway Street, Room 501, Boston, Massachusetts 02114. Phone: 617-223-2372.

Monday, March 17—Wednesday, March 19, 1975

Montpelier, Vermont—Auditorium, Pavilion Office Building, Montpelier, Vermont, Contact: Carol Perry, c/o ICC Office, 87 State Street, Room 303, Montpelier, Vermont 05602 Phone: 802-223-8435.

Providence, Rhode Island—Hearing Room, 2nd Floor, Division of Public Utilities and Carriers, 169 Weybosset Street, Providence, Rhode Island. Contact: Josephine M. Long, c/o ICC Office, 187 Westminster Street, Room 402, Providence, Rhode Island 02903 Phone: 401-528-4306.

Salisbury, Maryland—Auditorium, Delmarva Power and Light Company, Route 13 and Naylor Mill Road, Salisbury, Maryland. Contact: Essie Cooper, Rail Services Planning Office, ICC 12th and Constitution Avenue, N.W., Washington, D.C. 20423 Phone: 202-254-3294.

Washington, D.C.—Hearing Room A, Interstate Commerce Commission, 12th and Constitution Avenue, N.W. Washington, D.C. 20423. Contact: Essie Cooper, Rail Services Planning Office, ICC, 12th and Constitution Avenue, N.W., Washington, D.C. 20423 Phone: 202-254-3294.

Charleston, West Virginia—Rooms A and B, 2nd Floor, State Office Building, 1900 Washington Street E., Charleston, West Virginia. Contact: Margaret C. Thompson, c/o ICC Office, 3108 Federal Building, 500 Quarrier Street, Charleston, West Virginia 25301 Phone: 304-343-6181 Ext. 354 or 355.

Chicago, Illinois—Everett McKinley Dirksen Building, Courtroom 2503, 219 South Dearborn Street, Chicago, Illinois. Contact: Nancy Clawson, c/o ICC Office, Everett McKinley Dirksen Building, Room 1086, 219 South Dearborn Street, Chicago, Illinois 60604 Phone: 312-353-7275.

Friday, March 21, 1975

Green Bay, Wisconsin—Room 201, City Hall, 100 North Jefferson Street, Green Bay, Wisconsin. Contact: Gail Dougherty, c/o ICC Office, 135 West Wells Street, Room 807, Milwaukee, Wisconsin 53203 Phone: 414-224-3183.

Monday, March 24—Wednesday, March 26, 1975

Syracuse, New York—Onondaga County War Memorial Auditorium, 515 Montgomery Street, Syracuse, New York. Contact: Eleanor Ivanoff, c/o ICC Office, O'Donnell Building, Room 104, 301 Erie Boulevard W., Syracuse, New York. Phone: 315—473-3440.

Scranton, Pennsylvania—U.S. Naval Reserve Center (Wilkes-Barre/Scranton Airport) Spruce Street, Avoca, Pennsylvania. Contact: Mildred A. McDonough, c/o ICC Office, 309 U.S. Post Office, North Washington Avenue and Linden Street, Scranton, Pennsylvania 18503. Phone 717—344-7111. Ext. 324.

Akron, Ohio—Akron Public Library, 55 South Main Street, Akron, Ohio. Contact: Carolyn E. Halloran, c/o ICC Office, 181 Federal Building, 1240 East 9th Street, Cleveland, Ohio 44199. Phone: 216—522-4000.

Erie, Pennsylvania—Federal Building and Courthouse, Courtroom A, 2nd Floor, 6th and State Street, Erie, Pennsylvania. Contact: Henrietta S. Vlasic, c/o ICC Office, 2111 Federal Building, 1000 Liberty Avenue, Pittsburgh, Pennsylvania 15222. Phone: 412—644-2929.

Fort Wayne, Indiana—Room 265, Federal Building, 1300 S. Harrison Street, Fort Wayne, Indiana. Contact: Cassandra Forbes, c/o ICC Office, 345 West Wayne Street, Room 204, Fort Wayne, Indiana 46802. Phone: 219—422-6131.

(2) Pursuant to Section 205 (d)(2) of the Regional Rail Reorganization Act of 1973, attorneys have been retained by the Office to provide free legal assistance to communities, users of rail service and other interested parties in the preparation of their testimony on the Preliminary System Plan. The assistance of these attorneys may be obtained pursuant to the hearing rules set forth below.

(3) The following uniform rules, procedures, and practices for the hearings are established:

(a) Pursuant to Section 207(a)(2) of the Regional Rail Reorganization Act of 1973 only testimony relevant to the United States Railway Association's Preliminary System Plan will be received.

(b) Oral testimony will be limited to fifteen minutes.

(c) Persons who wish to testify at the hearings should call or write the local contact coordinator who is identified in Part (1) of this notice.

(d) Prospective witnesses will be asked to provide: their name, address, telephone number, business association, if any, the general areas of the Preliminary System Plan to which their testimony will pertain, and the date and time when they wish to appear. This information will be relayed to an outreach attorney from the Office of Public Counsel. If prospective witnesses need the assistance of an outreach attorney, they should so inform the contact coordinator.

(e) The outreach attorney assigned to the hearing city will schedule all witnesses and either the attorney or the local contact coordinator will notify prospective witnesses of confirmed hearing appearance times. The outreach attorney will attempt to accommodate prospective witnesses who appear at the hearing without a prescheduled appearance time.

(f) In order to facilitate the creation of a comprehensive and well-organized record, the outreach attorneys will attempt to schedule prospective witnesses according to the general area of interest which their testimony will address.

(g) All written material for the record should be submitted on 8½ x 11 paper in six copies at the hearing or sent directly to the Rail Services Planning Office, 1900 L Street, N.W., Washington, D.C. 20036. Statements sent to the Office should arrive no later than March 28, 1975, and should indicate the hearing site most convenient to the witness' home or place of business. Since the Office has a very short time for review of the testimony, statements received after March 28, 1975, will be made a part of the record but may not be reviewed by the Office.

(h) Witnesses with common interests are urged to make joint submissions. In order to prevent unnecessary duplication in the record, written statements which essentially correspond to oral presentations will not be received by the outreach attorneys at the hearing.

(i) The proceeding is legislative, not judicial in nature. It is designed to elicit public views on the Association's Preliminary System Plan. Witnesses will not be required to testify under oath nor will there be any cross examination or rebuttal testimony. Only questions from the presiding officer and the representative of the Office of Public Counsel will be permitted.

(j) In order to insure that the public is fully informed of the contents of the Preliminary System Plan and its possible impacts upon communities and rail users, the usual Interstate Commerce Commission limitations on radio and television coverage during the hearing will be relaxed. The presiding officer will permit live news coverage in the hearing room, provided that the conduct of the media representatives and the presence of radio and television equipment do not disturb the orderly conduct of the proceeding. Where court room facilities are used, however, the rules of the court regarding media participation will apply. The customary rules of the Commission prohibiting smoking and talking during the hearing will apply.

(k) Hearings will commence and end on the days specified in Part (1) of this notice.

(l) Hearings will convene promptly at 9:30 a.m. and adjourn at 5:30 p.m. An evening session will be scheduled on the first day if appearance times are requested. The evening session will commence at 7:30 p.m. and adjourn at 10 p.m. Additional evening sessions may be scheduled at the discretion of the outreach attorney and the hearing officer.

ROBERT L. OSWALD,
Secretary.

U.S. SENATE,
Washington, D.C., February 18, 1975.

MEMORANDUM

To: Honorable Clifford P. Case

From: W. D. Rossiter, Professional Staff, Minority

Enclosed you will find a copy of the ICC Press Release of February 18, 1975, announcing dates for public hearings on the U.S. Railway Association's preliminary system plan regarding the restructuring and/or discontinuance of certain service of bankrupt railroads in the Northeast and Midwest.

Particular hearings of interest to you, if any, are circled.

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., February 18, 1975.

Honorable CLIFFORD P. CASE,
Washington, D.C.

DEAR SENATOR CASE: The Rail Services Planning Office will conduct public hearings on the United States Railway Association's preliminary system plan, the week of March 17, 1975. The Regional Rail Reorganization Act of 1973 mandated a limited time for this Office to gather and analyze testimony for its evaluation of the preliminary system plan, thereby precluding extensive hearing schedules.

The enclosed news release will advise you of the hearing locations. In addition to news coverage generated by this release, you may also wish to encourage other interested parties to testify at the hearings.

I would like personally to invite you to testify at a hearing site convenient to you. If you wish to participate, please have someone on your staff contact Larry Lesser or Jean Losure on 202/254-3287 by March 1, so that we can make time available at a time convenient to you.

Sincerely,

GEORGE M. CHANDLER,
Director.

LITHUANIAN INDEPENDENCE DAY

Mr. RIBICOFF. Mr. President, February 16 marked the 57th anniversary of Lithuanian Independence Day. This day holds a special place in the hearts of all people who cherish human freedom because it reminds us of the struggle for freedom that has dominated Lithuanian history in our lifetimes.

To its credit the U.S. Government has maintained a policy of nonrecognition of the forcible incorporation of Lithuania into the Soviet Union. This policy demonstrates our strong support for the Lithuanian people's just aspirations for freedom and independence. For despite having their sovereignty denied them, the Lithuanian people remain courageous and remind the world that they still long for the liberty that all people deserve.

It has taken gallant individuals like Alexander Solzhenitsyn to call our attention to the repressive nature of the Soviet society under which the Lithuanians are made to live. The Senate has responded to these dismaying accounts with legislation aimed at granting new freedoms to persons subjected to these conditions. It is my hope that the Senate will continue to support such measures which express the overwhelming sentiment of the American people toward those individuals oppressed in this way. It is through such actions that the finest tradition of American humanitarian concern and love for individual freedom can be conveyed.

Perhaps as we approach our Bicentennial and recall the experience of gaining our own freedom and independence, we can sympathize with the plight of these people. They are a people deprived of the right of self-government in a free and open society—the very cornerstone upon which our own Nation was founded.

The Lithuanian people enjoyed an all-too-brief period of national self-determination as the Republic of Lithuania. This was cut short by the Soviet aggression. Let us hope that as we celebrate the 200th anniversary of our independence, the Lithuanians can gain their freedom again and continue to celebrate it without interruption.

SURFACE MINING CONTROL AND RECLAMATION ACT

Mr. FANNIN. Mr. President, on February 20, 1975, Secretary Morton, through Assistant Secretary Carlson, placed in the hearing record the economic analysis of the impact of S. 7, the Surface Mining Control and Reclamation Act of 1975. I want to share the administration's assessment with my colleagues and therefore ask unanimous consent to print in the RECORD that analysis.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

POTENTIAL ECONOMIC IMPACTS AS A RESULT OF S. 7, H.R. 25, AND H.R. 3119

[In millions of tons]

Potential reductions in output	H.R. 25 (congressional)	H.R. 3119 (administration)
During the transition period	15-50	15-50
Longrun	48-141	33-80

POTENTIAL OIL IMPORTS

If 141 million tons of coal had to be replaced by imported oil, an additional 608 million barrels of oil per year or 1.7 million barrels a day would be needed. But not all coal can be replaced by oil. It is estimated that 80% would be replaced by oil and 20% by underground-mined coal. On that basis the U.S. would need to import 486 million barrels of oil per year or 1.3 million barrels a day which, at a price of $11 per barrel, would add $5.4 billion per year to U.S. foreign exchange outflow.

POTENTIAL EMPLOYMENT IMPACT

If coal output were reduced by 141 million tons of coal, the first-year direct employment impact would be 26,100 jobs lost (based on 225 work days a year and an average daily output of 24 tons per miner). For each direct job lost in mining, .8 jobs or 20,880 additional jobs would be lost indirectly, resulting in a total employment impact of 46,980 jobs. This is a first-year impact and it can be expected that a large proportion of the unemployed would ultimately find jobs in other mines or other sectors of the economy.

FIRST-YEAR GNP IMPACT

If coal output were reduced by 141 million tons of coal, at an assumed average price of $25 per ton, there would be a direct reduction of purchasing power of $2.1 billion. There would also be additional ripple and spillover effects, although in the longrun the effect would be less if resources are employed in other parts of the economy.

A reduction in output of 141 million tons is estimated to impact on small mines, 52 million tons; steep slope mining, siltation, aquifiers, 68 million tons; other losses including alluvial valley floors, 21 million tons. Total 141 million tons.

ADDITIONAL COSTS TO PRODUCERS FOR H.R. 25 AND H.R. 3119

	Average cost per ton—	
	H.R. 25 (Congressional)	H.R. 3119 (Administration)
Small surface mines: [1]		
Permit costs	$0.30	$0.20
Steep slope costs	.55	.45
Impoundment costs	.10	.03
Reclamation fund fee	.35	.10
Total	1.30	.78
All surface mines: [2]		
Permit, steep slope, and impoundment costs	.50	.33
Reclamation fund fee	.35	.10
Total	.85	.43
All surface and underground mines: [3]		
Permit, steep slope, and impoundment costs	.24	.16
Reclamation fund fee	.30	.10
Total	.54	.26

[1] Estimated annual output affected by 1976—40,000,000 tons.
[2] Estimated annual output affected by 1976—330,000,000 tons.
[3] Estimated annual output affected by 1976—684,000,000 tons.

Notes: These are intermediate cost estimates in 1975 dollars, which could vary by 20-30 percent in either direction.

Additional costs, which are not included in the above figures because they are hard to quantify, for additional capitalization requirements, alluvial valley floor protection, aquifer restoration, citizen suits, designation of lands as unsuitable for surface coal mining, exploration permit costs, moratorium on coal leasing on Federal lands, removal of siltation structures, restrictions on mining in National Forests, surface owner consent for exploration and mining, could add an additional 25-50 percent to the cost estimates for H.R. 25.

QUESTIONS AND ANSWERS ON ENERGY AND ECONOMIC ISSUES

Mr. HUMPHREY. Mr. President, today I would like to comment on the administration's economic-energy program and outline my specific economic package.

As you know, it was my privilege to appear on the NBC television news interview show, "Meet the Press," on Sunday, February 16, 1975. In preparation for that appearance, I extensively reviewed the present economic situation. This review focused specifically on both the administration's energy package and the administration's economic package.

I wish to share this review with my Senate colleagues. This review utilized a question-and-answer format and focused on eight major areas: The general economic situation, the administration's economic-energy proposals, other energy issues, my tax and housing proposals, monetary policy, the Federal budget, unemployment, and general economic statistics.

I ask unanimous consent to include the review in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENERAL ECONOMIC SITUATION

Question. What is the present unemployment and income situation?

Answer. The rate of unemployment in January was 8.2 percent. This is the highest level since the end of the Depression. In the last year of the Johnson Administration, the unemployment rate was 3.4 percent. It has never dropped back to that level in the 6 years since the Republicans took over.

The rate of unemployment has climbed faster in the last 3 months—by 2.2 percentage points—than in any other 3-month period since the Depression.

7.5 million workers were unemployed in January. This is the highest level since 1940, when 8.1 million were unemployed. In 1969, 2.8 million workers were unemployed.

If we include those who want full-time jobs but can find only part-time work and those workers who are so discouraged that they have dropped out of the labor force, the rate of unemployment in January would have been 10.9 percent.

One way of measuring the cost of high unemployment is the amount of lost production which results. In 1974, the U.S. economy lost $109 billion of potential output because the economy was below full employment. In 1975, based on Administration projections for unemployment, we will lose about $240 billion in output; in 1976, another $250 billion. In the 3-year period 1974–76, therefore, the U.S. economy will lose over $600 billion in output which would have been produced if the economy were operating at 4-percent unemployment.

Unemployment, of course, cuts income as well as production. Real Disposable Income has declined by 3.2 percent in the current recession. The decline has been almost twice as large as in any other post-war recession. Real spendable weekly earnings, the most comprehensive measure of the average worker's take-home pay, declined 5.3 percent in 1974 on top of a 3.4 percent decline in 1973. This brings the real take-home pay of the average worker back to where it was in 1965.

According to a Congressional Joint Economic Committee study, Inflation and the Consumer in 1974, it would take the family at a modest budget level (of about $13,000 per year) 14.5 percent more income in 1974 just to maintain its 1973 standard of living. The price of all major consumption items increased by more than 10 percent in 1974. But the increased taxes—both personal income and payroll—outstripped the price of all consumption items in their rate of increase.

Question. In 1937 Franklin Roosevelt stood on the steps of the Capitol and said that he saw a nation of 125 million, one-third of home were ill-housed, ill-fed and ill-nourished. What would he see today?

Answer. Today, if Gerald Ford really looked at this nation beyond Washington, he would see twenty-five million poor, seven and a half million idle and many more millions of families wondering whether they will become victims of the growing recession.

Question. Senator, you have had a chance to study the current economic situation very closely before your Committee in the last few weeks. Just how bad do you think conditions are?

Answer. By almost every economic indicator, we are on the brink of a depression in this nation. Whether we have a depression or not will depend on the ability of the President and the Congress to move together in the next 60 to 90 days to:

Substantially cut taxes;

Provide a massive job program;

Break the stranglehold which the Federal Reserve now has on this nation's economy;

And get housing construction moving again.

ADMINISTRATION PROPOSALS

Question. What's wrong with President Ford's economic and energy package? Why are the Democrats so opposed to it?

Answer. The program he has proposed is inadequate, ill-conceived, and inequitable. The proposed tax cut is too small, the proposed higher energy prices would more than offset the tax cut, and the tax cut will help the wealthy, not the low and middle income family.

The Administration's policies would greatly accelerate inflation and do nothing to reduce the deepening recession and rising unemployment.

This program is socially and politically unacceptable to the American people. 7.5 million people are now out of work and this could rise to 9 million, or 10 percent, by the end of the year. The President's plan would do nothing to reduce this tragic level and put people back to work. It's estimated that the President's energy proposal would add over 400,000 to the ranks of the unemployed. In fact, the President admits that we can expect unemployment in excess of 6 percent for the rest of the decade.

This is wrong.

The President's plan will also push prices up another 3% this year, which means more double-digit inflation.

Put simply, the President's priorities are confused. He seems more concerned with reducing oil imports than reducing unemployment.

Question. Senator, would you agree that at least the Administration now recognizes the urgency of the recessionary problem and is moving toward the right objective.

Answer. I am afraid I cannot agree. Mr. Ford's economic advisers are still more concerned about inflation than recession. This means that they are willing for this country to suffer through a recession in order to dampen inflationary pressures. This is a tragic and misguided policy. And it is the type of economic thinking which could lead us into even more economic trouble.

Just look at the primary goals of Mr. Ford's advisers:

Mr. Simon and Mr. Greenspan openly admit that their policies are designed primarily to fight long run inflation.

Dr. Kissinger, for foreign policy reasons, has strongly advocated a tax on crude oil which economists say will cause the loss of another 400,000 jobs and push prices up susbtantially.

The Federal Reserve Board has pursued a tight money policy designed to fight inflation by keeping interest rates high.

The inflation fighters are clearly in the drivers seat. They have the President's ear. They advocate anti-inflationary policies, while the recession deepens and takes its toll in jobs, income and savings.

Question. Does the President's program provide fiscal stimulus?

Answer. No. Taken as a whole—tax cut, expenditure, restraint, and energy proposals—the President's program would add no stimulus to the budget. At best it is neutral. In the opinion of most of the expert witnesses who have testified before the Joint Economic Committee, it would actually have a restrictive impact, certainly in 1976 and beyond. That is, from the point of view of combatting recession, adopting the President's proposals would do little or nothing in the battle against recession.

By itself, the tax rebate proposal would provide some temporary stimulus. Even together with the energy package it would still provide some temporary stimulus. This would be heavily concentrated in the third quarter of 1975. But temporary stimulus is not enough. There has been virtual unanimity among expert witnesses before the Joint Economic Committee that a longer term tax reduction is required if recession is to be overcome.

When the expenditure restraint proposals are added in, the small temporary stimulus from the tax rebate is nullified. The proposed ceiling on social security and other income support programs is an interference with an automatic stabilizer provided under present law. We would obtain as much immediate stimulus by doing nothing and letting the automatic stabilizers work, as we will from the President's program.

Once the impact of the temporary tax rebate runs its course, the President's program will have a restrictive impact because not all of the increased energy costs paid by consumers will be rebated. Oil companies will receive some excess profits which will not be covered by the windfall profits tax and the rebate. Coal companies will probably reap large excess profits. It is unlikely that these profits will be fully or quickly returned to the spending stream. This will have a restrictive effect just like the increase in the price of imported oil did last year.

Question. The debate over energy and economic policies between Congress and the President seems to have turned into quabbling. Can this Nation afford such confrontation politics in a period of economic crisis?

Answer. I don't believe the Nation can afford political confrontation now because we must be united in our efforts to achieve economic recovery.

It was with that in mind that I and a bipartisan coalition of 14 members of the Joint Economic Committee wrote to the President and urged him to delay the unilateral imposition of oil import fees, and instead make a tax cut the first priority.

We also urged him to set up a congressional and executive task force to develop a mutually agreeable energy policy.

This is the kind of cooperation the American people expect and deserve.

Frankly, there is no excuse for the President's rhetorical brow-beating of Congress. It is a vain attempt to force the Congress to "rubber stamp" proposals that are, as I have said, inadequate, ill-conceived, and inequitable.

Question. The President claims Congress has been dragging its feet in responding to his proposals. Is this true?

Answer. The President is wrong. Congress is not delaying.

First of all, it took the Administration six months to recognize that we were in a serious recession and that we needed a tax cut instead of a tax increase.

In Kansas City, on October 15, the President told the Nation not to buy, but to conserve, to save. One month later, he told us to spend, to get the economy moving. From October to nearly Christmas, he was campaigning for his tax increase. By the first of the year he had changed his mind and was calling for a tax cut.

It was only in mid-January that we received the outline of his latest program. In fact, the Congress has only had his full package to review for less than two weeks. The Administration's energy bill was introduced only on February 5, 1975; as yet, there is no Administration tax proposal in the form of legislation before the Congress.

And this package is so seriously deficient that Congress will not be coerced and rushed into passing it.

Hasty and unwise action is not what this Nation needs.

Finally, the Congress is moving ahead on its own economic and energy package. The Ways and Means Committee has completed action on a tax cut which Congress will enact in the next 30 days. In addition, the leadership of both Houses have nearly completed a comprehensive economic and energy package.

Question. What does Congress—or the Democrats—propose as an alternative to the President's Economic-Energy Package?

Answer. Here is what the Democrats must do: Our first priority now is economic recovery—that means jobs.

In the next 60 days, Congress must:

(1) Cut taxes by $30 billion to get enough money into the hands of consumers;

(2) Create a million additional public service jobs;

(3) Establish a new Home-loan bank so all Americans can afford to buy a home at an interest rate that does not exceed 7%

(4) Pass a strong energy conservation measure which will not throw us deeper into recession, but will curb energy waste.

(5) And, to fight inflation, Congress must give the Wage-Price Council the power to delay price increases and to roll them back if unjustified.

(6) Congress will be calling on the Federal Reserve to join the economic recovery effort by cutting interest rates and expanding credit.

(7) Finally, the Administration must release impounded funds for housing, roads, water and sewer facilities and so on to stimulate demand.

Question. What impact would your proposals have on the economy? How does this compare to the President's program?

Answer. As Chairman of the Joint Economic Committee, I have had both of these programs examined by Chase Econometrics and the Wharton Forecasting School at the University of Pennsylvania. Let me give you some of their projections:

	Chase	Wharton
Unemployment rate at the end of 1976:		
Ford program	8.4	7.5
Humphrey alternative	7.5	6.7
Inflation during 1976:		
Ford program	9.5	7.5
Humphrey alternative	6.6	6.2
Real economic growth during 1976:		
Ford program	3.5	2.7
Humphrey alternative	5.7	4.0

As you can see, this program will not cure

certainly goes much further than the Ad-
all of our problems by any means, but it
ministration's policy. Note that the Hum-

$30 billion personal tax cut:

$10 billion on 1974 liabilities—rebate.

$20 billion tax reduction for 1975.

$3 billion investment tax credit (10%).

Removal of 5% ceiling on Social Security, etc.

$8 billion public service jobs program to employ 1,000,000 people.

10% increase in the money supply (M1).

Question. Your proposal might reduce unemployment but it would increase the size of the deficit and this could in turn add to the inflation problem. Wouldn't your proposals be more inflationary than the Administration's?

Answer. Absolutely not. The President's advisers are projecting a rate of inflation of about 11 percent in 1975. A great deal of this inflation is, of course, due to the President's proposals to hike the price of energy. If we do not allow the price of energy to freely float upward, and we restore economic growth and productivity, I believe we can bring the rate of inflation down to seven percent by the end of this year. And I think we can get inflation down to five percent in 1976, if we don't make any more economic mistakes. Of course, based on the track record of the Administration, this is a colossal "IF".

Question. We are in a recession to a great extent because the automobile industry is in a recession. Yet if we get the automobile industry humming again, this could well aggravate the energy shortage. How can we deal with this long-run inconsistency in our economic system?

Answer. I think we must encourage the automobile industry to produce cars that are fuel efficient. We can do that by creating government incentives to encourage consumers to purchase cars with good fuel efficiency. We can also do it by setting performance standards requiring that Detroit produce more efficient cars by 1977. This is what I propose.

Finally, we must put additional resources into improving mass transportation for our cities and rail transportation.

Question. The Administration has been successful in freeing the market for most farm goods from production controls. Yet, we now see the Senate Agriculture Committee considering more controls. Do we need more agriculture controls which push up government spending and worsen our deficit?

Answer. No one wants to restore the huge farm subsidies and tight planting controls of the past. What we do want is a program that does the reverse of the Administration's program. Right now, farm prices are falling and food prices are going up. Neither farmer nor consumers are happy. But the only thing they see for this year is more of the same.

We are putting together a farm program to do the reverse of the Administration's plan. We want to give the farmer a better return while cutting food price inflation. And the way to do that is to return stability to farming. That will encourage the large plantings we need to stabilize food prices and still meet our export and food aid commitments to starving nations. We need a natioal food policy which relates the needs of farmers and consumers. Such a policy must deal with the issue of food reserves, a fair return for our farmers and improved ways of monitoring our exports.

Question. What do you see this year for food prices?

Answer. We have the lowest carryover stocks on hand now in many years. I would expect retail food prices to rise this year a minimum of 10 to 12 percent if we have a good growing year. If we have some trouble like in 1974, or a really bad year, we could see retail prices go up as much as 20 percent. A real break for housewives right now appears to be beef. Herds are large and quite an inventory adjustment is underway.

Energy:

Question. You are very critical of the impact the President's energy package will have on the economy. What are your specific criticisms of that package?

Answer. The Library of Congress estimates the direct costs of the President's energy-tax-decontrol program at $50.3 billion in primary fuel prices and electric rates alone. This total equals 3 percent of the estimated $1.5 trillion in GNP for 1975.

This includes nothing for mark-ups pyramided on higher fuel costs, not for price increases for petrochemical substitutes like natural fertilizers, aluminium, etc. Nor does it allow for resulting wage claims and wage-price spiral effects. For example, if the Ford plan is enacted, the airline industry will have to cut its capacity 25 percent, ground 450–500 aircrafts, and furlough 45 to 50,000 airline employees in the next 90 days. To stay even financially, they will have to increase fares by eighteen percent.

The $50 billion in increased costs estimated by the Library of Congresses study break down as follows:

Action	*1975 Cost in billions*
$2 Tariff and excise tax on crude oil	$12.6
Decontrol of old domestic oil	11.0
Excise tax on natural gas (37¢ m.c.f.)	8.3
Deregulation of new natural gas (cost rises year-by-year to estimated $17.7 billion by 1981–82)	5.4
Coal price increases	5.2
Inclusion of construction work in progress in utilities' rate bases (assuming all States adopt this change)	6.8
Inclusion of pollution control investments in utilities' rate bases (rising to cumulative at $22 billion, 1975–79)	1.0
Total	50.3

Question. What is your energy program, Senator?

Answer. Democrats reject the President's target of cutting imports a million barrels a day. This proposal would only worsen the recession and increase inflation.

There is nothing magic or sacred about the figure of one million barrels. What we need is a sensible program to achieve self-sufficiency by the end of the decade without needlessly punishing the American people.

The broad strategy of the Democratic program will include four major elements:

A comprehensive, mandatory conservation program.

The creation of an Energy Production Board to expand domestic supplies, and create emergency stockpiles.

The creation of a new energy trust fund to finance this program.

The establishment of a stand-by program of allocation and rationing to protect the U.S.

The conservation program could save 500,000 barrels a day this year and 3–4 million barrels by the end of the decade.

Some of the specifies in the Democratic Mandatory Conservation Program will be:

Mandatory mileage standards for all cars.

Immediate cash rebates for purchasing small economy cars.

A tax credit program for insulation and other home energy saving improvements.

A strictly enforced 55 mph national speed limit.

Increased funds for mass transit and rail development, and energy efficient appliances.

Question. Proposals for a gasoline tax keep recurring. Recently this idea surfaced again in modest form among proposals for a Democratic consensus on energy as a means of financing an energy conservation program. Do you think Congress will adopt such a proposal?

Answer. Congress is very very reluctant to adopt a gasoline tax. First, it is very unpopular with many people. Second, the auto industry is prostate at present and is exerting a powerful depressive pressure on our weak economy, and we are loath to do anything to hamper its recovery. I would say that a modest tax to finance an energy program might receive consideration, but no large gasoline conservation tax should be passed.

Question. How do you feel about gasoline rationing?

Answer. I think we should provide gasoline rationing authority so that the power will be available to the President in case of a sudden new embargo or other emergency shortage situation. I do not feel, however, that we should impose rationing now. It would inevitably cause more unemployment, for instance in service stations and in recreational industries such as ski lodges, summer hotels and beach communities. And we cannot afford this now.

I believe we should attack the problem of gasoline conservation through strict enforcement of the 55 mph speed limit, incentives to purchase efficient automobiles and mandatory engine performance standards. And, of course, through fostering mass transit and other such measures as will not affect people's jobs.

Question. The National Academy of Sciences last week released a study by its Resources Council which estimates the remaining US oil and gas reserves at much lower levels than heretofore set by the U.S. Geological Survey. How do you gauge the significance of this report? Do you think it means any basic change in our prospects for achieving energy independence?

Answer. If these new estimates turn out to be accurate, then it will, of course, be more difficult for the U.S. to achieve the desired degree of self-sufficiency and to sustain it. On the other hand, as former Energy Administrator John Sawhill has pointed out continuously, we will never really know what is available under the continental shelf and in other promising places like Alaska until we actually drill and explore these areas. So I think we must at least proceed with exploratory drilling to get a better idea of what we have while also preserving our environment in the process.

Question. President Ford and the oil industry have called for de-regulation of natural gas in order to stimulate production. Do you agree?

Answer. No. De-regulation would push natural gas prices up 500 to 600 percent and have little impact on production for years. The last thing we need now is more inflation. In addition, it would allow the Arab oil producers to determine our natural gas prices—something I think we all oppose.

We should, however, do two things:

1. Cut out the waste of gas by utilities and other industries that could burn coal instead. The gas now burned in a Texas utility instead of coal could be used to heat homes next year in Chicago or Minnesota.

2. Let the price of new gas rise slowly as production costs go up. This would not add to inflation but would still stimulate production by enabling producers to continue exploration.

THE BUDGET

Question. Don't we already have huge deficits because of excessive governmental spending? Won't these large deficits provide enough stimulus to the economy?

Answer. The current deficits are caused by the recession and not excessive Federal spending. The President's fiscal 1976 budget deficit of $52 billion illustrates this dramatically.

If we maintained the level of unemployment we had in 1974—about 5½ percent—the Federal Government would collect about $40 billion more in tax revenues than we will actually collect this year.

The deficit will also be large because the Federal Government will spend about $18 billion for income support for the unemployed, roughly twice as much as we were spending at a five percent rate of unemployment.

In other words, almost none of the current deficit is due to new Federal spending.

In fact, if we had an unemployment rate of four percent instead of the current eight percent, we would have a budget surplus of about $12 billion. This illustrates the impact of the recession on the budget.

Question. How much would the Democratic program cost? How much will it increase the deficit?

Answer. Not as much as you might think because we would also cut the budget in some areas and the restoration of economic growth would increase tax revenues.

First, we would cut the President's budget by about $10 billion in the area of defense, foreign aid, and by eliminating the energy equalization payments he proposed to pay out to offset the higher energy costs of his program.

Second, we would expand expenditures for social security, food stamps, medicare, jobs, and housing—but this would only be about $5 billion in excess of the President's budget.

Finally, the $30 billion tax cut I propose would sufficiently stimulate economic growth so that it would only cost about $20 billion in lost revenues.

What this all means is that the net increase in the deficit for fiscal 1976 would be approximately $10 billion.

Question. Wouldn't the larger deficits associated with your plan start us back on the road to more inflation?

Answer. Deficits can cause inflation in a period of economic boom because they represent demands the economy can't meet. But that is not what is causing the present inflation.

Today we have cost-push inflation stemming from the oil embargo, the decline in productivity due to the recession, and anti-competitive pricing policies of some large business firms.

I might add that the biggest threat to price stability is the President's energy proposals, which most experts believe will increase the rate of inflation three or four percent in the first year. If such energy proposals are not enacted—and they will not be in the form the President has proposed them, I believe we can get the rate of inflation down to about seven percent by the end of this year despite the budget deficit.

Question. You mentioned budget cuts. What are the specific programs in the budget you would like to see cut?

Answer. In a budget as large as this one, there are bound to be large areas of waste and programs that the country does not need, even if they were properly managed. The potential savings are enormous, and these funds could then be put to much more productive use or returned to the taxpayer.

I would start with Defense. The Administration talks about a $94 billion defense budget—that is what will be spent in fiscal 1976. But it is requesting authority from Congress to spend $108 billion, and this amount could increase.

I do not believe the defense program, which is already very large, needs to be increased by 18 percent. There have been no changes in international conditions, in my judgment, to justify this rise in defense.

I expect Congress to examine very closely this year a number of questionable projects such as the B-1 bomber, the new tank, the SAM-D missile, and the large multi-billion dollar request to pay for a number of ships which we thought should have been already paid for, as well as the large civilian payroll and some of our overseas deployments. Reductions in defense alone could exceed $10 billion.

Our Foreign Aid Bill is far too high. In the area of military assistance, $2.4 billion is requested for grants, plus $560 million for credit sales. In addition, another $1.5 billion goes for "Indochina Postwar Reconstruction" and "Economic Security Assistance." And this does not include the $522 million recently requested for Vietnam and Cambodia as an add-on to last year's budget. I will support sharp reductions in this area.

Space is another category that can be usefully trimmed back. The Nation ought to consider whether we can afford the luxury of such things as the Space Shuttle at a time when it is critical that we concentrate our energies in the most productive way. This may need to be deferred.

UNEMPLOYMENT JOBS

Question. You and other Democrats have criticized the economic and energy proposals of the President because they will do very little to reduce unemployment. By the President's own admission, which now may be conservative, unemployment will stay at eight percent or more during 1975 and 1976. You and your Democratic colleagues have said that the first priority must be to put America back to work. How do you intend to provide jobs for the 7.5 million unemployed?

Answer. The President's estimate of eight percent unemployment is unfortunately too conservative. Based on the testimony we have received before the Joint Economic Committee, I believe the unemployment rate will exceed 9 percent soon and could go to 10 percent. And the longer we delay the worse the situation will get. The economic program I have already outlined will reverse the trend of higher unemployment and get our economy moving. The tax cut, lower interest rates, and all of my proposals have this as the number one priority.

But, more specifically, I believe we must:

1. First, force the President to spend the billions he has impounded for important public projects (housing, sewage treatment, public facilities, hospitals, etc.), which our communities desperately need and which also create decent private sector jobs.

These impoundments now total in excess of $20 billion. These are funds authorized and appropriated by Congress, but they remain unspent by the Administration, since 1972 in some cases.

Second, create a Home Loan Bank to assure every American family the opportunity to borrow most of the cost of buying a decent home at an interest rate that will never exceed 7 percent. We must prevent construction workers from always being the first casualties of recession.

3. Third, provide an additional 1 million public service jobs, at least, with an automatic increase of 250,000 jobs each time the unemployment rate rises by ½ percentage point; and we should do this in the next 30 days.

Let me emphasize, however, that public service employment is not a permanent solution to unemployment. It is, at best, only an interim arrangement to deal with the recession.

4. Fourth, cut taxes $30 billion to restore consumer purchasing power and create jobs.

5. Fifth, emphasize to the Federal Reserve System that it must increase liquidity and reduce interest rates to stimulate demand and jobs.

The alternative proposal I have outlined here today—what we might call a Democratic alternative—would reduce unemployment by about two percentage points, or two million people, by the end of 1976. Over the next five years it would create eight million jobs.

TAXES AND HOUSING

Question. What is your tax program, Senator?

Answer. First of all, I think I should tell you why most Democrats believe Mr. Ford's tax program is inadequate:

His $16 billion tax cut is too small to stimulate a $1.5 trillion economy.

It is a one-time only cut that will not keep the money flowing to consumers.

And it is unfair by providing most of its benefits to the well-to-do.

Faced with the highest unemployment levels since the Depression, I believe we must pass, in the next 30 days, a tax cut of $30 billion; this is twice as big as the President's and $10 billion larger than the one proposed by the Ways and Means Committee. This must be the cornerstone of economic recovery.

Here are the components of my program:

First, a tax rebate of slightly over $10 bilion on 1974 taxes to be received by consumers in March or April. This will directly stimulate demand when we need it most. The rebates will average 10 percent of 1974 incomes with a minimum of at least $50 per person.

Second, a permanent $20 billion tax cut on 1975 and later years which is focused most heavily on low and moderate income families and individuals. These families have been the hardest hit by inflation and must receive the lion's share of any permanent tax reductions. The specific components of my permanent tax cut programs are:

Increase the low income allowance from $1,300 to $1,800 to help the lowest income levels;

Reduce taxes for those who use the standard deduction and who do not itemize by increasing the standard deduction from 15 percent to 17 percent of income; also, the ceiling on maximum standard deductions should be increased by $500 to $2,500. This will simplify tax returns and help both low and middle income families and individuals;

Reduce taxes for all income levels by raising the personal exemption to $900 per person from the present $750;

Cut taxes for all workers with incomes of $14,100 or less using a refundable tax credit tied to the level of payroll taxes paid by these workers; and finally,

Stimulate business investment in job creating facilities through an increase in the investment tax credit to 10 percent from the present 7 percent.

In total, this package cuts taxes $30 billion with $27 billion going to individuals. It is balanced between immediate rebates of $10 billion and permanent long-run cuts of $20 billion. It is a good package which will provide the stimulus not present in the Administration's proposal to get our economy on the move.

Question. How would a family of four with an income of $15,000 fare under your tax plan?

Answer. Their taxes would be cut by $400, more than double the tax cut allowed under the Administration's plan.

Question. Some Democrats in Congress continue to call for wage and price controls or a strengthening of the Wage and Price Stability Council. Why do we need more controls when inflation seems to be heading down, or at least is only a secondary problem to recession now?

Answer. I am completely opposed to reimposition of across-the-board wage and price controls at this time.

At the same time, there are several reasons why the powers of the Wage and Price Stability Council should be increased. It is a "toothless tiger" now. It should be given subpoena power, and the ability to delay or roll back unjustified price hikes.

We still have serious inflationary pressures in our economy. In fact, despite idle capacity of almost 25 percent now (as reported by the Federal Reserve), we do not see consumer prices or non-food wholesale prices falling. We have a great deal of stickiness in our prices due to government regulations and noncompetitive pricing practices of business. It has taken a depression in autos and housing for those industries to even consider price cuts. The cost of medical care, rubber and other items continues to rise.

Finally, President Ford has estimated that we will average over 9 percent inflation during 1975 and 1976. Without his energy package, the rise will still be 7 percent. That's too high. And to the extent price monitoring by the Wage and Price Stability Council can reduce inflation, we should do what we can to make that Council effective.

Question. The Housing industry continues to spearhead the decline in our economy. What can be done to stimulate housing and put this important industry back on its feet.

Answer. As I have said before, there is no way out of a national recession as long as the housing industry is in a depression. Housing and construction are simply too central to the total health of our economy. Today this sector is in horrible condition.

Housing starts in 1974 fell 35 percent, the steepest one year drop since 1943. In December, building permits reached their lowest point on record, a sad indicator for the future. More than 650,000 homes are unsold and unoccupied, at a time when 13 million Americans lack adequate housing.

Unemployment in the construction industry exceeds 15 percent nationally, with 30 percent or more of these workers without jobs in many parts of the country.

These aren't the facts of a slow-down or a recession, they are the dismal data of a housing depression.

I am proposing three urgent steps to get this critical sector moving.

First, the Administration should release the remaining $1.75 billion in housing funds provided by the Brooke-Cranston Bill last Fall.

Second, it must release the almost $1 billion in impounded funds that were appropriated as far back as 1973. The Administration is still sitting on these funds when they are desperately needed for housing.

Third, I'm calling on the Congress to establish a Federal Home Loan Bank to permanently put most Americans within reach of a decent home. We passed the 1949 Housing Act which said we wanted every American to have a decent home. Well, we've failed miserably.

And, one of the main reasons for our failure is because we have not kept *interest rates* at reasonable levels. Most families cannot afford to tie themselves to a long-term mortgage at an 8.5 percent to 10 percent rate of interest.

My Federal Home Loan Bank would assure that every American could borrow money for a decent home at an interest rate of not more than 7 percent.

The new Bank will raise its funds by selling its own bonds at relatively low rates of interest. It will then use these funds, working through our banks and Savings and Loan institutions, to assure that mortgage rates for adequate housing stay at 7 percent or below.

Question. Would your Federal Home Loan Bank prevent the boom or bust cycle we have in the housing industry?

Answer. Yes. In fact, that would be the primary structural change in the housing industry brought about by the Bank.

For the first time, the housing industry would be isolated from monetary policy. A tight money policy by the Federal Reserve Board of Governors will no longer be able, as it is now, to throw the housing industry into a tail spin. This industry will be isolated for the first time from monetary policy; it will for the first time have an assured source of continuing capital inflow.

I cannot understand the impact on housing my proposed Federal Home Loan Bank will have. It will finally enable most Americans to have a home of their own.

Question. How will your Federal Home Loan Bank help the housing industry right now?

Answer. In two ways. First, it will begin offering 7 percent home loans immediately. Short term interest rates are below 6 percent and the Bank can simply borrow these funds and make them available for mortgages. In that way, it will short cut the 9 or 10 percent being asked by many mortgage bankers.

Second, it will use some of its funds to assist unemployed homeowners avoid foreclosure. Men and women who face the loss of their jobs also face the loss of their homes as their ability to carry a mortgage falls. The Bank can bridge the gap between jobs by providing emergency mortgage payments, if necessary, to avoid foreclosures.

MONETARY POLICY

Question. Monetary policy and money supply are terms used to describe credit availability. Do you think the average American realizes the importance of monetary policy to his job?

Answer. No. I think we in the Congress have a teaching job to do. We must let constituents know that monetary policy is as important to the conduct of economic policy as is goverment spending and taxation. For example, if we have a tight monetary policy—a policy where the Federal Reserve System's Board of Governors decides to slow down the growth of the money supply or even to reduce the money supply—then banks run short of funds to loan out. That means small businessmen, farmers and consumers can't renew existing loans coming due and must reduce their level of purchases which means unemployment increases.

That's why economists and Senators talk so much about the money supply—about the availability of credit. It's a vitally important factor controlling inflation and unemployment. When the money supply grows slowly or falls, unemployment usually increases. And when the money supply grows fast, more credit is available and jobs are created, pushing down unemployment.

Finally, there is some confusion because economists disagree about what actually composes the money supply. Some say it is the total value of all currency, coins and checking accounts, which is called M. Others say it is the total of currency, coins, checking accounts, plus savings accounts.

Question. You and others in the Congress have been quite critical of Arthur Burns and the policies of the Federal Reserve Board. What is wrong with the FED's policies and what would you have them do differently?

Answer. The Federal Reserve's policies have focused primarily on fighting inflation, even though we are in a recession that began 13 months ago. During this period, when we should have been expanding the money supply and lowering interest rates, the Federal Reserve was tightening the money supply and pushing interest rates to historic levels. I believe the FED aggravaged the recession with these policies.

Although the Federal Reserve now claims it has reversed its policies, the evidence is not there. The basic money supply has only increased about one percent in the last six months and actually declined in January. As you would expect under these conditions, interest rates continue to be at levels most people cannot afford; the FHA housing mortgage rate is still 10 percent.

These high interest rates may be good for the banks, but they are not good for the country; such policies must be reversed. It is for that reason that Senator Proxmire and myself have introduced a Senate resolution directing the Federal Reserve to increase the money rapidly enough this year to promote economic recovery.

Question. You mentioned that you and Senator Proxmire have introduced a resolution that would direct the Federal Reserve to expand the money supply more rapidly this year, and to consult regularly with Congress on what should be the Nation's money and credit policies. Do you believe the Federal Reserve, which considers itself an independent agency, will pay any attention to such a directive?

Answer. I think the Federal Reserve must join the team in the battle against recession if they are to fulfill their responsibility to the American people. They have simply got to become part of a coordinated government economic policy and our resolution would achieve that.

I would also point out that the Constitution gave Congress the duty ". . . to coin money and regulate the value thereof . . ." If the Federal Reserve insists on pursuing policies that further worsen the recession, Congress will simply have to legislate tighter control over the Federal Reserve.

The following are the major provisions of the monetary resolution:

"Therefore be it resolved that the Congress of the United States hereby directs its agent, the Federal Reserve Board, to

"i) take appropriate action in the first half of 1975 to increase the money supply at a rate substantially higher than in recent experience and appropriate to actively promote economic recovery; and

"ii) maintain the long-run growth of the money supply commensurate with the economy's long-run potential to increase production so as to effectively achieve the goals of maximum employment and stable prices.

"Pursuant to this directive, the Federal Reserve shall consult with Congress at semiannual hearings before the Committees on Banking about its money supply growth targets and other monetary policy actions required in the upcoming six months."

Question. A lot of Democrats have come out in favor of credit allocation—particularly for housing. Yet, Treasury Secretary Simon has said that credit allocation would create a "national credit police state," run by "a new brigade of bureaucrats." Do you agree?

Answer. No. I totally disagree with him. Our only experience with credit allocation has shown that it works well. The Federal Reserve System had a tight system of credit controls over bank loans to foreigners from 1965 to 1974. In fact, this successful experience has led Dr. Brimmer and Sherman Mizell to endorse credit allocation. They are both ex-members of the Federal Reserve Systems Board of Governors.

Dr. Brimmer recently noted that a system of credit allocation would be both workable and efficient. He also noted that the previous credit allocation program was administered by only three or four staff members and that compliance was "remarkably good."

So, it has worked in the past. We should use it to at least ease the liquidity squeeze now faced by small businessmen and the housing industry. These sectors are last in line at the bank windows with the large corporations in front. Yet, they need the bank credit in many cases much more than do their larger, better financed competition.

We need to allocate credit in this country, if the people's savings are to be used to finance the things our citizens want and need.

I am sick and tired of being told that there isn't enough capital available to build houses, to revitalize our cities, and to keep small business in business.

The people are fed up with this kind of talk. They are not stupid. Every day the papers tell of additional millions of dollars going overseas to finance new plants for multinational corporations and robbing America of jobs. Every day they read about the millions being spent by speculators looking for a quick buck in the gold market, in real estate, and in speculation on everything from wheat to cocoa.

The capital needs of America are too great for important purposes, to see our savings tied-up or frittered away in this way.

Credit allocation can put the peoples' needs at the front of the line to the bankers window.

GENERAL STATISTICS OR "ECONOMIC BAD NEWS"

The Federal Reserve Board reported that industrial production declined 3.6 percent in January, the biggest drop in any month since the Great Depression.

The Labor Department reported that a record 5.6 million jobless workers were receiving unemployment compensation benefits in the week ended January 25.

Alan Greenspan, Ford's chief economic adviser, said the unemployment rate may rise about 8.5 percent, which he had predicted would be the peak.

The automobile industry reported that sales declined to a 13-year low in the first 10 days of February, despite the lure of price rebates.

The Federal Reserve Board reported a sharp contraction of the money supply in January—at an annual rate of 9.3 percent—contrary to its efforts to spur the economy by accelerating monetary growth.

ECONOMIC STATISTICS

Unemployment	January 1974	December 1974	January 1975
Unemployment rate (percent)	5.2	7.2	8.2
Number unemployed (millions)	4.7	6.6	7.5
Percent unemployed:			
Blacks	9.2	12.5	13.4
Teenagers	15.5	18.1	20.8
Blue collar workers	5.9	9.3	11.0
Heads of households	2.9	4.6	5.2
Automobile workers	9.2	21.3	24.0
Construction workers	9.1	14.9	15.0
Regional			

[Percentage change at annual rate]

Prices	December 1973 to December 1974	Most recent 3 mo
CPI (all items)	12.2	10.1
CPI (food)	12.2	14.6
WPI (all items)	20.9	13.4

	December 1973		December 1974
Average hourly earnings (constant dollars)	2.92		2.82
Spendable average weekly earnings (constant dollars)	94 25		89.12
Real per capita disposable income	[1] 2,945	[2] 2,846	[3] 2,804

[1] Average, 1973.
[2] Average, 1974.
[3] Annual rate, 1974:4.

Money and housing	1972 August	1973	1974 August	1974 December (annual rate)
Housing starts	2,378.5	2,057.5	1,134	868
Percent decline			−52	−63
Mortgage rate—New homes		8.19	9.55	
Price rate		8.02	10.80	[1] 10.23

[1] January 1975.

ANNUAL RATES

(3 mo ending January 1975)

Money supply (January-December 1974)	last year	last 6 mo	
Money:			
M1	4.45	1.4	−0.2
M2	7.06	3.8	4.2

	1973	1974	1974
GNP (billions)	1,294.9	1,396.7	1,428.0
Percent change	11.8	7.9	3.3
GNP (constant dollars)	839.2	821.1	803.7
Percent change	5.9	2.2	−9.1

	Fiscal years—		
(Unified budget)	1974	1975	1976
Federal receipts (billions)	264.9	278.8	297.5
Expenditures (billions)	268.4	313.4	349.4
Deficit (billions)	−3.5	−34.7	−51.9

ECONOMIC LOSS FROM RECESSION

[In billions of dollars]

	Actual conditions in 1974	Administration predictions		Conditions with 4 percent unemployed—	
		1975	1976	1974	1975
Federal receipts	264.9	278.8		282	323
Federal expenditures	268.4	313.4		267	306
Surplus (+), deficit (−)	−3.5	−34.7		15	17

	Actua. conditions in 1974	Administration predictions		Conditions with 4 percent unemployed—	
		1975	1976	1974	1975
Potential GNP	1,506.6	1,737	1,944		
Actual GNP	1,396.8	1,498	1,686		
Lost output	109.8	239	258		

HIGHER EDUCATION LEGISLATION

Mr. DOMENICI. Mr. President, the 94th Congress will be giving serious consideration to higher education legislation. All of the major Office of Education programs authorized by the Higher Education Act and higher education programs of the 1972 Education Amendments will expire in this Congress. The student aid programs will be of particular interest because they have the greatest impact on access to postsecondary education and equality of opportunity.

I would like to bring to the attention of my colleagues a bill which I am pleased to cosponsor which could be an important supplement to other higher education legislation emerging from this Congress. S. 666 would allow an income tax credit for a portion of a taxpayer's savings for the payment of his own or his dependent's postsecondary educational expenses. I believe it would be particularly attractive to those millions of middle-income Americans who bear the brunt of the tax burden but who seem to receive so little of the services.

S. 666 would provide a modest reward to those families who have the "misfortune" to be of moderate incomes but who are willing to set aside from their own revenues savings toward the future education of their children. These are the people whose taxes really pay for the greatest portion of Federal expenditures but whose children are not needy enough to qualify for most Federal student aid programs. I believe that people in the middle-income range are caught in an inflationary vise of increasing costs and decreasing purchasing power. S. 666, by giving a small tax credit, might create an incentive to save for postsecondary education.

Mr. President, I am sure that my colleagues are aware of the skyrocketing costs of postsecondary education. The National Center for Educational Statistics has estimated that annual tuition and room and board charges for public and private universities have nearly doubled over the past decade from $2,202 at a private university in 1964 to nearly $4,000 in 1974 and from $1,051 at a public university to close to $2,000 in 1974. The College Scholarship Service—CSS—looks at postsecondary expenses in perhaps more realistic terms including estimates for books, transportation, and personal expenses as well as tuition and room and board. Their figures from "Student Expenses at Postsecondary Institutions 1974–75" estimate the average expenditures for resident students at public 4-year institutions to be $2,400 a year; at 4-year private institutions $3,039; at propriety institutions $3,817; at 2-year private schools $3,617; and at 2-year public schools $2,153.

The commuting student is not in a much better position either. There was a time when we thought that the student who lived at home and attended school nearby was actually saving his or her parents a considerable amount. College Scholarship Service—CSS—figures show that they do save some money, but on the average only about $400 per year. CSS reports that commuting students must also eat and today's rising food costs involves increased expenditures. Besides, the student must still get to school, whether by public transportation or private vehicle. That, too, costs more.

The Federal student aid programs under the Higher Education Act focuses primarily on the needy student and that is probably as it should be. The major program available to middle-income families is the guaranteed student loan program. This program has had its problems, not the least of which has been a tight money market. I believe that we should try to encourage those people who plan ahead—those who save for their own or their children's educations.

S. 666 would do so and at the same time help to provide a stable source of private funds for home mortgages and construction loans, another area hard hit by the present economic crisis. The savings plan on which a tax credit would be allowed in S. 666 would have to be at savings and loan associations, mutual savings banks, and other federally insured financial institutions which invest at least 50 percent of their assets in residential realty mortgages and residential construction loans.

As we examine the provisions of the Higher Education Act, especially those programs which are intended to increase access, I believe the need for S. 666 is clear. Escalating education costs have put postsecondary education and training beyond the reach of many low-income and lower-middle-income families. Now middle-income families have been caught in the price squeeze. If our title IV student aid programs are to concentrate on students from low-income families, then a tax credit plan like S. 666 becomes all the more imperative. Students from middle-income families have become the new needy, and with the exception of student loans, there is little student aid available to them.

We must also look to the institutions of higher education. They have also been caught in the inflationary spiral and have had little choice but to pass many of their cost increases on to the students. When Congress enacted the Higher Education Act in 1965, the Federal commitment was to institutions as well as to students—to improve quality as well as opportunity. This past month I have had the opportunity to meet with representatives of the postsecondary educational community in New Mexico and have heard their concerns about their ability to maintain quality programs in their institutions. I have talked with financial aid officers, college presidents, deans, and others. I believe that we must look at title IV and the other titles of the Higher Education Act. I have some ideas, developed in part from my discussions with Mexico educators, which I intend to incorporate in legislative proposals. Until I do so, I would like to recommend S. 666 to my colleagues for their serious consideration.

NEW JERSEY COMPANY HELPS FEED THE WORLD

Mr. WILLIAMS. Mr. President, my State of New Jersey is usually thought of as an urban-suburban State and it is, in fact, the most densely populated State in the Nation. However, many parts of "the Garden State" are still important farming areas, and our State continues to this day its historic and dynamic association with the agricultural industry.

Another important industry in New Jersey is chemical manufacturing. Sometimes these two industries—chemical and agricultural—overlap. This happens regularly, and with welcome results, at the agricultural center operated by American Cyanamid Co. near Princeton.

This center sprawls over 640 acres and encompasses dozens of laboratories, barns, pens, greenhouses, and pastures. Here, scientists work to solve the problems that hamper farmers and interfere with agricultural production. The products developed at this center help farmers, literally, to feed the world. We in New Jersey are proud to have this facility located in our State, and I ask unanimous consent that an article describing the center be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Cyanamid News, January 1975]

AGRICULTURAL CENTER OPERATED BY AMERICAN CYANAMID CO.

The problem is simple to state but complex to solve—help farmers feed and clothe a world population whose consumption increases 40 percent every ten years. Cyanamid's Agricultural Center near Princeton, N.J. is committed to solving that problem through research and product development.

The Ag Center includes dozens of laboratories. There are rooms which can duplicate any of the world's climates. Barns, pens, greenhouses and pastures dot the 640 acres the center encompasses. Jobs range from farm laborer to scientist, with some of the world's top scientists in fields such as animal and plant metabolism, bacterial genetics and organic chemistry located there.

Statistics—no matter how impressive—don't tell the story of what really gets done at the center, however. What goes into getting a product such as a herbicide or an antiparasitic onto the market?

Work on a possible product is done in response to a particular need of food and fiber production problems. Veterinarians, farmers, extension workers and Cyanamid personnel the world over keep the Ag center scientists acquainted with problems that need solutions. Several years and possibly millions of dollars could go into the research and development alone for a new product before it reaches the market.

Once the need for a new plant or animal-related product has been established, the first step is for the scientist working on the problem to find a chemical compound to fill that need. Of great importance at this point is the center's chemical file, which has more than 150,000 chemical compounds on file. The file is built up by contributions not only from the center itself but from Cyanamid laboratories at Pearl River, N.Y., Bound Brook, N.J., Stamford, Conn. and outside sources.

Using the file's resources, the scientist can ascertain if the particular compound he needs is already in existence and if so, can it be used for what the scientist now intends. Work is also done on it by synthesis chemists, who try to create an analogue of the original compound which is more effective, or less difficult to manufacture or has some other desirable improvement.

The best candidate is then selected for further evaluation, but it still could be dropped if it turns out to be too expensive, has undesirable side effects on the plant or animal it is supposed to protect, if it harms the environment or if it is not substantially better than a competitive product.

The candidate compound is thoroughly tested to assure safety to the animals or plants, to the users of the drug or pesticide, to the people making the compound, and most importantly, to the people consuming the food resulting from its use.

While safety studies are being completed, the scientists in product development determine the best dosages to use for the best effect. In what form it should be administered, how often it should be used and when and how it can be manufactured are just a few of the things to be decided.

Of utmost importance is determining what happens to the compound in the plant or animal once it has achieved the desired effect. Does it change into other compounds, and if so, do these remain in parts of the animal or plant? New techniques to detect and measure such residues must be developed for each new compound, and they must be sensitive enough to detect less than one-millionth of an ounce of the residue in a pound of the food product.

If the compound survives such extensive testing, it is ready to be tried under actual field conditions. Cyanamid people work with farmers and university experiment stations in carrying out these tests throughout the United States and the world over.

The end result of all this? A petition for registration, a document reporting everything known about the product. Only after careful review is registration granted and only with such registration can the product go to market. In the case of pesticides, the petition goes to the Environmental Protection Agency in Washington, D.C.; animal products petitions go to the U.S. Food and Drug Administration.

Throughout the entire process the determination of the environmental effects of the compound under study is always of prime importance. For example, Cyanamid scientists helped develop the ultra low-volume application technique of insect control which reduces the amount of insecticide going into the environment.

Determining a need, finding a possible answer and testing that answer until it is considered the best possible product to fill a particular need—that is the essence of the work done at the Ag Center. As a result agricultural research has become a world-wide technological focal point for assisting food and fiber production, and a major facet of Cyanamid's diversified operations.

SMOKING AND HEALTH

Mr. MOSS. Mr. President, a number of articles and papers on the cigarette health hazard have come to my attention recently and are worthy of our study and review. The problem of cigarette smoking, albeit as serious as ever, is perhaps one of the most solvable health matters there is. The legislative steps which the Congress has taken in the past 10 years clearly demonstrates our commitment to effectively making the public aware of the health hazards of smoking. Unfortunately, we still have a number of contradictory government policies which I am interested in eliminating. These include tobacco subsidy programs and unreasonably low taxes on cigarettes.

Within the next few months I intend to introduce a legislative package designed to treat these various matters. In the meantime, however, I ask unanimous consent that three recent articles and papers on cigarette smoking be printed in the Record. These are by Dr. Luther R. Terry, former Surgeon General in the U.S. Public Health Service, Dr. Jeremiah Stamler, professor of medicine and cardiology at Northwestern University Medical School, and Susan Harlap and A. Michael Davies of the Department of Medical Ecology at Hebrew University.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From American Lung Association Bulletin]

Smoking and Health: Looking Back—and Ahead

(By Luther L. Terry, M.D.)

(Note.—Luther L. Terry, M.D., was Surgeon General of the U.S. Public Health Service from 1961 to 1965, and it was he who appointed the advisory committee that wrote the landmark 1964 report, "Smoking and Health." Dr. Terry served as a career officer with the U.S. Public Health Service until his retirement from that organization. At present Dr. Terry is on leave from his post as professor of medicine and community medicine at the University of Pennsylvania and is serving as president of University Associates, Inc., Washington, D.C.)

It has been ten years since the first Surgeon General's report was released. I remember well the sensation it caused and the wide coverage it received. The findings implicated cigarette smoking as a cause of cancer, coronory heart disease, and pulmonary illness. The report concluded: "Cigarette smoking is a health hazard of sufficient importance in the United States to warrant remedial action."

That was the beginning.

GOVERNMENT ACTION

The report put the government on record officially as recognizing cigarette smoking as a health hazard. Then in 1965, Congress passed the first national act regulating the labeling of cigarettes. The law required all cigarette packages sold in the U.S. to carry the warning:

"Caution: Cigarette Smoking May Be Hazardous to Your Health."

That's the best we could get out of Congress, and, considering the opposition from the influential tobacco-raising states, it is a miracle that we got even that much. But, however small the gain in actual magnitude, we felt that strategically it was a tremendous advance. Congress had taken official action to compel the tobacco companies to post a danger sign on cigarettes.

The law also required the Federal Trade Commission to make an annual report on the manufacture, promotion, and sale of cigarettes. It also required the Department of Health, Education, and Welfare to issue annual, supplementary reports, summarizing new research on the relationship between smoking and health.

The next significant advance came in 1967, when, as a result of a law suit, the Federal Communications Commission ruled that the fairness doctrine, hitherto applied only to political campaigns, should be operative also in the cigarette smoking controversy. Broadcasters who carried cigarette commercials were thereby required to give a significant amount of time to warnings on the risks of smoking.

This opened the way for the American Cancer Society, the American Heart Association, the American Lung Association, and the Public Health Service to launch a massive antismoking campaign on television and radio. The impact of this campaign was seen quickly in a substantial reduction in cigarette sales and the mounting number of ex-smokers.

In 1969, faced with mounting pressure for reforms, the National Association of Broadcasters (the trade organization) produced a plan for a step-by-step phase-out of televised cigarette commercials, culminating in their complete elimination in 1973. Three days later, the FTC called on Congress to ban all cigarette advertising from the electronic media. After considerable debate, Congress passed the Public Health Smoking Act of 1970. The law banned all advertising of cigarettes on electronic media, starting January 2, 1971. This ban is still in effect today. Recently, Congress passed legislation to ban the advertising on the airwaves of little cigars, which were really cigarettes masquerading as small cigars.

The smoking law of 1970 did not require that cigarette packages and advertisements carry information about the tar and nicotine content of the cigarette. But, when the FTC announced hearings on this subject, the industry offered voluntarily to print tar and nicotine contents of cigarettes in advertisements.

CHANGES IN CONSUMPTION AND COMPOSITION OF CIGARETTES

What has all this legislation, regulation, and education accomplished? I believe that there is a tide running for us in our efforts to eliminate, or at least reduce, the influence of cigarette smoking as a causative agent in disease. I believe, too, that this tide will continue to increase in strength and at an accelerated rate.

The statements in the press that there has been a sharp increase recently in cigarette smoking seem to belie this impression. But a closer examination of the data will support the view that, if the situation is not getting much better, it is at least not getting worse.

The FTC reports that in 1971 the total gross consumption of cigarettes in the U.S. reached 547.2 billion cigarettes, surpasing the previous high mark of 540.3 billion reached in 1968. However, if we look at per capita consumption figures, a considerably different picture emerges. If you consider population increases, the average number of cigarettes consumed per person per year has actually dropped from 4,345 in 1963 to nearer 4,000 in 1972.

There is another dimension to consider, and that is the lethal capacity of the cigarette. The cigarette of today is not the cigarette of ten or fifteen years ago. First, 70 percent of all cigarettes sold have a filter which is capable of eliminating 30 percent of the tar content. Second, tobacco growers have been breeding a variety of different tobaccos with lower tar and nicotine content. Third, the manufacturers have been introducing into the composition of many cigarettes a substantial quantity of tobacco stems. Stems have a much lower tar and nicotine content than the leaf. Further, this stem content is produced as homogenized sheets which burn more quickly and produce less tar.

Dr. E. Cuyler Hammond of the American Cancer Society estimates that the average cigarette smoked today has 50 percent less tar than the average cigarette of 15 years ago.

According to Dr. Hammond's studies and other epidemiological studies, the risk of incurring various types of cancer, as well as coronary and pulmonary ailments, is roughly proportional to the quantities of tar and nicotine inhaled. If that is the case, then we can say that, by virtue of this one factor alone, the overall risk has been reduced by roughly half if per capita consumption rates remain relatively constant.

We cannot expect that the change in the average cigarette is going to be as great a help to those who have been smoking the more harmful kind of cigarette for 20 to 30 years as it would be for those who have just recently started to smoke and inhale the less harmful cigarette from the start.

There is already some preliminary research showing that the risk of lung cancer and other illnesses associated with smoking has been significantly reduced for smokers who have changed to filter cigarettes during the past ten years. If further research demonstrates the benefit to be a substantial one, then we can anticipate that changes to the much safer cigarette of today will ultimately result in much lower mortality rates for the various illnesses associated with smoking.

The cigarette industry has not only gone ahead to produce a less lethal cigarette but is also advertising the low-tar, low-nicotine cigarette as a safer product. No, the advertisements do not actually say so. But the message is implicit in the huge billboard displays for such cigarettes as Doral and True, which carry as their main message the words, low tar—low nicotine. This amounts to an educational campaign by the tobacco industry for the low-tar and low-nicotine cigarette and a reinforcement of the subliminal message that tar and nicotine are harmful and that cigarettes as a whole are harmful. We expect this type of advertising will result in not only a greater swing to the safer cigarette but actually an increase in the number of people who want to quit entirely. There already exists some evidence that this effect does take place. The point I am making is that we have cracked the basic resistance not only in public consciousness but also in the industry itself.

THE NEXT STEPS

The critical index is, of course, how many people have stopped smoking. We have evidence that in the past seven years, more than 29 million cigarette smokers have given up smoking. It is my opinion that this trend is going to continue to accelerate in the next few years. I base my prediction on my faith in the cumulative psychological impact of our educational campaigns and all the other forces which have been put into motion.

Where do we go from here?

First, we must intensify our campaign of public education on the hazards of cigarette smoking. Second, the restrictions on smoking must not stop with the hospitals and health professions. They must be enforced in government buildings, public places, and in offices and factories. You may think that this works a hardship on hard-core smokers who find it impossible to do without their cigarettes. Nevertheless, we know from experience that, when hard-core smokers are prohibited from smoking in classrooms, in doctor's offices, and on the job, they do so and without great hardship.

Third, Dr. Daniel Horn, director of the National Clearinghouse for Smoking and Health, points out that the task remaining has shifted. The primary aim is no longer only to develop a level of concern about the effects of smoking on health but also to encourage people to take some concrete action. We now need to advise people about the most useful and suitable procedures for giving up smoking, emphasizing that the procedures may vary for different people. We also need to provide encouragement, particularly among those who have previously tried to quit and failed, by offering assistance and support in their efforts to quit smoking. And finally, we need to create and foster a more supportive climate that will prevent the return to smoking.

The role of the government in the fight against smoking is critical, and I believe we must continue to press the government to take a stronger stand in many areas. Maximum tar and nicotine levels on all cigarettes should be set by legislation or by federal agencies.

The warning labels should be made more effective. The print both on the pack and in the advertisements is so tiny that the message is obscured. I believe that the warning should be as bold as the skull and crossbones used on poisonous substances. Furthermore, I think the content of the warning is much too ambiguous. I want the warning to say in very large type that the cigarette in this pack will contribute to the development of cancer of the lungs, larynx, and other organs, as well as coronary heart disease, bronchitis, emphysema, and other pulmonary ailments.

I also believe that a law should be passed banning the advertisement of cigarettes in all media.

If we carry forward these proposals, it may be possible to reduce cigarette smoking in the U.S. by another 50 percent in the next ten years. It may be possible to reduce the harmfulness of the average cigarette by an additional 50 percent within the next two years. This will put us in a position to set the next strategic objective: to reduce cigarette smoking to an absolute minimum. It is possible. I believe it can be done.

The Recent Decline in Death Rates From Premature Coronary Heart Disease in the United States: Is It Real? If So, What Are Its Possible Causes?

(By Jeremiah Stamler, M.D., Professor and Chairman, Department of Community Health and Preventive Medicine, and Dingman Professor of Cardiology, Northwestern University Medical School, Chicago, Illinois)

Evidence is mounting that the United States may at long last be "over the hump" in regard to the epidemic of premature heart attacks—the No. 1 killer and crippler of Americans (particularly American men) in the prime of life.

National mortality data for the most recent five years of record—1968 through 1972—indicate a downturn in the coronary death rate averaging 8.7 per cent for white men age 35–64 (11.4% for those age 35–44, 7.3% for those age 45–54, and 7.4% for those age 55–64). Downward trends were also recorded over this period for black men age 35–64, and for white and black women age 35–64.

These findings have produced cautious excitement among heart researchers and others concerned with the mass onslaught of heart attack in this country. They suggest that at long last a start has been made in turning the flank of this great modern plague.

For years prior to the late 1960s, the statistics on the trend of heart attack mortality were grim, especially for men in the prime of life. From 1940 to 1950 male death rates—already high in 1940—rose 23.0 per cent for white men age 35–64, 16.8 per cent for black men of the same age. From 1950 to 1958 they rose another 4.3 and 5.8 per cent respectively. From 1958 to 1967 they tended to level off on a high plateau for white men of this age, with a 0.4 percent further rise in the death rate; for black men age 35–64, an additional increase of 9.2 per cent was recorded.

It is this background of high and rising rates since World War II—plus the mounting efforts of the heart movement to clarify the causes of the epidemic and bring them under control—that has stimulated keen interest in the recent decline.

More detailed examination of the 1968–72 trend—i.e., plotting a trend line over the five years for each 10-year age-sex-race group—reveals the following additional facts: For each of the three age groups (35–44, 45–54, 55–64), the downward slope was greater for white men than for white women. Uniformly, it was statistically significantly different from zero (from a horizontal slope) for the white men of these three age strata, but not so for the white women age 35–44 and 45–54. As a result, the large sex differential in the coronary death rates—a white male to white female mortality ratio averaging 4.5 for the 35–64 age group in 1968—tended to decrease. This was a reversal of an earlier long-term trend. This ratio rose steadily in the 1940–50 and 1950–58 periods, since coronary mortality rates—always sizeably higher for white men than white women—rose for white men, but declined for white women. During the 1958–67 period, this ratio tended to be stable, since white male rates (as already noted) were stable on a high plateau, and the long-term downward trend for white female rates ceased for white women age 35–44 and 45–54.

The downward trend for black men for the 1968–72 period has also aroused considerable interest, particularly since the mortality rates for this group rose significantly for all three previous time periods (1940–50, 1950–58, 1958–67), and (unlike the rates for white men) showed no tendency to level off in the 1958–67 period. This downward trend for black men from 1968 to 1972 was particularly marked and significant for the age group 35–44.

Are these down trends real—or are they spurious? It is this writer's scientific assessment that they are real. Of course, experience over the remainder of the decade—data on whether the trend continues in the mid- and late-1970s—will be decisive. At present it is noteworthy that the decrease in the death rates for heart attacks for American men of these ages has been accompanied by a decline in mortality from All Causes. This is of great interest since for the previous period—1958–67—All Causes mortality rates were stable for white men ages 35–64 and stable or on the increase for black men of this age.

What are possible causes for the downturn in the mortality rates for premature heart atttack? Several possibilities merit attention:

Cigarette smoking is one of the three major risk factors for heart attack. Since the mid-1950s, large numbers of American adults have quit cigarettes. This is particularly true for men. Thus, data from the National Center for Health Statistics indicate that of men age 25–34, 63.6 per cent were cigarette smokers in 1955, 58.9 per cent in 1966—a decline of 7.4 percent. For men age 35–44 and 45–54 similar findings were recorded, with declines of 8.2 and 8.4 per cent respectively. (In contrast, the proportion of women smoking cigarettes rose—10.2, 16.1 and 45.1 per cent for these three age groups respectively.) The proportion of former cigarette smokers among men of these age strata rose sizeably from 1955 to 1966—from 12.5 to 18.2 per cent for men age 25–34, from 15.3 to 24.1 per cent for men age 35–44, from 17.6 to 27.7 per cent for men age 45–54. These were increases of ex-smokers of 45.6, 57.5 and 57.4 per cent respectively. (The proportion of women who became ex-smokers was much smaller.)

These trends continued and became more marked over the years 1966 to 1970 following publication of the Report to the Surgeon General on Smoking and Health (1964), and the start of systematic efforts by governmental and voluntary agencies to publicize the harmful effects of cigarette smoking. Data are available on these trends from 1966 to 1970 from surveys done by the National Clearing House on Smoking and Health (Department of Health, Education, and Welfare). Over these years, there was a further decline of 23.6 per cent in the proportion of men age 25–34 smoking cigarettes. This decrease was 19.3 per cent for men 35–44, 19.9 per cent for men 45–54, 21.6 per cent for men 55–64. (For this period, the decreases in proportion of women smoking cigarettes were again much less than for men.) The proportion of men who were former smokers rose sizeably—for men age 25–34 by 41.6 per cent, age 35–44 by 43.4 per cent, age 45–54, by 32.3 per cent, and age 55–64 by 33.5 per cent. (During this period there was also a sizeable increase in the per cent of women who became ex-cigarette smokers.)

Data from large-scale long-term prospective epidemiologic studies in the U.S. make it possible to estimate the possible impact of these changes in cigarette smoking on coronary mortality. They indicate that the decrease in use of cigarettes could be an important factor contributing to the decline in coronary death rates from 1968 to 1972.

Moreover, the type of cigarettes smoked changed considerably. A marked shift occurred away from cigarettes of high nicotine and tar content. It is not possible—based on data currently available—to estimate the possible effect of this change on rates of premature heart attack mortality, but this trend also may be contributing to the downturn.

High blood pressure is a second widely prevalent risk factor for premature heart attack. Prior to the publication in 1967 and 1970 of the results of the Veterans Administration Cooperative Study on Antihypertensive Agents, most of the medical profession was uncertain whether modern drugs for treatment of high blood pressure were efficacious, with a favorable benefit to risk ratio. This was one of the important reasons why only small proportions of hypertensives were shown in repeated surveys to be on treatment and controlled. For example, the survey in Baldwin County, Georgia in 1962 reported only 14.0 per cent of all hypertensives treated and controlled; the National Health Examination Survey of 1960–62, 16.3 per cent; the Alameda County, California survey of 1966, 22.6 per cent.

Limited data available indicate that if this situation has undergone change in recent years, it has been slow and modest. However, population screening of over 150,000 persons by the Hypertension Detection and Follow-Up Program in 14 centers across the country in 1973 yielded a figure of 37.9 per cent of hytertensives on treatment and controlled. The conclusion suggested by these data—i.e., the proportion of hypertensives on treatment and controlled has risen in recent years—is supported by data on sales of antihypertensive drugs, which also have been rising.

Data available from prospective epidemiologic studies of young adult and middle-aged Americans—as well as data from the VA Antihypertensive Trial—permit estimates of the possible impact of improved antihypertensive therapy on coronary mortality. They suggest that improved treatment for a sizeable proportion of persons with high blood pressure may be contributing to the decline in death rates from premature heart attack over the years 1968–72.

The third major risk factor for premature coronary heart disease is diet-dependent hypercholesterolemia (high level of the fatty material cholesterol in the blood). Three nutritional factors tend to raise blood cholesterol levels—saturated (hard) fat intake, dietary cholesterol intake, and excess calorie intake (leading to obesity). Reduced saturated fat and cholesterol intake, as well as avoidance or correction of obesity tend to lower serum cholesterol levels. (Increased intake of polyunsaturated fats exerts a similar effect to a mild degree.)

There are five main sources of saturated fat and cholesterol in the U.S. diet—meat fat, dairy fat, egg yolk fat, fat in commercial baked goods, and fat used as such for cooking, spreads and salads. Long-term trends of consumption of these items by Americans have been complex. Intake of meat fat—particularly from beef—has tended to rise steadily since the years of the Great Depression in the 1930s. This rise proceeded quite steadily from the years of World War II, through the 1940s, 1950s and 1960s. The available data indicate it levelled off in the early 1970s.

Intake of dairy fat tended to decline over this entire period. (Use of low-fat and fat-free milk products rose substantially.)

Intake of egg yolk fat has also been on the decline since the 1950s.

As to the fats and oils used in commercial baked goods, and as such for cooking, salads and spreads, butter and lard consumption have declined markedly over these post-World War II years. Intake of margarines, shortenings, other fats and oils (principally cottonseed, soybean, peanut, corn, safflower oils) has steadily increased. Composition of margarines and shortenings has undergone change, with recent introduction of "soft" margarines and less hydrogenated vegetable shortenings, i.e., they have tended to become lower in saturated and higher in unsaturated fat content. Overall, the origin of these "visible fats" has undergone a marked shift, away from animal sources (predominantly saturated) and toward vegetable sources. Whereas 25 years ago visible fats were in the majority from animal sources (principally butter and lard), by 1965 the ratio of animal to vegetable fats was already about one to two (about 33% from animal sources), and it has decreased further since.

In summary, declines in consumption of dairy fat, egg yolk fat, animal fat in commercial baked goods, spreads and cooking fats all meant decreased saturated fat and cholesterol from these sources. However, steady increases in meat fat—especially beef fat—meant sizable increases in saturated fat and cholesterol consumption, almost canceling out the other effect, so that total saturated fat and cholesterol intake remained high and fell only slightly over the entire time period. Polyunsaturated fat intake increased slightly overall due to increased use of oils, and less hydrogenated (hardened) vegetable shortenings and margarines.

Intake of calories has remained high, especially in relation to level of physical activity of work and leisure, so that obesity is a mass phenomenon.

While precise estimates are very difficult, it is possible that the overall changes in diet composition have led to a small decline in average serum cholesterol level of the population. Data from recent surveys of population samples—compared to findings in the 1950's and early 1960's—do indeed suggest that serum cholesterol levels of middle-aged Americans are averaging slightly lower nowadays.

Again, data from prospective studies permit estimates of the possible effects of such suggested reductions in serum cholesterol levels on rates of mortality from coronary heart disease. Such estimates are compatible with the hypothesis that the modest changes in American nutrient intake over the last decade, possibly leading to modest declines in average serum cholesterol levels, may be making a contribution to the recent downturn in mortality rates from premature coronary disease.

A major development over the last decade has been the widespread establishment of coronary care units (CCUs) in hospitals throughout the country. Data are available suggesting that the CCUs have sizably lowered in-hospital mortality of persons with heart attack, chiefly by preventing arrhythmic death. However, about 70 per cent of deaths from heart attack occur outside the hospital. This is due to the fact that all-too-often—with both first and recurrent attacks—coronary death occurs instantaneously or in a matter of minutes. Given this basic harsh fact about the nature of this disease, the net impact of CCUs on coronary mortality rates of necessity has been limited. Nevertheless it is possible that they have contributed to the recent downturn in the mortality rates.

Other improvements in medical care for patients with frank clinical coronary heart disease may also be contributing to reduced coronary mortality rates, e.g., pacemakers.

None of the data currently available make possible any realistic assessment as to whether large-scale use in recent years of coronary by-pass surgery is or is not contributing to the downturn in coronary mortality rates.

As has happened in the past with epidemic disease, public health and medical practice respond on a wide front—set in motion a whole series of measures—to bring the onslaught under control. When the death rates finally do begin to decline, it is not easy to pinpoint the precise contribution of each component of the effort to its success. But the really important thing is the achievement—and further efforts along safe lines to extend, intensify and accelerate it.

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Infant Admissions to Hospital and Maternal Smoking

(By Susan Harlap and A. Michael Davies, Department of Medical Ecology, Hebrew University—Hadassah Medical School, P.O. Box 1172, Jerusalem, Israel)

SUMMARY

Admissions to hospital during the first year of life were recorded in a prospective study of 10,672 infants whose mothers' smoking habits were known. Infants with major congenital malformations, and those dying before their first birthday, were excluded. The infants of mothers who smoked had significantly more admissions for bronchitis or pneumonia, especially in the winter, and more injuries. They were also admitted more frequently, though not significantly so, for upper-respiratory-tract infections, gastroenteritis, childhood infectious diseases, and other diagnoses. The excess of bronchitis and pneumonia in the group exposed to smoke increased with increasing number of cigarettes smoked by the mother. It occurred within subgroups of birth-weight, social class, and birth order. It was seen mainly in infants aged 6–9 months, while at older and younger ages there was no significant effect of maternal smoking. The findings support the hypothesis that atmospheric pollution with tobacco smoke endangers the health of non-smokers.

INTRODUCTION

Cigarette smoking contaminates the atmosphere,[1] and in closed smoke-filled rooms, non-smokers passively inhale smoke components.[2] While non-smokers exposed to tobacco smoke may experience nose and eye irritation, cough, and headache,[3] the relevance of these symptoms to objective measurements of health has not been established.

We have measured the frequency of hospital admissions in a population of West Jerusalem infants whose mothers' smoking habits were known, to test the hypothesis that passive smoking is associated with an increased risk of respiratory disease. In addition, smoking mothers and their infants might be more liable to accidents, since carbon monoxide and other constituents of tobacco smoke alter sensory and motor function.[1] Furthermore, since smoke pollution in the home should be worse when windows are closed and ventilation reduced, any effect of smoking on morbidity should be greater in winter than in the summer.

In West Jerusalem, hospital inpatient data are a more sensitive index of infant morbidity than in other populations. Paediatrician-G.P. and hospital care are equally available to all, and the reluctance of paediatricians to visit homes added to the availability of hospital beds are associated with hospital-admission rates which are probably the highest in the world.[4] 18% of liveborn infants are admitted at least once before their first birthday, some of them several times, so that the rate of admission episodes is over 25 per 100 liveborn.

MATERIALS AND METHODS

We have made use of data collected in the record-linked Jersualem Perinatal Study, described elsewhere.[5] A file, stored on magnetic tape, has been opened for every infant born since 1964 to a mother who lives in West Jerusalem. The file contains information

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Footnotes at end of article.

taken from birth certificates and labour-ward books, and is updated with data on deaths and malformations reported from multiple sources.

During 1965–69, all admissions to Jerusalem's three paediatric wards were recorded for infants born since the beginning of the study. The information added to the file included the dates of admission and discharge and the first three diagnoses recorded on the discharge summary, as well as events taking place in hospital and measurements of haemoglobin and weight.

In 1965–68, data from an antenatal interview were added to the file. 68% of pregnant women were interviewed, those attending certain municipal mother-and-child health clinics and hospital-based antenatal clinics. Most interviews were done from the fourth month of pregnancy onwards,[6] and defined indices of health and behaviour were recorded, including details of smoking.

We divided the number of admission episodes to hospital during the first 365 days of life into the following diagnostic categories:

Bronchitis or pneumonia if either or both was among the first three diagnoses recorded on the hospital discharge summary (I.C.D.[7] codes 480, 490–502, 518–529).

Upper-respiratroy-tract infections without mention of bronchitis or pneumonia (51, 391–4, 470–9, 481, 510–7).

Gastroenteritis without mention of respiratory infections (40–9, 517–2, 764, 784.1, 785.6).

Other infections and inflammatory diseases, without mention of gastroenteritis or respiratory tract infections (1–39, 50, 52–139, 340–3, 370–9, 400–416, 468, 482–3, 531–2, 536–9, 575–7, 582–3, 590–3, 600, 605, 607, 609, 614, 617.0–2, 630, 690–9).

Injuries and poisoning regardless of other diagnoses (800–999).

All other diagnoses.

RESULTS

There were 11,350 liveborn infants whose mothers had been interviewed in pregnancy, 678, who had major congenital malformations[8] or died before their first birthday, were excluded, leaving a study population of 10,672. At the time of the interview, 9.2% of the mothers were smokers, and 7.4% had given up smoking earlier. For the total population studied, there were 25.4 admissions per 100 babies aged under 1 year.

The infants of smokers had significantly more admissions to hospital, 30.0% compared with 24.9% for those of non-smokers (table I). They had higher rates of admissions for bronchitis or pneumonia and more (13.1 per 100) than the infants of non-smokers (9.5 per 100) and more for injuries or poisoning (1.0 *v.* 0.4 per 100). They also had more upper-respiratory-tract infections, gastroenteritis, infectious and inflammatory diseases, and other diagnoses; though for each of these last four categories the differences between infants of smokers and non-smokers were not statistically significant. Infants born to smokers were in hospital for an average of 384 days per 100 infants before their first birthday, 151 of them for bronchitis or pneumonia. These rates were 334 and 114, respectively, for the infants of non-smokers. However, there were no significant differences between the groups, exposed or not exposed to smoke, in average duration of each type of admission episode.

TABLE 1.—ADMISSION RATES (PER 100 INFANTS) BY DIAGNOSIS AND MATERNAL SMOKING CHARACTERISTICS

Diagnosis	Non-smokers (9,686)	Smokers (986)	Total (10,672)
Bronchitis and pneumonia	9.5	[1] 13.1	9.8
Upper-respiratory tract infections	4.8	[2] 5.3	4.9
Gastroenteritis	6.4	[2] 6.5	6.4
Other infectious diseases	1.1	[2] 1.2	1.1
Injuries and poisoning	.4	[3] 1.0	.5
Other	2.9	[2] 3.1	2.9
All	24.9	[1] 30.0	25.4

[1] P<0.001.

[2] Not significant.

[3] P<0.01.

Admissions for bronchitis or pneumonia increased in frequency with increasing number of cigarettes smoked by the mother (table II). There were no significant increases for any of the other diagnoses measured separately. Infants of mothers who had given up smoking had fewer admissions than those whose mothers had never smoked. This difference, which can be explained by the higher standard-of-living of those who gave up smoking, is not, however, statistically significant for any single diagnostic category. Infants born to former smokers spent fewer days in hospital in the first year of life (231 per 100 infants, 79 of them for bronchitis or pneumonia), and their admission episodes tended to be shorter for each diagnosis.

TABLE II.—ADMISSION-RATES (PER 100 INFANTS) BY DIAGNOSIS, MATERNAL SMOKING, AND NUMBER OF CIGARETTES SMOKED DAILY

Diagnosis	Nonsmokers		Smokers (cigarettes per day)			Total (10,672)
	Never smoked (8,900)	Former smokers (786)	1 to 10 (747)	11 to 20 (179)	21 plus (60)	
Bronchitis and pneumonia	9.6	7.8	10.8	16.2	31.7	9.8
All other	15.5	15.1	16.4	17.3	23.3	15.6
Total	25.1	22.9	27.2	33.5	55.0	25.4

Note: Differences among 3 categories of smokers: for bronchitis and penumonia, P<0.001, for other diagnoses, not significant.

Women who smoke give birth to smaller infants,[1] and birth-weight is an important predictor of admission to hospital in West Jerusalem.[4] Admissions for bronchitis or pneumonia are more frequent in infants who are smaller or larger than average at birth; while for other diagnoses, increasing birth-weight predicts a decreasing probability of going to hospitals. Table III shows that the excess of admissions for bronchitis or pneumonia in the passively smoking infants could not be wholly attributed to lower birth-weights, rates being higher than in the infants of non-smokers for all three birth-weight groups.

Two other important predictors of admission to hospital are social class, based on the husband's occupation, and birth order. In West Jerusalem, smoking mothers tend to be of higher social class, and, independently of this, they have smaller families. Table IV shows that the effect of maternal smoking on rates of bronchitis or pneumonia was seen within each subgroup of social class. A similar trend was seen for birth order.

The excess of admissions for bronchitis or pneumonia in the group exposed to smoke was greater in the winter than in the summer (table V). For admissions in November to March, the rate in the exposed group was 46% higher than in the infants of non-smokers. For admissions in April to October, the excess was 24%. Of all the winter admissions for bronchitis and pneumonia, 4.2% were due to the effects of maternal smoking, compared to 2.4% of those in summer. Furthermore, for the rates of admissions for bronchitis and pneumonia attributable to smoking in the population as a whole, there was a threefold excess of winter over summer (0.26% compared to 0.08%), again a highly significant difference. These winter-summer differences are independent of small differences between smokers and non-smokers in the distribution of month of birth.

The excess risk associated with maternal smoking was not uniform throughout the first year of life. In the first 5 months of life there were no significant differences between infants born to smokers or non-smokers in rates of admissions for bronchitis or pneumonia. Between the ages of 6 and 9 months, on the other hand, there were greatly increased rates of lower respiratory disease in the group exposed to smoke, both in the summer and in the winter. Toward the first birthday, differences between the two groups again disappeared.

The excess of admissions for injuries and poisoning in the infants of mothers who smoked was confined to first-born children (table VI). Although the numbers are small, the differences are most unlikely to be due to chance.

Footnotes at end of article.

TABLE III.—ADMISSION-RATES (PER 100 INFANTS) BY DIAGNOSIS, BIRTH-WEIGHT, AND MATERNAL SMOKING

Diagnosis	Birth-weight (g.)						Total (including unknown)	
	<2,999		3,000 to 3,499		3,500+			
	Smokers (297)	Nonsmokers (2,326)	Smokers (415)	Nonsmokers (4,098)	Smokers (264)	Nonsmokers (3,195)	Smokers (986)	Nonsmokers (9,686)
Bronchitis and pneumonia	19.2	12.3	9.6	8.2	12.1	9.0	13.1	9.5
All other	22.6	19.9	14.5	14.8	15.2	13.3	16.9	15.5
Total	**41.8**	**32.2**	**24.1**	**22.8**	**27.3**	**22.3**	**30.0**	**24.9**

TABLE IV.—ADMISSIONS (PER 100 INFANTS) BY DIAGNOSIS, SOCIAL CLASS, AND MATERNAL SMOKING

Diagnosis	Social class[1]							
	High		Medium		Low		Total	
	Smoker (392)	Non-Smoker (2,644)	Smoker (327)	Non-Smoker (3,619)	Smoker (267)	Non-Smoker (3,423)	Smoker (986)	Non-Smoker (9,686)
Bronchitis and pneumonia	6.6	3.9	15.6	9.0	19.5	14.3	13.1	9.5
All other	10.2	9.3	19.9	13.5	23.2	22.3	16.9	15.5
Total	16.8	13.2	35.5	22.5	42.7	36.6	30.0	24.9

[1] Ranked by husband's occupation.

TABLE V.—ADMISSION-RATES (PER 100 INFANTS) IN WINTER (NOVEMBER-MARCH) AND SUMMER (APRIL-OCTOBER) BY DIAGNOSIS AND MATERNAL SMOKING

Diagnosis and season	Smoking characteristics of mother			Relative risk (rate for smokers/rate for nonsmokers)	Admissions attributable to smoking (percent of total population)
	Nonsmoker	Smoker	Total		
Bronchitis and pneumonia:					
Winter	6.1	8.9	[1]6.4	1.46	0.26
Summer	3.3	4.2	3.4	1.27	.08
All other:					
Winter	5.3	5.5	5.3	1.04	.01
Summer	10.2	11.4	10.3	1.12	.11
Total:					
Winter	11.4	14.4	[2]11.7	1.26	.27
Summer	13.5	15.6	13.7	1.16	.19

[1] P<0.001.

[2] P<0.01.

TABLE VI.—ADMISSION-RATES (PER 100 INFANTS) TO HOSPITAL FOR INJURIES AND POISONING, BY BIRTH ORDER AND MATERNAL SMOKING

Birth rank	Non-smokers	Smokers	Total
1st-born	7 .3	7 [1]2.2	15 .5
2d or later born	31 .4	3 [2].5	34 .4
Total	39 .4	10 [3]1.0	4.9 .5

[1] P<0.001.

[2] N.S.

[3] P<0.01.

DISCUSSION

This study relies on information on maternal smoking which was collected antenatally. It is not known how closely smoking in early pregnancy or mid-pregnancy correlates with habits after the birth and in the baby's first year, but it seems reasonable to assume that for most mothers, smoking characteristics would have remained the same. However, there would inevitably have been some smoking mothers who subsequently gave up the habit, and others, especially former smokers, who took it up later. As a result, this study tends to underestimate true differences between infants of smokers and non-smokers, rather than the opposite.

An unexpected finding was the absence of a significant excess of upper-respiratory-tract infections in the group exposed to smoke. Since smoking causes pathological changes in the upper, as well as lower respiratory tract[1] and upper-respiratory-tract illness is increased in smokers,[10] a measurable excess of upper-tract morbidity was predicted in the passively smoking infants. Hospital inpatient morbidity, however, is a poor indicator of the incidence of upper-respiratory-tract illness since most infants with colds, influenza, pharyngitis, and otitis media would not be admitted. There was a slight excess of hospital admission in each group exposed to smoke, not only for upper-respiratory-tract illness but also for gastroenteritis and other diagnoses. This excess, while not statistically significant, was observed consistently within the demographic subgroups, and may represent a small though subtle difference between smokers and non-smokers.

Another unexpected finding was the excess of injuries in the first-borns of smokers. An excess was predicted for all birth-order groups, since substances in tobacco smoke may reduce visual and hearing acuity among other indices of sensory and motor function.[1, 10] Smokers might, therefore, be more liable to accidents, but why the excess should be confined to first-born babies is not clear. In children under 1 year, a proportion of injuries in all birth orders will be due to child abuse,[11] rather than to accidents, and in this context the interaction between birth order and smoking may be of interest.

This study provides convincing evidence that passive smoking increases acute lower-respiratory-tract disease, at least in infants. The results differ from those of previous studies of parental smoking and child health. Shy et al.,[12] studying second-grade schoolchildren, found no relationship between respiratory illness and parental smoking. Cameron et al.,[13] on the other hand, did show an excess of acute respiratory illness in children exposed to smoke at home. The excess was only slight, however, in children under 5; it increased with increasing age, and may have been an effect of the children's smoking actively.

This study is consistent with material published recently by Colley et al.[14] Reanalysis of their data shows a significant association between lower-respiratory-tract illness under the age of 2 and smoking at age 20. This association could be mediated through an effect of passive exposure to parents' cigarette smoke in early childhood, since smoking in young adults is correlated with parental smoking.

There is clearly a need for controlled studies in which objective indices of illness are related to measured levels of environmental pollution by cigarette smoke. Meanwhile, it would seem wise to discourage parents from smoking, if only for the sake of the health of their children.

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Requests for reprints should be addressed to S. H.

FOOTNOTES

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HIGHWAY ROBBERY VIA THE ICC

Mr. BUCKLEY. Mr. President, in recent months, there have been increasing reports of the ways in which regulatory agencies add to the cost of living of the consumers they are supposed to be protecting.

President Ford suggested last year that we consider establishing a commission to study needed reforms in this area. Legislation establishing such a commission was not adopted during the last session of Congress, but I hope that it will be enacted this year.

Mr. President, the cost of living is constantly escalating and it seems to me that we owe a duty to the American people in searching out ways in which we can eliminate unnecessary laws and regulations that contribute to their burden. I ask unanimous consent to have printed in the Record an article from Reader's Digest by Mr. Mark Frazier entitled "Highway Robbery—Via the ICC." In this article Mr. Frazier examines in detail the ways in which regulation supposedly promulgated in the public interest actually results in a situation that is in the interests of no one and should be corrected.

There being no objection, the article was ordered to be printed in the Record, as follows:

Highway Robbery—Via the ICC

(By Mark Frazier)

A truck full of furniture, en route from Dallas to San Diego, detours 800 miles out of its way—adding 12 hours to the trip and squandering 160 gallons of fuel. Reason: arbitrary federal regulations.

In Atlanta, Ga., a trucking company announces plans to lower rates on truckloads of tire treads bound for Ohio to save its customers $400 a trip. But it is prevented from making the cut. Reason: arbitrary federal regulations.

Along the main interstate routes between Milwaukee, Wis., and Birmingham, Ala., trucks roll along with trailers empty, even though depots at both ends of the line would gladly give them cargo. The truckers are permited to haul freight one way only, and must make the 1000-mile return trip empty. Reason: arbitrary federal regulations.

Responsible for these and hundreds of other interstate-trucking regulations is the Interstate Commerce Commission. Every day, its regulatory roadblocks prevent the speedy, efficient transport of the goods we buy and sell. Economists totaling the bill say that ICC edicts cost consumers from $5 billion to $10 billion a year in higher prices for everything from tuna fish to television sets—as much as $200 a year for the average U.S. family.

Few would have predicted such a destructive role for the ICC when it was set up in 1887. Its handful of employees were supposed only to protect customers and rail lines from discriminatory pricing and rate wars. But, during the 1930s and '40s, pressured by railroads losing business to other forms of transportation, Congress brought interstate trucking and barge lines under ICC regulation to end "cut-throat competition" throughout the nation's transportation system.

Today, the commission boasts more than 2,000 employees, in 78 offices around the country. Operating on a budget of $34 million a year, the agency claims to be doing a better job than ever. A host of critics disagree. Says Sen. William Proxmire (D., Wis.): "The ICC has become a captive of the transportation industry itself. Instead of regulating transportation to avoid monopoly and increased prices, it has established monopolies, reduced competition, and ordered high and uneconomic rates to cover the costs of inefficient producers."

How does an agency that claims to protect the public actually cost it billions of dollars in higher prices? Consider these aspects of the ICC's sweeping authority:

1. The ICC dictates which truckers can go into interstate business. In reports to Congress, the agency claims that, by controlling "entry into transportation," it "fosters a balanced, stable and responsive trucking system." Facts belie the statement. Each year, hundreds of qualified companies seeking to win operating rights are turned down by the ICC. Many more are intimidated and do not ask, out of fear that protests from established firms will tie up their cases in costly litigation—and out of the likelihood that the ICC will rule against them in the end. "The ICC has a disturbing tendency to be protective of the large carriers," says Robert Gallagher, a New York attorney who specializes in transportation matters.

The application of Checker Transfer & Storage is a case in point. Checker has hauled household goods in South Carolina for 27 years, using licenses owned by a number of giant van lines. Each time the company makes an interstate trip, it must pay an average of ten percent of the revenues to the big van companies that hold the permits it needs.

In August 1972, Checker asked the ICC for a modest interstate license of its own. A half-dozen nationwide van lines and one regional competitor who already held such permits filed immediate protests. Checker had to spend $5,000 in legal fees to present its case. None of these complainants challenged Checker's service or denied the charge that they shunned the short-haul interstate traffic Checker specialized in. Nevertheless, the commission, after a wait of 20 months, rejected Checker's application—thus forcing the line to continue paying virtual kickbacks for the right to haul goods in interstate commerce.

Why such turndowns? Incredibly, the commission has set as virtual policy that no applicant may cite lower costs, faster service or greater responsiveness to customers as reasons for receiving a permit. Evidence that existing service may be inefficient or overpriced is considered irrelevant and inadmissible. Only if the applicant can prove that established carriers lack the capacity to haul specific traffic will the commission decide that "public convenience and necessity" demand approval of a new certificate. In the words of commission chairman George Stafford, the policy is to guarantee that carriers conforming to ICC requirements "will not have their profits drained by unwarranted or destructive competition." If the profits are not fat enough, he states, existing companies will have no "inducement" to expand.

2. The ICC determines what a commercial trucker can and cannot carry. Certificates granted by the agency, spelling out the specific items that a trucker may haul (only livestock and raw agricultural products are exempt from ICC regulations), are sometimes so irrational as to be ludicrous—if they were not so injurious to the economy. Thus, some truckers are permitted to carry only unexposed film; exposed film must be hauled by someone else. Other truckers may transport plastic pipe but not metal pipe. Officials at Quaker Oats, starting up a new pizza-making plant in Jackson, Tenn., have had to face problems with certificate-hobbled truckers. Trucks hauling tomato paste to the plant from California are not allowed to carry pizzas back. Trucks bringing pizza crusts from Denver must also return empty.

"The situation is absured," says Mike Parkhurst, a former trucker who now edits the trucking magazine *Overdrive*. "It's as if American Airlines could only carry people from east to west, while United took passengers from west to east."

The commission defends its practice of regulating cargo rights as "stabilizing" the transportation industry. If truckers could haul whatever cargoes they could find, says the ICC, a dog-eat-dog scramble for shipments might force many firms out of business. Cargo restrictions also protect truckers by creating a need for more trucking activity; in limiting what one carrier may carry back to his point of origin, the ICC gives another driver a job. But consumers, of course, pay for the second truck to carry what could have been taken by the first.

Indeed, regulated truckers today travel empty an estimated 30 percent of their miles—triple the percentage for unregulated carriers, according to a widely respected 1970 report on the ICC co-authored by Robert Fellmeth and members of the Ralph Nader research staff.

3. The ICC decides what areas truckers may serve. The commission has parceled out hundreds of thousands of routes, often detailing to the mile just where an individual trucker may go. Thus, certificates may restrict service to one side of a street or to roundabout roads rather than more direct highways. Agency rules require Cedar Rapids Steel Transportation, for example—hauling 60 truckloads a week to Chicago from St. Paul—to go 80 miles out of the way, through Clinton, Iowa. If a factory changes its gate location, truckers sometimes even have to apply for new authority to pick up and deliver.

The ICC claims that its control over routing prevents "harmful and wasteful effects of unrestrained operations." But each day hundreds of truckers are prevented from taking the quickest, most economical route to their destination. While no one knows exactly the amount of fuel that would be saved by eliminating all the circuitous routing, conservation organizations such as the Sierra Club put the sum at tens of millions of gallons a year.

Last April, after strenuous protests from environmentalists concerned with the waste, the commission did eliminate a number of flagrant abuses. But many truckers are still threatened with heavy fines or even jail terms for taking the most direct routes.

4. The ICC permits the trucking industry to fix its own prices. Interstate rates are set by 148 "rate bureaus"—regional associations of truckers—and are put into effect automatically unless an aggrieved party goes to the expense of asking the ICC to intervene. Justice Department lawyers note sardonically that trucking executives would land in jail if their "rate bureau" meetings took place in almost any other business. Says John Snow, of the Department of Transportation: "They are in a situation that almost every industry would like to be in. They can sit down and veto the rates of their competitors."

Truckers who try to lower rates often learn to regret it. Each year, rate-bureau attorneys file hundreds of protests with the ICC, charging that truckers' independent proposals to reduce rates constitute "unfair competition." Thus, when Poole Trucklines of Alabama told customers that it was reducing by 35 percent its rate on hauling paper products, the Southern Motor Carriers Rate Conference protested to the ICC that the action was "unjust and unreasonable." The commission agreed, forcing the firm to cancel its reduction. Since 1970, the ICC has excised more than $3 million from carriers and their customers, via the courts, for charging less than rate-bureau fees.

The price-fixing system uses the carrot as well as the stick. By forcing rates up to high levels, the rate bureaus have convinced most regulated truckers that there is little reason to engage in price competition with one another. The result is that regulated truckers have an estimated profit of 15 percent—twice that of most industries.

Would free competition really lower prices? Prof. Thomas Gale Moore, of Stanford University, notes that when ICC regulations were removed from frozen vegetables in the 1950s, shipping rates dropped 20 percent and more. He predicts savings of billions of dollars a year if all rates were to be set by the free market.

Clearly, drastic reforms are needed in these four areas. They will, however, be hard-fought.

Former ICC chairman Anthony Arpaia warns that major truckers oppose change, and that they "constitute a powerfull lobby with plenty of money on Capitol Hill." The American Trucking Associations, for instance, dominated by large trucking firms with protected route and cargo rights, pay for a persuasive Washington staff of 240. "We think the law is perfectly all right the way it is," says ATA president William Bresnahan. Since the more driving they do, the more they are paid, many truck drivers, too, support present wasteful policies. And the Teamsters Union, ably represented in Washington by 125 full-time staffers, also profits from ICC rules that create empty trucks and circuitous routes.

Reform is even more difficult because of the cozy relations between the regulated and the regulators. Of 14 commissioners who have left the ICC for new employment since 1958, 12 found jobs representing the industry they once controlled. The Nader report argues that job-switching between the ICC and the industry has become so frequent that "deferred bribes" are the norm.

The special-interest obstacles to reform, then, are enormous. But encouraging signs ar nonetheless spreading. The head of the House Interstate and Foreign Commerce Committee, Rep. Harley O. Staggers (D., W. Va.), now believes that the agency should scrap rules creating roundabout routes and empty trucks. Early this year, President Ford is expected to ask Congress to reform the commission as part of the Administration's effort to curb inflation—by loosening the regulatory system to allow greater competition. "It's bad enough to pay the salaries of bureaucrats when they do nothing," says a spokesman for the National Taxpayers Union. "It is even worse to pay to have them skewer us the way the ICC is doing."

The effort will die, however, unless enough citizen support steps forward. Consumers have already lost billions of dollars to ICC-protected cartels. It is time for us to demand that Congress put a stop to this highway robbery.

A SAFEGUARD AGAINST OVERPAYMENT OF INCOME TAXES

Mr. WILLIAMS. Mr. President, as the former chairman of the Senate Committee on Aging—and now the ranking majority member—I have had a longstanding and deep concern about income tax overpayments by the elderly.

In fact, hearings that I conducted as chairman of the committee in 1970 helped to pave the way for a number of safeguards to protect older Americans from paying more Federal income tax than required by law.

One such example was the committee's checklist of itemized deductions.

Many elderly persons have told me time and time again that this publication has not only helped them in preparing their returns, but it has also saved them money.

Another advantage of this summary is that it provides guidance in determining whether it would be desirable for a taxpayer to itemize his deductions or claim the standard deduction or the low-income allowance.

Consequently, I am delighted that the Committee on Aging has continued to update the checklist of itemized deductions each year.

And, this year's summary, it seems to me, is an especially helpful and useful document for young and old taxpayers alike.

LABOR AND MANAGEMENT IN AUTO INDUSTRY AGREE ON BASICS OF NATIONAL ECONOMIC ENERGY PROGRAM AND REJECT ADMINISTRATION'S PROPOSALS

Mr. HUMPHREY. Mr. President, the Joint Economic Committee is presently in the midst of its annual hearings on the economy. I have found these hearings to be extremely informative as the ideas of a broad spectrum of individuals have been presented. The committee members have learned much from the ideas of leading economists, Government economic officials, businesssmen, and union officials.

On February 19, the JEC was privileged to have before it two outstanding leaders in the auto industry, Henry Ford II and Leonard Woodcock. We were particularly interested to hear what they had to say, because the auto industry has been the industry hardest hit by the recession, with a current unemployment rate of 24 percent.

In listening to Mr. Ford's testimony, I was very pleased to discover that we were in complete agreement on his four major points. First and foremost, Mr. Ford stressed that unemployment is now the "most critical and most immediate national problem." He felt that in taking steps to stop the recession, we should not be so frightened by inflation that we do too little, too late to restore economic growth. One statement, in particular, clearly showed the depth of his feeling on the unemployment problem:

> The American people will not and should not accept policies that would lead to nearly seven percent unemployment as late as 1978, as the Administration has projected.

I find it quite significant that such a direct, forceful statement comes not from a liberal economist, but from a chief executive officer of one of America's largest companies.

Mr. Ford went on to state that an absolutely necessary element in helping stop the recession is a tax cut, which he said should meet five criteria: It should be quick, large, simple, temporary, and be for both individuals and corporations. I have long agreed with these criteria and feel that the tax bill I have introduced meets all of them.

A third major point he raised, which has been supported by virtually every witness who has appeared, is that there must be a significant easing of monetary policy. Mr. Ford went on to point out, however, that even with this nearly unanimous agreement, "nothing has happened." I share in his dismay that during December and January, when the economy was taking its deepest plunge in terms of decreased output and increased unemployment, the money supply actually decreased sharply. In fact, since last June the annual growth rate has averaged only about 1 percent. I cannot stress strongly enough that this is abhorrent, as there is simply no way this recession can be reversed until more money begins to flow into the economy. Mr. Ford's suggested monetary growth rate of 6 to 8 percent, I feel, should be the minimum, for even that is less than the expected rate of inflation, which means the real money supply would not be expanding.

Finally, in regard to the President's energy proposals, Mr. Ford's principal concern was over the timing involved. This stemmed from his feeling that reducing unemployment and restoring economic growth must be our first priority. He, therefore, recommended stretching out the price increases and consumption decreases associated with the President's energy program over a longer period than the President has recommended.

It is notable that the top leaders from both sides of the auto industry bargaining table were in such complete agreement on the fundamental economic problems in America and what needs to be done to correct them.

Leonard Woodcock began by painting a very grim picture of unemployment. For example, during 1975, well over 20 million Americans will experience some unemployment, Mr. Woodcock noted, with 7 or 8 million experiencing periods of idleness of longer than 3½ months. In light of such facts, Mr. Woodcock called for a stimulus of upward of $18 billion directed to individuals.

To help alleviate the hardships caused by unemployment, he indicated the UAW's strong preference for federalizing the unemployment compensation system. His proposed Federal benefit standard would replace 66⅔ percent of a jobless worker's fulltime weekly wage up to an amount equal to the statewide average weekly wage.

In addition, the UAW President advocated a major Federal program of public service jobs. The minimum funding for such a program would approximate one-half of 1 percent of the Federal budget when the national unemployment rate is 4 percent or lower. An additional one-half of 1 percent of the budget would be earmarked for each 1 percentage point increase in the unemployment rate. In fiscal 1976, this program would create between 1.25 and 1.5 million public service jobs, at a cost of about $10 billion.

In the energy area, Mr. Woodcock emphasized the same point that Mr. Ford, and virtually every nonadministration witness, has stressed so far before the JEC; namely, that there simply is no absolute need for reducing imports by the end of this year by 1 million barrels of crude per day. The economy is in too precarious a state to attempt such drastic action, particularly since the President's program would impose a burden on the country of $40 to $50 billion in 1975 in direct costs alone. Why launch into a massive program that will heighten inflation and deepen the recession, all for the sake of a short-run goal? That appears quite arbitrary.

Mr. Woodcock suggested six positive actions Congress could take in the energy area: First, reform the basic structure of the system for the supply and consumption of natural gas; second, establish a

National Energy Production Board; third, create a strategic oil reserve slightly less than the President's proposal; fourth, authorize, but do not implement at this time, standby emergency authority to deal with emergency shortages; fifth, enact an import quota system, but do not put it into effect at this time; and sixth, pursue antitrust and other measures to prevent abuse of monopoly power among the energy companies.

I feel that the above points deserve serious attention, both by my colleagues in the Congress and, I would hope, by economic decisionmakers within the administration. They show that top labor and top management can come together in agreeing on the fundamental economic problems this country faces and the most appropriate remedies for them. I believe this should be seen as a very encouraging sign by the American people.

These two witnesses certainly did not support the basic thrust of the administration's economic-energy package, nor have the vast majority of JEC witnesses in the past 3 weeks. This fact alone—the lack of basic support by economists, businessmen, and labor leaders—provides a very strong case for rejecting the President's program, particularly when there is near unanimity that it is simply too costly in light of current economic conditions. The energy problem must be resolved, but not "overnight" at the expense of jobs and output.

Once again, the question is one of resolving priorities and the verdict is in—strengthening the economy must be the Nation's No. 1 priority, in order to get Americans back into productive jobs and to stop the tremendous loss in output we are currently experiencing.

I ask unanimous consent that the testimony of Mr. Henry Ford II be printed at this point in the RECORD.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

[NEWS RELEASE]

NEWS DEPARTMENT,
Dearborn, Mich.

Following is a text of remarks by **Henry** Ford II, chairman of the board, **Ford** Motor Company, before the Joint Economic Committee of the Congress, Washington, D.C., on Wednesday, February 19, 1975:

I appreciate this opportunity to give you some of my views on the state of the economy and how I think it can be improved.

I know you have already heard and studied a bewildering variety of proposals for solving the nation's economic problems, and I am not going to add to your burden. I have neither the competence nor the confidence to offer specific advice on such matters as taxes and the Federal budget, and I am not going to try.

My role here today, as I see it, is to speak as a concerned businessman who has some familiarity with the mood of some of your constituents, and with the problems of one major industry. If my remarks are found lacking in specific recommendations, perhaps I can make up for the deficiency by calling attention to basics that are in some danger of being neglected.

There seems to general agreement that the United States is facing three critical economic problems—unemployment, inflation and energy. I would add to this list a fourth problem which is more than an economic problem, but makes the economic problems harder to solve.

The fourth problem is the growing lack of public confidence. People who can still afford to spend have stopped spending because they are afraid they won't be able to keep up the payments. Businesses are cutting capital spending because profits have fallen so low and the outlook for a reasonable return is so uncertain. People who would rally behind government programs to solve the nation's economic problems can't find a rallying point because no programs have been adopted.

Day by day the public is exposed by television and the press to Administration spokesmen denouncing Congress for doing nothing, and Congressional spokesmen denouncing the Administration for trying to do the wrong things. And day by day the problems mount and nothing is decided. People are rapidly coming to the conclusion that nobody knows what to do, nobody is steering, the problems are running away with us and the country is headed straight for disaster.

Of course, there are bound to be honest differences of opinion on the appropriate course of action—especially when we have a Republican Administration and a large Democratic majority in Congress. But I know I speak for many of your constituents when I say that I believe the time has come for Republicans and Democrats—conservatives and liberals—the Administration and Congress—to stop focusing on the other side's errors and to start searching for common ground.

The place to start is to agree that unemployment is now the most critical and most immediate national problem. Reducing unemployment must take precedence because the unemployment rate we are now suffering can be reduced and because the human effects of unemployment are so devastating. In my judgment, the American people will not and should not accept policies that would lead to nearly 7 per cent unemployment as late as 1978, as the Administration has projected.

We must not be so frightened by the perils of inflation that we do too little, too late to restore economic growth. In fact, if timely action is not taken to stop the recession, it may gather so much momentum that there will be no way to stop it except through actions that are so strong and so long-lasting that they will guarantee more inflation down the road.

The second point on which it should be possible to reach agreement is that a tax cut is necessary to stop the recession and put people back to work.

In my opinion, there are five criteria that such a tax cut must meet. It should be quick. It should be large. It should be simple. It should reduce taxes for both individuals and corporations. And it should be temporary. Everything else, in my opinion, is secondary.

It should be quick because every American has more to lose from any delay in tax reduction than any American stands to gain from one tax reduction formula or another. It should be large because we need a large tax cut to halt the momentum of this recession. It should be simple so that people understand what it will do for them. It should provide relief for both individuals and corporations because we need to stimulate both consumer spending and business investment. And it should be temporary because it is obvious that Congress will not enact a large permanent tax cut without lengthy debate over tax reform and because a large permanent cut would be inflationary unless expenditures are brought under control.

There is a third essential step on which nearly unanimous agreement has long since been reached. And yet, for reasons which escape my understanding, nothing has happened. Everyone seems to agree that easier monetary policy is necessary to halt the recession. The Federal Reserve has announced its intention to provide moderate monetary growth. There is a widespread impression that monetary policy has already been eased, but this is simply not so.

During December and January, the money supply decreased sharply and during the whole period since last June the annual growth rate has averaged only about 1 per cent. This means, of course, that the real money supply, adjusted for inflation, is much smaller than it was seven months ago. I believe that the monetary growth rate should be raised to the range of 6 to 8 per cent for a short period in order to make up for the lack of appropriate growth over the past seven months.

As the rate of inflation subsides, real money balances increase, and recovery begins, the monetary growth rate can and should be reduced to prevent a new burst of inflation. But I do not understand how the Federal Reserve can permit a sharp contraction in the money supply at a time of sharply rising prices and sharply declining economic activity. This, it seems to me, is a sure formula for a longer and deeper recession.

I believe the American people have every right to expect the members of their government to set aside partisan differences, to agree that unemployment must be reduced quickly and to provide the tax cut and the money growth that are necessary to stop the recession and put people back to work. Prompt accomplishment of this three-point agenda is absolutely essential. Every day of delay creates unnecessary hardship, erodes public confidence in both government and business and weakens the foundations of our free society. Until this simple agenda is accomplished, we cannot afford the luxury of disagreeing over matters that are less basic or less urgent.

Gaining control of inflation is no less basic, but is certainly less urgent at this time. As long as our economy has so much unemployment and so much unused capacity, there is little risk that lower taxes and a bigger money supply will lead to still higher prices rather than more real growth. Timing is crucial. The way to get recovery without sowing the seeds of future inflation is not to take weak action to stimulate the economy, but to take vigorous action quickly, and to end it just as quickly when the need has passed.

In the energy area, we tend to think that the main problem is the high price of imported oil. It seems to me, however, that two other problems are even more important. One is that we are still trying, by one expedient or another, to avoid the painful but necessary adjustment to the end of the era of cheap energy. We are not running out of energy but we are running out of low-cost petroleum and natural gas, and this would be true even if the OPEC nations had not imposed a huge price increase. We must adjust to the impending depletion of cheap energy sources by developing new energy sources which will no doubt be more expensive and by using all our energy supplies less wastefully and more efficiently.

The need to adjust is not a temporary requirement, but a lasting one involving every aspect of our complex economy and our whole way of life. Fortunately, there is a simple and effective way of assuring the necessary adjustment without getting the government permanently involved in planning and controlling every aspect of our economy. That way, as the President has recommended, is to let the price of energy reflect its rising value.

Rationing is not a viable alternative. It would involve greater hardships, greater inequities, major inefficiencies and would do nothing to expand energy supplies. Since the problem is not to achieve a temporary reduction in petroleum consumption but a total and permanent revision of our whole system of energy production and use, rationing cannot possibly to the job.

I am pleased to see that Congressional support for gasoline rationing as the key to national energy policy seems to be waning. But I am disappointed by the continuing reluctance to let the marketplace perform its classic function.

As long as we keep the prices of old oil and of natural gas below their market level, we will encourage people to waste these valuable resources and discourage both the expansion of oil and natural gas supplies and the development of other energy sources.

The other basic problem in the energy area is the growing dependence of the United States on interruptible foreign oil supplies. Petroleum consumption already has been reduced by higher prices and by recession and will fall again if the price of old oil is deregulated. I believe that it will also be necessary to go even farther by imposing oil taxes such as the President recommended. I am not sure, however, that the public can be persuaded to accept this additional shock right now or that it is really essential to do so right now.

I conclude, therefore, that price increases and consumption decreases might be stretched out over a longer period than the President has recommended. Such a stretch-out would permit families, industries and the economy as a whole to make the necessary adjustments at lower cost and with less hardship and disruption.

Mr. Chairman, let me turn now to the situaation in our industry. As you know, declining automotive sales have contributed substantially to the severity of the recession. Our industry has had the dubious distinction of leading the downturn—partly because of the oil embargo and public uncertainty over gasoline prices and supplies, and partly because of the large price increases on 1974 and 1975 models that were necessary to recover part of the huge cost increases experienced during and after the preceding period of price control.

Industry car sales, including imports, have fallen from an annual rate of 12.3 million in the first quarter of 1973 to 7.3 million in the fourth quarter of last year. Unemployment in the auto industry, as reported by the Bureau of Labor Statistics, was 20 per cent in December, and 24 per cent in January.

Sales improved substantially toward the end of January because of price rebates offered by all four domestic manufacturers, and the sales rate for the 30 days ending February 10 rose to about 8½ million. This is, of course, encouraging. Because of the worsening cost-price squeeze, price rebates on today's scale cannot continue, however, and what will happen to car sales when the present rebates end is anybody's guess. Personally, I see no chance for a sustained improvement in car sales until consumer confidence begins to improve and the economy as a whole begins to recover.

The automobile manufacturers have been criticized because we have been urging the government to stimulate the economy and have not tried to rescue ourselves and lead the economy out of recession by slashing prices across-the-board. Speaking only for Ford Motor Company, we have not adopted a general price cut because we cannot.

The current temporary price rebates on selected products were adopted as an experimental effort to rekindle consumer interest and reduce excessive inventories of certain car lines. It would be an entirely different matter for us to reduce all our prices and keep them down.

In spite of retail price increases averaging about $1,000 per car since the end of the 1973 model year, our profit margin has reached the vanishing point. A price reduction would cost us far more than we could possibly save as a result of higher volume and lower fixed costs per unit. We cannot reduce prices at this time because we could not survive by selling more cars and losing money on every car we sell.

We recognize, of course, that our future sales growth will be severely limited if car prices continue to increase as much as they have recently. But the rise in car prices cannot be slowed until cost increases are slowed. And this, in turn, depends primarily on the government's success in stimulating economic recovery without bringing on a new round of inflation, and on the government's willingness to restrain the sharply rising costs of government-mandated standards controlling our products and our plants.

Mr. Chairman, in my thirty years as a businessman, I have never before felt so uncertain and so troubled about the future of both my country and my company. It is not too much to say that the very survival of our free society may depend on finding good solutions to the three basic economic problems I have mentioned today:

We must restore economic growth and reduce unemployment.

We must gain control of inflation.

And we must learn to use petroleum and other energy sources more efficiently.

Whatever progress may be made in the near future, the United States will be striving toward each of those goals at least for the rest of the 1970's. Ford Motor Company is compelled by its own business interests to work toward each of those same three goals.

To restore our profits, we must increase our sales and our production and put our employees back to work.

To restore and maintain the growth of our sales, we must hold down both the price of cars and the cost of driving them.

To hold down driving costs, in spite of high and rising gasoline prices, we must make large improvements in the fuel economy of our products.

Because of the enormous economic role of our industry and its products, our success in working toward these goals will have a significant influence on the nation's success.

That is why I believe that Congress should be concerned over the major obstacles placed in our way by safety, damageability and pollution control legislation and by standards established pursuant to that legislation.

We estimate that statutory and proposed standards for the 1976 through 1980 model years could add more than $800 to the retail price of the average Ford-built car. Our present projections indicate that if the statutory emission standards and proposed new safety and damageability standards become effective, the average fuel economy of our 1980 cars might be six-to-eight miles per gallon less than it could be if 1975 standards were continued.

During the past three years, we have invested an average of about $200 million a year to meet car, truck and plant standards, and the rate of investment will have to go up sharply during the next few years if we have to meet presently scheduled standards.

As you may know, we have pledged that Ford will do its part to reach the President's goal of 40 per cent improvement in the average fuel economy of new cars by 1980, if emission standards are no more stringent than the President has proposed. This will require reductions in the sizes of cars, further expansion of small car production and sales and major technological changes that, together, will take investments of hundreds of millions of dollars. It is difficult to see where the money is going to come from if our sales are depressed by the need to pass on the cost of other government standards and our capital is depleted by the investments required to meet those standards.

Whatever margin of error there may be in the numbers I have cited, the fact remains that government standards for the next five years represent a major obstacle to our efforts—and the nation's efforts—to keep price down, restore economic growth, reduce unemployment and conserve petroleum.

This obstacle can be removed, without abandoning the health, safety and environmental goals established by Congress, by deferring any further tightening of standards for five years.

Not one of the future vehicle standards now on the books would lead to any large short-run improvement in environmental quality or public health and safety. Every one of them could be deferred for five years with no significant slackening in health and safety progress.

The air will get cleaner over the next five years, for example, even if emission standards are left at their present level, because older, dirtier cars will be replaced by new cars that meet today's stringent standards.

When the legislation underlying vehicle standards was enacted, Congress could not have foreseen that the major costs would come at precisely the time when the nation could least afford them. That time has arrived, however, and the choice seems clear. Because the major benefits of this legislation already have been achieved, no great harm will be done if the major costs that lie ahead are deferred until a better time. Meanwhile, Congress would have an opportunity to consider carefully whether the remaining benefits really are worth their cost to the American people, and our industry would have the time it needs to achieve such benefits at lower cost.

LITHUANIAN INDEPENDENCE DAY

Mr. BUCKLEY. Mr. President, on February 16, Americans of Lithuanian descent observed the 57th anniversary of the establishment of Lithuania as an independent nation. February 16th is also the 724th anniversary of the Lithuanian State. Today, however, the people of Lithuania continue to live under Communist domination as they have for over 30 years. I, for one, look forward to the day when once again, the Lithuanian people will be free and independent.

During December of last year, I visited the Soviet Union and there was able to confirm my belief that the tyranny of the Soviet State is real. That tyranny extends throughout the Soviet Union and Eastern Europe and reaches into the lives of each and every citizen of this massive empire. Moscow continues to maintain a strangle hold on all of its people in hopes of solidifying control and insuring loyalty to the Communist way of life. This has not been possible for the Soviets, and we need only look to the bravery and indomitable spirit of the Lithuanians to know the reason why.

We have had a unique opportunity to witness the bravery of these people in our experience with Simas Kudirka. I was honored to play a small part in securing his release and I have had the privilege of meeting this remarkable individual on two different occasions. I am grateful for the concern of many interested Americans and especially for the help of many energetic members of the Lithuanian community who worked so long and hard to make his return possible. Mr. Kudirka has given us rare insight into conditions there as they really are. He has experienced first hand the horrors of the Gulag Archipelago. He has known the hypocrisy of the freedoms supposedly guaranteed all citizens under the Soviet constitution. He has told us of his own struggle for freedom, and has voiced the hopes of many of his countrymen.

We all owe Simas Kudirka a great debt. His example has served to strengthen our guard in our dealings with the Soviet State. Basic human freedoms must be granted before there can be true détente. I am grateful to him, and I am grateful to all Americans of Lithuanian descent for reminding us how much more there is to do.

CONSTITUTIONALITY OF GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, in article III of the Genocide Convention, "direct and public incitement to commit genocide" is declared punishable. This provision has come under attack several times, usually on the grounds that it would violate rights guaranteed by the Constitution. This argument just will not stand up.

Our sacred freedoms of the press and of speech must indeed be safeguarded. However, a distinction has been drawn by the Supreme Court between speech protected by the Constitution and direct incitement to action. In the case of Brandenburg against Ohio, the Court said:

> . . . the constitutional guarantees of free speech and free press do not permit a state to forbid or proscribe advocacy . . . of law violation except where such advocacy is directed to inciting or producing imminent lawless action and is likely to produce such action.

Clearly advocacy is protected as a right of free speech under the Constitution. However, incitement to commit illegal action is not protected by the Court's view.

The Genocide Convention clearly states that legislation passed by signatory nations to give effect to the provisions of the Convention must be drawn up only "in accordance with their respective Constitutions." The Courts' interpretation shows that making incitement to commit genocide punishable is absolutely in accord with the Constitution of the United States. I hope that this body will act to ratify the Genocide Convention with all deliberate speed.

THE 57TH ANNIVERSARY OF THE REPUBLIC OF ESTONIA, FEBRUARY 25, 1975

Mr. THURMOND. Mr. President, February 24 marks the 57th anniversary of the Declaration of Independence of the Republic of Estonia. Estonia is one of three countries commonly known as the Baltic States.

While Estonian Independence Day is observed on February 24, Estonia is not, in reality, an independent nation. This small country was annexed in 1940 by the Soviet Union and remains a part of the Soviet Union today. In spite of the occupation of their country, the desire of the Estonian people for freedom and self-determination remains strong and unyielding.

Mr. President, the three Baltic States, who were former members of the League of Nations, have yet to experience the implementation of the third article of the Atlantic Charter. This article addresses itself to the restoration of self-government to those nations who have been forcibly deprived of this right. As a result, Estonia has been deprived the opportunity to shape her future in light of her own national interests and also the opportunity to be represented in the community of world nations.

In order to call attention to the plight of these brave people, I ask unanimous consent that a petition to the United Nations General Assembly from the Estonian Democratic Movement and the Estonian National Front be printed in the Record at the conclusion of my remarks.

Mr. President, I hope the United Nations will soon address itself to the question of true freedom for Estonia and all the Baltic States, and that the next Estonian Independence Day will find Estonia a truly free and independent nation.

There being no objection, the petition was ordered to be printed in the Record, as follows:

To the General Assembly of the United Nations Organisation

The Estonian Democratic Movement and the Estonian National Front present to the General Assembly of the United Nations the following memorandum, concerning the fate of the Estonian nation.

In view of the fact:

That existence of different nations constitutes the riches of the humanity;

That as a result of forcible levelling and assimilation of national cultures the humanity grows poorer;

That national independence is main condition for the survival of a nation and her culture;

That one of the basic features in the development of the world during the last decades has been the emergence and growth of independent national states-members of the UNO;

That the International Covenant of Economic, Social and Cultural Rights (art. 1), the Declaration of the Granting of Independence to Colonial Countries and Peoples (par. 2) as well as other analogous UNO documents declare the right of all nations to self-determination, under which they shall freely determine their political status, and exercise their economic, social and cultural development;

That in accordance of the Universal Declaration on Human Rights (art. 21, par. 3) the power of government lies in the peoples' will, which must be expressed through periodic and unfalsified elections . . . and forms, that guarantee the freedom of voting;

That Estonia, a former internationally recognized independent state and member of the League of Nations (beginning from 1921) was in 1940 forcibly deprived of her national independence and reduced in fact to the status of a colonial territory;

That as a result of such status and the policy of the Soviet government, aimed at the gradual assimilation of all nationalities living on the Soviet territory into a Russian-dominated nation, there has arisen a serious threat as to the further national, political and spiritual existence of the Estonian nation;

That the states—signatories of the Atlantic Charter (including the Soviet Union) committed themselves (art. 3) to promote restoration of sovereign rights and self-government to those peoples, who have been forcibly deprived of them;

That the aforementioned commitment has not been fulfilled solely in the case of the three Baltic nations, including Estonia;

That under the colonial rule the Estonian nation has not been guaranteed the fulfillment of the articles 3, 8, 9, 10, 11, 12, 13, 14(1), 18, 19, 20, 21, 26(2), 27(2) of the Universal Dclaration on Human rights, articles 1, 8(14), 13(3), 15(3) of International Covenant on Economic, Social and Cultural Rights and articles 6, 7, 9, 10, 12, 14, 17, 18, 19, 21, 22 of the International Covenant on Civil and Political Rights

the Estonian Democratic Movement and the Estonian National Front

DEMAND:

1. Restoration of the independent Estonian state in the frontiers fixed by the 1920 Tartu peace-treaty between the Estonian Republic and Soviet Russia;
2. Admission of Estonia as a former member of the League of Nations to United Nations membership;

To these ends the Estonian Democratic Movement and the Estonian National Front consider necessary:

a) To liquidate the existing colonial administration, which does not correspond to the art. 21 par. 3 of the Universal Declaration of Human Rights, depends entirely on the Soviet central government and is an instrument of the latter's imperialist and chauvinistic aims;

b) To liquidate the Soviet military bases on Estonian soil and withdraw from Estonia all Soviet military personnel (who, under the agreement between Estonia and the Soviet Union were stationed for 10 years only, the agreement expired in 1949);

c) Up to the formation of national organs of government through free democratic elections to place Estonia temporarily under the UNO administration and to introduce to Estonia the UNO's peace-keeping forces;

d) Pending the UNO administration, opportunity for return to Estonia must be given to all persons of Estonian nationality, who have been forcibly deported from Estonia (including these detained on political reasons), or who have left Estonia at their own will, also to all other persons, who have been citizens of the Estonian Republic, and to their descendants;

e) To restore normal political life and to create conditions for really free democratic elections (under the supervision of the UNO observers) in order to form a representative body of the Estonian people—the Constituent Assembly.

All political parties and groups, who respect the democratic principles and the right of peoples to national independence, may participate in the elections to the Constituent Assembly.

In the elections to the Constituent Assembly suffrage belongs to all those persons at least 18 years old, who have been (or among whose parents at least one has been) citizens of the Estonia Republic, or who were born on the Estonian territory.

The Estonian Democratic Movement and the Estonian National Front are convinced that only the implementation of the aforementioned considerations and demands permits the United Nations Organisation to exercise consistently her obligations which lie on her in accordance with the articles 1, 2, 4, 5 of the Declaration on the Granting Independence to Colonial Countries and Peoples, article 1 par. 3 of the International Covenant on Civil and Political Rights and articles 103, 104, 105 of the UNO Charter.

The Estonian Democratic Movement and the Estonian National Front demand the UNO to take effective steps in order to abolish the immoral, inhuman and illegal Soviet colonial rule in Estonia and to compel the Soviet Union not to hinder the restoration of the legal rights and national sovereignty to the Estonian nation.

Estonians will never accept the colonial status of their fatherland.

At present, when even the smallest nations of the world have been recognized the right to national independence, the Estonian nation looks forward to urgent and real help from the United Nations Organisation.

CHIEF JUDGE DAVID L. BAZELON

Mr. RIBICOFF. Mr. President, Chief Judge David L. Bazelon has completed 25 years of service on the U.S. Court of Appeals for the District of Columbia Circuit. For the past 12 years, he has been the court's chief judge. To mark this occasion, the Georgetown Law Journal compiled a symposium.

Judge Bazelon has been an outstanding judge and has made significant and lasting contributions to the entire field of jurisprudence. The article from the October 1974 issue of the Georgetown Law Journal is most interesting and worth the attention of my colleagues.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHIEF JUDGE BAZELON'S CONTRIBUTIONS TO THE LAW

(By William J. Brennan, Jr.*)

In recognition of Chief Judge David L. Bazelon's 25 years of service on the United States Court of Appeals for the District of Columbia Circuit and his 12 years as the court's chief judge, the *Georgetown Law Journal* has compiled the following symposium. We honor Chief Judge Bazelon not because he has served on the court for a quarter century, however, but because he has made numerous contributions to the law. We use the 25th anniversary as an occasion to assess those contributions.

The articles herein reveal Chief Judge Bazelon's 25 years as exciting and not infrequently controversial ones. Whether one agrees with his conclusions—he has stimulated intense criticism as well as admiration—one must respect the creativity and rigor of his work. His opinions have provoked practitioners, scholars, and jurists to scrutinize many established and developing precepts of law and have challenged them to integrate into the law insights from other disciplines. He often has led the way in demanding that the Government act responsibly and responsively when it takes action affecting industries or individuals and that citizens be enabled to hold the Government accountable for its actions. In his most noted effort, Chief Judge Bazelon has attempted to define more clearly the troublesome concept of criminal responsibility. Chief Judge Bazelon has not always successfully pressed his views, but he has always forced the issues into the open and in so doing has strengthened the integrity of the law.

INTRODUCTION

People are not neutral about Chief Judge David L. Bazelon. He deeply pleases some. He deeply distresses others. I have not risked a poll but am confident that the deeply pleased outnumber the deeply distressed. But agree or disagree with him, it is common ground that he is among the outstanding judges of American judicial history. In his quarter century as a court of appeals judge, twelve years as chief judge, he has authored an extraordinary number of distinguished and well-known opinions. Central to all of them is the theme that judges must perfect the adversary process as the essential tool for monitoring the performance of other disciplines to which a complex society must look for aid in resolving myriad complex legal controversies. For the judge reminds us that what the law provides is a method for seeking wisdom, not wisdom itself.

None of Judge Bazelon's opinions has received as much attention as his opinions and other writings on criminal responsibility and, especially, the insanity defense. Beginning with his seminal opinion in *Durham* v. *United States*,[1] whose importance is not measured by the number of courts that have adopted its approach (few, after all, have done so) but rather by the extent of the debate and re-examination that the opinion touched off, and including his recent concurring and dissenting opinion in *Brawner* v. *Unitd States*,[2] where he rejected the *Durham* formulation of the insanity defense and pointed the way toward a more profound consideration of the underlying issues than had ever previously been attempted, Judge Bazelon has stood in the forefront. Even the critics of his approach to the insanity defense would surely agree that his prominence in this area is richly deserved, for it has been earned by hard work, relentless probing of the issues, and an unwillingness to leave any assumption, no matter how ancient, unexamined.

What the prominence of Judge Bazelon's opinions on the insanity defense has tended to obscure, however, is the remarkable quality of all of his opinions and the extent of the impact his opinions have had on the development of the law in diverse and less rarified areas. Perhaps because he is known, above all else, for his writings on the insanity defense, too little attention has been paid to his work in these other areas, even though the same exceptional characteristics of mind that animate his approach to the insanity defense are evident in all of his opinions.

Thanks to the unique jurisdiction of the federal courts in the District of Columbia, particularly as it existed prior to the recent Reorganization Act, the cases submitted to Judge Bazelon's court have regularly been challenging and important. In addition to handling the type of judicial business that pervades the federal system, Judge Bazelon and his colleagues have had the opportunity (some might say the burden) of serving as the court of last resort on issues of local law. This special responsibility has had the greatest importance in the area of the criminal law, since the jurisdiction of the court has permitted its use of supervisory powers in areas where other federal courts could intervene pursuant to constitutional command, or not at all. If Judge Bazelon has written more opinions on the insanity defense than any other federal judge, it is largely because his court has confronted a larger number of insanity defense cases than all of the other courts of appeals combined. There is hardly an issue of importance in the criminal law on which Judge Bazelon has not written one of the leading opinions. Moreover, the District of Columbia courts have traditionally played a unique role in the resolution of public law questions of nationwide importance. In part because Congress has often made no other forum available, and in part because interests of convenience so direct, much of the litigation brought by and against the federal government is heard in the District of Columbia courts. As a result, Judge Bazelon has written opinions of exceptional importance in areas far removed from the insanity defense and the criminal law, opinions concerned with the powers and responsibilities of administrative agencies, the availability of tax benefits to organizations that discriminate on the basis of race, broadcasters' rights under the first amendment, the constitutional right of young people to vote, the dictates of the environmental protection laws, and many, many more.

Running through all of his opinions is evidence of several very remarkable qualities and each of these qualities deserves careful consideration. Perhaps most important is the boldness of his thought. Judge Bazelon once said of the late Judge Edgerton, who probably had a greater impact on his approach to the law than anyone else, that the judge treasured a remark made by Mr. Justice Brandeis: "[I]f we would guide by the light of reason, we must let our minds be bold."[3] Not only Judge Edgerton, but most assuredly Judge Bazelon as well, has heeded that advice. He has never refused to ask a question merely because it has never been asked before. Nor has he shied away from proposing an answer merely because it has never been proposed before. He has often taken positions that he knew would generate substantial criticism from his colleagues, legal scholars, or the general community, and he would be the first to admit that the criticism has in some instances proved sound. In a far greater number of cases, however, the logic of his argument has been compelling and a view that only recently seemed a radical departure from established principles is now accepted as obviously correct. Having exposed himself to criticism for carrying an argument to what he viewed as its logical end, Judge Bazelon has time and again made it easier for other judges, including Supreme Court Justices, to announce that they too had reached the same conclusion.

Tempering the boldness of his approach is an extraordinary willingness to subject his own positions to rigorous analysis and, where necessary, to abandon a view that proves untenable. The *Brawner*[4] case is just one instance where Judge Bazelon has stepped away from an approach that he had previously urged, reasoning that the approach could not, to his disappointment, achieve the necessary results. Few judges have shown so great a willingness to learn from experience and to maintain flexibility in their views.

A third important quality is Judge Bazelon's firm conviction that asking the right questions is often a great deal more important than getting the right answers. Since he has devoted most of his attention to the frontiers of legal analysis, grappling with questions that no one has yet considered, searchng for answers to problems that do not yield to quick analysis, Judge Bazelon has often had to content himself with opening up an area for inquiry. But he has developed that technique to a truly remarkable extent, not only asking the questions in a manner that facilitates analysis, but more important, making unmistakably clear the significance of the questions and the need to begin moving toward an answer.

Finally, I would emphasize Judge Bazelon's electic approach to the law, an approach that few other judges have begun to master. He has an uncanny ability to discern connections between problems that to others had appeared unrelated. The result has often been a new and startling insight into an old problem. But Judge Bazelon goes far beyond an able use of the analogy as an aid to analysis. Pervading the hundreds of opinions he has written in 25 years is evidence of his unfailing hostility to artificial barriers that limit the kinds of information that will be taken into account in the resolution of legal problems. In his writings on the insanity defense, to take but one example, he has consistently demanded that the question of legal responsibility be resolved not on the basis of logic or legal analysis alone, but with reference to all available information about the defendant—including all the information that the social sciences can provide in explanation of the vagaries of human behavior. The interdisciplinary

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Footnote at end of article.

approach that Judge Bazelon has pioneered is by now well accepted in the law schools (although it has not yet had so great an impact in the courts), as evidenced not only by the proliferation of interest in law and psychiatry, but also by the increasing awareness that economists, political scientists, anthropologists, and many others have an opportunity to bring to bear on the resolution of legal analysis the products of their research.

More than any other judge, David Bazelon has struggled to open the doors of the nation's courts to just this kind of information. In all likelihood, his long and continuing struggle to break down barriers to the free flow of information and to establish a means by which the expertise of countless disciplines may illuminate the law will, in the long run, prove far more important and more memorable than the opinions on the insanity defense that initially brought him into national prominence. For beyond championing the adversary process as law's most effective tool for monitoring the performance of the psychiatric discipline, he has said:

"Much of what I have said however, applies equally well to the public surveillance of other highly specialized professions on which the operation of our complex civilization depends. Today every profession is being challenged by those who believe that trust should rest not on mystique but rather on what the public knows about its exercise of its expertise. Challenging the expert and digging into the facts behind his opinion is the lifeblood of our legal system, whether it is a psychiatrist characterizing a mental disturbance, a physicist testifying on the environmental impact of a nuclear power plant or a Detroit engineer insisting on the impossibility of meeting legislated automobile exhaust-emission standards by 1975. It is the only way a jury—or the public—can decide whom to trust."[5]

I shall close on a personal note. I know better than most how intensely, indeed passionately, Judge Bazelon lives and breathes his aspirations for better use by judges of the adversary process. Over many years we have lunched together at least twice a week with our noble friend, Milton Kronheim, Sr. On Sunday mornings we pace several laps around the Kennedy Center. He literally agonizes about the awesome responsibility of deciding on inadequate information the lives and fortunes of people. The lack of provision to the jury of all arguably relevant information about an accused's freedom of choice is for him the supreme obscenity. It is no happenstance that his worries focus particularly upon the fate of the indigent or member of a deprived minority, for each is the primary victim of this deficiency of the legal system. I doubt that I have persuaded him, but his work above any other's has pointed the way to the cure.

FOOTNOTES

[*] Associate Justice, Supreme Court of the United States.

[1] 214 F. 2d 862 (D.C. Cir. 1954).

[2] 471 F. 2d 969, 1010 (D.C. Cir. 1972) (Bazelon, C. J., concurring and dissenting).

[3] Burns Baking Co. v. Bryan, 264 U.S. 504, 520 (1924) (Brandeis, J., dissenting).

[4] Brawner v. United States, 471 F. 2d 969, 1010 (D.C. Cir. 1972) (Bazelon, C. J., concurring and dissenting).

[5] Bazelon, *Psychiatrists and the Adversary Process*, Scientific Am., June 1974, at 23.

ON THE COMMEMORATION OF ESTONIAN INDEPENDENCE DAY

Mr. WILLIAMS. Mr. President, on this, the 57th anniversary of Estonia's declaration of independence all those for whom the words freedom and democracy have deep and special meaning join in paying tribute to the courage and determination of the Estonian people. Estonia today is a captive nation and for much of its history, has known foreign domination. Since 1940, its people have been forced to endure the terror of both Nazi and Communist occupation. Its history before World War I shows centuries of rule by one foreign master after another. But, for a brief period of 20 years from 1920 to 1940, Estonia enjoyed the freedom for which her people had waited so long, and to which we know she will one day return.

As a free and independent nation, Estonia had a constitution which emphasized human rights and dignity and guaranteed the rights of minorities. A modern scholar has termed the Estonian constitution "the mature deliberation of a people staunchly devoted to the cause of democracy and impelled to the creation of a regime of social and political liberty by every tradition of a somber past." Estonia joined the League of Nations, and became widely respected as a leader of small nations and as an outspoken proponent of peace. Estonia's contributions to the League of Nations were significant due in part to the large number of skilled Estonian public servants who served the world organization in Geneva. This was a time of peace, stability, and economic prosperity for Estonia.

As Nazi Germany and the Soviet Union plotted and maneuvered for strategic advantage in the months before the outbreak of World War II, Estonia fell victim to Soviet aggression as did her sister Baltic nations. She was incorporated into the Soviet Union, an act that the United States has never recognized as valid.

The story of Estonia during the Second World War is one of mass arrests, deportations, slave labor, executions, and the total abolition of civil liberties and individual freedoms. Regardless of whether the oppressors were Nazi or Communist, the Estonian people suffered.

With the end of the war, the Soviets reoccupied the little country, and began a systematic campaign to erase Estonian culture and national identity. They deported thousands of people to the Asiatic areas of the Soviet Union, and repopulated the areas along the Baltic with people brought from deep inside the Soviet Union. Businesses, farms, and institutions were taken over and managed by the Soviets. Total censorship, bans on travel, and confiscation of private wealth became standard features of the Soviet occupation.

Today, although the Estonians' condition has eased to some extent, they must still follow the dictates of a foreign power and their puppets. They must still wait for the time when they can choose their own leaders and decide their own course.

Our recognition of Estonian Independence Day serves as a reminder to the Estonian people and to their countrymen around the world that they are not alone; that the people of the United States join with them in their cause. As we commemorate this occasion, we call attention to our faith and that of Estonians in all countries that one day Estonia will again take its rightful place alongside the free nations of the world.

THE ENERGY CRISIS

Mr. LEAHY. Mr. President, during their midwinter meeting in Washington, D.C. last week, the National Governors' Conference adopted three policy positions relating to various aspects of the energy crisis.

Gov. Thomas P. Salmon of Vermont, chairman of the Committee on Natural Resources and Environmental Management, testified before the Energy Subcommittee of the Committee on Interstate and Foreign Commerce of the House of Representatives setting forth the NGC position on national energy policy. Governor Salmon has been in the forefront among his colleagues in urging energy conservation and in implementing innovative measures in Vermont to save fuel.

The NGC position calls for a greater role for the States in formulating a national energy policy and in implementing whatever policy is eventually adopted. On February 7 I urged a State-administered mandatory allocation program as an alternative to the President's energy proposals, and I am heartened by the fact that the Governors are calling for greater State responsibility in this area. In that regard I should also point out that the Vermont General Assembly recently approved a joint resolution opposing the proposed tariff on imported oil.

Mr. President, I ask unanimous consent that a copy of that joint resolution along with Governor Salmon's testimony and the policy positions adopted by the National Governors' Conference on National Energy Policy, on Coal, and on the Outer Continental Shelf Energy Resources be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION RELATING TO THE PROPOSED TARIFF ON IMPORTED OIL

Whereas, the tariff on oil imported into the United States called for by the President of the United States would result in increased oil costs for customers purchasing the imported oil, and

Whereas, the New England States are almost entirely dependent on imported oil for their fuel needs, and

Whereas, the people of New England cannot afford to pay the increased price of imported oil without severe hardship, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the Governor of this state is about to meet with the Governors of the other New England States to plan and put into action an effort to prevent the tariff on imported oil, and be it further

Resolved: That the General Assembly strongly support the Governor of this state and urge him to convey to the President, the Congress and the other Governors of New England the plight of many Vermonters presently unable to pay fuel bills, and be it further

Resolved: That the Secretary of State be directed to send copies of this resolution to the President of the United States, to our Congressional delegation and to the Governors of the New England States.

Testimony of Gov. Thomas P. Salmon

Mr. Chairman and members of the committee:

We are grateful for the opportunity to appear before you today. I must point out that I have several different responsibilities. First, and foremost, I am the Governor of Vermont. In addition, I am privileged to serve as Chairman of the National Governors' Conference Committee on Natural Resources and Environmental Management (which is the Committee with jurisdiction in the field of energy matters). Further, I am Chairman of the New England Governors' Conference and State Co-chairman of the New England Regional Commission. My prepared testimony is presented in my role of Chairman of the National Governors' Conference Committee. I am prepared to answer questions, however, with regard to any of the other responsibilities entrusted to me.

By a nearly unanimous vote, the Nation's Governors yesterday adopted a statement of principles regarding national energy policy (a copy of which I attach). In addition, these Governors adopted resolutions in the specific areas of Outer Continental Shelf Energy Resources and Coal (copies of which are attached).

The Governors are heartened by the fact that the debate here in Washington is making development of a national energy policy and program close to reality. We cannot afford to take this effort off the front burner until the debate and negotiations are successfully concluded.

In the interest of brevity I will not attempt to analyze the Omnibus Energy bill which the President has sent to the Congress. Instead, I would like to amplify some of the views reflected in the Governor's Policy Positions in this field.

First, the Governors are convinced that no aggressive, comprehensive effort has yet been made to utilize conservation as a prime method of reducing America's use of energy. We think that this should be the prime first initiative in the quest to reduce dependence on foreign oil. Fossil fuels are finite. We are concerned in the immediate future with reducing dependence on foreign sources, but we cannot conceive that America or the World ever again will be in a position where non-renewable fuels can be squandered. There is no affluence in waste.

In designing an energy conservation plan, bear in mind that one million barrels a day means four billion dollars a year. Judged in this perspective, the Nation can certainly do a full-bore program. Moreover, what we spend for conservation stays in America. Money for imported oil goes overseas.

The Governors are no strangers to the conservation effort. For more time than I care to remember, we were fairly lonely voices. As far back as June, 1973 we said "The Nation's Governors are dedicated to promoting the conservation of energy to slow down the increase in demand which far exceeds our population increase. The saving of energy will help relieve the depletion of resources and increase the time period for developing more efficient energy sources." The Governors are prepared to shoulder their part of the responsibility and welcome a national effort which includes all levels of government and private organizations and individuals.

We are deeply distressed that so many facets of the Omnibus bill include a pre-emption of basic State government responsibility. The innovative capacity of 50 States should not be so casually dismissed. The Federal Trade Commission found, in reviewing America's response to the Arab Embargo situation, that "one of the most important elements of the program has been the role and performance of the States. . . . By providing basic information, by being responsive to citizen concerns, by matching supplier and purchasers, and by judiciously allocating their set-aside supplies, the States have in the main kept the program afloat."

The "Oregon Plan" was an innovation, first by one State, and then adapted with variations by a dozen others to adapt local actions to National conditions. California has committed itself to producing a thermal performance standard for all buildings. My own State is actively innovating both utility rate formulas and heat storage systems to reduce peak loads of electric utilities plus incentives for absolute reduction in use of electricity. Maryland, several years ago devised and implemented a power plant siting program which served as a model for the Nation. The State of Washington is carrying this a step beyond to cover all energy facilities.

All this is really by way of saying that the States are trying out new ideas and new methods. This process should not be stultified by a federal pre-emption which, in the quest to upgrade conditions in a few isolated States, would produce a single approach to the exclusion of specific programs designed for different challenges and opportunities. We think it would be better for the federal government to work *with* the States. We all tend to work harder and better when we are respected than when we are ordered to march to someone else's drum beat.

The Nation's Governors are encouraged that a single, comprehensive program position is evolving here on Capitol Hill and by the likelihood that negotiations between the President and the Congress may be only weeks away. We respectfully suggest that representation by the Governors in these negotiations would be appropriate. There should be a third chair at that table. Nobody has a monopoly on good—or bad—ideas. What is needed is a blending of the best that each of us can conceive in terms of effectiveness, feasibility and acceptance by the American people who elected each of us.

When fuel becomes scarce; and when businesses and individuals are threatened by energy-induced uncertainties, the phone rings in the Governor's office. It is our personnel and our institutions which must inevitably carry a major share of the front line work. It is no boast to say that we have earned our credentials and no idle claim that we are prepared to assume responsibility.

There is a national problem which requires national policy and national programs to solve it. Federal action is not enough. States cannot do it alone. Every sector of the society must be involved.

Policy Position on National Energy Policy

(Adopted by the National Governors' Conference, Mid-Winter Meeting, Washington, D.C., February 20, 1975)

The Nation's Governors appreciate the President's initiative in stimulating debate and action on proposals to deal with this Nation's energy situation.

The nature of our present economy coupled with growing problems of energy availability and higher prices make strong coordinated and clear action necessary by all governmental levels and the individuals alike.

The people of this country are receptive and responsive to actions which need to be taken when the problems to be met are clearly described and when realistic, achievable objectives are set forth.

A conservation program of massive proportions must be the central focus of our Nation's short-range energy management program. The federal government has a responsibility for necessary national leadership in the accomplishment of such a program on largely a voluntary basis. To date, we have no such overall logically integrated effort. Conseqently, those who have concluded that voluntary citizen actions have been either too slow or inadequate fail to recognize that we simply do not have a real program in place. Rather, we have at hand today only the concept—not an overall integrated plan. Such a comprehensive conservation plan must be adopted quickly. It should set forth specific, uderstandable and measurable goals and objectives for collective and individual actions. It should be coordinated through all levels of government and should be amply financed and staffed.

A properly constructed program will build on existing elements already underway. It would recognize the key factor of automotive efficiency and use. It would support positive measures and incentives to accomplish needed objectives. The following would be appropriate ingradients in this intensive public and private activity.

(1) Accelerated and stronger standards for automobiles, including gasoline usage requirements and taxes and other disincentives on inefficient vehicles. While this element would mandate change for a prime user of petroleum resource, this would provide an economic stimulus to the industry after a redesign period.

(2) A more vigorous enforcement of the 55 mile per hour speed limit.

(3) Stronger programs for public transportation including more federal commitment.

(4) Tax and other incentives for conservation actions.

(5) Better and more intensive educational efforts on a national scale with necessary adaptations to differing state and local requirements.

(6) Accelerated state energy management programs with federal financial support.

This conservation initiative should be prepared and implemented quickly. Close monitoring for the next four to six months will enable decisions to be made as to whether additional action would need to be taken if basic objectives are not being met.

If additional measures are necessary to accomplish conservation objectives, then the price mechanism or allocation programs could be brought into play. Prices will necessarily rise as a result of efforts to increase supplies and to discourage wasteful uses of scarce resources—such increases should be phased to avoid abrupt impacts and all opportunity for adjustment. Tied to this approach should be a stand-by allocation program if inadequate progress towards meeting our reduced usage goals is made. If the allocation process, through volumetric limits is used, the program should be in conformance with previously prepared plans and should provide the flexibility necessary to minimize inequities or the carrying of unfair burdens by regions or individual States. Allocation management plans should involve the States in an appropriate capacity. Such a program should be implemented only if the foregoing elements fail of successful achievement.

This plan, based on immediate broad-gauged conservation, has the most promise of quick effective action, citizen receptivity and response with achievement or reachable goals. Together with back-up program of price-supported usage adjustments and a stand-by allocation program, the country will be prepared to chart its way towards an energy ethic which stresses wise use of energy with a clearer recognition of necessary fundamental changes to be made over the next several years, along with the encouragement of immediate alternate energy source development.

POLICY POSITION ON COAL

Given that:

1. The world's reserves of oil and natural gas will not let us continue our dependence on these sources of energy.

2. It is in the national interest to limit the importation of oil.

3. An energy program is being formulated that will cause coal to be a *more significant* energy source by the year 2000.

Therefore, the Nation's Governors resolve that:

1. The development of a comprehensive coal program that stimulates both production and utilization must protect the physical, social and economic environment of the producing region.

2. The perfection of coal desulfurization technologies is vital. ERDA should make coal desulfurization its first priority.

3. Tax credits and other considerations should be granted to industry and utilities to convert to coal and to States lacking adequate transportation facilities to transport coal.

4. Coal conversion processes offer a near term (50–100 years) solution to the availability problems of oil and natural gas. The federal government should sponsor extensive research and development programs in advancing conversion technology for coals. This must be paralleled by the federal financing of pilot conversion plants in all coal producing regions.

5. Department of the Interior, in cooperation with the States, must act to protect the environment of coal producing States giving attention to subsurface as well as surface reclamation.

Specific areas of concern are:

1. that a commitment be made to total reclamation as directed by state land use decisions;

2. that provisions be made for state use of all exploratory drill logs of subsurface material and soil analysis;

3. that the surface owner must be adequately protected and fully compensated for hardships encumbered by mineral development;

4. that the quality of air and water not be diminished through coal mine activity;

5. that research should be stepped up on returning refuse to the subsurface.

6. It must be recognized that accelerated coal extraction activities will place unusual demands on state and local governments to serve the needs of the workers. In so far as these increased demands are stimulated by out-of-state demands for energy from coal—either by district transfer of coal or by transfer of electricity and/or gases derived from the coal—the costs of those services should be proportionately borne by the ultimate user of the energy.

7. That state laws relative to the protection of the environment, the siting of energy-related facilities, land-use planning and the use and regulation of intrastate water rights should not be preempted by federal laws, rules or regulations.

POLICY POSITION ON OUTER CONTINENTAL SHELF ENERGY RESOURCES

1. Proposals for the development of outer continental shelf energy resources must be an integral part and be reviewed in light of a comprehensive, balanced energy policy. The energy policy developed should reflect not merely the proposed uses for offshore oil and gas, but also a consideration of whether such offshore development is necessary in light of prudent conservation measures and alternative sources of energy. The nation's energy policy that finally emerges should be truly national in scope and developed and implemented in partnership with the States. Full and early opportunity for public review and comment should be afforded as new policies are formulated or when changes to existing policy are proposed.

2. The continental shelf is a great public natural resource which should be managed with scrupulous care to insure the long-term productivity of all its resources and a fair economic rate of return to the public.

3. The Governors believe it is in the public interest to promptly explore the OCS to determine the extent of energy resources that exist. However, the exploration program of an OCS tract must be separated from the decision to develop and commercially produce that tract. Therefore, the proposed Department of Interior leasing schedule should be revised to reflect and insure the requirements of equity and efficiency. Specifically, the government should establish, in cooperation with the States, a phased and measureable production objective for offshore oil and gas. This objective should reflect the role of OCS oil and gas in import substitution and its relation to other sources (including production from naval reserves, existing OCS leases, and onshore production).

On the basis of a phased production objective, a revised leasing schedule should be established which would take into account objective environmental rankings, hydrocarbon prospects, regional energy needs and enconomic impacts, transportation and refinery linkages, costs and productivity of development, material, manpower and capital constraints.

Prior to initiation of OCS production on any OCS tract, the full requirements of the National Environmental Protection Act should be strictly observed.

4. An OCS program must include an evaluation of sometimes conflicting national goals and assumes that in some instances for areas of exceptional nonpetroleum resource value, no petroleum producing activities should be permitted if the production will seriously jeopardize those other resources. The Governors believe that it is in the public interest that such total restrictions be imposed in appropriate cases.

5. Development, production, transportation and onshore facility plans should be submitted for approval to the Department of the Interior, but only after the potentially impacted coastal States have reviewed such plans in order to ensure consistency with state coastal zone management plans and other applicable state statutes and regulations. Since the plans should be reviewed for consistency with State coastal zone management programs, the Governors believe that adequate time, as determined by Congress, should be afforded states to develop such coastal zone program before any OCS production commences.

6. Present leasing procedures should be changed to assure an equitable return to the public and efficient management and development of OCS resources. The Governors recognize that no single leasing method is ideal. However, the present cash bonus bidding plus low fixed royalty system does not adequately balance the need for a fair return to the public with the need to provide industry with reasonable incentives to explore and develop our OCS resources.

7. The Governors further believe that the following administrative or legislative reform should [ALSO] be implemented:

a) An effective institutional mechanism must be established to ensure an ongoing working relationship with the potentially affected state governments. Through this mechanism, the States should have timely access to data necessary for planning to avoid or minimize adverse impacts and chaotic development and have further opportunity to participate fully in both technical and policy decisions affecting the program.

b) The States should participate in the decision to permit production of and OCS tract and should also share responsibility for review of the adequacy and implementation of environmental safeguards and OCS regulations.

c) The Governors will endeavor to coordinate the participation of the various state agencies in this process, with a view to improving the overall efficiency of resource management decision making. Federal funding is required for onshore planning and impact mitigation. With such federal assistance, the States must dedicate sufficient personnel to expansion of their planning and regulatory capabilities with respect to economic, environmental, land use and energy planning aspects of coastal zone management.

8. The Governors believe that any OCS program will have substantial financial impact on affected states. Anticipated onshore development will require States to plan for and eventually finance public facilities to cope with the impact of that development. Since the OCS program is a national one, we believe there is a clear federal responsibility to assume the necessary related costs of that development. Adequate federal funds should be made available now, to States to enable them to stay ahead of the program and plan for onshore impact. Once the program commences, provision should be made for federal assistance such as the application of federal royalty revenues to affected coastal and adjacent States in compensation for any net adverse budgetary impacts and for the costs of fulfilling State responsibilities in the regulation of off and onshore development.

9. A major oil spill or blowout can have devastating effects on the coastlines and the economies of the coastal states. Fairness dictates that the oil industry should be strictly liable for all cleanup and consequential damages flowing from a spill and that this liability be unlimited. If the federal government posits that it is in the national interest to limit the liability of those who cause the spills, then the full risk should be shared on a national level with insurance to cover the difference between what the oil company pays and what the State is forced to absorb.

SUMMARY OF KEY POINTS

1. OCS is a national resource.

2. Prompt exploration of OCS is in the public interest.

3. Exploration of OCS areas should be separated from the decision to produce from individual OCS tracts for oil and gas.

4. A phased production objective should be established relating OCS resources to import substitution, other oil and gas sources, and demand reduction measures.

5. A new leasing schedule should be developed, taking into consideration these production objectives as well as environmental ranking, regional energy needs and economic impacts, transportation and refinery linkages, and material, manpower and capital constraints.

6. New leasing procedures should be adopted to ensure an equitable return to the public as well as efficient development and management of OCS resources.

7. Administrative or legislative reforms should be introduced to provide for a more effective state role in resource management, and more timely availability of necessary data for state planning needs.

8. Federal funding is needed to assist the coastal States in coping with planning needs and adverse impacts of OCS development.

9. Strict liability and no-fault compensation measures are essential.

10. The States should increase their efforts and participation in resource management decision making and regulations.

THE EMERGENCY USE OF DDT AND THE TUSSOCK MOTH

Mr. McCLURE. Mr. President, 1 year ago this week Russell E. Train, Administrator of the Environmental Protection

Agency, allowed the emergency use of DDT to control a tussock moth epidemic in Northwest forests. This was done after full compliance with the National Environmental Policy Act, including the filing of a NEPA statement.

The Forest Service, USDA, recently developed a report titled "Answers to Public Concerns About DDT and the Tussock Moth." I ask unanimous consent that this report be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Answers to Public Concerns About DDT and the Tussock Moth

CURRENT QUESTIONS

1. Why was the 1974 spray program using DDT carried out?

The tussock moth outbreak caused varying degrees of damage on some 799,000 acres in Washington and Oregon during 1971, 1972, and 1973; with the later year being the most devastating. As of the end of 1973, some 88,000 acres had been seriously damaged with large numbers of trees killed, 292,000 acres moderately damaged with scattered tree mortality and top kill, and 419,000 acres lightly damaged with scattered top kill.

The total merchantable timber killed through 1973 has been calculated at 852 million board feet with a loss value of $28.1 million after subtracting salvage values. An additional $30.8 million in losses occurred as damage to immature trees, reduced growth loss, increased fire protection costs, and reforestation expenses. Complete rehabilitation is now required on most of the heavily damaged areas and some of the moderately damaged areas. Congress provided $1.3 million in 1973 to start the first phase of this program.

The 1974 treatment program was necessary to prevent additional losses of this kind. The 1973 fall egg mass survey showed that populations would be high enough in 1974 to cause these same types of damage on about 649,000 acres. Since some of this area had been defoliated previously, it was especially vulnerable to loss from any additional defoliation.

Continuing evaluations during the winter and early spring months including a laboratory examination of insect egg viability and the presence of a natural virus disease reduced the area proposed for treatment to about 455,000 acres.

DDT was the only chemical available which had previously been proven to be effective in controlling the Douglas-fir tussock moth. Many other chemicals including Dylox, Sevin 4-Oil, Zectran, Bioethanomethrin, other pyrethins, and 2 microbial agents (*Bacillus thuringiensis* and nucleopolyhedrosis virus) had been tested. Some of these materials were not satisfactory; others appeared promising, but required additional large-scale testing to establish their effectiveness under operational conditions. No other materials were registered or had been proven effective on a large-scale operational basis.

The proposed action was subjected to very thorough public review through a National Environmental Policy Act environmental statement, public meetings, press conferences, and posted public notices. Most of those responding felt strongly that the treatments should be carried out.

2. How much area was actually treated with DDT?

Almost 427,000 acres were treated with DDT in the three States of Oregon (166,000), Washington (185,000), and Idaho (76,000). A total of 421,000 acres were treated with ¾ of a pound of DDT dissolved in one gallon of solvent and fuel oil per acre. About 5,600 acres were treated with ¼ and ½ pound rates in a test of reduced dosage rates.

3. Were the DDT treatments successful?

Yes, the effect of DDT on the Douglas-fir tussock moth populations was dramatic. there was an overall corrected mortality reduction of 96.8 percent within 4 days. Feeding in the treated areas ceased immediately. The 21 day postspray weighted insect mortality averages for all units was 98.8 percent. Analysis also shows significant differences in the number of undamaged new needles between treated and untreated areas in most of the control units. Overall tree condition by the fall of 1974 was significantly better in the treated areas than in the untreated areas, particularly where insect populations were high.

It has been determined that the treatment on the 427,000 acres prevented an additional loss of 411 million board feet of timber with a value of $11.6 million after subtracting salvage values. In addition, the treatment prevented a loss of $23.8 million in damage to immature trees, growth loss, reforestation expense, recreation loss, and increased fire protection costs. These estimates assume the treatments prevented about 90 percent of the damage that would have otherwise occurred in areas treated.

4. Was the tussock moth population collapsing and, if so, why was treatment necessary?

Studies of previous outbreaks strongly indicated that the population would collapse during 1974—at least, in the areas where visible damage had occurred during 1973 and in previous years. Egg viability and virus determination studies in the laboratory indicated the collapse would not occur quickly enough to prevent serious damage on the areas recommended for control.

The collapse did occur earlier than anticipated on some 106,000 acres and these were not treated. However, about 155,000 acres not previously scheduled were treated because of newly discovered populations and defoliation that became visible during the treatment program.

Natural insect population collapse in most areas, especially those not very seriously damaged in prior years, does not occur until late in the year—*after* most of the damage for that year has been done. Treatments are applied early in the year to quickly reduce tussock moth populations to a level low enough to prevent continued serious feeding.

The outbreak was not just a single outbreak all in the same development cycle. Rather it was a series of outbreak areas lasting over a total period of 5 years. Almost 500,000 acres that were previously defoliated had gone through the complete cycle by the end of 1973 and were not included in the 1974 treatment program. Most of the serious damage occurred on those areas. The DDT treatment was applied only to areas partially damaged previously and newly threatened areas where insect populations were still high enough to cause serious additional damage during 1974.

5. Was the amount of 1973 damage overestimated as used in making projections for expected 1974 damage? What about the trees that "greened up" unexpectedly?

In parts of the older outbreak areas some of the defoliated trees "greened up" in the spring of 1974. Above normal moisture during the winter of 1973–1974 and favorable growing conditions probably contributed to this good and somewhat abnormal flush of growth. However, during the dry fall of 1974 some of this new foliage turned brown, particularly on west and south slopes. On areas where the "green-up" persisted through the fall, the salvage program was adjusted. The amount of trees killed did not change very much from original estimates. The volumes to be salvage logged will be very close to original estimates (about 300 million board feet on Federal and public lands, and 200 million board feet on private lands). The magnitude of the increased fire protection job was not decreased appreciably. The projections were also based on loss data from previous outbreaks and so were probably quite accurate.

6. Was an attempt made to get permission to use DDT to control the tussock moth prior to 1974?

The U.S. Department of Agriculture requested the emergency use of DDT early in 1973 for control of the outbreak in Oregon and Washington during 1973. The States of Oregon and Washington, the Walla Walla Chamber of Commerce, Boise Cascade Corporation, and others also applied for the emergency use of DDT. All requests were denied by the Environmental Protection Agency.

7. What progress was made during 1974 towards understanding of insect populations, developing alternative environmentally acceptable control agents and better detection methods?

A large and extensive research and development program was carried out during 1974 on over 80,000 acres of infested timber lands set aside for these purposes. The investigations involved cost nearly $2 million and included:

Insect population dynamics and impact determinations

Determination of effect of aerial applications of nucleopolyhedrosis virus and *Bacillus thuringiensis* 1 year after application

Aerial testing of Dylox 1.5-oil, Sevin 4-oil and *Bacillus thuringiensis* on large plots under operational conditions in Oregon, Montana, and Idaho

Aerial testing of Dylox 1.5-oil, Sevin 4-oil, DDT, Orthene, and *Bacillus thuringiensis* on a series of small-scale experimental plots using varying dosage rates in Oregon and Idaho

Ground applications of 14 experimental materials applied to individual trees in Oregon

Ground applications of *Bacillus thuringiensis* to small groups of trees in New Mexico

Chemical identification and development of the tussock moth sex pheromone for improvement of detection methods

Sevin 4-oil applied at the rate of 2 pounds active ingredient per acre gave satisfactory control under operational conditions. It probably will be registered for this purpose in the near future. Both of the microbial agents gave good control in some cases and appear very promising for eventual registration after some additional larger scale testing and nontarget effect investigations. They cannot be recommended for large-scale use at this time.

8. Why were the planned pilot control projects using microbial agents in Idaho aborted?

A large-scale aerial test using nucleopolyhedrosis virus and *Bacillus thuringiensis* in two new outbreak areas in Idaho had to be cancelled just prior to spraying because insect populations did not develop as expected. This early decline in these areas did not fit the typical pattern of a massive virus epidemic resulting in a collapse. Instead it involved a variety of natural control factors including low egg viability (possibly caused by weather factors), predation by ants, and an unexpected heavy aphid population which prevented young tussock moth larvae from feeding. This did not occur in the outbreak areas that were treated.

9. Did environmental nontarget damage occur as a result of the treatments?

A total of over 4,000 samples of water, air, vegetation, litter, stream sediment, benthic invertebrates, fish, birds, deer, elk, sheep, coyotes, chipmunks, mice, shrews, human blood, milk, and livestock have been collected for analysis. About 1,100 of these have been analyzed to date. The results are about as expected from similar studies in the past.

This effort which involved over 200 people and 26 agencies and organizations is continuing. It is the largest monitoring effort ever undertaken on a forest pest control project.

Livestock

The amount of DDT in the fat of cattle grazed on treated areas range from less than 1 to 73 parts per million (ppm) with an average of 19 ppm. As of January 8, a number of cattle on the Colville Indian Reservation that had grazed on treated areas until mid-November 1974 or later still exceeded the legal marketable meat residue tolerance level of 5 ppm (range of 5 to 57 ppm). These animals will not be marketed until the DDT levels drop below 5 ppm. The Environmental Protection Agency lowered the permitted DDT residue level in marketable meats from 7 ppm to 5 ppm (on a fat basis) as of August 13, 1974 (Federal Register, Vol. 39, No 157).

A special study to determine the amount of DDT residues in sheep grazed on treated areas and the rate of residue decline after being removed from the treated areas has been completed. Values of up to 54 ppm were detected in fat tissues of lambs grazed on treated areas. Residue levels declined at a slower rate the longer the lambs were grazed on the treated areas. Some lambs that grazed for about 40 days on DDT treated forage had slightly over 5 ppm DDT in their fat after feeding up to 4½ months on untreated forage.

A special Animal Plant Health Inspection Service (APHIS) surveillance study is being carried out to determine if slaughtered livestock exceeding the 5 ppm legal tolerance level are getting into the market. Only 2 animals have been found that exceed this level, neither of which went into the market. No trace of DDT was found in 172 of the 359 animals sampled during October, November, December 1974. Less than 3 ppm was found in the remaining 185. APHIS has just announced the removal of marketing restrictions as of March 1 for most animals grazed in the treated areas.

Big Game

On the basis of analyzing only a few of the postspray deer and elk fat samples collected during the hunting season DDT residue levels of up to 31 ppm for deer and 48 ppm for elk have been found.

The DDT residue is found almost entirely in the fat of these animals which is normally not consumed. Analyses of the red meat of several deer and elk show DDT residue levels of only 0.07 to 0.25 ppm on a total tissues weight basis.

Humans

None of these levels pose a human health hazard. A very large public health safety factor is used in the establishment of food residue tolerance levels. There are no documented cases of fatal DDT poisoning in man. In one study (Hayes and Associates) human subjects were fed doses of DDT as high as 35 milligrams per day for 21.5 months. No clinical or laboratory evidence of an adverse effect as observed after up to 5 years following completion of the feeding.

Another study of workers in a DDT factory in California conducted by the U.S. Public Health Service found some with up to 630 ppm DDT in their fat after a long and continued exposure. None of these employees suffered any ill effects.

No adverse effect was observed or reported occurring to people directly associated with the handling, mixing or application of DDT during this project.

Birds

A total of 19 dead birds were found in treated areas. Five of these have been analyzed for DDT residues and 3 have been reported to have high enough levels of DDT (on the basis of brain tissues analyses) to have caused death. The remaining 2 birds were well below these levels. One other bird has not been analyzed. The rest were too decomposed to permit residue analysis. Some "normal" bird mortality occurs regularly in forest areas.

Special constructed nest boxes were erected in a number of treated and untreated representative forest areas to attract nesting birds. A total of 12 mountain bluebird, 1 western bluebird, and 9 house wren nests were observed in treated areas. A total of 44 mountain bluebird, 9 western bluebird, and 5 house wren nests were observed in untreated areas. These nests were checked at intervals to determine if nestling mortality occurred from starvation due to a lack of insect food or the direct ingestion of DDT. The DDT was applied after egg laying and incubation were complete or underway. There was no lack of food for nestling birds in the treated areas. No significant differences in eggs layed, eggs hatched, or nestling survival between spray and nonspray areas was detected.

Field biologists were asked to report any abnormal bird behavior observed during and following spray applications. Their reports indicate a possible change in distribution but no significant losses.

Fish

No fish mortality was observed. There was no DDT-related fish or mussel mortality in live boxes placed in streams during spray operations.

Other insects

As expected, DDT had a severe short-term effect on aquatic and terrestrial insects. Some waters were treated and in these cases the loss of aquatic insects was especially severe. However, late fall surveys indicate that these insect populations were recovering.

10. What plans are being made for tussock moth research and development during 1975?

A total of $1.6 million has been provided in special Federal funds to carry out an accelerated USDA research and development program (R&D) during 1975. The work will be done by Forest Service and private research units over a 3-year period. Testing of a number of chemicals and microbial agents will be carried out to determine the best application equipment, timing, and formulations to be used and the effect on nontarget organisms. The factors influencing natural fluctuations of population will be identified and the importance evaluated. New methods of predicting tussock moth population changes and expected damage and integrated pest management strategies will be developed.

11. What is the current status of Douglas-fir tussock moth infestations in the Northwest?

In early August 1974 an infestation of Douglas-fir tussock moth was detected in the lower Flathead and Jocko River Valleys in western Montana. This consisted of several localized infestations near St. Ignatius and Ravalli and a large area of infestation along the shore of Flathead Lake, northwest of Polson where about 10,000 acres of Douglas-fir suffered varying degrees of defoliation. Major landowner in the infested area is the Flathead Indian Reservation with numerous intermingled small landowners also involved. Egg mass surveys indicate that 2,800 acres within this area will exceed the treatment criteria of 0.1 egg mass/1,000 square inches of foliage surface during 1975 There is also a small outbreak in the Kamloops area of British Columbia, Canada.

12. What plans are being made for control of the Montana outbreak?

The Flathead tribal council has indicated that they wish to reserve that portion of the outbreak occurring on tribal lands for a pilot control project of the Douglas-fir tussock moth virus. Current plans are to apply virus to these areas in a large-scale test as a part of the accelerated tussock moth R&D program. At the present time, there are no plans to treat the other non-Indian lands. A laboratory evaluation of egg masses collected last fall is currently underway to determine if non-viable eggs, egg parasites, and virus are present in sufficient numbers to cause this population to collapse naturally in time to prevent serious damage.

If the egg viability levels are low and the virus incidence high, the treatment plans will be cancelled.

OTHER BACKGROUND QUESTIONS

A. What is the tussock moth and what does it do to the forests?

The Douglas-fir tussock moth (*Orgyia pseudotsugata*) is one of the most injurious insect pests of Douglas-fir and true firs in the West. In the Northwest, where outbreaks have been found only east of the Cascade Mountains, Douglas-fir and grand fir are the primary hosts. After the caterpillars have fed on favored hosts, they may migrate short distances to other species and continue feeding.

Damage has also been recorded on subalpine fir, ponderosa pine, lodge-pole pine, western larch, Engelmann spruce, and other trees and understory plants intermingled with the preferred hosts. Ornamental Colorado blue spruce in urban areas is frequently damaged.

The caterpillars hatch in May or June from egg masses laid the previous fall and feed on foliage until about mid-August. When mature, they pupate and emerge shortly thereafter as adult moths. Winged males mate with the wingless females; egg masses are deposited on or near the empty cocoons. The egg masses represent the potential for defoliation the following year.

Populations can develop explosively in an outbreak year. Patches of trees throughout the infested area may be completely stripped of their foliage and killed, while other stands suffer lesser damage. A significant expected increase in growth volume is lost in addition to a loss of merchantability of large parts of the partially defoliated trees. The heavily damaged areas become especially susceptible to wild fire with a high risk possibility of consequent loss of watershed and wildlife cover.

B. How are trees damaged by larval feeding?

Larvae of the Douglas-Fir tussock moth can feed on both the curent year's new foliage and the older needles. Heavy larval populations can completely defoliate trees in a single growing season. Many trees suffering this degree of defoliation die. The chance of a tree dying decreases with lesser amounts of defoliation. Douglas-fir appears to suffer more damage than grand fir. Many trees that survive partial defoliation are weakened and may succumb to a later attack by bark beetles. Surviving trees exhibit reduced diameter growth for 2 to 3 years, and some suffer top kill with a resultant loss in seed production, height growth, and merchantable wood. Seedlings and saplings, as well as mature trees are attacked.

C. Does the tussock moth affect humans directly?

Yes, many people suffer a skin allergy or respiratory reaction on exposure to larvae and cocoons. During 1972–73 the Oregon State Health Division investigated the impact on humans working in the infestation area and reported that a significantly increased health hazard occurred, particularly during hot, dry weather. Seventy-five to ninety percent of the people working in infested areas experienced some irritation (itching, skin rash) due to the tussock moth hairs.

D. Does the insect spread to other parts of the forest?

There is no evidence to indicate tussock moth outbreaks expand significantly beyond the boundaries of the initial infestation. The female moth is wingless, thus cannot migrate to other areas of the forest to lay eggs. The young larvae, however, are covered with hairs and can be carried by air currents for several miles. The presumed long-distance spread of Douglas-fir tussock moth larvae from infested to uninfested areas during an epidemic is actually the result of localized populations building up to epidemic levels "in place."

E. What causes the collapse of outbreaks?

The Douglas-fir tussock moth has many natural enemies, including parasite, predators, and disease organisms. Many of these factors, as well as starvation (where trees are severely defoliated), contribute to the natural decline of outbreaks, but a natural virus seems to be the single factor most commonly associated with collapse.

F. What criteria were used in deciding where control was needed?

Entomological data were the basic criteria used including: (a) presence of new egg masses, (b) new egg mass density expressed as egg masses per thousand square inches of foliage, (c) ratio of new to old egg masses, (d) incidence of natural virus, and (e) spring larval population density.

A new egg mass density of one-tenth egg mass per 1,000 square inches of foliage is the basic criterion for consideration of control. Another criterion is a ratio of new to old egg masses exceeding 1 to 1, indicating an increasing population. Areas which contain small numbers of new egg masses, but are adjacent to areas of potentially high infestations, were included as necessary to make control units conform to natural topographic features (such as ridge tops).

Laboratory examinations of egg masses collected from sample plots were made during the winter months to measure incidence of natural virus, egg parasitism, and egg viability. Areas suffering negligible or light defoliation were excluded from treatment if the incidence of virus infection equaled or exceeded 30 percent. Areas suffering moderate to heavy defoliation, where the risk of another year's feeding would result in extensive losses were excluded from proposed control units if the virus level exceed 50 percent.

G. Would DDT be used again to control a forest insect outbreak?

It would depend entirely on the seriousness of the outbreak and the availability of alternate control methods. The policy of the U.S. Department of Agriculture and the Forest Service is to practice and encourage the use of those means of practicable, effective pest control which results in maximal protection against pests and the least potential hazard to man, his animals, wildlife, and other components of the natural environment. However, it is necessary at times to use persistent pesticides, such as DDT, in emergency situations where no other effective alternatives are available. If it becomes necessary to use persistent pesticides, they will be used in minimal effective amounts, and applied only to the infested area at minimal effective frequencies.

H. Is a complete report on the project available?

A final report on the operational phases of the project including a detailed description of all areas treated, an analysis of all results, and an interim report on the monitoring studies is currently being prepared. It will be available for distribution about April 1, 1975. The monitoring investigations will be continued through July 1975. A final report on this aspect should be available early in 1976. Some longer range animal and bird effect studies may be continued on for an extended period of time.

ISRAELI BOMBING OF CIVILIANS IN SOUTHERN LEBANON

Mr. ABOUREZK. Mr. President, I have called attention on a number of occasions to the savage bombing of civilians in southern Lebanon by Israel. While what has happened in southern Lebanon has been largely ignored by the U.S. press, Judy Coburn has recently returned from the Middle East and has published the following story in the March 7, 1975, issue of New Times magazine.

I ask unanimous consent that the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ISRAELI'S UGLY LITTLE WAR

(By Judith Coburn)

THE ARQUOB, SOUTHERN LEBANON.—Rashaya Fuqhar, once a prosperous little village of 2,000 Christian Arabs, is now a near ghost town. Known for its simple but striking brown and tan pottery, its kilns are now cold. In the past year, five villagers have been killed and over 30 wounded by Israeli air and artillery bombardment. The pottery factory has been smashed by bombs. Scores of others have been damaged by shelling. Hundreds of the village's residents are now refugees, having fled to the slums of Sidon and Beirut to the north. Only 100 residents remain. A few of the villagers still farm, but most of them are afraid to because the fields are strafed.

We visit St. George's, the Greek Orthodox Church, now the center of life in the village. The dim interior is grimy but charming with its crowded display of 19 chandeliers donated by benefactors. After five straight days of bombing in May 1974, the residents who couldn't afford to flee left their houses and moved into the church. "We know it isn't really safe," admits the villege mukhtar (mayor), "but people feel safer in one place. It is faith and some superstition that we won't be killed in God's place." but already cracks have appeared in the walls and roof from the impact of nearby shells. And in October, the roof caught on fire from an incendiary shell. In one end of the room, people have made beds of coffins.

A tour of the village shows the crumbling houses, abandoned possessions, a cemetery with shattered crosses and memorial wreaths blackened by air strikes. An old woman holds up an intact American-made shell, which seems to be a casing for dropping propaganda leaflets. She squints into the sun for the photographer beside her smashed house. Up the road, a threshing field is now marked by a burned-out tractor and a large blackened smear. Mrs. Fedha Gebran tells us how her husband, Elias, was killed August 7 in a bombing raid. She, her 15-year-old son and six others were wounded in the attack. Her hand and breast are still bandaged. She still weeps, two months later, describing the day. Her husband was the only wage earner in the family of nine; they now receive a little money from a newly formed charity group, the Council of the Whole South. We return to the village in silence.

There are scores of villages like Rashaya Fuqhar in southern Lebanon. Beginning in 1968, and almost daily in recent months, the Israelis have subjected villages like Rashaya Fuqhar and a handful of Palestinian refugee camps in southern Lebanon to attacks by airplane, artillery, tanks and gunboats. Israeli commandos invaded Lebanese villages and Palestinian refugee camps, forceably checking identifications, blowing up houses, killing villagers and taking prisoners.

The Israelis call the areas "Fatahland"—it is "the Arqoub" to the Lebanese—and it is from this wild terrain, leading to the approaches of Mount Hermon, the Israelis say, that Palestinian commandos run their operations against Israel border settlements and bases. The Israelis say that the purpose of their campaign against the South is to stop commando operations by killing all the commandos in the area or by pressuring the villagers to expel the guerrillas from their midst. The Israeli military command insists it is attacking only military targets—"bases" or "concentrations" of guerrillas—and kidnapping only members of terrorist groups and those Lebanese who work directly with them.

But, as Americans discovered in Vietnam, it is never quite that simple. Bombing is not a selective weapon. Intelligence about enemy presence in villages, especially when gathered by photo reconnaissance or foreign agents, is often faulty. A six-week investigation in Lebanon indicates that, as in Vietnam, large numbers of civilians are being caught in a net cast for guerrillas. We visited scores of Lebanese villages and five Palestinian refugee camps where hundreds of civilians—including women and children—had been wounded or killed. The Israelis are using the full range of sophisticated savagery known to our own military in Indochina: shells, bombs, phosphorous, incendiary bombs, CBUs and napalm. Much of it is supplied to the Israelis by the American aid program. Statistics are difficult to find and often inexact, but well-informed diplomats in Beirut and United Nations officials have compiled a surprising set of reliable numbers. They note the Israeli government reports about 800 Israelis have been killed in recent years in terrorist attacks, but they estimate that the Israelis have killed about 3,500 people in their raids on villages and refugee camps in Lebanon, Syria and Jordan. The Lebanese government says 301 Lebanese civilians were killed and 682 Lebnaese wounded in Israeli attacks between January 1968 and August 1974, most of them in the last year. Figures for Palestinian civilians killed are not available, but observers estimate they must be at least twice as high as for the Lebanese.

Our travels in the area also suggest that the Israeli campaign has not been successful in isolating the guerrillas. Indeed, as in Vietnam, it appears to have enhanced their credibility. Only a few Lebanese we spoke with blamed the Palestinians for the bombing. A comment by one man from Rashaya Fuqhar is typical, "Now that the Israelis are bombing our village, too, we see what the Palestinians have suffered all these years." As for the Palestinians, the bombing seems to have increased their bitterness and strengthened the hand of the political groups who favor bloodshed over compromise.

In light of the failure of the Israeli policy to achieve its announced goals, there is considerable speculation that the bombing might have another purpose. Most Lebanese and some diplomats in Beirut believe that the Israelis are pursuing a "scorched earth" policy in southern Lebanon designed to drive all population from the area and establish a DMZ. "Why burn crops, unless that's the purpose?" asks one high official of the Lebanese Foreign Ministry. "The commandos buy *their* supplies in Beirut anyway." Statements by Israeli officials do little to quiet these fears; last April, when he was still defense minister, Moshe Dayan told newspaper reporters that unless the Lebanese stopped the Palestinian raids, "We will step up the raids until the people find it impossible to live there. Their homes will be destroyed and the whole area will be deserted." And in a chilling echo of "Pentagonese," the Rabin government told Israelis last June that it was abandoning its previous policy of "retaliation" in southern Lebanon for a policy of "preemptive strikes."

The human suffering behind the antiseptic words is, as always, chilling:

Ein el-Hilweh, a Palestinian refugee camp near Sidon, has been bombed countless times. Last June, a poor neighborhood of Lebanese and Palestinians, including a school, was leveled. Hundreds of refugees have moved into another school. "What will we do when classes begin?" wails a teacher. An old man pokes through the rubble of his house. Although the man is Lebanese, on the one wall that still stands hangs a cheap tinted portrait of Yasir Arafat.

A young boy from near Rashaya Fuqhar says that last winter he and his friends found an intact shell, like the ones they collected and sold for lamps. But when he picked this one up, "a jelly ran out." He was badly burned on his leg, arm and hand.

The road to Rashaya Fuqhar runs by a sparkling brook, and a cafe has been built over the water. But it has been smashed repeatedly by bombs. The last time, a bridal reception was taking place and the bride was killed.

Along the same road, we pass damage from a raid that morning. A school has been hit. In the field across the way, an old Lebanese farmer tramps sadly through his olive grove. Some of the trees are ancient with huge girths. Many are shattered from bombs, others burned by phosphorous. "Every week I see more," says the old man of his trees, "sleeping like women on their sides."

Near Sidon we stop at a lemon grove, now home for three branches of an extended family of 43 Palestinian refugees. Their homes were destroyed in a raid June 20 on Ein el-Hilweh Camp. Six of the family—four children and two women—were killed. Now they are sleeping outside. Winter is coming and they are worried. The owner of the grove wants them to leave. They are his laborers, but he thought they would stay only until their homes were rebuilt. But the United Nations says there is no money for rebuilding.

Nabatieh Refugee Camp, the closest camp to the border. Here, as in other refugee camps we visit, the PLO makes no effort to hide evidence of armed soldiers in the camps. But at Nabatieh, as in the other camps, it is homes, clinics and schools that have been hit. Nabatieh was nearly leveled in an attack last May 16. A United Nations report says of the camp, "60 percent destroyed, 20 percent severely damaged and 20 percent partially destroyed." We see no houses with roofs, few with four walls.

Eighteen Palestinian refugees were killed that day and 91 were wounded. No one knows how many were civilians and how many were commandos. But officials from the United Nations Relief Works Agency (UNRWA), which manages the camps, doubt that many guerrillas were hurt because the PLO had tried to evacuate the camps the day before. "The people who were hurt were those who wouldn't leave their belongings. Thank God most did. It could have been a lot worse," says one UNRWA official. UNRWA estimates the rebuilding of Nabatieh will cost $1 million. "Just so they can bomb it again," sighs one official. But UNRWA itself has a $39 million deficit of its own just for operating expenses this year. So the fate of Nabatieh Refugee Camp is uncertain.

Near Merj'Uyun, capital of the Arqoub, the depressing tour continues. We visit Ismail, a young goatherd shot the day before by an Israeli patrol, in the area's one hospital. He lies stiffly in sheets soaked with his own blood, seemingly still shattered by his misfortune. The nurse translates into French. He was tending his goats, saw the soldiers coming in a jeep. "I was frightened—they take people—I ran—they shot." That is all. He doesn't know why the soldiers fired, why they came. He doesn't know any Palestinians, except "they are Arabs." The room is a crush of onlookers, gawking at the Americans. "Why American planes to the Israelis?" drones a young hospital attendant in my ear. We leave the room. The nurse reports the hospital sees several hundred casualties fom the Israeli attacks every year, more recently. "In May and June [during the heaviest raids] we had people in the halls, even on the steps. We had to send the sick people home and the worst cases to Sidon and Beirut." She hesitates. "That young man will die. Half his back is gone."

Tel Aviv—In Israel the bombing and other operations in Lebanon are not an issue. The newspapers print one-paragraph items about the bombing of "guerrilla concentrations" in Lebanon. Raids are talked about as "retaliatory." Reporters with questions about the raids are treated with hostility. After weeks of insistence. I finally received an interview with an Israeli general who is the top briefer for the IDF, the Israeli Defense Forces. After putting the interview off-the-record, he answered my first question sarcastically. "What bombing?" Pressed further, he elaborated, "We have no security problem in the North." (Pause) "And besides there haven't been any in months." Told I had visited the south of Lebanon in the last month, he finally said, "We feel Lebanon is not exercising its duties as a sovereign state to control the Palestinian enclave in 'Fatahland.' If Lebanon has internal problems like this, she will have to bear the consequences." He insisted, as do all Israeli officials, that attacks are only on military targets and that the targets are "carefully pinpointed." Security prevented further discussion.

There is little dissent about the bombing in Israel. Most leftist critics of the government seem puzzled by questions about the bombing. "Unfortunate but necessary," is the standard line. Few people are aware, or believe, that civilians are being hurt. Only groups like the far-left Matzpen liken the bombing to U.S. policy in Indochina and argue that the end does not justify the means. However, in the wake of the recent rash of guerrilla operations, a few Israeli columnists have begun to point out the ineffectiveness of the operations against Lebanon, and suggest that the raids continue at least partly for domestic consumption. It is apparently difficult for the Isaelis to believe, as it was for the Americans in Vietnam, that the strategic results of their firepower are negligible.

Beirut—The Israelis insist that Lebanon must bear the consequences for allowing the PLO to operate on her soil. But the fact is, the Lebanese are in trouble no matter what they do. Lebanon's tiny 12,000-man army and one-squadron air force are no match for the Israelis. Nor does she relish the prospect of an all-out confrontation with the Palestinians, after such a push in 1973 nearly caused a civil war in the country. The 1973 clash and an earlier one in 1969 left hundreds of casualties, civilian as well as military. In 1973 Lebanese leftists joined the Palestinians, and several of Lebanon's private armies used the occasion to settle scores. A shaky truce was negotiated only after the Lebanese Air Force had bombed five Palestinian refugee camps near Beirut, wounding hundreds. Since then, the Lebanese have stepped up security, driving guerrilla military operations underground, while political and social welfare arms of the PLO continue to operate openly. It is the fervent but not naive hope of most Lebanese that the Palestinians will stop their raids in Israel. But until then, there is not much they can do. "If the huge Israeli forces can't stop the Fedayeen from coming in, how do they expect us to keep them from going out?" a young Lebanese captain asked plaintively. Individual incidents still occur between Lebanese security forces and the Palestinians, often precipitated by guerrillas refusing to show papers or trying to run the roadblocks in the South. Recently, newspapers were full of reports of a shoot out between Lebanese military police and a party of Palestinians on a deserted road.

On the international level as well, Lebanon must steer a straight course between the Scylla and Charybdis of her Arab neighbors and Israel. Each new round of attacks by Israel is followed by offers of arms, men and missiles from Egypt, Libya, Saudi Arabia and especially Syria. In recent months, Egyptian President Anwar Sadat has offered to station five squadrons of MIG-21 interceptors in Lebanon. Syria has offered soldiers and SA-6 antiaircraft missiles. (The PLO says the Syrians are already equipping the Palestinians with the shoulder-fired "Strella" missiles the U.S. found were so lethal to helicopters in Vietnam.) But the Lebanese have refused men and planes so far, fearing they would draw them further into the Mideast conflict. They fear Syrian troops for other reasons, too; there is a long history of Syrian interest in Lebanese territory. When the Lebanese bombed the camps in 1973, the Syrians sent large numbers of troops into Lebanon and cut off trade. A recurrent Lebanese nightmare has the Syrians and the Israelis dividing the tiny country.

Lebanon's inability to control the Palestinians or to protect her people from the Israelis has also had a political toll inside the country. Security problems were one of the factors in the fall of the most recent government last September. The crisis has brought demands from the right to expel the Palestinians and from the left to take up Syrian and Russian offers to construct a missile defense system for the country. The Beirut newspapers are regularly studded with reports of, on the one hand, agreement between the government and the PLO to curtail armed activities in the South and, on the other, meetings between PLO, Syrian and Lebanese officials about defense of the country. It is government by balancing act. In July the Lebanese got a ten-year, $1 billion commitment from Arab defense ministers to build up the Lebanese Army. The government successfully headed off a PLO demand that the money be channeled through the guerrilla organization. The government's failure to provide adequate security in the South has also added fuel to a quasi-separatist movement of the area's Shiite Muslims, who charge that they and the underdeveloped South are neglected by the government, which is dominated by Christians and Sunni Muslims.

On trips south, we see the ambiguity of relations between the Palestinians and the Lebanese. Almost no one in Lebanon believes that the PLO regularly uses Lebanese villages as staging areas for military operations. Villagers in the area, although they do not deny they have occasional contact with Palestinians, insist they give them no aid or quarter in their villages. The tensions that have been created by the bombing, in addition to competition that has grown up between the refugees and poor Lebanese for jobs, lead most observers to doubt guerrillas would adopt a Lebanese village as a permanent base. "Most Lebanese sympathize with the Palestinians," a local Lebanese official says, "but all they would need is one person who didn't to compromise their security." Lebanese intelligence is also said to have its own strong roots in many villages in the area.

A stronger case can be made that the guerrilla raids against Israel are run from the Palestinian refugee camps. Guerrillas certainly live in the camps. Planning sessions may be held in camps and arms may be stockpiled there. All visits are conducted by PLO guides, and most questions on military matters are turned aside for security reasons. But the camps, with their crowded quarters and well-developed grapevines, seem ill-suited for the launching of secret raids, even in spite of what seems to be near universal support for them in the camps. Most of the camps are relatively far from the border, near major Lebanese towns, and are closely watched from outside by Lebanese police. The one "operations" base we visited briefly was an abandoned house close to the border and nearly hidden in a grove of trees. Well-informed diplomats in Beirut believe that some of the Palestinian raids may be run from Syria, and a few from inside Israel itself by Palestinians still living there. Such reports, even if true, would not be acknowledged by the Israelis. They cannot pound Syria as they do Lebanon without risking a fifth Mideast war, and to admit raids are conducted by their own Arabs would be to concede that the Palestinians inside Israel are not as happy as the government insists they are.

American officials in Beirut agree the raids on Lebanon are largely ineffective. "We discovered in Indochina that bombing couldn't even stop large movements of men and supplies," says one official. "It certainly can't stop three-man raiding teams." But the bombings have become so routine that virtually no one—and certainly not the Americans—wastes much time protesting them. "Frankly, I don't think it's much of an issue," says one embassy official in Beirut. "The Israelis make it clear they will continue the attacks, and continue them whether or not there are fewer cross-border raids." (In recent months, as the PLO has reached for respectability, there have, in fact, been fewer Palestinian raids—about one a month—while Israeli attacks have been almost daily.) Another U.S. official told me, "Golda Meir first said there were no Palestinians. Now the Israelis admit there are Palestinians, but no Palestinian civilians."

But the balance of terror in Lebanon may not be so stable in the future. It is a real possibility that the situation there could trigger the new Mideast war that so many Israelis and Arabs expect. In recent weeks, the heaviest ground fighting yet between Israeli commandos, Palestinian guerrillas and Lebanese soldiers has broken out. The Lebanese Army is now getting more advanced anti-tank weapons from the American government, presumably to defend itself against the tanks we send the Israelis. The Palestinians are now stockpiling "Strella" missiles, increasing the likelihood that the Israelis will begin to lose planes over Lebanon. And with chances of a permanent Mideast agreement receding, there is a good chance that the Palestinians will step up raids into Israel. If that happens, few doubt that the Israelis would at least consider an invasion of Lebanon, a move that would surely prompt Syrian intervention on a massive scale. It is a scenario that is only too plausible.

In the meantime, the toll of civilian casualties builds slowly, inexorably. The bombing has become so routine that it goes largely unreported in the American press, a fact that amazes European reporters on the scene, who devote equal space to Arab and Israeli suffering. But the truth is, American editors like their violence spectacular, and after years of reporting the news from Indochina, Americans don't get terribly excited about air strikes anymore. Which is why very few Americans know or care that last year, in southern Lebanon, there were civilian casualties equal to Maalot every month.

DOUBLE STANDARD FOR LEE?

Mr. HARRY F. BYRD, JR. Mr. President, on February 20, 1975, the Covington Virginian carried an editorial calling for the restoration of full rights of citizenship for Gen. Robert E. Lee. This fine daily newspaper, editored by Horton P. Beirne, provides the city of Covington, Va., and the surrounding Virginia counties of Alleghany, Bath, and Botetourt, and the West Virginia counties of Pocohontas and Green Brier with primary news coverage.

In his editorial, entitled "Double Standard for Lee?" Mr. Beirne writes:

> It is befitting and right that Congress take positive action even though it is a few years late in coming. The name and reputation of this Great Virginian should be cleared.

I agree. This is a step which should have been taken by the Nation as a whole long ago.

I ask unanimous consent that the Covington Virginian editorial, "Double Standard for Lee?", be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DOUBLE STANDARD FOR LEE?

One of the more controversial issues which faced the beginning of the Ford administration was the question of whether or not to grant amnesty to U.S. citizens who had left the country to evade serving with the U.S. Armed services. There were two sides to this issue and many persons opposed granting a pardon to those who had left the country. However, a grace period was given and those who returned were given a full pardon with citizenship rights.

Thus, through goodness and humaneness, the President and the U.S. Congress opened their heart and granted forgiveness to all who requested it. Even President Nixon received a full and complete pardon.

But this is somewhat of a double standard. For the third time in four years, U.S. Senator Harry F. Byrd of Virginia has introduced a bill in the Senate requesting Congress to restore citizenship to the late Confederate General Robert E. Lee. Senator Byrd has been unsuccessful in three attempts to have this highly respected and deserving citizen's Citizenship Rights restored. The bill is before the same Congress that has sanctioned the granting of a pardon for those who did not and would not serve their country.

General Lee's citizenship was withheld because he took up arms against the United States in 1861. Perhaps he served a lost or incorrect cause, but at least he did fight for what he and many, many others thought was right. He did not run from duty. After his duty was over, he did as much or more than any other individual to restore the harmony of the Union. He served the United States as best he could in a profession which had far-reaching effects—President of Washington (now Washington and Lee College) College. From this position he was able to influence young minds who would be the leaders who would work for a more perfect Union.

Lee was granted amnesty when he signed an oath of allegiance. Lee wrote President Andrew Johnson requesting that his rights as a citizen be restored and the letter bore the endorsement of Lee's former foe, Union General Ulysses S. Grant. However, citizenship has never been restored to the famed General, even 105 years after his death.

Senator Byrd is again seeking restoration of General Lee's citizenship. It is befitting and right that Congress take positive action even though it is a few years late coming. The name and reputation of this Great Virginian should be cleared. It can be cleared by the same forgiving Congress who agreed to pardon the deserters of this decade.

Let Senator Byrd and the Congress know you agree that Lee's citizenship should be restored. Write the Senator at The Senate Office Building in Washington, D.C. or drop a note to the United Daughters of the Confederacy, 1015 Cliffwood Circle, Clifton Forge, Virginia. This group will forward the letters to the proper officials.

RAYMOND MOLEY

Mr. THURMOND. Mr. President, too seldem do we see the kind of dedication to American Constitutional principles which were exemplified in the life and service of Raymond Moley. For well over half a century he left his imprint on the public life and dialog of our Nation, until his death earlier this month at the age of 88.

Perhaps Raymond Moley is best remembered by those with long experience in American affairs as the chief "Brain Truster" in the first administration of President Franklin D. Roosevelt. In the excitement of those "First Hundred Days," it was Mr. Moley who served as the President's top adviser. He was, in fact, the architect of many of those early policies aimed at reversing the crushing economic depression of that era.

Furthermore, it was his catch phrase—the "New Deal"—which became the trademark for that administration and by which it is remembered to this day.

This eminent man came to Washington after a decade at Columbia University where he was a professor of politics, government and public law. They were years well spent, imparting to his students the wisdom of his teachings, and gaining the insights of a nation.

Although Professor Moley rode the wave of New Deal popularity in those heady days of change, he broke with the administration four years later. As the Federal machinery grew more complex and pervasive he saw a menace to our cherished constitutional system. In support of his conscience, he switched to the Republican Party where he provided his influential counsel for many years.

He was an ardent advocate of American government at its best and an undeterred foe of politics at its worst. His columns in Newsweek magazine guided and goaded both the electorate and the elected from 1937 to 1968. Professor Moley knew the American process as it should be and as it was practiced. His words reflected that deep knowledge for a generation of people throughout this country.

Shortly before his retirement from Newsweek, I stated in the Senate July 13, 1967:

> I wish to pay tribute to one of the best Democrats and one of the most remarkable Republicans I have ever known—both in the same man, Professor Raymond Moley.

It was an assessment of his principled outlook and actions affecting the United States of America with which I still concur.

Mr. President, the recent death of Raymond Moley was a great loss to all who knew him and profited by his vision of America. However, his work and the concept of our Constitution and the law which he shared with his countrymen will endure as part of our national heritage. He was an outstanding American and I join in extending deep sympathy to his wife and family.

CRISIS FOR LIVESTOCK PRODUCERS OF AMERICA

Mr. ABOUREZK. Mr. President, we are considering bailing out the Penn Railroad by approving a grant for that system of $347 million. We do this to avoid disruption of our transportation system on the entire eastern seaboard. We do this because it is an emergency.

There is another emergency of similar gravity in rural America: the financial crisis for the livestock producers of this country, a crisis that is the result of a falling market, a drought, a blizzard, and in some cases, of farmers who consigned cattle to American beef packers and were never paid for them.

The crisis for many of these livestock producers is as severe as it is for the owners of Penn Railroad. If the Congress does not provide, within a matter of weeks, an emergency line of credit at low interest rates for the victims of these disasters, thousands and thousands of farmers are going to be out of business.

But another aspect of that crisis was described in an article in the Minneapolis Tribune Sunday, February 23. As a result of the more depressed livestock market and USDA policies, farmers are planting more and more land. That has implications far beyond the current livestock crisis, creating a crisis for all of agriculture which could in turn trigger a depression not unlike that of the 1930's.

I ask unanimous consent that the article written by Warren Wolfe about one of these farmers be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Farmers Stung By Uninsured Cattle Losses During Blizzard

(By Warren Wolfe)

Marshall, Minn.—Ray Heard spent Jan. 10 to Jan. 12 riding out the worst blizzard in years. He spent the next few days digging out 37 dead steers on his farm near Ivanhoe, Minn.

"After a year like '74, when we've been selling cattle for less than it costs us to feed them, all I needed was a loss like that," he said. "But I thought, 'Thank God I've got comprehensive insurance.' "

That's what he thought until he talked to his insurance agent, who informed him that comprehensive insurance covered just about everything but blizzards.

What Heard needed was blizzard insurance, but unfortunately he didn't know it existed, and his insurance agent had never told him it was available. In fact, the agent didn't even know the rates.

It was that costly discovery that led Heard and a dozen friends to organize a conference in Marshall Saturday on blizzard-insurance problems. Attending were Jon Wefald, Minnesota agricultural commissioner; representatives of three major farm organizations; seven state legislators; insurance representatives, and about 125 farmers.

"One reason we called this meeting," Heard explained, "was to see if there are enough like us to file a class-action suit to recover blizzard damages from our insurance agencies. We think they were deceptive in their dealings with us."

There was substantial agreement at the conference that some insurance agents have been lax in explaining to farmers what was not covered and what additional coverage is available.

"Obviously we have done a lousy job of informing the public or we wouldn't be here today" said Bob Provost, president of the Minnesota Insurance Information Center in Minneapolis. But he argued that few farmers would have bought the blizzard insurance anyway.

"The last blizzard like this was 35 years ago. If your agent had come around in July and asked if you wanted blizard insurance you would have laughed him off the place," Provost said.

Blizzard insurance is available at 5 cents per $100 of coverage, a price many farmers in the audience said they now are eager to pay.

The members of the House and Senate insurance committees at the conference agreed to seek legislation requiring insurance agents to tell their clients what their insurance does not cover, perhaps with a coverage checklist.

There was little talk during the conference of suing the insurance companies, although Tom O'Malley, assistant state insurance commissioner, told the farmers they could sue their agents if they feel, as one farmer did, that their agents were negligent by promising full coverage but not including blizzard insurance.

Wefald said he would support a class-action suit against insurance companies if farmers eventually pursue that course, but most of his speech was a denunciation of "politicians, both Republicans and Democrats" who are pursuing a policy of cheap food that drives farmers out of business.

And he cautioned that continued expansion of crop acreage will drive farm prices down. "With rising production costs, a sharp drop in prices could be disaster for thousands of farmers," he said.

"I try to tell my friends in the Twin Cities, 'How would you feel if you lost 25 to 30 percent of your income and were threatened with a mortgage foreclosure?' That's what you fellas are looking at."

For Heard, organizing yesterday's conference was a continuation of political activity he started years ago. As a member of Associated Milk Producers, Inc., he helped organize its political action group and spent hours in the halls of the state capitol seeking votes for farm-related legislation.

"I had a high-school teacher who taught us all the 93 ways a bill can be defeated, and that's probably the best preparation for this sort of thing I could have gotten."

A heart attack last July forced him to pull back a little.

"But I've been a doer all my life," he said Friday as he prepared for the conference. "But I guess I can take care of myself and do this sort of organizing every once and a while and still make it for a few more years. Hell, my dad had a couple of bad heart attacks and he was going strong long after they thought he'd be dead."

Heard, 55, bought his farm 10 miles from the South Dakota border in 1950 with a GI loan after service in World War II. He was solely a dairy operator until a few years ago "when I could see that I'd better diversify, or I'd get stung." So he added livestock to his dairy operation.

"It seemed like a good idea," he said. "Trouble was, the bottom fell out of the livestock market too." He stopped dairying after his heart attack and kept only the livestock.

"Things have been terrible for the livestock producer," Heard said. "The average producer lost over half his equity in his cattle simply because of falling prices between Jan. 1, 1974, and Jan. 1, 1975. And everything we fed those cattle has just sort of disappeared. We're selling calves now for $75 that it cost us $200 to raise."

Then came the blizzard and the discovery that the losses weren't insured.

"Actually, I was pretty lucky when you consider some of the other guys. I only lost 37 of about 155 head. I've got some friends who lost 150 head or more. Those guys are really set back. It's no wonder some of these fellows are getting set to plow under their pasture and plant row crops."

And that brings up something that concerns Heard, for the long run, even more than the depressed prices and the blizzard losses: the chance that "we're going to kill the land with all this crazy rush to plow up and plant every last acre of farm land we've got. In Lincoln County alone—and we're a pretty small county—we've plowed up more than 30,000 additional acres in just the last four years. So what's that mean?

"Our soil moisture is about four inches below normal in the topsoil with nothing in the subsoil. So if it's too dry this year that topsoil is going to blow away. If it's too wet it's all going to wash off. And if we have a perfect year we're going to have such a crop that we'll flood the market and wreck the farm economy for the next six or seven years," he predicted.

Heard and others would like to see the Soil Conservation Service, which finances some conservation techniques and helps farmers implement others, receive more money to do its job. They'd like to see a better disaster-loan program for farmers and they'd like to see more regard by state and federal politicians for protecting the quality of the land.

"But I won't kid you. I don't know what the answer is. And I've talked to some of the old timers, the retired fellows who went through the dust bowl of the '30s. They just shake their heads about the situation today."

HUMAN RIGHTS AND POLITICAL IRRESPONSIBILITY

Mr. McGOVERN. Mr. President, last week, the United Nations Commission on Human Rights adopted two resolutions censuring the state of Israel for desecrating Moslem and Christian religious shrines and for abridging the religious freedom of non-Jews.

These resolutions are just the latest in a series of attacks on Israel by United Nations' agencies. Virtually every unbiased observer agrees that the attacks are totally unjustified; and they carry little meaning in the international community. But the adoption of such resolutions is often seen as an easy way of appeasing Israel's enemies.

It is particularly ironic that some of the supporters of these resolutions are, themselves, among the greatest violators of human rights in the world today. And, with regard to the desecration of religious shrines, the greatest such desecration in recent history took place on Jewish shrines during the period prior to 1967.

These United Nations resolutions will have little effect on Israel. And they will have virtually no effect on the negotiations in the Middle East. What they will affect—and greatly damage—is the credibility of the Human Rights Commission. From now on, it will be seen by more and more persons as nothing more than another forum for political debate and demagoguery. And, if these resolutions on Israel are an indication of the agency's role, that perception will be a correct one.

LITHUANIAN INDEPENDENCE DAY

Mr. **STEVENSON.** Mr. President, I am pleased to join my fellow Americans and my colleagues in the Senate in recognizing the proud people of Lithuania who are observing this month the 57th anniversary of their Declaration of Independence and the 724th anniversary of the founding of the Lithuanian State.

Although 35 years have elapsed since the Soviet Union forcibly annexed their nation, the Lithuanian people remain confident that they will once again know and enjoy freedom.

The Lithuanian people have earned the admiration of the free peoples of the world for the dignity and spirited determination with which they have endured 35 years of captivity and oppression. Theirs is a daily struggle to maintain their language and tradition, and to achieve religious freedom and basic human rights.

If the much heralded détente between the United States and the Soviet Union is to become a viable relationship, there must be a relaxation of curbs on religious and personal freedom in the Soviet Union. This includes the recognition by the Soviet Union of the right of Lithuanians and others to emigrate if they so choose.

FEDERAL PROGRAMS FOR REUSING RAILROAD STATIONS

Mr. **HUGH SCOTT.** Mr. President—

"Time is against us—water seeps deeper—cracks widen between stones," warns New York architect Norman Pfeiffer in behalf of America's aging, discarded and imperiled train stations—almost 20,000 of them, representing every conceivable architectural style alive here between 1830 and 1950.—Newsweek, Sept. 9, 1974.

In response to Pfeiffer's warning, on January 21 I introduced a bill (S. 251) to further cultural activities by making unused railroad stations available to communities for use as community arts and cultural centers. My interest in this effort was enhanced as a result of a workshop on reuse of railroad stations last July at Indianapolis sponsored by the National Endowment on the Arts and other organizations. The workshop produced many good ideas from local government officials, urban renewers, bankers, developers, railroad officials, and preservationists.

Mr. President, I ask unanimous consent that "Federal Programs for Reusing Railroad Stations," prepared by the Advisory Council on Historic Preservation for the Indianapolis Workshop, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The Advisory Council on Historic Preservation, created by the Historic Preservation Act of 1966, occupies a unique and official role as the Executive-Congressional agency assigned broad responsibilities for historic preservation within our governmental system. The Advisory Council's role in this Conference on Re-Use of Railroad Stations grows out of responsibilities set forth under the 1966 legislation.

". . . in face of ever-increasing extensions of urban centers, highways, and residential, commercial, and industrial developments, the present governmental and nongovernmental historic preservation programs and activities are inadequate to insure future generations a genuine opportunity to appreciate and enjoy the rich heritage of our Nation.

". . . it is necessary and appropriate for the Federal Government to accelerate its historic preservation programs and activities, to give maximum encouragement to agencies and individuals undertaking preservation by private means, and to assist State and local governments and the National Trust for Historic Preservation in the United States to expand and accelerate their historic preservation programs and activities."

The Advisory Council is a 20-member body. Ten of its members are named by law. They are Cabinet officers, the heads of the major Federal agencies, the Secretaries of Interior, Agriculture Commerce, Housing and Urban Development, Transportation, Treasury, the Attorney General, and the General Services Administrator. Other members, also named under the Historic Preservation Act of 1966 are the Secretary of the Smithsonian Institution and the Chairman of Historic Places (also created by the Historic Preservation. They, along with ten citizen members, named by the President for their special expertise in the field of historic preservation, are charged with reviewing Federal, Federally funded and Federally licensed undertakings which have an impact on properties listed in the National Register of Historic Places (also created by the Historic Preservation Act of 1966). Executive Order 11593, "Protection and Enhancement of the Cultural Environment," signed by the President in May 1971, placed additional responsibilities on Federal agencies including that of considering the impact of their plans and programs on historic and cultural properties which are determined to be eligible for listing in the National Register.

In effect, the Council brings together broad public and private concern within the preservation arena under its Executive and Congressional authorities. The Council also has a close liaison relationship with state agencies which are concerned with nominating properties of state and local significance to the National Register and with implementing Federal preservation grant programs that have an impact on National Register properties. Its various authorities and roles provide the Council with the opportunity, the occasion, to play a role in the examination of most preservation issues in which national agency mandates and federal funds might be involved.

As the result of one element of its Congressionally mandated responsibilities, the Council is, of course, deeply concerned over the impact of Federal agency programs on all historic structures—including railroad stations (whether or not they are functioning in their original capacity)—which have been determined to be structures of architectural, historic and/or cultural significance in terms of the development of the Nation's history and its cultural and technological development or the development of the particular area of which such a structure might be a part. Beyond its role in terms of the past, however, the Council is also concerned with the role of such structures in today's society and economy as well as in the culture and economy of the future.

As the National Trust for Historic Preservation celebrates its first quarter century, it tells the world that "Preservation is progress." Few of us would argue but I suggest that it is even more. Alvin Toffler's predictions of future shock lend even greater importance to the need for physical evidence of the individual and National past if we are to provide the continuity which will enable us to avoid the alienation, the shock of the future which Toffler finds otherwise inevitable. Preservationists have heard, perhaps too often, John Steinbeck's line, "Without our past, how will we know it's us?"

In 19th century America and until the days of World War II, in many towns, large and small, dead or alive, there was one point of contact with the outside world—not the traffic light, not the highway interchange, but the station, the depot, the point of entry and the point of departure for the people and goods which changed those towns from the crossroads where it all began to communities in the broadest sense. The Western United States is dotted with ghost towns abandoned because their promise of mineral or agricultural riches did not live up to expectations. Even more towns, however, found themselves without a future when the railroad, the anticipated link to civilization, passed them by, little towns 25 miles north or south of the station where, when the railroad failed to arrive, there was little or no way for anything or anyone else to arrive either. It was the railroad and the station—the depot—which served as the point of contact with other towns—with cities, with ideas, with commerce, with progress.

In the introduction to Reusing Railroad Stations which has identified the scope of our concern, Norman Pfeiffer comments:

"There is an appealing, persistent image of pioneers subduing the wilderness of early America by horseback, covered wagon, and ship. But it was the railroads that truly conquered the continent, both causing and following the transformation of the United States from an agricultural nation. Historically, the railroads represent our ingenuity at its most daring. For over a century they provided mass transportation of raw materials, finished goods, and people at an unprecedented scale. Without their mobility, comfort and relative economy, the United States could not have fed its industrial revolution or attained today's technological sophistication."

But technological sophistication led to new forms of transportation with different kinds of economic incentives and pressures. Federal subsidies contributed to the development of our system of air transport before and after the second World War. Federally supported maritime programs insured that water transportation continued to serve as an element in a military as well as commercial system for moving goods within the Nation's lakes and between our own and foreign ports. Again, in the name of military necessity, a trust fund was created to provide a favorable source of revenues for the development of a system of interstate highways. All programs for the development of other forms of transportation plus the free enterprise tradition which has been associated with the maintenance of a system of railroads in this country, have contributed to the decline of railroads as part of this country's transportation system. And with the decline of the system, has come the inevitable decline in need for stations and what they once represented as an element on the urban scene.

The creation of the National Rail Passenger Corporation (AMTRAK) was an effort—some have called it too little too late, to give life to a truncated passenger rail system as one element in a transportation system more typified by airports and super-highway interchanges than by the once important depot.

What is the role of the Federal government and the passenger rail system which it has created today?

In 1974 the Federal government owns no stations—except for its interest in the Union Station in Washington, D.C.—and that has become, or is fast becoming, a station in name only. AMTRAK owns no stations and AMTRAK's interest in carrying passengers extends only to a concern for a stopping place, a train stop, much like a bus stop, and not a great deal more. And so, the railroad station, as an urban transportation entity, does not function as it was designed to function because, in all too many cases, that function no longer exists.

As we have seen in the catalogue of National Register railroad stations, a great number of railroad stations have received official recognition for their character, their quality, their distinction and have been included in the National Register of Historic Places. Those and others have been recorded for the Historic American Buildings Survey. But there are still other stations—not so significant or not yet recognized—which may well merit preservation on different grounds—perhaps because of the significance of their physical presence at the heart of the community, whether hamlet or metropolitan area, perhaps because they have contributed a sense of place to a particular grouping of people in a particular geographic area for decades or, in some cases, a century or more, or perhaps simply because someone or some group likes the station itself.

Mount Royal Station in Baltimore, the Nation's first city station, was among the first to go—as a station. It was also among the first structures of such character or distinction that public concern and public support were such that another role for the building, as a building, emerged. Today it is the home of the Maryland School of Art and may well weather its second century in that capacity. Mount Royal Station was adapted and reused without benefit of Federal funds. Other stations and former stations have benefited from Federal programs. And, others, greater in numbers perhaps, have found a contemporary use and a future because of interest, support and enthusiasm of private individuals and groups who recognized not only what the station and the building which housed it had been but who have also had a clear view, a vision, of what that station might become.

What possibilities now exist—in terms of Federal programs—and in terms of the national programs of non-Federal agencies—for contemporary uses and a similar future for stations other than Mount Royal in Baltimore, the Lehigh Station in Ithaca, the Chattanooga Choo Choo or the Sweet Briar College Station in Virginia?

The idea may seem novel but it should be mentioned that first of all, a station might well serve as a station. AMTRAK must sell its tickets somewhere and AMTRAK's passengers must emerge somewhere. And AMTRAK authorities acknowledge that, all other things being equal, there is no reason that AMTRAK cannot use an historic railroad station, an architecturally or historically significant station, as a transportation facility—a station. Obviously, AMTRAK's limited passenger demands do not require the same sort of physical resources which were required in the days of six or eight or fourteen trains a day—all with passengers—through many of the small and medium sized towns across the Nation. And so, other uses for the space within the station must be found.

But AMTRAK may well be the most significant component in resolving the future of the stations since it offers the promise of becoming a potential tenant in any reused station where AMTRAK service is provided. Thus, AMTRAK can provide potential developers with the economic first step—the first tenant—the determining factor in deciding that a station is a feasible development prospect.

More important, perhaps, AMTRAK and its demands for station facilities place a control of sorts on a property, one which can serve as a claim for its retention while the options for its retention emerge and develop. This factor gives railroad stations an advantage which is not enjoyed by other structures—churches and candy factories and schools—for which developers and adaptive uses are sought.

But AMTRAK is not the only possibility; other kinds of transportation facilities might well be located—with appropriate support from the Federal government—within the physical facility which one served as a station.

DEPARTMENT OF TRANSPORTATION

1. The Department of Transportation, through its Federal Aviation Administration's (FAA) Airport Development Assistance Program (ADAP) is one possibility.

Today FAA capital grants are available for the purchase of the land for airport terminals but not for the design and building of such terminals outside designated airport areas nor for the construction of related roadway and landside facilities. However, even though FAA financial assistance for terminal construction is not available, the Airport Airways Development Program may, in the future, have potential as a source of funding for projects such as railroad stations. When the Airport Development Assistance Act (ADAP) of 1973 first passed the Senate in February of 1973, it included a provision which would make the Airport and Airways Trust Fund available for funding air terminals. Although this provision was expunged by the time the final bill was signed in June of 1973, there remains substantial support for the inclusion of such a funding provision in airport development legislation now pending before the Congress.

Those who have followed this legislation are hopeful that this issue of terminal funding will be finally resolved during the 93rd Congress. Passage of such a provision is strongly supported within the FAA and by the efforts of the influential lobbying body, the Airport Operators Council (AOCI).

During the past five years, the FAA has also investigated the feasibility of constructing heliport areas in multilevel intercity transportation complexes. FAA may well be prepared to expend funds for that portion of the transportation center including, perhaps a railroad station, used as a heliport, although such heliport areas in intercity transportation are yet to be fully demonstrated as viable.

2. Another Department of Transportation related possibility for railroad station reuse grows out of existing programs of the Department's Urban Mass Transportation Administration (UMTA).

UMTA capital grants are widely available for the construction, or rehabilitation of bus terminals, rapid transit and new system terminals, and for linkages between mass transit and other modal terminals. The Federal share for these projects is ⅔ with the locality (or state) providing ⅓ project cost.

Technical study grants are available for economic feasibility studies which might include railroad station reuse or, engineering or architectural surveys of historically significant railroad stations as one element in a program of improvements in a mass transit system. For example: Efforts to preserve and rehabilitate the San Diego Santa Fe Depot will be aided by a $1.5 million grant from UMTA. The city will turn the depot into a transportation complex including trains, buses, airport ticketing facilities and connections and tourist services as well as shops and a restaurant. It is important to note that UMTA can fund only those areas of the project which involve transit activities. Private developers will invest $3.8 million in the project which will cost an estimated $5.8 million.

3. The Federal Highway Administration (FHWA) is another possibility.

For example, FHWA construction funds are available for the construction of fringe and corridor parking facilities if parking is connected with a mass transportation facility. Such parking facilities will generally be funded only if they are located outside a central business district. FHWA funds can also be expended for the construction of links connecting parking or inter-modal terminals and for building bus ramps, shelters, or terminal buildings. Section 142 of the Federal-Aid Highway Act of 1973 permits funding of bus-auto terminals within the general category of passenger loading and parking facilities. Yet to be resolved is the question as to whether extensive bus terminals (perhaps former railroad stations) lie within the statute's authorization to build "bus passenger loading areas and facilities, including shelters."

DEPARTMENT OF AGRICULTURE

The Department of Agriculture has several programs through its Farmers Home Administration (FHA) activities which might provide assistance to those who are seeking the means for funding railroad station projects.

4. Through the Farmers Home Administration's Community Facilities Grants and Loans programs certain assistance for rail stations seems possible. Under the Grants Program, grants are made to local governments and other political subdivisions to promote the development of business enterprise in rural areas. Such FHA projects must lead to the immediate development of private business or industrial enterprises. Grants can be made to cover the cost of acquiring and developing land and/or existing facilities, for providing support facilities such as gas or electric service lines, for fees and costs for legal, engineering, fiscal, advisory, recording and planning services.

The development of support facilities on a railroad station site as a means for attracting business and industry to the site might be eligible for funding under this program. This is a fairly new program and has not been used, to date, in connection with rail station projects.

5. Under the FHA Community Facilities Loans programs, railroad stations might benefit through loans to local governments or other political subdivisions of States, to nonprofit organizations, or for the construction, enlargement, extension or other improvements of community facilities in rural areas. Recipients of such loans can include local governments or other political subdivisions of States such as districts and authorities, and to nonprofit corporations which meet certain rigid program requirements. Loans must be applied to facilities in rural areas and in towns of not more than 10,000 population. These loans can cover the cost of acquisition and development of land and/or existing facilities for providing or supporting services or programs with social, cultural, or recreational benefits or for industrial or business development.

A public agency or a nonprofit organization could receive such FHA Community Facilities loan monies for the adaptive use of railroad stations as, for example, community libraries, courthouses, or public recreation areas. Borrowers must be unable to obtain the necessary funds for such activities from other sources at reasonable rates and terms. This, too, is a relatively new program and one which has not yet been applied to specific rail reuse projects.

6. Under the FHA Business and Industrial Loan program, funds can be made available to any legal entity, to individuals, to public and private organizations to support the development or expansion of business, industry and other sources of employment. Under this program loans can be made to local governments and other political subdivisions of States such as districts and authorities, to profit making and non-profit organizations and to individuals for projects located in rural areas or in cities of not more than 50,000 population. Priority is given to project

applications for rural communities and towns with populations of 25,000 or less.

The program offers promise to those interested in the development and reuse of railroad stations since loans can be applied to the cost of acquisition and development of land and/or of existing facilities. Although the program has not yet been used for such purposes, any legal entity should be eligible for such loans for railroad station projects since the program specifically authorizes monies for business and industrial acquisition, conversion, modernization, and construction.

DEPARTMENT OF THE TREASURY

7. The Treasury Department administers General Revenue Sharing, which might prove to be the most comprehensive funding program which could be used in railroad station reuse projects. Under Revenue Sharing, payments are made to States and to certain local governments for capital expenditures authorized under state and local law and for operating and maintenance expenditures for: environmental protection, financial administration, health, libraries, public safety, public transportation, recreation and social services. States, general units of local government including counties, townships and municipalities, Indian tribal governments and Alaskan native villages are eligible to receive Federal monies under this program.

Nongovernmental agencies and private organizations such as preservation groups may request and receive General Sharing funds from State and/or local governments if their financial laws permit such transfers of funds. The Federal Government has no specific authority to designate the distribution or allocation of such funds and preservation projects, including projects for reusing rail stations, must compete for a share of these funds along with other State and local agencies. Of the $30.2 billion authorized for distribution over a five year period under the State and Local Assistance Act of 1972, very little has to date been allocated to preservation activities. It seems realistic, albeit unfortunate, to assume that even less Federal money will be allocated to preservation activities than had been available under the various Federal categorical grant programs which Revenue Sharing has replaced.

At the same time, Seattle has reserved $600,000 of the City's General Revenue Sharing funds for the establishment of an historic preservation revolving fund. The fund is managed by the semi-antonomous public agency, the Historic Seattle Preservation and Development Authority, which has used the funds primarily for restoring historic properties in the Pioneer Square Historic District.

DEPARTMENT OF COMMERCE

The Department of Commerce has a number of programs designed to promote economic development and employment which might be applied to railroad station projects.

8. The Economic Development Administration (EDA) through its Technical Assistance Program's grants and services activities can provide planning assistance to individuals, to State and local governments and to nonprofit organizations for financing economic development planning. Planning assistance can take the form of resource surveys, feasibility studies and preliminary design plans all of which might apply to station projects.

9. EDA's Public Works Impact Program can provide grants to State and local governments and non-profit organizations for public works projects in areas of high unemployment. This program, a part of a broad program of grants and loans under the Public Works and Development Facilities activity of EDA, can make grants of 80% of the cost of land acquisition or acquisition, construction or renovation of facilities. Rail station projects are eligible for funding if there is a particular need which they might fill in the area and if the cost of labor will represent a substantial proportion of the project's total cost. The program gives priority to projects that would benefit the long-term unemployed or low income groups and to projects that would create a long term opportunity for the establishment or expansion of business and industry. The future of the program is uncertain; however, if it is continued and if funding for it is increased it is a promising source of funding for rail station projects such as that in St. Louis County, Minnesota, which received a $352,000 grant for the acquisition and renovation of Duluth's Union Depot, an 1892 Norman style railroad station which will be converted into a cultural center to include railroad and industrial museums.

10. Also under EDA's Public Works and Development Facilities activity, the Long Term Employment Program, if continued and funded at an increased level, might serve as a stimulus for railroad station redevelopment. The Long Term Employment Program gives grants and loans to State and local governments and to public and private non-profit organizations for public works projects which improve opportunities for the establishment or expansion of business or industry or which assist otherwise in the creation of employment for the unemployed or for low income groups. State and local governments are eligible for assistance under this program as are Indian tribes and public and non-profit organizations which seek funds for projects located in redevelopment areas or economic development centers which have been so designated by EDA.

This program can provide basic grants to cover up to 50% of the cost of acquiring and developing land or the cost of acquiring, constructing or renovating facilities including machinery and equipment. The program can provide loans in conjunction with grants usually only in those cases where applicants are unable to provide the local share of matching funds from other sources.

11. Another Department of Commerce activity, the Business Development Loan Program, can provide long term low interest loans to individuals, State and local governments and to local development groups to assist them in the establishment of new businesses or in the expansion of existing firms in designated redevelopment areas or in designated economic development centers. Such loans might be used in establishing businesses in railroad stations converted to another use if the project is such that it creates new sources of employment and if it does not involve the relocation of existing businesses.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

12. As of the end of Fiscal Year 1974, HUD, once the major Federal funding agency for preservation activity in urban areas, has only a program of Comprehensive Planning and Management Grants (the "701 Program") which might be of assistance to those who are searching for possible Federal funding to assist in the rehabilitation of railroad stations for adaptive use. Under the 701 Program, grants can be made by HUD to States, metropolitan areas and planning agencies, to cities with a population of 50,000 or more and to Indian tribal bodies. Through the States, 701 grants from HUD can also be made to counties, to cities with less than 50,000 population, to local development districts and to economic development districts. Historic preservation planning activity, including that related to railroad stations, is eligible for assistance if it is undertaken as part of a comprehensive planning program.

Funding may be available for surveys of architecturally and historically significant rail stations, for a study of the present or a potential relationship between an historic or architecturally significant station and other components of comprehensive planning in an area, or in order to provide preliminary cost estimates on station property rehabilitation proposals. As an example of the sort of activity which is possible under the 701 program, in Natchez, the Mississippi Research and Development Center received a grant for an historic resource survey and inventory for a designated area of Natchez.

HUD'S proposed Community Development Block Grant Program (the Congressional version of the Administration's proposal for community development special revenue sharing and identified in its Administration version as "The Better Communities Act", now scheduled to go to a conference committee of the Senate Committee on Banking, Housing and Urban Affairs and the House Banking and Currency Committee, for a reconciliation of the differences between the House and Senate versions of "the Housing and Community Development Act of 1974", HR 15361 and S. 3066), if adopted, will replace a number of HUD's categorical grant programs which have been subject to a funding moratorium for some 18 months including the Open Space Land Program, Urban Renewal Programs (including Neighborhood Development Programs) and HUD's Rehabilitation Loan and Grant Program.

13. If adopted, the 1974 Community Development Block Grant Program will make it possible for HUD to provide community development grants for any of the purposes formerly funded by the now defunct categorical grants programs including the acquisition, rehabilitation and improvement of historic properties. Those eligible for the Community Development Block Grants, if the Legislation is adopted as now proposed, will include Standard Metropolitan Statistical Areas (SMSA's), cities with population of more than 50,000, urban centers with greater than 20,000 population and, for the first five years of the new program, those other communities which qualified for funding under the "hold harmless" provision covering active Model Cities programs and Urban Renewal projects approved during the 1968–1973 period. Other communities which might qualify include those selected by the States for the receipt of State discretionary funds.

Under current proposals for the Community Development Block Grant program, substantial Federal monies will be available for preservation funding on a matching basis. Railroad station adaptive reuse programs may be able to receive grants under this program by working through the chief executive officer in each SMSA. Those interested in preservation projects including those relating to railroad stations should seek funds under this program as soon as it becomes effective, tentatively 1 January 1975.

HUD's Neighborhood Development Programs (NDP), although ineligible for new funding after January 1973, can sometimes give approval for requests for incorporating plan changes for historic preservation activities within ongoing urban renewal projects if such plan changes will not increase project budgets. NDP's can provide loans, grants and advances to State and local public agencies which are authorized to undertake projects for the redevelopment of deteriorated urban areas. Under this program when active, historic preservation capital grants were available on a $\frac{2}{3}$–$\frac{1}{3}$ basis up to $90,000 in Federal funds for each project. Under this program, surveys, inventories, rehabilitation and restoration feasibility studies were possible. In Sheboyagan, Wisconsin, for example, the city's urban renewal agency surveyed and inventoried historic properties within the 495 acre NDP.

HUD's Open Space and Land Program, also ineligible for funding since January 1973, provided grants to State and local public bodies to improve, acquire and restore areas, sites and individual structures of architectural and historic value. Under this program, a $20,000 grant assisted in the conversion of the Duluth, Minnesota, Union Depot, into a city cultural complex designed to house a museum, the county historical society, the Duluth Art Institute and perhaps a new theatre.

Another HUD program, also discontinued in January 1973, was the Rehabilitation Loan and Grant Program designed to provide loans and grants to repair and rehabilitate properties located within HUD assisted urban renewal, neighborhood development or code enforcement projects.

DEPARTMENT OF THE INTERIOR

14. Interior, through the National Park Service's National Register Program and though the Historic Preservation Grants in Aid Program, can assist railroad station projects.

NPS can provide matching grants to assist States and Territories in surveys and inventories of historic resources (including railroad stations), in preparing and implementing State Historic Preservation Plans (basically a State statement of preservation priority projects for which the State is prepared to supply matching funds) and by assisting the States in programs relating to the acquisition and development of properties including railroad stations which are listed in the National Register.

It is important to note that funded projects must conform to the State's Historic Preservation Plan which must be approved by the National Park Service's Grants Program. (The National Park Service program also makes grants to the National Trust to support a wide range of its activities which will be discussed separately).

Under this Grants program, the Petoskey, Michigan, C&O Railroad Station received a $7,403 grant for structural repairs as part of a program converting the station into a museum.

The National Park Service anticipates an increase in requests for funding railroad station preservation projects under its historic preservation grants program.

15. The Department of the Interior and Department of Agriculture sponsor a joint Youth Conservation Corps program designed to provide summer employment on conservation projects for young people. Under DOI, members of the Youth Conservation Corps are assigned to conservation activities under the direction of DOI's Bureau of Land Management. This year, for the first time, the program is permitting YCC participants to assist in conservation activities on nonfederal lands. Either Federal agency (Interior or Agriculture) can operate a conservation project under this program or activities can be undertaken by nonprofit organizations under contract to either Interior or Agriculture. YCC paticipants must be 15–18 and permanent U.S. residents. They can work on salary or as volunteers and, although it is difficult to involve YCC participants in projects such as railroad station adaptive reuse, such participation seems possible.

NATIONAL ENDOWMENT FOR THE ARTS

The National Endowment for the Arts, through its Architectural and Environmental Arts Program, can undertake a variety of activities which can assist those who are interested in Federal programs which can be applied to railroad stations.

16. The Endowment's Public Education and Awareness Program has served as the Federal catalyst for generating public and private interest in the adaptive use of railroad stations. Under this program, grants can be made to individuals, nonprofit organizations, and to State and local governments, usually on a matching basis.

The Endowment has made grants for several projects relating to the preservation of railroad stations including a $20,313 grant to Roger Hagan for his documentary film on creative uses of railroad stations; a $23,550 grant to Educational Facilities Laboratory for the preparation of the book, Reusing Railroad Station, which will be supplemented by a second publication resulting from the Indianapolis July 22–23 Conference on Reuse of Railroad Stations; a $3,260 grant to a New Jersey graduate student for a survey of railroad stations in that State in order to determine their suitability for acquisition and use as cultural activity centers; and a grant to assist in underwriting the Indianapolis July 22–23 Conference.

17. The National Endowment's National Theme Awards Program, also part of its Program in Architecture and Environmental Arts, gives grants to individuals, nonprofit organizations and to State and local governments for planning and organizing projects and programs in the field of architecture and urban design. This program has granted up to $80,000 to communities for innovative and creative project approaches in theme areas such as City Edges and City Options.

18. The Endowment's Architecture and Environmental Arts Program, through its Professional Education and Development Program, makes grants to individuals, institutions of higher education and to nonprofit organizations to support basic research in building design and in order to improve the education of design professionals. Under this program, grants can be made to specific preservation related activities including perhaps, those related to railroad station reuse, and might be used for research in building design and in the preparation of restoration plans for certain types of buildings.

NATIONAL ENDOWMENT FOR THE HUMANITIES

19. The Endowment for the Humanities might well, through its Division of Grants, fund individual grants or fellowships or nonprofit organizations for projects relating to some aspect of railroad stations development such as, perhaps, the analysis and survey of historically and architecturally significant rail stations of a particular style and period.

The Endowment for the Humanities is especially interested in projects that bear on major issues of contemporary concern. It should be noted that the Endowment does *not* provide funding assistance to cover construction or restoration costs.

APPALACHIAN REGIONAL COMMISSION

20. The ARC might be able to assist in a railroad project through its program to provide supplements to Federal grant programs and to assist state research, technical assistance and demonstration projects, especially by providing supplemental funds for construction, land acquisition and/or equipment for eligible applicants including States (and subdivisions and instrumentalities of the States) and private nonprofit organizations.

ARC funds might be used as supplemental grants for the restoration, rehabilitation or improvement of facilities such as railroad stations if such grants would meet the purposes of the State's redevelopment plan and in non-Federal sources have supplied at least 20% of eligible development costs.

ARC funds have been used for projects for the restoration of public buildings and might well be used for feasibility studies on railroad station proposals if they could be characterized as beneficial to the economic and social development of an area.

REGIONAL DEVELOPMENT COMMISSIONS

21. Seven Regional Development Commissions provide supplementary grants to help State and local governments meet matching requirements under Federal grant-in-aid programs. The commissions undertake interstate economic development planning and promote those activities which might foster economic development in each of the seven regions.

Railroad station reuse projects could be funded if such projects were consistent with a commission's economic development goals for the area. For example, the Upper Great Lakes Regional Commission provided a $200,000 supplemental grant for use in converting Duluth's Union Depot into the city's new cultural complex, a $2.5 million project which received other funding from private foundations, individual and corporate donations, and several Federal programs.

Also, Northeast Regional Commission gave $100,000 in grants to the city of Lowell, Massachusetts, for its "center city development program" to revitalize the city's core area.

SMALL BUSINESS ADMINISTRATION (SBA)

22. The Small Business Administration would seem to be a promising source of Federal funding assistance for railroad station projects through SBA's State and Local Development Company Loan programs. These programs are designed to make equity capital and long term loans to small businesses and to assist in construction, conversion or expansion of business facilities to include the purchase of land, buildings, equipment and machinery. State Development Corporations concentrate on the creation of jobs and on increasing the economic development potential of businesses. Local Development Corporations might assist a community in the acquisition or improvement of a railroad station which could then be leased or sold to a small business. Participation loans under the Local Development Corporation programs have been used for the purchase and restoration of historic structures which have subsequently been used for profit-making activities.

23. SBA's Business Loan and Economic Opportunity Loan programs would also seem to merit investigation by those who are seeking Federal funding assistance for historic preservation projects such as railroad station reuse. These programs are designed to provide small businesses with assistance in covering the costs of construction, conversion and expansion of business facilities including the acquisition of land, buildings, machinery and equipment and to provide flexible credit to low-income of disadvantaged would-be entrepreneurs. These loans would seem to be especially appropriate for those who are seeking assistance in converting a building such as a former railroad station into a viable office or commercial space. SBA Business Loans ranging in size from $18,000–$40,000 assisted in financing the adaptive use of historic buildings which are now functioning as commercial enterprises in Alexandria, Virginia.

24. TVA's Operation Townlift, through which TVA's professional staff assists communities in the Tennessee River Valley area with planning services, might be of assistance with railroad station reuse projects located in that part of the country. This program assisted one small Mississippi town by providing preliminary plans for the conversion of the community's 19th century courthouse into a museum and information center on the basis of which the town sought (and received) an historic preservation grant from HUD.

GENERAL SERVICES ADMINISTRATION

25. GSA is, like AMTRAK, a major potential force in the adaptive reuse of railroad stations of any category by virtue of its capability to lease space in such stations for the use of Federal office space. GSA cannot make funds available for the restoration or rehabilitation of a station which is to be converted to office space but, by virtue of its commitment to lease space, potential developers are in a better position to finance their own efforts to rehabilitate stations (or,

for that matter, any historic property in which GSA is prepared to lease space). GSA is somewhat constrained by the fact that it serves as the agent for Federal agencies and any space which it is prepared to lease must meet the requirements (or must be capable of being rehabilitated and adapted in order to meet the requirements) of Federal agency tenants.

THE NATIONAL TRUST FOR HISTORIC PRESERVATION

26. The National Trust is not a Federal agency but its programs can serve as an adjunct to Federal programs and can give guidance as to the best way to use that funding which is available under Federal programs. In many cases the National Trust, better than any other group, can aid preservation efforts including those which relate to the adaptive use of railroad stations through providing advice, aid, comfort, guidance and the benefit of its own experience and that of others with similar or related objectives.

The Trust provides professional advise on preservation problems through its Department of Field Services. In addition, its departments can provide professional expertise relating to historic property programs and activities. (Administration, Architecture (historical and restoration)), Career counseling, Decaparative arts Curatorship, Fund Raising, Historical Building Surveys, Horticulture, Legal techniques of Preservation, Logistical Conference Coordination, Museology, Planning, Property Interpretation, Property Management, Public Relations, and Publications. In addition, the Trust's Department of Field Services provides two financial assistance programs, Consultant Service grants for matching funds to assist in securing the services of qualified professional consultants on preservation problems such as those which relate to rail station reuse. The National Historic Preservation Fund assists nonprofit Trust member organizations in their preservation activities including, for example, stations, in the establishment and operation of local revolving funds. The Trust conducts conferences, regional workshops, meetings and seminars on specific preservation issues such as preservation law, building codes, historic districts and building crafts.

The Trust serves as a central mechanism for the collection and dissemination of information relating to the broadest range of preservation activities, public and private, for profit and nonprofit, and at every level of government.

The Trust is now preparing *A Guide to Federal Preservation Programs*, a 400 page study which is scheduled for publication later this year. This Guide, in draft, has been most helpful in the preparation of this paper. It should be of great assistance to those historic preservation interests which are trying to involve the Federal Government—financially—in their efforts to preserve historic structures including, of course, railroad stations.

In conclusion, some general observations.

Fortunately, no one expects Federal programs to provide the life saving impetus in efforts to reuse the eclectic collection of structures which have served and which will continue to serve, in some cases, as railroad stations. Some of these stations, by virtue of their architectural integrity and others, because of their lack of that integrity, are capable of attracting the economic, the political and the emotional support which will guarantee their future for one use or another. Other such structures may be lost because they lack that support and, in many cases, the communities where they were located will be poorer by their absence from the urban or the rural ambience of which they were a part.

To save these stations and to save historic structures of any category, whether firehouse or roundhouse or courthouse, and to give them a future as viable and functioning elements on the contemporary scene, there must be some vision, some foresight, some perspicacity, some passion, some private commitment, some community support, some historic or architectural or cultural quality or distinction and, on occasion, there must be some Federal money.

COMMISSIONING OF THE U.S.S. "SOUTH CAROLINA"

Mr. THURMOND. Mr. President, in December of 1970, in Newport News, Va., the keel was laid for a nuclear powered, guided missile frigate. I had the privilege of attending this ceremony, and a year and half later, in July of 1972, I also attended the launching of the ship. I am now happy to report that on January 25, 1975, the same ship was commissioned in the U.S. Navy and entered our Nation's service bearing the proud name U.S.S. *South Carolina*.

This brandnew vessel is not the first to be called after my home State. In fact, four other ships of the same name have served in the U.S. Navy, and another, a European ship under charter to South Carolina, played a significant role in the American Revolution. Thus, the new U.S.S. *South Carolina* will be part of a long and historic tradition. With her size of 10,000 tons, her length of 596 feet, her top speed of 30 knots, and her strong armaments, both nuclear and conventional, I have every confidence that she will prove fully worthy of her distinguished predecessors.

I am not the only one to have taken an interest in this ship. The whole State of South Carolina has followed its building and testing with keen anticipation. As I saw for myself, many South Carolinians traveled to Norfolk for the commissioning on January 25. One week later, on February 1, a turnout of thousands welcomed the ship to Charleston for Patronesss ceremonies. The people of South Carolina have always favored keeping our Navy strong and up to date, and they are highly gratified to be represented by a vessel which contributes so notably to this end.

It was a moving experience to hear so many people cheering the U.S.S. *South Carolina* in Norfolk and Charleston. I wish that others would take the same attitude that these crowds displayed toward our Nation's defense. The sad fact is that our Navy is losing the strategic superiority it has enjoyed for some many decades. Although some people seem indifferent, I feel that this trend is highly dangerous. The construction of more ships like the U.S.S. *South Carolina* would be a significant step toward reversing it. As an added benefit in these times of recession, increased shipbuilding would also provide new jobs and stimulate related sectors of the economy. I urge Congress to give serious consideration to a program which would help, at the same time, in the defense of freedom and the restoration of economic stability.

Mr. President, at the commissioning of the U.S.S. *South Carolina* on January 25, 1975, I had the honor of delivering an address. An earlier address I had given at the laying of the keel was kindly inserted in the Congressional Record of December 3, 1970, by Representative Thomas N. Downing of Virginia and the late Representative L. Mendel Rivers of South Carolina. My remarks on the occasion of the launching were inserted in the Congressional Record of July 25, 1972, by Representative Downing. In order to complete the historical documentation, I ask unanimous consent that my address of January 25 of this year be printed in the Record at the conclusion of my remarks. In addition, I ask unanimous consent that an article about the U.S.S. *South Carolina* that appeared in Sandlapper magazine in the issue of January–February 1975, be printed along with it.

There being no objection, the address and article were ordered to be printed in the Record, as follows:

Remarks by Senator Strom Thurmond

Secretary Middendorf, distinguished members of the Congress, Governor and Mrs. Edwards, Lt. Governor and Mrs. Harvey, officers and men of the uniformed services, and especially those of the U.S.S. South Carolina, Mrs. Buzhardt, Mr. Diesel, my fellow South Carolinians, and other distinguished guests, and ladies and gentlemen:

It is indeed an honor to be present for the commissioning of this nuclear powered ship bearing the name South Carolina. Our state has a proud tradition—a tradition which has been inextricably tied with the history of our country as have the ships that have borne the name of our great State.

I can think of no greater way to open the 200th anniversary year of our nation than by commissioning this ship with the name of one of the original 13 colonies.

This ship, a powerful instrument in insuring free passage for all ships on the waters of the world, has some interesting ancestors.

ANCESTOR SHIPS

The Carolina, leading ship of the tiny expedition that settled South Carolina three hundred years ago, should surely be considered the first of these, although she was not, strictly speaking, a Man-Of-War. She was, however, a "fighting ship," not because of the meager armament that she carried, but because of the dangers which she faced and overcame. She fought her way through storms which wrecked two of her companions, and made an amphibious landing on territory claimed by the hostile Empire of Spain. Her success established South Carolina as the southwestern outpost of the English-speaking world.

Other ships, among them some named Carolina and South Carolina, carried settlers during the ensuing century to the new world, and helped our State grow and prosper. As a leader in the fight for American independence, South Carolina undertook to play its part in naval affairs, notably by commissioning the frigate South Carolina, built in Holland.

A celebrated and formidable ship, carrying 40 guns, her keel was about 160 feet long and strong as a castle. She defeated a number of prize vessels and helped in the capture of the Bahamas before her own capture by the British in December 1782.

During the Confederate War another fighting ship was named after South Carolina, not by her proper name but by her nickname, the Palmetto State. An early ironclad ram constructed in Charleston, she was for a time successful in driving off the Federal blockade.

The most recent ship to be named after the State was the battleship South Carolina, commissioned in 1910. Like the ships of Theodore Roosevelt's "Great White Fleet," this South Carolina carried as the figurehead on her prow a replica of the Great

Seal of the United States. The figurehead from the *South Carolina* was saved and now graces the main entrance-way under the north portico in the State House in Columbia.

NEW SOUTH CAROLINA

The new *South Carolina* is a ship of great capability. She is equipped to fight against submarines, surface ships and aircraft. In both forward and after launchers, she carries missiles to shoot down enemy aircraft. Her missile magazines are also designed to hold the Harpoon anti-ship missile now being developed by the Navy. Topside she carries the latest missile and gun fire control radars and sensors. Below her waterline she carries a powerful sonar to guide her attack on submarines using her anti-submarine rocket launcher, torpedoes and helicopter.

This *South Carolina*, like the early ships named *Carolina*, has no smokestack. Within her hull are two nuclear reactors that provide the steam to run her engines, drive her electrical generators, and heat and air condition her living spaces. The nuclear cores that were installed in her before delivery contain enough nuclear fuel to make her self-sufficient in energy for at least 10 years. With today's price of oil, that feature is a real plus.

The fact that this ship will not need refueling for a decade represents not just a notable feat of engineering achievement, it represents a new and necessary dimension in the capability of naval warships.

As each of you know, our industry and our daily lives are inseparably tied to foreign oil and the policies of foreign governments. We now must face the fact that we are not, as a nation, entirely self-sufficient.

NUCLEAR POWER ADVANTAGE

Ships like the *South Carolina* are not dependent on foreign bases, nor on oilers, to supply the vast quantities of fuel our ships need to operate at combat tempo in forward areas. Nuclear powered forces can transit long distances at high speed, conduct sustained combat operations, then retire to remote areas of low threat for replenishment of combat consumables. In contrast, oil-fired ships must refuel every several days or must limit their speed to conserve fuel.

Nuclear power enables us to provide our major warships now, in time of peace, with the fuel they will need in time of war. Thus, the limited supplies of fuel oil that we will be able to provide in combat can be reserved for the aircraft and land vehicles for which there is no other possible fuel.

OTHER SOUTH CAROLINA CONNECTIONS

As a member of the Senate Armed Services Committee, I can tell you that today's event had another South Carolina connection besides the naming of this ship. South Carolina was the home of the late Congressman L. Mendel Rivers. Mendel Rivers recognized the need to provide nuclear powered ships for our Navy. In fact, it was Mendel Rivers who led the fight for the *South Carolina* and the *Carolina, South Carolina's* sister ship. He conducted extensive hearings in the House and pointed out to his fellow Congressmen the need for our first line warships to be nuclear powered.

It was Congress, not the President, or even the Navy that took the lead in demanding nuclear ships. This fight continues as just last year it took considerable effort within my own Committee to win approval of the additional nuclear frigates needed by our Navy.

RICKOVER'S COURAGE

This fight was made possible by one of the world's greatest Admirals, Hyman Rickover. A pioneer in nuclear engineering, his skill and courage were largely responsible for the nuclear ships in our Navy today.

Further, under the able leadership of Secretary J. William Middendorf and Chief of Naval Operations, Admiral J. L. Holloway, I predict our Navy will rise to even greater heights to meet the challenges we shall face in future decades.

If this nation is to continue its role in world affairs and maintain the security of its shores, we need to provide the Navy with modern ships such as *South Carolina*.

I am greatly honored to be here and extend to Captain Neel and his crew, on behalf of the people of South Carolina, best wishes as this ship is formally commissioned into the Navy and continues the tradition of South Carolina in the service of the nation.

[From the Sandlapper magazine, January–February 1975]

PROUD NAME LAUNCHED AGAIN

This month the newest ship in the U.S. Navy takes her place in the fleet. She is the *USS South Carolina*, commissioned out of the Norfolk, Va., Naval Station. She is the fifth ship to bear that name.

The first *South Carolina* appeared in 1780, amid European political intrigue. Construction of the continental state frigate had actually begun in Amsterdam, Holland. She had been called *L'Indien*, and her building had been authorized by the U.S. commissioners in France, Arthur Lee, Silas Deane and Benjamin Franklin. Later that year, John Paul Jones sailed for France with the hope of assuming command of the new frigate, but the Dutch government, under pressure from George III, sold the uncompleted *L'Indien* to Louis XVI of France. For more than two years the 40-gun frigate lay idle while American and European agents schemed to obtain her. Finally, in May 1780, Louis granted the frigate to the Duke of Luxembourg, who then chartered her to the state of South Carolina, represented by Comm. Alexander Gillon. Gillon changed the name to *South Carolina*.

The ship was actually completed in Texel, Holland, and made her maiden voyage in August 1781, manned by a crew of 550 men, including 300 French Marines. The remainder of the crew was composed largely of American sailors from British prisons. *South Carolina* captured several ships en route to Charleston in 1781, then proceeded to her next assignment in Havana, Cuba, where she led the combined American-Spanish expedition to capture the Bahamas. Later, she was blockaded in Philadelphia and taken by three British men-o-war off the Delaware Capes.

This first *South Carolina* was a weakly built ship: Her combination of heavy French guns and extreme length may have made her appear as a sleek, powerful ship, superior to the stubby men-o-war prevalent in the British Navy, but she was too hard to handle. Her shortcomings in hull strength caused special consideration to be given to the hull design of the first newly built frigates of the American Navy, the *Constitution* and the *Constellation*.

The first *South Carolina* which actually served in the U.S. Navy was a schooner in the U.S. Revenue Service (Coast Guard) and was built in Charleston in 1798. The 187-ton schooner and its complement of 35 men were placed under naval jurisdiction for operations against French privateers in the Caribbean. Under the command of Capt. John Payne, she cruised off Cuba and Haiti for several months before returning to Charleston in 1799 to resume service as a Revenue Cutter.

Later that year, the second *South Carolina* was built in Charleston, apparently under the name *Protector*. Hers was a brief life as a coastal patrol vessel. She was sold at Charleston in 1802.

The third *South Carolina* was a screw steamer built in Boston in 1860. Ironically, she was part of the blockade squadron during the Civil War which attempted to seal off the harbors at Galveston and Charleston. She was decommissioned in 1865 and sold at a public auction in 1866.

In 1910 the fourth *USS South Carolina* was commissioned at the Philadelphia Navy Yard. The 452-foot vessel had a displacement of 16,000 tons, a designed speed of 18.5 knots and a complement of 51 officers and 818 men. Her original armament included eight 12-inch .45-caliber guns, twenty-two 3-inch .50-caliber guns, four one-pounders, two .30-caliber guns and two 21-inch submerged torpedo tubes. The maximum thickness of her armor was 12 inches.

After a shakedown cruise she visited Charleston in April 1910 to receive a silver service from the state. She continued to call at such ports as Copenhagen; Waxholm, Sweden; Constadt, Russia; and Keil, Germany. In 1914 she landed Marines to guard the U.S. Legation at Port-au-Prince, Haiti. She also landed a force at Vera Cruz, Mexico. In 1917 she was assigned to duty as a gunnery training ship before becoming part of the escort for a troop convoy bound for France. After the Armistice, she made four troop transport runs from Brest, France, returning 4,505 veterans to the states. She was decommissioned in 1921, in accordance with the Naval Armament Limitation Treaty.

This is the tradition that the newest *USS South Carolina* must live up to. Among the first trappings of a new seagoing vessel is an appropriate crest. The Patriot's Point Development Authority selected a design by Edward Ziegler, a student at North Augusta High School. The distinctive red, white and blue coloring associates the ship with the U.S. Navy. The ship's motto is intentionally the same as the state's: "Prepared in mind and resources." The field of white and five stars indicate that this is the fifth *South Carolina* to see service.

The ship that this crest represents is a 10,000-ton, nuclear-powered guided missile frigate. Her length is 596 feet and she has a designed speed of 30 knots. She is well-armed: two Tartar missile systems; an anti-submarine rocket system; two 54-inch .54 caliber lightweight guns; and four torpedo launchers. Long-range sonar rounds out her capabilities as a three-dimensional warship. She is manned by 33 officers and 512 men, under the command of Capt. William C. Neel.

The keel of older ships was the major strength of the hull. From the keel other members would be added until the ship was complete. This careful positioning and certification of the keel has carried through time until on Dec. 1, 1970, the keel of the USS *South Carolina* was laid at the Newport News Shipbuilding and Drydock Co. The ancient tradition of announcing the keel "truly and fairly laid" was completed by Mrs. Margaret Middleton Rivers. The major address of the day was given by Sen. Strom Thurmond. Other officials participating were Secretary of the Navy John Chafee; Adm. Elmo Zumwalt, chief of naval operations; Vice-Admiral H. G. Rickover, director of the Naval Nuclear Propulsion Program; and L. C. Ackerman, President of Newport News Shipbuilding. The late congressman L. Mendel Rivers gave the closing remarks following the keel laying.

The launching was held on July 1, 1972. The launching indicates that the ship's underwater hull has been completed and it is ready to enter the final stages of construction.

A third event prior to commissioning is unique to nuclear powered ships. This is the "in service" date. At that time the crew moves aboard the ship and assumes responsibility for the operation of the ship during the sea trials that shortly follow. These trials were held in middle and late October of 1974.

The modern commissioning ceremony is derived from ancient pagan rituals which attended the launching of new ships. Phoenicians, Greeks, Romans, Vikings—all seagoing people formulated a ceremony to ward off evil spirits and denizens of the sea. While these demons are no longer of major concern to seamen today, the experienced sailor feels a certain ancient, mysterious presence of the wide ocean.

In direct lineage with the rituals of the sea, the formal naval commissioning ceremony, a custom deep in naval tradition, marks the formal inception of a man-o-war into the country's naval forces. In the early days of the U.S. Navy, no formal procedure was defined. Thus, a ship's commissioning came after that vessel had raised its first colors and received its officers and crew. The first log entry was made, orders to the commanding officer were issued and the ship put to sea. The final, formal step is the unfurling of the commission pennant, a long thin flag bearing seven stars and a single red and white stripe.

As the USS *South Carolina* takes its place in the fleet, she becomes part of the 200-year tradition of ocean-going warships of this state and nation. She sails in the hope that fair winds and a following sea will mark her service as a gallant representative for her namesake state.

VERMONT FARMERS NEED CREDIT RELIEF

Mr. LEAHY. Mr. President, family farmers are able to survive economically only if they have adequate credit to purchase the materials essential for production. For the vast majority of them it is axiomatic that if they are unable to obtain that credit, it will not be long before they will be forced to abandon farming.

That is why Congress over the years established a three-tiered farm credit system—commercial banks, the Farm Credit Administration, and finally the Farmers Home Administration to provide credit of last resort, when it cannot be obtained elsewhere, to help family farmers stay on the land.

Today, there are certain weaknesses in the operation of the Farmers Home Administration which we must correct if that agency is to fulfill adequately the purpose for which it was established.

First of all, we must make it possible for the Farmers Home Administration to refinance its loans—an authority possessed by almost all lending institutions but lacking in this agency.

Second, Congress must appropriate adequate funds for personnel and the Administration must hire them so that the agency can get on with the job it has to do. The fact is that the Farmers Home Administration has been so seriously shortchanged in terms of personnel that the servicing of loans essential to the success of the system is not occurring as often as it should be.

Third, because travel money for county personnel has been so severely restricted by blanket travel restrictions recently imposed, many of the operations of the agency have come to a virtual halt. It seems unbelievable, but the fact is that in many instances badly needed loans are being delayed or denied because travel restrictions prevent FHA agents from assessing the need for a loan or from servicing a prospective one.

Fourth, Congress should relax some of the restrictive limitations which it has placed on the operating loan fund which is preventing many farmers from receiving help this year.

Finally, we must make adequate appropriations for operating loans for farmers who will be forced to leave the land unless they can obtain credit for feed and supplies to tide them through the current economic squeeze in many agriculture areas of the country. I join with the distinguished chairman of the Committee on Agriculture and Forestry (Mr. TALMADGE) in his call for an additional $200 million for the current fiscal year to enable the FHA to meet that need.

These are serious problems, and I am hopeful that we can resolve them quickly here in Washington. Under normal circumstances, these difficulties would be sufficient to hobble any Federal agency. Unfortunately, in my State of Vermont they are compounded by a quality of program implementation that is mean-spirited to say the least.

The farmers in Vermont are largely dairymen. Dairy farmers along with all livestock producers are in desperate straits because of skyrocketing costs of feed and other essential inputs on the farm.

Compounding this is the fact that businessmen who would ordinarily extend short-term credit to farmers can no longer do so because of the deteriorating state of the economy. In short, the situation is extremely serious for many dairy farmers who must get credit now to buy the hay they need to get through the winter.

Ordinarily, we would thank heaven we have Farmers Home to fill in this yawning economic gap. But, that does not appear to be the case.

Vermont is relatively fortunate in that there are still unobligated FHA funds available, at least for the short run, for operating loans whereas FHA allocations in many States have been depleted. Nevertheless, hundreds of Vermont farmers have called and written me complaining of the unreasonable obstacles preventing them from obtaining credit from Farmers Home. State Agriculture Commissioner Leo O'Brien, an outstanding public servant truly dedicated not only to the problems of agriculture in general but also to the needs of individual farmers, has briefed me on numerous occasions and has traveled to Washington to make clear to me the critical situation in which Vermont dairymen find themselves.

Why, then, is this happening? My distinguished colleague from Vermont in the House of Representatives (Mr. JEFFORDS) and I recently discussed this situation with Mr. Frank Elliott, Administrator of the Farmers Home Administration. We found him anxious to help Vermont dairymen out of their difficulties, and he assured us of his cooperation in trying to resolve existing problems. If New England regional officials would show the same concern, the problems themselves would not be nearly as acute as they are.

Mr. President, let me cite an example of the kind of thing that is going on in Vermont, and this is only one of hundreds of similarly documented cases that have come to my attention.

In May 1974 a dairy farmer in my State made application for a loan and was told that he would receive a decision by July. In June a local dealer sold this farmer 10 cows based on a verbal commitment from Farmers Home officials that the loan was going to be approved. The cows were delivered in August. In October the nervous dealer again went to Farmers Home and was told by the local supervisor that the loan had been approved and that the money would be available in January 1975.

By November the farmer still had no word as to whether the loan was approved or not. At that time the rural and farm family rehabilitation project of the University of Vermont made inquiry in his behalf and was told that the loan had been rejected because of problems in getting information together on soil maps in order to plan use of the land.

Finally, in December an FHA official visited the farmer and told him the loan had been turned down because his production was too low and he did not have the repayment ability. Even worse, he told the farmer that the State office had made the decision in July—6 months earlier.

The capstone on this debacle came when the official asked the farmer to sign papers to auction off his property in 2 weeks. The farmer immediately consulted a lawyer and was advised not to sign any such papers with Farmers Home.

Here is a case of an agency that is supposed to protect marginal farmers trying to force one out of business. It is an inexcusable example of bureaucratic ineptitude and insensitivity.

This incredible insensitivity was further revealed in a recent interview with Sherman K. Sprague, State Director of the Farmers Home Administration, which appeared in the Barre-Montpelier Times-Argus. Mr. Sprague is quoted as saying that his agency cannot be expected to keep financially pressed farmers in business because "we are not a welfare agency." As if that were not offensive enough, he went on to say that:

> FHA has found farmers with financial difficulties are the same ones who go out and buy a new color TV, a new car and a new snowmobile.

Mr. President, these words are reminiscent of all the tired old cliches and hackneyed phrases mouthed by those who oppose Federal programs of assistance to those in our society requiring help.

In this instance they are an insult to every farmer in Vermont—and there are thousands of them—struggling to make ends meet so that they and their families can remain on the land. They are an affront to those farmers who are being forced to sell everything they own in order to repay a loan made to purchase hay. I know of farm sales that are occurring in the snow right now in Vermont because of a $7,000 FHA loan. I expect that these situations exist in part because of attitudes, such as that expressed by Sprague. The farmers of Vermont deserve better from their public servants.

The Farmers Home Administration went into business in perilous economic times, similar to those in which the Nation is now floundering. Its job was to keep farmers in production at nearly all costs. Local supervisors were hired to work with borrowers—to help them with their budgeting and farm operations to insure that at some point loans could be repaid. I am aware of situations in which a loan was in default for years as local supervisors worked with borrowers to improve their operations in such a way as to become able to repay their obligations.

That is the way it was. That is the way it ought to be. That is not the way it is today in Vermont.

Mr. Sprague blames the rules and procedures sent from Washington for his present conduct. But I know that although there are rules, those rules are flexible and the State director usually has the final say on whether a farmer survives or is forced out of business.

Mr. Sprague should understand that he is not operating a bank, but an agency of the U.S. Government created to assist farmers in financial need who cannot obtain help from private lending institutions. In these difficult economic times he appears to be using his post to subvert the intent of Congress. The current situation cannot be allowed to continue, and I will urge the Secretary of Agriculture and General Elliott of the Farmers Home Administration to take immediate steps to correct it.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER**. Is there further morning business? If not, the period for the transaction of morning business is closed.

PROGRAM

Mr. **ROBERT C. BYRD**. Mr. President, the Senate will convene tomorrow at 11:30 a.m., following a recess. After the two leaders have been recognized under the standing order, Mr. BELLMON will be recognized for not to exceed 15 minutes, after which the 1 hour under the cloture rule will begin running. Mr. HARTKE and Mr. WEICKER will be in control of the time during that hour. At the close of that hour, a quorum of the Senate will be established, after which the automatic rollcall vote on the motion to invoke cloture on the Penn Central matter will occur. If cloture is not invoked, the Senate will return to the consideration of Senate Resolution 4, the pending question being on the adoption of the motion by Mr. ALLEN that the motion by Mr. MONDALE be postponed for 30 days. The Allen motion is a debatable motion.

If, on the other hand, cloture is invoked on the Penn Central matter, the Senate will proceed, to the exclusion of all other business, until that matter is disposed of, after which the Senate would resume consideration of the Allen motion—re Mondale motion, Senate Resolution 4, as aforestated.

I wish to emphasize that there will be at least one rollcall vote tomorrow—and, in all likelihood, additional rollcall votes.

RECESS UNTIL 11:30 A.M. TOMORROW

Mr. **ROBERT C. BYRD**. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 11:30 a.m. tomorrow.

The motion was agreed to; and at 5:59 p.m. the Senate recessed until Wednesday, February 26, 1975, at 11:30 a.m.

NOMINATIONS

Executive nominations received by the Senate February 25, 1975:

IN THE AIR FORCE

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 35 and 837, title 10, United States Code:

To be major general

Brig. Gen. Richard Bodycombe, [redacted]FV, Air Force Reserve.

Brig. Gen. Vincent S. Haneman, Jr., [redacted]FV, Air Force Reserve.

Brig. Gen. Gilbert O. Herman, [redacted]FV, Air Force Reserve.

Brig. Gen. Edwin R. Johnston, [redacted]FV, Air Force Reserve.

Brig. Gen. David Waxman, [redacted]FV, Air Force Reserve.

To be brigadier general

Col. Charles E. Corcilius, [redacted]FV, Air Force Reserve.

Col. Thomas A. Diab, [redacted]FV, Air Force Reserve.

Col. Donald P. Dressler, [redacted]FV, Air Force Reserve.

Col. Robert K. Elliott, [redacted]FV, Air Force Reserve.

Col. Joseph W. Kovarick, [redacted]FV, Air Force Reserve.

Col. Jack N. Kraras, [redacted]FV, Air Force Reserve.

Col. John E. Lacy, [redacted]FV, Air Force Reserve.

Col. Walter R. Longanecker, Jr., [redacted]FV, Air Force Reserve.

Col. John E. Taylor, Jr. [redacted]FV, Air Force Reserve.

Col. Justin L. Townsley, [redacted]FV, Air Force Reserve.

Col. James L. Wade, [redacted]FV, Air Force Reserve.

Col. Edwin D. Woellner, Jr., [redacted]FV, Air Force Reserve.

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for temporary appointment to the grade of major general:

Harold Chase
Robert E. Friedrich

IN THE ARMY

The following-named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant under the provisions of title 10, United States Code, sections 2106, 3283, 3284, 3286, 3287, 3288, and 3290:

Abbott, James W., 500-58-4917.
Adams, Anthony J. L., [redacted].
Alexander, David N., [redacted].
Allen, Douglas L., [redacted].
Anderson, Johnny M., [redacted].
Andreasen, John P., [redacted].
Applin, David L., [redacted].
Arnold, John J., [redacted].
Ault, David B., [redacted].
Ballard, Glen L., [redacted].
Banken, Paul R., [redacted].
Barnhurst, Kevin G., [redacted].
Barton, David W., [redacted].
Bauer, Cary M., [redacted].
Bauereis, David L., [redacted].
Beacon, Steven P., [redacted].
Bednarek, John M., [redacted].
Bell, Michael L., [redacted].
Bell, Richard R., [redacted].
Bennett, Robin R., [redacted].
Bentley, Mackie A., [redacted].
Berg, Bryan S., [redacted].
Berg, Eric W., III, [redacted].
Birchfield, Gary D., [redacted].
Bishop, James R., [redacted].
Bobo, John C., [redacted].
Bock, Bradford R., [redacted].
Boetig, Christopher, [redacted].
Bolick, Joseph A., [redacted].
Bond, Stephen J., [redacted].
Boneparte, Isaac C., [redacted].
Boney, Glen M., [redacted].
Borneman, Harland M., [redacted].
Bourne, Stephen J., [redacted].
Bourque, Stephen A., [redacted].
Bowens, Curtis M., [redacted].
Bowers, Walter R., [redacted].
Bowman, Stephen W., [redacted].
Bridgman, Michael L., [redacted].
Britt, Willie L., [redacted].
Brosmer, Gerard T., [redacted].
Brown, Bruce T., [redacted].
Brown, Clifton N., [redacted].
Brown, Kent H., [redacted].
Brugh, Kone, [redacted].
Bryant, Alan C., [redacted].
Bundy, Bernard E., [redacted].
Burke, Richard W., [redacted].
Burkholder, Duncan M., [redacted].
Burks, Martin V, III, [redacted].
Burns, David C., [redacted].
Busse, Charles W., [redacted].
Butler, David K., [redacted].
Butler, Ronald C., [redacted].
Byes, Robert A., [redacted].
Byrnes, John D., Jr., [redacted].
Cameron, Joel W., [redacted].
Campbell, William S., [redacted].
Canniff, Richard W., [redacted].
Canter John V., [redacted].
Card, Willard S., [redacted].
Carlile, Gale P, II, [redacted].
Carnohan, Christopher P., [redacted].
Carr, Melvin J., [redacted].
Cartwright, Patrick T., [redacted].
Casey, Edward J., [redacted].
Catten, Lorenzo L., [redacted].
Cearley, William T., [redacted].
Christensen, Andrew, [redacted].
Christy, Ralph D., [redacted].
Cleveland, Russell, [redacted].
Clouse, Robert C., [redacted].
Coley, John M., [redacted].
Collazo, Reinaldo, [redacted].
Cordova, Vincent R., [redacted].
Coslow, David D., [redacted].
Cox, David W., [redacted].
Crenshaw, John H., Jr., [redacted].
Cull, Daniel R., [redacted].
Cunningham, Kevin R., [redacted].
Cunningham, Robert, [redacted].
Cupp, James A., [redacted].
Curci, Michael J., [redacted].
Cygrymus, Richard E., [redacted].
Davidson, Ronald J., [redacted].
Davis, Kenneth C., [redacted].
Davis, Samuel S., [redacted].
Davis, William W., [redacted].
Dawson, Lawrence E., [redacted].
Deyo, Francis T., [redacted].
Diaz, Carroll G., [redacted].
Diggs, Robert A., [redacted].
Disterlic, Peter, [redacted].
Dobson, James R., [redacted].
Dockstader, Theodore L., [redacted].
Donnelly, Patrick J., [redacted].
Donovan, John V., [redacted].
Dosch, Terrance L., [redacted].
Douglas, Scot G., [redacted].
Doyal, Michael J., [redacted].
Drabkin, David A., [redacted].

Driver, Donald C., [redacted].
Duke, William P., [redacted].
Dulaney, Michael R., [redacted].
Dumenil, Joseph H., [redacted].
Duncan, Jerome A., [redacted].
Elliott, Frederic T., [redacted].
Ellis, Charles V., [redacted].
Emehiser, Frederic, [redacted].
Estelmann, Stephen, [redacted].
Eubanks, Kenneth L., [redacted].
Evans, Joe T., Jr., [redacted].
Ewing, Thomas M., [redacted].
Faught, Scott W., [redacted].
Faul, Timothy K., [redacted].
Finlay, John S., IV, [redacted].
Finley, Thomas J., [redacted].
Fisher, Daniel M., [redacted].
Fitzsimmons, Dennis, [redacted].
Fleming, Daniel E., [redacted].
Fletcher, Benjamin, [redacted].
Flood, Randall G., [redacted].
Foley, Christopher, [redacted].
Fontaine, Yves J., [redacted].
Fontenot, Douglas J., [redacted].
Ford, Ricky W., [redacted].
Forshag, Russell S., [redacted].
Foxx, Alfred H., Jr., [redacted].
Fridovich, David P., [redacted].
Frith, Steven A., [redacted].
Frketic, John D., [redacted].
Full, Michael E., [redacted].
Garrison, Eldon W., [redacted].
Gawthrop, William A., [redacted].
Geddie, Gwynn A., [redacted].
Gibbons, Peter W., [redacted].
Gijon, Ricardo A., [redacted].
Gilbert, David K., [redacted].
Gipson, Curtis C., [redacted].
Gleason, Virgil R., [redacted].
Goad, Jaan R., [redacted].
Gombeski, Robert W., [redacted].
Good, Harry R., Jr., [redacted].
Goodenkauf, James G., [redacted].
Gordon, Charles G., [redacted].
Gordon, Roy V., II, [redacted].
Gordy, Craig W., [redacted].
Gore, Robert L., [redacted].
Graham, Richard D., [redacted].
Green, Lanny B., [redacted].
Gregory, Michael J., [redacted].
Gushiken, Earl S., [redacted].
Hagood, George B., [redacted].
Halbleib, Richard, [redacted].
Hall, Douglas T., [redacted].
Halupka, Clement W., [redacted].
Handy, Billy W., [redacted].
Harms, Paul R., [redacted].
Harris, William H., [redacted].
Harrison, Robert B., [redacted].
Hart, Fred L., Jr., [redacted].
Hart, Kevin R., [redacted].
Harvey, Gary L., [redacted].
Hazelwood, William, [redacted].
Hazlett, John E., [redacted].
Herko, John R., [redacted].
Hernandez, Jose G., [redacted].
Heston, Myron E., [redacted].
Heynen, Stephen J., [redacted].
Hill, Lawrence D., [redacted].
Hill, Ray, [redacted].
Hines, Charles J., [redacted].
Hintz, John W., [redacted].
Hoffman, Edward R., Jr., [redacted].
Hoffman, John M., [redacted].
Holden, Charles M., [redacted].
Hollister, Charles, [redacted].
Holm, Gary L., [redacted].
Hooper, James C., [redacted].
Howard, John J., [redacted].
Huau, Patrick J., [redacted].
Hudec, Chris L., [redacted].
Hudson, Ira H., [redacted].
Humphrey, Charles R., Jr., [redacted].
Hunt, Richard D., [redacted].
Hunter, Kenneth W., [redacted].
Hurt, Richard D., [redacted].
Ingram, Sterling P., [redacted].
Irissarri, Gerald J., [redacted].
Jasurda, Bruce S., [redacted].
Jenkins, Evon, Jr., [redacted].
Jenkins, Robert J., [redacted].
Jenks, William A., [redacted].
Jennings, Michael J., [redacted].
Jobe, Timothy G., [redacted].
Johnson, Douglas J., [redacted].
Johnson, Steven K., [redacted].
Jones, Monte L., [redacted].
Jordan, David A., [redacted].
Kaelin, Joseph L., Jr., [redacted].
Kash, Howard M., [redacted].
Keizer, Terry L., [redacted].
Kellett, Samuel N., [redacted].
Kelley, David P., [redacted].
Kelly, Byron E., [redacted].
Kemp, Emmett D., [redacted].
Kennedy, Brian T., [redacted].
Kennedy, John F., Jr., [redacted].
Kessinger, Jackie, [redacted].
Kimes, Alvin C., [redacted].
Kincaid, John A., [redacted].
King, Gene E., [redacted].
Kirwan, Thomas L., [redacted].
Knight, James R., [redacted].
Kollmann, Gary K., [redacted].
Krynicki, Gary C., [redacted].
Krysa, John C., [redacted].
Kubej, Gerard J., [redacted].
Kulick, Michael J., [redacted].
Kurz, James S., [redacted].
Labounty, Charles G., [redacted].
Lambdin, Robert E., [redacted].
Lambert, Raymond M., [redacted].
Landrum, William M., [redacted].
Lape, David E., [redacted].
Lathan, Michael L., [redacted].
Lea, John A., [redacted].
Ledford, David W., [redacted].
Lee, Nathaniel, [redacted].
Legler, Paul L., [redacted].
Leiby, Jeffrey L., [redacted].
Lesniak, Christopher F. J., [redacted].
Libby, Edmund W., [redacted].
Little, Bobby A., [redacted].
Long, Clinton K., [redacted].
Long, Gary K., [redacted].
Loomer, Scott A., [redacted].
Love, Albert N., [redacted].
Love, Charles K., [redacted].
Low, Rodney D., [redacted].
Lutz, Allen L., [redacted].
Madigan, Robert M., [redacted].
Magee, Roderick R., [redacted].
Magliochetti, Frank, [redacted].
Maixner, Christopher, [redacted].
Maki, Matthew J., [redacted].
Mallard, John M., [redacted].
Mann, James C., [redacted].
Maples, John M., Jr., [redacted].
Marshall, Damon C., [redacted].
Martin, Jesse J., [redacted].
Martin, John R., [redacted].
Mason, James G., [redacted].
Masterson, Paul M., [redacted].
Matias, Leocadio, [redacted].
Matthews, Charles D., [redacted].
McCurdy, David L., [redacted].
McDonald, Michael E., [redacted].
McGovern, Raymond B., [redacted].
McGuire, Michael D., [redacted].
McKee, Allen G., [redacted].
McLean, William J., [redacted].
McLemore, Curtis S., [redacted].
Mc Williams, Paul H., [redacted].
Meriwether, David P., [redacted].
Midkiff, Stephen P., [redacted].
Millar, Herbert W., [redacted].
Miller, Clifton, [redacted].
Miller, Kenneth L., [redacted].
Miller, Mark D., [redacted].
Misseldine, Steve R., [redacted].
Mistuloff, Elberd G., [redacted].
Mixon, Benjamin R., [redacted].
Montgomery, David E., [redacted].
Moreno, Jose A., [redacted].
Morgan, Sidney L., [redacted].
Moss, David L., [redacted].
Mouton, Joseph L., [redacted].
Moxley, Joe E., [redacted].
Mullin, Jimmy D., [redacted].
Mund, David L., [redacted].
Muse, Gayland D., [redacted].
Myers, Robert J., [redacted].
Naegle, Michael C., [redacted].
Napier, James T., [redacted].
Neal, William B., [redacted].
Neuman, Jose L., Jr., [redacted].
Newby, Clarence C., [redacted].
Newton, James W., [redacted].
Oates, Jerry D., [redacted].
Oberlin, Rickie D., [redacted].
Olson, Bruce L., [redacted].
Ondishko, Patten M., [redacted].
Otto, Randall J., [redacted].
Palmer, James H., [redacted].
Papajik, John A., [redacted].
Parker, Steven L., [redacted].
Passons, John W., III, [redacted].
Patterson, James J., [redacted].
Patton, Daniel A., [redacted].
Paxton, Charles W., [redacted].
Payne, Harold R., Jr., [redacted].
Pederson, Claud C., [redacted].
Pentecost, Brian M., [redacted].
Permenter, Michael H., [redacted].
Perrilloux, Darry M., [redacted].
Perry, Norton L., [redacted].
Perry, Randy, [redacted].
Petersen, Gerald W., [redacted].
Peterson, Stephen P., [redacted].
Phillips, Sidney E., [redacted].
Piazza, Terry E., [redacted].
Pinkston, Stephen B., [redacted].
Plummer, Walter H., III, [redacted].
Poole, Donald R., [redacted].
Poole, John C., [redacted].
Poston, William K., [redacted].
Powell, David S., [redacted].
Powell, Richard G., [redacted].
Pownall, Jerry D., [redacted].
Pratt, John J., [redacted].
Preston, Joseph W., [redacted].
Prestwood, Stephen D., [redacted].
Proctor, Jerry V., [redacted].
Pugh, Ronald P., [redacted].
Pumphrey, Richard D., [redacted].
Ragasa, Robert T., [redacted].
Ragland, Willie W., [redacted].
Raimer, Mark S., [redacted].
Rambow, David J., [redacted].
Randolph, William J., [redacted].
Rawcliffe, Fred M., [redacted].
Reed, Charles F., [redacted].
Reed, Edward E., [redacted].
Reynolds, William B., Jr., [redacted].
Rhodes, Kenneth R., [redacted].
Rice, Paul A., [redacted].
Rittenhouse, David, [redacted].
Robertson, Robert G., [redacted].
Rogers, Wessie C., [redacted].
Rohrdanz, Frederick C., [redacted].
Rosenberger, John D., [redacted].
Rountree, James V., [redacted].
Royer, Lenear, III, [redacted].
Rush, L. C., Jr., [redacted].
Russo, Wynn C., [redacted].
Saczawa, Ralph A., [redacted].
Salser, Thomas D., [redacted].
Sams, Upshaw H., Jr., [redacted].
Savage, John W., III, [redacted].
Scheider, Phillip C., [redacted].
Schneider, Frederick C., [redacted].
Schneider, Terrance, [redacted].
Schonefeld, Bernard G., [redacted].
Schrum, Steven C., [redacted].
Sebenoler, Richard, [redacted].
Shannon, Michael P., [redacted].
Sims, Michael K., [redacted].
Sirmon, Wayne E., [redacted].
Sisco, Stanley F., [redacted].
Slaughter, David W., [redacted].
Slone, Darrell, [redacted].
Smith, Brent L., [redacted].
Smith, Forrest H., Jr., [redacted].
Smith, Oliver E., Jr., [redacted].
Smith, Steven W., [redacted].
Southlander, Noble R., [redacted].
Spencer, Homer A., [redacted].
Sporn, James R., [redacted].
Stahl, Eddie D., [redacted].
Stanton, Robert W., [redacted].
Staus, Ronald G., [redacted].
Stephan, Dennis E., [redacted].
Stevenson, Charles, [redacted].

Stipe, Gary L., [redacted].
Stockler, Joseph R., [redacted].
Storer, Mark E., [redacted].
Stratmoen, David M., [redacted].
Strobel, Mark A , [redacted].
Stuckey, Ronnie D., [redacted].
Stultz, Gregory H., [redacted].
Sullivan, Daniel W., [redacted].
Summers, Darl W., [redacted].
Sutter, Thomas R., [redacted].
Sutterfield, Benn M., [redacted].
Sutton, Richard E., [redacted].
Swinney, Phillip W., [redacted].
Sylvia, Bruce F., [redacted].
Taber, Richard B., [redacted].
Tanner, William F , Jr., [redacted].
Taylor, Robert L., [redacted].
Temple, Meredith W. B., [redacted].
Testerman, Dan E., [redacted].
Thaden, Russell H., [redacted].
Thayer, George E., III, [redacted].
Thomson, Robert J., [redacted].
Tirey, James R., [redacted].
Tobin, Daniel H., Jr., [redacted].
Tolbert, James, Jr., [redacted].
Tucker, Edward B , Jr., [redacted].
Tucker, Mark D., [redacted].
Turner, Allen P., [redacted].
Turner, Steven G., [redacted].
Vanderwall, Gregory C., [redacted].
Vann, Joseph B., [redacted].
Varnado, Frederic E., [redacted].
Vazquez, Jose A., Jr., [redacted].
Veiga, Edwin F., [redacted].
Vernon, Walter L., [redacted].
Waks, Larry E., [redacted]
Walpole, Harold W., [redacted].
Wardell, David E., [redacted].
Warehime, William M., [redacted].
Warren, Thomas D., [redacted].
Waterhouse, Richard B., [redacted].
Weber, Louis W., [redacted].
Wells, Billy E., Jr., [redacted].
West, Thomas C., [redacted].
Wheeler, Harold G., [redacted].
Whitaker, John F. [redacted].
White, George A., II, [redacted].
White, Kenneth C., [redacted].
Wickizer, Karl A., [redacted].
Widner, Kevin D., [redacted].
Williams, Arthur E., [redacted].
Williams, David L., [redacted].
Williams, Harold D., [redacted].
Wilson, David B., [redacted].
Windham, Orval, [redacted].
Winkles, Daniel T., [redacted].
Winslow, Harold L., [redacted].
Winter, Marion E., [redacted].
Wisdom, William D., [redacted].
Woeste, Dennis C., [redacted].
Wolfe, Paul G., [redacted].
Wood, Kenneth R., [redacted].
Woods, John C., [redacted].
Woolford, Michael W., [redacted].
Wright, Edward J., [redacted].
Wright, Thomas H., [redacted].
Wright, Walter E., [redacted].
Wright, William M., [redacted].
Yardley, Alvin J., [redacted].
Young, John L., III, [redacted].
Zigoris, Thomas, [redacted].

CONFIRMATION

Executive nomination confirmed by the Senate February 25, 1975:

U.S. POSTAL SERVICE

William A. Irvine, of Pennsylvania, to be a Governor of the U.S. Postal Service for the remainder of the term expiring December 8, 1976.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

IS DEPLETION BREAK REALLY AN ENEMY?—THE PRICE OF OIL: ACHILLES HEEL

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. TEAGUE. Mr. Speaker, a recent editorial in the Fort Worth Star-Telegram takes up the question about our oil depletion allowances. The considerations by this body concerning the elimination of our present depletion allowances could have grave consequences on the Nation and I strongly urge each and every Member of Congress to heed the advice and sensible suggestions made in this editorial. Along with this editorial I attach a copy of Percentage Depletion Rates for Domestic Mineral Production under the Tax Reform Act of 1969, which I am sure will be informative to my colleagues and the general public.

Finally, Mr. Speaker, I would like to add an additional editorial from the Washington Post of December 30, 1974 by George C. McGhee entitled, "The Price of Oil: Achilles Heel." The writer points out that the problem is not one for international oil companies, but "can only be resolved by governments." I commend this sound editorial to you, my colleagues, and the general public.

The editorials follow:

[From the Fort Worth Star-Telegram, Jan. 22, 1975]

IS DEPLETION BREAK REALLY AN ENEMY?

Someone should write a book titled "All the People Need To Know About the Oil Depletion Allowance but Aren't Being Told by Certain Members of Congress."

The length of the title suggests a thick volume, and indeed it would be. But here are a few of the highlights it might include:

First, oil and natural gas aren't the only items on which the depletion "tax break" is given. There are six depletion rate brackets, beginning with 22 per cent and ranging down to five.

In the 22 per cent bracket, along with oil and natural gas, are 42 other minerals. The list begins with antimony and includes, in addition to items most people never heard of, such things as asbestos, bauxite, cobalt, lead, manganese, mercury, titanium, tungsten, uranium and zinc.

Getting a 15 per cent allowance are copper, gold, oil shale, iron ore and silver.

A 14 per cent bracket takes in 37 minerals, including borax, four kinds of mineral-bearing clay, potash and talc. The final entry in this bracket is "Other minerals not covered elsewhere."

In other words, all minerals are covered by some depletion allowance. Those not in the top bracket with oil or one of the lower brackets, which include gravel, sand and stone, are in the 14 per cent bracket.

The question raised by all this is why, if every mineral is covered by some sort of depletion tax break, is Congress picking on the oil depletion allowance as an evil that must be done away with?

That question casts a still more puzzling shadow in the light of some other facts about the oil and gas depletion allowance.

Invariably, in their attacks on the provision, depletion allowance foes in Congress label it a "tax break" for the "big oil companies."

Actually, the giants like Exxon, Mobil, Texaco and Gulf are not the big beneficiaries of the depletion allowance.

That's because they possess little of the holdings on which depletion allowance applies. The independent operators hold most of the royalties and, therefore, gain most from the "tax break."

Depletion allowance foes err again in their assessment of the effects of the allowance.

They give the impression that it just helps wealthy "oil men" get richer by giving them fatter profit margins. In fact, its main effect, so far as "oil men" are concerned, is to encourage investment in oil and gas exploration and drilling operations.

For instance, it enables oil companies to pay more to landowners for drilling rights and, thus, makes more drilling sites available.

As for the consumer, the most important effect of the depletion allowance probably is its tendency to reduce the price at which oil companies sell gasoline and other products. This might come as a surprise to some consumer advocates who persist in attacking the depletion allowance as a tool for robbing the poor (consumers) to help the rich (oil men).

But informed critics of the allowance, such as Thomas Field of Taxation with Representation, concede the point. They base their opposition on the claim that tax breaks for the oil industry subsidize oil consumers at the expense of taxpayers in general.

A rather lame point, that, it seems to us, since taxpayers in general ARE oil consumers.

To summarize, doing away with the oil and gas depletion allowance would have two major effects. It would eliminate an inducement for exploration, at a time when it's needed more than ever before. And it would sock the consumer with another push on fuel prices on top of those already effected by Arab oil price increases and other inflationary factors.

This suggests to us a shorter, and more explicit, name for our book on eliminating the depletion allowance:

"Baloney!"

PERCENTAGE DEPLETION RATES FOR DOMESTIC MINERAL PRODUCTION: UNDER THE TAX REFORM ACT OF 1969

NOTE.—The depletion rates specified in the law are all subject to the limitation that the deduction cannot exceed 50% of the net income from each producing property or, in the case of hard minerals, operating unit.

22 PERCENT DEPLETION APPLIES TO THESE MINERALS

Antimony, Anerthosite (to the extent alumina and aluminum compounds extracted therefrom), Asbestos, Bauxite, Beryllium, Bismuth, Cadmium, Celestite, Chromite Clay, (to the extent alumina and aluminum compounds extracted therefrom).

Cobalt, Columbium, Corundum, Fluospar, Graphite, Ilmenite, Kyanite Laterite (to extent alumina and aluminum compounds extracted therefrom), Lead, Lithium Managanese, Mercury.

Mica, Molybdenum, Nephelite Syenite (to extent alumina and aluminum compounds extracted therefrom), Nickel, Oil and Gas, Olivine, Platinum Platinum Group, Metals, Quartz Crystals (Radio Grade) Rutile.

Slock-Steatite, Talc*, Sulphur, Tantalum, Thorium, Tin, Titanium, Tungsten, Uranium, Vanadium, Zinc, Zircon.

15 PERCENT DEPLETION APPLIES TO THOSE MINERALS

Copper, Gold, Iron Ore, Oil Shale, Silver.

14 PERCENT DEPLETION APPLIES TO THESE MINERALS

Alpite, Barite, Bentonite, Borax, Calcium Carbonates, Clay, Ball*, Clay, China*, Clay, Sagger*, Diatomaceous Earth, Dolomite.

Feldspar, Fullers Earth, Garnet, Gilsonite, Granite, Graphite (Flake)*, Gypsum, Limestone, Magnesite, Magnesium Carbonates, Marble.

Metal Mines (not otherwise named), Mollusk Shell*, (when used for chemical content), Phosphate Rock, Potash, Quartzite, Rock Asphalt, Slate*, Soapstone.

Stone*, (dimension or ornamental), Talc, Thenardite, Tripoli, Trona, Vermiculite, Other minerals not covered elsewhere.

10 PERCENT TO THESE MINERALS

Brucite, Coal, Lignite, Perlite, Sodium Chloride, Wollastonite.

7½ PERCENT TO THESE MINERALS

Clay and Shale* (used for sewer pipe or brick), Clay, Shale, and Slate* (used as lightweight aggregates).

5 PERCENT TO THESE MINERALS

Clay* (used for drainage and roofing tile, flower pots, etc.), Mollusk Shells*, Gravel, Peat, Pumice, Sand.

Scoria, Shale*, Stone*, If from brine wells—Bromine, Calcium Chloride, Magnesium Chloride.

[From the Washington Post, Dec. 30, 1974]

THE PRICE OF OIL: ACHILLES HEEL

(By George C. McGhee)

Because of the high OPEC oil price, the free (i.e., non-Communist) world without really appearing to know what is happening to it, is starting a long slow descent into economic catastrophe. Many commentators have correctly analyzed the seriousness of the problem, however, no one has yet reached what I consider to be the unavoidable conclusion as to what must be done. This is not a problem for the international oil companies. They are helpless. It can only be resolved by governments. Yet world leaders seem mesmerized—hoping the problem will go away. Our foreign ministries and oil experts busily elaborate small schemes around the periphery of the problem. It is seemingly not understood that there is *no way* in which the problem can be solved by market forces. President Ford and President of France Giscard d'Estaing agreed recently at Martinique to a meeting between oil consuming and producing states. This is in itself a welcome development. However, I believe I can demonstrate that such a meeting holds no hope for a solution unless it leads to a reduction in the price of oil.

Let's look at the alternative solutions held out by conventional wisdom, focusing on the next five years.

1. *Reduction of demand.* Percentage possibilities are small. The U.S. goal of reducing 1 million barrels a day, which is not being met, is only 6%. This will be more than offset by natural decline in U.S. production and announced denial of Canadian supplies. The oil needs of Europe and Japan are mainly for industry, those of the developing world for agriculture and essential energy, and therefore less elastic than ours. The current Japanese goal is a 3% reduction. The Common Market hopes only to limit increases in oil demand over the next 10 years to 3.5% a year.

2. *New oil and other energy sources.* Substantial new non-OPEC oil, from the North Slope, North Sea and offshore U.S., is 4–5 years away—new energy sources 10–15 years. This timing can not be appreciably altered by increased prices. All will be high cost. At no time in the foreseeable future will the world need less OPEC oil than we now consume.

3. *Recycling the OPEC surplus.* The present deficit of the consuming countries with OPEC arising out of their 100 billion a year oil bill is $60 billion, $40 billion for the developed countries and $20 for the undeveloped. No one holds out hope that these deficits can be decreased appreciably over the next five years by increased exports to OPEC. Free world fiscal institutions simply can't stand the strain of recycling the estimated $450 billion OPEC surplus over the next five years. A basic problem with all recycling schemes is that the money doesn't go to the poorer countries who need it to buy oil unless someone guarantees repayment. To the extent that the producing countries do not extend credit directly to the deficit countries, the burden falls on the U.S. and Germany, who alone are in a position to pay. This we couldn't afford to do even if we wanted to.

Even if everything is done that Secretary Kissinger proposed in his Chicago speech of November 14th, and there is no reduction in the oil price, the problem will remain with all of its grim aspects. Italy will still go bankrupt because it cannot pay its oil bill and will probably turn either to a Communist or a rightist government. Former German Chancellor Willy Brandt recently proposed that the Common Market relegate England and Italy, because of financial difficulties caused principally by their oil deficits to second-class status. This would be the beginning of the end for the Market. Brazil falters in its economic climb because of oil costs. Starvation in India and Bangladesh, largely a result of a shortage of funds for fertilizer and food because of the oil price, proceeds apace. Because of our high oil bill, the U.S. appears to be "locked into" a recession which would otherwise "bottom out" much sooner.

The world must have its 30-million barrels a day of OPEC oil but cannot find the means to pay the deficit that was created, literally overnight, by the increase in oil prices. No matter how justified it may have been on theoretical economic grounds, the increase simply created too great a hiatus in the world's trade and payments to be assimilated. The international trade in petroleum at current prices equals that of all minerals and foods combined. The price increase levied an onerous tax on every oil consumer. It reduced correspondingly means of payment and hence world demand for other goods and services creating the present world depression, including an estimated 1.2 million of the U.S. unemployed.

Combined action to lower the price is made more difficult because the consuming countries are divided. They look at the same problem from different vantage points.

Some, like Italy and the South Asian countries, are paralyzed into inaction by fear of having their oil cut off.

Others, like France and Japan, seem to have just enough confidence to think they can bluff it through alone—with special deals on oil prices and compensating sales of goods.

Germany and the U.S., the strongest exporters and least dependent on foreign energy, are relatively immune. We could both, if we were on our own, survive the oil price. This makes it even more difficult for our leaders to assume responsibility for those sacrifices required to save the rest of the world before their disaster engulfs us too.

A solution is also made more difficult by the general confusion surrounding the problem—its highly technical nature and the misinformation provided by the self-seeking. There is much sympathy, particularly in the undeveloped world, for the producing countries that have until recently been denied the benefits from their own natural heritage. However, just because the world in recent years paid only $1.50 a barrel for Middle East oil when the U.S. domestic price was close to $3—doesn't mean that we can all now afford to pay between $10 and $11. England, Italy, France and Japan are, as a result, running deficits in their balance of payments of between $7-$10 billion a year. A $10 billion deficit for Italy is, per capita, the rough equivalent of $40 billion for the U.S. Only Germany, of all the leading industrial countries, shows a positive payments balance. The U.S. balance turned negative last month, largely because of the $24 billion that we must now pay for imported oil.

Some tend to accept the oil price because it is a "market" price, overlooking the fact that it results from an arbitrary quadrupling of the price by a producers' cartel. Others muse that what goes up must come down—that surpluses and deficits go in cycles. There is a complacement theory that inflation in the non-producing countries will level the oil price. Inflation can, like death, solve any problem, but only in the cruelest possible way—by increasing the price of all the needs of the deficit countries. The OPEC countries, moreover, have continued to edge their price along as fast as inflation (35c a barrel at their last meeting). Despite their promised 9 months standstill, they are unlikely to permit much price slippage. Some believe that everything will come out all right if we will just be patient and let the Arabs invest their oil profits in our land and stock market.

But the problem will not "just go away." It goes on inexorably—day and night. It will continue into the future as far as we can see—well beyond the limit of the "time bomb" now ticking away under the free world's economy. The debts arising out of the oil price are cumulative and irreversible. The interest cost on oil debts alone, and the interest on unpaid interest, will "snowball," until it becomes intolerable. The threat posed by the possible withdrawal of recycled funds from our banks and stock markets increases daily, particularly in the U.K. and other weaker countries. A proposal has been made by a knowledgeable group that the producing countries accept half the oil price from deficit countries in local currencies under soft loan conditions. Such a plan should be welcomed if it is the only way a beginning can be made. I regret to say, however, that even if acceptable to the OPEC countries, I believe it will ultimately end in defaults and recriminations.

The plain fact is that there is no real alternative to lowering the OPEC oil price. And this means lowering it substantially—to something between $6–$7 a barrel. Since most OPEC producing costs are negligible, this price will still give the countries collectively more income than they can currently spend internally, with a surplus for investment. This is also just about our present average domestic price, which we should stick with as an example. Such a reduction would save all consuming countries together $45–$55 billion a year in their deficits with OPEC, leaving a balance which could be handled. And this *is* a solution—the *only solution*.

Because this way out is not seen clearly, extremists leap over it and propose more drastic military solutions—the landing of marines and the seizure of the oil fields. This is sheer fantasy. I very much hope that the rumored contingency planning in the Pentagon for such a course has no official status. There are a dozen reasons, apart from the expected Soviet reaction, why military action would not work—why it would result in another Abadan withdrawal-Suez invasion-Vietnam intervention fiasco for the Western powers. None of us nor any combination of us can control and run by force the oil fields of the world. Most importantly—it is not necessary.

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*Note differing rates, depending on use or quality.

The oil states are living in an unreal world. Most of the countries to whom they sell their oil will never be able to repay the loans they are of necessity making. When their credit is exhausted and they can no longer obtain oil, they will turn against the oil producers, who will not be able to withstand the aroused force of world opinion. The rulers of the oil states are vulnerable. There are many rivals for their new wealth. They are not as strong or united as they appear. Although gratitude has never been a redeemable currency in international relations, our record of past support for the key OPEC rulers—and their countries—entitles us to a hearing in behalf of a beleaguered world.

In this situation only the United States can provide leadership. Only we have the major cards to play. We must in such an endeavor have the backing of Germany, Japan, England and, after Martinique, hopefully, also France. For once developed and developing countries have a basis for a common cause. We must use persuasion, the exertion of moral force in appealing to the reason and higher instincts of the OPEC leaders to cooperate in averting a world crisis by lowering the oil price. We must provide assurances for their countries' security, which would be imperilled by a world depression and economic collapse that could be exploited by the international communism. We must guarantee protection against price inflation in their future purchases from us. We must offer a new regime between producing and consuming countries that will be fair to both and with which both can live. The planned meetings between consumer and producer countries and among consumer countries, can assist in this process. I believe that the OPEC leaders can be made to see that it is in their interest as well as the interest of the world's peoples that a supportable price level for oil be set.

But if this approach fails, the consuming countries must proceed to use every political and economic means that we have—which are more powerful than we think—to bring about the necessary price reduction. At the appropriate time it will not be difficult for those responsible to write the scenario as to how this can be accomplished with minimum disruptive effect. The producing countries are totally dependent on the free world industrial states and our companies for the technical and managerial basis for their oil production and ambitious development plans. They need our banks and markets to preserve the value of their surplus funds and to earn a high return. They need our transportation and other international facilities. The Communist bloc cannot provide similar resources. Indeed, the key producing countries live in a part of the world that has over the centuries been the prime target of Russian expansion. They need our arms, which they are now purchasing on a large scale, and the continued support of our military establishment. They need our political support.

What we otherwise make available gladly, we must be prepared where necessary to withhold—if the alternative is the demise of the free world institutions. There are risks involved and possible unpleasantness, but this must be accepted. If all else fails the "crunch" must come. And if it comes I am convinced that the interests of the free world as a whole will prevail—without war—and that the price of oil will come down. Because it *must* come down. There is no other way to avert disaster for us all, producers and consumers alike.

HOW EUROPE AND JAPAN TAX OIL AND GASOLINE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FRASER. Mr. Speaker, our European and Japanese allies have had to cope for some time with severe balance-of-payments problems because of dependence on oil imports. We might do well to look at how these countries have distributed taxes on petroleum products. I include in the record at this point charts comparing the tax component in the market price of oil and various oil products in Europe, Japan, and the United States:

TAX COMPONENT IN THE MARKET PRICES OF FUELS IN THE EUROPEAN COMMUNITY

City and country	Light distillate (heating oil) (as of January 1974)	Heavy fuel oils (industrial fuel) (as of January 1974)	(Regular) gasoline (as of January 1973)
Dusseldorf, Germany	12.5	20.3	73.92
Paris, France	20.6	15.1	71.78
Milan, Italy	11.8	13.6	76.95
Rotterdam, Netherlands	15.9	19.3	73.41
Brussels, Belgium	24.8	18.3	78.42
Luxembourg, Luxembourg	16.0	9.2	68.09
London, United Kingdom	6.4	12.8	------------
Copenhagen, Denmark	15.1	14.8	53.38
Dublin, Ireland	6.32	6.32	61.82

[1] Rotterdam, where the Arab embargo was in effect longer than in the United States, had no tax on heating oil in 1968 and only a 4.1 percent tax in October 1973. By contrast, the tax on industrial fuel had been 23.3 percent of the market price in October 1973 and was reduced to 19.3 percent in January 1974.

Note: Compiled from statistics furnished by the Statistical Office of the European Community.

COMPOSITE WORLD PETROLEUM TAXES, FEBRUARY 1975

Country	Total consumer-government taxes on average barrel of oil (in U.S. dollars)	Final price to consumer for average barrel of oil (in U.S. dollars)	Tax component in market price (percent) (for average barrel)
United States	$2.50	$16.40	15.24
Western Europe	8.40	22.77	27.11
Japan	4.00	18.00	22.22

Note: Compiled from statistics furnished by the Fuels and Energy Office, Department of State.

WORLD TAXES ON SELECTED FUELS, NOVEMBER 1974

Country	Regular gasoline			Heating fuel			Diesel fuel		
	Price (U.S. dollars)	Tax (U.S. dollars)	Tax component in price (percent)	Price (U.S. dollars)	Tax (U.S. dollars)	Tax component in price (percent)	Price (U.S. dollars)	Tax (U.S. dollars)	Tax component in price (percent)
United States	0.53	0.12	22.64	0.38	0.02	5.26	0.49	.12	24.49
France	1.30	.74	56.92	.45	.08	17.78	.88	.47	53.40
Italy	1.70	1.16	68.24	.44	.20	43.48	.80	.38	47.5
West Germany	1.17	.74	63.25	.46	.01	2.17	1.23	.71	57.72
United Kingdom	1.27	.63	53.85	.38	.02	5.26	1.04	.53	50.96
Japan	----------	.46	36.22	.39	----------	----------	.74	.20	27.03

NOTES: Tax figures include value added tax where applicable. Compiled from statistics furnished by the Federal Energy Administration.

TAX REBATE POLL

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BONKER. Mr. Speaker, as the Congress is about to debate the Tax Reduction Act of 1975 (H.R. 2166) I would like to bring to the attention of my colleagues a recent poll which was taken in the State of Washington. The survey, conducted by Opinion Northwest and published in the Seattle Post-Intelligencer on February 10, 1975, revealed that one-third of those contacted responded that they would save money rather than spend it for new goods:

SEATTLE POST-INTELLIGENCE REBATE POLL: MOST WOULD PAY UP BILLS

If the Congress approves a rebate on 1974 incomes taxes, most of Washington's citizens will use the money to pay some bills, according to a poll conducted for the P-I late last month.

The Opinion Northwest telephone survey revealed that more than one third of the 632 adults contacted said they would settle debts rather than save the money or spend it for new goods.

The survey indicated that 37.3 per cent would pay bills, 31.2 per cent would stash the rebate in the bank, and 20.6 per cent would go shopping with the refund cash and 10.9 per cent were undecided.

In the P-I poll, more women than men said they would choose to save the money. Men were more inclined to spend it. The age group 25 to 34 voted strongest, 53.4 per cent, for paying bills.

The survey also showed that more persons in income brackets of over $20,000 a year favored saving whatever tax rebate comes their way, while more individuals in the lower bracket of less than $10,000 a year, would pay off debts.

The responses by age, sex and income were:

	Male	Female	18-24	25-34	35-54	Over 55
Save the money	26.0	36.3	27.7	29.1	35.8	28.7
Spend it for new goods	23.1	18.1	21.3	12.2	17.9	31.2
Pay some bills	39.1	35.6	43.6	53.4	34.1	23.6
Undecided	11.8	10.0	7.3	5.3	12.2	16.5

	Less than $10,000	$10,000 to $20,000	Over $20,000
Save the money	26.0	34.3	35.8
Spend it for new goods	20.5	20.7	23.5
Pay some bills	41.6	38.7	29.8
Undecided	11.9	6.3	11.1

RUSSIA'S JEWS: ISOLATED AND PERSECUTED

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ZEFERETTI. Mr. Speaker, in recent years, much has been made of the word détente. Those who wish peace at any price speak of it in tones of desperation nowadays, because most of yesterday's hopes have emerged as today's disappointments. After all the visits, communiques, press coverage, and toasts, the Western World still confronts a Soviet Union whose internal policies and foreign adventurism belie the smiles, promises, and wishful thinking of those who believe the Bolshevik revolutionaries of the past have become today's agrarian reformers.

Russian weapons pour into military adventure-minded Arab states of the Middle East, accompanied by Soviet technical personnel whose main task is to teach Syrian and Egyptian military people how to use these weapons, which include some of the most sophisticated offensive weapons systems to be found; Scud ground-to-ground missiles, MIG-25 fighters and the latest armored technology. All of this is aimed at seeking to insure Israel's destruction. While some American observers point to this, however, the apologists for such Russian geopolitical maneuvering babble about the United Nations and turn their back on these facts.

However, the most damning proof of the unchanging nature of so much of the Soviet regime is to be found in how the 3.5 million Jews of Russia are treated today. Nowhere except in the Arab world is more vicious, uncompromising anti-Semitism encountered. Persecution and discrimination against these Soviet citizens continues unabated in most areas of that vast land. Passports continue to bear specific uncomplimentary appellations for Jews. Crude anti-Semitic propaganda continues unabated throughout Russia, finding prominent display in the largest communications organs. All this is government sponsored.

In the area of emigration from Russia, the conclusion is even more enlightening and damning. The number of Jews allowed to leave the Soviet Union fell by more than 40 percent in 1974, and signs indicate Moscow will cut this flow even more in 1975. In January 1975, only 1,250 Jews managed to leave Russia. If that figure holds for the rest of this year, 20 percent fewer Jews will leave Russia than the 20,000 who departed last year.

Russian arguments that applications for exit visas and departure permits have significantly decreased are universally rejected. More Jews than ever seek to leave Russia. At least 130,000 Soviet Jews have filed initial applications for exit permits western sources know about. And the actual figure is probably far higher.

From source after source, we in the West are finding out that official harassment of Jews seeking to leave and pressure on their families have substantially increased. Further, the Russian bureacracy contains so many built-in obstacles that strict application of Russian law and rules can make it virtually impossible for many, if not most, Jews to depart. For example, by a strict interpretation of a law preventing emigration of Russians holding national security jobs, even a Jewish private in the Red Army could be halted from leaving that country.

What this all boils down to is that practically nothing has changed within Russia insofar as treatment of its Jewish citizens is concerned. This cannot help but inform us in the most obvious manner that Russia as a viable, free society is in its infancy. All that has changed is that a Jew or some other dissident within the system is not immediately and automatically shot for expressing views contrary to those held and promulgated by the Soviet state. But that is as far as the thaw goes. One trickle does not make a spring torrent.

If Russia has progressed so little in the face of so much enlightenment over the years in other closed societies, how can we as a Nation place reliance upon her word in other areas? If the 2,000-year-old "great hate" of Jew-baiting and anti-Semitism is alive and well in Russia, this is a clear message to us, who are being asked to place our trust in her word on disarmament agreements. I for one feel that how a nation treats its previously persecuted minorities and dissidents is a measure of that country's maturity as a society. If it cannot mature internally, then it is largely incapable of dealing effectively or honestly with foreign neighbors. Until the Soviet regime shows, by ending its overbearing and hateful policies toward such totally innocent people, and allows them to emigrate freely, I do not feel most-favored-nation status should be granted by this country to Russia. Nor do I feel we should allow ourselves to be led, as a Congress, by the nose by Secretary of State Kissinger, into approving any relaxation of our guard toward Russia in a military sense.

If we fail to take heed of these very obvious signs, we shall deserve the fate that inevitably will overtake us.

LINCOLN WIT AND WISDOM

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. WHITEHURST. Mr. Speaker, each February we celebrate the birthday of Abraham Lincoln. Recently a constituent of mine sent me an article from the Lincoln National Life Insurance Co. magazine the Emancipator, which quotes Mr. Lincoln on the subject of good government. My constituent asked that I insert this article and share Abraham Lincoln's wise words with my colleagues.

The article follows:

LINCOLN WIT AND WISDOM

Abe Lincoln, whose birthday we celebrate in February, was a wise man. He laid down some guidelines for good government which are worth passing along. Here they are:

You cannot bring about prosperity by discouraging thrift.

You cannot strengthen the weak by weakening the strong.

You cannot lift the wage earner by pulling down the wage payer.

You cannot help the poor by destroying the rich.

You cannot keep out of trouble by spending more than your income.

You cannot further the brotherhood of man by inciting class hatred.

You cannot build character and courage by taking away a man's initiative and independence.

You cannot help men permanently by doing for them what they could and should do for themselves.

THE 101ST AIRBORNE DIVISION

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BEARD of Tennessee. Mr. Speaker, in our relatively brief history, we have been fortunate to have experienced comparatively few wars, and—except for the tragic War Between the States—no armed conflict on American soil.

When, however, we have been called to arms, the United States has responded heroically and we have been able to field many outstanding fighting units, which have served their country bravely.

Mr. Speaker, one of the most notable of these fighting forces has been the Army's 101st Airborne Division, a helicopter-borne "cavalry" unit which most recently distinguished itself in Southeast Asia. Few military units possess such a proud tradition as the 101st. A look at its recent leadership sets the tone for this group: Gen. Maxwell D. Taylor and William C. Westmoreland, both former Chairmen of the Joint Chiefs of Staff, have commanded this division, as has the present superintendent of the U.S. Military Academy at West Point, Gen. Sydney Berry.

Today, I am proud to introduce legislation which will, if enacted, authorize a permanent memorial in the Nation's Capital to these brave men—both living and dead—of the 101st. I feel that enactment of this legislation and erection of such a memorial would be a fitting recognition of the 101st's heroic deeds by the Congress, the Government and the people of the United States.

Mr. Speaker, I hope that we will see quick action on this bill, despite the other pressing matters which confront us.

DR. HANCHO C. KIM

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GUYER. Mr. Speaker, news reports have a way of presenting widely different accounts on a given subject. I thought it would be helpful for us to have a firsthand version of the recent Korean election.

One of the observers at the Korean vote of referendum happened to be my friend of many years, Dr. Hancho C. Kim, an American citizen, born in Korea and well acquainted there. Dr. Kim was a student at my alma mater, Findlay College, Findlay, Ohio, and since that time has become a most ardent citizen and successful businessman. Since college days, he has earned the popular title of ambassador of good will for both countries and has brought a finer concept of understanding, friendship, educational exchange, and cultural enrichment. Just recently, Dr. Kim contributed 10,000 volumes of books for our college library in Findlay and has established a sister college relationship between Findlay College and a Korean university.

He has returned home to Washington, and may I have consent to record some of his observations of the referendum as he reported them to me:

In Dr. Kim's opinion, the nationwide vote on the Yushin Constitution, actually a vote on the past 2 years' activity of the regime of President Park Chung Hee, was a real and substantially accurate statement of the will of the South Korean people.

The final vote recorded gave President Park a 73-percent majority in his favor, with an 80-percent turnout of eligible voters.

Dr. Kim believes that Mr. Park has indeed won and truly merited the vote and the approbation of the majority of his people.

In relation to the referendum, Dr. Kim states that, while the opposition was both vociferous and prominent, Mr. Park called a meeting of his cabinet and leaders of his own party at Chang Wa Dae prior to the referendum, and at the meeting Mr. Park insisted on a fair and free vote in the referendum. He told the gathering emphatically that he would hold them responsible if an "unfair polling atmosphere" prevailed, in any regard, in the referendum.

Dr. Kim explains that this was, indeed, a sincere and thoroughly-thought-out policy on the part of President Park, and by no means a synthetic waving of the flag.

On February 12, 1975, 2 days before the balloting, the Prime Minister, certainly with Mr. Park's full accord, went on television nationwide to exhort the Korean people to come to the polls and to cast their vote either for or against the administration.

As noted further on, this likewise, in Dr. Kim's view, was no window dressing.

The Prime Minister particularly urged the opposition to vote freely and in utmost numbers, in order that there might be settled once and for all, their claim that the Park regime lacked real, valid, and fervid popular support.

Early in February, the Secretary General of the ruling Democratic Republican Party proposed to the New Democratic Party and to other opposition parties the formation of a bipartisan committee to oversee the election and to assure fair conduct in the balloting. While he was not accorded full cooperation by opposition leaders, it was arranged for both opposition and DRP judges and poll watchers to be present at various polling places to assure that voting was conducted with fairness to all sides. Judges and watchers from both sides were present at the polls wherever the opposition parties cooperated to send their representatives.

The NDP itself preferred to boycott the proposal and did so.

Dr. Kim states that the views and actions of both NDP and of other opposition spokesmen were freely carried in the Korean press and in the days leading up to the referendum date, and he has shown me the Korean daily papers from those dates, both editions in Korean and editions in English, and indeed, his assertion appears to be accurate.

Then, too, observers from the New York Times, the Washington Post, the Manchester Guardian, and of many other reputable journals were accorded a free hand to observe and to report the referendum as they actually saw it and to comment upon it without restriction or restraint.

In Dr. Kim's view, President Park gave compelling evidence prior to the voting that he not only had no intention of influencing the election, but rather that his deep concern was that the referendum might not demonstrate conclusively the full and complete range of the extent of the opposition to his policies.

Dr. Kim, who is personally acquainted with President Park, believes that Mr. Park had realistically estimated the extent of the backing for his policies within the Korean population. He had, therefore, no question in his own mind, even before the referendum took place, that the Korean people were with him in the great majority.

The opposition to him, on the other hand, has been extremely vocal and dramatic during the past several years, so much so as to give the impression abroad, and even in Korea itself, that they outnumbered those who favored the President's policies, and that, in fact, the President remained in office only by virtue of ruthless dictatorial and oppressive measures taken against the religious and popular leaders who opposed him.

Dr. Kim is convinced, from his on-the-scene observation, that the real purpose of the referendum, then, was not primarily to ratify Mr. Park, but rather to place in full view, both in Korea and before the rest of the world, exactly how much support the opposition could really put together under the most favorable circumstances and with the actual and sincere encouragement of the Park regime itself.

As noted, the balloting attracted 80 percent of the Korean voting population, according to U.S. correspondents, although voting was not compulsory and no penalty resulted from staying away from the polls.

The results of the balloting showed that all opposition voters together constituted no more than 27 percent of that voting population, even though prominent and influential church and civic leaders stand at the head of that opposition.

This was a rather devastating demonstration of the favorable status the achievements of President Park and of his cabinet and associates enjoy at all levels of Korean life, and especially in the grass roots of the Republic.

Even more so, however, did it demonstrate conclusively and clearly the minority status of the opposition when the shouting died and the chips were down and the simple number of heads was all that counted.

It is true, according to Dr. Kim, that a small number of opposition voters rallied in the churches and in an auditorium by way of boycott of the referendum, thereby attempting to cast doubt on the representative nature of the voting.

Dr. Kim points out, however, that it can be seen, even from U.S. press reports, that this action cannot, by any stretch of the imagination, reflect any substantial question on the actual outcome of the voting, or on the significance of it.

He calls attention to the mathematical fact that if all the voters who remained away from the polls for any reason had, in fact, come to the polls as a solid phalanx and each had voted "no," the total vote would obviously still show a decisive Park victory as the outcome with all the elements of the opposition having been freely heard and cordially invited to attend.

Dr. Kim feels that the epitome of democracy prevails when a president willingly places his record and his policies fully in the balance, submits them to the expression of the will of the people and offers to resign forthwith if the vote goes against him. This Mr. Park has done with courage and good will, according to Dr. Kim, and the question of the extent of his support among the people of Korea has now been answered.

Dr. Kim slyly remarks, too, that such a referendum, initiated voluntarily, could well be the very natural act of a man feeling so serene and secure that he has the genuine support of a majority of his people that he is willing to make the offer.

He feels, then, that President Park Chung Hee has "given the world not only a stunning demonstration of his popularity with the Korean people, but a superb example of practical Democracy as well."

SLOWING THE TAX TREADMILL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. CRANE. Mr. Speaker, a recent Wall Street Journal editorial has placed the fate of indexation of all Federal taxes upon those who have the power in this matter; namely, the Democrats on Capitol Hill. A long-time advocate of this most necessary program to stop the "perverse interaction between inflation and progressive taxes," the Journal reports that the Ford administration has abandoned executive initiative to deindex the Federal Government. Actually, this development is altogether consistent with past executive policy to encourage an inflationary economy, and thus invite deficit spending. Because of the inherent incentives to prolong this disguised profit in the Federal budget, we can always expect our Federal Government to ignore the insidious effects of inflation on all sectors of American society. The editorial exposes the underlying rationale:

> Currently the government's income is not only indexed to hold real income constant, it is super-indexed, so that its real income is increased by inflation. Since the government also controls the policies that cause or cure inflation, this is probably society's number-one conflict of interest.

Now that statistics compiled by the Joint Economic Committee have revealed that real income tax rates for middle income families last year rose 26.5 percent—whereas the inflation rate averaged 12 percent—this situation is finally making an impression on my colleagues on the other side of the aisle. They have come to realize that, ultimately, middle- to lower-income taxpayers have become the primary victims of distortions in our tax system—a fact many of us have been pointing out for many months.

> The new liberal interest is coupled with long standing support from many conservatives. It has been a principal tenet of Milton Friedman's new society. In the last few weeks it has also been specifically proposed by a group of conservative Congressmen led by New York's Jack Kemp.

Indeed, among the many other specific proposals submitted by our group to revive our economy, our February 5 special order brought this inequity and weakness in our revenue-raising structure into clear perspective. We urged immediate adoption of indexation by this body. Therefore, my colleague from Pennsylvania (Mr. Coughlin) and I have already introduced comprehensive, bipartisan bills—H.R. 231, H.R. 1816, H.R. 1817—to provide cost-of-living adjustments in the income tax rates, in the amount of the standard, personal exemption, in depreciation deductions, and in the rate of interest payable on other obligations of the United States. We are pleased to welcome many Democrat cosponsors of these bills: Our colleague from Alabama (Mr. Flowers); our colleague from West Virginia (Mr. Hechler); our colleagues from Massachusetts (Mr. Moakley and Mr. Boland); our colleague from South Carolina (Mr. Davis); our colleagues from Pennsylvania (Mr. Eilberg and Mr. Murtha); our colleagues from Florida (Mr. Fascell and Mr. Pepper); our colleagues from New Jersey (Mr. Helstoski and Mr. Roe); our colleague from New York (Mr. LaFalce); our colleague from Georgia (Mr. Mathis); and our colleague from Michigan (Mr. Nedzi).

Now the burden rests squarely with the Democrat leadership in both Houses to assure that this measure receives serious consideration.

Mr. Speaker, let me again remind my colleagues of our responsibility and obligation to eliminate the critical conflict of interest now being exploited by the Federal Government by removing our current practice of double taxation and thus restoring equity in the tax structure.

The Wall Street Journal's editorial, "Slowing the Tax Treadmill," February 13, 1975, follows:

> SLOWING THE TAX TREADMILL
>
> The Congressional Joint Economic Committee reported the other day that the biggest price increase in the current inflation has come in the price of government. While food rose 11.9% and transportation rose 14.3%, the income taxes paid by a middle-income family increased 26.5%.
>
> The report strikes us as highly significant, especially since the committee is chaired by the redoubtable Hubert Humphrey. It is a welcome sign that the liberal community is awakening to the dangers of a high tax load, and more specifically to the tax-increasing effect of progressive taxes during a period of inflation. As the committee noted, the chief tax increase came not because of congressional action, but simply because inflation pushes everyone into higher and higher tax brackets.
>
> As further evidence of liberal concern, we note that The Washington Post editorially goes so far as to blame the current recession on this aspect of the tax laws: "The basic reasons for it are no mystery. First of all, the country has had a series of terrific tax increases over the past two years. . . . Even though the average family had less buying power, inflation was raising its income taxes by pushing it into higher tax brackets just as the economy began to slow down. Instead of cutting taxes to combat recession, government unintentionally increased them."
>
> We would hope that this liberal concern will mature into broad-based support for indexing the income tax, that is, inserting automatic adjustments to offset the effects of inflation. Canada has already adopted this proposal, and these columns have been urging it on the United States for some time now. The new liberal interest is coupled with long-standing support from many conservatives. It has been a principal tenet of Milton Friedman's new society. In the last few weeks it has also been specifically proposed by a group of conservative Congressmen led by New York's Jack Kemp.
>
> Liberal discovery of the perverse interaction between inflation and progressive taxes has been spurred by the observation that this effect is most heavily felt by middle- and lower-income taxpayers.
>
> This is bound to be true so long as there is any maximum rate. Obviously the fellow paying 72% is not going to be pushed into a higher bracket (though a greater proportion of his income will be pushed into the top bracket). So it's hard to see how the liberals are going to solve this concern by increasing taxes on the rich; the only real answer is indexing.
>
> Conservatives are interested, among other reasons, because of the hope that indexing might be some sort of discipline on government. As it is, the federal government is perhaps the only segment of society that actually profits from inflation, which is why we have called the adjustment proposal "de-indexing the government." Currently the government's income is not only indexed, to hold real income constant, it is super-indexed, so that its real income is increased by inflation. Since the government also controls the policies that cause or cure inflation, this is probably society's number one conflict of interest.
>
> To whatever extent the government's spending is related to its income, indexing might slow spending. This may make it hard to sell to some liberal lawmakers, who may not want to give up the luxury of having more real resources to devote to liberal programs without the necessity of voting for higher taxes. Conversely, indexing is opposed by conservatives who think it would slow income but not spending. Apparently it was killed within the Ford administration by Arthur Burns, who feared it would further bloat future deficits and exacerbate his problems in running monetary policy.
>
> Yet indexing would be a far better investment in the future than the administration's one-shot tax rebate, a purely political sop to tax cutting with little or no long-range economic impact. Since the administration has dropped the ball, we can only hope that Senator Humphrey and other Capitol Hill Democrats will pick it up, starting hearings on the not insignificant problems of working out the correct details. An indexing system would make the government face up to its policies, and as the Post suggests, would give it a truer picture of its impact on the economy.
>
> But most of all, it would end the unseemly spectacle of the government taking more taxes from the people already suffering the tax of inflation. In the end, the liberals are right. The strongest argument for indexing the income tax is the argument deriving from equity.

ESTONIAN INDEPENDENCE OBSERVANCE

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. NOWAK. Mr. Speaker, on February 24, 1975, Americans of Estonian descent commemorated the 57th anniversary of the declaration of independence for the Republic of Estonia. It is unfortunate at this time that its status is that of a conquered nation.

After many years of Czarist Russian domination, the proclamation of Estonian independence in 1918, however, was only a flicker of light. Those high hopes were dashed by the Soviet invasion and takeover in the summer of 1940.

During more than 30 years of forced internship, this small yet resourceful country has been exploited by an unwanted overseer. Despite the suppression of many human rights and attempts at Russification, Estonians continue to uphold their cultural independence and pursue their quest for political freedom.

Estonian's struggle to regain the right of self-determination, should not be forgotten. The United States must continue its policy of nonrecognition of Soviet territorial claims over Estonia.

POLICY STATEMENT ON INFLATION-RECESSION

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BUCHANAN. Mr. Speaker, it was my pleasure recently to receive from the Birmingham area chamber of commerce which serves the metropolitan area of the Sixth Congressional District of Alabama a policy statement on inflation and recession.

I would commend this policy statement to my colleagues. The chamber has attempted not only to pinpoint the source of our economic woes, but has gone a step further than many experts in Washington—it has outlined specific solutions.

The chamber's statement shows a carefully considered and informed understanding of many of our problems. It is my pleasure to share it with you at this time.

POLICY STATEMENT ON INFLATION-RECESSION

(By the Birmingham Area Chamber of Commerce)

The United States economy is dominated by inflation, the most serious threat facing the nation today. Running at a rate which is intolerable to our economy and our society, inflation goes far beyond endangering our economic life. If it is not moderated substantially in the immediate future, there is no way the nation can prevent the present economic decline from becoming a major recession. If these trends (inflation-recession) continue, it will be impossible to maintain our position of international leadership.

While Birmingham's economy does not yet seriously reflect all of the negative aspects of inflation, it will ultimately reflect national trends. Recognizing that the Birmingham Area, because of its heavy concentration of industry and minority population, could conceivably suffer more from prolonged inflation than other parts of the nation, it is necessary that an immediate effort be made to convince Congress that it must put politics aside and act in the best interest of the national economy.

While the Chamber favors self-restraint by business in its pricing policy and by labor in its wage demands, it continues to strongly oppose mandatory wage and price controls as well as specific federal wage and price guidelines. In keeping with its policy of direct political action in behalf of its membership in protecting the Free Enterprise System, and its belief that the competitive market system must be continued as the best method of allocating and directing goods and services—rather than reinstitution of wage and price controls—the Birmingham Area Chamber of Commerce adopts the following as its statement of policy on inflation-recession and its recommendations for congressional action.

The Birmingham Area Chamber of Commerce calls upon the Congress to create an anti-inflationary policy and to set the example for the rest of the nation by:

1. Reducing federal spending by at least $10–12 billion below the $305 billion budget figure, during fiscal year 1975.

More than $1,792,800,000 (Federal employee raises—$700 million; Railroad Retirement Act—$285 million; and Veterans' Benefits—$807.8 million) of the taxpayers' money could have been saved in the past few months alone if the Congress had not approved inflationary programs that could have been delayed until the economy has improved.

2. Recognizing that not only must the federal budget be balanced, but that it must show a surplus for fiscal year 1976 in order to effect a reduction of the national debt.

3. Recognizing that no federal agency or department should be exempt from mandatory budget cuts and that there must be a moratorium on new spending programs.

4. Assuring that greatest budget-cutting attention is given to those programs which have increased at the fastest rate during recent years.

5. Making every effort to implement the latter and the intent of the Congressional Budget Act of 1974, recognizing that it will not be enough to establish reduced budgetary ceilings, but that spending outside these ceilings must not be permitted.

6. Making certain that savings from budget cuts, along with revenues produced by any additional taxes that might be levied, are used specifically for the reduction of the national debt rather than as funds available for expenditure.

7. Assuring a continuing effort to improve the administration of the welfare system with a view toward getting people off the welfare rolls and into permanent employment.

8. Encouraging the creation of more jobs within the private sector, rather than public employment programs, as the means of avoiding excessive unemployment. Specifically, this should be done by:

a. Urging the nationwide adoption of career education and counseling in at least grade 7 through 12.

b. Supporting the full implementation of existing work-study and cooperative education programs.

c. Supporting the full implementation of the Comprehensive Employment and Training Act.

d. Revising minimum wage legislation to insure that jobs for the young and unskilled are not curtailed by high wage rates that cannot be related to productivity.

9. Considering programs providing for public employment only after the private sector has been given a full opportunity to function as the "creator of jobs," and then only within geographic areas known to be suffering from an unemployment rate of not less than 6.5% for at least three consecutive months, and where the individuals involved here have been unemployed for a minimum of 26 weeks.

10. Provide tax incentives as a means to escalating capital investment and increasing the supply of capital goods by:

a. Retaining depletion allowances.

b. Liberalizing allowable depreciation methods.

c. Liberalizing the investment tax credit.

d. Modifying the capital gains tax structure to encourage the movement of capital from stagnated investments to those with greater growth potential.

11. Continuing support of the Federal Reserve Monetary Policy of moderate tightness as long as inflation and credit restraints are necessary.

12. Extending the application of anti-trust laws to labor unions when their monopolistic powers tend to impede competition and raise consumer prices.

13. Repealing the Davis-Bacon Act, in order to save taxpayers millions of dollars each year, where government-financed construction is concerned. This will insure that the labor cost involved will be in line with that for local construction projects, rather than based on a higher union scale rate applicable in another area.

14. Encouraging individuals to save more by providing a tax exemption of up to $500.00 per individual on incomes derived from personal savings.

15. Correcting balance of trade and balance of payment deficiencies by developing a selective foreign aid program that considers, first, our own national interest as opposed to the pouring of hundreds of millions of dollars into countries that perpetually delight in turning their backs when the United States needs their support.

16. Providing a means of substantially lowering the interest rate the U.S. Government must pay on bonds by creating a government security convertible into gold.

17. Revising the "Clean Air Act", "Water Pollution Control Act", and the "Occupational Safety and Health Act" to reduce the cost of implementation and achieve a better balance between environmental-safety objectives and job creation needed for continuing economic growth.

In adopting this statement, the Birmingham Area Chamber of Commerce expresses its continuing belief that *recession is a direct result of inflation*. While the actions necessary to effectively control inflation are politically unpopular, those in government service are fully capable of developing and implementing an effective control program when their constituents have made them aware that there is a voter mandate demanding immediate congressional action.

The first and most critical step toward stopping inflation is the balancing of the federal budget and reduction of the national debt, and the prime responsibility for correcting the nation's economic woes lies with the Congress.

JONES RELEASES RESULTS OF DISTRICTWIDE SURVEY

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. JONES of Oklahoma. Mr. Speaker, for the past month, my office has been tabulating the results of over 14,000 questionnaire responses which were returned to my office by citizens of Oklahoma's First Congressional District.

The results of this districtwide survey are now complete, and I would like to take this opportunity to share our findings with my colleagues here today. I include at this point in the RECORD my statement on our survey results, and the precise response given each question as it was asked:

QUESTIONNAIRE RESULTS FROM OKLAHOMA'S FIRST CONGRESSIONAL DISTRICT

WASHINGTON.—Representative James R. Jones today announced the results of his January 1975 survey of the views of voters in Oklahoma's First Congressional District. Jones reported that over 14,000 individuals responded to this questionnaire.

"I was very pleased with this response," Jones said, "because the questions which were asked deal with current national economic recovery and energy legislation that will affect every citizen."

Jones' first question dealt with alternative proposals now being considered to encourage energy conservation. Opinion was fairly close on the proposed excise tax on all crude oil: 44.5 percent were opposed to such a tax; 42.8 percent favored the tax; and 12.7 percent were undecided. With regard to a retail tax on gasoline at the pump: 50.5 percent were opposed; with 33.3 percent favoring such a tax; and 16.2 percent undecided. Opinion was strongest on the subject of possible gasoline rationing: 54.8 percent opposed rationing; 33.2 percent were in favor of rationing; and 12 percent remained undecided.

Jones' next question concerned relaxation of environmental controls to ease the energy problem. 77.8 percent favor relaxation of controls; 21 percent are opposed; and 1.2 percent were undecided.

On the subject of windfall profits by the petroleum industry: 72.5 percent of those responding favored a windfall profits tax with a plowback credit for energy research and development; 24.8 percent opposed such a tax; and 2.7 percent were undecided.

The remaining three questions concerned various proposals which are being discussed for our national economic recovery; 68.8 percent of those responding supported suspension of general revenue sharing until we have a balanced budget; 28.5 percent favored continued general revenue sharing; and 2.7 percent were undecided.

In response to the question of whether we should establish a Federal agency similar to the depression-era Reconstruction Finance Corporation to assist failing businesses; 63 percent opposed creation of such an agency; 34 percent were in favor of this proposal; and 3 percent were undecided.

Jones' final question concerned re-establishment of Federal wage/price controls. The majority, 65.8 percent opposed wage/price controls; 32.5 percent supported wage/price controls; and 1.7 percent were undecided.

[In percent]

	Yes	No	Undecided
1. President Ford has called for a major energy conservation program to reduce consumption and our dependence on foreign oil. In order to achieve these goals, do you favor Congress granting the President authority for:			
(a) An excise tax on all crude oil	42.8	44.5	12.7
(b) A retail tax on gasoline at the pump	33.3	50.5	16.2
(c) Gasoline rationing	33.2	54.8	12.0
2. Do you favor a 5-year relaxation of environmental controls to ease our energy problem?	77.8	21.0	1.2
3. Do you favor a windfall profits tax on the petroleum industry with a plowback credit for profits invested in energy research and development?	72.5	24.8	2.7
4. It appears there will be a substantial, recession-fighting tax cut enacted by Congress. In order to reduce the impact on our budget deficit, do you favor a suspension of the $6,000,000,000 annual revenue sharing payments to States and cities until the budget is again balanced?	68.8	28.5	2.7
5. Do you favor creation of a Federal agency along the lines of the depression-era Reconstruction Finance Corporation to assist failing businesses with direct Government financial assistance?	34.0	63.0	3.0
6. Do you favor reestablishing Federal controls on wages and prices?	32.5	65.8	1.7

THE POLITICS OF INTEREST RATES

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FRENZEL. Mr. Speaker, I insert in the RECORD today the following editorial from the Minneapolis Tribune of February 18. Primarily it deals with the difficult subject of Minnesota's restrictive usury rate ceiling in a way that I believe is unusually objective. The effect of Minnesota's usury statute in times of tight money is that Minnesota's potential homeowners are protected from buying a home, and Minnesota's savings are shipped out-of-State for mortgages elsewhere.

The article also contains some sage advice on current congressional efforts to meddle in credit markets. The editorial points out the fact that the Federal Reserve Board is hardly "promoting economic strangulation." Rather obsolete State laws like Minnesota's usury statute are doing the strangling.

The editorial follows:

[From the Minneapolis Tribune,
Feb. 18, 1975]

THE POLITICS OF INTEREST RATES

Interest rates are to some Democrats what the torero's cape is to a bull. When the subject of money cost captures their attention, they figuratively lower their heads and charge at it with a single-mindedness that prevents any concern about whether they are attacking the right target.

For example, last week the Minnesota AFL–CIO renewed its opposition to proposals that the Legislature raise the 8-percent interest ceiling on conventional mortgages for homes. The reason for the housing problem, said AFL-CIO President David Roe, is not that interest rates are limited, but that "some 80 percent of all Americans are priced out of the market for a new home," and that costs of existing housing have gone up as well.

The main reason for rapidly rising housing costs has been rapidly rising labor costs. We doubt that Roe would favor a rollback in labor costs to what they were a few years ago, when conventional mortgages rates were around 8 percent.

To insist that mortgage interest, unlike wages, should be exempted from the effects of inflation on the marketplace seems to us unrealistic. But that is what Minnesota's usury law does, at a time when federally insured mortgages carry a rate higher than the 8 percent limit. Lenders in this state have little economic incentive to provide conventional loans for home buyers.

On short-term rates and the availability of bank credit, Sen. Humphrey demonstrated a similar fixation Sunday. Accusing the Federal Reserve Board of "promoting economic strangulation," he warned the board to "shape up."

Three principal means of monetary adjustment are available to the Federal Reserve Board. One is the sale to member banks, or the purchase from them, of government securities. Since last fall, the board has been buying securities, thus adding to the cash held by the banks.

Another monetary tool is the board's jurisdiction over bank reserve requirements, which it has reduced to make available an additional $2 billion in lendable bank funds. Third, the board sets the discount rate, the interest rate at which member banks borrow from the Federal Reserve. Since December, when the discount rate was 10 percent, the board has lowered the rate to the present one of 6¾ percent.

That doesn't sound like monetary "strangulation," a term that might better apply to the Minnesota usury law.

A BARRIER-FREE ENVIRONMENT FOR THE HANDICAPPED

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BRADEMAS. Mr. Speaker, on February 20 I introduced House Congressional Resolution 134, stating the sense of Congress that there should be a barrier-free environment for all handicapped Americans.

On Monday, February 24, the New York Times included an article describing a book produced by two New York City employees, "Barrier-Free Design, Accessibility for the Handicapped," reminding engineers, contractors, and architects to be mindful of the environmental difficulties the handicapped face.

Because I believe this review is an excellent brief description of the obstacles that handicapped persons frequently face, I include it at this point in the RECORD:

BOOK ISSUED ON AID FOR HANDICAPPED—AIMED AT KEEPING BUILDERS MINDFUL OF SPECIAL NEEDS

(By C. Gerald Fraser)

An architect who designed a bathroom with the handicapped in mind was asked to sit in a wheel chair and use his creation. Things went well until he tried to leave the bathroom, rode through one door and bumped into a modesty wall, having no space to maneuver.

Getting into and leaving buildings; using elevators, water fountains, telephones and switches; reading signs; hearing signals, and generally moving about are concerns for a variety of handicapped persons.

To help policy makers, architects, engineers, contractors and others who design and build, to be mindful of such problems, two city employes have produced a 31-page, magazine-size booklet, "Barrier-Free Design, Accessibility for the Handicapped."

Many of the features written about and illustrated in the booklet are required by the city's building code to be incorporated into buildings constructed in the city.

The booklet shows, for example, the proper width of doors, the proper height of water fountains and telephones for the handicapped, what equipment a shower used by the handicapped should have, how to shape handrails and how to design parking lots.

The authors are Phyliss L. Tica and Julius A. Shaw. Mrs. Tica is director of transportation services for the handicapped in the Transportation Administration. Mr. Shaw is chief of the Bureau of Operating Services in the Department of Public Works.

They developed their design by collecting existing data and by first-hand experiments. They hope that their work receives exposure and is put into curriculums and architects' and engineers' reference works.

The booklet—Publication #74–3—may be obtained through the Institute for Research and Development in Occupational Education, Center for Advanced Studies in Education. The Graduate School and University of New York 33 West 42d Street, New York, N.Y. 10036. There is no charge.

AID TO THE UNEMPLOYED IN INDIANA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. HAMILTON. Mr. Speaker, as economic conditions have worsened, many of my constituents have found themselves in need of emergency aid, but have been unable to find a comprehensive source of information concerning the various programs available.

Many have called or written my office seeking help. In order to be able to assist them as much as possible, I have had my staff prepare a guide to the economic aid programs available in my district.

I wish to share this guide with my colleagues, especially those from Indiana, in the hope that it may be of help to them in assisting their own constituents:

A GUIDE TO ECONOMIC AID PROGRAMS

I. COMMUNITY ACTION PROGRAMS

These are the only agencies that act as clearing houses for social services information. Their Outreach program functions to find out what is needed, refer clients to the proper agencies and then follow up to ensure proper services are provided. They also act as advocates, interceding on behalf of the poor in disputes with government agencies.

Eligibility

Their mandate is to help those below the poverty line, but they will assist anyone in economic trouble. No stringent guidelines are followed.

Availability of services

All 9th District counties except Fayette, Franklin and Decatur are served by C.A.P.s.

Locations

L.O.W. Economic Development Corporation (Washington County), P.O. Box 205, Mitchell, Phone 849–4457.

Lincoln Hills Development Corporation (Harrison County), P.O. Box 113, Troy, Phone 547–8621.

BBJ Community Action Agency (Human Services, Inc.) (Bartholomew, Brown, Jackson) Box 588, Columbus, Phone 372–8047.

Floyd County Economic Opportunity Corporation (Floyd) Room 122 City-County Bldg., New Albany, Phone 945–2349.

Clark County Community Action Agency (Clark) 201 National Avenue, Jeffersonville, Phone 282–0456.

Southeastern Indiana Economic Opportunity Corporation (Switzerland, Dearborn, Ohio, Ripley), 237 Main Street, Aurora, Phone 926–1585.

Ohio Valley Opportunities, Inc. (Jefferson, Jennings, Scott) First and Broadway, Madison, Phone 265–5858.

Monroe County Community Action Program (Monroe), 101 S. College Avenue, Bloomington, Phone 339–3447.

II. UNEMPLOYMENT COMPENSATION

Regular State program

Benefits

Payments of $60 to $100 a week, determined by number of dependents. Maximum period of assistance is 26 weeks, determined by the salary bracket during the base period, 10–1–73 to 9–30–74.

Requirements for Eligibility

Must have made $500 during the base period.

Must have worked during the last six months of the base period.

Must have worked in a field covered by the program. Usually farm and domestic work are not covered.

Must register for work and be willing to accept work in field of experience.

Extension of Benefits

As of 1 February, 1975, outstanding claims may be extended by up to 50 per cent, i.e. a 26 week entitlement would be increased to 39 weeks. Claims already expired before 1 February may not be reopened for extension.

Special unemployment assistance

This is a Federally funded program administered through the State. Its purpose is to extend unemployment compensation to persons not normally covered by existing programs, and to aid high-unemployment areas. All of Indiana qualifies as a high-unemployment area.

Benefits are the same as for the regular state program except that entitlement periods may not be extended past 26 weeks.

Requirements

Must have earned $500 within a year of the day claim is filed. Not necessary to have worked during last six months as in regular plan.

Eligibility requirements are more flexible. Occupations not covered by the regular program may meet its requirements.

Applicants should file claims at nearest Indiana Employment Security Division Office. A social security card and a list of all employers for whom applicant worked during last 52 weeks are required.

Work registration requirements are same as regular plan.

Limitations

This is a temporary program authorized only until March 31, 1976. No claim may be filed after December 31, 1975 unless the program is extended by Congress.

III. FOOD STAMPS

Benefits

Free or discounted food. Stamps are bought at a state Food Stamp office and used like money at the grocery store.

Eligibility

In general, the eligibility requirements are the same as for welfare or Township Trustee poor relief. Households not on assistance may still be eligible if income does not exceed specified limits in relation to their size:

Family size:	*Income in dollars*
1	194
2	230
3	406
4	513
5	606
6	700
7	793
8	886
9	959
10	1, 032

For families over 10, add $73 for each additional member.

A family's resources, including cash on hand, stocks and bonds, savings and checking accounts, property, automobiles and other personal property are considered in deciding eligibility. Except for deductible items, total family resources may not exceed $1,500 except when a member is over 60; then, the limit is $3,000. Generally, one car, a house and lot, household goods, life insurance policies, pension funds and personal effects are deductible.

Benefits

Each family is allowed to buy a maximum number of stamps every month, according to its size. Stamp prices vary with ability to pay as measured by net income and family size. Net income is calculated by subtracting the following deductibles from gross income:

Ten percent of earned income, but not more than $30 a month.

Federal, state and local income tax, FICA tax, retirement payments, union dues and some types of garnishments.

Medical costs of more than $10 a month except for special diets.

Child or invalid care costs when necessary to enable member to work or take part in job training.

Tuition and required fees for education, but not books, supplies, school meals or transportation.

Unusual expenses such as fire, flood or theft loss or funeral costs.

Court-ordered support or alimony payments.

Shelter costs if more than 30 percent of household income as calculated after all other deductions. Includes rent, mortgage payments, utilities, real estate taxes, basic fee for one telephone, special local assessments. (Only for place of residence.)

The following table indicates food stamp costs to families of varying sizes and incomes. Note that a family of 4 with a net income of $452 would pay $130 for food stamps worth $154. The same family with a net income of $81 would pay $19 for $154 worth of stamps and would be ineligible for the program if its income were to rise to $540.

FOOD STAMP ALLOTMENTS AND PURCHASE REQUIREMENTS (EFFECTIVE JAN. 1)

48 States and District of Columbia	Number of persons in household: 1	2	3	4	5	6	7	8
Monthly coupon allotment	$46	$84	$122	$154	$182	$210	$238	$266
Monthly net income and monthly purchase requirement:								
$0 to $19.99	0	0	0	0	0	0	0	0
$20 to $29.99	1	1	0	0	0	0	0	0
$30 to $39.99	4	4	4	4	5	5	5	5
$40 to $49.99	6	7	7	7	8	8	8	8
$50 to $59.99	8	10	10	10	11	11	12	12
$60 to $69.99	10	12	13	13	14	14	15	16
$70 to $79.99	12	15	16	16	17	17	18	19
$80 to $89.99	14	18	19	19	20	21	21	22
$90 to $99.99	16	21	21	22	23	24	25	26
$100 to $109.99	18	23	24	25	26	27	28	29
$110 to $119.99	21	26	27	28	29	31	32	33
$120 to $129.99	24	29	30	31	33	34	35	36
$130 to $139.99	27	32	33	34	36	37	38	39
$140 to $149.99	30	35	36	37	39	40	41	42
$150 to $169.99	33	38	40	41	42	43	44	45
$170 to $189.99	36	44	46	47	48	49	50	51
$190 to $209.99	36	50	52	53	54	55	56	57
$210 to $229.99		56	58	59	60	61	62	63
$230 to $249.99		62	64	65	66	67	68	69

FOOD STAMP ALLOTMENTS AND PURCHASE REQUIREMENTS (EFFECTIVE JAN. 1)—Continued

48 States and District of Columbia	Number of persons in household							
	1	2	3	4	5	6	7	8
$250 to $269.99		64	70	71	72	73	74	75
$270 to $289.99		64	76	77	78	79	80	81
$290 to $309.99			82	83	84	85	86	87
$310 to $329.99			88	89	90	91	92	93
$330 to $359.99			94	95	96	97	98	99
$360 to $389.99			100	104	105	106	107	108
$390 to $419.99			104	113	114	115	116	117
$420 to $449.99				122	123	124	125	126
$450 to $479.99				130	132	133	134	135
$480 to $509.99				130	141	142	143	144
$510 to $539.99				130	150	151	152	153
$540 to $569.99					154	160	161	162
$570 to $599.99					154	169	170	171
$600 to $629.99					154	178	179	180
$630 to $659.99						178	188	189
$660 to $689.99						178	197	198
$690 to $719.99						178	202	207
$720 to $749.99							202	216
$750 to $779.99							202	225
$780 to $809.99							202	226
$810 to $839.99								226
$840 to $869.99								226
$870 to $899.99								226

Because of administrative delays, food stamp recipients usually must wait more than six weeks before receipt of the first stamps. No interim relief is available except possibly from the Township Trustees or private agencies.

IV. TOWNSHIP TRUSTEES

Township trustees are budgeted a small amount of money for "poor relief." They do not operate continuing relief programs, but could assist those who are experiencing delay in getting food stamp approval.

Township relief budgets are so small that some run out of money before year's end and can do nothing until the next appropriation. Also, since the trustees' offices are often open only a few hours a day, it may be difficult to track one down.

Some trustees hire no employees, do no investigation and rely on person-to-person interviews to determine eligibility. They have sole discretion in deciding who gets money and how much.

V. SUPPLEMENTAL SECURITY INCOME

This is a nationwide program designed to aid the aged, blind and disabled. State programs for these groups have been ended.

Definitions

Aged: over 65

Blind: vision no better than 20-200 with correction or tunnel vision (limited visual field of 20 degrees or less.)

Disabled: physical or mental impairment which prevents a person from doing any substantial work and is expected to last at least a year or to result in death.

The SSA is strict in determining disability. A person may be unable to do any work that is available near his place of residence or even in his state, may be unable to do any full-time work at all and still be considered employable by SSA. A single doctor's statement that a person is disabled is not sufficient proof; SSA reviews medical records and examination results and makes its own decision in each case.

Requirements

Income must be below $438 a quarter for an individual or $657 a quarter for a couple except $60 a quarter of retirement income and $195 plus half of remainder of earned income may be deducted.

Resources (bank accounts, cash on hand, stocks, etc.) must be less than $1,500 for an individual or $2,250 for a couple. Homes, cars, personal effects and household goods of "reasonable value" are not counted so long as they are essential to self-support.

Benefits

A person living alone receives $146 a month while a couple receives $219 a month. Under certain conditions the amount is reduced, usually because the recipient receives extra income from some other source or is hospitalized for an entire month.

Disability claims should be filed at the nearest Social Security Office.

VI. SOCIAL SECURITY DISABILITY

This program is an extension of Social Security. It differs from SSI because it is open only to those who have earned Social Security credits. Criteria for determining disability are essentially identical, but benefits *can* be much higher than under SSI, depending on yearly average income under Social Security.

Eligibility

Work Credits

Length of work needed depends on age at time of disablement:

Under 24—One and a half years in the three-year period ending when the disability begins.

24 through 30—Half the time between age 21 and the time of disablement.

31 and older—Five years of work out of the last ten years before disablement.

Years need not be continuous or in units of full years.

The Blind

Some special provisions are made for the blind. Most important is a relaxed definition of "disabled" for blind between 55 and 65.

Persons Eligible

Disabled workers under 65 and their families.

Persons disabled before age 22.

Disabled widows, disabled dependent widowers, disabled divorced wives (under some conditions).

Medicare

Available to anyone who has been entitled to disability checks for two or more consecutive years.

Benefits

Calculation of benefits is complex. The table below is only a guide:

Average yearly earnings after 1950

Maximum family payment:	
$141	$923
297	3,000
489	5,000
549	6,000
598	7,000
651	8,000
689	9,000
722	10,000

In general, the disabled person will not be paid at all for the period between the time he applies and five full months later. If the disability began at least six months before he made application, some back payment can be made, but the waiting period of five months will still be in force.

A person already recovered from a disability that lasted a year or more may receive back payment if he files within 14 months of his recovery.

VII. MEDICAID

Those who qualify for Medicaid receive free medical and dental care. Hospital and physician charges, dental work, eyeglasses and prescribed medicine are covered as are certain necessary appliances such as crutches and wheelchairs.

Some limitations are placed on the kind and amount of dental work and on such things as the frequency of eyeglass replacement. Unusual equipment needs (wheelchairs, hearing aids, etc.) must be approved by the State Welfare Department.

Eligibility

AFDC—all eligible AFDC recipients are covered.

Aged, blind and disabled—coverage for this group is the same as for dependent children. Eligibility requirements are roughly parallel to the SSI guidelines.

VIII. AID FOR DEPENDENT CHILDREN

This is the core program for Indiana welfare assistance. Payments are made to the parent who cares for a dependent child.

Eligibility

Any dependent child under 18 who has been deprived of the support of one or both parents and whose remaining parent or guardian is unable to adequately support him/her is eligible. One parent must be dead, incapacitated or absent if the child is to be eligible. Indiana, unlike some other states, makes no provision for the father who is unemployed but lives at home.

Benefits

Maximum benefit is $150 for a parent and one child plus $50 for each additional child. The benefit amount is determined on a case-by-case basis, taking into account any outside income. Food stamps are not counted as outside income.

Any child eligible for AFDC is also eligible for Medicaid as is the parent who cares for him/her.

IX. VETERANS ADMINISTRATION

While the Veterans Administration offers no social services programs, certain of its benefits could be of use to the veteran with economic difficulties, especially hospitalization and vocational training. In addition, those with service-connected disabilities can receive pensions, vocational rehabilitation services, etc.

Free hospitalization

Any veteran—but not his family—can receive free in-patient care at veterans hospitals, even for non-service-connected injuries or diseases. Limited out-patient care is available to those patients who would require hospitalization without it. Two veterans hospitals are located near the 9th District: Indianapolis and Louisville.

Educational benefits

The VA will provide payments for vocational training for any veteran within 10 years of his discharge date. Some limitations are imposed, but most training is acceptable so long as it is part of a program toward an identifiable vocation. A few areas (such as bartending) are prohibited. Programs are:

1. On-the-job training. The veteran works for an employer at a journeyman's wage while the VA pays the employer part of the salary.

2. College level training. The veteran receives monthly checks while he attends a college or university. Payment is calculated according to the number of dependents and number of credit hours enrolled. Full-time (12 or more credit hours) monthly benefits range from $270 for a single veteran to $366

for one with two dependents. In addition, $22 a month is provided for each dependent over two.

3. Correspondence courses. VA pays 95 per cent of cost.

TRAFFIC ACCIDENTS ARE A BIGGER THREAT THAN CRIME

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. SHUSTER. Mr. Speaker, I commend to my colleagues the following article by Jerry V. Wilson which appeared recently in the Washington Post and other papers.

It is time we Americans woke up to the urgent need to increase our emphasis on highway safety.

The article follows:

TRAFFIC ACCIDENTS ARE A BIGGER THREAT THAN CRIME

WASHINGTON.—A couple of decades ago, I was sitting through a night course in police administration, sort of half-dozing with most of the other students, when a classmate, a motorcycle officer, shocked us all awake by arguing that a most effective way for government to save lives would be to empower the police to execute summarily a few traffic offenders.

Predictably, that discussion rapidly evolved into examination of theoretical and practical difficulties such as selecting offenders to be executed, and preventing abuses of such discretion for personal motives.

The notion of shooting traffic offenders came from a more prestigious source in 1968 when then-Atty. Gen. Ramsey Clark, addressing arguments against policies of shooting looters to the National College of State Trial Judges, rhetorically asked: 'Why not shoot drunken drivers? What is it that causes some to call for shooting looters when no one is heard to suggest the same treatment for a far deadlier and less controllable crime?"

Obviously, neither of them seriously believed that traffic offenders should be shot. But their hyperbole underscores the disparate levels of toleration that Americans have for traffic accidents and traffic offenders as contrasted to crime and criminals.

During 1973, murderers killed 19,500 Americans while traffic accidents killed 55,800. Injury data show a somewhat similar distribution pattern. Crime reports don't give a precise tally of personal injuries inflicted by criminals, but it is virtually certain that criminals inflicted no more than 750,000 personal injuries during 1973; in that same year, traffic accidents caused a reported two million personal injuries.

And what of the monetary costs? U.S. News and World Report recently published an estimate placing the cost of crime at nearly $90 billion annually. But by examining the details of that estimate and of a technically similar computation prepared in 1967 for the Katzenbach Commission, you will find that most of the "costs" go to exchanges of money in gambling and other victimless crimes, to losses in white collar crimes, and to budgets of criminal justice agencies. The direct cost of "serious crimes" is about $5 billion annually.

During the past five years, what have been the direct costs for your crime losses plus the cost of your crime insurance? And what have been the direct costs to you for traffic accidents plus the cost of your automobile accident insurance? You are an unusual American, or you don't own an automobile, if your direct personal costs of crime have been the greater.

Despite the larger number of deaths and injuries and the higher costs from traffic accidents, opinion polls invariably register a greater public concern over crime. This attitude may partially reflect the fact that traffic accident costs are offset by a benefit, namely, a fast and convenient mode of transportation.

More important to the public attitude than the cost-benefit ratio, however, is the common misconception that traffic fatalities, injuries, and costs are incurred by "accidents," whereas crime fatalities, injuries, and costs are inflicted by "offenders." The fact is that at least two-thirds of all traffic deaths result from improper driving. And alcohol consumption by drivers is an indicated factor in at least one-half of all fatal accidents.

None of this is to suggest that crime is not a growing problem. Nor is it to propose that rapists, robbers, and burglars should be dealt with less severely. But if fear of crime is keeping you off the streets of your community, you should understand that the far greater threat to your life, limb and property comes from some "law-abiding" neighbor, or perhaps from yourself.

A "STRANGULATED" NATION GOES TO WAR OVER OIL

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. REUSS. Mr. Speaker, the February 23, 1975, issue of the Washington Star-News carried an article by David H. Baris on Japan's dependence on American oil prior to World War II and the impact of the American oil embargo against Japan in 1941. Mr. Baris is a former professional staff member of the House Conservation and Natural Resources Subcommittee. I would like to share his article, entitled "A 'Strangulated' Nation Goes to War Over Oil", with my colleagues:

A "STRANGULATED" NATION GOES TO WAR OVER OIL

(By David H. Baris)

Should the United States go to war for oil?

Two years ago, no one would have thought of asking that question. Since then, the oil-producing nations have quintupled the price of oil, and the Western industrialized countries have lived through a traumatic oil embargo and serious economic woes.

In recent weeks, the question of invasion has been raised unabashedly. President Ford and Secretary Kissinger have suggested that the United States might go to war if actions of oil-producing nations caused the "actual strangulation of the industrialized world."

All this has stirred up a debate on whether any economic action by oil-producing nations would justify military action. While such a debate now seems hypothetical, it would not be if another Israeli-Arab conflict flared up and an oil embargo ensued.

History has recorded similar debates. One in particular is worth relating here. Thirty-four years ago, another country, feeling strangled by actions of an oil-producing nation, anguished over whether or not to go to war. Its decision was to do so.

On July 26, 1941, the United States, which supplied 70 percent of Japan's oil needs, froze all of Japan's assets in the United States. The measure brought all financial and import and export trade transactions in which Japanese interests were involved under the control of the U.S. government. Both Japan and the United States knew what this meant—no longer could Japan purchase oil from the United States.

Shortly after the U.S. action, Great Britain and the Netherlands East Indies took similar steps. Quite suddenly, expansionist Japan found itself cut off from its foreign oil supply.

During the intense debate in Japan which followed these measures, the chief of the Japanese Naval General Staff likened his country to a patient who was certain to die if it did nothing, but might be saved by taking a dangerous course. An historian later wrote that the freezing of Japan's assets "produced feelings similar to those that grip a man when a noose is placed around his neck."

With only a two-year oil stockpile and a domestic source of oil which amounted to only 12 percent of its needs in 1941, Japan desperately sought a secure oil source for expanding its empire and increasing industrial production. The alternative—severe belt-tightening and withdrawal from conquered areas of Asia—was deemed unacceptable. Japan instead opted for the lure of cheap, plentiful oil and other natural resources in the Netherlands East Indies.

But between the Indies and Japan lay a long ocean supply route. This supply line was vulnerable to disruption from America's Pacific Fleet, based at Pearl Harbor. A decisive strike against Pearl Harbor could eliminate or substantially diminish that threat.

On Dec. 7, 1941, Japan, carrying out its fateful decision, attacked Pearl Harbor. Thus began U.S. involvement in World War II.

Perhaps war was inevitable, sooner or later, in the light of Japan's push for empire. The oil embargo certainly hastened the date.

Since 1936, Japan had sought to dominate the Asiatic continent by conquering China and expanding into Southeast Asia. One of Japan's main objectives was to gain bases and raw materials to make itself economically self-sufficient. However, Japan's very lack of self-sufficiency hindered its becoming self-sufficient. It lacked the most crucial of all raw materails—oil. Ranking 22nd among the world's oil-producing nations, Japan depended upon foreign oil for 90 percent of its needs—four-fifths of it coming from the United States, 10 percent from the Netherlands East Indies, and the remainder from such diverse sources as Mexico, Bahrein and Rumania.

Recognizing that its national goals were dependent upon an adequate oil supply, Japan instituted its own "project independence," beginning as early as 1934. It subsidized drilling operations and set high prices for refinery products, to stimulate expansion of capacity.

In addition, Japan reduced oil consumption drastically in uses not considered vital to national interest. In 1938, it instituted a gas rationing system. To meet the challenge of the Anglo-American-Dutch embargo, and to permit greater military stockpiling, the civilian use of gasoline was reduced from 6.3 million barrels in 1940 to 1.5 million barrels in 1941. In that year, almost all civilian motor traffic was abolished, including taxicabs and buses. The government compelled operators of essential vehicles to equip their conveyances with wood or charcoal burners.

Japan also made a Herculean effort to develop its own energy sources. In 1938, it put into effect a seven-year plan for developing synthetic oil producing facilities. But the plan proved to be a failure: For the entire seven-year period, the Japanese met only 9 percent of the 43.6-million-barrel target production.

What made Japan especially edgy was that, in the face of Japanese expansionism, the members of the oil cartel—the United States, Great Britain, and the Netherlands East Indies—were becoming more and more hostile. The war in China, begun by Japan in 1937, destroyed American property and killed American citizens. Then, Japan signed the Tripartite Pact with Germany and Italy in September 1940. In 1940 and 1941, Japan escalated its demands for military concessions in the British and French Asian possessions and for oil in the Netherlands East Indies.

Debate had been smouldering on whether the United States should impose a ban or restrictions on oil exports to Japan.

Until 1941, U.S. policy was guided by the warning given President Roosevelt by the American ambassador to Japan in 1939: "If we cut off Japanese supplies of oil and if Japan then finds that she cannot obtain sufficient oil from other commercial sources to insure her national security, she will in all probability send her fleet down to take the Dutch East Indies." Since the United States did not consider itself prepared for war, it was not willing to risk war.

Therefore, throughout 1939 and 1940, the United States was careful not to reduce or stop the flow of oil, although it took steps to reduce the export of other vital materials. The one exception was a ban on the export of aviation fuel in July 1940, but the Japanese easily circumvented the ban by converting other products. During this period, a State Department representative helped to convince the Dutch East Indies and the two oil companies operating there not to cave in to the Japanese demands for more oil.

But by 1941, the debate on whether to impose controls on oil exports to Japan had heated up. The proponents of a cutoff had been arguing that the increasing oil stockpile accumulated by Japan would eventually be used against the United States. When the Japanese on July 24, 1941 took over French Indochina air and naval bases, from which attacks on Singapore, the Philippines, and the Netherlands East Indies could be launched, this argument prevailed.

The embargo surprised the Japanese and persuaded them to make an intensive review of the nation's readiness to wage war. The powerful Planning Board, which coordinated the vast, complex structure of Japan's war economy, found the country's resources meager and only enough for a quick, decisive war to gain the riches of the Indies. "If the present condition is left unchecked," the president of the board asserted, "Japan will find herself totally exhausted and unable to rise in the future.'. He believed that the freezing of assets by the oil cartel would bring about Japan's collapse within two years, and he urged that a final decision on war or peace be made "without hesitation."

Marquis Kido, who was in daily contact with the emperor and often was asked for advice, thought that Japan had no choice but to avoid war. He thought the wisest course was "to go through unspeakable hardships and privations" for ten years.

But the military had the power to determine policy, and the military was not willing to be leashed for ten years.

By the late summer of 1941, the general staffs of Japan's army and navy grew less interested in continuing negotiations with the United States and more interested in attempting a solution through force. The time factor was becoming ever more compelling: each day of additional delay meant the expenditure of another 12,000 tons of oil. A "now or never" psychology was beginning to take hold. According to Robert Burtow, an historian of this period, Japan felt "like a fish in a pond from which the water was gradually being drained away."

The Army and Navy finally agreed on a strategy, including a plan to attack Pearl Harbor. First to be hit were Pearl Harbor, Singapore, Guam, Midway and other Anglo-American bases, with Japan hoping to knock out the naval bases from which the American and British fleet units could operate against Japan's convoy routes.

On January 5, the Japanese made their first landing in the Dutch East Indies—at Brunei in northwest Borneo. Important oil centers fell in rapid succession. The oil treasure for which the Japanese had gone to war was theirs in just over two months.

The Dutch operators of the wells and refineries had intended to demolish them in case of Japanese invasion. In some localities, they were able to do so, but in others, the Japanese captured installations intact.

Assuming the worst, Japan landed drilling equipment, pumps, and labor crews with its invading forces. In a short time, some wells were cleaned out and new ones drilled. A number of wells were producing within two months of the invasion, and during the second year of occupation, the Japanese were able to produce crude oil at 76 percent of the 1940 total. Near the end of that year, they produced five million barrels per month, or 90 percent of the pre-war average.

But the allied war strategy in the Pacific was to impose a blockade on Japan, and in particular, to cut off Japan's oil supplies militarily. The blockade soon became successful. U.S. forces accomplished the rapid reconquest of Kwajalein, Saipan, and Guam. By the end of 1944, Japan imported only 4,975,000 barrels. In 1945, its imports were confined to the few thousand barrels brought in during January and February.

After the battles of early 1945, when Japan lost the Philippines and Okinawa, U.S. forces sat astride its vital life line. Strategically, the war was won.

LITHUANIAN ANNIVERSARY

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. LONG of Maryland. Mr. Speaker, on February 16, 1975, Americans of Lithuanian descent celebrated the 57th anniversary of the establishment of the Republic of Lithuania. In addition, this date was designated as a commemoration of the 724th anniversary of the founding of the Lithuanian state. As the United States approaches her own bicentennial, Americans should recognize and congratulate those nations who are celebrating anniversaries of their own.

Lithuania's celebration is not untempered by difficulties. Even as she enters her 58th year, this European nation is engaged in a very real strugle. Since 1940, Lithuania has been resisting political domination by the Soviet Union. While many of the basic freedoms of the Lithuanians have been limited by the Soviets since this forced annexation 35 years ago, neither their national spirit, nor their determination to achieve their full sovereignty have been dampened in the least. The United States and other western powers have given strength to the Lithuanian cause by refusing to recognize the validity of the forced annexation. This of course, has given strength to Lithuania's quest for freedom. The true credit for Lithuania's strength of spirit and determination must however, be given to the Lithuanian people themselves.

The freedoms for which Lithuania struggles today should be meaningful to all Americans. Self-determination and religious freedom were what America fought for almost 200 years ago.

THE TALKING STAR OF ARTHUR CLARKE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. TEAGUE. Mr. Speaker, the American Way magazine January 1975 issue contained a significant article on the contributions of our space program authored by Mr. Richard C. Hoagland. The article summarizes well the direct down-to-earth practical benefits that are accruing from our national space program. He particularly points out the contributions being made by the advance technology satellites to education and medical services and the opportunities these devices provide for the future. I recommend this article for the reading of my colleagues and the general public:

THE TALKING STAR OF ARTHUR CLARKE

(By Richard C. Hoagland)

This year, Arthur Clarke's revolutionary Applications Technology Satellite (ATS–6) will relay vital educational TV directly to thousands of villages from Alaska to India.

From Little Russian Mission, Alaska, to the subcontinent of India, the poor, the underprivileged, the neglected of planet Earth have at last received a gift from the Space Age to call their own. Invisible beyond the blue, it spins, the first satellite dedicated to the forgotten masses of Earth: symbolically, a talking star.

It was twenty-nine years ago this winter that the idea for this satellite revolution was conceived. Its inventor was Arthur C. Clarke, a young flight lieutenant in the RAF. Clarke has since become one of the world's best-known popularizers of space flight and its applications to human needs through his outstanding science and science fiction writing. The best known of the latter is probably the screen epic. *2001: A Space Odyssey*, directed by Stanley Kubrick.

In 1945, in an issue of *Wireless World*, this new instructor of ground crews in the care and feeding of radar aircraft landing systems, published the first proposal for a satellite communications network. To quote Clarke: I think it will be possible in a few more years to build radio-controlled rockets which can be steered into orbits beyond the limits of the atmosphere and left to broadcast scientific information back to Earth . . . there are an infinite number of possible stable orbits, circular and elliptical. One orbit, with a radius of 42,000 km (22,300 miles), has a period of exactly 24 hours. A body in such an orbit, if its plane coincided with the earth's equator, would revolve with the earth and thus remain "stationary" above the same spot on the planet. It would remain fixed in the sky of a whole hemisphere and, unlike other heavenly bodies, would neither rise nor set. Using material ferried up by rockets, it would be possible to construct a "space station" in such an orbit. It would be provided with receiving and transmitting equipment and could act as a repeater to relay transmissions between any two points on the hemisphere beneath, using any frequency which will penetrate the ionosphere. If directive relays were used (antennae) the power requirements would be very small as direct line of sight transmission would be used . . . a transmission received from any point on the hemisphere could be broadcast to the whole of the visible face of the globe, and thus the requirements of all possible services would be met.

Clarke envisioned a vast array of broadcast services: postal, telephone, radio and television, as streaming down from the sky to *individuals* equipped with appropriate receivers and small antennae—collection devices about a foot across, he thought, should be more than adequate. His system, possible with the technology available in 1945, would have been built around bulky and fragile tube radio equipment. To transistors or their descendants, integrated circuits which make possible hand-held computers and radios the size of sugar cubes, Clarke did not refer, even if he had foreseen their development. The simple truth of the matter was that, even with tube-technology, it was possible to reach anyone on Earth from space, *directly*, by satellite—even in 1945! What happened, then, in the intervening quarter of a century between the beginning of the dream and its final realization early this year? What is the difference between reference to satellite systems currently flashed on TV screens during newscasts, and the direct broadcast system originally conceived by Clarke? And why isn't one satellite communication system just as good as another?

To understand the vast difference in potential between satellite relay systems currently being used by networks, telephone companies and a variety of other enterprises, and those proposed almost thirty years ago by Clarke, we must review a brief amount of history. The first communications satellite launched by man was a basketball-sized device called *Courier*. Because of severe weight limitations caused by the lack of powerful rockets, *Courier* was able only to carry a small, relatively weak transmitter. This meant that sensitive, large and very expensive ground receiving equipment was necessary to communicate with the new "bird." However, since NASA, the Army and Air Force (all participants in this early experiment) already possessed the necessary tracking antennae, this handicap was of little importance. Followup spacecraft—*Telstars, Relays* and *Early Birds*—continued this tradition of *Courier*, partly because of now-proven design, but mostly because the ability to lift the necessary weight of a hefty transmitter into orbit was still lacking. Thus, the current satellite communications systems have evolved, as do all other human institutions, not by detailed foresight, but by making the best of an existing situation. The result, in 1974, is a large and growing system of relatively small and "weak-voiced" satellites in orbit, interconnecting a growing number of large and expensive ground stations located in countries all around the world.

Today's satellite "traffic" (to use communications jargon for telephone calls, computer data or television programing) is routed from wherever it originates, via existing telephone circuits, to the nearest ground station, flung spaceward by the transmitter located there, relayed by the satellite to a distant ground station, where the signal is caught and amplified billions of times before it is routed via that country's existing land telephone network to its destination. Thus, today's satellite systems favor developed countries (with extensive communications systems) over developing countries. They favor rich nations over poor and they are dominated by the communications carriers of each participating country. Lost in this evolution was the Arthur Clarke idea of satellite relay directly from home to home, even separated by half the world. With existing satellites, only receivers, antennae and transmitters costing millions of dollars can communicate with the invisible, motionless relays beyond the sky. Until now.

It was a moment of historical significance when, on the morning of May 30, 1974, the world quietly entered a new era. In that clear dawn, as the world's first direct broadcast satellite, *ATS–6*, thundered aloft from Cape Kennedy, planet Earth entered the age of direct communication by satellite with inexpensive home receivers—the Age of Arthur Clarke's Dream.

In a small classroom in Tuba City, Arizona, located high on the Colorado plateau east of the Grand Canyon, a group of students, including Navajo Indians from the vast reservation surrounding Tuba City, wait for the signal from Denver, Colorado. In eight other Southwestern states and fifty-five other isolated communities spread across the rugged beauty of these mesas, canyons and deserts, approximately 5,000 students are waiting. This school, like all others, is proud of its brand-new satellite control which is capable of receiving live color television directly from the "star" they cannot see. On the roof of their school and on other roofs throughout the Southwest, a new form has appeared—the ten-foot preformed fiberglass immobile antenna, gazing toward the southern sky, and the satellite hanging invisible 22,300 miles above the Galapagos Islands.

The teacher adjusts a knob on the receiver console in the corner of the classroom and a hush falls across the expectant group. Their first lesson. "Planning a Career in Twentieth Century America," is about to begin, beamed live to their school from a spacecraft whose picture proudly decorates one wall of this room. An image forms upon the screen of the color set mounted at the front of the room. Electronically, fifty-six separate classrooms have become one.

It is howling night upon the tundra: the temperature is minus 50° F.; the wind screams through the blackness at more than 120 miles an hour. In a small clinic at Fort Yukon, an island of warmth and safety from the storm, a group of worried people is gathered. One of them is a professional, a nurse. The others are native Eskimos, the owner of the general store and the constable of this tiny community (population 630) slightly above the Arctic Circle.

There is a problem. On an examining table lies Peter Esau, ten years old. In the corner, standing before a deceptively simple-looking console, on which is mounted a color TV screen, the nurse adjusts the gain on the electrodes attached to Peter's body. Medical signals fed by the wires into the console swiftly become assembled data bits, flashed along with the sound and picture from the TV camera in the clinic to the fiberglass antenna mounted in the attic of this converted store; up in the howling night the electronic data flies—beyond the atmosphere, across 25,000 miles of space separating this antenna from the satellite above the warm Galapagos. Functioning like an orbiting switchboard, the satellite promptly retransmits the data back toward the earth, where, a fraction of a second after leaving the worried group in Fort Yukon, it arrives on the color screen of a doctor and his staff in Tanana, 200 miles away.

With professional concern, the physician scans the read-outs on Peter's temperature and respiration, glancing occasionally at the TV screen to view his patient. However many times this scene is repeated, the doctor cannot help but marvel at the clarity of the picture, the noise-free data on his patient and the semi-miraculous nature of this service which he, with the aid of the invisible satellite, provides. With regular satellite "tele-medicine" service, *ATS–6* makes possible this service for Alaska's Eskimos, Aleuts and Indians, in spite of nights like this one, with a storm blotting out air service and normal radio. Peter's only hope rests with the small transmitter at Fort Yukon and this receiver 200 miles away. In between, an electronic lifeline in the sky, the satellite silently spins on.

In Arthur Clarke's vision, these and a hundred other scenarios were made possible by the position and accessibility of a direct synchronous communications link. In reality, through the availability of NASA's *ATS–6* since the spring of 1974, these scenarios have become commonplace across the North American continent.

ATS–6 is the first spacecraft to be equipped with a thirty-foot unfolding mesh antenna. Oriented toward the 17.5 degree disc of Earth, seen from the synchronous altitude of 22,300 miles, this antenna focuses the broad range of electromagnetic frequencies *ATS–6* can transmit toward very small stations on the ground. It can also collect relatively weak transmission from such ground stations. Thus, the cost and complexity of ground equipment is lowered, and its level of availability to average users increased, by placing the sophistication and complexity in the relatively benign environment of space. It is the beginning of the second era in building the global village envisioned by Clarke, long before Marshall McLuhan.

To take full advantage of the unique capabilities of *ATS–6*, NASA, in conjunction with a host of other agencies—the Department of Health, Education and Welfare, the Federation of Rocky Mountain States, the Corporation for Public Broadcasting and many others—conceived a series of cooperative projects for direct experimental broadcasts of educational and health information to vast segments of the United States. In these experiments, ranging from teacher training via direct school-to-school satellite conferences to the exchange of health data between veterans' hospitals via individual hospital antennae, *ATS–6* is being used essentially twenty-four hours a day to explore the uses, techniques and problems of such a revolutionary tool.

In areas of little or no regular communication (the Alaskan heartland, for instance), the satellite beams direct TV to eighteen isolated communities in order to explore the uses of such a breakthrough in areas of basic oral development, health education, early childhood education and in-service teacher training. Spread across 571,000 square miles, most of these small communities of Indians, Eskimos and Caucasians have no television capability at present. With *ATS–6*, they have essentially "joined" the United States for the first time.

Besides the satellite, built by Fairchild Industries under the direction of NASA's Goddard Spaceflight Center, the key component of this revolutionary step is the small, inexpensive ground station designed jointly by the Lister Hill National Center for Biomedical Communications, NASA and the Federation of Rocky Mountain States. The stations are solid-state throughout, very simple in operation and maintenance (utilizing mainly replacement plug-in boards) and modular in design. This latter element means a particular location can be changed from a receive-only installation (the one most used in all the experiments) to a receive-TV/transmit-audio, or to a receive-TV/transmit-TV, simply by the addition of other modular units. Such interchangeability, plug-in maintenance and modular design were developed by the Hewlett-Packard Corporation, Hughes Aircraft, Prodelin and Westinghouse. It is the heart of low-cost, any-citizen access to direct satellite transmission.

After the first year of experimental operation of its various educational and health telecommunications experiments within the United States, NASA plans to move the satellite to a point just east of Lake Victoria, East Africa, for the second half of *ATS–6*'s revolutionary role as a communicator to the poor.

It is the cool of the evening. Most of the village, even the women, graceful in their flowing saris, have gathered to see the unveiling of this strange device. Representatives of the government, efficient men who seem very good with tools and wire, have been tinkering all afternoon with the disc-shaped artifact atop the tallest building near the square. Members of the *panchayat*, the village council, are among the last to arrive, slowly taking seats upon the ground before the platform erected by the government men. It is rumored that this evening the stars will talk to men, that the machines the government men have labored over during the day can bring messages down from the sky.

Sarwan, who is twelve, watches this activity with ill-concealed impatience. He knows what is about to happen. He has asked the men the government has sent. They say this machine is like the radio the *panchayat* have played each week for as long as he can remember, only better. It will be radio with pictures, and he will see places he has only seen in books. His teacher seems very excited by what the government men have been doing, so he cannot help but think it must be very good. His teacher has said that he might even see pictures on the machine of the place which made the star that sends all of the sounds and pictures.

Sarwan looks up into the gathering dusk. A few bright stars have appeared, but none seems big enough to do something so important. Then, all thought of stars is swept away from Sarwan's mind, as a tiny moving picture appears on the box mounted on the platform in the square. Sarwan feels a chill of delight as he recognizes his village on the screen and then, in disbelief, sees himself as he stood watching the round object being hauled up to the roof where it now sits, silent, looking at the stars.

Sarwan begins to realize that this night is only a beginning.

On September 18, 1969, NASA and the Indian Space Research Organization entered into an agreement of immense value to the underdeveloped nations of the world. Beginning in 1975, *ATS–6* will broadcast four hours of daily television programing (produced by All India Radio of the Indian Ministry of Information and Broadcasting) directly to 5,000 low-cost receivers and antenna systems across thousands of rural Indian villages containing some twenty million people! Information on family planning and hygiene, agricultural techniques, school instruction, teacher education and occupational skills will be transmitted for the first time to millions of people without extensive conventional television systems. In many villages, the electrical power necessary for the television sets will come from bicycle generators pedaled in relays by enthusiastic village boys.

Within this Satellite Instructional Television Experiment lies the power to change the world—to provide, *direct* to the people most in need, the information and tools necessary to halt population growth, increase food production, enhance health care and enlarge their vision of the planet upon which they live.

It is one of those sunny, relatively warm January afternoons in New York City which almost makes one forget that it is winter. A group of observers is gathered by the fountains of Lincoln Center, showcase for a city which boasts of its cultural diversity. The object of their attention is a circular-shaped artifact about eighth feet in diameter, tipped at a rakish angle and apparently pointed at the sky above the plaza to the south. A black cable snakes from this device, across the court and into the Lincoln Center Library, where additional guests mill around, waiting for the event which has brought them together. A picture appears in full color, projected upon the auditorium screen. A conductor, 50,000 miles away, raises his baton. The concert begins.

Late this month, from January 28 to 30, the Lincoln Center for the Performing Arts will feature a three-day exhibit: "The Future of TV and the Performing Arts." As part of this exhibit, the Center will include a pioneering demonstration—a live, direct-broadcast satellite stereo concert direct from Denver to New York, via *ATS-6*. Sound and picture will be transmitted via the Rocky Mountain States area ground station and received on the Lincoln Center Plaza with a tiny, eight-foot antenna and associated electronics. The potential for hall-to-hall satellite concerts, as well as concert hall-to-home programing, via future satellites, is obvious.

This writer was recently privileged to "borrow" *ATS-3* (predecessor of *ATS-6*) for a demonstration direct-satellite broadcast of live programing. Titled "Science—Life, Liberty, and the Pursuit of Happiness," the show was an overview of the influence of science and technology on the future, which included the potential of direct-broadcast satellites. It was aired by Pacifica Radio from New York, a non-profit, listener-supported FM network. Among the distinguished panelists was Captain Jacques Cousteau, who joined the program electronically via a small transmitter and receiver aboard his research vessel, *Calypso*, while filming an ABC–TV special, north of the Yucatan peninsula. Thus, direct broadcast enfranchises even those who may be thousands of miles from the nearest land.

ATS–6 is many things to many people. To airline pilots, it is working toward an eventual system of integrated satellites which will allow more reliable communication with control centers, better positional information and, consequently, safer operation.

To a farmer in Afghanistan, *ATS–6* will result in more food for both his family and his neighbors. As the world increasingly feels the full impact of the race to cultivate more land, grow more crops and feed more millions in a growing population, *ATS-6* can, indirectly, aid in this fight.

NASA, through *ATS-6* and its descendants, plans to relay, direct to regional centers in desperate need, the resource and environmental information necessary to keep worldwide food production ahead of rising demand. Such essential crop, pest and weather data gathered by other satellites will be collected by *ATS-6* and fed immediately to people most in need. Thus, *ATS-6* is the forerunner of an entirely new technology.

However, to the people most affected—American Indians linked by satellite from school-to-school; the Eskimo child who at last can feel that he is truly a part of the United States; and the Indian villager who, through *ATS–6*, will learn what he can do to make his tomorrow better than today—*ATS-6* means hope.

CONGRESS FAILED TO ACT

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. DU PONT. Mr. Speaker, in its first test of fiscal responsibility, the 94th Congress has failed miserably. At a time when inflation is tearing our economy apart, when the projected budget deficit for the coming fiscal year is a minimum of $53 billion, the Congress has refused to substantially cut the Federal budget.

Acting under the new budget procedure adopted by the Congress, the President has proposed to rescind $949.4 million in appropriations. The President reviewed the 1975 budget, and found 40 Federal programs in which he believed expenses could be reduced and the taxpayers dollars saved.

But the Congress did not have the muscle or the stomach to make these cuts, and the Appropriations Committee reduced the President's rescissions to $119.7 million. I do not believe that fighting inflation, or cutting Federal expenditures, is solely a subject for campaign rhetoric. It is a subject that demands action by the Congress. But when the time comes for action, when the time comes bite the bullet and vote for the cuts, the Congress suddenly weakens and votes only a quarter of the cuts requested.

Mr. Speaker, I am not suggesting that the Congress should be a rubber stamp for the President's decisions in considering rescissions. As a matter of fact, I was pleased that Congressman MICHEL's amendment, which I supported, did not include Hill Burton moneys. These were funds which had been previously included in the budgets of many hospital construction and refurbishing projects around the country. As the Comptroller General pointed out, this would have had a significant negative effect on many health care facilities.

Mr. Speaker, I supported the Michel amendment—which failed—to approve $545 million in rescissions, in addition to the $119.7 million approved by the Appropriations Committee, and the Conte amendment—which carried—to cut $122.9 million in additional rescissions. I reluctantly voted for the entire bill on final passage, frankly because $242.6 million in rescissions is better than none at all. But I am disappointed that Congress did not accept its responsibility and vote the additional $322 million in rescissions contained in the Michel amendment and recommended by the President.

CARPERS WRONG ON CIVIL SERVICE

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. MITCHELL of New York. Mr. Speaker, Mr. Bun B. Bray, Jr., the former staff director of the House Post Office and Civil Service Committee's Manpower Subcommittee, recently authored an article about the Federal civil servant and I commend it to the attention of my colleagues:

CARPERS WRONG ON CIVIL SERVICE

(By Bun B. Bray, Jr.)

With the current economic downswing we again hear the ole refrain—"There are too many people working for the government and besides they are overpaid and underworked."

During the past 30 years we have noted there is always a strong criticism of federal workers when times get bad. Then, during prosperity the debunkers feel sorry for the government people. They can't get any better jobs. They are "shiny-seated government clerks."

Within the past few months several stories have appeared criticizing the civil service, the number of people working for the government and government pay. In fact, the stories have appeared in magazines varying from Playboy to U.S. News and World Report.

Likewise, identical articles have been inserted by different senators and representatives at different times in the CONGRESSIONAL RECORD.

All this has the appearance of an organized effort to build the myth that federal employees are not as good workers as those in our private economy. It has strong resemblance to the reference to civil service employees as "bloated bureaucrats" by administration officials two and three years ago.

One tends to suspect government contractors have an interest.

Let's look at the criticism of federal employees and then the facts:

"Government employment is much too high," they say. Did you know that federal employment increased less than 15 percent between 1964 and 1974? There are fewer federal employees today per 1000 people in our population or per 100 businesses than there were in 1964.

The critics merely lump federal employment with state and local governments, that have had a 150 percent employment increase in ten years, a far cry from the 15 percent increase in the U.S. government.

Now let's look at federal civil service pay. The 950,000 white collar employees, over the objection of the administration, got a 5.5 percent pay raise last October. Yet a presidential-appointed board, from private industry, this fall recommended a 7.2 percent raise.

The pay for 700,000 blue collar workers is based on the annual review of the pay of like work in the private sector of our economy.

If wages in the private sector go up 10 percent in one of the 135 wage board areas, then the federal laborers and artisans also get a raise of about 10 percent.

In another wage area the increase might be less than 5 percent depending on the wage change in the private economy.

Can you imagine the top managers in a private corporation going five years without a raise? It has happened in the U.S. government.

Then comes the ole argument—"Employee productivity is low in the government."

The General Accounting Office has studied employee productivity in the departments and agencies for over three years. Comparisons have been made with productivity data in many private corporations. The federal employee is just as good, and often better, as compared to those workers outside government.

Now is the time for federal employees to work singly and collectively to make certain our U.S. citizen understands and appreciates the dedication, skill and efficiency of our 2.8 million federal employees.

An excellent challenge.

URGES END TO GRAIN EXPORT CONTROLS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FINDLEY. Mr. Speaker, today I am introducing a bill to outlaw prior approval requirements on agricultural export sales.

This bill would prohibit the Secretary of Agriculture from imposing any prior approval requirements on export sales of feed grains, wheat, soybeans and other agricultural commodities. Both voluntary and mandatory approval requirements would be outlawed.

In October, the Secretary ordered a voluntary prior approval requirement on large grain export sales. This not-so-subtle export control will undoubtedly have an inhibiting effect on U.S. crop production if it is not immediately terminated. Many farmers already are planning production cutbacks for this year.

If the American farmer—who must pay prices reflecting world demand for his fuel, fertilizer and equipment—cannot be assured a price for his products which reflects world demand, he will not heed USDA's push for all out production.

The result inevitably will be higher food prices for consumers and less food for the world's hungry.

The Agriculture Department has hinted unofficially that it may remove controls on all crops but corn. I see no reason to discriminate against corn. The corn approval requirement should be lifted also. Although the 1974 crop was the smallest in recent years, there is no great corn shortage.

Futures prices have been falling sharply in the last month, reflecting a strong supply, brought on by reduced livestock feeding.

Several farm groups have already expressed their strong support for my legislation. William Kuhfuss, President of the American Farm Bureau Federation said, "Unrestricted export trade for farm products is essential to our national economy and our international position."

National Association of Wheat Growers Executive Vice President Jerry Rees said:

> USDA's intervention in the market has reduced exports and prices to farmers. This does not mean lower consumer prices. In fact it could have the opposite effect as lower world wheat prices have affected our ability to pay for high cost imported oil.

Harold Dodd, president of the Illinois Farmers Union, calls himself one of the most ardent supporters of this bill.

National Farmers Union President Tony Dechant said he welcomes and endorses the proposal. The administration's political interference with the freedom of farmers to enhance their prices through export sales is unfair.

Oren Lee Staley, president of the National Farmers Organization, said:

> We agree with your proposal that the Secretary of Agriculture should not have absolute control on contracts for export sale.

American Soybean Association Executive Vice President Ralph T. Jackson said:

> The federal government's current efforts to control commodity exports are detrimental to U.S. farmers and consumers. Beyond that, it has an adverse effect on this nation's relationship with other nations that we need to count as our friends and allies.

REPUBLIC OF LITHJANIA: 57TH ANNIVERSARY

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. RUPPE. Mr. Speaker, on February 16 of this year Americans of Lithuanian descent celebrated the 57th anniversary of the establishment of the Republic of Lithuania. It was founded as an independent state in 1918 and flourished as an agricultural and industrial society. However, 22 years later, the Soviet Union occupied the country, and the freedoms that the Lithuanians had come to know and cherish were short lived. However the spirit of and desire for independence and liberty have never been extinguished; Lithuanian descendants dream of the day when their homeland is once again free.

The United States shares that dream. We formally recognized Lithuanian independence in 1922. After the Soviet invasion, our Government has never revoked that recognition and has not acknowledged the incorporation by the Soviet Union of Lithuania and its sister states of Latvia and Estonia. We must stand firm. We must encourage freedom and protest oppression throughout the world. In this light we must, on this anniversary, join with the Lithuanians in this country and throughout the world in reaffirming our beliefs that these people should be able to return to their homeland and enjoy the freedom which is rightfully theirs.

THE FBI AND "SAFE HOUSES"

HON. ANDREW J. HINSHAW

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. HINSHAW. Mr. Speaker, as the Congress begins committee oversight hearings into the operations of the FBI and CIA, I think it is important to keep in perspective our goals for these agencies. Additionally one of the considerations of the respective committees may be to examine the administrative directives implementing the congressional intent of the statutory authority under which these two agencies function.

In this regard I am inserting in today's CONGRESSIONAL RECORD a very enlightening article written by Mr. Joseph Alsop which appeared in the February 24, 1974, issue of the Washington Post:

THE KGB'S "SAFE HOUSE"

(By Joseph Alsop)

Thus far only one fact of real importance has emerged from the rumpus about domestic surveillance by the CIA and FBI. This country, in fact, turns out to be shockingly vulnerable to the Soviet Union's ruthless, omnipresent KGB because of a shockingly incompetent and ill-advised counterintelligence system.

As an illustration, consider the truly bizarre ukase issued by the late J. Edgar Hoover toward the end of the 1960s. By order, the director of the FBI provided a gigantic, gloriously convenient "safe house" for the KGB's all too numerous agents and any other spies happening to be in Washington.

A "safe house," of course, is the intelligence community's label for a place where foreign agents can meet their local contacts in perfect security to make payoffs or to transmit orders or to pick up information. Just to add an extra touch of fantasy, the Hoover-provided safe house was no less than the second center of the U.S. government, the huge U.S. Capitol with all its grounds and dependencies.

Under the terms of the Hoover ukase, the Capitol complex was put strictly off-limits for all the FBI's counterintelligence men. Yet the FBI has a legal monopoly on all counterintelligence within the territorial limits of the United States. Hence Hoover's ukase meant that known Soviet spies who were known to be about to make an American contact known to be dangerous, could still be sure of doing so with perfect impunity—provided they just named a rendezvous in the off-limits part of Capitol Hill.

All this seemed downright incredible to me when it was first reported by Ron Kessler of The Washington Post. My own check has fully sustained Kessler's story, however. There is only one significant point that remains in some doubt. It is no more than 95 per cent certain that the Hoover ukase remains in full force and that the Capitol, therefore, continues to be a KGB safe house. That 95 per cent certainty is too close for comfort, one must add.

Furthermore, I think I know why Hoover issued his ukase. For background, you must first understand that the KGB maintains an enormous number of spies in this country. As a measure remember that we are priority No. 1, where as Great Britain is no more than priority No. 4. Yet when the KGB grew overbold in Britain, the Foreign Office had to expel 105 well-authenticated KGB men.

Second, you must understand that with such ample human resources, the KGB has long given a lot of its men part-time or full-time assignments on Capitol Hill. By the mid-1960s, there were somewhere between 20 and 30 KGB men dealing with the U.S. Congress or with the countless staff people the Congress and its committees employ.

This does *not* mean that KGB were constantly seeing senators and representatives. On the contrary, they were known to concentrate rather heavily on the lawmakers' personal staffs and also on the committee staffs.

But this is almost a distinction without a difference. Nowadays, in truth, domineering and able staff members largely control the thoughts and acts of all too many lawmakers, especially in the Senate. Great numbers of left of center staff members on the Senate side of the Capitol also constitute a quasi-independent power bloc. They all work together, all protect one another and often join to extend their bloc's power by planting friends and allies in new senatorial offices.

I myself believe that this unknown, unseen power bloc is an unhealthy new political growth. Yet I must hasten to add that it was *not* and is *not* necessarily improper for these people—or indeed for anyone else on Capitol Hill—to see the KGB men who have swarmed there for so long. The KGB men, of course, were all masquerading, and still are masquerading, as Tass correspondents, embassy secretaries, trade experts and so on.

Particularly on the left of the political spectrum, however, the FBI watch that J. Edgar Hoover staffed with his ukase showed an astonishing number of KGB contacts on Capitol Hill. It would have looked remarkably bad if anyone had made a public issue of them. Furthermore, President Johnson was tempted to do just that toward the end of his second term; and President Nixon actively wished to do just than in 1969.

It was about then that the Hoover ukase was issued. I feel sure, therefore, the aim was to suspend the FBI's former careful watch on the Capitol in order to be protected from Congress if the White House went too far in its revelations.

So there you have it—a horrifying story which is pretty likely to be going on this minute. The story is horrifying, of course, because foreign espionage is a damnable serious business, even in a free society like ours.

It is so serious, in turn, because it is dangerous to have a government, a press, an academic world and the ranks of science all bristling with people like Kim Philbey; Guy Burgess and Donald MacLean. I hope and think this is not our situation; but this is certainly the situation the KGB has been going all out to produce ever since the United States became the unique giant power in our half of the world.

If you reflect upon this story, you find that its main lesson is the singularly unprofessional character of the FBI approach to counterintelligence—at any rate under the leadership of the aging J. Edgar Hoover. Nor is this at all surprising. To have truly professional counterintelligence you have to know the story from the beginning, which is in Moscow in the case of the KGB.

The CIA, of course, is supposed to know all about Moscow. But another appalling revelation of the current CIA–FBI rumpus is the bloody bitterness of the FBI-CIA feud. The two agencies never worked together until new liaison arrangements were made by new leaders a year ago. This kind of crippling non-cooperation can too easily recur, too.

Again, the rumpus has glaringly revealed the recurring dominance of domestic politics in the FBI counterintelligence work, at any rate in the Hoover era. It was politics that caused the former FBI director to create the KGB safe house. It was politics, too, that caused him to ignore President Johnson's order to have a look at the peace movement's foreign links, thereby spurring Johnson to call in the CIA.

In short, the foolish may credit the argument that the CIA-FBI rumpus has uncovered a grave threat to our civil liberties. But more sensible people will instead perceive an open invitation to the KGB.

REPUBLIC OF ESTONIA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. CRANE. Mr. Speaker, at a time when we hear a great deal of discussion about détente and an easing of tensions between East and West, the unfortunate fact is that millions of men and women continue to live under Communist tyranny, and continue to see their own national life destroyed by those who have, since 1971, been practicing a brutal militarist form of colonialism.

February 24, 1975, marks the 57th anniversary of the proclamation of independence of the Republic of Estonia. Even though Estonia has been occupied by Soviet Russia for several decades, the desire of the subjugated Estonian people for freedom and self-determination remains strong.

I would like to share with my colleagues two memoranda, submitted to the Secretary General of the United Nations, the Honorable Kurt Waldheim, and to the General Assembly of the United Nations, by two dissident Soviet Estonian groups calling themselves the Estonian Democratic Movement and the Estonian National Front.

The articles follow:

To the Secretary General of the United Nations Organisation, Mr. Kurt Waldheim.

YOUR EXCELLENCY: The Estonian National Front and the Estonian Democratic Movement address to you a Memorandum, which applies for the restoration of the independent Estonian state with the aid of the UNO as well as for admission of Estonia to the UNO membership. In doing so we are guided by the fact that the three Baltic states (incl. Estonia) are the only states—former members of the League of Nations—who after the World War II have experienced no implementations of the 3rd article of the Atlantic Charter, relating to the restoration of sovereign rights and self-government to those nations who have been forcibly deprived of them. We would like to bring to your attention the well-known fact that the fate of the Baltic states was determined in 1939–1940 not by the peoples of these states, but through a secret deal between two imperialist powers, who fixed their respective spheres of influence at the expence of their smaller neighbours. All subsequent developments in the three Baltic states (incl. an electoral farce of 1940, on the basis of which Estonia was "admitted" to the Soviet Union) must be seen as efforts to give a more decent and legal form to an action that really was an annexation of small states by a great power, carried out under the military occupation and with the use of a brutal force.

This annexation was never recognized by the democratic states of the world. As the result of this the Estonian nation has been denied an opportunity to shape freely her destiny in her own national interests and possibility to be represented in the community of world nations.

In addition to the loss of political independence a serious threat to the very existence of the Estonian nation as such has gradually arisen: a perspective of her assimilation among the Russians, settling unhindered and in growing numbers on the Estonian territory; an assimilation which is planned and favoured by the Soviet government.

The following tables indicate proportional changes among various nationalities living in Estonia:

TABLE I

Year	Total population (in thousands)	Estonians (in thousands)	Estonians (percent)	Russians [1] (in thousands)	Russians [1] (percent)	Other nationalities (in thousands)	All non-Estonians (in thousands)	All non-Estonians (percent)
1934 [2]	1,064	980	92.1	60	5.6	24	84	7.8
1939	1,197	893	74.6	267	22.3	37	304	25.4
1970	1,356	925	68.2	381	28.1	[3] 49	430	31.8
Increase 1934–70	+292	−55	−5.6	+321	+436.0	+25	+346	+312.0

[1] Including Ukrainians and Byelorussians.

[2] Excepting the areas near Petseri and Narva, inhabitated mostly by Russians; after the World War II those areas were separated from Estonia and merged with the Russian Federation.

[3] Now mostly Russianized.

As the Table II indicates, migration from other Soviet Republics (mainly from the Russian Federation) has considerably increased during the last decade. From the overall increase during the years 1961—70 (152,000) the mechanical increase totalled 92,500, i.e. 61%. At the same time considerable percentage of the natural increase is due to the local Russian population.

TABLE II.—INCREASE OF POPULATION 1951-70[1]

Years	Total increase	Natural increase	Migrants from other Soviet Republics	Average annual increase
1951-70	270.1	124.1	146.0	13.5
1951-55	58.5	30.5	28.0	11.7
1956-60	59.7	34.2	25.5	11.9
1961-65	75.1	32.0	43.1	15.0
1966-70	76.8	27.4	49.4	15.4
1970	19.0	6.4	12.6	19.0

[1] In thousands.

Note: Data concerning the post-war period are obtained from the statistical yearbook "Narodnoye Hozyaistvo Estonskoi SSR v 1970 godu", Tallinn 1971.

The influx of Russian migrants has been officially justified by the need of manpower for rapidly expanding industry. In fact, economically groundless boosting of industry serves as a cover for Russification. During the period of 1940—1970 total Soviet industrial output has increased by 1188%, that of Estonia by 2779%; industrial output in Estonia has increased annually by 11.7%, the productivity by 7.6% only. The gap is being filled up with the help of Russian emigrants who receive various facilities at the expense of local population, e.g. cheap communal flats out of order. At the same time the majority of Estonians have to build the so-called cooperative flats at their own expense. The Russians are concentrating mainly in big towns and big factories, which are subordinated directly to Moscow and have no connection with the economy and needs of Estonia.

Your Excellency, we are aware that your native country was—almost at the same time as Estonia—forcibly annexed by her big neighbour. Your country has benefitted by the victory of democratic powers in the World War II. Due to that fact her independence has been restored and you—as a representative of your country—are the Secretary General of the world's largest representative body. Our country has so far been denied restoration of her lost national independence and when our representatives (in the lull betwen German and Soviet occupation in September 1944) set up an Estonian National Government, which appealed for the implementation of the article 3 of the Atlantic Charter, they were arrested by the Soviet authorities and sent to Russian labour-camps. Since the political field was left open to semi-russianized colonial bureaucracy. These self-styled "Lost sons of people" have no right to speak on behalf of the Estonian people. Actually they are not elected by the people, but appointed to their posts by Soviet colonial administration. Such collaborators exist among every subdued nation as they existed also in Austria during the German occupation. At the same time the majority of Estonian people is so intimidated and remembers so well the bloody bachanalias of Stalin era, that they consider the display of any discontent equal to suicide.

You may ask: why bother the UNO with such old problems at the moment, when the world body is overburdened with more urgent issues? Some people in the West may also say: you are not directly assimilated at the moment, you do not starve, you are doing comparatively well economically, some of you are allowed to visit the western countries, you have got your national culture etc. As a result your situation is really not so bad.

We reply: the problem of existence and independence of a once recognized nation cannot grow old—it is simply long overdue and therefore the more urgent. If it didn't emerge at once after the World War II (at the Potsdam Conference) it is because in our case the aggressor found herself—as a result of the attack by her former partner—in the camp of democratic states. These states didn't cope with the delicate problem of her former annexations, hoping probably to come to terms with her on more urgent and important issues. So they practically ignored the fate of the Baltic states. The result of that policy of neoappeasement, that naive faith in the goodwill and reliability of the totalitarian state was more annexations in the eastern part of Europe, more aggression in Korea, etc.

Why, then, cannot we accept the concept, according to which our present situation is comparatively tolerable? We cannot accept it.

Because existence without any real guarantee as for the future, with constantly increasing influx of Russian colonial element is worse than no existence at all;

Because liberties and rights that are hypocritically proclaimed, on paper, but never allowed to be implemented, are worse than no liberties at all;

Because overt colonialism tends to produce slaves or freedom-fighters, but the system of disguised colonialism, pseudo-liberties and double-talking produces only spiritual bastards and double-talkers, a kind of people, who fear even their minds thinking about certain truths and drawing conclusions (security men hear!) or who are accustomed to think one way and speak the other way.

Such system of double-talking, constant intimidation and oppression, lack of any guarantees as concerns security of an individual and future of a nation, the system of direct or indirect lies, one-sided and distorted information, lack of spiritual and political freedom, any real alternative and responsibility tends to distort the consciousness of the nation to such extent that she becomes accustomed to see in the unnatural natural. In the lie a truth, in dictatorship and terror the highest form of democracy, and as a result is ready to merge without resistance in the "great Russian nation" under the cover of the so-called Soviet nation theory.

In the present state of affairs there are only two alternatives left for the Estonian people:

(a) if she doesn't resist, she is allowed to Russianize slowly and gradually;

(b) if—on the contrary—she offers active resistance, the whole nation will be dealt with quickly and brutally, the intellectual and other active elements of the nation will be jailed and deported, the rest of the population subjected to intense Russification and repressions. One must not miss the fact that the Soviet colonial rulers will never feel themselves safe and secure in their illegally and unjustly seized possessions until all non-Russian population of those possessions is Russified.

We would like to remind you that denial of truth and democratic forms of government, regime of military occupation and oppression of spiritual freedom, subjugation of national culture to communist censorship and propaganda, lack of independent thinking and action, lack of freedom of conscience can never be compensated by show of certain progress in economy and living-standard, still meagre and one-sided and exagerated by the propaganda machinery, especially in comparison with that of the neighbouring Finland.

We would also like to remind you that the price of any important administrative, scientific or cultural post, the price of any foreign journey (which depends on the recommendation of the local Communist Party branch) is in fact intellectual and moral self-abnegation.

The UNO is helping to national independence many nations, who have never had such independence in the modern sense of the word. Even the smallest nations and territories (e.g. Maldives, Bauru etc.) have been recognized the right to be independent states. On the 29th of August, 1972, the UNO recognized Puerto-Rico as a territory, which has inalienable right to selfdetermination and independence, despite of the fact that the Puerto-Ricans have had several occasions to express freely, their will, occasions that the Estonians have never had under the Soviet colonial rule.

We find that the responsibility of the UNO towards the three Baltic States, who have precedent of internationally recognized national independence and who have lost it not by their own fault, is much greater.

Immediately after the end of the World War II and before the beginning of the Potsdam Conference, a western author wrote as follows:

". . . the history of Estonia, Latvia and Lithuania puts a question to the peacemakers of tomorrow: will they accept the lesson of the past and restore those Small States to their rightful place of independence so that the Baltic nations can once more live their lives in liberty, contributing, as before, to European peace and progress? That is the Baltic question. Unless it is answered aright, the peacemakers of tomorrow must fail us."

We ask now: Will the Peacemakers of today fail the Baltic nations once more?

That is the question to which we expect answer from the community of world nations.

Tallinn, October 24, 1972.

THE ESTONIAN DEMOCRATIC MOVEMENT.
THE ESTONIAN NATIONAL FRONT.

COAL FIELD TRAGEDIES CONTINUE

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. SIMON. Mr. Speaker, as the Nation searches for a means to become energy self-sufficient, it is becoming clear that "King Coal" will again assume a key role. With the advent of coal gassification and liquefaction, the demand to mine more coal will be great. Many more millions of tons of coal will be mined using the energies of a special kind of worker, the coal miner.

Presently, the coal miner works under conditions that you and I, Mr. Speaker, would find unacceptable. A man entering the mines for the first time knows that he faces many dangers. He knows that after a number of years he will find breathing more and more difficult. He knows that his heart will become weakened. And every day he knows that danger from roof falls, explosives, and the dangers of working with heavy machinery await him. Coal mining is one of the most dangerous professions in the Nation.

To its credit, the Congress has taken an active role in protecting the coal miner. When Congress saw the damage being done by "Miners' Asthma" or "Black Lung" they acted. And when Congress recognized the other physical dangers that miners face each day, they acted. However, there is more to be done.

I would like to call to the attention of my colleagues an editorial that appeared in the February 11, 1975, Washington

Post, "Coal Field Tragedies Continue." This editorial points out that the dangers of working in the mines continue to grow. Last year, in my southern Illinois district, 9 men lost their lives and over 465 were injured in mine accidents. Congress must take every step necessary to help insure the safety of the coal miner.

The Mining Enforcement and Safety Administration has the responsibility to provide leadership in mine safety. The present Administrator, James M. Day, came to his position without any special qualifications and his Senate confirmation has twice been returned to the President.

It is imperative that a new Administrator be named to the Mining Enforcement and Safety Administration, someone with a keen understanding of the problems faced in the mines. I suggest to President Ford that if he is unable to find a qualified replacement for Mr. Day, he look to the ranks of Congress for his replacement. I further suggest that our colleague, Mr. KEN HECHLER, has the necessary qualifications. More important, he has demonstrated an attitude of concern which should be the first qualification required for a person in this position. I might add that I have not talked to Mr. HECHLER about this.

The text of the editorial follows:

[From the Washington Post, Feb. 11, 1975]

COAL FIELD TRAGEDIES CONTINUE

While public officials and executives of energy companies seek ways to increase the nation's coal production, the men who dig the coal continue to labor in their extremely hazardous occupation. According to the Mining Enforcement and Safety Administration of the Interior Department, work fatalities in 1974 came to a total of 130. This was only two fewer than the 132 fatalities in 1973. Measured in terms of tons of coal produced, the preliminary data of 1974 show no improvement over 1973; deaths occurred at a frequency rate of 0.22 per million tons produced in both years. No major disasters occurred in either year on the scale of the Farmington or Blacksville disasters—so little public attention was paid to the (mostly) single-fatality accidents. Significantly, strip mine deaths totaled 23 in 1974, up from 1973; the figures refute the often-heard industry arguments that strip mining is acceptable because of its natural safety.

What these statistics suggest is that safety continues to get low-priority in many areas. A recent two-month investigation by the United Mine Workers Journal, for example, revealed that "despite more than 140 fatalities and 16,000 injuries in West Virginia during the last three years, operators have paid an average fine of less than $9 per safety violation." As small as the fines were—each could have amounted to $3,000—nearly half of the $586,000 in penalties assessed remain uncollected or on appeal. Fines are meant to be a deterrent, but if the risk of a heavy fine is small, then it is tempting for a coal company to let safety slide. Accident inspections by the Interior Department regularly note the failures of coal companies. The UMW Journal examined the fates of nine men killed by roof falls in August 1973. Federal, state and union inspectors "found four kinds of company failures that killed the nine roof fall victims: lack of supervision, lack of training, lack of physical safeguards and inadequate inspections."

Can coal mining be made safer? Of course it can, depending on a number of factors ranging from company diligence, to the union's use of the rights acquired under the latest contract, to leadership in Washington. On the last point, there is a decided lack of leadership in the Mining Enforcement and Safety Administration. Its administrator is James M. Day, an official who came into the field of coal mine safety with no special qualifications. He had been a lawyer and a Republican Party campaign worker. His nomination has gone twice to the Senate for confirmation, but was returned on both occasions. Sen. Richard S. Schweiker (R-Pa.) notes that "Mr. Day's record shows far more concern for politics than it does for mine safety." Sen. Harrison Williams (D-N.J.) adds: "Much of the objection to [Mr. Day's] confirmation stems from the fact that the appointment appears to be based on party politics, rather than on qualifications." The UMW has called on President Ford not to resubmit this nomination.

There is no shortage of qualified candidates for this important post. With more and more calls for increased production, the least to be done is to make sure that concerns for safety are not pushed aside. Rep. Ken Hechler (D.-W.Va.) points out that in the injury rates, coal miners are not standing still. In the three years following passage of the 1969 Coal Mine Health and Safety Act, injuries reached a total of 46,869; during the three years before the act, they came to 40,117. Such figures are staggering, but even more so is the fact that so many officials—within government and within some of the energy companies—accept them as a matter of course.

THE RECORD OF ARAB TERRORISM—I

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. NIX. Mr. Speaker, we have heard a good deal in the last few months about the efforts of some Arab terrorist groups to give themselves a more "moderate" and "responsible" image.

I suggest that despite the public relations efforts of these groups, they remain totally committed to the annihilation of Israel. I suggest that we evaluate the goals and the motives of these terrorist bands not by their rhetoric, but by their record.

I have compiled a list of the major terrorist incidents perpetrated by these groups since the 1967 Six Day war, which I will offer for the RECORD in three installments. The first installment lists terrorist acts committed from the end of that war through 1969:

CHRONOLOGY OF TERROR

1967

Aug. 28—A mine blows up an Arab vehicle in the Gaza strip, injuring four Arabs.

Sept. 15—A terrorist mine derails three cars of a Haifa-bound train at Tulkarm, West Bank.

Sept. 19—El Fatah terrorists blow up several Jewish homes in Jerusalem, injuring seven.

Sept. 20—Explosives are discovered in the USIS library in Tel Aviv.

Sept. 21—An explosion wrecks a cannery at Kibbutz Givat Haim.

Sept. 23—Two terrorists ambush and wound an Israel border policeman in Nablus, West Bank, with hand grenades and submachinegun fire.

Sept. 24—Terrorist saboteurs blow up a farmhouse in Moshav Ometz, killing a three-year-old boy—the first Jewish victim of Arab terrorism since the Six-Day War. Three days later, an El Fatah band kills two Israel border guards at Tulkarm, West Bank. Two captured terrorists admit to the mining which killed the boy.

Sept. 29—A bomb is dismantled in the U.S. embassy in Tel Aviv one minute before it was timed to explode.

Oct. 2—Four terrorists murder a 20-year-old Israeli at Kibbutz Hamadia, blast a house and escape to Jordan.

Oct. 7—An explosion wrecks the radio antenna at Jerusalem UN headquarters.

Oct. 8—A time-bomb discovered in a crowded Jerusalem moviehouse is dismantled 17 minutes before it was to go off.

Nov. 5—Explosives destroy three fodder silos and a grain storage building at Kibbutz Sdeh Eliyahu.

Nov. 7—Israel security troopers battle Arab infiltrators in the Hebron hills; seven Arabs die.

Nov. 7—Seven Israel soldiers are wounded when their truck hits a newly-planted mine in the Beisan Valley.

Nov. 14—A mine explodes in an unfinished truck at a Dodge assembly plant in Nazareth.

Nov. 17—A terrorist bomb blast wrecks the Kfar Ruppin water pumping station.

Nov. 29—Terrorists pepper a densely-populated area of Petach Tikva with mortar shells, injuring one youth.

Dec. 3—Two terrorists die, while exploding a section of the Jerusalem-Tel Aviv railway line at Beit Shemesh. Bomb blasts also damage a reservoir at Almagor and road equipment in the Golan Heights.

Dec. 8—Israel troops track and kill six El Fatah terrorists hiding in a cave south of Nablus, West Bank; twelve are captured.

Dec. 10—Terrorists blast a fuel storage tank at Kibbutz Maoz Haim.

Dec. 12—An Israel army patrol clashes with a band of Arab saboteurs two miles east of Lod Airport. One Israel soldier and one Arab die, while four Israelis are wounded. Three terrorists escape into the nearby hills.

Dec. 13—Forty-two Arabs are injured, 21 severely, when a hand grenade explodes in a crowded Gaza market place. Two die of wounds.

1968

Jan. 11—An Arab saboteur dies in Haifa trying to blow up the Eilat-Haifa oil pipeline.

Jan. 17—A driver of an oil truck is seriously wounded in El Arish, Sinai, when his truck hits a land mine.

Feb. 13—Five Arab saboteurs die in a clash with Israelis near Tulkarm, West Bank.

Feb. 14—One Israeli and eight terrorists die in a battle as infiltrators cross the Jordan River.

Mar. 4—An Israel Druse guard, father of nine, dies when an explosion rips through a tractor depot in Jerusalem.

Mar 18—A school bus in Eilat runs over a mine killing two adult escorts and injuring 28 children.

Apr. 20—An Israel military patrol loses two soldiers while killing 13 Arab infiltrators in Jericho, West Bank.

Apr. 21—Two Israeli Arabs die when an exploding mine wrecks their car in Kfar Tabor.

June 8—A detonation pencil wounds a child near the Zion Cinema in Jerusalem.

July 23—Three PFLP terrorists hijack an El Al jetliner with 38 passengers and 10 crew aboard to Algiers. Algerian officials demand that Israel free 24 Arab terrorists in exchange for the release of seven Israel crew members and five Israel passengers who are detained for 39 days. Israel ultimately releases 16 convicted Arab infiltrators.

Aug. 9—A hand grenade kills one child and severely wounds two others in a crowd waiting outside a movie house in Khan Yunis, Gaza strip.

Aug. 18—Terrorists in Jerusalem explode five grenades, injuring 14.

Aug. 21—Explosives are discovered in the courtyard of the United States consulate in Jerusalem.

Sept. 4—Three blasts near the Tel Aviv central bus station kill one man and injure 51. The PFLP claims credit.

Sept. 9—An explosion in a Gaza marketplace wounds an Israeli Arab driver and 15 others, including two Jews.

Sept 13—Marauders in the Negev murder three Druse watchmen.

Sept. 16—Eight bazooka rockets hit the town of Beisan, injuring eight civilians.

Oct. 8—A grenade thrown into a crowd outside the Cave of the Patriarchs at Hebron, West Bank, injures 48 Jews, eight seriously.

Nov. 22—Twelve die and over 50 are injured when a terrorist bomb explodes in the main Jerusalem marketplace. The PFLP claims responsibility.

Dec. 26—Two PFLP terrorists open fire on an El Al Boeing 707 at Athens Airport, killing one Israel passenger and seriously wounding an Israel stewardess. This attack sparked Israel's raid on Beirut Airport two days later.

Dec. 31—Katyusha rockets fired from Lebanon kill three at Kiryat Shmonah. Explosives are discovered on a school bus carrying 60 children in Ein Karem.

1969

Jan. 3—Several northern Israel settlements come under rocket attack from Lebanon. The attack is assumed to have been carried out by Arab terrorists with knowledge of the Lebanese army.

Jan. 27—An exploding bomb wounds three on a train at Kiryat Gat.

Feb. 2—Two Arab boys, aged nine and 16, die and 10 are injured by a grenade explosion in a crowded Gaza square.

Feb. 3—A hand grenade thrown at a truck kills two and injures nine in Gaza.

Feb. 12—Terrorist explosions at the bus station in east Jerusalem wound two Arabs.

Feb. 18—Four PFLP terrorists machinegun and firebomb an El Al jet taxiing for take-off at Zurich Airport. Five persons are injured, including a seriously wounded trainee pilot. Among those passengers unhurt is Gideon Rafael, Director General of the Israel Foreign Office. Airport police capture three attackers, while an Israel security guard on board the plane shoots and kills the fourth terrorist.

Feb. 22—A bomb explosion in a Jerusalem Supersol supermarket kills two and injures eight. The PFLP claims responsibility.

Feb. 25—A bomb explodes in the British consulate compound in Jerusalem. The PFLP claims credit.

Feb. 26—Terrorists murder the mukhtar (headman) of El-Brueij village, Gaza strip.

Mar. 6—A terrorist explosion in the Hebrew University cafeteria in Jerusalem injures 29 students and faculty members. The PFLP claims responsibility.

Apr. 9—Jordan-based terrorists fire 30 to 40 rockets into Eilat, injuring 13. El Fatah claims responsibility. Four terrorists are arrested in Jordan for the attack and then released.

Apr. 29—An exploding mine kills one bus passenger in Tiberias.

May 22—Attempt to assassinate David Ben-Gurion in Copenhagen thwarted.

May 30—PFLP terrorists in the Golan Heights blow up the Trans-Arabian pipeline.

June 21—Three bombs explode near the Western Wall in Jerusalem, killing one, injuring five.

June 25—Terrorist bombs wreck the Haifa pipeline. The PFLP claims responsibility.

July 23—A terrorist time-bomb kills one Israeli and injures another in Tel Aviv. El Fatah claims credit.

July 24—In Haifa, a booby-trapped watermelon explodes, injuring one. Two other bombs are defused.

Aug. 2—Terrorists based in Lebanon fire three rockets into Kiryat Shmonah, injuring one.

Aug. 8—Two Israelis are killed and 12 wounded when their bus hits a mine in northern Israel. The PFLP claims responsibility.

Aug. 17—Incendiary bomb in a "Marks and Spencer" store in London.

Aug. 18—Act of sabotage against Israel Tourist Office in Copenhagen.

Aug. 23—Sabotage in a Jewish school in Teheran.

Aug. 25—A bomb explodes in the Zim Israel Navigation Company offices in London, injuring two women. It is the fourth in a series of similar attacks carried out against Jewish and Israel businesses in London. In Izmir, Turkey, a PFLP-trained Jordanian student is killed and another injured when a bomb intended for an Israel trade pavilion explodes prematurely.

Aug. 29—Two PFLP terrorists hijack a TWA jetliner carrying 113 passengers and crew to Damascus. The Boeing 707 was on a flight from Rome to Athens. After landing, the cockpit explodes. Syria releases the hijackers and detains two male Israeli passengers, including Hebrew University physiology professor Dr. Shlomo Samueloff, for 99 days. They are released in exchange for 13 Syrians held by Israel.

Sept. 2—Two die, including a nine-year-old boy, when terrorist rockets fired from Lebanon hit Kiryat Shmonah.

Sept. 8—Grenades thrown at Israel Embassy in The Hague and the El Al office in Brussels.

Sept. 8—Grenade thrown at Israel Embassy in Bonn.

Sept. 9—Teenaged terrorists, members of the PFLP's "tiger cubs," hurl grenades at Israel embassies in Bonn and The Hague and at the Brussels El Al office where four persons are injured.

Oct. 23—Five explosions rip through residential areas in Haifa, killing one Israeli and injuring 14. The PFLP claims responsibility.

Nov. 9—Time bomb discovered at Jewish Community Center in Berlin.

Nov. 19—A grenade thrown at an Israel military vehicle misses and kills a three-year-old Arab boy in Khan Yunis, Gaza strip.

Nov. 27—Two PFLP terrorists hurl a grenade into an El Al office in Athens, killing a two-year-old Greek boy and wounding 14. The terrorists are apprehended.

Dec. 12—Bomb discovered in El Al office in Berlin.

Dec. 21—Police at Athens Airport arrest three PFLP members carrying arms and mimeographed announcements of a hijacking, before they board a TWA flight originating in Tel Aviv and bound for New York.

Dec. 27—Leon Holz, an American tourist, dies when terrorist gunfire riddles his bus near Dura, West Bank.

LITHUANIAN INDEPENDENCE DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GILMAN. Mr. Speaker, I have long advocated the right to self-determination for the Baltic State of Lithuania.

It was on February 16, 1918, that the Lietuvos taryba or Council of Lithuanian Independence met in Vilnius, declaring themselves to be a free and independent state without allegiance to any outside powers.

Some say it is unrealistic to continue to observe the date of an independence gained so slowly and destroyed so rapidly such a long time ago. Despite our recognition that the prospects for this small Baltic nation regaining its precious freedom are slim, we cannot ignore the fact that there is an intense desire on the part of Lithuanians to once again be self-governing.

Today, in honoring the hopes, dreams, and ideals of the Lithuanian people, may the free world join together in praying for the re-establishment of their national sovereignty.

ENERGY FACTS

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ARMSTRONG. Mr. Speaker, America is on the verge of an energy disaster.

Already many families have suffered serious inconvenience because of shortages of gasoline, fuel oil and natural gas. But lines at the gas pump and scattered closings of schools and factories are only a sample of the hardship that is inevitable if Congress does not reverse trends of recent years.

Our country's prosperity is based directly on an enormous consumption of energy: The United States, with about 6 percent of the world's population, consumes approximately 35 percent of the world's energy.

But, domestic production of energy is not keeping pace. It has not for several years. Every day the gap between U.S. consumption and domestic production—particularly of oil and natural gas—grows wider. We are becoming more and more dependent on foreign sources of energy. As a consequence, our prosperity—indeed, the very future of our country—is now hostage to decisions made in foreign capitals.

This is an intolerable situation.

Two years ago, I submitted 11 recommendations to close the energy gap. If these proposals—or those submitted by others—had been acted on promptly, we would already be well on the way toward resolving our present dilemma. Unfortunately, not one important piece of legislation was enacted by the 93d Congress.

I now realize the main reason for inaction is that many Americans—including Members of Congress, I regret to say—still do not appreciate the seriousness of the situation. They seem to believe the problem will go away if ignored long enough. This Nation has enjoyed such an abundance of cheap natural resources, including energy, for so many years that a lot of people just cannot accept the true facts.

Even now many people do not believe the shortage is real. They sincerely think this whole crisis has been trumped up by the oil companies and public utilities to scare consumers and force higher prices.

This underlying skepticism about the real causes of the energy shortage is the chief obstacle to a responsible long term solution of the Nation's increasingly urgent energy problems.

In order to bring the Nation's energy needs into focus, the following Energy Facts digest has been prepared for use by the Republican Task Force on Energy and Environment. It gives a good overview of the problem we are facing, and I commend it to the attention of every Member of the House:

ENERGY FACTS

I. U.S. ENERGY USE—1950-74

A. CONSUMPTION IN ENERGY EQUIVALENTS OF BILLION BARRELS OF OIL PER YEAR

	1974	1970	1960	1950
Petroleum	5.90	5.00	3.45	2.35
Natural gas	4.30	3.62	2.15	1.07
Coal	2.45	2.36	1.78	2.22
Hydroelectric	.52	.39	.21	.12
Nuclear	.14	.10		
Total	13.30	11.47	7.55	5.76

Note: The 13,300,000,000 barrels of oil equivalent consumed by the United States also equals 78 quadrillion Btu's . . . or an average of 37,500,000 barrels of oil a day . . . or 215 trillion Btu's a day.

B. CONSUMPTION BY ACTUAL FUEL TYPE

[In percent]

	1974	1970	1960	1950
Petroleum	44	44	44	39
Natural gas	32	31	27	18
Coal	18	21	25	38
Hydroelectric	4	4	4	5
Nuclear	1			

Note: Energy imports amounted to 15 percent of total needs and are projected to reach 25 percent by 1985.

C. THE ENERGY USERS, BY SECTOR—1950-74

[In percent]

	1974	1970	1960	1950
Industrial	32	31	34	36
Transportation	25	24	25	27
Residential/commercial	22	24	24	23
Electrical generation energy loss	15	15	11	9
Nonenergy (petrochemicals, etc.)	6	6	5	5

Note: 56 percent of all transportation energy use is by automobiles (also 14 percent of total energy use).

D. ENERGY EFFICIENCY, OVERALL—1950-74

[In percent]

	1974	1970	1960	1950
Energy used	47.5	50.5	49.4	53.8
Energy lost	52.5	49.5	50.6	46.2

E. THE ENERGY LOSS (WASTE) BY SECTOR—1950-74

[In percent]

	1974	1970	1960	1950
Electrical power generation	62.5	64.8	66.7	77.9
Residential/commercial	26.0	25.4	30.0	25.0
Industrial	25.0	24.3	29.6	25.0
Transportation	76.0	75.5	75.5	75.6

II. PETROLEUM

A. HISTORIC U.S. SUPPLY AND DEMAND PATTERNS

[In billions of barrels per year]

Year	Domestic demand	Domestic production	Imports	Imports as a percent of demand
1950	2.38	2.19	.19	8
1955	3.10	2.73	.37	12
1960	3.59	2.93	.66	18
1962	3.80	3.04	.76	20
1964	4.03	3.21	.82	20
1966	4.41	3.47	.94	21
1968	4.90	3.86	1.04	21
1970	5.37	4.12	1.25	23
1971	5.55	4.12	1.43	26
1972	5.99	4.34	1.65	28
1973 [1]	6.30	4.24	2.16	35
1974 [1]	6.64	3.97	2.67	40

[1] Based on preliminary figures supplied by FEA.

B. OIL, NUMBER -OF DOMESTIC WELLS DRILLED ANNUALLY

	New production wells	Total wells drilled	Total wells in production
1950	24,000	NA	466,000
1955	32,000	NA	524,000
1960	22,200	40,700	591,000
1962	21,700	38,700	592,000
1964	21,000	38,600	588,000
1966	15,900	30,500	583,000
1968	13,800	26,300	554,000
1970	12,600	23,400	531,000
1971	11,400	21,400	517,000
1972	10,800	21,400	508,000
1973	9,555	19,600	497,000
1974 [1]	10,700	17,000	

[1] Preliminary.

C. THE PETROLEUM END-USERS . . . WHO ARE THEY? HOW EFFICIENT?

[In percent]

	1974 [1]	1970	1960	1950	Percent energy wasted
Transportation	55	53	53	52	76
Residential/commercial	15	18	21	20	26
Industrial	10	11	14	16	24
Nonenergy (petrochemicals, etc.)	12	11	9	7	(2)
Electrical generation	8	7	3	5	65

[1] Estimate.
[2] Used as product.

D. IMPORTS . . . THE DOLLAR COST

	Amount (billions)
1960	$1.6
1965	2.1
1967	2.1
1968	2.4
1970	2.8
1971	3.3
1972	4.3
1973	7.6
1974	23.6
1977 [1]	32.1
1985 [1]	52.4

[1] Projected by FEA—Assuming no major policy changes.

III. NATURAL GAS

A. HISTORIC U.S. SUPPLY AND DEMAND PATTERNS

[In trillions of cubic feet per year]

	Domestic consumption	Domestic production	Imports	Imports as a percent of demand
1950	5.9	6.3		
1955	8.9	9.4		
1960	13.0	12.8	.2	1.5
1962	14.3	13.9	.4	2.8
1964	15.7	15.3	.4	2.5
1966	18.0	17.5	.5	2.8
1968	20.0	19.3	.7	3.5
1970	22.6	21.8	.8	3.6
1971	23.5	22.6	.9	3.8
1972	23.5	22.5	1.0	4.2
1973	23.6	22.6	1.0	4.2

B. NATURAL GAS, HISTORY OF PRODUCTION WELLS

	New production wells	Total number of producing wells
1950	NA	65,000
1955	3,600	71,500
1960	5,300	90,800
1962	5,800	97,000
1964	4,900	103,100
1966	4,100	112,500
1968	3,300	114,400
1970	3,800	117,500
1971	3,700	120,200
1972	5,100	121,200
1973	6,400	124,200
1974 [1]	7,000	

[1] Preliminary.

C. NATURAL GAS END-USERS

[In percent]

	1974	1970	1960	1950
Industrial	43	43	48	53
Residential/commercial	33	33	33	27
Electrical generation	21	18	13	10
Nonenergy (petrochemicals, etc.)	2	3	3	7
Transportation	2	3	3	3

D. NATURAL GAS, THE COST/PRICE DILEMMA

	Average cost per new well	Drilling cost per foot	Price/mcf [1] (current cents)	Price/mcf (1958 cents)
1964	$104,800	$18.57	15.4	15.2
1965	101,900	18.35	15.6	15.1
1966	133,800	21.75	15.7	14.7
1967	141,000	23.05	16.0	14.4
1968	148,500	24.05	16.4	14.1
1969	154,000	25.58	16.7	13.7
1970	160,700	26.74	17.1	13.3
1971	166,600	27.70	18.2	13.5
1972	157,800	27.78	18.6	14.0
1973	NA	NA	21.6	13.2

[1] Interstate gas—Average National Price Entering Pipeline.

E. THE IMMEDIATE IMPACT

Shortfalls in supplies and imports have already created curtailments and denials of service to new customers at a rate of 7 percent in 1973, and 14 percent in 1974.

IV. COAL

A. CONSUMPTION AND PRODUCTION, 1950-73

[Millions of short tons per year]

	Domestic demand	Domestic production	Exports [1]
1950	494.1	560.4	29.0
1955	447.0	490.8	54.1
1960	398.0	434.3	37.7
1962	408.8	438.0	40.2
1964	445.5	503.0	49.3
1966	497.7	546.8	50.7
1968	509.0	556.7	51.7
1970	523.9	612.6	72.4
1971	502.2	560.9	58.0
1972	525.7	596.5	56.0
1973	569.3	602.5	[2] 32.0

[1] Totals will not add because of stockpiling.
[2] Estimate.

B. COAL—THE NOTABLE CHANGES

	Number of mines	Percent of coal surface mined	Average price per short ton
1950	9,429	23.9	NA
1960	7,865	31.4	$4.69
1965	7,228	35.1	4.44
1968	5,327	36.9	4.20
1970	5,601	43.8	6.26
1971	5,149	50.0	7.70
1972	4,879	48.9	8.25
1973			9.30
1974			[1] 12.85

[1] Average January–June.

C. COAL END-USING SECTORS

[In percent]

	1974[1]	1970	1960	1950
Electrical generation	59	57	40	18
Industrial	38	38	46	45
Residential/commercial	2	3	10	22
Nonenergy (chemicals etc.)	1	2	2	2
Transportation			2	13

[1] Estimate.

ELECTRICITY—IT'S NOT ALL WATER OVER THE DAM

A. WHAT TURNS THE GENERATORS?

[In percent]

	1974[1]	1970	1960	1950
Coal	51	52	59	58
Natural gas	26	27	23	16
Oil	13	14	9	16
Hydropower	5	6	9	10
Nuclear	5	1		

[1] Estimate.

B. THE CONVERSION LOSS PROBLEM

Depending on the fuel mix burned under the steam boiler, the conversion of fossil fuels to electrical energy results in a loss of 65–75 percent of the potential energy (or an efficiency of only 25–35 percent).

Older style nuclear plants have an efficiency as low as 1 percent with effective breeder reactors, however, the efficiency may approach 80 percent (20 percent energy waste) . . . but in any case, the amount of heat thrown off is massive.

C. NUCLEAR POWER, OPERABLE PLANTS AND CAPACITY

	Number of plants	Capacity (Thousands of kilowatts)
1960	4	321
1965	7	856
1970	13	5, 622
1971	15	7, 770
1972	21	31, 123
1973	29	20, 105

D. THE NUCLEAR FUTURE, A FEW OBSERVATIONS

1. By Jan. 1, 1973, 131 nuclear power plants were under construction or had reactors on order.
2. By Jan. 1, 1975, construction of 60 of those nuclear plants had been postponed 1–3 years . . . and 18 had been cancelled outright.
3. In some states, it now requires approval from 36 different state and federal agencies to site and build a nuclear plant—stretching lead times to 10 years.
4. Two principal problems are still not solved to the regulatory groups' satisfaction . . . the waste disposal problem and the reactor cooling system.
5. Even so, the electric utilities plan over 30 percent of the new power plants built in the next 10 years as nuclear (and almost 50 percent of the generating capacity).

VI. WHAT'S LEFT, U.S. DOMESTIC FUEL RESOURCES

[Measured in years remaining of supplies within the United States and Alaska (including off-shore shelves)]

	Best case estimate	Worst case	Consensus
Petroleum	290	10	40–50
Coal	800	50	300–400
Natural gas	80	12	40–50
Oil shale	600	(1)	[2] 200
Nuclear fission	(3)	30	?

Note: This is merely a compilation of "expert" estimates.

[1] Not usable.

[2] Limited use.

[3] Infinite (breeder reactor).

THE 350TH ANNIVERSARY OF THE FOUNDING OF MOUNT WOLLASTON

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, it was my honor and privilege to attend a mass on February 15, 1975, which commemorated the 350th anniversary of the founding of Mount Wollaston in 1625, which is now known as the city of Quincy. Later in the evening, a dinner was held to mark the 135th anniversary of the church St. Mary's, in which the mass had been celebrated.

We, who attended the mass that evening, were privileged to have as the guest speaker Archbishop Fulton J. Sheen, of New York Archbishop Sheen is a familiar face to millions of Americans, and his name is known to even more. So when he speaks quite a few people listen to what he has to say. I, too, was very interested in what he had to say when he rose to speak that evening, and I believe that my colleagues might share this interest.

On February 18, 1975 an article appeared in the Patriot Ledger that was written by Maurice F. Reardon. This article gives an account of the archbishop's sermon, and this point I would like to insert this article, and one that lists the notables attending the events, into the RECORD; so that you, and my colleagues, may have the benefit of the archbishop's remarks:

[From the Quincy (Mass.) Ledger, Feb. 18, 1975]

TWELVE CELEBRATE MASS NOTING FOUNDING OF MOUNT WOLLASTON

QUINCY.—In the concelebrated mass commemorating the 350th anniversary of the founding of Mount Wollaston in 1625, which is now known as the City of Quincy, chief celebrant was the Rt. Rev. Msgr. John Mullarkey assisted by 11 other prelates.

Among them were Most Rev. Lawrence Riley, auxiliary bishop of Boston; Most Rev. Joseph Maguire, Rt. Rev. Msgr. Richard Hawko, Rt. Rev. Msgr. Mark Keohane, Rev. Fr. Thomas Croke, Rev. Fr. John Tierney, Rev. Fr. James Hart, Rev. Fr. John McMahon (pastor of St. Mary's Church), Rev. Fr. John Dacey, Rev. Fr. Joseph Downey and Rt. Rev. Msgr. James Scally.

Archbishop Fulton J. Sheen of New York delivered the sermon for the mass.

In the evening, a dinner marking the 135th anniversary of the church was held in the church hall.

Among the officials either attending the services or acting as ushers were Rep. James A. Burke, D-Milton; Clifford Marshall, Norfolk County sheriff, City Councilor-Sen. Arthur H. Tobin, D-Quincy; Mayor Walter Hannon, City Councilors John Quinn, Joseph LaRaia, Leo Kelly, Warren Powers, Dennis Harrington, James Sheets and Johp Lydon.

Also attending were Rep. William Delahunt, D-Quincy, and Rep. Joseph Brett, D-Quincy.

Senior usher at the mass in terms of seniority was Edward A. Scolamiero of 351 Copeland St., who has served as usher at St. Mary's for 47 years.

[From the Patriot Ledger, Feb. 18, 1975]

"AGE OF EGOISM" WORRIES BISHOP SHEEN

(By Maurice F. Reardon)

QUINCY.—Archbishop Fulton J. Sheen still retains in his 80th year that magnetic quality of presence, the piercing eyes, plus that humorous, human, and elemental appeal with which television audiences throughout the nation have become so familiar.

RETREAD

In a brief interview Saturday in the rectory of St. Mary's Church in West Quincy, Bishop Sheen, in answer to a query, smiled and said, "I am not retired—I'm retreaded," explaining that he is presently being carried in a new series of lectures on America on some 132 television stations throughout the nation.

Bishop Sheen had flown into Logan Airport from New York on Saturday afternoon to deliver the sermon at a concelebrated mass on the 350th anniversary of the founding of Mt. Wollaston, which is also the 100th anniversary of St. Mary's Church.

Bishop Sheen said he still maintains a busy schedule of commitments. In the past year he has spoken at 42 universities around the United States. He is planning to fly to Ireland where he will deliver sermons during Holy Week. And in June, he will be in the Philippines to conduct a retreat for the bishops of the Philippines and Southeast Asia.

AGE OF EGOISM

Bishop Sheen, commenting on the quality of life in the United States, with its "turning away" from the teachings of Christ, said that we are "living in the age of egoism—the self—which is the antithesis of Christ."

He stressed that the present nadir of the Catholic Church is "not a new phenomenon."

"The church has always had its 'Good Friday to Easter Sunday syndrome'," Bishop Sheen said, explaining that such periods as we are now going through exemplify the "Good Friday" with the historical resurgence of faith signifying the "Easter Sunday."

He said that the present practice of the mass being said in English instead of Latins, as had formerly been the case, "is as it should be."

Turning again to present day conditions he said that "selfishness is devouring America, and until we become Christians again, recognizing the primacy of Christ on the cross those conditions will remain with us."

He said, however, that in his travels throughout the country and talking with students in universities and colleges, he is convinced of a latent readiness among them for a return to the teachings of Christ, conceding at the same time "we who are older are not always the proper example."

CHANGES

Speaking at mass to the congregation which filled the 100-year old church, Bishop Sheen said, "We have probably had more changes in the last 20 years in the church than in all its previous history.

"Suddenly, there is a change, a new liturgy, aberrations in the teaching of theology, causing you to become disturbed," Bishop Sheen said.

He noted that about every 500 years the church "undergoes a turbulent change," citing the fall of Rome, the Moslem incursion into Europe to within "120 miles of Paris and to the gates of Vienna. The church once had 600 diocese in North Africa, now we have but five."

He drew a laugh from the congregation when he told them that when he had received the invitation from Rev. John McMahon, pastor of St. Mary's, to speak, he had "gone to the public library and read considerably about Quincy (deliberately pronouncing Quincy correctly) so that when I go before the judgment seat I will be filled to overflowing with information regarding your city."

DEMONIC INFLUENCES

He spoke of the heresies which are the mark of our times such as "God is dead, and, the demonic influences which are confusing millions."

Christianity, he said, is not a constant thing, "it dies and rises again to life, we are always between Good Friday and Easter Sunday.

"God works through a creative minority," he said. "The few that are good, they make a parish, a nation, the world.

"We should not be concerned about the troubles of our day, these are wonderful days to be alive."

He said that we should not allow ourselves to be "carried along with the times. A dead body floats down stream, the strong swim against the current.

"Sin is not the worst thing in the world. Without it there could be no denial of sin."

OIL DEPLETION ALLOWANCES

HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GREEN. Mr. Speaker, the Democratic Caucus, by a vote of 153 to 98, today adopted my resolution concerning the oil depletion allowance. The text of the resolution is as follows:

Be it resolved:

(a) That the Democratic Members of the House Committee on Rules are hereby instructed by the Democratic Caucus to vote for a Modified Closed Rule for consideration of The Tax Reduction Act of 1975 (H.R. 2166 or any clean version thereof) making in order, and providing for a separate vote on, the attached amendment offered by Mr. Green of Pennsylvania, to repeal the percentage depletion allowance for oil and gas effective January 1, 1975 and waiving all points of order to such amendment. Said amendment shall not be subject to amendment except as specifically authorized by the Rules Committee. The Democratic Members of the House Committee on Rules are further instructed to meet and report to the House Floor The Tax Reduction Act of 1975 (H.R. 2166 or any clean version thereof) with such modified closed rule, waiving points of order to the Green Amendment and precluding amendments to said Green Amendment except as specifically authorized by the Rules Committee, as soon as possible, but not later than five (5) legislative days from the adoption of this resolution. It is further provided, however, that this resolution shall not preclude the Rules Committee from making in order other amendments to the Tax Reduction Act of 1975 (H.R. 2166 or any clean version thereof).

(b) That the Democratic members of the House Committee on Rules are further instructed that such Modified Closed Rule make in order, and provide for a separate vote on, the attached amendment to the aforementioned Green Amendment, offered by Mr. Wilson of Texas and waive all points of order to such amendment. Said Wilson amendment shall not be subject to amendment except as specifically authorized by the Rules Committee. The Democratic members of the House Committee on Rules are further instructed to meet and report to the House Floor The Tax Reduction Act of 1975 (H.R. 2166 or any clean version thereof) with such modified closed rulemaking in order the aforementioned Wilson Amendment as an Amendment to the aforementioned Green Amendment, waiving all points of order to the Wilson Amendment and precluding amendments to said Wilson Amendment except as specifically authorized by the Rules Committee, as soon as possible, but not later than five (5) legislative days from the adoption of this resolution. It is further provided, however, that this resolution shall not preclude the Rules Committee from making in order other amendments to the Tax Reduction Act of 1975 (H.R. 2166 or any clean version thereof).

My amendment, which will be offered during the floor consideration of the Tax Reduction Act is as follows:

AMENDMENT TO BE OFFERED BY MR. GREEN OF PENNSYLVANIA

H.R. 2166 is amended by adding, at the end of Title III, the following new Title:

"TITLE IV—REPEAL OF PERCENTAGE DEPLETION FOR OIL AND GAS

REPEAL OF OIL AND GAS DEPLETION

"SEC. 101. (a) Section 613(b)(1)(A) of the Internal Revenue Code is amended by striking out the words "oil and gas wells," and by substituting therefor the words "certain gas wells as defined in subsection (e)."

"(b) Section 613(b)(7) of such Code is amended by:

"(1) Deleting "or" at the end of subparagraph (A) thereof;

"(2) Deleting the period at the end of subparagraph (B) thereof and by inserting, in lieu thereof, "; or"; and

"(3) Adding the following new subparagraph after such subparagraph (B): "(C) Oil and gas wells."

"CERTAIN GAS WELLS

"SEC. 102. The following new subsection is added to Section 613 of the Internal Revenue Code:

"(e) SPECIAL RULE FOR CERTAIN GAS WELLS.—

"(1) The gas wells referred to in Section 613(b)(1)(A) are—

"(A) wells producing regulated natural gas,

"(B) wells producing natural gas sold under a fixed contract, and

"(C) any geothermal deposit which is determined to be a gas well within the meaning of Section 613(b)(1)(A).

"(2)(A) The term 'natural gas sold under a fixed contract' means domestic natural gas sold by the producer under a contract, in effect on February 1, 1975, and all times after before such sale, under which the price for such gas cannot be adjusted to reflect to any extent the increase in liabilities of the seller for tax under this section by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975 shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates to the contrary by clear and convincing evidence.

"(B) The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under Section 611 with respect to such product.

"(C) The term 'domestic' refers to petroleum from an oil or gas well located in the United States or in a possession of the United States.

"(D) The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(E) The term 'regulated natural gas' means domestic natural gas produced and sold by the producer, prior to July 1, 1976, subject to the jurisdiction of the Federal Power Commission, the price for which has not been adjusted to reflect to any extent the increase in liability of the seller for tax by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates the contrary by clear and convincing evidence.

"EFFECTIVE DATES

"SEC. 103. The amendments made by sections 101 and 102 of this bill shall apply to oil and gas produced on or after January 1, 1975."

LET'S REALINE

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BAUMAN. Mr. Speaker, Randolph Buehler, editor of the St. Mary's Beacon, published in Leonardtown, St. Mary's County, Md., has written an excellent editorial regarding the need for a general philosophical realinement of our political parties.

As Mr. Buehler suggests, such a change in our political system would give a home to many millions of people who are dissatisfied with our present party realinements, and with good reason. The article follows:

LET'S REALINE

American political parties have had a long and somewhat confused history. At first, the parties were easily recognizable and an individual could readily align himself with one or the other. One was either a Federalist or an anti-Federalist, a Whig or a Tory.

As the nation grew, however, the parties became more complicated. It became harder to explain exactly what being a Whig or a Democrat meant. At such times, third or minor parties would appear on the scene to push specific issues and give those who were disgruntled with the major parties something to identify with.

Often, new parties emerged from the confused times, or one of the major parties would adopt the third party philosophy. Such an instance occurred in 1854 when the Republican party was formed, primarily as an opponent of slavery. The Populists and Progressive parties were adopted for the most part by the early 20th Century Democrats.

We feel that such a confused period exists today. It is an extremely difficult task to say exactly what a Democrat is or what a Republican is. The parties have become vast all-encompassing umbrella organizations that lately have bred little more than confusion. Perhaps one of the reasons so few citizens vote is that they do not feel they have any choice. Often voters will indicate that both parties are the same. Internal squabbles over philosophy have damaged both party images.

The Republicans have such extremes as conservative Barry Goldwater and moderate to liberal Nelson Rockefeller. The Democrats have their George Wallaces and their Ted Kennedys. It has become extremely hard for the average citizen to align himself with either national party.

In this light, we find a statement at the recent Conservatives of America convention to be quite workable. It was suggested that a realinement of parties was necessary. This re-alinement would be into liberal and conservative camps, instead of Republicans and Democrats.

Such a re-alinement would help stop the confusion about party loyalties. It would also give people an obvious choice when election time came. They could select from basic philosophies. This would also perhaps make it more difficult for the image, or media, candidate to be elected. He would, instead, have to have a firm platform to run on instead of his looks, smile, and speaking voice.

We feel that a re-alinement into liberal and conservative camps would do more for the country's political ailments than the creation of a third party. It would also give the electorate something it has not had in recent elections—a clear-cut choice on issues.

WHERE IS UNITED STATES HEADED?

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ARCHER. Mr. Speaker, I have been very concerned over the continuing growth in power and the increasing expenditures of the Federal Government. As Government expands, individual liberty contracts. Advocates of new programs to be undertaken by the Federal Government appear more vocal in our society; every problem identified in our country appears to them to require an expansion of Government power and additional expenditures of Federal money in order to reach a solution. Despite the obvious failure of many Federal social programs and interference with our economic system, the call is always for more and more of the same. A popular theme in certain of these political and academic circles is "income redistribution." They view the Federal Government as providing the mechanism for some utopian scheme to more equitably divide the income and resources in our country.

Unfortunately these advocates of big government conveniently ignore history. The great advancement of the United States was because of a reliance on the free enterprise system. Our Nation advanced because we provided individual freedom and economic incentives to our citizens. This system has provided a great amount of material benefits for the American people. We cannot distribute or redistribute the wealth if we are following economic and social policies which will destroy the sources of creating additional wealth in our country. The free enterprise system has been the chief ingredient over these many years in assisting all of our population to share in material goods without becoming slaves of the Central Government.

Where are we headed if we follow the advocates of big government? Prof. G. Warren Nutter of the University of Virginia Economics Department provided an excellent analysis where we are headed in a speech given before the Southern Economic Association. He presented a perceptive social analysis and warned against the consequences of big government and inflation; he discussed the real significance of the welfare state for our Nation and other nations. Some alarming statistics were given showing how much Government spending takes as a percentage of our national income. I would like to enter into the RECORD this article which appeared in the Wall Street Journal of January 10, 1975:

WHERE ARE WE HEADED?

(By G. Warren Nutter)

Momentous turning points in social history can occur with amazing speed. The last great upheaval in peacetime Western society occupied a single decade, the thirties, and it put its lasting imprint on political, economic, and social trends of the succeeding decades. Whatever might be said about the continuity of historical forces, the Great Depression propelled radical change to the foreground by transforming, virtually overnight in the reckoning of history, the traditional Western conception of the good society.

Those who did not live through the thirties may find it hard to imagine that the events of a decade could work such profound and lasting change on social attitudes developed over centuries. Having experienced those years, I have no trouble doing so. What I recall most vividly is the sense of shock and despair that colored social thought. The hardship of the moment was bad enough, but even worse was fear of what the uncertain future would bring.

Confidence was hardly inspired by looking elsewhere. Bad times were spread throughout the world, and societies most akin to ours were coping badly. There was Britain, for example, stuck in the rut of unemployment through the twenties as well as the thirties. Other nations of Europe had scarcely escaped inflation and even hyperinflation before being plunged into depression. The strains had proven too strong in Italy, and democracy had crumbled. A decade later, Germany was to follow a similar but more gruesome course. Meanwhile, the Soviet Union was building the very model of the totalitarian state, that most modern of political inventions. A variety of isms sprang into being, and it began to look as if one or another might be the wave of the future.

In a word, things were a mess and we sought a way out by creating a welfare state at record speed. Let the size of government, in the sense of its power to command the nation's resources, be measured by the fraction of national income accounted for by government spending of all types at all levels. That fraction doubled in 10 years, rising from 12% in 1929 to 24% in 1939, when the real national product had roughly recovered to its 1929 level. Dividing spending into two parts, defense and all other (which I shall call "domestic"), we find that the fraction of national income attributable to each doubled, although defense spending still amounted to only 1.6% of national income in 1939.

UPS AND DOWNS OF GOVERNMENT

During the next decade, the size of government moved up and down with the demands of war, demobilization, and subsequent threats to national security. At its peak in 1944, government spending had risen to 56% of national income, at its low point in 1947, it had fallen to 21%. While defense spending was rising relative to national income, domestic spending was falling, and vice versa. In 1944, for example, domestic spending accounted for only 8% of national income as compared with 11% in 1929. Between 1929 and 1949, the fraction of national income attributable to total government spending rose by 3 percentage points, but that net rise encompassed a decline of 1.4 percentage points for domestic spending. In other words, the growth of government was more than accounted for by expansion of the defense effort.

GOVERNMENT SPENDING AS PERCENTAGE OF NATIONAL INCOME

	Total spending[1]	Defense spending[2]	Domestic spending[3]
1929	11.9	0.8	11.1
1933	26.6	1.5	25.1
1939	24.2	1.6	22.6
1944	56.4	47.9	8.5
1949	27.2	6.1	21.1
1953	33.2	16.0	17.2
1959	32.8	11.5	21.2
1960	32.0	10.3	22.0
1961	34.9	11.2	23.7
1962	34.9	11.3	23.7
1963	34.6	10.5	24.1
1964	33.9	9.7	24.2
1965	33.1	8.9	24.2
1966	34.2	9.8	24.4
1967	37.2	11.1	26.1
1968	38.0	11.0	27.0
1969	37.6	10.2	27.3
1970	37.8	9.3	28.5
1971	37.5	8.3	29.1
1972	39.1	7.9	31.2
1973	38.6	7.0	31.6

[1] Expenditures of federal, state, and local government as defined in national income accounts.

[2] Purchases of goods and services for national defense as defined in national income accounts.

[3] Total spending minus defense spending.

Source: Economic Report of the President, 1974, pp. 249, 265, and 328.

Over the fifties, the ups and downs of defense once again set the trend. Until 1958, domestic spending by government represented a smaller share of national income than in 1949.

To recapitulate, government doubled in relative size over the first decade after 1929 and grew by another third over the next two decades. But all the latter growth and then some came from the expanded defense effort. Domestic spending by government actually constituted a slightly smaller percentage of national income in 1959 than in 1939. The initial shock of the social revolution was rather quickly absorbed, and a new state of equilibrium then seemed to prevail.

But not for long. Beginning with the early sixties, a new trend has established itself: Regardless of what happens to the defense effort, domestic spending by government steadily rises faster than national income. Only in two years—1962 and 1965—has this relative upward movement faltered. And the pace has accelerated: From 1963 through 1968, the percentage of national income represented by domestic spending of government rose from 24 to 27, or by 12%, from 1968 through 1973, it rose from 27 to 32, or by 17%. Despite the Vietnam war, introduction of the all-volunteer armed forces, and mounting problems of national security, the fraction of national income spent for defense has been lower in every year since 1959 than it was then. Today, the fraction is lower than in any year since 1950.

SOME REASONS FOR LAMENT

It may come as no surprise that I lament the resurgent growth of the welfare state for a number of reasons.

First, I submit the following proposition: The bigger a democratic government becomes, the weaker it tends to be. As proof, I offer the current state of affairs in democracies throughout the world. Look at the parliamentary governments. In case after case, the leading party is managing to stay in power by the skin of its teeth. If it has a majority of seats, it is a slim one, often based on a minority of the popular vote. Governments frequently must be built through formal or informal coalitions that permit factions or splinter parties to wield power far in excess of their popular vote. Governments rise and fall in close elections in which the small swing vote makes the difference. Thus the British Labor Party is said to have scored a victory in the most recent election because it acquired a paper-thin majority in the new parliament as compared with its holding of the largest minority in the old one. It did so by capturing less than 40% of the popular vote. In Germany, the tiny Free Democratic Party holds the balance of power in an uneasy coalition, whose major partner—the Social Democratic Party—usually gets fewer votes than the opposition. In Italy, it seems proper to say that there is no government at all, only a succession of caretakers. And so it goes.

The presidential democracies have their close elections, too. Witness France last year and our own country in 1960 and 1968. We had our landslides as well in the presidential elections of 1964 and 1972 and in the congressional election last year. But they have not exactly conveyed lasting power to the winners, and hence seem to be symptoms of the same basic instability. In both 1964 and 1972, the overriding issue was ideological, as one candidate in each case called for radical change in the role of the welfare state. The electorate convincingly rejected the bid for drastic curtailment in the one case and drastic expansion in the other. And the cloud of Watergate hung over the recent congressional election. Our landslides seem to be against, not for, something.

If weak government is so widespread among democracies, one naturally suspects that there is a common set of causes at work. I would argue that one important cause in common has been the who-whom dilemma raised by big government. Who is to benefit at the expense of whom? The answer is fairly simple when the welfare state is small enough. If a quarter or less of national income is flowing through the hands of government, it may seem plausible to a large majority that needed taxes can be collected from the remaining minority. Politicians can credibly campaign on the platform of "soaking the rich." But not when the tax take rises to 30%, 40% or 50% of national income. Voters promised growing benefits from the welfare state must begin wondering whether they will receive more than will be taken from them.

A politician who puts together a successful coalition of the electorate by promising everybody pie in the sky and accordingly gets elected by a handsome majority is bound to lose support when the bill must be paid. Even with the most skillful use of hidden taxes, he will find it increasingly difficult to persuade the public that mutual exploitation is beneficial to all. The margin of voters who have more taken from them than they receive must grow with the welfare state. It is therefore normal for elections to become close and for minorities to coalesce into powerful third forces.

There are, after all, two natural equilibriums for the welfare state: one in which the majority benefits at the expense of the minority, and the other in which the minority benefits at the expense of the majority. Once the welfare state reaches a certain relative size, the first is ruled out by the facts of life, and the second by the nature of democracy. That leaves only the borderline situation in which half try to gain from the other half. That circumstance, I would argue, so weakens government as to imperil democracy as well.

It is the weakening of democratic government taken together with the underlying who-whom dilemma that largely explains, I believe, why inflation has erupted virtually everywhere in the democratic world. Governments are driven to spend without visibly taxing. Inflation becomes the easiest way out, and it acquires a momentum of its own. Once started, it cannot be stopped without endangering the holy of holies: full employment. The insecurities of unemployment are in part replaced and in part supplemented by those of inflation. Mixing inflation and unemployment means in effect that neither can be controlled without putting democratic institutions under heavy stress.

THE THIRTIES AGAIN

Far be it from me to be a prophet of doom, but I do believe that we may face a social crisis as serious as the thirties unless a way is quickly found out of this vicious circle. A democratic public will endure many hardships, but it cannot live with the prospect of perpetual insecurity. If the sense of insecurity is not removed by democratic means, the public will seek another political solution. A few years might well mark another momentous turning point in social history.

Once I had the experience of being in an honest-to-goodness train wreck. It happened one January morning in 1953, when the Federal Limited plowed into the anteroom of the Washington Union Station and crashed through the floor. I remember watching a television report that evening, in the comfort of a drink at home. The commentator was questioning eyewitnesses, and at one stage he asked a red cap whether it had crossed his mind that, if the train had not crashed through the floor, it might have broken through the columns holding up the ceiling, torn through the crowd in the waiting room, and run out into the street. The red cap scratched his head and said, "Well, I don't know. But now that you mention it, it sure enough was headed in that direction."

Well, I don't know whether there will be a wreck. I hope and trust not. But the inflation express sure enough is headed in that direction. If we at least comprehend that fact, perhaps we shall be able to do something about it.

JAMES M. STUART

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GUYER. Mr. Speaker, recently the Ohio House of Representatives officially honored Mr. James M. Stuart of Dayton, Ohio, upon the auspicious occasion of his retirement from active civic life and service as a member of the board of directors of the Dayton Power & Light Co.

James M. Stuart has been a part of the Dayton Power & Light family since his entrance into his business world. He is a personification of the "American dream" that a hard-working and dedicated individual can indeed inaugurate a career at the lowest rung of the corporate ladder and reach the apex of the corporate would by utilizing his outstanding talents to the benefits of his fellow workers and community. James Stuart, as a corporate executive, never lost touch with the ordinary worker, the backbone of any business enterprise; he continued to be concerned for their welfare by utilizing his positions on their behalf.

James Stuart enthusiastically and effectively committed himself to many worthwhile civic causes, by serving as a trustee of the Charles F. Kettering Foundation, as a director of Junior Achievement of Dayton, as president of Dayton Boy's Club, and a variety of other noteworthy civic organizations. His devotion to the betterment of his community is renown; as a community leader and business executive he has proceeded to implement both the spirit and the goals of equal opportunity for all, regardless of race, religion, color, or sex.

Mr. Stuart has pledged himself to the concept of providing meaningful higher education by serving as a concerned member of the board of trustees respectively of Wilmington College and Wilberforce University, and as a member of the University of Dayton's associate board of trustees. His dedication to the goals of higher education have earned him well-deserved recognition. He has been awarded the honorary degrees of doctor of humanities, doctor of laws, and doctor of commercial science, which are a fitting recognition for a man who is a scholar in his own right.

I join in offering well-deserved recognition to James M. Stuart and wish to extend my personal appreciation of his long and dedicated service to his community, his State, and his country.

James M. Stuart has truly demonstrated a consistent high level of achievement in many areas of service and outstanding enrichment of our community and civic life. I join in saluting one of Ohio's finest and noblest sons and corporate officials.

NATIONAL HOLIDAY BILL IN HONOR OF DR. MARTIN LUTHER KING, JR.

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. MIKVA. Mr. Speaker, it gives me great pleasure to join my distinguished colleague, Congressman CONYERS, in cosponsoring his legislation to make Dr. Martin Luther King, Jr.'s birthday a national holiday.

Few of our Nation's leaders have had as dramatic an impact on the goals and values of our Nation as Dr. King. His tireless efforts to achieve equal rights for all Americans and to eliminate poverty and social injustice serves as a model for all people seeking social and economic equality. His life demonstrates to all of us that revolutionary changes in our social and political institutions can be achieved by peaceful and nonviolent means.

Dr. King had a dream—a dream that all citizens, white and black, rich and poor, would enjoy the same rights and privileges and have the same opportunity to develop and further their individual potential and capabilities. The Nation needs to remember this dream. It stirred our conscience and promoted decency in the past. It can inspire and guide us in the future.

Before Dr. King's tragic and untimely death, he issued a challenge to the American people:

> Now let us begin. Now let us re-dedicate ourselves to the long and bitter—but beautiful—struggle for a new world. This is the calling of the sons of God, and our brothers wait eagerly for our response. Shall we say the odds are too great? Shall we tell them

the struggle is too hard? Will our message be that the forces of American life militate against their arrival as full men, and we send our deepest regrets? Or will there be another message, of longing, of hope, of solidarity with their yearnings, of commitment to their cause, whatever the cost? The choice is ours, and though we might prefer it otherwise we must choose in this crucial moment of human history.

Mr. Speaker, I urge my colleagues to support Mr. CONYERS' bill to set aside January 15 as a day of national self-reflection and rededication to the struggle to which Dr. King gave his life.

A LOSS FOR COMMON CAUSE

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. HÉBERT. Mr. Speaker, the liberal antidefense lobbying organization, Common Cause, conducted a vindictive and vicious campaign to unseat me and three other Southern conservative committee chairman.

I have denounced Common Cause publicly in an effort to let the American people know what this anti-national-defense lobbying group is up to in this Congress. And I will continue to keep track of its operations because I feel the people have a right to know.

I do not object to Common Cause's promotion of liberal ideas, but I do object to its attempt to portray itself to the American people as an organization that is fighting for the common man or so-called average citizen of all persuasions.

In this connection, on February 3, 1975, U.S. District Court Judge John H. Pratt dismissed a suit Common Cause had brought against the National Association of Manufacturers.

Common Cause sought to force NAM to register and report under the Federal Regulation of Lobbying Act. Apparently this represents the first time Common Cause has been successfully challenged for lack of standing.

NAM challenged Common Cause's basic right to bring suit since the Lobbying Act is a criminal statute and therefore enforcement is reserved to the Justice Department.

Since Common Cause is now running the Congress through the liberals in the House, I found it heartening that the court took steps to prevent this organization from trying to run the Justice Department as well.

I enclose at this point in the RECORD the particular of the case Common Cause et al. against National Association of Manufacturers:

[U.S. District Court for the District of Columbia, Civil Action No. 74–1114]

COMMON CAUSE ET AL., PLAINTIFFS, VERSUS NATIONAL ASSOCIATION OF MANUFACTURERS, DEFENDANT

MEMORANDUM AND ORDER

This action seeks declaratory and injunctive relief to require defendant, a national multi-purpose trade association, to register under the Federal Regulation of Lobbying Act (FRLA) and file with the Congress the quarterly reports required under the Act. 2 U.S.C. §§ 201–207. It comes before the court on defendant's motion to dismiss, based on several grounds, the chief of which allege (1) plaintiffs' failure to state a cause of action, and (2) plaintiffs' lack of standing. Plaintiff has responded in opposition in a lengthy and well-prepared memorandum of authorities. In addition, the parties have filed supplemental memoranda. We grant defendant's motion to dismiss for the reasons which follow.

Plaintiffs' failure to state a cause of action

Defendant contends that the FRLA is a penal statute since it explicitly provides that violations shall be misdemeanors punishable by a fine of not more than $5,000.00 or by imprisonment for not more than twelve months, or both. 2 U.S.C. § 269(a). It does not dispute the doctrine that the existence of a civil remedy may be implied from the passage of a penal statute, but claims that the doctrine is limited to cases where the violation of the statute causes injury to the class for whose benefit the statute was enacted or where a private right of action exists at common law for the commission of a tort. *Odell* v. *Humble Oil and Refining Co.*, 201 F.2d 123 (1953). It claims that the doctrine of an implied civil remedy does not apply to the present facts because the plaintiffs were not the primary beneficiaries of this statute, citing the legislative history and its judicial interpretation by the Supreme Court in *U.S.* v. *Harriss*, 347 U.S. 612, 625 (1954). Plaintiffs rely upon *Borak*,[1] *Wyandotte*,[2] and related cases, but particularly the decision of this Court in *Common Cause* v. *Democratic National Committee*, 333 F. Supp. (1971)[3].

While this matter is not completely free of doubt, we conclude that a private right action does not exist under the present facts. Without question, FRLA is a criminal statute which does not provide for a civil remedy. In *Harriss, supra*, after pointing out the "myriad pressures to which they (members of Congress) are regularly subjected" and the importance from the point of view of good government of "their ability to properly evaluate such pressures," the Court said:

"Toward that end, Congress has not sought to prohibit such pressures. It has merely provided for a modicum of information from those who for hire attempt to influence legislation or who collect or spend funds for that purpose. *It wants only to know who is being hired, who is putting up the money and how much.*" (Emphasis supplied) *Harriss, supra*, p. 625.

In view of such interpretation, we cannot accept the contention that plaintiffs are within the class that the statute was particularly intended to protect, other than as a part of the general public. As plaintiffs have pointed out, this is one of the three criteria noted in *Wyandotte, supra*. (Plaintiffs' Memorandum in Opposition, p. 14). As for the additional consideration concerning whether the criminal liability is inadequate to ensure full effectiveness of the statute, plaintiffs ignore the fact that because of its restrictive interpretation of the Act in *Harriss, supra*, the Supreme Court effectively dampened enforcement under the Act. Any complaints concerning the Act's weaknesses and failure to be implemented should be directed to Congress.

Furthermore, defendant has already been threatened with criminal enforcement by the Department of Justice but obtained a permanent injunction against said prosecution. *National Association of Manufacturers* v. *McGrath*, 103 F. Supp. 510 (1952).[4] We conclude that a private cause of action not otherwise authorized by statute cannot be inferred (1) in the light of the evident legislative intent and the effectuation of the purposes intended to be served by the Act, and (2) where the legislation expressly provides for a criminal sanction, the coverage of the statute should not be expanded to provide a civil remedy. *National Railroad Passenger Corp. et al.* v. *National Association of Railroad Passengers*, 414 U.S. 453, 457–458 (AMTRAK). Plaintiffs fail to state a cause of action.

Lack of standing to sue

In view of the foregoing, it is not necessary to dwell on plaintiffs' lack of standing because consideration of questions of standing, while somewhat overlapping, are dependent upon a prior finding that a cause of action exists. *Amtrak, supra*, p. 456. However, even assuming plaintiffs have a private cause of action, when none is authorized in the statute, plaintiffs do not meet the test in *Flast* v. *Cohen*, 392 U.S. 83 (1968). Since they are not specific beneficiaries of the statute, the injury they complain of represents the generalized interest of all citizens in adherence to statutory requirements. Such an interest, however well motivated, does not import the concrete adverseness required by the "case or controversy" provisions of the Constitution. *Reservists Committee to Stop the War* v. *Richardson*, 42 U.S.L.W. 508 (1974).

For the foregoing reasons, it is by the Court this 3rd day of February, 1975,

Ordered, that defendant's motion to dismiss be and is hereby granted.

JOHN H. PRATT,
U.S. District Judge.

SLATER FAMILY GETS TOP NEW YORK STATE FARM AWARD

HON. JAMES F. HASTINGS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. HASTINGS. Mr. Speaker, it is with special pride that I call to the attention of my colleagues to an announcement by the Farmers Home Administration of the U.S. Department of Agriculture that they have chosen Mr. and Mrs. Alan J. Slater and their three children as the New York State Farm Family of the Year.

Mr. and Mrs. Slater and their children, Bonnie, Alan, Jr., and Timothy, are constituents of mine who operate a 345-acre dairy farm on the Walker Road near Randolph, N.Y.

For those who say there is little opportunity for achievement in America the story of the Slater family stands as solid and inspiring evidence to the contrary.

In a period of 10 years they have taken a losing farm operation and transformed it into a profitable one through hard work and the application of sound business practices and better farming procedures.

The effort has not been without its personal hardships which might have discouraged others. Since taking over operation of the farm in 1964, Alan lost two fingers in an accident but was back to work in little more than it took him to go to the hospital. Fire destroyed their barn and part of their herd. Alan, Jr., suffered a broken leg and his lovely wife, Nancy, developed diabetes, which necessitates a monthly trip to New York City for treatment to ward off blindness.

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[1] *J. I. Case Co.* v. *Borak*, 377 U.S. 426 (1964).

[2] *Wyandotte Transportation Co.* v. *United States*, 389 U.S. 191 (1967).

[3] Appeal dismissed as moot.

[4] Vacated as moot because of failure to substitute as a party a new Attorney General who, during the interim period, had succeeded Mr. Howard McGrath.

Today the Slater family maintains a herd of 84 Holsteins and raises corn, oats, and hay; and have increased the family net worth more than five times what it was 10 years ago.

The farm operation is truly a family affair. Nancy keeps the books while Bonnie helps with the milking and the two boys feed the calves and perform other chores.

I know my colleagues join with me in offering the Slater family heartiest congratulations. Theirs is a most heartening success story and their selection as the New York State Farm Family of the year most deserving.

THE 125TH ANNIVERSARY OF HIRAM COLLEGE

HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. J. WILLIAM STANTON. Mr. Speaker, it is with special pride that I call to the attention of my colleagues the 125th anniversary on March 1, of the founding of Hiram College in my northeastern Ohio district. This small, private, liberal arts college has had great impact on higher education in America. Nationally reputed for academic innovation, Hiram pioneered the single course study plan, the 3–3 study plan, the "new" curriculum, extramural studies and international education. These bold new methods of education have brought well-deserved distinction to this college of only 1,250 students.

Hiram College, originally called the Western Reserve Eclectic Institute, was founded by members of what is today known as the Christian Church in 1850. The college has molded the talents and abilities of vast numbers of distinguished doctors, ministers, educators, business leaders, and a President of the United States. James A. Garfield, our 20th President, was an early graduate of Hiram and later served as its president.

Located in a scenic, rural area of northeastern Ohio, the campus is about 35 miles southeast of Cleveland and about the same distance from Akron, Youngstown, and Warren. By air, it is an hour and a half from the east coast and an hour from Chicago. Hiram's ideal location combines the quiet beauty of nature with easy access to major population centers and their cultural resources.

Mr. Speaker, this weekend educators, students, alumni and friends will gather at Hiram to celebrate its 125 years of educational service to the State of Ohio and the Nation. I welcome this opportunity to pay tribute to this milestone and to congratulate my good friend, Elmer Jagow, who dynamically leads Hiram today. May the next century and a quarter see Hiram College continue to prosper and to contribute significantly in the great tradition that will be celebrated on March 1.

ABORTION

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. DENT. Mr. Speaker, in the aftermath of the recent right-to-life demonstration on January 22, 1975, I have received a number of pieces of mail from my constituents on both sides of this highly controversial issue.

Speaking eloquently in favor of strong right-to-life legislation is a young woman, Miss Kathy Kane, an eighth grade student whose essay took first place in a contest sponsored by St. John the Baptist School in Unity, Pa. I would like to include it here for the benefit of my colleagues:

ABORTION: A NATIONAL TRAGEDY

Human life is a very precious and beautiful gift, given by God our Creator. There is no greater value than life because our life is partially God's life and there is no greater value than God. To live in a country which is free is truly a privilege. But is our country free to all people? The United States Supreme Court passed an amendment on January 22, 1973 that the act of abortion was a personal decision made by the mother. It is not ours or anyone else's right on Earth to determine if life is to be destroyed. Many people, however believe in these unjust killings. The reasons for this aren't very stable and are probably just excuses for their guilty feeling inside.

The United States Government claims a child still unborn doesn't have a physical being. It is a medically proven fact that the baby, from the first moment it is conceived, has a physical self. Very small, but that form of life is still there.

Human people have no right to act like God in a sense of taking it upon themselves to destroy a life, a life which is in existence. If people wanted to act like God they would share life in a way that all men are welcome to it.

Next year our country will be celebrating the bicentennial. It will be 200 years since the Declaration of Independence was first signed. This new idea is explained at the beginning of the Declaration:

"We hold these truths to be self-evident, that all men are created equal and endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness."

It goes on to say, "If the existing government does not secure these rights it is the people's responsibility to abolish that government and institute a new government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness."

Is our government living up to that document?

The government already has abortion legalized—what will be next? The sick, aged, mentally retarded, physically handicapped or any citizen that is merely unwanted.

The U.S. Supreme Court believes that mothers have the right to kill their own unborn child, because they are not legally persons. They claim children may be killed to preserve her mother's happiness.

It is our duty as citizens of this country to try to alter the Supreme Court's beliefs so that these unnecessary killings will cease to be.

If we start killing anyone we wish, where will this country be? For one thing there won't be much of a country left.

Stop and think what if your mother hadn't chosen life?

On the other side of the issue is a profoundly thought provoking letter written by a well respected and highly successful pediatrician in my district:

Hon. JOHN DENT,
House of Representatives,
Washington, D.C.

DEAR SIR: Recently, the second anniversary of the Supreme Court decision on abortion was marked. The activity of the so-called "Right-to-Life" groups spurs me to write to you and share with you the feelings of a children's and babies' surgeon. Having gone to medical school over a decade ago, I have observed a dramatic reduction in the illness and death of young women following bloody back room attempts at abortion. The knowledge that a safe, legal abortion can be obtained has virtually eliminated this misery.

Recently, medical advances have allowed early prenatal diagnosis of conditions which would surely result in the birth of a child who could be severely mentally retarded, severely deformed, or have a catastrophic genetic disorder. Common sense and economic considerations alone would be reason enough to allow a parent to undertake abortion of such a fetus. Having observed the frighteningly high rate of family dissolution following birth of children with severe deformities, I know the devastating effects that such a child has on his parents and siblings. A life of suffering and dependency is not worth this cost.

The anti-abortionists argue that abortion cheapens human life. Rather, abortion gives an opportunity for parents to have wanted children to avoid the misery of deformed and unwanted children. Those of us who take care of babies and children daily see the sorrow and regret associated with many deformed and unwanted children. As the sensational pictures of the anti-abortionists have published would indicate, abortion is not a pretty thing. But neither is human suffering. Abortion is a private thing between woman and fetus; the miserable product of many of these pregnancies is a public matter with enormous emotional and economic cost.

Any thinking person recognizes the difficult position of members of Congress, but the emotional nature and political sensitivty of the issue of abortion necessitates courage. Please do not yield to the vocal pressures of the "Right-to-Life" groups. The Supreme Court decision should be allowed to stand as it is without interfering legislation. Let us uphold the value of life by allowing every newborn baby to have the opportunity of being wanted and of being physically and mentally sound.

I think my colleagues will agree that these two statements make very clear some of the difficult decisions we must make in formulating legislation on this issue.

FESTIVAL OF PURIM

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GILMAN. Mr. Speaker, the festival of Purim, a holiday recalling a fight for freedom thousands of years ago, has a pertinent message for all of us today.

The Purim holiday commemorates the saving of the Jewish people of Persia from the hand of an oppressive conspiracy bent on their destruction. Their fate was avoided by appealing to the proper authorities, who used the channels of government to dispose of the conspiracy.

May the observance of this holiday serve as a sober reminder to those who seek to impose their will through extra-governmental means. Let it be remembered that, throughout history, those who have known freedom have fought those who sought to subvert the liberty of any people. May the entire world recognize that the American people, having known and loved such freedom, will not be swayed by forces, domestic or foreign, which seek to alter the course of policy in other than a forthright manner.

As the Jews whom we remember at Purim subdued those sinister forces which sought to set the sovereign state against a portion of its people, so too let us dedicate ourselves to help all freedom loving people find solutions to their oppressive burdens through the recognized channels of government.

A free nation can do no more, and a civilized world can tolerate no less.

THE 57TH ANNIVERSARY OF LITHUANIA'S INDEPENDENCE

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. KASTEN. Mr. Speaker, the Lithuanian World Congress, meeting in August 1958 under the auspices of the American Lithuanian community, adopted a unanimous resolution declaring that Lithuanians continue fiercely resisting the alien rule of the Soviet Union and asserting that Lithuanians have not accepted and never will accept Soviet slavery.

Lithuanian courage is admirable. Their resolve to remain free reflects an inalienable right. We recognize that, and as a leader in the free world, it is our duty to encourage and foster Lithuanian national independence and individual freedom.

We have never recognized that nation's incorporation into the Soviet Union. We recognized the Lithuanian government on July 27, 1922, and we continue to maintain diplomatic relations with the representative of the former independent government.

Throughout our history we have championed the rights of the oppressed by opening our doors to anyone wanting to enter our melting pot, by providing both monetary and moral support, and by speaking out against those nations who would end freedom and individuality.

Lithuania no longer exists on the maps, but it will not die in the hearts of those whose origins are closely tied to a people so determined to maintain their freedom.

On February 16, Americans of Lithuanian origin or descent will commemorate the 57th anniversary of Lithuania as free and independent. With our support and through our continued observation of this anniversary, independence may once again become a reality.

HIDDEN COSTS IN AUTO REBATES ARE COSTING CONSUMERS MILLIONS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ROSENTHAL. Mr. Speaker, hidden costs in the rebate programs of the auto manufacturers are costing consumers up to $75 and beyond. As a result, new car buyers are not getting the full price reduction they expect.

This is because two manufacturers do not permit their dealers to apply the amount of the rebate to their down payment, thus forcing customers who finance their purchases to pay interest on the amount of the rebate. And since the amount of the rebate is part of the purchase price, all buyers are forced to pay sales tax on the rebate, too. That can be as much as 8 percent in New York, or $48 on some cars.

If the car makers would cut their prices up front instead of using the "rebate" gimmick, consumers could save over $75 on the purchase of a car with a $300 rebate.

The rebate plan is a ruse by the manufacturers to avoid being caught with lower prices if there is another Government price freeze.

The two smaller U.S. auto manufacturers, Chrysler and American Motors, do not permit their dealers to deduct the rebates from the amount of the sale; instead, customers must wait 4 to 6 weeks to get their money. Since 2 out of 3 new car buyers finance their purchase, the total financed would include the amount of the rebate and the sales tax on the rebate, and he would have to pay interest on those sums, too. As a result, the "big three" can profit doubly on new car sales because each owns its own credit finance company.

Elimination of the rebate-delay restriction could mean a savings of approximately $50 for the customer who buys a $4,000 automobile on which there is a $300 rebate and which is financed at 10 percent over 3 years. With an 8-percent sales tax, that rebate is trimmed by another $24.

I have asked the Chairman of the Federal Trade Commission to look into the rebate practice for possible deceptive advertising and other misleading trade practices. If these are found to exist, the auto companies should be ordered to make restitution to their customers.

In addition, I also wrote to the presidents of Chrysler and AMC urging them to change their rebate programs as soon as possible and with adequate publicity to educate consumers about the change and the potential savings.

The present system has an unintended inflationary impact and a hidden unnecessary cost. I believe the companies should give their customers the option of taking an immediate before-tax deduction from the dealer-customer price agreement or waiting, as they now must, the 4 to 6 weeks it takes to get the rebate check from the factory.

Although the rebate programs are scheduled to end for all four manufacturers on Friday, February 28, dealers are pressuring Detroit to continue the rebate into spring because they are spurring sales. Ford, GM, and AMC are known to range from cool to downright negative about continuing, but hard-pressed Chrysler, which started the whole thing, may once again force them into offering the refunds.

ESTONIAN INDEPENDENCE DAY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. McDONALD of Georgia. Mr. Speaker, 57 years ago, on February 24, 1918, Estonia was established as a free and independent nation. Yesterday, Americans of Estonian origin and descent commemorated this anniversary.

Estonia had enjoyed her independence for only 22 years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States into the Soviet Union.

This takeover began with the German-Soviet Treaty of August 23, 1939, which assigned the independent Baltic Republics of Estonia, Latvia, and Lithuania to the Soviet sphere of influence. Between September 28 and October 10, 1939, the Soviet Union forced, through political coercion and threat of military force, these three Baltic Republics to sign agreements permitting the establishment of Soviet military bases on Baltic territory. Then in June 1940, the Soviets effected a total military occupation of these countries, installing unconstitutionally and undemocratically appointed pro-Soviet governments. The annexation was completed one month later when the countries were illegally and forcibly incorporated into the U.S.S.R.

This military takeover constitutes a violation of international treaties and of all principles of international law. Thus the Soviet regime in Estonia lacks any legal basis and must be regarded only as a temporary military occupation. In this regard, it is important to note that the major free countries of the world, including Britain, Canada, France, Italy, and the United States, have never recognized the legality of the Soviet occupation.

With respect to the morality of the Soviet military takeover, consider the following. While preparing for the final act of subversion, the Soviets instituted a reign of terror. It is estimated that 60,000 Estonians were arrested, imprisoned, and then either executed or herded into freight cars and exiled to distant parts of the Soviet Union. Some 30,000 Estonians fled to Sweden, and another 33,000 to Germany. Fourteen months later when the Red army was evicted by the Nazis, Estonia's population had been reduced by at least 10 percent as the result of the first Soviet occupation. After their reoccupation in 1944, the Soviets again began mass deportations: By 1954 approximately 140,000 Estonians had been deported.

Today, amidst the rhetoric and euphoria over "newly emerging nations," little thought or concern is expressed for those nations which remain submerged by the Soviets. While a coalition of Soviet cutthroats and American soft-drink tycoons are denouncing the breakdown of the United States-Soviet trade agreement, little attention is being given those who may prefer their freedom to a sip of Pepsi-Cola in a Soviet prison.

This is why it is so important for those concerned with human rights and freedom to keep the issue of the occupied Baltic nations such as Estonia before the public. Détente, trade agreements, and SALT are to no avail if we ignore the systematic repression of the fundamental human rights of men in one-half of our planet.

TRIBUTE TO DR. RALPH MOSES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. LAGOMARSINO. Mr. Speaker, on Sunday, February 23, Temple Beth Torah honored Dr. Ralph Moses of Port Hueneme, Calif., with a testimonial dinner.

Mr. Speaker, I would like to take this opportunity to express my personal thanks and appreciation to Dr. Moses for the tireless efforts and service be has accorded civic and temple activities throughout the past 20 years.

There is so much that can be said about Dr. Moses' accomplishments as a humanitarian, religious leader, and civic leader.

After graduation from Ventura High School, Dr. Moses became a student at UCLA. On his 18th birthday his education was interrupted by his service in World War II. After the war he returned to UCLA for his bachelor of science degree and then University of California for his degree in optometry; and in 1952, Dr. Moses opened practice in Port Hueneme. He soon became very involved in civic activities, some of which included chairman of the local Red Cross drive, chairman of the Community Chest drive, chairman of the City of Hope drive, UJA drive, just to mention a few. Dr. Moses has also served as Port Hueneme City Councilman for the past 10 years. His assiduity and perseverance as a city councilman and prominent civic leader has afforded him the admiration and respect among his colleagues and members of the community.

Mr. Speaker, I am pleased to have this opportunity to join the many friends in honoring Dr. Ralph Moses, a truly dedicated individual.

LITHUANIA

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BROOMFIELD. Mr. Speaker, 57 years ago the state of Lithuania became a free republic, seeking to provide for its people the basic human rights of freedom and self-determination.

On February 16, Lithuanian Americans celebrated the anniversary of this independence, something their fellow countrymen in the homeland have been unable to do since the Soviet Union forcibly annexed their country along with the Baltic States of Latvia and Estonia in 1940. For 22 years before this unconscionable act of aggression the Lithuanian people succeeded in their noble experiment, and enjoyed the fruits of freedom.

Despite living under the tyrannical Soviet rule, the people of Lithuania have not lost their desire to return to this free and independent state. Soviet oppression has been unable to crush the spirit of these strong-willed people, and the desire for freedom that burns brightly in their hearts and minds.

These brave people have been supported in their cause by the various Lithuanian-American organizations who continue to fight the battle for Lithuanian independence. I am pleased to join these organizations and the millions of Americans of Lithuanian descent in supporting this struggle, and hope our country's steadfast refusal to recognize the Soviet annexation of Lithuania will continue to give hope and encouragement to the people of that nation.

We in this country, which will celebrate 200 years of independence next year, must not abandon the efforts to reestablish Lithuanian independence. Let us raise our voices loud and clear in support of this cause, and show the people of Lithuania we have not forgotten them.

Mr. Speaker, at this point I would like to include a resolution adopted by the American Lithuanians of Metropolitan Detroit on the occasion of Lithuanian Independence Day:

RESOLUTION

We, the American Lithuanians of Metropolitan Detroit, assembled this day of February 16, 1975 at the Lithuanian Cultural Center, 25335 W. Nine Mile Rd., Southfield, Mich., to commemorate Lithuania's Declaration of Independence on Feb. 16, 1918 in Vilnius, whereby the sovereign Lithuanian state was restored, to remember the Lithuanian people who have fought and died for their country, to condemn the occupation and annexation of Lithuania by the Soviet Union on June 15, 1940, to protest the continuous colonization and severe religious persecution of Lithuania by the Russians.

Now, therefore let it be resolved:

1. That we express our sincere gratitude to the Administration and Congress of the United States of America for the continued non-recognition of the incorporation of Lithuania into the Soviet Union;
2. That we request the President of the United States of America to instruct his delegation at the European Security Conference to demand the restoration of independence to Lithuania;
3. We request that the family of the Lithuanian defector Aloyzas Jurgutis be allowed to leave the Soviet Union;
4. That copies of this resolution be forwarded to the President of the United States of America, the Senators and members of the Congress of the State of Michigan.

THE BICENTENNIAL—WHAT IT WASN'T

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ROUSH. Mr. Speaker, several weeks ago I had the pleasure of hearing an address on our Bicentennial that impressed me so much I asked the author to allow me to print it in the CONGRESSIONAL RECORD so that the Members of the House and their constituents could have the benefit of reading it as well. Prof. Michael Downs, of Indiana University at Fort Wayne, is the author and I commend his historical review to your attention:

THE BICENTENNIAL—WHAT IT WASN'T

Let me begin with a paraphrase of Voltaire, "The American Revolution was neither American, nor a Revolution." He didn't say anything like this but I like to think he would have if he knew what we know now and if he were alive to see the direction in which our bicentennial celebrations are tending. At any rate this is the theme of what I will say today.

I do not need to remind you that what happened 200 years ago this year has come down to us as the beginning of a war between English colonists in America and their mother country, a revolution. But not all of the English colonists were involved. Samuel Eliot Morrison estimates that at least half of our ancestors never rallied around either the British or any of the various colonial flags. Furthermore, at least 10% of the remaining half fought on the side of Britain. If we mean by "The American Revolution," the conflict that began in April of 1775 and lasted until British forces evacuated New York City in November 1783, we are not commemorating the notion of a people embattled, or a nation armed. That kind of national consciousness and consensus still lay before us then, and may not have been accomplished until the War of 1812, according to some historians, or the Civil War, according to others. Indeed, the Kerner Commission intimated that the realization of such an "American Community" still lies before us 200 years after the "shot heard round the world." What made the War American, or us American, may not, finally, be any more than a geographic place name.

Well, American or not, wasn't it a revolution? Two hundred years ago the world was short of revolutionary experience and quickly, perhaps too quickly, fastened that title on our war. Since then the world's experience in revolution has broadened and deepened considerably. Political Scientists have begun to take various revolutions apart, so to speak, in order to learn more about them. This has led, with the passing of time to the establishment of classifications. "Classic Revolutions," according to the theorists, follow a more stately and determined pattern than their less radical relatives, the colonial revolutions.

Drawing upon the models based on the experience in France and Russia the course of the classic revolution thus proceeds: there is, first of all, a regime that has governed successfully for generations; its authority is unquestioned, its subjects united in support of its policies. The full weight of precedent, tradition, of what Edmund Burke called prejudice, press down, creating an impressive stability rooted in the ages. This stability and order are illusory, however, for the entire political system has atrophied and can no longer respond to change. Under the pressure generated by unaccommodated gradual change, push comes to shove, and the whole thing comes tumbling down in revolution. Following the upheaval there will be a period of acute instability. This is understandable—the office holders of the old regime, often anyone even remotely connected with the old regime, will be purged, exiled, imprisoned, or executed. That's part of what makes revolutions and while it creates plenty of new places to be filled at the top of the political system it results in a serious shortage of experienced people to fill them. A period of experimentation or trial and error then occurs and lasts until the new officials discover that while regimes change, problems do not. Slowly but surely they fall into the habit of coping with these problems using many of the same techniques and policies employed by their predecessors. Like most of us they are also defined by their enemies. In both the case of France and the case of Russia this process was hastened by the advent of a strong leader who recognized the need of many people for a reassertion of order. Napoleon and Stalin are the players for this role. And with this, the circle is complete—stability — revolution—instability—stability. Or as they say "The more a thing changes the more it is the same."

Contrast this with a colonial revolution of war of liberation. In reference to this model our war has more in common with the struggle of Ghana prior to 1954 than it does with the French Revolution. Instead of being stable, colonial countries are, by their nature, unstable. They have no long traditions of their own to draw upon, The institutions and processes which inspire confidence and support in the mother country are far away and not often easily transferred to a new place. The question which, when answered, takes care of our own personal insecurity or instability, "What am I supposed to do?" is answered easily in the homeland and not so easily in the colony. The first political and social tasks of the colonists is to build stability—some efforts may consist of copying older models but much will be new, composed of adaptations and rigged on the spur of the moment. In this case the time for revolt comes as the search for stability reaches the point where it seems to be nearly over. The American Colonies, left by Britain to their own devices, were close to that point, when quite suddenly the British government unilaterally ended the period of statutory neglect and attempted to reimpose control over much of colonial life. Then the war began. It proved to be an interruption in the process of creating stability. With the war behind them the colonies took up where they left off and built an order, which like the wedding dress, was something borrowed, something new. The cycle here is only partial—instability—revolution—stability.

We may look beyond these two models of revolution to the question of change, specifically, the amount of change. In politics we view change within four areas, officeholders, policies, institutions, and means employed, in order to determine whether the change should be termed incremental, extensive or revolutionary. More particularly we look at how many offices changed hands, what degree of change took place in official policies, were old institutions eliminated and new ones built and if the means used to effect these changes were within the definition of what was ordinary.

The answers to these questions are disappointing to those who cherish the idea that our war of independence was a thorough political revolution. The least disappointing answer can be given in regard to means. There is no doubt that the colonists engaged in armed insurrection and that that was certainly outside the pale of law and custom, even on the frontier. By itself such an act is not a full-fledged revolution—such events had occurred before, Bacon's rebellion for instance, without really effecting any great change. That institutions changed after the war is obvious, although the constitution didn't come along until 1787 and the Articles of Confederation were so ineffectual that they were not equal to solving the problems that the old colonial regimes had faced. But many institutions of local government remained unchanged. At the state level the essential structures had been in place for generations, and in townships and towns all over the country the war did not alter much the old institutions and offices—sheriffs, selectmen, assessors—in fact we have many of them around today. In the place where the attention of the colonists to their political affairs was most acute, change was the least. New offices and institutions were created at the top and the center but not at the bottom. And what was assembled was very familiar and recognizable to most of the colonists—usually variations on an old theme. An examination of policies, the way governments deal with problems, indicates that extensive changes took place; in regard to the western lands, trade and commerce, the war made a difference. But the Indians and the debt problems seem not to have been dealt with very differently.

Though this summary is brief I think that even though the war we celebrate made a difference, an extensive change in the colonies, the difference was not so great to be classified as a revolution. Keep in mind, too, that the classic revolutions offer us far more dramatic evidence of change in these four areas, and they undergird their political revolutions with social and cultural revolutions. In both France and Russia the church lost its place in the scheme of things through persecution and proscription. In France an attempt was made to renumber the years and change the names of the months. In Russia marriage was, in effect, abolished by removing legal recognition of its contract. In both countries entire educational systems were drastically changed; and in Russia the economic system was no longer recognizable after the period of so-called war communism.

In America society and the economy were almost untouched by the war at least so far as change is concerned. Historians strain to discover the dramatic effects of our "Revolution." Their labors are not really rewarding. The reason for this is that the changes date back much further and take place more gradually than is usually the case with revolutions. If they started instead with 1607 or 1620 better results could be produced. Those are the years when something new began. We have chosen 1775 to commemorate because a war and its beginning are more arresting and definable than the instant at which people in the colonies discovered that a willingness to work was more important in persons than their religious beliefs, or the series of technological discoveries that made it possible for all of us to share the luxuries of the rich and gave equality a new definition and application, or the date at which more Americans lived in cities than in the country. Each of these is more a part of our Revolution than that war. We have had a revolution but it is not the one we usually talk about. So little is it like a war; so much is it like a vast continuous movement. The Industrial Revolution is more our model, a slowly gathering mass, working gradual miracles, renovating and innovating at the same time, an event with only a year to be cited at the beginning and only the future before it. Like Rome neither were we built in a day, nor even in the 10 years between 1775 and 1785.

Concentrating on the War during our Bicentennial Celebration has distorted the meaning of our "Real Revolution." When John Adams said that the revolution had happened in the minds and hearts of men; when Eric Hoffer said that America was the only new thing that was happening in History they moved discussion of the Revolution from the realm of events and placed it in the realm of experience. In a democracy the revolution, then, is not something that happened once, at a specific time and place in history, but an experience for every citizen, at every time and every place. We must each make our own revolution, and for that matter our own republic, in our hearts and minds.

Not only have we distorted the meaning of our Revolution but we may be in danger of blighting the bicentennial so that we will find it difficult to celebrate our Revolution. The revolution in our hearts and minds is not well served by the efforts of Chambers of Commerce, Tourist Associations and other entrepreneurs to exploit the bicentennial by staging ersatz or pseudo historical pageants and rebuilding old inns, by ransacking museums and attics throughout the country for spinning wheels, uniform buttons, and muskets and by the manufacture and distribution of buttons, coloring books and three-cornered hats. If newspapers and advertising are any reliable indication this is a pronounced tendency. We may reach a point where some bicentennial commissions will have to take their cue from the opponents of commercialism in Christmas and ask that George Washington be put back in the bicentennial. Later generations might want to read neo-Beardian analysis of the bicentennial along with the original Beard's economic interpretation of the American Constitution. It would be a shame, and unworthy, if the only purpose of the celebration was to increase revenues.

This is a plea for balance, a hope that some care will be given the more tenuous side of our revolution, the internal experience—there is much that pleases the eye in all that is planned; not nearly enough to lift the heart and beguile the mind.

ANNOUNCEMENT OF HEARINGS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. EDWARDS of California. Mr. Speaker, the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary will continue its hearings on FBI oversight on Thursday, February 27, at 10 a.m., in room 2141 of the Rayburn House Office Building.

Witnesses on that date will be Edward H. Levi, Attorney General of the United States, and Clarence M. Kelley, Director of the FBI.

Persons interested in submitting statements for the record may address their inquiries to the House Committee on the Judiciary, room 2137, Rayburn House Office Building, Washington, D.C. 20515.

SCIENTISTS ON ENERGY POLICY

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. McCORMACK. Mr. Speaker, about a month ago, one of the most prestigious groups of scientists in the United States issued a public statement concerning the energy crisis, and the options available to our Nation in providing solutions for it.

Unfortunately, this statement did not receive the attention it deserved in the press, and many Members of Congress and average citizens were thus deprived of its counsel. The spokesman for this group was Dr. Hans Bethe, who is one of the most revered physicists in the world today—a Nobel laureate in physics from Cornell University. In addition, 31 others of the Nation's leading scientists joined in making this statement. Among them were a total of 11 Nobel laureates in physics, chemistry, physiology, and medicine.

The statement is of great importance to the Congress, to the administration, and to the people of the United States because it sets forth inescapable facts which must govern much of our Nation's energy policies for the future. I am bringing it to public attention at this time partially because it did not receive coverage it should have received in the press and broadcast media, and partially because it should be read as background factual information by every person who has any responsibility or any interest in formulating a meaningful and constructive energy policy for our country. The statement follows:

SCIENTISTS' STATEMENT ON ENERGY POLICY

WASHINGTON, D.C., January 16.—We, as scientists and citizens of the United States, believe that the Republic is in the most serious situation since World War II. Today's energy crisis is not a matter of just a few years but of decades. It is the new and predominant fact of life in industrialized societies.

The high price of oil which we must now import in order to keep Americans at their jobs threatens our economic structure—indeed, that of the Western World. Energy is the lifeblood of all modern societies and they are currently held hostage by a price structure that they are powerless to influence.

In the next three to five years conservation is essentially the only energy option. We can and we must use energy and existing energy sources more intelligently. But there must also be long range realistic plans and we deplore the fact that they are developing so slowly. We also deplore the fact that the public is given unrealistic assurances that there are easy solutions. There are many interesting proposals for alternative energy sources which deserve vigorous research effort, but none of them is likely to contribute significantly to our energy supply in this century.

Conservation, while urgently necessary and highly desirable, also has its price. One man's conservation may be another man's loss of job. Conservation, the first time around, can trim off fat, but the second time will cut deeply.

When we search for domestic energy sources to substitute for imported oil, we must look at the whole picture. If we look at each possible energy source separately, we can easily find fault with each of them, and rule out each one. Clearly, this would mean the end of our civilization as we know it.

Our domestic oil reserves are running down and the deficit can only partially be replaced by the new sources in Alaska; we must, in addition, permit off-shore exploration. Natural gas is in a similar critical condition; in the last seven years new discoveries have run far below our level of gas consumption. Only with strong measures could we hope to reverse this trend.

We shall have to make much greater use of solid fuels. Here coal and uranium are the most important options. This represents a profound change in the character of the American fuel economy. The nation has truly great reserves of these solid fuels in the earth. Our economically recoverable coal reserves are estimated to be 250 billion tons and exceed the energy of the world's total oil reserves. Our known uranium ores potentially equal the energy of 6,000 billion tons of coal; lower grade ore promises even more abundance.

The U.S. choice is not coal *or* uranium; we need both. Coal is irreplaceable as the basis of new synthetic fuels to replace oil and natural gas.

However, we see the primary use of solid fuels, especially of uranium, as a source of electricity. Uranium power, the culmination of basic discoveries in physics, is an engineered reality generating electricity today. Nuclear power has its critics, but we believe they lack perspective as to the feasibility of non-nuclear power sources and the gravity of the fuel crisis.

All energy release involves risks and nuclear power is certainly no exception. The safety of civilian nuclear power has been under public surveillance without parallel in the history of technology. As in any new technology there is a learning period. Contrary to the scare publicity given to some mistakes that have occurred, no appreciable amount of radioactive material has escaped from any commercial U.S. power reactor. We have confidence that technical ingenuity and care in operation can continue to improve the safety in all phases of the nuclear power program, including the difficult areas of transportation and nuclear waste disposal. The separation of the Atomic Energy Commission into the Energy Research and Development Administration and the Nuclear Regulatory Commission provides added reassurance for realistic management of potential risks and benefits. On any scale the benefits of a clean, inexpensive, and inexhaustible domestic fuel far outweigh the possible risks.

We can see no reasonable alternative to an increased use of nuclear power to satisfy our energy needs.

Many of us have worked for a long time on energy problems and therefore we feel the responsibility to speak out. The energy famine that threatens will require many sacrifices on the part of the American people, but these will be reduced if we marshall the huge scientific and technical resources of our country to improve the use of known energy sources.

Signed by:

Hans Bethe [1]—Organizing Chairman; Cornell University Laboratory of Nuclear Studies.

Luis Alvarez [1]—Lawrence Radiation Laboratory, Berkeley, Calif.

Peter Auer—Laboratory of Plasma Studies, Cornell University.

William O. Baker—President, Bell Telephone Laboratories.

John Bardeen [1]—Department of Physics, University of Illinois.

Robert F. Bacher—Department of Physics, California Institute of Technology.

Felix Bloch [1]—Department of Physics, Stanford University.

Norris E. Bradbury—Former Director, Los Alamos Scientific Laboratory.

Harold Brown—President, California Institute of Technology.

Richard H. Chamberlain—Chairman, Department of Radiology, University of Pennsylvania.

Cyril L. Comar—Chairman, Department of Physical Biology, Cornell University.

Arthur Kantrowitz—AVCO-Everett Research Laboratory.

Ralph E. Lapp—Energy Consultant, Alexandria, Va.

Joshua Lederberg [3]—Department of Genetics, Stanford University.

Willard F. Libby [2]—Department of Chemistry, University of California, Los Angeles.

Franklin A. Long—Center for Science, Technology and Society, Cornell University.

Edwin M. McMillan [2]—Director, Lawrence Radiation Laboratory, Berkeley, Calif.

Kenneth S. Pitzer—Dept. of Chemistry, University of Calif., Berkeley, Calif.

Edward M. Purcell [1]—Dept. of Physics, Harvard University.

I. I. Rabi [1]—Professor of Physics, Emeritus, Columbia University.

Norman Rasmussen—Dept. of Nuclear Engineering, Mass. Institute of Technology.

Roger Revelle—Director, Harvard Center for Population Studies.

Glenn T. Seaborg [2]—Associate Director, Lawrence Berkeley Laboratories.

Frederick Seitz—President, Rockefeller University.

Edward Teller—Lawrence Livermore Laboratory, Livermore, Calif.

James A. Van Allen—Chairman, Dept. of Physics, University of Iowa.

Warren Weaver—Mathematician, New Milford, Conn.

Alvin Weinberg—Former Director, Oak Ridge National Laboratory.

Victor F. Weisskopf—Department of Physics, Mass. Institute of Technology.

Edward Wenk, Jr.—Director, Program in Social Management Tech., U. of Washington.

Eugene Wigner [1]—Professor of Theoretical Physics, Princeton University.

Richard Wilson—Department of Physics, Harvard University.

ESTONIAN ANNIVERSARY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FLORIO. Mr. Speaker, February 24 marks the anniversary of declaration of independnce in Estonia and its founding. Estonia is an integral part of the Baltic States which was invaded and occupied by the Soviet Union after the signing of the peace and nonaggression treaties of 1920 and 1932.

After declaring its independence on February 24, 1918, and signing the peace and nonaggression treaty of 1920 with the Soviet Union, Estonia remained independent and became a member in the League of Nations in 1921.

In 1939, Nazi Germany and the Soviet Union secretly signed a protocol which divided Eastern Europe into spheres with Estonia and Latvia in the sphere of the Soviet Union, and Lithuania in Nazi Germany's sphere. Thus, the Baltic States lost their newly acquired independence.

In 1941, the Nazis again took control

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[1] Nobel Prize in Physics.

[2] Nobel Prize in Chemistry.

[3] Nobel Prize in Physiology and Medicine.

of the entire Baltic States, and occupied them for 3 years, until the Soviet Union regained control.

The United States does not recognize the incorporation of the Baltic States into the Soviet Union. On behalf of the many Estonian-Americans we must support efforts to gain independence for Estonia.

VOICE OF DEMOCRACY WINNER

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. McKAY. Mr. Speaker, each year the Veterans of Foreign Wars conduct a voice of democracy essay contest. It is an opportunity for secondary school students throughout the country to compete for scholarships, at the same time expressing their feelings on selected patriotic themes.

This year, the winner from Utah is a talented high school junior from Springville, Kaye Whiting. She has been active in student government, drama and music at Springville High School, and was co-editor of the student newspaper.

Mr. Speaker, I feel that Kaye Whiting's winning essay in the voice of democracy competition would be of interest to my colleagues, and I submit it to the RECORD for their benefit.

MY RESPONSIBILITY AS AN AMERICAN CITIZEN

Be grateful my friend each soul do lift
  For American Freedom a precious gift
Of Democracy rights and opinions to voice
  Be grateful my friend, for this land so choice.

Three years ago in my history class, the teacher asked me the following question:

What do you owe your country?

Being only thirteen years old at the time, my response was an intelligent, I don't know.

One year later, I came to a sudden realization of what my responsibilities as an American citizen are.

It was a hot day in June 1972. Our family was busily packing and preparing for our annual summer vacation. This year it was to be a very special vacation. We were going to a strange new land; and as Thornton Wilder so eloquently put it, it was a land where people didn't speak English, and didn't even want to! Each of us learned two or three foreign words, and somehow felt adequately prepared to face the great adventure.

It took us three long days to reach our anticipated destination. We arrived on a Monday, but by Tuesday I was longing for the good old United States of America. Oh, not that it wasn't interesting to learn another culture, and awake to new sights and sounds, but surprisingly, I missed the many simple but necessary things that I often take for granted in America—simple things like pure running water, cleanliness and food passed by our government inspection. And because motion sickness is a problem with me, I really missed smooth roads and highways. I missed proper police protection and good medical care.

While we were at the beach, I saw many little street urchins much younger than myself, selling food they had brought from home. Well, I just thought the boys were earning a little spending money, but I soon discovered that these boys had to work for their survival, and often times the survival of their families. You see, in that country, the schools were not free and compulsory like mine are. In fact education ended at the sixth grade, unless you could afford to go on, thus explaining the high rate of illiteracy.

Also, when we were at the beach my little brother was stung by a jelly fish. My mom and dad quickly rushed him to the doctor. The doctor gave him several shots in his arm. He slashed the area where he was stung and because of improper sanitation precautions be developed severe infection.

I often witnessed long processions of families mourning along the road, as they slowly walked to the cemetery. Our guide informed us that many babies died each summer because of non-refrigerated food, disease, dysentery and improper medical care.

How grateful I am for America's advanced technology, for her high standard of living. How proud I am to be part of a country so great!

I am still quite young, in my teens, and I am sure that I have much to learn about responsibilities. Because, I believe that knowledge comes with age and experience. Therefore, my parents or grandparents could answer to their responsibilities much more adequately than myself. But I am the one who must answer! And I know, if that same history teacher were to ask me today: What do you owe your country?

I would proudly answer, gratitude!

My greatest responsibility as an American citizen is to be grateful. And to express that gratitude by serving—oh, not necessarily in war or something dramatic, but to take advantage of the wonderful opportunities around me each day. To do well in school, so that some day I might become a contributing member of society. To be grateful for the simple things I enjoy each day like pure running water. To be grateful for the important things like my educational system and transportation to and from school.

Yes, our greatest responsibility young or old, is to be grateful! To appreciate those before us who have fought and died for our freedom, and to honor those in the future who preserve the freedom of our children.

How grateful I am for America's history, for her sacred heritage. And as the 200th birthday of America nears, my responsibility is more increased, for all that we are, we owe America!

HOUSE JOINT RESOLUTION 219—CONTINUING APPROPRIATIONS, FISCAL YEAR 1975

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. MOORE. Mr. Speaker, it is with great hesitancy that I found it necessary to vote "nay" today on final passage of House Joint Resolution 219. I found it necessary to do so because this resolution unfortunately contained two totally different matters. The first was the approval of $3½ billion for foreign aid and the second was several Labor-HEW programs which may well have had merit.

I found it necessary to vote "nay" as a protest against the $3½ billion expended for foreign aid. I feel strongly that the people of this country are tired of paying their tax money in foreign aid to countries which often do not appreciate it or then use those funds to compete by means of Government subsidies with industry and agriculture in our own country. At a time when we have the largest proposed deficit since World War II, very high inflation, recession and 40 percent of our earnings going to taxes, I feel foreign aid should be further reduced well below the amount funded in this measure. Had this foreign aid funding not been in this resolution, it would have been possible for me to have given the human resource provisions funding additional consideration.

VOICE OF DEMOCRACY CONTEST

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. SANTINI. Mr. Speaker, each year the Veterans of Foreign Wars and its Ladies Auxiliary conducts a voice of democracy contest, in which secondary students from around the Nation compete by speaking and writing on the meaning of our precious heritage.

I was so impressed by the eloquence and profundity of the speech of the contest winner from Nevada, Marguerite Hall of Las Vegas, that I wish to share it with my colleagues in the Congress.

Marguerite is the daughter of Mr. and Mrs. Albert Hall of Las Vegas. She is a senior at Las Vegas High School, is active in speech and debate, and wishes to pursue a career in the theater or in politics.

I hope my colleagues will read Marguerite's speech, which follows:

MY RESPONSIBILITY AS A CITIZEN

We, the American people, have been endowed by our Creator, with certain inalienable rights, and among them are life, liberty, and the pursuit of happiness.

My responsibility as an American citizen is to protect and defend those rights. My responsibility is to accept and exercise to my fullest capabilities, my God-given right for freedom.

The young people of today have lost contact with the brilliantly ethereal foundation of our country.

One simple word; easily written, so easily spoken, more easily forgotten—so few of us really know what it means for so few of us have ever lived without that gift to each American citizen, freedom. Freedom of speech, freedom of religion, freedom to think and live the way we choose.

That freedom is taken for granted like the air we breathe, and, in essence, it is the air we breathe because freedom is the life's breath of this country. It is the strength and sustenance behind Americanism.

If I hold any truths at all to be self evident, I hold true that I am responsible for the fate of my Americanism.

So often, people make the mistake of believing that freedom is kept and held as an object of security to be used only to fall back on in time of need.

Not so! Freedom is not a cushion to soften your life. Freedom is not only a gift and a right but a responsibility and a struggle. A constant fight that never ends.

An individual such as myself struggles for something he/she wants or needs and eventually it can be attained. That's the struggle, that's the freedom. To be free to go after what I want and get it no matter what race, creed, or color I be. And that statement is true even though some people don't choose to believe it. For where else in the world can a person who feels he is being mistreated say:

"I have my rights!"?

And indeed, I have my rights; my right to live and breathe as a functioning human being, my right to liberty and happiness.

And with those rights go my responsibilities as a citizen; my responsibilities to those precious rights that give me freedom.

My responsibility as an American citizen is to struggle for my freedom. For, the moment I stop the struggle, my freedom is lost. As long as I have my freedom, I will be content for I will be reaching out for my goals. And, as a reach them, I will have love. And then my responsibility will be to reach out and touch the other people of the world with the freedom, happiness, and love that my country made it possible for me to have.

JAMES JORDAN

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mrs. HOLT. Mr. Speaker, it is not unusual for a Member of Congress to remark upon the retirement of a distinguished constituent, but I believe special recognition should be given to the career of James Jordan, who has just retired as the commissioner of corrections in Maryland.

In his youth, he knew poverty, but he also knew the honorable way to escape poverty. His career is a story of hard work, pride, achievement, and distinguished service to his Nation and his State.

His early years saw him employed in a shoe factory, as a railroad worker, as a stevedore. He struggled to obtain an education. He served his country with valor in the Second World War and the Korean conflict. He was a teacher in the education program of the Maryland prison system before advancing through the positions of assistant warden, warden, and deputy commissioner, to the rank of commissioner.

Mr. Jordan's first military experience was in 1943, when he joined the Army at the height of the Second World War. He served in Europe with Gen. George S. Patton's Third Army, participated in five major campaigns in Europe and one in the Philippines.

He was completing his studies toward a degree at Morgan State College when the Korean conflict erupted in 1951. Commissioned a second lieutenant, Mr. Jordan served as a combat officer and earned a battlefield promotion to first lieutenant.

During both wars, he won 14 awards and decorations, including the Bronze Star, the Combat Infantry Badge, and eight battle stars.

Following the Korean conflict, he completed his work for a degree from Morgan State College and became an instructor in the education program of the Maryland prison system, where his talents and ambition were recognized.

In a career marked by steady advancement, he attained the position of deputy commissioner in 1970 and was appointed commissioner of the prison system in 1971.

As commander of the system, he quickly served notice that his first priority was the protection of the public from the criminals committed to his custody. Reform programs would not be allowed to weaken security.

Jordan became a somewhat controversial figure because of his commitment to public safety. He proposed building new maximum security and medium security prisons. He tightened security at work camps.

His dedication and courage were demonstrated during a 1973 inmate rebellion at the Maryland Penitentiary, where the convicts took several guards as hostages.

He did not hesitate or negotiate. Jordan led his guards in a direct assault on the affected section of the prison. His quick response surely saved the life of one hostage, who was hanging by the neck when his rescuers surged in to free him.

James Jordan has now retired as the Maryland commissioner of correction. He is a man of action forced into retirement by coronary problems.

The State of Maryland has lost the services of a brave and exemplary public servant, but I believe we should all join in wishing him a long and happy retirement.

LITHUANIAN ANNIVERSARY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FLORIO. Mr. Speaker, the 16th of February marks the 724th anniversary of the founding of the Lithuanian State, and this date marks the 57th anniversary of the establishment of the modern Republic of Lithuania.

The people of Lithuania enjoyed the fruits of freedom and independence from 1918 to 1940. Yet the freedoms they worked so hard for were to be shortlived for in 1940, Lithuania, as well as other Baltic States, Latvia and Estonia, were invaded and forcibly annexed by the Soviet Union. Since that time, the people of Lithuania have remained under the control of the Soviet Union, except for a brief period during the Second World War when Lithuania fell under Nazi control.

Despite being under authoritarian governmental control, the people of Lithuania have never lost their will and taste for freedom and independence. This spirit holds even today, and I am certain Lithuanians look to our Nation, as the epitome of a free and independent nation, to help to restore their freedom and dignity.

I am pleased today to participate in this annual observance of our Lithuanian heritage. I am certain that the United States and the American people will continue to share and support these people and their Baltic State in their striving to achieve the freedom they once attained.

REMOVING EARNINGS LIMITATIONS ON SOCIAL SECURITY RECIPIENTS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ARCHER. Mr. Speaker, there has been much discussion in recent months involving our social security system and the entire program does require a thorough examination. One of the outstanding inequities in the social security program has been the provision in the law which imposes an earnings limitation on those individuals receiving social security benefits. This provision is a serious limitation on the senior citizens of our country.

Individuals between the ages of 65 and and 72 who are eligible for social security benefits are penalized if they desire to continue working. The limitation on earnings for a social security recipient in 1975 is $210 a month or $2,520 a year. If any money is earned above $210 a month, this amount will slash benefits by $1 for every $2 earned. This provision applies to the man who is drawing benefits on his earnings and applies to his wife if she is drawing benefits on her husband's earnings. The limitation does not apply to anyone over the age of 72 and does not apply to unearned income from sources like dividends, interest, and rentals.

This limitation in the law is an affront to millions of American citizens between the ages of 65 and 72 who paid into the social security system during their working years with the expectation of receiving benefits at age 65 without any restrictions attached.

When these individuals are ready to draw benefits, the Federal Government informs them that they cannot earn above a certain amount of money each month or they will be penalized by a reduction in their monthly social security benefits. Overall, this provision is a serious interference with the basic rights of the individual citizen to earn as much income as he or she desires according to the individual's own initiative and ability.

One of the greatest resources we have in the United States is the senior citizen. Our senior citizens possess the knowledge, the experience, and the insight we need in our troubled society. These senior citizens possess a wealth of talent and experience which could be utilized in all fields throughout the United States. It is both cruel and heartless to deprive a person who wants to continue working of the experience of working by penalizing the person through reduced benefits.

We have authors, engineers, businessmen, teachers, restaurant workers—people in all professions—who desire to make substantial contributions to our society beyond the age of 65 by continuing to work. Some of our senior citizens feel both needed and wanted and useful if they are allowed to continue in a career. Yet, these same individuals are deterred from making their maximum contribution to society in their golden years because we have a provision in our law which will reduce their social security benefits by $1 for every $2 they earn. Our society should remove this restriction which prevents our society from utilizing the full talents of our senior citizens.

It is my hope that this Congress will recognize the need to encourage the contributions of our senior citizens and to remove a deterrent to that contribution. We need to remove the earnings limitation on social security recipients so that our senior citizens can continue to be productive without being penalized.

CLIMBING UNEMPLOYMENT

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GRASSLEY. Mr. Speaker, we in Washington, have engaged in quite a bit of rhetoric lately regarding the climbing unempolyment statistics in this country. Congress is considering several Federal programs to alleviate this problem. As a former meat packing employee, I am aware that unempolyment is a disasterous occurrence—devastating to families who no longer have an income to depend on. I agree we cannot allow the jobless rate to rise any higher.

I do not, for instance, want to see 1,300 Mason City, Iowa, residents without work. These people may very well become unemployment statistics within 6 months if the Armour & Co. meatpacking plant where they work closes down. The company has notified its empolyees that the shutdown is a distinct possibilty because the Mason City plant is no longer profitable.

Lately, Armour has been hit with several Government agency regulations that would result in plant alterations costing several million dollars. The U.S. Department of Agriculture ordered the company to install a new scalding tank last summer. During the installation of the tank, operations at the plant were virtually halted, costing the company quite a bit of money due to lost production. The plant has never fully recovered from this setback.

If this was not enough of a hardship—the Environmental Protection Agency also had a few expensive alterations for the plant to implement. One is for the installation of smoke emission control devices in the plant smoke stack. This stack is used only sporadically, during brief periods of the year when the natural gas pressure is low and the plant must burn coal. The cost of the smoke pollution control device is $1,050,000. In addition to this expense, the EPA expects Armour to contribute $550,000 toward the construction of Mason City's new $3.7 million sewage treatment plant.

I am not saying that reasonable pollution control regulations are not needed, nor am I saying these Federal regulations were the sole cause of Armour's decision to close down the Mason City packing plant. Still, the added expense certainly must have been taken into consideration when the decision was made.

Since first arriving in Washington I have urged the executive branch of the Government to be alerted to the problems that existed at the plant. I requested the White House consider Executive Order 11821 in regards to the stringent Federal regulations imposed on the Armour meat packing plant. This order, signed by the President last November, says under section 3(b):

> In developing criteria for identifying legislative proposals, regulations, and rules subject to this order, the Director (of the Office of Management and Budget) must consider, among other things, the following general categories of significant impact:
>
> b. effect on productivity of wage earners, business or government at any level;

It is paradoxical that the Congress has been busy drafting legislation to provide public service jobs and unemployment benefits for workers who have been laid off—while down at the other end of town the bureaucrats are enforcing Federal regulations that contribute to the rising unemployment rate. The Federal Government cannot continue to pump hot air and Federal dollars into one side of the bulging unemployment balloon, only to allow it to pop a leak somewhere else, somewhere like Mason City, Iowa.

FEDERAL RESERVE SYSTEM

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FRENZEL. Mr. Speaker, today I am introducing in the RECORD a statement by Norman Macrae, deputy editor of the Economist, which appeared in the annual report of the First National Bank of Minneapolis.

I think the article is particularly timely when Congress is considering tinkering with the authority and responsibility of the Federal Reserve System. Written by an observer from England, it tells an interesting story that each Member of Congress should review before voting on legislation relating to the Federal Reserve System.

I congratulate the bank for publishing and distributing this fine article and attach it herewith:

THE INTERNATIONAL FINANCIAL CHALLENGE

(By Norman Macrae)

In each year since the end of World War II real gross world product has increased, and over the whole period it has more than trebled. In these brief three decades mankind has therefore added to its annual production by more than twice as much as it did in all the previous millennia of its existence.

While the main engine of this remarkable advance has been the increase in technological know-how, which is likely to accelerate in the decades ahead because the breakthrough in data processing means that the growth of usable knowledge is hardly likely to slow down, the lubricant has been the rather surprising success of the world's financial mechanism in getting savings flows to broadly the right places to seize the investment opportunities provided by this advancing technology. Those who say that "the good years are over" are really afraid that in these next several years this financial mechanism may temporarily seize up, because of intolerable inflation or world slump or even both at once.

The most reasonable answer to their fears is that the problems of these middle three years of the 1970's are going to look large, but will prove manageable unless we make some quite unnecessary new mistakes. Do let us be clear how we have got where we are, so as to see where we should decide not to go next.

PITCHING MONETARY POLICIES

Internally, most big countries now know how to pitch their monetary policies in broadly (though not brilliantly) the right directions, increasing money supply when there is a danger of recession and restricting it when there is a danger of overheating. Contrary to left wing prophecies of three decades ago, the private financial institutions in all big capitalist countries have then diverted this available money to serve capital investment needs rather efficiently, both when the local system is stock-market-oriented (which progressively fewer are) and when it is bank-oriented (which relatively more are). Interestingly, in the socialist and communist countries it is this harnessing of available capital to the most efficient productive processes which has failed miserably. Even when their technological innovation has been impressive, the standard of living in the communist countries has remained despairingly low.

Internationally—and at one time this seemed very serious—the big industrial capitalist countries have never had a mechanism for worldly coordination in increasing or curbing world money supply by the amounts required. Anxious conferences of Groups of Ten and Committees of Twenty finance ministers have therefore been held to discuss how to achieve coordination, but by the time these decision-non-making bodies have reached formal agreement on how to deal with some supposed problem (e.g., how to increase international liquidity), the problem for which there is at last an agreed solution has been replaced by another also requiring seemingly immediate attention. The resourcefulness of the bankers and businessmen who engage in international financial transactions has generally managed to solve the previous problem for them.

The unofficial modus vivendi for the international monetary system in the 1960's was that the United States was allowed to run a balance of payments deficit up to the amount where the excess dollars it thus spent in the outside world equalled the amounts of dollars that foreigners were eager or at least willing to hold and then to lend to each other mostly through the Eurodollar market. American corporations were then able to bring their technological and managerial know-how to other countries by establishing multinational corporations in them without grave balance of payments constraints, although one could see the point of the complaint by a nationalist Frenchman that "we are lending money to the Americans to enable them to buy us." The other props of the system were that there was generally not a danger that all countries would expand their economies by too much at the same time, because fixed exchange rates ensured that countries in balance of payments deficits (except America) were bound to slow their internal demand, and this helped restore their balances of payments to rights and also usually slowed their internal inflations.

STRAINS ON THE SYSTEM

In 1968 a series of strains were laid on the system. Sterling's devaluation in November, 1967, had put the dollar in the front line of possibly overvalued currencies and most foreigners became less willing to hold so many dollars in consequence; also the Vietnam war plus the Great Society caused overheating in America, and the riots in Paris in May of 1968 helped to spin cost inflation across Europe. Most countries therefore tightened their financial policies, and in 1969–71, for the first time since World War II, the big industrial countries all went into a minor economic slowdown at the same time. This time the slowdown did not work in significantly slowing wage inflation because labor unions had become more militant, and it also obviously did not improve deficit countries' balances of payments (because they could only improve at the expense of surplus countries' balances of payments, and now those surplus countries were slowing their demand too). In August of 1971, President Richard Nixon therefore loosened the balance of payments constraint by floating world exchange rates, and he led the world into the boom of 1971–73 by reflating demand behind a protective barrier of price and pay restraints.

The world boom of 1971–73 meant that all countries were now re-expanding demand a bit too strenuously at about the same time, and this caused a sharp upsurge in the prices of raw materials that were in inelastic supply. Then in late 1973, when high world commodity prices and internal inflation were beginning to puncture the boom in the big industrial countries anyway, the Arab nations, under stress of nationalist emotion in a very brief war, quadrupled their asking price for oil. So long as this quadrupled asking price for oil is paid, the Arabs will be running a balance of payments surplus of about $60 billion a year with the rest of the world. And this has four mutually contradictory effects, which provide a temptation for governments and central banks to follow disastrously wrong financial policies as they did in and just after 1929.

First, the quadrupling of oil prices has intensified world cost inflation, and the orthodox reaction to that is to tighten monetary and fiscal policies. Second, the Arabs have added to world demand deflation by taking $60 billion a year from other people's spending and trying to add it to their own intended saving, and the orthodox reaction to this threat of increased unemployment is to relax monetary and fiscal policies. Third, the $60 billion a year payments surplus run by the Arabs means that all other countries taken together must run a $60 billion a year payments deficit, and the orthodox reaction to payments deficits is to tighten policies. Fourth, the Arabs are adding in a most lopsided way to world liquidity because they are depositing much of their $60 billion a year of new savings on very short term with a few very big banks, and these banks cannot prudently lend on at longer term to precisely the businesses and countries which have been made most hungry for credit by the world disruptions which the rise in oil prices has caused.

CONTINUING THE DEBATE

Let us consider these four problems—inflation, slump, payments deficit and recycling—in reverse order. It is vital to keep debating the right policies towards all of them, because it could be easy for the governments of the free nations to muddle the world into wrong policies towards each.

On recycling, the first need is that central banking authorities should be ready to stand behind any institution or country from which short-term petrodollars are suddenly withdrawn, especially as the Arabs will presumably use their great new power to cause financial chaos as a more powerful weapon than oil price rises when next their quarrel with Israel flares. The second need is to provide some bridging mechanism through which short-term petrodollars can be mobilized for longer-term investment needs (IMF? Joint consortia on which the Arabs could be offered both participation and guarantees?). The wrong policy would be if government authorities responded to these financial troubles by telling banks that the path of prudence is to lend less money, in the same way as the Federal Reserve's cautious policy in 1930–33 reduced American money supply by about one-third and thereby made the world slump inevitable. It is disturbing that the first reaction of some central banks after the Herstatt affair in 1974 was to mutter that more stringent controls are needed in the Eurodollar market.

On payments deficits, somebody had better realise that nearly all the industrial countries that are forecasting rises in their gnps next year are predicting that their exports to each other will rise by more than their imports from each other. And obviously all won't. The danger is that some may try to make these false forecasts come truer by beggar-my-neighbour import restrictions, while the real need now is going to be to open frontiers further and bring freer trade back to favour, because freer trade is a powerful weapon to combat inflation.

The apparently opposite problems of countering slump and inflation sit uncomfortably close together, because one of the reasons for fearing slump is that the previous inflationary boom soared slightly out of control in most countries. In their most recent fiscal years twenty of the 24 OECD countries were running budget deficits. The double digit price inflation in most countries has made ordinary households worried about how they will meet their family expenses six months ahead, so there has been a marked slowing in expenditures on such discretionary items as consumer durables and vacations. At the same time there has been a squeeze on corporate liquidity all round the world. During the inflation a sizeable proportion of reported company profits have been inventory profits, which are not real profits in the sense that they do not create cash; but corporations have been paying dividends and interest payments and some taxes out of these supposed inventory profits, which means that they have been borrowing to meet them. When many businesses round the world have really been borrowing to meet their interest payments on past borrowing, it is not only bankers who should feel that their hair is beginning to stand on end. And if the inventory profits, which have made the borrowing look respectable, turn suddenly to inventory losses, the whole financial system will need to be operated with very cool sophistication.

TIGHTROPE POLICY

The present world slowdown in demand therefore cannot properly be met by reflation and expansion of the money supply. That would make worse the world inflation which is now big enough to be part of the threat of world slump. The proper course can only be to reduce the overload gently, to try to bring down the annual rise in money supply all over the world to a level which does not fuel the present scale of inflation, but simultaneously to make sure that this slowing of the rate of rise in money supply is not so sharp as to cause a real credit crunch. This is the sort of tightrope-walking policy which the skilled tightroper should not find difficult. When the feel of the rope shows that weight is being put a little too much to one side, then the proper course is to lean a little more to the other, and in that way the man who knows his job will reach the other side all right. But it is not the sort of policy which can be planned and specified in advance: the tightrope walker does not state that he will reach the other side by walking on a compass course of 337½° or North-North-West, and set out accordingly and insouciantly. One trouble is that some politicians, and occasionally even central bankers, do like to operate on pre-planned compass courses in very much that way.

A hundred years ago, the English political writer Walter Bagehot said that the pressure of events was changing the nature of both businessmen and soldiers, so that what was needed in each profession now was not a romantic animal, dashing at forlorn hopes, animated by frantic sentiment, full of fancies . . . but a quiet, grave man, busied in charts, exact in sums, master of the art of tactics, occupied in trivial detail.

As the longest and most exciting period of continuous economic growth in history reaches an awkward corner, this is what is going to be needed in our financial system, too.

BIPARTISAN COOPERATION IN FOREIGN AFFAIRS

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ZABLOCKI. Mr. Speaker, President Ford and Secretary of State Kissinger in recent statements, have called for nonpartisanship and cooperation between Congress and the executive branch in the field of foreign policy. This is an objective which is widely shared on Capitol Hill. However, the administration's avowed desire for such a partnership approach too often is accompanied by denunciations of certain congressional foreign affairs actions with which the executive disagrees.

Bipartisan cooperation must involve, it seems to me, both: First, a willingness by the executive to consult with Congress in the process of forming foreign policy, not just after the administration has reached a decision; and, second, a recognition of Congress' duty to oppose some executive proposals, when Congress believes this to be in the national interest, as well as to support others.

These essentials were ably set forth by the Honorable Thomas E. Morgan, chairman of the Foreign Affairs Committee, to Secretary Kissinger recently. Following is an excerpt from Chairman Morgan's remarks, and an informative article, by Senior Time Magazine Correspondent John L. Steele, who helped prepare "The Private Papers of Senator Vandenberg":

Remarks by Chairman Thomas E. Morgan

Chairman Morgan. Mr. Secretary, before you begin today I want to say that I have taken note of the speech you made in Los Angeles on January 24. This is the speech in which you proposed a "new national partnership" between the executive and the Congress in the conduct of Foreign Affairs.

First, in regard to what you said about non-partisan support of foreign policy, I am sure you know that this committee has been non-partisan in most of its actions over the years. I and others have been strong supporters of bipartisanship in foreign affairs during our years in Congress.

Second, as for the relationship between Congress and the executive in foreign affairs, I agree that both have their constitutional responsibilities—and that cooperation is necesasry.

But this does not mean that the Congress should automatically approve whatever the executive proposes. We have a duty to propose—or in some cases to oppose—according to our best judgment as to what is in the national interest.

Also, in consulting with Congress, the executive should consult with us before decisions are made—not merely inform us about them afterwards.

Thirdly, you spoke in your speech about Congress tending to "Legislate in detail the day-to-day or week-to-week conduct of our foreign affairs." Yet the examples you mention—the trade bill restrictions concerning the Soviet Union and oil countries, and the aid bill restrictions on Turkey—seem to me to be expressions of policy, and not just a day-to-day negotiating detail.

Lastly, I can assure you that this committee will approach the tasks ahead in a spirit of cooperation and in a constructive way.

And we welcome the desire you have expressed for a truly national foreign policy.

[From the Washington Post, Feb. 25, 1975]

FOREIGN POLICY: THE VANDENBERG MODEL

(By John L. Steele)

President Ford's call upon the Democratic-controlled 94th Congress to grant him the same kind of bipartisan foreign policy cooperation advanced to President Truman by the Republican 80th Congress almost 30 years ago is an estimable one. And so is the President's evocation of the memory of his one-time Michigan mentor, Sen. Arthur Vandenberg, who was the prime mover in keeping domestic politics out of at least a partial spectrum of foreign affairs. The trouble with the Ford suggestion is that it is so much more easily made than implemented. And if the beneficient idea is to get off the ground at all, President Ford and his foreign policy surrogates had best remind themselves of some of the rudiments of the Truman-Vandenberg enterprise and exactly what the nature of that "un-partisan" venture (the usage preferred by Vandenberg) was.

First, it was based on no mere consultation between a Democratic President and his Secretaries of State (Stettinius, Byrnes, Marshall and Acheson) on the one hand, and on the other, Vandenberg, at that time the predominant Republican foreign policy spokesman.

The price of Republican foreign policy cooperation, as painstakingly engineered by Vandenberg, was very high indeed. It involved essentially a trade off of some important executive branch prerogatives in foreign and defense policies in return for Republican support in the legislative branch of the government. It involved a Democratic President's willingness to grant a Republican senator a major role in policy formulation, in return for the latter's willingness and ability to mobilize his own fragmented party behind some major post-war programs.

President Ford now has challenged the Democratic dominated Senate and House to give him "the same consideration that Senator Vandenberg sought and got for President Truman." He might well have offered the Congress what Senator Vandenberg sought and got from President Truman. This, because Vandenberg always drove a hard bargain in terms of policy formulation, in return for what he gave in terms of policy support. Surely President Ford and Secretary of State Kissinger can expect no less of a hardheaded bargain from a Democratic Congress if they seek a reincarnation of that bygone era in a much more fragmented, less clear-cut world. A few specific citations of the Vandenberg input to the Truman output:

The Greece-Turkey military and economic aid program of 1947. "The Administration made a colossal blunder" by ignoring the United Nations in presenting its then novel assistance program to Congress, Vandenberg wrote in some penciled notes to himself at the time. With the Truman administration's acquiescence, he rewrote the very structure of the program so that it fell within the guidelines of the U.N. Charter, including a provision regarded as drastic at that time, permitting the U.N. Security Council or its General Assembly to terminate the American program whenever U.N. action was thought to make U.S. assistance "unnecessary or undesirable," and waiving the U.S. veto power in the Security Council on this matter. Only then would Vandenberg push the program to overwhelming Senate approval.

The Marshall Plan program for the postwar economic rebuilding of Western Europe in 1948. Here Vandenberg's demands in formulation of the long-term, unprecedented program were considerable in number and substantial in kind. And all were granted by the Democratic administration.

They included a preparatory, extensive stock taking of U.S. resources, financial and physical, in order to safely undertake such a program, including its potential impact on U.S. industry, labor, agriculture and managerial talent. The result was an overloaded five-foot shelf of books comprising an unusual national audit. A staggering $17 billion, four-and-a-quarter year program authorization was abandoned in favor of a generalized authorization to fund the program in amounts deemed necessary each year by the President and the Congress. Provisions dealing with Europe's self-help obligations and responsibilities were vastly strengthened with an ultimate sanction of individual country program terminations in event of serious non-compliance. Direction of the enterprise was taken out of State Department hands and lodged instead in an independent Economic Cooperation Administration headed by a cabinet level executive under direct presidential control. And finally, in an ultimate use of Vandenberg muscle, the Senator vetoed the President's proposed appointment of an international lawyer, Dean Acheson, to run the program in favor of the appointment of an able business executive, Paul G. Hoffman.

The North Atlantic Treaty of 1949. Vandenberg's participation in the development of this mutual security pact was of a long-term nature, in retrospect dating back to his tenure as a delegate to the 1945 U.N. Charter Conference at San Francisco. Here, he championed inclusion in the Charter of provisions for regional peace-keeping arrangement, and through Article 51, the stipulation of an inherent right of individual and collective self-defense which could be exercised until such time as the U.N. Security Council acted effectively to maintain peace and security. Vandenberg and Nelson Rockefeller, then an Assistant Secretary of State, were instrumental in overriding heavy opposition to these Charter provisions. Their aim then was to preserve an emerging Inter-American peace keeping system. But only three years later, these same Charter provisions provided the legal basis for keeping a much broader security effort within the U.N. Charter, but outside the Security Council veto. By 1948, the hardening cold war necessitated a U.S. security undertaking with Western Europe, and the senator in most intimate, secret collaboration with Secretary of State George C. Marshall and Under Secretary Robert A. Lovett used the provisions as the legal basis for drafting the so-called Vandenberg Resolution which, when accepted overwhelmingly by the Senate, provided advance approval for negotiation of the North Atlantic Treaty itself. Vandenberg kept in close touch with the treaty negotiations and here, too, his influence was felt on these points and the precise wording of the key. Article 5, pledging each signatory to take such action "as it deems necessary in * * * use of armed force" to * * * attack; (2) preservation of Senate treaty ratification and congressional war declaration functions, and (3) a "self-help and mutual aid" formula in developing a joint capacity to resist aggression. Infinite care and intensive preparation resulted in an 82 to 13 Senate vote for a bold, new security commitment.

This is merely a sampling of the participation and shared responsibility, running far beyond mere consultation, involved in a bipartisan enterprise which President Ford now commendably seeks to revive. He faces in this an even more difficult chore than did President Truman because the issues are more subtle. They no longer represent the black-and-white confrontation with a monolithic cold war threat and, finally, there is no immediately discernible Democratic counterpart to Vandenberg, a difficult, proud, but exceedingly talented achiever. Furthermore, President Ford might well remember that Vandenberg himself always regarded bipartisanship as of fairly limited scope; it never included the conundrum of China policy, only sometimes Latin America and the Middle East and never domestic matters even though they might have implications abroad. The President is ambitious indeed when he would seek to place under the blanket of Democratic congressional cooperation such matters as mediation in Cyprus, policies vis-a-vis the oil barons of OPEC, and the conditions under which most favored nation treatment and easy credit would be afforded the Soviet Union.

President Ford and Secretary Kissinger might profit by reading Vandenberg's own definition of his joint enterprise with the political enemy, made in one of his last public addresses, in February 1949. It alludes to the price which must be paid for bipartisanship:

"During the last two years, when the Presidency and Congress represented different parties, America could only speak with unity, and therefore with power, through some instrument of liaison. So-called bipartisan foreign policy provided the connecting link. . . . It helped to formulate foreign policy before it ever reached the legislative stage. Otherwise it would not have worked. Let's be clear about that. It was not a carbon copy process. There are outstanding Republican trademarks in every act that Congress passed. It was a meeting of minds. Thus we achieved substantial unity. Our government did not splinter. It did not default. It was strong in the presence of its adversaries."

Above all, bipartisanship did not mean passive acquiescence to Vandenberg. And that, too, might be worth remembering today.

ESTONIAN ANNIVERSARY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. WOLFF. Mr. Speaker, I would like to take this time to remind my colleagues that yesterday marked the 57th anniversary of the declaration of the independence of the Republic of Estonia. Unfortunately, this proud Republic no longer appears on our maps, as it was siezed by the forces of the Soviet Union during the turbulent years of World War II.

It is very popular to speak of détente. While we must pursue an easing of international tensions and increased understanding, we must not forget that there are a significant number of people in the world that cannot be described as free, that do not enjoy the basic human rights. In our quest for détente, we can not forget these people.

I call upon my colleagues to join me in commemoration of the establishment of the Republic of Estonia and in reaffirming our efforts to bring about the independence of these valiant people.

NOW ACCOUNTS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. DRINAN. Mr. Speaker, on Friday I inserted in the Extensions of Remarks the first part of an article by Katherine Gibson entitled "The Early History and Initial Impact of NOW Accounts." The final half of that article follows:

The Early History and Initial Impact of NOW Accounts—Conclusion

ACTION AT THE FEDERAL LEVEL

Two Federal agencies had limited power to control the spread of NOW accounts in Massachusetts. The FDIC, which regulated interest rates of the mutual savings banks it insures, could have imposed a zero interest rate ceiling on NOWs, thus eliminating their competitive advantage over checking accounts; however, only 8 to 167 mutual savings banks in the state are federally insured. The Federal Reserve could have affected the negotiability of NOW drafts by classifying them as non-cash items for clearing processes. However, there were legal and political problems with this suggestion and it appeared that an alternate clearing system could be developed nullifying the effect of this policy. Therefore, because the regulatory agencies were unable to reach an accord on issues of such far-reaching implications and because it seemed most appropriate for the permissibility of NOW accounts to be decided by legislation, the issue was brought to Congress.

The first bill, introduced in February, 1973 by Rep. Fernand St Germain (D., R.I.), would have abolished all NOW accounts. Other bills provided for the extension of NOW accounts to all financial institutions in the United States. Both the House and Senate banking committees held hearings in March and April.[11] Testimony by Governor George W. Mitchell, representing the Federal Reserve Board, dealt with the major concerns of most witnesses—competitive equity among different types of financial institutions, which involves both equality of powers and equality of regulatory requirements, and benefits to the small depositor. The specific recommendations of Governor Mitchell involved authorizing all depository institutions "to offer money transfer services on savings accounts that bear interest, and that are used primarily for household purposes" upon the condition that appropriate action would be taken to equalize interest rate ceilings and reserve requirements on NOW accounts for all financial institutions.

Congressional considerations culminated in the passage of Public Law 93–100, signed into law on August 16, 1973, which authorized mutual savings banks, commercial banks, S&Ls and cooperative banks in Massachusetts and New Hampshire to offer NOW accounts subject to the supervision and regulation of the appropriate agency (the Federal Reserve, the FDIC, the FHLBB or the Massachusetts Bank Commissioner; P.L. 93–100 extends the FDIC's authority to regulate interest rates to include non-federally insured mutual savings banks but the Massachusetts Bank Commissioner retains interest rate control of non-federally insured cooperative banks). No institution outside of these two states was permitted to offer interest-bearing NOW accounts. In essence, these two states were to be laboratories for an experiment testing the effects of a partial enactment of the Hunt Commission recommendation on broadening the depository powers of thrift institutions.

The regulatory agencies issued similar, but not identical, regulations for their respective constituencies. All institutions were permitted to pay a maximum interest rate of 5 percent on NOW accounts and their advertising efforts were limited to media aimed primarily at residents of the two states. The Federal Reserve imposed an additional restriction on member banks—no more than 150 drafts could be drawn on a NOW account during a given 12-month period. However, this limitation was removed October 17, 1974. Reserve requirements against NOW funds are the same as the requirements on other savings accounts at each institution. Congress had not included uniform reserve requirements against NOW deposits in the law and equalizing reserve requirements could not be accomplished by regulation.

Individuals and non-profit organizations may hold NOW accounts but businesses are not allowed to do so. The original regulations of the Federal Reserve Board and the FDIC excluded governmental agencies but because of a difference in wording, the FHLBB order appeared to permit them to hold NOW accounts at S&Ls. After one such account was opened, the FHLBB amended its regulations to prohibit governmental NOW accounts effective October 29, 1974. Then in November the Federal Reserve and the FDIC amended their regulations in order to allow governmental units to open savings accounts at commercial banks. This change included NOW accounts, thus creating a new discrepancy among the regulations of the Federal agencies.

THE SPREAD OF NOW ACCOUNTS

Under these rules, commercial banks, S&Ls, and cooperative banks were authorized to begin offering NOW accounts as of January 1, 1974, and 129 of them had done so as of October 31, 1974. The chart shows the extent to which each type of institution has become involved in NOW accounts. In both New Hampshire and Massachusetts, savings banks, which have been authorized to accept NOW accounts for a longer period of time, dominate in numbers of institutions offering NOW accounts and in total balances held. Seventy-three percent of total NOW account deposits in the two states ($270.8 million) were held by savings banks as of October 31, 1974. Even for savings banks, however, NOW account deposits equal only 1 percent of their 1973 year-end total deposits. NOWs represent an even smaller share of deposits for the other institutions. The monthly survey by the Federal Reserve Bank of Boston shows that new NOW accounts at all institutions combined were being opened at a rate of 13,425 per month in the first half of 1974. However, 55 percent of these accounts were opened by transferring funds from another account which the depositor held with the same institution. Thus, even the 1 percent figure overstates the gain in savings banks deposits created by NOW accounts.

Until January 1974 all the mutuals in Massachusetts imposed a 15¢ charge for each draft; since then there has been a steady rise in the number of savings banks offering free drafts. Only 17 percent of the Massachusetts mutuals continued to charge 15¢ in October 1974, while 61 percent of the savings banks have removed all service charges. For a person with an average balance of $200 who writes 10 checks a month it would be more advantageous to maintain a "free" checking account at a commercial bank than to open a NOW account under the 5 percent, 15 cents charge per draft terms, but preferable to open a NOW account under the no-charge conditions.

IMPACT ON OTHER NEW ENGLAND STATES AND THE MUTUAL SAVINGS BANK INDUSTRY

The most significant impact of NOW account activity in Massachusetts and New Hampshire on other New England states so far has been in Connecticut. There, the commercial banks joined the mutual savings banks in supporting compromise legislation which gave savings banks and S&Ls checking account powers, to become effective no later than December 31, 1975,[12] but prohibited the introduction of NOWs. The bill, introduced in March 1973, faced no opposition and cleared both houses of the legislature unanimously in April. Two years earlier a bill to give savings banks checking account powers had been vigorously opposed by the commercial bank industry.

In Maine, a special commission appointed by the governor to recodify the statutes administered by the Department of Banks and Banking, has recommended proposals which include checking accounts for thrift institutions and NOW account powers for thrifts and commercial banks. These proposals will be presented to the 1975 session of the Maine legislature. The NOW account recommendation would, of course, be dependent on a change in current Federal legislation.

In Rhode Island, each of the six savings banks and two of the four building and loan associations own a commercial bank and therefore have nothing to gain from introducing NOW accounts. In fact, Rhode Island had extended demand deposit powers to credit unions in 1970 and 12 credit unions presently offer checking accounts. Loan and investment companies were also authorized to accept demand deposits in 1971; however, the only institution that satisfies the financial conditions imposed by the law already owns a commercial bank and has not acted under this provision.[13]

There has been no action yet in Vermont to expand the powers of the state's six mutual savings banks. Among the New England states, Vermont has the smallest percentage of total time and savings deposits at savings banks.

Savings banks in New England are a substantial portion of the industry, holding 28 percent of the total savings bank deposits in the United States. However, New York dominates the industry with 57 percent of all savings bank deposits. Therefore, the recent introduction of payment accounts in New York is particularly significant. Payment order of withdrawal (POW) accounts, first offered on May 22, 1974, resemble NOW accounts except that no interest is paid on the accounts. The New York State Banking Superintendent promptly released regulations authorizing payment accounts but prohibiting automatic transfers from a depositor's interest-bearing savings account to his POW account. The superintendent said that the ban on automatic transfers was necessary to insure that such accounts do not violate the Federal law limiting interest-bearing NOW accounts to Massachusetts and New Hampshire. The regulations also limit payment accounts to individuals and nonprofit organizations and impose reserve requirements on payment accounts equal to those on commercial bank demand deposits. At least six mutual savings banks in New York had opened payment accounts within three weeks after the regulations had been introduced. However, on December 12 the appellate division of the State Supreme Court ruled that the Banking Superintendent did not have the authority to permit payment accounts. The New York Banking Commission is planning to appeal this decision.

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[11] See U.S. House Committee on Banking and Currency, Hearings on H.R. 4070, H.R. 4719 and H.R. 4988, March 13–15, 1973. Also U.S. Senate Committee on Banking, Housing and Urban Affairs, Hearings on S. 892, S. 1008, S. 1256 and S. 1257, March 20–22, 1973.

[12] The law in Connecticut provides that mutual savings banks will be authorized to accept demand deposits after 12/31/75 or earlier if Federal legislation giving checking account powers to mutual savings banks is adopted before that date.

[13] Building and loan associations are state-chartered institutions similar to S&Ls. A loan and investment company is similar to a Morris Plan or industrial bank. A law in Rhode Island specifies that a loan and investment company must have capital accounts over $1 million and deposit accounts over $5 million and obtain prior approval from the Board of Bank Incorporation before beginning to accept demand deposits. The Greater Providence Deposit Corp. is the only L&I which meets the criteria; it owns the Greater Providence Trust Company which has a commercial bank charter and therefore can accept demand deposits, although it is not considered by the Federal Reserve Bank to be a commercial bank for purposes of the Bank Holding Company Act of 1956 since it does not make commercial loans. State-chartered, insured credit unions with over $1 million in shares and deposits also may accept demand deposits, after obtaining approval from the Bank Commissioner.

A different adaptation of NOW accounts has been adopted by the Western Savings Fund Society in Philadelphia. This version, called a WOW account, would allow depositors to write an unlimited number of negotiable orders at no charge on regular savings accounts earning 5¼ percent interest. However, WOW depositors have to bring or mail their payment orders to the bank to be signed by a bank official before the draft is valid. The Pennsylvania Attorney General ruled on September 11, 1974 that the plan is permissible under law.

Most recently, Farmers and Mechanics Savings Bank, Minnesota's only mutual savings bank, announced its decision to begin offering non-interest bearing NOW accounts but was prevented from initiating the program by a ruling from the Minnesota Commissioner of Banks. The Commissioner based his prohibition on the absence of express authorization of negotiable withdrawal orders in the state statute governing the powers of savings banks.

CONCLUSION

The NOW account innovation in Massachusetts and New Hampshire has successfully surmounted all the legal obstacles, has been implemented by a significant number of institutions, and has attracted $271 million in deposits through October, 1974. It has also inspired imitation in New York and Pennsylvania and was a major factor in facilitating the passage of legislation in Connecticut authorizing demand deposits at mutual savings banks beginning in 1976. Among the New England states, only Vermont and Rhode Island have not reacted to the development of NOWs, and the unusual institutional arrangements in Rhode Island make any action there unlikely.

If legal challenges do not prevent savings banks in New York from offering their variations of NOW accounts, the impact on the mutual savings bank industry could be profound. Prior to 1972, 33 savings banks in the United States had the authority to accept demand deposits. Assuming that New York and Maine allow savings banks to accept some type of NOW or checking account by 1976, only 30 of the 485 mutual savings banks in the country will not have such powers, including the six Rhode Island mutual savings banks which own commercial banks. Thus, the industry would have essentially accomplished one important step in the effort to become "full-service" institutions in meeting the financial needs of families, regardless of what Congressional action takes place on broader Administration proposals based on the Hunt Commission Report.

The impact of NOW accounts is greater, however, than the effect on the mutual savings bank industry. The legislative package submitted to Congress by the Administration in August 1973 included a recommendation that the NOW authorization for commercial banks and thrifts be extended nationwide. If this proposal were adopted, it would give all consumers the option of opening the equivalent of an interest-paying checking account. Congressional action on this point will be affected by the current activity in Massachusetts and New Hampshire.

REPUBLIC OF LITHUANIA

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ANDERSON of California. Mr. Speaker, last Sunday, February 16 was a sad day for people of Lithuanian descent. That day was the 57th anniversary of the establishment of the modern Republic of Lithuania on February 16, 1918.

Lithuania lost her freedom and independence in June 1940 when the Russian Army marched in and the Lithuanian Government was overthrown. Lithuania was made a Soviet republic, a Communist satellite.

The Lithuanian people have never lost hope that someday they will again live in a free and democratic nation. The Lithuanian spirit remains unbroken despite Moscow's attempts to impose cultural hegemony. The Lithuanian people live with constant persecution in a daily struggle for greater autonomy, religious freedom, and basic human rights.

In an era of détente with the Soviet Union, we tend to ignore or simply write off the Lithuanian and other Baltic peoples' struggle for freedom. Rather we should see that détente provides a chance for greater freedom for the people behind the Iron Curtain. Hopefully détente with the West will foster a relaxation of repression within the Soviet Union.

Here in the United States, Americans of Lithuanian descent are continuing to call attention to the tragic plight of the Lithuanian people.

We must support this effort.

Therefore, I am submitting for the Record the following resolution adopted by the Lithuanian-American Community of the U.S.A., Inc.:

Resolution

Unanimously adopted at a mass assembly of Lithuanian-Americans and their friends, living in Southern California, sponsored by the Lithuanian-American community of the United States, Western Division, held on Sunday, December 23, 1974, at 12:15 p.m. at the Marshall High School Auditorium (3939 Tracy Street, Los Angeles, California, 90027) in meeting and honoring Mr. Simas Kudirka, a Lithuanian seaman, who in November, 1970 jumped from a Soviet fishing trawler to a Coast Guard ship tied alongside and several hours later was surrendered to the Russians, triggering worldwide outrage, after four years of suffering and torturing by the Soviet Communists in the Soviet prisons and slave-labor camps, finally in November, 1974 he and his family landed in America.

Whereas the Soviet Union took over Lithuania by force of arms in June, 1940; and

Whereas the Lithuanian people are strongly opposed to foreign domination and are determined to restore their freedom and sovereignty which they rightly enjoyed for more than seven centuries in the past; and

Whereas all representatives of the United Nations, including the Soviet Union, signed the Declaration of Human rights ten years ago, but the Soviet Union has failed to live up to the principles and goals of the aforementioned declaration; and

Whereas the government of the Soviet Union, through a program of deportations and resettlement of peoples, continues in its effort to change the ethnic character of the populations of the Baltic States; and

Whereas scores of new States were established and founded since 1945 in Asia and Africa and admitted into the United Nations; and

Whereas it has been the firm and consistent policy of the government of the United States to support the aspirations of Baltic peoples for self-determination and national independence; Therefore be it

Resolved, That we, Americans of Luthuanian origin or decent, reaffirm our adherence to American democratic principles of government and pledge our support to our President and our Congress to achieve lasting peace, freedom and justice in the world; and be it further

Resolved, That the President of the United States carries out the expression of the United States Congress contained in H. Con. Res. 416 (89th Congress) by bringing up the Baltic States question in the United Nations and demanding the Soviets to withdraw from Lithuania, Latvia, and Estonia; and be it finally

Resolved, That copies of this resolution be forwarded this day to the President of the United States, Secretary of State Henry Kissinger, United States Ambassador to the United Nations, John A. Scali, and selected members of the United States Congress.

DRAFT MAIN REPORT OF THE LONG ISLAND SOUND REGIONAL STUDY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. WOLFF. Mr. Speaker, over 3 years ago, Senator Abraham Ribicoff and I coauthored legislation to authorize a 3-year study of Long Island Sound. This effort led to an Executive order of the White House expanding the jurisdiction of the New England River Basins Commission to include Long Island Sound. The Executive order confirmed our belief that the preservation of Long Island Sound was not only important to the Northeast region, but that it was to the benefit of the country as a whole that this principal waterway be protected now and for future generations.

Recently, the New England River Basins Commission completed and released the draft main report of the Long Island Sound regional study. It is a plan which offers many unique and workable approaches to deal with the needs of the Long Island Sound region.

As one of the originators of this study, I want to again congratulate the commission for its report. I would also like to share with my colleagues in the House my comments on the draft plan, which I recently submitted to the commission. It is my hope that the draft plan will lead to development of a comprehensive program for saving Long Island Sound and its precious natural resources.

The full text of my comments on the "Draft Main Report of the Long Island Sound Regional Study" follows:

STATEMENT OF THE HONORABLE LESTER L. WOLFF ON THE DRAFT MAIN REPORT OF THE LONG ISLAND SOUND REGIONAL STUDY

Over three years ago, I and Senator Abraham Ribicoff of Connecticut co-authored legislation to authorize a three-year study of Long Island Sound. This effort, combined with the support of state and local officials and an aware public, led to an Executive Order of the White House expanding the jurisdiction of the New England River Basin Commission to include Long Island Sound. Today, the vital task of saving Long Island Sound remains, but with the completion of the Long Island Sound Regional Study's draft report, we have taken a major step toward insuring lasting protection of this irreplaceable natural resource. I believe that the New England River Basins Commission should be congratulated for the results of the effort and insight that went into the draft report.

The draft report offers many unique, and I think, workable approaches to deal with the needs of the Long Island Sound Region. Of paramount importance is the report's focus on the need for effective management of the Sound—management on both a short- and long-term basis. The draft plan is, most significantly, a study of *how* Long Island Sound can be perserved. We have gone far beyond the question of *if* it can or should be saved. With the commitment made, it is imperative that we now get on with the task of implementing the "how", creating the mechanisms necessary for effective management of the Sound.

After 3½ years and a financial commitment of $3½ million, it would be tragic if the Long Island Sound Study draft report were simply "shelved". I recognize that long-term management mechanisms will require further evaluation and negotiation. However, there is no reason why *immediate* interim management arrangements cannot be made. The draft plan recommends the creation of an "Interim Long Island Sound Management Program". It is a recommendation which I support as essential for insuring the continuity of the Sound Plan while longer-term management mechanism are being developed. The interim management structure is possible through the resources available under the Coastal Zone Management Act of 1972. Through the federal grant support available under the 1972 Act, the States of New York and Connecticut are able to establish an interim management structure, to be staffed by the coastal zone agencies in the two states—a structure which can provide a basis for a joint venture in the protection of Long Island Sound. The interim arrangement is a workable, low-cost mechanism for pursuing implementation of the "Plan for Long Island Sound" during the 2–3 year period in which the States will develop detailed coastal zone management plans.

In conjunction with the Interim Plan, I am particularly in agreement with the draft report's recommendation regarding the need for local participation in both decision-making processes and in planning. The Interim Management Structure should not be viewed nor conceived as a means of concentrating decision-making and planning powers in the hands of "higher" authorities. Local governments must be invited and encouraged to participate fully in the policy-making decisions that are made in a regional context, particularly at this stage where development of long-range management structures are being made. In addition, local citizen input, as well as public hearings, continue to be essential if the public interest is to be served.

The Governors of the States of New York and Connecticut have the authority to institute an Interim Management Program for the Sound. It is a concept which I hope will be viewed in a favorable light.

In terms of long-range management for the Sound, few people have questioned that the present fragmented approach is incapable of responding to the multi-faceted problems relating to Long Island Sound. The Sound encompasses a diverse and ever-changing area, which I feel must look to a regional planning program for its future management. Again, however, I stress the importance of any future mechanism managing the Sound to recognize the strengths of our local governments and their ability to participate fully in the planning and decision-making processes. Regional authorities must be cautioned against impinging upon local land use decisions, a practice that can only lead to antagonism and an unwillingness on the part of local authorities to participate in regional matters. It would be tragic if this kind of fragmentation and dissension were to occur. Therefore, programs such as that undertaken by the Villages of Baxter Estates and Port Washington North to plan for the use of their adjacent shoreline should be supported in the long-range management mechanism for the Sound. I also agree with the draft report's recommendation that local governments be allowed to override decisions by a ⅔rds vote, as I feel that this will assure local authorities of more than just token input into policy-making decisions and will serve to safeguard local values and characters.

I believe it is also important, to insure against further fragmentation and to guarantee full public awareness, that a commission be established, similar to the New England River Basins Commission, which would be authorized to coordinate the planning and actions of all Federal agencies involved in the region's affairs. I believe that through existing Federal law, the "Water Resources Act", such a commission is possible. In addition to providing a focus for the activities of all Federal agencies involved with the Long Island Sound Region, such a commission could as well provide a forum whereby state and local officials and the general public could participate in the planning and implementation phases of Federal programs affecting the region. I believe this kind of commission is important if we are not to find the Federal government acting independently of the needs and concerns of the region.

I had planned to limit my comments on the draft report primarily to its recommendations for management of the Sound, as I feel that the question of effective management will determine whether the Sound Study will have the impact we envisioned in terms of preventing further degradation of the Sound and its coastline. However, I do want to discuss briefly the report's recommendations regarding the need for greater recreation opportunities within the Sound Region. The Land and Water Conservation Fund, established through Federal legislation, was intended by the Congress to be a major source upon which states and localities could draw for increasing and enhancing recreational opportunities. The Fund could very well serve as the lifeblood for the Long Island Sound Heritage to develop a recreational strategy and master plan for the Sound Region. However, with the present nationwide authorization for the Fund held at $300 million annually, we could never hope to meet the commitment which the draft report has recommended for the Long Island Sound Heritage. I have been leading efforts in the House of Representatives for the past year and a half to increase the funding authorization for the Land and Water Conservation Fund from its present $300 million to an eventual $800 million authorization. This is a far more realistic figure in terms of the recreational needs of this country, in particular the needs of our heavily populated urban and suburban areas. I also feel that revenues from any future offshore oil drilling leases should be considered as a source of income for increasing the Land and Water Conservation Fund. In addition to supporting the recommendation for greater recreational opportunities within the Sound Region, I endorse the importance of protecting the Port Washington Sandpits and the wetlands in Udalls Cove as an integral part of any future recreational master plan for the Sound Region.

Finally, I would like to reiterate my concern over the importance of participation in the process of developing and implementing a management mechanism for the Sound. It was, to a large extent, a concerned, aware public which made the Long Island Sound Study a reality. Meaningful public participation and input must not end with the completion of this major step toward preserving the Long Island Sound Region.

A MORE EFFECTIVE ROLE FOR OUR STATES IN THE NATION'S CLEAN WATER CAMPAIGN

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. KASTEN. Mr. Speaker, on January 28, 1975, Mr. CLEVELAND and 22 of his colleagues in the House reintroduced a bill, H.R. 2175, from last Congress which amends title II of the Federal Water Pollution Control Act Amendments of 1972. According to the author, this bill, commonly referred to as the "Cleveland bill," is designed to accelerate the development and approval of municipal sewage treatment projects by enlarging the responsibility, authority, and capability of the States, making them genuine partners in the Federal-State program.

Today, I proudly offer my name as a cosponsor to this measure. To fully appreciate the reasons behind my decision, it is perhaps necessary to provide some background information on the very problems which the bill attempts to address.

In October 1972, Congress passed the Federal Water Pollution Control Act Amendments over President Nixon's veto. The act, which set as a national goal the achievement of "zero discharge" of pollutants by 1985, provides for stringent regulations to be achieved toward that national goal, including the attainment of "best practicable technology" by 1977, and "best available technology" by 1983.

For municipal sewage treatment facilities, "best practicable technology" has been defined by the Environmental Protection Agency—EPA—as achieving "secondary treatment," or simply stated, sedimentation followed by biological treatment of wastes. This being an extremely costly proposition, Congress authorized $18 billion in contract authority to States throughout the country for constructing municipal waste treatment facilities, including $5 billion for fiscal year 1973, $6 billion for fiscal year 1974, and $7 billion for fiscal year 1975. Sewage treatment funds, which are distributed to the States according to "needs," can be obligated by the States only upon approval of each project by the Environmental Protection Agency.

Due to a variety of reasons, however, the obligation of waste treatment construction funds by the Agency has been proceeding at a rate far below expectation. Last year, following oversight hearings on the FWPCA by the House Public Works Committee, Mr. Wright identified some of those problems:

> The clean water program—the bold initiative of the last Congress, by which we sought urgently to put in motion a massive clean-up of the Nation's streams—has lagged and faltered for the past 15 months.
>
> Cut to less than half its intended size by a series of arbitrary executive impoundments, the program has been further emasculated by an almost unbelievable proliferation of administrative red-tape.
>
> Incredible though it may seem, the administration has managed to construct a fantastic maze of baffling guidelines, burgeoning regulations, bewildering paperwork, and ever-changing directives which have brought what was an ongoing program to a virtual halt.
>
> These "bureaucratic impoundments" have choked off the flow of funds even more drastically than the overt Presidential impoundments.

While it is not quite apparent as to where the blame should be placed, it is nevertheless essential that the program for approving municipal construction grant projects be expedited, particularly in view of the recent Supreme Court decision this week which makes available $9 billion for the construction of these facilities.

Mr. Speaker, I strongly believe that H.R. 2175 is the necessary vehicle for increasing the rate of obligation of these funds through the "State-certification" procedures established by the bill. Basically, States meeting the appropriate qualifications can enter into agreements with EPA to carry out specific responsibilities required under the construction grant program, which is the past have been assumed by EPA offices here in Washington. In addition, H.R. 2175 would ultimately reduce the unnecessary duplication of Federal and State efforts and provide for a more continuous rate of approval of construction projects and subsequent obligation of sewage treatment funds.

If we are to achieve the goals set forth under the Federal Water Pollution Control Act Amendments of 1972, we will need to utilize the capabilities of the State and local governments and enlarge upon their responsibilities in the municipal sewage treatment construction program. I feel that H.R. 2175 would best accomplish this and urge all my colleagues to support this measure.

"EVERYBODY'S BUSINESS—THE WORK OF CONGRESS"

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ARMSTRONG. Mr. Speaker, I hope every Member of the House will take a few minutes to read Joe Bartlett's thought-provoking report "Everybody's Business—The Work of Congress."

Few Americans have our friend Joe Bartlett's intimate knowledge of how the House really works and fewer still care as deeply for the survival of the House as a viable policymaking body.

In our hearts, most of us realize that Congress is less and less able to cope with today's problems. Archaic procedures and inordinate attention to trivia at the expense of major issues are increasingly diverting Members' attention from hard decisions that Congress must make.

In "Everybody's Business," Joe Bartlett identifies a number of serious issues and suggests some ingenious solutions to problems which have concerned many of us.

IGA WILD HORSE AND BURRO ACT

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. WHITEHURST. Mr. Speaker, when man introduces a nonnative species into a new area, the results can be disastrous. The jackrabbits in Australia and the water hyacinths in Florida are two cases in point.

In 1971, Congress, with the best of intentions, passed the Wild Horse and Burro Act, to protect these animals on Federal land. What we overlooked, however, was the fact that these feral burros and wild horses are aggressive and prolific, and they are multiplying to the detriment of a number of native species. Indeed, as a result of the encroachment of the nonnative burros and wild horses, two species of native wildlife, the sonoran pronghorn and the desert bighorn sheep, are on the verge of extinction.

What man has brought about, it seems to me, man has a responsibility to attempt to rectify. This I have tried to do in introducing H.R. 2935. My bill would provide the Department of the Interior with additional means to manage the herds of burros and wild horses and thus bring them into better balance with the native species.

Because many of the herds are in inaccessible areas, it is important that Interior be permitted to use aircraft in locating them. Let me stress that this in no way means that the animals will be driven over cliffs or slaughtered wholesale for dog food. My bill specifies that humane standards shall be maintained in the use of aircraft and mechanized vehicles.

I am taking the liberty of introducing, at this point in the RECORD, two articles on the subject which have appeared recently and which I believe put the problem into perspective:

FERAL BURRO HEADACHE

Are feral burros really an endangered species? Probably not to anyone who is familiar with the habitat and life history of the animals.

First of all, there is no such thing as a "wild" burro. Feral burros are descendants of animals which either escaped or were turned loose by their owners.

They're smart, they're tough, they're prolific and now, most importantly, they are absolutely protected by federal law. And thereby hangs a tale.

Despite substantial evidence to the contrary, feral burros were placed on the protected species list thanks to the lobbying efforts of preservationists who contend burros are nearly extinct. Nothing could be further from the truth. In fact, desert bighorn sheep, already suffering from depleted population numbers for several years, are now even worse off because they have to compete with the burros for habitat and food.

The only areas where bighorns can escape competition with burros are regions with very sparse food and water. In a feral burros study conducted in 1963, researcher Thomas J. McMichael found that one burro can eat as much food as three bighorn sheep. Add to this the fact that burros, which many times use the same waterholes as bighorns, use those waterholes year-round, while the sheep only use them during the summer.

Because of this, many game biologists believe the forage around a waterhole will be eaten back so far from the water that bighorns will not use it because they refuse to venture that far out on barren land.

Consider too that burros reproduce like wildfire. They normally have colts every year and the survival rate is close to 100%. On the other hand, only 20% to 30% of the bighorn lamb crop lives through the first year.

When it comes right down to competition for survival between bighorns and feral burros, the evidence appears to strongly indicate it's no contest; the burros will win every time.

Yet, ironically, killing a feral burro is a federal offense with a $2,000 fine and a possible six months term in jail. Killing a bighorn sheep is only a misdemeanor.

If, by now, you're wondering how an animal on the so-called "verge of extinction" can give excedrin headaches to game management people in California, Arizona, and Nevada, don't ask anyone around here.

You'll have to go to Washington, D.C. to find the answer.

DISASTER ON THE WESTERN RANGE

(By Ted Trueblood)

Sportsmen should be aware of a situation building in the West that will have a grave impact on native wildlife if not corrected. The Wild Horse and Burro Act of 1971, unless amended to give range managers adequate means to control these animals, is a greased slide to disaster. The all-time classic example of legislation stemming purely from emotion, it will, in its present form, lead to these results:

1. Extermination of two endangered species, the Sonoran pronghorn and the desert bighorn sheep, plus an inevitable decline in other game populations. These include elk, mule deer, California bighorns, antelope, upland gamebirds, and small mammals.
2. The devastation of forage plants essential to both domestic livestock and big game.
3. Severe damage to watersheds, leading to siltation of streams and reservoirs; flooding and drought; loss of fish, waterfowl, and upland game habitat; and decrease in the supply of usable water, vital in the arid West for both irrigation and domestic purposes.
4. The bankrupting of ranchers, some of whom still occupy the land settled by their fathers or grandfathers.
5. Eventual decimation by starvation and disease of the horses and burros themselves.

Most of the public land on which wild horses and burros roam is administered by the Bureau of Land Management (BLM) of the Department of the Interior; nearly all of the remainder by the Forest Service (FS) of the Department of Agriculture. The Wild Horse and Burro Act directed the Secretaries of Interior and Agriculture to report to Congress thirty months after its passage.

The Secretaries' recommendations last summer made two important points: First, due to lack of information when the act was passed, there are a great many more animals than anyone thought at the time. Second, use of aircraft to capture them, and their sale or donation to individuals and organizations must be allowed. This, the only sensible approach, will bring howls of protest from environmentalists who love wild horses but have never seen one.

Yet experienced horsemen will tell you that the most humane, as well as the most efficient, and sometimes the only, way to capture wild horses is by the use of aircraft.

Wild horses are found in Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, and Wyoming; burros are in all of these states but Colorado and Montana. New Mexico reported only seven horses on BLM lands, however, while 10,010 of the 10,581 burros counted by the BLM in 1973 were in Arizona and California. Somewhere in Idaho there are supposed to be eight burros.

While I was working in New York City, I formed a lasting friendship with Hermann Kessler, who was born, grew up, and spent his working life there. He showed me the city as no one else could have. Now that he is retired, I have shown him and his wife Helen, who has a similar urban background, a pretty fair chunk of the West. Crawling along dust-and-rock road in the eastern Oregon desert, we saw six or eight horses on a hillside half a mile away.

"Wild horses!" Helen exclaimed.

"Stop! Stop!" Herman commanded. I stopped. He scrambled out with his telephoto lens and began taking pictures. When he ran out of film he got back into the car and we went on.

After several slow miles, during which Hermann and Helen chattered excitedly about wild horses, Helen said, in a plaintive voice, "They are wild, aren't they?"

I wanted to answer, "Yes," but I'm a poor liar. The best I could do was: "They might be. The BLM figures there are about 1,900 wild horses in this county. But they could belong to some rancher, too."

"You've lived here all your life!" Hermann exclaimed, "Do you mean to tell me you can't tell a wild horse from a tame one?"

"No. And neither can anybody else. Most wild horses are small and scrawny, but the only way to be sure is to get close enough to see a brand. Even then you can't be positive. Some privately owned horses have never been branded and sometimes the hair covers the brand so you can't see it."

My friends were disappointed. They had read so much about wild horses—most of it highly emotional and written by people who knew very little about them—that seeing a few might easily have been the highlight of their trip. "Well, at least," Helen finally said, "they can't butcher them for dogfood any more. Thank goodness!"

Hers was a typical urban reaction. In fact, she may have spoken for most Americans. Yet unless the BLM and FS are permitted to control the number of feral horses on the Western range, my dire predictions will inevitably come true. And not only must the range managers be allowed to do it, they must be given the money and the means. Under the act, they are not.

When the great emotional appeal was culminated into law with the passage of the Wild Horse and Burro Act of 1971, the wild horse was considered endangered, with an estimated 17,000 in all the West. Now, after more thorough counting, we have learned that there are more than 17,000 in Nevada alone! The BLM reports that there are 27,000 unclaimed horses and 10,680 burros on the public lands it manages plus an additional 17,000 horses and 100 burros that have been claimed as privately owned.

Most folks' mental picture of a wild horse is a magnificent stallion, nostrils flared, mane and tail flying in the wind, standing on a hilltop and defying all the world, a direct descendent of the horses that escaped from the Spanish conquistadors and later changed the lives of the Plains Indians.

Not so. Most of them are inbred, small, and scruffy. In the area of southwestern Idaho and southeastern Oregon where I have hunted for many years, and which I can discuss from personal observations, all of the feral horses are descended from escaped or released domestic stock.

Frank Baltzor still rides for cattle at 67. He lives in Oregon near the Idaho line and runs cows in both states, and he still lives on the ranch where he was born. He probably knows as much about horses as any man alive and he has a fantastic memory. Here is what he told me about the wild horses on this particular range:

"In the early 1900s, there were more horses than cattle—and a lot of horsemen. My father was one of them. When the farmers shifted from horses to tractors and the Cavalry went mechanized, you couldn't sell a horse. Some ranchers went broke. Others switched to cattle, kept their best horses for saddle stock or work teams and let the others go. That's where the so-called wild horses in this area came from."

I hunt on a 10- by 30-mile strip of public land with natural barriers on both sides. A big horse drive in the 1940s, with more than fifty riders and several planes, took about 5,000 horses off. Since then, local ranchers have rounded some up from time to time. They took 400 in 1968, leaving about 65. The BLM counted 120 in February 1974, and estimated the total at 150.

In late fall and winter I see bands of these horses on land that is grazed during the summer by cattle. But at other seasons they range farther west into country so rough cattle don't use it. Here the horses compete with mule deer and bighorn sheep for the forage and water, which is indeed a scarce resource.

The native sheep in this area was the California bighorn. It was once abundant. I went by Ralph Page's place nearby one day and stopped to visit. He had recently dug out a spring to increase the flow of water and in the process had uncovered a number of Indian artifacts, plus the heads of seven bighorn rams, all well preserved in the muck below the spring.

The sheep were all gone by about 1910, mostly because they had no resistance to diseases carried by domestic sheep. After range use changed to cattle foraging, the Oregon Game Commission released seventeen California bighorns in 1965. They have done very well and the herd numbered approximately 100 in 1974. But they can't compete with an unlimited number of horses, which range farther from water than cattle and graze the rough country sheep prefer.

Grazing on the public range is regulated by animal unit months (AUMs). An AUM is one cow or a cow and calf (it gets its meals from the mother), or five sheep for one month. But horses are calculated at double the rate for cattle; one horse equals ten sheep.

Wild horses increase at a rate of about 20 percent per year. The BLM projects that the present 1,900 feral horses in Malheur County, Oregon, will total 16,000 by the year 2000. That number would consume 192,000 AUMs of forage annually.

This county, by a recent Game Commission estimate, had 2,480 antelope, 31 percent of Oregon's entire pronghorn population. It had more than 50,000 mule deer; the nucleus of an important bighorn population, already mentioned; and 100 or so elk that use part of it for winter range. All of these animals, as well as upland birds and small mammals, would suffer from an uncontrolled increase of horses. Any area, no matter how large, can produce only so much food—so much and no more.

The range manager is responsible for the sustained yield of forage for both domestic livestock and game animals, for watershed protection, for recreational opportunities, and for other benefits under the principle of multiple use.

He has these tools; With domestic livestock he can control the number on the range. He can regulate the length of the grazing season. He can set it early or late, or withdraw certain areas from all use if he deems that advisable. In the case of big game, through cooperation with the state game commission, he can control numbers.

But under the Wild Horse and Burro Act he is virtually handcuffed. And these animals are on the range the year-round. You should see, as I have, what a herd of "wild and free-roaming" horses does to a range during our normally mild and wet weather of November and early December—hoofprints 6 inches deep, skid marks 5 feet long on the steep, muddy slopes, clumps of native grass uprooted, chewed, and then tossed aside.

The manager may, if a range is overstocked with wild horses or burros, move some of them to another—provided he can catch them and the other range was inhabited by these animals on December 15, 1971. He may exclude all domestic livestock. He may place horses or burros in the custody of individuals, organizations, or other government agencies, but there may be no "commercial exploitation." As a last resort, he may destroy excess animals in the most humane manner that is possible.

Without adequate funding, forbidden to use aircraft, lacking experienced horsemen capable of rounding up these animals, and not being allowed to transfer title from Federal to private ownership, what can the range manager do? Sadly, his best efforts will be ineffectual and, barring amendment of the act, more and more western ranges will eventually present the same dilemma as tl at already existing on the BLM-administered Susanville District of northeastern California and northwestern Nevada.

Here, a 1973 inventory showed 2,506 horses, a 30 percent increase from the year before. In the summer 12,000 deer and 2,300 antelope use this range; in winter, the use increases to 30,000 deer and 4,300 antelope. Cattle also graze the area. There was a shortage of about 35,000 AUMs of forage last year. It is still deteriorating and erosion is increasing.

Under the Wild Horse and Burro Act, the BLM can forbid cattle on this range. The two game commissions involved can set seasons to reduce the numbers of deer and antelope.

But without workable means to control horse numbers, these two partial remedies are only temporary, at best. Feral horses and burros are tough, adaptable, aggressive, and destructive. Formerly there were 5,000 desert bighorn sheep in Death Valley National Monument. Less than 600 remain, due to competition from feral burros, which have been protected by California law since 1952.

Nobody I know, including ranchers whose livelihood depends on grazing the public range, wants to see the wild horse and burro exterminated. But unless the range managers are given authority, funds, and feasible means to control their numbers—as they now have with livestock and game—ranchers, sportsmen, and the general public will suffer.

CALLING THINGS BY THEIR RIGHT NAMES

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BOLLING. Mr. Speaker, there follows a sensible and sound discussion of defense spending and transfer payments in relation to the current economic situation and proposed Federal spending. Its author, Herbert Stein, is now professor of economics at the University of Virginia and former Chairman of the Council of Economic Advisers under President Nixon. This article appeared in the Wall Street Journal of February 20, 1975:

CALLING THINGS BY THEIR RIGHT NAMES

(By Herbert Stein)

James Reston recently argued that our economic crisis is a reason, additional to others he raised, for the U.S. not to extend itself to aid Israel. Other commentators, including Eric Sevareid, have used our economic plight as a reason for not giving aid to South Vietnam. Mike Wallace, on television the other day, said, referring to the defense program, that times are tougher now, there's less to spend and none to waste. And in comment on the January rise of unemployment this paper said "it is providing new congressional debating points for blocking administration attempts to raise Vietnam aid and to greatly expand the defense budget."

All of these are disturbing examples of an error into which loose and exaggerated description of our economic condition leads us. Whatever our economic problems may be, they do not include being a poor country—too poor to defend ourselves. Our potential output is around $1.5 trillion. To say that there is any near serious economic limit to devoting another $1 billion, $5 billion, or $10 billion to our national defense, reducing the output available for all other purposes by .07% or .35% or even .7%, is silly.

But we are not using all of our potential output. We are only using, say, 90% of it, and we have a lot of labor and capital unemployed. Is this the economic crisis that keeps us from spending more for defense? The argument seems to be backward. We were surely not in a better position to spend more on defense 18 months ago, when our resources were utilized closer to capacity than they are today. Were any of those who oppose defense spending on economic grounds today for it in 1972? I doubt it.

LOOKING AT THE 1930'S

In the middle of the 1930s our potential output, in real terms, was about one-fourth of what it is today. We were using a much smaller proportion of that potential than we are today. If we have had an economic crisis in our history that was it. But President Roosevelt didn't think it imprudent to put a few battleships in the budget as part of the recovery program (even though he was not a Keynesian). And most people would now agree that it would have been even more prudent to put in more battleships and a few thousand aircraft as well.

Unfortunately, my conservative friends are providing ammunition for the doves, to mix a metaphor, by carrying on as if government spending is the root of all evil—or at least the root of inflation which is the root of all evil. We seem to have developed a new Micawberism which says: "Outlays $297.5 billion, receipts $349.4 billion, result bliss, but outlays $349.5 billion, receipts $297.5 billion, result misery."

But the railroad line from excessive total spending to inflation and ruin runs through several stations: inadequate taxation, excessive deficit and, in some theories, excessive monetary expansion to finance the deficit. It is possible to leave the train at intermediate stops, so arrival at the final destination is not inevitable, once we increase spending.

Recently the administration and some others have been focusing on the growth of federal transfer payments as the main problem. This is a step towards clarification. The central issue is about how the national output should be used, by whom and for what. "Total federal expenditures" is not a meaningful category from that standpoint. It is not even a good measure of the extent of federal government control of the economy or the society. A classification of expenditures permits identification of the disadvantages of particular kinds of activity without the implication that all expenditures—including defense—share them equally.

It has been argued, notably in this newspaper, that big federal transfer payments are a (the?) cause of both recession and inflation. The scenario offered is that transfer payments are payments received without working, and usually on the condition of not working, and therefore cause not-working, or unemployment, reducing the supply of output and raising its price. There is probably something to this as one of a number of factors that have caused the equilibrium rate of unemployment to rise gradually over the course of the past 20 years. For example the average weekly unemployment compensation check has risen from 41% of average weekly spendable earnings (private nonfarm economy) in 1954 to 44% in 1964 and 48% in 1974. This may have had an effect on the willingness to be unemployed. But it has not necessarily reduced the supply of labor.

We have had a substantial increase in the proportion of the population, especially of the female population, that participates in the labor force; this may be caused in some degree by the availability of more generous unemployment compensation. Also, if unemployment compensation permits more careful job search there may be a favorable effect on productivity. And, anyway, if the rise of transfer payments has been a drag on the secular rise of output this is not inflationary; it only requires an appropriate monetary adjustment.

But the more important point is that no change in the transfer payment system, or in the tax-transfer system, can explain an increase of two million in unemployment (seasonally adjusted) between October 1974 and January 1975. All those auto workers didn't suddenly decide that it wasn't worth working, taxes and unemployment benefits being what they are.

The trouble is that the people who are against defense spending and the people who are against transfer payments want to prove everything they are against is bad economics and bad macroeconomics. When I was on the Council of Economic Advisers Senator Proxmire was always trying to get me to answer the question whether defense spending was more inflationary than other spending. I thought the question was unanswerable (such differences as there are being undetectable with the crude instruments at my disposal) and uninteresting. The answer would not have received much weight in my judgment about the proper size of the defense program. I would give similarly low weight to the macroeconomic effects of transfer payment programs.

The issues seem to me much simpler.

I am tempted to say that the issue is between those who want to defend the country and those who do not, but that may be tendentious. Let me say that there are people who believe that the U.S. is exposed to an external military threat, which is a more likely cause of disaster than insufficiency of consumption in the U.S., or inflation, or inadequate economic growth, or excessive inequality of income. They believe that this external threat can be reduced by more U.S. defense spending, including military aid, and they are willing to devote more of the national income, including their own, to that purpose.

There are other people, or perhaps mainly the same people who, in their capacity as taxpayers, as the people who put up the money, and not as macroeconomists, think that the tax-transfer system has gone too far or is growing to fast. Some of their income is taken from them in taxes and returned to them as "government benefits"; they would rather keep more of that to dispose of themselves. Some of their income is taxed away and given to other people whose income level may not be very different from theirs, and possibly even higher; they don't like that. Some of their income is taxed away and given to poor people; they support this on compassionate grounds, but not without limit, and they think the limit is, for the time being, near at hand. This is not a saintly attitude, but they do not believe it is the function of government to force saintliness upon them. The private practice of saintliness is freely open to those who prefer that line of work.

DEFINING THE ISSUES

There are people who disagree with both of these sets of propositions—as they relate to defense and as they relate to transfer payments. These are not macroeconomic issues. They are not issues between monetarists and Keynesians, inflation-phobes and stagnation-phobes, economic planners and free-marketeers. They are not issues on which people's attitudes change with the business cycle. And they have little to do with the current crisis or non-crisis in the economy.

These issues were never more clearly put to the American people than in the 1972 election. President Nixon supported a strong defense and belittled welfare "handouts." Senator McGovern could not escape the impression that he wanted to dismantle the defense establishment and give every man, woman and child $1,000 a year. That election seemed to show a large public preference for the bigger defense program and smaller transfer payments.

Whether the American people have changed their minds about this is unclear. The 1974 congressional elections were not sharply focused on these issues. We are obviously going to have a big national debate on these questions in the next year or two. This debate will be better reasoned if we will treat defense spending and transfer payments as instruments of national security and income distribution policy first, and only secondarily, if at all, as means for doing something about inflation or recession.

VETERANS' PENSIONS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ANDERSON of California. Mr. Speaker, I am today reintroducing two bills which I believe are of critical importance to many veterans and their dependents or survivors. I have sponsored similar legislation in previous Congresses, and I regret that the House of Representatives has not yet acted on these important issues.

The first bill, the World War I Pension Act, would provide a $150 a month for either the World War I veteran or his widow. The second bill seeks to correct an injustice in our system whereby recipients of veterans' pensions have their benefits reduced when monthly social security benefits are increased.

WORLD WAR I PENSION ACT

No group of patriots has been so often overlooked and so long neglected as those Americans who served, and served valiantly, during World War I.

A number of factors have led to this unfortunate and unjust situation:

The education of a veteran of World War I averaged that of about a sixth grader, yet no Government educational assistance was waiting for him when he laid down his arms.

The Government did not help him find employment, as is the case of more recent veterans. Nor were there veterans' hospitals available as they are today.

Pension systems such as social security were not created until long after World War I ended, and by then most veterans of the First World War were too far along in life to build up maximum social security benefits.

As a result, we find that approximately 500,000 World War I veterans—most of whom have at least one dependent—are scraping out a meager existence on less than $4,200.

The pension system that is in effect is a type of welfare that is beneath the dignity of those who have contributed greatly to our country—not only by their war service—but also through the years as private citizens.

For example, a married veteran of World War I, whose annual income is $500 or less, is entitled to $172 a month pension—or $2,064 per year. No pension is payable to such a veteran whose annual income exceeds $4,200.

The veteran without dependents is eligible for a pension only if his annual income is less than $3,000. His maximum monthly pension—based on an annual income of less than $300—is $160, or $1,920 a year.

It is obvious that in this time of spiraling inflation these pensions are far from adequate. Over the past year alone, the cost of living has risen at a rate of over 12 percent. Food costs, which comprise about 27 percent of the elderly's budget, have increased by more than 12 percent since November 1973, for a staggering total of 34 percent since November 1972.

But what about the other group of World War I veterans—just under half of the total surviving veterans—who receive no pensions? How can we continue to forget their service to our country, and deny them the pension to which I believe they are entitled?

To correct the injustice that has led to the financial plight of the World War I veteran, I am reintroducing the World War I Pension Act which would provide a $150-a-month pension for either the veteran or his widow. This pension would be paid to the veteran, not on a welfare basis, but because he earned it defending our country.

Mr. Speaker, of the 5 million people who served our country in uniform during World War I, only about 1 million are still alive, and their average age is 80. According to mortality rates for males ages 80 to 84, the caseload for the veterans will decrease by 10 percent each year. Once the average age reaches 85, the mortality rate increases to almost 20 percent each year. We are running out of time to repay our debt to these valiant men and women.

REDUCTION IN VETERANS PENSIONS

The second bill I am reintroducing today would make certain that recipients of veterans pensions will not have the amount of their pension or compensation reduced because of increases in monthly social security benefits.

Approximately 784,000—or 76.6 percent—of all veterans receiving pensions, and 694,000—or 75.5 percent—of veterans' survivors receiving pensions, also receive social security benefits. Consequently, about 1.2 million pensioners suffered a reduction in death or disability pension payments beginning in January 1973 as a result of the 20-percent increase in social security payments provided for by Public Law 92-336.

A similar reduction was expected to take place this January, because of the 11-percent social security increase which took effect in two steps in 1974. Fortunately, Congress acted to avoid such a reduction for most recipients by enacting Public Law 93-527, which increases maximum annual income limitations for eligible veterans and their survivors by $400 and provides an average 12-percent increase in the rates of pensions.

However, this was just an interim measure. Next January, veterans can expect their pensions to be reduced because of the 1975 social security cost-of-living raise; and reductions will continue to take place every year unless we take action.

I have received numerous letters of protest from constituents whose veterans' pensions have been reduced in the past, because of social security increases. I agree with them that those receiving pensions should receive the full benefit of all increases approved by Congress.

Mr. Speaker, I know that inflation rages, and I know that it takes its toll on all Americans, not just veterans. But, the difference is that these men and women gave up something—whether an arm or leg, or the opportunity to finish school, or a few years out of their lives—they gave up something to preserve this great country. And now, it is our turn to repay our debt to them.

ALASKA'S VOICE OF DEMOCRACY CONTEST WINNER

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. YOUNG of Alaska. Mr. Speaker, at a time in our Nation's history when voter participation is at an alltime low and citizens have apparently decided to protest by not becoming involved, I have found a ray of sunshine.

Miss Sheri Fisher of Chugiak, Alaska, entered the Veterans of Foreign Wars' Voice of Democracy Contest and won. Miss Fisher's speech entitles her to travel to Washington, D.C., to compete for the finals. Her speech is sincere and demonstrates a great deal of awareness concerning our system of government.

I submit Sheri Fisher's speech for the RECORD:

MY RESPONSIBILITY AS A CITIZEN

(By Sheri Fisher)

"The citizens of a country guide the destiny of the nation," it has been said. As a young citizen, a part of that destiny lies in my hands. A small part, maybe, but a part nevertheless.

To be worthy of my citizenship, I must give something to my country. As the late John Fitzgerald Kennedy said, "Ask not what your country can do for you, ask what you can do for your country." And although, I don't expect to be called to serve in a war, or run for an office as yet, there are ways that I can do my part.

Although I am under the age of nineteen, our state's legal voting age, that is no excuse for me to sit idly, and watch the world go by. If our country is to continue to function in a responsible manner, it takes everybody's help, not just our man in the White House.

I believe that our country can be even greater than it is now! But people must start young to learn the responsibilities of citizenship. From the time I was old enough to understand, I have been reciting the Pledge of Allegiance, probably my first step on the road to being a good citizen. And so it should be. In the words, "One nation, under God, indivisible, with liberty and justice for all," I find comfort. It is gratifying to know that through the work of each and every citizen, we have come to be able to believe in this.

Through classes in school in social studies, history and government, each year I have acquired a deeper understanding of my responsibilities as a citizen. I know that I must prepare myself now for the challenges I will later find when voting for the leaders of my country. I must feel that my vote is more than just a piece of paper.

At the school level, a citizen can certainly contribute. By membership in various clubs, I have learned the necessity of cooperation and the need for compromise. Both of these are equally important in everything we do. If we cannot get along and come to a decision on something as small as who will be chairman of the Prom committee, why should we then expect that the leaders of our nation would find it easy to make decisions which influence our entire lives?

I have learned that there is a time to speak and a time to listen. I have been present while my parents discussed political issues and the opinions of various politicians. I have participated in elections for class and club officials at school, and I have attended PTA and School Board meetings. At all these times, with all these people, with all their varied interests, it is easy to see how our government must sometimes find it difficult to arrive at a decision acceptable to all. Even at this level the governmental process is at work and I plan to participate at every opportunity.

When I reach the age of nineteen, I will have the privilege of voting. I will then be able to help choose the leaders of my community, state and country, and I plan to freely exercise this responsibility. But until that time, I can still exert my citizenship by familiarizing myself with our voting procedures, and by becoming involved in the issues and questions of my time. I don't want to be one of those people who merely votes for those he has heard of, or for those who are his friends, or worst of all, by merely marking overy other line on a ballot. I plan to be an "informed voter", and until I get my chance, I can still urge others to study the issues and candidates carefully and then vote as they believe best.

After I reach voting age, if I am called for jury duty, I will gladly serve. By sitting on a jury, I can see firsthand how justice is administered to the citizens of our country, and therefore understand the governing process even better. By having an integral part in a decision concerning a person's rights, possessions or even life, I would be able to see more clearly my responsibility to weigh both sides of the case. As a citizen in an important position, I would have to judge fairly, as this is how I would wish to be judged were I in the situation.

A citizen should be ready and willing to answer when his country calls, whether it be to war, to serve in a political office, or to sit on a jury. In return he is assured of protection and given special privileges, such as the right to worship in his own way, and the right to vote when he is of age.

For these reasons I strive to fulfill my responsibilities as a citizen in every possible way.

The key word of good citizenship is involvement. Contributions to the school, community, state and country are all important for each is a stepping stone to the other. By being involved in the affairs of the world around him, a person is definitely on the road of a good citizen.

QUINCY HERITAGE, INC.

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, the following is part of a series of articles published by Quincy Heritage, Inc., concerning Bicentennial activities in Quincy, Mass. Quincy Heritage is doing an excellent job of bringing the historical events of Quincy into focus for the Bicentennial, and for this reason I am submitting articles on their programs for your attention each day this week:

FOUR DOUBLE WINNERS

Four Quincy residents who entered the Quincy Heritage poster and slogan contests were double winners.

Rita Kearns of 36 Summer St., Quincy, who captured the top $300 poster prize also earned $10 in the slogan contest, submitting the entry, "Birthplace of Patriots—Quincy".

Arthur Tucker of 1 Bittern Rd., Adams Shore, received a total of $110 in the two contests, winning the $100 second prize in the poster contest and earning an added $10 for his slogan contest entry, "Pride in Our Past . . . Planners of the Future".

Another double winner was Joseph Gildea Sr., of 45 Division St., North Quincy. He won $25 in each contest, landing fourth prize in the poster contest and sixth prize in the slogan contest for his entry, "Quincy, 350 Years of Heritage, Pride and Progress".

Rick Deutsch of 126 Darrow St., Houghs Neck, was the fourth multi-winner, earning $10 in both contests. His slogan entry was, "Quincy's Rich Heritage is Our Common Wealth".

One interesting set of winners was a mother-daughter duo, Mrs. Gail McDougall of 22 Martensen St., Quincy Point and her eight-year-old daughter Nancy both won $10 in the poster contest. Another daughter Bonnie earned an honorable mention in the poster contest.

SLOGAN HONORABLE MENTION

The following won honorable mention in the Quincy Heritage Slogan Contest:

Priscilla J. Abate, 25 Royal St.
Steven Affannato, 49 Winthrop St.
Mrs. Joseph M. Ahern, 40 Butler Rd., Apt. 32.
Virginia A. Aitken, 16 Hanna St.
Mildred Alfano, 369 Copeland St.
Chris Anderson, 324 Manet Ave.
Dave Anderson, 88 Narragansett Rd.
Helen Anderson, 28 Apthorp St.
Paul Anderson, 69 Gilbert St.
Tammy Andreko, 31 Taffrall Rd., Apt. 4.
Mark Andrews, 11 Herbert Rd.
Mark Anson, 9 Quadrant Circle.
Bruce A. Aristide, 156 Brook Rd.
Ernest Aristide, 156 Brook Rd.
Virginia Assmus, 215 Taffrail Rd.
Maureen Bacon, 4 St. Germain St.
Laura Baker, 80 Charles St.
Patrick Bambery, 42 Delano Ave.
Deborah Barkhouse, 2 Keyes St.
Bernice Barrett, 82 Ruggles St.
Kathy Barret, 426 Palmer St.
Mrs. Margaret Barret, 72 Marlboro St.
Jeanne Barry, 184 Marlboro St.
Ronald Beaudoin, 576 Sea St.
Constance Behm, 41 Harvard St.
Sean Bennett, 49 Bird St.
Maureen Bent, 33 Vershire St.
Henry J. Bertolon, 96 Connell St.
Marion Beston, 30 Ruggles St.
Mrs. Joan Biagini, 389 Belmont St.
Maria Bloom, 15 Agawam Rd.
Barbara Blowers, 32 Weymouth St.
Dorothy C. Blyth, 117 Standish Ave.
Patrice Bohmbach, 210 Rock Island Rd.
Paul Bondarick, 124 Albatross Rd.
Pat Bonner, 16 Sextant Circle.
Holly Susan Borden, 40 Lurton St.
Carl Bossi, 27 Wollaston Ave.
George Bouchard, 17 Binnacle Lane.
A. Bouchie, 18 Terrell St.
Kevin Boudreau, 21 Rockland St.
Ruth C. Boutiller, 57 Channing St.
Paul Boyd, 31 Binnacle Lane.
Mark Breble, 27 Crosby St.
Patricia A. Brennan, 9 Yardarm Lane.
Joseph E. Brett, 254 Fenno St.
Ralph Browning, 85 Mearns Ave.
Robert Buckmann, 32 Yardarm Lane.
Darlene Burke, Merrymount School, Grade 4.
David Burke, 24 Joseph St.
Kathryn M. Burke, 27 Willow Ave.
Stephen Cady, 24 Lurton St.
Irene Calpa, 16 Petrel Rd.
Alice A. Callahan, 26 Hodgkinson St.
David A. Callahan, 26 Hodgkinson St.
Susan Callahan, 54 Lenox St.
Lori Camillieri, 37 Lunt St.
Bonnie Campbell, 667 Sea St.
Mike Cangemi, 159 East Elm Ave.
Ellen Caramanica, 32 Bay View Ave.
Kaarin Carbona, 57 Arthur St.
Diane Cardillo, 70 Curlew Rd.
Christine Carvello, 35 Quadrant Cir.
Bobby Cavigne, 15 Oneida
Mary Cedrone, 33 Wampatuck Rd.
Howard Chadbourne, 2 Yardarm Lane.
Christopher Chevalier, 176 Federal Ave.
Steven Chiasom, Broadmeadows School Grade 7.
Joseph M. Chiasson, 18 Yardarm Lane.
Guy G. Chiocchio, 22 Richie Rd.
Jeane Christian, 153 Common St.
Nancy Cirillo, 55 Faxon Park Rd.
Dianne Cirino, 95 Assabet Rd.
Mrs. Ann Clabb, 479 Quincy Shore Dr.
Rogin Clifford, 1154 Sea St.
Cindy Coakley, 6 St. Germain St.
Charlotte Coates, 45A Wayland St.
Barbara Collier, 125 Palmer St.
Joseph J. Collins, 108 Warren Ave.
Mrs. Sam Collins, 106 Nighingale Ave.
Katherine Connally, 11 Dale Ave.
Sandra Connick, 37 Peterson Rd.
Carmel Connolly, 11 Dale Ave.
Clare Connolly, 28 Madeleine St.
Nancy A. Connolly, 130 Doane St.
Mrs. Thomas Connors, 183 Safford St.
Mrs. Anthony F. Constantino, 36 Newcomb St.
Wayne Cooper, 19 Watson Terr.
Yvonne Cooper, 19 Watson Terr.
Patsy Corehan, 47 Ridgeway St.
Diane Coska, 95 Independence Ave.
Jane Cotter, 189 Babcock St.
Brian Critcher, 43 Curtis Ave.
Jean Crossen, 60 Highfield Rd.
Esther R. Cullen, 27 Oval Rd.
Michelle Cullen, 100 Doane St.
Theresa Cullen, 100 Doane St.
Steve Currie, Bays Water Rd.
Donna Dahlquist, 130 Doane St.
Joe Dalon, 345 Palmer St.
Laura Darrow, 95 Palmer St.
Arthur Davis, 211 Manet Ave.
Lisa Davis, 32 Berlin St.
Bonnie Deane, 97 Doane St.
Daniel Dellamano, 36 Taffrail Rd.
John DeLuca, 9 Walker St.
Bernice DePietro, 24 Neponset Rd.
Donna DePietro, 24 Neponset Rd.
Eddie Dever, 437 Quincy Shore Dr.
Ann L. DiMatteo, 9 Lillian Rd.
Irene DiSalvo, 82 Brackett St.
Robert F. DiSalvo, Jr., 82 Brackett St.
Frank Doherty, 112 Billings Rd.
George Doherty, 19 Hughes St.
Patrick Doherty, 112 Billings Rd.
George Dolbec, 117 Lansdowne St.
Suzy D'Olimpio, 15 Grogan Ave.
Jean Donahue, 25 Riverbank Rd.
Jeffrey Donald, 70 Babcock St.
Mrs. Mary Donlin, 12 Elcott St.
Fran Donovan, 101 Lenox St.
Paul Dooley, 16 Colby Rd.
Rev. Jerome Doyle, 386 Hancock St.
Frank Dragone, 72 Captain's Walk.
Robin Drohan, 53 Wall St.
Scott Drohan, 53 Wall St.
Jim Ducey, 158 Taffrail Rd.
James Dunn, 50 Bay View Ave.
John Dunn, 74 Willet St.
Mrs. Duval, 38 St. Germain St.
George Engelmann, 274 Palmer St.
Debbie Engren, 13 Manet Ave.
Kevin Fallon, 286 Billings Rd.
Donald Farley, 30 Grandview Ave.
Bridget Feeney, 240 Highland Ave.
Toby Felton, 575 Quincy Shore Dr.
Theresa Ferris, 64 Captain's Walk.
Martha Flemming, 338 Rock Island Rd.
Daniel Flynn, 35 Botolph St.
Larry Flynn, 121 Taffrail Rd.
Peter Flynn, Merrymount School, Grade 4.
Theresa Forgeron, 822 Sea St.
Geralyn Foy, 51 Dickens St.
Penny Francis, 14 Riverbank Rd.
Maria Galluzzo, 90 Brook St.
Darlene Gardner, 264 Manet Ave.
Michael Gillespei, 22 Sextant Cir.
Mary F. Gillis, 3 Darrow St.
Mark Giordani, 351 Manet Ave.
Debby Glufling, 31 Bicknell St.
Mrs. Linda E. Gordon, 57 Marlboro St.
Ruthanne Gorman, 44 Russell St.
Susan Grabowski, 24 French St.
Mary Graham, 17 Pelican Rd.
Pat Graham, 103 Taffrail Rd.
John Grahan, 32 Shed St.
Morgan Gray, Merrymount School, Grade 4.
Kathy Greenan, 942 Sea St.
Michael Greenan, 942 Sea St.
Margery Grenon, 274 Washington St.
Michael Gulizia, 44 Ratchford St.
Mrs. Mary Hogan, 1000 Southern Artery.
Dave Hall, 24 Norten Rd.
Debby Hanly, 161 Rock Island Rd.
Pat Hannsen, 45 Albertina St.
Laurie Hansen, 46 Rhude St.
Wayne Hansen, 46 Rhude St.
James B. Hardie, 943 Southern Artery.
Dorothy Hayden, 160 Bromfield St.
Lauren Hays, Merrymount School, Grade 4.
Kathleen Anne Henry, 88 Bartlett St.
Roy A. Higgins, 15 Wilgus Rd.
Beth Hill, Merrymount School, Grade 4.
Paul Hines, 32 Colby Rd.
Nancy Hourihan, 299 West Squantum St.

John Houten, 106 Narragansett Rd.
Mike Hussey, 10 Hobamack Rd.
R. Hussey, 10 Hobamack Rd.
Joseph Irvine, 34 Waban Rd.
Jean Jablonski, 70 Faxon Rd.
William Jensen, 44 Kidder St.
Ray Johnson, 18 Gilmore St.
Carol Jones, 16 Winthrop Ave.
Mrs. Ruth L. Jordan, 111 Brook St.
Billy Joyce, 96 Center St.
William Joyce, 79 Edwin St.
John Keenan, 83 Lincoln Ave.
Russell Lawrence Kelcourse, 116 Rhoda St.
Krissy Kelly, Merrymount School, Grade 4.
Ann Kenny, 69 Lenox St.
Jean Keyes, 75 Post Island Rd.
Charles Kidney, 85 Spring St.
Mrs. Neil Kirby, 59R Crosby St.
Cathy Kneeland, 219 Taffrail Rd.
Paul Knowles, 52 Yardarm Ln.
David Krantzberg, Merrymount School, Grade 4.
Amy Krasner, 45 Narragansett Rd.
Tony Kraunells, 43 Victor Rd.
Debby Lacey, 80 Lind St.
Kevin Lally, 27 Franklin St.
Lori Ann Landry, 44 Quarterdeck Rd.
John Leahy, 970 Sea St.
Leonard Liuzzi, 79 Elm Ave.
Marie P. LoCicero, 32 Station St.
Loui Lombardi, 171 Kendrick Ave.
Paula Lynch, 937 Sea St.
Sharon Lynn, 95 Shed St.
Anne MacDonald, 1109 Sea St.
Laurel MacDonald, 1109 Sea St.
Nancy MacDonald, 74 Copley St.
Wanda MacKay, 6 Bicknell St.
Cheryl MacKenzie, 26 Taffrail Rd.
Robert MacLennan, 22 Bennington St.
Kim MacPherson, Merrymount School, Grade 4.
Anne T. Magglore, 96 Common St.
Paul Maguire, 122 Palmer St.
Maureen Mahler, 977 Sea St.
Karen Mahoney, 72 Captain's Walk.
Donna Maloney, 46 Victoria Rd.
Lucio Malvistuto, 35 Plymouth St.
Mike Manganaro, 36 Taffrail Rd.
Isabelle Mann, 55 South St.
Judith A. Marani, 216 Quincy Ave.
Paula Matthews, 113 Spring St.
Dennis Mayhew, 73 Pawsey St.
John McClintock, 175 Atlantic St.
Mary McConville, Merrymount School, Grade 4.
Paul McConville, 29 Chickatabot Rd.
Miss Helena T. McCormick, 28 Oval Rd.
Kerri McCready, 67 Winthrop Ave.
Paul McDermott, 175 Beale St.
Margaret McDonald, 120 Darrow St.
Lorrie McDonough, 36 Ratchford St.
Kathryn L. McDougall, 60 Butler Rd.
Deborah Ann McFetridge, 173 Billings St.
Joseph McGee, 27 Peal St.
Mrs. Thomas F. McGinnis Jr., 23 Barham Ave.
James Warren McGrath, 1000 Southern Artery.
Cathy McGregor, 53 Forest Ave.
Catriona McGregor, 53 Forest Ave.
Winifred McHugh, 28 Cummings Ave.
Gail McKeon, 85 Charles St.
Paula McLarnon, 9 Charlesmount Ave.
Janice McLaughlin, 298 Highland Ave.
Betty McLoughlin, Merrymount School, Grade 4.
Barbara McManus, 108 Doane St.
Donna McManus, 110 Billings St.
John McManus, 108 Doane St.
Kathy McManus, 80 Curlew Rd.
John McNeil, 42 Babcock St.
Patricia McPhillips, 377 Palmer St.
Michele Meegan, 105 Taffrial Rd.
Jim Megnia, 9 Brockton Ave.
Kevin Mellyn, 26 Bay View Ave.
Anita Milano, 299 Billings Rd.
Laura Miller, 20 Hood St.
Robert Minicucci, 18 Franklin St.
Danny Malloy, 25 Overlook Rd.
Veronica Monti, 52 Mears Ave.
Glenn Moody, 13 Rodger Ln.
Cory Morrison, 12 Oneida St.
David Morrow, 114 Doane St.
Carolyn Mullen, 21 Bowes Ave.
Ann P. Murphy, 23 Northfield Ave.
Charles L. Murphy, 122 Everett St.
Billy Murray, 168 Sea St.
Richard Nelson, 101 Babcock St.
Marie Nichols, 55 Shirley St.
Charlene Nicholson, 50 Quarterdeck Rd.
James Noenicks, Merrymount School, Grade 4.
Laura Noenicks, 226 Sea St.
Dave Noturangelo, 215 Taffrail Rd.
Patti Novak, 21 Overlook Rd.
Donna O'Brien, 17 Plover Rd.
Mrs. Dorothy O'Brien, 60 Marlboro St.
Karen O'Rourke, 45 Broady Ave.
Anthony Panasci, 40 Babcock St.
Laura Paolucci, 166 Sumner St.
Howard Park, 7 Doyle Terr.
Miss A. Dorothy Parsons, 45 Gay St.
Joseph Pattavina, 279 Sea St.
Rita Pattavina, Merrymount School, Grade 4.
Mrs. Jean Peachey, 53 Hamilton St.
Judy Pellicane, 57 Hobamack Rd.
Charles Peter, 7 Alberton St.
Dagmar L. S. Peurala, 63 Kent St.
Robert Piscatelli, 78 Camden St.
Cameron Porter, 44 Wedgewood St.
Janice Porter, 44 Wedgewood St.
Daniel Prescott, Doane St.
Mrs. Fred Prizioso, 34 Roberts St.
John Princiotto, Warwick St.
Diane Raftery, Merrymount School, Grade 4.
Mark Rand, 1092 Sear St.
Lorraine Renzi, 70 Shed St.
John Ricciuti, 31 Stoney Brae Rd.
Cliff Richardson, 32 Captain's Walk.
Patricia Ridlen, 191 Rock Island Rd.
Laura Riley, 23 Marine St.
Mary Beth Riley, 129 Doane St.
Louis Rizzo, 53 Shore Ave.
Nancy Roberts, Merrymount School, Grade 4.
Tom Roche, 1356 Quincy Shore Dr.
Tom Rollins, 93 Edgewater Dr.
Fannie Ross, 73 Bicknell St.
Mrs. James W. Ross, 13 Plover Rd.
William Ross, 13 Plover Rd.
Marianne Rudolph, 930 Sea St.
James B. Russo, 59 Hall Pl.
Katherine M. Ryan, 30 Edinboro Rd.
Kevin Ryan, 263 So. Central Ave.
Mrs. Connie Sabatini, 18 High School Ave.
Joan Sacchetti, 14 Tinson Rd.
Mrs. Betty R. Sawyer, 107 Waterston Ave.
Kathy Schuerch, 43 Bayview Ave.
Diane Shaw, 337 Rock Island Rd.
Tracy Shaw, 10 Homestead St.
Janice Siddens, 37 Calvin Rd.
Laura Signorini, 153 Centre St.
Jack Silverstein, 399 Adams St.
Christine Strois, 14 Hardwick Rd.
Kevin Smith, 15 Quadrant Circle.
Margaret Smith, 34 Ardell St.
Patty Smith, 31 Grace Rd.
Dale Solander, 22 Homer Rd.
Gordon Spencer, 361 Palmer St.
Dave Spring, 153 Norfolk.
Doris Monroe Stackpole, 23 McGrath Highway.
Paula Stanziani, Merrymount School, Grade 4.
Susan Stearns, 22 Quarterdeck Rd.
Thomas Steen, 1 Wall St.
Michelle Straughn, 69 Taffrail Rd.
Kevin M. Sullivan, 57 Alrick Rd.
Maureen Sullivan, 57 Alrick Rd.
Michael Sullivan, 28 Grace Rd.
Robert A. Sullivan, 288 Fayette St.
Thomas D. Sullivan, 57 Alrick Rd.
Joanne Swanton, 10 Samoset Ave.
John D. Sweet, 15 Channing St.
Frances Tantillo, 76 Phipps St.
Janet Tantillo, 76 Phipps St.
Donna Taylor, 212 Manet Ave.
Jeff Taylor, 212 Manet Ave.
Felix Tenaglia, 83 Montclair Ave.
Mark Thibotte, 21 Homer Rd.
Ann Marie Thurston, 95 Taffrail Rd.
Sandra Thurston, 95 Taffrail Rd.
Tim Tobin, Merrymount School, Grade 4.
Daniel Todd, 49 Havilend St.
Linda Trubiano, 81 Thornton St.
Debbie Valentino, 9 Pequot Rd.
Bern Van Tassell, 109 Macy St.
Mike Van Tassell, 109 Macy St.
George J. Wagner, 97 Hollis Ave.
Denise Walkamsa, 35 Rhude St.
Theresa Ward, 6 Bittern Rd.
Mrs. Alicia Wayland, 31 Dale Ave.
Karl Weaver, 21 Sextant Cir.
Ann Weidner, Merrymount School, Grade 4.
John E. Whelton, 29 Sealund Rd.
Elizabeth Whyte, 1 Beacon St.
Elliott R. Whyte, 1 Beacon St.
John W. Wilson, 114 Rawson Rd.
Karen Worth, 1232 Sea St.
Mrs. Jordan S. Zecker, 29 Channing St.

SLOGAN WINNERS

Following are the 27 winners in the Quincy Heritage Slogan Contest:

1st Prize—$300: William Mitchell, 24 Gilmore St.
2nd Prize—$100: Wayne Batson, 28 Spring St.
3rd Prize—$50: Jo McShane, 56 High St.
4th Prize—$25: Kenneth L. Miner, 70 Pelican Rd.
5th Prize—$25: Eleanor Coughlin, 152 Holbrook Rd.
6th Prize—$25: Joseph N. Gildea, 45 Division St.
7th Prize—$25: L. K. Battista, 14 Avon Way.
8th Prize—$10: Michael Jovanic, 62 Town Hill St.
9th Prize—$10: Peter Orio, 365 Manet Ave.
10th Prize—$10: Cheryl Shaw, 171 Babcock St.
11th Prize—$10: Harold Beston, 30 Ruggles St.
12th Prize—$10: Mrs. Theresa Connell, 36 Whitney Rd.
13th Prize—$10: Nora Cuddy, 115 East Elm Ave.
14th Prize—$10: Rick Deutsch, 126 Darrow St.
15th Prize—$10: Rita Kearns, 36 Summer St.
16th Prize—$10: John A. Laukkanen, 53 Woorcliff Rd.
17th Prize—$10: Mrs. Thomas Mulroy, 25 Eustis St.
18th Prize—$10: Dorothy Q. Murray, 6 Booth St.
19th Prize—$10: Mrs. Evelyn Oshry, 35 Rawson Rd.
20th Prize—$10: William Rochelle, 50 Maypole Rd.
21st Prize—$10: Brian T. Sullivan, 57 Alrick Rd.
22nd Prize—$10: Arthur Tucker, 1 Bittern Rd.
23rd Prize—$10: James Sullivan, 44 Rawson Rd. [Grade 6 Parker School].
24th Prize—$10: Laurel MacDonald, 1109 Sea St.
25th Prize—$10: Marla Bloom, 15 Agawam Rd.
26th Prize—$10: George J. Wagner, 97 Hollis Ave.
27th Prize—$10: Sandra Thurston, 95 Traffrail Rd.

THE SEVEN TOP SLOGANS

Following are the top seven slogans in the Quincy Heritage slogan contest and their authors:

First-place: William Mitchell, "Adams To Atoms".
Second-place: Wayne Batson, "Quincy: City of Presidents, Progress and Pride".
Third-place: Jo McShane, "Quincy—Backbone of Granite Born To Endure".
Fourth-place: Kenneth L. Miner, "Quincy: Cherishes the Old, Welcomes the New".
Fifth-place: Eleanor Coughlin, "Quincy, Mass., Where the Past and Present Blend".
Sixth-place: Joseph N. Gildea Sr., "Quincy, 350 Years of Heritage, Pride and Progress".

Seventh-place: L. K. Battista, "Quincy—Engraved in History—United in Spirit".

MUSIC FESTIVALS ARE PLANNED FOR 1976

Looking forward to 1976, **Quincy Heritage** is planning two music festivals to capture the spirit of the city's Bicentennial and 350th anniversary celebrations.

Created by Greg Larkin, a professor of music at Eastern Nazarene College, both festivals are designed for the enjoyment of the citizens of the city.

The first festival, to be held early in 1976, will feature music written during the American Revolution. Both choral and instrumental groups will participate in the festival which will take place in the Church of Presidents.

The second festival program, slated for July 4, 1976, will feature patriotic music performed by choral groups and bands in the city, including those from the Quincy schools. Selections performed will range from songs written since the birth of the nation to the present.

This festival will take place on the steps of the United First Parish Church in Quincy Square.

In May, 1976, the Southeastern Massachusetts Band Festival will take place in Quincy. This festival of high school bands will incorporate the theme of Quincy Heritage.

In addition, the annual Pops Concert performed by the Quincy Symphony Orchestra will take on special meaning in 1975 as the city celebrates its 350th anniversary.

THE JUDGES

Two panels of judges were named to select the 54 winners who shared the $1,500 in prizes in the Quincy Heritage poster and slogan contests.

A cross-section of the community, they represented professional expertise, civic interest, education, men, women and youth. The 10 judges, five for each contest:

POSTER: Robert Brandt, executive vice-president and general manager S. Gunnar Myrbeck & Co., Quincy; Joseph Donahue, Quincy architect; Ronald Iacobucci of 10 Hyde St., Quincy, a student at Boston College; Walter Lunsman, director of Arts and Humanities for the Quincy Public School system and Mrs. Annette Paglierani, member of the Quincy Art Association.

SLOGAN: Rev. Alicia Corea, Houghs Neck Congregational Church; School Supt. Dr. Lawrence Creedon, Martin McKeon, MBTA assistant director Community Affairs; Thomas Nutley, Boston Gas Co. public affairs specialist and George D. Reardon, past president South Shore Chamber of Commerce.

LIKE TEACHER, LIKE STUDENT

The saying goes, "Like father, like son", but in the Quincy Heritage slogan contest, the saying switches to "Like teacher, like student".

Wayne Batson, seventh grade student at Broadmeadows Junior High, captured second place in the Quincy Heritage slogan contest, only one place behind his social studies teacher William Mitchell who won the top prize.

Wayne won $100 for his entry, "Quincy: City of Presidents, Progress and Pride".

QUINCY'S HISTORIC MINUTES ON WJDA

A total of 15 historic minutes telling the story of Quincy will be aired over Radio Station WJDA throughout 1975.

The first historic radio spot was heard Monday morning at 8:21.

This venture was made possible by the joint sponsorship of Corcoran, Mullins, Jennison Inc. of Quincy and the Peabody Construction Co., Inc. of Quincy which provided $5,000 to finance the historic moments.

Narrated by professionals in the advertising field, the 15 minutes will be rotated throughout the year with one minute aired per day at 8:21 a.m.

MY RESPONSIBILITY AS A CITIZEN

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. SISK. Mr. Speaker, one of my constituents, Miss Julia Ann McDermott of Turlock, Calif., has been privileged to be named the California State winner in the Veterans of Foreign Wars' Voice of Democracy contest. The theme of the contest was "My Responsibility as a Citizen." I am extremely proud of Miss McDermott's achievement and wish her every success in the final judging which will be held here in Washington next month. I think it would be of great benefit to each of us to read her outstanding speech and I am, therefore, submitting it with the hope that you will find it as inspiring as I did:

MY RESPONSIBILITY AS A CITIZEN

(By Julia Ann McDermott)

America is like the keyboard of an expensive piano. Some of the keys are white, and some are black. Some are sharp, others flat. There are major keys, and minor ones. Each key has it's own individual note and tune. When you play them together, the result is a beautiful melodious harmony. The name of this song is democracy, the basic principle that upholds the foundations of our government, the one great ideal that has made America the most honored, talked about, and looked-up-to country in the entire world.

But this democracy is dependent upon us. Each and every citizen must meet his or her responsibility in order to maintain the beauty of our nation, preserve it from corruption, and keep the name America as shining and pure as it has been for almost two centuries.

Our responsibility to our country consists of three things—having a duty to America, recognizing that duty, and then doing your duty to the best of your ability. If Americans did not live up to their responsibility, our nation would never have become as great and as powerful as it is today.

Every citizen's duty to America is a unique one—tailored to individual talents and abilities. But there are some duties that belong to all citizens, such as the duty to vote in elections, assuring our country of the finest government officials. There is also the duty to obey the laws of our land, that have been ruled just and fair by our own judicial system.

Another responsibility that goes with citizenship is to live in peace with our fellowmen. Prejudice, discrimination, hate and animosity are not signs of responsible citizens. Truly responsible Americans accept all people, of all races, creeds, colors and sexes as equals, nothing more, nothing less.

Loving and caring about our country and its people is also an important part of a citizen's responsibility. The fact that love is a part of responsibility is difficult for some people to understand and accept. But if we do not love our fellowmen, if we cannot live in harmony with them, then we are shirking the duty of all Americans.

Not only should we love our country's people, we should love our country itself, for patriotism, a love of country, is essential in the molding of an honorable American citizen. As James Madison once said: "He who loves not his country can love nothing."

Being an American is an honor. While anyone can live in this beautiful nation, and legal citizenship is relatively easy to obtain, being worthy of this citizenship takes a little more effort. No one is worthy of the name American until he or she can be termed an asset to this nation, a help, not a hinderance, a responsible American citizen who lives up to the demands that history, tradition, and patriotism have placed on every person in America.

Our America is a wonderful country. It has been called the "land of the free" and the "home of the brave". All of us are free, because in America the word "citizenship" is synonymous with the word "freedom". But in order to assure ourselves of all the freedoms granted us in the Constitution, we must accept the responsibility that will keep these freedoms intact. We must not only be free, we must be brave. Brave enough to make known our views, to fight for what we believe in. Brave enough to face up to the responsibilities of citizenship, and not to shirk our duty when our country calls us.

Being an American citizen is an honor, but being a responsible American citizen is an even greater honor that all of us can be proud of. If you can honestly say "I am a responsible American citizen. I have a duty to my country, I know that duty, and I fulfill my responsibility to the best of my ability," then you are an honor and an asset to the great American keyboard, and worthy of the opportunity to keep the symphony of American democracy ringing loud and clear in the ears of the entire world for generations to come.

THE FEDERAL REVENUE SHARING EXTENSION ACT OF 1975

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. KASTEN. Mr. Speaker, I am today introducing legislation to extend and modify the State and Local Fiscal Assistance Act of 1972. Since its implementation in 1972, revenue sharing has resulted in the annual distribution of approximately $6 billion to State and local governments. It has permitted these governments to undertake and expand programs in a variety of areas ranging from financial administration to health and pollution control. It has reversed the accelerating trend toward increased Federal responsibility and initiative which we have witnessed in recent years. It has helped make the States and localities partners with, instead of clients of, the Federal Government. Perhaps most importantly, revenue sharing allows State and local government units to determine their own priorities and to approach them in the way they feel is most appropriate. In a very real sense it allows the people to have a share in shaping their future and structuring their environment.

My proposed amendment includes the following provisions:

First, an extension of the State and Local Fiscal Assistance Act of 1972 for an additional 10¾ years past the present expiration date of December 31, 1976. The new expiration date would be September 30, 1987.

Second, an increase of $20 million annually in appropriations.

Third, removal of the priority expenditures classifications limiting the purposes to which local government units can put revenue sharing funds.

Fourth, finally, the inclusion of a provision to require that State and local jurisdictions give citizens the opportunity to comment on, and be involved in, the preparation of the planned use reports.

The rationale for the first two provisions is obvious. They simply serve to extend and expand a program which is both popular and effective. As of the January 1975 quarterly payment, some 39,000 State and local government units have benefited from the distribution of approximately $17.3 billion. It has significantly improved the critical financial situation of many of these units by allowing local officials to channel funds to the areas where they are badly needed and can be most efficiently used. I am sure that my colleagues in the Congress are familiar with the beneficial effects that revenue sharing has had on their districts.

Revenue sharing has also been lauded as being much less costly to administer than most Federal aid programs. I believe that extending the program into 1987, rather than for a shorter period of time, will serve to maximize this benefit by allowing the governmental units receiving funds to make their plans and establish their priorities in the knowledge that they can count on a smooth, continuous flow of revenue sharing funds for an extended period of years. It will permit State and local governments to undertake commitments to longer range projects that require revenue sharing funds for completion.

Under the present act, local government units must restrict the spending of the funds they receive to certain types of expenditures that the act establishes as priority expenditures. My amendment would eliminate this restriction. There are a number of reasons for taking this step.

In the first place, we must bear in mind one of the original purposes of revenue sharing: to allow State and local governments to decide, based on their superior familiarity with local conditions, how the available funds can best be spent to accomplish local goals. By establishing priority expenditures for local governments, we are immediately undermining this purpose. We may even be causing the revenue sharing funds to be spent in a less efficient manner than would be the case if local governments were completely free of Federal direction in their use.

Second, the determination of what projects fall within the priority expenditures classifications has meant the creation of additional bureacratic redtape at both the Federal and local levels. The results are longer delays in the flow of funds from the Federal to the local level and increased administrative costs in a program that is praised precisely because such costs are low.

Finally, even if we make the highly questionable assumption that it is desiralbe for the Federal Government to attempt to channel revenue sharing funds into specific areas at the local level, it seems doubtful that the establishment of priority expenditures for localities accomplishes this. Upon receipt of revenue sharing funds, local governments simply transfer their funds, which would have been used for priority expenditures, to other areas, and use the revenue sharing funds on the projects which the Federal Government has established as priority expenditures. What this means is that the juggling of accounts which the priority expenditure requirement puts local governments through does nothing to influence the spending pattern. Even if this were not the case, the list of priority expenditures is sufficiently inclusive and sufficiently vague to permit almost any local expenditure to fall into one of the categories. One may easily deduce from these facts that the establishment of priority expenditures to control the use of revenue sharing funds has done little but make the administration of the program more costly and difficult.

Yet we must acknowledge a legitimate desire to see that revenue sharing funds are wisely spent, although it is apparent that the establishment of priority expenditures for localities is not an effective way of accomplishing this goal. I submit that this goal may be achieved by formulating a mechanism by which citizens can participate in the disposition of revenue sharing money. For this reason I have included in my amendment a provision to require that state and local jurisdictions give citizens the opportunity to comment on and be involved in the preparation of the planned use reports. Currently, State and local governments must publish in a general circulation newspaper within their geographic area a statement on how the allocated funds are to be spent and a similar report after the expenditures have taken place. Additionally, they must inform the news media of the publication of these reports.

However, the result of these steps is only to inform the public of actions that have already taken place. I would propose a series of public hearings or some similar mechanism to give citizens an opportunity to participate in the actual formulation of priorities and the allocation of revenue sharing funds. In this manner, we can both provide citizens with a greater opportunity to participate in their government and insure responsible control over the use of these funds.

I urge favorable consideration of this legislation at the earliest possible date.

CITATIONS FOR PATROLMEN DOUGLAS FELDMAN AND GEORGE DISCH

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. WOLFF. Mr. Speaker, recently, I had the privilege of presenting medals of merit to two Nassau County, N.Y., police officers in acknowledgement of their outstanding acts of courage and heroism in the course of duty.

At a ceremony attended by Nassau County Police Commissioner Louis J. Frank, I had the pleasure of conferring citations upon Patrolman Douglas Feldman of the third precinct and Patrolman George Disch of the sixth precinct for their performances above and beyond the call of duty. I would like to share with my colleagues in the House the citations which were presented to Patrolmen Feldman and Disch, which cite in detail their acts of bravery in service to the community. We can rest a little easier that men like Patrolmen Feldman and Disch are protecting our constituencies; they represent the best traditions of this Nation's law enforcement community.

The citations conferred upon Patrolmen Feldman and Disch read as follows:

CITATION

Congressman's Medal of Merit
Ptl. Douglas Feldman, Shield No. 395
Nassau County Police Department

For valor and heroism, Ptl. Douglas Feldman, acting in the finest traditions of the Nassau County Police Dept. and with complete disregard for his own personal safety, did, on the morning of August 27, 1974, expedite the rescue of a victim from a burning building.

Upon arrival at 1 Vanderbilt Drive, Mineola, N.Y., Ptl. Feldman, together with Mineola Volunteer Fireman Louis Buttacoli, fought his way through the blazing and smoke filled premises to search for the occupant, James O'Connell, who had been rendered unconscious by smoke inhalation.

Breaking down a locked door with their bare hands, they carried Mr. O'Connell to a hallway where artificial respiration was administered prior to his removal to the Nassau County Medical Center by police ambulance.

Ptl. Feldman's outstanding act of courage has distinguished him to his fellow police officers and to the community he serves. It is with honor and respect that this Congressman's Medal of Merit is awarded Douglas Feldman.

CITATION

Congressman's Medal of Merit
Ptl. George E. Disch, Shield No. 887
Nassau County Police Department

For valor and heroism. Ptl. George Disch, acting in the finest traditions of the Nassau County Police Department and with complete disregard for his own personal safety, did, on the morning of December 8, 1974, awaken seven sleeping inhabitants of a burning building and lead them to safety.

On patrol in the Village of Roslyn, N.Y., Ptl. Disch noticed smoke pouring from an old three-story frame house at 36 Main Street and rushed into the building in search of occupants.

He alerted the seven residents of the boarding house, then expeditiously evacuated them from the flaming building and summoned the Roslyn Fire Department. Ptl. Disch suffered smoke inhalation from the dense fumes and subsquently was treated at North Shore Hospital in Manhasset.

Ptl. Disch's outstanding act of courage has distinguished him to his fellow police officers and to the community he serves. It is with honor and respect that this Congressman's Medal of Merit is awarded George Disch.

BAN THE BOOM

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ROSENTHAL. Mr. Speaker, British Airways plans to request clearance to begin a series of 50 test flights this spring of its supersonic transport, the Concorde, into and out of New York City's Kennedy International Airport.

It is my hope that the Federal Aviation Administration and the Port of New York Authority will hang out the unwelcome sign for this noisy polluter that threatens our sanity and our atmosphere. Unfortunately, neither of these agencies is known for its concern about the impact of aircraft noise on citizens.

British Airways' intention to begin the test flights—with an eye on regular SST passenger service sometime next year—indicates the need for reevaluation of FAA regulations governing supersonic air travel and the noise-polluting sonic boom that it produces.

The current FAA sonic boom regulation, according to the agency, is designed to protect the people of the United States from exposure to sonic booms that can be detrimental to their senses and sanity. While ostensibly banning the sonic boom over the continental United States and its territories, the loopholes in the FAA's regulation are so large that a full-size SST can fly through them. Specific authorization can be given for civilian aircraft to exceed mach 1, the speed of sound, in any region that the FAA designates a test area. That could mean around New York City's JFK Airport, where the Concorde would first land, or Los Angeles, San Francisco, Dallas-Fort Worth, or any city with an international airport.

Under the provision that a flight be necessary for aircraft development, the FAA can issue clearance for a supersonic flight after an environmental impact statement is made. While the FAA concedes it should not permit environmentally unacceptable authorizations for test flights, we all know that FAA is more lax about what is environmentally acceptable than the rest of us.

The FAA regulation represents a step backward in the Government's original promise to prohibit civilian supersonic flights in the United States. It leaves the door open for approval of the sonic boom, a hazard to the health, welfare, and property of the American people—a door that should be permanently shut. It is with that in mind that I have introduced legislation to prohibit all civilian aircraft flights that would produce a sonic boom over the United States, its territories, possessions, and territorial waters. The advantage of this legislation is that it does not contain the loopholes of the FAA regulation that allows sonic boom-producing flights for such vague reasons as assisting aircraft development or studying sonic boom effects. Nor does it permit the FAA to change or waive its provisions at whim and without regard to the wishes of the Congress.

The 92d Congress took the decisive step of taking the American Government and the American people out of the supersonic aircraft business. It is now time for this Congress to take the initiative in assuring that foreign SST flights will not prove a menace to the American people. We can do this by acting decisively to impose an absolute ban on sonic boom by all civilian aircraft in U.S. airspace.

ADDITIONAL FUNDS FOR CAMBODIA

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. RHODES. Mr. Speaker, this body is currently attempting to decide whether to accept or reject President Ford's request for additional funds for Cambodia in the current fiscal year. The President has attached great importance to this request. It is my judgment that each and every Member of this House—regardless of party—has a solemn responsibility to consider all of the facts before reaching final judgment.

We should consider very carefully, for example, the assessment of the President of the United States and his military advisers that, unless Congress grants additional funds, Cambodia will be virtually powerless to resist Communist takeover. Without the funds contained in the President's request, the Cambodian Army will run out of ammunition in less than a month.

The issue is not purely military in nature; it also involves humanitarian concerns. Severe food shortages are already beginning to plague the Cambodian people. If Congress does not provide funds for continued deliveries of rice and other staples of life, millions of people will find their ability to survive severely and cruelly impaired. The Department of Defense has announced that a $180,000 a day airlift of rice from Saigon to the ravaged city of Phnom Penh will begin today. This effort to feed the people of Cambodia can only be maintained if Congress agrees to the President's request for new funds.

It is my view that the current plight of Cambodia, as well as the President's request for additional funds, represents a highly critical question that this Congress cannot effectively dodge. Congress decided some time ago that the United States could no longer afford to invest the lives of American citizens in foreign wars in Southeast Asia. That was a wise decision, one with which I wholeheartedly concur. But now we face a corollary decision. Are we now prepared to make it our Nation's policy that we will no longer provide economic assistance and moral support to small countries fighting for their right to be free? Are we prepared to declare to the world community that the United States has neither the will nor the resources to be a reliable partner in—let alone the leader of—the ongoing struggle against Communism?

Mr. Speaker, the American people have stood together as sentries at the gate of freedom for many, many years, and at considerable cost and sacrifice. Is it their will that America's vigil be brought to an abrupt end now? My judgment is that it is not. At the very least, I implore all of my colleagues to consider all the facts with profound and solemn candor.

A copy of a letter from the President follows:

THE WHITE HOUSE,
Washington, February 25, 1975.

Hon. JOHN J. RHODES, M.C.,
Minority Leader,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN RHODES: I wish to convey to the House of Representatives my deep concern over the present critical situation in Cambodia. An independent Cambodia cannot survive unless the Congress acts very soon to provide supplemental military and economic assistance.

Unless such assistance is provided, the Cambodian army will run out of ammunition in less than a month.

The Cambodian people are totally dependent on us for their only means of resistance to aggression. The Communist forces now attacking have a constant, massive outside source of supply from the North as has been demonstrated by their ability to sustain the current heavy offensive.

If additional military assistance is withheld or delayed, the Government forces will be forced, within weeks, to surrender to the insurgents.

The economic situation is almost as difficult. Refugees forced to flee their homes by the Communists' repressive measures and scorched-earth policies have poured into Phnom Penh and other cities. Severe food shortages are already beginning. If the Congress does not provide for continued deliveries of rice and other essential supplies, millions of innocent people will suffer—people who depend on us for their bare survival.

The Government of the Khmer Republic has demonstrated on countless occasions its willingness to negotiate a compromise political settlement to bring peace to its tormented land. It has been proved over the past two years that the progressive cutbacks of American support have only undercut the possibilities of negotiation by encouraging a ruthless enemy in the hope of obtaining a total victory.

These are the harsh realities which the Congress must bear in mind as it considers the Administration's request for supplemental assistance to Cambodia.

It has been a basic policy of this Government to give material support to friends and allies who are willing and able to carry the burden of their own self-defense. Cambodia is such an ally.

This is a moral question that must be faced squarely. Are we to deliberately abandon a small country in the midst of its life and death struggle? Is the United States, which so far has consistently stood by its friends through the most difficult of times, now to condemn, in effect a small Asian nation totally dependent upon us? We cannot escape this responsibility. Our national security and the integrity of our alliances depend upon our reputation as a reliable partner. Countries around the world who depend on us for support—as well as their foes—will judge our performance. It is in this spirit and with this sense of responsibility, Mr. Speaker, that I urge rapid and favorable action on my request for additional assistance to Cambodia.

Sincerely,

GERALD R. FORD.

GARRETT COUNTY SCOUT APPRECIATION DINNER

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BYRON. Mr. Speaker, recently it was my pleasure to participate in the

Garrett County Scout appreciation dinner at Oakland, Md.

This program indicated once more how dedicated community leaders add immeasurably to the development of the young people in the community. It was a heartwarming experience to meet the scouting leaders present at the dinner and to see their dedication to the young men of the county and the scouting program. The dinner was an outstanding success under the leadership of Mr. Merritt Feather.

I would also like to commend the scouting leaders present:

Program

Opening ceremony, Boy Scout Troop.

Invocation, Rev. Lawrence Sherwood.

Welcome—Master of Ceremonies Merritt Feather.

Group singing—Leader Merritt Feather.

Review of 1974—Pat Fischetti.

Recognitions—Stanley Callis.

Introduction of Speaker by Merritt Feather.

Speaker—Rep. Goodloe E. Byron.

Benediction—Rev. Lawrence Sherwood.

Retiring of colors—Boy Scout Troop.

Scouting Partner Organizations and Their Unit Leaders

Troop No. 31—B.P.O. Elks, Oakland, Md.—Butch Sliger.

Troop No. 54—St. John's Lutheran Church, Red House, Md.—Don Rolf.

Troop No. 70—Bethel United Methodist Church, Mt. Lake Park, Md.—Leo Martin.

Troop No. 75—Bayard Lions Club, Bayard, W. Va.—Dave Ridings.

Troop No. 82—American Legion Post No. 208, Accident, Md.—Paul Frank.

Troop No. 93—Bradley Manor Community Club, Oakland, Md.—Richard Beeman.

Troop No. 95—Bausch & Lomb, Inc., Mt. Lake Park, Md.—Bill Ridgell.

Troop No. 99—American Legion Post No. 71, Oakland, Md.—Tom Bittinger.

Pack No. 31—B.P.O. Elks, Oakland, Md.—Lorraine Gnegy.

Pack No. 41—Crellin Elementary P.T.A., Crellin, Md.—Delbert Knotts.

Pack No. 45—Rotary Club, Friendsville, Md.—Don Frazee.

Pack No. 54—Red House Elementary P.T.A., Red House, Md.—Ken Cassidy.

Pack No. 70—Garrett Lodge, Knights of Pythias, Oakland, Md.—Dale Fike.

Pack No. 75—Bayard Grade School P.T.A., Bayard, W. Va.—Ray McCauley.

Pack No. 80—Deep Creek Volunteer Fire Department, McHenry, Md.—Don Bowman.

Pack No. 93—Bradley Manor Community Club, Oakland, Md.—Duane Yoder.

Pack No. 95—Bausch & Lomb, Inc., Mt. Lake Park—Calvin Paugh.

MARY B. JOHNSON, NOTRE DAME HIGH SENIOR FROM SPRINGFIELD, MASS., STATE WINNER OF 28TH VFW SPONSORED VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BOLAND. Mr. Speaker, the Massachusetts State winner of the 28th annual Voice of Democracy scholarship program is, I am proud to say, Miss Mary B. Johnson from my home city of Springfield. She is the daughter of Mr. and Mrs. James Johnson of 78 Mayfair Avenue and a senior at Notre Dame High School in Springfield.

The Voice of Democracy scholarship program, sponsored by the Veterans of Foreign Wars and its Ladies Auxiliary, is conducted annually in our Nation's secondary schools. It is a national broadcast scriptwriting program which provides an opportunity for high school students in public, private, and parochial schools to think, write, and speak up for freedom and democracy.

"My Responsibility as a Citizen," theme for the program this year, focused the attention of youth on the obligations of citizenship and called for a personal evaluation of their responsibility in preserving democracy as a way of life in our Republic. Upward of 500,000 students participated in this year's program. At each level of judging—school, community, district, and State—winners were selected from the evaluation of the judges using three basic criteria. These criteria and the maximum point value assigned to each were content, 45; originality, 35; and delivery, 20.

Miss Johnson will be among the other State winners who will come to Washington, D.C., expense free, March 7–12, to compete for one of five national scholarship awards provided by the Veterans of Foreign Wars. The first-place national winner receives a $10,000 scholarship for college; second place, $5,000; third place, $3,500; fourth place, $2,500; and fifth place, $1,500. In addition, the monetary value of scholarships and awards presented by the VFW and its Ladies Auxiliary to the winners of the post, county, district, and State levels will be in excess of $475,000 this year.

Mr. Speaker, the Voice of Democracy program was originated by the broadcasting industry and the U.S. Office of Education 28 years ago. For over a quarter of a century now it has had the continuing support of the national and State associations of broadcasters and secondary school principals. Broadcasters and educators alike have been enthusiastic in their endorsement of this Veterans of Foreign Wars-sponsored Voice of Democracy program, and have contributed generously of their time and expertise in the program's development.

I wish to commend those organizations who have sponsored and contributed to the success of the program. And I congratulate Miss Johnson for the honor she brings to her family, her high school, and city as the Massachusetts State winner. I ask permission to have Miss Johnson's prize-winning script included at this point with my remarks in the Record:

My Responsibility as a Citizen

(By Mary B. Johnson)

The following is a case history of a patient now recovering from a near-fatal disease.

The patient—

The United States of America, the land itself and its 210 million inhabitants.

The disease—a serve case of apathy, a lack of vision and a sense of despair.

Prognosis—chances for recovery—excellent, but only with the prescribed medication of a new sense of rebirth, vision and laughter.

Today, we feel disillusioned, because our Constitution allows us to envision what perfection in government truly can be.

Our Bill of Rights grants us the freedom to write, to march, to assemble peacefully in our yearning to achieve all that is possible to improve the human condition in America, not only for this generation but for our posterity. I see my role as an American citizen, as one of not just accepting our American history but questioning and learning from it, not criticizing the events of the past several months, but praising our due process of law; not denouncing the future but anticipating it.

Since the birth of our country, our soil has been irrigated with the blood of its sons and daughters. Gettysburg was consecrated by those who fought there. Today, we must not only dedicate our battlefields, but also ourselves, as individuals, as American citizens, to that guiding principle which we recite daily. We honor that indivisible nation with liberty and justice for all.

After we have renewed ourselves as United States citizens, dedicated to the ideals of freedom and individual rights and are ready to defend those rights as our forefathers did, to maintain this country as a vital democracy, then may we take our places as citizens of a free world, and achieve for it what we have tried to achieve for ourselves.

President John F. Kennedy once said, "We in this country, in this generation, are by destiny, rather than choice, the watchmen on the walls of world freedom. We ask, therefore, that we may be worthy of our power and responsibility, that we may exercise our strength with wisdom and restraint, and that we may achieve in our time and for all time, that ancient vision of peace on earth, good will toward men."

Our goal is clear, to see that the righteousness of our cause always underlies our strength.

This is the challenge proclaimed unto us, now let us rise to meet it!

GARDENING GROWTH

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to bring to the attention of my colleagues a few items dwelling on the increasing back-to-the-soil movement in the Nation, and especially right here in the Capital Metropolitan Area.

An article by Sheilah Kast in yesterday's Washington Star describes a meeting of the Arlington County Board, at which several dozen gardeners showed up to defend their rented community gardening plots, but sat and watched instead while the board voted to triple the number of plots to be rented out this season. There will now be 225 20- by 30-foot plots in Arlington, rented for $15 each.

Now every county in the Washington area has some type of community gardening program, and a sampling of my mail is even more convincing of the tremendously widespread popularity of this pastime which is even greater than I had ever imagined it could be when I introduced my Bicentennial seed bill, H.R. 280. You know of this bill, no doubt, which would allow the Department of Agriculture to distribute free on request up to three packages of food-producing vegetable seeds to American households.

I have a letter from Albuquerque, which I have excerpted briefly following this statement, where the city is throwing in free water and free fertilizer from its city disposal plant. I have letters from Ohio, Minnesota, Maryland, Wisconsin, Hawaii, and many from my home State of Massachusetts.

One community group in Georgia has sent me a documented report of a 2-year experiment in community gardening, right down to the last penny used by 500 people and the last penny's worth of food harvested. Here I would like to include a brief statistical summary of the Telfair County Neighborhood Service Center 1972 community gardens, run in conjunction with the Heart of Georgia Community Action Council:

> In 1971, with no experience, Telfair County had 20 gardens involving 94 families, 501 people, and 300 acres of land. Free seed and fertilizer distributed at a cost of $984 yielded a harvest of $5,967, or a 6–1 return;
>
> In 1972, they had 76 gardens, 114 families, 500 people on 20½ acres which returned an average of 8–1;
>
> Of 76 gardens, 34 were tended by senior citizens between the ages of 60 and 84, with yields on those gardens reaching as high as 22–1, 23–1, 25–1, 27–1, and 29–1. The largest garden was worked by 80 people of 16 families, and several were worked by single gardeners.

The movement is moving without us, the country is moving again by itself in another field where we can lend a hand without too much cost to the harried taxpayer.

My Bicentennial seed bill would authorize $6 million for free seeds. But really, there are a lot of people who cannot afford seeds, who have really not had much incentive to buy seeds. Now this tremendous community gardening explosion and the Bicentennial seed program can serve as incentives for each other. With the back-to-the-soil movement growing, there will be more interest in the seeds to join in the movement.

And the last thing I really want to see is the use of food stamps for purchasing seeds. I think it can be taken pretty much for granted that the millions of people who have joined the food stamp program in the last year have done so to avoid going hungry in the present, not so they could grow food to eat several months in the future. Food is a commodity you consume, obviously, not one you invest in, especially with food stamps.

The Bicentennial seed bill is now awaiting a hearing in the Agriculture Committee's Subcommittee on Domestic Marketing and Consumer Affairs. Last year it was reported out to the House favorably but did not get voted upon prior to adjournment. I hope this session, we can get action fairly quickly to insure operation of the Bicentennial seed program in time for the spring 1976 planting season.

When I send around a letter soon, asking for cosponsors for the Bicentennial seed bill, H.R. 280, please join me in support of community gardening and the back-to-the-soil movement in America.

> ALBUQUERQUE, N. MEX.
>
> Congressman JAMES A. BURKE,
> *House Office Building,*
> *Washington, D.C.*
>
> DEAR CONGRESSMAN: Your prompt answer to my letter gives me additional reason to push forward on my program here in New Mexico that matches yours, but in a small way. On January 1 of this year I presented to the City Council of Albuquerque a resolution, in the name of the elderly people, requesting action on a gardening program through which the City will make available to all citizens unused city owned land, together with the use of equipment when not in use for public purposes. The Human Affairs Committee of the Council heard the petition and unanimously reported "ought to pass". The full council hears the petition and assures me of passage on Monday, March 3. The efficient Parks and Recreation Department of the city has volunteered to head up the program and I am doing publicity and organizing. Youth groups, including the Vocational Education department of the schools endorse and will participate in the program and other youth groups, joined by the church people assure me they are all for it as are the combined garden clubs. The city promises free water, no small object here in this climate, and fertilizer from the city sewerage disposal plant, all for free. It looks as if we are in business. But this part of the program is only one phase of a four phase program to prepare for what we believe is coming—created shortages of food to push up prices . . .
>
> Sincerely,
>
> JOHN P. MURPHY.

> ### GARDEN PLOTS TRIPLED WITHOUT EXPECTED FIGHT
>
> Fifty determined gardeners showed up, ready to storm the Arlington County Board in defense of community garden plots, but found they didn't have to.
>
> The County Board was on their side Saturday—without even hearing testimony, it tripled the 75 plots it rented last year.
>
> Not wanting to cut short its generosity there, the board asked its staff to search for private land, such as the Vepco right-of-way on Four-Mile Run that might be turned over to gardeners.
>
> Board member Everard Munsey, an outspoken opponent of Interstate Route 66, drew laughter when he suggested planting over the I–66 right-of-way in North Arlington.
>
> "Under any conceivable set of circumstances, there isn't going to be any construction during this year's growing season," he said.
>
> "Or next," interjected Thomas W. Richards, a fellow board member and I–66 opponent.
>
> "Or ever, as far as I'm concerned," Munsey replied, adding that the highway question will be hung up in court at least a year even if the Secretary of Transportation approves the road.
>
> Munsey also suggested the 118-acre Pentagon City tract, which stands vacant while its owners negotiate for a buyer who wants to develop it. But Board Chairman John W. Purdy noted that the tract is home to a lot of rabbits.
>
> "Great, they could hunt and grow vegetables at the same time," Munsey joked.
>
> "No, the rabbits will eat the lettuce," Purdy answered.
>
> The board also raised the rent on the plots from $10 to $15. But Brian Van Linda, a medical student who did his first organic gardening last summer, said yesterday, "It's still a good buy. You get a lot of vegetables very cheap.
>
> "I grew up right outside of New York City and you sort of get out of touch with how things grow," Van Linda said. "The community garden concept is really good because you have a dozen other people to tell you where to plant certain things, where to fertilize, where to get seeds and where to go for help. Without that, it can take you three or four years to learn."
>
> Mary L. Smith, who organized the 13 plots at N. 10th and Nelson Streets for organic gardening, said saving money was a bigger factor than getting back to nature for most of those with whom she worked.
>
> Arlington, which rented 20-by-30-foot plots for the first time last spring, was the last of the Washington area jurisdictions to join the "victory" garden bandwagon as inflation hoisted food prices. Mrs. Smith says the community plots are especially important in Arlington, where more than half the residents are apartment dwellers with little or no access to the land.
>
> She used to rent a plot in Purcellville, an hour's drive from her home, but two years ago caught such a bad case of poison ivy on a strange farm that she had to quit.
>
> "So I missed the 1973 season, and that's what made me decide I'm going to make Arlington County produce," she said.
>
> In addition to Mrs. Smith's spot and another across Nelson Street, gardeners will be returning to the 3000 block of S. Glebe Road and 1600 block of Key boulevard.
>
> A total of 150 new plots will be available at S. Illinois and 5th Streets South, on Greenbrier Street behind Yorktown High School, and at the Fort Barnard water tower. Interested gardeners can contact the Virginia Polytechnic Institute Cooperative Extension Service at 558–2475.

THREAT TO NATIONALIZE THE UTILITIES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. McDONALD of Georgia. Mr. Speaker, as the war in Southeast Asia entered its final phases in 1972, a broad range of radical Marxist leaders in the United States began to develop plans to redeploy the militant, dissident forces of the antiwar movement. As the antiwar coalitions ended, new alliances were formed and the disruptive energies of the Vietcong's fifth column were directed against new targets. Among these have been industries related to the production and distribution of energy, and in particular the public utilities.

Many radical "consumer" groups have seen the energy shortage as a prime opportunity for developing greater economic pressure against the utilities. Observing the rampant inflation caused by many years of massive Government deficit spending, the activist groups have sought to pressure the utilities by denying them rate increases to meet costs and expand to meet demand. The radical "consumer" activists hope to force nationalization of the utilities as a first step toward socialism by bankrupting them.

In my own State of Georgia, the admittedly socialist Georgia Power Project, which has allied itself with assorted leftists, liberals, and labor organizations, has had surprising success in building pressure to prevent the Southern Co.

subsidiary, the Georgia Power Co., from obtaining money for new construction.

This article by Anthony Harrigan, the executive vice president of the United States Industrial Council, clearly sets forth the pressures on our public utilities and the economic fallacies in the call for Government takeover.

THE POWER REALITIES

Among the most critical problems facing Americans in a period of combined inflation and recession is that of the availability and cost of electric power. Unless there is improved public understanding of the situation in which utilities find themselves, the country could be confronted with the threat of nationalization of investor-owned utilities. The cost of nationalization to the taxpayers in terms of dollars and lost efficiency would be staggering.

The power companies are being asked to meet a tremendous demand for energy. As a result of the foreign oil crisis, many citizens plan to rely on electricity even more than in the past. *Business Week* recently estimated that the utilities, in order to meet rising demands, will have to spend $232 billion for construction of new generating plants and transmission facilities.

Finding this vast sum for plant expansion is an unprecedented problem for the electric power industry. Utilities are pressed to the wall by the cash squeeze. Moreover, fuel costs have soared. Since 1965, they have increased several hundred per cent and the cost of borrowing has doubled.

In order to obtain funds necessary for expansion—indeed for survival—power companies have gone to state regulatory commissions, requesting higher rates and pass-through charges for fuel cost increases. But resistance to such increases is mounting. State regulators are under heavy political pressure to withhold increases, despite the obvious need of the utilities.

In a number of states, Nader-type activist groups have emerged, which demonstrate and seek to present utilities as demons and which call for political limits on electricity charges.

The more responsible state regulatory commissions will not be intimidated. In Virginia, for example, Commissioner Preston Shannon is on record as saying: "You can't make rates by plebiscite. Otherwise the utilities will go down the drain." Not all state regulators are likely to be so responsible and far-sighted.

Furthermore, there is the problem of state legislatures taking shortcuts around the commissions by decreeing a limit on rate increases on passthrough of fuel costs. That type of political action is a design for economic disaster. The economic pressures on the utilities are real. They cannot be abolished by legislative fiat. Legislative bans on rate increases will not build new power plants or prevent brownouts.

The proponents of nationalization are waiting in the wings, of course. They welcome any sabotage of free enterprise and the free market system. Sen. Lee Metcalf (D-Mont.) is calling for a National Grid Corp. that would build new power lines with government funds.

No one wants to pay more for electricity or any other service he enjoys. No one wants to pay more for gasoline, a pound of hamburger or a loaf of bread. But the nation is in the grip of an inflationary situation caused by prolonged, excessive government expenditure. The general public and private business are suffering as a result. It will be a long time before the pains are eased.

In the meantime, nothing would be more disastrous than a shift to federal involvement in the electric power business. If there is anything that the American people should know by this time, it is that government intervention is not a cure all. Government-controlled utilities would have to build the same new plant capacity sought by investor-owned utilities—and government would get the money by imposing crushing new taxation on the American people. There's simply no way to get something for nothing.

The need now, therefore, is for better public understanding of the financial situation facing utilities. Unless they can operate at a profit, they cannot raise money—form capital—to build new generating plants. This means that rate structures must be adequate.

Unquestionably, many power users are shocked at their electric bills. But that's no justification for falling for the demagogic appeals of politicians who want to ban rate increases. Gasoline today also is about twice as costly as several years ago—and it will be more expensive in the future. The American people simply have to understand that the era of cheap energy is at an end.

The immediate need is for electric energy conservation on the part of the individual homeowner. In the average home, considerable economies can be effected by restricting use of electricity. Efficient utilization of power, not political wrath, is the common sense approach for concerned consumers.

RECESSION BEGINS TO RESEMBLE DEPRESSION

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ZEFERETTI. Mr. Speaker, America's jobless rate in January 1975, reached its highest level since the Great Depression of the thirties, rising to a sickening level of 8.2 percent of our entire work force. These Government figures, stark as they are, do not begin to describe the dimensions of human suffering spreading across the face of our country. Certainly I see it daily in my own congressional district.

Nearly 1 out of every 12 workers willing to work was without meaningful employment, and by now the figures are even higher. In January alone, at least 930,000 Americans lost their jobs; 2,230,000 people have lost their employment in just the past 5 months, ample indication of the momentum of this quasi-depression. Nor are these figures the full story. We have little idea of how many people are out of work and have totally exhausted their unemployment benefits. They do not show up accurately in Goverment figures. Another unnoticed category is the partially employed person, who may be working as little as 1 day per week, who cannot make ends meet or support a family, yet who is carried on the Government's statistics as employed. Citizens falling into these two categories alone might add 1 full point to the 8.2 percent figure.

The number of jobs in our economy declined by at least 640,000, fourth such monthly decline in a row, as employers cut back production and laid off workers. This situation is now feeding on itself, as more layoffs in turn lead to less spending and pileups of already swollen inventories. In turn, this means even more layoffs.

Our Government seems to be observing this situation with a strange detachment. Only a few days ago, the administration predicted a 1975 figure of 7.5 percent jobless, which of course has already been exceeded. Virtually every economist of note predicts that even an 8.5 percent jobless rate is conservative; that we may reach a 10 percent unemployment level shortly. My memories of the Great Depression are both vivid and sad. To me, 10 percent joblessness means depression, not recession. It means it is time for the Federal Government to start addressing itself with energy to the plight of our people. To my regret and consternation, no significant moves have been forthcoming.

Several indicators tell me national initiatives are required. For example, never since World War II began have we sustained such a high jobless rate. Also, the downturn has spread far beyond the auto industry, as for the third month in a row the number of jobs declined in approximately 80 percent of all U.S. industries, rising in only 20 percent. The average work week shortened while the actual duration of time people are out of work has lengthened. Six percent of all adult men were without work, 8.1 percent of adult women and 5.2 percent of all heads of households.

It is critical for us, as elected Representatives, to translate the human misery these figures mean into constructive action as swiftly as possible. Sad to note, there seems to be a real lack of comprehension in the White House about what is happening to people. Diets are poorer in millions of homes. Clothing is worn thin on many school-age children in midwinter.

Vital purchases of necessities, such as shoes and tires, are being indefinitely postponed. Actual want and malnutrition are spreading in many cities. High Government officials only need to travel to any major urban area and walk the streets to see for themselves. I see all this in Brooklyn. I know others of my colleagues are witnessing the same in their congressional districts.

If we can afford to pour money into foreign aid, the United Nations, and a variety of subsidies and tax breaks for the rich which do not benefit the Nation, we can afford to alter our budgetary priorities to alleviate this state of affairs. Nor am I speaking of or advocating charity or giveaways.

I favor tax cuts for the average working person, but feel they should be far more substantive than those proposed. Let us get some real purchasing power into the hands of our people; $100 is not going to alter any family equation substantially. Most of all, we need some large scale public works measures. By reviving the old Civilian Conservation Corps and Works Projects Administration concepts, Government could provide meaningful employment while guaranteeing a good return for the Nation.

CCC could take several million jobless young people off the streets, placing them into rural or semirural environments, working on constructive projects of lasting value to the United States, particularly in the area of conservation. They also would be put into healthy, rather than corrosive environments, and could send money earned home to their families. A WPA-style effort could repeat in urban settings with adults what CCC accomplishes in nonurban areas. Public works projects immediately coming to mind are sewage treatment plants, slum clearance, and lower income housing endeavors. All are badly, even desperately needed in many places. In the case of sewage treatment plants, at least, there is a backlog of several years' worth of construction projects begging for attention. The same is true of mass urban transit work, which nicely complements our belated realization that a massive switch away from private automobiles in our cities is essential.

Here then are national priorities, all much needed and long overdue, which, if seriously undertaken, could swiftly and dramatically put people to work. The Nation would benefit for years to come and million of jobless Americans would have incomes once again. I do not pretend to offer instant solutions for what ails our society. But even an insensitive person can see how serious our difficulties are now, how fast they are worsening and some of our obvious alternatives. Such experiments once worked for America, and there is no reason why they should not be tried again now that similar conditions prevail.

There is something terribly sad about an able-bodied person, willing to work, standing in an unemployment line. Extended joblessness saps the dignity and self-respect of a parent and head of a family. It is a tragic waste. Our Nation has so much unfinished business; so much that cries out to be done. By marrying a partial cure for unemployment with long-overdue public works, we at least would begin to generate activity and a sense of momentum. Now we are at a total standstill insofar as economic initiatives are concerned.

Above all, we must do something, not merely talk about the seriousness of the situation. If the administration will only wring its hands, then it is the solemn priority and responsibility of Congress to take some initiative. This is what we were elected to do by the people.

STATUS OF THE ARMY

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. HAGEDORN. Mr. Speaker, last week I attended a briefing given by the Secretary of the Army, Mr. Howard "Bo" Callaway, on the "Status of the Army." I was most impressed with what I heard.

The Army's leadership and management efforts have resulted in significant accomplishments. The volunteer Army is working—more than enough young men and women joined the ranks in 1974. Of even greater significance is the fact that quality and readiness have not been sacrificed to obtain recruits.

Today, all 13 of our active Army divisions are ready for combat. Two years ago only four of these divisions were labeled ready. This readiness did not stop at active units. There has been a great increase in Reserve component readiness. This increased readiness was not accomplished without a substantial amount of hard work. Our soldiers performed splendidly under the wise management and leadership efforts of our Army's leaders. Secretary Callaway mentioned the great assistance rendered by Congress in building today's Army. He was especially appreciative of the stability we had given in strength and resources.

Perhaps the most significant accomplishment was and is in the area of personnel. "More than enough" recruits is a rather general phrase—specifically, the Army recruited more than 218,000 soldiers in 1974; in other words the population of an entire city—Syracuse, N.Y., or Grand Rapids, Mich. Quality was maintained in gaining these new soldiers. Eighty-five percent are already in the top three mental categories, and the Army hopes to reduce the content of the lowest acceptable mental category input to less than 13 percent this year.

Education is an important factor in quality. I was impressed to find that the Army's high school graduate level content is now at 74.5 percent of the total enlisted force—an increase of almost 4 percent from 2 years ago. By 1977 it is expected that 10 percent of the Army's enlisted soldiers will have 1 or more years of college. Truly, quality is up. This is reflected in the indicators of good discipline. Desertion and absent without leave rates are at their lowest level since 1969.

Equal opportunity is not just a slogan in today's Army and their records prove it. Minority group enlistment and reenlistment rates show an awareness of opportunity. Black male enlistment is about 26 percent of the total. Among the Army's senior enlisted ranks, 9.7 percent are black, while the Army had 14 black officers of star rank in 1974. Women have recognized the opportunities that exist in the Army—over 90 percent of the jobs are open to them. Last year, over 20,000 women with no prior service joined the Army.

In summary, I feel very secure in knowing that Secretary Callaway and his Army leaders are doing such a great job. I feel confident that our fine soldiers make up a truly fine Army.

COMMENTS BY THE PORTUGUESE-AMERICAN COMMUNITY OF THE FIFTH CONGRESSIONAL DISTRICT OF MASSACHUSETTS ON PUBLIC LAW 92–318

HON. PAUL E. TSONGAS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. TSONGAS. Mr. Speaker, members of the Portuguese-American community in the Fifth District of Massachusetts have expressed their concern to me about provisions of Public Law 92–318. I believe that the letter they have written to me makes a number of excellent points in reference to this law. I commend it to the attention of my colleagues:

PORTUGUESE-AMERICAN
COMMUNITY OF THE FIFTH DISTRICT,
February 20, 1975.

DEAR CONGRESSMAN TSONGAS: We believe the Congress of the United States has seriously erred by the inclusion of the "Portuguese" as part of the minority in PL92–318. We believe it sets a precedent which may eventually lead to other European National Origin groups being included as part of the minority in future bills which in turn would lead to an erosion of Federal efforts to help those of our fellow Americans who have suffered discrimination based on race.

With respect to PL92–318, we further believe that immigrant children whose primary language is Portuguese do not suffer by being placed immediately in English-speaking classes. Rather, we believe that they benefit from the interaction with English-speaking youngsters. There is plenty of evidence in the 5th that, where there is no segregation, there is no difficulty in immigrant children making an easy entry into our American school system. One merely has to examine the large numbers of Portuguese (as well as Greek) immigrant children in the 5th to ascertain the truth that non-interaction with English-speaking children (i.e., segregation) is the villain and not bilingualism. Immigrant children are not segregated and therefore do not suffer while traveling the road to complete Americanism.

In terms of Portugal's human contribution to the American scene (foregoing any mention of her contribution to the world during the daring age of exploration when her population was only 1,250,000), we merely have to examine the contributions of John Phillip Sousa, William Madison Wood, the industrial giant who built the American Woolen Empire at the turn of the century; Cardinal Humberto Medeiros, an immigrant at age fifteen who started his American adventure by working in Fall River's mills as a floor sweeper and who managed to rise to his lofty perch through personal merit, without the aid of bilingual classes; Professor Francis M. Rogers of Harvard University; Lawrence Oliver, another immigrant at the age of twelve, who became a philanthropic industrialist in San Diego; Hal Peary, the great Gildersleeve of radio and movie fame; Karen Valentine, the rising young star of TV; Congressman Paul Sarasin of Connecticut. Whatever the field of endeavor, tiny Portugal's immigrants have contributed to America in the past, are doing so in the present, and will continue to do so in the future.

The one million Americans of Portuguese descent unequivocally and respectfully state to the Congress of the United States that we can, and will continue to, compete freely with all our fellow Americans, on individual merit in all fields of endeavor, and that we neither seek, nor need, any advantage, whether by law or executive fiat, over our fellow Americans.

We respectfully request an amendment to PL92–318 which will delete the word "Portuguese" from that law.

Very sincerely,

JOSSPH MILTON FREITAS,
JOSEPH ANTHONY CAMARA.

SENATE—*Wednesday, February 26, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. Eastland).

PRAYER

Chaplain Simeon Kobrinetz, Deputy Director, the Chaplain Service of the Veterans' Administration, offered the following prayer:

Almighty and Eternal God, we are grateful for the gift of life and hope. Strengthened by Thy blessings we enter with greater commitment on the paths that lie before us.

As we reflect upon our responsibilities to our Nation and its citizens, may we be guided by Thy hand and find inspiration in Thy word.

This month we have commemorated the birthdays of two great American Presidents. They have given our Nation dignity of purpose and the courage to act in times of adversity. Their commitment to the freedom of all men will continue to serve as a shield of honor—a banner of distinction.

May Thy divine providence grant us the resolve to strengthen the moral and spiritual fabric of our Nation. United in these efforts may the works of our hands bring us peace and justice, hope and freedom.

Blessed shalt Thou be when Thou comest in and blessed shalt Thou be when Thou goest forth. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, February 25, 1975, be approved.

Mr. ALLEN. Reserving the right to object——

The PRESIDENT pro tempore. Objection is heard.

Mr. ALLEN. I believe I mentioned to the majority leader on yesterday I was hopeful that we would adjourn last evening rather than to recess, and the Senator from Alabama has expressed his disapproval of the method of having piecemeal approval of the Journal during a legislative day, and inasmuch as we are still in the same legislative day, and we did recess last night rather than adjourn as requested by the Senator from Alabama, I am constrained to object.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

Mr. ALLEN. Reserving the right to object, I did give notice to the distinguished majority leader on yesterday that inasmuch as he had not adjourned the Senate in recent days, preferring to recess, that I would make objection to the meeting of committees during the sessions of the Senate, and I stated that whenever the Senate was adjourned on the next day the Senator from Alabama would have no objection. He does not want to prevent the Senate committees from acting, and he would——

Mr. MANSFIELD. Mr. President, in view of a recent development, I will withdraw my request.

Mr. ALLEN. I wanted to state further, if the Senator will bear with me, the Senator from Alabama urges the distinguished majority leader to adjourn the Senate at the close of business today so that we can have no question about this. But at this time he does not object to the request.

Mr. MANSFIELD. I will not push the request at this time.

CLEAN AIR AND FUEL ECONOMY—ANOTHER CROSSROADS

Mr. MANSFIELD. Mr. President, just 3 years ago I wrote a letter to the Senator from Maine (Mr. Muskie) expressing concern that the intent of the Clean Air Act was in danger of being frustrated. At that time I expressed the conviction that by remaining steadfast, the Congress and the agency we created—the Environmental Protection Agency—could point the automotive companies in directions that would significantly reduce air pollution.

The Congress and the Environmental Protection Agency did, in fact, implement such action. The sequence of events that followed included the adoption of emission standards for 1975 model year cars which, while not yet achieving the degree of control required to fully protect the public health, are a big step in the right direction.

To their credit, the automotive companies have responded to our legislative directives by cutting polluting emissions in half and actually improving fuel economy by 13.5 percent over 1974 cars. There is evidence that the 1975 autos are getting better gas mileage than the 1968, or precontrolled models.

It is gratifying to see that old-fashioned American know-how still resides in Detroit. It is also gratifying to know that the Environmental Protection Agency has withstood the pressures that were brought to bear on it during the past 5 years.

Now we stand at another crossroads in this on-going struggle to restore a healthy environment. The technical problems are different this time, but the answers still must be found within the letter of the law and the intent of the Congress when it wrote into the Clean Air Act the amendments of 1970 and 1974 dealing with automotive emission.

One technical report not yet evaluated by the scientific community raises the possibilty that catalyst equipped cars will emit some sulfate. There is no convincing evidence that sulfate emissions will cause a public health problem. But, let us assume such evidence is forthcoming. There are at least two ways to eliminate sulfate emissons in current technology. Let us not cut back on the control of known poisons—hydrocarbons and carbon monoxide—to avoid a potential problem with sulfates.

Under the oversight of the Congress, the EPA and the auto industry have come a long way. The goal of clean air is in sight but we must all stay the course.

NO NEARER THE U.S. GOAL IN CAMBODIA

Mr. MANSFIELD. Mr. President, in view of the publicity surrounding the situation in Indochina, specifically the alleged need for funds in Cambodia and South Vietnam, the campaign being put on by the administration, plus the departure of Members of Congress to have a firsthand look-see at the situation in South Vietnam—I believe that Cambodia is sort of an afterthought—I ask unanimous consent that a commentary by Mr. Arnold R. Isaacs which appeared in the Baltimore Sun of February 23, 1975, entitled "No Nearer the U.S. Goal in Cambodia" be printed at this point in the Record.

There being no objection, the commentary was ordered to be printed in the Record, as follows:

No Nearer the U.S. Goal in Cambodia

(By Arnold R. Isaacs)

(Note.—Mr. Isaacs, chief of the Hong Kong Bureau of The Sun, served as a correspondent for the paper in Indochina during the American involvement there.)

Phnom Penh, Cambodia.—President Ford's effort to rescue Cambodia with extra military aid is the latest chapter in an American involvement that has been enveloped from the start in controversy, official deception, false hopes and tragic miscalculations. The involvement began six years ago this month with the secret bombing of what was then still neutral territory—an act of deception that now seems symbolic of all that followed.

Since then the rationale of U.S. policy has changed with almost the regularity of the Indochina monsoons, blossoming finally into an outright commitment to prevent a Communist military victory at almost any cost short of direct American military action. About the only consistent factor in the years of American involvement has been the steady march of devastation across what had been one of Southeast Asia's most pleasant countries. Drawn into a war it did not want and was not prepared to fight, Cambodia has probably suffered more misery in shorter time than either Vietnam or Laos.

Though casualty statistics are hazy, it has been roughly estimated that the killed and wounded among civilians and soldiers on both sides have mounted to about 10 per cent of the entire population of 7 million. Of the 5 million Cambodians living in government-controlled territory, fully two-fifths are refugees. The ruined economy provides no jobs, wartime inflation has driven food prices sky-high, and with the American-backed regime of Marshal Lon Nol now compressed into less than one-fifth of the country's land area, there is virtually no chance for refugees to return to their farms.

Many more Cambodians among the 2 million in the Communist-held countryside have also been uprooted, and the latest report of Senator Edward M. Kennedy's subcommittee on refugees estimates that altogether half of all Cambodians have lost their homes in the war.

President Ford, in announcing his request for $222 million supplemental military aid appropriation, said the U.S. objective "is to restore peace and to allow the Khmer people an opportunity to decide freely who will govern them. To this end, our immediate goal in Cambodia is to facilitate an early negotiated settlement.

Now such talks are on the horizon, however, and while expanded military aid may keep the Lon Nol government afloat a while longer its position on the battlefield is so weak that there seems little incentive for the Communists to open peace talks.

Communist lines are so close to Phnom Penh that not only bomb and artillery blasts, but even the stutter of heavy machine guns can be heard during the sweltering nights. All roads to the city have been cut for the last year and the vital Mekong River lifeline, along which all civilian supplies must move, has been blocked since January 30.

President Ford's statement in his aid request was the latest in a long series of American declarations that have set ever-changing U.S. goals in Cambodia.

During the secret bombing of the Cambodian sanctuary areas used by the Vietnamese Communists, ordered by former President Nixon during his first month in office, Mr. Nixon publicly proclaimed that the U.S. was respecting Cambodian neutrality. When the bombing became a public controversy later, Mr. Nixon supported it as having been necessary to protect American troops in Vietnam, and he said Prince Norodom Sihanouk, then Cambodia's ruler, had privately sanctioned the bombing—a claim the prince later denied.

The open phase of American involvement was ushered in by the coup against the Sihanouk regime on March 18, 1970. Seven weeks later, with the hopelessly unprepared Khmer Army campaigning with naive optimism against North Vietnamese troops, Mr. Nixon sent in American units for what he called a "limited" offensive against the sanctuaries.

Not only would the operation protect Americans in Vietnam being killed by Communists operating from Cambodian bases, Mr. Nixon said, but it would also attack "the headquarters for the entire Communist military operation in South Vietnam." It was an objective that proved, like most American objectives in Cambodia in the ensuing years, to be unattainable.

Support for the new Cambodian government, headed by Marshal Lon Nol, was clearly a secondary consideration for Mr. Nixon in 1970, and when the offensive touched off wide domestic opposition, administration aides sought to give the impression the U.S. was not being saddled with yet another Indochinese client state.

Two weeks into the Cambodian invasion, William P. Rogers, then Secretary of State, said the President had authority to give the Lon Nol government a few million dollars for ammunition and some arms. He added: "Obviously any larger program would require congressional approval. I don't think we have crossed that bridge. We have no present plans to embark on that kind of program."

The Cambodian war did not go away, however, and American military aid to the hapless Cambodian Army grew to some $390 million during the first two years of the fighting.

U.S. troops were withdrawn June 30, 1970, with President Nixon proclaiming the operation had been a vast success. To get drawn into the permanent direct defense of Cambodia, Mr. Nixon said at the time, ". . . would have been inconsistent with the basic premises of our foreign policy." He did, however, authorize continued American air strikes on Cambodian territory.

Answering congressional and other critics who questioned his legal authority to commit Americans to war in Cambodia. Mr. Nixon declared he acted on the basis of the President's "constitutional right . . . to use his powers to protect American forces when they are engaged in military actions."

For the next two and a half years that remained the premise for American actions in Cambodia, and though Mr. Nixon continued to increase military aid he did not undertake any formal commitment to the defense of the Lon Nol government. The Cambodian Army, meanwhile, having entered the war in the naive expectation of receiving all the help it needed from Washington, reeled from defeat to defeat while the Lon Nol government, drenched in corruption and inefficiency, steadily lost popular backing.

During the same period of time the character of the Cambodian war changed as the North Vietnamese and Viet Cong—practicing what could have been called the Communist version of Vietnamization—trained and gradually turned over much of the combat to Khmer Communist troops.

The basis for American actions in Cambodia changed drastically with the signing in Paris of the Vietnam peace agreement, which took effect January 28, 1973.

The agreement declared no ceasefire in Cambodia or Laos. It contained an article requiring the signatories to "put an end to all military activities" in those two countries—but without saying when this should take place. On the grounds that the North Vietnamese were not honoring the agreement and were remaining in Cambodia Mr. Nixon ordered the continuation of American bombing—though the North Vietnamese might just as well have argued they did not have to leave because the Americans had not suspended military actions.

The day after the Paris agreement took effect, President Lon Nol issued a declaration that he would halt offensive operations—but said he would continue to reoccupy territory held by the enemy and would fight if he met resistance. In view of the constant defeats of his army, the proposal was clearly unrealistic, and although the Americans supported it verbally it was quickly forgotten.

In statements on the Paris peace, Henry A. Kissinger kept dropping hints that peace in Cambodia was not far off—presumably, though he never said so explicitly, as the result of an unwritten understanding between the U.S. and North Vietnam.

"We can say about Cambodia that it is our expectation that a de facto ceasefire will come into being over a period of time relevant to the execution of this agreement," Mr. Kissinger said on January 24, 1973. "Our side will take the appropriate measures to indicate that it will not attempt to change the situation by force. We have reason to believe that our position is clearly understood by all concerned parties."

The expected cease-fire did not develop, however, and in an action that has still not been fully explained the U.S. began in late March to increase the bombing to unprecedented levels. American air power was used in a manner that had been unknown even during the fiercest fighting in South Vietnam. Though the U.S. revealed few details—American correspondents in Indochina at the time were regularly told by U.S. military officials that information would be handed out only at Pacific headquarters in Honolulu—it became clear that the sortie rate of B-52 bombers and smaller tactical fighter-bombers was exceptionally high.

Not only were the levels high—the Pentagon later reported that 27,600 tactical sorties and 7,700 B-52 sorties dropped 300,000 tons of bombs during the intensified campaign—but the tactics were disturbingly different from those used previously in the war.

B-52's, for example, which had been used in South Vietnam almost entirely in unpopulated jungle areas, were carpet-bombing in heavily inhabited regions close to Phnom Penh and along major highways.

This reporter, who was in Cambodia during that period and later traveled through some of the bombed areas, saw one stretch of villages so heavily bombed that not a house was standing and hardly a blade of grass grew for five miles along Highway 4 between the capital and the town of Kompong Speu.

Though no specific figures were ever compiled, journalists and non-American military observers in Phnom Penh were virtually unanimous in the belief that there were substantial civilian casualties due to American bombing. One accidental B-52 strike hit the government-held town of Neak Leung and killed over 130 persons, most of them soldiers' dependents.

The bombing attracted surprisingly little attention at first in the U.S., which seemed convinced that the war had been ended by the Paris agreement. As the realization of events in Cambodia grew, however, congressmen and other administration critics began to question the legality of the continued air war. Mr. Nixon had justified actions in Cambodia by his right to protect American troops, the critics argued, and now that all Americans were out of Vietnam—the last troops left March 28—the bombing was no longer legal.

It took the administration some weeks to come up with an answer, but on April 30 it produced a legal memorandum describing the bombing as "a meaningful interim action to bring about compliance" with the Paris agreement—in other words, as Secretary Rogers said, to force Hanoi to honor Article 20 and withdraw from Cambodia. The memorandum said the bombing strikes "do not represent commitment by the U.S. to the defense of Cambodia as such." The argument did not deal with the fact that the insurgent forces were already predominantly Cambodian.

As months passed with no sign of an end to the Cambodian conflict, Congress debated—and on August 1 passed—legislation ordering an end to the bombing—the first time it had ever acted to stop military action. During the debate the administration floated stories that delicate negotiations were under way. But the stories were never confirmed by any other sources and the negotiations never materialized.

Mr. Nixon, adamant to the end, warned Congress 12 days before the cutoff that it would undermine the prospects for peace talks. But when the deadline came he observed it, declaring at the same time that military aid to Marshal Lon Nol would continue. It was only after the bombing halt that the Paris agreement rationale—in which American actions in Cambodia were explained as directed toward North Vietnam—was finally dropped, and Washington began describing its policy as one of holding the weak Cambodian government together while awaiting peace talks.

American aid—not counting the cost of the 1973 bombing—had risen to more than $600 million a year when Mr. Nixon declared February 2, 1974, that the U.S. would provide "maximum possible assistance" to the Cambodian government.

"I am confident that under young vigorous leadership and that of your government, the Republic will succeed in these endeavors," Mr. Nixon wrote Marshal Lon Nol—a fulsome note that must have come as something of a surprise to American diplomats in Phnom Penh who had long since concluded the marshal was much more liability than an asset.

After five years of shifts and changes, The Americans had finally committed themselves to defending the Lon Nol government. A year later President Ford had reaffirmed the commitment—but the chances of reaching the American goal seem as slim as ever.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Does the acting minority leader desire to be heard?

Mr. DOMENICI. Mr. President, I yield my time.

The PRESIDENT pro tempore. Under the previous order, the Senator from New Mexico, Mr. Bellmon, is recognized for not to exceed 15 minutes.

Mr. DOMENICI. Mr. President——

Mr. BELLMON. I have been promoted. I appreciate that.

Mr. DOMENICI. As much as I would like to claim the Senator from Oklahoma, he is not from New Mexico, and I would like the record corrected.

The PRESIDENT pro tempore. That was a slip of the tongue.

The Senator from Oklahoma (Mr. Bellmon).

Mr. BELLMON. Thank you, Mr. President. I yield 30 seconds to the Senator from Kansas.

PRIVILEGES OF THE FLOOR—SENATE RESOLUTION 4

Mr. PEARSON. Mr. President, I ask unanimous consent that a member of my staff, Mr. Arthur Hill, be allowed the privilege of the floor during the debate and votes on Senate Resolution 4.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE MIDDLE EAST

Mr. BELLMON. Mr. President, almost 5 years ago I made a statement on the Senate floor calling attention to certain aspects of the developing crisis in the Middle East, hoping that by doing so a more balanced debate on the situation would result. My remarks were precipitated by the decision of 74 Members of the U.S. Senate to urge the President to allow the immediate sale of additional planes to Israel. I rose to question the feeling that seeking a military answer in the Arab-Israel conflict was in the long-range interest of any of the countries concerned, including the United States.

Today I renew my call for a more evenhanded American posture—and heartily applaud the efforts of our distinguished Secretary of State, Henry Kissinger, to break an impasse in the disengagement negotiations between Egypt, Israel, and Syria.

The Secretary of State has just returned from a 10-day tour of the Middle East and Europe. He has returned with heartening news, expressing confidence the momentum has been revived to achieve success in the step-by-step apapproach to settlement of differences between the Arabs and Israelis.

I, for one, strongly support this continuing initiative by Secretary Kissinger, and want the record to show my fervent wishes for the success of his efforts in the interest of peace, and in our Nation's interest.

In 2 weeks the diplomatic genius of Secretary Kissinger will be further tested when he returns to Middle East capitals for a further round of talks with Arab and Israeli leaders. I wish him well in his endeavors. I am confident Secretary Kissinger's credibility will serve again as it has in the past as an adequate conduit for constructive communication.

The Secretary remains convinced that a step-by-step approach to the problem is more likely than any other to achieve results. Some critics maintain that the step-by-step approach is too slow; that what is needed now is a full-blown conference of all the interested parties to achieve a comprehensive settlement of all issues. Other critics advocate in effect the halting of constructive endeavors to bring the parties closer.

I think both these categories of criticism are unhelpful to the Secretary in his delicate role as a catalyst between the antagonists in the Arab-Israeli dispute.

On the record, the facts bear out Dr. Kissingers viewpoint. Although the negotiations leading to the cease-fire agreements between Israel and Egypt and between Israel and Syria were difficult, the results have been dramatically effective.

There have been no significant violations of those agreements by either side. It is clear that tensions between the participants have lessened, and that mutual trust and confidence have grown. Thus, those steps already taken have been productive. It is now time to move to the next steps.

This is why I support the present initiative of the Secretary of State—and why I feel his present endeavors are so important for the peace and progress of much of the world. His negotiations must succeed.

Dr. Kissinger's approach seems to me to be eminently logical and practical. In the first place, the step-by-step approach allows each side to take politically manageable steps one or two at a time. It allows each side to test the intentions of the other side while avoiding risks which are regarded as unacceptable at the time.

It allows each side to demonstrate to its supporters that it can reasonably expect to obtain further benefits as other steps are taken. With each step, perceptions on both sides change, thus creating new perceptions and permitting additional steps that perhaps seemed impossible only months before.

Moreover, as each step is taken, each side gains a better understanding of the political necessities of life for the other side. The serious discussion of the issues involved, and the stress laid by each side on elements important to it, enhance the mutual, realistic awareness that is so vital to the peaceful resolution of conflict situations.

Another virtue of Dr. Kissinger's step-by-step approach is that it allows the negotiators to deal with the more easily resolved issues first, setting aside more complex issues until the process produces sufficient mutual confidence.

In his efforts to establish mutual confidence, the Secretary was pointedly candid in his emphasis to both sides that the situation in Washington has changed. And no wonder. The mood of the country has changed markedly since the 6-day war of June 1967.

In June of 1967, war was believed to have settled the issue once and for all. In the aftermath of the Israeli's 6-day victory, there was euphoria generated by the belief that the Arabs had finally been convinced of the futility of armed confrontation with Israel, and that the Arabs would thereafter reluctantly accept the reality of Israel.

But it did not happen that way—and now, almost 8 years later—I sense our country, deeply concerned with energy-related economic problems at home, is impatient for a more evenhanded attitude toward Arabs and Israelis. Thank Heaven, for the hour is late and the stakes are high.

Explosion of a fifth war in that tragic area could spell a new and tougher oil squeeze, widespread financial chaos and the most serious threat to world peace in decades. It is only to be expected that recent opinion samplings have revealed a substantial majority of Americans are opposed to the United States selling arms to either Israelis or Arabs.

Mr. President, at this point I ask unanimous consent that a recent survey of American opinion on the Middle East in Time magazine be inserted in the Record.

There being no objection, the survey was ordered to be printed in the Record, as follows:

A Time Survey: United States and Israel

Essential to any Middle East peace deal is U.S. support, or lack of support, for Israel and possible American willingness to guarantee a settlement. These questions were explored in an opinion survey completed last week for Time by Yankelovich, Skelly & White Inc. Some of the results based on a national probability sample of 1,046 adults:

Regarding support for Israel, 41% favor a cutback in military aid, while 37% think it should continue at present levels, and 8% would increase it. National sentiment, according to these results, has scarcely changed in the past year. But 63% of those surveyed believe that the U.S. should not sell arms to either Israelis or Arabs.

By a margin of 52% to 35%, with 13% uncertain, they oppose any formal treaty pledging the U.S. to support Israel with arms and troops in case of attack. In light of the lessening U.S. enthusiasm for foreign aid and involvement, the minority figure is impressive. A majority of 53% are also opposed to stationing a permanent U.S. peacekeeping force in the Middle East while a hefty 41% are willing and 6% are unsure. Of those who oppose such a move, 16% would change their minds if Soviet troops were also part of any major-power peacekeeping effort.

What should the U.S. do to break the monopoly of oil-producing nations? Of those interviewed, 41% favor an embargo on U.S. food sales to these countries, while 46% oppose the idea. An evenly divided number—44%—favor and oppose U.S. refusal to buy oil overseas, even if such a reduction means hardship at home. An overwhelming 81% of respondents are opposed to any U.S. military takeover of the oilfields.

Mr. BELLMON. Mr. President, much has happened since June 1970, when I took the floor of the Senate favoring an evenhanded policy in the Middle East. My concern then, as it is now, was that our Nation—which committed itself to a tragic gamble on the side of war in Southeast Asia—not repeat that mistake in the Middle East. Instead, I urged then as now that this time we take a chance on the side of peace.

The dispute between the Arab nations and the State of Israel over Palestine has embroiled that area of the world in military turmoil for more than 25 years, resulting in great loss of life and property, causing economic stagnation because of the heavy expenditures for defense, postponing the economic and social development vital to the region's peoples, adding to world tension and creating in its course deepseated but not insurmountable animosities.

It is this animosity which challenges the diplomatic skill of Dr. Kissinger in the Middle East. It is this deepseated animosity which other leaders of our Government must keep in mind in dealing with Middle East issues.

Even though the United States has directed its efforts toward finding a peaceful settlement of this vexing and complex problem and has engaged in a series of discussions with the major powers and with the parties to the conflict, I feel that it is imperative that the Members of Congress now support our Secretary of State to the end that he may exert all of the means at our disposal in bringing this dispute to a just settlement.

It is necessary that the United States keep open all lines of communication with all of the interested and involved nations. It serves the purpose of no one by reducing contacts or by turning a deaf ear to the entreaties and legitimate complaints of the Arabs or the Israelis—and no peace will be found among nations whose leaders have closed minds. This country cannot afford the luxury of becoming irrevocably locked into the cause of only one side in this long-festering dispute.

Our country is morally committed to assuring the survival of Israel. At the same time, our American populace, yearning for peace in the Middle East and prosperity at home, is leaning more than ever toward a policy of compromise rather than confrontation.

Now is the time to move toward a lasting Middle East agreement, one which both sides can live with. Present leaders of the Arab world are far more moderate and more able to make concrete peace agreements than the next generation of Arab leaders is likely to be. The acts of Egyptian President Anwar Sadat, for example, have shown that he is for peace. We must seize this opportunity and help President Sadat and other Arab and Israeli leaders find that peace.

Israel must realize that another war, regardless of the damage it may cause to the Arabs, will not bring tranquility and peace, that greater destruction wrought on Arab States will bring greater hatred and sow the seeds for further conflict.

The Arabs, on the other hand, must realize that Israel has a right to exist and that neither the United States nor any other responsible country in the world would be prepared to relinquish its moral obligations to maintain the independence and existence of Israel.

In the interest of peace, the leaders of the belligerent countries must act to dispel long-held illusions and arrive at a settlement of the conflict which has troubled the Middle East for so long. This Nation can help with a vigorous pursuit of a settlement—which is what Secretary Kissinger has undertaken.

It is with optimism that I observe this country coming to a crossroads in Middle East relations—and in the name of peace and prosperity, I am confident we will seek an evenhanded solution to the problem of achieving a lasting settlement.

Mr. President, I sincerely urge all Members of the Congress to support Secretary Kissinger in his quest for peace in the Middle East. The peace and prosperity of much of the world depends upon the leadership which only the United States can provide at this time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BELLMON. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I want to say that I am in full accord with what the distinguished Senator from Oklahoma has said relative to the efforts of the Secretary of State Kissinger in the Middle East. While I disagree completely and unequivocably with the administration's position about additional funds for South Vietnam and Cambodia, I agree unequivocally with the efforts being made by our Secretary of State who is walking through mine fields in the Middle East, who has made some progress on the basis of his visit this month and who, hopefully, will make greater progress, though the course will be more difficult, on his return to the Middle East in March.

Also, while I have always been against intervention in the Indochinese area, because I felt we had no business there and that our well-being and security were not involved, I would be equally against intervention in the Middle East, because confrontation is not the answer. Neither is the answer in the issuing of statements which can be delineated in a way which indicates that we are looking forward under certain circumstances to such an event happening.

May I say that I also agree with the Secretary of State insofar as his recommendations toward Turkey are concerned because I believe there, he is on the right track. If something is not done to alleviate the situation, not only will we lose Turkey, but also Turkey may well become more involved in the affairs of the Middle East in the future.

If that occurs it would be a happening of the greatest significance. I am not talking about Turkey being at the lower end of NATO, where she is needed, but that also is a possibility. Perhaps at the same time, if a shift away from us occurs, a shift toward the Soviet Union will result.

Furthermore, I think it is in the interest of Greece to see the realities of this situation, and to recognize what the possibilities are insofar as its own interest, welfare, and future are concerned.

I just want to indicate to the distinguished Senator, whom I commend for taking the floor this morning, that while I disagree very vigorously with the Secretary of State, the President, and the administration in certain areas such as Indochina, I do agree with the steps being taken in the Middle East to try and bring about a settlement, if possible, between the Arabs and the Israelis. I do agree with the Secretary of State on his China policy, and the President's, may I say, and I do agree with both of them on their attitude toward the Greek-Turkish-Cypriot situation.

I commend the distinguished Senator for making his statement this morning. I want to assure him that in the areas which he has covered under the outlines which I have stated, I intend to give my full and complete support to the Secretary of State in the areas which were covered, which does not include all the areas in the world.

Mr. DOMENICI. Will the Senator yield?

The PRESIDING OFFICER (Mr. LEAHY). The time of the distinguished Senator from Oklahoma has expired.

Mr. MANSFIELD. Are we under a controlled time now?

The PRESIDING OFFICER. We are.

Mr. MANSFIELD. Mr. President, if the Senator from Indiana would allow me, I would ask him to yield not to exceed 5 minutes to the distinguished Senator from Oklahoma.

Mr. HARTKE. I yield.

Mr. BELLMON. Mr. President, I thank the distinguished majority leader for yielding time. Let me say in response to the statements of the majority leader that his expression of support for the efforts of the Secretary of State in the Middle East will be immensely valuable to Dr. Kissinger as he undertakes this difficult period of negotiations. I feel, as the majority leader has said and as I tried to say in my statement, that the answer in the Middle East is not confrontation but negotiation. I believe that in the Secretary we have a man who has proven his ability in this area. I believe we now have in the country an attitude that will make his negotiations more possible of success. I really appreciate the comments that the majority leader has made this morning.

Mr. DOMENICI. Will the Senator yield?

Mr. BELLMON. I yield to the Senator from New Mexico.

Mr. DOMENICI. I, too, want to commend the Senator from Oklahoma for his superb remarks with reference to the Middle East, especially those which call attention to the fact that the role of America there certainly is as a peacemaker. I think it is timely that the Senator from Oklahoma brings this matter to the Senate. I think it is also fortunate that the majority leader was present, heard the remarks, and so eloquently expressed his support for the efforts of our distinguished Secretary of State with reference to the Middle East. I believe the Senator should be commended for doing this at this time.

Everyone should know this is one of the real trouble spots of the world, not only because of its historic confrontation as an arena of confrontation, but also because of all the other new economic conditions that center around it.

I want to join the majority leader in commending the Senator for bringing it to the attention of the Senate and thus to our people, encouraging support for the role of our Secretary in the negotiating efforts in the Middle East.

Mr. BELLMON. I thank the distinguished Senator from New Mexico very much for his comments.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

The Senate resumed the consideration of the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

The PRESIDING OFFICER. Under the previous agreement the Senate now begins 1 hour of debate before the Senate votes to whether to invoke cloture on a motion to agree to the House amendment to S. 281, the time to be equally divided and controlled by the Senator from Indiana and the Senator from Connecticut.

Mr. HARTKE. Mr. President, last Friday after debate on this measure, I moved to accept the House amendment to the bill that the Senate passed on January 29, S. 281. Because the merits of this measure were thoroughly discussed by the Senate on January 28 and 29, and again last Friday, I really have little more to say. Previous debate has fully explained to the Members of the Senate what is involved in this legislation and the reasons why I moved to accept the House amendments and why cloture must be invoked to pass this critical measure.

At this point, the issue is relatively simple. The additional interim assistance authorized in S. 281 is required in order to allow the bankrupt rail carriers in the Midwest and Northeast to continue operations beyond this week. While I could go on to explain how this legislation is designed to increase critically needed maintenance while assuring that the improvements financed will not be paid for twice when the properties are transferred pursuant to the final system plan for the reorganization of these railroads 1 year from now, I believe that the previous debate on these matters has fully explained the merits of the legislation. All that the Senate needs to decide today is whether it wants to continue essential rail operations in the Northeast and Midwest—in an area that contains 42 percent of the entire population of the United States—or whether it would rather continue to debate the issues surrounding Senate Resolution No. 4.

I would like to emphasize the fact that a shutdown of the rail transportation system in the Northeast and Midwest would affect every State in the Union. The railroads involved employ directly more than 100,000 workers. The Penn Central alone operates in 16 States, the District of Columbia, and two Canadian Provinces. The area served by this carrier includes 55 percent of the Nation's manufacturing plants and 60 percent of the manufacturing employees. More than 1 million tons of freight and more than 300,000 passengers move on Penn Central track every 24 hours. More than 20 percent of all freight cars loaded in the United States pass over Penn Central trackage. The Nation's railroads all interconnect, and a shutdown in the Northeast would affect shippers even on the west coast. There are simply not enough barges and trucks in the United States to handle the freight needs of the Northeast and Midwest, even if the material could be diverted to other modes of traffic—and some of it simply cannot move by any other means. In addition, the Penn Central alone provides service to more than 50 U.S. military installations in the Northeast and Midwest.

The Interstate Commerce Commission estimates that a complete and abrupt shutdown of Penn Central would result in a 5.2-percent decrease in the rate of economic activity in the region, and a 4-percent decrease in the rest of the Nation. An 8-week shutdown would cause the gross national product to fall at a rate approaching 10 percent. The effects of a shutdown in many States outside the region are illustrated by the following facts:

North Dakota shipped 3,000 carloads over the Penn Central in 1974.

Georgia shipped 115,000 cars over the Penn Central in 1974.

Kansas shipped 30,000 cars over the Penn Central in 1974.

Idaho shipped 13,500 cars over the Penn Central in 1974.

Iowa shipped 53,000 cars over the Penn Central.

New Hampshire shipped 26,000 cars over the Penn Central.

Oregon shipped 38,000 cars over the Penn Central.

Vermont shipped 19,000 cars over the Penn Central.

Wisconsin shipped 93,000 cars over the Penn Central.

That illustrates what I am talking about—that the whole interconnecting system involving the Penn Central would affect the entire Nation.

Mr. President, I hope that my colleagues here are beginning to gain an appreciation why the Senate Commerce Committee adopted and is recommending to the Senate the cheapest possible solution to the current crisis. If any Member of this body can suggest a solution more in harmony with the public interest, I would be more than happy to abandon this legislation and adopt such an approach. Frankly, I do not believe that is possible.

There was some discussion on the floor during this past week over the need to have a long range comprehensive approach. I hope that the Members of the Senate are aware that the U.S. Railway Association today released the preliminary system plan, and that this plan represents such a long-range comprehensive approach. The Regional Rail Reorganization Act, approved by this body late in the 1st session of the 93d Congress, created the U.S. Railway Association, the planning and financing agency which was designed to create a plan for a new rail system in the region. Hearings will now be held on this preliminary plan, and the final plan will be submitted to Congress for approval in late July of this year.

This comprehensive plan will hopefully produce a healthy rail system in the Midwest and Northeast so that the Members of this body will not have to consider more interim legislation such as the measure presently before us. I would like to emphasize, however, that this is not the last time that I will be coming before the Senate requesting additional assistance to maintain an adequate transportation system in the United States.

I believe I have stated to the Senate previously some of the estimates for rehabilitation that have been made. I am pleased to report that the recently released preliminary system plan is hopeful for the possibility of financing rehabilitation solely through the use of guaranteed loans, which would not require substantial direct Federal outlays, at least for the creation of a viable freight system in the region. Substantial Federal outlays probably will be required, however, to fully implement the goals of the Regional Rail Reorganization Act and the Members of the Senate should be on notice that they will be called to authorize significant Federal expenditures in order to bring our rail transportation system up to a reasonable standard. Not only will the rehabilitation costs in the region be substantial, but the sickness in our rail transportation system which is so evident in the Northeast and Midwest is by no means limited to these regions.

I will not at all be surprised if a substantial number of railroads outside the region enter bankruptcy proceedings in the not too distant future; Congress may well be forced to take a national perspective in dealing with rail transportation problems. Both the need for substantial expenditures on rehabilitation in the

Northeast and Midwest and the prospect of further railroad failures elsewhere in the Nation indicates the need for some basic policy changes in the area of transportation and I am hopeful that the work of the Senate Commerce Committee on these needed policy changes will bear fruit during this coming year.

Mr. President, I do not believe it necessary to further explain to the Members of the Senate the economic consequences of failure to pass the legislation before us. If cloture is not invoked and this legislation is not passed, the United States of America will be facing a depression that will make our current economic situation look very attractive.

I hope that every Member of this body who is considering casting a no vote today gives serious thought to the real world consequences such a vote could mean.

I also hope that some Senators who do not feel that they can bring themselves to support this measure will at least support the cloture motion. I think everyone recognizes at this point that the Penn Central matter is a substantive issue, not a procedural question, which must be dealt with at this time. I am hopeful we can proceed to the pending business and have a final vote on this measure.

I hope we can proceed with the cloture motion successfully and that we can have a vote immediately thereafter, without any prolonged debate, upon the matter of the substantive legislation itself.

I also invite the attention of the Senate to the fact that another matter will have to be taken up after this vote, and that is the appropriation for this authorizing legislation. I hope that we are not involved in a delay in that matter, because both measures are absolutely necessary before the matter is resolved.

The Transportation Appropriations Subcommittee, under the chairmanship of my distinguished colleague from Indiana, has reported the appropriation favorably to the full committee. Senator McCLELLAN has favorably reported the measure to the floor. So all that is necessary is to go ahead and approve this measure, which has already been passed by the House of Representatives and is awaiting action here. In other words, we would like now an opportunity to get the job done.

The PRESIDING OFFICER (Mr. GARY W. HART). The Chair recognizes the Senator from Connecticut.

Mr. WEICKER. Mr. President, I will address myself for a few moments to the subject matter before the Senate.

First, I thank my distinguished colleague, Senator HARTKE, for sticking with this matter in the way he has, with both patience and expertise. Neither he nor I like to have it said that we are bailing out the Penn Central Railroad or that this particular type of vehicle satisfies our philosophical needs or, indeed, our approaches toward the crisis existing in the rail industry today.

As I said before, we are simply trying to clear away the debris that has been placed on the scene by a combination of forces, the highlights of which probably would be the mismanagement of the Penn Central which had been a viable operation; the inaction of the ICC; the failure of the executive branch and the legislative branch to develop a national transportation policy; the policy of the railroad industry, itself, to recognize problems in the future and fail to attack them in a voluntary way.

This is what has brought us to the present situation. It is not our desire to reward any of the actors of that drama but, rather, to preserve the innocent from further economic damage. In that category, I would place the employees of the Penn Central and the employees of the railroads which connect into the Penn Central. I would also place in that category of the innocent those whose jobs depend upon the materials delivered by the Penn Central. In other words, it encompasses a broad spectrum of the economy.

We are not here pleading the cause of either the stockholders or the creditors or those in management who ripped off the Penn Central—not at all. As I have indicated before, the history of mismanagement there is one deserving not of congressional assistance but, rather, of a free trip to the pokey.

It would, indeed, be derelict, I think, if the U.S. Senate, the House, and the President disregarded this clear threat to an already wobbly economy.

Some indicate that there seems to be a similarity between this type of operation and, let us say, the Lockheed loan, which I opposed vigorously. As a matter of fact I, together with Senators PROXMIRE and TAFT, conducted an extended debate on that matter. There is no comparison. In the Lockheed case, it was a private corporation which expected to stay in business, which was not in bankruptcy; and the purpose was to loan money which was to further their corporate interests and the interests of their shareholders and creditors—which moneys were being used, I might add, to buy products from without the United States which were readily available within the United States. There is no comparison between the two.

I serve notice right now that if any American corporation falls on its backside, then we should recognize that that is what the free enterprise system is all about. It is not a guarantee of success. It also envisages failure. It would not be my intent, except where the public interest demands—a broad public interest outside the corporate interest—to plead for any such loans or guarantees for any American corporation. Rather, we desire to clear off the debris and hopefully lead into the creation of a balanced transportation system.

Mr. President, the events of the past several days include the Penn Central debate, the unveiling of the Midwest-Northeast rail reorganization plan of USRA today, the facts developed in the debate, which show that even our strongest, healthiest railroads could have a great deal of difficulty in the future. They now earn the lowest return on investment of any situation within the free enterprise system, so trouble is spelled ahead very clearly. That fact was definitely brought out in the debate. In addition, the fact that, as I understand it, there are other railroads that are close to a fate similar to that of the Penn Central, this has led me to the following conclusion, and I would like to state it rather broadly here, with the idea that I intend to pursue it more specifically with the development of legislation in the months ahead.

I cannot, in all conscience, continue to support Federal moneys being expended in order to cover expenses or subsidizing operating deficits. It is not my desire to see a total nationalization of our rail system, because, indeed, there are still very healthy aspects to the railroad industry, and why destroy them? But it must be clear by now that we have to develop a viable rail transportation system that encompasses both passengers and freight—this is not the case today—and that if indeed we are to achieve our maximum capability and mobility, it has to be done tomorrow.

I would suggest to my colleagues a plan whereby the Federal Government would take over the roadbeds and the trackage—all of the roadbeds and all of the trackage in the United States—and would be responsible for its maintenance and its improvement, and that would be the Federal contribution, period.

In doing that, the Federal Government would also be able to set the standards of safety and service. Clearly this, then, would be a boon to those railroads that are viable, ongoing businesses, and which I would hope would remain in the private sector, but it would also, then, enable others to contract with the Federal Government, be they State transportation authorities or be it some entrepreneur, to develop passenger and freight service in those areas not covered by existing lines. Additionally, it would free this body from accepting deficits and subsidizing those deficits for decades ahead.

Mr. President, what is more important to me, I think to Congress, and I think to the American people, is not the specific issue of the past as represented in the Penn Central loans, but the promise of better things ahead. At the present time, the passenger aspects of intercity rail transportation are covered by Amtrak, but, in essence, Amtrak is running the same trains over the same routes in the same way. All that can result from that is the same deficits, except this time they will not be deficits picked up by private enterprise, but are the deficits we already know, that are thrown into the laps of the American people.

Why, then, should not the money, so far as Amtrak is concerned, go into research and development and capital improvements, in order to break that cycle?

Obviously, any type of rail service in the United States is not going to make a great deal of money, but at least we can avoid the type of horrendous deficits we are confronted with here today. But we cannot do it as long as all that our innovation and creativity consists of is coming in and asking for money, money to cover the past. New ideas are needed, new equipment is needed, new roadbeds are needed, and as long as we are willing to appropriate moneys, based on operating deficits, for capital improvements, research and development, I think we can create that portion of the transportation system that relates to the passenger and do it excellently.

Now, insofar as the Midwest and the Northeast are concerned, and the CONRAIL plan, again here the difficulty lies in the prospect of continuing money having to be appropriated by Congress to cover deficits. The continual political pressures that are going to be exerted as to where rail lines should go—and there is not one Member of this body who does not feel them; as soon as that plan was unveiled, we started to catch it in the neck. Everybody wants rail service, every little line is going to have to be kept right in place, and nothing is going to change regarding deficits except that this time the taxpayers will be responsible for them.

Why not put the Federal Government in the same position relative to rail service that the Federal Government is in with regard to highways? The Federal Government builds highways. Those highways are used by private enterprise and by private individuals, yet they pay a share, too, to make sure of its upkeep and its maintenance.

Why not apply the same rule to rails? Why not make it a clearly defined undertaking insofar as Federal assistance is concerned, specifically the maintenance, the upkeep, and the improvement of the roadbeds, so that those railroads that are viable understand where they stand, and Congress will understand what its commitment is, and we thus avoid the concept of total nationalization, and achieve a degree of flexibility within the free enterprise system?

Indeed, if the demand is there, truly, then it will so be reflected by those who wish to run over that particular section of trackage, be it a transportation authority of a State or a private entity or individual who cares to run the service.

I just mention these random thoughts in a general way, because I think it only fair that if we ask the taxpayers of this country to give their money to keeping the economy whole, at least insofar as railroad operations affect the economy, we do offer to them the promise of something better. We are tinkering around. There is a lot of good in Amtrak. There is some good in the report issued by USRA; there is some good in the ConRail concept. But I think it is time that we got our act together.

So, Mr. President, my plea today does not so much relate to this legislation. I think that has been well gone over in the debate of the last several days. But it tries to focus on what I feel our obligations to be for the future.

Here we are, the strongest nation in the world, the most affluent, replete with the greatest talent technologically and scientifically, and yet we probably rank at the bottom of the list when it comes to our rail systems. I hope that our efforts will very clearly be directed not any more at operating deficits, although there will undoubtedly be some additional requests—we have made that clear—but on a total plan as it relates to rail service.

One last comment: I want to reiterate that over the past several years, people have talked about millions of dollars as it relates to Penn Central. Senator HARTKE and I have made it clear that in order to achieve a good rail transportation system, we are talking about billions and we are not trying to fool our colleagues on that point. And yes, these figures seem staggering within the course of one particular year. But I have to point out that it has been, now, a matter of some almost 25 years when only about one-half of 1 percent of the Federal transportation dollar went to our rail systems. So if we have nothing, it is because we have spent nothing. Even though this seems like a large amount in this year, when we compare the total amount, I would say probably in the last—I am just going off the top of my head, extrapolating figures in the last several years—I imagine that in the last 20 years, the Federal commitment has only been several billion dollars—over 25 years I am talking about—whereas the highway commitment has been $4, $5, and $6 billion every year.

I am all for that commitment; I do not object to it. But, please, let us not show this great shock and surprise and amazement as to these amounts of money that are now being requested. What I am saying is I would rather spend more money now to assure that we have the system capable of making our people mobile, rather than having to live with the past and, indeed, have the money go down a rathole. And I think, quite frankly, at, least by my interpretation of the facts and the events, that is exactly what this bill is about. I do not portray it any other way to you.

For one who dreams of great rail systems in this country, this is money down the rathole. It covers the past. Let us now proceed to consider the future.

Mr. PEARSON. Will the Senator yield?

Mr. WEICKER. I yield to the distinguished Senator from Kansas.

Mr. PEARSON. Mr. President, I wish to congratulate the distinguished Senator from Connecticut on his statement. What I have to say will be largely repetitious of the point he has developed so well.

I think there is a continuing misunderstanding of the basic issues involved in this legislation today. The facts are simple enough; but in their totality, they have become quite complicated. The situation today is that there are eight class I railroads in the northeastern part of the United States that are in bankruptcy. It has been determined that six of these railroads cannot even be recognized under section 77 of the Bankruptcy Act.

In response to that situation, and in response to a national rail need, a national economic need, and a national security need, Congress last year passed the Regional Rail Reorganization Act. As a matter of fact, just today, the preliminary system plan pursuant to that act was issued. That report, in very general terms, recommends that some 6,200 miles of rail line be abandoned, and that the rest of the bankrupt lines be consolidated into one system. The ICC will now hold hearings on this particular matter. But the real question is: Are we going to keep these railroads just alive, just existing long enough so we can have a chance to reorganize them under our private enterprise system?

If we do not want to do that, if that is the kind of bailout that offends us, the next step is obvious—nationalization. It is a word no one would use in this Chamber a few years ago, but that is the situation we are faced with today. I do not know whether there will be more interim financing needed. This amount was larger than we anticipated. At the end of the line, there is $1.5 billion to establish the Consolidated Rail Corporation. Already that estimate is in question.

The purpose for which the money here is to be appropriated sounds and looks very much like a bailout. That word is the key word used in all of this debate. However, it is something larger than that. It is a determination as to whether we are going to have a national rail transportation system or whether we are not; and secondarily, what sort of system are we going to have? Will we give private enterprise one last shot under this particular procedure to go forward?

I wish to congratulate not only my colleague from Connecticut but also the distinguished Senator from Indiana for their leadership.

Mr. MONDALE. Will the Senator yield?

Mr. PEARSON. I do not have the floor.

Mr. WEICKER. I yield for 2 minutes to the distinguished Senator from Minnesota.

Mr. MONDALE. I intend to vote for cloture on the Pennsylvania Central Railroad. However, I rise to object emphatically to any suggestion that by operating under rule XXII or by voting cloture under rule XXII, the proponents of Senate Resolution 4 waive any rights which they may have under the U.S. Constitution.

In pursuing Senate Resolution 4, we operate under article I, section 5, of the Constitution and our right to change the rules are pursuant to that provision to the extent that we operate under the rules of the Senate as adopted by previous Congresses. We do so only to the extent that we do not inhibit our constitutional right to change those rules. On January 14, when I introduced Senate Resolution 4, I said that:

> By operating under the Standing Rules of the Senate, the supporters of this resolution do not acquiesce to the applicability of certain of those rules to the effort to amend rule XXII; nor do they waive any rights which they may obtain under the Constitution, the practices of this body, or certain rulings by previous Vice Presidents to amend rule XXII, uninhibited by rules in effect during previous Congresses.

I continue to adhere to that statement and also to the statement of Senate Resolution 4. The opponents of Senate Resolution 4 have forced a resort to old rule XXII by paralyzing the will of the Senate. They cannot, by that action, force waiver of constitutional rights. We operate under article I, section 5. Those rights obtain and will be pursued by those of us who support Senate Resolution 4.

Mr. President, I ask unanimous consent that the following pages of the RECORD be reprinted: 12, on January 14, 1975, 2016 on February 3, 1975; 4111 of February 24, 1975; and 4226, February 25, 1975, which set forth the clear understanding of the leadership to that effect. I quote the distinguished majority leader, Senator MANSFIELD, who said, when we introduced the cloture petition:

> Nothing would be changed as far as the present parliamentary situation was concerned, and the purpose of offering the cloture petition at this time is to try to bring some relief to Penn Central.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD,
Jan. 14, 1975, p. 12]

RESOLUTION TO AMEND RULE XXII OF THE STANDING RULES OF THE SENATE

Mr. MONDALE. Mr. President, I submit on behalf of myself, the distinguished Senator from Kansas (Mr. PEARSON), and a large group of Senators listed on the resolution, a resolution to amend rule XXII of the Standing Rules of the Senate.

The effect of the resolution is to amend rule XXII so as to reduce from two-thirds to three-fifths of the number of Senators present and voting required to limit debate under rule XXII.

Mr. President, in accordance with the provision of rule XL of the Standing Rules, I also send to the desk a notice in writing that I shall hereafter move to amend rule XXII as I have previously stated.

Mr. President, I ask that the resolution and notice be received and printed in the RECORD and that the resolution go over under rule XL so that it can be taken up on the next legislative day for consideration, consistent with the unanimous-consent order previously requested.

Mr. MANSFIELD. That is contemplated to be Friday.

Mr. MONDALE. I thank the distinguished majority leader.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. THURMOND. Mr. President, as I understand it, the Senator is introducing an amendment to rule XXII at this time? That is the only step he is proceeding with at this moment?

Mr. MONDALE. That is correct. I am filing a notice of intent and asking that the resolution lie vore for 1 legislative day, as contemplated by the rules. As I understand the unanimous-consent agreement, the resolution will be called up on Friday.

Mr. MANSFIELD. The Senator is correct.

Mr. MONDALE. Mr. President, I wish to state, as has been traditional at the commencement of efforts to amend rule XXII, that, by operating under the Standing Rules of the Senate the supporters of this resolution do not acquiesce to the applicability of certain of those rules to the effort to amend rule XXII; nor do they waive any rights which they may obtain under the Constitution, the practice of this body, or certain rulings by previous Vice Presidents to amend rule XXII, uninhibited by rules in effect during previous Congresses.

Mr. President, I ask unanimous consent that during the consideration of the amendment to rule XXII, Mr. Robert Barnett of my staff be granted floor privileges.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, in order to nail down doubly the protection accorded to the Senator and his cosponsors, I ask unanimous consent that, notwithstanding any delay in the consideration of the resolution, all proceedings, rights and privileges concerning the efforts to change rule XXII of the Standing Rules of the Senate be reserved, so that proponents of such a change not be prejudiced in any way in the actual commencement of the consideration of this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered, and the resolution will go over under the rule.

The resolution and notice are as follows:

S. RES. 4

Mr. Mondale (for himself, Mr. Pearson, Mr. Abourezk, Mr. Bayh, Mr. Bentsen, Mr. Biden, Mr. Brooke, Mr. Burdick, Mr. Case, Mr. Clark, Mr. Eagleton, Mr. Glenn, Mr. Hart of Colorado, Mr. Hart of Michigan, Mr. Hartke, Mr. Haskell, Mr. Hatfield, Mr. Huddleston, Mr. Humphrey, Mr. Inouye, Mr. Jackson, Mr. Javits, Mr. Kennedy, Mr. Leahy, Mr. Magnuson, Mr. Mathias, Mr. McGovern, Mr. McIntyre, Mr. Montoya, Mr. Moss. Mr. Muskie, Mr. Nelson, Mr. Packwood, Mr. Pastore, Mr. Pell, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Schweiker, Mr. Scott of Pennsylvania, Mr. Stafford, Mr. Stevenson, Mr. Symington, Mr. Tunney, and Mr. Williams.

Resolved, That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

" 'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"3. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate."

NOTICE OF MOTION TO AMEND CERTAIN SENATE RULES

In accordance with the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to amend Rule XXII of the Standing Rules in the following particulars:

Resolved, That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

" 'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"3. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate."

[From the Congressional Record, Feb. 3, 1975, p. 2016]

UNANIMOUS-CONSENT AGREEMENT—SENATE RESOLUTION 4

Mr. Robert C. Byrd. Mr. President, I ask unanimous consent that no action be taken prior to Thursday, February 20, 1975, in respect to Senate Resolution 4, a resolution amending rule XXII of the Standing Rules of the Senate, with respect to the limitation of debate, provided that all the rights of all Senators may be fully protected and reserved.

Before the Chair puts the request, may I say that it is anticipated—and I cannot include this in the request—that on the 20th of February, some action will be taken on Senate Resolution 4.

Mr. Allen. Mr. President, reserving the right to object—and I shall not object—the distinguished assistant majority leader was kind enough to include me in the negotiations arriving at this result. It would be understood, of course, that if there were any change of this unanimous-consent request, the various Senators on both sides of the question would be consulted.

Mr. Robert C. Byrd. The Senator is correct.

Mr. Allen. The Senator made his request with reference to Senate Resolution 4. Might it be broadened to include any other method of seeking to amend rule XXII?

Mr. Robert C. Byrd. That would be my understanding of it, and I would include that in the request.

Mr. Mondale. Mr. President, reserving the right to object—and I shall not object—as I understand this unanimous-consent request, there will be no action on proposed rule changes—that is, on rule XXII, Senate Resolution 4—until February 20, 1975.

Mr. Robert C. Byrd. The Senator is correct.

Mr. Mondale. And, from February 20 on, all the rights which any Senator has under the rules will obtain in the pursuit of rules changes.

Mr. Robert C. Byrd. The rights any Senator possessed today would remain available at that time.

Mr. Mondale. And, should any Senator wish to change this understanding, I assume that both sides would be notified.

Mr. Robert C. Byrd. They would. I gave that assurance, and it would be by unanimous consent.

Mr. Mondale. I have checked with my chief cosponsor, the Senator from Kansas (Mr. Pearson). He is fully agreeable to this understanding. I think the Senate should be informed that one of the reasons for setting that date is that we have a rather substantial delegation of Senators on official business at the NATO conference, and it is difficult to bring this matter up prior to February 20.

Mr. Allen. Reserving the right to object further, with regard to this group of Senators who are now in Yugoslavia, is the fact that the Senator anticipates a heavy majority vote from those Senators the reason he wants to wait until the 20th to consider that matter?

Mr. Mondale. It is my opinion that we will get a heavy majority of all reasonable Senators.

Mr. Allen. There are some Senators who are not very reasonable, though.

Mr. Mondale. I have never found that to be true.

Mr. Allen. I thank the Senator.

Mr. Cranston. Mr. President, reserving the right to object, and I shall not object, I assume that this understanding would mean that those Senators on either side could depend on the joint leadership to protect those on either side under this agreement.

Mr. Robert C. Byrd. The Senator is correct, and the joint leadership will make every effort to do that.

Mr. Griffin. Reserving the right to object, and I shall not object either, I wish to join in providing the assurances that are indicated as far as the joint leadership is concerned. I also thank the Senator from Minnesota for reciting that he had consulted with the Senator from Kansas (Mr. Pearson), who is very much interested in this matter, and for the information in the Record that he has agreed also under this unanimous-consent agreement.

I have no objection.

Mr. Robert C. Byrd. Mr. President, let me retract my statement. I cannot give assurance that the joint leadership will do anything. I made that statement feeling that that would be the position of the joint leadership, and I am glad that the distinguished assistant Republican leader has made the statement that he just made.

[From the Congressional Record of Feb. 24, 1975, p. 4111]

* * * from Missouri (Mr. Symington), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that the Senator from Colorado (Mr. Haskell) is absent on official business.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

I further announce that, if present and voting the Senator from Minnesota (Mr. Humphrey) and the Senator from Rhode Island (Mr. Pell) would each vote "nay."

I further announce that the Senator from Minnesota (Mr. Humphrey) is absent attending a hearing.

Mr. Griffin. I announce that the Senator from Pennsylvania (Mr. Hugh Scott) and the Senator from Alaska (Mr. Stevens) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. Bartlett) and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. Hugh Scott) would vote "nay."

The result was announced—yeas 28, nays 57, as follows:

[Rollcall Vote No. 17 Leg.]

YEAS—28

Allen, Baker, Bellmon, Brock, Buckley, Byrd, Harry F., Jr., Curtis, Dole, Domenici, Eastland, Fannin, Fong, Garn, Goldwater, Hansen, Helms, Hruska, Johnston, Laxalt, McClure, Roth, Scott, William L., Sparkman, Stennis, Stone, Talmadge, Thurmond, Tower.

NAYS—57

Abourezk, Bayh, Beall, Bentsen, Biden, Brooke, Bumpers, Burdick, Byrd, Robert C., Cannon, Case, Chiles, Church, Clark, Cranston, Culver, Eagleton, Ford, Glenn, Griffin, Hart, Philip A., Hartke, Hatfield, Hathaway, Hollings, Huddleston, Inouye, Jackson, Javits, Kennedy, Leahy, Magnuson, Mansfield, Mathias, McGee, McGovern, McIntyre, Metcalf, Mondale, Montoya, Morgan, Moss, Muskie, Nelson, Nunn, Packwood, Pastore, Pearson, Proxmire, Randolph, Ribicoff, Schweiker, Stafford, Stevenson, Tunney, Weicker, Young.

NOT VOTING—14

Bartlett, Gravel, Hart, Gary W., Haskell, Humphrey, Long, McClellan, Pell, Percy, Scott, Hugh, Stevens, Symington, Taft, Williams.

So Mr. Allen's motion was rejected.

The Vice President. The Senator from Montana.

Mr. Mansfield. Mr. President, a parliamentary inquiry.

The Vice President. The Senator will state it.

Mr. Mansfield. What is the next order of business?

The Vice President. The pending question is the motion to table an appeal of the Senator from Alabama.

Mr. Mansfield. Mr. President, I would like to make a unanimous-consent request of the Senate. The reason I would like to make it at this time is that I would like to lay down a cloture petition on the pending legislation so that it would be possible—if otherwise impossible—to come to a vote on Wednesday, and I would not like to have it mixed in with the parliamentary situation which has developed since earlier this afternoon.

So, Mr. President, I ask unanimous consent that at this time a cloture petition may be presented and read without any prejudice to the situation which has been developing this afternoon.

The Vice President. Is there objection? Without objection, it is so ordered.

The clerk will read——

Mr. William L. Scott. Mr. President, reserving the right to object——

The Vice President. I am sorry——

Mr. Mansfield. I ask that the petition be withheld.

Mr. William L. Scott. Reserving the right to object, Mr. President, I would ask the majority leader, does that mean that we would be operating under rule XXII, or without prejudice to rule XXII?

Mr. Mansfield. No, it would not change the situation which exists at the moment.

Mr. William L. Scott. Perhaps the Chair could tell us, are we now operating under rule XXII of the Rules of the Senate, whereby a cloture petition may be filed?

Mr. Mansfield. Could not be filed.

Mr. Allen. Reserving the right to object, may I inquire of the distinguished majority leader if it is his plan, at the close of business today, to adjourn the Senate so that the cloture petition may become operative?

Mr. Mansfield. The Senator is correct.

Mr. Mondale. Will the Senator yield?

Mr. Robert C. Byrd. Mr. President, when we adjourn, the cloture petition would become operative.

Mr. Mondale. Will the Senator yield?

Mr. Mansfield. Yes.

Mr. Mondale. As I understand the situation, there are four or five motions pending which could determine whether Senate Resolution 4 is pending business.

In addition to that, we can take notice of the fact that the Vice President has ruled that it is the right of the Senate under the Constitution to do so. We can also take notice of the fact that the Senate has been held up for about 2 hours with a series of dilatory motions to prevent the Senate from working its will in establishing the rules so that we can go on with the business of the Senate.

It is the strategy of the opponents of the change of our rules to hold the Penn Central Railroad, and thousands of employees who work for them, hostage to their demand that we drop our attempts to change rule XXII.

As I understand the motion of the majority leader, and the unanimous-consent agreement that was arrived at, we will proceed with Senate Resolution 4 as though the cloture petition had not been filed, and proceed to action as though they were different matters. Am I correct in that?

Mr. Mansfield. If the Senator will yield, it would be the intention of the majority leader to move that the Senate stand in recess tonight so that the pending situation could remain alive.

When I made the unanimous-consent request, I stated that nothing would be changed, as far as the present parliamentary situation was concerned, and the purpose of offering the cloture petition at this time was to try to bring some relief to the difficulties which confront the Penn Central, the Erie-Lackawanna and other railroads, through a vote on the cloture petition on Wednesday.

I do not know whether the Senate will agree to that.

I yield to the Senator from Virginia.

Mr. William L. Scott. Could the Senator tell me, would a two-thirds vote be necessary to impose cloture under the unanimous-consent request?

Mr. Mansfield. Yes.

Mr. Allen. Will the Senator yield?

Mr. William L. Scott. Will the Senator include that?

Mr. Mansfield. That is under the rules.

Mr. Allen. Will the Senator yield further?

Mr. Mansfield. Yes.

Mr. Allen. I understood the Senator's intention to be to adjourn the session.

Mr. Mansfield. I have rethought my position.

Mr. Allen. That being the case, I have rethought my position, and I impose an objection.

Mr. Mondale. The unanimous consent was agreed to, was it not?

The Vice President. That is right.

Mr. Mansfield. No; I had asked to withdraw it, so it was not agreed to.

The Vice President. Is there objection?

Mr. Allen. I object.

The Vice President. Objection is heard.

Several Senators addressed the Chair.

The Vice President. The Senator from Indiana.

Mr. Hartke. I would just like to call the attention of the Senate to some facts of which they may not be aware.

I have received a telegram from the Penn Central which I would like to have printed in the Record. It is not long. I would like to read it.

The telegram is addressed to me from the trustees of the Penn Central.

At 10 a.m. today——

Mr. Mansfield. May we have order, Mr. President?

The Vice President. The pending question is a motion to table an appeal and debate is not in order.

Mr. Hartke. Mr. President, I ask unanimous consent that I may proceed, even in view of the——

The Vice President. Is there objection?

Mr. Allen. Mr. President, reserving the right to object, may I have an equal amount of time?

[From the Congressional Record of Feb. 25, 1975, p. 4226]

* * * hour of debate, and it would be with the understanding—and we could, if desired, include that in our unanimous-consent request—that that hour would be for the purpose only of debate on the cloture motion, after which the Chair would have the clerk call the roll to establish a quorum, after which there would be a vote on the motion to invoke cloture.

If the vote on the motion to invoke cloture fails, then the Senate would resume its consideration of the now pending matter. If cloture is invoked under the rule, then the Senate would have to proceed with the disposition of that matter to the exclusion of all other business, and when that matter, to wit, the Penn Central question, has been disposed of, then the Senate would resume its consideration of the now pending matter at that time.

Mr. Allen. Who would have the floor on the resumption of our session?

Mr. Robert C. Byrd. The floor would be up for grabs; just whatever Senator is recognized by the Chair.

Mr. Allen. That does not seem to give the Senator from Alabama too much chance.

Mr. Robert C. Byrd. The Senator would have equal chance with every other Senator.

Mr. Allen. Well, theoretically.

Mr. Robert C. Byrd. May I say that based on my own observations, and I have not been able to be on floor at all times, I think the Senator has done right well in obtaining recognition.

Mr. Allen. I wonder who will be in the Chair at that time.

Mr. Robert C. Byrd. I have no way of knowing that.

Mr. Allen. I hope not a couple of fellows who have been up there earlier this session.

I wonder if I might inquire whether we might have a short quorum call in order that I might confer with others interested in the same problem.

Mr. Robert C. Byrd. Yes. Will the Senator allow me to ask, while he is conferring with others, that there be a period for the transaction of routine morning business, with statements therein limited to 3 minutes, and that the period for the transaction of routine morning business not extent beyond 15 minutes, and that at the conclusion of the period for the transaction of routine morning business the distinguished Senator from Alabama be recognized, and that his recognition the second time not be considered a second speech? I do this because it is necessary that there be some space in the Record today allocated for the purpose of morning business.

The Presiding Officer (Mr. Abourezk). Is there objection?

Mr. Mondale. Mr. President, will the Senator yield for a question?

Mr. Allen. Yes, for a question.

Mr. Mondale. How long is it anticipated that the quorum call would need to be?

Mr. Allen. Oh, I would not have in mind letting it go live. Just 10 or 15 minutes.

Mr. Mondale. That would be all right.

Mr. Robert C. Byrd. It would be my thought that the period for routine morning business would suffice for a quorum, and if no Senators sought recognition, there would be a quorum call, with the understanding that following the quorum call the Senator from Alabama would retain his right to the floor.

Mr. Allen. Subject to morning business, which would be right before we go out?

Mr. Robert C. Byrd. I thought we would take care of the morning business at this time; or we can make it following the quorum call, if the Senator would prefer.

Mr. Allen. Well, any way the Senator wants to do it.

Mr. Robert C. Byrd. Then, Mr. President, if the Senator will yield under the same understanding——

Mr. Allen. Yes.

Mr. Robert C. Byrd. I shall shortly suggest the absence of a quorum, with the understanding that immediately following the quorum call the Senator from Alabama be recognized under the conditions as previously stated, and then, if we can reach the agreement we are attempting to reach, shortly after that, we would have a motion to recess until tomorrow, but prior to that motion to recess I would hope that we can get a period for the transaction of routine morning business included.

Mr. Allen. That sounds good.

Mr. Robert C. Byrd. Mr. President, under those conditions, if there be no objection, I suggest the absence of a quorum.

The Presiding Officer. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. Robert C. Byrd. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The Presiding Officer. Without objection, it is so ordered.

The Senator from Alabama.

Mr. Allen. I thank the Chair for recognizing me in accordance with the unanimous-consent agreement, of course, and I am willing after having discussed the proposed unanimous-consent agreement suggested by the distinguished assistant majority leader with those Senators who do oppose Senate Resolution 4, and it is our agreement that we do agree to the unanimous-consent request.

Mr. Robert C. Byrd. Will the Senator yield to me for the purpose only of making that request at this time?

Mr. Allen. I yield to the Senator.

Unanimous-Consent Agreement

Mr. Robert C. Byrd. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11:30 a.m. tomorrow; provided further, that after the prayer and the two leaders have been recognized under the standing order—with the understanding that the leaders can make no motion or do anything that would affect in any way whatsoever the pending matter—the distinguished Senator from Oklahoma (Mr. Bellmon) be recognized for not to exceed 15 minutes, after which the 1 hour under the cloture rule beginning running on the motion to invoke cloture on the Penn Central matter, the time during that 1 hour to be equally divided between Mr. Hartke and Mr. Weicker; and provided further that—

Mr. President what occurs thereafter, takes care of itself automatically.

Mr. Mondale. Mr. President, will the Senator yield for a question?

Mr. Robert C. Byrd. If the Senator will allow me.

Mr. Allen. Yes.

Mr. Mondale. As I understand it——

Mr. Javits. Will the Senator use his microphone?

Mr. Mondale. Yes.

As I understand the proposed unanimous-consent request, we would now go off the question of Senate Resolution 4 onto morning hour and Senate Resolution 4 would not come up again until after the cloture vote, if it is unsuccessful, or until after the completion of the railroad legislation, if it is successful.

Depending on when it comes up, the floor would then be open to proceed from the point we are now and the floor would be open; is that correct?

Mr. Robert C. Byrd. The Senator is correct.

Mr. Allen. What is the pending business, may I inquire.

Mr. Robert C. Byrd. Will the Senator yield to me further at this point?

Mr. Allen. Yes.

Mr. Robert C. Byrd. Let me restate my unanimous-consent request.

The answer is in the affirmative to both of the questions of the Senator from Minnesota.

I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11:30 a.m. tomorrow; provided further, that, following the prayer, the two leaders be recognized under the standing order, with the understanding that no motions in any way affecting Senate Resolution 4 be in order during that time; provided further, that, following the recognition of the two leaders under the standing order, Mr. BELLMON be recognized for not to exceed 15 minutes, after which the 1 hour provided under rule XXII on the motion to invoke cloture begin running, the time to be equally divided between Mr. HARTKE and Mr. WEICKER; provided further, that upon the disposition of the cloture vote, if the motion to invoke cloture fails, the Senate then resume its consideration of Senate Resolution 4, the question now pending, being again pending that point; and that, in the alternative, if the motion to invoke cloture carries, under the rule, the Senate proceed with the further consideration of the Penn Central matter until that matter is disposed of; at which time, upon the disposition of that matter, the Senate resume its consideration of Senate Resolution 4, with the question then before the Senate being the question in its present status.

Mr. MONDALE. Will the Senator yield for a question only?

Mr. ALLEN. Yes.

Mr. ALLEN. Mr. President, will the Senator yield 2 minutes to me?

Mr. WEICKER. I will yield 2 minutes to the distinguished Senator from Alabama, and then 10 minutes to the distinguished Senator from Virginia.

Mr. ALLEN. If the Senator will look a little closer at the statement by Senator MANSFIELD, he will see it was a gratuitous statement. Certainly there was no unanimous consent given which would constitute a waiver on the gag rule resolution.

It is all right for the Senator from Minnesota to come in and say, "We are not waiving our rights to claim that we are not operating under rule XXII when we use rule XXII." So the Senator says, "I am going to invoke cloture under rule XXII but it does not apply to me. It applies to these other fellows."

So I think the Senate understands the position that the Senator from Minnesota is seeking to carve out for himself, that cloture under rule XXII must be used by everybody else, and he joins in that effort to get cloture but, as for him, he thinks he can ram through a resolution outside the rules in a back-door approach to seek to amend the rules.

I do not believe the Senator or the Presiding Officer will buy that theory.

The PRESIDING OFFICER. The Chair recognizes the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, the Senate passed S. 281 authorizing $275 million as a bailout for the Pennsylvania Railroad. That action was taken on January 29.

Now, the House passed H.R. 2051 authorizing $347 million as a bailout for the Pennsylvania Railroad on February 19 of this year.

I point out, Mr. President, that in the 3 weeks between passage of the Senate and House bills the projected need has risen by $72 million for a 1-year period, namely, from $275 million to $347 million.

Talk about fast inflation—that is an increase of 26 percent in 21 days.

So what the Senate will be called upon to vote on, presumably today, is an additional $347 million for the Pennsylvania Railroad to help bail out the Pennsylvania Railroad.

The able Senator from Kansas, in his comments a few moments ago, asked the Senate to give one last shot— let me repeat, one last shot—by appropriating this $346 million.

Mr. WEICKER. Mr. President, will the distinguished Senator yield for a brief comment?

Mr. HARRY F. BYRD, JR. I yield.

Mr. WEICKER. I do not want to be misleading here. I did not say one last shot.

Mr. HARRY F. BYRD, JR. I said the Senator from Kansas.

Mr. WEICKER. I beg the Senator's pardon. I wanted to make it clear because I never tried to mislead the Senator from Virginia that something else might lie ahead.

Mr. HARRY F. BYRD. I am certain of that. In the first place, I did not mention the Senator from Connecticut. I mentioned the comment which I understood the Senator from Kansas to make, not the Senator from Connecticut. As I recollect, the Senator from Connecticut—and I wish he would correct me if I misheard him, but, as I understood the Senator from Connecticut, he said that passing this legislation is like pouring money down a rat hole. Did I understand the Senator from Connecticut correctly?

Mr. WEICKER. In the context, which is what I said, of building a rail system in this country, it is pouring money down a rat hole, there is no question about it.

Mr. HARRY F. BYRD, JR. I thank the Senator, and that is the position I have taken since December 30, 1970, more than 4 years ago. That is when the first appropriation was passed by the Senate of the United States. I said at that time the passage of that legislation was pouring money down a rathole. The proponents of that legislation, I contended, and the Pennsylvania Railroad I contended, would be back before Congress seeking more appropriations, and that is exactly what has happened.

Now, in 1970—the financial history is this, in 1970—Congress passed H.R. 19953, Penn Central emergency aid, providing for $125 million in guarantees. I opposed that because I thought that was just the beginning of many millions of dollars and hundreds of millions of dollars that would go to the bailout of this bankrupt company. Now, that was in 1970.

In 1973 Congress passed H.R. 9142, the Regional Rail Reorganization Act, providing for $85 million in grants, plus $150 million in guarantees.

Then we come to the pending legislation which provides for $197 million in grants and $150 million in guarantees, for a total in this year of 1975 of $347 million.

Now, in addition, the 1973 act authorized these amounts: operating subsidies $180 million; design for new system $43 million; labor protection $250 million; for a total in that year of $473 million.

So that the grand total of sums authorized to date and proposed for authorization in the pending bill is $1,180,000,000.

Moreover, the $150 million in loan guarantee authority in the 1973 act is only an interim guarantee authority to be charged against a total authority of $1.5 billion for the long-term reorganization.

Thus, Mr. President, the total potential commitment is $2.553 billion. Yet we are being asked today to appropriate $347 million, which the able and conscientious Senator from Connecticut has stated frankly and sincerely to the Senate is pouring money down a rathole when taken in context with the development of a strong rail system.

So I find that I must oppose, must vote against, this additional bailout for the Pennsylvania Railroad. I do not like to do it, but I see no end to it. I repeat, I see no end to it.

Another aspect that persuades me to vote in the negative, and persuaded me in the beginning to vote in the negative, is that I have not yet obtained—and maybe it is available now—but I sought in debate on December 30, 1970, I sought in that debate to determine just what assets the Pennsylvania Railroad had in its various companies.

Now, I made this statement. I quoted the Senator from Rhode Island. The Senator from Rhode Island said that the railroads are mortgaged up to their necks, but then the next sentence is the one that I am particularly concerned with, "with assets of $4 billion to $7 billion."

With assets of $4 billion to $7 billion. Now, what has happened to those assets? Have those assets been used? Should not those assets be used before the taxpayers be called upon to use tax funds?

Now, if there is information available, if the assets are available or if the information on the assets is available, the Senator from Virginia would be glad to have that information. But I am quoting now from the statement made by the Senator from Rhode Island, December 1970, in which he stated that the assets of the Penn Central conglomerate totaled $4 billion to $7 billion, and nobody knew exactly how much.

Well, 4 years and 2 months have gone by since then and maybe there is available information as to whether it is $4 billion or $5 billion or $6 billion or $7 billion, and if so, what has happened to that? Has that money been used for purposes that the taxpayers are now being called upon to appropriate funds to use to bail out the Penn Central?

So I submit that until the Penn Central conglomerate uses its own assets, that it is unwise and unnecessary and undesirable to call on the taxpayers. I submit that those tremendous assets of the Penn Central conglomerate should be used first.

I yield to the Senator from Indiana.

Mr. HARTKE. Mr. President, I just want to explain, that I understand what the Senator from Virginia is saying. I would like to explain that it is not just a simple matter of going to those assets and claiming them.

The court has in its jurisdiction the assets it can reach, and they have used all the assets that are permissable.

Now, there are two ways that the Government can get to them. One of them is to go ahead and permit the liquidation of the railroad and then they will sell the assets.

The other one is to nationalize them.

Mr. HARRY F. BYRD, JR. May I ask the Senator from Indiana, what are the total assets?

Mr. HARTKE. Some estimates are as high as $14 billion.

Mr. HARRY F. BYRD, JR. How much?

Mr. HARTKE. $14 billion.

Mr. HARRY F. BYRD, JR. $14 billion?

Mr. HARTKE. Right, that includes all the equipment, and everything else. The right-of-way and everything.

Mr. HARRY F. BYRD, JR. I might say to the Senator from Indiana, in the debate on December 30, 1970, it was stated by the Senator from Rhode Island, and I believe by the Senator from Indiana but I am not positive of that, but I do know the Senator from Rhode Island said there was somewhere between $4 billion and $7 billion.

Mr. HARTKE. I think maybe that is——

Mr. HARRY F. BYRD, JR. So it was underestimated at that point.

Mr. HARTKE. That is one estimate of the rehabilitation costs.

Mr. HARRY F. BYRD, JR. Well, that is not——

Mr. HARTKE. I do not know to which assets he is referring, either. The difficulty——

Mr. HARRY F. BYRD, JR. Anyway, the new figure that the Senator from Indiana has is that the total assets of that Penn Central conglomerate is $14 billion?

Mr. HARTKE. Approximately. There is at this moment no definitive statement of assessment of all those assets, but we heard estimates that the total assets might be as much as $14 billion.

That is one reason the creditors want to liquidate the railroad, because as far as they are concerned, they probably could have gotten more of their money than they can under a reorganization employing a cram down theory.

In other words, what the Government has done is to cram this down to the extent of making the asset owners go ahead and take this type of reorganization rather than go through liquidation.

Liquidation has its definite problems. One of them is that as far as operations are concerned, are in an unsure position.

The second is that it makes it almost impossible to come forward with any type of rail transportation system unless we spend as much as $14 billion merely to acquire assets instead of what we are spending. That is the difficulty.

Mr. HARRY F. BYRD, JR. I think this has been a very worthwhile discussion. I read the paper very carefully, but I never saw the statement made.

Mr. HARTKE. This really is a question that was raised before the Supreme Court, as to whether or not the creditors could get at these assets the Senator is talking about. The creditors——

Mr. HARRY F. BYRD, JR. The total assets is the figure the Senator from Virginia is particularly interested in.

Mr. HARTKE. Yes, but that includes locomotives, it includes boxcars, it includes right-of-way, it includes worn-out track.

In some cases the steel, the rails themselves, are of tremendous value.

Mr. HARRY F. BYRD, JR. Is it not correct the Penn Central conglomerate has a great deal of real estate property?

Mr. HARTKE. Yes.

Mr. HARRY F. BYRD, JR. And does it not have virtually all types of investments?

But in any case, a significant figure has been developed by this debate and I thank the Senator from Indiana.

Mr. HARTKE. Let me point out, I do not want to say that this is an assessment which ultimately is to be used as far as any payments are concerned.

Mr. HARRY F. BYRD, JR. I understand, but the best——

Mr. HARTKE. What I am saying is that one alternative is to nationalize this system, and I think that could take as much as $14 billion.

The other side of the coin is that we could liquidate, and if we liquidate and get to the assets, then we stop the whole railroad system.

Now, these are the only two alternatives that I know of.

Mr. HARRY F. BYRD, JR. I am not speaking of alternatives. I merely am trying to establish the fact, which I think the Senator from Indiana has already established now. In reply to my question, the Senator from Indiana stated that the total assets were roughly, the best the committee can determine, about $14 billion.

Mr. HARTKE. That is merely an estimate.

Mr. HARRY F. BYRD, JR. That is right.

Mr. HARTKE. I should point out that the court may come in and make a decision that is far——

Mr. HARRY F. BYRD, JR. And, anyway, it is a very substantial sum.

Mr. HARTKE. Let me say that $7 billion is not an unreasonable amount—$14 billion is probably a more exaggerated figure.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. HARTKE. All right.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. WEICKER. Mr. President, I would like to just make a couple of remarks emanating from the discussion presented by the distinguished Senator from Virginia.

No. 1, I would like to respond to the Senator from Virginia as to why the difference in price between the original Senate bill and the bill passed in the House.

The moneys originally requested of the Senate were based on the fact that the railroad would get an increase in its freight rates. That increase was denied. Therefore, that figure went out the window.

The House knew that when they got the legislation and upped the price.

Then, also, the Erie Lackawanna is involved in this legislation now, so that upped the price.

So that is the reason, and it is a valid question the distinguished Senator raised, but that is the reason for the difference on the price tag as between the two.

Now, let me make this clear, as clear as I can. I am not a highway man. Ever since I have come to Congress, I pleaded for better rail systems. Nobody has responded and we are paying the bill now.

I am not an operating deficit man. I pleaded in the Amtrak legislation that money be earmarked for capital improvement and R. & D., so we could get out of the deficit-type situation.

Lastly, I have absolutely nothing but ill will toward the Penn Central and its former management.

Balanced against that, I just am not willing to let the innocent suffer and they are the ones going to lose their jobs either directly, if they are employed by the Penn Central or indirectly, if their jobs touch upon those goods and services delivered by that particular railroad.

I want to make clear that both the distinguished Senator from Indiana and myself are, No. 1, not committed to a good rail system today. We have been committed to it for years but nobody will go ahead either in the legislative or executive branch of Government and provide it. Then they complain when you get a God-awful tab like this which does not build one single piece of trackage or create one locomotive, freight car, or passenger car. This money could have been spent on that. But neither the executive nor the legislative branches of Government, up until most recently, have provided the entities within which to accomplish that type of operation. You are getting the bill today.

This report came out in 1973. I am going to repeat it, because this is what you are paying for today. You are not paying for the Penn Central, but the following:

> The Penn Central's collapse stemmed from the complex interaction of a number of factors, including questionable management policy, the misdeeds of individuals, Federal regulatory policies and practices, an inadequately developed national transportation policy, the national economy, deteriorating business conditions in the Northeastern part of the United States, the inability of the private sector to respond to these changes, and successful competition from other modes of transportation.
>
> In the last several decades, railroads operating in the Northeast and Midwest found themselves in an environment where the national economy was changing, reducing the importance of the principal commodities carried by railroads and therefore, the role of the railroads in the transportation system. The percentage of the gross national product represented by agriculture, mining, and nondurable goods—heavy users of rail freight transportation—declined during the 1960's; a trend toward locating factories closer to consumer markets reduced the demand for transportation services; the 1960–61 and 1968–70 recession had a pronounced impact; in the late 1940's and early 1950's railroads virtually abandoned hauling goods in less than carload lots;

It will be noted that there are two substantial areas of Federal failure; the failure on the part of the regulatory agencies and the failure of the Congress and the executive to develop national transportation policy.

This bill is the tab for those omissions. So regardless of whatever blame is put on the shoulders of that rather unfortunate group that ran the railroad, part of the blame lies on that rather unfortunate group that has been charged with the responsibility of legislatively and executively developing our transportation policy here in this country.

As I said, I have to stand here in the nature of preserving jobs, nothing more—not building a railroad and not creating anything—and ask the Congress and the American people to pay the tab for these misdeeds when indeed my whole legislative life has been saying let us build, let us create, a decent rail system, both mass and intercity, rather than to go ahead and involve ourselves in deficits.

CLOTURE MOTION

The PRESIDING OFFICER (Mr. GARY W. HART). The time for debate having expired, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to agree to the House amendment to S. 281, an Act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Vance Hartke, Harrison A. Williams, Lowell P. Weicker, Jr., J. Glenn Beall, Philip A. Hart, John O. Pastore, Wendell H. Ford, Jacob K. Javits, John Glenn, Robert C. Byrd, Mike Mansfield, Richard S. Schweiker, Patrick J. Leahy, Robert Dole, Hiram L. Long, Alan Cranston, Joseph R. Biden, Jr., Frank Church, Abraham Ribicoff, Walter D. Huddleston, Frank E. Moss, William V. Roth, Jr.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 12 Leg.]

Allen
Bentsen
Brock
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Church
Culver
Ford
Goldwater
Hart, Gary W.
Hartke
Javits
Johnston
Laxalt
Mondale
Pearson
Ribicoff
Sparkman
Williams

The PRESIDING OFFICER. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Bayh
Beall
Bellmon
Biden
Brooke
Buckley
Bumpers
Burdick
Cannon
Case
Chiles
Clark
Cranston
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Garn
Glenn
Griffin
Hansen
Hart, Philip A.
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Stafford
Stennis
Stevens
Stevenson
Stone
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. SYMINGTON) is necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

The PRESIDING OFFICER (Mr. GLENN). A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to agree to the House amendment to S. 281, an act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule, and the clerk will call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, a parliamentary inquiry.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRY F. BYRD, JR. Mr. President, does it take a two-thirds vote to shut off debate on this matter?

The PRESIDING OFFICER. Under XXII, it takes two-thirds of the Senate present and voting to shut off debate.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Are we proceeding under rule XXII?

The PRESIDING OFFICER. We are proceeding under rule XXII.

Mr. CURTIS. It is a rule of the Senate?

The PRESIDING OFFICER. We are proceeding under rule XXII.

Mr. MONDALE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. Is it a fact that the sponsors of Senate Resolution 4 reserve their rights under the Constitution?

Mr. ALLEN. I believe that is a constitutional question.

The PRESIDING OFFICER. The rights of all Senators were preserved by unanimous consent last evening.

Mr. MONDALE. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. SYMINGTON) is necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "yea."

The yeas and nays resulted—yeas 86, nays 8, as follows:

[Rollcall Vote No. 26 Leg.]

YEAS—86

Abourezk
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stevens
Stevenson
Tower
Tunney
Weicker
Williams
Young

NAYS—8

Allen
Helms
McClellan
Morgan
Stennis
Stone
Talmadge
Thurmond

NOT VOTING—5

Bartlett
Gravel
Percy
Symington
Taft

The PRESIDING OFFICER (Mr. GLENN). On this vote there are 86 yeas and 8 nays. Two-thirds of the Senators present and voting having voted in the affirmative, the motion is agreed to. Each Senator is permitted 1 hour for debate.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

The Senate continued with the consideration of the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Mr. HARTKE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The motion to concur in the House amendment to S. 281.

Mr. HARTKE. Mr. President, I thank the Senate, for whatever reasons Senators voted for cloture, for giving us a chance to bring this debate to a close.

Mr. STENNIS. Mr. President, may we have order?

THE PRESIDING OFFICER. The Senate will be in order.

Mr. HARTKE. Mr. President, I would hope we could proceed immediately to a vote. I am not interested in a rollcall, and if we could, I would ask the Chair to go ahead and proceed, unless someone else wishes to speak.

Mr. ALLEN. Mr. President, I yield myself 15 seconds.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. I make the point of order that my right to debate this measure has been improperly limited by the provisions of rule XXII, which is not as yet a rule of the Senate.

The PRESIDING OFFICER (Mr. Glenn). The Chair overrules the point of order.

Mr. ALLEN. What was the ruling?

The PRESIDING OFFICER. The Chair overrules the point of order.

Mr. ALLEN. I yield myself an additional 15 seconds. Is the effect of the Chair's ruling, then, that rule XXII is in full force and effect?

The PRESIDING OFFICER. The ruling of the Chair is that rule XXII has been invoked.

Mr. ALLEN. That is not the question that the Senator from Alabama asked to be ruled upon. I asked the Chair if rule XXII, in order to limit the right of the Senator from Alabama to debate, is in full force and effect. That is the point the Senator from Alabama is making.

The PRESIDING OFFICER. The Chair repeats his answer that the Senate has invoked rule XXII. Is there further debate?

Mr. MONDALE. Regular order, Mr. President. Regular order.

Mr. ALLEN. The Senator from Alabama wishes to reassert his point of order, because he does not feel that he has had a proper explanation. I make the point of order that rule XXII not being in full force and effect, the procedure under rule XXII improperly limits the right of the Senator from Alabama to debate this question.

The PRESIDING OFFICER. The Chair overrules the point of order.

Mr. ABOUREZK. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator can appeal that.

The Senator from South Dakota.

Mr. ALLEN. I will accept the offer of the distinguished Senator now presiding over the Senate. I will appeal the point of order.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. ABOUREZK. If the Senator from Alabama takes the position at this point that rule XXII is not in effect is he then prevented at a later date from invoking rule XXII himself?

The PRESIDING OFFICER. The Chair will not entertain a hypothetical situation. [Laughter.]

Mr. ALLEN. Mr. President, I yield myself an additional 30 seconds in order to establish this point. The Chair having overruled the point of order made by the Senator from Alabama, the Senator from Alabama appeals the ruling of the Chair and calls for the yeas and nays.

Mr. ABOUREZK. I move to table, Mr. President.

Mr. MONDALE. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. MONDALE. Mr. President, I move to table and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. Order will be maintained. The clerk will suspend calling the roll until order has been established.

The clerk will proceed.

The second assistant legislative clerk resumed the call of the roll.

Mr. NELSON. Mr. President, the Senate is not in order. Senators are conversing in the asiles and the well of the Senate.

The PRESIDING OFFICER. The Senate will be in order. Those who wish to talk should retire to the cloakroom and the others take their seats. The clerk will not call the roll until the Senate is in order.

The clerk will proceed.

The second assistant legislative clerk resumed the call of the roll.

The PRESIDING OFFICER. Can we have quiet in the Chamber, please, while the roll is being called.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. Long), the Senator from Montana (Mr. Metcalf), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bartlett) and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

The result was announced—yeas 92, nays 0, as follows:

[Rollcall Vote No. 27 Leg.]

YEAS—92

Abourezk
Allen
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—7

Bartlett
Gravel
Long
Metcalf
Percy
Symington
Taft

So Mr. Mondale's motion to lay on the table the appeal of Mr. Allen was agreed to.

The PRESIDING OFFICER. The question is on the motion to concur in the House amendment.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Mr. President, a parliamentary inquiry. What is the pending question?

The PRESIDING OFFICER. The motion to concur in the House amendment to S. 281.

Mr. MOSS. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. MOSS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I yield myself 10 minutes.

Mr. President, the reason I made the point of order that rule XXII——

Mr. HANSEN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ALLEN. That rule XXII is not in full force and effect was to establish the principle that, in fact, it is in full force and effect, because the Senator from Alabama had no idea that the Chair would sustain his point of order and allow him, and others, the right of unlimited debate on this issue.

So then the Senator from Alabama, for the record and for the parliamentary situation, made the point of order that rule XXII is not in full force and effect and that, for that reason, the right of the Senator from Alabama to speak was improperly being limited.

Not being satisfied with a mere overruling of that point by the Chair, which, in effect, took the exact opposite position from the position of the Senator from Alabama, the Senator from Alabama, for the purpose of the record and the parliamentary situation, made the point of order that rule XXII is not in effect and the Chair overruled that point of order. Then the Senator from Alabama took an appeal from that ruling in order to give the Senate an opportunity to say whether the Chair is right in, in effect, saying that rule XXII is in full force and effect. So he took exactly the opposite position from the position advocated for the purpose of parliamentary procedure by the Senator from Alabama.

Not being satisfied with a mere ruling from the Chair that rule XXII is in effect, and that is what the overruling of the point of order constitutes, he wanted to get an expression from the membership of the Senate. So the Senate by unanimous vote, including the vote of the Senator from Alabama, has said that the ruling by the Chair was correct when the Chair said that it is wrong to say that rule XXII is not in full force and effect.

So the Chair has finally accommodated the Senate by stating its views with respect to rule XXII. I am delighted that this ruling has been made, and the Senator from Alabama hopes that the distinguished President of the Senate will be advised of this point of order and the overruling by the Chair of the point of order, and that he, too, will take the same position as to rule XXII now being in effect as to all matters on which debate has not heretofore been limited. That would apply specifically to Senate Resolution 4 because no action whatsoever has been taken on that.

I reserve the remainder of my time.

Mr. MONDALE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. Am I correct that the Presiding Officer——

The PRESIDING OFFICER. Will there be quiet in the Senate so the Chair can hear the Senator from Minnesota?

Mr. MONDALE. Did the Presiding Officer simply rule that rule XXII had been invoked? Was that all that the Presiding Officer ruled? Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. MONDALE. The Presiding Officer also ruled, as I understood it, that no other rights that exist, including those under unanimous consent, were waived as a part of this point of order; is that correct?

The PRESIDING OFFICER. That was raised as a parliamentary inquiry earlier, but it was not part of the point of order.

Mr. MONDALE. Mr. President, I yield myself 5 minutes.

Mr. President, the record of our proceedings are as clear as they could possibly be from the very day that this Senate convened. It was understood on January 14, and on several occasions since then, that those of us who were pursuing a change with Senate Resolution 4 did not lose our rights to pursue those changes, notwithstanding the fact that the first day of the session had expired or that intervening business had been undertaken, or that rule XXII was invoked on other matters. Our right to change that rule flows from the Constitution, article I, section 5. The Senate has repeatedly voted to sustain our right to do so. Those who oppose the right of the Senate to assert its authority under the Constitution to change its rules at the beginning of each session try to do so with resort to rules which were developed not in this Congress but in previous Congresses, and seek to sustain the position that if you were in the Senate in 1959 you could somehow bind the Senate in 1975.

We reject that. There have been no waivers. I put in the RECORD earlier that on two, three, or four occasions there have been unanimous-consent agreements. Yesterday there was a unanimous-consent agreement entered into with the acquiescence, incidentally, of the Senator from Alabama (Mr. ALLEN) which stated that immediately after the conclusion of the railroad bill we would resume the business on the amendments of Senate Resolution 4; namely, the change in our rules. Therefore, it is as clear as it could possibly be that the Senate stands by the principle that the majority has the right to change its rules and that none of us has lost his rights to do so as we proceed under that unanimous-consent agreement.

Mr. JAVITS. Mr. President, I think the moment has come now, as Senator MONDALE has already indicated, to lay out what is the policy and the principle which we, who are for this rules change, are following——

Mr. ROBERT C. BYRD. Mr. President, I ask for regular order.

The PRESIDING OFFICER. Regular order having been demanded, the debate must be germane to the pending motion.

Mr. JAVITS. Mr. President, the pending motion is with reference to railroad financing. Mr. President, I am addressing myself to that issue because in this instance, and in other instances, railroad financing, or any other kind of financing, may prove to be impossible unless we have some way of bringing any matter to a vote in this Senate. To show its relevance and germaneness, we have just made it possible to vote on railroad financing in danger of railroad closing by voting cloture. Therefore, in all respect to the Chair and the Senator from West Virginia, it is very pertinent to address oneself under the rule of germaneness to the occasion on which this Senate may, in a critical situation, enable itself to perform its duty. That is all that I am addressing myself to at this time.

Mr. ROBERT C. BYRD. Will the Senator yield for a parliamentary inquiry?

Mr. JAVITS. I yield.

Mr. ROBERT C. BYRD. What is the pending business before the Senate?

The PRESIDING OFFICER (Mr. HELMS). The business before the Senate is a motion to agree to the House amendment to S. 281.

Mr. ROBERT C. BYRD. I ask for regular order.

The PRESIDING OFFICER. Regular order having been demanded, Senators may speak only to that question.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Is it germane to address oneself to the issue of coming to a vote on this question?

The PRESIDING OFFICER. The Chair advises the Senator that the Senate has already voted to come to a vote on this question after 100 hours of debate at most.

Mr. JAVITS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Is it germane to discuss the general issues of railroad financing or the ability to finance failing railroads, with a view toward the contingency that this represents a precedent, that there may be other failing railroads, with respect to which we also will have to come to a vote?

The PRESIDING OFFICER. The Chair advises that if that matter is in the House amendment, of course, it would be germane.

Mr. JAVITS. Mr. President, one other point, and I shall not take very many minutes.

I must say it is rather anomalous—and I say this to the Senator from West Virginia—that an effort is made to prevent the discussion by me of a matter to which two speakers have already addressed themselves without any objection, particularly as I gave no indication whatever that I would take an inordinate amount of time, and I do not think I ever do.

Be that as it may, Mr. President, I will address myself to that part of the issue which the Chair has held to be germane.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield, without losing his right to the floor?

Mr. JAVITS. I yield.

Mr. ROBERT C. BYRD. Mr. President, I respect the observation that the distinguished Senator from New York has just made. I did not ask for the regular order until a proponent and an opponent had spoken. I thought that both Mr. ALLEN and Mr. MONDALE having presented their views, it was time then to ask for the regular order.

May I say that at 2:30 p.m. today, the Pastore rule will not be in further effect.

Mr. JAVITS. That is a half hour from now. I hope the Senator will not require me to stall for a half hour, because I do not want to do that. Why do we not just say that I go ahead for 2 or 3 minutes? I have that short a time in which to explain what I have in mind.

I would not have risen, because I have great confidence in Senator MONDALE, who has carried the torch, so far as I am concerned, in this session and the previous session, with Senator PEARSON—a torch which I and Senator Douglas, Senator HART, Senator CHURCH, and Senator HATFIELD have carried for some years. But there is a point to be added, and that point relates to that section of our rules which is rule XXXII——

Mr. ROBERT C. BYRD. Mr. President, I have to ask for the regular order. I am sorry to do this against the Senator from New York, but I have already explained that I did not do it against the Senator from Alabama; therefore, I felt that I ought not do it against the Senator from Minnesota. Beyond that, I think we should stick to the business until the time for the Pastore rule of germaneness has expired.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum, on my time.

The PRESIDING OFFICER. The clerk will call the role.

The second assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I wonder if I might inquire of my colleagues——

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order. The Senator will not continue until the Senate is in order.

Mr. JAVITS. Mr. President——

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. WEICKER. Mr. President, I wonder if I might inquire of my colleagues as to what the chances are of bringing the matter of the Penn Central to a vote—if not now, in the very near future. Not being involved in the other controversy, I should like to see if I could invoke some sort of a response on this question, as to whether or not we can go to a vote or whether there is going to be considerable debate and parliamentary maneuvering.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. JAVITS. Mr. President, I agree with the Senator from Connecticut; and now that I have had an explanation from the Senator from West Virginia, I agree with him. We should get to a vote on this. I believe there will be an opportunity to elucidate my position in due course. So, Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. HARRY F. BYRD, JR. Mr. President——

The second assistant legislative clerk proceeded to call the roll, and Mr. ABOUREZK voted in the affirmative.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. MONDALE. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself 10 minutes, and I plan to discuss the issue at hand.

Mr. WEICKER. Mr. President, will the Senator yield? I in no wise wanted to cut him off. He has been in the Chamber during the debate and has addressed his comments to the Penn Central matter.

Mr. HARRY F. BYRD, JR. I fully understand.

Mr. ROBERT C. BYRD. Furthermore, he stated to the Senate yesterday that he desired to have something to say on the matter pending. He was attempting to get recognition before the rollcall was responded to.

Mr. HARRY F. BYRD, JR. I thank the Senator. I shall not be long. I yield myself 10 minutes.

The PRESIDING OFFICER. The Chair is going to insist on order in the Senate. The Senator will suspend.

Senators will take their seats or take their conversations to the cloak room.

The Senator may proceed.

Mr. HARRY F. BYRD, JR. Mr. President, the Senate is faced with a difficult situation in regard to the Penn Central Railroad.

No one wants to have the Penn Central cease to operate; but, on the other hand, there is the grave question of national policy involved.

Mr. President, may we have order?

The PRESIDING OFFICER. The Chair begs the indulgence of all Senators and the galleries. We must have complete order in the Senate, and we will have it before the Senator proceeds.

The Senator may proceed.

Mr. HARRY F. BYRD, JR. Mr. President, this matter first came up in 1970. The Senate debated it at some length on December 30, 1970.

At that time, the Senator from Virginia made the assertion that, in his judgment, enactment of that legislation, of the appropriation, would be a bottomless pit for the American taxpayer.

The able Senator from Connecticut, one of the managers of today's bill, stated on the floor of the Senate this morning that, in the context of the development of a national railroad system, the appropriation of $347,000, which is involved in the measure which the Senate will vote on, is pouring money down a rathole, and I agree. I agree with that. That is why I find it very difficult to support such legislation.

Mr. President, I want to correct the RECORD. I misspoke myself. I said "$347,000," and I meant $347 million. I could understand myself making a mistake the other way, but I do not know how I could ever figure that the Senate would ever bother with a sum of $347,000. [Laughter.]

I want to give some financial history. In 1970, H.R. 19953 was enacted. That provided $125 million in guarantees. In 1973, H.R. 9142 was enacted. That provided grants of $85 million and guarantees of $150 million.

In addition, that 1973 act authorized these amounts: operating subsidies, $180 million; design of new system, $43 million; labor protection, $250 million. Those figures add up to $473 million.

So the grand total of the sums authorized to date and proposed for authorization in the pending bill is $1,180,000,000.

Moreover, the $150 million in loan guarantee authority in the 1973 act is only an interim guarantee authority, to be charged against a total authority of $1.5 billion for the long-term reorganization.

Thus, the total potential commitment, Mr. President, is $2,553,000,000.

The pending legislation—and incidentally, I voted to invoke cloture so that the matter could be brought to a vote today, even though I am opposed to the legislation. The pending legislation provides for a total of $347 million. This is $72 million more than the Senate approved on January 29.

Another aspect of this matter that gives the Senator from Virginia a great deal of concern is that the Penn Central conglomerate has huge assets.

In the debate of 1970, it was stated by both the distinguished Senator from Indiana (Mr. HARTKE) and the distinguished Senator from Rhode Island (Mr. PASTORE) that the assets of the Penn Central conglomerate were somewhere between $4 billion and $7 billion. No one knew exactly how much.

Now, this morning, in debating the pending measure, the Senator from Virginia put the question to the distinguished Senator from Indiana (Mr. HARTKE), the manager of the bill, as to the best estimate he could give—and we all realize it can be only an estimate—as to the assets of the conglomerate.

The distinguished Senator from Indiana replied and emphasized that it was only an estimate and that it could be less, but the figure he gave was $14 billion.

Well, whether it is $14 billion or $7 billion or $4 billion or somewhere in between, there are tremendous assets which will go to somebody.

I submit that before we pour more money down this rathole, Congress ought to know more about those assets, and before the taxpayers are called upon to put up their money, those assets should be utilized.

For the reasons I have enumerated, Mr. President, I shall vote in opposition to the pending legislation further to bail out this bankrupt company.

There are 10,000 or 12,000 bankruptcies every year. Where do we stop bailing out bankrupt companies with the tax funds of the American wage-earner.

As I say, while this company is technically bankrupt, it is admitted by all sides——

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. HARRY F. BYRD, JR. I yield myself 3 minutes.

It is admitted by all sides that there are tremendous assets running into the billions of dollars.

Mr. President, at this point, I ask unanimous consent to have printed in the RECORD the debates on the original Penn Central legislation, which took place in the Senate on December 30, 1970, and also, a statement I made in the Senate on July 26, 1973.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Mr. BYRD of Virginia. Mr. President, I find this legislation a very difficult one on which to pass judgment.

We are faced with a very difficult situation. No one wants the Penn Central Railroad to cease to operate. On the other hand, there is a grave question of national policy involved—a new policy and one which can have far-reaching consequences.

I would like to address several questions, if I may, to the distinguished Senator from Indiana.

First, in reading the committee report, I find a number of letters from various governmental officials, but they seem to refer to legislation other than the particular bill under consideration. Am I correct in that?

Mr. Hartke. The Senator is basically correct. What happened was that the administration submitted a recommended bill to lend money to the railroads before the Penn Central went into reorganization. Before the bill was actually introduced and before hearings were conducted, the railroads entered reorganization. The strike threat occurred in December, then there was a wage increase, which precipitated the action which is being taken at this time.

The bill itself was worked out by the committee at a very late date. It has the endorsement of the Department of Transportation and it has been passed by the House of Representatives.

Mr. Byrd of Virginia. I thank the Senator.

In the letter from the Assistant Comptroller General he mentions that the bill then under consideration used the figure $750 million. Was the original proposal to permit loans up to $750 million, or guarantee of loans up to $750 million?

Mr. Hartke. The administration bill requested that the committee authorize the guaranteeing of loans up to $750 million without any restrictions as to the railroad's condition and without any requirement that the railroad be in reorganization.

Mr. Byrd of Virginia. Who submitted that bill?

Mr. Hartke. That bill was submitted on behalf of the administration.

Mr. Byrd of Virginia. Was it submitted by the Interstate Commerce Commission or the Justice Department?

Mr. Hartke. By the Department of Transportation. It was introduced by the ranking minority member of the committee on request of the Department of Transportation.

Mr. Byrd of Virginia. The bill under consideration at the moment is H.R. 19953. I assume that that is precisely the same as S. 4595.

Mr. Hartke. For all intents and purposes it is, with the exception of some minor technical amendments.

Mr. Byrd of Virginia. There is no basic difference in the two?

Mr. Hartke. There is no basic difference in the two.

Mr. Byrd of Virginia. I have not had an opportunity to study H.R. 19953, but I did have an opportunity to study S. 4595 and it seems to me it is a very well drawn proposal and has incorporated in it restrictions which, in my judgment, should be in legislation of this type if we are being to pass legislation of this type. I think the committee did an excellent job in preparing the bill and in writing restrictions into the bill, assuming it is wise to pass such legislation.

Mr. Hartke. I thank the Senator from Virginia for saying that. Let me point out to him that what we wanted in this bill was to have it as tightly drawn as possible. We had the interest of two groups in mind: the U.S. taxpayers and the user of the railroad's service. So the prime purpose of the bill is to lend money to run the railroad. Assistance would go only to railroads that were in reorganization and where cessation of service was imminent.

Mr. Byrd of Virginia. This proposal would permit Government guaranteed loans up to $125 million?

Mr. Hartke. That is correct.

Mr. Byrd of Virginia. And that $125 million could go to one railroad or to several or more railroads?

Mr. Hartke. The Senator's statement is correct.

Mr. Byrd of Virginia. What about the interest on those loans? Who is to pay the interest on the loans?

Mr. Hartke. It is a guaranteed loan. The debtor pays the interest.

Mr. Byrd of Virginia. The loan itself will be made through commercial sources?

Mr. Hartke. The loan would be made by a commercial enterprise. The loan itself would be approved by the Department of Transportation. The interest would be in addition to the actual loan itself.

Mr. Byrd of Virginia. Then, we are not dealing with $125 million; we are dealing with $125 million plus the interest on $125 million?

Mr. Hartke. Plus the interest; that is correct.

Mr. Byrd of Virginia. Which the Government will pay to a commercial enterprise——

Mr. Hartke. The Government payment would be only in the event of default. The Government will not make any payment unless there is a default. What it is making is a guarantee of the loan.

Mr. Byrd of Virginia. Who pays the interest?

Mr. Hartke. The railroad.

Mr. Byrd of Virginia. The railroad will pay interest on the loan until it comes in default?

Mr. Hartke. That is right.

Mr. Byrd of Virginia. And then if it comes in default, the Government pays the interest as well as the principal?

Mr. Hartke. That is right. It has responsibility for the loan and it would assume all the rights and obligations of the original debtor.

Mr. Byrd of Virginia. But until the loan is in default, the interest is paid by the railroad itself?

Mr. Hartke. That is right.

Mr. Byrd of Virginia. Did I understand the Senator from Indiana to say, or perhaps it was the Senator from New Hampshire or the Senator from Kentucky, that the ICC has already made a $20 million——

Mr. Hartke. No, I want to correct that.

I have here a recapitulation of the total amount of guaranteed loans, and I ask unanimous consent that the entire list be printed in the Record at this point.

There being no objection, the list was ordered to be printed in the Record.

LOAN GUARANTEE APPLICATIONS APPROVED

Railroad	Number of applications	Total amount guaranteed
Boston & Maine	5	$9,000,000
Central of New Jersey	2	20,000,000
Chicago & Eastern Illinois	2	14,800,000
Erie-Lackawanna	1	15,000,000
Georgia & Florida	2	1,934,950
Lehigh Valley	5	21,823,000
Missouri-Kansas-Texas	3	34,000,000
Mason	2	10,500,000
Penn Central (formerly New York Central)	1	40,000,000
New Haven	4	23,159,400
New Haven trustees	2	12,500,000
New York, Susquehanna & Western	2	855,000
Norfolk Southern	2	7,300,000
Pittsburgh & West Virginia	2	3,000,000
Reading	1	30,000,000
Total	36	133,971,350

LOAN GUARANTEE APPLICATIONS STATEMENT SHOWING FOR APPROVED APPLICATIONS THE TERM OF GUARANTEE, RATE OF INTEREST, AND PURPOSE OF LOAN

Finance Docket No.	Railroad	Amount approved	Term of guarantee (years)	Date of final maturity	Rate of interest (percent)	Purpose of loan
20429	Boston & Maine	$3,000,000	15	Dec. 1, 1974	5	(1).
21865	Do	3,000,000	15	July 1, 1975	5	(1).
21615	Do	1,000,000	6	July 1, 1965[3]	4⅞	(1).
22231	Do	1,000,000	15	Oct. 15, 1977	5	(1).
22839	Do	1,000,000	8	July 1, 1966[3]	4¾	(1).
	Total	9,000,000				
21555	Central of New Jersey	15,000,000	15	July 1, 1976	5	(5).
22640	Do	5,000,000	15	Dec. 1, 1978	5	(1).
	Total	20,000,000				
21210	Chicago & Eastern Illinois	3,000,000	15	July 31, 1975	5¼	(1).
22361	Do	11,800,000	15	Dec. 31, 1977	5	(5).
	Total	14,800,000				
21494	Erie-Lackawanna	15,000,000	15	June 1, 1976	5¼	(1).
	Total	15,000,000				
20517	Georgia & Florida	934,960	10	Dec. 31, 1970[3]	5	(6).
20518	Do	1,000,000	10	Dec. 23, 1970[2]	5½	(5).
	Total	1,934,960				
20760	Lehigh Valley	5,923,000	15	Aug. 1, 1974	5,0059	(7)
21300	Do	5,000,000	15	June 15, 1975	8½	(1).
21539	Do	2,500,000	4	May 17, 1970	6	(1).
21776	Do	5,000,000	15	Nov. 1, 1976	4¼ and 5	(1).
22339	Do	3,400,000	15	May 1, 1977	4¼	(1).
	Total	21,823,000				
21454	Missouri-Kansas-Texas	15,000,000	15	May 1, 1976	5	(1).
21552	Do	6,000,000	15	June 1, 1976	4¾	(1).
22577	Do	12,000,000	15	June 1, 1978	5⅜	(1).
	Total	34,000,000				

Note: Table incomplete.

INTERSTATE COMMERCE COMMISSION, BUREAU OF ACCOUNTS, SECTION OF FINANCIAL ANALYSIS—PT. V LOANS RECONCILIATION OF DIFFERENCES IN AMOUNTS FOR SAME ITEMS SHOWN IN ANNUAL REPORT (SCHEDULE 6) TO TREASURY DEPARTMENT AND STATEMENTS FURNISHED BUREAU OF BUDGET BY BUDGET AND FISCAL OFFICE

Railroad	Amount of loan outstanding as of June 30, 1970			
	Treasury report	Statement to Bureau of Budget	Items in Budget statement which are under or over amounts for similar items in Treasury report	
			Under	Over
Boston & Maine	$3, 216, 667	$3, 216, 667		
Central of New Jersey		15, 075, 573		[1] $15, 074, 573
Chicago & Western Illinois	6, 838, 996	6, 838, 996		
Erie-Lackawanna	12, 000, 000	12, 000, 000		
Lehigh Valley	11, 285, 000	11, 285, 000		
Missouri-Kansas-Texas	30, 040, 000	30, 040, 000		
Monon	7, 450, 000	7, 450, 000		
New Haven	2, 719, 800	15, 409, 032		[1] 12, 689, 232
New Haven Trustees	12, 500, 000	12, 500, 000		
New York, Susquehanna & Western	229, 300	229, 300		
Norfolk Southern	$5, 800, 000	$5, 800, 000		
Penn Central (formerly New York Central)	16, 900, 000	16, 900, 000		
Pittsburgh & West Virginia	600, 000	600, 000		
Reading	28, 000, 000	28, 000, 000		
Total	137, 579, 763	165, 344, 568		$27, 764, 805
Difference	27, 764, 805			

[1] Explanation: Amount paid by United States upon default—no further contingency—therefore not included in Treasury report. Amounts applied against principal of loan in finance docket No. 20398 as result of settlement between Department of Justice and Trustees, and amounts applied against principal of unsecured loan in finance docket No. 21299 as a result of settlement of certain claims. Amounts applied against principal of Central of New Jersey loans as a result of income received on collateral and proceeds from maturing Treasury bills.

Difference:	
New Haven	+$14, 375, 000
Finance docket No. 20398	1, 057, 868
Finance docket No. 21299	627, 900
Total	−1, 685, 768
Net, New Haven	+12, 689, 232
Central of New Jersey	+16, 995, 000
Financial docket No. 21555	$1, 583, 517
Financial docket No. 22640	335, 910
Total	−1, 919, 427
Net, Central of New Jersey	+15, 075, 573
Net total	+27, 764, 805

Note: The above differences are due to the fact that the Treasury report (schedule 6, "Supplementary Statement of Commitments and Contingencies") shows the contingent liability of the United States as of the date thereof whereas the statements furnished Budget include the unpaid balance on defaulted loans of New Haven and Central of New Jersey which are still a debt due the United States (even though the lenders have been paid through supplement appropriations). Such defaulted loans are excluded from the Treasury report since they are no longer a contingent liability of the United States.

Mr. Cook. Mr. President, will the Senator yield?

Mr. Byrd of Virginia. I yield.

Mr. Cook. The point I was trying to make was that the Penn Central Railroad at the time it went into receivership was the recipient of a title V loan from the ICC. I think the original principal of that loan was $40 million or $50 million. It had paid the loan down to some $19 million-plus as of the time it filed in receivership. The ICC was notified by a group of New York banks that it was holding the U.S. Government responsbile for the balance of the loan.

Mr. Byrd of Virginia. I thank the Senator. Am I correct in assuming that if the entire $125 million is loaned to the Penn Central, the Penn Central will owe the Government the $125 million plus the $20 million which was guaranteed by the ICC?

Mr. Hartke. The law does not provide that assistance will go to the Penn Central. It is not required that a loan of $125 million be made by the Department of Transportation, although, I want it clearly understood, there is nothing in the bill which would prevent any loan in that amount being made. Any outstanding loan presently made under title V of the Interstate Commerce Act of 1958 would be in addition to any loans made under the provisions of this act.

The act of 1958 has expired.

Mr. Cook. Mr. President, if the Senator will yield, I think it is only fair to say also that the ICC is a creditor, a secured creditor by reason of its mortgage, in the receivership proceedings under chapter 77. As a matter of fact, I am of the opinion that they had five mortgages, including all of the equipment of the railroad, I am not sure, as opposed to all of the assets of the railroad other than the rolling stock and fixtures. But I think the point that the Senator from Indiana is making, first of all, is that this $125 million includes all of the railroads that are presently in receivership that would qualify.

Mr. Byrd of Virginia. That is correct; I understand that.

Mr. Cook. I think the testimony was that the Penn Central could really get along on $64 million. Is that not correct?

Mr. Hartke. $62 million to $64 million.

Mr. Cook. And I would have to say that the $20 million under the previous title V loan is a secured claim in receivership, under the chapter 77 action already in the courts.

Mr. Byrd of Virginia. I thank the Senator from Kentucky.

Let me ask the Senator from Indiana this: Is it not true that the Penn Central has assets of a value of between $5 billion and $6 billion?

Mr. Hartke. It has assets. The value of those assets is certainly open to question. The estimates have been between $4 billion and $7 billion, depending on who makes the estimate, and when. But there is no question that they hold assets other than railroad assets in large amounts, all of which are severely mortgaged.

Mr. Byrd of Virginia. The Penn Central has assets of billions of dollars, somewhere between $4 billion and $7 billion?

Mr. Hartke. Yes. Let me make clear, I do not want to exercise any judgment. We tried to find out from the trustees. They are attempting to place what they consider a reasonable value on those assets, also. Some of the assets are of a nature that has value only to a railroad as an operating corporation. Other assets include land holdings such as the Southwest Corp. or Vita Corp. They hold an interest, for example, in Madison Square Garden.

Mr. Byrd of Virginia. All of those are valuable assets. The Great Southwest Corp, owns land in Texas which is a very valuable asset.

Mr. Hartke. There is no question that it is a very valuable asset, but it is severely encumbered.

Mr. Byrd of Virginia. Let me ask this: Is the Penn Central on a calendar year basis or a fiscal year basis?

Mr. Hartke. I am sorry, I cannot give that information to the Senator.

I am informed they are on a calendar year basis.

Mr. Byrd of Virginia. Does the Senator from Indiana or the committee have figures which show the profits of the Penn Central in previous years?

Mr. Hartke. Yes, we have all those. Those have been presented as a result of the hearings.

The real cause of the financial condition which led to the failure of the bond issue early this year was the bad return for the first quarter of 1969.

Mr. Byrd of Virginia. I am interested, though, in the——

Mr. Hartke. Let me say also that we have great difficulty in making any definitive assessment of the profit and loss structure. Mr. Wirtz, who is one of the trustees under reorganization, testified that the accounting procedure produced information which had very little relation to the truth.

Mr. Byrd of Virginia. Does the committee have, and could the Senator state to the Senate, the profits or losses, as the case may be, for the Penn Central since it became the Penn Central, and prior to that, going back, say, just to pick a figure, to 1960, 1961, or 1962, the profit and loss on both the Pennsylvania Railroad and the New York Central?

Mr. Hartke. We can obtain those.

Let me say again that we feel at this moment we have gone into it in depth. We have the financial statements as they were filed, which could be made available to the Senate. But I wish to say also at this time that those financial statements unfortunately, according to statements of the trustees under reorganization, are not of the character which is considered most reliable, even though they were filed with the Interstate Commerce Commission, and even though the instance, the Penn Central stock—I am taking this from memory, but I think at one time it was up to 87.

Mr. Byrd of Virginia. Were they not filed with the Internal Revenue Service?

Mr. Hartke. Yes, they probably were.

Mr. Byrd of Virginia. And the Securities and Exchange Commission?

Mr. Hartke. Yes.

Mr. Byrd of Virginia. The railroads must have been profitable because the stocks, for instance, the Penn Central stock—I am taking this from memory, but I think at one time it was up to 87.

Mr. Hartke. I wish to point out, as I did when the Senator was not present, that there are several unanswered questions regarding the Penn Central merger. Before the merger, the New York Central was beginning to move out of its financial crisis. It was able to meet most of its current obligations without much difficulty. In other words, it was reasonably healthy. The Pennsylvania Railroad, on the contrary, was losing money during that same period of time, and it was basically a sick company and very short of cash.

The merger of those two operations resulted in a substantial increase in the market value of the stock. It did go up to over $80 a share, but that was probably based at least partly on speculation, certainly based partly upon reports which, at this moment, are open to question. Up to this time even the trustees in reorganization have not been able to unravel the situation.

A complete investigation of this matter has not been possible up to this time, and it is important to remember that management is no longer in control.

I would like to make another point which has been missed in the discussion here: There are groups of people who would prefer liquidation of this railroad. The Penn Central Co., which is the holding company, requested that we not proceed with this legislation. Very simply, an operating railroad which returns nothing on the investment may be less valuable to the stockholders and the holding company than a railroad which ceases operation. Of course, it would perform no service, but the fact remains that the stockholders and the holding company might be in a better position by having the liquidation and getting a part of their investment out of the liquidation.

There is also the idea on the part of some stockholders and some other people that nationalization would provide an alleviation of the stockholders' and the creditors' difficulties, in that they feel there would be a moral obligation, or even a legal obligation, requiring that after nationalization, if it did occur, the Government would make those investors whole. To a great extent, there are some of us who feel that the management and some of the creditors are certainly not entiteld to be made whole, because of their prior folly.

Mr. Byrd of Virginia. When did the merger take place between the New York Central and the Pennsylvania?

Mr. Hartke. It was scheduled for 1965, if I am not mistaken, and it was consummated, I think—the merger proceedings began in 1965, and it did not actually go into effect, I think, until 1968 or early 1969. I shall have that for the Senator in a moment.

Mr. Byrd of Virginia. Then the operation for the year 1968 was a profitable operation?

Mr. Hartke. That is hard to say. It was reported as being profitable.

Mr. Byrd of Virginia. Well, do we not have to, unless we can prove the figures wrong, go by the official figures that are submitted?

Mr. Hartke. No; too many of the figures have already ben repudiated.

Mr. Byrd of Virginia. Repudiated by whom?

Mr. Hartke. By the trustees in reorganization. The trustees in reorganization put very little value upon the bookkeeping procedures prior to their taking over.

The merger occurred in February 1968, that is when it was actually consummated.

Mr. Byrd of Virginia. What profit did the railroad show for 1968?

Mr. Hartke. I do not have that.

Mr. Byrd of Virginia. The Senator does not have that?

Mr. Hartke. I do not have that here.

Mr. Byrd of Virginia. Is it not correct that companies which are listed on the New York Stock Exchange or the American Stock Exchange—even over-the-counter stocks, for that matter—have to file detailed statements with the Securities and Exchange Commission?

Mr. Hartke. Yes. They file with the ICC, too.

Mr. Byrd of Virginia. Also, in this case, with the ICC.

Mr. Hartke. Yes. I do not have those.

Mr. Byrd of Virginia. Despite that, there is a view among the trustees that the figures submitted to the SEC and to the ICC were inaccurate.

Mr. Hartke. The statement made by the trustees in the committee hearings was to the effect that those figures bore very little relation to the truth.

Mr. Byrd of Virginia. Frankly, I do not know how I would vote on this legislation if the roll were called right now. I think it is a difficult question to decide.

What I am trying to understand is this: Here is a company, or two companies, which at one time was profitable. The company now has assets of between $4 and $7 billion. Yet, the taxpayers are being called upon to bail them out to the extent of $125 million.

Mr. Hartke. Let me say to the Senator that this is not just a unique situation with the Penn Central, although the Penn Central was probably the most aggravated and the most outstanding due to the fact that the Penn Central is the largest transportation company in the United States and the largest railroad system in the United States.

Two factors are involved. One is the question of profit and loss. Because part of the profits were paper profits and part of the revenue, even with the Great Southwest Corp., was reflected as profit but now is being written off as a loss. Second, that management is no longer there. Although I think there is no question that the entire operation of the Penn Central needs to be reviewed in depth, the old management is no longer there. We are talking here, as has been said many times before, about assisting not management, but trustees responsible under law to a Federal court.

As of now, the stockholders themselves are not in control of the operation. The creditors are in either a secured or unsecured position. Even some of the tax payments of the Penn Central to local communities throughout the Nation have been ordered held in abeyance by the court. The entire operation now is under the control of the court.

I point out that this bill is not intended to benefit and, hopefully, is drawn in a fashion in which there would be no benefit whatever to the stockholders or to the prior management or to anyone of that nature. We are attempting here, as I said earlier—and that is the sole concern—to provide for a service which is needed in the national interest.

Mr. Byrd of Virginia. I understand fully in that regard. But the fact is that, whether it is controlled by the court or controlled by the previous management or controlled by the stockholders, those assets are still there.

Mr. Hartke. The figures the Senator has asked for are available in the committee. We have them on file with the committee. But they are of very little value to us now.

So far as the assets are concerned, the assets of the holding company or of the railroad company itself—the holding company is not in reorganization at the present time. Only the transportation company is in reorganization. The court and the trustees have attempted to get at every available bit of cash and every asset. They are attempting to dispose of nonrailroad assets.

So far as the final analysis is concerned, there is no question that this bill is drafted in such a fashion that the railroad would be required, before it would be able to obtain a loan, to make sure that all those assets would be used to the fullest extent possible to provide necessary operating cash.

Mr. Byrd of Virginia. If we are to have a bill, I like the way the bill is drawn.

I yield to the Senator from Arkansas.

Mr. Fulbright. Mr. President, I ask for the yeas and nays on the bill.

The yeas and nays were not ordered.

Mr. Byrd of Virginia. Mr. President, I suggest the absence of a quorum.

The Presiding Officer (Mr. Cotton). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. Byrd of Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The Presiding Officer. Without objection, it is so ordered.

Mr. Fulbright. Mr. President, I ask for the yeas and nays on the bill.

The yeas and nays were ordered.

Mr. Hartke. I want to reiterate a point about the accounting procedures. The accounting procedures used by the company, as the trustees testified to us, tended to put the best light on everything. Those are their own words. The assets, of course, were valued at a figure which was most attractive so far as the public is concerned—not necessarily false, but, as I said, to make it appear that the railroad was in sound financial condition.

Mr. Byrd of Virginia. That is why the Senator from Indiana indicated that it was difficult to tell whether the assets were $4 billion or $7 billion or somewhere between.

Mr. Hartke. I do not want to make the statement that the value is between $4 and $7 billion. It has been estimated that they have a value between $4 and $7 billion. For example, what is the value of Madison Square Garden if it went on the block tomorrow? I do not know. We might be able to say what its cost was originally. But the Penn Central has a 25-percent interest in Madison Square Garden. This is not something one can trade every day in the marketplace.

Mr. Byrd of Virginia. The bill as drawn impressed me as being well drawn and a bill calculated to protect the taxpayers to the greatest extent possible. It is not the bill itself that concerns me as much as it is the policy we may be establishing here and what is going to come after this.

As I recall, the distinguished Senator from Indiana mentioned earlier in the debate that the Penn Central—I believe he said the Penn Central, rather than all the others, not counting the other roads—the Penn Central alone will need between $400 million and $450 million in the next 3 years. Am I correct in my understanding?

Mr. Hartke. The Senator is correct.

Let me elaborate on that. I want to comment upon this in regard to what the Senator from Arkansas has said. So far as establishing a precedent is concerned, this does not establish a precedent, if we refer to title V of the act of 1958. Under that act there was loaned $243 million. The Interstate Commerce Commission administered the guarantee provisions.

Mr. Byrd of Virginia. How much of that has been paid back?

Mr. Hartke. A great deal of it has not been paid back. Some of it is actually in default.

I think it is only fair for the Senate to know that the entire transportation industry of this Nation is on the verge of collapse—financial collapse.

Mr. Byrd of Virginia. The Senator is speaking now not just of railroads but also of the airlines?

Mr. Hartke. I think the airlines, the trucking industry, the railroad industry—all of them. We have a transportation crisis of major proportions on our hands, which is not being met; and I might say that I think too little attention is being given to it.

I think the strike itself, which was diverted by a 1-o'clock-in-the-morning decision, is a forerunner of some of the things we are going to have in the future. I am not talking about labor trouble or lack of labor setlements alone. I am talking about the financial condition of these transportation companies. Their primary concern is lack of available cash, the so-called cash flow. When they cannot pay their employees, no matter whether they have assets by the billions, when they do not have enough money on hand and cannot dispose of those assets in the marketplace, they have to go into bankruptcy; or, if they are a railroad, they go into reorganization.

I want it clearly understood that I insisted that the Interstate Commerce Commission report to us what railroads could have been eligible under the legislation to which the Senator from Virginia referred earlier, which was requested by the Department of Transportation, and which had an aggregate loan guarantee authority of $750 million. The ICC said there were 16 railroads in the United States which might have qualified under that provision. There are only four today which would qualify under the bill before us. This gives the Senator some idea of how severely limited this measure is. But I do not want the Senator from Virginia to be under a misapprehension. I do not want him to come back in March, April, or May and have him say to me, "Well, I thought we settled that matter in December." We are not settling the matter. We are bailing out the Penn Central in effect, and I think that should be clearly understood, because I am convinced, as are the trustees and as are many other people, that unless we do take this action—and I think the Senator from New Hampshire and the Senator from Vermont and others would agree—the Penn Central will cease operations on or about January 8. Some would have us, the Congress, make the finding that cessation of service is imminent. We are not making that finding. We are laying down the criteria. The Department of Transportation would have to make the finding under these guidelines.

Mr. BYRD of Virginia. I might say to the Senator from Indiana, who consistently throughout this debate has made it clear, that this does not solve the problem——

Mr. HARTKE. That is right.

Mr. BYRD of Virginia. That this is only one step in a possible long-range solution of the problem. The Senator from Indiana has made it clear that far more—at least I understood him to say—far more public funds will be sought by Penn Central, or by the trustees of Penn Central in the coming months.

That is the part that disturbs me more than does this particular bill. As I understand it, we are getting into what we might call a bottomless pit when we analyze, as the Senator from Indiana has done, and assuming he is correct in the way he has analyzed the difficulties of some of the transportation companies, there will be no limit to the amount of money the taxpayers may be called upon to put up.

Mr. HARTKE. I think that is a fair interpretation but I add this one thought, it is hoped that money would not all have to come from Federal sources. It is hoped that some of the assets to which the Senator has previously referred can be freed. The trustees have assured me that they will continue to do just that, to attempt to divest themselves of present assets which are not necessary to the operation of the railroad. Included with that would be the Great Southwest and Arvita corp.; but not many purchasers for those items are readily available in the marketplace.

Mr. BYRD of Virginia. They should utilize those assets of the corporation before they begin to call upon the taxpayers. The bill does not——

Mr. HARTKE. In substance it does.

Mr. BYRD of Virginia. In each case the Secretary shall consider the feasibility of requiring the railroads to dispose of nonrailroad assets as a condition of a guarantee—the feasibility——

Mr. HARTKE. There is a reason for that, that in some cases we might force them to divest themselves of an asset at a ridiculously low price as a condition precedent to obtaining a loan. The trustees have assured me that they will make every effort to make this railroad self-sustaining.

Now there is also the possibility that if the railroad were required to divest itself, after January, there would be no purchaser whatsoever, or the assets might go at 10 cents on the dollar. On the other hand, certain assets are necessary which might in the long-run cost the Government and the railroad more money in divestment than if the asset were held.

Mr. BYRD of Virginia. In reading the letter of November 23 addressed to the chairman of the committee by Mr. George M. Stafford, the Chairman of the ICC, he says this:

> We cannot say with any certainty whether bankrupt carriers would find a market for trustee certificates in the absence of Government guarantees. However, we feel that absent such Government guarantees, the trustees certificates could properly only be marketed, if at all, at such exhorbitant interest rates and other conditions as to make them unacceptable.

I hope we will not adopt legislation merely because a railroad, or any other company, must go out into the marketplace and pay the normal interest rates. All interest rates are high these days.

Mr. HARTKE. The Senator raises a good point. This question was raised in the committee and raised in the hearings and we, as a result of an executive session, instructed the trustees to come back with a prospectus to issue certificates to see whether they could not go that final step. However, when the examination of this proposal was made, it was found that there would not be anyone who would be interested in buying the certificates, that it would incur a substantial additional expense just for preparation of what would appear to be a useless gesture.

Mr. BYRD of Virginia. Does the Senator from Indiana have any indication what interest rate might be paid on the Government-guaranteed loans?

Mr. HARTKE. I have no idea. I would imagine within the neighborhood of other guaranteed loans of the Government at the present time.

Mr. BYRD of Virginia. I realize the great problem which the committee is seeking to handle, and I am rather distressed that we have to consider a bill of this magnitude on the 30th day of December, just a few days before the end of this Congress.

But it seems to me that the ramifications of this are such that whatever we do, whether we approve or disapprove it, the ramifications are great.

If we approve it, we set a precedent for future great demands on the taxpayers, and the difficulties facing the transportation system may be very great if we do not approve the bill.

I want very frankly to say that I am in a quandary as to what to do in regard to it.

I do not like the idea of a great big company with all of the assets it has, coming to the taxpayers and demanding that the taxpayers bail them out to the extent of $125 million plus interest, if they are in default on their loans.

But I think this, as I have said before, but I want to emphasize it again, that if Congress is going into legislation of this kind, the bill brought in by the Senator from Indiana and approved by the committee of which he is a member seems to be as restrictive as it appears possible to make.

But I cannot get out of my mind the fact that this great company has tremendous assets. I do not see why it is not logical to dispose of some of those assets and not have them come to the taxpayers to ask for this amount of money.

Mr. HARTKE. I want to thank the Senator from Virginia for raising these questions. They are questions which are on the minds of practically every one of us. We are in the position of choosing not what is the best approach but rather what is the least evil. As of now, so far as I am concerned, I think it is a greater evil to have the whole railroad operation of the Penn Central system stop operating while we are in adjournment. We are about where we were on the railroad strike, about in the same spot, only in this case, the whole system goes down because there is no cash.

Mr. BYRD of Virginia. Is it not correct that the trustees have stated they could not operate this far, yet they have operated this far?

Mr. HARTKE. The trustees have never made this statement. This is part of the difficulty. The statement, of course, was made in the committee by a financial officer of the former operation, a financial officer who is no longer with the corporation.

Mr. BYRD of Virginia. Mr. President, everyone coming before a congressional committee says, "Unless you give us all we want, we cannot survive for more than 10 days." Every governmental agency says, "You must give us every dollar we ask for or we cannot survive."

I was wondering if these people were not in the same category.

Mr. HARTKE. Mr. President, if I thought for a moment that the Penn Central could survive as an operation and provide this service even until the next Congress convened, I would not be in the postion I am now of advocating the passage of this legislation today.

This is not something that I suggest. I am not happy to be here. I am here urging the Senate to pass this legislation based on the information available to me. I think that it is preferable to the other alternative. That alternative, in my opinion, is that we will have a major railroad system which will close its operation because it cannot meet the payroll roughly in the period after the first week of January 1971.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I yield.

Mr. BAKER. Mr. President, I say to the Senator from Virginia that I thoroughly agree with the recommendations made by the Senator from Indiana, bearing in mind—as I am sure the Senator does—that this railroad is operated by a panel of distinguished trustees who are not chosen by the railroad stockholders or even the railroad's creditors or the public, but are appointed by a U.S. District Court judge who had a very precise set of requirements and responsibilities under the terms of the statute.

By the same token, some very precise responsibilities devolve on the trustees by reason of the statute requiring them to report to the court whether or not they can or should continue the asset—in this case the railroad—as a going concern.

The most that we, or the Commerce Committee, can do is to accept in good faith the representations of these trustees. The trustees came to us within a day or two after Congress acted. They said that as a result of many factors, including the wage adjustment, their cash balance—not their assets—would go negative, as they put it in, say, the first week in January. No one can be precisely accurate in that respect. But it would be in early January.

The point is that those of us on the Commerce Committee feel that we ought to trust the judgment of these distinguished Americans who are the trustees. We have no alternative except to trust their judgment. They are there and are close to the event. They are under statutory obligation to inform the court and us according to their best judgment.

They told us that if we do not do this or something like this, they will have to close the railroad while we are home on vacation. Closing down the railroad would be a terrible mistake. It would leave the steam generating plants in the Northeast without coal. Closing the railroad while Congress was out of session would be unconscionable.

I join with the Senator from New Hampshire and the Senator from Indiana in being most reluctant to be in this spot. However, we find that we have no other realistic alternative.

Mr. BYRD of Virginia. Mr. President, I concur in the Senator's appraisal of the trustees. I think they are distinguished Americans. I know that they were appointed by the court.

I point out that practically everyone that comes before a congressional committee is a distinguished American. Most of them are appointed by the President. That does not mean that we must follow them blindly. To do so would be a great disservice to the taxpayers—the wage earners who supply the money the Government spends.

I admit the trustees are distinguished Americans. I think they are very outstanding Americans. I think that they have a tough assignment. That does not mean that they are correct.

I did not have the benefit of reading the testimony before the committee. I would like to read the testimony. Is the testimony available?

Mr. HARTKE. The testimony is available. It is not printed. It is in transcript form.

Mr. BYRD of Virginia. Mr. President, I would like to read the testimony. I assume, however, that I would not have time to read it before the Senate acts on the legislation. However, I would like to read the testimony because this is an important matter.

This is a matter of grave national policy and one which can have very far-reaching consequences on our taxpayers and our Government. I regret that the time element is such that the committee hearings have not been printed and distributed.

Mr. President, I thank the Senator from Indiana.

Mr. HARTKE. Mr. President, I thank the Senator for a very informative discussion.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. ERVIN. Mr. President, I commend the Senator from Indiana for the very frank exposition he has made of this bill and of the reasons which prompt the committee to bring this bill to the Senate.

I have gotten somewhat rusty on my knowledge of receivership law and reorganization law. This is a tragic situation. Am I not correct in saying this railroad—the New York Central and the Pennsylvania which merged under the name of the Penn Central—has more passengers to haul than any other railroad and has more freight to haul than any other railroad in the country?

Mr. HARTKE. Mr. President, the Senator is correct. This is the largest transportation company in the United States. A great percentage of the trade on the eastern seaboard is hauled either directly or indirectly by the Penn Central Railroad.

Mr. ERVIN. Mr. President, as I understand it, when the Penn Central Railroad was placed in receivership by the U.S. district court, the obligation of the Penn Central to make any payments other than current operating costs was stayed.

Mr. HARTKE. The Senator is correct. Not only were they stayed, but after the filing of the petition for reorganization, there was a petition on behalf of the trustees to stay the payment of property taxes to local communities.

This has caused hardship for many local communities. The financial condition of the railroad was that bad.

Mr. ERVIN. Mr. President, under the order of the court, the trustees must use every penny of the current revenue to pay the current operating expenses of the railroad.

Mr. HARTKE. All of the revenue must be used for the operation of the railroad. Very little of it is going for any other purpose.

We have an unfortunate situation in that the revenues have declined. Part of that decline is due to the fact that the service which they were supposed to be able to afford has not been possible under the present financial conditions of the railroad.

Mr. ERVIN. Mr. President, what reasonable hope is there of bailing the Penn Central out of its present situation except through continued aid from the taxpayers if the Penn Central cannot pay its current operating costs out of current receipts, since it has no other obligations it has to pay?

Mr. HARTKE. Mr. President, their present situation is such that it takes all the money they can collect to operate railroads from their receipts.

I want to make one clarifying point. They also pay off equipment certificates.

The difficulty here very simply is that if these certificates are not paid off, there is the right of repossession by the equipment owners. The railroad would then be without the equipment with which to run the railroad.

Mr. ERVIN. Mr. President, as I understand the Senator from Indiana, there is a corporation which has assets of an undetermined value precisely, but its assets are certain to exceed several billion dollars, and we are told they cannot even borrow up to $125 million on those assets.

Mr. HARTKE. They cannot borrow that much or anything like that much.

I think that it has been very well established, that the encumbrances upon the assets are of such a nature and the potential for repayment is so poor that private assistance is just not available.

Mr. ERVIN. But under the law the courts have authority to authorize the trustees to borrow money for the payment of current expenses and make the obligation incurred for those moneys a lien which takes precedence over all other expenses.

Mr. HARTKE. That is correct. This is exactly what would be authorized by the court and in turn guaranteed by the Federal Government, and those certificates, in view of all the evidence, are not now saleable certificates.

Mr. ERVIN. The committee is assured by the trustees, I take it, that notwithstanding the fact that they have the possession of assets worth several billions of dollars, and notwithstanding the fact that the court has authority under the law to make any obligation the trustees incur for current expenses take precedence over all other obligations, they cannot borrow $125 million under those circumstances.

Mr. HARTKE. Unfortunately, that is the situation.

Mr. ERVIN. The only way they can borrow money is that they have to come to an institution, namely the Federal Government, which already owes $383 billion, and which will have to spend $22 billion additional for payment of interest on that obligation, in order to get help.

Mr. BAKER. Mr. President, will the Senator yield on that point?

Mr. ERVIN. I do not have the floor.

Mr. HARTKE. The Senator from North Carolina has the floor.

Mr. ERVIN. No, the Senator from Indiana has the floor.

Mr. HARTKE. No, the Senator from North Carolina has the floor.

Mr. ERVIN. I yield to the Senator from Tennessee.

Mr. BAKER. Mr. President, I wish to add this observation to the answers to the inquiries of the Senator from North Carolina by the chairman of the subcommittee.

I inquired of the trustees, of some of the officers of the previous management, as to why, with assets of several billion dollars, loans could not be negotiated on even a short-term basis to meet current operating requirements. The trustees indicated that they had attempted, on a trustee certificate basis, to borrow money for these requirements that we are now concerned with.

I asked if my recollection of reorganization law was accurate in that trustee certificates, under the act, would be a first and prior lien on the assets of the bankrupt, superior to all claims except other costs of administration. The record of the hearings discloses they answered in the affirmative.

I asked them if it were not strange that with assets of several billion dollars, and the offer of a first lien on those assets, they could not borrow $125 million. They came back at a subsequent hearing and said that yes, it was strange but they could not do it for two reasons. One reason was that for money in that amount, would-be creditors, the lenders, were more concerned with how cash flow would be generated to permit debt service on the loan; and second, whether or not the railroads might be operated in such a manner that all assets were consumed in the cost of operation so that there would be nothing left with which to pay creditors.

The short version of that is, strange as it seemed to me and my colleagues, the trustees represented to us categorically and directly that even on a first-lien basis they had tried and had been unable to borrow the money without Federal guarantees.

Mr. ERVIN. It seems to me that what we are discussing is a matter of policy. The stockholders and creditors make their contributions for stocks, in capital stock, and in their loans to a company for the purpose of making a profit. Now, we have reorganization laws under which you can take one of these public utilities and squeeze everything out of it, all of the obligations. I hate to see things like that done. But between those who go in and buy stock in a corporation to make a profit, and those who make loans to a corporation for the purpose of making a profit, and those who are merely interested as taxpayers and have no take in it, it seems to me that it would be better to take that reorganization and let the loss fall upon the stockholders and creditors. I am talking about the old creditors. It would be better to do that than for the taxpayers to have to pick up the burden of private enterprise. I am not in favor of nationalization of the railroads. I think individuals can run anything better than the Government. I think individuals might be able to run the Government better.

I am not for nationalization but I think this business of everybody coming to the Federal Government to be bailed out of their financial worries is something we will have to face up to and I think the taxpayers are entitled to better representation in Congress than they get when Congress does those things.

Mr. HARTKE. This legislation provides no benefit to any creditor or any stockholder whose interest vested before the railroad went into reorganization. In fact, one of the conditions the legislation provides is that the certificates to which the Senator previously referred cannot be sold without a guarantee. That is a fact the Secretary must find. So this is not a benefit to a corporation. We are simply concerned with a simple fact of life. If what we believe is true, and I think it was the feeling of the committee members that it is true, the railroad is not going to be operating as a railroad the first week in January. The question is not whether you are going to take no action and still have a railroad. There will be no railroad.

Mr. ERVIN. How long have they been in receivership?

Mr. HARTKE. They went into receivership in June.

Mr. ERVIN. This proposition would appeal to me a little more strongly if the trustees had come to Congress and first submitted a plan of organization which would have the tendency to make it certain that the railroad could operate in the future free from all accumulated debts of the past.

Mr. HARTKE. They are. They have no obligation to pay that.

Mr. ERVIN. No, but it has not been reorganized.

Mr. HARTKE. No, there has not been a reorganization. That is not an easy matter.

Mr. ERVIN. I realize it is not an easy matter.

Mr. HARTKE. These trustees have been with this committee almost on a week-to-week if not day-to-day basis. I think they are doing the best they can to keep the railroad running. They have not asked for a handout, but only as a matter of last resort they have asked for the guarantee of a loan. I happen to prefer the direct loan but that has nothing to do with the basic question.

The question is, Are we going to have a railroad called the Penn Central operating in January, 1971? It is my opinion we will not unless this legislation passes. We will not provide any benefit to the old management, the old corporation, the old creditors, or stockholders or anyone else. We are trying to keep the coal going in the generating plants, the merchandise moving, and 40 percent of the railroad passenger service moving.

Mr. ERVIN. Do we have any reasonable hope or expectation—sometimes hope exceeds expectation—that if we pass this bill the Penn Central trustees will not be back in March?

Mr. HARTKE. To the contrary I want to make clear that we can expect them back and should expect them back, and I hope everyone understands this is not a panacea and it is not a cure-all. This is emergency legislation to keep the railroads going while Congress is in recess. That is all it is.

Mr. BYRD of Virginia. Did I understand from the Senator's reply to the Senator from North Carolina, which was similar to his reply to the Senator from Virginia, that the railroad cannot reasonably be expected to become self-sustaining under this legislation?

Mr. HARTKE. This legislation will not do that, and there should be no impression to the contrary. No one that I know of even contends that this legislation is going to make the railroad self-sustaining. Every evidence is to the contrary.

Let me reiterate what I said to the Senator from Arkansas. The trustees have said they are going to need approximately $450 million to keep them going in the next 3 years. That is to keep the operation going. Hopefully, that amount does not have to come from the Federal Government. But let us face it. We are dealing with a transportation crisis. We are dealing with the fact that if the Penn Central collapses, people and merchandise are not going to move and this country could be at an absolute standstill.

Mr. BYRD of Virginia. If the Senator from North Carolina will yield further for an observation, the legislation itself, on page 2, says that the trustees—

"Upon approval by the court, may apply to the Secretary for the guarantee of certificates. The Secretary, after consultation with the Commission, is authorized to guarantee such certificates upon findings in writing that . . ."

Six items are listed. No. 5 is that "the railroad can reasonably be expected to become self-sustaining." And yet all of us say it cannot reasonably be expected to become self-sustaining under this legislation.

Mr. HARTKE. Not under this legislation.

Mr. BYRD of Virginia. That is what the legislation says must happen.

Mr. HARTKE. May I just clarify that point? If there were no hope, if there were no assurance, that the railroad could ever become self-sustaining, then this provision of the statute would prohibit that loan from being made. But the trustees have assured us that the railroad can become self-sustaining, that it can become viable, that if given time and some financial assistance, it can repay these loans with interest, and that it can divest itself of assets which are nonrailroad operating assets, and that they can produce a viable transportation company. That is the entire basis on which this bill is predicated. I would not want anyone to believe, infer, or think that this legislation would make any railroad self-sustaining.

I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, there are several matters "in the works" that might have an ameliorating effect upon the whole railroad transportation problem. One of them is Railpax, which legislation we passed a short time ago, whereby railroads will be able to relieve themselves of passenger service and make freight service self-sustaining and possibly put it on a profitable basis.

That is our expectation, is it not?

Mr. HARTKE. That is the expectation. The names of the directors of that organization have been submitted to us, and we have been able to act on that, insofar as the committee is concerned, just yesterday.

Mr. PASTORE. Is it not a fact that the Government guarantee constitutes a primary lien upon the properties of the railroads?

Mr. HARTKE. That is absolutely right.

Mr. PASTORE. So, in the event something eventually happens, if the property has to be taken under a nationalization program, the U.S. Government could be made whole; could it not?

Mr. HARTKE. There is no question about that.

Mr. PASTORE. Mr. President, will the Senator yield further?

I think what we are losing sight of in this debate is that this is stopgap legislation. It is emergency legislation to deal with a very, very serious situation that confronts the railroads, particularly these in the hands of trustees.

The Penn Central Railroad is a railroad that services the whole New England area. The New England and New York-New Jersey, Pennsylvania and Delaware area, I daresay, is the biggest contributor to the coffers of this country, more so than any other region of this country. There is a highly concentrated industrial complex in that part of the country. I am not boasting now; I am simply stating a fact.

If these railroads grind to a halt—and there is no question that that is likely to happen in the early part of January, and that is the reason they are in the hands of courts—do Senators realize the catastrophe we will have in this country, the number of people who will be out of work? If freight service comes to a halt, we can imagine what will happen to the industrial complex of this Atlantic seaboard region and, in turn, what will happen to the income of the U.S. Government?

I am not saying this ought to be an excuse for a handout. We all understand that. But this is an emergency measure.

The administration came before our committee and suggested that the Secretary of Transportation be given authority to loan money, with Government guarantees, up to $750 million.

Am I correct in that?

Mr. HARTKE. That is exactly right.

Mr. PASTORE. We thought that was going a little too far for the first bite. Not only that, but there was no time limit on it, and it was all left to the discretion of the Secretary of Transportation.

So what happened? Things got worse and worse and worse. So, finally, the Penn Central ended in the hands of the court. I have been the greatest critic of the sloppy way the Penn Central conducted its business. There is no question about that. I have already said that if we were going to give this amount of money as credit to the Penn Central, I would be against it. But we are actually giving it to the trustees who are mandated by the court to keep the railroad running. That is the question before the Senate, and the only question.

Does the Senate want the railroads that are in the hands of trustees to stop as of the middle of January, or does it want them to continue so that we can come back here to see what can be done on a permanent basis? That is what this is all about. We are trying to protect the Government as much as we can by giving it the first lien on the property. The money is going to be borrowed from private corporations on Government guarantees. They cannot borrow money now because they are mortgaged up to their necks. That is the reason why we have approved this measure from the committee.

That is about as simple as I can make it. That is about as simple as it is.

If Senators do not believe the railroads should run, then vote against the bill, but if they want to give them a chance by breathing a little life into them until we can come back here and see what can be done, I say vote for the legislation.

Mr. BYRD of Virginia. Mr. President, will the Senator yield for a question?

Mr. PASTORE. I yield.

Mr. BYRD of Virginia. The Senator from Rhode Island said the railroads are mortgaged up to their necks. With assets of $4 billion to $7 billion, what do the mortgages total?

Mr. HARTKE. There are cases in which the mortgage is probably higher than the present market price.

Mr. BYRD of Virginia. Total properties?

Mr. HARTKE. I am going to tell the Senator that that information is not totally available.

Mr. BYRD of Virginia. Then we could not properly say that they are mortgaged up to their necks when we do not know what that is.

Mr. HARTKE. But the assets are carried at a higher value than that at which they probably could be disposed of.

Mr. BYRD of Virginia. In certain cases.

Mr. HARTKE. In most cases I would estimate.

Mr. PASTORE. The point I make is that it is a sorrowful affair. I hope I am not being put in the position of being the devil's advocate. As a matter of fact, there is no one who has been more critical of them than I have been.

But we are not giving this to Saunders; we are not giving this to Perlman; we are giving it to the trustees. They have been appealing to us to do this in order to keep the railroad going. That is about all it amounts to, and I hope some Senators will realize how serious the situation is.

I do not approve of this awful situation. It is a tragedy in American transportation, and I do not want to be standing on this floor defending it. All I am saying is that the trustees have come before our committee, they have talked to me on the telephone, and they say, "Unless you do this, we have got to stop running the railroads." That is all it amounts to. I say to Senators, if you want to stop the railroads, vote against the bill. If you want to keep them running, vote for it.

I know Senators can pick this thing apart and make it look ridiculous, and I would agree with them. But that is about all I can say.

Mr. JAVITS. Mr. President, I ask unanimous consent to yield momentarily to the Senator from Kentucky without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, having made the remarks that I have in regard to this approach, let me, in many ways, back up what the Senator from Rhode Island has said, though it sounds rather strange for me to say this.

We have been listening to what a major industry apparently is about to obtain from the Federal Government, or what the Federal Government will ultimately obtain from the taxpayers. I think the points of the Senator from Virginia are well taken, and those of the Senator from North Carolina. But I think we are forgetting something.

We are forgetting the fact that an agency of the Federal Government had a great deal to do with this merger. An agency of the Federal Government had a great deal to do with the fact that when this merger took place, the New York Central and the Penn Railroad by virtue of the ICC had to start a mutual operation as the Penn Central the first year of merger. They had to do this while also trying to overcome almost a $400 million deficit. Also when they wanted to merge, the ICC made them take the New York, New Haven & Hartford, and made them pay royalties to other railroads because they had the open coal movement to Detroit, Cleveland, and Chicago, and also made them take furloughed employees back on their payroll. So we are not just talking about what a railroad has done to the American people, or what it is about to ask of the U.S. Government. We are talking about what the Federal Government has done to a railroad that carries a million tons of freight a day, and 300,000 passengers a day.

I do not like this bill, but I think we are overlooking these facts. I am sorry that the Senator from Arkansas is not here, but since he made the remark that all of this somehow or other is the railroads' fault. I think this ought to be cleared up. Because, there are some remarkable railroads in this country that are extremely profitable.

I might suggest that the hearings will show, if Senators will read them, that Mr. Perlman said this was never a merger, it was a takeover, and Mr. Perlman showed statistically that the New York Central never reached its debt limit during negotiations to merge, and that the Pennsylvania Railroad had to ask on three different occasions to increase its debt limit.

So I can only say that we must look at the whole picture. The Penn Central merger was a victim of the ICC. As a result of that victimization, the testimony will show that again Mr. Perlman said that when the B. & O. and the C. & O. were merged, either the Pennsylvania or the New York Central was eliminated from end to end service, and it became necessary to have parallel service in the eastern corridor of the United States. As of that day, Mr. Perlman said, he knew those railroads were dead.

Mr. PASTORE. I do not dispute anything the Senator has said.

Mr. COOK. I am agreeing with the Senator.

Mr. PASTORE. But the fact remains that the question before us now is, Where do we go from here? That is the question, is it not?

Mr. COOK. I agree with what the Senator is saying. My only point was that from some of the colloquy it appeared that somehow or other all the blame for this was being put on the railroads. It appeared that all of sudden the railroads were asking for this, and were getting away with something.

Truly, they have been a victim of denial after denial of freight increases. They have been a victim to the extent that they have had to create and establish conglomerates. I think the Senator from Indiana will agree that they have been a victim of the very system that was created to make a viable railroad system, and had to go out and try to find other means to make a living. They have not been successful.

Mr. PASTORE. But will the Senator agree that there was a personality clash between Saunders and Perlman?

Mr. COOK. I would say that there was not only a personally clash between Saunders and Perlman, but that there was a personality clash between every employee of the New York Central and every employee of the Pennsylvania.

Mr. PASTORE. But when they went to the ICC to merge, they painted a rosy picture.

Mr. COOK. One of the ways in which they were victimized was that they were ordered to take over the New Haven. They tried hard not to, but that was one of the conditions of the merger.

Mr. PASTORE. But all that is past history.

Mr. COOK. I agree.

Mr. PASTORE. The point I am making is, now, today, What is going to happen after the middle of next month? That is what we are trying to solve here today. Recriminations will not solve anything this afternoon; it is a matter of a little bit of help to the trustees, to keep the railroad going to the sake of the public interest.

Mr. JAVITS. Mr. President, I would appreciate having the attention of the Senator from Indiana, as I intend to address myself to the matter of the bill before the Senate.

Mr. President, we are seeing but the tip of the iceberg in respect to this matter. The debate has certainly, I think, touched on some of it, but by no means all, and I speak from the following two positions: First, as the ranking member of the Labor and Public Welfare Committee, I have had to contend with railroad strikes for some years now, including one very recently which we are still in. All we have is a stay now, until March 1, which is the date we fixed—about a 60-day stay. The railroad unions may yet walk out, Mr. President.

The second thing which affects me is the condition of the money markets and the securities markets, which directly affect this bill. Mr. President, there is no question about the fact that notwithstanding the large assets of the lines—that is, the Penn Central lines—that by no means guarantees that they are going to be able to borrow money on trustees' certificates. As a matter of fact, the experience with lenders upon these trustee certificates has been rather unsatisfactory in many cases because it is a matter over which courts and appellate courts have jurisdiction. There are many claims, naturally, with respect to the operations of these railroads, including compensation and other hazards which they run. Hence, it is very understandable that without a U.S. guarantee, considering the depth of the problems that the Penn Central faces, the trustees will find themselves unable to borrow money, notwithstanding the first lien status of the trustee certificates.

I really think that, taking that point—and I know there is no doubt about its validity—it is very hard to see how we can fail to pass this bill if we want to keep the Penn Central operating. And the overwhelming evidence is that it would materially affect the economy if it stopped.

For example, there would be a 3-percent decrease in the gross national product 8 weeks after the railroad ceases operation, and an unemployment level for the Nation of 8 percent, rather than the present 5.9 percent, if the railroads should stop. In addition, it would be a very material blow to electric utilities, which depend very heavily upon coal transported by Penn Central. It would be a very material blow to manufacturers of all kinds, from iron and steel to consumer products. The Penn Central is the second largest grain hauler in the United States.

Mr. President, without these services, not only would our country be very materially injured, but also our national security would be very materially jeopardized. It is inconceivable that we could let the railroads stop. What would happen, in my judgment, without any question, would be a takeover of the railroad by the United States and its continued operation under those auspices—probably a very much more expensive thing than to make the guarantee of $125 million which is now contemplated.

So I do not think there is any question about the fact that this bill should be passed. I shall support it, and I hope the entire Senate will support it. Inasmuch as this is the very end of the session, I hope we will simplify our problems by adopting, insofar as we can, the House bill, so that the matter can be closed up and become law and the trustees can go ahead and borrow this money and keep the road operating, before we have a new Congress, with all that that implies in the way of delay due to the organization of both bodies.

As I said earlier, this is but the tip of the iceberg. The rest of the iceberg touches a number of matters. First, the general poor position of liquidity of the American business system. This is true not just of Penn Central but also many other corporations, including railroads. I hope many Senators will not become subject to a state of euphoria, for we have by no means surmounted the financial and economic crunch which this country faces. We have not effectively controlled inflation. It still goes on, roughly at the rate of 6 percent a year, which is a completely unacceptable level. We have not dealt with the tradeoff which is far too expensive in the way of employment, which is now up to 5.9 percent and could go to 6 percent and more. Even the most optimistic economists predict that.

We have not dealt with the international balance of payments, which is still seriously dangerous to us, including the callability of more than $20 billion in dollar obligations which are held around the world by many people and especially by the central banks of the world. We still have not overcome the grave competitive dangers we face in the world, with competitors, in a commercial sense, dashing ahead of us by virtue of greater automation and, in many fields, better technology.

Mr. President, these are very, very grave troubles faced by the United States. A very major trouble is the push upon wages, where inflation is being discounted as much as it is in interest rates, with a resultant increase in the cost of American productivity and severe damage to the American economy. Generally speaking, that does not promise well for our economy's immediate future.

With all those things facing us, a rationalization of the problem of the liquidity of American corporations, many of which find themselves incapable of borrowing in present markets, is very serious. I would seriously invite the attention of the Senate to the fact that we ought to be acting not just on the Penn Central but also on the general liquidity crisis in the country, and giving our Government officials a range of authority which would be great enough to head off disasters other than Penn Central, which could very well be impending tomorrow and for which we would be quite as unprepared as we were for Penn Central.

Seven hundred and fifty million dollars was requested as guarantee authority for transportation alone. It should have been granted, and we might have avoided the worst of this particular failure. Some $5 billion is suggested in a bill of my own, also as guarantee authority to provide liquidity generally to aspects of the American business system which render services essential to the public interest and the public security and which may very well tomorrow be in the same liquidity crisis that Penn Central is in today.

The second thing, aside from liquidity, which needs attention is the ultimate resource of the country in the event of stoppages caused by labor-management problems in respect of the railroads. I think it is shocking that at this late date we are still improvising ad hoc measures with respect to railroad strikes which can immobilize the railroads of the country.

Of course, it is very clear that an important problem which is faced by the trustees operating Penn Central is the wage increase which we, ourselves, were compelled to legislate as part of the way to head off a railroad strike which would have been, for all practical purposes, a general strike in the United States.

Mr. President, the other lesson we must draw from this bill is the fact that we urgently need legislation. And there is legislation before us—including an administration bill—I might add, on which we have not even been able to get a hearing in the Committee on Labor and Public Welfare, to deal with the danger of national paralysis strikes such as a railroad strike. I would certainly hope that Senators will take from the need for passing this bill on an emergency basis the deep lesson which is involved, and which requires action also upon a bill dealing with national paralysis strikes.

Finally, Mr. President, when I rose, I was going to discuss the very thing which was touched on by the Senator from Kentucky (Mr. Cook). Aside from our contribution and our fault in respect of this whole matter, in leaving the United States without the needed kind of guarantee authority, and without laws to deal with the danger and threat of a national strike, such as a strike on the railroads, we now turn to the ICC. An examination in depth, I should like to advise the Senator from Indiana, the chairman of this particular subcommittee, is certainly required as to the responsibility of the ICC in bringing this particular railroad to its knees and to a liquidity crisis which could happen to others.

In addition to what the Senator from Kentucky has presented to the Senate, as to whether this merger, which was brought about in the way he described, was desirable or undesirable, we have the additional fact that the ICC itself is encumbered with almost as many work rules and old traditions and shibboleths with respect to the operations of the railroads and their rate structures, and so forth, as is true in respect of labor practices in so many aspects of the railroad industry, which we have been trying to rationalize for years. And the delay and the time it takes before filing a petition and getting action from the ICC is again a critical aspect of this situation.

I hope very much that the committee itself will look into this whole question of the contribution to the problem which the ICC is making in its own operations—probably unwittingly, except for the basic internal practices of the ICC and how it has operated for years in respect of the railroads and the health of the railroads.

The Senator from Arkansas (Mr. Fulbright) has raised a pertinent inquiry. It may very well be that we cannot operate the railroads in the way we have been operating them. I yield to no one in this Chamber as an advocate of the private enterprise system or how it best serves the public interest or its critical essentiality to the freedom of this country. I know enough about that system not to want to see a breakdown. But in my judgment, we are asking the railroads of the country under private enterprise to carry an impossible task. That is why we organized Railpax. Whatever may be the objections to it, at least it is going at the central issue involved, and we may have to go further than that. We cannot shrink from the possibility that much of our railroad mileage may have to be taken over and operated in some governmental or quasigovernmental form.

I would strongly urge that we insist that this question be analyzed and studied, and that the Congress be briefed on it, and that we do not shrink from those decisions, especially for those Senators and Representatives who are the most heavily interested in seeing the private enterprise viable and successful. There is nothing more certain to break it down, to damage that system more, than failure. There is nothing that will help it more than success.

I think that this is a very serious case in point, and we should learn the lessons from this particular crisis which we face today. I thoroughly agree with the Senator from Rhode Island (Mr. Pastore) that there is nothing whatever we can do about this crisis except to pass the bill. So that I hope the Senate will pass it.

The Presiding Officer. (Mr. Schweiker). The bill is open to amendment. If there be no further amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

Mr. Byrd of Virginia. Mr. President, the Senator from Indiana has kindly given me the statement of the trustees balance sheet, January 1 and September 30, for the 2 years, both 1969 and 1970. I notice on the balance sheet an income statement where it is charged during the 9 months of 1970 a figure called miscellaneous income charges of $18,952,705.

The reason that figure stands out in my mind is that for the preceding 9 months of the preceding year, the miscellaneous income charges were only $2,009,752.

What I am wondering, whether the statement is really as bad as it appears to be, when the miscellaneous income charges were increased ninefold in one 9-month period.

Mr. Hartke. I understand what the Senator is saying. However, I am not in a position to give a definitive answer to the Senator. I might call his attention to the fact that if he will go to the net income and net loss figures, it shows a comparable net loss of $49 million in 1969, in the same period, $233 million in 1970.

Mr. Byrd of Virginia. That is when we take into account the fixed charges. As I understand it, the trustees do not need to take into account——

Mr. Hartke. I quite agree.

Mr. Byrd of Virginia. The fixed charges, so that the comparable figure, it would seem to me, would be a profit of $48 million against a loss of $124 million.

Mr. Hartke. That is a fair figure, but even those figures will not hold up in the present situation, because it includes, in addition, other revenues which are not strictly operating revenues.

Mr. Byrd of Virginia. I realize, Mr. President, that the figures cannot be made available today, since we are at the end of the session and a vote is about to be had on the bill; but could I ask the committee to furnish me with the information on these miscellaneous income charges, which have gone up ninefold in 1 year under the trusteeship, and also if the committee would furnish to me the statement submitted by Penn Central as to its earnings, profits or losses, going back to the time the two companies merged, and also the earnings and statements of the Penn Railroad, separately, along with the New York Central?

Mr. Hartke. Those figures will be provided. Let me say that Penn Central is the holding company and the Penn Central Transportation Co. is the operating company. I think what the Senator wants is the Penn Central Transportation Co. figures. We will be glad to supply them.

Let me point out that they have about 50 accountants working full time on the statements. That is part of the difficulty. If the Senator will read the comments, he will find that the trustees have been attempting to find out what the assets are, what the encumbrances are, and whether there is any possibility of a sale. There was a period, for example, where they could not find all their locomotives.

Mr. Byrd of Virginia. I appreciate the difficulty in a company as large as Penn Central, but if the committee could furnish me with these figures, I would appreciate it.

Mr. Hartke. We will be more than glad to do that.

Mr. Byrd of Virginia. Was it not 170 holding companies?

Mr. Hartke. Those were the holding companies in the Penn Central operation, that is correct.

Mr. Byrd of Virginia. I thank the Senator.

[From the Congressional Record,
July 26, 1973]

Financing for Penn Central

Mr. Harry F. Byrd, Jr. Mr. President, to expedite the work of the Senate, I want to speak very briefly on legislation which will be before the Senate tomorrow. It is S. 2060, the Emergency Rail Services Act Amendments of 1973.

There is a time limitation on that legislation. For that reason, I wanted to put into the record tonight some comments on that legislation.

Mr. President, on the 30th of December 1970, the Senate passed legislation which provided for a $125 million loan guarantee for the Penn Central Railroad. During the course of that debate I stated this on page 26122: That the legislation then pending—

"Is only one step in a possible long-range solution to the problem. The Senator from Indiana has made it clear that far more—at least I understood him to say—far more public funds will be sought by Penn Central or by the trustees of Penn Central in the coming months."

Then I stated:

"That is the part that disturbs me more than does the particular bill. As I understand it, we are getting into what we might call a bottomless pit of tax funds."

So I opposed and voted against that legislation for a $125 million Federal loan guarantee for the Penn Central.

Now we come to today and on the calendar we have S. 2060, which will be taken up tomorrow. What does it do? Up to this point we have been involved in loan guarantees. This bill would authorize the appropriation of $210 million from the Federal Treasury for the Penn Central Railroad. I am just wondering where this is going to stop.

I recognize the importance of the Penn Central tracks. I recognize the importance of having a good railroad transportation, but, after all, this is a private company. It has been through the years. And what concerns me about the pending legislation is that it does not solve anything. There are various plans floating around, but this in itself is not a plan. All the Congress will be doing is authorize the expenditure of $210 million out of the Federal Treasury as a continued bailout for a failing business enterprise.

I recall also it was just last week that the Senate, after a 12-minute consideration, passed legislation authorizing loan guarantees of between $2 and $3 billion to the railroads for the acquisition of rolling stock. Then we come to this week and we have legislation which will be voted on tomorrow for $210 million out of the Federal Treasury for the Penn Central Railroad.

I have considerable concern as to the amounts of money which the Congress is appropriating to private business enterprises. I am hopeful that some consideration will be given to a feasible plan to take care of the

Penn Central without calling on the taxpayers every year or so for more and more funds.

The particularly undesirable aspect of this is that no plan has been agreed upon by the various parties. This is just pumping $210 million more into failing business enterprises. Many corporations all over this country go into bankruptcy every year. There are many thousands of them. The last time I checked, it was 11,000.

How much more money are we going to pour into these failing corporations and these bankrupt corporations? How many more corporations is this Congress going to undertake to bail out?

Mr. HARRY F. BYRD, JR. I reserve the remainder of my time.

Mr. GOLDWATER. Mr. President, I yield myself 5 minutes.

Mr. President, it is not easy to see any American corporation or company or individual enterprise face bankruptcy or face the threat of closing. Yet what we are being asked to do here this afternoon, while it might prolong the life of the Penn Central, gives no guarantee that it will insure it. I believe we are establishing a very dangerous precedent. I said the same thing when we advanced money to Lockheed Aircraft Corp. and I say the same thing about the Penn Central. If we can advance money to Penn Central and to Lockheed, why cannot the corner family store come in here and ask for money to be used to pay its bills and prevent bankruptcy? Why cannot any company or, as far as that goes, any individual American come to the Congress of the United States and ask financial assistance and, by this precedent, expect to get it?

I think it is very dangerous. We are already, as has been said by the distinguished Senator from Virginia, throwing money down many, many rat holes, far more holes than we have rats, and that is kind of hard to believe in this country. I do not want to see this Senate go on record, or this Congress go on record, as favoring the continued bailout of companies, no matter how big they are.

Not every company in this country today is in good shape. I visited with some of my copper mine people this morning. The demand for copper is down for the first time in many, many years and the world price and the national price have gone down. This has resulted in unemployment in my State, in New Mexico, Montana, and in other States in the West, including Utah, where copper is mined. Yet they are not coming in here asking that we advance them money so that they can carry themselves through. True, they are in much, much better condition than the Penn Central.

The Penn Central has been a long time getting into this bad shape. I think we made a mistake, when we first entertained the idea of advancing them money, when we did not insist that the company clean up its practices, modernize its system. In fact, we might say that to almost any railroad in this country as of now: "Put down some new track, buy some new equipment." They say, "We do not have the money to buy it." They probably do not have the money to buy it because they have not been giving the kind of service they should have been giving down through the years.

Mr. President, my effort is not to downgrade Penn Central for its efforts, or the efforts of any corporation in this country. I merely want to put myself on record as being firmly opposed to the Congress of the United States appropriating taxpayers' money to bail out any company in this country, I do not care whether it is the biggest corporation or the smallest individual business, and I shall vote against it.

Mr. STENNIS. Mr. President, I yield myself 5 minutes.

I was chairman of the subcommittee a few years ago handling appropriation bills for transportation, and I very definitely remember the problem of railroad transportation for what I will call our Eastern States, particularly.

I strongly supported the concept of some experimental transportation practices that they wanted to inaugurate from Boston to Washington, as I remember, and then from New York to Miami. We had those experiments, and I supported them for several years, recognizing the problem. And it just may be—I have not checked it, but I believe that I supported the first appropriation in this matter, involving the Penn Central.

But it has gone on so long, Mr. President, and has reached such proportions, that I believe some protest vote, anyway, if nothing more, should be registered here against this pattern that we are setting up. Certainly I want to see them come out of the hole, and still hope they will.

I have no prepared speech, but I just happen to have in my pocket here some figures that are authentic with regard to applications that we already have.

The national debt of $487 billion is just the beginning, just the start of real obligations that we already have.

We hear references to the social security obligations that have already accrued. These are amazing figures. Fortunately we have a financial system for that, that I hope is sound and will continue sound, but at the same time we have obligations that have accrued for which no appropriation has yet been made from the Government's standpoint, according to these figures, running over $1,000 billion, or very close thereto.

We have certain compensation guarantees in the way of veterans' compensation and pension funds, something that is not going to be neglected, of around $177 billion.

There are certain Government guarantees in other fields of $159 billion.

I want to make the additional practical point, too, that as I understand there would be a much better chance for this Penn Central line to come out, so to speak, if the management would just agree that there are certain so-called feeder lines that are part of the Penn Central system but are more or less feeders, that do not pay their way and will not prospectively pay their way, that perhaps should be cut off as appendages and sold for whatever they will bring. I know nothing about railroads, operating them, or anything of that kind. But until there is a stronger showing made here, and especially since this sets a precedent under which all areas of the country will have to be treated equally for spending billions and billions of dollars, I think under these conditions I will not further, for the time being at least, support this measure.

I am just not willing to agree that this cannot be done by private enterprise. I think it can be done. With sounder progress being made, and a better plan being made for the Government to temporarily hold them up and help them become solvent, I would perhaps support it. But we are wandering around in that field, and I say that with all deference, of course, to the managers of the bill. I know that we have bills that make all kinds of trouble along this line, and are hard to terminate.

Mr. President, I yield the floor.

Mr. HATFIELD. Mr. President, today is a very significant day for the future of railroads in the Northeastern and Midwestern regions of the United States. Today the Senate will continue to consider and vote on an additional $347 million subsidy for the Penn Central Railroad and other smaller railroads in the Northeast. This is just another in what promises to be a series of governmental "bailouts" of this beleaguered railroad system. Also today, the U.S. Railway Association—USRA—releases their preliminary report on the consolidation of these railroads into one system—hopefully with improved efficiency and a greater profitmaking capability.

I shall vote reluctantly in favor of the continued subsidy to the Northeastern railroads. This is only to keep them viable until the USRA can implement the system plan under the stewardship of a new consolidated corporation to be known as ConRail. The need for a more efficient nationwide rail system for purposes of hauling both passengers and freight, in light of the current concern for the wise use of our energy resources, justifies this additional Federal aid. The economic dislocations that would result if these railroads were allowed to collapse outweigh my dislike for Government bailouts of this kind.

With the release of the preliminary report by the USRA we hear talk of nationalizing the railroads. I wish to remind my colleagues of an alternative to complete collapse and nationalization as designated in the original law—Public Law 93-236—creating the USRA. This is the concept of the "employee stock ownership plan." In the Regional Rail Reorganization Act of 1973, section 206(e)(3) provides for the implementation of ESOP "to the extent practicable." Having looked at the USRA report I see no indication that such a plan will be used to help restore the railroads to financial health.

Nowhere in the "preliminary system plan" released today, is there any mention of ESOP, either with regard to its possible use or in explanation of why it is not to be used. This fact will be the subject of a letter which I will send to the Board of Directors of the USRA. If ESOP is not going to be implemented at all, I think we in the Congress should at least know why.

Mr. President, so that I may bring this matter to the attention of my colleagues once again, I would like to resubmit for the Record my "Dear Colleague" letter of November 5, 1973, as well as some background materials in support of the ESOP concept. I hope that this idea has not been forgotten, and that it will still be considered as a possible alternative to the general collapse or total nationalization of the railroad system in the United States.

I ask unanimous consent that the letter may be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Committee on Appropriations,
Washington, D.C., November 5, 1973.

Dear Colleague: Soon the Senate will begin consideration of legislation to revitalize the bankrupt rail systems of the Northeast. I believe this offers an opportunity for a full discussion of possible alternatives to nationalization.

Increasing federal subsidies are not sufficient to prevent continued deterioration and future labor-management conflicts. Federal solutions, in their present form, are an open invitation to bailouts of other ailing railroads and industries. Our railroad crisis is merely one more in a growing parade of examples where a bankruptcy in leadership and vision has led to a vacuum in our corporate sector which, not surprisingly, has been filled by increasing government powers and controls and new and more costly bureacracies.

I am, therefore, proposing an amendment to whatever bill passes the Senate. This amendment would signal a healthy, new direction for the proposed Northeast Rail Corporation and the Federal National Railway Association, as proposed by the Pearson-Beall amendment, by adding a provision to the financing and labor relations sections of this bill which would explicitly mandate "to the maximum extent practicable" the use of an Employee Stock Ownership Plan for financing transfers of corporate assets and future expansions of the reorganized system. Enclosed is a copy of this amendment, together with a comparison of ESOP financing with conventional debt financing and a one-page summary of how this amendment would benefit taxpayers, workers, railroad users, and the public generally if applied to the future system under projections of the Department of Transportation.

The Employee Stock Ownership Plan is, in my opinion, the most important innovation in investment finance developed in recent years. The ESOP would spread stock ownership systematically among all employees, at no personal risk to themselves and without reducing their take-home pay or other benefits. And by building a vested and growing property stake and rising dividend incomes into each member of the corporate team, anyone—management, union officials, and blue collar workers alike—would share a unity of interest in the growth and profitability of the Northeast Rail Corporation, if this is the approach adopted by the Congress. Technological improvements, now viewed as a threat to workers, become a growing source of each worker's retirement and preretirement income under an ESOP. Thus, by offering significant equity opportunities to its work force, the new rail corporation would not only begin on a more viable footing, but, through its ESOP, can offer taxpayers some hope for an efficient, unsubsidized and relatively strike-immune rail system in the Northeast corridor.

From a taxpayer's standpoint, this amendment would add no Federal costs to the present railroad proposals now being considered. In fact, the ESOP is, I feel, our only hope for converting what is today a significant tax loser into a future, tax-paying member of the corporate community. The ESOP's advantages for meeting this crisis and other kinds of economic problems have received extensive treatment in many business and scholarly journals and in several important books on the future of the American economy. A growing number of labor leaders have recognized the ESOP as offering new horizons for democratic unionism. And from a moral and political standpoint, we have nothing to lose and everything to gain by adding an ESOP provision to the Northeast Rail bill.

I sincerely hope that you will join me as a co-sponsor of this amendment to provide all employees of the proposed Northeast Rail Corporation an equal and fair opportunity to share in its ownership. Should you wish to do so, or if you have any questions, please contact me or have a member of your staff contact Tom Imeson at x53753 by Tuesday, November 13.

Kindest regards.

Sincerely,

Mark O. Hatfield,
U.S. Senator.

Comparison of Conventional Debt Financing with Employee Stock Ownership Financing

The process by which newly formed capital (improved land, new structures, and new tools) is brought into existence under conventional financing techniques can be functionally analyzed from the following example. Suppose a corporation has done its feasibility study for a contemplated expansion (self-liquidation within a reasonable period of years is the essential logic of business investment) and concludes it should spend One Million Dollars for new tools in order to increase output of goods and services for which it foresees a profitable market. The corporation goes to its bank or other lender, convinces the lender of this "feasibility," and borrows the necessary funds—let's say repayable in installments over five years. The picture looks something like this:

* * * * *

The important aspects of this technique of finance are:

When the loan is paid off *incremental productive power* equivalent to One Million Dollars of tools has been built into a stationary stockholder base. An individual may sell stock which he owns in the corporation, and another individual *with capital* may buy the stock, but no net *new capital owners* are created in the process.

Since, as a matter of fact, virtually the entire personal ownership of productive capital in the U.S. economy lies in the top 5% of wealthholders, it is clear that a principal contributor to this *concentration of ownership of productive power* (productive input being the business basis for personal outtake or income) under the double-entry bookkeeping logic of a market economy lies in a technique of finance that builds all incremental productive power into a tiny stock ownership base that already owns *functionally excessive* productive power, having in mind that the ultimate economic purpose of production is consumption. Those who must constitute the great majority of ultimate customers for business—the people with present and potential unsatisfied consumer needs and wants—do not acquire incremental productive power through this process. Those who are in fact already excessively productive (in relation to their present or potential consumer needs or wants) acquire all incremental productive power.

The other principal methods of financing new capital formation, those using internal cash flow such as retained earnings, investment credits, depletion, accelerated depreciation, etc., all have precisely the same concentrating effect. In the aggregate, all of the conventional techniques of finance above mentioned accounted for nearly 98% of new capital formation during the past decade.

The sole remaining financing method, the sale of new equities for cash, has the same concentrating effect: the new stock is sold to people with capital who can pay cash for it.

In short, the logic used by business in making investment—the logic of investing in things that will pay for themselves—is not available to the 95% of Americans born without family capital ownership. As the nonhuman factor increases in quantity and in relative productive power, its ownership remains concentrated in a stationary fraction of the population. With rare exceptions, employees, including executive employees, do not own functionally significant amounts of productive caiptal.

Business finance, because of our incomplete national economic policy (a failure to interpret the Employment Act of 1946 as requiring a broadening of the ownership of capital in order to achieve "maximum purchasing power" in the hands of those who need it) and our attempt to solve the income-distribution problem entirely through employment, has failed to recognize the importance of creating new owners of capital *without diminishing* the *take-home pay* of labor. Business operates in such a way as to deprive even the employees, both sub-managerial and managerial, of the great corporations (1,000 of which produce nearly 80% of the goods and services of the private sector) of effective means of legitimately acquiring the ownership of viable holdings of capital.

The end result, to which businessmen naturally object, is that it falls to Government to close the purchasing power gap which occurs when 5% of families (who own all the capital) acquire ownership of all incremental per capita productive power, and the majority, with most of the unsatisfied product needs and wants and rising expectations stimulated by all the modern techniques, acquire ownership of none of the incremental productive power. The techniques government must use to close the purchasing power gap, and the effects of its actions, are too well known to dwell on here:

Welfare redistribution of every imaginable kind.

Redistributive taxation of every conceivable kind.

Subsidization of employment, both within and outside government, of millions of people who would not be employed except for the subsidies, the cost of which subsidies are a social burden upon the present and future of the economy directly affecting the quality of the life of the people, although the conventional wisdom overlooks them in evaluating the performance of the economy.

The adoption of myriads of pieces of legislation encouraging employees to demand and receive more pay for less work, even to the point of demanding increasing pay for no work input whatsoever. All such costs go into the prices of products, thus creating inflation, artificial scarcities and a decline in the economic quality of life, where plentitude and growth in the affluent quality of life should prevail because it is consistent both with the objectives of business, with its technical capabilities and with the desires of the people.

A rising sense of strife between management and labor, and between the rich and the poor—a natural result of governmental redistribution.

A growing sense of economic alienation and helplessness, the natural result of not owning capital in a world where most of the wealth is produced by capital.

The fiscal integrity of government is being destroyed at every level, as a result of our defective corporate strategy and incomplete economic policy that attempts to solve the income distribution problem through employment alone rather than jointly through employment and broader ownership of capital, the other factor of production. From the municipality, the county, and the state, to the Federal government and the United Nations, staggering but still growing debt (the not-so-secret source of our precarious present prosperity) is being piled upon unwilling taxpayers and the taxpayers of the future, while the underproductive and non-productive masses demand more welfare, more subsidies, more redistribution.

The solution is to facilitate financing a significant portion of new capital formation, and normal business changes in the ownership of existing assets, by techniques that legitimately build the ownership of viable capital holdings into corporate employees without taking anything from their take-home pay or their universally inadequate (or non-existent) savings, and to do this by making the self-liquidation investment logic, traditionally used by the corporation itself, available to the corporate employee to whom capital ownership is traditionally only a frustrated dream—the frustrated American Economic Dream.

The basic building block for bringing about such change in the pattern of ownership of capital in the U.S. economy is ESOP financing (the possible variations are numerous). Using the assumptions referred to in connection with the discussion of traditional financing, Model I it may be described as follows:

* * * * *

The most important aspects of the ESOP financing techniques are:

The loan is made not directly to the corporation, but to a specially-designed ESOT that qualifies as a tax-exempt employee stock bonus trust, or money-purchase pension trust designed to be invested in employer stock, under Section 401(a) of the Internal Revenue Code. Such trusts normally cover all employees of the corporation; their relative interests are proportional to their relative annual compensation (however defined) over the period of years that the financing is being paid off. The trusts are normally under the control of a committee appointed by management and its membership may include labor representatives.

The committee invests the proceeds of the loan in the corporation by purchasing newly issued stock at its current market value.

The trust gives its note to the lender, which note may or may not be secured by a pledge of the stock. If it is so secured, the pledge is designed for release of proportionate amounts of the stock each year as installment payments are made on the trust's note to the lender and the released stock is allocated to participant's accounts.

The corporation issues its guarantee to the lender assuring that it will make annual payments into the trust in amounts sufficient to enable the trust to amortize its debt to the lender. Within the limits specified by the Internal Revenue Code, such payments are deductible by the corporation as payments to a qualified employee deferred compensation trust. Thus the lender has the general credit of the corporation to support repayment of the loan, plus the added security resulting from the fact that the loan is repayable in pre-tax dollars.

Each year as a payment is made by the corporation into the ESOT there is allocated proportionately among the accounts of the participants in the trust a number of shares of stock proportionate to the participant's allocated share of the payment. Special formulas have been designed to counteract the relatively high proportion of early amortization payments used to pay interest and the relatively high proportion of later amortization payments used to repay principal.

As the financing is completed and the loan paid off, the beneficial ownership of the stock accrues to the employees. Most trusts are designed to permit the withdrawal of the portfolio in kind, subject to vesting provisions, either at termination of employment, or at retirement. However, it is desirable to so design the ESOT that any dividend income on shares of stock that have been paid for by the financing process and then allocated to the employees' accounts be distributed currently to the employee-participants, thus giving them a second source of income.

Diversification of the trust can be achieved after a particular block of stock has been paid for by exchanging the stock, at fair market value, for other shares of equal market value. Since the trust is a tax-exempt entity, such diversification is without tax impact.

While there is temporary dilution of the equity of existing shareholders at the outset, due to the fact that both stock and a limited and special type of loan obligation are outstanding, each year as the corporation repays its debt in pre-tax dollars through the trust, a cash accumulation is set aside that eventually, either within the financing period or thereafter, taken in conjunction with the considerations mentioned in the following paragraph, restores the dilution because of the yield on invested net worth of the tax saving.

When all factors are considered, including the cost and relative inadequacy of most alternative private retirement systems (for which the ESOP becomes a substitute), the probable costs and losses to the corporation resulting from (i) the inevitable demands of employees for progressively more pay in return for progressively less work input where they have no opportunity to accumulate significant capital ownership over a reasonable working lifetime; (ii) the shrinkage of markets for the corporation's products or services from the otherwise inevitable inflation of its product prices; and (iii) the added costs to the employer from alienation and demotivation of employees not enabled to acquire capital ownership in an economy where capital is a chief productive factor, etc., the cost of capital under Model II ESOP financing over the long term, i.e., beyond the financing period, is no greater, and will normally be less than the cost of capital resulting from any of the techniques discussed under Model I above.

Reorganized Northeastern Railroad System Benefits to be Derived Under Employee Buyout Through ESOP Financing

THE U.S. ECONOMY IN GENERAL

An efficient, unsubsidized, strike-immune rail system in the Northeast corridor.

A dramatic example of how a sick industry can be revived by creating a unity of interest between management and organized labor through widespread access to corporate ownership and dividend incomes among all employees . . . without affecting traditional jurisdictional prerogatives of management vis-a-vis union leadership.

A positive alternative to nationalization and current trends toward nationalization and taxpayer bail-outs of our railroads.

Cuts government costs and reduces pressures on almost bankrupt present railway workers retirement system . . . yet raises the tax base.

WORKERS EMPLOYED AFTER REORGANIZATION

No reductions in present pay levels, present retirement contributions, and other present employee benefits.

An opportunity to buy and pay for a sizeable chunk of stock in the new company ($10,000 on the average per worker), and to own this stock in the same way as America's wealthiest families accumulated their property holdings: through access to corporate credit, with personal risk cut off by the insulation given under law to a corporation.

No taxes paid on any worker's property acquired through the ESOP, on any appreciation in value of a worker's holdings, or dividends, as long as these assets remain "sheltered" within the ESOP.

In addition to wages, a second income from dividends on stock held by the ESOP for each employee during his working years (an estimated supplement of almost $3,200 per year for the average employee after 5 years, based on conservative profit projections of the U.S. Department of Transportation). Dividend checks received by workers on-the-job or upon their ultimate retirement or displacement by automation are, of course, subject to personal taxes, the same as paychecks.

An opportunity to share with his fellow workers additional company stock and diversified holdings of other companies or real estate, acquired through future financings by the ESOP, as the new corporation expands, adds new and more efficient equipment, or otherwise seeks new sources of income.

A better answer to automation than demoralizing featherbedding, make-work, spread-work, etc.

A personal stake in cost-cutting and higher corporate profits, thus enabling the industry to become more competitive, to grow faster, to expand into new territories, and generate new jobs.

An inflation-proof capital estate to pass on the one's heirs.

Amendment Proposing Consideration of an Employee Stock Ownership Plan in Final System Plan

On page 5, between lines 23 and 24 insert the following new subsection and renumber accordingly:

"(5) 'Employee stock ownership plan' means a technique of corporate finance that uses a stock bonus trust or a company stock money purchase pension trust which qualifies under Section 401 (a) of the Internal Revenue Code in connection with the financing of corporate improvements, transfers in the ownership of corporate assets, and other capital requirements of a corporation and which is designed to build beneficial equity ownership of shares in the employer corporation into its employees substantially in proportion to their relative incomes, without requiring any cash outlay, any reduction in pay or other employee benefits, or the surrender of any other rights on the part of such employees."

On page 26, between lines 2 and 3 add the following new paragraph and renumber accordingly:

"(8) improving employee motivation and raising employee incomes and productivity by maximizing opportunities of railroad employees to participate as stockholders in their employer corporations."

On page 31, between lines 23 and 24 insert the following and renumber accordingly:

"(1) the manner in which employee stock ownership plans shall, to the extent practicable, be utilized for meeting the capitalization requirements of the Corporation, taking into account (a) relative cost savings compared to conventional methods of corporate finance; (b) labor cost savings; (c) potential for minimizing strikes and producing more harmonious relations between labor organizations and railway management; (d) projected employee dividend incomes; (e) impact on quality of service and prices to railway users; and (f) otherwise promoting the objective of this Act of creating a financially self-sustaining railway system in the Midwest and Northeast region which also meets the service needs of the region and the Nation;

On page 44, line 19 after the word "Act." insert the following:

"In making loans the Association shall consider whether the applicant has an employee stock ownership plan and shall give preference to applicants who have such a plan."

Mr. BELLMON. Mr. President, I rise in opposition to S. 281, the Regional Rail

Reorganization Act Amendments of 1975. The purpose of this bill is to increase the level of Federal Government support to the Penn Central Railroad by providing $125 million in Federal grants and $150 million in loan authority beyond what has already been approved by Congress.

This proposal raises some very fundamental questions: How far is the Congress willing to go? How much Federal funds will eventually be required to sustain railroad services in this region in view of inflationary pressures, enhanced competition, and past mismanagement practices. During the Senate debate on the merits of the Railroad Reorganization Act of 1973, the Congress was faced with an unfortunate dilemma. We were told then we must either provide a large Federal subsidy or else railroad services in the midwest and northeast regions of our Nation would come to a sudden halt resulting in economic chaos. Faced with this choice, Congress approved $85 million in grants and $150 million in loan authority to "bail-out" the Penn Central Railroad. Since then, Penn Central has shown very little improvement and has now returned to Congress for another massive dose of Federal funds to correct their financial ills. Although I fully recognize that inflation and increased fuel costs have further eroded the company's cash flow and caused a decline in revenues, we must face today the serious question whether such an additional expenditure of the taxpayers' dollar will eliminate the problem or merely aggravate what appears to be a vicious wasteful operating circle.

Although Congress has apparently committed itself to a continued governmental involvement in this area through the establishment of a quasi-governmental agency, the U.S. Railway Association, the issue still remains: How many millions of additional Federal funds must be appropriated before the Penn Central Railroad system is able to operate on a profitable basis? No one has been able or willing to answer this question. Once again, we are told that Penn Central faces an emergency situation; that it will be unable to meet its payroll unless Congress acts and acts now; that all the grant and loan moneys under the Regional Rail Reorganization Act of 1973 have been exhausted. Once again, we are told that if funds are not provided, the Penn Central freight and passenger service along 20,000 miles of line will come to a halt.

The facts speak for themselves. The Penn Central is a huge mismanaged corporation which has squandered its resources. Much of its problem can be traced to its meddling in activities totally unrelated to the transportation business. To make this point I ask unanimous consent that two newspaper articles be inserted in the Record.

The **PRESIDING OFFICER**. Without objection it is so ordered.

(See exhibits 1 and 2.)

Mr. **BELLMON**. Mr. President, the solution to the Penn Central's problem lies not with Congress but with its own management and with the ICC. I cannot vote to spend tax dollars in a vain attempt to preserve a wasteful, careless corporation that could and should solve its own problems.

EXHIBIT 1

SIX FLAGS PARKS IN DEFAULT

LOS ANGELES.—Great Southwest Corp., a land developer and operator of amusement parks including the Six Flags facilities in Arlington, Tex., Atlanta and St. Louis, said it is in default under its major credit agreements for $4.25 million.

The firm is a subsidiary of the Pennsylvania Co., which is a subsidiary of the Penn Central Transportation Co., parent of the bankrupt Penn Central Railroad.

For several months, Great Southwest has been negotiating a debt restructure and recapitalization plan with its major creditors and equity holders.

EXHIBIT 2

PENN CENTRAL CO.'S GREAT SOUTHWEST CORP. RESTRUCTURES ITS DEBT

LOS ANGELES.—Great Southwest Corp., a Penn Central Co. affiliate in deep financial trouble for many months, said it completed a $154 million financial restructuring involving 83 debt and equity holders.

Bruce C. Juell, Great Southwest president, said that as a result of the plan, he holds "guarded optimism" for 1975 and that he expects the company to operate profitably after the restructuring. For 1974 the real estate and amusement park company expects to report a loss of more than $20 million, Mr. Juell said.

"We are out of danger now—but with two caveats," he said. "We are quite dependent upon our amusement parks remaining profitable. Also our company has a negative net worth of about $24 million."

The **PRESIDING OFFICER** (Mr. Helms). The question is on agreeing to the motion to concur in the House amendment to S. 281. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

The **PRESIDING OFFICER**. The Senate will be in order.

The legislative clerk resumed the call of the roll.

At this point the Vice President assumed the chair.

Mr. **MATHIAS**. How am I recorded?

The **VICE PRESIDENT**. The Senator from Maryland is not recorded.

Mr. **MATHIAS**. Aye.

The legislative clerk resumed and concluded the call of the roll.

Mr. **ROBERT C. BYRD**. I announce that the Senator from South Dakota (Mr. McGovern) and the Senator from Missouri (Mr. Symington) are necessarily absent.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

Mr. **GRIFFIN**. I announce that the Senator from Nebraska (Mr. Hruska) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. Bartlett) and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. Percy) and the Senator from Nebraska (Mr. Hruska) would each vote "yea."

The result was announced—yeas 62, nays 30, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—62

Abourezk
Baker
Bayh
Beall
Bentsen
Biden
Brooke
Buckley
Bumpers
Case
Clark
Cranston
Culver
Domenici
Eagleton
Eastland
Fong
Ford
Glenn
Griffin
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mathias
McClellan
McGee
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Tower
Tunney
Weicker
Williams
Young

NAYS—30

Allen
Bellmon
Brock
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Curtis
Dole
Fannin
Garn
Goldwater
Hansen
Hart, Gary W.
Helms
Laxalt
Mansfield
McClure
Montoya
Morgan
Nunn
Packwood
Proxmire
Scott,
William L.
Stennis
Stone
Talmadge
Thurmond

NOT VOTING—7

Bartlett
Gravel
Hruska
McGovern
Percy
Symington
Taft

So the motion to concur in the House amendment to S. 281 was agreed to.

Mr. **HARTKE**. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. **WEICKER**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The **VICE PRESIDENT**. The Senator from Indiana.

Mr. **HARTKE**. Mr. President, I ask unanimous consent to have the bill as it has been passed printed in the Record.

The **VICE PRESIDENT**. Will the Senator speak louder?

Mr. **HARTKE**. I ask unanimous consent to have the bill as it was passed printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regional Rail Reorganization Act Amendments of 1975".

SEC. 2. (a) Section 202(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 712(b)) is amended—

(1) in paragraph (2) by inserting "and express" immediately after "rail" each time it appears;

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and" ; and

(3) by adding at the end thereof the following new paragraph:

"(8) study the feasibility of coordinating rail and express service in the region.".

(b) Section 206(a)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 716(a)(1)) is amended by inserting "and express" immediately after "rail".

SEC. 3. Section 205(d)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 715(d)(2)) is amended to read as follows:

"(2) employ and utilize the services of attorneys and such other personnel as may be required in order to properly protect the interests of those communities and users of rail service which for whatever reason, such as their size or location, might not otherwise be adequately represented in the course of the reorganization process as provided by this Act;".

Sec. 4 (a) Section 207(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(b)) is amended by inserting "(1)" immediately before the first sentence thereof, and by adding at the end thereof the following new paragraph:

"(2) Whenever it has been finally determined pursuant to the procedures of paragraph (1) of this subsection, that the reorganization of a railroad subject to reorganization under section 77 of the Bankruptcy Act (11 U.S.C. 205) shall not be proceeded with pursuant to this Act, the court having jurisdiction over such railroad may, upon a petition which is filed within 10 days after the date of enactment of this subsection by the trustees of such railroad, reconsider such order. Such reorganization court shall (i) affirm its previous order or (ii) issue an order that the reorganization of such railroad be proceeded with pursuant to this Act unless it finds that this Act does not provide a process which would be fair and equitable. The provisions of paragraph (1) of this subsection are applicable in such reconsideration, except that (A) such reorganization court shall make its decision within 30 days after such petition is filed, and (B) any decision by the special court on appeal from such a decision shall be rendered within 30 days after such reorganization court decision is made. There shall be no review of the decision of the special court. The Association shall take any steps it finds necessary, consistent with time limitations and other provisions of this Act, to effectuate the consequences of such a revised order, including the preparation and submission of any necessary or appropriate supplements to the preliminary system plan.".

(b) Section 207(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(a)) is amended by adding at the end thereof the following new sentence: "The Office is authorized to hold public hearings on any supplement to the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of such supplement, not later than 30 days after the release of such supplement.".

Sec. 5. (a) Section 211(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(a)) is amended by striking out "for purposes of assisting in the implementation of the final system plan;" and inserting in lieu thereof "for purposes of achieving the goals of this Act;".

(b) Section 211(e)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(e)(1)) is amended by striking out "carry out the final system plan" and inserting in lieu thereof "achieve the goals of this Act".

(c) Section 211(f) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(f)) is amended by striking out "goals of the final system plan" and inserting in lieu thereof "goals of this Act".

Sec. 6. (a) Section 213(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(a)) is amended by adding the following at the end thereof: "Where the Secretary and the trustees agree that funds provided pursuant to this section are to be used (together with funds provided pursuant to section 215 of this Act, if any) to perform program maintenance on designated rail properties until the date rail properties are conveyed under this Act or to improve such designated properties, such agreement shall contain the conditions set forth in section 215(b) of this Act.".

(b) Section 213(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(b)) is amended—

(1) by striking out "$85,000,000" and inserting in lieu thereof "$282,000,000"; and

(2) by adding at the end thereof the following new sentence: "Of amounts authorized to be appropriated under this subsection, $50,000,000 shall be available solely to pay to the trustees of railroads in reorganization such sums as may be necessary to provide such railroads with amounts equal to revenues attributable to tariff increases proposed by such railroads and suspended by the Interstate Commerce Commission during the calendar year 1975, if the Secretary determines that such payments are necessary to carry out this section.".

Sec. 7. Section 215 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 725) is amended to read as follows:

"INTERIM AGREEMENTS

"Sec. 215. (a) Purposes.—Prior to the date upon which rail properties are conveyed to the Corporation under this Act, the Secretary, with the approval of the Association, is authorized to enter into agreements with the trustees of the railroads in reorganization in the region (or railroads leased, operated, or controlled by railroads in reorganization)—

"(1) to perform the program maintenance on designated rail properties of such railroads until the date rail properties are conveyed under this Act;

"(2) to improve rail properties of such railroads; and

"(3) to acquire rail properties for lease or loan to any such railroads until the date such rail properties are conveyed under this Act, and subsequently for conveyance pursuant to the final system plan, or to acquire interests in such rail properties owned by or leased to any such railroads or in purchase money obligations therefor.

"(b) Conditions.—Agreements pursuant to subsection (a) of this section shall contain such reasonable terms and conditions as the Secretary may prescribe. In addition, agreements under paragraphs (1) and (2) of subsection (a) of this section shall provide that—

"(1) to the extent that physical condition is used as a basis for determining, under section 206(f) or 303(c) of this Act, the value of properties to such an agreement and designated for transfer to the Corporation under the final system plan, the physical condition of the properties on the effective date of the agreement shall be used; and

"(2) in the event that property subject to the agreement is sold, leased, or transferred to an entity other than the Corporation, the trustees or railroad shall pay or assign to the Secretary that portion of the proceeds of such sale, lease, or transfer which reflects value attributable to the maintenance and improvement provided pursuant to the agreement.

"(c) Obligations.—Notwithstanding section 210(b) of this title, the Association shall issue obligations under section 210(a) of this title in an amount sufficient to finance such agreements and shall require the Corporation to assume any such obligations. The aggregate amount of obligations issued under this section and outstanding at any one time shall not exceed $300,000,000. The Association, with the approval of the Secretary, shall designate in the final system plan that portion of such obligations issued or to be issued which shall be refinanced and the terms thereof, and that portion from which the Corporation shall be released of its obligations.

"(d) Conveyance.—The Secretary may convey to the Corporation, with or without receipt of consideration, any property or interests acquired by, transferred to, or otherwise held by the Secretary pursuant to this section or section 213 of this Act.".

Sec. 8. Section 303(c)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 745(c)(1)) is amended by striking out the last word of paragraph (A), by striking out the period at the end of paragraph (B) and inserting "; and" in lieu thereof, and by inserting after paragraph (B) the following new paragraph:

"(C) what portion of the proceeds received by a railroad in reorganization from an entity other than the Corporation for the sale, lease, or transfer of property subject to an agreement under section 213 or section 215(a)(1) or (2) of this Act reflects value attributable to the maintenance or improvement provided pursuant to the agreement.".

Sec. 9. Title VI of the Regional Rail Reorganization Act of 1973 is amended by adding at the end thereof the following new section:

"TAX PAYMENTS TO STATES

"Sec. 605. (a) Notwithstanding any other provision of law, no railroad in reorganization shall withhold from any State, or any political subdivision thereof, the payment of the portion of any tax owed by such railroad to such State or subdivision, which portion has been collected by such railroad from any tenant thereof.

"(b) Any railroad which violates the provisions of subsection (a) of this section by withholding any portion of a tax referred to in such subsection shall be fined not more than $10,000 for each such violation.".

Mr. HARTKE. Mr. President, I would like to express my thanks to several distinguished Senators who assisted in the passage of this legislation. Mr. President, I ask unanimous consent if I might proceed to thank the staff people who helped on this?

Mr. ROBERT C. BYRD. For how long?

Mr. HARTKE. For 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I want to express my thanks to the Senator from Connecticut for his assistance and contributions; he is a great spokesman on railroad transportation. I think this is a good vote on the question.

Mr. President, let me express my thanks to the ranking minority member (Mr. Pearson) and the chairman of the full committee (Mr. Magnuson) for the work they have done in making this possible.

Mr. President, I would like to have printed in the Record a list of names of individuals on the staff and ask unanimous consent that each one of these be extended personal thanks on my behalf for the fine work they have done.

The VICE PRESIDENT. Will the Senators suspend so we can hear the distinguished Senator?

There being no objection, the list was ordered to be printed in the Record, as follows:

Lynn Sutcliffe, Tom Allison, Paul Cunningham, John Burns, Mal Stenett, Art Pankopf, John Kirtland, Jeff Bakers, Robert Joost, Loyal Snyder, Chris O'Malley, Jennifer Guinan.

ORDER OF BUSINESS

Mr. HARTKE. Mr. President, I would like to address myself to the leadership for a moment. If the chairman of the Committee on Appropriations is here—

we have just passed the authorizing legislation and I would like to ask a question as to whether it would be possible for us to proceed immediately to the consideration of House Joint Resolution 210, which is the measure which appropriates the funds pursuant to this authorization?

Mr. MONDALE. Will the Senator yield?

Mr. HARTKE. Yes, but I ask unanimous consent at this time that we move to consideration of House Joint Resolution 210.

Mr. MONDALE. I object.

The VICE PRESIDENT. Is there objection?

Objection is heard.

Mr. MONDALE. I have no objection, if the Senator will yield, to filing a cloture petition.

The VICE PRESIDENT. Will the Senator speak louder?

Mr. MONDALE. I do object.

The VICE PRESIDENT. Will the Senator use his microphone?

Mr. HARTKE. Mr. President——

The VICE PRESIDENT. The Senator from Indiana.

Mr. HARTKE. Mr. President, now, let me find out what the Senator from Minnesota is objecting to.

The Senator objects to the fact that we put this down as the pending business?

Mr. MONDALE. Yes; as I understand the regular order, the pending business now is to return to Senate Resolution 4 as the pending business, and I think we should follow the regular order.

I have no objection to filing a cloture petition on the appropriations bill if the Senator wishes to do so, but I do object to changing the regular order, as I understand it.

Mr. HARTKE. Let me ask to see if this will work. I would like to ask unanimous consent that the Senate proceed to the appropriations bill, which is House Joint Resolution 210, and I ask unanimous consent that at this time that bill be passed.

Mr. CHILES. Reserving the right to object——

Mr. MONDALE. I object.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator's 2 minutes have expired.

The objection is heard.

Mr. HARTKE. Mr. President, can I be recognized?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator may proceed for 1 additional minute.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HARTKE. I would like at this time to ask unanimous consent to file a cloture petition on House Joint Resolution 210.

Mr. ALLEN. Reserving the right to object, as I understand the rules——

The VICE PRESIDENT. The Senator from Alabama.

Mr. ALLEN. As I understand the rule, in order for a cloture petition to be filed, the business against which the cloture petition is filed must be the pending business or the unfinished business.

Inasmuch as this bill is neither, the Senator from Alabama would be glad to have it made the pending business.

[Laughter.]

The VICE PRESIDENT. Is there objection?

Mr. HARTKE. What I would like to do is ask unanimous consent that notwithstanding the rule requiring it to be the pending business, that the Senator from Indiana be permitted to present to the Senate a cloture petition on House Joint Resolution 210.

Mr. ALLEN. Well, if it is made pending business subject to debate, the Senator from Alabama is ready.

Mr. GOLDWATER. Mr. President, I object.

Several Senators addressed the Chair.

The VICE PRESIDENT. Objection is heard.

The Senator from West Virginia.

ORDER TO VACATE SECOND CLOTURE MOTION—S. 281

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the second cloture motion which was filed yesterday on the Penn Central measure be vacated.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President——

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate resumed with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

The VICE PRESIDENT. The Senate will now resume consideration of the motion to proceed to the consideration of Senate Resolution 4. The pending question is the motion of the Senator from Alabama to postpone consideration of the motion of the Senator from Minnesota for 1 month.

Mr. MATHIAS. Mr. President——

The VICE PRESIDENT. The Senator from Maryland.

Mr. MATHIAS. Mr. President, as the Chair has just stated, we do now resume debate on the motion by the very distinguished Senator from Alabama to postpone consideration of the motion by the Senator from Minnesota for a period of a month, an additional month.

This motion, of course, is the latest in the long and imaginative and creative efforts by opponents to Senate Resolution 4 to prevent the Senate from acting on the proposal to change rule XXII.

I think it is worthy of note at this time that on no less than 27 occasions the Senate has been effectively prevented from voting on the Mondale motion through the use of quorum calls, motions, and similar parliamentary practices.

In the same period, the Senate has voted no less than eight times on motions, the purpose of which is to delay the action of the Senate in this effort.

I think it is of real importance the Senate be allowed to vote on the merits of the resolution. Therefore, Mr. President, I move to table the motion of the distinguished Senator from Alabama to delay consideration of the Mondale motion for 1 month and I ask for the yeas and the nays on that motion.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The Senator from Montana.

Mr. MANSFIELD. Mr. President, I make the point of order—all right.

The VICE PRESIDENT. The question is on the motion to table.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The VICE PRESIDENT. The Senate will be in order.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. McGOVERN), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 57, nays 34, as follows:

[Rollcall Vote No. 29 Leg.]

YEAS—57

Abourezk
Bayh
Beall
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Robert C.
Case
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Tunney
Weicker
Williams

NAYS—34

Allen
Baker
Bellmon
Buckley
Byrd, Harry F., Jr.
Cannon
Chiles
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Johnston
Laxalt
Long
McClellan
McClure
Morgan
Nunn
Roth
Scott, William L.
Stennis
Stone
Talmadge
Thurmond
Tower
Young

NOT VOTING—8

Bartlett
Gravel
Hruska
McGovern
Percy
Sparkman
Symington
Taft

So Mr. Mathias' motion to lay on the table Mr. Allen's motion to postpone was agreed to.

Mr. MANSFIELD. Mr. President——

Mr. ALLEN. Mr. President——

The VICE PRESIDENT. The Senator from Montana.

Mr. MANSFIELD. Mr. President, in an attempt either to speed up the procedure which has developed or to delay it still further, I would like to renew a motion which I have made previously, with some slight modifications attached thereto.

Mr. President, I make the point of order that the pending motion by the Senator from Minnesota (Mr. Mondale) is out of order, insofar as it precludes debate, intervening motions, and amendments.

Mr. BROOKE. Mr. President——

Mr. ALLEN. Mr. President——

The VICE PRESIDENT. This being a constitutional question the Chair will submit to the Senate for debate and determination the question: Is the point of order raised by the Senator from Montana well taken?

Mr. BROOKE. Mr. President——

The VICE PRESIDENT. The Senator from Massachusetts.

Mr. BROOKE. Mr. President, I move to table the point of order made by the distinguished majority leader, and ask for the yeas and nays.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. Is there a sufficient second?

Mr. ALLEN. A parliamentary inquiry.

Mr. BROCK. Mr. President——

The VICE PRESIDENT. The clerk will call the roll.

Mr. ALLEN. A parliamentary inquiry, Mr. President. A parliamentary inquiry.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Indiana (Mr. Hartke), the Senator from South Dakota (Mr. McGovern), the Senator from Alabama (Mr. Sparkman), and the Senator from Missouri (Mr. Symington), are necessarily absent.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Hruska) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. Bartlett), and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft), would vote "aye."

The result was announced—yeas 46, nays 43, as follows:

[Rollcall Vote No. 30 Leg.]

YEAS—46

Abourezk
Bayh
Bentsen
Biden
Brooke
Burdick
Case
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Philip A.
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mathias
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevenson
Tunney
Williams

NAYS—43

Allen
Baker
Beall
Bellmon
Brock
Buckley
Bumpers
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Hart, Gary W.
Helms
Hollings
Johnston
Laxalt
Long
Mansfield
McClellan
McClure
McGee
Morgan
Nunn
Roth
Scott,
  William L.
Stennis
Stevens
Stone
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—10

Bartlett
Church
Gravel
Hartke
Hruska
McGovern
Percy
Sparkman
Symington
Taft

So the motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Chair wishes to make a statement. The Senate having voted to table the point of order questioning the propriety of the motion of the Senator from Minnesota, insofar as it precludes debate, intervening motions, and amendments, thereby affirming the propriety of the motion in this regard, the motion now is to be put to the Senate for an immediate vote. The question is now on agreeing to the motion of the Senator from Minnesota.

Mr. LONG. Mr. President, I would like to comment on what the Chair did a few minutes ago.

The VICE PRESIDENT. The Senator from Louisiana will make his comment.

Mr. LONG. Mr. President, what I observed a few minutes ago—perhaps the Chair does not know any better, but this is one of the most improper decisions made by the Chair during the 26 years I have served here. A motion was made, a Senator was standing on his feet making a parliamentary inquiry, and he made it three times before the first name was called and answered on that roll.

Under the rules of the Senate, Mr. President, the Chair is under the burden of recognizing any Senator who is on his feet demanding recognition, and he is under the burden of asking the Senator, if it be a parliamentary inquiry, what is his parliamentary inquiry. He is under the burden of giving that man a chance to make his motion, suggest the absence of a quorum, or whatever the Senator wishes to do.

The Presiding Officer presides over the Senate. He is not privileged to vote in this body except in the case of a tie, and he does not own this body. If that is the way we are going to do business in this body, with a man standing asking for recognition to state a parliamentary inquiry or suggesting the absence of a quorum, or seeking recognition for whatever purpose, and the Chair denies that man a right to be heard, then, Senators, you are wasting your time asking for a two-thirds vote; you have one-man cloture right now.

I can recall when Lyndon Johnson used to be tough in his administration of this body, and he used to try to help us pass his program when he was President of the United States. I used to jokingly tell him, "I can tell you how you can pass a bill for the repeal of section 14(b). All you have to do is get somebody in that Chair who will bang the gavel and say, 'The yeas and nays have been ordered, and the clerk will call the roll.' Of course, you would probably have to haul people out of the Chamber kicking, screaming, and yelling while the clerk calls that roll. You might need to call in the District police to enforce it, but it can be done."

Now, Mr. President, I have seen some pretty unusual things done in State legislatures. I know that back in the days when my father was Governor of the State, he was confronted with the fact that the opposition had far better parliamentarians than his group of insurgents who managed to win the last previous election. To overcome the fact that they had better parliamentarians, he sought and obtained a rule which said that by a simple motion which would not be debatable, the rules could be suspended. So, whenever the Long floor leader arose with his bill, usually his first motion was to suspend the rules, which motion was not debatable, and from that point forward the body would run the way the presiding officer and the majority wanted to do.

Mr. President, this Government of ours may very well depend for its survival on the rights of a man to stand and be heard and explain why he thinks the majority might be in error, and what is a majority in the beginning might not be a majority after a measure has been discussed, and the people have had a chance to consider the reasoning of a person.

Now, just today, Mr. President, I have been pursuing something that I started several days ago, to see whether we can work out a fair compromise of this issue that preserves the integrity of the Senate, that will give us a two-thirds majority cloture for this Congress, and see how it works—for this Congress only.

My approach has always been to take the view that it is not important who is right. What is important is what is right, and I did not originate that. That came from a group known as the Moral Rearmament people, an idealistic group of young people who did the best they could for their world right after World War II.

I think, Mr. President, that reasonable people can work together and resolve this impasse in which we find ourselves in a manner of good will and without denying anyone his rights and without bulldozing, usurping, or denying anyone his power or his rights.

Now, I would say, Mr. President, that in this type of thing I have witnessed today the rules do not mean anything. We are supposed to be operating by that Constitution. And what is that supposed to mean? It is the Vice President, and that is all.

Mr. President, I thought I was going to help this administration on some things where, all things being equal, it looked as though they had a point to say for their side and, perhaps, we ought to give them a chance to prove their point. But I must say that I have grave doubts about any administration that would countenance the kind of conduct I just saw. I have seen it happen in the Senate but without exception, those who did it, apologized for it.

I can recall the time when Dan Brewster left the Chamber and Wayne Morse wanted him censured, and I saw Alben Barkley do an equally indefensible thing. I was there on that occasion. He adjourned the Senate having just refused to recognize the man who wanted to speak. It was I on that occasion, and I am proud to say a Republican Member at that time, Mr. Morse from Oregon, arose the next morning to chastise the Chair.

I have researched the Records just to show that something that was improper had happened in the history of the Senate, and it was not to be found in the Record. I just wanted to say a few words, but I had the right to be heard. I found it was not in the Record. Apparently someone knew more about how the Records were kept than I did because the permanent Record did not show that statement by myself and by the Senator from Oregon on the following day.

I want this in the Record, Mr. President. I have never in my life seen it happen in the Senate that a man can be standing trying to seek recognition, for whatever purpose, and the Chair can just go right on ahead and say, "The yeas and nays have been ordered and the clerk will call the roll," call the roll—tell the clerk, "Call the roll."

On this particular occasion, I noticed the clerk was a little slow calling the roll because he saw the man demanding recognition. The man at the desk knew that man had a right to be recognized, for whatever purpose.

What is this? Is this still the Senate of the United States? Is this the place that I wanted to serve from the days I sat there in that gallery and was 12 years old? Or is this some place where we are going to rule by the rule of might makes right? Will we just, if we cannot find some way to prevail upon people to see it our way, run over people roughshod? Is that the kind of body this is? I do not believe so, Mr. President. I believe that we have time for people to reason, for people to accommodate one another, for people to respect the rights of other people, and for this Senate to be the place that I always wanted to serve in. The Senate must be a place where a man's rights as a representative of that State are respected, and a place where the Senate, over a period of time, perhaps not as efficiently as a body controlled by a dictator, would bring about a judgment that recognized and reflected the wisdom and the collective judgment of every Member in this body after he had had a chance to study and fully appreciate the rights of others.

I say, Mr. President, we have reached a time when men of good will should reason together. What temporary gain anyone achieves today is a very, very minor thing in the history of this Nation. I think it is far more important that we set a precedent in this area that will serve this Nation rather than one that would disserve this Nation.

Now, if permitted to do so, I will try to get my colleagues to reason together and to accommodate the majority as well as the minority. I think the majority leader has been trying to do that.

Mr. MANSFIELD. Mr. President, will the Senator yield for a question?

Mr. LONG. Yes, I yield.

Mr. MANSFIELD. I was very much impressed with the possibility raised by the distinguished Senator from Louisiana to the effect that we have a three-fifths, a constitutional three-fifths—I would leave it at 60 just to make sure because that would be an advance—rather than a three-fifths of those present and voting. To me that would be a reasonable answer, and if it would be possible to arrive at some sort of informal gentleman's agreement, that that might be given the utmost consideration and possibly agreed to, I would be prepared to ask unanimous consent that the appropriation bill, the supplemental appropriation bill, be called up and considered and that then the Senate stand in recess until tomorrow in the hope that men of different viewpoints could get together.

I want to make it very plain that I am not talking about three-fifths of those present and voting. I am talking of a constitutional three-fifths, which would call for 60 Members rather than the present provision which calls for two-thirds of those present and voting.

I would never under any circumstances vote to impose cloture by a bare majority. But I do think that, just as Lyndon Johnson was largely responsible for bringing about a change in the two-thirds rule, if there is a possibility now to bring about a further change which would retain the flexibility of the Senate and protect the minority, that it would be worth considering on the basis of the suggestions which I have made, which are based, in turn, on the proposal suggested by the distinguished Senator from Louisiana.

Mr. LONG. I thank the distinguished Senator.

May I say, Mr. President, that it is my honor to serve with the Senator from Minnesota on the Finance Committee. He is a very valuable member and a very fair-minded one, one who is seeking to do what the good Lord gives him the light to do, just as I am; to try to do what he thinks is right and what he thinks is in the Nation's interest.

Now, I have made the Senator this proposition many times in the Finance Committee, and I have made other propositions. I have said, and I say, to the Senate what is important is what is right. It is not important whether you are right or I am right. What is important is what is right.

Now, I am willing to give you a chance to prove you are right about this, and I usually ask for a condition, provided you give me the chance to prove I am right. I would like to have the favor returned so that we can say——

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. LONG. Yes.

Mr. GOLDWATER. I would like to have the Senator yield to me so that I may make a parliamentary inquiry.

Mr. LONG. I wish to finish this thought first and then I will yield, might I say to the distinguished Senator.

I will simply say this: So far as this Senator is concerned, it would be all right with the Senator from Louisiana for this session only to say that we will have a simple straight majority cloture, so far as I am concerned, to see how it works. My guess is that if we have simple majority cloture, the Senate would want to go back to two-thirds or something else in 2 years by the time they had gone through it. But if we are going to experiment with a new rule, we could not have a better time than now when we have a Democratic Congress, a Republican President, a man who is basically conservative, in the White House, and a Congress that is overwhelmingly liberal, where one does check against the other. So there really could be no better time than now to experiment with a new rule.

Frankly, the point was made to me, if it works. Well, that almost dictates they will change the rules from this point forward.

My reaction is that if it works that well, I am sure that would be the case, but, of course, experience would have to dictate whether we think it is a good or bad idea.

But having debated this question for a good number of years, I would hope we could work toward that solution whereby we give those who want to change the rules to provide for a 60-percent cloture vote an opportunity to move in that direction; to try and see how it works for this Congress. If it works well I would assume that would be the case thereafter; otherwise there would be no prejudice and we could start back where we began.

I yield to the Senator for a parliamentary inquiry, but I ask unanimous consent that I might yield without losing my right to the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, is there anything in the rules that states that the Presiding Officer must recognize a Senator asking recognition?

The VICE PRESIDENT. It requires that the Chair should recognize the first Senator who rises, addresses the Chair, but it was a nondebatable motion, and it was a parliamentary inquiry, and the parliamentary inquiry is only at the sufferance of the Chair and is not in the rules, recognized, and there was precedence, the Chair——

Mr. GOLDWATER. The Chair does not have to recognize anyone who rises to make a parliamentary inquiry?

The VICE PRESIDENT. Does not have to respond.

Mr. GOLDWATER. Even though the Chair could not help but hear him?

The VICE PRESIDENT. That is not the question, if the Senator will excuse me. He does not have to answer him. It says so right here in the precedents of the Senate. The Chair may decline to respond; the Chair may decline to answer a parliamentary inquiry.

Mr. GOLDWATER. That is correct. That is what it says, but I never thought I would see the day when the Chair would take advantage of it.

The VICE PRESIDENT. Well, the Chair——

Mr. STEVENS. Will the Senator yield?

The VICE PRESIDENT. Excuse me. The Chair would like to comment.

In view of the statements that have been made about the Chair, the Chair would like to say that I observed the parliamentary procedures to the best of my ability. If there was any evidence of discourtesy to the distinguished Senator from Alabama, I apologize. I did not mean that and I think evidenced by my recognition of him yesterday it is quite clear that was not my intention. I would like to state that it was a procedure on a motion that was not debatable that was taking place. The Senator from Massachusetts had called for the yeas and nays, the clerk was counting to see whether there was an adequate number supporting that. I then ordered the rollcall. He was still counting and I do not think there was any rule violated, since the rollcall had started.

Therefore, the Chair would hope the Senator from Louisiana would understand the situation as it exists.

Mr. LONG. Mr. President, at a minimum, the Chair could have stated he was not going to recognize anyone for a point of order and refer to the rule. If the Senator wanted to suggest the absence of a quorum, he could have at least had the opportunity at that point to suggest the absence of a quorum.

I yield to the Senator.

Mr. HARRY F. BYRD, JR. Mr. President——

Mr. LONG. Mr. President, I ask that I might reserve my right to the floor.

The VICE PRESIDENT. The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I would like to read from the official transcript citing the events which took place just prior to the last vote, the most crucial vote, perhaps, that this Senate has taken in the last several decades.

Mr. Mansfield. Mr. President, in an attempt either to speed up the procedure which has developed or to delay it still further, I would like to renew a motion which I have made previously, with some slight modifications attached thereto.

Mr. President, I make the point of order that the pending motion by the Senator from Minnesota (Mr. Mondale) is out of order, insofar as it precludes debate, intervening motions, and amendments.

Mr. Brooke. Mr. President——

Mr. Allen. Mr. President——

The Vice President. This being a constitutional question the Chair will submit to the Senate for debate and determination the question: Is the point of order raised by the Senator from Montana well taken?

Mr. Brooke. Mr. President——

The Vice President. The Senator from Massachusetts.

Mr. Brooke. Mr. President, I move to table the point of order made by the distinguished majority leader, and ask for the yeas and nays.

Mr. Allen. Mr. President, a parliamentary inquiry.

The Vice President. Is there a sufficient second?

Mr. Allen. A parliamentary inquiry.

Mr. Brock. Mr. President——

The Vice President. The clerk will call the roll.

Mr. Allen. A parliamentary inquiry, Mr. President. A parliamentary inquiry.

The Vice President. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, if the distinguished Presiding Officer is not going to recognize anyone for a parliamentary inquiry, we are at a time that we do not know whether we are going by the U.S. Senate rules, the Constitution, the laws of the United States, or the whim of the Vice President.

So when the Vice President, in a situation like that, refuses to recognize a Senator for a parliamentary inquiry and the Senator is on his feet, simply goes ahead and puts the motion, puts the motion and tells the man to call the roll, Mr. President, that, I must say——

The VICE PRESIDENT. The Chair would remind the Senator it was a nondebatable motion under the rules.

Mr. LONG. Mr. President, under these rules, I do not know if it is nondebatable. A man has a right to suggest the absence of a quorum.

The VICE PRESIDENT. The Chair has to state the rules.

Mr. LONG. He had the right to suggest the absence of a quorum. He had a right to make his parliamentary inquiry. He had a right to make a motion to adjourn. He had a right to make a motion to postpone. He had all sorts of rights, Mr. President, which he did not have on that occasion.

All I say, Mr. President, is that the Chair has apologized. If he wants to take his apology back, he may do so, but it seems to me that what he did was most improper.

From what I have seen the Chair do, just to do that during the time I have been here, I do not think, Mr. President, we have reached the time here in the Senate when we have dropped to that kind of tactic for this Senate to work its will——

Mr. STEVENS. Will the Senator yield?

Mr. LONG (continuing). To give a chance to men of good will to work together, by this action does not care.

I yield to the Senator from Alaska.

Mr. STEVENS. Without the Senator losing his right to the floor.

Mr. President, I do not think anyone in this body has greater respect for the occupant of the chair than I.

I come from a very small State in population and very often find myself in the position where I must seek special consideration for my State.

I voted for the first time the other way on this last vote because I believe in a change of these rules to 60 percent. But I also believe in the final analysis, whether it is 50 percent, 60 percent, 67 percent, or whatever it might be, my success in representing the desires and aspirations of the people of Alaska really, in the final analysis, rests upon the courtesy that exists in this body, one Senator to another and one Senator to the Vice President.

With all due courtesy to the Vice President, I would urge that the Vice President listen to what my good friend says—we do not agree a lot of times—and the Vice President has apologized. I think the Senator from Alabama should accept the apology. But I do not believe, really, that the Vice President recognizes how vital it is for senatorial courtesy to be extended to one another, all 101 of us, in order to accomplish the purposes for which we were sent here.

I would urge also that those people that I have been voting with heretofore on the current proposition listen to the majority leader at this time and give the majority leader an opportunity to see if we can work out a compromise on the basis of a constitutional 60 percent, because I, as a Republican, hear my President castigating the Congress for not getting anything done, and I as a Senator sit here and I am participating in something that is delaying the work of the Senate. I believe it is high time that somehow or other we work this thing out. I think with due courtesy to the Vice President I would hope that we would listen to the majority leader at this time.

If it is in order, and I do not know if it is in order—I would ask my friend from Louisiana—I think we ought to suggest the absence of a quorum and have a chance to consider this matter. I leave it to the majority leader.

The VICE PRESIDENT. The Chair would like to comment on the comment of the Senator from Alaska and say that the majority leader spoke 2 days ago about the use of dilatory tactics, delaying action in this Chamber. A parliamentary inquiry at that point I considered was in the direction of dilatory tactics, and I was trying to speed action, not impede action. I agree totally with the Senator about courtesy. I have tried to express on every action of mine courtesy and respect to every Member of this Senate.

Mr. HELMS. A parliamentary inquiry.

Mr. LONG. I ask that I might yield to the majority leader, Mr. President.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, might I say that the President of the Senate, the Presiding Officer, was correct when he mentioned to the Senate my queries the other day which appeared in the Record relative to dilatory tactics; that is, postponements, a lack of a quorum, recess, adjournment, and so forth and so on. I was getting a little bit exasperated and a little bit fed up. I am in pretty good shape physically. I can run back and forth and keep up with all these quorum calls which the distinguished Senator from Alabama and others have instituted. But I did not think the Senate looked good hopping around like a bunch of jackrabbits and considering nothing of substance. It was because of that, and because there was no way, in the rulebook or the Senate procedures that I could find, that I made the motion that I did today.

In view of the statement or the suggestion made by the distinguished Senator from Louisiana (Mr. LONG), I would like at this time, and I shall wait to see whether the Senate will approve or not, first, to ask that the Senate turn to the consideration of the appropriation bill covering the Penn Central and Erie-Lackawanna, and related railroads; and, second, to ask that the Senate stand in recess until the hour of 12 o'clock noon tomorrow. If it is impossible to get up the supplemental appropriation bill covering the railroads, I would be prepared then to make a motion just to recess in the hope that it would be possible in the meantime to work out, if only for this Congress only, a change in the rules which would call for a reduction from two-thirds of those present and voting to a constitutional three-fifths. In other words, an automatic 60 votes to shut off debate. I do not know what the attitude of the Senate will be in this respect. I will not make the motion now, but I would like to make that proposal after the debate on the present subject matter is concluded. If the Senate sees fit to agree, fine and dandy. If it does not, fine and dandy.

Mr. LONG. I wish the Senator would propound his unanimous consent request; ask for the unanimous consent. If he can get it, I am sure the Senate will let us recess.

Mr. MANSFIELD. First, Mr. President, I ask unanimous consent——

Mr. BROCK. Reserving the right to object——

Mr. ABOUREZK. Will the Senator yield?

Mr. CURTIS. Will the distinguished Senator from Louisiana yield, Mr. President?

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent, if the Senator will pardon me, that it be in order for the Senate to turn to the consideration of House Joint Resolution 210, to dispose of it within a 10-minute period, the time to be equally divided between the chairman of the Committee on Appropriations and the ranking member. I think the issue is quite clear. And at the conclusion of that consideration, and a rollcall vote, I would assume, that the Senate then stand in recess until the hour of 12 o'clock noon tomorrow.

The VICE PRESIDENT. Is there objection?

Mr. McCLELLAN. Reserving the right to object, and I do not want to object, I want to proceed, I would like to proceed with the consideration of the appropriation bill, but 10 minutes may be too short a time. I would ask the majority leader to amend his motion by making it 20 minutes. There may be an amendment. I am not sure. On each amendment, I would ask that there be 10 minutes.

Mr. MANSFIELD. One-half hour with 10 minutes on each amendment and debatable motion or appeal.

The VICE PRESIDENT. Is there objection?

Mr. BROCK. I reserve the right to object, Mr. President, until I find out if we have an opportunity to conclude the present discussion before we proceed to the consideration of this appropriation measure. I have some things I would like to say. I was on my feet, and I would like to have some time.

Mr. MANSFIELD. Of course.

Mr. BROCK. If I have that assurance——

Mr. MANSFIELD. Could the Senator give an idea of how much time he would want?

Mr. BROCK. Five minutes or no more than 10 for myself.

Mr. MANSFIELD. How about the Senator from Nebraska?

Mr. CURTIS. Five minutes.

Mr. MANSFIELD. I ask unanimous consent, Mr. President, that both the Senator from Nebraska, the Senator from Tennessee and the Senator from Virginia be allocated not to exceed 10 minutes each, and that the distinguished Senator from South Carolina and the distinguished Senator from Idaho (Mr. MCCLURE) be recognized for not to exceed 5 minutes each.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. And that the Senator from Louisiana keeps the floor in the meantime.

Mr. LONG. I do not think the latter part is necessary, Mr. President. I suppose the majority leader plans to make his motion to recess at the conclusion of the present discussion.

Mr. MANSFIELD. Has the Chair ruled on the request to take up the——

The VICE PRESIDENT. It has been ordered, without objection.

Mr. MANSFIELD. After that is disposed of, it would be the intention of the majority leader that the Senate would stand in recess until the hour of 12 noon tomorrow.

Mr. LONG. I ask that the majority leader be recognized, then. It is not necessary for the Senator from Louisiana to be recognized.

The VICE PRESIDENT. The Senator from Tennessee.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Mr. BROCK. Mr. President, I would like to add my own thoughts to those of the Senator from Louisiana. I was on my feet along with the Senator from Louisiana—Mr. President, I would like very much to have order.

The VICE PRESIDENT. There will be order in the Senate, please. Order.

Mr. McCLURE. Mr. President, the galleries are not in order.

The VICE PRESIDENT. There will be order in the galleries, too, please.

Mr. BROCK. Mr. President, I believe most us in this body if not all, understand the pressures that the Vice President was under in the parliamentary situation, and his concern with what he describes as dilatory tactics. As the record was pointed out by the Senator from Virginia, I was also on my feet seeking recognition on a point of order or a parliamentary question.

Mr. MANSFIELD. Mr. President, may we have order?

The VICE PRESIDENT. There will be order in the Senate, please.

Mr. BROCK. I think it is fair to point out——

Mr. HANSEN. The Senate is not in order, Mr. President.

The VICE PRESIDENT. Will the Senators please take their seats?

Mr. BROCK. I think it is fair to point out, Mr. President, that the Senator from Tennessee on no occasion during this entire sequence and this entire debate has offered or spoke for a motion that you would call a dilatory tactic. I simply was on my feet to protect my own rights. I regret very much that I was not given an opportunity for recognition.

I also regret that we are describing the tactics of the opposition of those of us who have been engaged in this particular fight as dilatory tactics, when all we have been seeking to do is to gain the opportunity for debate under the rules of the Senate as we understand them and as they are clearly written.

I do not understand how the Senator from Louisiana can work out a deal with the proponents of the current measure, which I do not consider a bill but, rather, a device to get a constitutional 60-vote majority, when the very precedents that have been established in this body in the last 2 weeks lead me to the absolute conviction, as the majority leader and the majority whip have said, that we are on the verge of a 51-vote cloture. That is the effect of the rulings we have had in this body. That is the effect of the votes behind the rulings sustained by a majority of this body.

How can you go back and say that the 51 votes do not count anymore? How can you repeal the actions of the Senate when it has acted in disregard of its own rule and its own Constitution? I do not see how you can.

It does not make any sense to me to try to negotiate unless there is a greater evidence of faith than I have seen so far. I do not consider the use of such tactics or devices as clear evidence of sincere effort to accommodate all the Members of this body in effectuating a responsible change in our rules. We have not exercised that kind of debate. We have not lived under any rules. We have been acting as if there were none, except those that the majority wanted to adhere to. Any rule it did not like, drop it; it does not matter anymore.

I resent that greatly. I fear for the

legislative process in this body unless the Senate decides, in its wisdom, that something more is at stake than 67 or 60 or 51 votes and the gagging of a Member of this body, and that is the rules and procedures and the respect of one for another that make this body a continuing and terribly important institution in the freedom of man.

Mr. HARRY F. BYRD, JR. Mr. President——

Mr. CURTIS. Mr. President——

The VICE PRESIDENT. The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I think it is unfortunate that——

The VICE PRESIDENT. Order, please.

Mr. HARRY F. BYRD, JR. I think it is unfortunate that the Vice President gave as a reason for not recognizing two Senators, who clearly were on their feet, seeking recognition, the reason that it was dilatory tactics. It is unfortunate, because it does not conform with the statement made to the Senate by the Vice President, himself. I read from page 4110, February 24, 1975:

> Mr. JAVITS. At what point is a motion such as that just made by the Senator from Alabama dilatory?
>
> The VICE PRESIDENT. The Chair is advised by the Parliamentarian that there is no dilatory motion unless cloture has been invoked.

My parliamentary inquiry at this point is this: Had cloture been invoked on the pending measure?

The VICE PRESIDENT. The Chair's position is that the Senator from Alabama did not rise to make a motion. He rose for a point of inquiry.

Mr. HARRY F. BYRD, JR. Another point of inquiry, Mr. President: The Vice President will be presiding over the Senate, presumably, with great frequency. The Senate comes in early, stays late.

Presumably, the Vice President will be in the chair most of the time. Will it be the policy of the Chair not to recognize a Senator for a parliamentary inquiry?

The VICE PRESIDENT. The Chair's position is to recognize Senators whenever they rise, if they are on their feet and are appropriately, under the terms of the rules of the Senate, seeking recognition.

Mr. HARRY F. BYRD, JR. Senators cannot raise questions until the Chair gives recognition and authority to proceed. The record clearly shows that two Senators were on their feet, but I will not go over that again. It is a part of the record.

I did want to invite the Chair's attention to the fact that under the rules of the Senate, as stated by the Vice President himself, on February 24, on page 4110, there is no dilatory motion until cloture has been invoked.

The VICE PRESIDENT. I stand by that statement.

Mr. CURTIS addressed the Chair.

The VICE PRESIDENT. The Senator from Nebraska.

Mr. CURTIS. Mr. President, I commend the distinguished Senator from Louisiana for what he has done on this day to preserve the integrity of the Senate of the United States.

There is nothing personal about the position I take. I respectfully disagree with the rulings of the Vice President. The Vice President, who presides here, is a member of the executive, as I said yesterday. He has no responsibility or authority to assume a role of expediting the business or preventing dilatory action. Of course, dilatory action is not prohibited by the rules, unless cloture has been invoked.

A very important principle is involved here, and it is that each State is entitled to equal representation in the U.S. Senate. That is the reason why we have established over all these years a procedure that if someone rises to be recognized, all putting of motions and the like are suspended until that Senator has a chance to state at least why he seeks recognition. It may be that if he is faced with a motion to table, he cannot rise for the purpose of debating it, unless the motion is withheld.

I have been here a little while, and it has been the custom, to the point where I would say it is the rule of the Senate, that if a Senator rises to be recognized, the putting of motions is suspended until he can state the reason why he seeks recognition. If you abandon that, how can we maintain the very important constitutional provision that every State is entitled to equal representation in the Senate? How can you represent your State if you cannot be recognized?

If the Presiding Officer is faced with three, four, or five people seeking recognition, there are only two choices: One is to recognize one of his selection, or to recognize them all. The procedure has been—and I maintain it is so well established that it is a rule—that the Chair recognizes every one of them.

I have known of no instance where the Presiding Officer has gone ahead and put motions or taken other actions at a time that Senators were seeking recognition. It may well be that after they state their purpose for arising, they may have to be informed that a motion to table is not debatable, or that there has been a unanimous consent and the time has expired. But there is no such procedure in the U.S. Senate of a Presiding Officer gaveling Senators down in order to expedite the business. There is not any rule against taking time.

Let us think about this word dilatory. If one is anxious to get something done, what another Senator may do may be dilatory. But if one is anxious to have the Senate stop and think or to consider a question, then it is an aid to thoughtful consideration rather than dilatory. Mr. President, I submit the proposition that, unless we do away with the very fundamental constitutional principle that every State is entitled to equal representation here, when a Senator arises he must be recognized, at least to the point of stating the purpose for which he arises. And if he arises for a purpose that he cannot proceed with, he should be so informed. This is not a voluntary organization, it is not an organization that is at liberty to do anything it pleases and to delegate to a Presiding Officer, one of their number, power to do something. Our only right to be here is under the Constitution and it says that every State shall have equal representation.

Does that not mean equal right to state to the Presiding Officer one's purpose for seeking recognition?

Again, Mr. President, I wish to say that I do not enjoy this speech. I certainly do not mean anything personal about it. I think the distinguished Vice President is called upon to preside and have this experience in the Senate at a time when many decisions have arisen. I realize that there is no other body like the U.S. Senate, no other organization like the U.S. Senate, and the ordinary rule of choosing a chairman because he can hurry things through does not apply to the U.S. Senate. We are in the position of representing our States equally. The only way we can do that is to be recognized. If someone seeks recognition, he should be recognized to the point where he can state why he seeks it and then, if there is a valid reason under the rules that he cannot pursue what he seeks, he must abide by the rules.

I yield the floor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, with the consent of the Senators, the distinguished Senator from South Carolina (Mr. HOLLINGS), whom I did not recognize previously, be recognized for 2 minutes. Of course, that will apply to any other Senator who requires recognition. Not now; at the conclusion of the others who have been recognized previously.

The VICE PRESIDENT. Without objection, it is so ordered.

The Senator from South Carolina.

Mr. THURMOND. Mr. President, I regret the action that was taken a few moments ago. In the 21 years I have been in the Senate, I do not think I have ever seen a Senator fail to be recognized. I wish to ask the Vice President a question, because I think this is most important. I realize he is a new Presiding Officer.

Did the Vice President see the distinguished Senator from Tennessee to my right, whom I was watching and who was seeking ardently to get recognition?

The VICE PRESIDENT. The Chair did not see the Senator from Tennessee, who was seeking recognition. The Chair was trying to follow the check that was being made by the clerk as to whether a sufficient number of hands were up in order to have the rollcall. The only person the Chair heard was the Senator from Alabama, who was seeking to raise a parliamentary inquiry.

Mr. THURMOND. Did the Chair see the distinguished Senator from Alabama when he made the parliamentary inquiry, and made it over and over, as the record that was just read shows?

The VICE PRESIDENT. The Chair did not see the Senator from Alabama. The Chair heard the Senator from Alabama saying that he wanted to make a point of inquiry.

Mr. THURMOND. I just checked with the Parliamentarian, and it has always been my understanding that until the first name is called, even though the roll has been ordered to be called, a Senator has a right to be recognized. Something might come up at the very last second and if a Senator seeks recognition and speaks loud enough to be heard, or a Senator can be identified as desiring recognition, as I understand it, he should be recognized.

Is that the thinking of the Chair?

The VICE PRESIDENT. Under the precedents, re parliamentary inquiry, the Chair may decline to respond to a parliamentary inquiry. It is in the rule book.

Mr. THURMOND. The Chair may fail or decline, but is it not proper for the Chair to hear the point and then decide after he has heard the point, rather than to ignore the point and refuse to allow the Senator to make the point?

The VICE PRESIDENT. In light of the discussion that has taken place in this Chamber and my being the servant of the Senate, there is no question as to the expression of the will of the Senate, and the Chair will conform.

Mr. THURMOND. Mr. President, I wish to commend the distinguished Senator from Louisiana and the others who have expressed themselves on this matter. I think it is most important, until the first name has been called, for a Senator to be recognized in order that his State may be heard from, and in order that he, as a United States Senator, may be heard from. Whether his position is a popular position or not makes no difference. Whether his position is in accord with the Presiding Officer or not makes no difference. He has a right to be heard. I regret very much what happened here on this occasion, because I hope that a precedent has not been set where in the future a Presiding Officer can recognize or fail to recognize a Senator who seeks recognition before the first name has been called after the order has been made to call the roll.

Mr. President, not in the history of this Senate has debate ever been shut off without two-thirds of the Senators present voting to do so. A very drastic change is proposed here. It deserves the utmost consideration. It deserves the fullest debate, and it is an issue that requires the attention of the people of the country, in order for them to express themselves to their Senators. A great many times, debate is helpful, because the people of the Nation may not know the questions involved and the seriousness of these questions, until their Senator takes the floor and explains to the Nation what he is trying to do in their behalf.

It is most urgent, in my opinion, for debate not to be shut off until the required number has been reached.

In this case, it has been stated that there were no dilatory motions, because there could not be any, as has already been stated, until after cloture has been voted.

I hope that no precedent has been established today that will permit any Presiding Officer in the future to fail to recognize any Senator before the first name on the roll call has been called. I am disturbed over what has occurred, and I believe the Senate is disturbed. Those who favor this amendment and those who oppose making this change are disturbed, because, after all, this is said to be the greatest deliberative body in the world, but this will no longer be true if the Presiding Officer fails to recognize a Senator and give him the right to make the points that he feels are essential to the debate on the issue in question.

The VICE PRESIDENT. In answering or commenting on the questions you asked, the Chair does not recognize the ideological purposes of one Senator or another. The Chair recognizes Senators on the basis of leadership, or the first person seen on his feet.

I should like to point out that the Chair recognized the distinguished Senator from Alabama yesterday, who was given the opportunity to speak for the entire day. So it is not as though the Chair was discriminating, and I do not want you ever to think that it is. That was not the Chair's purpose or desire, and if there is any feeling on the part of the Senator from Alabama, I have already apologized if he should have felt that way.

The Senator from Idaho is recognized.

Mr. McCLURE. I thank the Chair for recognizing the Senator from Idaho.

I take part in this colloquy rather reluctantly, but I think it may be necessary—reluctantly because I think the passions of Members may lead to comments, either from the Senator from Idaho or from others, which might, upon reflection, better have been withheld. The very fact that emotions have been aroused by the parliamentary sequence of events may lead to some recognition and appreciation of the importance of those events, and the passions with which certain positions are held by various Members.

We may, by some unanimous-consent device, arrive at a conclusion of the business before the Senate with respect to rule XXII, but that does not cure either the precedents that have been made in this body nor the damage that has been done to the fragile fabric of freedom which tyrants have always sought to rend, and sometimes have succeeded.

Men and women have died for the issue of freedom, and a part of those freedoms are embodied in the rights of minorities. One of the first rights in this country was over whether or not we would adopt a constitution that did not have embedded in it the Bill of Rights—a bill of rights which was not addressed to the rights of a majority but which was addressed to protecting the rights of minorities.

Even a minority of one in these United States, one person out of over 200 million, still has rights under the Constitution of the United States—rights which the majority cannot trample, simply because that majority has power.

The history of this Republic of ours was dedicated rather uniquely to the proposition of the rights of the poor, the weak, and the defenseless, and some of the most classic debates in our history have been around the question of whether or not the majority was going to be permitted to trample those minority rights simply because the majority had the power to do so.

In 1968, the U.S. public watched the Democratic Convention in Chicago, and there was a spirit of revulsion across this country as they saw minority rights, on the floor of that convention hall in Chicago, trampled by a presiding officer who refused to recognize the rights of the people within that body to present motions or to make statements which they desired to make.

Yes, the Presiding Officer had the authority and the power, and he exercised it; and the American people turned their backs away from that abuse of authority.

We have just recently seen a President of the United States resign from office, not because of anything that was inherently illegal in his actions, but because of an abuse of authority which the American people found repugnant. The American people and the Members of the Congress, responding to that feeling of the American people against an abuse of authority, put pressure upon the President of the United States that led to his resignation, not because of the crime that was committed but because of the arbitrary use of authority which he arrogated onto himself.

So it is with heavy heart that I see not only the efforts made in other places at other times by arbitrary authority in the hands of one or many to trample the rights of a minority underfoot, but I see that invade the Halls of this Senate and I say with a very heavy heart that no matter what unanimous-consent agreement is reached here, and I hope one can be arrived at, it cannot cleanse the blot on the record of the Senate.

The VICE PRESIDENT. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, the Senator from South Carolina would only rise briefly to straighten out these rules. I have great affection for the distinguished occupant of the Chair. The Vice President and I took office as Governors of our separate States back in 1959. I served with him for 4 years as a member of the Governors' conference, and I know he is sincere and genuine when he says he means no discourtesy. He has always, even though we differed during those 4 years on many votes and items within the conference, he has always been a man of the greatest courtesy.

But unfortunately, Mr. President, the distinguished Vice President is about as confused as he can be when he tries to measure the rules of the U.S. Senate with his view, on the one hand, that since the majority leader was alluding to dilatory tactics, he has been charged with a duty to decide or take a part in the particular debate, and thinks he is helping things along, or on the other hand, when he thinks that since he recognized the Senator from Alabama yesterday when presumably "he did not have to," showing how fair he was yesterday, he does not have to recognize him today.

The rules of the U.S. Senate say that a Senator shall be recognized. Do not let that Parliamentarian confuse the Presiding Officer about the rule respecting a parliamentary inquiry. A parliamentary inquiry and the right of recognition are two different things. I threw my mind into neutral gear when we got various parliamentary rulings around here that could not be defended, because I found it helped my personality not to get frustrated.

I found, when the Chair ruled about the right of recognition, the reference to that rule on page 588 of Senate procedure which says that the Chair may decline to answer parliamentary inquiries. That goes to the point where a Senator is trying to give a last minute argument. A Senator may want to do that, after everything has been debated he may hope to get his message over to his colleagues, and the point of view of his State, and he states his argument in the form of a parliamentary inquiry that no Presiding Officer could possibly answer, and that is the reason for the provision of that rule.

But let us look at the rule, Mr. President.

Mr. President, I ask unanimous consent to continue, if I can, and without objection I shall.

Mr. MANSFIELD. How much time does the Senator wish to have?

Mr. HOLLINGS. About 3 minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Virginia be recognized for 5 minutes.

Mr. HOLLINGS. Let me be recognized because I am sure the Presiding Officer and the Parliamentarian cannot show me in these rules where Senators shall not be recognized.

He has pointed out that he does not have to answer a parliamentary inquiry. But let us look at the rule: Rule XIX:

> When a Senator desires to speak, he shall rise and address the Presiding Officer, and shall not proceed until he is recognized, and the Presiding Officer shall recognize the Senator who shall first address him.

The Presiding Officer shall recognize the Senator.

Which one? The one who shall first address him.

Now, let us look at the rule book of the Parliamentarian for all kinds of references to recognition, and if we turn to page 673, and we find the language where the Parliamentarian in his Senate procedure book says:

> It is the duty of the Presiding Officer to recognize the Senator who first addresses him. . . .

On further, and next to the paragraph at the bottom:

> The Chair should recognize the Senator who first addresses him—

Again turning to the top of page 674:

> Every Senator—

We do not have to talk about courtesy, it is a matter of right—

> in due time has a right—

In the Parliamentarian's language—

> to recognition before the Senate acts on an issue unless by unanimous consent—

There are plenty of rules in here to seat a Senator. If I am out of order the Presiding Officer has a perfect way to take me off my feet. He can ask that I be seated, rule me out of order, and then that is appealable. So the ultimate ruling of actually getting this floor is retained within the body itself, on appeal to the Senate in the last instance.

Referring again—not about this parliamentary inquiry but about recognition. Let us not slough this one off. It talks about going up to the Chair, which is a matter of courtesy and habit and tradition, and many times a Senator, while this distinguished Presiding Officer is going to be presiding, he will have Senators say, "I have been here and I have got to go and catch this plane, and I wish you would recognize me."

It says there:

> The Senator who gave the notice should rise at the specified hour, the Senator previously addressing the Senate having yielded the floor, and address the Presiding Officer in order to obtain recognition; however, a Senator who has given such notice is usually recognized as a matter of courtesy, based on custom only, since there is no provision in the rule entitling him to recognition as a matter of right.

First, they are talking about seriatim:

> If another Senator first rises and addresses the Chair, it is the duty of the Presiding Officer, under the rule, to recognize such Senator when he insists upon the right to the floor.

That is the language in the rules and the Senate Procedure book, and the parliamentary rulings, the right to the floor, the duty to be recognized, and I think the Presiding Officer ought to get better advice from the Parliamentarian.

The Vice President, poor fellow, has only been here a month, trying to keep up with all of these programs, getting the Domestic Council straight, and I do not blame the Presiding Officer. But do not get caught up with the debate and get caught up with the idea of fairness, "Because I recognized you yesterday then I think I ought to look around and recognize somebody else tomorrow."

The Senator from Alabama can stand here and keep on under these rules. We have got a way to shut him up. It is stated in these rules. But the Senator has got to be recognized, he has a right under the rules, and the Presiding Officer should really, in addition to his apology, reverse that ruling and not confuse it with the answer to a parliamentary inquiry. That is a different thing. We are talking about the right of recognition here today.

Mr. WILLIAM L. SCOTT. Mr. President, I realize the difficult job that the Vice President has to perform in presiding over the Senate. All of the Members of the Senate, not as Vice President but as Presiding Officer, have faced the same fact that the Vice President is called upon to face each day. It is the practice in the Senate to have the more junior Members preside over the Senate, I think oftentimes because the more senior Members do not want to be tied down to the chair, so it is quite easy to be sympathetic with the Vice President.

I recall though in the last few days both Senators from Virginia were on their feet seeking recognition prior to the rollcall starting, and both of us have failed to be recognized, I think quite improperly, and I am in general agreement with the statements that have been made.

I think, however, Mr. President, that we have carried this far enough. If the Senate can get the message to the Presiding Officer, I think we have done it. If we have not done it now, I do not think we will ever get that message to the present occupant of the Chair.

I would like to add one further comment, however. I would call the Presiding Officer's attention to a paragraph on page 395 of Senate Procedure which is entitled "Chair Does Not Participate In" and it reads as follows:

> The Presiding Officer has no right to engage in conversation with Senators on the floor; he should not participate in debate. Nevertheless, the Presiding Officer on a few occasions has taken the liberty of making certain remarks in the nature of debate in the absence of a point of order being made.

I would say to the distinguished Vice President that this is the procedure prepared by Dr. Riddick, long-time Parliamentarian of this body, in 1974, just before he left office.

Now, I think the Members of the Senate have been partly responsible for the colloquy that has taken place between the Chair and the Members of the Senate. So I do not say this in a critical vein but I thought the Presiding Officer should know that this is a part of the procedure in the Senate.

Mr. MORGAN addressed the Chair.

Mr. MANSFIELD. Mr. President, how much time does the Senator desire?

Mr. MORGAN. Two minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator be recognized for not to exceed 3 mnutes.

Mr. MORGAN. While we are on the question of the fairness, I would like to comment on an incident on yesterday which, I think, the Chair is not to blame for.

Like the Senator from South Carolina, I had not been too concerned about the motions and the debates until I was present in the Senate either yesterday or the day before, and I observed that the Chair failed to recognize the Senator from Alabama, much as the situation was today. The Chair announced at that time that the clerk had begun to call the roll.

I had not heard the clerk call anyone's name, so I made some inquiry as to whether or not he had called the roll, and I was informed that a Member of one side or the other was standing at the clerk's desk to get *his* vote in the very moment that the Vice President called for a rollcall in order to prevent a point of inquiry, and this was a normal procedure.

I think it is not only important that we conduct our proceedings in a method of fairness but I think it is also important that they appear to be fair, and if that is a gimmick to cut off debate, it is one that I think should not be allowed, and it is one that I find no rules for or no provisions for in the Senate rules.

But I would again point out that if this was error, that it is not attributable to the Vice President because I understand that it has been the custom in the past.

The VICE PRESIDENT. I do not think, if the Senator will forgive me, that I was presiding when this incident took place.

Mr. MORGAN. Mr. President, that was my recollection, but I would add that from that point on, my attitude became a little different about the proceedings and I am not sure whether—I was of the impression, but at any rate, I am not blaming the Chair because I understand it has been the custom in the Senate to do just that.

Mr. MANSFIELD. Mr. President——

The VICE PRESIDENT. The Senator from Montana.

Mr. MANSFIELD. Mr. President, I would like to make what I hope will be a constructive suggestion, and that is that the precedent by means of which Senators have risen to make a parliamentary inquiry be honored in the observance, even though it is not in the rules and procedures of the Senate.

I make this suggestion most respectfully because in my many years in this body the usual practice has been to recognize a Senator regardless of the circumstances if he raised a point of order, and the presiding officer had to assume that that point of order was legitimate.

FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS, 1975

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at this time, under the previous agreement, the Senate turn to Calendar No. 23, House Joint Resolution 210, that it be laid before the Senate, and made the pending business, and I ask for the yeas and nays on final passage.

The VICE PRESIDENT. The joint resolution will be stated by the title clerk.

The legislative clerk read as follows:

> A joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, with an amendment.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, which had been reported from the Committee on Appropriations with an amendment.

On page 2, beginning with line 15, insert:

> CAPITOL BUILDINGS AND GROUNDS
>
> CAPITOL GROUNDS
>
> For an additional amount for "Capitol Grounds" to enable the Architect of the Capitol to convert squares 680, 681 West, and 722, now a part of the United States Capitol, Grounds, for use as temporary parking facilities for the United States Senate, $134,000, to remain available until June 30, 1976.
>
> ACQUISITION OF PROPERTY AS A SITE FOR PARKING FACILITIES FOR THE U.S. SENATE
>
> For an additional amount for "Acquisition of property for a site for parking facilities for the United States Senate", $866,000, to remain available until expended.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. There are 15 minutes for each side.

Mr. McCLELLAN. Mr. President, the further urgent joint resolution we bring before the Senate today would appropriate $143,175,000. Of this amount, $125 million is for operating assistance for the Penn Central and other railroads in reorganization under the Regional Rail Reorganization Act. These funds are urgently needed to insure that essential rail service will be continued in the Northeast and Midwest regions of the country during this reorganization process. The railroads have experienced critical cash shortages as a result of the coal strike, the decline in shipment of automobiles, and the current recession.

The balance of the joint resolution would provide additional office space for the House of Representatives as well as critically needed parking facilities for the Senate. The other body provided a total of $17,175,000 in the bill to take over a building in southwest Washington that is being vacated by the Federal Bureau of Investigation. This is entirely a House matter and, in keeping with longstanding custom that each branch of Congress determines its own needs, no change was made to these items by the Senate.

The committee received testimony from the Architect of the Capitol of the urgent requirements of the Senate for additional parking spaces. The construction of the extension of the Dirksen Office Building will take away 335 parking spaces. The Architect has recommended that $134,000 be used to convert three squares that are part of the Capitol grounds near Union Station for parking use. Two of these squares have been used by Metro for the construction of the subway and are now ready to be landscaped. Hence, it is urgent that a decision be made about converting these squares before Metro unnecessarily spends money on restoring them if they are to be used for parking.

The committee has also provided $866,000 as an additional appropriation for the acquisition of square 724 from the Dirksen Office Building for eventual use as a Senate garage. This acquisition is duly authorized.

I yield to the distinguished Senator from North Dakota.

The PRESIDING OFFICER (Mr. ABOUREZK). The Senator from North Dakota is recognized.

Mr. YOUNG. Mr. President, this is not a complex bill, as explained by the distinguished chairman of the committee (Mr. McCLELLAN). Part of the provisions would normally be contained in the legislative appropriations bill for both the House and the Senate. These are things we have to do. The major item is $125 million to provide relief to the Penn Central Railroad and other Northeast railroads.

This, I think, is a debatable subject. I do not know how long we can continue to finance public railroads, but in this case I see no other alternative. These rails are important to the northeastern part of the United States, and, I have been told, they would have to discontinue service within a matter of 2 or 3 weeks.

So I see no alternative but to appropriate the money contained in this bill. I hope the bill will pass as reported.

Mr. McCLELLAN. Mr. President——

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the committee amendment be agreed to.

The PRESIDING OFFICER. Without objection, the committee amendment is agreed to.

Mr. McCLELLAN. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 4, after line 15, insert the following:
>
> "GENERAL PROVISION
>
> "SEC. 101. Section 205 of the Supplemental Appropriations Act, 1975 (Public Law 93–554) is hereby repealed: *Provided*, That none of the limitations on Travel included in the regular appropriations for fiscal year 1975 shall be exceeded."

Mr. McCLELLAN. Mr. President, I will try to be brief. This amendment would repeal the general provision, included in the Supplemental Appropriations Act, 1974, enacted on December 27, which placed a limitation on travel expenses, including subsistence allowances of Government officers and employees. That provision does not provide nor allow any exemptions or exceptions to the limitation for any agency or activity of the Government and applies equally to the executive, legislative, and judicial branches of the Federal Government. Briefly, I shall explain the background of this limitation.

When the Supplemental Appropriations Act was being considered in the Senate, an amendment was offered from the floor by the distinguished Senator from Delaware (Mr. ROTH) with a number of cosponsors, to limit Government travel expenditures to 75 percent of the amount expended for such in the preceding fiscal year. The objectives of this Roth amendment to reduce expenditures, were roundly supported, and it was accepted and taken to conference.

Under closer examination and study of the Roth amendment by the conferees, and after having checked with a number of agencies which, by the way, all clamored for exceptions and exemptions, it was determined by the conferees that the effect of the limitation as accepted by the Senate was of such severe proportions that it would cause many vital Government functions to cease and be seriously disrupted. Accordingly, the conferees modified the limitation to one which it was thought would be workable and less restrictive than the original provision.

The conference report language relating to that provision reads:

> The conferees are in sympathy with the objective of curtailing all unnecessary Government travel and thereby reducing expenditures and conserving scarce energy resources. Accordingly, it is the intent of the conferees that this provision apply to all Government officers and employees in the Executive, Legislative and Judicial branches of the Government. In addition, it is the intent of the conferees that the Appropriations

> Subcommittees conduct a continuing review of Government travel costs of individual departments and agencies with a view toward achieving further economies and reductions where practicable.

The implementation of this limitation which was based on the fiscal year 1975 budget estimates required that it be carried out on an account by account basis.

Many agencies and departments have been in touch with the House and Senate Appropriations Committees regarding the problems created by this limitation, even though modified, in effectively and efficiently carrying out their assigned duties and responsibilities. I will not attempt to elaborate on these problems, as many Senators are aware of them, having heard from their constituents and from the agencies as to why certain projects and programs must be halted. Several Senators have written the Appropriations Committee to take action in connection with this matter.

Since no exemptions or exceptions were permitted under the travel limitation, many agencies with regulatory and enforcement responsibilities, including safety inspections, have had to sharply curtail field work. Agencies involved in construction activities—such as Bureau in the Department of the Interior, Corps of Engineers—have had to slow down and curtail their work. Routine operation and maintenance activities on Government lands and projects have been adversely affected.

The limitation is causing such unanticipated and unintended results that many programs and functions will have to cease unless the limitation is removed.

The major reasons why the travel limitation is causing these problems follow:

First. The budget estimates upon which the limitation is based were prepared approximately a year in advance of the beginning of the current fiscal year. The estimates did not anticipate the fast pace of inflation, including the large fuel cost increases that occurred.

Second. Poor base budget estimates notwithstanding the inflation factor.

Third. Unanticipated requirements added by Congress without corresponding increases in funds to carry out the additional directives.

Fourth. The limitation was placed on the departments and agencies during midyear after 6 months of the fiscal year had already passed. Many agencies' actual costs in the first half of the year were at such rates that once the limitation was imposed, the obligations and commitments as planned for the entire year are now disrupted, and insufficient flexibility remains under the limitation for the rest of the fiscal year.

Mr. President, I have talked to the chairman of the Appropriations Committee of the House of Representatives and advised him that I would propose such an amendment here today. I am of the opinion, from his remarks, that this amendment will likely be accepted by the House, hopefully so, and that no conference will be required.

I yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I believe under normal conditions the Government could live with these limitations, but we have a large number of people unemployed now. The best way to handle these programs, such as those that come under the Corps of Engineers, the Bureau of Reclamation, and other agencies, is to have more travel if they are to provide additional jobs for the unemployed.

Mr. McCLELLAN. Mr. President, I might make one other observation. This limitation was not imposed until the fiscal year was about half over. Therefore, it really amounted to a limitation of about 20 percent of the past appropriations.

I believe this needs examination each year, of course, in an appropriation bill. This amendment was offered on the floor, and we took it to conference with the result that we reduced it to 10 percent, but that still had the effect of a 20-percent reduction over the previous year.

It has not worked. Therefore, I hope we will have unanimous agreement that this amendment to be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HARRY F. BYRD, JR. Mr. President, I ask that the Record show that the Senator from Virginia voted "no."

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I understand that the author of the amendment we are discussing is on his way to the Chamber. We did let him know that this would come up.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HOLLINGS. Mr. President, chapter I of House Joint Resolution 210 provides a total of $18,175,000 in supplemental appropriations for the legislative branch. The bulk of this amount, $17,175,000 to be exact, is for the House of Representatives to provide additional office space, primarily at the former FBI Fingerprint Building they have acquired at Second and D Streets SW. Due to the passage of two recent acts, the other body deems that it has a critical need for additional space, and in accordance with the long standing custom that each body determines its own needs, we have made no change to the House items.

The committee received testimony from the Architect of the Capitol regarding similarly urgent items for the Senate, particularly with regard to employee parking. I am sure it is generally known that excavation will soon get underway for the extension of the Dirksen Building. This will eliminate 258 parking spots in the eastern half of square 725 along with 77 spaces in the basement area of the Dirksen Building, or 335 spaces in all. The Architect and the chairman of the Rules Committee have found three squares of the Capitol Grounds by Union Station that, if converted to parking, will offset 300 of this loss and require $134,000. In addition, the Architect can create 60 additional spaces in square 724 that we are taking for eventual use as a Senate garage by demolishing unnecessary small structures and by changing the configuration of the lot—so there will actually be a net gain of 25 spaces.

The urgency comes about because Metro is presently using two of the squares in connection with construction of the subway. Metro is duty-bound to restore those two squares to their former landscaped condition but it would be a waste of money to do that if we are going to make them into temporary parking lots. Metro is finished with those squares and must pay their contractor penalties of $2,500 a day for any delays in finishing up work on the squares. By taking this action now, Metro will not incur unnecessary costs, and will either do a portion of the work of turning the squares into a parking lot, or provide funds in the amount of the cost of relandscaping. Negotiations are currently underway with Metro to work out the details.

The committee has also included $866,000 for an additional appropriation for the acquisition of properties and related costs in square 724 that will eventually be used for a Senate garage. We appropriated $4,075,000 in the Supplemental Appropriations Act, 1973 for the taking of the privately owned properties in this square, including relocation allowances to the owners and occupants, the demolition of any buildings not required for Senate use, and the use of the acquired properties by the Senate.

The Senate had previously acquired the Plaza Hotel and also took over the former Immigration Building in this square, both of which are being used for Senate office space. This additional appropriation is required because of the relocation costs for the owners and occupants and the altering of the Immigration Building and the Capitol Hill Hotel—Carroll Arms—into office space is costing more than originally estimated.

The committee reduced the amount for square 724 by the amount needed to convert the three squares into parking lots. The committee has specifically denied the funds for the demolition of the Hill Apartments building. This is a solid six-story structure that might be needed for Senate office space during the construction of the Dirksen extension, and the committee believes that it should not be razed until the Senate's requirements are more certain.

Mr. BAYH. Mr. President, chapter II of House Joint Resolution 210 would provide $125 million in operating assistance for the Penn Central, the Erie Lackawanna, and the other railroads in reorganization under the Regional Rail Reorganization Act of 1973, as amended. The original authorization of $85 million for this type of assistance has been fully appropriated and made available to the railroads by the Federal Railroad Administration. However, testimony before the committee indicates that a serious cash shortage has developed for these railroads in recent months due to such factors as the coal strike, the decline in auto shipments, and the current recession in the economy. The additional funds provided by this resolution are necessary immediately to keep these railroads operating currently and for the next several months. Penn Central has shown that it cannot meet this week's payroll without additional funds. This would dictate an immediate embargo of all traffic and would set in motion a chain of events that would be catastrophe for the entire Nation.

These railroads serve an area in which over 40 percent of the Nation's people reside and which produces over half of the Nation's industrial output. The Penn Central alone employs some 80,000 people and operates over a rail system of around 19,000 miles. The adverse impact of such a shutdown would not be confined to the Northeast and Midwest, however. These railroads are an integral part of a national rail system which links the entire country. The Northeast railroads receive over 300 cars daily from Alabama, over 640 from California, and over 500 from Minnesota. In return, these companies send out around 700 cars a day to Texas, 200 to the State of Washington, and over 500 to Tennessee. It has been estimated that a 2-month embargo on traffic by these railroads would reduce the gross national product by 3 percent and reduce overall economic activity by almost 4 percent. In addition, a shutdown at this time, when the Nation desperately needs to find more energy efficient means of transporting its goods as well as its citizens, would cripple the efforts that are presently underway to develop a modern and efficient rail system in this country.

In urging passage of this appropriation, I am not condoning the practices of the Penn Central management over the past 30 years. Much of the rail system in the Northeast was built in the early 1900's and has not been properly maintained since World War II. But the situation we are facing today is one where we either appropriate these funds or the railroads will cease operations. We simply cannot allow that to happen.

Mr. President, I urge the Senate to accept the committee's recommendations.

THE FEDERAL TRAVEL AMENDMENT

Mr. ROTH. Mr. President, although I strongly support the assistance being given the Penn Central as necessary to the economy of the Eastern seaboard I greatly regret that this legislation is eliminating the limitations—Federal travel agreed to last year. I recognize that there were certain hardships created by this legislation, but it would have been preferable in my judgment, to correct those situations where there were true hardship, while leaving the restraints in other areas of governmental activity. Originally, I intended to make the limitation apply to the Government as a whole, so that the executive branch would have the discretion to decide where travel could be prudently restrained. Unfortunately the parliamentary situation was such that this was not possible.

In any event, the limitation has been eliminated, because of complaints received from many agencies, some valid, others undoubtedly questionable.

I regret the unwillingness of the executive branch to try to find means of making savings without jeopardizing legitimate activities. They are the only ones that can intelligently decide what travel is necessary and what travel is unnecessary. No one wants to limit travel that is essential to vital services of the Government, whether it be by the executive, judiciary, and Congress. What I do want to eliminate is travel that can be dispensed with without interrupting vital Government service. The executive branch could, I am convinced, come up with a proposal that would have protected essential travel while achieving the general objectives of this travel limitation. It did not do so and as a result, we now have the sad spectacle of the Government telling the American people to restrain their use of energy, but failing to lead by example. It is hard to explain to the people back home that they must sacrifice when the Federal Government shows no willingness to tighten its belt. The time is for some hard decisions to be made by the Government at every level. I hope and urge the executive and other branches of Government to do so with respect to travel in the next fiscal budget.

Mr. President, I shall vote against this legislation for the reasons already set out. I will support the appropriation for the Penn Central as a vital step to restore necessary mass transportation services.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. McCLELLAN. I yield back the remainder of my time.

Mr. YOUNG. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The joint resolution, having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. Eagleton), the Senator from Missouri (Mr. Symington), the Senator from Minnesota (Mr. Humphrey), and the Senator from Hawaii (Mr. Inouye) are necessarily absent.

I also announce that the Senator from Alaska (Mr. Gravel) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey) would vote "yea".

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Hruska) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. Bartlett) and the Senator from Illinois (Mr. Percy) are absent on official business.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

The result was announced—yeas 60, nays 30, as follows:

[Rollcall Vote No. 31 Leg.]

YEAS—60

Abourezk
Baker
Bayh
Beall
Bentsen
Biden
Brooke
Buckley
Bumpers
Case
Clark
Culver
Domenici
Eastland
Fong
Ford
Glenn
Griffin
Hansen
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Tower
Tunney
Weicker
Williams
Young

NAYS—30

Allen
Bellmon
Brock
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Cranston
Curtis
Dole
Fannin
Garn
Goldwater
Hart, Gary W.
Helms
Laxalt
Mansfield
McClure
Morgan
Nunn
Packwood
Proxmire
Roth
Scott,
William L.
Stennis
Stone
Talmadge
Thurmond

NOT VOTING—9

Bartlett
Eagleton
Gravel
Hruska
Humphrey
Inouye
Percy
Symington
Taft

So the joint resolution (H.J. Res. 210) was passed.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. HARTKE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond 30 minutes, with statements limited therein to 5 minutes.

The PRESIDING OFFICER (Mr. Stone). Without objection, it is so ordered.

A TRIBUTE TO THE VICE PRESIDENT

Mr. CRANSTON. Mr. President, as the Senator from Alabama has noted, I have not heretofore spoken on the matter of the rule XXII change during the debates, although I have been active in that matter. I wanted to speak after discussion of the Vice President's rulings and procedures began, but I was in the cloakrooms, involved in discussions of the compromise that emerged from the very statesmanlike suggestions that came from the Senator from Louisiana and the majority leader. I came back to the floor hoping to be able to comment, because I gathered that the Vice President was being criticized roundly on both sides of the aisle. When I managed to get back to the floor, however, the matter had been taken from the Senate floor and we were on the matter of the Penn Central Railroad.

I wish to say that I understand the feelings of those who have commented in a critical way on the procedure followed by the Vice President, and I understand the ruffled feelings that existed on the Senate floor and that led to the efforts to work out a compromise—which I very much hope will work. Again, I pay tribute to the Senator from Louisiana, who is now here, for his very fine intervention in this matter.

It seems to me, however, and I wanted to get this into the Record, that the Vice President has presided over the Senate in this matter in perhaps one of the most difficult times that have ever confronted a Vice President so soon after he has entered the Vice Presidency. I know that he has prepared himself with great diligence. He has studied the rules very carefully; he has studied the precedents. He has consulted widely. He has had the benefit of some very fine staff work, I believe. And, of course, he has had a torent of advice from both sides of this issue, with people importuning him to do this, to do that or the contrary, or to do something else.

I feel that the Vice President has presided under very difficult circumstances and made his rulings with great confidence, with great competence, and with great courage. He was listening attentively and, I think, was guided a great deal by the Parliamentarian, who is a man who knows the precedents and the rules very, very well. He was also making his own judgments. The Vice President was seeking to be fair.

There were times when I was not too pleased with the recognitions that came. There were times when I felt that he might have recognized somebody on a different team. So I think there have been people of both sides of the controversy who at times have not been totally pleased. But it has been my feeling that he has sought to be as fair as possible.

Quite plainly, he did go by the rules and the precedents in the particular incident that provoked the heated discussion and the heated aftermath.

On the matter of courtesy in recognizing individual Senators when they are on their feet at particular moments. When one is confronted by rules and precedents that say one thing and when courtesy might say something else, I can understand that a man presiding so early in his career as Vice President might feel that he was bound by the rules and the precedents and by what, I think, the Parliamentarian told him. That is my understanding of the thinking behind the actions taken by the Vice President. Once again, I wish to pay tribute to him for his high competence, his courage, and his sense of confidence about what he is doing. I think he is doing it very well.

MESSAGE FROM THE HOUSE

At 11:32 a.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (H.R. 3260) to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93-398) and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94-39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93-391), transmitted pursuant to the Impoundment Control Act of 1974; and the joint resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes, in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report of the Federal Energy Administration

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report for the period of October through December 1974 concerning imports of crude oil, residual fuel oil, refined petroleum products, natural gas, and coal; domestic reserves and production of crude oil, natural gas, and coal; refinery activities, and inventories (with an accompanying report); to the Committee on Interior and Insular Affairs.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

Two petitions from the Statewide Committees Opposing Regional Plan Areas, Powell Butte, Oreg., relative to redress of grievances; to the Committee on Government Operations.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes, was read twice by title and referred to the Committee on Appropriations.

HOUSE BILL REFERRED

The bill (H.R. 3260) to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93-398), and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94-39), and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93-391), transmitted pursuant to the Impoundment Control Act of 1974, was read twice by title and referred to the Committee on Appropriations and the Committee on the Budget, pursuant to the order of January 30, 1975.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

S. Res. 91. An original resolution relating to the activities of the Committee on Foreign Relations in facilitating the interchange and reception of certain foreign dignitaries (Rept. No. 94-22).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MANSFIELD:

S. 842. A bill for the relief of the Mondakota Gas Co. Referred to the Committee on the Judiciary.

By Mr. BELLMON (for himself and Mr. Bartlett):

S. 843. A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such act (and the recently approved regulations relating thereto) on utilization review and utilization control under the medicare, medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals. Referred to the Committee on Finance.

By Mr. HUDDLESTON:

S. 844. A bill for the relief of Dr. Benedicto Principe and his wife, Erlinda Madula Principe. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT (for himself and Mr. Schweiker):

S. 845. A bill to amend the Internal Revenue Code of 1954 to provide that an individual who suffers a casualty loss as the result of a major disaster may disregard the amount of any grant or cancellation of any loan made under a State disaster assistance program for purposes of determining the amount of that individual's casualty loss deduction and of determining his gross income. Referred to the Committee on Finance.

By Mr. HUGH SCOTT (for himself, Mr. Mansfield, Mr. Griffin, Mr. Sparkman, Mr. Case, Mr. Stennis, and Mr. Tower):

S. 846. A bill to authorize the further suspension of prohibitions against military assistance to Turkey, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. STEVENS (for himself and Mr. Gravel):

S. 847. A bill to establish the Seward National Recreation Area in the State of Alaska, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. SPARKMAN:

S. 848. A bill to amend section 2 of the National Housing Act to increase the maximum loan amounts for the purchase of mobile homes. Referred to the Committee on Banking, Housing and Urban Affairs.

S. 849. A bill to clarify the eligibility of small business homebuilding firms for assistance under the Small Business Act. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. McGOVERN (for himself, Mr. Kennedy, Mr. Humphrey, Mr. Philip A. Hart, and Mr. Clark):

S. 850. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children, the special supplemental food program, and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs. Referred to the Committee on Agriculture and Forestry.

By Mr. MOSS:

S. 851. A bill to direct the National Aeronautics and Space Administration to conduct a comprehensive program of research, technology, and monitoring of the phenomena of the upper atmosphere, and for other purposes. Referred to the Committee on Aeronautical and Space Sciences.

By Mr. HARTKE (for himself and Mr. PEARSON):

S. 852. A bill to amend the Rail Passenger Service Act. Referred to the Committee on Commerce.

By Mr. METCALF:

S. 853. A bill relating to the sale of certain timber, cordwood, and other forest products. Referred to the Committe on Interior and Insular Affairs.

By Mr. NELSON:

S. 854. A bill to amend the Foreign Military Sales Act to require congressional approval for any sale, credit sale, or guarantee involving a major weapons system or major defense service, and to require congressional approval of the total amount of sales, credit sales, and guaranties made to any country or international organization. Referred to the Committee on Foreign Relations.

By Mr. THURMOND:

S. 855. A bill relating to the age and service requirements for the resignation and retirement of justices and judges of the United States. Referred to the Committee on the Judiciary.

By Mr. DOMENICI (for himself and Mr. MONTOYA):

S. 856. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the eastern New Mexico water supply project, New Mexico, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. PHILIP A. HART (for himself and Mr. RIBICOFF):

S. 857. A bill to provide for the independence of certain regulatory agencies of the Federal Government, and to increase the accountability to the public of such agencies. Referred to the Committee on Government Operations.

By Mr. HANSEN:

S. 858. A bill to amend title 38, United States Code, to authorize a program of assistance to States for the establishment, expansion, improvement, and maintenance of cemeteries for veterans. Referred to the Committee on Veterans' Affairs.

By Mr. BURDICK:

S. 859. A bill directing the Corps of Engineers to undertake the relocation of certain water intakes of the city of Williston, N. Dak., threatened with siltation. Referred to the Committee on Public Works.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 860. A bill to amend the Fair Labor Standards Act of 1938 with respect to certain agricultural hand harvest laborers. Referred to the Committee on Labor and Public Welfare.

By Mr. CHURCH (for himself, Mr. JOHNSTON, Mr. FANNIN, Mr. HANSEN, Mr. SPARKMAN, Mr. GRAVEL, Mr. CRANSTON, Mr. TUNNEY, Mr. HUMPHREY, Mr. CURTIS, Mr. MCGEE, Mr. BAYH, Mr. ABOUREZK, Mr. BUCKLEY, Mr. MONTOYA, Mr. MOSS, Mr. BAKER, Mr. EASTLAND, Mr. HATFIELD, Mr. MCCLURE, Mr. BENTSEN, and Mr. TOWER):

S. 861. A bill to amend section 4 of the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

By Mr. CHURCH:

S. 862. A bill to amend the Social Security Act to provide for the coverage of certain drugs under part A of the health insurance program established by title XVIII of such act. Referred to the Committee on Finance.

By Mr. PEARSON (for himself, Mr. HARTKE, Mr. STEVENSON, and Mr. WEICKER):

S. 863. A bill to regulate commerce by improving the procedures of the Interstate Commerce Commission with respect to abandonments of lines of railroad and terminations of rail service and by providing for the continuation of essential but economically nonviable local rail services, and for other purposes. Referred to the Committee on Commerce.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 864. A bill to amend the act entitled "An Act to authorize the sale of certain public lands in Alaska to the Catholic Bishop of Northern Alaska for use as a mission school," approved August 8, 1953. Referred to the Committee on Interior and Insular Affairs.

By Mr. MONTOYA (for himself and Mr. DOMENICI):

S.J. Res. 37. A joint resolution to authorize the Administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame. Referred to the Committee on Aeronautical and Space Sciences.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BELLMON (for himself and Mr. BARTLETT):

S. 843. A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such act (and the recently approved regulations relating thereto) on utilization review and utilization control under the medicare, medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals. Referred to the Committee on Finance.

Mr. BELLMON. Mr. President, today I am introducing legislation on behalf of my distinguished colleague from Oklahoma (Mr. BARTLETT) and myself. This proposal would place an 18-month moratorium on HEW regulations establishing utilization review boards for hospital admissions of medicare and medicaid patients in certain rural hospitals.

This legislation would exempt rural hospitals:

First, located in communities with a population less than 50,000, if there is no other community which has a population of 50,000 or more within a 10-mile radius of such hospital:

Second, the combined average patient load for all hospitals within a 10-mile radius is less than 40 per day; and

Third, the number of practicing physicians on the regular staff of such hospital does not exceed seven.

In addition, this proposal would mandate the Secretary of HEW to study alternative methods of utilization review for rural hospitals with the objective of developing one or more methods of review which will more realistically take into account the special needs and circumstances that exist in rural areas. The Secretary of HEW would be required to submit his recommendations to Congress no later than 6 months after the enactment of this proposal.

Although I am fully aware of the need to prevent the overutilization of medicare and medicaid payments, the recent regulations promulgated by HEW to accomplish this objective do not take into account the unique situation which exists in the rural medical community. For this reason, we are asking for a delay in implementation of these regulations in order to permit time for the development of a more practical approach to the problem as it exists in rural areas.

The regulations, which went into effect on February 2, have created a critical situation for rural hospitals in Oklahoma and throughout the Nation. Action must be taken now if we are to remedy this problem.

Let me explain. Basically, these regulations require the establishment of utilization review boards consisting of two or more physicians to review hospital admissions of medicare and medicaid patients within 24 hours after admission. The failure of rural hospitals to fully implement these regulations before April 1, 1975, will result in the withholding of Federal reimbursement for these patients. The regulations further state that the utilization review committees "shall not be composed of medical or other professional personnel who are directly responsible for the care of the patient—or are financially interested in the hospital."

These regulations have placed rural hospitals in an untenable position and in certain cases will be impossible to implement. Regulations are needed which recognize the special problems that exist in the rural medical community. Problems in implementation are numerous. The small staffs available for rural hospitals make it almost impossible to comply with the 24-hour requirement. Many hospitals do not have nor can they afford the necessary medical staff to fully implement the utilization review boards. Either the hospital must let nonmedical personnel make medical decisions regarding the necessity for hospital admissions or else rely on the assistance of doctors in surrounding communities. The distance and time factors involved create a difficult situation at best. This problem is compounded when one considers that the nature of rural medical practice is such that even a team of doctors from surrounding communities may not qualify because most of these doctors have been involved in the treatment of the hospital's patients at some time.

Quite frankly, these regulations are designed for larger hospitals located in metropolitan areas and represent the classic case where the executive branch has ignored the needs of one major segment they have attempted to regulate—in this case, the rural medical community.

Therefore, it is only reasonable that this emergency legislation be enacted immediately delaying the implementation of these unfair regulations for 18 months. This will permit the time necessary to develop a plan which will accomplish the worthwhile objective of preventing the overutilization of medicare and medicaid payments as well as one tailored to meet the special conditions which exist in the rural areas.

Mr. President, I recently received correspondence from Mr. L. E. Radar, director of the Department of Institution, Social, and Rehabilitative Services of the State of Oklahoma. His letter documents well the problem as it exists in Oklahoma. Mr. President, I ask unanimous consent that his correspondence be printed in the RECORD at this point, together with a statement prepared by Senator BARTLETT in connection with the introduction of this proposed legislation.

There being no objection, the correspondence and statement were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF INSTITUTIONS, SOCIAL AND REHABILITATIVE SERVICES, DEPARTMENT OF PUBLIC WELFARE,
Oklahoma City, Okla., February 21, 1975.

Hon. HENRY BELLMON,
U.S. Senator,
Washington, D.C.

DEAR SENATOR BELLMON: We are very much concerned about the impact of the conditions of participation required of our hospitals and nursing homes in implementing the "Utilization Review" program in Oklahoma.

The rural hospitals and most of the nursing homes do not have sufficient physician and non-physician personnel to establish a Utilization Review Committee. This will mean that many of these institutions will be forced to terminate their operations. As you can readily see, this will seriously affect our health program in Oklahoma.

We request that the implementation of the Utilization Review regulations be deferred. It would appear that Congress should enact legislation that would permit rural areas to continue to have hospitals and nursing homes in order to retain physicians. Without facilities, the physicians will locate only in metropolitan areas.

I have attached a copy of a letter that I have written to Caspar W. Weinberger, Secretary of Health, Education, and Welfare. You will note that I have asked whether payment for services provided under Title XIX will be subject to Federal Financial Participation, pending final implementation of the regulations.

Very truly yours,

L. E. RADER,
Director, Institutions, Social and Rehabilitative Services.

DEPARTMENT OF INSTITUTIONS,
SOCIAL AND REHABILITATIVE SERVICES,
Oklahoma City, Okla., February 21, 1975.

Hon. CASPAR W. WEINBERGER,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: You recently published, with an effective date of February 1, 1975, the requirement for additional utilization review in every hospital. In Oklahoma this is causing a great deal of concern, particularly among the smaller hospitals, since the requirements are almost impossible for hospitals in remote areas to meet.

I have been told that the hospitals are being given until April 1 to implement these requirements, but I do not have that officially. I have also been informed that there is a question as to whether any hospital in the State at this moment is meeting the new regulation.

The purpose of this letter is to request your assurance that payments made for Title XIX services will be subject to Federal Financial Participation, pending final implementation of the regulation.

It is imperative that you give an immediate reply of assurance, relative to Federal Participation, in order that we may continue making payments to hospitals for services rendered after February 1, 1975.

Very truly yours,

L. E. RADER,
Director, Institutions, Social and Rehabilitative Services.

STATEMENT BY SENATOR BARTLETT

Mr. President, today, I am introducing legislation with Senator BELLMON, along with a companion bill in the House of Representatives by Congressman GLEN ENGLISH, to effect greatly needed relief for small rural hospitals throughout the United States from the Utilization Review and Professional Standards Review Organization (PSRO) regulations issued recently by the Department of Health, Education, and Welfare.

This legislation simply delays the effect of the new regulations on the small hospitals for a period of 18 months, thereby giving the Secretary of DHEW time to develop more realistic methods of utilization review for the rural health care facility.

Although this is a critical problem in Oklahoma, it is one faced in every State in our Nation where small (less than 50,000 persons) communities operate health care facilities with a regular staff of seven or fewer practicing physicians.

By Mr. HUGH SCOTT (for himself and Mr. SCHWEIKER):

S. 845. A bill to amend the Internal Revenue Code of 1954 to provide that an individual who suffers a casualty loss as the result of a major disaster may disregard the amount of any grant or cancellation of any loan made under a State disaster assistance program for purposes of determining the amount of that individual's casualty loss deduction and of determining his gross income. Referred to the Committee on Finance.

STATE DISASTER ASSISTANCE TAXATION RELIEF ACT

Mr. HUGH SCOTT. Mr. President, on behalf of myself and my able colleague (Mr. SCHWEIKER), I introduce legislation to grant badly needed tax relief to the victims of major natural disasters.

I refer to this bill as the State Disaster Assistance Taxation Relief Act, and its purpose is to eliminate the Federal taxation of financial assistance made by the States to the victims of such disasters. It would do so by amending the U.S. Internal Revenue Code to allow an individual—in determining a casualty loss deduction or gross income for Federal income tax purposes—to disregard the amount of any grant or the cancellation of any loan made under a State disaster assistance program.

Mr. President, this legislation represents an attempt to finally resolve a problem that became apparent in the days following Hurricane Agnes, the June 1972 tropical storm that ranked as the worst major natural disaster in the Nation's history to that date. Final property damage caused by heavy rains and the severe flooding of some 5,000 square acres of land, much of it in Pennsylvania topped $3 billion representing the destruction of or major damage to 38,907 dwellings and mobile homes, 1,684 farm buildings, and at least 3,000 businesses.

Major efforts by impacted States as well as the Federal Government were required for recovery, a process which has not been fully completed even today. Yet, for many Agnes victims, hopes raised initially were later dashed by Federal tax bills that ate up much of the assistance granted by Pennsylvania and neighboring States. Because of the way the Federal law is now interpreted, those recipients of State aid via direct grant or forgiveness of a loan were taxed on the proceeds.

While our bill would apply retroactively to tax years after December 31, 1971, in order to cover the victims of Hurricane Agnes, the situation which it seeks to correct is not an isolated one. The burden of Federal taxation resulting from State disaster relief efforts has become all too familiar to the victims of the more than 100 occurrences that have been officially designated as major disasters since that date.

In my opinion, there is a basic irrationality to the taxing of State disaster relief assistance. State relief payments come from the State taxpayers—or from Federal funds collected nationwide. To reduce these relief payments for the purpose of increasing tax revenues is not only wrong in principle; it also has the unhappy effect of leaving disaster victims with strong distaste and cynical disillusionment as to their Government's commitment to meaningful relief efforts.

Mr. President, I am hopeful that this important legislation will gain widespread support. Therefore, I ask unanimous consent that its text in its entirety be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 845

A bill to amend the Internal Revenue Code of 1954 to provide that an individual who suffers a casualty loss as the result of a major disaster may disregard the amount of any grant or cancellation of any loan made under a State disaster assistance program for purposes of determining the amount of that individual's casualty loss deduction and of determining his gross income

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as 125, and by inserting after section 123 the following new section:

"Sec. 124. Certain State disaster assistance.

"Gross income does not include amounts furnished by a State to an individual by way of grant, loan cancellation, or otherwise as financial assistance on account of losses suffered by that individual in connection with a disaster occurring in an area subsequently determined by the President to warrant assistance by the Federal Government under the Disaster Relief Act of 1970.".

(b) Section 165(h) of such Code (relating to losses) is amended by adding at the end thereof the following: "For purposes of determining the amount deductible under this section in connection with a loss attributable to such a disaster, amounts received by an individual which are excludible from gross income under the provisions of section 124 shall not be taken into account as compensation for such loss under the provisions of subsection (a) of this section.".

(c) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 124. Certain State disaster assistance.
"Sec. 125. Cross references to other Acts.".

Sec. 2. The amendments made by the first section of this Act apply to taxable years beginning after December 31, 1971.

By Mr. STEVENS (for himself and Mr. Gravel):

S. 847. A bill to establish the Seward National Recreation Area in the State of Alaska, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, I am pleased to introduce today, for myself and Mr. Gravel, a bill to establish the Seward National Recreation Area.

The bill would establish a Seward National Recreation Area encompassing spectacular forests, glaciers, lakes, rivers, wildlife, and other resources in the Chugach National Forest and nearby lands on the Kenai Peninsula in Alaska. It would contain approximately 1.4 million acres and would be administered by the Secretary of Agriculture as a part of the Chugach National Forest.

Rich in history, spectacularly beautiful, the Seward National Recreation Area contains a wealth of recreation resources and opportunities. Its boundary lies about an hour's drive away from Anchorage, which is Alaska's most populous city, and the air crossroads of the world.

The story of civilization within the proposed recreation area began in late 1700's. The fur of the sea otter attracted Siberian fur hunters and Russian traders, who enlisted as hunters the original inhabitants of the region—the Kenaitze Indians. In the 1850's, gold was first discovered, and in 1888, the town of Hope welcomed a discovery at Resurrection Creek which started a human stampede in search of the precious metal.

Wildlife is a main attraction of the area. Moose wander near the main roads at certain times of the year, and Dall sheep and mountain goats can be seen on the steep mountain slopes. There are black bear, brown bear, and abundant porcupines and grouse. Hunting is good and fishing very popular, particularly when the salmon are running.

Most of the recreation area is rugged mountainous terrain with a maximum elevation of around 6,000 feet. The combination of mountains, lakes, streams, glaciers, and a variety of vegetative cover, produce a striking and varied landscape.

Ice fields and glaciers are prevalent. The recreation area includes one of the largest ice deposits in North America, the Harding Ice Field. It also contains one of the major established glacial attractions in Alaska—the Portage Glacier. This outstanding geological feature draws thousands of persons each year from all sections of the Nation and from many parts of the world. From a parking lot observation point on the western edge of Portage Lake one can get an excellent view of the face of the glacier, the expanse of the lake itself, and the steep surrounding mountains. The unique feature of this panorama, however, is the floating mass of gigantic icebergs which regularly calve off the face of the glacier. These irregular chunks of ice drift across the lake and come within close range of the observation point. Few other places in the world afford such a closeup view of icebergs from a vantage point on land.

Our bill is patterned after legislation which established other national forest recreation areas. It directs the Secretary of Agriculture to manage recreation areas for public outdoor recreation benefits and conservation of biotic, scenic, scientific, geologic, historic, and other values. Management, utilization, and disposal of natural resources are permitted so long as they are compatible with the recreational purposes and programs in the area. Minerals are withdrawn from location and entry under the mining laws, but can be leased or removed under permits by the Secretary of the Interior if the Secretary of Agriculture determines these would have no significant adverse effects on administration of the area. Permits and leases can contain conditions prescribed by the Secretary of Agriculture to protect the area's resources.

The Secretary is also directed to cooperate with the State of Alaska and its subdivisions in administering the area.

Copies of a map of the proposal national recreation area are available in the office of the Chief of the Forest Service in Washington and in the Alaska Regional Forester's office in Juneau.

Mr. President, enactment of my bill will bring an important new concept to bear in the management of Federal recreation resources in Alaska. This will establish the first Federal recreation area in the 49th State. I hope for and look forward to its early consideration.

I ask unanimous consent that the bill be printed in the Record.

There being on objection, the bill was ordered to be printed in the Record, as follows:

S. 847

A bill to establish the Seward National Recreation Area in the State of Alaska, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to provide for the public outdoor recreation use and enjoyment of certain spectacular forested areas, geological areas, lakes, rivers, and streams, and other recreational features and resources on the Kenai Peninsula in the State of Alaska by present and future generations and the conservation of scenic, scientific, historic, geologic, and other values contributing to public enjoyment of such lands and waters, there is hereby established, subject to valid existing rights, the Seward National Recreation Area (hereinafter referred to as the "recreation area"), comprising approximately one million four hundred thousand acres. The boundaries of the recreation area shall be those shown on the map entitled "proposed Seward National Recreation Area", dated February 1971, which is on file and available for public inspection in the Office of the Regional Forester, Alaska Region, and in the Office of the Chief, Forest Service, United States Department of Agriculture.

Sec. 2. The administration, protection, and development of the recreation area shall be by the Secretary of Agriculture (hereinafter called the "Secretary") in accordance with the laws, rules, and regulations applicable to the national forest system, in such manner as in his judgment will best provide for (1) public outdoor recreation benefits; (2) conservation of biotic, scenic, scientific, geologic, historic and other values contributing to public enjoyment; and (3) such management, utilization, or disposal of natural resources as in his judgment will promote or are compatible with, and do not significantly impair the purposes for which the recreation area is established.

Sec. 3. Within one year after the effective date of this Act, the Secretary shall publish in the Federal Register a detailed description of the boundaries of the recreation area and such description shall have the same force and effect as if included in this Act: Provided, however, That correction of clerical and typographical errors in such legal description may be made.

Sec. 4. The boundaries of the Chugach National Forest are hereby extended to include all of the lands not presently within national forest boundaries lying within the recreation area as described in accordance with section 1 of this Act. Notwithstanding any other provision of law, the Federal property located within the recreation area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the purposes of this Act.

Sec. 5. Within the boundaries of the recreation area the Secretary is authorized to acquire lands, waters, or other property, or any interest therein, in such manner as he considers to be in the public interest to carry out the purposes of this Act. Any lands, waters, and interests therein owned by or under the control of the State of Alaska or any political subdivision thereof may be acquired only with the consent of such State or political subdivisions. Moneys appropriated from the Land and Water Conservation Fund shall be available for the acquisition of lands, waters, and interests therein for the purposes of this Act. Lands acquired by the Secretary or transferred to his administrative jurisdiction within the recreation area shall become part of the recreation area and of the Chugach National Forest.

Sec. 6. The Secretary shall permit hunting, fishing, and trapping on the land and waters under his jurisdiction within the recreation area in accordance with applicable Federal and State laws; except that the Secretary may issue regulations designating zones where and establishing periods when no hunting, fishing, or trapping shall be permitted for reasons of public safety, administration, fish or wildlife management or public use and enjoyment. Except in emergencies, any regulations pursuant to this section shall be issued only after consultation with the Alaska Department of Fish and Game.

Sec. 7. The lands within the recreation area, subject to valid existing rights, are hereby withdrawn from location, entry, and patent under the United States mining laws, The Secretary of the Interior, under such regulations as he deems appropriate, may issue permits or leases for the removal of the nonleasable minerals from lands or interests in lands within the recreation area, and he may permit the removal of leasable minerals from lands or interests in lands within the recreation area in accordance with the Mineral Leasing Act of February 24, 1920, as amended (30 U.S.C. 181 et seq.), or the Acquired Lands Mineral Leasing Act of August 7, 1947 (30 U.S.C. 351 et seq.), if the Secretary of Agriculture finds that such disposition would not have significant adverse effects on the administration of the recreation area: Provided, That any lease respecting such minerals in the recreation area shall be issued only with the consent of the Secretary of Agriculture and subject to such conditions as he may prescribe. All receipts derived from permits and leases issued under the authority of this section for removal of nonleasable minerals shall be paid into the same funds or accounts in the Treasury of the United States and shall be distributed in the same manner as provided for receipts from national forests. Any receipts derived from permits or leases issued on lands within the recreation area under the Mineral Leasing Act of February 25, 1920, as amended, or the Act of August 7, 1947, shall be disposed of as provided in the applicable Act.

SEC. 8. The jurisdiction of the State of Alaska and the United States over waters or any stream included in the recreation area shall be determined by established principles of law. Under the provisions of this Act, any taking by the United States of water rights which are vested under either State or Federal law at the time of enactment of this Act shall entitle the owner thereof to just compensation. Nothing in this Act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from State water laws.

SEC. 9. The Secretary shall cooperate with the State of Alaska or any political subdivisions thereof in the administration of the recreation area and in the administration and protection of lands within or adjacent to the recreation area owned or controlled by the State or political subdivisions thereof. Nothing in this Act shall deprive the State of Alaska or any political subdivision thereof of its right to exercise civil and criminal jurisdiction within the recreation area, or of its right to tax persons, corporations, franchises, or other non-Federal property, including mineral or other interests, in or on lands or waters within the recreation area.

By **Mr. McGOVERN** (for himself, Mr. KENNEDY, Mr. HUMPHREY, Mr. PHILIP A. HART, and Mr. CLARK):

S. 850. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children, the special supplemental food program, and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs. Referred to the Committee on Agriculture and Forestry.

THE IMPORTANCE OF CHILD NUTRITION

Mr. McGOVERN. Mr. President, following the release of the President's budget, I expressed strong opposition to the Agriculture Department cuts in the food stamp and child feeding programs.

For some time, I have been unhappy with the administration of these programs by the Department of Agriculture. It seems that despite the strongest possible support in Congress, the Secretary of Agriculture and his subordinates are constantly searching for ways to restrict them.

I had the opportunity last week to discuss this problem rather bluntly with Secretary Butz. Our discussion then, during a hearing of the Committee on Agriculture and Forestry, focused primarily on the food stamp program. Fortunately, the Congress has already put a resounding stop to the regulation signed by him to cut back the food stamp program.

I told Mr. Butz that I believed he had an essentially negative attitude toward his Department's feeding programs. He did not deny that; in fact, he said that he believed the growth of the Nation's feeding programs somehow threatened the well being of his Department's basic agricultural programs.

Nothing could be further from the truth. In fact, the viability of the Department of Agriculture depends on a healthy mix of programs serving the farmer, the consumer, needy families and all the Nation's children.

While the Secretary's attempt to cut back the food stamp program has received the most publicity, he is also proposing to cut back the Nations child nutrition feeding programs in an equally ill-advised manner.

In one proposal, Mr. Butz seeks to eliminate:

First, diet supplementation for 650,000 low-income women, infants, and children in 48 States;

Second, 2½ billion school lunches for children from middle-income homes;

Third, milk for tens of millions of young schoolchildren;

Fourth, all meals for any child in a day care center, Head Start center; and

Fifth, all school breakfasts, taking food away from over 1½ million young children each day.

What makes this action particularly foolhardy is that it comes at a time when these programs, tried and proven, could be a real help to the people of this country, without a great increase in cost.

At a time when food costs are rising over 15 percent per year, when unemployment is hitting recordbreaking numbers, when double digit inflation is bewildering almost everyone, when the farm economy is in trouble, and when local economies need a boost, the Federal nutrition programs are in a unique position to be used to help, not to hurt, our people.

Congress stopped cold the Secretary's assault on food stamps. I believe Congress will not let him turn back the clock on 30 years of progress in protecting the health and well-being of the 31 million American children who participate in the child nutrition programs.

I am increasing my effort to stop him from doing it today. I am introducing a bill, not just to stop him from cutting back, but to extend and improve these vital programs. I fully expect Congress to pass this legislation. I hope the President, as he finally decided on food stamps, will not veto it.

The purpose of this bill is to make certain that the children of this country do not lose out through the termination of these nutrition delivery systems. Programs which end on June 30 of this year include the special food service program, which involves day care feeding, Head Start feeding, and summer feeding; the WIC program, which feeds high-protein diet supplementations to low-income women, infants, and children; the school breakfast program, which provides a nutritious morning meal to almost 2 million American schoolchildren each day; and the commodity program as it pertains to school lunches.

In the budget proposal for the Food Nutrition Service of the Department of Agriculture for fiscal year 1976, there are absolutely no funds for these programs. Instead, Mr. Butz proposes a bloc grant that reduces overall child nutrition funding by about $600 million. If the administration is successful, tens of millions of dollars in benefits going to schoolchildren in our local communities will be lost. Over 3 million children a day will totally lose benefits they are now receiving. This does not include the between 5 and 10 million children who will soon drop out of the school lunch program if the ill-advised administration bloc-grant proposal succeeds.

I have already put in the RECORD my criticism of this bloc-grant proposal and described its disastrous effect on the school lunch program.

Combined with this radical reduction of the school lunch program, the elimination of the special food service programs, the breakfast program, and the WIC program will result in the end of food benefits for 13 million children.

We cannot permit this to happen.

When I think of these children, and how important and valuable these meals are for them, I am convinced of the foolishness of these plans for termination and cutback.

I plan to fight the bloc-grant proposal as vigorously as I know how.

This bill is the first effort in a series of moves I hope will end in the strengthening and expansion of our food programs.

These are not new programs in most instances. With one exception, they are tried and true social programs which the States and local communities have come to use efficiently and which have come to mean a great deal to our people. Dollars spent on these programs accrue to the benefits of our farmers, our local working force, our food industries, and most importantly of all, our children.

As chairman of the Select Committee on Nutrition and Human Needs, I have become a believer in the value of good nutrition. I am convinced that it is one of the most effective forms of preventive medicine available to us. I am convinced that feeding a child in school is one way to insure a healthy future citizen. This bill is a fairly modest one, given the scope of the numbers of persons involved.

In this bill the breakfast program is merely extended. There are no increased funds requested. The same is essentially true of the summer food program. We ask that the Secretary do his best to get the information to the communities that the school breakfast program is available to them. I am concerned that relatively few children participate in the breakfast program, as compared to the lunch program. I feel that this meal is just as important to their health and well-being as lunch.

I intend to shortly introduce legislation to change the summer food program in a much more comprehensive manner.

This bill also extends commodity support programs for school lunches. This important provision has two components. First, we must maintain commodity support for school lunches because schools are in need of this support. Without it, lunch costs would go up and children would drop out of the program. We know this from experience. The second part of the commodity section requires that the Secretary give back to schools some of the flour and oil which he has decided to keep out of the school commodity program this year. This loss has hurt schools, especially those in rural areas. And I intend to restore these traditional commodities to the schools this year, as well as maintain the level of other high protein foods donated to the schools.

This bill also continues the authorization for the day care nutrition program, the Head Start nutrition program, and the summer food program. These programs have historically been part of what is known as the special food service program.

The essential change proposed under this legislation is that children in these programs will now receive the benefits of the national school lunch program. That is, they will receive the fixed reimbursement rate with the escalator clause attached to it for automatic adjustment. They will receive advance payments. They will, in most instances, receive commodities. They will receive money for nonfood assistance. They will receive funding based on their total participation. These changes will, hopefully, allow these programs to reach more children.

This bill includes for the first time in Federal nutrition legislation, orphanages, homes for the mentally retarded, and homes for the handicapped, and so forth. I think it is time that we bring these children into equal treatment with their brothers and sisters who are attending public schools. My research shows that children who are institutionalized are receiving much fewer nutritional benefits than those in schools, and I do not think this is fair. I hope through this legislation to give these children equal treatment.

The irony of the special food service program, up until the present, has been that funds are returned unspent, while thousands of children are waiting for these services in the States. This situation has arisen essentially because of an unclear and confusing policy on the part of the Department that has left the States and local projects in doubt as to what benefits are available for children in their service institutions. In some cases, I must say, the Department did not have a very clear legislative mandate to work from.

This bill will, hopefully, straighten out these problems by attaching many of the characteristics of the school lunch program to the special food service program.

Young children who participate in day care, Head Start, summer food, and the special supplemental food programs are going to need these programs desperately in the upcoming months. It is my hope that this legislation will pass quickly so that those States and local projects which are unsure of their future because of the termination of the current authorization will be given hope and something to plan for.

This legislation also extends and expands the WIC program. The WIC program is one of our very most promising. It is in need of some revision this year, but that is to be expected with any pilot project. The Select Committee on Nutrition and Human Needs has held extensive hearings in the area of diet supplementation for high-risk persons, and the recommendations before the committee plus the knowledge gained from the observation of local WIC projects has been incorporated in this bill.

Many WIC administrators, nutritionists, nurses, and participants were consulted in the formulation of this new legislation.

The Nutrition Committee has been collecting data from State WIC directors, and the initial perusal of that data indicates overwhelming acceptance and the success of the WIC program. Almost every State has the desire and capability to expand their WIC programs right now.

I think the initial idea behind the WIC program, that it makes the most sense to supplement people's diets during their most vulnerable periods, and their periods of greatest growth, still makes a great deal of sense today. In addition, I think it is saving the taxpayer's money. I think it is cheaper to help someone for pennies when they are in their formative years, than to attempt to pull along someone who is only partially employable because of a health defect, or someone who is a slow learner, or someone born with a birth defect.

We are all concerned about controlling inflation, Mr. President. However, I think it is misguided, to say the least, to cut off these programs at this time.

The true test of programs like this is not how well they function when the economy is riding high, but how well they function when the economy is undergoing difficulties, and the people need their benefits the most.

I think it is important for Congress to send the parents of these children and the children themselves a message which says we are not going to desert them and that we recognize the importance of these programs for them.

Mr. President, these programs are effective. The people like them. They work. I would hope someday that we introduce legislation which will expand them all considerably.

Mr. President, I ask unanimous consent that the accompanying bill, and the section-by-section analysis be printed in the Record at this point.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 850

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The National School Lunch and Child Nutrition Act Amendments of 1975."

SCHOOL BREAKFAST PROGRAM

Sec. 2. Section 4(a) of the Child Nutrition Act is amended by inserting after "and June 30, 1975," "and subsequent fiscal years".

Sec. 3. Section 4 of the Child Nutrition Act of 1966 is amended by adding the following subsection:

"(c) As a national nutrition and health policy, it is the purpose and intent of the Congress that the school breakfast program be made available in all schools where it is needed to provide adequate nutrition for children in attendance. The Secretary is hereby directed, in cooperation with State Educational agencies, to carry out a program of information to the schools in furtherance of this policy. Within 90 days after the enactment of this legislation, the Secretary shall report to the Committees of jurisdiction in the Congress his plans and those of the cooperating state agencies, to bring about the needed expansion in the school breakfast program."

MATCHING

Sec. 4. Section 7 of the National School Lunch Act is amended by adding the following sentence at the end of such section:

"*Provided, however,* That the total state matching of $3 for $1, as required in the third sentence of this section with adjustments for the per capita income of the State, shall not apply with respect to the payments made to participating schools under Section 4 of this Act for free and reduced price meals: *Provided further,* That the foregoing proviso does not apply in the case of State level matching as required under the sixth sentence of this section."

INCOME GUIDELINES FOR REDUCED PRICE LUNCHES

Sec. 5. Section 9(b) of the National School Lunch Act is amended by deleting "75 per centum" in the last sentence of said section and substituting 100 per centum."

NONPROFIT PRIVATE SCHOOLS

Sec. 6. Section 10 of the National School Lunch Act is amended to read as follows:

"If, in any State, the State educational agency is not permitted by law to disburse the funds paid to it under this Act to nonprofit private schools in the State, or is not permitted by law to match federal funds made available for use by such nonprofit private schools, the Secretary shall disburse the funds directly to the nonprofit private schools within said State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursements to schools within the State by the State educational agency, including the requirement that any such payment or payments shall be matched, in the proportion specified in section 7 for such State, by funds from sources within the State expended by nonprofit private schools within the State participating in the school lunch program under this Act. Such funds shall not be considered a part of the funds constituting the matching funds under the terms of section 7: *Provided,* That beginning with the fiscal year ending June 30, 1974, the Secretary shall make payments from the sum appropriated for any fiscal year for the purposes of section 4 of this Act directly to the nonprofit private schools in such State for the same purposes and subject to the same conditions as are authorized or required under this Act with respect to the disbursements by the State educational agencies."

MISCELLANEOUS PROVISIONS AND DEFINITIONS

Sec. 7. Section 12(d)(7) of the National School Lunch Act is amended to read as follows:

"'School' means any public or nonprofit private school of high school grade or under and any public or licensed nonprofit private residential child caring institution, including, but not limited to orphanages, homes for the mentally retarded, homes for the emotionally disturbed, homes for unmarried mothers and their infants, temporary shelters for runaway children, temporary shelters for abused children, hospitals for children who are chronically ill, and juvenile detention centers."

COMMODITIES

Sec. 8. Section 14 of the National School Lunch Act is amended by striking out "June 30, 1975" and inserting in lieu thereof "Sept. 30, 1978" and by adding at the end thereof the following paragraph:

"(3) Among the products to be included in the food donations to the school lunch program shall be such cereal and shortening and oil products as were provided in the fiscal year 1974. Such products shall be provided to the school lunch program in the same or greater quantities as were provided in the fiscal year 1974 and shall be in addition to the value of commodity donations, or cash in lieu thereof, as provided for in Section 6 of this Act."

SEC. 9. Section 6(e) of the National School Lunch Act is amended by adding the following language at the end of said section:

"*Provided further*, That not less than 75 per centum of the assistance provided under this subsection shall be in the form of foods purchased by the United States Department of Agriculture for the School Lunch Program."

SEC. 10. Section 6(a)(3) of the National School Lunch Act is amended by adding the following at the end of said section:

"The value of assistance to children under this Act shall not be considered to be income or resources for any purposes under any Federal or State laws, including laws relating to taxation and welfare and public assistance programs."

SEC. 11. Section 3 of the Child Nutrition Act of 1966 is amended by deleting the second sentence and inserting in lieu thereof:

"For the purposes of this section 'United States' means the fifty States, Guam, Puerto Rico, and the District of Columbia."

SUMMER FOOD PROGRAM

SEC. 12. Section 13 of the National School Lunch Act is amended by deleting subsection 13(g) and revising subsections 13(a), 13(b), and 13(c)(2) to read as follows:

"(a)(1) There is hereby authorized to be appropriated such sums as are necessary for the fiscal years ending June 30, 1976, and June 30, 1977, to enable the Secretary to formulate and carry out a program to assist States through grants-in-aid and other means, to initiate, maintain, or expand nonprofit food service programs for children in service institutions. For purposes of this section, the term 'service institutions' means public institutions or private, nonprofit institutions that develop special summer programs providing food service similar to that available to children under the National School Lunch or School Breakfast Programs during the school year. To the maximum extent feasible, consistent with the purposes of this section, special summer programs shall utilize the existing food service facilities of public and nonprofit private schools. Any eligible institution shall receive the summer food program upon its request.

"(a)(2) Service institutions eligible to participate under the program authorized under section 13 of the National School Lunch Act shall be limited to those which conduct a regularly scheduled program for children for areas in which poor economic conditions exist and from areas in which there are a high concentration of working mothers. Summer camps that otherwise qualify as institutions under this subsection shall be eligible for the summer food program if attending children are maintained in continuous residence for no more than one month."

13(b) The Secretary shall publish proposed regulations relating to the implementation of the summer food program by January 1 of each fiscal year, and shall publish final regulations, guidelines, applications and handbooks by March 1 of each fiscal year.

13(c)(2) In circumstances of severe need where the rate per meal established by the Secretary under subsection (c)(1) is insufficient to carry on an effective feeding program, the Secretary may authorize financial assistance not to exceed 80 per centum of the operating costs of such a program, including the cost of obtaining, preparing, and serving food. Non-Federal contributions may be in cash or kind, fairly evaluated, including but not limited to equipment and services. In the selection of institutions to receive assistance under this subsection, the State educational agency shall require the applicant institutions to provide justification of the need for such assistance. The maximum allowable reimbursement for service institutions authorized to receive assistance under this subsection shall be set at 80 cents for lunches and suppers served, 45 cents for breakfasts served, and 25 cents for meal supplements served, with the above maximum amounts being adjusted each March 1 to the nearest ¼ cent in accordance with charges for the 12-month period ending the prior January 31 in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. The initial such adjustment shall be made on March 1, 1976, and shall reflect the change in the series food away from home during the period January 31, 1975, to January 31, 1976.

SPECIAL FOOD SERVICE PROGRAM

SEC. 13. The National School Lunch Act is amended by adding the following section:

"SEC. 16. (a)(1) There is hereby authorized to be appropriated such sums as are necessary to enable the Secretary of Agriculture to formulate and carry out a program to assist States through grants-in-aid and other means to initiate, maintain, or expand non-profit food service programs for needy children in institutions providing child care. Any funds appropriated to carry out the provisions of this Section shall remain available until expended.

(a)(2) For purposes of this section, the term "institution" means any public or private non-profit organization where children are not maintained in permanent residence including but not limited to day-care centers, settlement houses, recreation centers, family day-care centers. Headstart centers, and institutions providing day care services for handicapped children. No such institution shall be eligible to participate in this program unless it has either local, State or Federal licensing or approval as a child-care institution, or can satisfy the Secretary that it is in compliance with the applicable Federal Interagency Day Care Requirements of 1968. Provided, however, that lack of tax exempt status shall not prohibit eligibility for any institution under this section.

The term "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa and the Trust Territory of the Pacific Islands. Any institution shall receive the Special Food Service Program upon its request.

(b) APPORTIONMENT TO THE STATES:

(1) For each fiscal year beginning with the fiscal year ending June 30, 1976, the Secretary shall make special food service payments no less frequently than on a monthly basis to each State educational agency in an amount no less than the sum of the product obtained by multiplying (a) the number of breakfasts served in special food service programs within that State by the national average payment rate for breakfasts under section 4 of the Child Nutrition Act of 1966 as amended, (b) the number of breakfasts served in special food service programs within that State to children from families whose incomes meet the eligibility criteria for free school meals by the national average payment rate for free breakfasts under section 4 of the Child Nutrition Act of 1966 as amended, (c) the number of breakfasts served in special food service programs, within that State to children from families whose incomes meet the eligibility criteria for reduced price school meals by the national average payment rate for reduced price school breakfasts under section 4 of the Child Nutrition Act of 1966 as amended, (d) the number of lunches and suppers served in special food service programs within that State by the national average payment rate for lunches under section 4 of the National School Lunch Act, (e) the number of lunches and suppers served in special food service programs within that State to children from families whose incomes meet the eligibility criteria for free school meals by the national average payment rate for free school lunches under section 11 of the National School Lunch Act, (f) the number of lunches and suppers served in special food service programs in that State to children whose families meet the eligibility criteria for reduced-price school meals by the national average payment factor for reduced-price lunches under section 11 of the National School Lunch Act, (g) the number of snacks served in special food service programs in that State by 5 cents, (h) the number of snacks served in special food service programs in that State to children from families whose incomes meet the eligibility criteria for free school meals by 20 cents, (i) the number of snacks served in special food service programs in that State to children from families whose incomes meet the eligibility criteria for reduced-price school meals by 15 cents. The rates established pursuant to subsections (g), (h), and (i), shall be adjusted semiannually to the nearest one-fourth cent by the Secretary to reflect the changes in the series for food away from home of the Consumer Price Index published by the Department of Labor Statistics of the Department of Labor: *Provided*, That the initial such adjustment shall be effective January 1, 1976, and shall reflect changes in the series food away from home during the period June through November 1975. Reimbursement for meals provided under this subsection or under subsection (2) of this section shall not be dependent upon collection of moneys from participating children.

(2) For each fiscal year beginning with the fiscal year ending June 30, 1976, the Secretary shall make further special food service payments no less frequently than a monthly basis to each State educational agency in amounts equal to the sum of the product obtained by multiplying the number of breakfasts, lunches, suppers and snacks served in special food service programs within that State by institutions that are determined to be especially needy by the difference between the cost of providing such meals (which shall include the full cost of obtaining, handling, serving and preparing food as well as supervisory and administrative costs and indirect expenses, but not including the cost of equipment provided for under section 18 of this Act) and the respective rates for such meals specified in subsection (1).

(3) No later than the first day of each month, the Secretary shall forward to each State an advance payment for meals served in that month pursuant to subsections (1) and (2) of this section, which payment shall be no less than the total payment made to such State for meals served pursuant to subsections (1) and (2) of this section for the most recent month for which final reimbursement claims have been settled. The Secretary shall forward any remaining payment due pursuant to subsections (1) and (2) of this section no later than 30 days following receipt of valid claims; Provided, that any funds advanced to a State for which valid claims have not been established within 90 days shall be deducted from the next appropriate monthly advance payments, unless the claimant requests a hearing with the Secretary prior to the ninetieth day.

(c) Meals served by institutions participating in the Program under this section shall consist of a combination of foods and shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served free to needy children. No physical segregation or other discrimination against any child shall be made because of his inability to pay, nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names or other means. No institution shall be prohibited from serving a breakfast, lunch, dinner and snack to each eligible child each day.

(d) Funds paid to any State under this section shall be disbursed by the State agency to institutions approved for participation on a non-discriminatory basis to reimburse such institutions for all costs including labor and administrative expenses, of food service operations. All valid claims from such institutions shall be paid within 30 days.

(e) Irrespective of the amount of funds appropriated under section 13 of this Act, foods available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) or purchased under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), or section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446 a–1), shall be donated by the Secretary of Agriculture to institutions participating in the special food service program in accordance with the needs as determined by authorities of these institutions for utilization in their feeding programs. The amount of such commodities donated to each State for each fiscal year shall be, at a minimum, the amount obtained by multiplying the number of lunches served in participating institutions during that fiscal year by the rate for commodities and cash in lieu thereof established for that fiscal year in accordance with the provisions of Section 6(e) of the National School Lunch Act.

(f) If in any State the State educational agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any service institution in the State, the Secretary shall withhold all funds provided under this section and shall disburse the funds so withheld directly to service institutions in the State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section.

(g) The value of assistance to children under this section shall not be considered to be income or resources for any purpose under any federal or State laws, including laws relating to taxation and welfare and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this section.

(h) There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expenses under this section.

(i) States, State educational agencies, and service institutions participating in programs under this section shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this section and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

Sec. 14. The National School Lunch Act is amended by adding the following section:

"Sec. 17. As a national nutrition and health policy, it is the purpose and intent of the Congress that the Special Food Service Program and the Summer Food Program be made available in all service institutions where it is needed to provide adequate nutrition for children in attendance. The Secretary is hereby directed, in cooperation with State educational and child-care agencies, to carry out a program of information to the schools in furtherance of this policy. Within 90 days after the enactment of this legislation, the Secretary shall report to the Committees of jurisdiction in the Congress his plans and those of the cooperating State agencies to bring about the needed expansion in the Special Food Service and Summer Food Program."

NONFOOD ASSISTANCE

Sec. 15. The National School Lunch Act is amended by adding the following section:

"Sec. 18. (1) Of the sums appropriated for any fiscal year pursuant to the authorization contained in section 13 and section 16 of the Act, $5,000,000 shall be available to the Secretary for the purpose of providing, during each such fiscal year, nonfood assistance for the special food service program, and the Summer Food Program, pursuant to the provisions of this Act. The Secretary shall apportion among the States during each fiscal year the aforesaid sum of $5,000,000; provided, that such an apportionment shall be made according to the ratio among the States of the number of children below age 6 who are members of households which have an annual income not above the applicable family size income level set forth in the income poverty guideline prescribed by the Secretary under Section 9(b) of the National School Lunch Act.

"(2) If any State cannot utilize all of the funds apportioned to it under the provisions of this section, the Secretary shall make further apportionments to the remaining States. Payments to any State of funds apportioned under the provisions of this subsection for any fiscal year shall be made upon condition that at least one-fourth of the cost of equipment financed under this section shall be borne by funds from sources within the State, except that such condition shall not apply with respect to funds used under this section to assist institutions determined by the State to be especially needy;

"(3) For purposes of this section, the term 'State' shall mean any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

"(4) If in any State the State educational agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any service institution in the State, the Secretary shall withhold all funds apportioned under this section and shall disburse the funds so withheld directly to service institutions in the State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section."

SPECIAL SUPPLEMENTAL FOOD PROGRAM

Sec. 16. Section 17 of the Child Nutrition Act of 1966 is revised to read as follows:

"(a) The Congress finds that substantial numbers of pregnant women, infants, and young children are at special risk in respect to their physical and mental health by reason of poor or inadequate nutrition and/or health care. Therefore, it is the intent of this act to provide supplemental nutritious food as an adjunct to good health care during these critical times of growth and development in order to prevent the occurrence of these health problems.

"(b) For each fiscal year the Secretary shall make cash grants to the health department or comparable agency of each State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare for the purpose of providing funds to local health or welfare agencies or private nonprofit agencies of such State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education and Welfare, serving local health or welfare needs to enable such agencies to carry out health and nutrition programs under which supplemental foods will be made available to all pregnant or lactating women and to infants determined by competent professionals to be nutritional risks because of inadequate nutrition and inadequate income, in order to improve their health status. Such program shall be carried out without regard to whether a food stamp program or supplemental food program or a direct food distribution program is in effect in such area.

"(c) In order to carry out the program provided for under subsection (b) of this section during each fiscal year, the Secretary shall use $300,000,000 out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). In order to carry out such program during each fiscal year, there is authorized to be appropriated the sum of $300,000,000, but in the event that such sum has not been appropriated for such purpose by July 1 of each fiscal year, the Secretary shall use $300,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose and $300,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). Any funds expended from such section 32 to carry out the provisions of subsection (a) of this section shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out the provisions of such subsection, and such reimbursements shall be deposited into the fund established pursuant to such section 32, to be available for the purpose.

"(d) Whenever any program is carried out by the Secretary under authority of this section through any State or local or nonprofit agency, he is authorized to pay administrative costs not to exceed 25% of the projected program funds provided to each State under the authority of this section. Provided, that each health department or comparable agency of each State, Indian tribe, band, or group recognized by the Department of Interior; or the Indian Health Service of the Department of Health, Education, and Welfare receiving funds from the Secretary under this section shall, by January 1, each year, for approval by him as a prerequisite to receipt of funds under this section, submit a description of the manner in which administrative funds shall be spent, including, but not limited to, a description of the manner in which nutrition education and outreach services will be provided. Outreach funds shall be used to search out those most in need of the benefits of this program. The Secretary shall take affirmative action to ensure that programs begin in areas most in need of special supplemental food. Provided further that during the first three months of any program, or until the program reaches its projected caseload level, whichever comes first, the Secretary shall pay those administrative costs necessary to successfully commence the program."

"(e) The eligibility of persons to participate in the program provided for under subsection (a) of this section shall be determined by competent professional authority. Participants shall be residents or members of populations served by clinics or other health facilities determined to have significant numbers of infants and pregnant and lactating women at nutritional risk.

"(f) State or local agencies or groups carrying out any programs under this section shall maintain adequate medical records or the participants assisted to enable the Secretary to determine and evaluate the benefits of the nutritional assistance provided under this section. The Secretary shall convene an advisory committee made up of representatives from the Maternal and Child Health Division, of the Department of Health, Education, and Welfare, the Center for Disease Control, the Association of State and Territorial Public Health Nutrition Directors, the American Academy of Pediatrics, the National Academy of Science—National Research Council, the American Dietetic Association, the American Public Health Association, the Public Health Service and others as the Secretary deems appropriate. This committee shall study the methods available to successfully and economically evaluate in part or in total, the health benefits of the Special Supplemental Food Program. Their study shall consider the usefulness of the medical data collected and the methodology used by the Department of Agriculture and the Comptroller General of the United States prior to March 30, 1975. Their study shall also include the applicability to an evaluation of the Special Supplemental Food Program of Federal and State health, welfare and nutrition assessment and surveillance projects currently being conducted. The purpose of this advisory committee shall be to determine and recommend in detail how, using accepted scientific methods, the health benefits of the Special Supplemental Food Program may best be evaluated and assessed. This advisory committee shall report to the Secretary no later than December 1, 1975. The Secretary shall submit to Congress his recommendations based on this study no later than March 1, 1976.

"(g) Definition of terms used in this section—

(1) "Pregnant and lactating women" when used in connection with the term "at nutritional risk" includes mothers up to six months post partum from low-income populations who demonstrate one or more of the following characteristics: known inadequate nutritional patterns, unacceptably high incidence of anemia, high prematurity rates, or inadequate patterns of growth (underweight, obesity, or stunting). Such term (when used in connection with the term "at nutritional risk") also includes low-income individuals who have a history of high-risk pregnancy as evidenced by abortion, premature birth, or severe anemia.

(2) "Infants" when used in connection with the term "at nutritional risk" means children under five years of age who are in low-income populations which have shown a deficient pattern growth, by minimally acceptable standards, as reflected by an excess number of children in the lower percentiles of height and weight. Such term, when used in connection with "at nutritional risk", may also include children under five years of age who (A) are in the parameter of nutritional anemia, or (B) are from low-income populations where nutritional studies have shown inadequate infant diets. Any child participating in a non-residential child care program shall not be excluded from participating in the WIC program.

(3) "Supplemental foods" shall mean those foods containing nutrients known to be lacking in the diets of populations at nutritional risks and, in particular, those foods and food products containing high-quality protein, iron, calcium, vitamin A, and vitamin C. Such term may also include (at the discretion of the Secretary) any commercially formulated preparation specifically designed for women or infants. The contents of the food package shall be made available in such a manner as to provide flexibility based on medical necessity or cultural eating patterns.

(4) "Competent professional authority" includes physicians, nutritionists, registered nurses, dietitians, or State or local medically trained health officials as being competent professionally to evaluate nutritional risk.

(5) "Administrative costs" include costs for outreach, referral, operation, monitoring, nutrition education, general administration, start-up, clinic, and administration of the State WIC office.

(h) (1) There is hereby established a council to be known as the National Advisory Council on Maternal, Infant, and Fetal Nutrition (hereinafter in this section referred to as the "Council") which shall be composed of fifteen members appointed by the Secretary. One member shall be a State Director of the Special Supplemental Food Program, one member shall be a State Fiscal Director for the Special Supplemental Food Program (or the equivalent thereof), one member shall be a State Health Officer (or equivalent thereof), one member shall be a project director of a special supplemental food program in an urban area, one member shall be a project director of a special supplemental food program in a rural area, one member shall be a State Public Health Nutrition Director (or equivalent thereof), two members shall be parent recipients of the Special Supplemental food program, one member shall be a pediatrician, one member shall be an obstretrician, one member shall be a person involved at the retail sales level of food in the special supplemental food program, two members shall be officers or employees of the Department of Health, Education, and Welfare, specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to maternal, infant, and fetal nutrition, and two members shall be officers or employees of the Department of Agriculture, specially qualified because of their education, training, experience, and knowledge in matters relating to maternal, infant and fetal nutrition.

(2) The eleven members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that the nine members first appointed to the Council shall be appointed as follows: Three members shall be appointed for terms of three years, three members shall be appointed for terms of two years, and three members shall be appointed for terms of one year. Thereafter all appointments shall be for a term of three years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

(3) The Secretary shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Council.

(4) The Council shall meet at the call of the Chairman but shall meet at least once a year.

(5) Eight members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

(6) It shall be the function of the Council to make a continuing study of the operation of the Special Supplemental Food Program and any related Act under which diet supplementation is provided to women, infants, and children, with a view to determining how such programs may be improved. The Council shall submit to the President and the Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

(7) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

(8) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council.

(i) On September 1, 1975, the Secretary shall forward to each State an advance payment for the month of September pursuant to subsection (c) of this section which shall not be less than the total payment made to such State for the month of July 1975, pursuant to subsection (c) of this section and the Secretary shall forward any remaining payment due pursuant to subsection (c) of this section for the month of September 1975 no later than 30 days following the receipt of valid claims. Thereafter, on the first day of each month the Secretary shall, in a similar manner, forward an advance monthly payment to each State pursuant to subsection (c) of this section which shall not be less than the total payment made to such State in the second preceding month pursuant to subsection (c) of this section and the Secretary shall forward any remaining payment due pursuant to subsection (c) of this section for such month no later than 30 days following receipt of valid claims: *Provided*, That any funds advanced to a State for which valid claims have been established within 90 days shall be deducted from the next appropriate monthly advance payment, unless the claimant requests a hearing with the Secretary prior to the ninetieth day. On each July 1 and on each January 1 the Secretary shall publish in the Federal Register the amount of advance payments to be made to each State pursuant to this subsection for that month.

SCHOOL BREAKFAST PROGRAM

(Section 2)

This section merely extends the School Breakfast Program for three more years.

(Section 3)

This section directs the Secretary of Agriculture to carry out a program of information to States in regard to the School Breakfast Program. National participation in this program is only 10% of the School Lunch Program. Some schools may be uninformed as to the availability or the benefits of this program, and this section is an attempt to reach them and bring them into participation.

MATCHING

(Section 4)

This section makes a technical change in the $3:1 State matching requirement under the National School Act. It is needed because the nature of the School Lunch Program is changing slightly with more free meals being served. The result is that States are unable to meet, in every instance, the matching requirements as much of this money has come from paying children. This change will not affect the amount of appropriated funds needed from the State or local level.

INCOME GUIDELINES FOR REDUCED PRICE LUNCHES

(Section 5)

This section increases the eligibility for reduced price lunches to include more children from middle-income families. Last year this provision was also slightly expanded, and resulted in increased participation by tens of thousands of children daily. In many States, this helped keep total participation levels equal to the year before, as many other paying children dropped out of the program as food costs went up. This section is specifically intended to help those lower-middle income families who have felt the pinch of greatly increased food prices and have children in school. By expanding the eligibility for reduced price lunches, children from families whose incomes aren't so low as to qualify them for a free lunch but who come from working families with not a great deal of income, will be able to participate in the School Lunch Program, instead of dropping out. This section should help stem the flow of millions of paying children who have dropped out of the program in the last few years.

NON-PROFIT PRIVATE SCHOOLS

(Section 6)

This section makes a technical change, deleting some matching language that is no longer needed as a result of the newer performance funding requirements of the National School Lunch Act.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

(Section 7)

This section changes the definition of school to include licensed non-profit private residential institutions such as orphanages, homes for the mentally retarded, etc.

Currently only 9.3% of children in institutional care participate in the National School Lunch Program. The rest receive some federally donated commodities and some milk assistance. However, they receive nothing approaching the benefits of the School Lunch Program, in commodities or per meal reimbursements.

The vast majority (80%) of these children would be eligible for the School Lunch Program if they resided at home. The purpose of this section is to give them the same valuable nutritional support through the School Lunch Program as other children their age receive, who live at home and attend school. In their bloc grant proposal for all child nutrition programs, the Administration provides in their budget for per meal reimbursements to institutionalized children. This section does the same.

COMMODITIES

(Section 8)

This section extends per meal commodity donations for the School Lunch Program. These commodities provide the foundation for this important program, and help support our agricultural market. School lunch administrators and personnel are overwhelmingly in support of this extension. Without it, school meal costs would increase drastically, because many school districts cannot get commodities at the same price the Department of Agriculture can, nor could they inspect or grade the foods with the same efficiency. If schools lost the commodities and lunch prices went up, a large number of the 25 million children receiving meals each day would either pay higher prices than they are now paying, receive inferior meals, or drop out of the program.

In addition to maintaining commodity support for the School Lunch Program, this section restores to the School commodity program flour, oil and shortening. The Department of Agriculture has withheld these commodities this entire school year while increasing shipment of them overseas. As a result, they are unavailable to schoolchildren for the first time in many years. Their loss has hurt local school districts that had facilities and employees intact to prepare foods from them, and the children who had been receiving them for years. Their loss has also been a factor in the increased prices paid this year by participating children. This section merely restores those cereal, shortening, and oil products which had previously been available to the schools.

COMMODITIES

(Section 9)

This section continues the current practice of providing the bulk of the commodity assistance to the School Lunch Program in the form of food, not cash to purchase food. USDA and Nutrition Committee studies show the purchasing power advantage held by USDA. If assistance under this section were given to schools in cash and not commodities, the local school districts would be presented with an added fiscal burden, as purchasing the same foods as USDA would cost them more, thus driving up the cost to children and driving some from the program. Authorization for this practice ends this year.

(Section 10)

This section makes a very minor addition to the National School Lunch Act, by excluding benefits of the school lunch program from computation of income under any Federal or State laws.

(Section 11)

This section makes Puerto Rico eligible for the Special Milk Program.

SUMMER FEEDING

(Section 12)

The summer food program is extended for two years with minor changes. The section places a ceiling on reimbursement rates that may be paid for meals served in especially needy institutions participating in the program, with a provision that this ceiling be adjusted annually in accordance with changes in the food away from home series of the Consumer Price Index. (This is the same adjustment formula used in the school food programs.

The ceiling for lunches served in needy institutions would be set at 80 cents, a level 9.5% above the 73 cent maximum set by USDA for last summer's program.

This section would also make the program available to short-term residential camps for low-income youngsters. When Rep. Charles Vanik (D.-Ohio) sponsored the legislation that created this program in 1968, he stated on the House floor that the intent of the legislation was to include such camps, but USDA has arbitrarily barred their participation by regulation.

SPECIAL FOOD SERVICE PROGRAM

(Section 13)

This section of the bill would bring the Special Food Service Program for children (under which reimbursements are provided to non-residential child care institutions for meals served to attending children) into accordance with the same procedures and requirements that apply in the school lunch and breakfast programs. As in the school programs, participating institutions would be required to collect income statements from parents or guardians, and institutions would then receive the same per meal reimbursements, and the same per meal amounts of commodities, as are provided the schools in the school food programs.

This should lead to more effective and efficient operation of the program. At present, States are hindered by an archaic apportionment formula under which some States never have enough money and other States return funds unspent each year. In addition, at present some poor children are barred from the program solely because their day-care center is not located in a hard-core poverty area, while non-poor children within a poverty area receive as much reimbursement per meal as poor children. The procedures of the school food programs, which have proven effective for providing reimbursement on behalf of each participating child in accordance with the income of the child's family, would resolve these inequities and greatly strengthen and regularize program operations.

Reimbursements would continue to be available for the serving of suppers and meal supplements in that small percentage of participating institutions which provide these meals.

This section also makes the special food service program available for the first time to licensed, non-profit family day care centers, which are currently excluded from the program solely on the basis of Agriculture Department regulations.

(Section 14)

This section acknowledges the intent of Congress to make available the Special Food Service Program and the Summer Feeding Program to all eligible children. The Secretary of Agriculture is directed to devise a plan of information to the States, to educate them as to the availability of these programs.

NON-FOOD ASSISTANCE

(Section 15)

This section directs the Secretary of Agriculture to make available and apportion among the States $5,000,000 for equipment assistance to the Special Food Service Program and the Summer Food Program. Both of these programs, according to administrators who have testified before the Select Committee on Nutrition and Human Needs, and according to GAO, have suffered from lack of money for equipment. This section for the first time mandates a certain amount of equipment money for these two programs, and should assist them in providing clean and professional nutrition delivery programs.

SPECIAL SUPPLEMENTAL FOOD PROGRAM

(Section 16)

This section extends and expands the program known as WIC (Women, Infants, and Children).

This program provides high-protein diet supplementation to low income women, infants, and children found to be at nutritional risk. The idea behind the original pilot legislation was to reach people during those critical periods when nutrition intervention would do the most good for them and therefore give the taxpayers the best return on their tax dollar.

This section makes WIC a permanent program. The response from the States warrants no less of a commitment.

This section attempts to correct many of the problems which have been discovered during this initial implementation period, and reflects extensive input from WIC administrators and participants which has been received by the staff of the Select Committee on Nutrition and Human Needs.

The medical evaluation component has been revised so that some of the problems of the early evaluation which have been discovered and discussed by the GAO can be corrected. The new evaluation component requires the Secretary to meet with a group of experts in the field of maternal, fetal, and infant nutrition. This group will have studied the original evaluation, taken a look at existing health and nutrition assessment methods, and developed a plan for implementing a specific evaluation geared to the WIC program, and/or a plan for using WIC data in other assessments, if either is feasible. This way, there is a potentiality for using the acceptable data gathered in the first evaluation and devising new methods. It is hoped a smaller in-depth study over a longer period of time will be possible to determine the impact of this diet supplementation.

This section also increases the percent of total funds available for administrative expenses and includes within that increased monies for nutrition education and outreach. The need for both an increase in administrative funds and provisions for nutrition education have been emphasized repeatedly by WIC administrators as necessary to make the program work effectively.

The components of administrative expenses are clearly spelled out; start-up costs are allowed in sufficient amounts to allow any program to get itself off the ground; women are allowed to continue to receive foods for six months after birth, as opposed to six weeks, in order to allow them a longer period to catch up from nutritional depletion resulting from childbirth; children are allowed to participate through five years of age; not four, in an attempt to expand slightly their nutritional coverage during the preschool years; the food package is made flexible enough to cover certain medical needs or cultural eating patterns; advance payments to the States are required; and, a National Advisory Council is established for maternal, fetal, and infant nutrition.

This Council will be composed of administrators, health professionals, nutritionists, State and local WIC directors, and WIC participants. They will meet with the Secretary of Agriculture on a regular basis as an advisory panel, and issue a report once a year. This report will include the results of their oversight, and recommendations for the improvement of maternal, fetal, and infant nutrition programs.

By Mr. **MOSS**:

S. 851. A bill to direct the National Aeronautics and Space Administration to conduct a comprehensive program of research, technology, and monitoring of the phenomena of the upper atmosphere,

and for other purposes. Referred to the Committee on Aeronautical and Space Sciences.

UPPER ATMOSPHERIC RESEARCH AND MONITORING ACT OF 1975

Mr. MOSS. Mr. President, several weeks ago the Senate Committee on Aeronautical and Space Sciences held a hearing on the Earth's upper atmosphere. At this hearing eminent scientists from both inside and outside the Government testified as to the considerable concern in the scientific community about the effects of various substances finding their way into the upper atmosphere. This concern has been dutifully and clearly reported by the press and, consequently, has generated great public concern. The purpose of the hearings before the committee was to find out what factually is known about the upper atmosphere and its problems, what is theoretical, and what should be done now.

Mr. President, without any exaggeration that hearing was one of the most interesting I have ever attended. To put the hearing in proper perspective, let me develop quickly what it is that concerns our scientists and the public.

Life on Earth is protected from the Sun's ultraviolet radiation by a thin layer of ozone in the stratosphere. Without this layer of ozone to absorb most of the Sun's ultraviolet radiation, life on Earth cannot exist. Based largely on the results of theoretical studies, some scientists recently have predicted the destruction of stratospheric ozone molecules by some chemicals being released into the atmosphere in enormous quantities. The theory predicts that chemicals, such as the Freon gas used in refrigeration units and spray cans, remain in the atmosphere for very long periods of time, gradually rising to the stratosphere, and, through a complicated catalytic process, destroy ozone at prodigious rates. It also has been suggested that the enormous amounts of nitrogen fertilizer being used around the world have similar long-term destructive effects on the ozone in the upper atmosphere. What concerns the scientific community and the public is the clear possibility that some things being done here on earth might result in destroying substantial amounts of stratospheric ozone.

Along with the reported effects of various chemicals on the Earth's upper atmosphere has come the realization that: First, little of what we know about the upper atmosphere is based on experimental evidence; second, there are surprisingly few trained experts in this field, perhaps not more than a hundred in the entire world; and third, efforts to understand what happens in the upper atmosphere have been piecemeal and fragmented. The hearing before the committee bore all of this out.

All of the witnesses heard by the committee agreed that based on the theoretical evidence we might be running into serious problems with the upper atmosphere. They agreed that the processes of the upper atmosphere are extremely complicated. There were some differences of opinion as to the degree of the seriousness of the problem but we did not hear any scientific argument or evidence which contradicts the theoretical conclusions. The witnesses agreed that a better research, technology and monitoring program is necessary to understand the upper atmosphere and its problems. They also agreed that this program should have as its long term objective the better understanding of the upper atmosphere but that the near term objective should focus on the stratosphere. The witnesses also agreed that because of the nature of the stratosphere this is a worldwide concern requiring close international cooperation.

Mr. President, there have been proposals to immediately ban substances that in theory have an adverse effect on the upper atmosphere. But after considering some of the substances in question, such as the nitrogen fertilizer required to grow the world's food and Freon used to run most of the world's refrigeration systems, it is clear to me that we simply cannot ban every substance that might have an adverse effect. What is needed is a well planned and focused research, technology, and monitoring program which will provide an understanding of the upper atmosphere and its problems and determine whether or not the theoretical conclusions are correct.

Mr. President, the agency of the U.S. Government best able to carry out such a program on the Earth's upper atmosphere is the National Aeronautics and Space Administration which possesses unique capabilities to conduct research on the upper atmosphere using both direct- and remote-sensing techniques. NASA has wide experience, not only in the atmospheric science of the Earth but also in studying the atmospheres of other planets so as to increase our understanding of the chemistry and physics of planetary atmospheres generally. I might point out that an event of significance leading to the questions being raised about the Earth's atmosphere was the discovery that the atmospheric chemistry of Venus is controlled by chlorine even though chlorine is a very minor constituent—about 1 part in 10 million—of that atmosphere.

Therefore, Mr. President, I am introducing a bill which provides that the National Aeronautics and Space Administration in cooperation with other Federal agencies shall begin immediately and carry out a program of research, technology, monitoring, and other appropriate activities directed to the purpose of understanding the physics and chemistry of the upper atmosphere. In carrying out this program the Administrator of NASA must make all results available to the appropriate regulatory agencies and otherwise provide for the wide dissemination of the results.

Mr. President, I feel certain that my colleagues will be hearing more and more regarding these problems in the weeks ahead. Therefore, I commend this bill to their attention, and ask unanimous consent that it be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 851

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Upper Atmospheric Research and Monitoring Act of 1975".

SEC. 2. (a) It is the purposes of this Act to provide for an understanding of and to maintain the chemical and physical integrity of the earth's upper atmosphere.

(b) The Congress declares that it is the policy of the United States to undertake an immediate and appropriate research, technoloy, and monitoring program that will provide for understanding the physics and chemistry of the earth's upper atmosphere.

SEC. 3. For the purpose of this Act the term—

(1) "Administrator" means the Administrator of the National Aeronautics and Space Administration, and

(2) "upper atmosphere" means that portion of the earth's sensible atmosphere above the troposphere.

SEC. 4. (a) In order to carry out the purposes of this Act the Administrator of the National Aeronautics and Space Administration, in cooperation with other federal agencies, shall initiate and carry out a program of research, technology, monitoring and other appropriate activities directed to understanding the physics and chemistry of the upper atmosphere.

(b) In carrying out the provisions of this Act, the Administrator shall—

(1) arrange for participation by the scientific and engineering community, of both the nation's industrial organizations and institutions of higher education, in planning and carrying out appropriate research, in developing necessary technology and in making necessary observations and measurements;

(2) provide, to the maximum extent practicable and consistent with other laws, for the widest practicable and appropriate participation of the scientific and engineering community in the program authorized by this Act through the use of contracts, grants and scholarships; and

(3) make all results of the program authorized by this Act available to the appropriate regulatory agencies and provide for the widest practicable dissemination of such results.

SEC. 5. In carrying out the provisions of this Act, the Administrator, subject to the direction of the President and after consultation with the Secretary of State, shall make every effort to enlist the support cooperation and appropriate scientists and engineers of other countries and international organizations.

SEC. 6. The Administrator shall submit to the President, annually, for transmittal to the Congress, a report on the activities being carried out pursuant to this Act, together with a description of accomplishments achieved in the implementation of this Act.

SEC. 7. Except as otherwise provided in this Act, the Administrator shall, in carrying out the functions under this Act, have the same powers and authority the National Aeronautics and Space Administration has under the National Aeronautics and Space Act of 1958 to carry out its functions under that Act.

SEC. 8. (a) There are authorized to be appropriated $50,000,000 to carry out the provisions of this Act during fiscal years 1975, 1976, and the 3-month transition period between fiscal year 1976 and fiscal year 1977.

(b) Notwithstanding any other provision of the law, no appropriation may be made to the National Aeronautics and Space Administration to carry out the purposes of this Act for any fiscal year after fiscal year 1976, except the transition period, unless previously authorized by legislation hereafter enacted by the Congress.

By Mr. **HARTKE** (for himself and Mr. PEARSON):

S. 852. A bill to amend the Rail Passenger Service Act. Referred to the Committee on Commerce.

Mr. HARTKE. Mr. President, on behalf of myself and Senator PEARSON, I introduce by request a bill to amend the Rail Passenger Service Act, and ask unanimous consent that the letter of transmittal, statement of need, and text of the bill be printed in the RECORD.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., February 11, 1975.
Hon. NELSON A. ROCKEFELLER,
President of the Senate, Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a bill to amend the Rail Passenger Service Act (the "Act") to authorize additional appropriations under section 601(a) of the Act.

The Amtrak Improvement Act of 1974 (P.L. 93-496) authorized $200 million in appropriations to finance Amtrak's operating deficit for Fiscal Year 1975. In order to insure continued operation of Amtrak services through Fiscal Year 1975 as required by the Act, an additional $63 million in grant authorization will be required.

In June 1974, Amtrak estimated its gross operating deficit for FY 1975 at about $150 million. Because of higher costs for wages and fuel and the cost of providing added services to meet increased demand, the estimated deficit was increased to $238.2 million in September of 1974. At that time it was made clear that the revised estimate did not include certain contingency costs which, if they occurred, would raise the deficit even higher. Because of the realization of certain of those contingent costs and an unanticipated decline in revenues during the first six months of FY 1975, the estimated loss for FY 1975 is now expected to be $325.0 million. The enclosure identifies the changes in the Amtrak FY 1975 deficit estimates and the need for new authorization.

Amtrak's actual experience during the first six months of FY 1975 shows that net revenues for the year will be $5.2 million less than anticipated, after taking into account the offsetting effects of the fare increase instituted in November 1974, the one planned for April, 1975, and increased charges, beginning in January of this year, on food and beverage service. Amtrak attributes this revenue decrease to the downturn in the economy.

On the expense side, Amtrak has included $99.1 million in new expenses which were previously included in Amtrak's budget estimates as contingency items: they are (1) railroad performance incentive payments of $21.5 million; (2) settlement of the Amtrak/Penn Central contract at $22.9 million; (3) additional car overhaul program expenses of $5.0 million; and (4) increased operating costs due to inflation of $49.7 million.

To offset in part these additional cost increases and revenue decreases whose combined impact is $104.3 million, Amtrak plans a cost reduction program which is estimated to save $13.5 million and which includes a reduction in force, savings in crew costs and improved equipment utilization. An adjustment in prior year billing charges will result in savings of $4.0 million. However to avoid drastic curtailment or even cessation of service, the additional authorization for grant assistance must be available by the end of March. A curtailment of service would adversely affect Amtrak's ability to provide service and generate revenues during the critical early months of its summer peak season.

While the Department in the very near future intends to submit its proposals to Congress for FY 1976 and beyond, the urgency of this matter requires the submission of this legislation at this time.

The Office of Management and Budget has advised that enactment of this legislation would be in accord with the President's program.

Sincerely,
JOHN W. BARNUM,
Acting Secretary.

Identification of changes in Amtrak fiscal year 1975 deficit

Revenue:	*Dollars in millions*
Net revenue decrease resulting from decrease in anticipated ridership (−$28.5 million) partially offset by fare increases (+$23.2 million)	$5.2
Expenses:	
Increase in costs not previously funded:	
Railroad performance incentive contract costs	21.5
Settlement of Amtrak/Penn Central service contract	22.9
Car overhaul program	5.0
Costs due to inflation	49.7
Total new expense items	99.1
Subtotal—Change in deficit before cost reductions	104.3
Cost Reduction Actions and Adjustments:	
Amtrak cost reduction effort	13.5
Adjustment for prior year charges	4.0
Total cost reductions and adjustments	17.5
Net change in deficit	85.8
New authorization required:	
Previous Amtrak fiscal year 1975 deficit estimate	238.2
Net change in deficit	86.8
Revised fiscal year 1975 deficit	325.0
Less funds currently available	247.1
Additional fiscal year 1975 supplemental appropriations required	77.9
Less currently available authorization	14.9
New authorization required	63.0

S. 852

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 303(d) of the Rail Passenger Service Act (45 U.S.C. 543(d)) is amended by inserting immediately after the third sentence the following: "This limitation upon compensation shall not apply, however, in the event the Board determines with respect to a particular position or positions that (1) a higher level of compensation is necessary, and (2) is not in excess of the general level of compensation paid officers of railroads in positions of comparable responsibility.".

SEC. 2. Section 601(a) of the Rail Passenger Service Act (45 U.S.C. 601(a)) is amended by striking out "534,300,000" and inserting in lieu thereof "597,300,000".

By Mr. METCALF:

S. 853. A bill relating to the sale of certain timber, cordwood, and other forest products. Referred to the Committee on Interior and Insular Affairs.

Mr. METCALF. Mr. President, I introduce for appropriate reference a bill to amend chapter 15 of the Mining Lands and Mining Laws, 30 U.S.C. 601–604, and related laws. It is identical to S. 1498, which I introduced last year. This act provides general authority to sell a wide variety of mineral and vegetative materials from public lands, including such Federal holdings as the national forests. It authorizes large competitive sales and deals also with regulation of vegetative materials—everything from ferns to timber.

For a number of reasons these acts need to be modernized and that is one purpose of my bill. Another is to improve the ability of the Bureau of Land Management and the Forest Service to make small sales of forest products, especially on a semicompetitive or a negotiated basis.

One special area of concern to me is improvement in the sale of salvage forest products on the public lands. For example, the Forest Service has a $2,000 limit on the sale of salvage forest products by other than advertised competitive sales. However, the authority in title 30 of the United States Code permits the sale of up to 250,000 board feet of timber by other than an advertised sale. The Forest Service cannot use the authority in title 30 as written.

On the other hand, there is a wide variation in the value that 250,000 board feet of timber may have in Montana, Washington, or Arizona. My bill seeks to make these authorities consistent. In addition, it seeks to give the land management agencies the opportunity to review the service they ought to be giving to smaller producers of common varieties of materials and minerals, various vegetative products and timber to improve resource utilization and better meet their obligation to the small businessman.

I have met in the past with a number of very small forest producers. Because they have severely limited capital they can purchase only small sales.

They described to me the numerous opportunities to comb the forest—either following up after a large timber sale—or picking up small clumps of dead, dying, or diseased trees.

Such sales are now limited by law and regulation and by procedures which make them more costly to the agencies to process than they ought to be. They also impose burdens on the small gypo logger that reduce his chance to break even.

In the broader and larger picture of timber supply and demand, these sales are not going to change the national picture. However, they could transform the present marginal operator into a taxpaying small businessman while contributing as well to forest improvement.

We need to keep in mind that some trees are affected by a disease that may damage part of them and that other trees die naturally, singly or in clumps. The salvage sale is thus an important tool in efficient forest management, for it is selection cutting of a sort that ought to be encouraged.

The bill would provide for a $5,000 top limit on small negotiated sales and in the case of forest products, a 250,000 board feet limit, whichever is less. I hope the hearings will develop whether this is the best way to encourage this program, while providing sensible limits. I hope that the Forest Service will be prepared to discuss its current $300 limit on a single green slip sale. The agencies should be prepared to address the issue of proper pricing.

While I have not included in the bill a provision to amend the reporting requirements in 30 U.S.C. 602(b), I would be interested in views on how these can be simplified with adequate protection to the public interest. Finally, agencies can suggest ways to improve the on-the-ground service to small operators while getting the maximum in forest management benefits.

By Mr. NELSON:

S. 854. A bill to amend the Foreign Military Sales Act to require congressional approval for any sale, credit sale, or guaranty involving a major weapons system or major defense service, and to require congressional approval of the total amount of sales, credit sales, and guaranties made to any country or international organization. Referred to the Committee on Foreign Relations.

Mr. NELSON. Mr. President, this legislation represents a step forward in the effort to restore the Congress' role as an active partner in helping to formulate and oversee U.S. foreign policy. Basically, this legislation would give the Congress the opportunity to evaluate in advance and set guidelines for the U.S. foreign military sales program. The bill would require the President to submit to Congress an annual report containing a forecast of the dollar amounts of foreign military sales proposed to be made to each country during the next fiscal year. In addition, the forecast would include the types and numbers of major weapons systems and major defense services proposed to be transferred. Congress would then be given the opportunity to consider the proposed arms sales program and set guidelines for, place restrictions on, and/or make additions to, the administration's proposed plans. Congress would not be expected to approve each individual sale necessarily but rather merely to establish a framework and parameters for the total sales program.

In fiscal year 1974 the U.S. Government sold over $8.2 billion worth of weapons to some 70 different foreign countries. This total is more than twice the $3.8 billion in weapons sold in 1973. Moreover, the 1974 total is more than nine times the total dollar amount of sales made in 1970. Clearly we are in need of a new congressional review mechanism to keep up with the rapid increase in this sales program. Congress must be given the timely information necessary to exercise its oversight responsibility in this crucial area.

In fact, the rapid increase in sales continues unabated. The Pentagon recently released figures showing that in the first 7 months of fiscal year 1975 the United States sold $4.6 billion worth of arms abroad with about $3.6 billion of that going to the volatile Mideast area. In fact, in the last quarter of 1974, the Defense Department sent out letters of offer to sell weapons to various countries representing over $6.6 billion worth of armaments. At this rate, the United States could commit itself to selling over $25 billion worth of weapons abroad per year. The dollar amounts involved and the rapid increase of these sales are truly staggering.

The magnitude of the amounts involved in the foreign military sales program becomes clear in comparison to the total amounts of U.S. military assistance. For example, the Congress in fiscal year 1974 approved a total of $2.8 billion in military assistance. The total figure for the foreign military sales program last year was over two and a half times as great. The following table compares the amounts involved in these programs:

Comparison of total dollar amounts for all forms of U.S. military assistance and for FMS (foreign military sales)

	Military assistance	*FMS*
Fiscal year 1970	2.9	0.9
Fiscal year 1971	3.5	1.6
Fiscal year 1972	4.0	3.2
Fiscal year 1973	3.7	3.8
Fiscal year 1974	2.8	8.2

As is evident from this table, the level of military assistance has been steadily decreasing while the level of foreign military sales has increased dramatically and in fact has exceeded the total amount of military assistance in the last 2 years.

Congress has the opportunity to thoroughly consider in advance the proposed military assistance programs contained in the Foreign Assistance Act. And yet no such chance is afforded the Congress in the case of military sales—even though military sales represent a much more significant arms total.

The obvious reason for the difference in the approaches to congressional consultation in these two instances is the fact that in the case of foreign aid, Congress must appropriate funds, whereas, in the case of foreign military sales only those sales transacted on a credit or guaranty basis require Government expenditures and thus also require congressional authorization. The question really is whether this difference in the funding mechanism of these two types of military aid should really make any substantive difference in the way in which Congress is consulted in each instance.

Whether a weapon is given to a foreign country, sold on credit to it, or sold on cash terms to the country in question has no relevance to the foreign policy implications of the arms transfer. The fact remains that the vast amount of foreign military sales which the U.S. Government is engaged in has foreign policy implications just as vast. Regardless of how the arms transfers are accomplished, Congress should be in a position to consider the foreign policy implications of arms transfers in advance and in a comprehensive manner. The Defense Appropriations Subcommittee of the Senate recognized just how important these sales are in its report last year on the Defense Appropriations bill:

> The political and economic impact of foreign military sales on the United States and recipient foreign countries is immeasurable.

The report went on to state:

> The Committee is particularly concerned that long term security interests of the United States might be jeopardized by large cash sales of sophisticated weapons systems in areas of potential conflict. Recent arms sales to the Middle East, Greece and Turkey have created severe political military, and economic repercussions on both the United States and the international community. These conflicts weaken detente, threaten superpower confrontation, and have profound economic consequences.

In conclusion the report states that:

> At present, Congress has little meaningful statutory control over cash sales which are the largest category of foreign military sales.

Surely this is an area which deserves more congressional attention than it has previously received.

Mr. President, I ask unanimous consent that the portion of the Appropriations Committee's report on the Defense Appropriations bill dealing with "Sales of Military Equipment to Foreign Governments" be placed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NELSON. The recent decision by the administration to lift the embargo on arms to Pakistan serves to emphasize the importance of our arms sales policy decisions, decisions which are taken without sufficient congressional consultation. Such a decision will obviously have a great impact on United States-Indian relations, Indian-Pakistani relations, and the stability of the area. Some maintain that it will result in a new arms race. This may or may not be the case, but should not the Congress have an opportunity to examine the complex issues produced in this and other instances? Are we going to continue to allow the executive branch to make major decisions affecting our foreign policy without adequate congressional consultation?

In fact, the newspapers have been filled recently with a long list of major arms deals. In none of these cases has Congress had the opportunity to thoroughly consider the important issues involved before the deals were finalized. Some of the deals have been announced are the following:

The United States last month confirmed that it is selling some 60 F-5 jet fighters to Saudi Arabia at a cost of over $750 million.

The United States has agreed to sell Iran 80 F-14's, the Navy's most sophisticated jet fighters.

The Pentagon recently announced that technical assistance and training contracts with Iran and Saudi Arabia total $676 million.

The level of United States weapons and training and being provided to Iran and Saudi Arabia lead some people to believe that the United States is actually stimulating an arms race in the Persian Gulf. In fact, these deals could be construed as placing the United States in the awkward position of supplying weapons to both the major rivals in the Persian Gulf as well as both sides in the Arab-Israeli arms race.

Obviously, these deals and others raise serious foreign policy questions. These questions deserve to be carefully considered and debated on their merits in the Congress before the significant foreign policy decisions are made.

Last year Congress made a good beginning in asserting its oversight function in this area by enacting into law—as part of the Foreign Assistance Act—a provision based on a bill which I introduced in the Senate in 1973 and again in 1974. This newly enacted law requires that Congress be notified of any proposed foreign military sale in excess of $25 million. Congress then has a period of 20 calendar days in which to veto such a proposed sale by adopting a concurrent resolution expressing disapproval of the transaction. If no resolution is passed in this time period, the sale may be finalized.

This was a step in the right direction. However, more needs to be done. Congress needs the opportunity to look at the foreign military sales program in more than just an ad hoc, piecemeal fashion. It should be able to view the proposed program in its entirety and evaluate the proposed sales in relation to each other.

More importantly, the Congress should be given the chance to pass judgment on the administration's justifications and plans for these sales. The Congress has a responsibility to be involved in the critical initial stages of policymaking in this area so that it may establish guidelines for, set restrictions on, or make other additions to the proposed program of foreign military sales.

By providing the Congress with a forecast of the proposed sales program in advance and requiring congressional approval in principal, this legislation would allow Congress to live up to its responsibility. In addition, this bill, by requiring a projection of foreign military sales over a 5-year period, would provide a useful measure of long-range planning and thinking in a field full of long-range impact. The weapons we sell today will be around for a long time.

At the same time that Congress should be involved in helping to set guidelines and parameters for our arms sales program, it should assiduously avoid meddling in the day-to-day conduct of foreign relations. With this in mind the legislation does not attempt to require a report on each and every proposed arms sale. Rather, a forecast of the total dollar amount and type of major weapons and major defense services to be transferred to a country in a given year is required. After congressional approval of the proposed arms sales program, any arms sales falling within the parameters established by Congress would be allowed.

A major weapons system is one defined as costing over $50 million in research and development or $200 million in production. This definition includes most significant weapons. A major defense service is defined as one which materially increases the military capability of the recipient country.

Under the terms of this legislation, Congress would be charged with authorizing a maximum amount of sales for each country or international organization involved in the program. However, Congress would be free, after setting a dollar ceiling, to allow the President some flexibility in exceeding this amount should the Congress wish to grant this discretionary power. Furthermore, Congress would be free to set whatever other restictions it wanted to on the program, including restrictions on the types and/or numbers of weapons to be transferred and restrictions on the types of defense services to be transferred.

The legislation includes a waiver provision whereby the President may waive the requirement for prior congressional approval in cases where he deems that such a waiver is vital to the security of the United States.

One of the provisions of this bill should help the executive branch in preparing a well thought-out policy with regard to these sales. The bill requires the President to submit a justification for the foreign military sales program as a whole as well as for the arms sales to individual country or international organization including an explanation of the manner in which the furnishing of defense articles or defense services to a particular country or international organization will support U.S. foreign policy objectives, strengthen the security of the United States, and promote world peace.

The apparent lack of thorough evaluation of the merits and drawbacks of the present U.S. arms sales policy in the Persian Gulf was cited by Michael Getler in a recent article in the Washington Post:

> U.S. government officials acknowledge that neither the Nixon nor Ford administration has carried out a major National Security Council study of where the Persian Gulf arms race might lead 10 years from now, as it usually done with crucial issues.

One of the key provisions of the bill would require the administration to submit a statement outlining the impact of the proposed sales on U.S. foreign policy, on regional balances and arms races, on arms control policies and negotiations, on the defense production capability of the United States, on the military preparedness of U.S. Armed Forces, and on war reserve stocks.

The issues cited in this proposed impact statement are precisely the ones which need to be addressed by the Congress. Two questions relating to the relationship of arms sales to U.S. military readiness were raised by a recent—October 1974—GAO report on the foreign military sales program in Iran:

First. To what extent does the sale of first-line military equipment impact on the readiness of U.S. forces? and;

Second. To what extent does the requirement for U.S. military advisers with sophisticated skills in limited supply reduce U.S. readiness by causing shortages in these skills in U.S. units?

The GAO study stated that supplying Iran with advisers on the present scale could "adversely affect the readiness status of U.S. forces."

The wisdom of supplying sophisticated weapons not yet fully stocked in U.S. arsenals was also questioned in a recent report issued by the Defense Appropriations Subcommittee of the Senate:

> The recent sale of 80 F-14 fighter aircraft to Iran could considerably reduce the combat capability of the U.S. Armed Forces. These aircraft, the most sophisticated fighter aircraft available, will be delivered to Iran prior to the planned U.S. Navy force being fully equipped.

In conclusion, the GAO report raised some of the issues to be considered and suggested greater congressional involvement in overseeing this rapidly expanding field of arms sales:

> As the volume of cash sales under the Foreign Military Sales Act increases, the foreign policy impact also increases. Even though GAO found no firm contradictions with the requirements of the Foreign Military Sales Act, it questions (1) the impact of such sales on the arms race, (2) the extent and character of the military requirement, (3) the legitimate self-defense needs of the purchasing country, and (4) other criteria set forth in the act.
>
> In 1973 and 1974 oil-producing countries, particularly those in the Persian Gulf, accumulated vast amounts of capital from the increased price for oil. For example, even with the high level of purchases, Iran's international monetary reserves increased from $992 million to $5.4 billion in the nine months ending June 30, 1974. The oil-producing countries, in total, increased their reserves by $16 billion (or 125 percent) in the same period.
>
> These countries are using this capital to increase arms purchases. For example, Iran agreed to purchase more arms from the United States in 1974 than did the rest of the entire world combined in any other preceding year.
>
> The Congress does not systematically receive timely information on the volume and make-up of such cash sales or on the nature of the military capability they provide the buyer. Although the Congress is provided information on deliveries of arms sales for cash, such deliveries often come several years after the sales take place. Estimates of current and future year cash sales are provided, but only in dollar totals by country.
>
> GAO suggests, therefore, that the Congress, as a means of securing timely information for its policy deliberations, may want to require the Executive Branch to periodically furnish information on the volume and nature of major cash sales that could materially increase the military capability of the purchasing nation.

The GAO report raises another important issue which Congress should deal with, namely the fact that the U.S. Government is not fully receiving all the recoverable costs of the foreign military sales program. Thus, in fact we are subsidizing foreign countries which can afford to pay their full share of the costs. The report made the following conclusion.

> The United States is conducting its arms sales program to Iran at considerable cost to the United States, although the law requires recovery of all costs to the maximum extent possible.
>
> The principle of full cost recovery should be implemented in military sales to countries like Iran which are financially capable of paying. To the extent that U.S. costs are not recovered, they become a form of invisible grant aid.
>
> Unrecovered costs include at least $10.5 million in administrative costs and $24.2 million in unrecovered interest costs on Export-Import Bank loans for arms purchases. The Bank made the loans at lower interest rates than it paid on its borrowings, some of which were from the U.S. Treasury.
>
> It seems incongruous that, despite her current great wealth and massive arms purchases, Iran still owes the United States $36 million in past-due debts incurred mostly right after World War II.

Of the total amount of $8.2 billion worth of weapons sold abroad in 1974, over $6.5 billion went to countries located in the volatile Mideast region. Approximately $4 billion worth of weapons was sold to Iran alone. In addition, Saudi Arabia purchased close to $600 million worth of arms in 1974. No one can say for sure what impact this massive and continuing infusion of arms will have in this area of the world. But one thing is certain, Congress should have the opportunity to consider in advance arms sales such as these which have wide-ranging implications for U.S. commitments and U.S. foreign policy. Clearly foreign military sales have become a major instrument of U.S. foreign policy. And it is only proper that the legislative branch should be consulted in the crucial initial stages of policy formulation.

Mr. President, I ask unanimous consent that a table provided by the Department of Defense be placed in the RECORD at the conclusion of my remarks. This table, listing the dollar amounts involved in foreign military sales orders, is indicative of the importance of foreign military sales.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. NELSON. The providing of weapons or defense services to foreign countries represents an important U.S. commitment which can lead to greater and greater U.S. involvement. This has gotten us into trouble in the past and could easily do so again. Charles Yost, a respected and veteran diplomat, makes this point quite well in a recent article in the Christian Science Monitor:

> Moreover, as we learned to our cost in Vietnam, arms supplies may be the first slope on a long toboggan ride. Recipients have to be trained in the use of American arms. That means advisers and military missions. It is often difficult for advisers to avoid becoming involved in local politics. If war breaks out, they may be asked to give advice in the field, to pilot planes, to fire rockets.
>
> At the end of the toboggan slide the United States may find itself embroiled in a prolonged local war or drawn into another confrontation with the Soviet Union.

Mr. President, the issues involved in the arms sales program are complex. There are a variety of arguments used to support arms sales, including the following:

First, arms sales are useful in helping to supply our allies when they cannot supply themselves;

Second, the sales allow us to maintain influence over the recipient governments;

Third, they provide a useful mechanism for correcting our balance of payments and helping to pay for oil;

Fourth, they are helpful in preserving regional balances of power;

Fifth, the sales help to maintain internal security in the recipient countries; and finally

Sixth, if we do not sell the arms, someone else will.

The arguments used against the sales are also varied:

First, the sales lead the United States to make greater and greater commitments to a country, commitments which no one originally intended;

Second, the United States can maintain very little, if any, control over the use of the weapons, once sold;

Third, there is a good chance the arms will be used, thus adding to the total of 10 million people killed by conventional arms since World War II;

Fourth, the sales may actually spur regional arms races and thus lead to instability;

Fifth, the sales may aid totalitarian regimes in their efforts to suppress legitimate interest groups in their own countries;

Sixth, the United States has the dubious distinction of being the leading arms merchant in the world and we should take actions to reverse this trend;

Seventh, selling sophisticated weapons often detracts from the readiness of the U.S. arsenal;

Eighth, the sales represent a diversion of much needed resources not only on the part of the United States but also on the part of the recipient countries; and

Ninth, indiscriminate sales sometimes result in situations where both sides in a conflict use U.S.-made weapons. The instances of India and Pakistan and Greece and Turkey are cases in point:

It is of course not possible to categorically declare that all sales are good or all sales are bad. Quite obviously a multitude of particular factors must be taken into consideration in addition to the general issues cited above.

For whatever reasons, it is apparent from recent sales trends that both the Pentagon and the State Department have been more enthusiastic than usual in their promotional activities in behalf of the arms sales programs. Maybe the reasons for the sales are valid; maybe they are not. But in any case, Congress must be given an opportunity to discuss these vital questions.

Recently the providing of training and other defense services by the United States to foreign countries has received some attention in the press, as well it should. The recent announcement by the Pentagon of the awarding of a $77 million contract to the Vinnell Corp. of Los Angeles to train Saudi troops to protect oilfields served as a catalyst to public interest in this aspect of our foreign military sales program. This legislation will allow the Congress to consider proposals to provide defense services as well as defense articles. The importance of these services is emphasized by figures recently released by the Pentagon indicating that the U.S. Government and private teams were training military personnel in 34 countries under contracts worth $727 million.

Mr. President, Congress has a special obligation to carefully review our arms sales program in light of the fact that the United States is far and away the world leader in arms exports. From 1964 to 1973, the United States exported more arms than the rest of the world combined. In fact, from 1964 to 1973 the United States exported more weapons than the rest of the world combined in each and every year except 1972. In 1973 the figures for actual arms exports—as opposed to arms "sales," some of which are not delivered for a year or more—for the leading four exporters were as follows:

[In billions]	
U.S.	$5.0
U.S.S.R.	$2.5
[In millions]	
France	$500
Britain	$333

Clearly, we are the pace-setters in this deadly and wasteful conventional arms race. It is time that we showed restraint in this area. And it is past time for Congress to be thoroughly consulted before U.S. arms sales policies are implemented.

Mr. President, the issues involved in arms sales are complex; the effects are far reaching; the stakes are high; and the present level of congressional consultation and oversight is inadequate. The U.S. Government, which sells over twice as many arms as any other country, has a responsibility to carefully consider the implications of these vast arms sales. This responsibility extends to the legislative as well as the executive branch. This legislation would give the Congress the mechanism necessary for careful review of the important issues involved in the foreign military sales program.

Mr. President, I ask unanimous consent that the text of the bill, as well as materials relating to this issue, be printed in the RECORD at this point.

There being no objection, the bill and materials were ordered to be printed in the RECORD, as follows:

S. 854

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 2 of the Foreign Military Sales Act is amended by adding at the end thereof the following new section:

"SEC. 25. Congressional Approval.—(a) Not later than February 1 of each year, beginning in the calendar year 1976, the President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day a report which shall include the following:

"(1) (A) A statement which shall set forth—

"(i) the total amount of cash sales from stock under section 21, contracts for the procurement of defense articles or defense services under section 22, credit sales under section 23, and guaranties under section 24 of this Act proposed to be made during the next fiscal year to each country or international organization the name of which is set forth in such statement pursuant to clause (ii) of this subparagraph;

"(ii) the country or international organization to which such sale, credit sale, or guaranty is proposed to be made; and

"(iii) in the event any such sale, credit sale, or guaranty involves a major weapons system or a major defense service, a full and complete description of such major weapons system or such major defense service.

"(B) The President may, from time to time, submit additional statements with respect to any of the matter specified in paragraph (1) (A) of this section.

"(2) A projection which shall set forth the total amount of such sales, credit sales, or guaranties expected to be made to each country or international organization during the next 5 fiscal years. In the event such sales, credit sales, or guaranties are expected to involve a major weapons system or a major defense service, such report shall to the maximum extent possible describe fully and completely such major weapons system or major defense services, and shall set forth the name of the country or international organization to which the sale, credit sale, or guaranty thereof is expected to be made.

"(3) An explanation and justification for—

"(A) the total foreign military sales program;

"(B) the foreign military sales program with respect to each country and international organization to which sales, credit sales, or guaranties are made thereunder; and

"(C) any sale, credit sale, or guaranty involving a major weapons system or major defense service;

as described in the projection transmitted under paragraph (2) of this subsection, including an explanation of the extent to which the matter set forth in clauses (A), (B), and (C) of this paragraph will—

"(i) support the foreign policy objectives of the United States;

"(ii) strengthen the security of the United States; and

"(iii) promote world peace.

"(4)(A) An impact statement describing fully and completely the effect of the matter set forth in clauses (A), (B), and (C) of paragraph (3) of this subsection with respect to—

"(i) balances of power and arms races in each region of the world in which such sale, credit sale, or guaranty is expected to be made;

"(ii) international negotiations and efforts directed at the achievement of arms control;

"(iii) the defense production capability of the United States;

"(iv) the military preparedness of the armed forces of the United States; and

"(v) the War Reserve Stocks.

"(B) In the preparation of that portion of the impact statement relating to clauses (A)(i) and (A)(ii) of this paragraph, the President shall consult with the Director of the Arms Control and Disarmament Agency.

"(C) Not later than 30 days following the receipt of a request made by the Chairman of the Committee on Foreign Relations of the Senate or the Chairman of the Committee on Foreign Affairs of the House of Representatives for additional information with respect to a statement transmitted under paragraph (1)(A) of this subsection, such information shall be transmitted to such Chairman.

"(b)(1) After consideration by the Congress of a statement transmitted pursuant to subsection (a)(1)(A) of this section and the passage of a concurrent resolution approving—

"(A) a maximum amount of sales, credit sales, and guaranties with respect to a specified country or international organization during the next fiscal year, the President may make sales, credit sales, and guaranties to such country in an amount not exceeding such maximum amount; and

"(B) a sale, credit sale, or guaranty involving a major weapons system or major defense service;

the President may mak such sale, credit sale, or guaranty, subject to any limitations, prohibitions, and authorities contained in such concurrent resolution.

"(2) Any or all of the matter set forth in paragraph (1) of this subsection may be included in a single concurrent resolution of approval.

"(3)(A) No sale, credit sale, or guaranty involving a major weapons system or major defense service may be made unless the Congress by concurrent resolution approves such sale, credit sale, or guaranty.

"(B) No other sale, credit sale, or guaranty may be made unless—

"(i) the Congress has approved by concurrent resolution the country or international organization to which such sale, credit sale, or guaranty is to be made;

"(ii) the total amount of sales, credit sales, and guaranties previously made to such country during such fiscal year does not, when added to the amount of such sale, credit sale, or guaranty, exceed the maximum amount approved under paragraph (1)(A) of this subsection; and

"(iii) such sale, credit sale, or guaranty is made in accordance with all limitations, prohibitions, and authorities referred to in paragraph (1) of this subsection.

"(c) The provisions of subsection (b) of this section shall not apply with respect to any particular sale, credit sale, or guaranty if the President transmits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a statement of the waiver in which he certifies that such waiver is vital to the security of the United States."

(b) Section 47 of such Act is amended by—

(1) striking out the word "and" at the end of clause (1);

(2) striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon; and

(3) adding at the end thereof the following new clauses:

"(3) 'major weapons systems' means a weapons system which costs, over the life of its development or production in—

"(A) research, development, testing, and engineering, in excess of $50,000,000; or

"(B) procurement, in excess of $200,000,000; and

"(4) 'major defense service' means any defense service (as defined in section 644(f) of the Foreign Asistance Act of 1961) which materially increases the military capability of the country to which it is rendered."

[From the Washington Post, Jan. 25, 1975]

SELLING ARMS IN THE PERSIAN GULF

The Persian Gulf countries keep buying American weapons and the United States, cheerfully and mindlessly, keeps selling them. In the face of a great deal of melancholy experience to the contrary, our government apparently continues to assume that other nations will never be so wanton as actually to use the exceedingly powerful armaments on which they are spending billions of dollars a year. The whole subject is a difficult one for American officials to discuss in public since the putative reasons for our conduct are transparent and the real reasons are rather shabby.

In fact, we are selling these weapons partly to pay for oil, partly to butter up the governments that have oil to sell, and partly to preserve jobs in the American aircraft and armaments industries. Weapons experts are now a very substantial item in our foreign trade. This country sold more than $8 million in arms in the last fiscal year, nearly all of it to Middle Eastern countries. Almost $4 billion worth went to Iran alone. The current volume of sales is certainly no lower. The United States is now pouring very modern arms at an astounding rate into a region that is at once the most volatile in the world and one on which all of the world's industrial economies depend for their basic fuel.

In his press confernce this week, President Ford found himself confronted with a question on those weapons shipments. He responded first with a reference to the American efforts to work out a peace settlement between Israel and her Arab neighbors. There the United States is carrying on an intensive and continuous diplomatic campaign in behalf of peace. Arms sales there are justified in order to keep the balance of forces from tipping while the talks go on, and to ensure that the passage of time does not benefit one side at the expense of the other.

But then the President, proceeding to progressively weaker arguments, added that we sell these arms also to "maintain the internal security" of some of these countries. Internal security? The Grumman F-14, of which Iran has ordered some 80, flies at well over twice the speed of sound with missiles aboard. Grumman is now preparing to send a contingent of some 2,000 engineers and technicians to Iran to maintain these planes and train Iranians. They will raise to about 12,000 the number of Americans currently employed in Iran in one aspect or another of the arms business. Some of our sales to Iran have involved the establishment by American companies of production plants there. They constitute insurance that, should Iran choose to use its new equipment, it would not find itself entirely dependent on American shipments and American policy for its supplies of parts and ammunition.

President Ford further suggested to his press conference that our arms sales are also intended to maintain "equilibrium in arms capability" among the purchasing nations. While that logic may apply well to Israel and the adjacent Arab states, it makes no sense at all in the Persian Gulf where Iran's power now far exceeds that of any other state in the region. To take one highly ominous example, Iran is now reported to have two battalions of heavy artillery operating inside the borders of its old enemy, Iraq, in support of the Kurdish rebellion against the Iraqi government. Iraq, which does not have guns of sufficient range to meet this challenge, has altogether predictably gone to Moscow for help. The United States obviously is not creating a balance in the Persian Gulf but, on the contrary, has built an imbalance that forces the Iraqis toward the Soviet Union. This effect is particularly unfortunate since Iraq has given considerable evidence of understanding very well the dangers of too close a relationship to the Russians, and has been trying to avoid precisely the kind of dependence into which this country is now inadvertently helping to push it. There are, incidentally, indications that the level of intermittent fighting along the Iraqi-Iranian border is rising. There is, of course, no intensive and continuous diplomatic campaign by the United States in behalf of peace along Iraq's borders.

Iran is not, certainly, the only nation in the Persian Gulf that the United States is arming. This country is currently helping to rebuild, for example, the armed forces of Saudi Arabia. The Saudis are now rich enough to need a great deal of military protection from all of their neighbors—including our other customer, Iran.

The unpleasant possibilities here are manifest. The sporadic border incidents between Iran and Iraq might easily expand into much more serious fighting. It is quite conceivable that trouble of the most bloody sort might break out over offshore drilling sites in the Gulf itself. To consider the worst and most dangerous of possibilities, spreading warfare in the Gulf, might prevent oil tankers from moving in and out of the docks at all. The Gulf states, with their fat bank accounts, could afford it—at least in the financial sense. The rich industrial nations, which depend on Persian Gulf oil, could not. But nobody in the United States government seems to be worrying much about that.

[From the New York Times, Jan. 27, 1975]

MERCHANTS OF DEATH

Millions of words have been written in the past three decades about the dangers of nuclear war and rightly so. But the arms that have killed more than ten million human beings since World War II have all been conventional weapons. Most of them have been obtained through an international arms trade that makes Basil Zaharoff and the other "merchants of death" of an earlier era look like peanut venders.

The United States unfortunately leads the world in arms sales, which the oil billions of the Arab states and the oil-payments deficits of the arms-producing industrial nations are turning into perhaps the world's fastest growing commerce.

The recent contract for $750 million with Saudi Arabia for sixty American F-5 jet fighters and the training of pilots is unique, however. It carries the United States a long way toward becoming a large-scale supplier of both sides in both of the Mideast's main arms races, and between Arabs and Israelis and that between Iran and the Arab states bordering the Persian Gulf.

In the year ended last June, American arms sales abroad more than doubled to $8.5 billion. Almost $7-billion of that was for the volatile Middle East, with Iran alone getting $4 billion on top of $2 billion the year before. Apart from $1.5 billion of arms grants to Israel during and after the October 1973 war, gift arms in recent years have been reduced sharply by Congressional opposition to the arms trade. But cash sales now have soared far above the levels of arms aid the Congress found objectionable.

The irony is that arms gifts were under the control of Congress. Cash arms sales are not as yet. Arms gifts went primarily to allies and were designed to advance foreign policy interests or the security of the United States. The current level of arms sales appears to be unrelated to any coherent policy at all, despite what President Ford said at his press conference. Decisions appear to be made on an ad hoc basis without over-all plan or high-level policy review.

The predominant factor in the booming business seems to be a directive by President Nixon on Dec. 20, 1973, creating an interdepartment committee to spur exports, including arms sales, for balance-of-payments reasons. The rationale evidently was that if the United States did not sell arms, other nations would.

But there obviously are other factors. The armed services have always been interested in foreign purchases that, by increasing the production run, reduce the per-weapon cost for the Pentagon's budget. American arms companies, when unrestrained by Government policy, naturally will sell for profit to any buyer.

When prospective buyers have the kind of cash the oil-producing countries now possess, extraordinary results follow. Perhaps the most extraordinary is the agreement of the Joint Chiefs of Staff to the sale to Iran of some of the nation's most advanced weapons—such as the Navy's new F–14 jet fighter—simultaneously with their introduction into the American armed forces.

The arms trade is no longer simply a hand-me-down business for getting rid of obsolete, second-hand weapons. The Soviet Union has supplied Syria with MIG–23 swing-wing interceptors before providing them to its Communist allies in Europe. France and Britain are seeking foreign orders not only to help oil payments, but to help their defense industries survive. France now exports more than half of its aerospace output.

After the 1967 war, the United States repeatedly sought Soviet agreement to limit arms sales to Israel and its Arab neighbors and Moscow always refused. In the Persian Gulf, it is the United States—through its enormous arms sales to Iran's Shah, who talks openly of reviving the glory of Persia's ancient empire—that has spurred a multination arms race. Soviet arms sales to Iraq helped trigger the Shah's action. Now, even the tiniest of sheikdoms is acquiring jet fighters.

In theory, American influence for peace can be stronger with countries dependent on American—rather than Soviet—arms and a flow of American spare parts and ammunition. But Soviet arms transfers now appear to be running at half or less of the American level, with those of France and Britain still further behind.

Control and limitation of arms transfers to the developing countries—and especially to the tinderbox area of the Middle East—will not be easily achieved. But it will not be achieved at all if the United States abandons moral leadership by becoming the leader in arms sales. In view of the apparent indifference of the Ford Administration to this dirty business, Congressional action to revive an American policy of restraint and leadership by example is an urgent necessity.

[From the Baltimore Sun, Feb. 26, 1975]

SUPER-POWER AS SUPER-PEDDLAR

Congress is gradually awakening to the fact that Uncle Sam's role as arms merchant to the world challenges congressional efforts to get a better grip on foreign policy. While the Congress has been making much of legislation to curb presidential war powers, control foreign aid and limit the use of treaty-like executive agreements, the Nixon and Ford administrations have been making it big in weapons sales. Defense Secretary James R. Schlesinger reported this month that cash sales of arms jumped from $1 billion four years ago to $6.6 billion in the fiscal year ended last June.

If credit sales are added, this figure grows to $8.3 billion, even without adding military aid. It would come as no real surprise should annual sales at today's inflated prices grow quickly to $10 or $12 billion, thus consolidating guns as an export second only to butter, i.e., agricultural products. American weapons are flooding the Middle East and the Persian Gulf, on a per capita basis the world's most densely armed regions.

Arms sales are an extension of foreign policy, and the Executive Branch is thus continuing to involve and commit this country abroad with little oversight from Congress. This mockery of all that Vietnam should have taught us did produce, in the adjournment rush of the 93d Congress, an amendment sponsored by Senator Gaylord Nelson that requires the government to notify Capitol Hill in advance of any weapons deal amounting to more than $25 million. Congress then has 20 days to veto the contract by concurrent resolution.

This kind of information is useful and may someday even bring about a congressional veto, but it is clearly inadequate. Congress should require detailed impact statements from the executive branch on how particular arms deals will affect efforts to limit world armaments and present and future American policy. When the administration sells $3.7 billion worth of arms to one country (Iran) in one year (fiscal 1974) it has various military, economic and geopolitical objectives—most, we suspect, of a tactical nature. These contracts may indeed help redress our trade imbalance with Iran, create defense jobs, maintain the oil-price dialogue and make Iran's formidable armed forces dependent on U.S. resupply. But this dependence also constitutes an American commitment to make parts available—a commitment of potentially troubling consequence whether it is kept or dropped. What, for example, would we do if Iran were to come in conflict with Saudi Arabia, which bought $600 million in U.S. arms last year, or with Israel, which is highly dependent on the U.S. supply line (and Iranian oil)? When Senator Kennedy proposed an unlikely six-month moratorium on arms sales to the Persian Gulf, Mr. Schlesinger had a breathtaking reply: "We are engaged in attempting to maintain influence in these areas, to maintain close relationships, and arms represent a symbol of these kinds of relationships."

Arms may indeed be a symbol of U.S. relations with other nations, but they are a symbol we should lament deeply. While we eschew the proliferation of nuclear weapons, we and our fellow arms peddlars—the Russians, the British, the French, the Swedes—are proliferating a frightening array of sophisticated "conventional weapons" to Third World nations whose military expenditures will soon take up nearly as much of their gross national products as those of developed nations. This arms sale policy, essentially unchecked by Congress, is making the world's danger areas steadily more dangerous. At a time of economic downturn, legislators may be reluctant to put a clamp on arms traffic that provides jobs. But if Congress is to live up to the foreign policy responsibilities it so often proclaims, it will seek to check and balance arms sales as it has foreign aid, executive treaties and presidential war powers.

[From the New York Times, Feb. 26, 1975]

ARMS SUPPLIER

With the emergence of the United States as chief supplier of weapons and military training aid in the Persian Gulf—not to mention the dubious decision to lift the embargo on arms to Pakistan—insistent questions are being raised about American policy toward the entire area in general and toward the booming international arms trade in particular.

In the past year, the United States has sold about $5 billion in arms and training services to Iran and Saudi Arabia, the two major rivals in the Persian Gulf area, and small amounts to Kuwait and Oman. The $4-billion of arms sales to Iran, on top of $2 billion the year before, dwarfs the $1.5 billion of arms grants to Israel during and after the October 1973 war. It has helped to stimulate the new Saudi Arabian military effort, which now finds the United States arming the chief petroleum producer of the oil cartel—against which the Ford Administration has refused to exclude military action in the event of economic "strangulation" of the West.

The Saudi arms sales and military training deals could be considered as putting the United States on both sides of the Arab-Israeli arms race as well as that in the Persian Gulf—perhaps increasing the need for arms aid to Israel to maintain a military balance in the Middle East. Although distant from the Arab-Israeli battlefields of the past, Saudi Arabia has sent symbolic troop units to the area and is a major financier—along with Moscow—of the extensive military efforts of Egypt, Syria and, perhaps indirectly, the Palestinian guerrillas. Other "non-battlefield" Arab countries, such as Libya, have transferred arms purchases to Egypt after pledging not to do so.

Similarly, the decision to allow export of lethal arms to both Pakistan and India—however even-handed it may be juridically—is in fact a stimulus to the arms race in the subcontinent, an exacerbation of Indian-Pakistan relations, a blow to American relations with India and new evidence of the "tilt" toward Pakistan.

The Persian Gulf, however, is the fundamental problem now, since the new large-scale American role as arms merchant has its origin there. What remains unclear is the threat against which Iran is being so heavily armed and why the Shah is being sold some of America's most sophisticated weapons such as the Navy's F–14 jet fighters, simultaneously with its introduction into the American armed forces. This is far from the hand-me-down arms trade the world has known in the past.

Soviet arms sales to Iraq undoubtedly have something to do with the Shah's decision to build up Iran's military forces. But the size of the Iranian effort vastly exceeds that of Iraq and appears primarily to reflect the grandiose ambitions of the Shah, who has talked openly of reviving the glory of Persia's ancient empire. Is this something Washington can safely ignore?

It can be argued that American refusal to sell weapons would not restrain the Persian Gulf arms race and would merely leave Iran and Saudi Arabia to turn for arms to France, Britain and even—unlikely as this is for conservative monarchies—to the Soviet Union. Arms sales abroad also help the Pentagon to keep important production lines open and to reduce the unit cost of its own purchases.

But does this justify the apparently unrestrained size of the Persian Gulf deals or the substantial involvement of American personnel on the ground, in the training of technicians and combat units? Technical assistance and training contracts with Iran and Saudi Arabia total $676 million, as compared with $51 million with 32 other countries around the world.

In the past, American civilian contractors have been brought in primarily to teach foreigners how to operate and maintain the equipment they sell. But the recent $77-million contract to Vinnell Corporation for training four battalions of the Saudi national guard would introduce American civilians for the first time to train substantial combat units of a foreign nation.

Senator Kennedy has proposed a six-month moratorium on arms sales to Persian Gulf states—including arms already contracted for, unless Congress approves a Presidential policy statement justifying such sales. With or without such legislation, there is urgent need for a fundamental reassessment by Administration and Congress together of the arms and other policies upon which the United States is now embarked in the Persian Gulf area.

EXHIBIT 1

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1975—REPORT, AUGUST 16, 1974

SALES OF MILITARY EQUIPMENT TO FOREIGN GOVERNMENTS

This Committee views with concern the dramatic increase in cash sales of U.S. military equipment to foreign governments. Actual cash sales of $5.9 billion during fiscal year 1974 far exceeded the original DOD estimate of $3.9 billion. Cash sales over the past decade have totaled $19.1 billion—of which $9.5 billion was negotiated during the past two years.

The political and economic impact of foreign military sales on the United States and recipient foreign countries is immeasurable. Of more direct interest to this Committee, however, is the real and potential impact that the sale of military equipment has on the security interests and objectives of this Nation and on defense expenditures.

The recent sale of 80 F–14 fighter aircraft to Iran could considerably reduce combat capability of the U.S. Armed Forces. These aircraft, the most sophisticated fighter aircraft available, will be delivered to Iran prior to the planned U.S. Navy F–14 force being fully equipped.

Of equal concern is the impact on U.S. military forces of supplying foreign nations with military equipment withdrawn from Department of Defense inventories and operational forces and the additive cost of replacing the equipment. These withdrawals may compromise the readiness of U.S. armed forces to meet national security demands. The incremental cost of replacement often requires additional funding. A prime example is the $133 million included in the FY 1974 Defense Supplemental Appropriations Act to provide the additive funds required to replace equipment provided to Israel during the October 1973 Middle East conflict.

The Committee is particularly concerned that long term security interests of the United States might be jeopardized by large cash sales of sophisticated weapons systems in areas of potential conflict. Recent arms sales to the Middle East, Greece, and Turkey have created severe political, military, and economic repercussions on both the United States and the international community. These conflicts weaken détente, threaten super-power confrontation, and have profound economic consequences.

The demonstrated and potential impact of cash weapons sales on DOD appropriated funds as well as on long term U.S. security interests places a special obligation on this Committee to exercise careful oversight of developments in this area. At present, Congress has little meaningful statutory control over cash sales which are the largest category of foreign military sales. Therefore, the Committee will require prior notification of future cash sales of military equipment to foreign governments which exceed $25,000,000; provide for the introduction of new weapon systems to the inventory of foreign armed forces; or when cumulative military cash sales to any foreign government exceed **$50,000,000 in any fiscal year.**

EXHIBIT 2—FOREIGN MILITARY SALES ORDERS

[Value in thousands of dollars; fiscal years]

	1950-64	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1950-74
Worldwide	5,162,667	1,251,952	1,547,741	999,729	804,809	1,557,597	921,576	1,644,239	3,271,719	3,865,703	8,262,549	29,290,311
Argentina	49,049	1,270	7,233	6,511	14,860	3,975	10,947	14,148	16,556	16,328	8,928	149,805
Australia	272,087	324,963	47,073	118,568	32,769	33,738	61,553	59,890	117,802	27,353	35,074	1,130,870
Austria	35,742	6,219	2,167	2,181	6,041	1,118	1,326	3,791	2,405	2,654	3,056	66,698
Belgium	78,746	6,515	6,310	15,412	2,203	9,754	4,404	2,999	4,728	6,214	9,896	147,181
Bolivia	741	28	132	5	17	3		44	5	42	155	1,172
Brazil	19,277	23,625	223	26,452	4,265	11,413	2,538	21,269	34,089	17,276	58,739	219,166
Burma	1,505	53	91	113	100	46	7	84	273	246	111	2,631
Canada	651,836	42,402	71,192	21,713	18,280	15,875	53,358	28,836	37,521	91,254	93,920	1,126,186
Chile	15,992	2,181	1,058	2,560	4,117	1,699	7,699	2,968	6,185	15,012	68,194	127,665
China (Taiwan)	2,116	1,095	4,996	14,347	46,510	36,917	32,649	64,736	78,430	202,166	88,264	572,226
Colombia	10,181	150	496	98	56	141	158	2,168	5,466	1,293	1,085	21,293
Costa Rica	902		(1)						34			935
Cuba	4,510											4,510
Denmark	31,075	8,206	7,338	9,098	9,126	10,378	6,933	15,996	14,512	11,714	20,863	145,240
Dominican Republic	1,494	115	266	1	(1)			31	16	78	32	2,034
Ecuador	2,653		119	114	1,410	14	20	315	4			4,650
Egypt	356	2	(1)									358
El Salvador	877	18	35	15	514	6		11	(1)	70	399	1,945
Ethiopia	663	(1)	30	12	4	7	6		10		469	1,201
Finland		(1)	1	1	1	(1)		1	63		12	79
France	281,191	11,192	8,912	6,448	7,281	6,264	3,429	5,994	7,552	8,693	21,092	368,048
Germany	2,263,781	309,498	166,872	190,167	149,533	592,368	242,404	179,409	942,076	218,770	218,612	5,473,492
Ghana		1	(1)			2	61	(1)			187	251
Greece	1,297	470	471	7,958	15,334	11,210	29,187	24,785	181,926	57,087	434,926	764,845
Guatemala	980	444	546	101	317	153	464	8,126	2,344	3,709	989	18,174
Haiti	224										288	512
Honduras	1,010	13	4	6	59				27	5,468	702	7,288
Iceland	14							(1)	436	47		498
India	52,278	1,874	389	1,988	1,574	163	2,094	856	1,515	(1)	215	62,947
Indochina	8,542											8,542
Indonesia	622		1	1	24		(1)	18	(1)	148	148	963
Iran	1,285	68,857	124,158	147,953	69,365	235,879	113,284	396,613	528,022	2,108,787	3,794,369	7,588,574
Iraq	1,919	10,783	87	361		(1)						13,152
Ireland	(1)				(1)	1	(1)	11	248	197	17	475
Israel	7,121	59,998	72,134	9,294	75,196	312,944	44,790	379,961	399,712	197,114	[2]2,117,623	3,675,887
Italy	193,483	41,554	37,668	20,721	101,364	37,547	37,249	24,926	81,064	91,421	45,051	712,048
Jamaica	(1)	1	1	3	3	(1)	8	9	3	7	43	77
Japan	119,164	16,744	16,734	10,146	20,276	51,899	21,533	11,286	47,057	52,055	57,725	424,617
Jordan	2,263	39,653	1,627	28,282	33,214	13,419	29,367	26,419	19,547	9,213	50,916	253,894
Kenya						(1)						(1)
Korea	286			9	1,504	3,368		480	9,081	1,297	81,424	97,449
Kuwait		(1)							(1)	53	18,154	18,207
Lebanon	331	1	67	2,235	48	55	1,575	187	299	5,137	9,700	19,635
Liberia	1,146	77								1,368	648	3,240
Libya	687	52	541	15,524	2,389	1,674	5,447	632	2,873	174	19	30,012
Luxembourg	816	466	457	88	1	113	101	93	24	627	21	2,806
Malaysia	30	17	563	509	1,608	1,323	1,837	272	40,124	1,432	1,248	48,963
Mali							5	5	48	48		137
Mexico	9,893	573	101	802	96	399	12	437	175	894	411	13,792
Morocco	60		6,040	697	9,671	7,931	2,437	2,310	7,833	2,651	8,302	47,932
Nepal								11		80	1	92
Netherlands	45,498	15,681	24,193	25,057	6,426	4,864	7,608	7,837	29,380	35,460	17,600	219,606
New Zealand	15,457	22,213	5,214	9,454	11,991	30,066	5,442	7,594	4,159	3,105	4,852	119,548
Nicaragua	2,016	26	5	87	103	2	93	674	92	134	133	3,365
Niger											8	8
Nigeria	335		5	10		2			2,409	687	4,476	7,924

EXHIBIT 2—FOREIGN MILITARY SALES ORDERS—Continued

	1950-64	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1950-74
Norway	12,699	21,252	12,913	38,355	56,873	24,117	9,746	25,827	21,959	14,285	50,311	288,339
Pakistan	33,331	1,319	1,147	5,571	14,968	22,462	4,592	22,532	449	22,079	7,895	136,345
Panama	13					3	14	9	6	1,618	1,887	3,550
Paraguay	342	34			1		(1)			27	12	417
Peru	21,374	3,715	2,664	3,338	1,221	981	2,195	1,526	900	24,590	43,620	106,123
Philippines	4,249	260	137	439	237	454	843	1,107	468	708	5,047	13,947
Portugal	5,223	425	115	497	774	500	1,067	1,156	3,234	564	2,513	16,068
Saudi Arabia	87,026	8,443	8,652	48,482	4,645	4,220	14,854	95,815	342,295	83,984	587,698	1,286,113
Senegal									6			
Singapore				1	841	196	2,476	1,988	5,908	7,601	12,078	631,089
South Africa	3,082	(1)	56	1	1	4	1	1	2	1		3,149
Spain	5,003	28,813	22,636	122,942	8,707	14,072	25,940	110,687	24,819	57,020	147,796	568,435
Sri Lanka	3	(1)	(1)			1			(1)			4
Sweden	27,585	880	449	723	8,010	108	265	883	1,548	1,879	6,988	49,319
Switzerland	46,980	492	1,344	602	24,950	19,576	4,435	515	11,808	3,259	8,394	122,355
Syria				1								1
Thailand	1,219	12	1	10	10	3,829	21,150	48	16,978	1,920	19,931	65,108
Trinidad/Tobago							85					85
Tunisia	2,874	11								2,169	737	5,791
Turkey	422	129	804	922	139	2,096	2,524	1,154	5,452	212,435	17,143	243,219
United Kingdom	492,575	154,707	849,573	48,755	16,260	17,512	63,205	46,825	125,778	110,997	45,079	1,971,267
Uruguay	2,305		56	300	0	26	241	1,982	1,684	1,612	1,156	9,390
Venezuela	70,641	10,529	11,687	9,769	1,138	1,173	777	1,677	42,761	24,662	4,377	179,192
Vietnam	5					2			2	1,155	4	1,167
Yemen											2,634	2,634
Yugoslavia	10,547	2	185	323	214	212	41	12	106	717	4	12,363
Zaire			1,142	166	226	(1)	54	16,928	286	715	1,339	20,856
International organizations	143,679	3,660	18,630	23,426	17,915	9,235	37,045	17,365	39,150	94,191	16,839	421,139

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[1] Less than $500.

[2] Includes $1,500,000,000 for which payment was waived pursuant to the fiscal year 1974 emergency security assistance legislation.

Note: Totals may not add due to rounding.

By Mr. THURMOND:

S. 855. A bill relating to the age and service requirements for the resignation and retirement of justices and judges of the United States. Referred to the Committee on the Judiciary.

Mr. THURMOND. Mr. President, the workload of Federal judges at all levels has increased to the extent that it is becoming increasingly difficult for a person of the age of many of them to keep up with their workloads. In Government and private industry, individuals with a number of years' service are permitted to retire earlier than at age 65.

Under current law, any judge of the United States who resigns after attaining the age of 70 years and after serving at least 10 years continuously will receive as retirement the salary which he was receiving when he resigned. Any judge of the United States may retire from regular active service after 10 years' service at age 70, and after at least 15 years' service at age 65. He will receive as retirement the salary of his office, which means that one who transfers to the senior status and continues to perform judicial duties will continue to draw the salary of active Federal judges.

Many districts who have such senior judges are receiving invaluable assistance since the President, with the advice and consent of the Senate, appoints a successor to a judge who transfers to senior status.

It is the considered opinion of many judges that the present retirement act should be amended so as to permit a judge to retire or resign at an earlier age. My bill would give a judge the option to retire or resign at age 62 after at least 18 years service, and then graduate the retirement age upward so that a judge could retire or resign at age 63 after 17 years service, at age 64 after 16 years service, at age 65 after 15 years service—as provided for retirement only in the present act, at age 66 after 14 years service, at age 67 after 13 years service, at age 68 after 12 years service, at age 69 after 11 years service, and at age 70 after 10 years service—as provided in the present act.

This would serve several purposes. It would allow a judge who had given the most productive years of his life in the service to his country to retire at an age early enough that his health and interests would permit him to enjoy his remaining years without the full burden of responsibility that an active judge now has. It also would provide for additional judge-power since another active judge is appointed to take the place of the senior judge who still performs judicial duties. Finally, it would help to remove some judges before they reach the stage where they are physically or mentally unable to perform the duties of their offices.

Mr. President, I am sending to the desk this legislation to accomplish an opportunity for accelerated retirement. I ask unanimous consent that it be printed in the RECORD and referred to the appropriate committee for consideration.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 855

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 371 of title 28, United States Code, is amended to read as follows:

"§ 371. Resignation or retirement for age

"(a) Any justice or judge of the United States appointed to hold office during good behavior who resigns after attaining the age and meeting the service requirements, whether continuous or otherwise, of subsection (c) of this section shall, during the remainder of his lifetime, continue to receive the salary which he was receiving when he resigned.

"(b) Any justice or judge of the United States appointed to hold office during good behavior may retain his office but retire from regular active service after attaining the age and meeting the service requirements, whether continuous or otherwise, of subsection (c) of this section. He shall, during the remainder of his lifetime, continue to receive the salary of the office. The President shall appoint, by and with the advice and consent of the Senate, a successor to a justice or judge who retires.

"(c) The age and service requirements for resignation or retirement of a justice or judge of the United States under this section are as follows:

"Attained Age	Years Service
62	18
63	17
64	16
65	15
66	14
67	13
68	12
69	11
70	10".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to any justice or judge of the United States who retires on or after the date of enactment of this Act.

By Mr. DOMENICI (for himself and Mr. MONTOYA):

S. 856. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the eastern New Mexico water supply project, New Mexico, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, today I am introducing a bill to authorize the Secretary of the Interior to construct, operate, and maintain the eastern New Mexico water supply project. I am pleased to be joined by my distinguished colleague Mr. MONTOYA.

This project is a single-purpose proposal which would provide a supplemental municipal and industrial water supply for several eastern New Mexico cities including but not limited to Clovis, Eunice, Hobbs, Jal, Lovington, Portales, San Jon, Tatum, and Texico. Water for the project would come from the existing Ute Dam and Reservoir on the Canadian River. The main features of the project will consist of an aqueduct system and pumping plants to deliver the water from Ute Reservoir to the project cities.

The eastern New Mexico water supply project is necessary because irrigation is increasing in Roosevelt County and considerable agricultural expansion is still taking place in the Clovis and Tatum-Lovington-Hobbs area.

Most all of the municipal and industrial water supply for the project cities is obtained by pumping from ground water. Because of the development of ground water supplies for irrigation in the area and the attendant decline of the ground water level, it appears that there is little ground water available to meet additional requirements.

There are no perennial streams on the southern high plains. Ground water contained in the Ogallala formation, which underlies the Southern high plains, is the major source of usable water for the project cities. Ground water in much of the project area has already been appropriated for municipal, industrial, and irrigation use.

The current heavy pumping of ground water from the Ogallala formation presents a condition which may require a reduction of irrigation usage to provide for projected municipal and industrial requirements and which will ultimately exhaust the supply for all uses.

Surface water controlled in Ute Reservoir will provide a dependable water supply to supplement the project cities' water supply.

The Bureau of Reclamation has submitted its feasibility report on this proposed project to the Secretary of the Interior. The Commissioner of Reclamation, G. G. Stamm, in his letter submitting the report to the Secretary of the Interior, states:

> The construction of the Eastern New Mexico Water Supply project represents a desirable water resource that will alleviate future water shortages.

Mr. President, the Ute Dam and Reservoir was constructed by the New Mexico Interstate Stream Commission to provide control for some of New Mexico's unused Canadian River water. In order to develop the eastern New Mexico water supply project, it will be necessary to install spillway gates on the Ute Dam. The gating of the spillway and the marketing of the reservoir yield are the responsibilities of the Interstate Stream Commission.

In this regard, on October 18, 1974, the Interstate Stream Commission recommended that the New Mexico State Legislature enact legislation authorizing funding of the installation of the spillway gates on Ute Dam, the expenditure of funds to be contingent upon execution of the water supply contracts for 40,000 acre-feet annually. The Commission has authorized negotiations of a water supply contract with the Eastern New Mexico Inter-Community Water Supply Association.

In addition, the New Mexico Legislature is now acting on legislation authorizing funding for the installation of spillway gates on Ute Dam.

Mr. President, I think it is important to point out that the project costs, allocated to municipal and industrial water supply, shall be repayable to the United States in not more than 50 years under the provisions of either the Federal reclamation laws or the Water Supply Act of 1958. Repayment of project costs shall include interest on the unamortized balance.

It is my hope that the Congress will act in an expeditious manner on this important legislation.

Mr. President, I ask unanimous consent that the pertinent part of a letter which I received from Lloyd A. Calhoun, an attorney in New Mexico, be included in the Record. I would also ask that the bill be printed in the Record.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 856

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to construct, operate, and maintain the eastern New Mexico water supply project in accordance with the Federal reclamation laws (Act of June 17, 1902; 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and the provisions of this Act and the plan set out in the report of the Secretary on this project with such modification of, omissions from, or additions to the works, as the Secretary may find proper and necessary for the purposes of delivering water for municipal and industrial use for several eastern New Mexico cities, including but not limited to Clovis, Eunice, Hobbs, Jal, Lovington, Portales, San Jon, Tatum, and Texico. The principal features of the project shall consist of an aqueduct system and pumping plants to deliver water from existing Ute Reservoir to the project cities.

Sec. 2. (a) Project costs, allocated to municipal and industrial water supply, shall be repayable to the United States in not more than fifty years under either the provisions of the Federal reclamation laws or under the provisions of the Water Supply Act of 1958 (title III of Public Law 85-500, 72 Stat. 319 and Acts amendatory thereof or supplementary thereto): *Provided,* That, in either case, (1) no payment need be made with respect to project capacity for future water supply until such supply is first used, and (2) no interest shall be charged on such cost until such supply is first used, but in no case shall the interest-free period exceed ten years.

(b) The interest rate used for computing interest during construction and interest on the unpaid balance of the costs of the project shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction of the project is commenced, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations which are neither due nor callable for redemption for fifteen years from date of issue.

(c) The Secretary is hereby authorized to contract with the State of New Mexico for the retention of water in Ute Reservoir for the conservation and development of fish and wildlife resources and the enhancement of recreation opportunities; provided that payment to the State under this contract shall not exceed $3,000,000 or one-half of the cost of installing spillway gates on Ute Dam, whichever is the lesser.

Sec. 3. (a) The Secretary is authorized to enter into a contract with a qualified entity or entities, for delivery of water and for repayment of all the reimbursable construction costs.

(b) Construction of the project shall not be commenced until a suitable contract has been executed by the Secretary with a qualified entity or entities.

(c) Such contract may be entered into without regard to the last sentence of section 9, subsection (c), of the Reclamation Project Act of 1939.

(d) Upon execution of the contract referred to in section 3(a) above, and upon completion of construction of the project, the Secretary shall transfer to a qualified contracting entity or entities the care, operation, and maintenance of the project works.

(e) Upon complete payment of the obligation assumed, including appropriate interest charges, the contracting entity or entities, their designee or designees, shall have a permanent right to use the aqueduct and related facilities of the Eastern New Mexico Water Supply Project in accordance with said contract.

Sec. 4. There is hereby authorized to be appropriated for construction of the Eastern New Mexico Water Supply reclamation project the sum of $91,265,000 (July 1974 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein. There are also authorized to be appropriated such additional sums as may be required for the operation and maintenance of the project.

Hobbs, N. Mex.,
February 20, 1975.

Hon. Pete V. Domenici,
U.S. Senate, Washington, D.C.

Dear Senator Domenici: This is to express my personal appreciation for your continuing interest in the Ute reservoir project and to keep you apprised of developments within the Eastern New Mexico Inter-Community Water Supply Association.

Following our meeting with you in Portales on August 29, a hearing on the Department of the Interior Draft Environmental Statement (Int. DES 74-78) was conducted by Mr. Tom Garrity, Solicitor for the Department of the Interior. All except one of the members of the Association were in attendance and testified at this hearing which was held in the ENMU campus Union Building in Portales on October 8, 1974. Testimony was strongly in favor of the project. A copy of the transcript of this hearing is enclosed for your files. Also enclosed is a copy of comments by Steve Reynolds, Secretary of the New Mexico Interstate Stream Commission.

You no doubt are advised currently on the status of the bill now in the New Mexico legislature seeking authorization of funding to construct gates upon the spillway of Ute dam to make some 44,000 acre-feet of water per year available for sale. It would be some 40,280 acre-feet per year of this volume of water which our members seek to acquire.

The measure was passed by the House 56 to 6. Tuesday afternoon, February 18, the Conservation Committee of the Senate passed the bill unanimously, and it next goes to the Senate Finance Committee for consideration. A copy of original Senate Bill No. 26 is enclosed. Both it and House Bill No. 27, as passed, were amended by substituting $7.5 million for the $6.3 million appearing in the enclosed copy.

In recent weeks, I have met with representatives of each of the member cities in reviewing the project and making certain that all are familiar with the project developments and that each continues to recognize the need for the project and is prepared to commit when the time will require their doing so.

There is no doubt whatever that implementation of the project is absolutely essential to the survival of the area in which the nine communities are situated. A dependable and supplemental source of water simply has to be acquired and we well know that the Ute reservoir is our only sure hope. While there is a strong difference of opinion in certain areas of New Mexico, it would be highly detrimental to all areas of the state for this area to be deprived of its potential to develop by reason of an inadequate water supply.

Your continued interest in behalf of our membership is most earnestly solicited, and I invite you to call on me personally for whatever support I may be able to provide.

Respectfully yours,
Lloyd A. Calhoun.

By Mr. PHILIP A. HART (for himself and Mr. Ribicoff):

S. 857. A bill to provide for the independence of certain regulatory agencies of the Federal Government, and to increase the accountability to the public of such agencies. Referred to the Committee on Government Operations.

Mr. PHILIP A. HART. Mr. President, I am introducing today legislation to increase the independence and public accountability of the independent regulatory agencies. The Independent Regulatory Agency Reform Act seeks to achieve these purposes by the following measures:

First, to reduce executive influence over the agencies, I propose that agencies be required to submit budget estimates and legislative recommendations directly to Congress without clearance by the Office of Management and Budget or any other executive agency; that the agencies be given authority to decide whether its own lawyers or the Attorney General will represent the agency in civil litigation; that the President's power to remove commissioners be restricted to a finding of neglect of duty or malfeasance in office; and that Presidential appointments of chairmen of the commissions be made subject to the advice and consent of the Senate.

Second, to increase the independence and competence of agency personnel, I propose that a majority of commissioners on any agency be persons with no previous employment or substantial financial connection with any regulated industry; and that the conflict of interest rules for post-agency employment be strengthened by prohibiting commissioners from representing any person before the commission in a professional capacity and from accepting employment or compensation from any industry regulated by his commission for a period of 24 months following termination of his services as commissioner.

Third, to increase congressional oversight of the independent regulatory agencies, I propose that the reporting requirements of agencies to Congress be increased; that information requests by committees performing oversight functions be answered in 10 days; and that the access of such committees to agency data be increased.

Fourth, to increase public participation in agency proceedings, I propose that, upon a showing of need, the agencies will pay attorneys fees and other costs of participation by citizens in agency proceedings; and that the agencies be required to disclose congressional ex parte communications before the effective date of any proposed rule.

These reform measures would apply, when appropriate, to the following agencies: The Civil Aeronautics Board; the Consumer Product Safety Commission; the Federal Communications Commission; the Federal Maritime Commission; the Federal Power Commission; the Interstate Commerce Commission; the Nuclear Regulatory Agency Commission; and the Securities and Exchange Commission.

The alphabet agencies of the Federal Government—the independent regulatory commissions—have enjoyed an unaccustomed notoriety in recent months. Long neglected by everyone—the President, the Congress, and the public—except the special interests they are supposed to regulate, the agencies have suddenly become a focus of national attention.

Economists struggling to master inflation increasingly criticize the anticompetitive practices fostered by economic regulation of some of these agencies; private industry has become more vocal about the burdens of regulation on business activity; and consumers attack the agencies for regulating too little and too late and with an industry bias to boot. It is clearly time to reexamine the jurisdiction and performance of the agencies.

Both the Commerce Committee and the Government Operations Committee in the Senate will conduct a study of the cost and benefits of the impact of regulation on the Nation's economy, a study which I support. Proposals for selective deregulation or expansion of regulation will be before the Congress in 1975–76. While these studies of the substantive jurisdiction and impact of the agencies are clearly important, we should move ahead with reforms of agency procedure and structure which are timely now. Such reforms are necessary for efficient and objective regulation in the public interest, whatever Congress decides the scope of the regulation should be.

The bill which I am introducing today attempts to restore the charter of independence with which the regulatory agencies were originally vested by Congress. Independent regulatory agencies were created to be triply independent: of the executive branch, of industry domination, and of political pressures. Independence is an elusive goal, for however we change the structure of the agencies, these pressures will exist; all we can try to do is maintain a healthy balance among them. In recent years, the balance in these agencies, which were originally established as arms of Congress, has shifted significantly toward the executive branch.

The reform measures in this bill attempt to restore an equilibrium, by increasing congressional oversight of and consumer participation in agency activities. It is my hope that this legislation will provoke debate on the proper relationship of the regulatory agencies to Congress and the executive.

I make no claim for the originality of these reforms. Most have been the subject of hearings in the House and Senate over the last 5 years. Some have been enacted into law for specific agencies. It is for this reason that the Senate can move responsibly to consider these reforms without years of further study. I particularly hope that these reforms, if enacted, will increase the scope and intensity of congressional oversight of these commissions whose impact on the daily life of the public has reached extraordinary proportions.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 857

Be it enacted by the Senate and House of Repersentatives of the United States of America in Congress assembled, That this Act may be cited as the "Independent Regulatory Agency Reform Act of 1975".

SUBMISSION OF BUDGET ESTIMATES DIRECTLY TO CONGRESS

Sec. 2. (a) Section 206 of the Budget and Accounting Act, 1921 (31 U.S.C. 15), is amended—

(1) by striking out "No" and inserting in lieu thereof the following: "(a) Except as provided in subsection (b) of this section, no"; and

(2) by adding at the end thereof the following new subsection:

"(b) Each of the following agencies shall transmit its estimates and requests for regular, supplemental, and deficiency appropriations directly to the Senate and House of Representatives simultaneously with any transmittal of such estimates and requests to any other agency of the Government: the Civil Aeronautics Board, the Federal Communications Commission, the Nuclear Regulatory Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, and the Federal Maritime Commission. Such estimates and requests shall reflect the judgment of that agency. Estimates and requests transmitted pursuant to this section shall be in addition to, and not in lieu of, estimates, requests, and proposals transmitted pursuant to any other provision of this title.".

(b) The last sentence of section 207 of such Act (31 U.S.C. 16) is amended by inserting after "shall have authority" a comma and the following: "except as otherwise provided in section 206(b),".

(c) The amedments made by this section shall apply with respect to budgets and requests for fiscal year 1976 and thereafter.

DIRECT SUBMISSION OF LEGISLATIVE RECOMMENDATIONS

Sec. 3. Any communication respecting legislation, made by the Civil Aeronautics Board, the Federal Communications Commission, the Nuclear Regulatory Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, and the Federal Maritime Commission, shall be submitted by that agency directly to the Congress.

CLEARANCE TO OBTAIN INFORMATION NOT REQUIRED

Sec. 4. (a) Chapter 35 of title 44, United States Code, is amended—

(1) by inserting in the first paragraph of section 3502, immediately after "General Accounting Office", a comma and the following: "the Civil Aeronautics Board, the Federal Communications Commission, the Nuclear Regulatory Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Federal Maritime Commission, and the Consumer Products Safety Commission,"; and

(2) by adding at the end thereof the following new section:

"§ 3512. Exemption of regulatory agencies

"Any determination to collect information, any plan or form to be used in the collection of information, and the collection of information, by the Civil Aeronautics Board, the Federal Communications Commission, the Nuclear Regulatory Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Federal Maritime Commission, and the Consumer Product Safety Commission shall not be submitted to, or subject to the approval of, the Office of Management and Budget or any other authority.".

(b) The analysis of such chapter 35, immediately preceding section 3502, is amended by adding at the end thereof the following new item:

"3512. Exemption of regulatory agencies.".

CONTROL OF LITIGATION

SEC. 5. (a)(1) Section 201 of the Federal Aviation Act of 1958 (49 U.S.C. 1321) is amended by adding at the end thereof the following new subsection:

"(d)(1) Notwithstanding any other provision of law whenever, in any civil proceeding arising under this Act, the Board is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Board may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Board the Solicitor General shall represent the Board in any civil action to which the Board is a party before the Supreme Court.".

(2) Section 1008 of such Act (49 U.S.C. 1488) is amended by striking out "Board or the Administrator, as the case may be," and inserting in lieu thereof "the Administrator".

(b) Section 4 of the Communications Act of 1934 (47 U.S.C. 154) is amended by adding at the end thereof the following new subsection:

"(p)(1) Notwithstanding any other provision of law whenever, in any civil proceeding arising under this Act, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.".

(c) Section 201 of the Energy Reorganization Act of 1974 (P.L. 93-438) is amended by adding at the end thereof the following new subsection:

"(g)(1) Notwithstanding any other provision of law whenever, in any civil proceeding involving this Act, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.".

(d) Section 21 (e) of the Securities and Exchange Act of 1934 (15 U.S.C. 78u (e)) is amended to read as follows:

"(e)(1) Notwithstanding any other provision of law whenever, in any civil proceeding arising under this Act, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.".

(e)(1) Section 17 of the Interstate Commerce Act (49 U.S.C. 17) is amended by adding at the end thereof the following new paragraph:

"(13)(A) Notwithstanding any other provision of law whenever in any civil proceeding arising under this Act, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(B) Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.".

(2) Section 2323 of title 28, United States Code, is amended by striking out the first and fourth paragraph; by striking out "The Interstate Commerce Commission and any" in the second paragraph and inserting in lieu thereof "Any"; and by inserting "Interstate Commerce" before "Commission, in which" in such second paragraph.

(f) Section 310 of the Federal Power Act (16 U.S.C. 825l) is amended—

(1) by inserting "; LITIGATION" immediately after "EMPLOYEES" in the section heading;

(2) by inserting "(a)" immediately after "SEC. 310."; and

(3) by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding any other provision of law whenever, in any civil proceeding arising under this Act, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Commisison the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.".

(g) Section 102 of Reorganization Plan Numbered 7 of 1961 (75 Stat. 840) is amended by adding at the end thereof the following:

(e)(1) Notwithstanding any provision of law whenever, in any civil proceeding, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.

(h)(1) The second sentence of section 22(a) of the Consumer Product Safety Act (86 Stat. 1207; P.L. 92-573) is amended by striking out "by the Commission (with the concurrence of the Attorney General)" and inserting in lieu thereof "in accordance with section 27(b)(7) of this Act".

(2) Section 27(b)(7) of such Act is amended to read as follows:

"(7) notwithstanding any other provision of law, to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, whenever in any civil proceeding arising under section 19 of this Act the Commission is authorized or required to appear in a court of the United States and the Commission elects to appear in its own name by any of its attorneys designated by it for such purpose. Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party."

(j) Section 2348 of title 28, United States Code, is amended—

(1) by inserting ", other than proceedings to review orders of the Federal Communications Commission or the Nuclear Regulatory Commission" before the period at the end of the first sentence; and

(2) by inserting "(other than such Commissions)" after "The agency" where it first appears in the second sentence.

(k) Subsection (c) of this section and the amendments made by this section shall not apply to any civil action commenced before the date of enactment of this Act, but, in any civil action commenced before such date in which the Board or any commission referred to in such amendments or such subsection has an interest, attorneys for that Board or such Commission (as the case may be) may, by leave of the court, appear as the friend of the court.

APPOINTMENT AND TENURE OF AGENCY CHAIRMAN, VICE CHAIRMAN, AND OTHER MEMBERS

SEC. 6. (a)(1) Section 201(a)(2) of the Federal Aviation Act of 1958 (49 U.S.C. 1321 (a)(2)) is amended—

(A) by inserting immediately before the period at the end of the first sentence the following: "and for no other cause";

(B) by striking out "inefficiency, neglect of duty," and inserting in lieu thereof "neglect of duty," and

(C) by striking out "designate annually" in the last sentence and inserting in lieu thereof "appoint, by and with the advice and consent of the Senate,"; and by adding at the end thereof the following: "Any member appointed as Chairman or Vice Chairman shall serve as such until the expiration of his term as a member of the Board (except that he may continue to serve as Chairman or Vice Chairman, as the case may be, for so long as he remains a member and his succesor as Chairman or Vice Chairman has not taken office). An individual may be appointed Chairman or Vice Chairman.".

(2) Section 201 (a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(3) A member of the Board shall not for a period of 24 months following the termination of his services as a Board Member represent any person before the Board in a professional capacity or accept employment or compensation from any industry subject to this Act."

(3) Section 201 (b) of such Act is amended by adding immediately after the first sentence the following new sentence: "A majority of the members of the Board, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Board.".

(b)(1) Section 4(a) of the Communications Act of 1934 (47 U.S.C. 154(a)) is amended by striking out "the President shall designate as Chairman." and inserting in lieu thereof the following: "shall be appointed Chairman by the President, by and with the advice and consent of the Senate. Any member appointed as Chairman shall serve as such until the expiration of his term as a member of the Commission (except that he may continue to serve as Chairman for so long as he remains a member and his successor as Chairman has not taken office). An individual may be appointed as a member at the same time he is appointed Chairman. The members of the Commission may be removed by the President for neglect of duty, or malfeasance in office but for no other cause.".

(2) Section 4(b) of such Act is amended—

(A) by striking out the penultimate sentence and inserting in lieu thereof the following new sentence: "A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act."; and

(B) by adding at the end thereof the following new sentence: "A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity in industry regulated by the Commission.".

(3) The first sentence of section 5(a) of such Act is amended by striking out "designated" and inserting in lieu thereof "appointed".

(c) Section 201(b) of the Energy Reorganization Act of 1974 is amended by adding at the end thereof the following new paragraphs:

"(3) A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees, or wages from, or represented in a professional capacity, an industry regulated by the Commission.

"(4) A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act."

(d)(1) The first sentence of the first section of the Federal Power Act (16 U.S.C. 792) is amended by striking out all that follows "consent of the Senate," and inserting in lieu thereof "one of whom shall be appointed as Chairman by the President, by and with the advice and consent of the Senate. The Commissioner so appointed shall be the principal executive officer of the Commission and shall serve as Chairman until the expiration of his term as a Commissioner of the Commission (except that he may continue to serve as Chairman for so long as he remains a Commissioner and his successor as Chairman has not taken office). An individual may be appointed as a Commissioner at the same time he is appointed Chairman. Any member of the Commission may be removed by the President for neglect of duty or malfeasance but for no other cause.".

(2) Section 3 of Reorganization Plan Numbered 9 of 1950 (64 Stat. 1265) is no longer effective.

(3) The second paragraph of the first section of such Act is amended by adding at the end thereof the following: "A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act. A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Commission.".

(e)(1) The fourth sentence of the first section of the Federal Trade Commission Act (15 U.S.C. 41) is amended to read as follows: "The President shall appoint a Chairman from the Commission's membership, by and with the advice and consent of the Senate; and the Commissioner so appointed shall serve as Chairman until the expiration of his term as Commissioner (except that he may continue to serve as Chairman for so long as he remains a Commissioner and his successor as Chairman has not taken office). An individual may be appointed as a Commissioner at the same time he is appointed as Chairman.".

(2) Section 3 of Reorganization Plan Numbered 8 of 1950 (64 Stat. 1264) is no longer effective.

(3) The sixth sentence of the first section of such Act is amended by striking "inefficiency" and inserting immediately before the period at the end thereof the following: "but for no other cause".

(4) The first section of such Act is further amended by adding at the end thereof the following new paragraph: "A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act. A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Commission.".

(f)(1) Section 4(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78d) is amended by adding at the end thereof the following: "The President shall appoint a Chairman from the Commission's membership, by and with the advice and consent of the Senate; and the Commissioner so appointed shall serve as Chairman until the expiration of his term as Commissioner (except that he may continue to serve as Chairman for so long as he remains a Commissioner and successor as Chairman has not taken office). An individual may be appointed as Commissioner at the same time he is appointed as Chairman. The members of the Commission may be removed by the President for neglect of duty, malfeasance in office but for no other cause. A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept empolyment or compensation from any industry subject to this Act. A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Commission.".

(2) Section 3 of Reorganization Plan Numbered 10 of 1950 (64 Stat. 1205) is no longer effective.

(g) (1) Section 11 of the Interstate Commerce Act (49 U.S.C. 11) is amended to read as follows:

(A) by inserting immediately before the period at the end of the fourth sentence the following: "but for no other cause";

(B) by striking "inefficiency" from the fourth sentence; and

(C) by adding at the end thereof the following: "The President shall appoint a Chairman from the Commission's membership, by and with the advice and consent of the Senate; and the Commissioner so appointed shall serve as Chairman until the expiration of his term as Commissioner (except that he may continue to serve as Chairman for so long as he remains a Commissioner and his successor as Chairman has not taken office). An individual may be appointed as a Commissioner at the same time he is appointed as Chairman. A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act. A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Commission.".

(2) Section 3(a) of Reorganization Plan Numbered 1 of 1969 (83 Stat. 859) is no longer effective.

(h) Notwithstanding any provision of Reorganization Plan Numbered 7 of 1961 (75 Stat. 840) the President shall appoint a Chairman from the Commission's membership, by and with the advice and consent of the Senate; and the Commissioner so appointed shall serve as Chairman until the expiration of his term as Commissioner (except that he may continue to serve as Chairman for so long as he remains a Commissioner and his successor as Chairman has not taken office). An individual may be appointed as a Commissioner at the same time he is appointed as Chairman. A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act. A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Commission.

(2) Section 102(b) of Reorganization Plan Numbered 10 of 1950 (75 Stat. 840) is no longer effective.

(i) Section 4 of the Consumer Product Safety Act is amended as follows:

(1) In subsection (c), the second sentence thereof is amended to read as follows: "A majority of members of the Commission, including the Chairman, shall be appointed from among persons not (1) in the employ of, or holding any official relation to, any person engaged in selling or manufacturing consumer products, or (2) owning stock or bonds of substantial value in a person so engaged, or (3) who are in any other manner pecuniarily interested in such person, or in a substantial supplier of such a person."

(2) At the end thereof add the following new subsection:

"(i) A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act."

(j) The amendments made by this section shall not apply to the service as Chairman or Vice Chairman of any Board or Commission, or to the service on any Board or Commission referred to in this section, of any person who was serving as Chairman, Vice Chairman, or member of that Board or Commission on the date of enactment of this Act, except that in the case of a person serving as Chairman, Vice Chairman, or member for a fixed term such amendments and subsection shall apply at the end of such term.

INDEPENDENCE IN APPORTIONING APPROPRIATIONS

SEC. 7. (a) Section 3679 of the Revised Statutes of the United States (31 U.S.C. 665) is amended—

(1) by inserting in the first sentence of subsection (d)(1), immediately after "the judiciary," the following: "an independent regulatory agency,";

(2) by inserting in the fifth sentence of subsection (d)(2), immediately before the period at the end thereof a comma and the following: "but does not include an independent regulatory agency";

(3) by inserting in subsection (g), immediately after "the judiciary,", the following: "an independent regulatory agency,"; and

(4) by adding at the end thereof the following new subsection:

"(j) (1) The Comptroller General of the United States shall review from time to time actions taken by each independent regulatory agency under this section. The Comptroller General shall make such recommendations as he considers appropriate to such agency whenever he determines that such agency is not complying with the provisions of this section, or is able to improve its administration of this section. Any such determination or recommendation shall be promptly reported to Congress.

"(2) When used in this section, the term 'independent regulatory agency' means the Civil Aeronautics Board, the Federal Communications Commission, the Nuclear Regulatory Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Consumer Product Safety Commission or the Federal Maritime Commission.

(b) The amendments made by this section shall apply with respect to appropriations made for fiscal year 1976 and thereafter.

INFORMATION FOR CONGRESS

SEC. 8. (a) Chaper 3 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 306. Reports to Congress by independent regulatory agencies

"(a) For purposes of this section, the term 'independent regulatory agency' means the Nuclear Regulatory Commission, the Civil Aeronautics Board, the Federal Communications Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Consumer Product Safety Commission, and the Federal Maritime Commission.

"(b) Each independent regulatory agency shall submit to the Senate and House of Representatives an annual regulatory activity report within thirty days after the end of each fiscal year. The report shall include information about every significant change in regulatory policy as implemented in rules and regulations of the agency or in an adjudication by the agency, every judicial decision which materially affects the administration of the agency's regulatory authority, a progress report on all proceedings before the agency, a progress report on all investigations by the agency, a progress report on any other agency actions which Congress requires, and such other information as the Congress may require.

"(c) Each independent regulatory agency shall submit to the Senate and the House of Representatives a planning report within ten days after the end of the fiscal year beginning July 1, 1976, and every fourth fiscal year thereafter. The planning report shall include a summary of every important change of regulatory policy during the preceding four fiscal years, an analysis of the coordination between the agency and every other agency or department the jurisdiction of which overlaps that of the agency, a summary of proposed rules, regulations, investigations, studies, administrative procedural or organizational changes, and the reasons therefor, and any legislative recommendations.

"(d) Each independent regulatory agency shall provide to the Senate and to the House of Representatives all information, data, estimates, and statistics which the Senate and House determine to be necessary in the performance of their oversight duties and functions with respect to that agency within ten days of a request for such information. The Senate and House, and their authorized representatives, shall, for the purpose of identifying and securing material necessary to the performance of their oversight duties and functions with respect to each such agency, have access to and the right to examine any books, documents, papers, records, or computer programs of each independent regulatory agency.

"(e) The reports required to be submitted by this section shall be submitted in addition to any other reports required to be submitted by an independent regulatory agency under any other provision of law."

(b) The analysis of such chapter 3 is amended by adding at the end thereof the following new item:

"306. Reports to Congress by independent regulatory agencies.".

CONGRESSIONAL APPROVAL OF PROPOSED RULES

SEC. 9. (a) Subchapter II of chapter 5 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 560. Disclosure of congressional ex parte communications with independent regulatory agencies

"Not later than thirty days before the effective date of any proposed rule and not later than ten days after it issues any order, as defined in section 551(6) of this title, each independent regulatory agency shall make available to the public a description of every written and oral communication on behalf of any party affected by that rule or order from any Member of Congress to any Commissioner, Board member, administrative law judge, employee, or agent of the independent regulatory agency concerning or relevant to the proposed rule or order.".

(b) The analysis of such subchapter II is amended by adding at the end thereof the following new item:

"560. Disclosure of congressional ex parte communications with independent regulatory agencies.".

EFFECTIVE DATE WITH RESPECT TO AGENCY PROCEEDINGS

SEC. 10. The provisions of this Act apply only to agency proceedings which are initiated after the date of enactment of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 860. A bill to amend the Fair Labor Standards Act of 1938 with respect to certain agricultural hand harvest laborers. Referred to the Committee on Labor and Public Welfare.

Mr. HATFIELD. Mr. President, when Congress passed the Fair Labor Standards amendments last year section 25 of the law, prohibiting the employment of children under the age of 12 in agricultural harvests except under very limited circumstances, caused grave concern among the people of Oregon.

They are concerned for good reason. As I indicated in testimony before the Senate Labor Subcommittee last December, the application of section 25 this year will immediately eliminate temporary summer job opportunities for over 5,000 young Oregonians; it will seriously threaten the economic future of certain Oregon crops, most notably strawberries, which have historically been dependent on students of all ages for their harvest; and, by so threatening these crops, the law will place in jeopardy the future job opportunities of some 38,000 older pickers, adults, and teenagers alike. Additionally, thousands of Oregon jobs in cannery and transportation operations are threatened by this action of Congress.

I would like to make clear to my colleagues the gravity of this situation in Oregon, the pressures that the agriculture industry has come under in recent years, and also statistical data and personal recollection which reflect the conditions under which Oregon children have worked for years. I am hopeful that, given the evidence that has recently been compiled in Senate hearings, my colleagues will understand the need for immediate action to amend section 25 of the Fair Labor Standards Amendments of 1974.

After the ban on children working in the fields became known, I received a storm of letters from outraged Oregonians who believed that Congress, in imposing the ban, had not taken Oregon's situation into account. In a little over a month I received 1,200 letters from children, educators, and parents. They were accompanied by editorial protests, and by telephone calls from concerned growers who saw no recourse but to plow under their crops.

Many of the letters I received were from children under the age of 12. I would like to give my colleagues some examples of what these young Oregonians had to say. From a young man: "Will you please try to change the law about strawberry picking? I don't have any other way to make money now. My sister can't pick strawberries because my dad works and my mom picks with my sister and I can't stay home alone and I can't pick so I don't know what I'm going to do."

Or another letter, this time from a young lady:

> I am writing about the berry picking. I really think that people 9 and over are quite capable of picking berries. I am in the fifth grade and I really think that we are capable

> of picking berries. I wanted to save some money for a horse because I am a horse lover, I have been a horse lover ever since I was three. Now I am eleven. Well I guess there's not much more that I can say except I think the people that voted on it are like my mother, there (sic) worry warts!

These children suddenly found themselves out of work, work that gave them a feeling of independence and self-worth, work that they engaged in in the summer for an average of 3 to 4 weeks. But there was another serious factor which reuslted from the elimination of these jobs. It was summed up in a telegram sent to be by then Governor McCall on May 25, 1974. The telegram read as follows:

> We urgently request all possible immediate action through legislative and administrative channels to allow children under 12 to assist in the berry and bean harvest in Oregon. These young people working with their parents or brothers or sisters are not exploited child labor. They are local residents who are earning spending money and learning the value of working while helping to harvest an important food resource. An estimated forty million pounds of strawberries grown on eight thousand acres could go unharvested in the next three weeks if families are forbidden to bring their children to the fields where they work. 54% of past crops have been picked by young people under 14 years of age and 16 percent of those under 12. The impact on the availability of adult workers will be severe if prohibited from bringing their children to the fields. An economic loss of ten million dollars is a real possibility. This loss of food is indefensible. Please exert every effort to obtain an immediate exemption.

As the Governor's telegram indicated, the detrimental effects of this legislation on the Oregon strawberry industry, one of the largest agricultural harvest in the State, would be particularly dramatic. What I hope to indicate to my colleagues today is that, not only would the under 12 ban cause serious short-term damage to the industry, but that, if left unchanged, the law may signal the demise of the entire strawberry industry in Oregon.

Fortunately, last summer's strawberry harvest was saved by a preliminary injunction granted by U.S. District Court on June 22, following a suit filed by Mr. Larry William Keely, an Oregon strawberry grower, which claimed section 25 of the act to be unconstitutional.

In September, the court ruled that the law was constitutional. But, in its decision, the court clearly placed the decision on whether the law was justified in Oregon's situation, back on the Congress:

> The 1974 Amendments may be unnecessarily broad. *Perhaps Congress can write more flexibility into the Act to exempt forms of agriculture in which oppressive child labor conditions do not exist.* But the determination of the particular evils, conditions and persons to be regulated and the means to accomplish the protection or promotion of interstate commerce is *within the exclusive province of Congress, not the Courts.* (emphasis added)

ECONOMICS

Before addressing myself to the conditions under which these children work, I want to emphasize the critical economic importance attached to the participation of these young Oregonians in the harvesting of strawberries, and, in addition, why it will be extremely difficult, if not impossible, to replace them with other sources of available labor. I might indicate at this point that I use the strawberry industry as an example only because it is the largest among all Oregon berry and pole bean crops economically dependent on the temporary participation of young people. To varying degrees similar difficulties face other crops, such as raspberries, blueberries, and pole beans.

SHORT-TERM DISRUPTION

As Governor McCall's telegram of May 25 indicated, the immediate, economic loss resulting from the under 12 prohibition will be severe. In 1973, Oregon's Department of Employment statistics indicated that over 38,000 people participated in Oregon's strawberry harvest. Some 5,890 of these workers were children under the age of 12. These young Oregonians, then represented 16 percent of the working force. Were it not for the June decision of the district court to grant a temporary injunction, there would have been, at minimum, an immediate 16 percent reduction in the labor force.

What cannot be accurately estimated by the employment division, however, is the additional loss of workers which would have occurred if the ban had taken effect.

Estimates varied, but it was widely assumed by growers and State officials alike that an additional 5 to 15 percent of the legally eligible working force would have stayed home. These added numbers of unemployed would be brothers, sisters, or parents who would not work because the prohibited child could not accompany them to the fields to help pick.

The difficulties of this situation are, I think, obvious. If a mother chose to go to the fields, leaving her child at home with a full-time babysitter, she would by rule of Congress in another section of Public Law 93–259 be obliged to pay the babysitter the minimum wage, of $2 an hour. She would, therefore, make little, if any profit for her day's effort in the field.

Another immediate result of the law would be the laying off of significant numbers of cannery workers as well as others whose seasonal jobs are dependent on the full harvesting of strawberry crops. It might also be predicted with certainty that the under 12 ban would cause an increase in retail price to the consumer, and that thousands of dollars in State taxes would be lost.

This, however, would be only the immediate short-term impact. In response to similar economic situations, traditional belief has argued that recovery from such a labor loss will result, if prices paid to field workers are increased. If such a price increase were sufficient enough, added workers would, the argument goes, be drawn into the labor force. This supposedly would compensate, in the case of srawberries, for the 16- to 25-percent labor loss Congress created by passing Public Law 93–259.

The rapid increase in international competition in the strawberry market, however, helps in proving this assumption wrong when applied to the Northwest strawberry industry. Put simply, an immediate and significant rise in prices paid to harvesters is an economic impossibility at this time, as a study of the international competitive market illustrates.

MEXICO

The major single source of competition to Oregon strawberry growers and processors does not come from inside the United States, but from Mexico. It is primarily this burgeoning competitive force which is causing the slow, economic strangulation of the Oregon strawberry industry.

Oregon deals almost solely in the production of processed—frozen—strawberries. This has been its tradition for years. Picking strawberries for processing requires less selective picking than is needed for fresh market produce. This is one reason why Oregon farmers have welcomed the temporary help of children in this pursuit, and why it is one of the few work activities that young Oregonians can engage in.

In recent years, Mexico has produced increasing amounts of processed strawberries which it in turn shipped into the U.S. marketplace. Its growth within the past decade has been extraordinary.

In 1964, according to the Department of Commerce, Mexico exported 35.3 million pounds of frozen strawberries into the United States. In December of that year, however, the bracero program was terminated. This program had allowed hundreds of thousands of Mexican laborers to legally enter the United States each year to help harvest fruit and vegetable crops in the Southwest United States.

The effect of the termination of this program on the Mexican strawberry industry was almost immediate. Spurred by private U.S. investments, imports of processed strawberries more than doubled in the 2 years, to 73.7 million pounds. The quantum growth of this industry continued until, by 1973, imports of frozen strawberries alone had reached 116 million pounds. Again I emphasize to the committee that these imports are the major source of competition for Oregon and Washington in U.S. market consumption.

The total estimated U.S. consumption of processed strawberries in 1973 was about 280 million pounds. In less than 10 years, Mexican imports increased 330 percent. With the help of private investment from this country, Mexico now controls 41 percent of the U.S. market.

In direct contrast, production of processed strawberries in the States of Oregon and Washington has dropped in proportion to the rise in competition from Mexico.

In 1973, these two Northwest States produced 64 million pounds of processed strawberries. Oregon produced 64 percent of this amount, or 41 million pounds. In 1964, before Mexican imports began an exponential growth pattern, Oregon alone produced 96.6 million pounds, or 43 percent of the total national consumption in that year. By 1973, Oregon's figure had been reduced to 14 percent. There are varied reasons for this dramatic reduction in Oregon's strawberry production. Higher labor costs, land development, unseasonable weather, and deterioration of plant conditions in some areas, all contributed to this decline. But none are more significant than the massive growth of Mexican imports.

How can this enormous growth be explained? What attracted U.S. interest below the border to compete with small growers in the States of Oregon and Washington? An examination of labor cost and other economic factors in Mexico explains a great deal.

In 1974, according to the U.S. Department of Agriculture, the average wage paid to Mexican fieldworkers was 47.89 pesos per day, or just under $4 per day. In 1964, they were paid $2 per day. In 1974 in Oregon, an average picker earns about $20 per day. Labor costs alone for Oregon growers are, then, five times greater than the labor costs incurred by their largest competitor.

In addition to cheap labor, investors in the Mexican strawberry industry pay an extraordinarily cheap price for sugar. This is a critical economic factor in that sugar consists of an estimated 20 to 25 percent of the total volume per unit of processed strawberries.

In Mexico, sugar prices are strictly controlled by the Government agency known as Union Nacional de Productors de Azwcar—UNPASA. The current price for sugar is 8.4 cents per pound. This price reflects a 48-percent increase instituted by that agency in 1970. For 12 years prior to that date, the price of sugar was 4.3 cents.

By contrast, the October 1974 price of sugar in the Northwest was 56 cents per pound or nearly seven times as great as in Mexico. Oregon strawberry processors indicate that fully half the cost of a unit of processed berries is realized in sugar costs.

Abundant sources of cheap labor and officially depressed sugar prices have combined with other factors to make Mexico the largest regional producer of processed strawberries in the world. Mexican processed strawberry imports currently are 8 cents less per pound than those produced in Oregon.

Oregon growers compete with Mexico, and with U.S. private interests in that country as well. The Department of Agriculture indicates that U.S. private investments in Mexican agriculture has exceeded $150 million in the period 1964–73. This figure, however, represents only a fraction of total investments. The Department has no data on investments in the processing, packaging, and transportation of goods to U.S. cities.

Although the Department of Commerce indicates that total U.S. investment in the Mexican strawberry industry is unknown, the extent of it is reflected in a letter sent by the president of a large strawberry packing association in Mexico to the U.S. agricultural attache in Mexico City. The letter was dated December 30, 1966. I quote from its final paragraph:

> Before ending, I wish to mention that our Government has given every facility to all American companies who have come to Mexico, such as Del Monte, Heinz, General Foods, Nestle, Gerber, Carnation, and many others. There is much American capital invested in the strawberry industry and any action taken against this exportation . . . would greatly hurt not only the good neighbor relation and the Alliance for Progress Program, but also the American capital invested in this industry of strawberry freezing in Mexico.

Since this letter was written, Mexico imports have increased 160 percent.

The significance of this Mexican competition cannot be overemphasized. These imports affect, in the most fundamental way, any consideration about the ability of Oregon growers to survive an immediate 16 to 25 percent labor force reduction. They also govern the ability of Oregon growers to offer yet higher wages in the hope that older pickers would be attracted to the fields.

If section 25 is not amended to allow for children working under healthy and constructive conditions to again participate in Oregon berry and bean harvest, it becomes apparent that not only are the childrens' job opportunities eliminated, but others as well. By prohibiting children under 12 from participating in the harvests, Congress has dangerously added to the economic burdens of small Northwest strawberry growers. As a result of increased Mexican imports these burdens were already extreme prior to passage of Public Law 93–259. With the added difficulty of trying to replace these children by older persons who, according to a 1967 Washington State Labor Department survey, are reluctant to pick even with an economic incentive, Congress will hasten the decline of one of the largest agricultural industries in Oregon. Moreover, this decline will occur with little hope of future recovery. In that event, we are not talking about job loss for only 5,500 children, but, potentially, 38,000 teachers, students, and parents who depend on these summer harvests for added family income.

We might also add to this figure additional job losses which will surely occur in related industries. Such a loss would be intolerable during these inflationary times when families are struggling to keep pace with the high cost of living.

CONDITIONS OF EMPLOYMENT

Mr. President, these economic disruptions would have to be endured, however, if it could be proven that children under the age of 12 are indeed exploited in Oregon's agricultural harvests, or that they are working under conditions detrimental to their health and well being.

I might first speak to this matter from personal experience. I picked in the fields of Oregon as a child, using the money I earned to buy school clothes and to help my parents pay for my education. Like the majority of young Oregonians who help with the harvests, I did this for a period of 3–4 weeks. To this day I consider this temporary activity a valuable and healthy work experience that a child under 12 years of age can obtain nowhere else. I might also add that I consider a few weeks of work in the fields during the summer months to be far less dangerous than delivering papers, 7 days a week, 52 weeks a year, often in early morning hours. Yet there is an exemption for paperboys and girls under the act.

All those who help in the harvest, young and old alike, are covered in Oregon by the Workmen's Compensation Act. The Oregon Workmen's Compensation Board reports that, in 1973, a total of eight injuries to children under the age of 12. As I indicated earlier, there were over 5,000 children under 12 participating in the strawberry harvest alone. One of these eight injuries was fatal. It was suffered by a 10-year old child who was struck by a car while riding a motorcycle on his family's farm. As you are aware, Mr. President, the 1974 amendments could not have served to avoid this accident; this ban on young children did not apply to children working on family-owned farms.

The other seven injuries were all minor, ranging from cut wrists and a cut hand both coming from falling on berry crates, to a rash that one child developed by coming in contact with a spray. These seven injuries required only minor medical attention. This short list of injuries is indicative, I believe, of the safe conditions under which these children work.

Oregon State law prohibits these children from participating in harvests while school is in session. During the summer months of harvest, the great majority of these young Oregonians are brought to work in school buses. Often a child's teacher or parent will supervise their work and their transportation to and from home. The buses leave the fields by 2 in the afternoon. This is done to avoid making children work in the hot afternoon hours.

The children are paid the same rate as adult pickers. Unlike the exploitative conditions which occurred early in this century in the factories of the East, the children in Oregon are not paid less than adults, they are not forced to work long hours near dangerous equipment, and they do not labor year-round, but rather, for a few weeks in the summer months.

Mr. President, I believe the prohibition of children under 12 working in the fields was primarily born of congressional concern over the plight of migrant families. I share that concern and in no way seek to return to the sad traditions of the past—traditions that have seen young migrant children traveling the country with their families year around, attending school infrequently and thus losing all chance to lead productive and meaningful adult lives. I applaud the efforts of Congress to stop this historic abuse of these migratory children, and to break the continuing cycle of poverty and neglect that has characterized their lives in the past.

In the bill presented today, I seek only to accomplish a change in the 1974 amendments which will allow the children of permanent State residents to again help harvest crops for a limited period of time in the healthy and constructive environment which has characterized Oregon's traditional experience with its children.

Mr. PACKWOOD. Mr. President, last year, after three tries, Congress passed new minimum wage amendments which were finally signed into law as Public Law 93-259. Included in those amendments was a provision—section 25(b)—to prohibit children under 12 years of age from working in agriculture, a provision which probably escaped the notice of most Senators. Those who examined section 25(b) of the new law most likely assumed that it was designed to protect migrant children against abusive child labor practices. This is and was an objective which we all share.

But as is so often the case, this provision has had a far broader effect than we foresaw in approving the new law. In my State of Oregon, and in the States of Washington, Michigan, and Maine in particular, section 25(b) has had the unintended effect of depriving our young people of a valued and traditional summer activity—berry and bean picking.

Many of those who have studied the history of abusive child labor in the 19th and early 20th century have difficulty differentiating those horrors from the real nature of Oregon's berry and bean picking during the summer months. I doubt that the grassroots opposition to the new prohibition which has been expressed to me, would have occurred had any of the historical conditions of "child labor" existed in Oregon today.

In Oregon, parents are furious that their children are being deprived of their first work experience, their first opportunity to earn money, and to learn responsibility and the value of a dollar.

The loudest outcry has come from the youngsters themselves, who have found a hard time trying to understand why anyone in Washington would tell them they can no longer pick strawberries and beans on their vacations. These youngsters are angry and disappointed. They look upon picking as a social occasion with their friends, "something to do" in the summer, instead of "just sitting around," and importantly as one of the few ways they can earn some spending money.

Mr. President, we in Congress are obligated to ask ourselves if the under-12 prohibition is related to the needs of migrant children or if it is necessary to protect other children from dangerous or abusive conditions.

It should be emphasized that we are unanimous in our concern over the welfare of migrant children, and agree that these children need and deserve special protections. We would also concur in the strong belief that all youngsters should be protected from dangerous or abusive practices in agriculture or elsewhere.

But is berry or bean picking, for these nonmigrant children, dangerous or abusive?

The Oregon Workmen's Compensation Board reports no serious injuries among the 10,000 children under 12 who worked harvesting beans and berries in 1973. The board reports only seven minor injuries, and even of this infinitesimal number, several were clearly not related to berry and bean picking—for example, a bruised back from falling off a ladder. Clearly, if bean and berry picking were a hazardous activity, neither parents nor children would be as anxious as they are to participate.

Mr. President, aside from the inherent value of permitting these youngsters to continue in their summer picking jobs, I should point out the significant role young Oregonians play in Oregon's agricultural economy. Quite simply, removal of Oregon's young people from picking beans and berries would have a ripple effect which would more aptly be described as a tidal wave. Given our current economic woes, we can hardly afford to disregard the potential for more disruption.

First, the 10,000 to 14,000 pickers under 12 years old stand to lose close to a million dollars in summer income. With the additional lost income by mothers and siblings over 12 who would also be forced from the fields, the total lost income from picking would approximate $1½ million annually.

Oregon's farmers, who have just recovered from devastating transportation in rail and shipping failures, would lose something in the vicinity of 9,000 tons of strawberries alone, and together with Washington's farmers, would sacrifice approximately $4 million in lost income.

Next the processors. Oregon and Washington together have 33 strawberry processing plants, small companies which, of course, are highly dependent upon the pickers and farmers for continuation of their operations. The current under-12 prohibition would mean the loss of about 1,800 jobs in these processing plants, and a reduced payroll of about $1½ million. It should be noted here that many of these employees—also seasonal workers in many cases—are adults without otherwise marketable skills. Without processing jobs, they would in many cases be forced to seek lower paying jobs in picking or elsewhere, or would remain unemployed.

And what about the processing plants themselves? Processing plants operate only seasonally, during just a few months of the summer and fall. The season begins with strawberries, and there is no substitute product. Without strawberries, processing plants would just not operate until later crops come in. Seasonal processing already carries a heavy burden. That burden would be increased, and importantly, shifted over to other products, and reflected in farther increases in costs of processed foodstuffs. And no one needs to be reminded about the meaning of rising food costs. And so the ultimate impact falls on the consumer as well, who is already too much overburdened with the effects of an inflationary and now recessionary economy.

Mr. President, the legislation which Senator HATFIELD and I are today introducing, reflects all of these concerns, and is designed to provide very specific remedies. Our proposal would apply only to local hand harvest labor, not to migrant children. Migrant children would continue to have the special protections Congress intended. It would leave in place existing prohibitions against children participating in jobs which are dangerous, and would limit the maximum period of allowable work to 13 weeks per year, while school is not in sesson. Parental consent would continue to be required.

Mr. President, in closing, let me again emphasize that I believe Congress has unintentionally and unwisely restricted thousands of nonmigrant children from participating in a traditional and healthy summer activity, which I myself, and hundreds of thousands of Oregon adults enjoyed as children. I would welcome questions from any Senators on the nature of the work or on the provisions of our bill, and urge speedy action to preserve these jobs for the next picking season.

By Mr. CHURCH (for himself, Mr. JOHNSTON, Mr. FANNIN, Mr. HANSEN, Mr. SPARKMAN, Mr. GRAVEL, Mr. CRANSTON, Mr. TUNNEY, Mr. HUMPHREY, Mr. CURTIS, Mr. MCGEE, Mr. BAYH, Mr. ABOUREZK, Mr. BUCKLEY, Mr. MONTOYA, Mr. MOSS, Mr. BAKER, Mr. EASTLAND, Mr. HATFIELD, Mr. MCCLURE, Mr. BENTSEN, and Mr. TOWER):

S. 861. A bill to amend section 4 of the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

SMALL REFINERS RELIEF ACT

Mr. CHURCH. Mr. President, I introduce, for appropriate reference, a bill to exempt small refiners from the adverse economic impact of the Federal Energy Administration's crude oil entitlement program. I am joined in cosponsorship of this measure by my distinguished colleagues Messrs. JOHNSTON, FANNIN, HANSEN, SPARKMAN, GRAVEL, CRANSTON, TUNNEY, HUMPHREY, CURTIS, MCGEE, BAYH, ABOUREZK, BUCKLEY, MONTOYA, MOSS, BAKER, EASTLAND, HATFIELD, MCCLURE, BENTSEN, and TOWER.

In passing the Emergency Petroleum Allocation Act, Congress granted to the President specific temporary authority to deal with the shortages initially precipitated by the Arab oil embargo. The President was further directed to promulgate a regulation providing for the mandatory allocation of crude oil, residual fuel oil, and refined petroleum products.

Congress, however, made its intent clear in section 4(b)(1)(D) of the Emergency Petroleum Allocation Act of 1973 that allocation and pricing regulations were to provide for "preservation of an economically sound and competitive petroleum industry, including the priority needs to restore and foster competition and to preserve the competitive viability of small refiners."

These small refiners provide the competitive edge in an otherwise highly concentrated industry, dominated by the large vertically integrated multinational oil corporations. Very often, it is the small refiner that provides jobbers and independent marketers their only source of products and often at a list price below those of the major brand name companies. Through the provisions of the mandatory allocation program, these savings are then passed along to the consumer.

To comply with the requirement of the Mandatory Allocation Act that crude oil costs be "equitable" and that competition be preserved, the President, acting through the Federal Energy Administration, created the entitlements system. The program sought to spread the financial benefits associated with refining price-regulated "old" oil—that oil controlled at the $5.25 per barrel price—equally among all refiners—both large and small—without actually allocating supplies of oil to refiners. The mechanism for effecting this equalization is a system of tickets in which refiners with percentages of "old" oil higher than the national average must buy "entitlements" from those refiners with percentages of old oil lower than the national average.

The FEA premised the program cn the partially correct assumption that certain small refiners were harmed economically because of their disproportionate reliance upon crude oil sold at uncontrolled prices—$11-plus per barrel. Yet, in fact, no matter how the pie is sliced, small refiners—as a group—come out the big losers. Those who must purchase entitlements, including as many as 40 to 50 percent of all small refiners, may end up paying as much as $25,000,000 per month for the right to refine controlled crude oil which many have been processing long before the allocation program came into being. On the other hand, small refiner sellers of entitlements, who depend more heavily on uncontrolled crude oil, are being squeezed by the high price of $11-plus oil.

With respect to the small refiners who must buy—and also those who can sell—entitlements, it makes no sense to me to rob Peter to pay Paul. In the end, the result is the same, the competition provided the industry by small refiners will be greatly reduced.

While the nature of the Federal Energy Administration's entitlement program is extremely complex and while its goal is laudable, the harsh fact remains that unless the impact of this program is somehow tempered, the additional costs to many small refiners will force these businesses to reduce or terminate their refining operations. Such an unfortunate circumstance will come at a time when the President has expressed the need for the Nation to establish new refineries.

The Justice Department recognized the importance of this competition when it filed formal comments on the entitlements program in September 1974. The Department, at that time, urged an exemption for small refiners as essential to preserve their competitive potential.

At the urging of representatives of those small refiners that will be most adversely affected, and particularly because a number of independent marketers in Idaho have suggested this course of action, I am introducing this measure to exempt small refiners whose capacity did not, on January 1, 1975, exceed 100,000 barrels per day from the requirement of purchasing entitlements under the FEA regulation. However, the bill also provides that the rights of small refiners to sell entitlements are not to be restricted. It is hoped in this manner to protect the entire small refiner industry and thereby to enhance their competitive position.

I consider this proposal a working draft by which the Congress might consider this matter in depth. It is altogether possible that changes will be made and a hearing record established.

A refiner's capacity is defined, under the legislation, to include the capacity of any person who controls, is controlled by, or is under common control with the particular refiner, and so the small refiner exemption will not be available to individual refinery divisions or subdivisions of large oil companies. I ask unanimous consent that a list of U.S. refiners, including the refining capacity reported by refiners as of December 1, 1974, appear at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. As I indicated previously, if the entitlements program is not made the subject of congressional scrutiny, it is altogether possible that small refiner buyers of entitlements could end up paying some of the country's oil giants large sums of money for entitlements the majors have to sell; a vital subsidy for those who do not need it. At the very least, I am hopeful that this proposal will prompt a renewed inquiry, on the part of Congress, into the need for refinement and adjustments in this program.

I urge the Congress to act promptly on this measure, for in doing so, competition in the petroleum industry will be enhanced by assuring that no small refiner will be substantially injured or forced to close down because of entitlement purchases or sales.

I ask unanimous consent that the text of the bill appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 861

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h) Insofar as any regulation promulgated and made effective under subsection (a) of this section shall require the purchase of entitlements, or the payment of money through any other similar cash transfer arrangement aimed at equalizing the cost of crude oil to domestic refiners during the existence of a two-tiered market for crude oil, such regulation shall exempt those refiners whose total refining capacity (including the refining capacity of any person who controls, is controlled by, or is under common control with such refiner) did not exceed on January 1, 1975, one hundred thousand barrels per day from said requirement: *Provided,* That nothing herein shall be taken to restrict the right of any small refiner as defined in section 3(4) of this Act to receive payments for entitlements or through any other such cash transfer arrangement.".

SEC. 2. The amendment made by the first section of this Act shall be deemed to have taken effect as of January 1, 1975.

Petroleum refiners in the United States, Puerto Rico, the Virgin Islands, and Guam—Operating capacities as of December 1, 1974

	Capacity d/b
Companies controlling more than 1000,000 b/d crude oil capacity:	
Exxon Corp. (Exxon Co., U.S.A.):	
Baton Rouge, La. 70821	431,000
Port Arthur (Baytown), Tex. 77520	413,000
Linden (Bayway), N.J. 07036	268,000
Billings, Mont. 59103	45,000
Benicia, Calif. 94510	86,000
Total	1,243,000
Shell Oil Co:	
Wood River, Ill. 62095	255,000
Deer Park (Houston), Tex. 77536	294,000
Martinez, Calif. 94554	100,000
Wilmington, Calif. 90744	90,000
Norco, La. 70079	240,000
Anacortes, Wash. 98221	88,000
Gallup, N. Mex. 87301	17,000
Odessa, Tex. 79760	29,000
Total	1,113,000
Texaco, Inc:	
W. Tulsa, Okla. 74101	50,000
Lockport, Ill., 60441	72,000
Lawrenceville, Ill. 62439	84,000
Eagle Point, N.J. 08093	88,000
Amarillo, Tex. 79105	20,000
El Paso, Tex. 79998	17,000
Casper, Wyo. 82601	21,000
Los Angeles, Calif. 90744	75,000
Port Arthur, Tex. 77640 and Port Neches	453,000
Puget Sound, Wash. 98221	85,000
Convent, La. 70723	140,000
Total	1,105,000
Standard Oil Co. (Indiana):	
Amoco Oil Co.:	
Baltimore, Md. 21226	11,000
Casper, Wyo. 82601	37,592
Mandan, N. Dak. 58554	48,000
Salt Lake City, Utah 84103	38,000
Savannah, Ga. 31402	15,033
Sugar Creek, Mo. 64054	103,000
Whiting, Ind. 46394	360,000
Wood River, Ill. 62095	102,000
Yorktown, Va. 23690	48,000
Texas City, Tex. 77590	320,000
Total	1,082,625
Standard Oil Co. of California:	
Richmond, Calif. 94802	190,000
El Segundo, Calif. 90245	220,000
Bakersfield, Calif. 93308	26,000
Barber's Point, Hawaii 96801	35,000
Nikishi, Alaska 99611	20,000
Chevron Oil Co.:	
Perth Amboy, N.J. 08861	80,000
El Paso, Tex. 79998	65,000
Salt Lake City, Utah 84110	43,000

Petroleum refiners in the United States, Puerto Rico, the Virgin Islands, and Guam—Operating capacities as of December 1, 1974—Continued

Chevron Asphalt:	
Baltimore, Md. 21203	14,000
Blakely Is., Ala. 36601 [1]	---------
North Bend, Ohio 45238 [1]	---------
Portland, Oreg. 97208	18,000
Standard Oil Co. (Kentucky):	
Pascagoula, Miss. 39567	280,000
Total	991,000
Gulf Oil Corp.:	
Port Arthur, Tex. 77640	312,100
Philadelphia, Pa. 19101	168,500
Toledo, Ohio 43697	48,800
Cincinnati, Ohio 45001	42,100
Venice, La. 70091	22,700
Santa Fe Springs, Calif. 90670	49,800
Belle Chase, La. 70037	180,102
Sequoia Refinery Corp.:	
Sequoia, Calif. 94547	27,000
Bayamon, P.R. 00936	37,800
Total	888,902
Mobil Oil Corp.:	
Torrance, Calif. 90503	124,000
Ferndale, Wash. 98248	64,000
Buffalo, N.Y. 14240	43,000
Paulsboro, N.J. 08066	98,000
East Providence, R.I. 02915	
Augusta, Kans. 67010	50,000
Beaumont, Tex. 77704	325,000
Joliet, Ill. 60434	160,000
Total	871,000
Atlantic Richfield Co.:	
Point Breeze, Pa. 19101	185,000
Carson, Calif. 90745	185,000
East Chicago, Ind. 46312	140,000
Houston, Tex. 77001	187,500
Cherry Point, Ferndale, Wash. 98248	98,000
Total	795,500
Amerada Hess Corp.:	
Port Reading, N.J. 07064 [2]	0
Purvis, Miss. 39475	28,000
Kings Hill, St. Croix, V.I. 00850	700,000
Total	728,000
Sun Oil Co.:	
Marcus Hook, Pa. 19061	163,000
Toledo, Ohio 43693	120,000
Tulsa, Okla. 74102	87,000
Ducan, Okla. 73533	48,500
Puerto Rico 00918	85,000
Corpus Christi, Tex 78403 [3]	55,600
Total	559,100
Union Oil Company of California:	
Lemont, Ill 60439	152,000
Beaumont, Tex. 77627	120,000
Los Angeles, Calif. 90744	108,000
Rodeo, Calif. 94572 [4]	111,000
Total	491,000
Standard Oil Company of Ohio:	
Lima, Ohio 45804	165,000
Toledo, Ohio 43616	118,900
Marcus Hook, Pa. 19061 [5]	143,000
Total	426,000
Phillips Petroleum Co.:	
Woods Cross, Utah 84087	23,000
Great Falls, Mont. 59401	5,700
Borger, Tex. 79007	95,000
Kansas City, Kans. 66115	85,000
Sweeny, Tex. 77480	85,000
Martinez, Calif. 94553	110,000
Total	403,700
Continental Oil Co.:	
Egan, La. 70531	15,000
Ponca City, Okla.74601	117,000
Westlake, La. 70669	83,000
Commerce City, Colo. 80022 (Denver)	28,500
Billings, Mont. 59103	52,500
Wrenshall, Minn. 55797	20,000
Sheboygan, Wis. 53082 [6]	-------
Paramount, Calif. 90723 [7]	35,000
Santa Monica, Calif. 93554 [7]	8,000
Total	395,000
Ashland Oil Co.:	
Catlettsburg, Ky. 41129	135,000
Buffalo, N.Y. 14120	60,000
Canton, Ohio 44706	60,000
Findlay, Ohio 45840	10,000
Louisville Refining Co.:	
Louisville, Ky. 40201	25,000
Valvoline Oil Co.:	
Freedom, Pa. 15042	6,500
Northwestern Refining Co.:	
St. Paul Park, Minn. 55071	62,336
Total	358,836
Marathon Oil Co.:	
Robinson, Ill. 62454	195,000
Detroit, Mich. 48217	65,000
Texas City, Tex. 77590	61,000
Total	321,000
Cities Service Oil Co.:	
Lake Charles, La. 70604	-------
East Chicago, Ind. 46312 [8]	-------
Total	268,000
Getty Oil Co:	
Delaware City, Del. 19706	140,000
Skelly Oil Co:	
El Dorado, Kan. 67042	78,731
Total	218,731
Coastal States Gas Producing Co.:	
Coastal States Petrochemical Co.:	
Corpus Christi, Tex. 78403	185,000
Derby:	
Wichita, Kan. 67201	27,982
Total	212,982
American Petrofina, Inc.:	
Mt. Pleasant, Tex. 75455	26,000
Eldorado, Kan. 67042	22,500
Port Arthur, Tex. 77640 [9]	83,300
Cosden Oil Co.:	
Big Springs, Tex. 79720	60,000
Total	191,800
Kerr-McGee Corp.:	
Wynnewood, Okla. 73098	34,000
Dubach, La. 71235	11,000
Cotton Valley Solvents Co.:	
Cotton Valley, La. 71018	11,000
Southwestern Refining, Inc.:	
Corpus Christi, Tex. 78408	114,000
Total	170,000
Commonwealth Oil Refining Co., Inc.:	
Ponce, Puerto Rico 00731	161,000
Champlin Petroleum Co.:	
Enid, Okla. 73701	53,800
Corpus Christi, Tex. 78408	62,186
Wilmington, Calif. 90744	30,600
Total	146,586
Murphy Oil Corp.:	
Superior, Wisc. 54880	45,400
Meraux, La. 70075	92,500
Total	137,900
Koch Refining Co.:	
Pine Bend, Minn. 55165 [10]	110,000
Clark Oil & Refining Corp.:	
Blue Island, Ill. 60406	69,023
Hartford, Ill. 62048 [11]	38,000
Total	107,023
Tenneco Oil Co.:	
Chalmette, La. 70043	103,000
Total capacity of companies controlling more than 100,000 b/d crude oil capacity	13,564,585
Companies controlling 30,001 to 100,000 b/d crude oil capacity:	
Crown Central Petroleum Corp.:	
Pasadena, Tex. 77001	100,000
Oil Shale Corp.:	
Bakersfield, Calif. 93303 [12]	40,000
El Dorado, Ark.[13]	47,000
Total	87,000
Charter International Oil Co.:	
Houston, Tex.[14]	70,000
Kern County Refinery, Inc:	
Bakersfield, Calif. 93307	15,900
Total	85,900
Texas City Refining Inc.:	
Texas City, Tex. 77590	74,500
Farmland Industries, Inc.:	
CRA, Inc. (Cooperative Refinery Association):	
Coffeyville, Kan. 67337	48,338
Phillipsburg, Kan. 67661	20,500
Scottsbluff, Nebr. 69361	5,000
Total	73,838
Tesoro Petroleum Corp.:	
Carrizo Springs, Tex. 78834	13,000
Newcastle, Wyo. 82701	10,000
Kenai, Alaska 99611	38,000
Wolf Point, Mont. 59201 [15]	2,500
Total	63,500
United Refining Co.:	
Warren, Pa. 16365	52,000
Osceola Refining Company:	
West Branch, Mich. 48661	9,500
Total	61,500
Pennzoil Co.:	
Rouseville, Pa. 16344	10,000
Elk Refining Co.:	
Falling Rock, W. Va. 25079	4,200
Atlas Processing Co.:	
Shreveport, La. 71109	45,000
Wolfs Head Oil Refining Co.:	
Reno, Pa. 16343	2,100
Total	61,300
Husky Oil Co.:	
Cheyenne, Wyo. 82001	24,171
Cody, Wyo. 82414	10,800
Salt Lake City, Utah 84054	25,000
Total	59,971
Apco Oil Corp.:	
Cyril, Okla. 73029	12,440
Arkansas City, Kans. 67005	46,230
Total	58,670

Footnotes at end of table.

Hawaiian Independent Refinery, Inc.:	
Pacific Resources:	
Barbers Point, Oahu 96706 [16]	54,833
National Cooperative Refinery Association:	
McPherson, Kans. 67460	54,150
Howell Corp.:	
Corpus Christi, Tex. 78408	47,000
Howell Hydrocarbons:	
San Antonio, Tex. 78299	3,600
Total	50,600
Diamond Shamrock Corp.:	
Sunray, Tex. 79086	46,393
Pasco Inc.:	
Sinclair, Wyo. 82334	46,000
Powerline Oil Co.:	
Santa Fe Springs, Calif. 90670	46,000
Earth Resources Co.:	
Delta Refining Co.:	
Memphis, Tenn. 38109	43,900
Farmers Union Central Exchange, Inc.:	
Laurel, Mont. 59044	42,500
Famariss Oil & Refining Co.:	
Monument, N. Mex. 88265	5,000
Lovington, N. Mex. 88260	37,000
Total	42,000
Monsanto Co.:	
Alvin, Tex. 77511	42,000
Total Leonard Inc.:	
Alma, Mich. 48801	42,000
Pride Refining Inc.:	
Abilene, Tex. 79604	36,500
Toro Petroleum Corp.:	
Ryder System:	
Port Allen, La. 70767	36,000
Swift & Co.:	
Vickers:	
Bell Oil & Gas:	
Ardmore, Okla. 73401	32,500
Total capacity of companies controlling 30,000 to 100,000 b/d crude oil capacity	1,341,555
Companies controlling 10,001 to 30,000 b/d crude oil capacity:	
Navajo Refining Co.:	
Artesia, N. Mex. 88210	29,930
Witco Chemical Corp.:	
Oildale, Calif. 93308	11,000
Bradford, Pa. 16701	9,000
Hammond, Ind. 46320	9,800
Total	29,800
Edington Oil Co.:	
Long Beach, Calif. 90805	10,500
Long Beach, Calif. 90805	19,000
Total	29,500
Guam Oil & Refining Co., Inc.:	
Agana, Guam 96910	29,500
Rock Island Refining Corp.:	
Rock Island, Ind. 46268	29,500
Good Hope Refineries, Inc.:	
Good Hope, La. 70004	29,450
Texas Eastern Transmission Corp.:	
LaGloria Oil & Gas Co.: Tyler, Tex. 75701	28,000
OKC Refinery Inc.:	
Okmulgee, Okla. 74447	25,000
Quaker State Oil Refining Corp.:	
Emlenton, Pa. 16373	3,000
St. Mary's (Ohio Valley), W. Va. 26170	5,000
Newell, W. Va. 26050	10,000
Farmer's Valley, Pa. 16701	7,000
Total	25,000
Mohawk Petroleum Corp. Inc.:	
Bakersfield, Calif. 93302	22,100
Little America Refining Co.:	
Casper, Wyo. 82636	22,000
First General Resources Co.:	
The Refinery Corp.: Denver, Colo. 80022	21,500
North American Petroleum Corp.:	
Shallow Water, Kans 67871	10,000
La-Jet Corp.:	
St. James, La. 70086	11,000
Total	21,000
Southland Oil Co.:	
Yazoo City, Miss. 39194	4,200
Lumberton, Miss. 39455	5,800
Sandersville, Miss. 39477	11,000
Total	21,000
Crystal Oil Co.:	
Longview Refining Co.:	
Long View, Tex. 75601	7,500
Adobe Refining Co.:	
La Bianca, Tex. 78558	5,000
Berry Asphalt & Refining Co.:	
Stephens, Ark. 71764	3,240
Crystal-Princeton Refining Co.:	
Princeton, Ind. 47670 [17]	4,500
Total	20,240
Dow Chemical Co.:	
Bay City, Mich. 48706 (Chemical plant)	5,000
Bay Refining Co.:	
Bay City, Mich. 48706	15,000
Total	20,000
San Joaquin Refining Co.:	
Oildale, Calif. 93308	20,000
Winston Refining Co.:	
Fort Worth, Tex. 76101 [18]	20,000
Midland Cooperatives, Inc.:	
Cushing, Okla. 74023	19,600
U.S. Oil & Refining Co.:	
Tacoma, Wash. 98421	18,500
Fletcher Oil & Refining Co.:	
Carson, Calif. 90744	18,000
Hunt Oil Co.:	
Tuscaloosa, Ala. 35401	18,000
Indiana Farm Bureau Cooperative Association, Inc.:	
Mount Vernon, Ind. 47620	17,500
Marion Corp.—Refining Division:	
Theodore, Ala. 36606 [19]	17,250
Shaheen Natural Resources of New York:	
MacMillan Ring-Free Oil Co., Inc.:	
Signal Hill, Calif. 90806	12,200
Norphlet, Ark. 71759	4,400
Total	16,600
South Hampton Co.:	
Silsbee, Tex. 77656 [20]	16,017
Sunland Refining Corp.:	
Bakersfield, Calif. 93302	15,000
West Coast Oil Co.:	
Oildale, Calif. 93308	15,000
Canadian Hydrocarbons Ltd.:	
Thunderbird Resources Inc.:	
Kevin, Mont. 59464	5,123
Westland Oil Co.:	
Williston, N. Dak. 58801	5,000
Westco Refining Co.:	
Cut Bank, Mont. 59427	4,658
Chinook, Mont. 59523 [21]	------
Total	14,781
A. Johnson & Co., Inc.:	
Newington, N.H. 03801	14,000
Golden Eagle Refining Co., Inc.:	
Golden Eagle, Calif. 90745 [22]	13,000
Beacon Oil Co.:	
Hanford, Calif. 93230	12,100
Newhall Refining Co., Inc.:	
Newhall, Calif. 91322	11,500
Arizona Fuels Corp.:	
Fredonia, Ariz. 86011	3,000
Major Oil Corp.:	
Roosevelt, Utah 84066	7,500
Total	10,500
Total capacity of companies controlling 10,001 to 30,000 b/d crude oil capacity	690,868
Companies having 10,000 b/d crude oil capacity and less:	
Allied Chemical Corp.:	
Union Texas Petroleum:	
Winnie, Tex. 77665	9,400
Allied Materials Corp.:	
Stroud, Okla. 74079	5,500
Bayou State Oil Corp.:	
Hosston, La. 71043 [23]	3,500
NGL Supply, Inc.:	
C&H Refinery:	
Lusk, Wyo. 82225	450
Calumet Industries, Inc.:	
Calumet Refining Co.:	
Princeton, La. 71067	2,000
Anchor Gasoline Corp.:	
Canal Refining Co.:	
Church Point, La. 75025	3,500
Caribou Four Corners Oil Co.:	
Woods Cross, Utah 84087	5,000
Kirtland, N. Mex. 87417	2,000
Total	7,000
Claiborne Gasoline Co.:	
Lisbon, La. 71048	6,500
Charles J. Wood Petroleum Co.:	
Cross Oil & Refining Co. of Arkansas:	
Smackover, Ark. 71762	6,000
Crystal Refining Co.:	
Carson City, Mich. 48811	6,200
Dingman Oil & Refining Co., Inc.:	
Sabre Oil & Refining Co.:	
Bakersfield, Calif. 93308	3,500
Dorchester Gas Producing Co.:	
Cargray, Tex. 79097 (White Deer, Texas)	1,388
Eddy Refining Co.:	
Houston, Tex. 77001	3,250
Edgington Oxnard Refinery:	
Oxnard, Calif. 93032	2,500
Evangeline Refining Co., Inc.:	
Jennings, La. 70546	4,000
Flint Ink Corp.:	
Flint Chemical Co.:	
San Antonio, Tex. 78211	1,500
Gary Operating Co.:	
Gary Western Co.:	
Gilsonite, Colo. 81521	8,000
Giant Industries Inc.:	
Bloomfield, N. Mex. 87413	9,600
Gladieux Refinery, Inc.:	
Fort Wayne, Ind. 46803	8,500
Gulf States Oil & Refining Co.:	
Quitman, Tex. 75783 [24]	4,500
J & W Refining, Inc.:	
Palestine, Tex. 75801 [25]	10,000
Kentucky Oil & Refining Co.:	
Betsy Layne, Ky. 41605	1,000
Lakeside Refining Co.:	
Kalamazoo, Mich. 49005 [26]	4,000
Laketon Asphalt Refining, Inc.:	
Laketon, Ind. 46943	8,500
Mid-America Refining Co., Inc.:	
Chanute, Kans. 66720	3,000
Mid-Tex Refinery:	
Hearne, Tex. 77859 [27]	7,500
Morrison Petroleum Co.:	
Woods Cross, Utah 84087	1,500
Mountaineer Refining Co., Inc.:	
LaBarge, Wyo. 83123	700
National Oil Recovery Corp.:	
Bayonne, N.J. 07002	3,000
Northland Oil & Refining Co.:	
Dickinson, N. Dak. 58601	5,000
Oriental Refining Co.:	
Greybull, Wyo. 82426 [28]	150

Footnotes at end of table.

Pioneer Refining Co.:	
Nixon, Tex. 78140	2,200
Plateau, Inc.:	
Surburban Propane Gas Corp.:	
Bloomfield, N. Mex. 87413	7,500
Road Oil Sales, Inc.:	
Bakersfield, Calif. 93308	1,500
Saber Petroleum Corp.:	
Corpus Christi, Tex. 78403 [29]	9,000
Sage Creek Refining Co., Inc.:	
Cowley, Wyo. 82420	1,000
Seminole Asphalt Refining Co.:	
St. Marks, Fla. 32355	6,000
Somerset Refining Co.:	
Somerset, Ky. 42501	2,900
Sound Refining Inc.:	
Kewanee Oil Co.;	
Tacoma, Wash. 98401	4,500
Southwestern Refining Co.:	
LaBarge, Wyo. 83123	500
Texas Asphalt & Refining Co.:	
Euless, Tex. 76039	6,000
Texas Fuel & Asphalt Co., Inc.:	
LaCosta, Tex. 78039	1,500
Thagard Oil:	
South Gate, Calif. 90280 [30]	3,222
Thriftway Oil Co.:	
Bloomfield, N. Mex. 87413	4,020
Graham, Tex. 76046	800
Total	4,820
Tonkawa Refining Co.:	
Arnett, Okla. 73832	5,000
United Independent Oil Co.:	
Tacoma, Wash., 98421 [31]	500
V-1 Oil Co.:	
Glenrock, Wyo	1,000
	Capacity b/d
Vulcan Asphalt Refining Co.:	
Cordova, Ala. 35550	5,000
Warrior Asphalt Corp.:	
Tuscaloosa, Ala. 35401	3,000
Western Refining Co.:	
Woods Cross, Utah 84087 [32]	10,000
Wickett Refining Co.:	
Wickett, Texas 79788 [33]	5,362
Wireback Oil Co.:	
Plymouth, Ill. 62367	1,200
Yetter Oil Co.:	
Colmar, Ill. 62327	1,000
Young Refining Corp.:	
Douglasville, Ga. 30134	5,000
Total capacity of companies having 10,000 b/d oil capacity and less	228,842
Grand total operating capacity for the United States, Puerto Rico, the Virgin Islands and Guam	15,825,850

FOOTNOTES

[1] Some asphalt plants are shut down during winter months and do not report any capacity to FEA.

[2] Closed down.

[3] Formerly Suntide Refining Co.

[4] Includes Arroyo Grande Refinery.

[5] Formerly BP.

[6] "Purchased from Empire International Inc. about 1969 and has been shut down ever since. It used to have 5,000 capacity but it is doubtful if it will ever be put back on stream."

[7] Formerly Douglas Oil of California.

[8] Shutdown.

[9] Formerly BP.

[10] Formerly Great Northern Oil Co.

[11] "Hartford planned expansion—ready April 1, 1975".

[12] Formerly Tosco-Petro.

[13] Formerly Lion Oil Co., Monsanto.

[14] Formerly Signal Oil & Gas Co.

[15] Formerly Spruce Oil Corporation

[16] Capacity as of 1 December expected to increase during allocation period.

[17] Formerly R. J. Oil Refining Co.

[18] Formerly Fort Worth Refining Co.

[19] Formerly Alabama Refining Co., Inc.

[20] Capacity as of 1 December expected to increase during allocation period.

[21] Formerly Diamond Asphalt Co. Some asphalt plants are shutdown during winter months and do not report any capacity to FEA.

[22] Formerly Carson Oil Company.

[23] Two refineries combined

[24] Formerly Wood County Refining Co.

[25] Formerly Anderson Refining Co.

[26] "Plant shut down since Sept. 2, 1974 for rehabilitation—uncertain as to when it will be back on stream."

[27] "Note: New facility—hope to go on stream about July 1974. They will call us when ready."

[28] Formerly Gordon Refinery Co., owned by Flank Oil Co.

[29] "Looking for land to locate refinery purchased from Sun-hope to go on stream Oct., 1974—by Dec. 1974?"; Capacity as of 1 Dec. expected to increase during allocation period.

[30] Formerly Lunday-Thagard Company.

[31] "Hope to start up Oct. 15, 1974 (Start up 'near the end of Dec.')" Capacity as of 1 Dec. expected to increase during allocation period.

[32] Formerly Crown Refining Company, Inc.

[33] Capacity as of 1 December expected to increase during allocation period

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By Mr. CHURCH:

S. 862. A bill to amend the Social Security Act to provide for the coverage of certain drugs under part A of the health insurance program established by title XVIII of such act. Referred to the Committee on Finance.

COVERAGE OF ESSENTIAL OUT-OF-HOSPITAL PRESCRIPTION DRUGS UNDER MEDICARE

Mr. CHURCH. Mr. President, I introduce for appropriate reference a bill to extend medicare coverage to include out-of-hospital prescription drugs which are necessary for the treatment of crippling or life-threatening afflictions.

Medicare now provides coverage for most prescription drugs which are administered while patients are confined to a hospital or skilled nursing facility. But it does not provide protection for older or disabled Americans who require drugs on an outpatient basis.

This lack of coverage is one of the most serious gaps in the entire medicare program.

For fiscal year 1973 the elderly's expenditures for drugs and drug sundries amounted to almost $2.1 billion. And the overwhelming proportion of this total—approximately 88 percent—was financed from private resources.

In fact, private expenditures by the aged for drugs rank second only to hospital care. Drugs now account for almost 23 percent of all private health expenses for older Americans.

Perhaps even more significant, this cost falls most heavily upon those who can least afford it—the low-income aged who suffer from chronic conditions. Approximately 15 percent of all older Americans are afflicted with severe chronic conditions. And drug costs for this group are nearly six times as great as for younger Americans.

Today one of the greatest threats to the economic security of the elderly is the high cost of illness.

Despite the valuable protection which medicare provides, it covers only 40 percent of the aged's health care costs. And, this coverage is clearly on the decline.

Per capita medical expenses for persons 65 or older amount to $1,052 per year, or nearly 3 times as great for individuals in the 19 to 64 age category and over 6 times as great for persons under 19.

The net impact is that the elderly now pay more in out-of-pocket payments for health care than the year before medicare became law. In 1973 an aged person directly paid an average of $311, or $75 more than in 1966.

Coverage of out-of-hospital prescriptions for crippling or life threatening conditions would clearly be an important and helpful step in closing a major gap in medicare coverage.

This protection is, in my judgment, not only indispensable for the elderly, but it is also long overdue.

The need for this coverage has been reaffirmed time and time again by numerous leading authorities, including a Presidential Task Force on Aging, the 1971 Social Security Advisory Council, the White House Conference on Aging, and national senior citizen organizations.

Today some hospital stays are prolonged simply to enable medicare patients to obtain reimbursements for their drug costs. This practice is not only wasteful, but it also drives up medical expenditures because institutionalization is the most expensive form of health care.

During the past Congress the Senate again put itself on record in support of medicare coverage for essential out-of-hospital prescription drugs. Unfortunately no action was taken on that proposal in conference committee.

This year, however, I am hopeful that medicare coverage can at long last be extended to prescriptions necessary for the treatment of crippling or life-threatening afflictions.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 226(c)(1) of the Social Security Act is amended by striking out "and post-hospital home health services" and inserting in lieu thereof "post-hospital home health services, and eligible drugs".

(b) Section 1811 of the Social Security Act is amended by inserting "and eligible drugs" after "related post-hospital services".

(c) Section 1812(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and "; and

(3) by adding after paragraph (3) the following new paragraph:

"(4) eligible drugs.".

(d) Section 1813(a) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(4) The reasonable allowance, as defined in section 1813, for eligible drugs furnished an individual pursuant to any one prescription (or each renewal thereof) and purchased by such individual at any one time shall be reduced by an amount equal to the applicable prescription copayment obligation which shall be $1."

(e) (1) Section 1814(a) of the Social Security Act is amended—

(A) by striking out "and" at the end of paragraph (6);

(B) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and "; and

(C) by inserting after paragraph (7) the following new paragraph:

"(8) with respect to drugs or biologicals furnished pursuant to and requiring (except for insulin) a physician's prescription, such drugs or biologicals are eligible drugs as defined in section 1861(t) and the participating pharmacy (as defined in section 1861(dd)) has such prescription in its possession, or some other record (in the case of insulin) that is satisfactory to the Secretary."

(2) Section 1814(b) of such Act is amended—

(A) by inserting "(1)" after "(b)",

(B) by inserting "(other than a pharmacy)" immediately after "provider of services",

(C) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(D) by redesignating clauses (A) and (B) of paragraph (1) as clauses (i) and (ii), respectively, and

(E) by adding at the end thereof the following new paragraph:

"(2) The amount paid to any participating pharmacy which is a provider of services with respect to eligible drugs for which payment may be made under this part shall, subject to the provisions of section 1813, be the reasonable allowance (as defined in section 1822) with respect to such drugs."

(f) Section 1814 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Limitation on Payment for Eligible Drugs

"(j) Payment may be made under this part for eligible drugs only when such drugs are dispensed by a participating pharmacy; except that payment under this part may be made for eligible drugs dispensed by a physician where the Secretary determines, in accordance with regulations, that such eligible drugs were required in an emergency or that there was no participating pharmacy available in the community, in which case the physician (under regulations prescribed by the Secretary) shall be regarded as a participating pharmacy for purposes of this part with respect to the dispensing of such eligible drugs."

(g) Part A of title XVIII of the Social Security Act is further amended by adding after section 1818 the following new sections:

"MEDICARE FORMULARY COMMITTEE

"SEC. 1819. (a) (1) There is hereby established, within the Department of Health, Education, and Welfare, a Medicare Formulary Committee (hereinafter referred to as the 'Committee'), a majority of whose members shall be physicians and which shall consist of the Commissioner of Food and Drugs and of four individuals (not otherwise in the employ of the Federal Government) who do not have a direct or indirect financial interest in the composition of the Formulary established under this section and who are of recognized professional standing and distinction in the fields of medicine, pharmacology, or pharmacy, to be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The Chairman of the Committee shall be elected annually from the appointed members thereof, by majority vote of the members of the Committee.

"(2) Each appointed member of the Committee shall hold office for a term of five years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and except that the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, one at the end of each of the first five years. A member shall not be eligible to serve continuously for more than two terms.

"(b) Appointed members of the Committee, while attending meetings or conferences thereof or otherwise serving on business of the Committee, shall be entitled to receive compensation at rates fixed by the Secretary (but not in excess of the daily rate paid under GS–18 of the General Schedule under section 5332 of title 5, United States Code), including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(c) (1) The Committee is authorized, with the approval of the Secretary, to engage or contract for such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Committee such secretarial, clerical, and other assistance as the Formulary Committee may require to carry out its functions.

"(2) The Secretary shall furnish to the Committee such office space, materials, and equipment as may be necessary for the Formulary Committee to carry out its functions.

"MEDICARE FORMULARY

"SEC. 1820. (a) (1) The Committee shall compile, publish, and make available a Medicare Formulary (hereinafter in this title referred to as the 'Formulary').

"(2) The Committee shall periodically revise the Formulary and the listing of drugs so as to maintain currency in the contents thereof.

"(b) (1) The Formulary shall contain an alphabetically arranged listing, by established name, of those drug entities within the following therapeutic categories:

"Adrenocorticoids,
"Anti-anginals,
"Anti-arrhythmics,
"Anti-coagulants,
"Anti-convulsants (excluding phenobarbital),
"Anti-hypertensives,
"Anti-neoplastics,
"Anti-Parkinsonism agents,
"Anti-rheumatics,
"Bronchodilators,
"Cardiotonics,
"Cholinesterase inhibitors,
"Diuretics,
"Gout suppressants,
"Hypoglycemics,
"Miotics,
"Thyroid hormones,
"Tuberculostatics,

which the Committee decides are necessary for individuals using such drugs. The Committee shall exclude from the Formulary any drug entities (or dosage forms and strengths thereof) which the Committee decides are not necessary for proper patient care, taking into account other drug entities (or dosage forms and strengths thereof) which are included in the Formulary.

"(2) Such listing shall include the specific dosage forms and strengths of each drug entity (included in the Formulary in accordance with paragraph (1)) which the Committee decides are necessary for individuals using such drugs.

"(3) Such listing shall include the prices at which the products (in the same dosage form and strength) of such drug entities are generally sold by the suppliers thereof and the limit applicable to such prices under section 1822(b) (1) for purposes of determining the reasonable allowance.

"(4) The Committee may also include in the Formulary, either as a separate part (or parts) thereof or as a supplement (or supplements) thereto, any or all of the following information:

"(A) A supplemental list or lists, arranged by diagnostic, prophylactic, therapeutic, or other classfications, of the drug entities (and dosage forms and strengths thereof) included in the listing referred to in paragraph (1).

"(B) The proprietary names under which products of a drug entity listed in the Formulary by established names (and dosage form and strength) are sold and the names of each supplier thereof.

"(C) Any other information with respect to eligible drug entities which in the judgment of the Committee would be useful in carrying out the purposes of this part.

"(c) In considering whether a particular drug entity (or strength or dosage form thereof) shall be included in or excluded from the Formulary, the Committee is authorized to obtain (upon request therefor) any record pertaining to the characteristics of such drug entity which is available to any other department, agency, or instrumentality of the Federal Government, and to request suppliers or manufacturers of drug and other knowledgeable persons or organizations to make available to the Committee information relating to such drug. If any such record or information (or any information contained in such record) is of a confidential nature, the Committee shall respect the confidentiality of such record or information and shall limit its usage thereof to the proper exercise of its authority.

"(d) (1) The Committee shall establish such procedures as it determines to be necessary in its evaluation of the appropriateness of the inclusion in or exclusion from the Formulary, of any drug entity (or dosage form or strength thereof). For purposes of inclusion in or exclusion from the Formulary the principal factors in the determination of the Committee shall be—

"(A) the factor of clinical equivalence in the case of the same dosage forms in the same strengths of the same drug entity, and

"(B) the factor of relative therapeutic value in the case of similar or dissimilar drug entities in the same therapeutic category.

"(2) The Committee, prior to making a final decision to remove from listing in the Formulary any drug entity (or dosage forms or strengths thereof) which is included therein, shall afford a reasonable opportunity for a formal or informal hearing on the matter to any person engaged in manufacturing, preparing, compounding, or processing such drug entity who shows reasonable ground for such a hearing.

"(3) Any person engaged in the manufacture, preparation, compounding, or processing of any drug entity (or dosage forms or strengths thereof) not included in the Formulary which such person believes to possess the requisite qualities to entitle such drug to be included in the Formulary pursuant to subsection (b) may petition for inclusion of such drug entity and, if such petition is denied by the Formulary Committee, shall, upon request therefor, showing reasonable grounds for a hearing, be afforded a formal or informal hearing on the matter in accordance with rules and procedures established by such Committee.

"LIMITATIONS ON MEDICARE PAYMENT FOR CHARGES OF PROVIDERS OF SERVICES

"SEC. 1821. (a) Any provider of services as defined in section 1861(u), whose services are otherwise reimbursable, under any program under this Act in which there is Federal financial participation on the basis of 'reasonable cost', shall not be entitled to a professional fee or dispensing charge or reasonable billing allowance as determined pursuant to this part.

"(b) A fee, charge, or billing allowance shall not be payable under this section with respect to any drug entity that (as determined in accordance with regulations) is furnished as an incident to a physician's professional service, and is of a kind commonly furnished in physicians' offices and commonly either rendered without charge or included in the physicians' bills.

"REASONABLE ALLOWANCE FOR ELIGIBLE DRUGS

"SEC. 1822. (a) For purposes of this part, the term 'reasonable allowance' when used in reference to an eligible drug (as defined in subsection (h) of this section) means the following:

"(1) When used with respect to a prescription legend drug entity, in a given dosage form and strength, such term means the lesser of—

"(A) an amount equal to the customary charge at which the participating pharmacy sells or offers such drug entily, in a given dosage form and strength, to the general public, or

"(B) the price determined by the Secretary, in accordance with subsection (b) of this section, plus the professional fee or dispensing charges determined in accordance with subsection (c) of this section.

"(2) When used with respect to insulin such term means the charge not in excess of the reasonable customary price at which the participating pharmacy offers or sells the product to the general public, plus a reasonable billing allowance.

"(b)(1) For purposes of establishing the reasonable allowance in accordance with subsection (a) the price shall be (A) in the case of a drug entity (in any given dosage form and strength) available from and sold by only one supplier, the price at which such drug entity is generally sold (to establishments dispensing drugs), and (B) in any case in which a drug entity (in any given dosage form and strength) is available and sold by more than one supplier, only each of the lower prices at which the products of such drug entity are generally sold (and such lower prices shall consist of only those prices of different suppliers sufficient to assure acual and adequate availability of the drug entity, in a given dosage form and strength, at such prices in a region).

"(2) If a particular drug entity (in a given dosage form and strength) in the Formulary is available from more than one supplier, and the product of such drug entity as available from one supplier possesses demonstrated distinct therapeutic advantages over other products of such drug entity as determined by the Committee on the basis of its scientific and professional appraisal of information available to it, including information and other evidence furnished to it by the supplier of such drug entity, then the reasonable allowance for such supplier's drug product shall be based upon the price at which it is generally sold to establishments dispensing drugs.

"(3) If the prescriber, in his handwritten order, has specifically designated a particular product of a drug entity (and dosage form and strength) included in the Formulary by its established name together with the name of the supplier of the final dosage form thereof, the reasonable allowance for such drug product shall be based upon the price at which it is generally sold to establishments dispensing drugs.

"(e)(1) For the purpose of establishing the reasonable allowance (in accordance with subsection (a)), a participating pharmacy, shall, in the form and manner prescribed by the Secretary, file with the Secretary, at such times as he shall specify, a statement of its professional fee or other dispensing charges.

"(2) A participating pharmacy, which has agreed with the Secretary to serve as a provider of services under this part, shall, except for subsection (a)(1)(A), be reimbursed, in addition to any price provided for in subsection (b), the amount of the fee or charges filed in paragraph (1), except that no fee or charges shall exceed the highest fee or charges filed by 75 per centum of participating pharmacies (with such pharmacies classified on the basis of (A) lesser dollar volume of prescriptions and (B) all others) in a census region which were customarily charged to the general public as of June 1, 1975. Such prevailing professional fees or dispensing charges may be modified by the Secretary in accordance with criteria and types of data comparable to those applicable to recognition of increases in reasonable charges for services under section 1842.

"(3) A participating pharmacy shall agree to certify that, whenever such pharmacy is required to submit its usual professional fee or dispensing charge for a prescription, such charge does not exceed its customary charge."

(h) Section 1861(t) of the Social Security Act is amended—

(1) by inserting ", or as are approved by the Formulary Committee" after "for use in such hospital"; and

(2) by adding at the end thereof the following new sentence: "The term 'eligible drug' means a drug or biological which (A) can be self-administered, (B) requires a physician's prescription (except for insulin), (C) is prescribed when the individual requiring such drug is not an inpatient in a hospital or extended care facility, during a period of covered care, (D) is included by strength and dosage forms among the drugs and biologicals approved by the Formulary Committee, (E) is dispensed (except as provided by section 1814(j)), by a pharmacist from a participating pharmacy, and (F) is dispensed in quantities consistent with proper medical practice and reasonable professional discretion."

(i) Section 1861(u) of the Social Security Act is amended by striking out "home health agency," and inserting in lieu thereof "home health agency, pharmacy,".

(j) Section 1861 of the Social Security Act is further amended by adding at the end thereof the following new subsection:

"Participating Pharmacy

"(dd) The term 'participating pharmacy' means a pharmacy, or other establishment (including the outpatient department of a hospital) providing pharmaceutical services (1) which is licensed as such under the laws of the State (where such State requires such licensure) or which is otherwise lawfully providing pharmaceutical services in which such drug is provided or otherwise dispensed in accordance with this title, (2) which has agreed with the Secretary to act as a provider of services in accordance with the requirements of this section, and which complies with such other requirements as may be established by the Secretary in regulations to assure the proper, economical, and efficient administration of this title, (3) which has agreed to submit, at such frequency and in such form as may be prescribed in regulations, bills for amounts payable under this title for eligible drugs furnished under part A of this title, and (4) which has agreed not to charge beneficiaries under this title any amount in excess of those allowable under this title with respect to eligible drugs except as is provided under section 1813(a)(4), and except for so much of the charge for a prescription (in the case of a drug product prescribed by a physician, of a drug entity in a strength and dosage form included in the Formulary where the price at which such product is sold by the supplier thereof exceeds the reasonable allowance) as in excess of the reasonable allowance established for such drug entity in accordance with section 1822."

(k)(1) The first sentence of section 1866 (a)(2)(A) of the Social Security Act is amended by striking out "and (ii)" and inserting in lieu thereof the following: "(ii) the amount of any copayment obligation and excess above the reasonable allowance consistent with section 1861(dd)(4) and (iii)".

(2) The second sentence of section 1866 (a)(2)(A) of such Act is amended by striking out "clause (ii)" and inserting in lieu thereof "clause (iii)".

(l) The amendments made by this section shall apply with respect to eligible drugs furnished on and after the first day of January 1976.

SEC. 2. (a) Section 1401 (b) of the Internal Revenue Code of 1954 (relating to rate of hospital insurance tax on self-employment income) is amended—

(1) in clause (3), by striking out "1978" and inserting in lieu thereof "1976",

(2) by inserting after clause (3) thereof the following new clause:

"(4) in the case of any taxable year beginning after December 31, 1975, and before January 1, 1978, the tax shall be equal to 1.0 percent of the amount of the self-employment income for such taxable year;",

(3) in clause (4), by (A) striking out "(4)" and inserting in lieu thereof "(5)", and (B) striking out "1.10" and inserting in lieu thereof "1.2",

(4) in clause (5), by (A) striking out "(5)" and inserting in lieu thereof "(6)", and (B) striking out "1.35" and inserting in lieu thereof "1.45", and

(5) in clause (6), by striking out "(6)" and inserting in lieu thereof "(7)", and (B) striking out "1.50" and inserting in lieu thereof "1.60".

(b) Section 3101(b) of such Code (relating to rate of hospital insurance tax on employees) is amended—

(1) in clause (3), by striking out "1977" and inserting in lieu thereof "1975",

(2) by inserting after clause (3) thereof the following new clause:

"(4) with respect to wages received during the calendar years 1976 through 1977, the rate shall be 1.0 percent;",

(3) in clause (4), by (A) striking out "(4)" and inserting in lieu thereof "(5)", and (B) striking out "1.10" and inserting in lieu thereof "1.2",

(4) in clause (5), by (A) striking out "(5)" and inserting in lieu thereof "(6)", and (B) by striking out "1.35" and inserting in lieu thereof "1.45", and

(5) in clause (6), by (A) striking out "(6)" and inserting in lieu thereof "(7)", and (B) striking out "1.50" and inserting in lieu thereof "1.60".

(c) Section 3111(b) of such Code (relating to rate of hospital insurance tax on employers) is amended—

(1) in clause (3), by striking out "1977" and inserting in lieu thereof "1975",

(2) by inserting after clause (3) thereof the following new clause:

"(4) with respect to wages paid during the calendar years 1976 through 1977, the rate shall be 1.0 percent;",

(3) in clause (4), by (A) striking out "(4)" and inserting in lieu thereof "(5)", and (B) striking out "1.10" and inserting in lieu thereof "1.2",

(4) in clause (5), by (A) striking out "(5)" and inserting in lieu thereof "(6)", and (B) striking out "1.35" and inserting in lieu thereof "1.45", and

(5) in clause (6), by (A) striking out "(6)" and inserting in lieu thereof "(7)", and (B) striking out "1.50" and inserting in lieu thereof "1.60".

By **Mr. PEARSON** (for himself, Mr. HARTKE, Mr. STEVENSON, and Mr. WEICKER):

S. 863. A bill to regulate commerce by improving the procedures of the Interstate Commerce Commission with respect to abandonments of lines of railroad and terminations of rail service and by providing for the continuation of essential but economically nonviable local rail services, and for other purposes. Referred to the Committee on Commerce.

LOCAL RAIL SERVICES ACT OF 1975

Mr. PEARSON. Mr. President, I introduce today, for myself, and Mr. HARTKE, Mr. STEVENSON, and Mr. WEICKER, the Local Rail Services Act of 1975. I ask unanimous consent that the text of this bill, along with a section-by-section summary of its provisions, be printed in the RECORD immediately following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, the U.S. rail transportation system has suffered for many years because the Congress and the Interstate Commerce Commission have failed to establish a rational policy for light density line abandonments. Because of archaic accounting procedures adopted by the Commission, and protracted proceedings required by the Commission in considering petitions for abandonment, the railroads have been forced over the years to serve thousands of miles of light density lines at a financial loss. Because some light density branch line operations are uneconomic, the railroads have neglected their duty to maintain these lines at the minimum standards required for efficient rail transportation. As the maintenance of these properties has deteriorated, revenues attributable to the properties have declined and service to shippers and receivers has fallen below any reasonable standard which may be applied to the duties of a common carrier.

Mr. President, because of the failure of the Congress and the Commission to define a pragmatic and effective policy for abandonment, hundreds of communities throughout the United States suffer from marginal rail service and the prospect of termination of service and abandonment of rail properties. Most of these communities suspect that their rail service is in jeopardy, but they cannot anticipate the date upon which they will be forced to turn to alternative modes for essential transportation services. The notice to communities, shippers and receivers, under existing procedures is contemporaneous with the filing of a petition for abandonment with the ICC.

Under current practices, those communities and shippers who choose to protest a proposed abandonment are ill-equipped to refute the evidence submitted by the carrier to justify the petition. The railroads usually are successful in documenting their case for abandonment of a property because the carriers, and only the carriers, have the information and economic data upon which such decisions rationally can be made.

Mr. President, the bill we introduce today contains several crucial elements which must be incorporated in a responsible abandonment policy and program. Our proposal provides for notice to interested parties well in advance of any abandonment of rail properties or termination of rail services on a line. The bill provides that carriers by rail should not be obligated to continue without adequate compensation uneconomic services to communities.The legislation reflects the view, however, that certain rail services, while uneconomic to the carrier, are nonetheless essential to the economies and survival of local communities which rely upon such services for access to the mainstream of the national economy. Therefore, our legislation provides for subsidies, at the option of the affected States and localities, to maintain essential rail services and provide the performing carrier with a reimbursement of his cost and a reasonable return.

Mr. President, under the bill we introduce today, a State or locality would be required to provide 30 percent of the subsidy needed to forestall abandonment or termination of rail services. The Federal share of such subsidy would be 70 percent for a maximum term of 8 years. After the expiration of the 8-year term of Federal participation, the affected local communities could make the decision either to permit the abandonment or to continue operations at their own cost.

Mr. President, the Committee on Commerce was confronted with a difficult policy question during consideration of the Regional Rail Reorganization Act of 1973. The committee recognized that any rational restructuring of the bankrupt carriers in the 17-State region would, of necessity, entail the abandonment of thousands of miles of uneconomic branch lines and duplicative main lines. Today the U.S. Railway Association, in publishing its preliminary system plan, has recommended that some 6,200 lines of railroad right-of-way be abandoned. It is apparent that the Committee was essentially correct in anticipating this determination.

Mr. President, our Committee on Commerce in the Regional Rail Reorganization Act adopted, in modified form, a proposal which I initially submitted in August 1972. The proposal, essentially, was to provide a local-option alternative to abandonment with authority for Federal and local sharing of any operating subsidy cost. Under the terms of title IV of the act, the States and localities in the Northeast and the Midwest region now have the opportunity to continue services on those lines designated as candidates for abandonment in the plan. I anticipate that services considered essential to the economies of local communities in the region will be subsidized rather than abandoned.

Because authority for operating subsidies under title IV of the 1973 act expires after only 2 years, it is necessary for Congress now to establish a reasonable follow-on program upon which State and local planners can depend for a degree of stability in their essential local rail service pattern. The legislation we offer today provides the needed stability. When the Regional Rail Reorganization Act was approved initially in the Senate, this rail assistance program was made available nationwide. Unfortunately, the Senate had no choice but to recede in conference and limit the benefits of title IV to the affected 17-State area.

Mr. President, the legislation we offer today establishes a single national policy for rail line abandonment in America. The eligibility for rail assistance and subsidy is extended nationwide. Also, adequate appropriation authorization of $100 million per year is provided to insure that each locality threatened with abandonment will have the opportunity to secure Federal matching funds to maintain rail services considered essential.

Mr. President, I conclude by suggesting that the cost of this legislation will be limited by the degree of commitment of the States and localities to their access to the national rail transportation system. I am gratified that some of my colleagues on the committee have joined me on the introduction of this bill. I urge that it be scheduled for hearings at the earliest possible time.

S. 863

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Local Rail Services Act of 1975".

SEC. 2. Sections 1(18) through 1(22) of the Interstate Commerce Act (49 U.S.C. 1(18)–1(22)) are amended to read as follows:

"(18) No carrier by railroad subject to this part shall undertake the extension of any of its lines of railroad or the construction of a new line of railroad, and no such carrier shall acquire or operate any additional line of railroad or any extension thereof or engage in transportation over or by means of such additional or extended line of railroad, unless and until the Commission has issued a certificate that the present or future public convenience and necessity require or will require the construction or operation of such additional or extended line of railroad. Notwithstanding this paragraph and section 5, carriers by railroad subject to this part may, without the approval of, but with notification to, the Commission, enter into contracts, agreements, and other arrangements for the joint ownership or joint use of spur, industrial, team, switching, or side tracks.

"(19) The application for, and issuance of, a certificate required by paragraph (18) shall be subject to such rules and regulations (as to hearings and other matters) as the Commission may from time to time prescribe. The provisions of this part shall apply to all proceedings relevant thereto. Upon receipt of an application for such a certificate, the Commission shall notify and send a copy of such application to the Governor of each State in which such additional or extended line of railroad is proposed to be constructed or operated. Such Governor and any other interested person shall have a right to be heard on such application, in the manner and to the extent provided hereinafter with respect to the hearing of complaints on the issuance of securities. A copy of such notice shall also be published for three consecutive weeks in a newspaper of general circulation in each county in or through which such line of railroad is proposed to be constructed or operated, and a summary thereof shall be published in the Federal Register.

"(20) The Commission may (a) issue the certificate required by paragraph (18) in the form requested by the carrier in its application therefor; (b) refuse to issue such certificate; or (c) issue such certificate with modifications limiting it to only part of the line or extension requested in such application. The Commission may condition the issuance of such certificate upon compliance with such terms and conditions as are required, in its judgment, by the public convenience and necessity. Upon issuance of such certificate, and not before, the applicant carrier by railroad may proceed with the construction or operation covered thereby: *Provided,* That such carrier complies with any applicable terms and conditions imposed by the Commission.

"(21) The Commission may, upon petition by any person or upon its own initiative, authorize or require any carrier by railroad subject to this part to provide adequate, efficient, and safe facilities for the performance of its car service obligation under this part: *Provided,* That no such authorization or order shall be made unless the Commission finds that the expense involved therein will not impair the ability of the carrier to perform its obligations to the public.

"(22)(A) No carrier by railroad subject to this part shall abandon all or any portion of a line of railroad (hereinafter in this section referred to as 'abandonment') or terminate rail service over all or any portion of a line of railroad (hereinafter in this section referred to as 'termination') unless and until the Commission has issued, in accordance with this paragraph, a certificate declaring that the present or future public convenience and necessity permit such abandonment or termination. Such a carrier may file with the Commission, in accordance with such rules and regulations as to form, manner, content, and documentation as the Commission may from time to time prescribe, an application for such a certificate of abandonment or termination, including a notice of intent to abandon or terminate. Abandonments and terminations shall be governed by the provisions of this paragraph and of any other applicable Federal statute, notwithstanding any inconsistent or contrary provision of the laws or constitution of any State and notwithstanding any otherwise applicable decision or order of, or any pending proceeding before, any administrative or judicial body of any State.

"(B) A carrier filing a notice of intent with the Commission pursuant to this paragraph shall simultaneously certify to the Commission that a copy of such notice (i) has been served by mail upon the Governor of each State and the chief executive of each political subdivision thereof in which is located any portion of the line of railroad involved in the proposed abandonment or termination; (ii) has been posted in each terminal and station on such line of railroad; (iii) has been published for three consecutive weeks in a newspaper of general circulation in each county in which all or any part of such line of railroad is located; and (iv) has been mailed to all shippers and receivers who have made significant use (as determined by the Commission in its discretion) of such line of railroad during the preceding 12 months. The application and any notice required by this subparagraph shall be filed with the Commission and served, posted, published, and mailed not less than 90 days prior to the proposed date of abandonment or termination.

"(C) Upon the filing of an application for abandonment or termination, and during the 90-day period required by subparagraph (B) between such filing and the proposed date of such abandonment or termination, the Commission shall, upon petition by any person or upon its own initiative, investigate the action proposed in such application. If no such investigation is commenced, the Commission shall issue the certificate required by this paragraph at the expiration of such 90-day period, upon a finding that the public convenience and necessity permit the abandonment or termination proposed in such application. If an investigation is commenced, the Commission shall postpone the effective date of such abandonment or termination, in whole or in part, pending the outcome of such investigation: *Provided,* That an order of the Commission to such effect shall be served upon any carrier affected thereby not less than ten days prior to the expiration of such 90-day period. No such postponement shall extend more than 7 months beyond the date when such abandonment or termination would otherwise have become effective. If, upon the conclusion of such investigation, the Commission finds that the public convenience and necessity do not permit such abandonment or termination, it shall refuse to issue such certificate. Any such investigation may include public hearings, pursuant to such reasonable rules as the Commission may prescribe, at any location on or reasonably adjacent to the involved line of railroad. Such hearings may be held upon the request of any interested party or upon the Commission's own motion. The burden of proof in any such investigation shall be upon the carrier seeking to abandon or terminate.

"(D) Actual abandonment or termination shall take effect no less than 60 days after the Commission issues a certificate upon an order finding that such abandonment or termination is consistent with the public convenience and necessity. Such order may authorize the abandonment or termination described in the application filed with it or only a specified part thereof. The Commission may condition the issuance of such a certificate on compliance with such terms and conditions as are required, in its judgment, by the public convenience and necessity. In determining whether to issue such a certificate, the Commission shall consider such factors as it finds appropriate, including but not limited to the following: losses in operating the line of railroad involved, as measured by costs of service, including maintenance cost and the cost of repairs and improvements necessary to operate such line at the physical standard necessary to provide safe, reliable, and efficient rail service; extent of actual use of, and need for, such line by shippers and receivers; the interests of carrier employees affected; and the requirements of an efficient and economical transportation system.

"(E)(i) Notwithstanding any other provision of this part, abandonment or termination shall be authorized and the required certificate issued by the Commission if the avoidable costs of providing rail service plus a reasonable return on the value of the rail properties involved in the applicable line of railroad exceed the revenues attributable to such rail properties. The terms, 'avoidable costs of providing service', 'reasonable return on the value', and 'revenues attributable to the rail properties', and variants thereof, as used in this Act, shall be defined as provided in section 205(d)(3) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985, 45 U.S.C. 715(d)(3).

"(ii) Whenever the Commission makes a finding that the public convenience and necessity permit an abandonment or termination, the Commission shall concurrently make a determination of the extent to which the avoidable costs of providing rail service plus a reasonable return on the value of the rail properties involved exceed the revenues attributable to the line of railroad or the rail service involved.

"(23) Any construction or operation contrary to paragraph (18) of this section and any abandonment or termination contrary to paragraph (22) of this section may be enjoined by any appropriate district court of the United States in a civil action commenced by the United States, the Commission, the attorney general of an affected State, a commission or transportation regulatory body of an affected State, or any party in interest. Any carrier by railroad which violates, and any director, officer, receiver, operating trustee, lessee, agent, or other person acting for or employed by such carrier who knowingly authorizes, consents to, or permits any violation of the provisions of paragraph (18), (19), (20), (21), or (22) of this section shall, upon conviction, be fined not more than $5,000 or imprisoned for not more than three years, or both.

"(24) The authority granted to the Commission under paragraphs (18) through (22) of this section shall not extend to the construction, acquisition, or abandonment of spur, industrial, team, switching, or side tracks which are located, or intended to be located, wholly within one State, or to street, suburban, or interurban electric railways which are not operated as part of any general system of rail transportation.

"(25)(A) Within 120 days after the date of enactment of this paragraph, each carrier by railroad subject to this part shall prepare and submit to the Commission, and publish in accordance with such regulations as the Commission shall prescribe, a full and complete diagram of its transportation system. Such diagram shall include a full description of such carrier's low-density rail lines, as that term shall be defined by the Commission. The Commission, in adopting by rule a definition of "low-density rail lines" for purposes of this part, may adopt standards which vary by region of the Nation or by railroad or groups of railroads. Such diagram shall further identify any line of railroad which such carrier by railroad plans to seek authority to abandon or over which it plans to terminate rail service. A carrier by railroad shall amend such diagram to reflect any change in its transportation system and as the Commission may otherwise prescribe.

"(B) No carrier by railroad subject to this part shall abandon any line of railroad or portion thereof, or terminate rail service over any such line or portion, if such abandonment or termination is opposed by any person who has used such line or service during the preceding 12 months or if such abandonment or termination is opposed by any State or political subdivision thereof in which such line is located, unless such line of railroad has been identified as a line which such carrier by railroad plans to seek authority to abandon or over which it plans to terminate rail service on the diagram required by subparagraph (A) and such diagram has been on file with the Commission for a period of not less than 12 months.

"(26) No carrier by railroad subject to this part shall abandon any line of railroad or portion thereof, or terminate rail service over any such line or portion, unless and until such carrier has arranged adequately to protect the interests of employees affected by such abandonment or termination. Such protective arrangements shall be those agreed to by such carrier and the representatives of its employees or, in the absence of such agreement, as the Commission shall determine. Such protective arrangements shall be included in an order to be issued by the Commission at the end of the 90-day period, or during the 7-month period, whichever is applicable. Any such arrangements shall protect individual employees for a period of not less than six years (or for a shorter period equivalent to the duration of their employment with such carrier with respect to any employee with less than six years seniority) from the date first affected, against a worsening of their positions with respect to their employment. Such arrangements shall include such provisions as may be necessary:

"(A) to provide for notice, negotiation, and timely execution of implementing agreements: *Provided,* That the abandonment or termination may take effect pursuant to the Commission's order if it does not affect the interests of employees. Whenever any implementing agreements have not been executed prior to such abandonment or termination, or within 30 days thereafter, either party may submit any unresolved questions in connection with such protective arrangements for binding arbitration. The arbitration decision shall, if possible, be rendered within 30 days after such submission, but if such decision is for any reason delayed beyond such period, the rights of the parties to such arbitration shall not be affected;

"(B) to preserve all compensation (including subsequent wage increases), rights, privileges, and benefits (including fringe benefits, such as pensions, health care, and vacations, for the same length of time and under the same conditions that such benefits are accorded to employees of the carrier in active service or on furlough, respectively) granted to such employees under existing collective bargaining agreements or otherwise; and

"(C) to provide for the arbitration of disputes, arising out of such protective arrangements, which cannot be settled by the parties. In such arbitrations the burden shall be upon the carrier party thereto to prove that the employee was not affected by the abandonment or termination. In no event shall said arrangements provide benefits less than those established pursuant to section 5 (2)(f) of this Act and section 405 of the Rail Passenger Service Act (45 U.S.C. 565).

"(27)(A) Whenever the Commission finds that the public convenience and necessity permit abandonment or termination, and a shipper, a State, a local or regional transportation authority, the Secretary of Transportation, or any other person or government entity, or any combination of the foregoing, offers in order to maintain rail service assistance—

"(i) which covers the difference between the revenues attributable to the rail properties involved and the avoidable costs of providing rail freight service plus a reasonable return on the value of the rail properties involved; or

"(ii) for the purchase of all or any portion of a line of railroad; and

the Commission receives notification of such an offer, it may order, with regard to such rail properties or portion thereof, an additional postponement of abandonment or termination for not to exceed 90 days after the date of such receipt, in order for arrangements to be completed for such assistance or purchase. Upon receipt of notification that any such rail service assistance or purchase agreement has been completed, the Commission shall indefinitely postpone any proposed abandonment or termination so long as such agreement and any successive agreements are in effect.

"(B) Upon the request of any person or entity apparently qualified to offer to provide rail service assistance or to purchase all or any portion of a line of railroad, a carrier by railroad subject to this part shall promptly make available to such person or entity its most recent reports on the physical condition of the property which it seeks to abandon or over which it seeks to terminate service, together with such traffic, revenue, and other data necessary to ascertain the amount of assistance that would be required to maintain existing rail service.

"(28) Petitions for abandonment which are filed and pending with the Commission on the date of enactment of this paragraph shall be governed by the provisions of section 1 of this Act which were in effect on such date, except that they shall be subject to paragraph (27) of this section.".

SEC. 3. (a) The Secretary of Transportation (hereinafter referred to as the "Secretary") shall provide financial assistance, in accordance with this section, for the purpose of rail service assistance. For purposes of paragraph (b) of this section, the Federal share of such rail service assistance shall be 70 percent and the State share shall be 30 percent.

(b) As used in this section, "rail service assistance" means subsidies calculated to cover the difference between the revenues attributable to the rail properties involved and the avoidable costs of providing rail freight service plus a reasonable return on the value of the rail properties involved. Such assistance may be utilized to cover the costs of operating adequate and efficient rail service or applied to the purchase of the rail properties involved.

(c) Each State is entitled to receive an amount for rail service assistance, from 50 percent of the funds appropriated each fiscal year for such purpose, in the ratio which the total rail mileage in such State (as determined by the Secretary and measured in point-to-point length, excluding yard tracks and sidings) bears to the total rail mileage in all the States (measured in the same manner): *Provided*, That the entitlement of each State shall be not less than one-half of 1 percent of such 50 percent of the funds appropriated. Each State may receive for rail service assistance, from the other 50 percent of the funds appropriated, such sums as the Secretary may, in his discretion, grant. For purposes of this section, the term "State" shall include any State or territory in which is located the rail properties of carrier by railroad subject to part I of the Interstate Commerce Act (49 U.S.C. 1 et seq.). Any portion of the entitlement of any State which is withheld, in accordance with this section, and any such sums which are not used or committed by a State during the preceding fiscal year, shall be reallocated among the other States in amounts equal to the ratio which the total rail mileage in such State (as determined by the Secretary and measured in point-to-point length excluding yard tracks and sidings) bears to the total rail mileage in all States (measured in the same manner).

(d)(1) A State is eligible to receive rail assistance, pursuant to subsection (b) of this section, in any fiscal year if—

(A) the State has established a suitable State rail transportation plan;

(B) such State plan is administered or coordinated by a designated State agency and provides for the equitable distribution of such assistance among State, local, and regional transportation authorities;

(C) such State agency has authority and administrative jurisdiction to develop, promote, supervise, and support safe, adequate, and efficient rail services; employs or will employ, directly or indirectly, sufficient trained and qualified personnel; and maintains or will maintain adequate programs of investigation, research, promotion, and development, with provisions for public participation;

(D) the State provides satisfactory assurance that it will adopt and maintain such procedures as it or the Secretary deems necessary for financial control, accounting, and performance evaluation, in order to assure proper use of Federal funds; and

(E) the State complies with the regulations of the Secretary issued under this section.

(2) For the purposes of paragraph (1) of this subsection, a State plan for rail transportation and local rail services is not suitable unless such plan provides for prompt determination and evaluation, in accordance with applicable criteria established by regulation by the Rail Services Planning Office of the Commission, or its successor, of—

(A) the total direct and indirect costs of any proposed abandonments of lines of railroad or portions thereof, and of any proposed terminations of rail service over any lines of railroad or portions thereof, in such State, and the total and itemized direct and indirect costs of providing affected areas of such State with the same level of transportation services by any other mode of transportation. Such costs shall include any applicable costs attributable to (i) fuel consumption and energy utilization; (ii) operating costs and capital expenditures; (iii) damage to the environment; (iv) reduction in the amount of goods and services produced in such areas; (v) reduction in the value of commercial and residential property in such areas; (vi) increased unemployment, welfare, retraining, or relocation benefits for individuals or companies adversely affected thereby; and (vii) reduction in property, sales, and other tax revenues received by governments in such States; and

(B) the total direct and indirect benefits of maintaining any lines of railroad or portions thereof proposed to be abandoned, and of continuing rail service proposed to be terminated, to such State and affected areas thereof in comparison with the total direct and indirect benefits of abandonment and termination accompanied by provision for the same level of transportation services by any other mode of transportation.

(3) No Federal rail service assistance shall be provided to maintain rail service under this section unless (A) the direct and indirect benefits of maintaining such rail service exceed the direct and indirect costs thereof, as determined by the State as provided in paragraph (2) of this subsection; and (B) rail service is, by comparison with other available transportation services, the low cost mode of transportation for the route, area, or transportation need involved, as determined by comparing the costs evaluated by the State in accordance with paragraph (2) of this subsection.

(4) No rail services are eligible for rail service assistance pursuant to subsection (b) of this section except:

(A) those freight rail services which were being provided on the date of enactment of this Act; and

(B) those rail freight services eligible on the date of enactment of this Act for rail service continuation subsidies under section 402 of the Regional Rail Reorganization Act of 1973 (87 Stat. 985, 45 U.S.C. 762).

(e) The Secretary shall pay to each State an amount equal to its entitlement under subsection (b) of this section. Any amounts which are not expended or committed by a State pursuant to subsection (b) during the ensuing fiscal year shall be returned by such State to the Secretary, who shall redistribute such amounts in accordance with the last sentence of subsection (b) of this section.

(f) The Secretary may provide rail service assistance pursuant to a rail service assistance or purchase agreement for any period not to exceed 8 years after the date of enactment of this act.

(g)(1) Each recipient of financial assistance under this section, whether in the form of grants, subgrants, contracts, subcontracts, or other arrangements, shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance was given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives shall, until the expiration of three years after completion of the project or undertaking referred to in paragraph (1) of this subsection, have access for the purpose of audit and examination of any books, documents, papers, and records of such receipts which in the opinion of the Secretary or Comptroller General may be related or pertinent to the grants, contracts, or other arrangements referred to in such paragraph.

(3) The Secretary and the Comptroller

General shall regularly conduct, or cause to be conducted, (A) a financial audit in accordance with generally accepted auditing standards, and (B) a performance audit of the activities and transactions assisted in accordance with generally accepted management principles. Such audits may be conducted by independent certified or licensed public accountants and management consultants approved by the Secretary and the Comptroller General, and they shall be conducted in accordance with such rules and regulations as may be prescribed by the Comptroller General. The Secretary shall receive, maintain and make available to any interested person at cost a copy of any such audit.

(h) If the Secretary, after reasonable notice and opportunity for a hearing, finds that a State is not eligible for rail service assistance under subsection (c) of this section, payment to such State shall not be made.

(i) There are authorized to be appropriated to carry out the purposes of this section such sums as are necessary, not to exceed $100,000,000 for each of the eight fiscal years including and following the date of enactment of this Act.

SECTION-BY-SECTION SUMMARY

Section 1.—Short title of "Local Rail Services Act of 1975".

Section 2.—(1) Amends sections 1(18) through 1(22) of the Interstate Commerce Act to restate existing law relating to the extension of existing lines of railroad and to the construction of new lines of railroad.

(2) Adds the following new paragraphs to section 1 of the Interstate Commerce Act to provide for the abandonment of rail lines and the termination of rail service:

Paragraph (22)—(a) Restates existing Commission authority to issue certificates of public convenience and necessity permitting abandonments.

(b) Requires a rail carrier seeking to abandon to give notification to the affected Governors, localities, and shippers at least 90 days prior to effective date of the proposed abandonment.

(c) During such 90-day period the Commission may investigate the proposed abandonment upon its own motion or upon petition by any interested person. If such investigation is commenced, the abandonment may be postponed for not more than 7 months pending the outcome of such investigation.

(d) If the Commission issues a certificate authorizing abandonment, actual abandonment shall take effect no less than 60 days thereafter. In determining whether to issue such certificate, the Commission must consider certain specified factors.

(e) The Commission is required to permit abandonment if the avoidable costs of providing rail service plus a reasonable return on the value of the rail properties involved exceed the revenue attributable to such rail properties.

Paragraph (23)—Provides for suits to enjoin any construction or abandonment contrary to the Interstate Commerce Act and penalties for such action.

Paragraph (24)—Restates existing law limiting the authority of the Commission so as not to extend to switching and side tracks and street railways not part of a general system of transportation.

Paragraph (25)—(a) Requires each railroad to submit to the Commission, within 120 days after the date of enactment of this Act, a complete diagram of its transportation system and identify any low density or other rail lines which it plans to abandon.

(b) No carrier may abandon a rail line if the abandonment of such line is opposed, unless it has been identified for 12 months on the diagram filed with the Commission as one which the carrier plans to abandon.

Paragraph (26)—Provides for protective arrangements for employees adversely affected by any abandonment.

Paragraph (27)—(a) Provides that whenever a shipper, State, local or regional transportation authority, the Secretary of Transportation, or any other person offers financial assistance to maintain rail service which the Commission determines may be abandoned, the Commission may postpone the abandonment for 90 days to allow for the arrangement of rail service assistance and shall indefinitely postpone the proposed abandonment for so long as a rail service assistance agreement is in effect.

(b) Requires a railroad receiving rail service assistance to provide certain data to the offeror of such assistance.

Paragraph (28)—Petitions for abandonment pending with the Commission on the date of enactment of this Act shall be goverened by the provisions of the Interstate Commerce Act which were in effect on such date.

Section 3.—(a) Requires the Secretary of Transportation to provide financial assistance for the purpose of maintaining rail freight service. The Federal share of such assistance shall be 70 percent and the State share shall be 30 percent.

(b) Defines "rail service assistance" and provides that such assistance may be utilized to cover the costs of operating adequate and efficient rail service or applied to the purchase of the rail properties involved.

(c) Entitles each State to receive for rail service assistance a minimum of one-half of 1 percent of 50 percent of the funds appropriated. Permits the Secretary to make discretionary grants for rail service assistance from the other 50 percent of the funds appropriated.

(d) To be eligible to receive rail service assistance, a State must establish a suitable State rail transportation plan. A State plan is not suitable unless it provides for determination and evaluation, in accordance with certain criteria, of total costs of any proposed abandonment of a line of railroad and total benefits of maintaining any such line. No rail service assistance proposal is eligible for Federal financial assistance unless the benefits of maintaining the involved rail service exceed the costs and the rail service is the low-cost mode of transportation. Rail freight services are not eligible for assistance unless they are being provided on the date of enactment of this Act or were eligible on the date of enactment for rail service continuation subsidies under the Regional Rail Reorganization Act of 1973.

(e) Entitlement funds not expended by a State shall be returned to the Secretary for use as additional entitlement rail service assistance.

(f) Federal participation in rail service assistance agreements under this section may not exceed a period of 8 years.

(g) Provides for auditing by the Comptroller General of rail service assistance projects.

(h) Payment shall not be made to a State until it is eligible for rail service assistance under this section.

(i) Authorizes to be appropriated not to exceed $100 million for each of the 8 fiscal years including and following the date of enactment of this Act.

Mr. HARTKE. Mr. President, I am pleased to cosponsor the Local Rail Services Act of 1975. This act would extend the Federal Rail Services Continuation Subsidies program originally authorized in the Regional Rail Reorganization Act to the States outside the Northeast and Midwest region for a period of 8 years.

This act is needed for two reasons. First, many States outside the Midwest and Northeast are now served by branch lines which are essential to local communities but are uneconomical in that revenues from such lines are less than the costs of providing service. These lines are a burden on the railroads providing that service and a threat to the financial stability of the now nonbankrupt railroads. So long as these plans continue to be uneconomical, they also do not receive proper maintenance from the railroads. This insures that the lines will continue to be allowed to degenerate and thus discourages the location of additional industries on the line which might help make the line economical.

The program of Federal and State subsidies proposed in this bill would remove this threat and permit continuation of essential rail services while the bill's relaxed abandonment standards would permit the railroads to discontinue operations.

Second, this bill will permit communities in the Midwest and Northeast, where the U.S. Railway Association has proposed the abandonment or subsidization of 6,200 miles of lines, to assure local shippers that subsidies would continue beyond the 2 years provided in the Regional Rail Reorganization Act. In my own State of Indiana, for example, USRA has proposed that 806 miles of line be abandoned or subsidized. No industry is going to locate on a line or expand in order to generate enough traffic to make a line economically viable if it expects a line will be abandoned within 2 years. This bill would give the small communities and shippers served by these uneconomic lines the time to either generate more traffic or provide for an orderly transition to other modes of transportation.

Mr. President, this bill would only provide Federal assistance where a state is willing to pay 30 percent of the costs of subsidy and the direct and indirect benefits of continuing service exceed the direct and indirect costs; and where, all economic, social and environmental costs considered, rail is the low cost mode of providing the needed transportation. The bill would therefore set an important precedent for future transportation investments. It says in effect that the Federal Government will not subsidize transportation projects unless they return benefits and in excess of the costs of subsidy and there is no other mode of transportation available that is less costly in terms of all direct and indirect costs.

Mr. President, I am also pleased to announce that the Subcommittee on Surface Transportation will be considering this bill in hearings this session. These hearings will focus on what the needs of the Nation's rail transportation system are and all means, including the abandonment and subsidy programs proposed in this bill, to insure adequate and efficient rail service to the Nation.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 864. A bill to amend the act entitled "An Act to authorize the sale of certain public lands in Alaska to the Catholic Bishop of Northern Alaska for use as a mission school", approved August 8, 1953. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, I would like to introduce a measure today to remove a potential reverter from land now owned by the Catholic Bishop of Northern Alaska, near Cooper River, Alaska.

In 1953, Private Law 152 authorized the transfer of 452 acres of land to the Bishop for the sole use as a mission school. The Church paid above the appraised value of this property. The school was built on this site and for 15 years was used for this purpose. Subsequently this school was closed.

Dut to the increased financial upkeep of this abandoned building, the church would like to sell this land which is now necessary to support the construction of the Alaska pipeline. It is time to remove this cloud on the title and return the land to productive use—both the Catholic Church and the State of Alaska will be the beneficiaries.

Mr. President, I ask unanimous consent to have my bill printed in the Record immediately following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 864

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act to authorize the sale of certain public lands in Alaska to the Catholic Bishop of Northern Alaska for use as a mission school", approved August 8, 1953 (67 Stat. A53), is amended by deleting "for use as a mission school".

By Mr. MONTOYA (for himself and Mr. Domenici):

S.J. Res. 37. A joint resolution to authorize the Administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame. Referred to the Committee on Aeronautical and Space Sciences.

Mr. MONTOYA. Mr. President, on behalf of my colleague Senator Domenici and myself, today I introduce legislation to authorize the administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame in Alamogordo, N. Mex.

This is the same joint resolution which I introduced late in the last session. Unfortunately, time prevented the Congress from giving this measure complete consideration, but I hope that the Aeronautical and Space Sciences Committee will be able to do so this year during the ongoing authorization hearing.

Mr. President, I ask your unanimous consent that following these remarks, there be printed in the Record three items which will help my colleagues understand the scope of this project. The first item is the text of the joint resolution itself. The second item is the statement I made last year upon introducing the bill. The final is a paper prepared for me by U. W. Hess and Dwight Ohlinger pointing out the fact that what is proposed here is a dynamic institution dedicated to a continuing program of education in all aspects of space history and space science. This an important point.

Another important point is the international character of the proposal. We all recognize that space is not the domain of only one nation. Nor has the space program come about without the contributions of brilliant men and women from throughout the world. It is fitting, therefore, that the sponsors of the project have interested the International Academy of Astronautics in the proposal.

The final point I would like to make in these brief introductory remarks is that the construction of the Space Hall of Fame will be a fitting contribution to our bicentennial celebrations. Our accomplishments in space deserve to be highlighted as one of our greatest accomplishments, and I think it would be appropriate for the proposed Hall of Fame to be the focal point for that aspect of the bicentennial program.

There being no objection, the joint resolution and material were ordered to be printed in the Record, as follows:

S.J. Res. 37

To authorize the Administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame.

Whereas accomplishments in space and aeronautical exploration have highlighted man's achievements in the twentieth century;

Whereas there is a need to preserve and display the work of men and women who have contributed significantly to these achievements and to preserve and display the artifacts and space hardware which they have used, in a more educational, accessible, and permanent manner;

Whereas such a display would unite all countries of the world in a cooperative effort to honor such achievements; and

Whereas Alamogordo, New Mexico, has been a focal point in space and aeronautical exploration and research since Robert Goddard conducted his pioneering rocket experiments in the State: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) upon application by the International Space Hall of Fame, Incorporated, (hereinafter referred to as the "Corporation") of Alamogordo, New Mexico, the Administrator of the National Aeronautics and Space Administration (hereinafter referred to as the "Administrator") is authorized to make a grant in an amount not to exceed the Federal share of the cost of constructing a museum and suitable facilities in Alamogordo, New Mexico, for the presentation and display of objects of historical or scientific significance in the space programs of the United States and other nations.

(b) For the purposes of this joint resolution the Federal share is 70 per centum.

Sec. 2. No grant may be made under this joint resolution unless the Administrator determines that—

(1) the construction to be carried out under the application will be undertaken in a timely and economic manner and will not be of elaborate or extravagant design or materials; and

(2) the State of New Mexico and other sources will pay from non-Federal sources an amount not less than $3,040,000 toward the cost of such construction.

Sec. 3. There are authorized to be appropriated to the National Aeronautics and Space Administration not to exceed $7,040,000 to carry out the provisions of this joint resolution.

By Mr. MONTOYA:

S.J. Res. 254. A joint resolution to authorize the Administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame. Referred to the Committee on Aeronautical and Space Sciences.

Mr. Montoya. Mr. President, today I introduce legislation to authorize the Administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame in Alamogordo, N. Mex.

American scientists and astronauts have made a unique achievement in the history of space science. They have contributed to the complex research programs and difficult missions which have helped to insure the U.S. leadership in aeronautics and space exploration. These scientists, who made sure we got there, and the astronauts, who went there, were men who dared to raise their heads above the mountaintops. They had unconceivable dreams, high hopes, and even greater courage. They used their knowledge gained through long years of research to turn their ideas into action and their dreams into reality. Men such as these are the true wealth of our country, not the gold reserves in Ft. Knox.

Our country has progressed because of the achievements of these space pioneers. Their deeds have not merely improved our past, but have accelerated us into the future. Never have we been projected into the future so swiftly and so dramatically as when we took our first step into space.

The future is certainly of utmost importance, yet our past is just as great. It is the motivation of our tomorrow. Today's science and art will become our traditions, and these traditions need to be preserved. These space pioneers deserve to be honored. Their monument should be built as a symbol of our present-day life—complex and challenging, yet very exciting.

During the troubled Vietnam and Watergate years, we certainly have had a shortage of real heroes—someone we could look up to and admire. The astronauts filled this vacuum. A hall of fame will be a place to honor these men; but more important, it would be a place which will honor the noble act which invoked the fame in the first place.

It is only fitting that this space institute be located at the site where the earliest phases of space travel experimentation was conceived and conducted. The State of New Mexico, and the Alamogordo area specifically, provide that historical setting.

Alamogordo is located in the Tularosa Basin, close to the White Sands Missile Range and Holloman AFB where pioneer work in missile development was conducted. Captured German V-2's were fired here; the first objects to escape the pull of gravity were fired here; the inertial guidance system was perfected here; and research in aero-med, which enabled man to live in space, was accomplished here. Doctor Goddard, the great rocket pioneer carried on his research at the nearby city of Roswell.

The city of Alamogordo has eagerly assumed the responsibility of establishing an International Space Hall of Fame. City officials have successfully presented the space institute concept to the State of New Mexico and to various space-related agencies and organizations. As a result of their endeavors, $3.04 million has already been contributed, $1.8 by the State of New Mexico and the remainder from private donations. Forty-five acres of land for the project have been donated by New Mexico State University, and $3 million worth of space artifacts and space hardware has been made available on a rotating basis to the Hall of Fame by the Smithsonian.

This project has also received the support and the endorsement of NASA, local U.S. Air Force and Army installations, and the International Academy of Astronautics—IAA. The latter organization is comprised of the world's top space scientists. The Academy, headed by Dr. Charles Draper of MIT, has agreed to select the nominees for the International Space Hall of Fame. IAA is also considering Alamogordo as the site for its 1976 conference, which is expected to attract 3,000 participants.

From its inception, the international aspects of this project have been emphasized. Space scientists and astronauts and cosmonauts from the United States, the U.S.S.R., England, France, Belgium, West Germany, Sweden, Italy, and 20 other countries will be honored side by side in the Hall of Fame. It will take an international effort of cooperation to see this project realized.

The space institute will be a scientific and educational project, with the objective of providing a center for exhibition, study and research in the field of space science. To achieve this aim, the facilities of the institute will consist of the Hall of Fame, an auditorium, an amphitheater, and a planetarium.

The Hall of Fame will serve as a museum to honor those who have contributed to man's advancements in space. The $3 million worth of space artifacts and space hardware on loan from the Smithsonian Institution will also be housed here. There will be displays of moon rocks, satellites, rockets, space apparel, experiments, moon vehicles, historical artifacts, sun and moon photos, and scientific exhibits related to space. Participation displays will consist of demonstrations of the principles of physics and other scientific disciplines. Because the space pioneers devoted most of their time to getting to and being in space, their busy schedules left them little opportunity to keep diaries and detailed accounts of their space experiments and adventures. In order to compensate for this gap in documentary material pertaining to their firsthand experiences, a remedial program is planned by the Hall of Fame to tape-record the personal recollections of the astronauts, cosmonauts, and space scientists.

The auditorium will be a major multipurpose facility for large groups. It will serve the function of accommodating large international scientific conferences as well as New Mexico State University student gatherings and drama productions.

The amphitheater will be used to explain to large groups the major elements and operation of our largest space rocket. It will also be used for an outdoor pageant, simulating the firing of a Saturn V.

And finally, the planetarium will provide an outstanding means of education in celestial mechanics. It will offer demonstrations of the real and apparent motions of celestial bodies as seen from earth and as actually occurring. Special enrichment programs will provide a look at the constellations, the moon and the planets. Stories of the planets drawn from ancient mythology will be contrasted with the knowledge gained in the past decade. New Mexico State University will have use of the facility, and will assist in seminars and symposiums on space-related sciences. The planetarium will be a great aid to teachers and to elementary, high school and college students in learning about astronomy and the world in which we live. All of the facilities of the space institute will enhance university graduate programs. The planetarium has the future potential of providing astronomy and space navigation training to the astronauts, as was the case with the Apollo crew who trained at the planetarium in Chapel Hill.

The planetarium will be a great asset to the entire southwestern part of our country. There are five planetariums of the highest precision type in the world installed and operated in the United States. However, all are located in the East—in Boston, New York, Rochester, Chicago, and Chapel Hill.

Once built, the space institute will be self-sustaining. It has the benefit of being located near many southwestern tourist attractions. Alamogordo is close to the White Sands National Monument which has 665,000 visitors annually and Carlsbad Caverns with 850,000 visitors a year. Also nearby are recreation areas which cater to hunters, campers, fishermen, and skiers. The Apache tribal ceremonies also attract many tourists to the near-by Mescalero Reservation. There are ample lodging facilities, and Alamogordo is located near Interstate 10, a major East-West route, and Interstate 25, a major North-South route.

The city of Alamogordo will need a grant in the neighborhood of $7 million in order to complete the construction of this project. They need a grant to match the $3.04 million contributed so far and an additional $4 million for the planetarium.

Information on the International Space Hall of Fame

New Mexico, 49th in per capita income, spends 37 percent of state revenues alone on education. Educating the next generation is the key to developing all other assets and natural resources of the state. Consistent with this outlook, the State legislature during the February 1973 session, without a dissenting vote, passed a one million eight hundred thousand dollar appropriation for construction of the first building of an International Space Hall of Fame, to be located at the Alamogordo Branch of the New Mexico State University. This historic memorial to mankind's mightiest technical and intellectual achievement will be open to the public in the Bicentennial year, beginning 4 July 1976. News files of the past two decades of space achievement will become historical archives, celebrating outstanding contributions to the exploration of space, elected for individual recognition.

Commemorative historical and educational exhibits, including outdoor pageants reenacting manned spaceflights with the original gantries, spacecraft, film and sound records simultaneously available to earphones in six languages, will tell visitors how man orbited the earth and landed on the moon. This will give employment to hundreds of students and inspiration to thousands of school children.

A second unit will be a Zeiss Model VI planetarium already reserved at the Zeiss Company for the International Space Hall of Fame. A project for raising the down payment by advance sale of tickets to all the school children of the state good for admission during the bicentennial year is under consideration. The exhibits, pageant and planetarium can be self-sustaining by admission charges and concession profits. The library, archives and a lunar and planetary geology specimen collection will provide research material for graduate students and scholars. Active research on solar energy technology supported by the National Science Foundation, including the heating and air conditioning of the buildings, is in the planning phase. A space communications station and Schmidt telescope will be installed to train students and provide public demonstrations. The original Mercury, Gemini and Apollo gantries will be moved by barges from Cape Canaveral via the Gulf Coast, Mississippi River and inland waterway to Tulsa, Oklahoma, and thence by trains and trucks to Alamogordo, for erection on prepared pads at the Alamogordo site. The corresponding spacecraft assemblies will be mounted for launch on the gantries, with elevators and platforms to carry visitors up to the space cabins. Resort hotels and a convention center funded commercially are in the plans. Economic feasibility studies by the New Mexico State University, based on tourist traffic and other indicators, strongly support the potential for self-sustaining operation of the International Space Hall of Fame.

On 1 December 1974 the Governor of New Mexico and his Commission on the International Space Hall of Fame celebrated a ground-breaking ceremony for the International Space Hall of Fame on 46 acres of the New Mexico State University, Alamogordo Branch campus.

The State Highway Department is rebuilding an access road from Highway 54–7 to the college into a broad avenue with median strip, and plans a north extension of another avenue (Scenic Drive) from the college site to Highway 82.

In addition to the Governor's Commission on the International Space Hall of Fame, the Alamogordo Chamber of Commerce and Chambers of Commerce of most of the cities and towns of New Mexico have given endorsement and whole-hearted support to the project. The Alamogordo City Council, the Committee of Fifty of the Alamogordo Chamber of Commerce, the Alamogordo Motel Owners' Association, and numerous private citizens have given financial support and their personal efforts to promoting the International Space Hall of Fame.

The International Academy of Astronautics has rendered the good offices of its Historical Committee in nominating candidates for commemoration in the Hall of Fame, and will hold its annual meeting in Alamogordo during October 1976. Commemorative medallions by a prominent mint will be sold to help defray the costs, and a Bicentennial project by the Federal Commission, with promise of matching funds, has been initiated.

The Smithsonian Institution supplied a study on a Western Space Museum accomplished for NASA in 1972. The Aviation and Space Museum of that institution is authorizing appropriate artifacts on indefinite loan from NASA to the International Space Hall of Fame for exhibition.

Bids for the first building will be issued in February 1975, and construction is projected to begin in March for completion by 4 July 1976.

All of the foregoing is to establish that the International Space Hall of Fame has the whole-hearted support of the Governor and legislature of New Mexico, the municipal governments and service organizations of New Mexico cities and towns, the state institutions of higher learning, and the citizens of Alamogordo, Albuquerque, Roswell, Las Cruces, Hobbs, Deming, Lordsburg, Silver City, Ruidoso, Tularosa, La Luz, Portales, Lovington, Gallup, Las Vegas, Farmington, and many other population centers in the state. The value of appropriations, property acquisition, state and community service contributed to the International Space Hall of Fame to date considerably exceeds $3 million.

The educational, commemorative, quality-of-life enhancement and employment potential of this International Space Hall of Fame fully justifies the Federal support sought in S.J. Resolution 254 to the Senate of the United States.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 8

At the request of Mr. Dole, the Senator from North Dakota (Mr. Young), was added as a cosponsor of the bill (S. 8) to designate November 11 of each year as Veterans Day and to make such day a legal public holiday.

S. 34

At the request of Mr. Hathaway, the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of the bill (S. 34) to amend the Forest Pest Control Act.

S. 199

At the request of Mr. Weicker, the Senator from New Jersey (Mr. Williams) was added as a cosponsor of S. 199, a bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

S. 327

At the request of Mr. Jackson, the Senator from Pennsylvania (Mr. Hugh Scott) was added as a cosponsor of the bill (S. 327) the Land and Water Conservation Fund Amendments.

S. 425

At the request of Mr. Williams, the Senator from Alabama (Mr. Sparkman), the Senator from Washington (Mr. Jackson), the Senator from South Carolina (Mr. Thurmond), the Senator from Nevada (Mr. Laxalt), the Senator from Connecticut (Mr. Weicker), the Senator from Vermont (Mr. Leahy), and the Senator from North Carolina (Mr. Morgan) were added as cosponsors of S. 425, the Foreign Investment Act of 1975.

S. 506

At the request of Mr. Church, the Senator from Wyoming (Mr. McGee) was added as a cosponsor of S. 506, a bill to amend the Water Resources Planning Act to extend the authority for financial assistance to the States for water resources planning.

S. 699

At the request of Mr. Dole, the Senator from New York (Mr. Buckley) was added as a cosponsor of the bill (S. 699) to permit Senators to use mobile offices in their home States.

S. 760

At the request of Mr. Thurmond, the Senator from Vermont (Mr. Stafford) was added as a cosponsor of the bill (S. 760) to provide for a separate agency within the Department of Labor to be known as the Veterans' Employment Service, to authorize the appointment of an Assistant Secretary of Labor for Veterans' Employment, and for other purposes.

S. 829

At the request of Mr. Fong, the Senator from New Jersey (Mr. Williams) was added as a cosponsor of the bill (S. 829) to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65.

SENATE JOINT RESOLUTION 35

At the request of Mr. Randolph, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of Senate Joint Resolution 35, a joint resolution referring to the National Employ the Older Worker Week.

SENATE RESOLUTION 39

At the request of Mr. Metcalf, the Senator from Connecticut (Mr. Weicker) and the Senator from Oklahoma (Mr. Bellmon) were added as cosponsors of the resolution (S. Res. 39) providing for radio and television coverage of Senate proceedings.

SENATE RESOLUTION 48

At the request of Mr. Sparkman, the Senator from Illinois (Mr. Percy) was added as a cosponsor of Senate Resolution 48, urging continuing efforts in behalf of Americans missing in action in Southeast Asia.

SENATE CONCURRENT RESOLUTION 11

At the request of Mr. Randolph, the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from Arkansas (Mr. Bumpers), the Senator from Iowa (Mr. Clark), the Senator from Iowa (Mr. Culver), the Senator from Minnesota (Mr. Humphrey), the Senator from New York (Mr. Javits), the Senator from Vermont (Mr. Leahy), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from Minnesota (Mr. Mondale), the Senator from Utah (Mr. Moss), the Senator from Pennsylvania (Mr. Scott), the Senator from Vermont (Mr. Stafford), the Senator from Illinois (Mr. Stevenson), and the Senator from Ohio (Mr. Taft) were added as cosponsors of Senate Concurrent Resolution 11 to express as a national policy that all citizens have the right to live and work in a barrier-free environment.

SENATE RESOLUTION 90—SUBMISSION OF A RESOLUTION CONGRATULATING OCEANA COUNTY, MICH.

(Referred to the Committee on the Judiciary.)

Mr. GRIFFIN submitted the following resolution:

S. Res. 90

Whereas the State of Michigan is one of the country's great fruit and vegetable producing States, and

Whereas the people of Oceana County have announced plans for the second annual National Asparagus Festival for June 13–15, so as to call attention to this important product, and

Whereas the people throughout the country know and enjoy the asparagus produced in Oceana County: Now, therefore, be it

Resolved, That the Senate of the United States extends its congratulations to Oceana County, Michigan, and for its plans for a National Asparagus Festival; and, be it further

Resolved, That it is the sense of the Senate that the week of June 13–15 should be proclaimed as National Asparagus Week.

SENATE RESOLUTION 91—ORIGINAL RESOLUTION REPORTED RELATING TO THE ACTIVITIES OF THE COMMITTEE ON FOREIGN RELATIONS

(Placed on the calendar.)

Mr. SPARKMAN, from the Committee on Foreign Relations, reported the following original resolution:

S. Res. 91

Resolved, That (a) effective on the date on which this resolution is agreed to, the activities authorized by Senate Resolution 247, 87th Congress, agreed to February 7, 1962, are extended to include the interchange and reception in the United States of prominent officials of intergovernmental organizations.

(b) Effective for the fiscal year ending June 30, 1975, and for each fiscal year thereafter, the fiscal year limitation on expenses incurred under such Senate Resolution 247 is increased to $10,000.

SENATE RESOLUTION 92—SUBMISSION OF A RESOLUTION PROVIDING FOR INVESTIGATIONS AND STUDIES BY STANDING COMMITTEES

(Referred to the Committee on Rules and Administration.)

Mr. CLARK (for himself, Mr. Bentsen, Mr. Brock, Mr. Case, Mr. Gary W. Hart, Mr. Hartke, Mr. Haskell, Mr. Humphrey, Mr. Javits, Mr. Kennedy, Mr. McGee, Mr. McGovern, Mr. Ribicoff, and Mr. Tunney) submitted the following resolution:

S. Res. 92

Resolved, That (a) each standing committee of the Senate, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and study of the application, operation, administration and impact of laws or parts of laws, including regulations prescribed thereunder, the subject matter of which is within the jurisdiction of such committee in order to—

(1) ascertain and identify those areas covered by such laws and regulations in which differences exist in their application, operation, administration and impact because of sex;

(2) determine whether the differences in application, operation, administration and impact because of sex are—

(A) consistent with the proposed amendment to the Constitution relating to equal rights; and

(B) (i) appropriate and justifiable; or

(ii) unduly and unnecessarily discriminatory on account of sex;

(3) determine whether, and the extent to which, any such differences in application, operation, administration, and impact because of sex should, in the public interest, be removed, modified, or continued without change; and

(4) cooperate, as appropriate, with respective House committees in—

(A) identifying the differences in application, operation, administration, and impact on account of sex; and

(B) determining whether any such differences in application, operation, administration, and impact because of sex should, in the public interest, be removed, modified, or continued without change.

(b) Each such standing committee—

(1) shall submit to the Senate, as soon as practicable during the first regular session of the present Congress, a preliminary report of the results of its investigation and study, together with such recommendations as the committee considers appropriate; and

(2) shall submit to the Senate, not later than October 1 of the year in which the second regular session of the present Congress is held, a final report of the results of its investigation and study, together with such recommendations as the committee considers appropriate.

Any such report which is made when the Senate is not in session shall be filed with the Secretary of the Senate.

SEX DISCRIMINATION AND THE LAW

Mr. CLARK. Mr. President, in recent years this country gradually has awakened to the rights and needs of American women. As with the country, the majority of the Congress has come to realize that laws which treat women and men differently are inherently unfair.

To move from recognizing a problem to eliminating it in a democratic process does require patient, persistent effort. But too much patience has been required of the women of this Nation who have not been granted the full benefits and rights due every American citizen.

Today I am introducing a resolution to reaffirm our commitment to equal rights and to help prepare for the ratification of the equal rights amendment—ERA.

The ERA was first proposed in 1923 by the National Women's Party, and it was introduced in nearly every Congress until 1972, when it finally was approved by the Congress—49 years later. But the process remains unfinished. As a constitutional amendment, the ERA must be approved by 38 States before it can take effect. Thirty-four of the States, including Iowa, have ratified the ERA. With North Dakota's ratification of the ERA, the approval of only four more States is needed before the ERA becomes a part of the Constitution. The process must be completed by March 22, 1979.

Despite the setbacks in several legislatures last week, there is still a fair chance that the ERA will be ratified this year. In any case, it is imperative that Congress demonstrate its commitment to equal justice and application of the laws without regard to irrelevant sexual criteria. In short, the Congress needs to eliminate instances of sex discrimination from Federal law.

While the work goes on in the State legislatures, Congress cannot afford simply to rest until the 38th State finally ratifies the ERA. Instead, Congress ought to be preparing now for its approval by eliminating unwarranted references to gender in our Nation's laws.

Right now there are a great many laws whose application and impact are discriminatory and are inconsistent with the principle of equal rights. Under this resolution, the standing committees of the Senate will conduct a complete investigation of instances of sex discrimination within their jurisdictions. Differences based on sex which exist in the application, operation, administration and impact of laws will be identified. A final report of the results of the investigation, together with recommendations, will be submitted to the Senate not later than October 1, 1976.

Although such a task is large, it is manageable. Iowa already has provided an example of how to proceed: all references to gender have been eliminated from the Iowa Code. On the national level, the groundwork has already been laid by the Justice Department, the U.S. Commission on Civil Rights, and Ruth Bader Ginsburg and Brenda Feigen Fasteau, two noted authorities on women's legal problems. Using a computer printout furnished to the Commission on Civil Rights by the Department of Justice, they have surveyed the United States Code and have identified and assessed those statutes inconsistent with the ERA.

So the information is already available. The argument that this task is too unwieldly is simply not a cogent one because much of the work has already been done. It will only be necessary for the standing committees to avail themselves of existing data and to decide what changes are required to ensure equal rights.

Because so much of the work has already been completed, no new allocations of funds or staff are anticipated to carry out the intention of this resolution. With its passage, committees will perforce become more attuned to the existence of sex discrimination and will be compelled to consider the justice of that discrimination.

Even if the task of equalizing the statutory treatment of women and men were overwhelming, we would have no choice but to assume that task. If we believe in the fundamental principle that citizens of the United States deserve equal chances regardless of sex, the Senate should do its part to create an environment in which men and women are considered first as American citizens, not as male and female.

SOME PROGRESS

While women have waited patiently for lawmakers and the courts to acquire some sensitivity and understanding for the scope of discrimination against women, Congress has made some progress. The 93d Congress which completed its work in December has charted a steady movement toward correcting the disparity of treatment between men and women in this Nation.

Perhaps its most important success was to provide equal credit opportunity for women and men. The consumer credit protection amendment prohibits discrimination based on sex or marital status, while the Housing and Community Development Act prohibits sex discrimination in federally related mortgage loans.

There are at least nine other pieces of legislation approved by the 93d Congress which either directly or indirectly address the principle of equal treatment: Women's Equality Day, Little League Baseball for both girls and boys, the enlistment and commissioning of women in the Coast Guard Reserve, the Small Business Act, the Comprehensive Manpower Act, the Crime Control Act, the rape prevention amendment unfortunately vetoed by the President, the Fair Labor Standards Act amendments, and the pension reform bill. But as important as these successes are, much remains undone.

Because of their traditional roles as mothers and homemakers, many women find standard working hours inconvenient and disruptive. Nearly three-fourths of working women have children under 18 years of age; and one of every three mothers with preschool children is working. Most women who work do so out of financial necessity, not for diversion. Thus, women who work and who have children to care for have a particular problem. Standard working hours, although they appear nondiscriminatory on the surface, place an unusual hardship on working mothers. This is the kind of issue which does not personally confront most men, but it is a problem which every working person with primary responsibility for care of children could expound on at length.

Many of us in the Senate have become aware of this problem thanks to the work of the Senator from California (Mr. TUNNEY) who has written the flexible hours bill for people unable to work standard working hours. But how many more issues are there which appear nondiscriminatory but which tend to place an unfair burden on women?

There are no doubt many more issues which male legislators have difficulty understanding, and that understanding is needed in every legislature—State and Federal. The increasing awareness of male legislators to women's legal problems and the election of women to public office can bring us closer to a fairer society. The 1975 Iowa Legislature, for instance, now includes 14 women, a 50-percent increase over the previous legislature. The U.S. House of Representatives experienced a gain of two women this year. Although the progress is slow, the addition of women into the political arenas of this Nation must become a permanent trend.

The election of more women, the gradual chipping away of laws which discriminate against women, the passage of the ERA by the Congress and 34 States—these are indications that the country has become aware of the need for change from the traditions that have unfairly excluded women from the mainstream of American life. However, the most that can be said, even now, is that we have only begun.

UNFINISHED BUSINESS

To meet the promise this Nation has made to every citizen, including women, we must work simultaneously on several fronts. One, which is addressed by the resolution I am introducing today, is the need to alter present laws to make them consistent with the ERA.

A second front is one with which every Member of this Congress is familiar: the problem of compliance and enforcement of laws which the Congress has passed. Laws are meaningless when they go unenforced. And the legislative gains made by and on behalf of women too often are among those left to languish.

A particularly disturbing example is title IX of the Educational Amendments of 1972. Mr. President, as difficult to believe as it may be, after 3 years HEW has yet to publish final guidelines for title IX. Providing equal educational opportunities, as title IX does, should not be delayed any longer.

There is nothing which Americans believe in more than the ability of a good education to equalize opportunity. Right now, women's earnings are about 60 percent of men's, and the Department of Labor has estimated that 20 percent of the disparity between men and women's salaries is due to different levels and types of training, education, and work experience. Title IX will help remedy that differential, but only if title IX is enforced.

Is title IX being enforced? The plain answer is that it is not. William Raspberry's column printed in the Washington Post on February 19, 1975, makes apparent the extent to which HEW's Office of Civil Rights may even be subverting the principle of equal rights. I find it disturbingly ironic that the very office on whom women must rely to rectify discriminatory treatment is the office which is seemingly hampering the creation of equal opportunity.

I ask unanimous consent that the article, "Representative HAWKINS on Affirmative Action," be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CLARK. The Congress has acted. The law has been promulgated. Yet title IX goes essentially unenforced. HEW, and particularly the OCR, should not doubt the seriousness of our intent to provide women with the educational opportunities which they have been wrongfully denied in the past. They must issue the regulations without additional delay, as they have been able to do with other civil rights legislation. And they must issue regulations which are no less strong than title IX itself.

Another example of a law without force is the new Educational Equity Act incorporated in the Educational Amendments of 1974. Congress will have an opportunity to signal its seriousness in this matter in the appropriations process this year. Unless this act is funded adequately, it cannot be effective.

A final example of laws without sufficient force is presented by the Equal Employment Opportunity Commission's—EEOC—backlog. The EEOC was formed to enforce laws dealing with antidiscrimination in employment. How well is the EEOC able to perform its job?

Lynne Darcy, the coordinator for the National Task Force on Compliance of the National Organization for Women, testified before the House Subcommittee on Equal Opportunities on September 18, 1974. Here is her assessment:

> As the situation now stands, a charging party may wait *3 to 5 years* before a charge is resolved by the EEOC, and the chances are only *1 in 4* that a charge, once investigated, will be resolved, since employers are aware that EEOC has very limited resources for litigation. In addition, conciliation agreements are rarely monitored or enforced. *The situation is clearly untenable.* (Italic added.)

Mr. President, the Congress must equip EEOC with the staff and resources sufficient to do its job. In turn, the EEOC must be committed to eradicating employment discrimination in this Nation.

There is a variety of other problems which need our attention. I have already mentioned the flexible hours bill. In addition, the Child and Family Services Act is a matter which should be taken up soon. The Senate and House passed a version of the child care act as long ago as 1971, only to have it vetoed by the President.

We still have no adequate child care facilities and programs, yet the need for child care centers, after school programs and other child and family services has escalated since 1971.

The need is obvious: over 6 million families, about 12 percent of all families, are headed by women, and close to two-thirds of those families include children. In addition, there are millions of families—where both the father and the mother work and, consequently, desperately need a safe and educationally sound place to leave their children—that would benefit from the enrichment programs proposed in the Child and Family Services Act. And it is important to note that Senator MONDALE and his subcommittee have devised a fiscally responsible means of financing these programs so that families who could afford to pay for these services would contribute a fair share.

Mr. President, I cannot begin to list all the legislation required to create a situation where men and women are treated equally and fairly. There is a need to open military academies to women. There is a need to deal with the growing problem of rape and the treatment of rape victims in this country. There is a need to eliminate discrimination from tax and inheritance laws, social security benefits, and insurance. There is a need to insure that equal rights is not a passing fad—that the few gains in equal employment opportunities recently made not be eroded by the current economic problems which we are facing.

Women have been waiting—increasingly impatiently—for the predominately male political, economic, and educational structures to recognize the abilities, contributions, competence, and potential of female Americans. They should not be made to wait any longer.

The arguments that we should wait until the ERA is ratified, or wait until individual court cases are litigated piecemeal, or wait until some unspecified future date are dilatory tactics that are unacceptable. If it is right to create a society unmarred by sex discrimination, it is right to work on that task not next year, not year after next, but this year, now, in this Congress. The Senate has the power to correct inequities. Its will and its seriousness will be tested this year.

We can and should create a fairer society—and, in my judgment, a more successful and rewarding society for all Americans in which every person is treated with dignity and respect and one in which everyone can grow to her or his fullest potential as a human being.

I ask unanimous consent that the following excerpted conclusions of the Ginsburg-Fasteau study, entitled "The Legal Status of Women Under Federal Law," be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[Excerpts From "the Legal Status of Women Under Federal Law]

CONCLUDING COMMENT—I. CONGRESSIONAL RESPONSIBILITIES FOR COMPREHENSIVE REVISION: PRINCIPAL DIRECTION OF NEEDED REFORM

Equalization of the treatment of women and men under federal law is an overdue task which should command priority attention in Congress. . . . [M]yriad unwarranted differentials clutter the U.S. Code. Many are obsolete or of minor importance when viewed in isolation. But the cumulative effect is reflective of a society that assigns to women, solely on the basis of their sex, a subordinate or dependent role.

Several of the differentials . . . could not survive judicial scrutiny even without an equal rights amendment to the Constitution. All of them are vulnerable under the national commitment to eradicate gender-based discrimination, evidenced most dramatically by the overwhelming approval Congress gave to the equal rights amendment. The statutory revision . . . should be commenced with diligence and dispatch. As we enter the closing quarter of the twentieth century, join in the celebration of International Women's Year in 1975, and prepare for our bicentennial, federal law should not portray women as "the second sex," but as persons with rights, responsibilities and opportunities fully equal to those of men.

We have recommended that the laboring oar in the revision process be wielded by Congress itself. . . . Each standing committee should deal with the laws falling within its subject matter domain. The eventual product might be an omnibus bill aimed at eradicating all discriminatory or unnecessary gender-based provisions or references. Alternately, amendments might be introduced Title-by-Title. A congressional effort of this dimension could serve as a model for similar efforts in the states, and in other nations.

Three aspects of comprehensive revision warrant special emphasis. First . . . review should encompass the manifold regulations prescribed under the various laws . . . . Second, all antidiscrimination statutes should be canvassed so that sex may be added to the catalogue in instances where, currently, it is not included. Third, Congress should advert to the concept that pervades the Code and that must be rooted out if the principle of equal rights, responsibilities and opportunities, free from gender-based discrimination is to achieve realization—the notion that the adult world is (and should be) divided into two classes: independent men, whose primary responsibility is to win bread for a family; dependent women, whose primary responsibility is to care for children and household. . . . [A]llocation of responsibilities within the family is a matter properly determined solely by the individuals involved. Government should not steer individual decisions concerning household or breadwinning roles by casting the law's weight on the side of (or against) a particular method of ordering private relationships. Rather, a policy of strict neutrality should be pursued. That policy should accommodate traditional patterns. At the same time, it should assure removal of artificial constraints so that women and men willing to explore their full potential as human beings may create new traditions by their actions.

EXHIBIT 1

[From the Washington Post, Feb. 19, 1975]

REPRESENTATIVE HAWKINS ON "AFFIRMATIVE ACTION"

(By William Raspberry)

Rep. Augustus F. Hawkins (D-Calif.) wants in on the debate over "affirmative action."

The debate has been heating up since last December when Peter Holmes, head of HEW's Office for Civil Rights (HEW–OCR), issued new guidelines to "clarify" the responsibility of colleges and universities in hiring minorities and women for faculty positions.

The guidelines followed sustained pressure from certain groups, including some college and university faculty members, to soften HEW's requirements. Or, as it was usually put, to make certain that misinterpretation of the requirements did not lead to "reverse discrimination."

Congressman Hawkins has taken a good, hard look, and what he sees is not reverse discrimination but "HEW–OCR's abrogating its responsibility under the law."

Under the Holmes clarification, college and university presidents, formerly under the impression that they would have to increase their hiring of minority and women faculty members, on pain of losing their federal funds, now know better.

The clarification goes in two important directions. Those university chiefs who want to increase their minority and female representation were told that they cannot advertise in any way that might seem to discourage white, male applicants.

And those who don't want to change their hiring practices were told that they won't really have to, so long as they are careful to make sure that the list of rejected applicants contains the appropriate number of minorities and women and so long as none of the rejects is demonstrably better qualified than those who are hired, with the university itself the sole judge of qualification.

The requirements, guidelines and clarifications have their roots in Executive Order 11246 (as amended), which calls for federal contractors to ban ethnic, religious or sex discrimination in their hirings practices. It also requires them to take "affirmative action" to see to it that their practices are not discriminatory. Violation of the order could lead to cancellation of government contracts, although it rarely has.

"HEW–OCR is responsible under the executive order to enforce the order's provisions in all the (approximately 1,000) higher educational institutions having contracts with the federal government," Hawkins points out. "In light of (Holmes' "clarifying" memo), a major concern being expressed by growing numbers of minorities and women seeking college faculty employment, by minority contract compliance officers, by civil and human rights advocates, and by some members of Congress, is the question of HEW–OCR's employment enforcement inadequacies."

There also are growing doubts over HEW's willingness to enforce equal-employment provisions, "since its obvious interests are in the supposed preferential treatment being given to minorities and women," Hawkins told The Washington Post.

The real issue—in fact, the only issue—is the systematic, consistent, deliberate denial of equal employment opportunities to minorities and women by institutions of higher education, and the encouragement HEW–OCR has given these institutions to continue their policy of discriminatory hiring of faculty."

The discrimination is continuing, says Hawkins, even though the widespread charges of "reverse discrimination" might give the impression that minority and female professors are flooding the college campuses.

He cites data from the Civil Rights Commission report of last month showing that between 1968 and 1973 the percentage of blacks rose only from 2.2 to 2.9. The increase of women faculty members during the same period was from 19.1 per cent to 20 per cent.

"Clearly, the promise of equal employment opportunity has not been achieved in institutions of higher education," the Civil Rights Commission said, charging that "HEW's failure to enforce the executive orders has played no small role in frustrating this objective."

Hawkins, looking at the same data, sees clear evidence of HEW–OCR's foot-dragging in response to its federally mandated obligation."

"Mr. Holmes wants to make a major case for so-called reverse discrimination," said the chairman of the Equal Opportunities subcommittee of the House Committee on Education and Labor. "If reverse discrimination truly exists, it must be operating in a vacuum, since those persons supposedly experiencing this kind of discrimination (white, Anglo-Saxon Protestant males) still overwhelmingly control all of our nation's colleges and universities.

"They have not suffered any meaningful employment problems; the continued low numbers of minorities and women in college and university faculty positions attest to this fact."

He said Holmes' office has no realistic affirmative action policy and "obviously they need some assistance in this matter."

"That assistance is forthcoming," Hawkins promised.

SENATE CONCURRENT RESOLUTION 20—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE APPROPRIATION OF SUPPLEMENTAL MILITARY AID TO SOUTH VIETNAM AND CAMBODIA

(Referred to the Committee on Appropriations.)

A BANKRUPT POLICY IN SOUTHEAST ASIA

Mr. TUNNEY. Mr. President, the American taxpayer has just been confronted with a dismal picture of continuing economic stagnation and heavy pressure to limit Government spending. What we do not need, to add to this burden, is a further, futile expenditure of over half a billion dollars in Southeast Asia in the next 5 months.

Congress has appropriated $700 million for military assistance to South Vietnam for the current fiscal year, and authorized spending $200 million for Cambodia—both figures exclusive of various kinds of assistance through the Agency for International Development, which help the military effort. President Ford has now asked for a supplemental appropriation in this fiscal year—which has just 5 months to go—of $300 million for South Vietnam, and $222 million for Cambodia.

Mr. President, this is an echo of a bankrupt policy. At this time last year, the Nixon administration made a similar request for some $250 million in extra spending authority for South Vietnam, with exactly the same rationale—without more arms, the Thieu regime would collapse. Congress refused to grant the supplemental authority, and South Vietnam did not collapse.

Today we are hearing the same refrain. But the administration is not merely suggesting that some emergency aid be given to take care of a temporary shortage of arms. It is setting the stage for a massive permanent increase in American arms shipments to Southeast Asia. The American people may not realize the magnitude of this supplemental request. With $700 million appropriated for the full fiscal year 1975 for South Vietnam, a $300 million supplemental for the last 5 months would indicate a doubling of arms shipments. And the administration request for $1.3 billion for fiscal year 1976 indicates that this new, doubled rate of arms shipments is intended to continue for at least the next 18 months. The same is true on an even greater scale for Cambodia, where the administration wants a supplemental appropriation for 5 months which is larger than the original appropriation for 12 months. And the fiscal year 1976 request for Cambodian arms will be a stupendous $450 million, double this year's appropriation and over half the total military aid program worldwide. Is this a strategy of disengagement?

Mr. President, I submit that this supplemental request is completely unjustified. Rather than doubling the rate of expenditure in Southeast Asia, we should be continuing the trend of phasing it out. This supplemental appropriations request represents more of the mentality which got us into Vietnam in the first place—more spending, more guns, more soldiers will solve the problem.

The truth is that only the Vietnamese and Cambodians themselves will solve their problems, through negotiations. This has been the simple fact for almost 30 years, but American leaders have rarely realized it. A further infusion of American arms will not save South Vietnam or Cambodia, but will only persuade the present governments to fight on. Surely no one thinks that Saigon or Phnom Penh will be able to turn the tide and defeat their enemies, even with 10 times more arms. Any great increase in American arms shipments will only be matched by new shipments from the Soviet Union or China. The situation is at a stalemate, or worse, and it will do no good for us to send more money down a bottomless pit. We must instead stay on our present course—a steady and rapid phaseout of our financial support for the Thieu regime.

The failure of the parties involved to adhere to the Paris peace agreement is surely the fault of both sides. At no time after the agreements were signed did President Thieu appear genuinely willing to attempt the political compromises outlined in the agreements. He kept North Vietnamese negotiators cordoned off in a compound at an army base. He used his massive American assistance to try to expand his territorial control. Unfortunately, the United States has helped the Thieu regime consistently in its failure to seek a negotiated settlement. We have given material and political support which undermined the peace accords, starting even before they went into effect, which could then be legally replaced. It is small wonder that the North Vietnamese were skeptical, and did not for their part adhere to the agreements either. One result has been our inability to make an accounting of our MIA's and POW's. Last year the Congress made a finding that the peace agreements had been broken by both sides.

Now the United States has announced that it is officially renouncing the peace agreement, and will not adhere to its provisions, because of North Vietnamese violations. Already American reconnaissance planes are overflying the North, and Vietcong areas in the South, contrary to provisions of the agreement. What will be next: Armed planes to protect the reconnaissance flights; reintroduction of American advisers; more troops to protect our advisers? Mr. President, we seem to be on the same path which our Nation started down 12 years ago, an inching into quagmire.

It is most sad that President Ford refuses to take a more realistic view of American's priorities. American prestige has long since been tarnished by our involvement in Vietnam, and can receive no boost by continuing to wastefully prop up two corrupt dictatorships.

Once and for all, our leaders must

break away from the light at the end of the tunnel syndrome. State Department officials, and now President Ford as well, have been saying that it will be possible to phase out American financial and military aid to South Vietnam within 3 to 5 years—if only we give a big enough boost now to "get them over the hump." Well, South Vietnam has been on a 12-year hump, and it has yet to get over it. I submit that there is no reasonable likelihood, given a continuation of current policies, that we will ever be extricated from a $2 billion a year "habit" in Southeast Asia.

We must make the firm decision that it is in America's interest to disengage from Southeast Asia, and leave the solution of the political problems there to the parties. We must set a schedule for ending our financial assistance and end it. Our domestic stringencies, no less than international realities, require a rapid phaseout of this expensive, and endless subsidy.

Mr. President, I believe my colleagues in the House and the Senate agree with the points I have been discussing. In order to formalize that agreement, I am today submitting a concurrent resolution stating that no supplemental military assistance should be appropriated for South Vietnam or Cambodia in this fiscal year, and calling for a firm schedule to terminate all military assistance. The resolution also calls on the U.S. Government to adhere to all the terms of the Paris peace agreements, and make new efforts to negotiate a true peace in Southeast Asia with the other parties concerned.

Mr. President, I hope this resolution will be supported by my colleagues in both Houses. I am convinced that it represents the wishes of the American people.

I ask unanimous consent to have the text of the concurrent resolution printed in the RECORD at this point.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 20

Whereas a settlement of the present conflict in South Vietnam and Cambodia is vital to the peace and security of Southeast Asia and is in the best interests of world peace and stability; and

Whereas a settlement depends upon the right of the Vietnamese people to determine their own destiny pursuant to The Vietnam Agreement and Protocols, signed January 27, 1973; and

Whereas Article 3 of the Agreement On Ending The War And Restoring Peace In Vietnam (the Agreement) states that: "The parties undertake to maintain the cease-fire and to ensure a lasting and stable peace"; and

Whereas Article 20 of the Agreement states that: "Foreign countries shall put an end, to all military activities in Cambodia . . ., totally withdraw from and refrain from reintroducing . . . troops, military advisors and military personnel, armaments, munitions and war material"; and

Whereas a massive increase in the financial assistance for military use in Vietnam and Cambodia would undermine the purpose and the goals of the Agreement and the ability of the Vietnamese and Cambodian people to achieve their own sovereignty as called for in Articles 1 and 20 of the Agreement; and

Whereas the Agreement has been further undermined by the recent statements of the United States government suggesting that it would not be bound by all the provisions of Agreement because of North Vietnamese violations; and

Whereas the lack of negotiations between the parties under the Agreement precludes the United States from achieving an accounting of American personnel listed as Missing In Action as called for in Article 8 and the Protocol on Prisoners and Detainees; Now therefore, be it

Resolved by the Senate (the House of Representatives concurring), That, no supplemental military appropriations be made in this fiscal year to South Vietnam or Cambodia;

SEC. 2: That, a firm schedule be set for the ending of military, financial assistance by the United States to Vietnam and Cambodia, concurrent to the greatest practicable degree with similar reductions in military assistance by the other signatories and endorsing parties to the Agreement;

SEC. 3: That, the United States adhere to all terms of the Agreement, and make all efforts to renew diplomatic negotiations between the signing parties and the other endorsing countries to resolve the current conflict, achieve an accounting of United States personnel, and create a lasting settlement.

SENATE CONCURRENT RESOLUTION 21—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO SHIPMENT OF ARMS TO PAKISTAN AND INDIA

(Referred to the Committee on Foreign Relations.)

Mr. HOLLINGS (for himself, Mr. CHURCH, and Mr. CRANSTON) submitted the following concurrent resolution:

Resolved by the Senate (the House of Representatives concurring). That it is the sense of the Congress that the United States embargo against the shipment of arms to Pakistan and India should be reinstituted without delay.

Mr. HOLLINGS. Mr. President, it seems that insofar as South Asia is concerned, our diplomats never learn. About the only lesson they derive from making a mistake is how to make the same mistake all over again. And that is exactly what is happening right now with regard to our policy for India and Pakistan.

The administration has announced that the United States is lifting its 10-year-old embargo on the sale of arms to Pakistan.

There is no justification for lifting the embargo. This particular step at this particular time erodes further the already fragile position of the United States in that area of the world. It undoes in one fell swoop the painfully slow progress that has been made in moving forward from the chaos and bitterness of recent years. Pakistan and India have been taking a few very halting—but nevertheless forward—steps. And the United States and India had gradually begun emerging from the recrimination caused by our wrong headed and disastrous policy at the time of the war for Bangladesh. A new American Ambassador was on his way to India, hopefully to inaugurate an era of better feeling. All of these developments are now in serious jeopardy, thanks to the precipitous and ill-advised lifting of the embargo by the Ford administration.

Mr. President, I am not going to recite the lengthy history of our policy on the subcontinent. I believe that observers such as Chester Bowles were essentially correct in believing that our initial decision to supply arms to Pakistan—taken in the early 1950's—was based on misguided and erroneous assumptions that bore no relation to the long-term strategic interests of the United States. Our concept of what Pakistan would be able to do for us in the eventuality of a direct Soviet move into the Middle East was vastly overblown. And, by initiating the arms shipments, we fueled an ever-escalating arms race on the subcontinent that has, first, encouraged open warfare between India and Pakistan on more than one occasion; second, opened the road to Soviet penetration of India through the supply of arms and aid; and third, diverted the scarce national resources of India and Pakistan from economic development to military stockpiling. Whatever our intentions were—and I am certain they were good and honorable—the policy was bankrupt from the start. To go back to arms sales now compounds the felony.

I remember back in more hopeful days—in those early days of the New Frontier—the talk was about developing India as the great example of democracy and economic prosperity in Asia, in contrast to its neighbor China, thereby winning hearts and minds all through the third world. It was an ambitious agenda—beyond the power of any country to bring about. Yet when we stop to think that almost everything we have done in the 1970's has worked against the better interests of the United Sates in South Asia, and has only weakened the ability of India to address its gigantic social problems—we can only wonder in amazement. There has been no realism, no sense of proportion, attached to our policy on the subcontinent. From those first assurances of President Eisenhower that our military aid to Pakistan would never be diverted for use against India—a commitment impossible to fulfill—to our completely mistaken attitude over Bangladesh, and now to this resumption of arms sales to Pakistan—every step has cost us influence.

Just as the Soviets were quick to take advantage before, so they are poised again now. While our new Ambassador is forced to cool his heels in Thailand, because of the reception which awaits him in India, the Soviet Defense Minister, Marshal Grechko, has just been given a red-carpet welcome, and he no doubt goes to India bearing arms and other assistance.

Mr. President, I am today introducing a concurrent resolution putting Congress squarely on record in favor of reinstituting the arms embargo. I hope we can act on this promptly. And I hope that the administration will reconsider—and leave all talk of "tilts" and the like as reminders of a bleaker past rather than as policy prescriptions for today and tomorrow.

AMENDMENT SUBMITTED FOR PRINTING

RESOLUTION TO AMEND THE STANDING RULES OF THE SENATE—SENATE RESOLUTION 4

AMENDMENT NO. 22

(Ordered to be printed and to lie on the table.)

Mr. BROCK submitted an amendment intended to be proposed by him to the motion of the Senator from Minnesota (Mr. Mondale) in connection with the resolution (S. Res. 4) amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 20

At the request of Mr. Dole, the Senator from New York (Mr. Buckley) and the Senator from Idaho (Mr. McClure) were added as cosponsors of amendment No. 20, intended to be proposed to House Joint Resolution 210, making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

NOTICE OF HEARING

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, March 5, 1975, at 10:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nomination:

Thomas J. Meskill, of Connecticut, to be U.S. circuit judge for the second circuit, vice J. Joseph Smith, retired.

Any persons desiring to offer testimony in regard to this nomination, shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

The subcommittee consists of the Senator from Arkansas (Mr. McClellan), the Senator from North Dakota (Mr. Burdick), the Senator from Nebraska (Mr. Hruska), the Senator from Pennsylvania (Mr. Hugh Scott), and myself as chairman.

NOTICE OF HEARINGS ON FINANCIAL CONDITION OF LOCAL HOUSING AUTHORITIES

Mr. SPARKMAN. Mr. President, I should like to announce that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs will hold 2 days of oversight hearings on the financial condition of local housing authorities on March 11 and March 14, 1975.

The hearings will be held in room 5302 of the Dirksen Senate Office Building and will begin at 10 a.m. each day.

The subcommittee would welcome statements for inclusion in the record of hearings.

NOTICE OF HEARINGS ON EMERGENCY HOUSING

Mr. SPARKMAN. Mr. President, I should like to announce that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs will hold 4 days of hearings—March 17 through March 20—on emergency housing and housing/energy legislation. The bills include S. 587, S. 591, S. 655, S. 660, S. 748, S. 751, S. 773, and titles X and XI of S. 594.

The hearings will be held in room 5302 and will begin at 10 a.m. each day.

Those wishing to present testimony before the subcommittee on these bills should contact Dorrie Thomas, of the Housing Subcommittee staff, room 5226, Dirksen Senate Office Building, 224-6348.

The subcommittee would also welcome statements for inclusion in the record of hearings.

ANNOUNCEMENT OF CONSUMER PROTECTION HEARING

Mr. RIBICOFF. Mr. President, the Committee on Government Operations will hold a hearing on Thursday, March 6, at 10 a.m. in room 3302, Dirksen Senate Office Building, to receive testimony relating to S. 200, the Consumer Protection Act of 1975, from representatives of the U.S. Chamber of Commerce and the National Association of Manufacturers.

These two witnesses were scheduled to testify on February 24. However, insufficient time was available. Because these witnesses are most important as leading opponents of S. 200, I feel that it is important to give them sufficient time and the full attention of the committee to present their views on this important legislation. I urge as many members of the committee as possible to attend. The public is invited.

NOTICE OF HEARINGS ON REORGANIZATION OF THE FIFTH AND NINTH JUDICIAL CIRCUITS

Mr. BURDICK. Mr. President, I wish to announce that open public hearings have been scheduled before the Subcommittee on Improvements in Judicial Machinery on S. 729, a bill to improve judicial machinery by reorganizing the fifth and ninth judicial circuits, by creating additional judgeships in those circuits, and for other purposes.

These hearings are a continuation of 6 days of hearings held in September and October 1974 on this same subject matter.

The hearings will be held on March 18, 19, and 20, 1975, in room 6202 Dirksen Senate Office Office Building, beginning at 10 a.m. each day.

Those who wish to testify or submit a statement for inclusion in the record should communicate as soon as possible with the Subcommittee on Improvements in Judicial Machinery, 6306 Dirksen Senate Office Building, 224-3618.

NOTICE OF HEARING

Mr. KENNEDY. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing on the Senate Subcommittee on Health, Committee on Labor and Public Welfare.

The hearing is scheduled for April 8, 1975, beginning at 10 a.m. in room 4232 of the Dirksen Senate Office Building. Testimony is invited regarding three bills presently before the committee concerning malpractice insurance for physicians, other health professionals, and institutional health care providers. S. 188, S. 215, and S. 482 will be the focus of these hearings.

For further information regarding the hearings, you may wish to contact Dr. Stuart Shapiro with the Senate Health Subcommittee at 224-9786. Those wishing to testify or submit a written statement for the hearing record, should write to Dr. Shapiro at the Senate Subcommittee on Health, Committee on Labor and Public Welfare, room 4228 Dirksen Senate Office Building, Washington, D.C. 20510.

NOTICE OF HEARINGS

Mr. MUSKIE. Mr. President, I would like to announce a series of Budget Committee hearings to prepare for reporting our first concurrent resolution on the Budget in April. These hearings will focus on major issues having significant fiscal impact in fiscal 1976.

The committee will receive testimony from public spokesmen, Administration officials, and other Senators as we work toward producing a budget resolution containing aggregate totals for spending and revenues for fiscal 1976.

The hearings will begin on Tuesday, March 4. Additional hearings will take place March 5 through March 7, March 10 through March 14, and March 17 and 18.

On Tuesday, March 4, the committee will concentrate on the impact of the 1976 budget on jobs and the economy. Among the witnesses will be Leonard Woodcock, president of the United Auto Workers; Jerry Wurf, president of the American Federation of State, County, and Municipal Employees; Vernon Jordan, executive director of the National Urban League; and a panel of distinguished business leaders. This hearing will begin at 10:30 a.m. in room 4232, Dirksen Senate Office Building.

On Wednesday, March 5, the committee will examine how the 1976 budget affects State and local governments. Appearing to testify will be a panel of governors from the National Governors Conference and a panel of mayors from the National Conference of Mayors and League of Cities. This hearing will begin at 10 a.m. in room 6202 Dirksen Senate Office Building.

On Thursday, March 6, the committee will focus on the various energy policy options and their impact on the 1976 budget. Among the witnesses to be testifying will be Frank Zarb, Administrator of the Federal Energy Administration and Charles Schultze, Senior Fellow at the Brookings Institution. This hearing will begin at 10 a.m. in room 6202 Dirksen Senate Office Building.

On Friday, March 7, the hearings will concentrate on fiscal policy in the 1976 budget. Among the witnesses to be testifying are Senator HUBERT HUMPHREY, chairman of the Joint Economic Committee; and Prof. Gerard Adams and James Tobin. This hearing will begin at 10 a.m. in room 6202, Dirksen Senate Office Building.

The hearings will continue the following week with testimony from Alan Greenspan, chairman of the Council of Economic Advisers; James Lynn, Director of OMB; Arthur Burns, Chairman of the Federal Reserve Board; Secretary of Defense James Schlesinger; and Secretary of HEW Caspar Weinberger. Further details of these hearings will be announced next week.

All of these hearings will be open to the public.

ADDITIONAL STATEMENTS

AID TO SOUTHEAST ASIA

Mr. THURMOND. Mr. President, an interesting article by Walt W. Rostow, national security adviser to the late President Lyndon B. Johnson, published in the Washington Star-News February 16, 1975, makes a strong case for aid to Southeast Asia.

Mr. Rostow also warned that far-reaching ill effects will come from efforts in the Congress to dictate foreign policy. He noted that similar moves by the Congress in the early part of this century contributed substantially to the coming of the Second World War.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NUCLEAR STAKES IN SOUTHEAST ASIA

(By Walt W. Rostow)

From all accounts, a majority in the Congress appears seized of the idea that we should limit our military assistance to Cambodia and South Vietnam in the face of the military offensives they confront, despite the judgment of the executive branch that this may well lead to Communist victory in the area.

Those supporting this limitation are in the position of arguing that it would be better for the people of Southeast Asia to have peace than war, even if peace brings Communist control. They also say that the American people have had enough of Southeast Asia, and a majority of our citizens supports a cut-off of aid to the area.

It is understandable after all that has transpired over the last 30 years that the American political process should generate moods like these; but, as George Kennan wrote in another context: "History does not forgive us our national mistakes because they are explicable in terms of our domestic politics." What if the destruction of independent non-Communist states in Southeast Asia should irreversibly lead not to "peace" but to greater instability and conflict in the world than we already know?

Specifically, members of Congress ought to consider these four points before casting their votes.

Whatever moral judgments or domestic political imperatives may move individual members of Congress, the United States will appear to the rest of the world to have knifed in the back an embattled ally. And we will have done so after that ally had successfully held his own over the more than five years since American troop withdrawals began, accepting increased casualties, despite an American-negotiated truce settlement that has not been honored by Hanoi and on whose enforcement Washington has not insisted once our prisoners were home.

A part of that settlement was the understanding that we would supply the South Vietnamese with arms to match those mounted against them. There is no North Vietnamese weapon that does not come from its allies in Moscow and Peking. It is inevitable that an American cut-off of military supplies to Southeast Asia shakes our alliances in every part of the world. Our allies may differ in the weight they attach to events in Southeast Asia; but they are all vitally affected by the record of American reliability in honoring its treaty commitments and other promises.

A loss of confidence in American reliability could lead to further nuclear proliferation. A good many countries have moved close to the threshhold of nuclear weapons production. One barrier that has thus far prevented their taking this fateful step is the greater advantage of explicit or implicit security ties with the United States than the development of independent nuclear capabilities can provide. An American foreign policy dominated by moods of a Congress prepared to alter unilaterally treaty relations as well as agreements made by the executive branch, is not likely to commend itself as the foundation for national security to a number of important nations in a world they perceive as still potentially dangerous. By several routes, nuclear proliferation increases the chances of nuclear war.

In Southeast Asia itself, the action of Congress may well lead to a larger war rather than to peace. That action will signal to other powers a definitive American abandonment of interest in Southeast Asia and set off a scramble for power to fill the vacuum.

The situation in the region differs in a number of ways from that in 1965. Thailand and Indonesia, for example, are stronger now, and perhaps some of the other states as well. On the other hand, the long line of the Mekong still renders Thailand vulnerable to a Communist conquest of Indochina; and the fate of Burma runs with that of Thailand, as both parties have long recognized. Since independence, the Indian foreign policy has systematically regarded the independence of Burma (and Malayasia, too) as a direct vital interest. Thus, a congressional cut-off of military aid could set in motion a confrontation between India and China, as well as a Chinese-Russian confrontation. Both confrontations now carry the potentiality of nuclear war.

Finally, the resources of Southeast Asia, until recently a factor of negligible interest, have increased in importance to Japan and Western Europe as well as to the United States; that is, the oil of Indonesia and the potential deposits of the South China Sea. In a world enmeshed in a long-term energy crisis, the sea routes which Indochina dominates assume increased importance.

This is not the first time in our history that the Congress has exercised intimate control over foreign policy. The first time it happened, in the 1780s, it yielded such dangers to the republic that the nation reluctantly accepted the Constitution under which we have lived successfully for almost 190 years. The last time it happened, between 1918 and 1940, the policy of the United States contributed substantially to the coming of the Second World War.

The voices now dominant in the Congress, echoing their isolationist predecessors, are once again seeking to impose their vision of how the world ought to be, as opposed to the way the world really is. Those who know better are mainly silent; cowed by the media, tired from a long enervating struggle, unwilling to say what they believe after the bruising battles of the past generation. But history is without pity—even for the United States. To quote Kennan again: "A nation which excuses its own failures by the sacred untouchableness of its own habits can excuse itself into complete disaster."

And this time the disaster could be nuclear war.

THE CAMBODIAN CRISIS

Mr. HUMPHREY. Mr. President, the best information available this morning in Washington indicates that the Cambodian forces of President Lon Nol are increasingly unable to mount an effective defense. They have been unable to reopen Cambodia's vital Mekong river supply routes. It now appears doubtful that they can insure the security of the Phnom Penh airport which represents that country's last means of supply from the outside world.

On the civil side, the Phnom Penh Government is clearly unable to provide even the minimum functional distribution of food to the starving. Its economy has clearly collapsed.

Neither Cambodia's military or economic problems result from a lack of resources. Both food and ammunition are available in greater quantities than can be moved into the beseiged capital.

At the present time the Cambodians are consuming approximately 500 tons of ammunition each day. If the supplemental funds were approved, there is little or no reason to believe that the additional increase in ammunition supply over the 500-ton consumption rate could turn the tide for the Lon Nol government. But even more significantly, it is very doubtful that increased supplies of ammunition can be moved into the country and then distributed, in view of blocked river routes and an airport which may be closed any day.

These facts are well known to the President and to the Secretaries of State and Defense. The best intelligence estimates available to them must suggest, if not conclude, that Cambodia's defense is highly questionable even if the additional aid were available today. Other evidence confirms that negotiation between the Lon Nol government and the insurgents is out of the question because it is as evident to the latter as it is to U.S. experts that President Lon Nol cannot survive and that he has lost the confidence of his people.

Knowing this, it is misleading and unfortunate for the President and the Secretaries of State and Defense to tell the American people that Phnom Penh will fall if the Congress does not act. They know that in all likelihood Phnom Penh cannot be saved even with additional money.

Thus it is unfair for the administration to seek to lay at the feet of the Congress the blame for a rapidly deteriorating situation in Cambodia.

The Congress has already supplied nearly $1.8 billion in economic and military assistance to Cambodia since 1970. This year alone we have provided $452 million in aid.

We have no defense commitment to the Lon Nol government. The Congress has repeatedly declared this in legislation which both President Nixon and President Ford have signed into law. The administration itself has heretofore disclaimed any defense commitment to Cambodia. Instead of seeking to make the public believe that some obligation exists, the administration should join with the Congress and urge that President Lon Nol and his group now step aside and allow others to arrange an immediate cease fire and emergency relief measures.

The Lon Nol government is beyond help but the Cambodian people are not. We should recognize now that the limiting factor in Cambodia is not our aid but Phnom Penh's will. We should acknowledge that the only course we can now follow is to alleviate the suffering of the Cambodian people and supply food for the population.

The Congress and the executive branch should take action together without recrimination and finger pointing. There is blame enough on all sides. What we must do now is to stop the slaughter of the innocents.

Mr. President, I ask unanimous consent that my opening statement on Cambodia, made as chairman of the Subcommittee on Foreign Assistance and Economic Policy at our hearing on the supplemental request, be printed in the Record.

I also ask unanimous consent that an excellent editorial on Cambodia in the Washington Post of February 25, 1975, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Senator Hubert H. Humphrey's Opening Statement

It is ironic that this, the first session of this newly created Subcommittee on Foreign Assistance and Economic Policy of the Committee on Foreign Relations, should be concerned with the question of authorizing supplemental military assistance to Cambodia. Most of us favor and would like to focus the attention of this subcommittee on, programs of economic development and efforts to improve the lives of poor people. But since the days of the Marshall Plan and Point Four we have seen foreign aid turned increasingly to political purposes with far greater priority attached to the military and political assistance rather than to programs designed to feed and to improve the standards of living of the less fortunate areas of the world. As much as we would like to put the contentious issues of Indochina behind us, it appears we must confront them once again.

Earlier this year, the Administration submitted a request for a $578.3 million to provide economic, military and food assistance to Cambodia. Portions of that request were considered in this Committee and its recommendation was that all the requested food aid should be provided, that $100 million of economic aid be provided and that $200 million in military aid be authorized for the entire fiscal year—all for a total of $377 million. We put a firm ceiling of $377 million on the total aid that could be provided. Subsequently, the Administration sought and obtained as part of the final Foreign Assistance Act authority to use $75 million from the so-called drawdown of existing Defense Department stocks of supplies and ammunition to augment the $200 million military assistance program. Thus, the total presently available for assistance to Cambodia is $452 million—a rather substantial sum.

The Appropriations committees have not yet acted upon the FY 1975 aid program authorization. Nevertheless, we are informed by the Executive Branch that regardless of what action the Appropriations committees take, the entire $275 million authorized for Cambodia military assistance, including the drawdown authority, has already been obligated.

Last month the President indicated his intention to request a supplemental authorization to provide an additional $222 million in military assistance for Cambodia. At the request of the Executive Branch, the Chairman of our full Committee, Senator Sparkman, introduced a bill, S. 663, to authorize this assistance. It is that bill which we are now convened to consider.

If approved, the Administration's request would remove the ceiling and on the basis of its present planning, allow the Administration to give Cambodia at least $745 million, or $167 million more than requested as the fiscal year began. And the total could go much higher. If the ceiling is lifted, it would mean that vast amounts of Public Law 480 commodities could be shipped to Cambodia—provided they could be delivered—and, possibly, that both economic and military assistance funds would be transferred from programs in other countries for use in Cambodia.

Since this bill was submitted, the military and economic situation in Cambodia has deteriorated drastically. We are told that supplies of ammunition in Phnom Penh are severely limited and that the rice on hand in Phnom Penh will last no more than another month. The Mekong River, upon which the capital of Phnom Penh has been dependent for its supplies over the past few years, has now been closed by the forces which oppose the Cambodian government. The only supplies which are reaching Phnom Penh today are those which are flown in by air. Such shipments consist almost entirely of ammunition.

As long as a year ago this Committee was advised by its staff that Cambodia's economy had, for all practical purposes, ceased to exist and that only the determined efforts of the American Embassy kept the governmental machinery moving.

Many of us will remember, and perhaps be unable to forget, the newspaper story which appeared in the Washington Post on Friday, February 21 concerning Cambodia. The story was entitled, "A Child Dies in Phnom Penh." It described the death of a two year old boy who perished for lack of food. According to the story, he died not because "there is not enough food in the city but because there is no distribution system to help the vast majority of poor people who can no longer afford to feed their children enough to keep them healthy." Indeed, there are thousands of tons of rice for Cambodia on hand in Vietnam and in transit but Cambodia's army cannot clear the banks of the Mekong River to ensure its passage.

We need to consider this afternoon whether the legislation before us will do anything to alleviate this problem. In addition, we need to consider whether the passage of this legislation would bring about an end to the war, whether it would shorten it, or indeed, whether it would only prolong the fighting with no prospect other than continued conflict between the two competing Cambodian factions.

We need to know what the prospects are—if any—for a cease-fire or a commencement of negotiations between the authorities in Phnom Penh and those who direct the forces opposing the central government.

At the time the aid request for this fiscal year was originally submitted, Secretary Kissinger stated that the "increasing strength" of the government of Cambodia would "encourage the Khmer Communists toward a political settlement rather than continued conflict." Secretary Kissinger also wrote a year ago, "We are convinced that with U.S. military and diplomatic support the Khmer Republic's demonstration of military and economic viability will persuade their now intransigent opponents to move to a political solution of the Cambodian conflict." Since that was written the United States has spent a half billion dollars providing the support Secretary Kissinger requested.

We must also take note of Secretary Schlesinger's statement yesterday to the effect that the United States' word would be "suspect" in the Middle East, China and elsewhere unless the supplemental money is approved. In this connection I would cite Section 655(g) of the Foreign Assistance Act which states that the provision of aid to Cambodia "shall not be construed as a commitment by the United States to Cambodia for its defense." That statement of policy, originally enacted by the Congress in 1971, has been reincorporated in every foreign aid bill since that date and duly signed by the President. Notwithstanding that strong disclaimer, it cannot be said that an extraordinary effort has not been made to aid the Cambodians. In fact, since the overthrow of Prince Sihanouk, and with the program currently planned for this fiscal year, the Lon Nol government would have received a total of $1.75 billion in United States aid. If the supplemental legislation is approved, that total would go above $2 billion—at a minimum.

It seems to me that events in Cambodia have gone far beyond the point where we should be concerned about trying to support continued military actions on the part of the Phnom Penh forces and should turn our attention instead to the alleviation of the terrible suffering and bloodshed occurring on both sides in this civil war. How does it make any sense to ask for $222 million worth of ammunition which can't be delivered when children are starving and the Cambodian people are desperate for peace?

We are pleased to have as our primary witness this afternoon, Philip Habib, Assistant Secretary of State for East Asian Affairs. Mr. Habib is an experienced diplomat and a forceful advocate. We hope that you will lay the situation out for us in its plainest terms, Mr. Habib.

Cambodia's Agony

Senator Humphrey asked the right question yesterday at a Senate hearing on aid for Cambodia. How will the provision of more aid, he said, ease the suffering of the Cambodian people and hasten the end of the war? For Mr. Humphrey feels—and we suspect he represents a congressional majority on this point—that simply to vote more aid, without there being a reasonable expectation that it will be "effective," is becoming more pointless, if not also more cruel, by the day. There is starvation in Phnom Penh, and the insurgents are gaining steadily. Just to keep the Lon Nol government in office, without providing either relief for the people or the prospect of a settlement in Cambodia's civil war, seems less and less worthwhile.

Unfortunately, the administration has yet to show that it understands the basis of these congressional doubts. Ignoring the relentless deterioration of the Lon Nol government's entire position, the administration keeps intoning that it seeks only an "early compromise settlement," even while it acknowledges that the chances of such a settlement are receding from sight. In fact, the evident deeper American purpose in Cambodia is to uphold its credibility or, as Secretary of Defense Schlesinger put it on

Sunday, its "word." This is the basis on which officials urge Congress not to "desert" an "ally," as Congress considers a request for $222 million more in military aid on top of $377 million already obligated in all categories in this fiscal year.

We think this plea arises from a misperception of the Congress as well as of the American relationship to Cambodia. Cambodia is not an "ally," after all, but a state haphazardly and extra-constitutionally made an American client by the American "incursion" of 1970. The Congress does not so much wish to "desert" Cambodia, we think, as to spare it further destruction. We see not so much a congressional desire to escape the responsibility which the United States took on five years ago, as a wish to discharge that responsibility in a way which leaves Cambodians in a position to appreciate the results.

Perhaps the choice before Congress will be mooted by the collapse of the Lon Nol regime in the next few months. It is hard to see what keeps it upright, anyway. But while that denouncement would bring the current agony of Cambodia to a close, it would do so plainly as a result of the withholding of vital support by the United States. That is not the kind of message which the administration or responsible congressmen or, for that matter, we ourselves would like to see sent around the world—if there is any choice left.

We think there may be such a choice, one which leaves it to Cambodians, not Americans, to determine the future of their own country. It comes down to Lon Nol. Because of his closeness to the Americans, the insurgents refuse to accept him as a partner in a negotiation or in a compromise settlement. Without him, the insurgents insist, they would negotiate an agreement to end Cambodia's civil war. With him, they will fight on. Their demand, enforced by their military and political momentum, puts Lon Nol in the excruciating position of having to decide whether he could serve his country better by remaining in office or by resigning. A Congress which hesitates either to support a seemingly endless war or to dump a client state could well consider conditioning its further backing of the Cambodian government on the decision made by Lon Nol. Those who would find this course too extreme or chancy should explain how it will fare better for Cambodia, or the United States, for Lon Nol to stay.

BICENTENNIAL DECLARATION

Mr. RIBICOFF. Mr. President, the Bicentennial celebration represents a great juncture in American history. It is a time to rediscover the ideals which made this country great and to forge new ones which will prepare us for a third century of independence.

The Bicentennial is a time for us all to wonder at the spirit and principles that gave us Bunker Hill and the Bill of Rights—and a time to reflect on those principles.

The Bicentennial marks a starting point into an era just as foreboding and full of promise as faced the farmers, the shopkeepers, the lawyers 200 years ago. It is a time to scan the horizon for new ideas and new inspiration to fortify the Nation against the challenges ahead.

Some of our Nation's most distinguished citizens have signed their names to a Bicentennial declaration that sets down a promise for a second American revolution. I would like to add my name to those who stand by this declaration, and I ask unanimous consent that it be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

A BICENNTENNIAL DECLARATION

This great country of ours stands at a crucial turning point in its history. We face new and serious problems and uncertainty as to the future.

Two hundred years ago, our founding fathers stood at a similar crossroads. Beset then by grave doubts, they ultimately resolved to stake everything on a handful of ideas and ideals.

They forged those ideas and ideals into founding principles and then fought to uphold them. The American Revolution brought forth a new system of government based on freedom, justice, and individual rights.

Today we are called upon to maintain and improve that system and to fulfill those principles in a world growing increasingly interdependent. We are called upon to resolve our problems in many areas such as the economy, education, the environment, equal opportunity, freedom of choice.

We, the undersigned, before—and we feel confident we reflect the sense of the American people—that we have reached the point in our history when a second American Revolution is called for, a revolution not of violence, but of fulfillment, of fresh purposes, and of new directions.

We believe that the Bicentennial of our founding offers just such an opportunity. To realize this potential, we believe the Bicentennial must be based on four fundamentals.

Let us be inspired by our origins, and by the challenges we face.

If we are not today an inspired people, we need to be reminded that we once were, and must be again. There is high inspiration to be found in the great deals that created our country. The phrases that have been worn smooth by use have fresh and urgent meaning for us today—"government by consent of the governed," "the blessings of liberty," "all men are created equal," "a nation of laws." The Bicentennial can and must become a time to celebrate those ideals, and to celebrate them in the profound sense of renewal and dedication.

Let us make the Bicentennial a great period of achievement, nationally and in every community.

What our forebears did 200 years ago had never been done before. What we must do today is equally unprecedented. At every level in our society, there is an urgent need for achievement—in education, housing, transportation, the arts, communications, new ways of solving social problems, new methods of setting goals for the future, increased citizen participation in government. We believe that dedicating the Bicentennial to achievement is the way to put the sense of alienation and powerlessness behind us, to become once again the masters of our own destiny.

Let us commit ourselves to a Bicentennial Era, to at least the same time span required for the founding of our nation.

The first American Revolution neither started nor ended on the Fourth of July, 1776. Thirteen difficult years elapsed between the signing of the Declaration of Independence and the creation of an enduring system of government based on the Constitution. Many of the problems of today are different from those of 200 years ago, but they are at least as grave. Therefore, the second American Revolution will require at least a comparable period of time to grow strong and firm roots. We endorse the concept of a Bicentennial Era from 1976 to 1989 as a realistic period for tough-minded planning and accomplishment.

Let us put our trust in individual initiative, in the participation of each individual citizen.

Our great experiment in democracy will surely erode unless the Bicentennial Era becomes a time when we once again assert the primacy of individual initiative in moving our country forward. Governmental units at all levels must play a vigorous part. But the primary responsibility lies with the people not with government. Let each of us, acting alone and in groups, take our own initiatives. There is work for all—for each individual—in every part of the country, of every color, creed, age, and ethnic background. That work must begin now.

For our part, we, the undersigned, pledge ourselves to spread this message throughout the land, and to undertake our own individual initiatives. We earnestly invite our fellow citizens, all those who share our vision of what the Bicentennial Era can mean and accomplish, to lend their time, their energy, and their spirit to the work that lies ahead.

CAPITAL FORMATION AND INDIVIDUAL FREEDOM

Mr. BROCK. Mr. President, 4 or 5 years ago most of the Congress scoffed at the "experts" who predicted an energy crisis. Yet, when that crisis arrived, many seemed surprised. They should not have been, because intelligent people had spent years presenting the hard facts to us. Today, another crisis is on the horizon. This is a crisis in our capital formation markets.

While current problems in the capital markets seem small and limited, they are going to rapidly escalate into critical proportions that will affect every American. The mounting capital needs for energy, for jobs, for Government, and for the economy will not be met if we continue our present policies. It is that simple.

In a recent address to the Economic Club of Chicago, the president of the Chase Manhattan Bank, Mr. Willard C. Butcher, discussed our capital formation needs. I found his speech to be an excellent analysis both of the causes and possible cures for our problems in the capital markets. Like Mr. Butcher, I also feel that our country must immediately reevaluate its attitude toward capital formation and allocation.

We cannot have a growth economy when four out of five available investment dollars are being consumed by Government—as they will be in the next 2 years. Unemployment will not drop when homebuyers and small businessmen find the interest rate increasing as it will with the proposed deficit. We will not have orderly economic growth with our prices exploding upward—as they will with exploding Federal spending. We must, as Mr. Butcher states, have a new policy that placed the highest priority on developing a growing pool of capital. We must use that capital for productive purposes.

I ask unanimous consent that Mr. Butcher's excellent remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

CAPITAL FORMATION AND INDIVIDUAL FREEDOM: A TIME TO CRY "WOLF"

(By Mr. Willard C. Butcher)

I'm very disturbed about what I see taking place in this country, I am disturbed about the economy—not so much that we are in a recession as some of the senseless ways we try to get out of it. Not so much by inflation as by the fact we try to counteract and make up for it, rather than cure it.

I am disturbed by the fact that people aren't being told enough about the essential nature of our economy and our economic problems. I am distressed by the media, and by what seems to be either their failure to understand what makes our economy work, or their inability or unwillingness to communicate that knowledge.

I am disturbed by the kind of politics-as-usual in Washington that puts less emphasis on solving our problems than on who will get the credit if they are solved, or the blame if they are not. And I'm disappointed in much of the Nation's business community, which is either too indifferent, too resigned, or too frightened to communicate forcefully with the people.

I am troubled by the erosion of personal freedom that has taken place and continues to take place, and by the complacency with which many Americans surrender their right to make choices, to render judgments, and to exercise control over their own lives and destinies.

Fundamentally, I am concerned over the way we are giving up, bit by bit, what America really stands for. And before this evening is over, I hope to have transmitted to you some of my sense of unease and alarm.

My subject today is capital formation and economic policy, which takes in a lot of territory. So let's look at where we stand, where we want to go, and what we need to get there.

To start with, our total private capital plant today amounts to some 3.2 trillion dollars, of which 1.8 trillion dollars represents our industrial capacity. Almost two-thirds of that amount—or 1.1 trillion—was developed and invested in just the past ten years.

It was a tremendous achievement. But it was not enough. We did not meet some of our country's basic needs.

It was not enough because our industrial plant today is deficient. It is estimated that it is fully two years older than that of Europe and Japan, and there is a fundamental correlation between modern plant and productivity. A tabulation of growth rates by the OECD of twenty advanced economies for the 1960-1970 decade put the United States pretty close to the bottom—in eighteenth place, with average annual growth of only 4%. Japan headed the list with an 11% growth rate.

It's significant that in this period Japan was putting about a third of its GNP into investment spending, while we put less than a sixth of ours to work as capital. To catch up and stay caught up can cost as much as $225 billion over the next ten years.

Our capital investment has not been enough because we fell behind our needs in financing the search for more sources of energy. For self-sufficiency alone, it is estimated that we in this country will have to provide about $850 billion over the next ten years, which equals about 80% of our total industrial investment in the past ten years.

It was not enough because we have fallen short of meeting our transportation needs—for mass transportation of people and more energy-efficient transport of goods, which means mainly by rail. That could require a ten-year investment of another $225 billion.

Then there is the matter of our employment needs. There is no better—indeed no other—way to create new jobs than by supplying capital to provide the tools, the supplies, and the materials that jobs require. Economists tell us that it takes anywhere from $20,000 to $30,000 in capital investment to back up every worker in American industry.

All in all, to meet these needs over the next ten years will require more than twice as much capital as the last ten. How have we arrived at that figure? Considerable economic analysis indicates that from today until early 1985, investment spending of 2.5 trillion constant dollars is projected, on the assumption that we will see a continuation of our relatively slow growth rate of 4% a year. Add in inflation, at a presumed rate of approximately 5% a year, and that comes to 3.6 trillion current dollars. If inflation were to be 6 or 7%, the figure would be somewhat higher. But, for illustrative purposes tonight, I will use 5%.

However, in terms of what we really need for industry alone—not including housing—for energy, for bringing our industrial plant up to date, for the higher quality of life we are demanding—the overall figure could go up to $4.1 trillion. In other words, we have to build considerably more industrial America in the next ten years than we've got standing out there now.

There are obviously many challenges facing our country now: Inflation, energy, employment, production. But, to my mind, the single greatest challenge is in finding ways to provide such unprecedented amounts of capital in such a short span of time.

So where is all that money—4.1 trillion dollars going to come from. The simplest—and most simplistic—way to answer is to look at where investment capital has come from over the past ten years and to project it out over the next ten, as best we can.

In doing that, I will take a banker's liberty and use the words capital interchangeably. To the user, both credit and capital represent resources for productive capacity, and the difference is only one of classification, not of function. To the supplier, the ability to extend credit is, in the final analysis, predicated on a capital base.

The banks, especially major money center banks, are the ones that have come through in the credit pinches. I don't know how much longer we can continue to do that. In the short range, the ability of the banks to further make funds available to the economy will depend, for the first time in my memory, not so much on monetary ease and growth in the money supply, but rather on the adequacy of the banking industry's own capital and its ability to attract sizable portions of the capital generated by others.

In other words, although credit can be efficiently channeled *through* banks, that is not where capital really comes from. The real sources of capital and credit in this country are individuals and corporations—the savings of people like you and me and the cash flow, made up of retained earnings and depreciation reserves, of corporations and businesses like yours and mine.

Over the last ten years these sources provided $1.6 trillion, of which less than a third was in personal savings, less than a sixth in corporate retained earnings, and more than half in depreciation allowances. On the basis of the same projection of growth and inflation rates that were used for investment spending, the total for the next ten years should go up to 3.8 trillion dollars.

We are estimating that $1.2 trillion will come from personal savings, $600 billion from retained earnings and $2 trillion from depreciation allowances.

Now, 3.8 trillion is a lot of dollars. But from that we must first deduct a trillion dollars that will be needed—and almost certainly provided—for housing. Then we have to take out whatever will be required for ten years of Government deficits and negative balances of payments with the rest of the world. Considering the start being made with the projected federal deficits in the first two years of the decade, we may be lucky if there is as much as $2.6 trillion left for building and rebuilding our industrial capacity. Set against the needs of $4.1 trillion, we have a shortfall of one trillion, five hundred billion dollars. This means we will be underinvesting every day—*every day*—for the next ten years—400 million dollars.

This state of affairs, I submit, is unacceptable. Moreover, there are far too many signs that tell us that even 2.6 trillion will not be available for productive investment. For one thing, the motivation for personal savings in this country seems to grow weaker all the time. For another, in spite of significant changes that have been made, the provisions for depreciation allowances by American business are considerably less than that of other nations with which we compete. And finally, profits as a percentage of total income have been seriously declining since the mid-1960's. Indeed, the share of profits as a percentage of gross national product has been moving down since the Second World War, and the present period represents its lowest level ever—with the exception of the 1930's, hardly a period of economic progress to which appropriate levels of investment should be compared.

Let me talk for a minute about profits. To my mind, there are three functions that profits perform. First, they provide a return on capital; second, profits are an indication of how well a business has managed its resources; and third—and of overriding importance—profits are a source of capital for a business or a nation.

I wince whenever I hear the expression, "excess profits." I don't know what it means. Excess over what? What is excessive?

We have been given some insight about profit trends by George Terborgh, the economist of the Machinery and Allied Products Institute. Extrapolating from his figures, we find that after-tax profits of the Nation's nonfinancial corporations, after adjusting for the increases in cost of equipment and inventory to their replacement levels, dropped from $36 billion in 1965 to an estimated $24 billion in 1974—and down to 16 billion in constant dollars. And retained earnings, which should be a major source of capital, were insufficient to finance any additional productive capacity. In fact, the Treasury Department has estimated this shortfall at $10 billion.

I hardly consider that excessive. The point really is that there is no such thing as excess profits for a company that needs capital.

As if the grim consequences of capital shortage were not enough, we are now confronted with the specter of new Government policy and action that could cripple our capital markets even further.

Among the more mindless measures now sailing merrily through the house banking committee is a bill requiring the Federal Reserve to "conduct monetary policy in the first half of 1975 so as to lower long-term interest rates." I wonder if anyone can tell me how in the name of monetary madness the Federal Reserve, already hard put to hold down the rates on 90-day maturities, could even hope to control the interest rate on bonds maturing in the year 2005.

Another measure, the Reuss bill, proceeds to allocate credit toward those purposes that it deems to be useful—such as low- and middle-income housing, investment for technological innovations and increasing competition, loans to State and local governments, small business and agriculture, working capital for established businesses, and loans for such other purposes as the government—not the people—considers useful and proper.

Now you might logically expect that my chief concern over mandatory credit allocation would be with its effect on the banking industry. Wrong. Certainly if we can survive gyrating monetary policy in this country, massive shifts in the flow of funds around the world, and the great damage done to capital and money markets, we in the banking community can survive credit allocation. What really concerns me is whether the national economy can survive it, and whether the people should be forced to submit to what Treasury Secretary William Simon properly characterized as a Police State.

After all, it is not such a long step from the constraints written into the act itself to having the government say, "you can finance a condominium in Florida but not a summer home on Lake Michigan." Or, "you can finance the Government deficit, but not the needs of a private company."

I submit that the Solomon who's going to allocate credit in this country will possess more power than a bald man should have or a good man would want. I would be hard put to improve on Secretary Simon's testimony on this bill before the house banking committee, so I will just quote some of the things he said:

"Control would extend to every loan made by every creditor in the country. Every family that wanted to buy a home or a car, every man or woman who needed a personal loan, every farmer who wanted to buy new equipment on credit, every employee who wanted to borrow from his local credit union, every small businessman who needed a loan, every corporation that wanted to enter the capital markets, every city or State that wanted to float a bond, every school board that needed money to build new schools—each and every one of us, in fact, would find that our financial plans were totally under the control of the Federal Government.

"In effect, this bill would establish a national credit Police State."

Most European countries that have tried credit controls have found it to be a very efficient method of raising interest rates, not lowering them.

Admittedly, all Government spending amounts to resource allocation. It removes funds from the mainstream of the economy and assigns them to many worthy, but mostly non-productive, purposes. It seems to me that, after various levels of Government have disposed of an ever-increasing share of our resources—in fact doubled its share of 25 years ago—the American people and their free enterprise system ought to have the right to allocate in their own way whatever is left over.

It has been said, and rightly so, that there wouldn't be any credit at all if somebody didn't allocate it. Some say that it's the banks that allocate credit. In a sense, that's true. But, unlike government, we are no monolith. There are 14,000 banks in the country, and thousands or other lenders who make the credit decisions. More importantly, our role is that of an intermediary in the real market which, after all, is nothing but the desires and demands of 200 million people, the true allocators of credit and resources in a free society.

We are all familiar with the nature and the normal course of development of government regulation. As the American people know from much unhappy experience, we are quickly bogged down in a web of inelastic and unchangeable rules. Isn't it interesting that our most troubled industries today—railroads, airlines, utilities—are among the most regulated?

Consider the experience of the energy industry, crippled by capital starvation. In 1954 the Federal Power Commission ruled that natural gas shipped across state boundaries could not exceed a base price, and this price was held to unrealistically low levels for twenty years, during which the price of almost everything else kept going up. Of course this brought distortions to the market place. Gas was used extravagantly, rather than in the more sparing manner it would have been consumed in a free market. Coal-burning equipment was dismantled. Exploratory drilling rigs were transported overseas, where drillers found it more worthwhile to seek out new deposits.

And it was not until our cheap imported oil disappeared that there was a recognition of the fact that inadequate incentives had resulted in insufficient reserves of gas.

I see still another parallel, in terms of timely warning. It was no great secret that our energy consumption was growing and our sources becoming less reliable, back in the years when we still had time to do something about it. Oil companies kept telling the nation and the government about it. So did others, including the chase.

As far back as 1952, we published a study warning against government disincentives to the continuing search for natural gas. We raised more caution flags in 1956, 1957, and 1961 about the industry's ability to continue "to deliver low-cost petroleum energy." And seven years ago we said, "The United States cannot afford actions . . . that jopardize the future supply of any form of energy and thereby increase the nation's vulnerability."

There were those at the time who accused us of crying, "Wolf." We were simply facing hard facts, and stating those facts.

The situation is not much different today. We face an equally hard set of facts regarding the level of capital formation and mounting capital needs—for energy, for jobs, for the economy, for all of us. We are crying, "Wolf," and we mean it. What we are saying is that a continuation of present policies, let alone an escalation of those policies, will lead us—in ten or fifteen years, or perhaps sooner—to a situation of far greater peril than that we face today.

In essence, our great need is not one of finding ways to shift, assign, or allocate capital and credit, but of moving toward a much more favorable atmosphere for its creation. The highest priority of our economy today should lie in the nurture and stimulation of capital formation, because everything else we want grows out of that.

What we need for the long term is an ever-growing base of personal savings, so that more people will have a larger and larger stake in our total economy, and in the stability of our currency. Capital formation must become everybody's business.

Given the needs for capital in our future, what must then be the implications for sane economic policy? Simply this: We must have a policy that places the highest priority on developing a growing pool of capital, and on the use of that capital for productive purposes. The implementation of this policy in legislation and regulation should stress incentives and the removal of disincentives to that process. In this vein, I would like to suggest some specific areas where positive action could contribute toward this end.

High on the list would be more realistic methods of determining depreciation allowances for plant, equipment, and inventory, to reflect more fully their current costs, rather than historical costs.

Second, I would like to see some method of preferential tax treatment for retained corporate earnings used for investment purposes—whether this were to be brought about by uniformly applied investment tax credits, a lower tax rate for profits specifically earmarked for investment, or some other method. In this connection, I would commend President Ford's excellent suggestion that preferred stock dividends be treated as a business expense.

Third, there is a pressing need to ameliorate the relatively harsh treatment of capital gains, as compared with that of most other countries.

Fourth, we need stability in monetary policy. Changes, when they are deemed necessary, should be subtle and gradual, so that they do not dislocate any sector of the economy. I am not arguing against moderate use of monetary policy, but this does not mean that the violence of rate changes should be a continuing source of amazement to all of us.

And finally, we need every possible measure that would make for a freer market economy, including the removal of regulations that have outlasted their time and the dismantling of agencies that have outlived their purpose. This would include rejection of controls, most notably wage nad price controls, which inevitably hamper the interplay of natural forces in a free economy.

I hope many of you will join me in actively calling for policies of this kind, regardless of what ranks first and what second on your own schedule of priorities.

I believe the American people are ready to listen and to understand. But, to be effective, we must be ready to speak in *their* terms. Economic systems, capital requirements, and money flows are terms we, as businessmen, use every day. Jobs, paychecks, and freedom of choice as consumers are things *every* American understands. It is in those terms that we must speak to the American public.

There are many signs on the horizon that our message is becoming more acceptable. Last month we heard Leonard Woodcock, president of the United Auto Workers, say that auto manufacturers couldn't cut prices because they had to build up their "paper thin" profits, in order to boost employment. Certainly that ought to suggest to all of us in both labor and management that we can be allies in this battle for a free and prosperous America. Recently, it was Senator Proxmire who voiced concern about the expansion of Federal activity, and I quote: "The economy may be on the verge of a permanent economic straitjacket if the will of an apparent majority of the electorate and of the leadership of the House and Senate prevails."

I believe that perhaps one can be more hopeful than Senator Proxmire about Congress. Obviously, this Congress is young and eager to make changes. Its members appear to be intelligent and educated, and may not be too easily stampeded. But, like any Congress, it is a sensitive barometer of its various constituencies, of what the American people really feel and think. That's why our fellow countrymen are the audience we must reach with the facts about the everyday economics of their lives.

Business has been told many times that it needs to sell itself to America. I disagree. Business must sell America to America—its strengths, its greatness, its potential for creating the most human and prosperous society on earth—in short, ladies and gentlemen, we must sell America on the value of its liberties and individual freedoms.

JERRY PETTIS

Mr. CRANSTON. Mr. President, the sudden death last week of Congressman Jerry L. Pettis came as a deep personal tragedy as well as an untimely loss to California and the Congress. Jerry will be sorely missed—particularly by his many friends in the California delegation, for whom he consistently provided such outstanding bipartisan leadership.

I would like to share with my colleagues an editorial taken from the Barstow Sun-Telegram, which pays eloquent tribute to this gifted and compassionate man. Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Barstow (Calif.) Sun-Telegram, Feb. 16, 1975]

JERRY L. PETTIS

The shock of the death of Jerry L. Pettis, member of Congress from the 37th District of California, will linger long with deepest sadness.

The crash of his plane Friday, which he was piloting, in the mountains north of Beaumont in San Gorgonio Pass, ended the outstanding career of this fine public servant at its peak. He would have been 59 next July.

The tragedy brought to an untimely close a record begun more than seven years ago of uninterrupted devotion to the House and to the people who chose him as their representative.

Pettis brought to his office a rare and valuable blend of experience and talent. He was special assistant to the president of United Airlines for four years after his Air Force service as an instructor and pilot with the Air Transport Command in the Pacific Theater in World War II.

He then turned to his own private businesses and formed four successful companies. Moreover, he found time to teach economics as a Loma Linda University professor, and served as vice president of the university as well as chairman of its Board of Counselors.

At this point in his life he was drawn to a desire to devote his energies and abilities to the people of his congressional district and to the people of the United States through its House of Representatives.

He was elected first in 1966 and was reelected every two years since. He was that kind of a man—a representative, admired and respected by those in his Republican party and those in the Democratic party alike.

His qualities did not go unnoticed in the House. He became a leader of the California congressional delegation and at his death was a member of the powerful Ways and Means Committee. This gave him the influence which he used widely both in the interests of the nation as a whole and in the interests of his district and his state.

His level-headed judgment will be missed in the House of Representatives, of course. But he never allowed the weight of his responsibilities there to keep him from the people in his district, or throughout the Inland Empire.

He kept close to them, listened to them, helped them and visited them frequently—the mark of a congressman living up to the finest tradition of dedication to constituents.

The nation has suffered a great loss with the death of this honorable and compassionate and earnest man. Even greater, though, is the loss mourned by those of us who will ever remember his gracious smile, good humor and constant concern for us and our problems.

There will be other congressmen to represent us. But not another Jerry L. Pettis.

MEETING THE FOOD AID TARGET

Mr. HUMPHREY. Mr. President, the New York Times included a compelling editorial on February 20 entitled "Food Flim Flam?"

We conducted hearings last week in our Senate Committee on Agriculture and Forestry on food aid and the world hunger problem. One of the central issues of the hearing was whether it will be possible to ship the 5.5 million tons of food programed under the recently announced $1.6 billion level.

It took the administration about 7 months to reach a decision on its food aid levels for the year. Now, while the level of food aid is encouraging, there is genuine concern about being able to ship this volume.

The administration claims that it plans to make every effort to ship the entire volume, but some doubts have been expressed that the most needy nations will receive equal priority with the countries where political commitments are involved.

At the hearing last week, I served notice that we in the Congress planned to monitor the shipping issue closely. I hope the administration keeps its word, because the implications of the editorial are serious.

Mr. President, I ask unanimous consent that this worthwhile editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOOD FLIM FLAM?

Suddenly, after only three weeks in the sun, the Administration's promise of increased food aid for the world's hungriest people seems to be shriveling up, in plain view of everyone who had banked on the assurance from President Ford and Secretary of State Kissinger.

When he spoke at the World Food Conference in November, Mr. Kissinger reiterated the Administration's pledge to increase food aid in the face of this year's acute hunger crisis. It took the Administration two and a half months to make that promise concrete with a pledge at the end of January to increase food aid from 3.5 million metric tons to 5.5 million metric tons. Late as it was, the promise was welcome news.

Now, however, Administration spokesmen are already voicing doubt that the food aid goal can be met this fiscal year. Such doubt seems well founded. The Administration has not yet completed allocating the 5.5 million metric tons among the recipient countries. Even more critical is the fact that the private voluntary agencies which are most directly concerned with delivering food to hungry people have not yet received their allocations from the Administration and are thus unable to complete their planning.

In addition to energizing a languid decision-making process in the bureaucracy, the problem of making good on the Administration's humanitarian promises depends on rapid solution of the logistics of procuring, shipping and delivering the food. Ironically, although humanitarian concerns generated the pressures on the Administration to increase food aid, it is the humanitarian rather than the political food assistance that is jeopardized. The logistical problems involved in meeting Secretary Kissinger's political commitments seem already to have been ironed out. There appears, as yet, to be less urgency in solving the problems of shipments to the nations severely affected by hunger, although last month Assistant Secretary Thomas C. Enders promised a priority effort to expedite such shipments. Despite that assurance, by last week only 20 per cent of the food aid targeted for this fiscal year had actually been shipped. If that intention is not made concrete very soon, then it may look to a hungry world that while American promises may be fairly reliable on "political" food, our word on simple starvation carries a good deal less weight.

COMMUNIST COUP IN PORTUGAL

Mr. THURMOND. Mr. President, in the February 20, 1975, issue of the Augusta Chronicle newspaper there appeared an article by Jeffrey Hart entitled, "Why No Alarm at Communist Coup?" in Portugal.

This report by Mr. Hart is worthy of the attention of the Congress as it points to various lessons which all responsible elements in this country should weigh carefully.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY NO ALARM AT COMMUNIST COUP?

(By Jeffrey Hart)

For some reason, only vague and, most general accounts have been carried by our national media about what is actually happening today in Portugal. Our wire services and our major newspapers maintain correspondents in Lisbon. Nevertheless, the American people remain largely in the dark concerning developments profoundly affecting their interests.

In a nutshell, the Communist Party, with about 10 per cent support in basically conservative Portugal, is attempting a kind of slow-motion coup d'etat.

If that succeeds, and the issue remains very much in doubt, totalitarianism will descend on yet another nation, Soviet power will leap-frog into Western Europe, Portugal will provide a base for revolutionary agitation in Spain and elsewhere, and Soviet naval power will surge westward, with advanced bases in Portugal and the Portuguese Azores. The strategic impact upon the U.S. position in the Mediterranean would be immense.

Yet the media take a ho-hum attitude toward all this, and give largely perfunctory coverage to events as they develop.

Communist coup strategy was implicit in the recent move to create a single monolithic trade union organization, the practical effect of which was to give the Communist Party effective control over the Portuguese labor movement. Ominously enough, the Coordinating Committee of the Armed Forces Movement, which really runs the country, came down on the Communist side of the issue.

Significantly, this proto-coup involved considerable risk for the Communists and their allies. The other principal parties in the present government, the Socialists and the Popular Democrats, might have resigned over the issue, and in the ensuing power struggle the Coordinating Committee might have stepped in to run the country directly. This, in turn, could have provoked a counter revolution by moderates and conservatives in the armed forces and elsewhere.

The question naturally arises, therefore, of why the Communists moved so overtly and so riskily to seize control of the unions.

To this question there is only one answer. The Communist move arose out of the party's own political weakness. In light of a recent poll showing Communist support around 10 per cent, the party moved to institutionalize what support it does have, chiefly in the labor movement, the universities, and the communications media. The unions are the Communists' largest and most stable power base.

In theory, a national election is supposed to take place this spring for a constituent assembly. In a reasonably clean election there is little doubt that the Communists would fare badly. How this election will be conducted, however, if indeed it ever is conducted, has become the subject of rising doubts.

Voter registration involves putting some five million people on the rolls, and this is being carried out by existing local authorities. Prior to the coup, these local authorities were mostly loyal followers of dictators Salazar and Caetano, but after the Spinola coup last year they were replaced by assorted opponents of the old regime collected in the Portuguese Democratic Movement. During the past year, crucially, tough Communist politics has increased the party's leverage in the movement, the Socialists and Popular Democrats often withdrawing. General Spinola himself has complained in public about the non-representative character of local government, and if the elections are held this could be a crucial factor. It is by no means clear who will supervise the voting and count the ballots, for example.

It is obvious today that the Portuguese Democratic Movement, which dominates government at the local level, is little more than a Communist front. Indeed, party leader Alvaro Cunhal went so far recently as to advise party members to cross over politically to the Movement.

Meanwhile, political guerrilla warfare is being carried on against the non-Communist parties, a half dozen of which had expected to run in the spring election. Several parties have been banned for alleged "fascism." Socialists have had major rallies banned. The moderate-right Social Center Democrats have had their meetings broken up by toughs as the authorities sat on their hands. In the media, reports of non-Communist political activity are often censored by Communist editors, journalists and printers.

American television and print media cheered up the coup that brought down the Caetano dictatorship, but they appear to have gone to sleep regarding subsequent developments. Moreover, at a moment when the CIA could be lending discreet support to pro-Western interests in Portugal, the CIA has been largely immobilized by the media-generated atmosphere of suspicion in Washington.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee. In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent that there be printed in the RECORD at the conclusion of my remarks the unclassified notification I have just received.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPARKMAN. Mr. President, the committee has also received two classified notifications of proposed arms sales, one on February 20 and the other on February 24. The classified notifications are on file in the main committee office.

These notifications of letters of offer by the United States should be available for public discussion by the Members. Obviously, from time to time, the notice of the proposed issuance of a letter of offer may include information which must be classified for proper national security reasons.

However, I would expect the executive branch to use classification on a very limited basis and as infrequently as possible. I do not believe that complete classification of the two notifications at issue now can be justified.

I have asked the staff of the Committee on Foreign Relations to discuss this problem with the executive branch. I hope an understanding allowing maximum public disclosure can be achieved shortly.

EXHIBIT 1

OFFICE OF THE DIRECTOR, DEFENSE SECURITY ASSISTANCE AGENCY, AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA,
Washington, D.C., February 21, 1975.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 75–9, which contains information concerning a proposed Letter of Offer in excess of $25 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF,
Director.

TRANSMITTAL NO. 75–9—NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE FOREIGN MILITARY SALES ACT, AS AMENDED

a. Prospective Purchaser: Iran

b. Total Estimated Value: $31,493,192

c. Description of Articles or Services Offered: 147 Vehicular Radio Systems, support equipment, spare parts and services

d. Military Department: Army

e. Date Report Delivered to Congress: 24 Feb. 1975.

BRITAIN'S VERY SPECIAL PROSECUTOR

Mr. RIBICOFF. Mr. President, recently the New York Times carried an article by Alvin Shuster about a British institution of immediate relevance to the United States.

The article explains how Britain's permanent special prosecutor has kept partisan politics separate from law enforcement since the office was founded in 1879. Though the public prosecutor is formally responsible to the politically selected Attorney General, he operates nearly autonomously in making decisions on the merits with regard to prosecutions. The present Director of Public Prosecutions, Sir Norman Skelhorn, has served in this manner under four Attorneys General. The ultimate weapon of the special prosecutor against political pressure is resignation—an action which could cause a furor in Parliament somewhat akin to the reaction in the United States which followed the dismissal of Archibald Cox in October 1973.

A permanent special prosecutor for this country is one of the primary reforms of the Watergate Reorganization and Reform Act of 1975, which I introduced earlier this month. While parallels between the domestic institutions of different nations are never exact, we can learn particularly from the experience of Britain. In anticipation of the hearings which the Government Operation Committee plans to hold on the Watergate Reorganization Act, I hope that other Members of Congress will join me in studying the beneficial impact which a permanent special prosecutor has had in Great Britain.

Mr. President, I ask unanimous consent that the article, "Britain's Very Special Prosecutor," from the New York Times of February 3, 1975, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITAIN'S VERY SPECIAL PROSECUTOR—LEGAL WATCHDOG IS GUARANTEE AGAINST POLITICAL INFLUENCE

(By Alvin Shuster)

LONDON, February 2.—Britain's independent special prosecutor is so independent that he has never met a prime minister and so special that people generally are unclear about what he does.

But Sir Norman Skelhorn, Director of Public Prosecutions for 11 years, ranks as one of the most important men in the esteemed British legal system. He symbolizes the division between politics and the law.

While there may have been some debate in Washington over the special Watergate prosecutor and whether to make the job permanent, there are no doubts in British minds about the value of Sir Norman's role. With wide-ranging powers, he functions as the general overseer of serious crime in an atmosphere devoid of political influence.

This insulation from politics is a blessing to Sir Norman, of course. What is worrying him these days is the rise in crimes of violence, which he regards as symbolic of an erosion of traditional British respect for law and order.

MORE CRIME, NEW PROBLEMS

The pace of his day and the files that flow into his office reflect current trends. The latest official report showed that crime in England and Wales rose by 19 per cent in the first nine months of 1974, with serious offenses leading the way.

Moreover, Sir Norman and the police are facing increased challenges because of the rise of the Irish Republican Army terrorism in England. The violence has prompted anti-I.R.A. legislation, with new categories of crimes that Sir Norman will help prosecute.

In all such cases the special prosecutor operates under a general principle that has often been pronounced: The decision on prosecution has to be made on its merits without political or other pressure. That is how it has worked with only rare exceptions.

Not for 50 years has serious scandal touched the system. The downfall in 1924 of the first Labor party Government, headed by Ramsay MacDonald, was generally attributed to its political pressure to drop a sedition case against John Ross Campbell, editor of a Communist party magazine.

THE ULTIMATE WEAPON

The case has stood as a shining lesson to governments since. As Sir Norman notes, the executive leans over backward to make certain that there is never a whiff of political influence on the prosecution.

The director's ultimate weapon against interference is clear: All he has to do is resign; the resulting furor in Parliament would undoubtedly bring out the reasons why and a government would suffer serious embarrassment and dire consequences.

The 65-year-old Public Prosecutor, who has a ruddy complexion, a beaky nose and a calm manner, works from a spacious office in a remodeled Victorian building overlooking St. Jame's Park. He directs a staff of 160, including 60 lawyers and other experts on the law who help him make up his mind whether to prosecute.

Sir Norman, who was appointed to the job by the Home Secretary after practicing more than 30 years in the courts, maintains a close working relationship with the Attorney General—now Samuel Silkin. This post is political and shifts with the party in power. Sir Norman is responsible to the Attorney General, who in turn answers to Parliament, so they often meet to discuss pending cases.

Sir Norman, whose office dates from 1879, has wide discretion in a variety of criminal cases, but some prosecutions, including those involving the Official Secrets Act, corruption and the Race Relations Act, require the approval of the Attorney General.

POLICE INSTITUTE MOST

All attorneys general profess to separate their political instincts from their constitutional and legal duties. And Sir Norman, who has served under four, feels that he has been lucky because he has detected no effort to exercise political control.

"An Attorney General would resign too if he thought he was being leaned on by the Prime Minister or senior ministers on a pending prosecution," a former Attorney General said. "The A.G., however, sometimes has to consult formally with colleagues involving say, the national interest."

Most prosecutions are pursued without the help of the Public Prosecutor or the Attorney General. Ninety per cent are carried through by the police, who send only serious crimes to Sir Norman's office.

Sir Norman has the power to intervene in any case, even a relatively minor one, at any time at any level. He also receives a steady flow of communications from citizens asking him to look into various allegations. He orders police inquiries in response to some.

Letters are always checked because of a case in 1911. A man wrote to the then director suggesting an inquiry into the mysterious death of a cousin. It led to the conviction of a landlord for poisoning with arsenic. As a reminder the handwritten letters hang on a wall outside Sir Norman's office.

THE PRELIMINARY PENN CENTRAL REORGANIZATION PLAN

Mr. GRIFFIN. Mr. President, I am deeply disturbed by reports concerning the preliminary rail plan prepared by the U.S. Railway Association—USRA—for reorganizing the Penn Central and other bankrupt railroads. As I view it, the plan singles out Michigan, the State most severely affected by the current economic crisis, for disproportionate cutbacks in rail service.

Out of 6,200 miles of bankrupt rail track which would not be included in the USRA plan, about 1,150 miles, or nearly 19 percent, is located in Michigan. And USRA is considering an additional 200 miles for possible abandonment.

On the other hand, Michigan's share of total rail lines in the 17-State region served by the bankrupt railroads is only about 10 percent. Thus, the USRA plan imposes an unusually severe burden on the State least able to afford it.

While the USRA proposal is something of an improvement over the rail plan proposed last year by the Department of Transportation, it fails to provide, insofar as Michigan is concerned, a "rail service system adequate to meet the rail transportation needs and service requirements of the region," as mandated by Congress.

For example, the plan would isolate the Upper Peninsula from rail service to the rest of the State.

It would reduce rail car ferry service across Lake Michigan.

It would eliminate rail lines in areas where there have been important discoveries of oil and gas, in contravention of Congress directive to preserve to the extent possible "railroad trackage in areas in which fossil fuel national resources are located."

It would exclude from the new rail system lines that have a good potential for future growth based on evidence submitted at last year's hearings before the Interstate Commerce Commission.

It would also wipe out a segment of the Detroit-Chicago Amtrak route, one of the fastest growing passenger lines in the Nation.

And, above all, it certainly does not conform to Congress goal of a restructured rail system which would minimize "job losses and associated increases in unemployment and community benefit costs in areas in the region presently served by rail service."

At a time when Michigan's economy desperately needs a "shot in the arm," the USRA plan is the wrong medicine at the wrong time.

Obviously, restoration of the Penn Central system is important to the economic health of Michigan and other Midwest and Northeast States. But profitability should not override all other considerations, particularly when there is some doubt about the alleged unprofitability of certain other lines to be discontinued under the USRA plan.

Of course, it is recognized that some uneconomical lines will have to be excluded from the new rail system and Congress has established a Federal rail subsidy program to meet local needs for continued rail service. However, subsidy funds are limited both in time and amount.

Under the Federal formula, Michigan is entitled to 10 percent of the funds because it has 10 percent of the bankrupt track. Yet, the USRA plan would concentrate 19 percent of abandonments in Michigan. That is unfair and simply unacceptable.

Fortunately, the reorganization process has not been completed. The ICC will be holding hearings on the USRA plan in both Lansing and Traverse City, March 17 and 24, respectively. Previous ICC hearings were helpful in getting important modification of the rail proposal advanced by the Department of Transportation.

However, time is running out. It is essential that the U.S. Railway Association give greater consideration to the information presented at these hearings and revise its plan accordingly.

RULES OF PROCEDURE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

Mr. RIBICOFF. Mr. President, pursuant to title 2, United States Code, section 190a–2, I hereby submit the rules of procedure adopted by the Committee on Government Operations at its first organization meeting on January 28, 1975.

I ask unanimous consent that rules be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF PROCEDURE ADOPTED BY THE COMMITTEE ON GOVERNMENT OPERATIONS

(Pursuant to Section 133B of the Legislative Reorganization Act of 1946, as Amended)

RULE 1. MEETINGS AND MEETING PROCEDURES OTHER THAN HEARINGS

A. *Meeting dates.* The committee shall hold its regular meetings on the first Thursday of each month, when the Congress is in session, or at such other times as the chairman shall determine. Additional meetings may be called by the chairman as he deems necessary to expedite committee business. (Sec. 133(a), Legislative Reorganization Act of 1946, as amended.)

B. *Calling special committee meetings.* If at least three members of the committee desire the chairman to call a special meeting, they may file in the offices of the committee a written request therefor, addressed to the chairman. Immediately thereafter, the clerk of the committee shall notify the chairman of such request. If, within three calendar days after the filing of such request, the chairman fails to call the requested special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the committee members may file in the offices of the committee their written notice that a special committee meeting will be held, specifying the date and hour thereof, and the committee shall meet on that date and hour. Immediately upon the filing of such notice, the committee clerk shall notify all committee members that such special meeting will be held and inform them of its date and hour. If the chairman is not present at any regular, additional or special meeting, the ranking majority member present shall preside. (Sec. 133(a), Legislative Reorganization Act of 1946, as amended.)

C. *Meeting notices and agenda.* Written notices of committee meetings, accompanied by an agenda enumerating the items of business to be considered, shall be sent to all committee members at least three days in advance of such meetings. In the event that unforeseen requirements of committee business prevent a three-day notice, the committee staff shall communicate such notice by telephone to members or appropriate staff assistants in their offices, and an agenda will be furnished prior to the meeting.

D. *Open business meetings.* Meetings for the transaction of committee or subcommittee business shall be conducted in open session, except that a meeting or portions of a meeting may be held in executive session when the committee members present, by majority vote, so determine. The motion to close a meeting, either in whole or in part, may be considered and determined at a meeting next preceding such meeting. Whenever a meeting for the transaction of committee or subcommittee business is closed to the public, the Chairman of the committee or the subcommittee shall offer a public explanation of the reasons the meeting is closed to the public. This paragraph shall not apply to the Permanent Subcommittee on Investigations.

RULE 2. QUORUMS

A. *Reporting legislation.* Eight[2] members of the committee shall constitute a quorum for reporting legislative measures or recommendations. (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

B. Transaction of routine business. Five members of the Committee shall constitute a quorum for the transaction of routine business, provided that one member of the minority is present.[3]

For the purpose of this paragraph, the term "routine business" includes the convening of a committee meeting and the consideration of legislation pending before the Committee and any amendments thereto, and voting on such amendments[4] (Rule XXV, Sec. 5(a) Standing Rules of the Senate.)

C. *Taking sworn testimony.* Two members of the committee shall constitute a quorum for taking sworn testimony: *Provided, however,* That one member of the committee shall constitute a quorum for such purposes, with the approval of the chairman and the ranking minority member of the committee, or their designees. (Rule XXV, Sec. 5(b), standing Rules of the Senate.)

D. *Taking unsworn testimony.* One mem- quorum for taking unsworn testimony. (Sec. of 1946, as amended.)

E. *Subcommittee quorums.* Subject to the provisions of section 5(a) and 5(b) of Rule XXV of the Standing Rules of the Senate, and section 133(d) of the Legislative Reorganization Act as amended, the subcommittees of this committee are authorized to establish their own quorums for the transaction of business and the taking of sworn testimony.

F. *Proxies prohibited in establishment of a quorum.* Proxies shall not be considered for the establishment of a quorum.

RULE 3. VOTING

A. *Quorum required.* No vote may be taken by the committee, or any subcommittee thereof, on any measure or matter unless a quorum, as prescribed in the preceding section, is actually present.

B. *Reporting legislation.* No measure or recommendation shall be reported from the committee unless a majority of the committee members are actually present, and the vote of the committee to report a measure or matter shall require the concurrence of a majority of those members who are actually present at the time the vote is taken. (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

C. *Proxy voting.* Proxy voting shall be allowed on all measures and matters before the committee, or any subcommittees thereof, except that, when the committee, or any subcommittee thereof, is voting to report a measure or recommendation, proxy votes shall be allowed solely for the purposes of recording a member's position on the pending question and then, only if the absent committee member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. All proxies shall be addressed to the chairman of the committee and filed with the chief clerk thereof, or to the chairman of the subcommittee and filed with the clerk thereof, as the case may be. All proxies shall be in writing and shall contain sufficient reference to the pending matter as is necessary to identify it and to inform the committee as to how the member wishes his vote to be recorded thereon. (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

D. *Announcement of vote.* (1) Whenever the committee by rollcall vote reports any measure or matter, the report of the committee upon such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each member of the committee. (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

(1) Whenever the committee by rollcall vote acts upon any measure or amendment thereto, other than reporting a measure or recommendation, the results thereof shall be announced in the committee report on that measure unless previously announced by the committee, and such announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment thereto by each member of the committee who was present at that meeting. (Sec. 133(b), Legislative Reorganization Act of 1946, as amended.)

(3) In any case in which a rollcall vote is announced, the tabulation of votes shall state separately the proxy vote recorded in favor of and in opposition to that measure, amendment thereto, or recommendation. (Sec. 133(b) and (d) Legislative Reorganization Act of 1946, as amended.)

RULE 4. CHAIRMANSHIP OF MEETINGS AND HEARINGS

The Chairman shall preside at all Committee meetings and hearings except that he shall designate a temporary Chairman to act in his place if he is unable to be present at a scheduled meeting or hearing. If the Chairman (or his designee) is absent ten minutes after the scheduled time set for a meeting or hearing, the senior Senator present of the Chairman's party shall act in his stead until the Chairman's arrival. If there is no member of the Chairman's party present, the senior Senator of the Committee minority present shall open and conduct the meeting or hearing until such time as a member of the majority enters.[1]

RULE 5. HEARINGS AND HEARING PROCEDURES

A. *Announcement of hearings.* The committee, or any subcommittee thereof, shall make public announcement of the date, place, time and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearing, unless the committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date. (Sec. 133A (a), Legislative Reorganization Act of 1946, as amended.)

B. *Open hearings.* Each hearing conducted by the committee, or any subcommittee thereof, shall be open to the public unless the committee, or subcommittee, determines that the testimony to be taken at that hearing may (1) relate to a matter of national security, (2) tend to reflect adversely on the character or reputation of the witness or any other individual, or (3) divulge matters deemed confidential under other provisions of law or Government regulations. (Sec. 133A(b). Legislative Reorganization Act of 1946, as amended.)

C. *Radio, television, and photography.* The committee, or any subcommittee thereof, may permit the proceedings of hearings which are open to the public to be photographed and broadcast by radio, television, or both, subject to such conditions as the committee, or subcommittee, may impose. (Sec. 133A(b), Legislative Reorganization Act of 1946, as amended.)

D. *Advance statements of witnesses.* A witness appearing before the committee, or any subcommittee thereof, shall file a written statement of his proposed testimony at least one day prior to his appearance, unless this requirement is waived by the chairman and the ranking minority member, following their determination that there is good cause for failure of compliance. (Sec. 133A (c), Legislative Reorganization Act of 1946, as amended.)

E. *Minority witnesses.* In any hearings conducted by the committee, or any subcommittee thereof, the minority members of the committee shall be entitled, upon request to the chairman by a majority of the minority to call witnesses of their selection during at least one day of such hearings. (Sec. 133A (e), Legislative Reorganization Act of 1946, as amended.)

RULE 6. COMMITTEE REPORTS

A. *Timely filing.* When the committee has ordered a measure or recommendation reported, following final action the report thereon shall be filed in the Senate at the earliest practicable time. (Sec. 133(c), Legislative Reorganization Act of 1946, as amended.)

B. *Supplemental, minority, and additional views.* A member of the committee who gives notice of his intention to file supplemental, minority or additional views at the time of final committee approval of a measure or matter, shall be entitled to not less than three calendar days in which to file such views, in writing, with the chief clerk of the committee. Such views shall then be included in the committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the committee report may be filed and printed immediately without such views. (Sec. 133 (e), Legislative Reorganization Act of 1946, as amended.)

C. *Draft reports of subcommittees.* All draft reports prepared by subcommittees of this committee on any measure or matter referred to it by the chairman, shall be in the form, style, and arrangement required to conform to the applicable provisions of the Standing Rules of the Senate, and shall be in accordance with the established practices followed by the committee. Upon completion of such draft reports, copies thereof shall be filed with the chief clerk of the committee at the earliest practicable time.

D. *Cost estimates in reports.* All committee reports, accompanying a bill or joint resolution of a public character reported by the committee, shall contain (1) an estimate, made by the committee, of the costs which would be incurred in carrying out the legislation for the then current fiscal year and for each of the next five fiscal years thereafter (or for the authorized duration of the proposed legislation, if less than five years); (2) a comparison of such cost estimates with any made by a Federal agency; or (3) a statement of the reasons for failure by the committee to comply with these requirements as impracticable, in the event of inability to comply therewith. (Sec. 252(a), Legislative Reorganization Act of 1970.)

RULE 7. SUBCOMMITTEES AND SUBCOMMITTEE PROCEDURES

A. *Regularly established subcommittees.* The committee shall have five regularly established subcommittees, as follows—

Permanent Subcommittee on Investigation.
Intergovernmental Relations.
Reports, Accounting and Management.
Federal Spending Practices, Efficiency and Open Government.
Oversight Procedures.[1]

Footnotes at end of article.

B. *Ad hoc subcommittees.* Following consultation with the ranking minority member, the chairman shall, from time to time, establish such ad hoc subcommittees as he deems necessary to expedite committee business.

C. *Subcommittee membership.* Following consultation with the majority members, and the ranking minority member, of the committee, the chairman shall announce selections for membership on the subcommittees referred to in paragraphs A and B, above.

D. *Subcommittee meetings and hearings.* Each subcommittee of this committee is authorized to establish meeting dates and adopt rules not inconsistent with the rules of the committee.

E. *Subcommittee budgets.* Each subcommittee of this committee, which requires authorization for the expenditure of funds for the conduct of inquiries and investigations, shall file with the chief clerk of the committee, not later than January 10 of that year, its request for funds for the 12-month period beginning on March 1 and extending through and including the last day in February of the following year. Each such request shall be submitted on the budget form prescribed by the Committee on Rules and Administration, and shall be accompanied by a written justification, addressed to the chairman of the committee, which shall include (1) a statement of the subcommittee's area of activities; addressed to the chairman of the committee, which shall include (1) a statement of the subcommittee's area of activities; (2) its accomplishments during the preceding year; and (3) a table showing a comparison between (*a*) the funds authorized for expenditure during the preceding year, (*b*) the funds actually expended during that year, (*c*) the amount requested for the current year, and (*d*) the number of professional and clerical staff members and consultants employed by the subcommittee during the preceding year and the number of such personnel requested for the current year. (Sec 133(g), Legislative Reorganization Act of 1946, as amended.)

FOOTNOTES

[1] S. Res. 131, 93d Cong., 1st sess., considered and agreed to July 20, 1973, redesignated sections 8 and 9 as sections 9 and 10, respectively, and a new section 8 was added authorizing a sum not to exceed $89,672 from July 20, 1973 through February 28, 1974, for a study and investigation of Government procurement practices. S. Res. 131 also amended redesignated section 10 so as to increase committee expenses not to exceed $1,930,000. Redesignated section 10 amended again to increase committee expenses not to exceed $1,956,000 by S. Res. 215, 93d Cong., considered and agreed to Dec. 20, 1973.

[2] Amended January 30, 1974.

[3] Amended January 28, 1975.

[4] Amended November 7, 1973.

[5] Adopted December 9, 1974.

[6] Amended January 28, 1975.

THE ENERGY DEBATE

Mr. HUMPHREY. Mr. President, the current issue of the Nation magazine of March 1, 1975, carries statements by two of our colleagues in the Senate. Both deal provocatively and incisively with different pieces of the complex energy puzzle.

In an exchange with Wilson M. Laird of the American Petroleum Institute, Senator Ernest Hollings argues the case for "some very fundamental reforms in the management of our precious oil and gas resources on Federal offshore lands." As chairman of the National Ocean Policy Study, which has recently published a series of comprehensive reports on Outer Continental Shelf and ocean resources, the views of our colleague from South Carolina deserve careful consideration.

Later in the same magazine, Senator James Abourezk deals concisely with the controversial issue of natural gas. While his conclusions may require further consideration, he forthrightly raises and clarifies some of the problems involved with deregulation.

If Congress is to enact, and the American people are to accept, an effective and equitable energy program, we all must better understand the complex issues involved. These statements by Senators Hollings and Abourezk, I believe, help to raise the level of the energy debate.

Mr. President, I ask unanimous consent that the statements from the Nation be printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

[From the Nation magazine, Mar. 1, 1975]

Offshore Oil—Letter to the Editor

Washington, D.C.—Sen. Ernest F. Hollings . . . errs in "Oil & Influence: The Rush to the Sea" [*The Nation,* Jan. 18] when he charges that the Federal Government's plan to accelerate the sale of offshore oil and gas leases constitutes "one of the biggest potential giveaways of all time." He is also wrong when he says the proposed offshore leasing program would be carried on without environmental protection, without concern for pollution of beaches, and without a fair return to the public.

As the Senator knows, the Federal Government gives away nothing when it sells the right to search for oil and gas in offshore waters. If anything, these sales can be said to produce "windfall profits" for the Government, because oil companies pay into the U.S. Treasury enormous amounts of cash before any drilling begins—money which may not be recovered for many years, if ever. . . .

As for the environmental protection, the oil companies and the Federal Government follow the complex procedures prescribed by law to make certain that every possible step is taken to prevent environmental damage in connection with expanded offshore activities. A preliminary environmental programmatic statement dealing with the leasing of 10 million acres on the outer continental shelf was prepared some months ago, and hearings were slated to be held in Trenton, N.J., Santa Monica, Calif., and Anchorage, Alas., beginning early in February. In addition, specific hearings will be held in each area. . . .

The industry takes pride in its exceptional safety record. More than 18,000 wells have been drilled in U.S. offshore waters over the past quarter-century, and one could count on the fingers of one hand the number of significant oil spills. None of those spills caused permanent econogical damage. Drilling and spill-control technology are constantly moving forward.

Senator Hollings is the victim of misinformation when he charges that the oil and gas companies are deliberately holding back production from thousands of wells in the Gulf of Mexico in efforts to force higher prices. The Federal agencies who are responsible for regulating such matters have investigated that recurring rumor and have announced that there is no truth in it. . . .

The Senator complains that new leases sold in 1975 could "produce no energy in the next few years when we need it," so he recommends delaying any action until the Government can organize its own exploratory drilling program. . . . The oil-exporting nations have quadrupled their prices because they know we and other nations cannot get along without imports. They would be delighted to see us give up on developing our greatest potential source of energy—the offshore area which is comprised mostly of the Federal outer continental shelf.

Wilson M. Laird,
American Petroleum Institute.

Washington, D.C.—The essential differences in viewpoint between Mr. Laird and myself stem, I believe, from our different approaches to predicting the consequences of a massive offshore leasing program in 1975. While Mr. Laird relies primarily on the industry's past record, I believe that a quantum leap in the acreage sold this year, including large portions of the "frontier" areas, would bring about such fundamental changes as to make past experience insufficient—perhaps even irrelevant—in assessing the future.

We also disagree sharply about the question of delay. In my opinion, a coordinated exploration program of major offshore structures will give us information on resources much faster than the checkerboard system of exploratory drilling on individual leases.

The major element operating in this year's decision making on outer continental shelf (OCS) issues is uncertainty. We simply have no idea of the extent or the value of the resources we propose to sell immediately to private industry. We cannot plan ahead and determine the proper rate of extraction for those resources to conserve them and *sustain* our hoped for independence of imports until alternative energy sources become available, because we don't know if they will last for ten years or fifty years at today's growth rates. Once we lease, the industry has the sole prerogative of determining the extraction rate best suited to its own economic interests, but not necessarily to the national interest.

The long-term environmental impacts of large-scale leasing and development are similarly unknown. The draft environmental impact statement to which Mr. Laird refers does not, unfortunately, inspire confidence in the Interior Department's understanding of the impacts. Out of almost 1,500 pages, for example, the statement devotes only 30 pages to a superficial and unenlightening discussion of land use and socioeconomic impacts of offshore oil development on nearby coastal regions. . . .

I have noted with interest that Secretary Morton apparently no longer shares Mr. Laird's confidence in the industry's explanations about nonproducing wells in the Gulf of Mexico. On January 23 the Secretary called upon seventeen leaseholders to explain within thirty days why their wells are not producing, with a threat of lease termination if the circumstances prove unjustified. . . .

The 94th Congress will be considering some very fundamental reforms in the management of our precious oil and gas resources on federal offshore lands. . . .

Ernest F. Hollings,
Chairman, National Ocean Policy Study.

[From the Nation magazine, Mar. 1, 1975]

How To Pay More To Get Less

(By Senator James Abourezk)

Washington.—As a solution to one aspect of the current energy crisis, the merit of the Ford Administration's proposal to repeal present regulatory control over natural gas sales is less than self-evident. It requires no doctorate in economics or psychology to know that a shortage in an essential commodity tempts sellers to exact excessive profits from their captive buyers.

Nonetheless, the industry's long campaign for decontrol—two earlier attempts were vetoed by, respectively, Presidents Truman and Eisenhower—as well as its efforts to draw sustenance from the present shortage, suggest the desirability of taking a close look at the arguments assembled by the oil industry and the Administration in support of decontrol. First, we are told, regulation of the prices at which producers sell natural gas at the wellhead does not work; by holding prices "artificially low," regulation discourages the producers, thus limiting exploration and development. Second, while conceding that deregulation will raise the consumer's gas bill, the proponents of decontrol contend that higher prices are essential if the supply of natural gas is to be increased. Third, the argument runs, present shortages are intolerable, and deregulation is the only hope. None of these arguments has merit.

The claim that regulation has not worked is a rewriting of history that assumes the public to have a very short memory indeed. From the advent of federal regulation in 1954 until 1969, the volume of natural gas sold in interstate commerce increased dramatically—from 5 trillion cubic feet in 1954 to 14 trillion cubic feet in 1969—and the largest portion of this growth occurred during 1961-69, when the wellhead price was relatively stable, at approximately 17c per 1,000 cubic feet (Mcf). Though it is often forgotten now, natural gas was in oversupply as recently as the mid-1960s, after a decade of federal regulation. Thus for at least fifteen years, until 1969, regulation of natural gas prices by the Federal Power Commission did work to assure the nation an adequate supply of this basic energy source at a reasonable price.

But while there is no basis for the claim that regulation has not worked, there may, unfortunately, be some basis for the charge that it is not working now. Beginning in 1970, the Nixon appointees on the commission accepted the oil industry's premise that the way to avoid impending shortages of natural gas was to allow higher prices; and when these higher prices led not to increased supplies but to even greater shortages, the commission responded with still higher prices. Admittedly, federal "regulation," as it is now being implemented by the FPC, is not working and cannot be expected to work, but that is hardly the fault of the regulatory statute, and is no argument for its repeal.

The fact that the FPC has adopted a policy of allowing the industry repeated price hikes, as long as it can maintain a shortage, while unfortunate on substantive grounds, does at least provide a performance record for evaluating the second argument—that higher prices will end the gas shortage. That is precisely the theory that the FPC has, at the oil industry's urging, followed for the past five years, and it has led to *higher prices, but no more gas*. In 1971, the commission raised the price for new supplies from 19¢ to 26¢ per Mcf, on the strength of the industry's representation that adequate supplies would be forthcoming at 26¢. When the shortage persisted, the commission in 1972 and 1973 devised a series of exceptions to permit new sales in the 35¢-to-45¢ range; when these techniques, of dubious legality, failed to increase supply, the commission, in June 1974, raised the price for all new and much old gas to 50¢ per Mcf; and in December 1974 it increased the level to 58¢—*three times the level in effect in 1971!* And each increase has been granted without any examination of the profits being made by the industry prior to the increase!

The reason exorbitant prices, with concomitant exorbitant profits for the industry, have not and will not end the gas shortage is simple enough. The same handful of companies which account for the vast majority of natural gas sales and control the majority of gas reserves—Exxon, Mobil, Texaco, Gulf, Shell, Standard of Indiana, Continental, Phillips—also control every competing energy source, including oil and coal. Thus, if the gas shortage forces an industry in Indiana or a university in New Jersey to switch from gas to oil, the same producers reap the large additional profits guaranteed by the Administration's policy of permitting the price of domestically produced oil to be fixed not by free market forces but by the OPEC cartel.

While the gas shortage is indeed intolerable, a feeling that we should "do something" should not lead us to adopt a deregulation proposal that will transfer vast sums of money from the already depleted pockets of the consumer to the already overstuffed pockets of the energy industry, without any real probability of easing the shortage. Nor is this issue simply one of the oil industry versus the consumer; it is becoming increasingly evident that escalating energy costs, while exceedingly profitable for the oil companies, are inexorably crushing other major segments of the economy—from automobiles to utilities.

Given the oil industry's pervasive control over all energy sources, is there any constructive action that can be taken? Fortunately, there is. The bulk of new gas supplies is expected to come from underwater coastal areas, controlled by the federal government. We are not reduced to pleading, through the device of constantly higher prices, with the oil companies to please produce *their* gas. The untapped reserves belong to all of us, and increased public participation in and control over the development of reserves on federal lands may well be the only long-range solution both to the gas shortage and to the broader energy shortage of which it is a part. Surely it makes little sense for the federal government, through the Interior Department, to continue granting federal leases on these prolific offshore areas to the international oil companies at a time when, because of an Administration policy that rewards continuing shortages with ever higher prices, it becomes in the economic interest of those companies to limit production.

Remedial legislation is certainly in order, but deregulation of natural gas prices is precisely the wrong remedy.

B. IRVIN CHENEY HONORED

Mr. TALMADGE. Mr. President, it always gives me a great deal of pleasure to take note of outstanding public service, and such a record has been compiled by B. Irvin Cheney as clerk of the Wilkes County Board of Commissioners in Washington, Ga.

Mr. Cheney retired in January after 55 years of county government service and his many friends and associates honored him with a testimonial dinner.

I congratulate Mr. Cheney on his long record of dedication to duty and for the countless contributions he made over more than half a century to progress in Wilkes County and the State of Georgia. I salute him for a job well done and wish him every happiness in his retirement.

MR. ROONEY GOES TO WASHINGTON

Mr. RIBICOFF. Mr. President, recently, CBS telecast an extremely informative news special.

"Mr. Rooney Goes to Washington" was a capsule view of the way the Federal bureaucracy works. Andrew A. Rooney, a nonpolitical reporter with no previous Washington experience, came to Washington for 2 months to take a fresh look at some of our bureaucratic institutions. What he found was bureaucratic momentum, agencies which have outlived their usefulness, occasional subversion of the civil service merit system, and pervasive administrative delay. Governmental runaround and secrecy contributed to Rooney's frustration in learning about the Government his taxes help support; so did the sheer size and scope of Government with its flood of paperwork. If those of us in Government would listen to these kinds of commonsense observations by the citizens we are supposed to serve, our Government would surely operate more effectively and equitably.

Mr. President, the Government Operations Committee has just recently reported out Senate Resolution 71, which authorizes a major review of the Nation's regulatory agencies. A program such as "Mr. Rooney Goes to Washington" shows clearly why such a review is so long overdue, and so badly needed.

Mr. President, in order to give this first-rate television program the continuing attention it deserves, I ask unanimous consent that the transcript of the CBS news special, "Mr. Rooney Goes to Washington," be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

CBS NEWS SPECIAL: MR. ROONEY GOES TO WASHINGTON

CBS News Writer-Producer Rooney. People want to know what's going on in Washington. Last year nineteen million Americans came here trying to find out. They spent most of their time lined up outside someplace. The trouble with that is, like tourists anywhere, they leave no smarter about the place than they were when they came.

The Washington Monument dominates the city the way the Eiffel Tower dominates Paris. And during most of the day, tourists surround it like Indians circling a wagon train. You can see it from almost any place you're apt to be in Washington.

(Martial music with montage of Washington Monument shots.)

Washington is a pretty city and it's easy to spend all your time looking at the buildings. The monuments to past Presidents are a major attraction to Americans trying to get closer to their past: the Lincoln Memorial, the Jefferson, the Kennedy Center, and the Watergate.

This broadcast isn't about any of those things.

My name is Andy Rooney. Several months ago CBS sent me to Washington to see what a non-political reporter with no previous knowledge of that place could find out about it. It was a good assignment, like spending two months as a tourist in a foreign country with the company paying the bills. In the next hour, I'm going to tell you what I was able to find out about the bureaucracy—and what I wasn't able to find out.

(Fireworks—Music—Titles.)

(CBS News Special: "Mr. Rooney Goes to Washington.")

(Announcements.)

ROONEY. The first thing I did in Washington was to try to find my way around. It's all right to say you're going to do some investigating, but it's embarrassing the first day when you go out the door and don't know whether to turn left or right to get to the White House.

I spent several days with a camera crew just looking around and taking pictures.

SPEAKER (at committee meeting): Testifying on H.R. . . .

ROONEY. No one can stand being a tourist for long though, and there are things a guide book never tells you about a place.

Two and three-quarters million people are paid $35-billion a year to work for the Federal Government. We kept trying to find out exactly why it is our Government has grown so big and why there are so many bureaus in the bureacuracy.

One of the reasons seems to be that almost every committee, every agency or every department is established by law, but there's never anything in that law about putting the agency out of business when its job is done. Once established, a Government agency, like a Government job, is practically immortal. If a committee or agency has a name that makes it sound out-of-date, it doesn't go out of business; it just changes its name.

We kept asking people if what they were doing was really necessary or if it was something the Government ought to be doing for us. We thought maybe Civil Defense was something out-of-date that we could do without. We had a nice talk with the Director of Civil Defense—John E. Davis. The first thing we found out was it isn't called that any more.

JOHN E. DAVIS. Two years ago, we changed our name to Defense Civil Preparedness Agency. We wanted to be more inclusive, to look at natural disasters as well as preparation against survival from a nuclear attack.

ROONEY. Well, people say that you are an agency in search of a mission.

DAVIS. Quite to the contrary, this organization has taken on a currency role and I refer to the natural disasters we have frequently occurring in practically all sections of the United States. There's none that escape—tornadoes, hurricanes, earthquakes, winter storms.

ROONEY. I'm confused about the Office of Emergency Preparedness in relation to you. Is there any overlapping there?

DAVIS. We are the Office of—Oh, Office of Emergency Preparedness? Of course, that was a year ago in July, by Executive Order. It was separated and part of it now, of the Office of Emergency Preparedness, is called Office of Preparedness, which is in GSA, responsible generally for the continuity of Government and certain emergency plans that were—had been associated with OEP. And part of it, the—the disaster relief generally, FDAA, Federal Disaster Assistance Agency, is over in HUD. And they administer the rehabilitation and—and have some responsibilities for assisting states as we do, but they've been—we—we've been assigned the mission of helping local communities prepare for these natural disasters. And that generally is where we get the authorities for what we're doing in the natural disaster field.

ROONEY. We've been looking at some of your literature that you've been publishing and we're particularly interested in this one—"Protecting Mobile Homes From High Winds". Is telling people how to protect their mobile homes from tipping over a function of Government?

DAVIS. It's just one of these things that was done because of our professional knowledge and the fact that it was something that people wanted today.

ROONEY. I was taken with this one phrase in here. "Mobile homes meet a real need in our society: they are attractive, comfortable, and provide low-cost housing." Now, for a Government booklet to say mobile homes are attractive! I never heard anybody call a mobile home attractive before.

DAVIS. Well, it's——

ROONEY. Why would a Government booklet call a mobile home attractive?

DAVIS. Well, I think that—This is a matter of opinion. Certainly the manufacturers of mobile homes (and I imagine those that live in it) to them, that is the case. And so it's all a relative thing.

ROONEY. What is your budget, total budget?

DAVIS. Eighty-two million dollars last year and it appears that it's under consideration by the Congress now, and I think it will be approximately the same amount.

ROONEY. With the draft over, I thought our Government might be saving money by closing the Selective Service Agency. We talked to the Director, Byron Pepitone, a retired Air Force Colonel. We asked him what Selective Service was doing now that it wasn't selecting anyone any more.

PEPITONE. We have become an organization in standby—much as an organization in the sense of insurance against an emergency. We're not inducting anyone, you see. The authority to do so has expired. But our staff and our offices have been reduced by a quarter—by three-quarters.

ROONEY. How much is your budget?

PEPITONE. In the spring of 1973, before inductions stopped, we were operating on—on a budget of approximately a hundred million dollars. Our request to the Congress for the Fiscal Year '75 forthcoming will be for $47-million.

ROONEY. Is that the absolute minimum that it costs to do nothing—not to draft anyone?

PEPITONE. Forty-seven million dollars is a very small amount to guarantee that, should you have to augment that force, you have the capacity to do it in a timely fashion.

ROONEY. What would happen to your operation if you spent only twenty million?

PEPITONE. Well, my personal opinion is that if it gets much below the present level, we might just as well decide that we don't need it.

ROONEY. It's hard to show the size of Government. It isn't as though you could get everyone who works for it to pose for one big class picture. And of course, it hasn't always been this big either.

In 1930, half of all Government employees were mailmen. Now there are a lot more mailmen, but they represent only 25% of all Government workers. And back then, there was no such thing as a Department of Health, Education and Welfare. Our health, education and welfare were pretty much our own business.

Well, of course, things have changed. Today there are 127,000 HEW employees. The Agency occupies space in fifty-seven buildings in the Washington area alone.

We thought it would be interesting to find out how many Government buildings there are in the Washington area. We asked the General Services Administration for a complete list. They told us they didn't have one, but they could get us one—for a hundred and fifty dollars. So we paid them a hundred and fifty dollars, and here's the list they gave us.

This is a list of every Government building in the Washington area. [Computer printout unravels to the floor] It seemed like a good idea at the time. I don't know exactly how to show it to you, but every one of those lines represents a building. As far as I know, this is the only one of these lists in existence.

Now this is a list of every building our Government owns all over the world. The CIA may have a pad or two in Budapest that isn't listed here, but substantially these are our real estate holdings—something like 500,000 buildings our Government owns.

The General Services Administration is an interesting operation. What it is, it's a combination landlord and superintendent for all Government buildings. If you need a whole new building or just a box of rubber bands, you go to the General Services Administration. Now, this is *their* catalog: about anything you'd want in here, and there are quite a few things you wouldn't want, too.

Here's a chair. They have sixteen different kinds of chairs, for instance. There are eighteen grades of Government servants, so I suppose there's one chair for each grade. And we figure the bottom two grades have to stand.

Here's the rubber bands, if you want rubber bands. This one here is Federal Specification ZZROO1415. So the Government's got just about everything you want, if you work for it.

We wondered where all this stuff in the book came from, so we went out to one of the General Services warehouses to look around.

What would you like? Here's leather gloves—boxes of leather gloves—more leather gloves. Mops? I imagine the mop handles will be coming along. Some kind of lock. I don't know what that is.

String. There are two balls for toilet bowls. A couple of dictionaries. You want a dictionary? Pans, pots, pans. Wrenches.

What would you like? Name plates for stores? Fronts of desks? Here's paint rollers. And where would the Government be—You thought this was just a figure of speech? Genuine Government Red Tape!

I don't think there's anything more discouraging for a taxpayer who likes to think that he's doing something important for his country than to see something like this. You look at a box of something, and you say to yourself: "There go my taxes"—not democracy or freedom or a battleship or anything—just a box of stuff!

(Announcements)

ROONEY. This chart on the wall here shows all the ranks of Civil Service workers in Government. There are eighteen different grades (and there are ten steps in each grade too) but we're not going to get into that. And we aren't going to get into "double dipping" either. In Washington, double dipping is the practice of retiring from the Army, Navy or Air Force, and then taking a job in Civil Service so that you get two salaries.

There are most Government workers in Grade Five—172,000. Each of them makes a minimum of $9,000. And it costs the Government a billion and a half. Grades 16, 17, and 18 all make $36,000. You'll see that Grade 16 is listed at thirty-five-five, but actually Grade 16 makes $36,000 too—after he's been in the Government for about twenty minutes. It's one of the problems in Government. All three top grades make the same, so there's not much advantage to getting to be the boss—except possibly you get to go home a little early on Friday.

If Civil Service worked the way it's supposed to work, it would be fine. If someone needs a certain kind of employee, he goes to his Department's Employment Office and they find someone in their card file who fits his job description.

PERSONNEL AGENT [to job applicant]: What I'll do is, like, now that I know you have the requirement, I'll get people in every day and I can kind of rush them in getting their applications in and in good form.

ROONEY. According to the people we talked to, it doesn't work ideally very often, though. Something like this is more apt to happen.

Say I'm in a management position in Government. I have a job open. My old college roommate needs a job, but the description of the job in my office doesn't match his qualifications. He worked in the real estate business for a while. He had a job in a bank once. His father is Italian. And he was editor of our college newspaper. I want to help my old roomy, so I get him to apply to Civil Service. He puts down all his qualifications.

A short while later, I go to Civil Service and I say, "Say, that job I have is changed. What I need now is someone with newspaper experience to help our office with some real estate dealings in an Italian neighborhood. He should have knowledge of mortgages and bank loans." So someone at Civil Service takes that information, feeds it into his computer, and presto! Guess whose name pops up? My old college roomy.

The Civil Service Payroll represents only half of what the Government pays out in salaries every year. The names in this book represent something else. These are the people who work for Government but are not Civil Service. In other words, these people were all appointed to their jobs. This thing really makes good reading, too. Look at some of the titles in here! We've taken some out and posted them here on the board:

Secretary to the Secretary.

Secretarial Attendant to the Secretary.

Chauffeur to the Secretary.

Apparently the Chauffeur doesn't have a Secretary himself.

And then there are all these Confidential people:

Confidential Staff Assistant.

Confidential Staff Assistant to the Associate Director.

Confidential Assistant.

Confidential Staff Assistant.

Confidential, confidential, confidential!

In Washington, a Confidential Assistant is the person, if you don't want to know something, you go and ask him and he won't tell you.

This is a beauty:

Associate Deputy Administrator.

Deputy Associate Administrator.

And down, in further:

Deputy Assistant Secretary.

Special Assistant to the Assistant Secretary.

Staff Assistant to the Deputy Assistant Secretary.

Assistant Administrator for Administration.

Deputy Assistant Administrator for Administration.

And it goes on like that.

Government officials are always saying there aren't any more Federal employees now than there were twenty years ago. This sounds good until you find out what the reason is. The reason is an awful lot of Government work in Washington is being done by private companies now, on contract.

I grew up thinking Big Government and Big Business were enemies. Well, imagine how surprised I was to find out they're really best friends—very close buddies. As a matter of fact, in Washington, they get along so good it scarces the life out of you.

The Department of Defense, for instance, has eighty thousand people on its payroll who arrange contracts with private companies who actually do the work. There are hundreds of companies in Washington which do nothing but advise the Government.

Here's a little example we looked into. This is a report on Urban Mass Transportation presented by the Secretary of the Department of Transportation to the President of the Senate. At the time it was Gerald Ford:

> "DEAR MR. PRESIDENT: I am pleased to submit the Department's study of Urban Mass Transportation, needs and financing, et cetera. . . .
>
> "Sincerely,
>
> "CLAUDE S. BRINEGAR."

Well, now, you'd think this had been prepared by the Department of Transportation, wouldn't you? Well, it wasn't. It was prepared by a private company called Peat, Marwick and Mitchell. We got hold of the contract Peat, Marwick had to do this study. They were paid $260,564 to do this. Would anyone know it was done by them? Would the Senate or the public know? Not from anything you could find in this book—because Peat, Marwick and Mitchell's name isn't mentioned anywhere in it—not even in fine print.

The trouble with contracting is that it makes it even harder for all of us to find out where our money's going. We tried for months to get someone at Peat, Marwick and Mitchell to talk to us about this. They refused.

What are they hiding? There's no law they have to talk to us, of course, but, well, it is our money.

One of the obvious problems is that when a private company gives advice to the Government in some special area and also has private clients in that same area, it seems very unlikely that the advice they give the Government will do their private clients any harm.

Here's another example of contracting. We were looking through the Commerce Business Daily one day. I never heard of it before, but it's important to people in Washington doing business with the Government. It lists contracts up for bids, contracts let, that sort of thing. We came on this one small contract. We've had it blown up here so you can all see it.

"Prepare Guideline to be used for the rewriting of all Navy technical manuals to the ninth grade level."

They're to be paid $65,622—a company called Biotechnology. (That "Biotechnical" was a mistake.)

Now that seemed interesting, so we set out trying to find out more about it.

First, we called Biotechnology. We didn't get far.

(On phone): Andy Rooney, CBS News. Rooney, R-O-O-N-E-Y. Well, check with him, will you, and see if he'll talk to me? He's not there right now, huh? Do you think he went somewhere? Is he apt to be in again today?

I'm always amazed at how a secretary can sit three feet from a guy and not know whether he's in or not.

(On phone): Oh, you don't think he'll be back today? All right, put me on hold. Fine! I've been on hold before. Out of the building, eh?

She's asking him whether he's in or not, I think.

(On phone): Uh-huh. What time's he apt to be in, do you know? Do you know what time he's apt to be in? Around eleven? Yeah, okay. Well, do you think if I call him around—He may go right to lunch from—instead of coming in at eleven? Hm-hm! That's an early lunch. Yeah. Do you know whether he has a lunch appointment or where he would be going? Hm-hmm. Will he call in and let you know whether he's coming in or not? He wouldn't let you know about that? And if he's not coming in, he won't tell you? Hm-hmm. Okay. Well, why don't I try you again at eleven, then, and see if you know anything?

We drove over there one day just to make sure that the company really exists, and took pictures of one of their buildings. Several days later, much to our surprise, we got through to the company's president.

(On phone): Andy Rooney, CBS News. How are you? I've been trying to get you for a long while. Would you be able to tell me, you know, who—who you're dealing with in Navy? Is that a secret? I just wondered if, you know, if you could talk to us on camera some day about how it goes and what you do and that sort of thing? Well, are they apt to say they don't want any publicity at all on it? If you can get approval from the Navy, we could talk on camera. Well, could—would you check it with them or should I?

They told me they couldn't talk about it without Navy permission. So we went to the Navy. You haven't seen red tape until you deal with the Navy. We talked to them. A lot of them!

(On phone): I was just trying to find out, you know, what—what was happening, what the Navy was doing with their manuals. I had been trying to talk with some people at a company named Biotechnology. Are you familiar with them? Yeah. I—I—You know, it just doesn't seem like anything very sneaky to me. I don't see why they wouldn't talk about it. They were reluctant to talk until they had gotten some sort of clearance from the Navy. I then talked to a Mr. Shihda, and he—he referred me to a Mr. Tarbell, and Mr. Tarbell referred me to Mr. Cleverly. And then, I guess, he referred me to you. Is there any—Do you think there would be any objection to my talking to the people at Biotech? All right. Thanks a lot. Okay.

After weeks of phone calls, we reached someone in the Navy who said it was all right to talk to Biotechnology about it—if it was all right with them. Back to Biotechnology!

(On phone): Okay, thank you.

You won't be surprised to learn that Biotechnology still refused to talk to me. We were really interested now and we were able to get hold of the Navy study on which that contract was based. (Looking through reports on desk) A lot of junk here! This is it. So, armed with this study, we went to the Navy and had an interview with Admiral Frederick Palmer, the man in charge of implementing this study.

ROONEY. Are you having all the manuals rewritten to a ninth grade level of comprehension?

Admiral PALMER. I think that needs a little—a little explanation, because I think that you need to—to go further and find out ninth grade according to what standard.

ROONEY. Has this contract been executed yet?

PALMER. No.

ROONEY. They haven't done the work?

PALMER. No.

ROONEY. We had tried to contact Biotechnology. Do you know Biotechnology?

PALMER. No, I do not.

ROONEY. It just seems strange to us that the officer in charge of implementing this study never heard of Biotechnology or of this chart (on page 51) dividing all potential Navy enlistees into four categories: "Socially Assertive Team Leaders"—"Uninvolved Reward Seekers"—"Active Manual Satisfaction Seekers" — "Unrealistic Self-Improvement Seekers."

I saw a report and it divided Navy enlistees into four categories: Socially Assertive Team Leaders, Uninvolved Reward Seekers, Active Manual Satisfaction Seekers, and Unrealistic Self-Improvement Seekers. You recognize them in the Navy?

PALMER. I haven't the foggiest notion of what you're—you're talking about. I hope I can get a copy of that to look into it.

ROONEY. Wasn't that in Part Two of your study?

PALMER. I don't recall that at all.

ROONEY. I think it was.

PALMER. Was it? Do you have the page number of that?

ROONEY. No, I don't. I—It was—It was known as the Grey Study.

PALMER. I'll sure look it up. Let me get a note of that right now.

ROONEY. If you had your report with you, I think it's probably in there.

PALMER. Grey Study, Volume Two, you say? Thank you.

ROONEY. We're not drawing any conclusions about the Navy or this little company. They're probably both fine, but these contracts sure make it difficult for the citizen to find out where $65,000 goes.

And keep in mind that contract was only one of 583 that appeared in the Commerce Business Daily that day. We didn't have time to check the other 582.

Having struck out at both Peat, Marwick, Mitchell and Company and Biotechnology, we went to a company called McKinsey. McKinsey, though unknown to the public, is an important name in the high and inner circles of Government. We'd all like to tell the Government what to do once in a while. Well, McKinsey not only gives advice to the Government, but the Government takes it and pays them for it. Robert Fri, a vice president, talked to us.

What would your contracts with Government run to? A hundred thousand dollars? A hundred million dollars?

Robert Fri (laughing). Well, that's—there was one with the Department of Transportation that we just—we just finished, a study over there for Secretary Brinegar. That contract was quoted in Jack Anderson's column at $365,000—which I assume is about right.

Rooney. Would you at the same time be doing work for General Motors when you were doing something for the Department of Transportation?

Fri. Oh, I think the sense of your question is "Could we be serving an industrial client?" And the answer is yes. But we would be serving it from a different office with different people. We have internal controls to make sure that there's no conflict.

Rooney. What about just a list of the Government Agencies that you do work for. Is that a—then an available thing, or is that a secret too?

Fri. Well, let me tell you some that I know have appeared in the press or otherwise mentioned publicly over the last few years.

Rooney. In other words, there are some that you would—

Fri. There are some I prefer—

Rooney. —prefer not to mention?

Fri. —not to mention. We serve the Veterans Administration, the Peace Corps, the Department of Transportation that I mentioned earlier.

Rooney. But the ones that interest me most are the ones that you won't tell me. (Laughing)

Fri. That's a representative list. We serve the Office of Management and Budget, the Treasury Department.

Rooney. Why wouldn't you tell me?

Fri. It's simply a practice of the firm to—that we're not the ones who tell publicly who our clients are.

Rooney. In other words, the Government would come to you and give you this contract and say, "But don't tell anybody about it."

Fri. No, they don't say that. And I'm not—I'm not trying to dodge your question. I'm just being true to the standard practice of the firm, which is a carry-over largely from the private sector. But we still observe it here, to the extent that—that our relationship with a client is not widely known.

Rooney. Is there a way we could find out what McKinsey's total income for one year was from the Government contracts?

Fri. Well, it would be in the several hundred thousand dollar range.

Rooney. Well, that one you mentioned was three hundred and eighty-five thousand, so——

Fri. Yes.

Rooney. It certainly would be several hundred.

Fri. Yeah.

(Announcements.)

Rooney. Power is always slipping away from most of us and into the hands of the very few. I guess we all worry about it, but if you spend some time in Washington, you get thinking that Congress, at least, isn't really very dangerous.

Almost everything we do is a fact before Congress knows what's happened. Take sex, for instance—or the economy, if sex offends you. Our national habits have changed in regard to both sex and money. But Congress didn't have a thing to do with either of them. We establish our own rules of how we live and all Congress can do is make them official and make them apply to everybody the same way.

Even if a Congressman wanted to become some kind of a dictator, he couldn't do it. He's too busy.

Congress is disorganized, overworked, and very little of what they do becomes law. If one of them is for something, another is against it. We're lucky they don't get along because it offers all of us a great deal of protection.

Rep. Teno Roncalio (D-Wyo.—speaking at Congressional committee meeting). Otherwise, we ought to attach this kind of a rider to every single bill that goes through the Congress, on any growth, any programing whatever, where the Feds come back and say, "Well, if you don't do it this way, you don't get—you don't participate in the American Dream." On that basis, Mr. Chairman, I have to be against this amendment.

Rep. Bella Abzug (D-NY). Would the gentleman yield?

Roncalio. Sure.

Abzug. May I ask council, do we not have in our bill at present . .

Rooney. We can't get cameras into the House of Representatives, so we don't have film of a little argument that we saw break out one day between Congressman James Cleveland of New Hampshire and Congressman Pierre duPont of Delaware. We went to their offices later and talked to each of them about that.

I heard you speak on the floor of the House a few days ago. You were trying to get money for people in a ski area because they said they were in trouble because it hadn't snowed much. Is protecting businessmen from the elements a function of Government?

Rep. James Cleveland (R-New Hampshire). I think so. I'm sure you're acquainted with flood insurance and disaster insurance. And I think that we have various Federal programs to assist people that have been victims of some natural dis—disaster.

Rooney. Is not snowing a natural disaster?

Cleveland. Well, apparently, it didn't fall within the provisions of any existing law and that's why I got the amendment through that I did.

Rep. Pierre duPont (R-Delaware). My reaction to that is that we've come to the ultimate in Government law. We're paying people because it isn't snowing where they live.

Rooney. But what do you say to Congressman Cleveland who says there are five thousand people in New Hampshire who aren't going to eat well enough because it didn't snow; they need help?

duPont. Well, you say, "Jim Cleveland, you're a good friend and you're a nice guy, but we shouldn't be paying people because it doesn't snow. If it doesn't snow, it doesn't snow and that's one of the things we live with."

Cleveland. The ski industry is—is—is really quite important to Northern New England and Northern New York. It employs a great many people and it particularly employs a lot of college students who are attending colleges in those areas. It's weekend work for them when most of the action is——

Rooney. But that day on the floor of the House, I—I was sort of amused and I suppose you weren't. But Congressman du Pont said that it had been raining in Rehoboth Beach where he has a lot of constituents and the people who sold bikinis were in trouble and that he wondered if they would be eligible for support because it was raining in—at the beach.

Cleveland.—Well, the—I think—the answer is that if there was a prolonged period of rain and dismal weather, I would think that a resort type area might be eligible for this.

du Pont. And the other thing you can say to him, although he probably wouldn't like it, is "Jim, if we start the subsidies this year, and it snows less next year, you'll be back for more. It's an endless program. And furthermore, if it does snow next year, you'll be back for this amount anyhow, 'cause you'll say if we stop the subsidies now, nobody will make any money and the result is pretty soon we'll be paying people whether it snows or not."

Rooney. Congressmen and women do most of their work in committee session. A lot of those are closed to the public, but a lot are open too. And tourists ought to spend more time at these and less time hanging around down by the Washington Monument.

We listened in on about thirty committees. (Sounds of committee speakers in background) You often pick up interesting little bits of information.

Sen. Warren Magnuson (D-Washington). The price of wheat to the farmer is a very small item in the price of a loaf of bread, whether it goes up or down.

Committee Chairman. That's very true.

Magnuson. And there are many occasions, I guess you've found out, where the price of wheat would go down and the price of a loaf of bread would go up.

Chairman. Could you, for the record, and the record will stay opened——

Rooney. In Washington, everything is "for the record" which usually means: Let's not waste time with it.

Assorted committee members. "Your statement in full will be entered in the record of the hearing at this point." "Your statement which you have presented to us will be incorporated in the record in full." "I wonder if my statement can be entered in the record?" "Your statement will be reproduced in full." "We have your full statement here. It will be placed in the record in full." "Mr. Dickie, I believe you skipped over some parts of your statement and——" "Yes." "Your statement will be entered in full in the record."

Rooney. Washington is probably the only place in the whole world where there are more writers than readers. Everyone is writing something, having it duplicated or printed and distributing it to everyone else. No one, it seems, is actually reading much of it.

The U.S. Government Printing Office in Washington has committed more words to more paper than any other printing plant in the whole world. The Congressional Record alone is a monumental job of printing. Eight hundred and thirty linotype operators and editors work all night putting it out.

This is a more or less average day's Congressional Record. We've counted and there are four thousand more than half a million words in this. That's just for one day.

Let me read you the way Congress open each session. First there's a prayer, and then the Speaker of the House or the Senate makes a motion—in this case, Senator Mansfield. He says, "Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of (the previous day) be dispensed with." Well, consent is always given—thank God!—because it would take sixty solid hours to get through reading just this one day's Congressional Record. And by that time, of course, they could have had three more sessions of Congress.

Behind these fireproof doors at the Federal Records Center are two-and-a-half-million boxes of papers that probably ought to be burned. These cardboard coffins are headed for the crypt. They're being saved, not so much because they're important, but because—like your own Sunday paper—someone couldn't stand the thought of throwing them out without reading them. And they couldn't stand the thought of reading them.

Filing costs the Government two billion eight hundred million dollars a year, about thirteen dollars apiece for every American.

Your name is in here somewhere. And so is your father's.

Not all Government records are kept though. The Pentagon is a regular secrets factory. And most of the secrets it produces every day are destroyed right here where they're made. This is the biggest secrets disposal mill in the whole universe.

When people from a Pentagon office have papers they want to destroy, they bundle them up, bring them to this disposal center, sign for them, and stand by until they've been chewed and digested by this machine. According to a usually reliable Pentagon source, there are (in addition to the secrets) usually a few unfinished crossword puzzles that go in here to be uncycled.

About how much of this do you run through a day?

Pentagon paper-shredder supervisor. Well, on the average of ten to fourteen tons of dry paper.

Rooney. And those are—those are all secrets?

Supervisor. All secrets, as far as I'm concerned.

Rooney. Boy, that's a lot of—ten tons of secrets is a lot, isn't it?

Supervisor. Yep.

Rooney. Do you ever get curious about what's on those?

Supervisor. No, sir. You get to the point where you don't pay any attention to what goes in.

Rooney. And there's no possibility of anybody reading this, is there?

Supervisor. I'd say! Take a look at it. If you can read that, why, I'll give you my next month's salary.

Rooney. You might think the Government isn't aware of the proliferation of paperwork in its operation. Wrong. The Government has had studies done of the problem—lots of them. Every book in this pile represents a study of some kind about the paperwork problem.

"We've had a study done." That's what you hear all over Washington. Having a study done is an end in itself. Actually doing something about a study is something else.

We went in to talk to Mark Koenig, who was called Assistant Archivist for Records Management. He was sort of in charge of trying to cut down on Government paperwork.

What's the cost of Government paperwork?

Koenig. The last estimate we had from the General Accounting Office is fifteen billion dollars a year.

Rooney. Fifteen billion for paperwork!

The Paper Management Office tries to encourage people to cut down on paperwork by having a contest every year. We have one of the letters sent out by a department head telling his people how to enter their nominees. The letter seemed like sort of a bad way to start out saving paper. We've stuck it upon the wall here. It says: "The purpose of the award is to honor those Federal employees who have contributed significantly to the efficiency or cost reduction of Federal paperwork systems. Nominating procedures are described in the prospectus, but one change is necessary. Six copies of any nomination, rather than four, should be submitted." Well, now, that's a bad start when you're trying to save paper.

The Awards Ceremony itself was a combination luncheon and cocktail party. It began at 11:15 in the morning. It was a big event and very pleasant, but not in itself a good example of saving paper. There was paper everywhere you looked and in great quantity. You wonder whether maybe the Paperward Award wasn't costing the Government more in paper than it was saving it.

(Film montage depicting Paperwork Awards preparations and ceremonies.)

We weren't sure why the Paperwork Awards ceremony was opened with a military color guard marching into the dining room. But, of course, we'd never been to a paper saving award ceremony before, so what do we know?

(Martial music—color guard—"Order, Arms!"

Awards hostess. I welcome you, on this glorious autumn day, to this wonderful presentation. We will now have lunch.

Rooney. This is the Superbowl of paper saving. We thought they were picking just one Government money saver, but it turns out there were lots of them.

Awards presenter. There's one overriding factor. The overriding factor is simply that all of these people are winners.

Rooney. They gave out forty-one awards, some of them to as many as eight people. Actually, you could come away from this affair with the idea that the Government wasn't wasting money at all on paper—that it was actually making money on it.

Rooney. Saving this kind of money, we could become a rich nation again.

Paper savers (midst applause). "Oh!" That's—" "Oh, he saved about—" "Congratulations!" "Congratulations!" "Thank you." "Thank you very much." "Going to look pretty; going to look nice." "Hey, all right." "Thank you." "Congratulations." "Okay." "Bye-Bye." "So happy for you." "Where you gonna go?" "You going to go and have a drink with us?" "Oh? Say, that would be great." "You know Phil?" "I'm not—I'm not going back to the office." "Oh, you're not?" "Nah!" "Yeah."

Rooney. There's almost always some place to go except back to work in Washington. There are a thousand little parties every week and it seems as though some people go to all of them. In Washington, the amenities often take up more time than the business.

Secretary of State Henry Kissinger. And when I publicly admit that I do not know something, you can believe me. (Laughter). So I look forward to—to—

Rooney. The pace of the city is slower than in the cities that make something. There are more "Time Outs"—more days off. Lunch doesn't always mean eating.

You do this on your lunch hour?

Jogger (crossing bridge over Potomac). Or whenever.

Rooney. There's a lot of this going on in Washington. How come?

Another jogger. It just seems to be that way. I don't know.

Rooney. What's your job?

Second jogger. I'm over at the Pentagon.

Rooney. How many miles do you run a day?

Third jogger. Five.

Rooney. Five miles. Where do you work?

Third jogger. Pentagon.

Rooney. Everything will still be here tomorrow. The Government isn't making anything.

(Announcement.)

Rooney. The United States Government pays out something like $95-billion a year in subsidies. It seems as though every company and every professional organization has an office in Washington to represent its interests.

(Photo montage with sound effects depicting D.C. lobbies/organizations.)

Almost every bill passed in Congress influence the distribution of money and the trick is to get more out of the Government than you're putting in. Everyone knows the tax break the big oil companies get, but you don't hear much about the others. The lumber industry, for instance, gets a subsidy of a hundred and thirty million. The Federal Government pays out two hundred and forty-four million to fourteen shipping companies. Every American seaman is subsidized for about twelve thousand dollars. And that's in addition to what the shipping company pays the sailor.

And you don't have to look to the giants of industry either to find money being handed out. We were wandering through the Rayburn Congressional Office Building one day and came on an Association of Beekeepers trying to talk Congress out of some money.

Bee cage promoter. But without the humble honeybee, agriculture couldn't survive. There's about 90 plants in agriculture—blueberries, apples, oranges, lemons, lots of other plants—where the honeybee is completely indispensable. We have to have the services of this little animal in—again to bring the male and the female plants together.

Rooney. Are you a beekeeper?

Processor. No. We're honey processors.

Rooney. I see. And what is the purpose of this meeting?

Processor. The purpose is to educate the Congress on the needs of the honey people.

Rooney. How much help from the Government does the honey business get?

Honey businessman. If you want me to be very candid, we don't get as much as we would like, we would like to ge more help, that's one of the reasons that we're up here today.

Rooney. What sort of help do you need from the Government?

Honey businessman. Well, for instance, insecticide poisoning sometimes kills our colonies. And, of course, that stops our production.

Rooney. Are you reimbursed for that?

Honey businessman. We are reimbursed for this.

Rooney. Have you personally gotten money from the Government?

Honey businessman. Yes, I have, on a couple of different occasions, very small amounts.

Rooney. And how much did you get?

Honey businessman. Ah—

Rooney. Roughly?

Honey businessman. Five hundred dollars.

Rooney. Well, he isn't the only one who got a little something. It turns out that last year alone we paid a million and a half dollars to beekeepers who said some of their bees had died under unfortunate circumstances.

Bee cage promoter. I'll put my hand down here, and if I jerk it back fast you'll know that I missed.

Rooney. It's all perfectly legal. You don't have to be dishonest to get rich off the Government.

One of the reasons so many of us don't feel so good about Government is we've had dealings with the people who work in it. Ideals like democracy are only pure and clear in a book or at a distance where you can't make out any of the details. Good Government doesn't seem nearly so good when you're being run around by some junior clerk in the License Bureau.

But we're determined not to be all negative. There are good things about Washington and some very good public servants.

We talked to some people who aren't heads of departments, don't have any big deals going, and aren't in the headlines. They're just competent people working in Government jobs.

Phillip Hughes of the General Accounting Office was one of them. He and his wife came here from Seattle twenty-five years ago and still live in the same house they bought then. On the three mornings a week he plays handball, Mr. Hughes doesn't get in till almost 8:00.

Did you choose Government as a career or did it just sort of happen to you?

Hughes (laughing). I guess I'm not real sure. I think, at least periodically, I re-chose it. I'm a product of the Depression era, as most of us—all of us my age—are. And I was concerned when I was in college with the kinds of things that got us in the plight we were then in and about ways to get out of it. That led me to get in the business of social and economic research and that got me into Government. And I've been sort of plowing my way along ever since.

Rooney. Has there been any change in the attitude of people going into Government?

Hughes. I think interest in Government, and the enthusiasm for it, waxes and wanes depending on what's going on. I think the Kennedy and Johnson years brought a burst of interest on the part of young people in particular, and perhaps on everybody's part, in Govenrment—some feeling that Government could save the world. We've been disillusioned from that, those of us who were—who may have been at least partly convinced of it. But from my standpoint. I've found the Government a continuing source of fascination and an opportunity, at least at times, to feel that you have some grip on the world in which we live and on your own personal destiny and future.

Rooney. I'm interested in your saying that you're disillusioned. You mean from time to time you have been?

Hughes. Yes, I think we had more confidence in the '60's that good Federal programs, well administered, could do things; could eliminate poverty, and so on. Those good programs won't by themselves do it.

Rooney. Is there to much Government in America?

Hughes. Well, again, I'm—As a bureaucrat, that's a terrible question to ask me. But I—I guess I don't think so. There needs to be a central, at least a central source of inspiration, a source of exploration, and it seems to me Government is the—is really the only place to do that. But it needs to be done better than we've done it yet.

Rooney. In general terms, do you find the Government represents the public interest or its own interest? Is it a self-perpetuating organization?

Hughes. Well, all organizations tend to perpetuate themselves—all organizations and individuals. That's the nature of the world. But I think Government more nearly represents the public interest than any other entity that we have. And I—you know, I find it quite responsive. Most public servants, whether elected or—or appointed (or bureaucratic, as I am, in a sense) I think I want to respond to their perception of the public interest. Now, nobody's perfect in perceiving it. But I think most of us in Government try.

Rooney. So that's some of what we found out about Washington.

Our society has become so interested in the visual aspects of everything, it's easy to forget that there are no pictures of the most interesting things that go on in the world. In Washington, it's not only hard to get pictures; it's hard to find out anything about anything. People hide things there's no reason for them to hide. Everyone has a public relations person who is more interested in obscuring the truth than revealing it. Every time you ask a question, you get the impression they aren't thinking so much about what the honest answer is, but about what answer would make them look best. The truth doesn't enter into it unless it happens to coincide with their own best interests.

Now, that doesn't make Government people unique, of course, but it makes you madder when you're being deceived with your own money.

It's very apparent that we all ought to know more about what's going on in Washington. The people who think everything is wrong down there are as far from the truth as the people who don't think anything is wrong. It's not being run by evil people, it's being run by people like you and me. And you know how we have to be watched.

SENATOR McINTYRE ADDRESSES ENERGY CRISIS AND ITS BASIC IMPACT ON AMERICA'S FUTURE

Mr. HUMPHREY. Mr. President, in a recent address to the Exchequer Club, my friend and colleague from New Hampshire (Mr. McIntyre) called for a national energy policy aimed at "total emanicipation from a dependence on fossil fuels that has eroded every component of real national security."

In this thoughtful speech, Senator McIntyre expressed the urgency of solving our energy problems through specific and direct actions—and he is to be commended for this demonstration of the nature of clear and effective decision-making. He pointed out that—

> National security and our collective right to life, liberty and the pursuit of happiness rests with the energy decisions we make in the next few days, the next few months, the next few years at most.

Senator McIntyre has correctly stated what is most important for all of us to realize. The energy crisis does not merely raise the possibility of long gas lines, or higher electric bills. No, the energy crisis, unless acted on promptly and wisely, threatens the very fundamentals on which this Nation was established.

I wholeheartedly endorse Senator McIntyre's conclusion that—

> We must proceed with all due haste to research, to develop, to put into widespread use those non-fossil, non-nuclear sources of energy that will not pollute, cannot be embargoed, do not lend themselves to cartel control, won't provoke global hostilities, and are in endless and abundant supply.

Mr. President, I compliment the Senator from New Hampshire for his leadership on the critical energy questions that confront our Nation and, in particular, how this crisis relates to our national security. I ask unanimous consent that Senator McIntyre's remarks on February 19 to the Exchequer Club be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Yardstick for Survival

(By U.S. Senator Thomas J. McIntyre)

I want to talk about national security. And I want to talk about it in terms of total concept.

I believe our national security has been critically eroded by one of the costliest errors in human judgment since man came upon this earth.

And I would like to begin a consideration of how we can survive this error by asking a basic question: What is national security?

Let me suggest that national security is above all else the ultimate guarantor of our right to life, liberty and the pursuit of happiness. In considering what contributes to real national security, let's dispense with the obvious. Reason, common sense, and a recognition of the dark side of human nature demand that we maintain an adequate arsenal and a prudent defense policy until mankind at least ascends a few more steps on the ladder we call civilization.

But surely there are other components, and I offer these:

1. The relaxation of global tensions and hostilities.
2. A physical environment that neither threatens mankind, nor is threatened by mankind.
3. A healthy, vigorous and competitive economy.
4. The people's trust and confidence in the logic and fairness of Government policy and programs.

If you agree, then ask yourselves: What single element has weakened all four of these components in recent months?

What single factor has heightened global tensions? Hurt or threatened the health of our people? Raised havoc with the world economy? Plunged us into a near-depression? Undercut confidence in leadership and policy?

Would you agree that in a word the answer is "oil?"

Would you agree that in a phrase the answer is the industrialized world's enslavement to sources of energy that will soon be exhausted, that can't be renewed, that pollute the world we live in, that lend themselves to ruthless exploitation and blackmail politics, that breed greed, envy, chaos, and war?

I believe that this enslavement—coupled with a blind refusal to research and develop clean, renewable alternative energy resources—must, indeed, be one of the most calamitous errors in human judgment since time began.

And that error is being compounded by the day!

You think not? Then let me challenge you to square President Ford's call for thousands of new oil wells, 30 new major refineries, and a doubling of oil and natural gas output in the next ten years with the results of the study just released by the National Academy of Sciences. That study concludes that the United States will run out of oil and natural gas in the next 25 years!

Moreover, 70 percent of the remaining oil and most of the natural gas reserves are located in Alaska, under the seas, or in the tar sands of Canada or the shale rock of Colorado.

This means an unavoidable increase in extraction and delivery costs, further inflation of wholesale and retail prices, and immense new environmental protection problems. And all this amidst the certainty that time and supply are fast running out.

And may I suggest that there is a high risk corollary to this primary folly, the gamble that development of nuclear and coal resources can be brought along fast enough to bail us out by the time we exhaust oil and natural gas supplies.

Now let me make this clear. I am not paranoid about nuclear energy. Nor am I an eco-freak who lies awake nights worrying about the survival of the whooping crane.

But when I consider the incredible sums we've poured into nuclear energy development since World War II—and measure that investment against the meager returns; when I consider the huge capital costs involved in setting up nuclear generating plants; when I consider the enormous amounts of energy it takes to build reactors and prepare their fuel; when I consider the radiation risks, the solid waste disposal problems, and the disturbing thought that a proliferation of nuclear power sites throughout the world seems certain to invite sabotage by terrorists then I must question the practicality of putting so much of our research and development egg into that particular basket.

Nor am I convinced that it is in our best interests to go all-out to exploit the subsurface coal reserves of Montana, Wyoming, North and South Dakota.

If we take the most optimistic estimate of the size of those reserves and measure it against the most ambitious plans for extracting and using them, we come up with an exhaustion date of 1996. My friends, that's only 21 years away! And when we factor in the legitimate doubt that the terrain and the water supplies of those states can sustain mining and power generation without damaging the region's immense capacity for food production—and add to that the increasing political opposition to coal exploitation in these states—well, I don't see how anyone can be sanguine about the prospects.

What I am saying, then, is this: The energy-economy program advocated by the Ford Administration makes every assumption about the supply of fossil fuels except the one asumption that is certain: the supply is fast running out and will never come back.

Moreover, and I say this with regret, the alternative program proposed by my own political party just this week may be more humane, and may be on sounder economic ground, but it is still locked into the straitjacket of conventional energy wisdom. For like the Ford program, the Democratic alternative calls for accelerated exploration for oil on the Outer Continental Shelf, a raiding of the Naval Petroleum Reserves in Alaska and Elk Hills, coal conversion incentives, full production of natural gas potential, and the rapid expansion of nuclear power. And like the Ford program, it pays only lip service to the development of those renewable, non-fossil energy sources which would give us, finally, true national security.

All right, if I feel both parties are committed to the wrong energy path, what am I going to do about it? Well, appreciating the mystifying ramifications of the energy-economic crisis—many of which confound my level of expertise and the resources of my staff—I can only say that I will try to do what I can, where I can, with what I do understand.

First of all, I intend to measure everything I do—whether it is the votes I cast as an individual Senator, the exercise of my Committee responsibilities, or the legislation I introduce or support—against the yardstick of what it would do to enhance those components of true national security I outlined earlier.

And, because I believe that all of these components have been compromised and weakened by our enslavement to fossil fuels, I will further measure each act against what it will do to hasten the day of complete emancipation.

Now I concede the cautioning impact harsh reality makes upon this noble goal. We have to survive the immediate crunch. And to do it may well mean speeding up the search for fossil fuels, may well require a temporary relaxation of environmental standards, and may mandate still higher energy costs.

But let's keep clear the distinction between a necessary backing up to get a running start toward emancipation—and continued surrender to fossil fuel dependence. The goal of emancipation from fossile fuel dependence is not visionary nonsense. It is a goal within reach—if we just make the effort.

Are we to say that a nation that set out to break the mystery of the atom, and did it in four years, that set out to put a man on the moon, and did it in twelve years, cannot master the technology of harnessing the sun, the wind, the tides, the ocean currents, and the heat locked deep within the earth?

To respond to the immediate crisis, the first priority is the restoration of a free and healthy economy—and regaining the people's trust in the logic and fairness of government policies and programs.

To spur the economy, we must have a tax rebate and a tax reduction that will benefit most those who need it most; a freeing of impounded funds, more public service jobs; incentives to stimulate the housing industry; as well as other incentives to increase production and employment.

At the same time, we must discourage any act that would increase energy costs until the economy is again on the rise—and that most emphatically includes the tariff on imported oil and the lifting of remaining controls on domestic fuel prices.

Closing down the flow of imported oil by stepped up tariffs not only boosts consumer prices and increases the pressure on our own national oil reserves, it unnecessarily fans the friction between us and the Middle East producers. I don't believe in knuckling under to those nations, but neither can I see any sense in arbitrarily closing off supplies that can help us save our own. At least not right now. For our most pressing need is to conserve what we have, to make it last until we can replace it.

Beyond the conservation measures already proposed, I really would like to see tax and mortgage rate incentives for installing solar heating and cooling systems, for instance, and incentives for small businesses to get into alternative energy source research and development.

And I think we would be wise to develop standby fuel allocation programs in case the situation worsens, and to be prepared to face a gradual taxation of energy consumption to discourage over-use. Taxes collected could be used to fund more energy research. Should the need arise, I would suggest an Energy Lifeline Plan, which would be, in effect, an energy luxury tax.

Under this plan, every American would be allotted a share of energy to meet his normal requirements. There would be no tax on usage up to the limit of that allotment. But anyone who consumed more than his allotment—be it gasoline, fuel oil, electricity or natural gas—would pay an increasingly stiff tax for excess usage.

Taxes on gasoline, for example, would be collected from evernone at the point of purchase, but could be rebated to those who stayed within their allotment through the tax withholding system, or through increases in unemployment or Social Security benefits. I believe that incentives for individuals and businesses to cut down on consumption, a graduated tax on energy consumption, if needed, leaning hard on car manufacturers to reduce model size and increase mileage, and a change in utility pricing systems to discourage excess consumption, would do much to stretch our remaining fossil fuel supplies.

But if the people are to accept willingly the burden of energy austerity and pay the taxes and the prices that austerity may require, then they must be protected against rip-offs that weaken their trust and confidence in leaders and institutions. In my judgment, one of the first things we can do to give the people that assurance is to cut the major oil companies down to accountable size. To help accomplish this, I am proposing two bills.

The first is the Petroleum Marketing Moratorium Act, a piece of legislation that would forbid any of the nation's largest integrated oil companies from acquiring any more marketing outlets. This would serve to protect the last remaining area of effective competition within the industry. The second bill, which I will introduce with other members of the Senate Select Committee on Small Business, is a logical follow-up to the first.

This bill, called the Free Enterprise Petroleum Act, would break up the nation's big oil companies. It would forbid pipeline companies from transporting products they produced or manufactured, and it would prohibit refiners from marketing finished products unless they qualified as "independents." Independent refiners are those who buy three-fourths of their crude oil and sell most of their products at the refinery. In addition to this legislation, I am also planning a series of investigative hearings on the role of small business in energy research and development, with an eye to encouraging competition in this area. I think it almost goes without saying, however, that the single most important action that could assure the average citizen his government was treating him fairly is the kind of tax reform that would close loopholes that let oil companies pay a lower rate of income tax than a factory worker or a secretary.

As a member of the Senate Banking Committee, and particularly as Chairman of the Subcommittee on Financial Institutions, I'd like to make two points. The first is that our economic difficulties, worsened by the oil situation, have not escaped our financial institutions. As most of you know, my Subcommittee has been considering legislation designed to make our financial community better able to adjust to economic shifts, particularly shifts in interest rates.

I plan to push these proposals forward in the Financial Institutions Act of 1975, which I expect will be introduced by the Administration next week.

The more we can increase competitiveness and flexibility through restructuring of our financial institutions, the better we'll be able to meet the needs of those sectors of our economy that rely most heavily on a viable thrift industry, particularly housing, and the better we'll be able to absorb any further "oil shocks" to our financial system.

In addition to financial restructuring, there is a second point that needs to be raised. What should our public policy be with respect to the recycling of petrodollars back into our economic system?

Clearly it is in our best interest to encourage the return of OPEC surpluses into productive investments within our economy. The problems are:

1. How do we encourage stepped-up investment?

2. And what national concerns need protecting in the process?

The fact that this money is highly concentrated in the hands of relatively few potential investors, the fact that this money tends to be highly political, the fact that these surpluses are the result of monopolistic pricing, and the fact that a number of potential investments tend to be more political than others, means that we need, at the very minimum, to establish criteria outlining the nature of our concerns. This may well require certain reporting and disclosure arrangements, certain anti-discriminatory provisions, and, conceivably, limits on the magnitude or types of investments into designated sectors. These areas clearly need further exploration and study.

The other side of the coin is the incentive to the OPEC countries to engage in longer-term, more individual types of investment. Here we have to minimize the political problems which attach to this type of investment and attempt to use more purely professional investment expertise in the recycling process.

Finally, I turn to the responsibilities—and opportunities—I have as Chairman of the Armed Services Subcommittee on Research and Development. In this role I devote a great deal of my time to the constant search for technological break-throughs that will enhance our national security.

Perhaps the time has come for this research and development effort to go beyond the development of new technologies for the weapons of war. If it is truly in the interest of national security to develop renewable, non-fossil and non-nuclear sources of energy, as I believe, perhaps this effort should be given a very high priority in our defense planning.

The immediate benefits to the military are obvious, it seems to me, for what could be more reassuring than constant energy supply at stable costs. But the over-all impact would go far beyond the military. In effect, the development and use of alternative energy by the armed forces would serve as a demonstration project for the nation, and the technological advances made through military research and development could be quickly adapted for civilian use.

So perhaps my particular role should be that of focusing on the importance of this issue in Subcommittee and Committee, and asking that specific programs of energy research be carried out within the Defense R&D budget.

My Research and Development Subcommittee is, after all, the only subcommittee in the Senate which deals exclusively with our nation's research and development efforts.

Now given the fragility of international oil supply lines, the inevitability of total oil depletion and the very real risks of nuclear energy proliferation, one might assume that long range national security planning would include research into alternative energy sources. Not true. In fiscal 1975, the Federal government is devoting a total of $1.67 billion to direct research and development in energy. The Department of Defense, which has a $9 billion R&D budget, is spending a mere $5 million on energy R&D—and this $5 million is directed solely at finding ways to conserve use of existing fuels in existing vehicles and structures. Nothing—not one red cent—is being spent to find other sources of energy. And the Fiscal '76 budget is just as sterile.

Now you might ask whether that kind of research is being done by other government agencies. Here, again, we find a discouraging record. Of the total $1.67 billion the Federal government has budgeted for energy R&D only $102 million goes toward alternative energy research. In contrast, more than nine times that amount is earmarked for research in nuclear energy.

It seems to me that the military offers a particularly appropriate opportunity to demonstrate the potential for non-fossil fuels.

The feasibility of solar heating, for example, has been amply proved in residential structures, but inducing conversion to solar heat in the private market is a discouragingly slow process. In contrast, a vast amount of military construction is begun each year and if we mandated that a percentage of this construction must not only employ energy-saving technologies but must install non-fossil fuel heating and cooling systems we could avoid the problems private builders have with building codes and zoning restrictions, and there would be no need for incentives like tax breaks and low-interest loans.

By spending Defense research and development—and construction—money on a weapon of peace like alternative energy, perhaps we could accomplish three worthwhile goals:

The logic and sanity of such a program could rebuild trust and confidence. The program could provide many public service jobs of validity and demonstrable worth. And the results of that spending could so clearly establish the economic and the technological feasibility of alternative energy use that it could serve as an inspiration and a model for civilian construction in every part of the country.

And now, in closing, let me sum up:

1. Our enslavement to fossil fuels has eroded national security because it has weakened every component of security.

2. The only certainty we have about the supply of fossil fuel is the certainty that it will soon be gone. In the case of oil and natural gas, perhaps 25 years. In the case of subsurface western states coal, perhaps only 21 years.

3. The vast sums poured into nuclear energy thus far have produced disheartening results. And the world-wide crash program to build nuclear generating plants may well elevate the risk of radiation pollution and terrorist sabotage.

4. Despite these facts, both major political parties still cling to the conventional wisdom about energy, while paying only token heed to the promise of alternative sources.

There is still time to break out of this conventional thinking. But not much.

In my judgment, National Security and our right to life, liberty and the pursuit of happiness, rest with the decisions we make in the next few days, the next few months, the next few years at most.

We must breathe health, vigor and competition back into our economy. We must conserve what conventional energy resources we still have. We must bring the major suppliers of conventional energy down to accountable size. We must eliminate the multinational corporation middle-man from international negotiations. And, most importantly of all, we must proceed with all due haste to research, to develop, and to put into universal use those non-fossil, non-nuclear alternative sources of energy—energy sources that will not pollute, cannot be embargoed, do not lend themselves to cartel control, won't provoke global hostilities, and are in endless and abundant supply.

If you agree with me that present and projected energy policy is based upon a fossil fuel supply situation that is no longer what it was—and will *never* be again, upon reaction instead of action, and upon concepts growing more obsolete by the day; if you agree that the time has come to break ground for new ideas and new policies and to *plan ahead*—one year, five years, half a century and more; then I ask you to join with me in using the goals I've outlined as a yardstick to measure every program, every policy, every piece of legislation that presents itself from this time forward.

PSYCHIATRY PAYS MORE ATTENTION TO THE ELDERLY

Mr. MUSKIE. Mr. President, as chairman of the Subcommittee on Health of the Elderly of the Special Committee on Aging, I have been concerned for some time about a general unawareness of mental health needs of older Americans.

The committee, in a November 1971 report, declared:

> Widespread confusion and contradictions in public health policy on mental health care of the elderly are causing heavy economic, social, and psychological costs among older Americans and their offspring.

That report, "Mental Health Care and the Elderly: Shortcomings in Public Policy," expressed special concern about: limited attention given to older persons at community health centers, so-called dumping of elderly patients from State hospitals into inappropriate and often wretched quarters, and a general lack of understanding about mental health problems related to aging.

Soon after that report was issued, I introduced legislation calling for a Presidential Commission on Mental Illness and the Elderly American, as recommended by the report and by leading professional organizations related to psychiatry and psychology.

That legislation was passed in modified form last year as part of a bill later vetoed. I intend to seek early action in 1975 on that legislation.

A recent issue of the National Observer carried an important article: "Psychiatrists Pay New Heed to Mental Problems of Aged." I found this article to be very informative about shortsighted attitudes which cling stubbornly in many people's minds. One such attitude existed in the minds of psychiatrists themselves; they seemed to discount the needs of older persons. Some apparently believed that mental illness in the elderly is not reversible. The tragic consequences of such attitudes can be seen in many institutions, where older patients may be regarded as "senile" and therefore beyond help. And yet, it has been demonstrated again and again that the right treatment—sometimes it is merely a change in dietary habits—can lead to dramatic change in the patient's condition.

I believe that the article is timely and useful. I ask unanimous consent to have it printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Psychiatrists Pay New Heed to Mental Problems of Aged

(By Dwight Buell)

Sigmund Freud, the founder of psychoanalysis, said patients older than 50 generally couldn't be analyzed and treated successfully because they were too set in their ways. So for years American psychiatrists saw few elderly patients at all.

Now this is changing. As the aged population swells, more psychiatrists are taking an interest in gerontology and in ways of helping the elderly cope with the psychological stresses of aging. Moreover, psychiatrists are discovering, to the surprise of some, that most elderly people are emotionally healthy and that whatever mental disorders they do suffer are often reversible.

These and other unexpected findings about psychiatry for the elderly stem largely from the efforts of the 14-year-old Boston Society for Gerontologic Psychiatry. With an international membership of 150 psychiatrists, psychologists, social workers, clergymen, and other professionals, the organization has produced a wealth of scholarly research in three books and in its Journal of Geriatric Psychiatry.

FEW REALLY HELPLESS

Many of its members devote part of their private practices to elderly patients, even holding therapeutic sessions in the homes of the elderly or visiting them on their deathbeds.

"The usual image of an old person as being sick and helpless is highly misleading," says Dr. Martin A. Berezin, an associate clinical professor of psychiatry at Harvard Medical School and a founder of the society. He estimates that less than 5 per cent require custodial care.

COPING WITH AGING

"Most of the elderly are emotionally healthy people who retain the same life-style, drives, and coping mechanisms as in their younger days, although perhaps with some diminution of degree," adds Berezin, who is 61.

"An elderly person will only be rigid if he was rigid when he was younger. A person who had a calm and happy disposition in his younger days is likely to respond to old age in the same frame of mind. As long as the elderly can maintain the same life-style to which they've been accustomed, they are able to cope with the problems of aging," says Berezin.

Dr. David Blau, 47, says many old people can be rehabilitated: "Many of the mental disorders of the elderly, contrary to what many believe, are reversible. Even those with permanent brain damage can be helped with supportive therapy. The type of therapy for common upsets like confusion, disorientation, memory loss, and other more serious problems varies in depth and frequency as it does with younger people." Blau is an assistant clinical professor of psychiatry at Harvard Medical School and president of the gerontologic society.

HELP FOR THE DYING

But the elderly do pose special problems. "They have less reserve with which to cope with their problems," says Berezin. "Frequently, they can't turn to their friends or spouses for support because they are dead or inaccessible. In addition, their options for fulfilling long-suppressed ambitions, such as a 70-year-old woman's desire to have a baby, are severely limited."

The dying elderly need special help because, says Blau, doctors, nurses, and families tend to avoid them. Some elderly people find that pets help combat loneliness. Says Blau: "Anything a psychiatrist can do to make them feel someone cares is a marked service."

STAYING "INVOLVED"

Besides trying to inculcate a belief that one's past life has been relevant and worthwhile, the psychiatrists say, they often can show the dying that their fantasies about death, such as the fear of being abandoned or of suffering the wrath of God, are often based on childhood illusions. The psychiatrists say that death is faced with the greatest equanimity in familiar surroundings.

The key to successful aging seems to be to stay actively involved in life as long as possible. Many men who die soon after retirement are those who couldn't accept retirement because they were "Horatio Alger types who worked mainly because it was expected of them," says Berezin.

Something else that seems to help, these experts say, is planning ahead psychologically—as well as economically—with institutional support. They say this can help ease the trauma of change resulting from retirement in a youth-oriented society that undervalues the rich experience and balanced judgment that the elderly may possess.

COUNSELING FAMILIES

The devastating impact that the loss of their roles can bring to retired men helps explain why suicide is more prevalent in that group than in any other except adolescents, the psychiatrists say. A psychiatrist can try to bolster the self-esteem of those who think their masculinity is threatened.

Psychiatrists often find themselves counseling families struggling to cope with the management of the aging at least as much as they counsel the elderly themselves. Relatives of the dying often are overwhelmed and driven to escapist behavior by "anticipatory grief" that cannot be resolved because death and loss have not yet occurred.

SOME CHILDREN TOO SOLICITOUS

Says Berezin: "If the rest of the family is upset, it will be communicated to the dying person." A family conference before death in which the realities of the situation are explained can be helpful, the psychiatrists say. A professional counselor can be of value if he understands the family's sense of helplessness and gets the relatives to admit that they're upset. A dying person feels better if he or she knows others are concerned.

One widespread belief that Blau has challenged is that children often unload their aging parents on institutions and society. To the contrary, often they are overly solicitous, he finds.

TERROR OF NURSING HOMES

While most nursing homes concentrate on custodial care, the importance of personnel trying to understand the behavior of elderly residents is emphasized in annual seminars that the society conducts for nursing-home employes. The seminars also are designed to increase the professional self-esteem of nursing-home personnel in an industry beset by low morale and high employe turnover.

The gerontologic psychiatrists say an elderly person is often terrified of entering a nursing home because of the industry's poor image. The nursing home also represents a "closed door" that marks the approaching end of their lives.

Says Dr. Stanley Cath, a recent seminar speaker: "At least until recently, within a year one-third of the new residents would be dead because of their rage at being abandoned and the fear they would not be kept if they expressed their feelings."

One way to ease the shock of relocation, these experts agree, is to involve the elderly person in the choice of a nursing home and to have a "greeter" present when someone new arrives. In addition, a staff should try to make new residents feel that it is acceptable for them to express their feelings.

Nursing-home personnel need to know everything they can about a new resident and his or her background and personality to assure suitable matching of roommates and proper respect for the new resident as a person. "A new resident should be allowed everything of his own past life, such as his own bed, pictures, alarm clock, to help him or her retain a sense of identity," says Cath.

COUNSELING THE DYING

He concludes that "residents are human organisms that need to replace lost relationships with members of the staff in the attitude, 'I care for you; you have meaning.' This attitude doesn't happen by itself."

The nursing-home resident facing death wants to feel competent in dealing with the present, writes Dr. Bernard A. Stotsky. More than that, he or she needs the assurance that someone else, such as a clergyman, "comprehends what he is undergoing and has also soberly weighed and deeply felt the central issues of loneliness, abandonment, and expectation and fear of death."

WHAT HIGH ENERGY COSTS MEAN TO THE RUTH McINTYRES

Mr. McINTYRE. Mr. President, on January 30 of this year, the Coos County, N.H., Democrat, a local, and very fine New Hampshire paper, carried an article which caught my attention. The article concerned a Miss Ruth McIntyre, no relation I might add, and her efforts to cope with the current economic situation.

I will ask that the text of this article be printed in the Record, Mr. President, for it explains in poignant terms the impact that our current economic situation is making on peoples' lives. The cruelest part of this situation is the harsh toll it exacts from those who can least afford it, especially our senior citizens.

I would hope, Mr. President, that, as we become increasingly involved with the fine print of legislation, we will not become so preoccupied as to forget the human factor involved in all governmental deliberations and decisions, nor turn our back on those who most need help.

Mr. President, I ask unanimous consent that the full text of the article "What High Energy Costs Mean to One Whitefield Woman" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

WHAT HIGH ENERGY COSTS MEANS TO ONE WHITEFIELD WOMAN

WHITEFIELD.—"At this moment I have less than $2. I am very poor right now."

Miss Ruth McIntyre lives on a fixed income. By her very nature, she accounts for every penny of every expenditure she makes during the year. Armed with bills and a religiously-kept record of expenses, she was able to accurately illustrate to the Democrat the frustration and difficulty of meeting expenses in this time of inflation.

Her income is derived from two sources. On the third week of each month she receives a Social Security check for $191.30. Having owned her home in town, she has been able to rent the lower floor. Her tenant pays her $75 in cash the first of every month for a total of $266.30 per month, or $3,095.60 per year.

Against that income she must weigh her expenses. Her largest expenditures are for oil, electricity, food and taxes. "I've kept an accurate account," said the former Whitefield Town Clerk. "I pay over $100 a month for oil. When it went over $100 a month I began to pay them on a budget plan. That was $40 a month. Now it is up to $50, and if I can, I pay $60. But I never came out ahead last year. I had to take money out of the bank to clear it up."

To illustrate the ravages of inflation, Miss McIntyre revealed that in the 1972–73 heating season, she purchased 2,858 gallons of fuel at a cost of $589.24. During the 1973–74 season she purchased 2,176 gallons—682 less than the year before—but paid $685.48—$96.24 more, for the fuel.

"Twenty-five dollars for electricity, I've never heard of such a thing," she complained as she produced a stack of Public Service bills. "It cost me $25.24 for electricity in December. Now I have an electric stove, a hot water heater, a TV. and a toaster. I have the lights on in one room at a time, one light at a time."

Food, too, is expensive, but it is the one bill Miss McIntyre has some control over. "I get meals on wheels, five days a week, one meal a day . . . it costs me $3.75 (a week) for my noon meals," she said. Other food must be ordered and delivered from a local market because she is confined to a wheelchair. Her total food bill averages around $60 a month. "And you can be sure I don't buy much meat," she added.

Smaller but necessary expenses chisel away at the remainder of her income. After meeting food, fuel and electric bills, she has about $100 left over each month to divide among a phone bill, cleaning and laundry expenses, clothing, property and building maintenance, water rents, fire insurance payments and budget payments to Weeks Memorial Hospital in Lancaster. Money must be squirreled away, too, to meet the taxes on her home. When things are paid up, there is simply no more money left over at the end of the month.

She is in no position to bear the brunt of higher fuel costs due to the President's proposed imported oil tariff or another increase in Public Service's fuel adjustment charge or even a telephone rate hike. "I'm down to rock bottom. You can't be sick, and it's a good thing I don't smoke," she said. She couldn't afford the cost of cigarettes now.

Miss McIntyre is not unaccustomed to adversity. She lost her mother when she was four and a stepmother when she was six. Polio crippled her in her second year, and she lost a leg at 18 when a corrective operation backfired.

Nevertheless, she earned a degree in business administration from UNH and returned to town to work for Judge Bowker. She held the town clerk post here for 13 years until she lost an election three years ago. Lamenting over the loss of the job, she said it would have helped offset the rise in costs and kept her "in the swing of things."

Prices are rising. Miss McIntyre said she has nowhere to turn but is optimistic about a proposed 12 percent increase in Social Security benefits in June. "That is if Gerald Ford doesn't cut it. We need that 12 percent, we really do," she said, tears streaming down her face.

GOVERNMENT PLANNING ESSENTIAL

Mr. HUMPHREY. Mr. President, I wish to call to the attention of the Senate an excellent editorial in the New York Times of February 23 entitled "The Need To Plan—For Economic Policy."

It is becoming increasingly obvious that one of the shortcomings of our governmental structure is its failure to have any appropriate planning body either at the executive or the congressional level. The time to remedy this glaring inadequacy in our governmental institutions is now. Faced with the problem of shortages in critically needed supplies and raw materials, the evermore complex problems of fiscal and monetary policy, and the increasing demands upon our physical and human resources, it is imperative that the Federal Government do a better job of planning and forecasting.

The editorial in the New York Times speaks for itself. It says in plain and direct terms what the problems are that confront us and the need to plan for economic policy. I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Need To Plan—For Economic Policy

Why is planning considered a good thing for individuals and businesses but a bad thing for the national economy?

The traditional (and ideological) answer is that individuals and businesses, with limited resources, should have long-range goals to which they can relate their day-to-day decisions, but at the national level planning is bound to be inefficient and an unwarranted interference with the freedom of individuals and businesses to make those decisions in accordance with their own best judgments.

Whatever validity that anti-government planning view may have had historically, it is becoming increasingly impractical and costly—as a small but growing number of businessmen, labor leaders, politicians, economists and scientists now recognize. Henry Ford 2d, more outspoken than most of his business colleagues, has said the auto industry and others need to learn to live with dwindling supplies of oil and other materials, and hence there is a concomitant need for national planning in order to match scarce resources with consumption in an equitable and efficient manner.

But the importance of planning ahead goes beyond the problem of preserving economic health in the face of diminishing energy and other resources; it also relates to long-range tax and budget policies to avoid inflation. There is a need for integrated programs to ensure that critical national goals are met in such areas as housing and urban development, transportation, health, education, protection of the environment and to provide full employment for the nation's continuously expanding labor force.

The day-by-day operation of private markets cannot deal with all those objectives; all of them involve the participation of government through taxation, public expenditures, regulation, subsidies, and foreign economic policy. Government is involved, in fact, in virtually all aspects of the economy in this country—as in all other modern industrial economies. The more than $300 billion the United States Government currently spends each year only partly measures its total weight in the economic system.

Given the present and prospective role of government in the United States economy, the issue is no longer whether government planning would interfere with private business but whether the Federal Government should act in so uncoordinated and shortsighted a way as it now does.

Efforts by government to look farther ahead and to gather, analyze and publish the information on which it is basing its policy decisions would help private industry to make its own planning decisions—without governmental coercion of the private sector. Industries would still be free to make their own investment decisions, but they would do so on the basis of more complete information about long-term trends as affected by government policies. Not only the Administration but Congress, private industry, labor, and other groups in the society would participate in the ongoing national debate over planning and in the establishment of national goals.

There are different routes that could be followed toward a more rational approach to economic policy in the United States. One is that proposed by Senator Hubert Humphrey in his Balanced National Growth and Development Bill, which would establish a planning agency within the Executive Office of the President; this would bring together scattered existing Federal planning bodies, including the Office of Management and Budget and the Council of Economic Advisers. Other possible designs would be to model the new agency on the National Resources Planning Board of the Roosevelt Administration, on the system of indicative planning followed in France, or to create a new body that would be responsible jointly to Congress and the White House.

Whatever the ultimate administrative and political design—and this could emerge only from full Congressional hearings and debate—greater order and perspective are needed in the American governmental process and in the economy and society. Planning may have its flaws and dangers, but the traditional planless approach has already proved its capacity for producing disasters.

OKIE—BADGE OF HONOR

Mr. HANSEN. Mr. President, our good friend and colleague, the junior Senator from Oklahoma (Mr. Bartlett) is proud to be called an Okie. When he was Governor of that great State he popularized the term in attracting new business enterprise to Oklahoma with Okie badges and other promotional material advertising Okie as meaning "Oklahoma, Key to Industrial Expansion."

The Modesto Bee of Modesto, Calif., recently published an editorial on the history and evolution of the word Okie.

The Okies who migrated to California during the dust bound days of the 1930's were not always welcome in their adopted State, as some will remember from John Steinbeck's "The Grapes of Wrath."

But now, as the Modesto Bee concluded, the sting has gone out of the word, and Okie's are proud to wear their pins as a badge of honor.

Mr. President, I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From The Modesto Bee, Feb. 10, 1975]

"Okie" Goes to College

The word Okie continues to take on respectability. A news story the other day said Sonoma State College will offer a course in the "contemporary impact" of the Dust Bowl migration of the 1930s, including research into Okie literature, music and folklore.

They will be mining a rich vein. The great folksinger Woody Guthrie came from Okemah, Okla.

What struck us, though, was the casual use of the word Okie in describing the course. As many in the San Joaquin Valley can testify, it was a fighting word 35 or 40 years ago an expression of cruel contempt for those from the Great Plains who were wiped out by drought and dust storms and sought a new life in California. Many encountered exploitation and abject poverty.

Researchers have traced the use of Okie back to the days when Oklahoma was still a territory. The word was just descriptive then. But something happened.

In John Steinbeck's "The Grapes of Wrath," Tom Joad heard the bad news from a stranger who had preceded him to California: "Okie use' to mean you was from Oklahoma. Now it means . . . you're scum."

But as times got better the word started losing its edge, as words do, to the point that in 1968, Dewey Bartlett, then governor of Oklahoma, now a U.S. Senator, tried to turn it into a massive promotional stunt. It became OKIE, meaning "Oklahoma, Key to Industrial Expansion." There were badges and honorary OKIE certificates. In fact, an OKIE pin and flag were placed in the ascent stage device of Apollo 10, courtesy of astronaut Thomas Stafford of Weatherford, Okla., and presumably they are still in orbit around the sun.

There was a backlash to all this OKIE-ism and in 1971 the Oklahoma Legislature adopted a resolution designating "Oklahomans" as the official name of citizens of Oklahoma ("Oklahomans is a beautiful, musical sound . . .")

But even though the boosterish use of Okie wore thin back in Oklahoma, the sting continued to go out of it.

At a picnic in Fresno for former residents of Sequoyah County, a young woman redefined it for Bee columnist Woody Laughnan, An Okie, she said, is "somebody who is kind of countryish and likes country-Western music."

In "Okie from Muskogee," the singer-composer Merle Haggard half-seriously used Okie as a synonym for someone who was put off by draft protests and other aspects of the social revolution ("We like livin' right and livin' free").

You can pick your own meaning. The point is, even though some people still wince at the memories it evokes, Okie has lost the dehumanizing charge it carried a generation ago. A sign of progress, maybe.

OCCUPATIONAL LEAD POISONING

Mr. WILLIAMS. Mr. President, lead poisoning is a terrible malady. Like a time bomb ticking away, the lead lies dormant in the body, building up year after year to eventually cause serious debilitating illness.

Beginning in the early 1800's there has been increasing recognition of hazards to health associated with lead. It was found that lead could be absorbed by inhalation or ingestion, and that lead absorption was responsible for loss of movement in printers fingers exposed to heated lead type and for "dry grippes" in pottery and glass workers.

The prevalence of lead poisoning in ancient times is speculated upon, and it has been suggested that Rome fell because of the prevalence of lead poisoning—plumbism—in its citizens. It seems likely that, with the ignorance that existed with regard to the hazards of lead and on methods of limiting exposure, there was a significant incidence of plumbism until its recognition in recent times generated preventative procedures.

A description of effects of lead absorption can be graphic when based on effects seen in industries earlier in this century. Thus, one can describe effects of lead poisoning, from studies of many years ago, such as loss of appetite, metallic taste in the mouth, constipation and obstipation, anemia, pallor, weakness, insomnia, headache, nervous irritability, muscle and joint pains, fine tremors, encephalopathy, and colic.

In 1973, NIOSH released a criteria document which made recommendation for an inorganic lead standard in the work place. The NIOSH standard recommendation was designed to protect the health and safety of workers for an 8-hour day, 40-hour week over a working lifetime. Sufficient technology now exists to permit compliance with the recommended NIOSH standard.

It is now 1975, 2 years after the NIOSH criteria document was released and OSHA still has not proposed a comprehensive health standard to prevent lead poisoning in the workplace.

To illustrate my point, I ask unanimous consent that the following two articles be printed in the Record on lead poisoning: The first article, from January 1975, issue of Steel Labor, deals with lead exposure at a lead smelting operation in Granite City, Ill., the other story, from the December 6, 1974, edition of the Evening Times of Trenton, N.J., deals with lead poisoning at a battery factory in Trenton.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Lead Poisoning—A Job Disease at NL Industries

NL Industries has eliminated the word "lead" from its former corporate name of National Lead Industries, but it has done little to eliminate the exposure to lead of Local 6496 Steelworkers employed at the company's Hoyt Plant lead smelting operation in Granite City, Ill.

The plant—located just a few blocks away from the city's downtown business district—has buildings more than 60 years old and some 200 workers producing lead shot, rolled sheet lead, solder wire and lead pipe. They trudge daily through the plant, where lead dust clings to their boots and blackens their faces. The plates in auto batteries are the main source of the lead, and the huge tonnage melted down by NL Industries each year has made it one of the country's largest secondary lead producers.

For the past five years, District 34 Director Lloyd McBride, Staff Rep. George Becker and the local union have been attempting to force the company to take action directed at reducing the high lead concentrations existing in the air and around the work areas of the plant. Their efforts have been hampered by a lack of government safety standards on lead exposure and the company's own casual attitude toward its employes' health.

Last November the union won its first victory, when a team of federal health experts filed a 27-page report that found one-third of workers given a series of medical tests were above the level "which some effects of lead poisoning may be anticipated." Complete with technical evaluations and tables, the report said: "Based on this evidence and upon environmental observations and measurements, it is concluded that toxic exposures to lead are occurring within the facility studied."

The federal investigators who released the report were with the National Institute for Occupational Safety & Health (NIOSH), an agency within the HEW Dept. which acts as a research arm on safety standards for OSHA.

Although the report is only "advisory" and cannot be enforced, it carries more weight than some agencies with greater authority. According to Becker—who is also safety coordinator for District 34—NL industries claimed it would immediately begin adopting the NIOSH recommendations to reduce lead exposure of its workers.

At first, Becker requested NIOSH to evaluate lead contamination of the Hoyt Plant workers—which the agency refused—so he asked NIOSH to investigate the company's 20-year practice of handing out a drug known as "versenate" to its employes. The drug is in pill form and is supposed to act on lead in the blood, causing it to pass out of the body, but Becker doubted its long term use was safe.

Arguing that versenate was a "cheap out" used by the company to avoid more costly re-engineering of the smelter, Becker found some union members who had been taking two pills three times a day, seven days a week for anywhere up to 19 years. There were versenate users without a prescription and one who was reported taking a whole bottle (250 tablets) every two weeks for years. A survey by the local showed more than 100 were using the drug.

When NIOSH examiners arrived at the smelter last March, they were so disturbed by the poor work practices and lead dust in the plant, that they proceeded to do a complete investigation of both the drug's effect and the degree of lead contamination.

Air samples taken by NIOSH revealed lead levels in "the majority of areas sampled were found to contain excessive atmospheric lead concentrations." The one federal air standard for lead (2 milligrams per cubic meter) was even exceeded inside the respirators worn by several workers in the plant.

The report found insufficient evidence to declare versenate a dangerous drug in its use at the plant, but NIOSH did say the drug did little to reduce high lead levels found in blood samples.

In a meeting last month with the officers of Local 6496, Director McBride declared his full support of the report, saying, "Any course of action we follow that doesn't seek to enforce this advisory ruling would be irresponsible." He added that "Already too many workers at the Hoyt Plant have suffered damage to their health." He recalled numerous cases of lead poisoning in the company's records, severe enough to have required emergency hospital treatment with blood transfusions—and more probably went unreported.

Over the past few years, Becker said the company has forced several employes on early retirement, claiming they had a bad heart or some similar health problem, when the cause for the bad health was lead poisoning. Until recently, the company has kept limited records on its employes, causing difficulty collecting workers' compensation benefits. Becker says of three cases where Local 6496 members were forced to retire, the union has only been able to win a state compensation benefit for one of them after a three-year court fight.

Emphasizing "prevention" of lead exposure as the issue, rather than "evidence" of lead poisoning, Becker says the union has been successful in improving safety provisions in the contract. The contract requires a blood lead test for employes every six months, coveralls, safety boots, glasses and other items like respirators.

Local 6496 President Steve Lelik has become an outspoken critic himself of the company's safety program. As an example, he cites an air pack unit (it has a hood and independent air supply) which has remained damaged and out of use for the past nine months, despite his demands to get it repaired. He sums up the company's attitude toward the problem by noting a foreman's recent comment to him: "You're not leaded until your teeth fall out."

Lelik admits that his fellow employes don't fully recognize the danger of lead exposure, but he is hopeful that the NIOSH decision posted in the plant and the company's promise of following the recommendations will change all of that.

On Being Leaded—

Lead has been reported as a hazardous substance in medical journals for hundreds of years, but the effects of short or long-term exposure are sometimes difficult to recognize. Like with certain other toxic metals, once it enters the body, it builds up faster than the body can eliminate it.

Lead poisoning can damage the blood, heart, brain, nerves, kidney and liver. At first a victim may only feel tired, irritable and have a poor appetite. It may progress, as lead build up continues, to cause headaches, double vision and sleepless nights.

At times, a victim can be seriously poisoned for 10 years and more before having an acute attack so intense that it is often mistakenly diagnosed as appendicities.

If the accumulation of lead is allowed to go its course, the victim gets a blue "lead line" along the gums that becomes extremely painful and usually results in the teeth falling out.

The NIOSH Report

A number of recommendations were made by the NIOSH invesigators to establish a program that would effectively reduce the dangerous exposure levels of lead at NL industries. The report stated that engineering methods should be used to reduce airborne lead concentrations to the federal standard of 0.2 mg/m3.

"Respiratory protection should not be accepted as a satisfactory method for reducing exposure to lead on a permanent basis," NIOSH declared, adding that "medical therapy" like the distribution of versenate "is not an acceptable form of control."

The report also offered among other recommendations:

After one-year of employment, workers should be given a blood test every six months. If blood levels exceeding 0.080 milligrams per 100 grams of blood are found, then the worker should be immediately transferred to plant areas of minimal exposure and referred to a physician.

Smoking, drinking and eating should be permitted only in areas in which hand washing facilities exist to minimize ingestion of lead particles.

Fumes Seen Poisonous—Nader Study Reports Gould Plant Dangers

(By Emily Van Ness)

Workers are being poisoned by lead fumes and dust at the Gould battery plant on Calhoun Street in Trenton because of the company's failure to provide adequate safety devices, according to findings of a health study group of Ralph Nader's.

In a report to the Gould union, Local 108 of the United Electrical, Radio and Machine Workers of America, the consumer advocate group stated that approximately one-fifth of the 210 workers studied at the plant have been lead poisoned in the last two years.

The local went on strike three weeks ago over the critical issue of lead poisoning.

This is the second time the Gould plant in Trenton nas been attacked by Nader for lead poisoning health hazards. The first study two years ago was made after the union went to Nader for help in evaluating lead poisoning problems at the plant.

COMPANY DOUBTS

John F. Smith, vice-president and general manager of the Trenton Gould division, said yesterday that the company "questioned Nader's conclusions."

"What Nader calls 'lead poisoning' other members of the medical community using the same statistics would call lead absorption or lead intoxication, which are less serious," said Smith.

He said the company is "doing everything possible" to protect the safety of its workers, but admitted that in "certain areas" of the plant lead air levels exceeded state and federal limits.

According to him, the company has spent more than $200,000 in the last two years to improve the ventilating system at the Trenton plant and intends to "spend more."

Specialists in inorganic lead air pollution at the National Institute for Occupational Safety and Health, a branch of the U.S. Department of Health, Education, and Welfare, say that sufficient technology exists to keep workers in industrial lead plants from being lead poisoned.

ORDER ON WAY

The Trenton division is one of 19 divisions throughout the country owned by Gould, Inc., headquartered in Chicago. The company's sales last year totaled $739.7 million.

An order of compliance demanding that the company cleanup eleven areas of the plant where air lead levels are in violation of state and federal standards is being issued, officials at the Bureau of Engineering and Safety in the N.J. Department of Labor and Industry said yesterday. They would not disclose how much in excess of the law air lead levels at Gould were.

In some areas of the plant, according to the Nader report, air breathed by workers contained more than 2,000 micrograms of lead per cubic meter—10 times higher than the federal standard.

Last February, Gould was cited for lead dust and fumes violations in five areas of the plant by the Bureau of Engineering and Safety, which is responsible for overseeing worker safety in 30,000 factories throughout the state.

Violations were subsequently corrected in only two areas.

LONG A PROBLEM

James L. Conlon, chief of the Bureau of Engineering and Safety, said recently that the Gould plant has been "a long-standing problem."

But further action against the company has not been taken up until now, he said, because it "appeared that they were trying to correct their problems."

In its first study two years ago, the Public Citizen's Health Research Group, said yesterington, D.C., formed by Ralph Nader, found that residents living near the plant, in addition to workers in the plant, were in danger of lead contamination.

In a subsequent investigation the Bureau of Air Pollution Control in the N.J. Department of Environmental Control, which is concerned primarily with pollution effects on the community, found no pollution dangers for people living in the vicinity of the plant and gave Gould an "all clear" on its pollution control procedures.

Dr. Sidney Wolfe, director of the Public Citizen's Health Research Group in Washday that while dangers to people living in the vicinity of the plant "have probably abated", the seriousness of lead poisoning at Gould has "If anything, worsened rather than improved."

39 MEN LEFT

Thirty-nine men have been forced off the job in the past two years because of the amount of lead in their blood.

Lead poisoning is a disease caused by the absorption and build-up of lead in the body. Small amounts of lead are a normal part of the body's make-up, according to doctors.

But excessive accumulation can lead to permanent brain damage and mental retardation, as well as cause severe gastrointestinal, liver, kidney, blood, and central nervous system disability and sometimes death.

There have been no deaths at Gould attributed to lead poisoning, nor any reported cases of brain damage or mental retardation.

Dr. Charles Fisburn, of Milwaukee, medical consultant on industrial lead problems, was unavailable for comment on the Nader report.

Wolfe said yesterday that there was no way of knowing the possible extent of brain damage or mental retardation among workers because no tests for that have been conducted.

He expressed concern that the families of workers might be in danger of lead contamination from lead dust carried home on workers' clothes and bodies. There have been no reports of lead poisoning among members of workers' families to date.

CAUSES ANEMIA

The single most serious result of excessive lead absorption by the body is the interference with the production of "heme", a constitutent of the red blood corpuscles. This results in anemia, according to the National Institute for Occupational Safety and Health.

The Nader group used anemia as the criteria for lead poisoning in its report.

Of the 210 workers whose records were examined, 39, of 18.6 percent, have had lead poisoning during the past two years, according to the latest report. This is almost double the number found two years ago when Nader first studied the medical records of workers in the plant.

The Nader group's findings are based on the monitoring of periodic blood tests made by the Company on workers to determine the amount of lead in their blood and periodic air lead level readings.

Employees in "high lead areas"—those where the lead in the air exceeds 200 milligrams per cubic meter of air—are given blood tests every three months by the company. The others are tested every two months.

Two years ago, the Nader group concluded that the urine test used by the company to detect lead poisoning was "worthless" and the Company did away with it.

The Company's use of 60 micrograms of lead per 100 grams of whole blood as the "danger sign" of possible lead contamination in workers is "unsafe", said Dr. Wolfe.

SIGNIFICANT AMOUNT

According to the Nader group's findings there has been a "significant" amount of lead poisoning occurring among workers with blood lead levels between 40 and 60 micrograms.

The company was further rapped for treating workers "after" they have contracted lead poisoning and prescribing respirators and personal hygiene measures instead of cleaning up the air and removing the workers.

Wolfe said he was recently offered a tour of the plant by the management on the condition that he not talk to the press. He declined.

"Battery making is a highly profitable business. I'm convinced they could correct the problem if they wanted to hire good engineers and spend the money. But they don't. They consider the workers second-class citizens. They're even thinking of moving their offices further away from the plant," said the health study group director.

The chief of the state Bureau of Engineering and Safety agreed that respirators and strict employe hygiene should be only "temporary solutions". He said that Gould will be given 30 days from the date the order is served to correct violations or show plans for correcting violations. If it fails to do this, a law suit could result, Conlon said.

The state prosecutes about 100 companies a year for worker safety violations.

MAINE LEGISLATURE SUPPORTS REVENUE SHARING REENACTMENT

Mr. MUSKIE. Mr. President, the Maine Legislature recently adopted a joint resolution urging Congress to support reenactment of the general revenue sharing program.

In this resolution, the legislature noted that since 1972, Maine governments—some 500 in all—have received $124 million of vitally needed fiscal assistance through revenue sharing. It went on to note the increasing burdens which inflation has placed on Maine taxpayers and on Maine communities caught in the squeeze between escalating prices and rising demands for governmental services.

Mr. President, I want to assure the people of my State of my continued support of general revenue sharing. Last week, in a speech before a Conference on Federalism sponsored by the Advisory Commission on Intergovernmental Relations, I reaffirmed that support. At the same time I outlined my conviction that we must seek to resolve some of the very real problems that presently exist in the program, particularly with respect to current formulas, incentives for State and local tax reform, and civil rights enforcement.

I ask unanimous consent that the text of my speech, as well as a copy of the joint resolution of the Maine State Legislature, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Joint resolution memorializing the Congress of the United States to support the reenactment of the General Revenue Sharing program

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Seventh Legislative Session assembled, most respectfully present and petition your Honorable Body, as follows:

Whereas, the State of Maine, her 16 counties and her 496 municipalities have received $124,000,000 of vitally needed fiscal assistance through the allocation of federal dollars under the General Revenue Sharing Program; and

Whereas, these Revenue Sharing dollars are received directly from the Federal Government by the State, the counties and the municipalities with a minimum of federal paperwork, enabling the citizens to use the funds to meet their self-determined priorities; and

Whereas, the citizens of Maine view state, county and local officials as being accountable for the expenditure of Revenue Sharing funds, and citizens as having ultimate control of their priorities through the governmental processes; and

Whereas, the taxpayers of Maine are being severely affected by the spiraling and unprecedented rate of inflation in costs of government as well as in their private lives; and

Whereas, the current inflationary rate is undermining the ability of government to provide essential services to their citizens within reasonable levels of taxation; and

Whereas, the General Revenue Sharing Program, which began in 1972, will terminate in 1976 unless the 94th Congress authorizes an extension of the State and Local Fiscal Assistance Act of 1972; and

Whereas, the 107th Maine Legislature endorses the continuation of the General Revenue Sharing Program in order to insure that vitally needed federal assistance will be provided to Maine; now, therefore, be it

Resolved: That we, your Memorialists, respectfully request and urge that each Member of the United States Congress from the State of Maine publicly state his support for the reenactment of the General Revenue Sharing Program in order that citizens of Maine may be informed of their commitment to continuing their flow of resources back to the People of the State of Maine; and be it further

Resolved: That a copy of this Resolution, duly authenticated by the Secretary of State, be forthwith forwarded to each Member of the United States Congress from the State of Maine.

REMARKS OF SENATOR EDMUND S. MUSKIE

I am glad to have an opportunity to speak to you today on a subject of such great interest to all of us.

I want to begin by saying that I continue to be a firm supporter of revenue sharing.

Having made that clear, I want to say also that revenue sharing—as we now know it—faces rough sledding in Congress. The title of my remarks uses the word "renewal" as if re-enactment were a foregone conclusion. That may be so, but it will be neither automatic nor easy.

I do not mean to play the role of the alarmist here this afternoon. Nevertheless, I think that candor is in order. For if we are going to insure the continuation of revenue sharing in anything resembling its present form, we cannot afford to overlook or underestimate the opposition that has mounted against it.

Revenue sharing has been an important shot in the arm for our federal system.

But there have been problems, and those problems have generated opposition that we must deal with to re-enact the program.

That opposition is remarkably similar to the arguments raised against revenue sharing back in 1971 and '72. Fiscal conservatives then opposed revenue sharing because it separated the easy task of spending money from the difficult one of raising it. Liberals opposed the idea because they wanted Federal money to be spent on specific social programs. Neither group trusted State and local officials to spend the money responsibly.

But today there are new arguments that may be raised.

Those who opposed the unfettered giveaway of federal money three years ago now have an enormous federal deficit to worry about. It is not inconceivable that they could select revenue sharing as one area ripe for budget-cutting.

Those who three years ago wanted revenue sharing funds tied to specific social programs have since seen revenue sharing used to justify drastic cutbacks in the very programs they supported. And they have seen revenue sharing funds going to some communities with little need, and into projects with little social impact.

In the middle, there are many in Congress who are simply indifferent to the fate of revenue sharing. It is not an issue that generally stirs passions in its support.

To be sure, the constituents of revenue sharing will be able to rally considerable support for their cause. Working to their benefit will be the current disarray of the economy, which has many state and local governments in their worst fiscal shape since the depression, with promises of harder times to come.

That these conflicts will be resolved, through renewal of revenue sharing, may not be in doubt. The form that resolution will take is a different matter.

Those critics who feel revenue sharing is a retreat from national social goals may want to attach more strings to the money, or require an application process to insure that only worthy projects are funded.

Those critics who feel that revenue sharing is too expensive and that the money is just being thrown away may want to subject revenue sharing to the annual appropriations process, or limit the life of the program to one or two years only.

We who support a continuation of revenue sharing—in more or less its present form—must be prepared to meet these efforts, by focusing on constructive alternatives. And it is not too soon to begin that process now.

First and foremost, we must redefine what revenue sharing actually is, and what it was intended to accomplish.

During the first years of operation the program has, unfortunately, acquired a mistaken identity.

To many, it has come to mean a retreat from social progress, even though it was never intended to replace ongoing social programs.

For many others revenue sharing was a victim of the expansive rhetoric of the New Federalism—a "new American revolution" which promised to reverse overnight the imbalance of generations of increasingly centralized government.

When measured against such a promise, it is small wonder that revenue sharing comes up short.

If there is one thing we all should have learned from our experiences of the 1960's, it is that programs which over-promise will invariably leave hopes unrealized, and confidence undermined.

As we begin anew the debate on revenue sharing we must not allow that to happen again. We must re-define revenue sharing in terms of its original purposes which were, in fact, quite limited.

First, to relieve the fiscal problems of hard-pressed local governments with inadequate or inflexible tax bases.

Second, to reduce the regressive burden of State and local taxes by substituting revenues from progressive federal income taxes.

And *third,* to give people at the State and local levels the resources and the flexibility to develop solutions suited to their unique problems.

Returning to these relatively modest—but extremely meaningful—goals is necessary as the Congress considers re-enactment.

The proper role for revenue sharing is, and always has been, that of a complement—not a substitute—for a balanced mix of general revenue sharing, block grants, and categorical programs.

When measured by this more limited test, we find that the success column for revenue sharing is longer than the critics would have us believe.

In most cases, revenue sharing monies have gone into worthwhile programs. Hot lunches for the elderly, improved police protection and health care, and new sewage treatment facilities are just some of the successes.

In many other instances, State and local taxes have been held down because of revenue sharing. And I might add that in many of our urban areas holding down property taxes is a worthy social objective.

The plain fact is that—matching the record with the original goals—revenue sharing is a demonstrated step forward. And once the bugs have been ironed out, its potential is even greater.

Which brings us to the next round of difficult questions. Once we have agreed upon our objectives, we have to make some tough choices about how we want to achieve them. Some of these choices are necessary because of flaws in the program that have become evident since 1972. Others are choices that should have been made before revenue sharing was ever enacted, but which were avoided in the spirit of compromise deemed necessary to get any program at all.

Perhaps the most difficult question of all is *if* it makes sense—or *if* we can afford—to give something to everybody under revenue sharing, whether they need it or not. That is what we did in 1972, in order to get a bill. As a result, we gave revenue sharing critics some of their best ammunition.

I personally do not think it does make sense—and I do not think we can afford—to give revenue sharing money to certain units of government simply because they exist, but serve no substantial governmental function. I don't think it makes sense—nor do I think we can afford—to give money to affluent communities with no demonstrated need for assistance, while big cities with big problems have arbitrary limits imposed on the amount they can receive.

The old formula gave us a consensus, which was needed at the time. But in the process, we lost sight of our purpose.

So our first tough choice this time around must be to rewrite the revenue sharing formula to insure that greater emphasis is placed on need.

We need to raise or eliminate the ceiling that holds down payments to cities, relative to other communities in the same State. We must find a better way to judge the amount all governments should receive, and adjust the formula where it deprives cities of needed funds because they are located in relatively affluent States.

At the same time, we need to revise the 20% floor where it benefits wealthy communities or governments with very limited functions.

A second difficult question that faces us in renewing revenue sharing is the matter of incentives for tax reform at the State and local levels.

During the original debate on revenue sharing, a number of members of Congress—including myself—wanted to explore the possibility of using revenue sharing assistance as an incentive to State and local governments to move toward more progressive tax structures.

In the search for a consensus on a revenue sharing bill, that idea was abandoned. This time around, we should consider reopening that question.

To be sure, tying tax reform to revenue sharing is going to be unpopular with a good many people. But we must consider the argument of critics that revenue sharing has actually shored up regressive State and local tax systems. For every time a local government has been able to cut property taxes because of revenue-sharing funds—as necessary as that may be in some instances the pressure for reform is weakened.

A third major focus of the revenue sharing debate must be on improved civil rights enforcement. The problem here is not one that we avoided during the original debate, but one which has reared its head since that time. The U.S. Civil Rights Commission has just released a blistering report confirming the poor enforcement of the civil rights provisions of the Act.

In our upcoming efforts to enact a renewal of revenue sharing, we must make it very clear that simply because these funds are free, they are not a blank check to discriminate. We must also assure that the Office of Revenue Sharing has the staff to enforce the law.

And we must assure for local citizens the opportunity to participate more fully in decisions about how revenue sharing money will be used.

These three major areas of change that I have outlined will not please everyone. If all were adopted, there would be some disappointed governments who would receive less than under the present formula. Some might, in fact, receive nothing at all.

But we must recognize that a large part of our present problem is that in 1972 we *did* try to please everyone, with consequences we may not want to repeat.

Today, in 1975, there is a growing realization that the size of the federal pie is limited—and that we simply may not be able to afford spending money where it is not needed. Nor may we be able to continue propping up State and local tax structures which do not make the most efficient and fair use of the tax base throughout the nation.

I said at the outset of my remarks that we supporters of revenue sharing must focus our efforts carefully. This means sticking to limited objectives, and not promising more than the program can produce.

It also means ensuring that we get the most for our money, by fully considering the tough choices I have described.

The health and vitality of our federal system demands the continuing attention of us all. Revenue sharing is only a part of that effort, but one well worth fighting for.

THE FUTURE HOMEMAKERS OF AMERICA

Mr. HUDDLESTON. Mr. President, recently, the Future Homemakers of America celebrated National FHA–HERO Week with the theme of "Vocational Education for Productive Careers." I would like to call special attention to this group, its activities and worthwhile contributions to the development of our Nation's youth.

Founded June 11, 1945, the Future Homemakers of America has a national membership of half-a-million young men and women in 12,000 chapters located in all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and American schools overseas. Any student who is taking or has taken a course in home economics or related occupations is eligible for membership.

There are two divisions to the organization—FHA and HERO. FHA places major emphasis on consumer education, homemaking and family life education combined with exploration of jobs and careers, while HERO—Home Economics Related Occupations—places major emphasis on preparation for jobs and careers with recognition that workers also fill multiple roles as homemakers and community leaders.

FHA is an integral part of the home economics program that operates through the school system.

Through its objectives of helping young people assume their roles in society through home economics education, family vocational preparation and community involvement, FHA emphasizes personal growth and the individual's desire to work for change rather than recognition, aware or status.

FHA is sponsored by the U.S. Office of Education and the American Home Economics Association and provides opportunities at the national, State and local levels for student initiative and directive in planning and carrying out individual and chapter projects.

I commend this group, its objectives and programs, and salute the members and staff for their outstanding contributions to the youth of America.

FEDERAL RESERVE ANALYSIS OF JOINT ECONOMIC COMMITTEE ECONOMIC PROGRAM ALTERNATIVE

Mr. HUMPHREY. Mr. President, today I am releasing a letter prepared by Dr. Arthur Burns, Chairman of the Board of Governors, Federal Reserve System, containing his evaluation of an alternative to the President's economic program.

In his letter, Dr. Burns estimates that the alternative program I have suggested could bring the Federal deficit for fiscal 1976 to nearly $100 billion—$20 billion more than his estimated $80 billion deficit under the President's program.

I strongly disagree with Dr. Burns' calculations.

The calculation of a $100 billion deficit is based on several unrealistic assumptions.

First, he assumes that the $17 billion outlay savings requested in the fiscal 1976 budget will not receive congressional approval. Undoubtedly some of these reductions will not be approved, but others will be, thus the net increase will be much smaller than $17 billion.

Dr. Burns further assumes that all spending requested by the President for such things as national defense, foreign aid, and energy compensation payments will be made—this is also unrealistic.

If Congress does not adopt the President's energy program, if it reduces Federal spending for defense, and if it cuts the request for foreign assistance, all of which are likely and necessary, the deficit will be correspondingly reduced.

While it is probable that the deficit in fiscal 1976 will be higher than the $52 billion figure in the budget document, Dr. Burns' $80 billion estimate for the administration program or $100 billion estimate for the alternatives I suggest is certainly an exaggeration.

One of the most significant comments made in Dr. Burns' letter is that he does not regard a 9-percent target rate of growth to be an unreasonable objective. He goes on to say that this cannot be achieved by spending or increasing the money supply, but it must be achieved by rebuilding public confidence.

I would suggest that the Federal Reserve's monetary policies—erratic, shrouded in secrecy and unpredictable—have contributed significantly to the lack of public confidence in the Federal Government's ability to manage the economy. Dr. Burns' letter itself provides an excellent example of this. The only reference to what monetary policy should be is contained on page 5 where he says:

> Of course monetary policy should provide for an adequate and reasonable expansion in the Nation's supply of money and credit, so that those who wish to borrow and are credit worthy can finance their needs on reasonably liberal terms.

No one can disagree with this eminently reasonable statement. The area of disagreement would come in defining the words "adequate and reasonable expansion in the Nation's supply of money and credit." We have yet to be told what Dr. Burns regards as adequate and reasonable in the current economic environment.

In commenting on the effect of increasing the rate of growth of the money supply on inflation, Dr. Burns is careful to note that "a prescription for rapid monetary growth, however defined, will in the end prove highly inflationary." I quite agree with Dr. Burns that over an extended period of time rapid rates of growth in the money supply would prove inflationary.

However, for the shortrun, virtually all witnesses testifying before the Joint Economic Committee have agreed that the money supply needs to grow at least as rapidly as the economy. This means that if we are going to reach that 9 percent growth rate which Dr. Burns regards as reasonable, we must have at least a 9 percent increase in the supply of money for the short term. I might note that in an evaluation of these same proposals, which I released earlier this week, Chairman Alan Greenspan of the Council of Economic Advisers states:

> We believe that price behavior will not be modified immediately by either monetary or fiscal stimuli, if resources are substantially underemployed.

I suggest that in our current environment, with the unemployment rate at 8.2 percent and rising, resources are substantially underemployed and will probably remain substantially underemployed for the foreseeable future.

The alternative program which Dr. Burns analyzed was made up of the following policy changes: First, a $10 billion rebate on 1974 tax liabilities; second, a permanent reduction in personal income tax of $20 billion; third, an increase in the investment credit to 10 percent; fourth, a public service jobs program large enough to employ a million people; fifth, an increase in the money supply of about 10 percent.

These proposals do not represent the final recommendations of the Joint Economic Committee. We are continuing our evaluation of economic alternatives and the committee's final recommendations will be contained in its annual report to Congress, scheduled to be issued in March.

I thank Dr. Burns for his prompt response to my request for an evaluation of these alternative proposals.

Mr. President, I ask unanimous consent that Dr. Burns' letters be printed in the Record.

There being no objection, the letter

was ordered to be printed in the RECORD, as follows:

FEDERAL RESERVE SYSTEM,
Washington, D.C., February 21, 1975.

Hon. HUBERT H. HUMPHREY,
Chairman, Joint Economic Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am glad to have this opportunity to respond to your letter of February 11, asking for my evaluation of public policy alternatives designed to promote a prompt and vigorous economic recovery. We at the Federal Reserve fully recognize the human misery and heavy economic loss that has been caused by the current economic recession, and we—as much as you and your colleagues in the Congress—want to be sure that every responsible action to help restore our nation's prosperity is fully considered, and adopted.

I am doubtful, however, that even larger Federal deficits will have the hoped-for results. The size of the deficit that could eventuate, even from the Administration's program, is not widely understood. Leaving aside the measures embodied in the President's energy program, the Administration's proposals call for temporary tax reductions amounting to $16.3 billion, as you know. But in addition, the substantial increases in Federal expenditures called for in the budget document still contemplate savings in outlays aggregating $17 billion in fiscal 1976. Nearly all of these savings require Congressional assent, which may well not be forthcoming. Moreover, the unified budget expenditure totals do not include off-budget outlays, which are expected to expand to over $10 billion in both this and the 1976 fiscal year. Finally, we need to keep in mind the larger tax reductions that appear to be taking shape in the Congress.

Making allowance for these understatements in the budget, and still overlooking the outlays of government-sponsored corporations, it appears to me that the true budget deficit (given the Administration's economic assumptions) will be substantially higher than the official figure for fiscal 1975 and that it would exceed $80 billion in fiscal 1976, rather than the $52 billion figure of the budget document. You now propose tax relief of an amount that even exceeds the figure that has emerged from the House Ways and Means Committee, besides an additional $8 billion in expenditures primarily to finance expanded public service employment. These proposals may bring the deficit for fiscal 1976 to nearly $100 billion, after allowing for the revenue-producing effects of the additional income created and for reduced outlays on account of unemployment compensation.

A budget deficit of this size, taken by itself, would surely add to private sector income. But often overlooked is the effect that the financing of such a deficit would be likely to have on our capital markets. Once economic recovery has set in, and perhaps sooner in view of the anticipatory concerns of market participants, the combination of swollen Federal credit demands and expanding private credit requirements would put an overall debt-raising burden of extraordinary proportions on our financial system. The result could well be sharply higher interest rates and tight credit conditions that would tend to choke off private credit demands and the increases in spending that such credit would have financed.

This problem is apparently anticipated in the package of policy alternatives that you propose, since it includes the stipulation that the rate of growth in the narrow money supply (M_1) be increased to about 10 per cent. As I have often stated, I firmly believe that a prescription for rapid monetary growth, however defined, will in the end prove highly inflationary and defeat the objective of lower interest rates that it seeks to achieve.

A 10 per cent growth in the narrowly defined money stock is well beyond the rates of expansion we have before seen for any extended period. The increased supply of money and credit associated with it might for a time hold down short-term interest rates. But the inflationary fears of long-term investors would be aggravated by this explosion in the money supply, and they would demand higher interest rates in an effort to protect the future purchasing power of their capital. Higher long-term interest rates, in turn, would tend to choke off any recovery in housing, exacerbate the financial problems of our State and local governments, and deter many business firms from going ahead with their capital spending plans. Moreover, once the swollen money supply did in fact begin to generate a higher rate of inflation, even short-term interest rates would rise—perhaps to levels far higher than would otherwise have prevailed. The notion that a large Federal deficit should or could be readily financed, if only we would create enough new money to finance it, is dangerously naive. This is the road to ruin.

Turning next to your third question, I find it very difficult to say what maximum rate of economic growth represents a realistic expectation over the next two years. We are currently experiencing a serious decline in economic activity. Once such a movement is underway, it is practically impossible to know how deep or how prolonged it may prove to be. I can say, however, that my long experience in business cycle analysis has taught me not to underestimate the strength of a cyclical recovery.

Once the base for recovery has been laid—that is, as excess inventories are liquidated, more efficient business practices introduced, financial liquidity restored, and other imbalances that had developed in the course of the preceding boom eliminated—the subsequent recovery has usually been much faster than seemed possible at the time. I would not be surprised to see a robust recovery in economic activity, once it begins later on this year, as I am inclined to think it will. Given the economic adjustments that are now taking place, an increase in real GNP averaging 8–10 per cent in the first year or perhaps year and a half of recovery would not be extraordinary.

This brings me, finally, to your second question as to the public policies that might foster real growth at a 9 per cent rate from the fourth quarter of 1975 on through 1976. I do not think that this is an unreasonable objective. The human and other resources to support such a rate of growth should be readily available, with the possible exception of energy. To bring about that growth, however, a strengthening in public confidence will be required—on the part of the nation's families, businesses and investors alike. Massive Federal deficit spending and an explosive expansion in money and credit will not contribute to this objective, and it could well destroy the emerging base on which a resurgence of public confidence can be built.

The recent advances in the stock market are an encouraging development. In part, higher stock prices reflect the easing in credit market tension and the declining trend of interest rates. More importantly, however, I believe that the improvements in the stock market and long-term credit markets are telling us that progress is being made in dampening what have been widespread and strongly held fears that inflation will intensify in our country over the years ahead. We have made real progress in combating our inflationary problem in recent months. And as the new sense of movement towards price stability spreads to businessmen and the consuming public, new confidence can be generated in the future and expanded spending plans can be set in place.

Government policy has an important role to play in this process. Of course, fiscal action is desirable and necessary in order to deal with the recession. Those who lose their jobs must be assisted by unemployment compensation, by public relief when necessary, and by opportunities for productive temporary employment in public service jobs; those whose real incomes have suffered from the inflation, even though they are employed, are entitled to reasonable tax relief. Of course, monetary policy should provide for an adequate and reasonable expansion in the nation's supply of money and credit, so that those who wish to borrow and are creditworthy can finance their needs on reasonably liberal terms. And the enduring need of policy is to do everything within the capacity of government, to encourage improvements in productivity and to establish conditions under which prices and wage rates are set in more competitive markets. Meaningful progress in this direction would go far to set us again on the path of lasting, noninflationary prosperity.

Sincerely yours,

ARTHUR F. BURNS.

OCEAN FLOOR MINING

Mr. METCALF. Mr. President, almost 2 years ago the Acting Legal Adviser to the Department of State wrote Chairman JACKSON of the Senate Committee on Interior and Insular Affairs:

> Prudence dictates that we also begin at once to formulate a legislative approach . . .

The letter of March 1, 1973, was signed by Mr. Charles N. Brower, who at that time was also Acting Chairman of the Inter-Agency Task Force on the Law of the Sea.

Yesterday, Secretary of the Interior Rogers C. B. Morton created an Ocean Mining Administration to promote and encourage ocean mineral resource recovery from the seabed and subsoil beyond the limits of national jurisdiction.

In the words of the press release:

> Secretary Morton underscored the importance of ocean mining to our future raw materials needs. "By 1990 the United States can become a net exporter of nickel, copper and cobalt, if we ensure a healthy, stable investment climate for ocean mining now. This would reduce our present high level of dependence on other countries for several of these metals."
>
> The Secretary said that he has "every hope that in 1975, a critical year for the ocean miner, the Third United Nations Conference on the Law of the Sea will be concluded successfully."
>
> "The Administration, however, mindful of its responsibilities to reduce wherever possible our nation's vulnerability to interruptible or high cost sources of raw materials, will have to be prepared to act through a domestic program to secure our access to ocean minerals. We must create an investment climate which will promote the development of this new minerals frontier while at the same time protecting the ocean environment," Secretary Morton said.

Today's Wall Street Journal included an article headlined: "Mining of Ocean Floor by U.S. Concerns In 1976 Is Proposed if UN Stalls on Pact."

I congratulate that part of the executive branch of our Government which understands our increasing dependency on third-world nations for minerals basic to our economy and the difficulty—if not impossibility—of achieving international agreement. I ask unanimous consent that the press release, the covering letter by Mr. Jack W. Carlson, Assistant Secretary of the Interior, and the Wall Street Journal article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR
Washington, D.C., February 24, 1975.

Hon. LEE METCALF,
Chairman, Subcommittee on Minerals, Materials and Fuels, Interior and Insular Affairs Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR METCALF: I thought you would be interested in learning of the action the Secretary has taken to establish an Ocean Mining Administration within the Department of the Interior. The new Administration will be under my direction and will serve as the focal point for our efforts to promote the development of a stable investment climate for ocean minerals recovery, under conditions that protect the environment.

We continue to be hopeful that the Third UN Law of the Sea Conference will soon reach agreement on a satisfactory international system for managing minerals recovery from the seabed beyond national jurisdiction. In that event, the new Ocean Mining Administration will be in place to begin immediately the comprehensive task of harmonizing our programs with those established through the treaty. However, I believe that we must also be prepared if the Law of the Sea Conference does not reach a timely and successful conclusion, given our responsibilities to reduce wherever possible the Nation's dependence on foreign sources of raw materials.

The initial tasks of the Ocean Mining Administration will be to plan for the future of ocean mining, to develop policy and regulatory procedures and to complete a thorough analysis of the evnironmental effects of ocean mining. The new office will attach the highest priority to early completion of this analysis.

I hope that you will be pleased to learn of the Department's serious commitment to encouraging the development of this new minerals frontier. The Department will make every effort to keep you and your staff fully informed on a continuing basis of our activities in this area.

Sincerely,

JACK W. CARLSON,
Assistant Secretary of the Interior.

INTERIOR SECRETARY MORTON ESTABLISHES THE OCEAN MINING ADMINISTRATION

Secretary of the Interior Rogers C. B. Morton today created an Ocean Mining Administration to promote and encourage ocean mineral resource recovery from the seabed and subsoil beyond the limits of national jurisdiction.

The Ocean Mining Administration will develop policy for deep ocean minerals recovery, and implement a domestic program to provide new sources of nickel, copper and other minerals from the seabed.

Secretary Morton underscored the importance of ocean mining to our future raw materials needs. "By 1990 the United States can become a net exporter of nickel, copper and cobalt, if we ensure a healthy, stable investment climate for ocean mining now. This would reduce our present high level of dependence on other countries for several of these metals."

The Secretary said that he has "every hope that in 1975, a critical year for the ocean miner, the Third United Nations Conference on the Law of the Sea will be concluded successfully."

"The Administration, however, mindful of its responsibilities to reduce wherever possible our nation's vulnerability to interruptible or high cost sources of raw materials, will have to be prepared to act through a domestic program to secure our access to ocean minerals. We must create an investment climate which will promote the development of this new minerals frontier while at the same time protecting the ocean environment," Secretary Morton said.

Under the direction of the Assistant Secretary for Energy and Minerals, Jack W. Carlson, the Ocean Mining Administration will supervise the conduct of ocean mineral technology and resource assessment programs within the Department and oversee the carrying out of the Department's responsibilities in the ocean mining field with respect to compliance with the National Environmental Policy Act.

Carlson said, "We must begin now to plan for the development of this important mineral resource, and the Ocean Mining Administration will serve as the focal point for our efforts in this area. We expect this industry to grow to a $6 billion investment by 1990. But we must act now." Assistant Secretary Carlson also stressed the Department's concern that ocean mining activities not endanger the marine environment, and indicated that one of our first actions will be to ensure that appropriate analyses are conducted of the potential environmental effects of seabed recovery operations.

Leigh S. Ratiner, 35, who has been Director of the Ocean Mining Development Office on the staff of the Assistant Secretary—Energy and Minerals, has been designated as Administrator of the Ocean Mining Administration.

From January to June, 1974, Ratiner was the Deputy Assistant Administrator for International, Political and Economic Affairs at the Federal Energy Office, on loan from his position as Director for Ocean Resources in the Interior Department, in which he had served since 1972.

Before 1972 he was staff Director of the Office of Ocean Affairs in the Department of Defense. Between 1963 and 1966 Ratiner was an attorney in the Federal Aviation Agency, specializing in international air law negotiations. Ratiner has been a negotiator at many international conferences and is presently serving as the principal United States representative in Committee I at the Law of the Sea Conference, which deals with the mineral resources of the deep seabed, and with the creation of new international institutions for their administration.

Ratiner is a native of New York City. He holds a B.A. degree from Grinnell College, 1959; an LL.B. degree from the University of Pennsylvania, 1962; and a Masters in Comparative Law from Southern Methodist University, 1963. He and his wife, Catharine, have a daughter, Cris, 14, and a son, Tony, 11, and live in Annandale, Virginia.

[From the Wall Street Journal, Feb. 26, 1975]

MINING OF OCEAN FLOOR BY U.S. CONCERNS IN 1976 IS PROPOSED IF UN STALLS ON PACT

(By Jerry Landauer)

WASHINGTON.—The Interior Department is proposing to let U.S. mining companies scoop up valuable minerals from the ocean floor starting next year if the United Nations by then hasn't negotiated a new treaty governing use of the seas.

The department's proposal, being circulated to other Cabinet officers by Interior Secretary Rogers Morton, would authorize the government to issue mining licenses, insure corporate investments against political harassment by other countries and issue rules for ocean mining in what's currently a legal no-man's-land far beyond American shores.

Until now the Executive Branch has opposed unilateral action to recover minerals—chiefly cobalt, copper, nickel and manganese—from ocean territory that isn't within national jurisdiction. The U.S. government has declared that resources lying beyond 200 miles from the shore of any nation belong to "all mankind." But the slow tempo of international negotiations to agree on particulars may make it necessary for the U.S. to go it alone, some officials contend.

"We've been awfully patient," one policymaker says. "We've been negotiating for seven years. They (poor countries mostly) are diddling us. We just can't put up with being diddled any more."

Secretary Morton made that point more delicately yesterday in announcing creation of an Ocean Mining Administration under Leigh S. Ratiner to develop plans for licensing U.S. companies. Mr. Morton expressed "every hope" that the United Nations conference on the law of the sea, scheduled to reconvene in Geneva next month, will succeed. However, he added, the Ford administration must be "mindful of its responsibilities to reduce wherever possible our nation's vulnerability to interruptible or high-cost sources of raw materials."

Secretary Morton's measure, which is expected to be introduced in Congress shortly, fixes a deadline of Jan. 31, 1976, for wrapping up any new sea-law treaty, thus putting pressure on the UN delegates to agree. If no treaty were submitted to the Senate by that date, the Interior Department could start issuing mining licenses by the summer of 1976, assuming a six-month period for preparing regulations and filing environmental-impact statements. By 1990, according to Assistant Interior Secretary Jack W. Carlson, ocean mining could generate investments of as much as $6 billion.

Four companies—Kennecott Copper Corp.; Deep Sea Ventures, a subsidiary of Tenneco Inc.; International Nickel Co.; and Summa Corp., privately owned by Howard Hughes—have together invested more than $100 million to develop ocean-mining technology.

Kennecott and Deep Sea Ventures have built pilot plants to demonstrate the feasibility of recovering so-called "manganese nodules" from the ocean floor and extracting quantities of nickel, copper and cobalt. Some of the companies, in association with foreign concerns, are prepared to invest as much as $400 million to $500 million for each operational mining unit, government officials say. One purpose of the government insurance plan is to help the companies borrow.

The black, tomato-size nodules that are the major objective of Mr. Morton's legislative initiative generally lie in a vast expanse of ocean floor between Hawaii, Southern California, and Mexico. In many cases, the nodules contain 2.5% copper; in the U.S. some copper ore is being mined that contains just 0.5%. Besides copper, the ocean bottom is expected to yield valuable supplies of nickel and cobalt. Mr. Ratiner is confident that as a result of deep-sea mining the U.S. will be able to reduce imports of nickel from 82% to 34% of domestic consumption by 1985, and to eliminate any need to import cobalt. In 1973, U.S. industry imported 77% of its cobalt requirements. Imports of manganese could be cut roughly in half.

Under Mr. Morton's proposal, companies intending to mine the oceans wouldn't be required to pay any royalties to the U.S. government, except for some user charges to cover the salaries of government regulators. And, though the legislation doesn't say so specifically, the companies conceivably could be entitled to depletion allowances for the minerals mined.

One possible peril to Mr. Morton's proposal in Congress is opposition from the Pentagon, a State Department source suggests. Some military men want the government to desist from claiming right to deep-sea minerals in exchange for treaty clauses guaranteeing warships unrestricted rights to sail through strategic international straits, especially the Straits of Gibraltar, Potentially, too, any unilateral approach to mining minerals could invite retaliation by nations in position to harass the passage of supertankers—on the pretext of pollution control, for example.

Outweighing these considerations is the growing belief within the government and especially in industry that some exporters of raw materials are stalling the UN conferences merely to protect themselves against commercial competition. "Their rhetoric is that these minerals belong to everybody," one U.S. negotiator says. "In practice, this means that nobody is getting them."

Indeed, it may be more than a coincidence that some of the loftiest language about the common mineral heritage of mankind is coming from delegates representing Peru, a major copper exporter; Zaire, a key producer of cobalt, and India, which produces manganese.

Algeria, a leader of the Organization of Petroleum Exporting Countries, or OPEC, is taking the toughest line of all. That nation, in particular, is demanding agreement that resources lying beyond 200 miles from any shore belong to all nations, putting oil deposits under the oceans safely beyond exclusive reach of the U.S. and other oil consumers.

MORE DIRECT CONGRESSIONAL CONSULTATION WITH THE FEDERAL RESERVE SYSTEM—A MUST

Mr. HUMPHREY. Mr. President, yesterday I had the privilege of testifying before the Senate Committee on Banking, Housing and Urban Affairs on the crucial question of the congressional role in setting this Nation's monetary policy.

The hearing was held to discuss Senate Concurrent Resolution 18, which was introduced by the able chairman of the committee, Mr. PROXMIRE, myself, and 14 other colleagues.

The purpose of this important resolution is twofold. First, it is intended to nudge the Federal Reserve System toward a monetary policy that promotes a full employment economy with stable prices. Second, it establishes a more sensible congressional role in this crucial area of economic policy.

I am delighted that Senator BUCKLEY joined me in testifying before the committee in favor of Senate Concurrent Resolution 18.

This is not an attempt to hamstring the Fed or to politicize monetary policy. However, it is an effort to bring monetary policy back within the overall framework of national economic policy.

The Fed has been a "one man team" for far too long, it is time it began working in a coordinated way with the Congress and the executive branch.

We must harmonize tax policy, budget policy, wage and price policy, and energy policy, with monetary policy, if we are to achieve our Nation's economic goals. All Federal policy should be moving in the same general direction, and in a reinforcing manner. We cannot afford to have credit availability and interest rate levels determined in a vacuum and by an institution that at times appears to be in a private world of its own.

I believe that, despite Dr. Burn's protestations, this resolution will help put the Fed back on the team, without reducing its legitimate independence.

Mr. President, I ask unanimous consent that my testimony before the Senate Committee on Banking, Housing and Urban Affairs, on Senate Concurrent Resolution 18, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR HUBERT H. HUMPHREY

Mr. Chairman, I welcome the opportunity to appear before you and your very distinguished colleagues on the Committee on Banking, Housing and Urban Affairs in support of Senate Concurrent Resolution 18 which you introduced last week. I am especially delighted that Senator Buckley is here to join in this fight for a monetary policy that promotes a full employment economy with stable prices. A sensible, congressional role in this area of economic policy is not a partisan matter.

Nothing we do in economic policy is more important than what we do about money, interest rates, and credit. If we continue a policy of tight money, we will worsen or prolong a recession that has already been to some extent caused by a lack of credit and high interest rates. If we start pouring money into the economy without careful control, on the other hand, we will start another inflationary spiral. In other words, we must walk a narrow path between stringent—I might say stingy—and excessive money and credit expansion.

The resolution I am privileged to co-sponsor with Senator Proxmire and Senator Buckley and sixteen other Senators is a very modest first step in establishing a congressional role in the formulation of monetary policy. The resolution basically does three things:

First, it directs the Federal Reserve Board of Governors to take appropriate action in the first half of 1975 to increase the money supply at the rates necessary to promote economic recovery.

Second, it directs the Federal Reserve Board of Governors to maintain a steady long-term monetary policy commensurate with the full potential of the economy, maximum employment and stable prices.

Finally, the Resolution requires the Federal Reserve to consult with Congress on money and credit policy at semiannual hearings before this committee and the Committee on Banking in the other House.

Let me briefly explain why I believe each of these provisions is important.

NEED FOR CONGRESSIONAL MONETARY POLICY

The final provision of the resolution, that which requires regular congressional consultation in the formulation of monetary policy, is in many respects the most important part of this resolution. One of the major deficiencies of Federal economic policy in recent years, in my opinion, has been the lack of coordination among the many institutions that are responsible for executing such policy. The Department of Agriculture was subsidizing the Russians to buy our wheat in 1972, for example, while the Cost of Living Council was expressing concern about a food shortage at home and calling for the monitoring and management of food exports. There are countless other examples of where the right hand of government economic policy has not known what the left hand of government was doing.

Nowhere has this lack of coordination been greater than in the area of congressional economic policy. In the past, for example, dozens of committees and subcommittees have gone their own way in carving up the budget and setting fiscal policy by default. Thank God we had the good sense to correct these budget and fiscal deficiencies in our economic policy by enactment of the historic Congressional Budget Control Act of 1974. Under this act, as you know, Congress will be required to set the overall level of taxes, expenditures, and the size of the budget deficit or surplus in light of economic conditions. We would then debate our national priorities in the context of these limits.

Yet congressional economic policy remains seriously deficient because of our failure to develop a policy on money and credit. Although Dr. Burns and other members of the Federal Reserve Board frequently testify before many committees of Congress, they really do not tell us much about money and credit policy. When you ask the important questions on monetary policy—how much the money supply will be increased, what will be the interest rate objectives of the Federal Reserve, and what will be the availability of credit—a shroud of state secrecy falls over the hearing. The Federal Reserve will simply not inform us about their intentions with respect to monetary policy, nor do they consult with the Congress about what we believe should be the course of monetary policy in the light of other economic actions.

It is impossible for me to see how we are to set comprehensive and sensible economic policies as long as this situation persists. The lack of coordination is harmful because the Federal Reserve can undo whatever the Congress does on tax and spending policy. The secrecy is unnecessary and adds to the uncertainty about money and credit. The German Bundesbank, for example, has no such secrecy and has publicly announced it will increase the money supply eight percent this year. I believe this is a case where we can take a lesson from the Germans, who by the way have had the best economic performance in the world in recent times.

Our resolution would simply bring the Federal Reserve and Congress into open, sensible coordination on monetary policy. This Committee would serve as the focal point for the expression of congressional views on monetary policy, just as the Budget Committee is the focal point on budget policy. I believe this would be a major, long-term improvement in the way Congress treats economic policy. It could end the harmful secrecy that now surrounds monetary policy. The resolution would also enable Congress to fulfill its constitutional duty . . . "to coin money and regulate the value thereof, . . ."

NEED FOR IMMEDIATE MONETARY EXPANSION

As important as such long-term reform will be, our immediate need is to expand the money supply and lower interest rates in order to promote economic recovery. We are, as all of you know, in the worst economic slump since the Depression. The official unemployment rate is 8.2 percent and, if account is taken of discouraged and part-time workers, the real rate of unemployment is about 11 percent. This means that there are at least 10 million people unemployed or underemployed.

To some extent, the seriousness of the recession and its prolonged duration are the product of tight money and high interest rates. And the recovery from recession, will depend upon the expansion of the money supply and the lowering of interest rates. This is not my opinion alone, although I share it, but the opinion of the vast majority of the people who study these matters carefully. To document this, I have attached to my statement summaries of the witnesses who have testified on monetary policy before the Joint Economic Committee.

One can also see that money and credit policies have been too tight by examining the statistics on monetary policy. The monetary supply, that is currency and checking accounts, has grown at drastically slower rates over the last six months than in previous periods. From January 1972 to mid-1973 money grew, on the average, according to the Federal Reserve Bank of St. Louis, at a rapid 8.6 percent annual rate. Over the next year, money growth slowed to a 5.4 percent rate. Since mid-1974 money has grown at about a one percent annual rate, and in the most recent quarter the money supply has actually declined. Thus, the most important component of our money and credit system, and the one over which the Federal Reserve has the most control, has dried up completely.

Even if other measures of the money supply are examined, the picture is much the same. Whether measured by what the economists call M1, M2, or any of the eight money aggregates alluded to by Chairman Burns in testimony before the Joint Economic Committee, there has been a sharp and damaging deceleration in the rate of growth since last spring. All measures of money and credit supply dropped sharply in 1974, particularly in the last six months.

The fact that these measures of money and credit currently show no growth, or a sharp decline in the rate of growth, does not mean the Federal Reserve has done nothing to expand the money supply and lower interest rates. Late last year and early this year, the Federal Reserve made modest efforts to expand the money supply, principally by lowering the discount rate and reserve requirements. These efforts have not reversed the decline in the money supply, however, according to Dr. Burns and others, because the banks, business, and consumers of the country lack sufficient confidence to utilize the supply of credit that is being made available. They cite the sharp decline in business loan demand, for example, as evidence that people do not want to borrow money now because they are uncertain about the economic outlook.

I find no reason to disagree with this point of view. In fact, I believe that a general lack of confidence within the country is deepening the recession and choking off all forms of economic activity. The real question is, how can we restore confidence in our economy and in our money and credit markets?

Confidence will return, in my view, only when the people see that their government has a policy to restore economic growth and bring back jobs. Not only is such a policy not evident in the actions of the Federal Reserve, but I believe the Board's current stance adds to uncertainty. Because of the secrecy that surrounds the system, no one knows what money and credit policies the Federal Reserve will follow in the next six months. We do not know if they will continue their very timid efforts to expand the money supply and lower interest rates, or if they will take the aggressive action necessary to bring the economy back up to the cruising speed of normal economic growth. Nor do we know if they will slam on the brakes again, aborting the recovery just as it is getting underway. Under these circumstances, how can business and consumers pursue investment and spending plans with any confidence? The answer is—they cannot.

To restore confidence, therefore, we must have a money and credit policy that accelerates the economy back up to a sensible cruising speed. Resolution 18 does just that. It recognizes that money supply growth has been too slow and interest rates too high in recent months. The resolution therefore requires the Federal Reserve to take action immediately and here let me quote, "to increase the money supply at a rate substantially higher than in recent experience and appropriate to actively promote economic recovery."

If this directive is followed, I believe we can get the economy back up to its proper cruising speed. Given the current level of unemployment, a proper cruising speed would be real economic growth of eight to ten percent in 1976. This in turn requires large increases in the money supply and much lower interest rates than we have had in recent experience. (In view of the almost zero growth of the money supply in the last six months, we need at least an eight to ten percent rate of growth in the money supply in the next six months. In fact, it may be necessary to increase the money supply even more than that in the short-run if we are to reach these grotwh tragets and reduce unemployment.)

In addition to expanding the money supply, I believe Dr. Burns and the Federal Reserve Board could increase confidence by telling the banks that they can be more liberal in their loan activities. A little jawboning by the Federal Reserve Board at this point, could well encourage the banks to use the funds they have available.

When I say that compliance with this resolution will aid economic recovery, I am of course assuming that it is done in conjunction with a comprehensive package of other economic actions, including a large tax cut and a substantial increase in public service jobs. If this is done, I believe we can make substantial progress toward restoring economic growth without adding to inflation. This view is shared by most of the witnesses who have appeared before the Joint Economic Committee and, to some extent, shared by Mr. Greenspan, the Chairman of the Council of Economic Advisers. I submit a copy of a February 19th letter from Mr. Greenspan, acknowledging that a comprehensive package of economic stimulus, including an eight percent increase in the money supply (M1), would increase real GNP by about two percentage points above the levels forecast under the program proposed by the President by the end of 1976. And this would occur with less unemployment and inflation.

NEED FOR STEADY LONG-RUN MONETARY EXPANSION

While a rapid expansion of the money supply is needed in the next six months to a year, we must guard against an excessive expansion that accelerates inflation. The eight percent increase in the money supply in 1972, coming in a period of substantial economic boom, surely contributed to the inflation of 1973. We must also guard against the roller coaster variations in money and credit that we have had in recent years. Those charged with the responsibility of driving the Nation's money machine must stop alternating between driving hell-bent down the road causing inflation, and slamming on the brakes so sharply it causes recession and unemployment. The money supply (M1) has fluctuated wildly in recent years.

This has got to stop. Those who are driving the Nation's money machine have to attain and maintain a sensible cruising speed if we are to maintain healthy economic growth and stable prices. The second provision of our resolution would accomplish this by directing that the Fed, and again I quote, "maintain long-run growth of the money supply commensurate with the economy's long-run potential to increase production, so as to effectively achieve the goals of maximum employment and stable prices." In other words, we must in the long-run strive to maintain a steady growth of money and credit instead of the wild gyrations of the past. This will help us to avoid both inflation and recession.

I hope the Committee has found my comments useful and are persuaded to adopt Resolution 18. Nothing is more important to the health of our country in the next year than a sensible money and credit policy. Resolution 18 indicates that Congress recognizes its responsibility in this area by instructing the Federal Reserve that the first priority in money and credit policy should be economic recovery and jobs. The resolution also provides long-term guidance to the Federal Reserve that should prevent extreme fluctuations in money supply and interest rates in the future. Finally, the resolution provides a continuing institutional focus for open consultation between Congress and the Federal Reserve for the formulation of money and credit policy.

Appendix A—Excerpts From Joint Economic Committee Hearings

Gardner Ackley (January 23, 1975):

Dr. Ackley. The very minimum assignment for monetary policy in such a period, *in* my judgment, should be to expand the money supply about in line with the growth of potential output valued in then current prices—certainly, so long as the rate of inflation is continually and appreciably diminishing. This describes what would be an essentially neutral stance for monetary policy. . . .

I personally would argue that Federal Reserve policy now and in the next year or two ought not merely to be neutral, but instead strongly expansionary. I favor a discretionary monetary policy, both in booms and recessions, rather than a steady, mechanical expansion of some variant of M. Thus, if M1 should expand at a 9 percent or 10 percent rate over the next year, it would not disturb me at all. . . .

I am not sure they will understand better if I say the sum of currency and demand deposits of nine and ten percent would be entirely appropriate. However, I don't think anybody should get hooked to a particular number. It seems to me they ought to do what needs to be done to help assure recovery. If they should take 12 instead of ten it still wouldn't disturb me.

Senator Humphrey. Is the present money supply or rate of money supply adequate?

Dr. Ackley. It seems to me the recent rate of growth of money supply is inadequate.

Senator Humphrey. Over the past year?

Dr. Ackley. Well, the past year had two halves but certainly over the year as a whole very much so, and in the second half very distinctly so.

Paul W. McCracken (January 23, 1975).

Dr. McCracken. The relationship between the money supply broadly defined to include net time deposits and GNP has been quite stable, and historical experience suggests that for us to achieve the projected 12 and 10 percent rises in GNP (in current dollars) during these two years of expansion an essentially parallel increase in M2 would be needed, and it would mean a somewhat slower rise in M1. Moreover, it is monetary policy during these early months of 1975 that is establishing the basic path for the economy toward the latter part of the year. Judgments vary about the extent to which monetary policy has the capability itself to take the initiative and produce the needed economic expansion, but there would at least be broad agreement that this rate of monetary expansion is a necessary condition. And the trend of thinking has been to assign an increasingly important role to monetary policy as a determinant of the course for the economy. The three percent per year path for M1 during the last three months and the 6½ percent path for M2 are far short of what we should be seeing now if the latter part of 1975 is to have reasonable assurance of resuming vigorous expansion. . . .

Yes, the President's program in my judgment is adequate to promote an expansion of economic activity by the later part of the year, providing it is accompanied by appropriate monetary policy. If it is not accompanied by appropriate monetary policy an even larger fiscal package will also produce disappointing results. At the same time I would have no serious problem in quantitative terms with the magnitude of fiscal stimulus somewhat larger than the President proposed but I would consider the President's package adequate with that very important proviso about monetary policy. . . .

During the last quarter, if I remember correctly, money expansion was 3.1 percent, at an annual rate of 3.1 percent. As Professor Ackley indicated, by the way, 1974 was two distinctly different periods. It was probably too rapid in the first part of the year and entirely too restrictive in the second half and really I helped to set the stage for the current recession. . . .

Now, as best one can translate that into what it means for the rate of growth in the money supply, what would that mean? That would seem to me to mean a rate of expansion certainly not less than eight percent for M1, probably closer to ten percent, because the economy generally will be rising a little more rapidly than the rate of gain. . . .

Now, in my own judgment I think these things can be worked out, once again providing that we have an appropriately expansive monetary policy.

Now you raised the larger question on monetary policy. I really do think that the question you are raising there is one that in the final analysis, somewhere down the pike, is going to have to be re-examined, namely, the position of decision-making about monetary policy in the structure of governments.

Hendrik Houthakker (January 29, 1975)

Dr. HOUTHAKKER. What has already happened in the current recession is bad enough, but my concern is further increased by looking at recent monetary policy. According to the weekly figures, which admittedly are somewhat inadequate for analytical purposes, the money supply has been falling for several weeks, and is now no higher than it was three months ago. It is true that interest rates have declined somewhat but this should not be interpreted as indicating a less restrictive monetary policy. The fall in interest rates appears to be due not to easier monetary policy but to a decline in the demand for money, which is normal in a deep recession. There is much evidence that a sustained fall in money supply will lead to a fall in money GNP, and hence to an even steeper fall in real GNP when prices are rising. Since the apparent reduction in the money supply is only a few weeks old, and may be due primarily to international factors, I do not want to make too much of it. Nevertheless, it would not be amiss to remember what Freidman and Schwartz had to say about the effects of perverse monetary policy on the early development of the Great Depression. . . .

Senator HUMPHREY. As an anti-recession program are the President's proposals enough, Dr. Houthakker?

Dr. HOUTHAKKER. I believe that very much depends on monetary policy. As fiscal policies go, the proposal is certainly not enough, although I would certainly not suggest anything bigger than that. I think it is important that some assurance be obtained from the Federal Reserve.

Senator HUMPHREY. He did not address himself to monetary policy in his message.

Dr. HOUTHAKKER. I don't believe he did.

Senator HUMPHREY. Do you consider that a vital part of the anti-recession program?

Dr. HOUTHAKKER. I believe it is the most vital part.

Senator HUMPHREY. What would you indicate as a factor to a monetary policy, what kind of easing of money supply and credit?

Dr. HOUTHAKKER. To go to a five percent growth range in money supply and stick to it would be a great help compared to the performances we have apparently had during the last few months.

But my point is, it is very misleading to look at interest rates in regard to monetary policy, because they reflect demand and supply. In a recession demand for money tends to fall and that in itself will bring interest rates down. With an expansive monetary policy the supply would have to increase, too. The statistics which we have at the moment suggest that supply has gone down, therefore, I beileve it is misleading to talk about an easing of monetary policy. We just have not had it yet. . . .

Senator HUMPHREY. Do you have any suggestions as to how you might deal with the Fed up in New York?

Dr. HOUTHAKKER. Well, the situation is such that if I am right in thinking the execution of the monetary policy is at fault there would have to be personnel changes, because this has been a longstanding problem, and I believe that the Federal Reserve has not been able to carry out its stated intentions. . . .

George Perry (January 29, 1975).

Dr. PERRY. I am not a monitarist, so I have less confidence in putting precise numbers on how rapidly the money supply should grow. But I would suggest that the five percent strikes me as inadequate. We have reached our present condition with a growth rate of a little over four percent. I think five is much better than what we have gotten recently, which has been no growth rate at all in the money supply. I think that is a terrible monetary policy at a time like this. . . .

Franco Modigliani (February 14, 1975).

Dr. MODIGLIANI. There was some weakness in consumer spending, and that has been reinforced by the monetary policy because I believe—and many by now believe with me—that consumer spending, particularly in durables, is significantly affected by the stock market, and the stock market was sent into a spin by the policy of crazy-tight policy.

Now, thank God I am on record as having written, even though it is not published, before this happened telling the Fed, if you will stick to six percent, you will not be able to achieve the goals of the Administration. You will end up with heavy unemployment. . . .

On the other hand, I am quite convinced that, as the Board of Governors is now composed and now operating, we will never get eight or nine percent money supply growth, that as we make some efforts to push the economy up and as income is expended, we will find that they will sit on their six or seven percent, and they will create a new credit squeeze, which will turn the economy around and let me say it this time, in my forecast because before I made some before this Committee proved right. If that happens, we would have exactly the repetition of the '58—'59—'60 episode, where the economy begins to recover, the Federal Reserve slaps on rates, and we get right back into recession in '60. . . .

Michael Evans (February 14, 1975).

Dr. EVANS. Arthur Burns will whip out a speech about how inflation is a menace to society, and will pass around copies of a book which is called "Prosperity and Inflation" which was written some 25 years ago, and so forth and so on. And he will go on and he will put the squeeze on the money supply and we will have interest rates which I am absolutely convinced will be higher than the interest rates which were reached in the peak of 1974 unless somebody steps in and does something about it.

I think this is extremely serious and we have to worry, not only about how to get the economy moving but how to keep it moving, because we can have a $20 billion, $30 billion, even a $40 billion tax cut, I would not go quite that high, but a sizeable tax cut this year is what we need. But if we are going to choke it off next year with restrictive monetary policy, then what is the point of it all?

COUNCIL OF ECONOMIC ADVISERS,
Washington, D.C., February 19, 1975.

DEAR MR. CHAIRMAN: This is in response to your letter of February 11 in which you requested an evaluation of the economic impact of a number of proposals; including a $10 billion rebate of 1974 taxes, a permanent reduction in the tax rates that will initially reduce taxes by $20 billion at an annual rate, a $3 billion increase in the investment tax credit, a $8 billion expansion in outlays for public service employment starting in fiscal 1976 and maintained thereafter, and the substitution of offsetting reductions in federal outlays for the proposed ceiling on transfers.

We have examined the effect of these proposals within the framework of the DRI and the Chase Econometrics quarterly forecasting models. I believe that the results of the simulations are at best only partial answers to your questions. The models do not contain a well developed and comprehensive framework for the analysis of the financial market implications of your proposed program; nor do the models adequately capture the dynamics of the interactions between the real and the financial sector. My own experience suggests that the models and most analysts usually underestimate movements in the economy during the early stages of both declines and recovery in business activity. The models did not capture the sharpness of the decline in late 1974 and early 1975 and they may also be underestimating the sharpness of the recovery which we expect later this year.

THE FISCAL PROGRAM

Within the constraints of the models, the fiscal program you have asked us to analyze would be expected to raise real GNP by 1½ to 2 percent above the levels forecast under the program proposed by the President by the end of 1976. The unemployment rate would be 0.5 to 0.8 percentage points lower and the NIA deficit would be approximately $20 billion higher. About one-third of the $33 billion *ex ante* cost of the stimulus program still operative in the fourth quarter of 1976 would be recouped by the income induced growth in revenues.

Since the structure of these models is similar, both the Chase and DRI models are fairly close regarding the output-raising effects of increases in government expenditure. Both models show that the $8 billion increase in public service payrolls, which is treated generically like an increase in Government purchases, would raise real GNP by about ½ of one percent by the fourth quarter of 1976. As for the cut in personal taxes in the Chase model, the $20 billion permanent tax cut would raise real GNP by about 2 percent while in the DRI model the $20 billion tax cut has about the same effect as an $8 billion increase in purchases. The CEA would estimate that a $20 billion permanent tax cut would have effects on real GNP that are about twice as large as those of an $8 billion expenditure increase. Since the multipliers for transfer payments are expected to be similar to the tax multipliers, the substitution of roughly $5 billion in transfer payments for $5 billion of defense purchases would be slightly contractive. The $3 billion investment tax credit raises GNP by about ¼ percent. To sum up the particular formulations of the model structures given a growth of M_1 ranging between 7 percent (Chase) and 8 percent (DRI) the combined fiscal changes yield an increase in real GNP by between 1½ and 2 percent by the end of 1976, and as a result, show a lower unemployment rate would be lowered by between 0.5 and 0.8 percentage points.

MONETARY POLICY PROPOSAL

The econometric models disagree on whether increased monetary growth would raise real output strongly in 1975 and 1976. The Chase model has interest rates stay high in spite of faster growth in M_1. As a result the savings inflow into thrift institutions remains small. Housing starts never get above the 1.8 million level in that model and other interest-sensitive spending recovers much less in the DRI simulation. Thus, the income velocity of money declines. As this decline will tend to be reversed subsequently, inflation could again flare up even if the money supply increases less rapidly in 1977–78 than in 1975–76.

THE EFFECT UPON INFLATION

We believe that price behavior will not be modified immediately by either monetary or fiscal stimuli if resources are substantially underemployed. Most econometric models agree that the short-run inflation penalties are small if they even exist at all under such conditions. Nevertheless the long-term inflationary potential of 10 percent growth in M_1 is serious. For instance, in the DRI model maintaining 10 percent growth in M_1 through 1976 feeds a much higher rate of growth in M_2 (12–14 percent), drives interest rates down to very low levels, and thus creates an explosion in private housing starts up to the 2.6 million annual level by the fourth quarter of 1976. A level of 2.6 million conventional starts (excluding mobile homes) is clearly unsustainable as is the low level of interest rates.

The large growth in liquidity and real balance that a prolonged period of rapid monetary growth would induce would, however, surely lead to an increase in the rate of inflation as the recovery progresses. If the rate of growth of the money supply is then slowed, interest rates will rise immediately as increased business and consumer demand for loans is satisfied by a reduction in bank liquidity. For example, attempts to unload government securities will drive up interest rates. On the other hand, if the rate of growth of the money supply is not slowed, inflation will accelerate even more in the course of the later stages of recovery and beyond as inflation premiums raise the level of nominal interest rates. In this way 10 percent growth in M_1, if maintained for two years, will inevitably lead to a recurrence of high rates of inflation in 1977 if not in 1975. In fact, great instability in the rate of growth of the money supply would eventually turn out to be a cause rather than a cure for recessions. After 1976 this high rate of monetary expansion would increasingly be reflected in higher prices. Accelerating inflation would then threaten to destabilize the economy anew in 1977–78.

There are several additional points that must be considered in assessing these or any forecasts for 1975 and beyond. The forecasts are surrounded by a wide band of uncertainty and the probable range of error even approaches the differences between our forecasts based upon the President's program and the alternative solutions under the assumptions that you have provided. In addition, the forecasts neither reflect nor adequately evaluate the risks of a financial backwash from the very large federal deficits. These difficulties may not be serious during 1975 but the risk of choking off some of the recovery during 1976 and beyond cannot safely be ignored. These are problems which we cannot examine adequately within the currently available models but the probability of serious adverse effects in 1976 and thereafter obviously rises with both the size of the deficit and the strength of the recovery.

I sincerely hope that this response is useful to you and your committee in your policy deliberations.

Sincerely yours,

ALAN GREENSPAN,
Chairman.

RULES OF PROCEDURE FOR COMMITTEE ON THE BUDGET

Mr. MUSKIE. Mr. President, in accordance with the provisions of the Legislative Reorganization Act, I hereby submit the rules of procedure for the Committee on the Budget. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the rules of procedure were ordered to be printed in the RECORD, as follows:

RULES OF PROCEDURE FOR THE COMMITTEE ON THE BUDGET

I. MEETINGS OF THE COMMITTEE

1. The Committee shall hold its regular meeting on the first Thursday of each month. Additional meetings may be called by the Chairman as he deems necessary to expedite Committee business.

2. Each meeting of the Committee on the Budget of the Senate, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the Committee or subcommittee, as the case may be, determined by record vote of a majority of the members of the Committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

(a) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(b) will relate solely to matters of the Committee staff personnel or internal staff management or procedure;

(c) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(d) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

(e) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(1) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.

II. QUORUMS

1. Except as provided in paragraphs 2. and 3. of this section, a quorum for the transaction of Committee business shall consist of not less than one-third of the membership of the entire Committee; provided, that proxies shall not be counted in making a quorum.

2. A majority of the Committee shall constitute a quorum for reporting legislative measures or recommendations; provided, that proxies shall not be counted in making a quorum.

3. For the purpose of taking sworn or unsworn testimony a quorum of the Committee and each subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

III. PROXIES

When a record vote is taken in the Committee on any bill, resolution, amendment, or any other question, a quorum being present, a member who is unable to attend the meeting may submit his vote by proxy if the absent member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded.

IV. HEARINGS AND HEARING PROCEDURES

1. The Committee, or any subcommittee thereof, shall make public announcement of the date, place, time and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearing, unless the Committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date.

2. A witness appearing before the Committee, or any subcommittee thereof, shall file a written statement of his proposed testimony at least one day prior to his appearance, unless this requirement is waived by the Chairman and the ranking minority member, following their determination that there is good cause for failure of compliance.

V. COMMITTEE REPORTS

1. When the Committee has ordered a measure or recommendation reported, following final action the report thereon shall be filed in the Senate at the earliest practicable time.

2. A member of the Committee who gives notice of his intention to file supplemental, minority or additional views at the time of final Committee approval of a measure or matter, shall be entitled to not less than three calendar days in which to file such views, in writing, with the chief clerk of the Committee. Such views shall then be included in the Committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the Committee report may be filed and printed immediately without such views.

SEARCH FOR THE GOVERNMENT'S SOUL

Mr. WILLIAMS. Mr. President, the most depressing aspect of our current economic malaise is the difficulty we have in comprehending the impact of unemployment in human terms.

We preoccupy ourselves with statistics, with economic models, with trend charts.

The Committee on Labor and Public Welfare, which I have the privilege to chair, is striving to reach through the statistics and comprehend the human deprivation that recession has inflicted upon so many millions.

By official estimate of the Bureau of Labor Statistics, there were 7.5 million unemployed in January. Without counting the 850,000 who have given up hope of finding a job, the total is still greater than the population of New Jersey—my home State and the eighth largest.

New Jersey's own unemployment tragedy is one of the worst in the Nation, with the statewide unemployment rate hovering near 11 percent and pockets of unemployment where the percentage of jobless is half again as high as the average.

The committee explored the human condition in New Jersey's jobless areas earlier this month with hearings in Passaic on February 12 and in Camden on February 13. We came away with a profound sense of apprehension about the established course of economic policy at the Federal level.

I do not hesitate to predict that these apprehensions will reverberate in committee hearings in other sections of the Nation in the weeks ahead.

Mr. President, I was moved to speak on these matters today by an editorial in the New York Times of Monday, February 24. The editorial recalled Franklin D. Roosevelt's admonition that times such as these call for "government with a soul."

The nucleus of the editorial is in this statement:

> Disenchantment that springs from a growing feeling of uselessness, particularly among the young, is the most serious threat to a nation's security.

Our preoccupation with the statistics on our economic condition does not serve us well in this regard.

We gain a sense of security from being able to say that unemployment is only 8 percent today, compared with 25 percent in the depths of the Depression.

But our sense of security is false, numbing our sensitivity to the sharp and uncomfortable realities.

In point of fact, unemployment reached no higher than 19 percent in the Depression, and in raw numbers, there were fewer unemployed on the average in the first 7 years of the New Deal than are jobless today.

On February 5, I advised the Senate of these facts and introduced into the Record a Library of Congress study that documents these conclusions. The material appears on page 2550 of the Record that day.

Mr. President, the committee did not travel to New Jersey in search of the Government's soul, but we found that the many witnesses who appeared before the committee, along with the hundreds who gathered outside the hearing rooms, were engaged in such a search.

For many reasons, some of the best of which are detailed in the Times editorial, such compassion as we are able to muster must be manifested in our actions and clearly perceived by those who have been told by the administration that they can expect to endure joblessness for many months. Otherwise, the security which we take for granted may be abruptly shaken.

I ask unanimius consent that the editorial be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Feb. 24, 1975]

Government With a Soul

"Unemployment," said Franklin D. Roosevelt in 1930, "is a problem of the entire community. It is a major social tragedy for the individual who is denied the opportunity to work and earn, but it does not stop there, and if not soon corrected will have a long-time depressive effect. . . ."

The economists' protestations that 1975 is different from 1930 cannot obscure the fact that the human equation remains essentially the same. To the man or woman responsible for a family's support or to the youth ready to embark on that first independent job, the reality of forced idleness is pragmatically and psychologically a deadly blow. Yet, with unemployment already at 8 per cent or more, the Ford Administration's emphasis is on the need to face a protracted period of high levels of joblessness. There seems only dim awareness in the White House that those 7.5 million who could not find jobs last month—roughly the equivalent of the entire population of New York City—are not percentages but people.

Today's young Americans have grown up amid the traumatic divisions over the war in Vietnam and the sordid experience of Watergate. Are they now to be told that they have a rendezvous with uselessness? As these young people see their families' fiscal foundations shaken and their own economic future in question, are they expected to believe their Government's insistence that national security demands increased defense appropriations, while expenditures for social and humane programs must be cut?

Disenchantment that springs from a growing feeling of uselessness, particularly among the young, is the most serious threat to a nation's security. The best shield against such disenchantment is an effective mobilization of human resources to build a better and more equitable society. More than ever, in Franklin Roosevelt's words, "America calls for government with a soul."

SENATOR CHURCH WARNS OF RISKS IN OIL CONFERENCE

Mr. PHILIP A. HART. Mr. President, the distinguished Democratic Senator from Idaho (Mr. Church) has written an important critique of the administration's proposal for a conference between the oil producing and oil consuming nations. I believe that this is one of the most comprehensive analyses that I have seen of the risks inherent in such a conference and the need for an alternative approach. I commend this article to my colleagues as an informative discussion of the complex energy issues which are before us.

Mr. President, I ask unanimous consent to have the article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Feb. 23, 1975]

Coping With the Cartel: An Alternative Program

(By Frank Church)

A world energy conference looms on the horizon. Under strong pressures from the French, the Ford administration is attempting to turn last year's Washington Energy Conference into a formal consumer-producer negotiation which seeks to institutionalize—and thereby legitimize—the intolerably high oil prices being imposed on the world by the OPEC cartel.

This summit strategy is fraught with error, The consumer nations are in disarray. They would have to negotiate from a position of transparent weakness. In these circumstances, any agreement coming out of such a world energy conference would bear the signature of our surrender to the oil producer cartel. So far, however, there has been little discussion of the domestic and foreign policy implications of the Ford administration's commitment to a world energy conference. This is strange, indeed, since the United States appears embarked upon a strategy that will give OPEC—the Organization of Petroleum Exporting Countries—insurance for a long, sumptuous life, rather than a strategy designed to shrink its markets and drive down the price of oil.

The administration has scheduled a preliminary consumer-producer dialogue for March, at which an agenda is to be considered for a negotiating conference later in the year. Last month, Secretary of State Henry Kissinger unveiled the American negotiating position: The oil consuming countries "should be prepared to offer producers an assured price for some definite period so long as this price is substantially lower than the current price." Although no specific figure was used, the administration has privately indicated that it has in mind a $7 to $8 a barrel price plus an indexing system to protect the oil producers against inflation. On the "or else" side, the administration has threatened the producers with a solid consumer front in the 1970s and a world oil surplus in the 1980s.

THREE WEAK LEGS

None of the three legs of the Ford administration's world energy conference strategy is testworthy.

First, OPEC cannot be expected to take seriously the Kissinger vision of emerging consumer solidarity. The industrial governments, including our own, cannot even forge strong national energy policies, let alone agree upon a united front. As long as the OPEC governments can extract more than $10 for a barrel of oil, why should they volunteer to sell for less?

Politically, these governments are all under strong pressures at home to maximize their national incomes. Whether the threat comes from a military coup or from rival politicians seeking power, no chief executive in any of these countries can expose himself to the charge that he is selling out his countrymen by giving the Western "imperialists" cheaper oil. This is no less a reality today than it was at the time of the 1970–71 Tehran and Tripoli agreements when the multinational oil companies were repeatedly told by "our moderate friends," Saudi Arabia and Iran, that they could not get by with less money for their oil than the "radicals" in OPEC. As long as the cartel is alive and well, these internal political pressures will make it quite impossible for OPEC to grant Kissinger's plea for a $2 or $3 reduction in the oil price.

Second, the Ford administration's fancied consumer alliance is a house of cards. It simply won't hold up in joint negotiations with OPEC. The following factors create an endemic division which will self-destruct the solidarity of the consumer governments' bargaining position even before they reach the conference table:

1. While the United States is still a larger oil producer than any single OPEC member, Europe and Japan are almost completely dependent upon the cartel's oil for the maintenance of their industrial economies.
2. As large importers of Arab oil, Europe and Japan have already gone the distance in disassociating themselves from the American position of support for Israel.
3. Veiled threats of U.S. military action against the oil producers have created extreme anxiety in the capitals of Europe and Japan, prompting immediate denunciations of the American President and Secretary of State.
4. With the advent of détente among the superpowers, much of the old meaning has gone out of the common anti-Communist objective that Europe and Japan shared with the United States during the Cold War.

5. The nature of the new adversary is unprecedented, with the industrialized democracies facing not an openly hostile Communist superpower but 13 sovereign Third World nations justifying the high price of their natural resource on the basis of alleged exploitation in the past. Taken together, these factors gravely threaten the prospects for consumer solidarity.

Finally, the Ford administration's world energy conference strategy calls for congressional legislation that it just won't get. With the American economy sliding into deep recession, the Congress has concentrated on blocking the Ford domestic energy program in order to better help the American people get jobs. Seldom has Capitol Hill seen such swift and concerted opposition to a presidential program than that which congealed against Mr. Ford's oil tariffs and excise tax proposals.

According to the administration's own spokesmen, the program's higher fuel costs would have severe contractionary effects on the economy by removing $45-$50 billion of consumer purchasing power, a sum which would not be wholly returned to the American people through tax rebates. At the same time, the Ford energy program would send another shock wave of inflation through the U.S. economy—on top of the waves already generated in the past year by OPEC. Otto Eckstein, a former member of the President's Council of Economic Advisers, estimates that the Ford program would drive up the cost of living by an added 4 per cent in its first year alone. In short, Congress is in no mood for more stagflation, especially the self-inflicted kind.

The fact is that the administration's whole energy program—at home and abroad—is in sad shape because it does not address itself to the pressing need of the oil-consumer nations: the need to bring down the high price of oil.

NO FLOOR PRICE

Indeed, the Ford administration would treat the common ailment of high prices by increasing them still further, in the unrealistic hope that higher energy prices will bring forth more supply and cut down demand. To achieve these objectives, so the argument goes, we must inflict the social cost of a high energy price floor on the American people. Under present circumstances, however, the Ford program is fundamentally flawed. To begin with, the U.S. economy is an oil/automobile-based economy. Even large fuel price increases dampen demand only marginally—though at great inflationary expense to the economy, as recent OPEC price actions have amply demonstrated. According to a recent Joint Economic Committee report, a 30-cent-a-gallon increase in gasoline prices would reduce consumption by only 500,000 barrels a day. A 10-12-cent-a-gallon increase under the Ford program, therefore, could be expected to make only a small dent in present consumption, far short of meeting the President's target of one million barrels a day by the end of 1975.

Raising fuel prices is also the most expensive and the least efficient way to stimulate new oil production at home. Since the giant OPEC price hikes in late 1973, the principal limitation on the U.S. oil industry's search for additional domestic supplies has *not* been the lack of incentive. Newly discovered domestic oil is sold at the uncontrolled world price of $11-plus per barrel; for every barrel of "new" oil produced, moreover, one barrel of "old" oil, price-controlled at $5.25, may be sold at the uncontrolled price, thus making the real marginal price of "new" oil $17 per barrel. Thus it could not have been the lack of price incentive that caused U.S. oil production to decline 600,000 barrels a day last year.

The bottleneck to increased domestic oil production has so far been a severe shortage of steel pipe for drilling operations. Over the next several years, another important limiting factor may be the opposition of our Atlantic and Pacific coastal states to mushrooming off-shore oil production. These problems must be overcome as soon as possible—if necessary, by direct intervention on the part of the federal government.

But setting a high price floor under the entire U.S. energy market is the worst way to generate alternative energy supplies. The specter of OPEC cutting its price at some future date in order to undermine costly American alternative energy sources can be dealt with by direct U.S. government contract guarantees for specific investments. In this manner, we would target our subsidies—as we normally do in other cases—at far less cost to the American people than asking them to pay for all their fuel at pegged-up prices.

Indeed, Congress has already enacted legislation—the Federal Non-Nuclear Energy R & D Act of 1974—which provides $2 billion each year for the next decade for energy research and development projects and authorizes the U.S. government to guarantee the purchase price for high-cost energy investments in such high-risk alternatives as coal gasification, oil shale and geothermal power. The Senate Interior Subcommittee on Energy R&D, which I chair, will take an active role in helping the Energy Research and Development Administration select the most promising energy projects. The projects which are chosen to have price guarantees on their output will be shielded against the threat—however remote—of a sudden avalanche of cheap Middle East oil imports.

To guard against the "downside" risk that foreign oil producers might also render our high-cost domestic petroleum production uncompetitive, we must adopt a long-range national security program which does not repeat the mistakes of the oil import quota system. In the event foreign oil prices drop significantly, the United States should be in a position to benefit from the development. At the same time, we must not allow our dependency on foreign oil to increase beyond our capacity to control our vulnerability in the event of another supply interruption. To achieve these twin objectives, we should adopt an import quota system to regulate the flow of overseas oil imports. If we succeed in breaking the oil cartel, cheap imports could be allowed in the U.S. market as fast as domestic production could be shut-in on a standby basis. Direct federal subsidies, funded from the savings derived from cheaper oil, would be extended to domestic producers as compensation for the strategic flexibility gained.

In this manner, the American people would derive both the economic benefit of a cheaper foreign energy source and the strategic security of a strong oil industry at home. Unlike the former quota system and the Administration's present price floor plan, this proposal would not recklessly deplete our domestic energy resources nor unnecessarily penalize U.S. economic growth as the price for accomplishing a short-term and inflexible national security program.

THE FOREIGN IMPACT

Equally important, though as yet not widely recognized, are the adverse foreign policy consequences of the Ford energy program. As far as one can tell, President Ford misreads its effect on OPEC pricing policy.

By raising U.S. oil prices, now the lowest in the world, above existing international levels, the President would increase the basic fuel cost input in American manufactured goods. This, in turn, would increase their cost to the oil producing countries which rely on American imports. Iran, an OPEC price leader which has doubled its American imports in the past year, would probably be the first to react. With the present power that OPEC wields over the world energy market, its member countries would, at a minimum, raise their petroleum prices still higher to cover the inflationary increase, all in the name of the cartel's policy of keeping its purchasing power intact. Even worse, though less probable, is the possibility that internal OPEC pressures might lead to a decision to match the new American domestic price penny for penny.

Hoisting U.S. energy prices above the rigged world oil market would also serve to further weaken the consumer front. The Europeans and the Japanese fear OPEC's reaction to a new wave of American-sponsored inflation. Once again, Europe and Japan would bear the full impact of the higher oil prices by virtue of their great dependence on imported oil. Unfortunately, this scenario would be playing itself out at a time when world public opinion is becoming more receptive to the American perception of OPEC as tyrannizing the Third World. Amid the general confusion resulting from the Ford program and the OPEC response, the critics of "American hegemony" would gain fresh attention.

Given the present monopoly in world oil, my great fear is that the Ford administration will lead the consumer nations to the summit where our weaknesses will be exposed and magnified for all the world to see. If this occurs, OPEC can be expected to pressure our allies to accept present prices with an automatic escalator to offset future inflation. At this point, the United States could lose all control of the situation. Iran, for example, could offer France bilateral concessions in return for her support. Similar enticements could be given others. The United States might soon find itself isolated, under heavy pressure to ratify an agreement dictated by the oil cartel. Moreover, if OPEC gets its way, the world energy conference could well become the model for a "New Economic Order" dominated by future raw material cartels. In short, the dangers are just too great for the United States to engage in reckless oil summitry.

AN ECONOMIC ALLIANCE

The enormous economic power that the OPEC governments possess today undermines the dominant position the United States has maintained with respect to Western Europe and Japan since the end of World War II. Beyond our guarantee against the remote threat of Russian occupation, there is simply nothing America can offer countries like France and Italy in the near future that can affect their national existence as much as the supply and the price of OPEC-controlled oil.

As OPEC's financial resources grow, its member states are accumulating larger political influence in foreign capitals. In 1974 alone, Iran committed $8 billion in grants and loans, hard and soft, to countries in need. The Shah extended loans of $1 billion or more each to France, Britain and Egypt. By stretching out the debt of their customers, the oil producers are taking some of the sting out of their large and sudden price increases. Many of their surplus petrodollars, which some have feared would bring down our Western banks through reckless withdrawals, are instead being left in selected consuming countries as a form of foreign aid. Thus OPEC extends its web of influence over many of the same governments which would sit with us at any world energy conference.

OPEC'S PROBLEMS

OPEC is one of history's most remarkable success stories. World consumers are presently paying tribute to 13 countries, scattered across the globe, with profound economic, cultural, social and religious differences.

At OPEC meetings, for example, the Libyans refuse to speak directly to the Saudi Arabians. The two OPEC superpowers, Saudi Arabia and Iran, have an intense historical rivalry. The Iraqis are bitter enemies not only of Kuwaitis but of the Shah. There are conservative and representative monarchies, rightist and leftist military regimes, and even a democracy or two. There are Christians and Moslems of differing sects. Large discrepancies also exist in crude oil reserves, population, production costs, nonoil resources, incomes, development expectations and foreign policy objectives. Yet these manifold differences have been subsumed in the common advantage the OPEC members derive from selling their oil at a cartel price.

The key to OPEC's pricing policy for the moment rests in the hands of Saudi Arabia. As the world's largest petroleum exporter, it has been accumulating revenues far exceeding the needs of its 8 million subjects. In 1974, King Faisal's oil revenues increased fivefold to $25 billion, leaving $19 billion for foreign commitments after his allocation for internal spending. Despite a rapidly expanding budget, the king would feel no economic pinch if he ordered Aramco to cut last December's 8 million barrels a day production in half.

If U.S. government attitudes and world public opinion were not important factors, the Saudi government could increase its revenues even further by keeping more of its oil in the ground and adjusting its prices upward; smaller OPEC members desiring greater revenues would almost surely follow the Saudi lead. By the same token, Saudi Arabia has the power to lower OPEC's money supply by adjusting its prices downward; other cartel members would be forced to match the new price or lose their outlets to the world's largest exporter.

While Arabian oil imports at the present time only represent a small portion of U.S. energy requirements, the price of Arabian oil nevertheless sets OPEC's prices in the world energy markets. Since uncontrolled U.S. "new" oil prices have risen to world levels, the Saudis effectively exercise a major influence over American energy prices.

The non-Communist world is currently consuming 42 million barrels a day, of which OPEC supplies approximately 27. OPEC has so far succeeded in shutting in over 11 million barrels a day of its total capacity of over 38. During the second half of 1974, the cartel's production cutbacks were absorbed largely by Kuwait, Libya and Venezuela. The distribution of these cutbacks resulted primarily from the unwillingness of these OPEC members to bring their prices down in line with "Arabian Light" crude—the cartel's pricing benchmark.

Nevertheless, world demand for petroleum has continued to fall with the deepening world recession this year. In January, Saudi Arabia and Iran, the relatively low-priced OPEC producers, have each had to take 10 per cent production cutbacks. With tanker rates depressed, Libya is no longer in a position to dictate the price it wants and has been compelled to accept the most drastic production slashes within OPEC.

If the world economy continues to sag and demand for petroleum falls further, OPEC will experience considerable strain if Saudi Arabia does not absorb most of the production losses. Otherwise, OPEC might well fumble if its members were forced to agree on sharing production cutbacks. If the world economy returns to a reasonable growth pattern, however, the allocational dilemma that OPEC is experiencing will increasingly be resolved by rising petroleum consumption in the United States, Europe and Japan.

THE ALTERNATIVE

The issue, then, is: How do we break out of this vicious circle? A realistic policy must concentrate on three lines of action:

First, we must deny OPEC nations their guaranteed access to our markets. Existing arrangements between individual OPEC governments and the international oil companies do not serve this objective.

In order to break up this cozy arrangement, Congress should create a Federal Purchasing Agency to buy foreign source oil—and then allocate it among domestic refineries on a geographically equitable basis. Such a federal corporation could maximize U.S. bargaining leverage by negotiating directly with foreign producers who want access to the U.S. market. It could seek sealed, competitive bids, shopping around for the cheapest oil, not bound by traditional contractual arrangements such as that of Exxon and Mobil in Saudi Arabia as well as in Iran. As matters now stand, the two largest OPEC producers have effectively foreclosed price competition as a result of Iran's requirement that it automatically be paid as much for its oil as Saudi Arabia. The competitive mechanism of the Federal Purchasing Agency would encourage price-cutting among foreign oil exporters who want a larger share of the American market.

Secondly, we must have a real gas conservation program which comes to grips with Detroit. Significant savings in gasoline will come only with the sale of more small cars. Currently, the average gallon consumption of a U.S. automobile is 13.1 miles per gallon. By raising this average to 15.7 miles, we can save 1.4 million barrels a day. By raising it to 18 miles per gallon, we can achieve a 2.5-million-barrel-a-day cutback in imported oil, a far larger reduction than President Ford hopes to achieve by 1978.

I would have Congress place an excise tax on gas-guzzling passsenger cars, coupled with a tax rebate on the purchase price of smaller makes that give higher mileage. Instead of pouring an additional $2 billion into highway construction, I would amend the Highway Trust Fund to permit cities and states to use a bigger percentage of their share of the Trust Fund for mass transit purposes. However, I support the administration's plans for improving the insulation of buildings.

Most important, we must launch a massive national program to increase domestic energy supplies from coal, oil shale, tar sands, nuclear fusion, solar and geothermal sources. Harnessing the vast human resources of this nation, we can meet this challenge just as we met the challenge of the Manhattan Project and the Apollo program. We must not forget that America is the Saudi Arabia of coal; once we overcome the present technical and environmental difficulties, coal will provide us with a reliable energy source for centuries to come.

Of course, full utilization of U.S. petroleum resources, including those on the Outer Continental Shelf and in Alaska, must be a major component of our development program. No demand restraint measures can exert sufficient pressure to break the cartel if not combined with an aggressive policy of supply stimulation.

As we reduce consumption and expand supply in these ways, the Federal Purchasing Agency could effect corresponding cuts in our foreign oil imports. No drastic shortage of fuel, no dreaded rationing, need result from such an approach. Furthermore, we could adopt this program without fear of worsening the recession or postponing recovery. I would favor more aggressive measures, calculated to bring faster pressures to bear on OPEC, but it is obvious that neither the Republican administration nor the Democratic Congress is prepared to ask the American people for the kind of belt-tightening such a course would demand.

If we wed our conservation gains to a receding level of imports, and add a crash program to maximize U.S. and non-OPEC oil production, OPEC will be faced with the prospect of a steadily shrinking market.

By the same token, the U.S. government should be as interested as the British government in the speed at which North Sea oil can be developed. Making Britain self-sufficient in oil not only aids a major ally financially but removes from the market a major consumer of OPEC oil. The same applies to Mexico and other important emerging petroleum producers. Every new producer helps to diversify global oil supplies and increases the difficulties for OPEC in allocating production. Some OPEC governments will feel the pinch sooner than others. We should eventually begin to see the first crack in the cartel price structure, as weaker members compete to maintain their market shares.

While there is no guarantee that this alternative program will break OPEC, the Administration's world energy conference strategy runs a double risk. If it succeeds, the oil consuming nations will legitimize the monopoly prices of the oil producer cartel, If it fails, consumer solidarity will be shattered, inflicting unnecessary damage to our long-standing relationships with Europe and Japan. My proposal would avoid these pitfalls while offering a reasonable possibility of stimulating centrifugal forces within OPEC. If it succeeds, OPEC will begin to disintegrate; if it fails, the costs are minimal.

KUWAIT CELEBRATES INDEPENDENCE

Mr. HARTKE. Mr. President, I would like to bring to the attention of my colleagues that yesterday, February 25, was the National Day of Kuwait, an independent nation in the northwest corner of the Arabian Gulf.

The discovery and development of oil in Kuwait illustrates the impact of this energy source in creating a social revolution, capable of changing the standards and lifestyle of the Kuwaiti people that have dominated the society for centuries. Today Kuwait has 10 hospitals with 3,505 beds, 40 dispensaries, 36 dental clinics and 148 school clinics, where all the services are free to all citizens and residents. Kuwait also boasts of 90 elementary, 68 intermediary, 21 secondary schools, and a university population of over 3,000 students. The total expenditures on public education are over $120 million or 5 percent of her gross national product.

Significantly Kuwait is the world's largest donor in terms of gross national product. Kuwait estimated net official development aid—ODA—disbursements amounted to $240 million, 7.5 percent of GNP, in 1971; $138 million, 3.5 percent of GNP, in 1972; and $207 million, 4.8 percent of GNP, in 1973. Including its purchases of World Bank bonds, Kuwait's aid amounted to 6.10 percent of GNP in recent years, to which should be added sizable private investments in a number of developing countries, making Kuwait by far the world's largest donor in terms of GNP. In 1974 Kuwait's subscriptions to multilateral institutions and to Arab and African countries amounted to over $1 billion, or more than 10 percent of Kuwait's expected oil income this year of $8–9 billion. Over 90 percent of Kuwait's aid has been in the form of grants, mainly on a bilateral basis.

The largest aid category is financial grant assistance to Egypt, Jordan, and Syria. Kuwait also has for many years provided grant assistance to the Arab countries of the Persian Gulf, averaging $6 million annually through the General Authority for the South and the Arabian Gulf. Kuwait also established the Kuwait Fund for Arab Economic Development, the first development fund in the Arab world, created in 1961 as an autonomous agency of the Kuwait Government.

I take this opportunity to salute and congratulate the Amir Shaykh Sabah al Salem Al Sabah, Prime Minister Shaykh Sabir al Ahmap al Jibir Al Sabah, the government, and the people of the State of Kuwait on her national holiday.

MRS. SARAH A. ROUNDS—OLDEST FOSTER GRANDPARENT

Mr. PELL. Mr. President, today I would like to share with my colleagues a truly inspirational story from the February/March issue on Aging.

Mrs. Sarah A. Rounds is Rhode Island's oldest foster grandparent. She is 90 years old, and she has worked in this fine program for 7 years. She has shown great determination as a foster grandparent, as this article indicates.

That the foster grandparent program attracts volunteers as concerned and as thoughtful as Mrs. Rounds is a tribute to the great worthiness of this project, in which older adults help small children in a very personal and effective relationship.

Mr. President, I ask unanimous consent to have the article in Aging magazine regarding Mrs. Rounds printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Ninety-Year-Old Great Grandmother Oldest Rhode Island FGP

Mrs. Sarah A. Rounds has the distinction of being the oldest Foster Grandparent in Rhode Island, having served a project since its inception in 1968.

Last Mother's Day, Mrs. Rounds was found unconscious in her home, the victim of a heart ailment. Now, however, she is working 20 hours a week at the J. Arthur Trudeau Memorial Center and says she has no plans to retire.

Mrs. Rounds also spends her time cleaning house, taking walks, and shoveling snow when needed.

Like the other 63 Foster Grandparents in Rhode Island, 10% of whom are men, Mrs. Rounds is taken to work each day by bus, gets a free hot lunch, health insurance, checkups, and a $32 weekly stipend.

"Lots of people ask me what I'm doing it for," Mrs. Rounds said, "I tell them because I want to. Where else could I go with a small pension? I've kept my little home together by helping those kids out. Besides, it's not just a job, we worry about them completely."

SOUTH VIETNAM AND CAMBODIA: NATIONS OF REFUGEES

Mr. KENNEDY. Mr. President, in the course of the Congressional Study Mission's visit to South Vietnam, I hope my colleagues will have an opportunity to see first hand the massive humanitarian problems confronting the Vietnamese people.

As fighting intensifies throughout the countryside, each new day produces more refugees, orphans, and civilian war casualties. It is apparent that as the war drags on, the refugees who are fleeing their homes face the same tragic problems which existed before the ceasefire agreement. The refugees may be new, but they are leaving behind the same old battles of the same old war.

While the full extent of the war's impact upon the land and people of South Vietnam will perhaps never be known, it is apparent that as the cease-fire war continues, more and more refugees and displaced peoples will be added to the grim legacy of the Indochina war.

Last month, the Subcommittee on Refugees, of which I am chairman, released the text of a preliminary report on humanitarian problems in South Vietnam and Cambodia—2 Years After the Cease-fire.

In the report, the subcommittee estimated that since the Paris Agreements, 1,413,000 refugees were displaced in South Vietnam—818,000 in 1973, and 594,000 in 1974.

The cease-fire war raging in South Vietnam is clearly as dangerous as the old war. When the 1973 and 1974 toll of wounded and killed civilians is added to the official accounting of military casualties, 339,822 Vietnamese were killed or wounded in 2 years of fighting.

In Cambodia, the refugee situation in Phnom Penh and the countryside defies accurate description. Nevertheless, from recent newspaper reports it is painfully clear that the humanitarian problems of the Cambodian people grow more desperate each day. The Cambodian Government has virtually lost control of the countryside—leaving thousands of refugees without adequate food or shelter. What little food is getting through to the capital has not prevented widespread malnutrition, nor in some cases, starvation. Despite our Government's announcement yesterday that the United States will begin airlifting food into Phnom Penh, the plight of the Cambodian people requires more than the airlifting of food. It requires our best efforts to insure that voluntary agencies receive adequate portions of this food so that their programs can continue.

Mr. President, we have a commitment to help end the suffering of the Vietnamese and Cambodian people—not a commitment to supply ammunition so that an endless war can go on. I ask unanimous consent that several newspaper articles pertaining to the humanitarian plight of these two countries be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, Feb. 26, 1975]

Children Starving In Once-Lush Land

(By Sydney H. Schanberg)

Phnom Penh, Cambodia, February 25.—Five years of war, with the resultant shortages and astronomical prices, have finally produced serious malnutrition in this once-bountiful country—and children are beginning to die in numbers. Scenes like the following are ordinary today:

A 3-month-old infant, his body wasted by severe malnutrition, lies in a bamboo basket. An oxygen tube is in his nose and an intravenous feeding tube in his arm, which is shrunken into a twig-like thing. Abandoned in a poor section of Phnom Penh, he was found by a pitying old woman who named him Lach Sao and took him to the nearest medical facility, the Chinese Hospital. But when the hospital learned she could not pay, it stopped all treatment and discharged the infant. The bewildered woman then carried him to a center of World Vision, an international relief agency here—and despite the oxygen and the intravenous feeding it is much too late. He dies the same day.

In a World Vision clinic, Ah Srey, a 2-month-old girl, grossly dehydrated from starvation, has just been brought in by her grandmother. Ten days before they were caught in the maelstrom of a battle a few miles from Phnom Penh. In the panic, the family became separated and the grandmother found herself alone with the child. For 10 days they have been surviving on handouts and scraps or garbage. The child had been malnourished before. Now she is a skeletal horror little more than bulging eyes and a protruding rib cage. Every few seconds she produces a wail that racks her body. In three hours she is dead.

On the tabe next to Ah Srey is an older child—19 months—who is dying right now. His name is Nuth Saroeun. From his mouth comes a steady whimper and rattle. His father was killed by a rocket three months ago. His 25-year-old mother, also suffering from malnutrition (she has beri-beri and her feet are going numb), stands at his side sobbing. A doctor tries to force a tube down the child's throat to get out the mucus that is blocking his breathing. Suddenly the child utters a tiny cry that sounds like "Mak" ("Mother") and then his head slumps and he is gone.

Waves of mothers carrying gravely ill children—swollen children, children with stick-like concentration-camp bodies, children with parchment skin hanging in flaccid folds, coughing children, weeping children, silent children too weak to respond anymore—press forward every day against the doors of the relief agency clinics, desperate to get in. But there are not enough doctors or nurses or medicine or food for them all so for every 500 who come, only 200 or so can be treated—only the most serious cases.

"How do you think I feel," said a Western doctor, "having to turn away 300 from our clinic every morning?"

Sometimes mothers burst into tears in the clinics simply out of relief that they have been allowed in with their children.

But even those who can get in must surmount more obstacles. Most of the children should be immediately hospitalized, but the hospitals here are full of war wounded and there is almost no room for malnourished children. The only beds are the ones that become available when other children die in the few special children's centers here.

Americans have stepped up an emergency airlift of supplies from Thailand because the insurgents have blockaded Cambodia's main supply line, the Mekong River, but until now the cargo these planes have brought is all military aid, mostly ammunition. There has been no food.

Yesterday the United States administration announced that beginning this week the airlift would begin bringing rice to Phnom Penh—but this is only to replenish stocks and maintain the status quo. The astronomical price of rice will not change, and the many Cambodians who are hungry now will continue hungry.

There are no accurate survey figures yet, but everyone involved in the Cambodian relief effort here believes that at minimum, from the firsthand evidence, tens of thousands of children are now dangerously malnourished and that at least dozens are dying daily—most of them in and around this capital city, bursting with refugees.

Yet it is not the official refugees—those living in campus or otherwise being fed by the relief agencies with U.S. food and funds—who are suffering most. It is instead the marginal people everywhere—those who are refugees but not registered as such, those who are trying to scrape by without a humiliating dole, underpaid civil servants, office workers, ricksha pedalers and even soldiers.

In short, it is the general population that has been driven—over five years of having to eat less and less because they lack money—to a point of critical nutritional weakness.

"They're on the brink," says Dr. Penelope J. Key, World Vision's medical director. "The children have reached the cumulative point where large numbers are being struck by a sudden deterioration. A year ago we were seeing only a few malnourished children, and these were all under 3. The numbers are large, and some of the children are 10 and 11."

Agencies like World Vision, Care, Catholic Relief Services and the Red Cross are helping—mostly with American aid—feed and provide medical care and shelter for 400,000 people in Cambodia these days. But it is nowhere near enough: At least every other person in this country of seven million is a refugee from the war.

No sight is more common here than an oxcart caravan of villagers raising clouds of yellow dust as they flee the latest fighting. Many people have been uprooted three and four times. Even new refugee settlements erected by the relief agencies are sometimes burned down by the Communist-led insurgents, and the displaced must move on again.

Cambodia before the war was a country so rich in her food produce that even the very poor were never hungry. Everyone had a piece of land and there were always bananas and other fruit growing wild and a river or stream nearby where fish could be easily caught.

A LAND OF LANDLESS NOMADS

Now it is a country of landless nomads with empty stomachs—human flotsam living amid damp and filth in the flimsiest of shanties, thatch shacks and sidewalk leantos. The countryside is charred wasteland that either belongs to the Cambodian insurgents or is insecure, so the population huddles in the cities and towns, doing marginal work that never pays enough to feed a family adequately. Growing numbers of children and adults are taking to begging.

Under the Phnom Penh Government's distribution system each person is allowed 275 grams of rice at Government-controlled prices. The World Health Organization says a bare minimum daily diet is 450 grams. This means that those Cambodians—maybe hundreds of thousands of them—who cannot afford to buy any more rice at the black market price are simply going hungry.

In early 1970, just before the war began, rice was 6 riels a kilogram on the open market. Now it is 350.

Even when people can put together enough to buy rice, they have no money left for the supplements to balance their diet—fish, beef, vegetables and fruit.

In such conditions adults usually become only weak, but children begin to fail. The children have all the classic forms of malnutrition—kwashiorkor, marasmus, beri-beri and the vitamin deficiencies that lead to blindness—but they are succumbing also in their debilitated state to pneumonia, tuberculosis, dysentery and a host of other diseases. Virtually no child arrives at a clinic with only malnutrition.

"NO EXCUSE FOR IT"

"Kids are dying who shouldn't die," said Robert Beck, a World Vision doctor. "They die in our arms. It's hard to believe. There's no excuse for it."

Humanitarian relief for Cambodia has always been given a much lower priority by the White House than military aid. Ironically, the families of foot soldiers are among the worst sufferers here. They travel with their husbands and fathers and they are often shifted to a new battlefront suddenly, without food. The pay is sometimes late. Many of the children showing up at malnutrition clinics in Phnom Penh are children of soldiers—demoralizing truth for a government that is depending on its army for survival.

Although children are starving, the authorities here say that despite the latest insurgent offensive and the Mekong blockade, food supplies here right now are "adequate" for the next month or more.

"Up to now," said a Western diplomat, "the Cambodians have shown a tremendous ability to survive their physical hardship. But their strength has been sapped. And by now they've reached their limit and are beginning to topple."

[From the New York Times, Feb. 24, 1975]

Montagnards, Decimated by the War, Survive in Makeshift Refugee Towns

(By Fox Butterfield)

Dak To, South Vietnam, February 17.—Late in the afternoon the montagnard women and old men come trudging back along the highway, the women carrying wicker baskets filled with firewood, and M-16 automatic rifles. The old men carry the babies.

There are few young men left in this makeshift district capital. They were almost all killed when the North Vietnamese overran the original Dak To in their 1972 spring offensive, and in repeated attacks before that.

Now the Saigon Government has herded the survivors of Dak To and its seven component villages together 35 miles to the south of the original town on this hardscrabble site on the southern side of Kontum City. Out of a population of 33,000 in 1972, there are fewer than 10,000 here.

In Dak Po Dan village, made up of Sedang tribesmen, there are only 10 able-bodied men left.

Their fate is the fate of many of the montagnards, the aboriginal hill tribesmen of nonethnic Vietnamese origin who have suffered more than any other group in Vietnam from the war.

LOSS OF 300,000 ESTIMATED

Although there are no really accurate statistics available, an American with long experience in the Central Highlands, where most of the montagnards live, estimates that out of the one million in 1960, there are perhaps only 700,000 today. One study suggests that about 70 per cent of all montagnards have been made refugees by the war.

And resettlement, as here at Dak To, does not mean improvement in their living conditions.

Whether by accident or design, the new Dak To was deposited on Route 14 under the menacing shadow of Chupao Mountain, an infamous, rocky outcropping where for six weeks in 1972 North Vietnamese troops kept the only road between Kontum and Pleiku blocked. Dozens of B-52 strikes and ground assaults turned Chupao into a charred, cratered hulk, but did not dislodge the Communists; they later left by themselves.

Now the Sedang tribesmen have been given Chupao to farm on. "We were told we could have as much land as we want, but it does not grow," said the village chief of Dak Po Dan, a handsome dark-skinned man with a thick shock of black hair.

The Sedang women, in their traditional long black skirts, can be seen burning the brush and cutting away the remaining jungle cover on Chupao, so they can plant corn, manioc and rice. Because of the meager harvest, however, many of them must also hire themselves out as laborers to nearby Vietnamese farmers for 60 cents a day.

The clearing of the mountain, of course, has the advantage to the Government of making it more difficult for the Communists to take up ambush positions and thus has helped keep the vital road from Kontum to Pleiku open.

The Government did provide the tribesmen with tin roofing for their houses, which are otherwise made of split bamboo, and gave them a nine-month supply of rice when they first arrived. There is also a small elementary school.

But that was all. "It is second-class treatment," said the Rev. Gabriel Brice, a French Catholic priest who has lived with the Sedang since 1947.

Neglect, if not open contempt, has long characterized Vietnamese treatment of the montagnards, whom many Vietnamese call "moi," or "savage." In reaction, in the last few months an armed rebellion of dissident tribesmen has broken out in Darlac province to the south.

A SERIOUS THREAT JUST NOW

The rebellion poses a serious threat to the Government's control in the Highlands, where many isolated garrisons are manned largely by montagnard troops, it is particularly serious because it coincides with recently stepped up Communist attacks and with sudden growth of dissent among a wide range of long passive groups, including opposition politicians and the Cao Dai and Hoa Hao religious sects.

The montagnard rebellion has not spread to Dak To, but Father Brice, a gruff, cynical man with a white beard and skin chapped by constant exposure to the sun, does not see much hope for the future. "Toujours la guerre," he said, looking out over the Sedang's houses, which all have deep bunkers around them carved into the red clay soil.

On the wall of Father Brice's church there is a religious drawing of a lamb being slaughtered. And inexplicably, it is accompanied by some Commandments written in English: "Thou shalt not steal, thou shalt not commit adultery, thou shalt not kill."

[From the New York Times, Feb. 24, 1975]

Siege in Cambodia Town Traps 30,000 Refugees

(By Sydney H. Schanberg)

Neak Luong, Cambodia, February 23.—This is a town where fear has become so normal that people hardly ever talk about it any more.

They simply spend their lives underground and out of sight—sleeping, eating and sometimes hushing their crying children as they huddle in sandbagged bunkers, in trenches under their stilted houses, or deep in the recesses of half-destroyed buildings.

Even so, the shells and bullets of the Communist-led insurgents that periodically explode and whine through town find their way to the people huddled there. The casualties mount—children, women, soldiers—but always more civilians than soldiers, because the shelling and shooting are blind.

There is no Government evacuation plan for the 30,000 people, mostly refugees from the countryside, who have massed in this isolated Mekong River town 38 miles southeast of Phnom Penh. A few can bribe their way out on Government helicopters, but the rest are trapped here until whatever is going to happen happens.

A month ago, in the early days of the siege of Neak Luong, the danger was all from the insurgents' shelling. Now there are new enemies—hunger and disease.

A fraction of the civilians—about 6,000—are being fed at subsistence level by a humanitarian agency. Catholic Relief Services, whose American-provided supplies will stretch only that far. The rest of the civilians are living far below subsistence, on rice gruel or less.

Every child in Neak Luong is in some stage of malnourishment. "He's the best we have here," said a Filipino nurse, pointing to a bony 6-year-old boy hanging around the small Catholic relief hospital in hope of a handout. "He's in good health by our standards."

The children gather by the dozens around a Western newsman, holding out their hands like the mendicants they have been forced to become.

SLIPPING TOWARD DEATH

Some have swollen bellies. Some are shrunken. A 10-year-old girl has dehydrated to the size of a 4-year-old. Harsh bronchial coughs come from their throats, marking the beginnings of pneumonia and tuberculosis. All have dysentery. Their noses run continuously. Their skin has turned scaly. Every scratch on their legs and arms becomes an ulcer.

Without help, these children are slipping toward death. Others have already died.

Malnutrition is serious in Phnom Penh, the capital. But in Neak Luong it will soon become a disaster unless enough food is brought in to sustain these people adequately.

Some food is supplied by parachute drops and by helicopter, but almost all of this is for the military garrison. The civilians, as always in this five-year war, have no priority.

A few shops remain open in the center of town, but their owners are acting out of habit, for they have nothing of present value to sell—only old stocks of rubber sandals, beer, flashlight batteries and toothpaste.

Even when some rice does find its smuggled way to the market, it costs twice as much as in Phnom Penh, and very few can afford to buy it.

Neak Luong is the Phnom Penh Government's last major post on the lower Mekong. There are a few military beachheads farther down the river, but their hold is tenuous.

From the start of this year's insurgent offensive on New Year's Day, the Cambodian rebels seized control of two-thirds of the 60-mile stretch of river from Phnom Penh to the border with South Vietnam. By emplacing heavy guns on the banks, and more recently by mining the water, the insurgents have blockaded the river which used to serve as the route for 80 per cent or more of Phnom Penh's vital supplies of food, fuel and ammunition—all provided by American aid.

No river convoys have made the trip upstream from South Vietnam for nearly a month.

Phnom Penh is being temporarily supplied by airlift, however, and it already had sizable stocks on hand when the blockade began. Neak Luong's stocks are marginal and the town lives from day to day.

The occasional rockets that fall on Phnom Penh bear no resemblance to the steady shelling and machine-gun fusillades that rain on Neak Luong around the clock. Every building is marked with bullet and shrapnel holes—"air conditioning" as it is sardonically called here.

Though the Government forces will probably be able to hold Neak Luong, since they have enough heavy artillery and napalm bombs to keep the enemy forces from fighting their way in, they have been unable to push the insurgents out of shelling range. In fact, the insurgents are closer than they were a month ago, particularly northwest and east of the town. A month ago, there was only shelling from a distance: now the town is a target of close-in rifle fire.

Still, there is no noticeable panic here, for Cambodians are given more to fatalism than hysteria.

"Sir, please be careful, the bullets are coming this way," a Cambodian refugee worker says politely but without urgency to a visitor.

"Our work gets interrupted all the time," says the doctor at the Relief Hospital matter-of-factly. "Rockets fall and we have to run for cover."

The doctor's wooden barracks hospital has a good deal of "air-conditioning." Even as he talks, a rocket explodes about 100 yards away. And somewhere else in town there are new wounded and dead.

In a meadow on the northern edge of Neak Luong, a dozen gravely wounded soldiers lie on stretchers, awaiting evacuation by helicopter. They wait for a long time, and as they wait blood drips steadily thorugh their bandages.

"Help me, help me," a young soldier with a bleeding stomach wound cries out again, his head tossing in pain.

A medical corpsman standing beside him bends over slightly and waves away the flies that keep gathering on the bandage.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, I rise today to express support for the Genocide Convention and to emphasize the value of its indirect effects.

Acute nationalism, bred in a world too long without proper moral leadership and example, leads to exploitation of the weak by the strong—the most notorious and oft cited example being the Nazi persecution of the Jews during World War II. We, as Americans, seem to be falling prey to that same harmful chauvinism. Blinded by the veil of self-concern, we have lost sight of the benevolent goals of global coexistence which we habitually preach.

The Genocide Treaty would provide a desperately needed symbol to the people of the United States and the world. This symbol in ratification would remind Americans of an intended goal of morality in leadership and example that our Founding Fathers sought to achieve in the Declaration of Independence and the Bill of Rights. It is a morality dependent on an increased awareness of all people and peoples, which transcends all national borders.

I urge ratification as a gesture to reestablish world peace as the goal of this and all nations.

SUPPORT FOR THE EASTERN NEW MEXICO WATER PROJECT

Mr. MONTOYA. Mr. President, I am pleased to join my colleague from New Mexico in sponsoring legislation which would authorize the eastern New Mexico water supply project, which would serve several communities in eastern New Mexico. This project will make water available for the industrial and municipal uses of Clovis, Eunice, Hobbs, Jal, Lovington, Portales, San Jon, Tatum, Texico and other communities which may elect to participate.

The authorization of the eastern New Mexico water project will mean that areas of New Mexico which are on a collision course with a worsening water situation will obtain some relief. Estimates by experts in the field warn that the ground water supply, in the areas to be served by this project, will reach peak utilization by 1980, and will decline from that point on.

It shoud be noted that the water which will be provided by this project will not lead to uncontrolled growth in the area, but rather will allow service to be provided to essentially an existing population.

Mr. President, the Southern High Plains, which is the area of New Mexico which will be served by this project needs to have an assurance that water will be available to the area in perpetuity. This project would provide, on an annual basis, 40,280 acre-feet of water to the communities of eastern New Mexico who elect to participate. The water available from this project will help to conserve the ground water aquifer which currently supplies nearly all of the water used in the area for industrial, agricultural, and municipal purposes.

Mr. President, there is wide community support for this project, a necessary ingredient in any reclamation project. Also, the Bureau of Reclamation of the Department of the Interior has recommended that this project be authorized to be constructed, operated and maintained by the Secretary of the Interior. Support for this project has also come from State officials, including the distinguished State engineer, Mr. Steve Reynolds.

Mr. President, water is a commodity in short supply in New Mexico. This project holds out the promise of a new supply being available for future generations. I urge that the members of the Senate Interior Committee act quickly and favorably on this matter so that the full Senate can also act with dispatch on this very important bill.

SUPPORT FOR THE SCHOOL LUNCH AND CHILD NUTRITION ACT AMENDMENTS OF 1975—S. 850

Mr. KENNEDY. Mr. President, on February 4, President Ford announced his proposal to drastically cut federally funded nutrition programs for needy people.

The measure that is being introduced today to amend the School Lunch and Child Nutrition Act is specifically designed to continue those vital food assistance programs.

Across the Nation 650,000 women, infants and children receive diet supplements under programs the President plans to eliminate; 2.5 billion school lunches are provided annually to needy school children under the school lunch program that the administration seeks to reduce; tens of millions of young children get milk in school from the school milk programs that the administration would eliminate; and meals for children in day care centers, Head Start and in school breakfast programs would be taken away if the administration has its way.

I am particularly concerned about the need to enact the legislation introduced today by Senator McGOVERN and others of us who have been long time proponents of programs to feed needy children.

Recession and inflationary problems clearly demand a vigorous program to revitalize the economy. Yet the Federal

Government too often seems to believe that budget cuts must begin with those who would suffer the greatest. Nutritionists, physicians, and other health experts repeatedly insist that adequate nutritional benefits for children are required to lay the foundation for proper physical, mental, and emotional development. Denying food assistance to those young children who are most at risk is a sure way to court disaster.

Breakfast is the most important meal of the day for all age groups. It is especially important for children. Yet breakfast is the meal most likely to be missed. The failure to eat breakfast and the resulting effect upon the emotional and nutritional well-being of school age children is particularly striking. It represents a problem about which many persons are unaware, and one which cuts across all social and economic boundaries. The effect, however, is visited most severely upon those children who are most vulnerable—children from working class and poor families.

That statement appears in a report by the Massachusetts Advocacy Center on the school breakfast program in my home State.

Two years ago, less than 2 percent of all schoolchildren in the State ate school breakfasts. But the State legislature passed a law requiring all schools to provide breakfasts for needy children. Thus, failure to extend the Federal child nutrition programs means that State programs would simply collapse. That would be unfortunate.

All school feeding programs in Massachusetts' schools should reach the half million youngsters who are members of families with low incomes.

That is the reason I am so concerned about this legislation. For these amendments to the Child Nutrition Act will insure decent meals for so many children that do not receive them now.

Mr. President, I am pleased to be associated with this legislation and I intend to work for its timely passage.

EMERGENCE OF DUAL STANDARD SEEN IN BRITISH NORTH SEA OIL PLANS

Mr. DOLE. Mr. President, I wonder if this is not an appropriate time to acknowledge certain facts about the international environment that we all recognize, and that we have yet to come to grips with. We have a curious mentality in America, and I do not say it is entirely a bad thing, that prevents us from responding to or even acknowledging unfriendly acts on the part of our friends.

It is a bit like turning your head and holding your tongue when you notice one of your dinner guests pocketing the silver. In the same vein, when our friend, the Shah of Iran, leads the pack in boost ing oil prices, we do not begin to wonder if he is not our friend after all. We find excuses for the action, we accept his protestations of friendship to spare him embarrassment, and we look down our noses at those OPEC states who are not so effectively represented by public relations counsel as the Shah may be.

Now that is a tradition maintained by our State Department, and they clearly love tradition, and I am not concerned here with making them unhappy.

RESPONSE TO OPEC ACTION

But when we see similarly unfriendly acts right in our own neighborhood, I think we need to recognize them for what they are.

The health of the entire world economic system today is at the mercy of the OPEC nations. If we choose not to treat hostile political acts for what they are, and respond in an appropriate manner, then we have to find some means of mitigating the effect of those acts. In the present instance, we have to come up with energy sources that are, first, cheap and plentiful; and second, not controlled by those who bear us grudges or have political ambitions, or wish us ill simply because we have been so generous toward them for so many years.

I understand that the acquisition of such cheap, plentiful, and protectable sources of energy is the purpose of Project Independence. At the rate we in the Congress are moving to accomplish the goals of that project, we may end up running our cars with rubberbands, but I know everyone's heart is in the right place, and maybe someday we will have some positive action in that area.

ALTERNATIVE OIL SOURCES

In the meantime, we are going to have to depend on such sources of energy, and specifically oil, as we can find outside the clutches of the OPEC nations.

One of those potential sources is in the North Sea in British territorial waters. As we know, a number of American companies bid for leases in the North Sea. They incurred certain contractual obligations, which the British Government would certainly have expected them to meet, and the British Government incurred contractual obligations as well.

BRITISH TAX ON NORTH SEA OIL

These companies undertook substantial financial risk to explore for oil and have undertaken further financial risk to prove discoveries and to prepare for production. Now that these risks—some of them—have paid off, and a major energy resource is about to become available, Mr. Wilson's government proposes to change the rules. Mr. Harold Lever, Wilson's economic and financial adviser, came with the Prime Minister on his recent visit, and has met with various officials of our Government and of the oil companies engaged in North Sea drilling, to say that their leases will be nationalized, either voluntarily, or by statute. And the oil will be subject to a tax, at a rate of 45 percent as announced yesterday, beyond corporate taxes and royalties.

The net result of all this is to render unprofitable in many instances ventures that might have been profitable and, thereby, energy-productive, if the British had elected to honor the commitments made when it first licensed the companies to drill in British waters.

And the most remarkable aspect of all this is that we have heard nothing whatsoever from the White House or the State Department or the entire host of proliferating bureaucracies being established to cope with the energy problem.

DUAL STANDARD SEEN

I find it especially remarkable as I look at the millions of barrels of American oil which the British Petroleum Co. is sitting on in Alaska. I find it remarkable when I consider the holdings of Shell Oil Co. in the United States. It seems to me that these and similar British holdings must be considered as the British program to nationalize the petroleum contracted for by American companies in Great Britain goes forward.

We must recognize Great Britain's desire to make a fair return on its own natural resources, and we recognize its right to do as it wishes in this matter—even if that involves abrogating contracts entered into in good faith. But it troubles me that the United States should persist in remaining subject to a dual standard of international responsibility and, I must say, of international morality.

Last fall, we heard a few murmurs about the fact that energy is as indispensable a commodity as food, and that if the United States were to be robbed blind for reduced amounts of the energy it needs, perhaps we ought to be less generous in supplying other nations with those commodities that we possess. And there was the predictable outcry against America. When other countries hold us up, they are exercising their sovereign rights. When we respond to protect ourselves, we are using blackmail.

OPEC EXAMPLE FOLLOWED

I think it is time, and well past time, to recognize that we do have some call on our friends and allies in the world. We have a right to expect them to honor contractual obligations toward our national companies as we honor theirs. We have a right to expect them to be as considerate of our needs as we have been of theirs. And we have a responsibility to pursue those expectations. Because by acquiescing in these international muggings, we invite their repetition.

Now that the OPEC nations have established a precedent, that they can threaten our vital interest with impunity, the British pursue the same course.

And they are not alone.

Canada is the major source of our imported oil. Prime Minister Trudeau paid us a friendly call a little more than a month ago, and told us he thought he might not let us have any more oil from Canada. Until that decision is made, the Canadians are matching OPEC price increases dollar for dollar. They have just increased their export charges on oil again, and we now pay $12 a barrel for Canadian oil. The people of Canada, at the same time, pay $6.50 per barrel.

Another source is immediately to our south, where substantial reserves of oil have been discovered. As soon as it was discovered, the Government of Mexico began talking to us like the Government of Saudi Arabia.

In the Norwegian sector of the North Sea, American companies are being threatened. The proposal there is to tax the take at 90 percent. That, of course, is confiscation—not taxation.

TIME TO END OUR SILENCE

We have invited much of this by our silence.

I think the time has come when we must admit that we need protection from our friends just as much as we need protection from those who are not our friends.

Mr. President, I ask unanimous consent to have printed in the RECORD a series of news clippings which pertain to, and explicate, the situation to which I refer.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Platt's Oilgram News Service, Nov. 14, 1974]

UNITED KINGDOM AIMS FOR "SUBSTANTIAL" HIKE IN GOVERNMENT TAKE WHILE KEEPING COMPANY INCENTIVE

NEW YORK October 13.—The British Labor government's oil policies are based on the "guiding principle" that the nation as a whole must benefit from the revenues furnished by its North Sea oil and gas fields, according to Lord Balogh, Minister of State for Energy.

Speaking at a Financial Times/Oil Daily "Oil and Governments" seminar here, he said that two consequences flow from this principle:

There must be a "substantial increase" in government take. (On his London departure for the seminar he had said that "a government take of 80% isn't far removed from what we are thinking about.")

The companies must be given a rate of return sufficient to keep them active in the North Sea. We want to see the North Sea developed as fast as is reasonably possible, "at least over the next years."

The British government has chosen participation as its method of achieving its oil and gas objectives, Lord Balogh said, adding that the government will retain the option for majority participation in future licenses and now negotiate for such participation in existing licenses.

He disclosed that Secretary of State for Energy has already written to all current licensees of commercial oil fields inviting them to participation talks "over the next few weeks" with the government's designated representatives (see 10/31 ONS).

Participation is the best way for the government to achieve its interests, he said, because it not only provides a "fair share" of profits but also provides direct knowledge in the operations of the oil industry.

At the same time, he added, participation is the best way of involving government in oil operations from the company point of view because it increases the cash flow through government contributions to costs and it has less effect on a company's rate of return than taxation.

The British government has established as a first priority the bringing in of oil production "as rapidly as possible" and building it up to "a substantial level as quickly as possible," the Energy Minister said. Meanwhile, he added, "we must be careful that we don't overprejudice our ability to control depletion rates later in the 1980s. . . ."

The government must eventually acquire the power to control development and production, the British official said.

He expressed full support of the British government for the OECD International Energy Program saying:

"Even though we shall be self-sufficient in oil by the end of the decade, this (international) cooperation is just as important for the UK as for other participants in the agreement."

Lord Balogh said it is necessary that existing North Sea licenses be renegotiated because "there is considerable economic rent, largely created by the quadrupling of oil prices in the past year, which neither the government nor the licensees foresaw when the licenses were issued."

Charles J. DiBona, American Petroleum Institute executive vice president, chided Lord Balogh on the renegotiation of existing leases "because they have proven to be successful." Such changing of the ground rules is inconsistent with economic theory that calls for success to be rewarded in proportion to the assumed risk and the risks taken by the companies exploring the North Sea were enormous, he said.

[From the Petroleum Intelligence Weekly, Dec. 2, 1974]

UNITED KINGDOM NORTH SEA TAX SEEN SLASHING OIL PROFIT HOPES

Speculative calculations indicate that oil company profit margins on British North Sea oil are likely to fall far short of an industry goal of at least $2 a barrel, as a result of the government's planned new oil and gas revenue tax. The profit margin could run from a likely $1.26 to an optimistic $1.78, according to reasonably justifiable numbers suggested to PIW last week by some industry sources. The $2 a barrel goal has been held necessary because of "unprecedentedly high" development costs. The government hasn't indicated what rate it has in mind for the new tax, and it won't be set officially until next spring. But calculations were being made on the basis it probably won't exceed 65% and is unlikely to be less than 45%. Other assumptions are that North Sea oil is currently worth at least $11 a barrel, operating costs will average $2 and development costs $1.50 (or effectively $2.25, since 150% of outlays will be deductible).

The new petroleum revenue tax (PRT) will clearly become Britain's chief source of revenue from the North Sea, and the present corporation income tax could even become less important than oil royalties. Should the price of oil decline to $6, company profit margins could fall to only 53¢ to 62¢ a barrel, the calculations indicate. In figuring the 52% corporation tax, interest and depreciation costs are estimated at $1.50 a barrel. Interest isn't deductible against PRT. The calculations below show how profit margins would work out with the above assumptions. (They don't show the effect of accelerated depreciation allowed on the corporation tax in initial years of output.)

	Petroleum revenue tax and assumed tax rate			
	$11 sales price		$6 sales price	
	65 percent	45 percent	65 percent	45 percent
Crude oil value	$11.00	$11.00	$6.00	$6.00
Less 12.5 percent royalty	−1.38	−1.38	−.75	−.75
Less operating cost	−2.00	−2.00	−2.00	−2.00
Less uplifted development cost	−2.25	−2.25	−2.25	−2.25
Taxable base	5.37	5.37	1.00	1.00
Petroelum revenue tax	3.49	2.42	.65	0.45
Corporation tax:				
Crude oil value	$11.00	$11.00	$6.00	$6.00
Less 12.5 percent royalty	−1.38	−1.38	−.75	−.75
Less operating cost	−2.00	−2.00	−2.00	−2.00
Less depreciation and interest	−1.50	−1.50	−1.50	−1.50
Less petroleum revenue	−3.49	−2.42	−.65	−.45
Taxable base	2.63	1.92	1.10	1.30
Corporation tax (at 52 percent rate)	1.37	1.92	0.57	0.68

	Petroleum revenue tax and assumed tax rate			
	$11 sales price		$6 sales price	
	65 percent	45 percent	65 percent	45 percent
Government take:				
Royalty	$1.38	$1.38	$0.75	$0.75
Petroleum revenue tax	3.49	2.42	.65	.45
Corporation	1.37	1.92	.57	.68
Total Government take	6.24	5.72	1.97	1.88
Company profit margin:				
Crude oil sales price	11.00	11.00	6.00	6.00
Less Government take	−6.24	−5.72	−1.97	−1.88
Less operating cost	−2.00	−2.00	−2.00	−2.00
Less depreciation and interest	−1.50	−1.50	−1.50	−1.50
Total	1.26	1.78	.53	.62

PROFIT MARGIN

Some oil companies last week were terming North Sea oil no better than a marginal operation under the proposed new tax. Should the government offer "good commercial terms" for purchase of a 51% interest in the oil fields, they'd now look favorably on such a transaction, one executive says. But he makes it clear the companies expect to be compensated for lost profits on the 51% of production they'd sell. A major complication remain the fact that the government wants to keep separate its discussions of participation and the new tax rate. The companies contend the two must be considered together.

[From Platt's Oilgram News Service, Dec. 9, 1974]

UNITED KINGDOM TELLS ITS PLANS FOR PRODUCING, REFINING, UTILIZING NORTH SEA OUTPUT

LONDON, December 12.—The British government's policies for producing, refining and marketing North Sea oil were disclosed by Secretary of State Eric Varley here today.

The government wants production built up "as quickly as possible" to a level of 2-million to 2.8-million b/d by 1980 and 2-million to 3-million b/d throughout the 1980s.

It expects that two-thirds of the output will be refined in the UK, which means that refining capacity should reach 3-million b/d in the early 1980s, compared with about 2.8-million currently. At the same time, the government is looking for an increase in upgraded refining capacity to produce more light ends, such as gasoline and naphtha, to cut imports of these products.

The remaining one-third would be used domestically or exported. "There will be a ready market in Europe and elsewhere for the remainder and we shall be able to get the benefit of the sulfur premium," Varley said.

Varley promised that the government's production policy wouldn't mean delays on development of finds already made up to the end of 1975 under existing licenses. If delays on finds made in 1976 or later proved necessary, there would be full consultation with the companies, he added, "so that premature investment is avoided."

Also, he said, there won't be any cuts in production from current or 1975 discoveries "until 1982 at the earliest or until four years after the start of production, whichever is the later."

As for oil found after 1975 under an existing license, there would be no production cuts "until 150% of the capital investment in the field has been recovered," Varley said.

Wherever production cuts are necessary, they would "generally" be limited to 20% "at most," he added.

Varley said that authority for his office to control production rates would be requested in forthcoming oil legislation. "How or when such powers may be used in the 1980s and 1990s will depend on the extent of total finds, on the world oil market and on the demand for energy," he said. There would also be economic influences to consider so the government couldn't be "expected to define, before any oil has come ashore and when large parts of the sea remain unexplored, a long-term production pattern."

In the longer term, said Varley, the British National Oil Corp., to be set up by next year's petroleum bill, "could have an important role to play in exploring areas yet to be licensed and in establishing potential fields whose reserves could be husbanded or developed quickly in accordance with the widest national interest."

This, added Varley, "is for the future, and does not affect present licenses, but I think it right to state our more immediate intentions now." He also said that production plans for any finds made in the Celtic Sea shouldn't be regarded as settled.

In his statement on refining and marketing North Sea oil, Varley estimated that oil finds of between 2-million and 3-million b/d could be worth $11.65-billion at current prices.

UK oil demand is expected to be 2.4-million b/d in the early 1980s, he said, adding: "We shall not wish—nor would it be technically feasible—to meet all our demand from North Sea. Firstly, North Sea oil is unsuitable for making bitumen and lubricating oils and some imports of heavier crude are needed for this purpose. Secondly, it is very low in sulfur . . . and the oil is likely to command a substantial premium."

Varley pointed to the advantages of refining the oil in the UK to realize the higher value of products, but he added: "This extra value is uncertain in the next few years since there may be a world surplus of refining capacity and that may tend to depress product prices."

He said "we might reasonably expect" that two-thirds of the British North Sea oil output would be refined in Britain at existing refineries and at those already planned for southeastern England.

Varley said he would seek powers in the coming oil bill to insure that refinery development in future complied with national oil policy.

[From the Petroleum Intelligence Weekly, Jan. 6, 1975]

UNITED KINGDOM STIRS FEARS OF OIL TAKEOVER WITHOUT PAYMENT

Britain's effort to stave off a threatened year's delay in development of the North Sea Thistle oil field is having an unexpected side effect: It's aroused fears in some industry circles that companies could face backdoor nationalization without compensation if they're unable to raise their share of development funds for any proven find (PIW Dec. 30, p. 8). The government assured four of the six members of the so-called "Halibut group" that it would assume development obligations of either or both of the two others—United Canso and Tricentrol—should they default on their share of development obligations for Thistle. But the assurance "does not detail any guarantee of, or obligation towards" either United Canso or Tricentrol. The government wouldn't compensate them for any of their past costs, but would take their respective 20% and 10% shares of Thistle output.

Some oilmen find it particularly galling that the financing difficulties being experienced by two of Thistle's smaller partners—and now also Burmah Oil, as well as other (p. 3)—relate in part to uncertainties over the government's "petroleum revenue tax" and negotiations to buy 51% participation in North Sea fields. Soaring costs and reduced reserve estimates are also a factor.

In the Thistle case, however, the government would step into the breach only as a last resort, acting only if no other acceptable arrangement could be made regarding assignment of any defaulting partner's interests. Should either United Canso or Tricentrol default, the other four members of the Halibut group—Burmah Oil, Champlin, Santa Fe and Charterhouse—would have first call on acquiring their stakes. These could also be sold outside, the Burmah's own financial difficulties would appear to increase the chances this might be necessary. All U.K. license changes require government approval.

The Thistle guarantee is likened by some to the rescue operations the British Government has mounted—last week for Burmah Oil, and recently for some U.K. manufacturers. They regard these moves as quite different from forced nationalization. But they concede the end result could be the same.

[From the Oil and Gas Journal, Jan. 20, 1975]

UNITED KINGDOM RETHINKING NORTH SEA TAX POLICIES

The British Labour Government is having serious second thoughts on its tax policies toward North Sea oil operators. At press time a statement was due from Paymaster General Edmund Dell outlining the government's revised attitude.

The change stems from vigorous industry opposition and outspoken criticism of the tax proposals contained in the oil-taxation bill now before the House of Commons.

The oil companies have zeroed in on the application of a flat tax rate on a field-by-field basis, saying this could only hamper future investment in the sea and make development of some of the smaller fields uneconomic. Some, notably Amoco, have protested application of the tax to older producing gas fields in the southern North Sea. Amoco has run a series of full-page advertisements in British newspapers stating its case.

In its new approach, it's believed the government will yield to some of the industry criticism, especially in its approach to the taxing of smaller fields. It's also expected to backtrack on applying the tax to the southern gas fields, since this would amount to changing the rules in the middle of the game. But no change is expected in its demand for 51% participation in the northern oil and gas fields, though that too has come under industry fire as breach of contract.

Along that line, Harold Lever, chancellor of the Duchy of Lancaster, who has been a leading figure in negotiations with the oil companies on the participation issue, startled the industry on Jan. 10 when he said in a television interview that "they (the companies) are quite free to say no and it would be effective—it is their license and we respect the contractual obligations we have entered into."

There's no coercion or pressure of any kind placed upon the companies, Lever added. "Every move the government has made," he said, "has been open and fully respectful of our contractual obligations. So it will remain."

In its bid for the 51% participation, the government reportedly has assured the companies that its majority share of production will be made available to them on a buy-back basis, and at discounts to cover compensation for its share.

Lever has expressed repeatedly his government's determination to acquire the majority control over North Sea oil operations, but he always emphasizes that it must be a "voluntary" act on the part of the oil companies. With Burmah Oil Co.'s recent acceptance "in principle" of 51% participation as part of its financial bailout by the Bank of England (OGJ, Jan. 6, p. 31), Lever acquired a trump card.

The Burmah affair, the withdrawal of Canada's United Canso through sale of its 20% interest in Thistle field to Germany's Deminex, and the several cuts in various exploration programs in the sea (OGJ, Jan. 13, p. 20), jolted government officials into realization that their policies are indeed endangering Britain's hopes for self-sufficiency in oil by 1980.

While last week's statement was expected to reflect some changes in governmental approach, no precise rate of taxation is expected to be announced until late February or early March.

UNITED CANSO

The deal to sell the British subsidiary of United Canso Oil & Gas Ltd., Calgary, to Deminex is subject to approval by the company directors and the British Government.

The German firm will acquire United Canso's 20% interest in North Sea's Thistle field and 50% of Celtic Sea Block 106/28.

Details of the proposed sale have not been disclosed.

The Canadian company has holdings in Canada, the United States, Australia, and Venezuela. A Norwegian subsidiary will continue to be owned outright by the parent company and plans eventual participation in the Norwegian sector of the North Sea.

NEW PLATFORM SITES

British industry received at least one encouragement last week when the government approved three new sites for offshore concrete platform construction at Portavadie on Loch Fyne and Campbelltown (which are in Argyllshire) and at Hunterston in Ayrshire. This brings the total of platform-construction sites to 10.

In making the announcement, the Department of Energy said "oil companies no longer need look overseas for their concrete platform requirements."

The House of Commons approved the Offshore Petroleum Development (Scotland) Bill on Jan. 14 by a vote of 192–155, a government majority of 37. It empowers the secretary of State for Scotland to acquire, either by agreement or through compulsion, any land in Scotland which is needed for exploration of North Sea oil. It also removes the requirement for a public hearing on such acquisitions.

FORTIES DELAYED

British Petroleum, meanwhile, said it has revised its drilling plan for its Forties field, which is 3 months behind schedule because of weather. It intends to drill into the most productive part of the structure in hopes of bringing the field on stream next August.

The company has two more production modules to mount on the Graythorpe One platform before it can commence development drilling.

In another development, Texaco North Sea UK said it has spudded the fourth well on its part of Brent Field in British Block 3/4, a 100% Texaco holding. New site is near the center of the block about 5 miles south of 3/4–3.

The Drillmaster rig will drill the new well.

Across the way in Norway, in the extreme southern portion of Norwegian waters close to the Danish demarcation line, Amoco

Norge scored what appeared to be a significant oil discovery in small fractional Block 2/11. The structure is believed to extend into Danish waters—and, if so, could lead to development there which could add to Denmark's meager production.

[From Reuters, Feb. 4, 1975]

Britain's Oil Tax Structure Will Be Ready Soon

New York, February 4.—British Govern-Cabinet Member Harold Lever said his government should have its tax structure for North Sea oil companies ready by the end of the month.

At a press conference here Lever said that the new tax structure would not be connected with the government's negotiations to acquire 51 percent holdings in oil fields in the North Sea. Lever is in charge of the negotiations.

He said the announcement of the tax structure would quicken the pace of the negotiations, which are currently at an informal level.

Lever, who is in New York for discussions with bankers and oil executives, said that the British government's participation plans were in no way aimed at increasing financial gain for the British government and that the oil companies should have no fear that they would lose money because of it.

Lever said Britain wanted the participation so that it could ultimately determine how its oil was used.

[From the Oil Daily, Jan. 24, 1975]

North Sea Financing Problems May Be Caused by Unclear Regulations

Houston.—Small companies are having financial problems with their North Sea Operations because the British government has not detailed future participation and taxing policies, Oil Daily's international editor said here.

Addressing a world offshore forum sponsored by the Oil Daily and three other publications, Bart Collins said although exploration and development costs in the North Sea have doubled during the last year, the price of crude oil has gone up more than 400%.

Banks are unwilling to complete normal production financing arrangements until they can make a firm computation of debt servicing, principal repayment and overall profitability of North Sea field development, he said.

Collins urged the British government to keep its promise to reveal participation and taxation details in February.

The London Financial Times, Petroleum Times and Fairplay International Shipping Weekly joined The Oil Daily in sponsoring the forum.

[From Dow Jones, Feb. 4, 1975]

British Oil Negotiator Says Government Offers "A Fair Deal" on North Sea Oil

New York.—British oil negotiator Harold Lever at a press conference here reiterated his government's position that oil companies "won't lose financially" from planned 51 percent government takeover of British North Sea oil fields.

He added that if companies don't agree voluntarily to government participation the British Cabinet will accomplish the takeover by statutory powers. He added that the companies are "under no threat."

British Negotiator and North Sea Oil

New York.—British Oil Negotiator Harold Lever told a press conference here even if statutory powers are taken by the British cabinet the same principles of justice and "a fair deal" will be applied, he said.

Lever said the British government will give the companies "full and fair payment" for its participation. The British government will pay 51 percent of future costs plus an income factor to compensate the companies for past outlays, he said.

"All we want is control of 51 percent of the vital national resource coming from the North Sea", he said.

Lever said he was willing to guarantee the oil companies "more oil than they would lose" from accepting government participation by drawing on the government's available royalty oil.

Lever said he expects the government to announce its new tax rates on North Sea oil profits by the end of the month.

"The tax rates have nothing to do with participation," he said. "Were not holding the tax rate over companies heads to get better participation deals," Lever said.

U.K. Offshore
Operators Association, Ltd.,
London, September 27, 1974.

C. E. H. Tuck, Esq.,
Head of Petroleum Production Division, Department of Energy, London.

Dear Sir: In response to your invitation, the UKOOA wishes to offer the following comments on your letter of 3rd. September, 1974 concerning the Government's proposed legislation to control certain aspects of licensees' activities on the Continental Shelf.

The past policy of HMG has been to encourage exploration in the North Sea and the success record of industry has confirmed the wisdom of this policy as well as the ability and capability of the oil industry to cooperate in achieving national objectives, when given the opportunity to do so. Industry and Government by virtue of Production Licenses entered into firm contracts within the framework of existing laws and Regulations, which were believed binding for the full licence term and major obligations were undertaken on the basis of confidence in the integrity of contracts.

From the first days of exploration for gas in the southern part of the North Sea, industry has accepted the challenge and the financial risk of operating at the limit of current technology in a hostile environment which has grown increasingly severe as the search moved northwards.

Your letter of 3rd. September must be interpreted as a proposal to change a highly successful policy, and to legislate amendments to contracts (i.e. Licences) under whose terms companies and groups of companies have made heavy expenditures and have committed to high future investments.

Industry accepts that it may be necessary, and at times mutually beneficial, to modify legislation where it can be shown that the rules are inadequate or are not achieving their original purpose, but we submit that:

1. Government and industry have had an outstanding history of co-operative effort in relation to legislation and regulations and it is disappointing that the major changes comtemplated are proposed without adequate prior consultation and, further, that only a few weeks have been given to respond on matters of such vital importance.

2. The proposed legislation, which reflects a change in basic concept and fundamental policy, will in our view undoubtedly result in a slow down of activity due to the present and future uncertainties introduced, and will thus not contribute to the government's declared objective of making the U.K. self-sufficient in oil at the earliest possible date.

3. Once the Government enacts retroactive legislation, which would unilaterally amend existing contracts, a basic uncertainty and lack of trust would result between the Government, industry, and its sources of finance. Such loss of confidence and incentive would certainly be difficult to restore.

We agree that, if an industry does not carry out its agreed undertakings, government has not only the right but the obligation to take action and if necessary impose controls. However, we consider that the oil industry to date has conscientiously and effectively fulfilled its obligations.

We are not at this time in a position to submit a representative industry commentary on the 15 specific proposals listed in the attachment to your letter, because it is already apparent that considerable divergence of opinion exists as to the correct interpretation of some of the proposals. We accordingly suggest an early meeting to clarify the Government's intentions and assist us to prepare constructive comments.

Following this we would be ready, as in the past, to co-operate fully with the Petroleum Division in arriving at a framework of new regulations which would be acceptable to both the Government and Industry.

Your faithfully,

J. J. Reynolds,
President.

Department of Energy,
London, September 3, 1974.
U.K. Offshore Operators Association,
London.

Dear Sir: In his recent Statement of Government policy on offshore petroleum development, the Secretary of State for Energy said that amongst his proposals were new powers over licensees to control various aspects of their activities. I attach a note which sets out what we have in mind. Ms will be clear, the intention is to apply these changes to existing licenses by legislation. Licenses issued in future rounds would also be subject to these new arrangements which would be incorporated in Regulations made at the time. We shall need to consider later whether other changes are also desirable for future licenses.

The list is not necessarily exhaustive. There are some further aspects of royalty policy on which we have not yet formed a final view. Some minor and tidying-up changes in the present regulations may also be necessary. And we shall also want to take account of any suggestions for further changes made to us as a result of our consultations. Treatment of land licenses is still being considered.

I should like to emphasize that the Government is anxious to have the industry's views before deciding on the implementation of these proposals and to give full weight to the industry's legitimate interests. It would therefore be most useful for us if you could send us, if possible by 1 October, any comments you wish to make on our proposals or on any other changes you would like to suggest.

Your sincerely,

Clarence Tuck.

Enclosures.

1. CONTROL OVER THE RATE OF PRODUCTION

The Government proposed to take power to control the level of production in the national interest (in addition to the powers proposed in paragraphs 5 and 6 below). We recognize the importance of this question to the industry and would especially welcome their comments about how such a control could be operated most efficiently and equitably. In particular we recognize the industry's desire to achieve a reasonable level of profitability and to borrow to finance developments on reasonable terms, and invite suggestions about how to reconcile these objectives with the Government's ability to exercise effective control over production where necessary.

2. INTERIM DETERMINATION OF ROYALTY

The Secretary of State would be empowered to impose for all production where royalty value is disputed an interim settlement of the value of petroleum for royalty purposes, and to receive payment based on that value, until final determination of the value is made. This will involve the application to licenses issued under the first three rounds of the 1971 Amendments to the Petroleum Production Regulations. When the final value has been established, any necessary adjustment would be made to correct previous over or under payment.

3. REMISSION OF ROYALTY

The Secretary of State would be empowered to remit royalty in whole or in part in order to encourage production which would not otherwise in his judgement be commercial. Notwithstanding the total or partial remission for a period, the Secretary of State would have power in respect of royalty for a later period to restore the full rate or further vary the rate.

4. ROYALTY IN KIND

The Secretary of State would be empowered to demand royalty to be paid in kind. Notice would be given of such intention an appropriate time before the start of the relevant royalty period, and similar notice would be given * * * of any financing agreement which the licensee had previously made.

The Secretary of State would be empowered to call for exploration programmes where in his opinion there was insufficient activity, to reject the proposed programme if he felt it to be unreasonable and unsatisfactory, and to revoke the license if no reasonable and satisfactory programme were implemented. Since most licensees would be unwilling to retain and pay for a block where there was little chance of a discovery, or to do nothing where the prospects were good, it is unlikely that this power would have to be used very frequently; but it would be necessary in a case where for one reason or another a licensee having completed his initial obligatory programme was unable, or unwilling, either to carry out further necessary work or to surrender his licence, voluntarily. Our general intention is only to ensure that as much exploration is carried out as may reasonably be expected of conscientious and efficient licensees.

6. DEVELOPMENT PLANS

The Secretary of State would be empowered to have development plans for all fields submitted to him for approval, to reject them if they were not in accordance with good oilfield practice, and to require revised plans to be submitted.

7. OWNERSHIP OF A LICENCE

The Secretary of State would be empowered to revoke a licence in the event of any substantial direct or indirect changes in the ownership or control of a licensee. We are proposing a power to revoke because it does not appear practical to require prior formal authorisation of all substantial changes in the ownership or control of a licensee. We are however willing to consider ways of reducing or eliminating the need for the sanction of revocation. There would for example be provision for giving the licensee an opportunity to reverse or modify changes of which he was not aware in advance. The Secretary of State would issue informal guidelines as to what changes of ownership or control he would regard as substantial so that licensee could as far as possible consult well in advance about any such proposals.

8. AGREEMENTS WITH THIRD PARTIES

Any arrangements whereby a party other than the licensee shares directly or indirectly in the profits of a licence would need to be submitted to the Secretary of State for his approval. The purpose of the power would be to give the Secretary of State an opportunity to monitor, and if necessary, control, illustrative and royalty agreements. The status of such agreements already in existence would not of course be affected and our general policy on illustrative agreements will be unchanged.

9. CHANGE OF OPERATOR

The Secretary of State would have power to require any proposed change of operator to be submitted to him for his approval. The Secretary of State would not unreasonably withhold such approval, and the power would not be used in such a way as to impede arrangements for the unitisation of a license. Present operators would of course be able to carry on without this approval.

10. PROVISION OF INFORMATION

The Secretary of State would have power to require a licensee to give him any information which he may specify relating to the licensee's operations. This power would cover financial as well as technical or geological information and information about purchasing policies and purchases of goods and services for UK offshore operations. It would also give the Secretary of State a reserve power to appoint an auditor or assessor to inspect a licensee's books and records where necessary.

11. RELEASE OF INFORMATION

The Secretary of State would be empowered to authorize the release of geological, technical and scientific information supplied to him along the general lines of the provision laid down in the 1971 Amendments to the Petroleum (Production) Regulations 1966.

12. CIVIL LIABILITY

All licensees would be required to satisfy the Secretary of State at any time that they had entered into arrangements which will ensure the * * * course of his operations at that time. This power would be deliberately phrased to allow licensees to make such arrangements as they and the Secretary of State considered to be appropriate for the peculiar circumstances and needs of each licensee. For instance, the power for pollution damage if arrangements made under it by a licensee were satisfactory to the Secretary of State; and would enable guarantees or bonds to be used if appropriate rather than straightforward insurance. The power would be such as to allow the licensee's insurance or other cover to evolve in step with the needs of his operations at any time.

13. FLARING AND REINJECTION OF GAS

All licensees would be required to seek the Secretary of State's permission before any gas was flared. Permission would be granted only if there were in the Secretary of State's judgment no practical alternative to such flaring. The power would be framed to take account of the possibility of an imperative need to flare gas in an emergency on safety grounds, in circumstances when it would not be practical to seek and obtain permission. The Secretary of State would also require proposals for the reinjection of gas to be submitted to him for his approval.

14. NON-FUEL USE OF GAS

The consent which S9 of the Continental Shelf Act 1964 requires the Secretary of State to give to supply of gas landed in the UK, if it is for non-fuel use, will be made discretionary, i.e., the Secretary of State will be empowered to give or withhold consent. This will put non-fuel use on all fours with other possible uses of Continental Shelf gas.

15. PIPELINES

The Secretary of State would have new powers over the construction, development and use of offshore pipelines. The powers would be independent of the license terms and would be directly applicable to any party engaged in the relevant activities. The chief features of the proposed legislation are as follows:

(i) the construction of all offshore pipelines would require the authorisation of the Secretary of State;

(ii) the Secretary of State could require lines to be constructed so that third parties might use them; or could require third party use, at charges fixed if necessary by him, in a pipeline already constructed. The provisions would facilitate the development of smaller fields and help to reduce the number of lines built;

(iii) the Secretary of State would have power to require measure to control pollution;

(iv) the Secretary of State would have power to impose requirements as to safety and health of workers, and as to construction standards;

(v) the Secretary of State would have power to call for any information about the operation, ownership and finances of a pipeline, on the same basis as information about production and exploration;

(vi) arrangements under which a person other than the pipeline owner shared in the profits of a pipeline would require the approval of the Secretary of State, who could give it subject to conditions.

WHAT ARE THE POLICY OPTIONS OPEN TO THE NEW PRODUCERS?

(Speech by Lord Balogh, Minister of State for Energy)

It is an honour and a privilege to have been asked to deliver the Opening Address at the Financial Times and Oil Daily Conference.

Having been an obstreperous academic critic, I have in my new incarnation acquired some first-hand knowledge of the subject of this conference from the Government side. The process of having become a Junior Minister at a time when my advancing years would normally have called for me to become less rather than more responsible is a strange one. I apologize in advance to those whom my transformation to a model of reticence and circumspection will surprise.

The theme of the Conference "Oil and Governments" could hardly be more opposite or important at a time when producer countries, oil consuming countries, and not least those countries who are, or hope to be self-sufficient in energy, all face major problems.

Turning now to the 'policy options open to new producers', their emergence reminds us of an important change taking place in the distribution of the oil-producing industry. Traditionally the consuming countries of Western Europe have drawn all or nearly all their oil supplies from unstable areas, with very low oil demand of their own, mainly in the Middle East. Recent discoveries in and around the North Sea—which we owe to the enterprise and technological skill of the oil industry—have transformed this prospect. It now looks as if the United Kingdom can become, by any standards, a major oil producer.

It is exceptionally difficult to estimate our future reserves and we are confronted here with the limits of technology and unforeseen difficulties may occur. On the other hand, we might have a breakthrough in being able to exploit more fully existing reserves and get access to new reserves at depth. This explains the very great discrepancies between estimates. My Department has been very conservative, and rightly so, as the plans must be founded on certainty rather than surmise. I myself have criticized this tendency when in opposition, but I quite understood it then and I understand it now and I have been transferred into a more responsible position.

We hope that by the beginning of the next decade we shall be able to produce 2–3 million barrels a day. That is to become more than self-sufficient. It will raise our status as oil producers to the level of Iraq, Libya and Canada. Professor Odell, whose estimates in the past have been surprisingly accurate, predicts an output of 8–10 barrels a day for the whole of the shelf—that is including Norway and other countries. There is at the moment, however, no firm evidence that these estimates can in the foreseeable future be converted into reality. As I have said, the UK is not the only country in this newly discovered territory. Norway will soon produce much more oil than she needs and has recently forecast production of 1 million barrels a day in the early 1980's; her ultimate potential is almost certainly much higher than this. The Netherlands have the biggest gas field in the world. As exploration intensifies, other neighbouring countries, like France, Denmark and Ireland, may also find substantial quantities of oil or gas.

If this change is important to the oil industry, it is vitally important to the countries themselves. Perhaps the most striking thing about the oil industry is the vast size of the sums involved. We expect by the beginning of the next decade to be producing, if current prices continue, oil to the value of £5,000 million a year or even more. The total value of oil reserves on the UK Continental Shelf at present prices could with further probable discoveries amount to more than £100,000 million. The balance of payments advantage we get will also be measured in thousands of millions of pounds. There will be big new opportunities too for our offshore supplying industry and encouragement for the growth of technologically advanced industries, like the petrochemical industry, in the U.K.

In short, the discovery of North Sea oil is perhaps the most important economic development in the UK since the Industrial Revolution. It is something on which we must get our policies right. If we go too far one way or the other, the penalties we have to pay as a nation could be very great. Hence, the intense public debate about it during the past two or three years and hence the high priority which the present Government has given to it.

The guiding principle of our policy is this. The nation as a whole must enjoy the participation in revenues furnished by the North Sea fields. There can be no doubt that at the moment there is considerable economic rent, largely created by the quadrupling of oil prices in the past year, which neither the Government nor the licensees foresaw when the licenses were issued. And this rent has accrued on a scarce and valuable resource, and one which by an Act of Parliament going as far back as 1934, belongs to the nation. We wish to end the period of uncertainty as soon as possible. We regret that the complexity of the problem has prevented us acting as quickly as we would have wished. I can assure the companies, however, that we shall do our utmost to be fair and say to the American companies in particular, that their interests will be safeguarded in strict equity with those in which British involvement is present.

From this guiding principle, two consequences flow. The first is that there must be a substantial increase in Government take. The Chancellor of the Exchequer will introduce into the House of Commons later this month a Bill to give effect to the new profits tax foreshadowed in the White Paper we published in July and in his Budget speech. The Secretary of State is inviting the companies to talks on participation, a subject I shall deal with separately. As to the rate of the tax, which has not yet been announced, it will be designed to get a fair share of benefits for the nation—while also giving the companies a fair deal. I hope that this assurance will be taken in the spirit it is given.

The second consequence—and this is one I want to emphasize—is that we intend to leave the companies a rate of return on their investment sufficient to keep them active in the North Sea. We do not want to do anything to discourage the companies. As I said earlier, we recognize and respect their considerable technical achievements in the North Sea and we hope we shall continue to have the benefit of their skill and expertise in developing it. Prospective profits even on the most conservative basis are such that this is, I am sure, consistent with a big increase in Government take and I would mislead you if I implied anything else. But we do not intend the increase to be so big that it will leave the companies with insufficient profits to retain their interest. Anything else would be against the interests of the United Kingdom. For the fact is that we and the companies have considerable identity of interest. We both, at least over the next years, want to see the North Sea developed as fast as is reasonably possible. In short, we intend to give a fair deal both to the nation and to the companies.

Our chosen method for doing so is participation. The White Paper issued in July said that it would be a condition of all future licenses that the State should have an option of majority participation, and that the Government would be inviting holders of current licences to negotiations to discuss majority participation in them also. The Prime Minister announced when the new Parliament met that Mr. Harold Lever would be in charge of the detailed negotiations assisted by Mr. Edmund Dell, who chaired the Public Accounts Committee, whose report on oil has become one of the classics of Government papers, and myself, I can now tell you that Eric Varley, the Secretary of State for Energy, wrote yesterday to each of the licensees for the oilfields so far declared commercial, to invite them to such talks with Mr. Lever over the next few weeks. We naturally hope that the negotiations will be quick and successful.

Why do we think participation is the best way of achieving the interests of the State and the companies? For the State it has the enormous advantage of not only providing a fair share of profits, but also giving it direct knowledge and expertise in the operations of the oil industry. Regulation from without, by edict, can never be as satisfactory for us as direct participation, as a partner, in the licence. Virtually every other oil-producing country in the world has therefore adopted participation as the right way for the State to involve itself in the operations of its oil industry. I can mention, outside OPEC, such countries as Norway, the Netherlands, Denmark, Australia, New Zealand, and the Canadian provinces. All the oil—and gas—producing members of the European Economic Community have participation in oil and gas in one form or another. So we are doing nothing very new or radical. We are following, not setting, examples.

I said that participation is also the best way from the company's point of view of involving the State in oil production. This is because the State contributes to costs, that is it increases the cash flow—a consideration of increasing importance in the North Sea today. Depending on the detailed terms agreed, the effect of participation on a company's rate of return can be much less than the effect of tax. Indeed, we would really like to regard participation as a form of partnership between public and private sectors to which each has something to contribute and from which each has something to gain. Perhaps I can emphasise one or two things about participation as we see it to dispel any possible misunderstandings. First, we hope to establish successful cooperation with the companies on participation. Secondly, we shall not discriminate between companies. Thirdly, we shall be very willing to listen to any proposals the companies put forward designed to make participation work on a fair and equitable basis. Finally, it must not be forgotten that capital depreciation which will be handled in an equitable way is perhaps the most important factor in determining internal rate of return.

This brings me to another topic which all new producers have to face: the problem of Depletion Policy. This is a subject which can raise a good deal of public interest because it is closely linked to that rather emotive word conservation. I do not wish to in any way underestimate the importance of conservation, but question whether it can ever be seen separately from broad aspects of economics. Oil and gas can only be used once. The objective of a depletion strategy is to ensure that they are used when they give the most benefit—this means balancing a high level of benefit over a shorter period against a lower level of benefit over a longer period. To do this, it is necessary to try to visualize the time when the production of hydrocarbons is declining or has ceased, as well as the time when a high rate of production is possible.

But having stated the broad objective, it is essential to underline the importance of the problem of uncertainty. There is uncertainty about the size of the reserves: this is very well illustrated by a glance at the bottom row of figures in a table[*] produced by my Department for a report to Parliament in May of this year. It showed estimated United Kingdom reserves in the areas already licensed running from a proven total of 895 million tons through probable and possible figures to a total for the three categories of roughly 3,000 million tons. We now know that we can count on much more than the lowest of these figures. But we are faced with great uncertainties in the range of reserves, as Professor Odell's recent calculations show, and the choices facing us could vary enormously between the extremes. Moreover, there is uncertainty about medium and long-term trends in world oil and gas supplies and their prices. The events of the last couple of years make it unnecessary to elaborate this point further.

But whilst it is necessary to consider the objectives of depletion policy and to emphasize the problem of uncertainty, we must be realistic. That we need oil is undisputed; the industrialized countries used oil for 57% of their energy needs in 1973 and it accounted for 46% of Britain's energy consumption in the same year. Whilst some degree of substitutions as between fuels can be undertaken, this tends to be a long term process. For example, one can decide to build more coal-fired or nuclear power stations in the future, to reduce dependence on oil for electricity generation. Such decisions have no effect on oil consumption now. One can also endeavor to save all forms of energy, oil amongst them, by improving the efficiency with which it is used. That is why the Government has set up the Advisory Council on Energy Conservation, which held its first meeting recently.

None of this alters the fact that there is no alternative for us at present but to rely very heavily on oil for our energy needs. Last year we used around 100 million tons, all of it imported. This dependence on imported oil puts the well-being of our industrialized society at risk in two ways. First, as we found out last winter, a shortfall in supplies can cause very great difficulties; any prolonged shortfall poses a serious threat to the entire functioning of our society. But, as we also found out last winter, and have been finding out ever since, even assured supplies, (and our present supplies are not assured even at the huge price we now have to pay) are a heavy burden on the balance of payments and thus on the standard of living of each and every one of us. In the first nine months of this year the cost of net oil imports was £2,000 million.

Against this background, our first priority is to bring production of oil in as rapidly as possible. We reaffirm the Government's determination as expressed in our White Paper to ensure that oil production from the Continental Shelf is built up to a substantial level as quickly as possible. The reality is that we must have this build up to indigenous production to ease our balance of payments problem and to increase our security of supplies. But within this constraint we must be careful that we do not over-prejudice our ability to control depletion rates later in the 1980's should we be fortunate enough to prove to have very large reserves, and should a conservation policy involved control over rates of depletion appear to be advantageous to Britain and her trading partners.

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[*] Department of Energy—Production and Reserves of Oil and Gas in the United Kingdom. Page 15.

But all this is on the widest national and international plane, and I should now turn to another dimension which has a strong bearing on the options facing us or any other new producer of oil. If we are to contemplate the ability to control rates of depletion of oil and gas, this means taking powers to do so—every producing country does this. At the moment our principal method of exercising choice has been in the timing and extent of licensing rounds. To this we must add the ability to control development and production. But the exercise of these powers must be harmonised both with the interests of the companies and the technical needs of maintaining and increasing recovery ratios. They will not be used in an arbitrary fashion. We are about to announce publicly how these powers will be used so that firms can plan sensibly and banks lend in the knowledge that their security will be safeguarded. We intend to minimise uncertainty about the Government's policy towards a great asset. We want to assure the maximum possible confidence about our intentions to those directly involved in the North Sea, to their creditors and our trading partners, but above all to the British people. We shall, therefore, have regard to the interest of companies who have invested or who are contemplating investment in offshore oil. We must have regard to the interests of banks, who may be called upon to finance development. We must have regard to the industries supplying equipment. As I have said earlier, we intend to leave the companies a rate of return on their investment sufficient to keep them active in the North Sea and commensurate with the risks involved in these operations.

I should now like to make some brief reference to the International Energy Agreement—to be signed in a few days' time—in which most of the major oil consuming countries will now be participating. We welcomed the initiative of Dr. Kissinger last year which resulted in the Washington Energy Conference being held. We welcomed too, the setting up at that Conference of the Energy Co-ordinating Group which has now resulted in this Agreement. We can derive some comfort that an Agreement of such complexity and detail should have been worked out in the space of nine short months and adhered to by so many countries.

The arrangements provide participants with equal ability to withstand the effects of major oil shortages for a very long period with the minimum of economic sacrifice. As you know, the Agreement provides a framework for further co-operation on energy conservation, the development of alternative sources of energy and related matters. And there are arrangements too for promoting co-operation between consumer and producer countries. We shall be looking for opportunities for purposeful discussions as well as for other forms of co-operation.

The British Government has always supported strongly the concept of international co-operation to deal with world energy problems, because it is clear that these can only be effectively tackled on a multinational basis. Even though we shall be self-sufficient in oil by the end of the decade, this co-operation is just as important for the UK as for other participants in the Agreement. It is vital to our economic interests that our trading partner should be strong. The Agreement gives powerful protection to the economies of all participants and that is why the Agreement is important to us.

May I sum up what was—because of the complexities of the problems—an unavoidably longish exposition.

We are determined—following the Manifesto on which we fought and won the recent election—to secure a large share for the nation of the discovery of British Shelf oil and gas, We shall, however, within this framework encourage oil companies to continue, indeed increase their activities in our waters, the excellence and inventiveness of whose activities we are the first to acknowledge. We have chosen participation as the main vehicle of a closer involvement in the work of exploration and development in order to secure knowhow and enable us to get automatic first-hand information on production costs and financial results. To fashion the means of implementation of this policy we shall form a British National Oil Corporation which will administer the public share in the great licensee consortia. Our tax and depreciation and depletion policy will be conceived so as to enable the oil companies to face the future with confidence and benefit fairly from past and future effort.

We shall in this way contribute to the restoration of the balance of the international energy market which has been disturbed, indeed shaken, by the sudden price-hike of OPEC. In the meantime, we are eager to participate in international physical and financial monetary arrangements to mitigate the immediate and unprecedented problems which have arisen as a result of that policy.

If my contribution to this expert forum has helped to a greater understanding and confidence in my Government's intentions and policies I shall be gratified.

Mr. DOLE. I further wish to have it noted that I have written to Senator LONG requesting that hearings be held by the appropriate subcommittee of the Finance Committee as rapidly as possible, with special concern focused on the North Sea question.

PETROLEUM CONSERVATION

Mr. BROCK. Mr. President, as the Congress considers various petroleum conservation measures, it is important that the regional effects of each be carefully studied. No one region of the Nation should be forced to bear a disproportionate share of the conservation burden. Likewise, no region should be allowed to avoid bearing its fair share of the burden.

Prof. William Johnson of George Washington University has prepared a number of tables on petroleum use and total energy use by State and by region. I ask unaminous consent that the tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1

Region	Total net petroleum and natural gas energy consumed in all nonindustrial sectors: Million Btu/capita	Rank	Total net energy consumed in all sectors: Million Btu/capita	Rank
New England	214.6	3	211	9
Middle Atlantic	180.4	6	229	7
East north-central	171.8	7	291	3
West north-central	212.9	4	270	5
South Atlantic	164.4	8	215	6
East south-central	150.7	9	273	4
West south-central	271.7	1	487	1
Mountain	219.7	2	313	2
Pacific	180.6	5	225	8
National average	191.3		287	

TABLE 2.—1972 ENERGY CONSUMPTION, BY REGION

	Petroleum consumed in transportation		Petroleum consumed in households and commerce		Petroleum consumed in all nonindustrial sectors		Petroleum consumed in all sectors	
	Barrels per capita	Rank	Barrels per capita	Rank	Barrels per capita	Rank	Barrels per capita	Rank
New England	12.6	8	14.1	1	34.1	1	36.8	1.
Middle Atlantic	12.4	9	8.5	2	25.5	2	27.1	3.
East north-central	13.6	7	5.3	4	19.8	8	21.5	8.
West north-central	16.8	3, 4	6.6	3	23.8	5	25.4	6.
South Atlantic	15.4	5	4.5	6	24.4	3	26.9	4.
East south-central	15.0	6	3.6	7, 8	19.0	9	20.5	9.
West south-central	19.2	1	3.6	7, 8	23.3	6	35.5	2.
Mountain	18.9	2	4.6	5	24.3	4	26.7	5.
Pacific	16.8	3, 4	2.3	9	21.3	7	23.2	7.
National average	15.4		5.6		23.7		28.8	

Source: U.S. Department of the Interior, "Fuel and Energy Data, United States by State and Region, 1972," Washington, D.C., 1974.

TABLE 3.—1972 ENERGY CONSUMPTION BY STATE

	Petroleum consumed in transportation		Petroleum consumed in households and commerce		Petroleum consumed in all nonindustrial sectors		Petroleum consumed in all sectors	
	Barrels per capita	Rank	Barrels per capita	Rank	Barrels per capita	Rank	Barrels per capita	Rank
National average	15.4		5.6		23.7		28.8	
Alabama	15.0	32	3.5	39	18.9	46	20.1	47
Alaska	33.7	1	9.4	10	45.2	1	50.5	2.
Arizona	17.0	18, 19	2.7	46	20.9	37, 38, 39	22.4	40.
Arkansas	17.0	18, 19	6.5	19, 20	25.7	19	27.2	24, 25.
California	16.5	24, 25, 26	1.2	50	20.1	41	21.8	43.
Colorado	17.5	16	4.2	35	22.2	33	23.4	36.
Connecticut	12.0	47	9.2	13	30.7	9	33.7	11.
Delaware	14.6	34	9.6	9	32.9	6	43.2	4.
Florida	16.9	20, 21	2.8	45		14	30.6	16.
Georgia	17.3	17	3.3	42, 43	21.8	35	24.0	34.
Hawaii	24.5	3	1.7	49	40.0	4	39.5	5.
Idaho	16.5	24, 25, 26	7.3	16	24.7	24	26.9	26.
Illinois	13.1	41, 42	5.4	25, 27, 28	19.9	42	22.3	41.
Indiana	16.9	20, 21	7.7	14	25.0	21	27.6	21.
Iowa	15.9	27	6.7	18	23.2	29	25.4	30.
Kansas	18.2	11, 12	4.0	36, 37, 38	22.7	31	24.7	31, 32.
Kentucky	14.1	35, 36	3.4	40, 41	17.7	48	19.8	48.
Louisiana	16.5	24, 25, 26	1.8	48	19.0	45	36.6	8.
Maine	17.7	14, 15	16.9	1	40.5	3	49.3	3.
Maryland and District of Columbia	12.2	45	6.9	17	25.3	20	24.3	22, 23.
Massachusetts	11.9	48	16.1	2	36.3	5	38.0	7.
Michigan	13.5	38, 39	5.1	30	19.8	43, 44	20.9	45.
Minnesota	15.4	28, 29	8.6	13	24.6	25	26.7	27.
Mississippi	15.3	30	5.0	31	22.0	34	24.1	33.
Missouri	16.8	22, 23	5.4	26, 27, 28	22.4	32	23.1	38.
Montana	20.9	5	6.1	23	27.4	17	31.6	12, 13.
Nebraska	18.3	10	6.2	22	24.9	22	26.1	29.
Nevada	24.1	4	4.9	32	29.5	11	31.0	14.
New Hampshire	12.6	44	15.6	3	31.4	7	35.3	9.
New Jersey	13.8	37	10.3	7	30.9	8	33.8	10.
New Mexico	19.8	7	4.0	36, 37, 38	24.8	23	27.3	22, 23.
New York	11.9	49	9.3	11, 12	26.3	18	27.2	24, 25.
North Carolina	14.1	35, 36	5.8	24	21.1	36	23.9	35.
North Dakota	19.4	8	9.3	11, 12	29.1	12, 13	30.9	15.
Ohio	13.1	41, 42	3.3	42, 43	16.7	49	18.1	50.
Oklahoma	17.7	14, 15	5.2	29	23.0	30	24.7	31, 32.
Oregon	16.8	22, 23	6.5	19, 20	23.5	28	26.2	28.
Pennsylvania	12.1	46	6.3	21	20.9	37, 38, 39	22.9	39.
Rhode Island	13.4	40	13.4	5	29.6	10	31.6	12, 13.
South Carolina	14.8	33	4.0	36, 37, 38	19.8	43, 44	22.2	42.
South Dakota	18.4	9	9.9	8	29.1	12, 13	30.0	19.
Tennessee	15.4	28, 29	2.9	44	18.4	47	19.4	49.
Texas	20.7	6	3.4	40, 41	24.4	26	39.1	6.
Utah	18.2	11, 12	4.5	34	24.0	27	28.1	20.
Vermont	13.5	38, 39	14.7	4	28.8	15	30.1	18.
Virginia	17.8	13	4.8	33	28.2	16	30.3	17.
Washington	15.2	31	5.4	26, 27, 28	20.9	37, 38, 39	23.2	37.
West Virginia	11.6	50	2.0	47	14.0	50	20.6	46.
Wisconsin	12.8	43	7.5	15	20.6	40	21.4	44.
Wyoming	31.8	2	10.9	6	43.3	2	50.6	1.
Mean	16.7		6.6		25.6		28.6	
Standard deviation	4.4		3.8		6.7		7.9	
Mean/standard deviation	3.8		1.7		3.8		3.6	

Source: U.S. Department of the Interior, "Fuel and Energy Data, United States by State and Region, 1972" Washington, D.C., 1974.

TABLE 4

	Petroleum consumed in all nonindustrial sectors		Total net energy consumed in all sectors	
	Million Btu/capita	Rank	Million Btu/capita	Rank
Alabama	67.7	49	314.0	11.
Alaska	38.4	50	542.0	3.
Arizona	198.8	18	230.0	34.
Arkansas	217.3	11	297.0	14.
California	186.5	29	215.0	42.
Colorado	214.7	12	275.0	20.
Connecticut	192.5	21	181.0	49.
Delaware	213.5	13	272.0	22.
Florida	193.2	19	165.0	50.
Georgia	155.7	41	222.0	35.
Hawaii	212.7	14	185.0	48.
Idaho	167.2	36	285.0	16.
Illinois	184.3	31	269.0	23.
Indiana	191.0	23, 24	399.0	6.
Iowa	206.2	17	368.0	25, 26.
Kansas	308.2	2	365.0	8.
Kentucky	149.5	40	261.0	27.
Louisiana	262.9	7	644.0	2.
Maine	233.6	10	274.0	21.
Maryland and D. of C	174.7	34	216.0	40, 41.
Massachusetts	234.8	9	218.0	38.
Michigan	174.2	35	268.0	25, 26.
Minnesota	191.8	22	259.0	28.
Mississippi	188.1	27	279.0	19.
Missouri	186.1	30	239.0	32.
Montana	210.3	16	363.0	9.
Nebraska	238.0	8	284.0	17.
Nevada	269.2	6	283.0	18.
New Hampshire	190.7	25	213.0	43.
New Jersey	211.5	15	220.0	36, 37.
New Mexico	271.9	5	390.0	7.
New York	183.6	32	192.0	46.
North Carolina	129.8	48	198.0	45.
North Dakota	191.0	23, 24	269.0	24.
Ohio	157.5	38	306.0	13.
Oklahoma	278.3	4	310.0	12.
Oregon	152.6	42	250.0	29.
Pennsylvania	156.4	39	291.0	15.
Rhode Island	189.4	26	207.0	44.
South Carolina	130.7	47	216.0	40, 41.
South Dakota	193.1	20	220.0	36, 37.
Tennessee	133.9	45	243.0	31.
Texas	282.5	3	506.0	4.
Utah	187.6	28	351.0	10.
Vermont	158.3	37	189.0	47.
Virginia	180.9	33	218.0	39.
Washington	136.2	44	247.0	30.
West Virginia	133.0	46	414.0	5.
Wisconsin	152.0	43	231.0	33.
Wyoming	372.8	1	684.0	1.
National average	191.3		287.0	
Mean	192.7		288.7	
Standard deviation	56.4		109.2	
Mean/standard deviation	3.4		2.6	

SURFACE MINING

Mr. FANNIN. Mr. President, the Senate Interior Committee today begins its markup of S. 7, the Surface Mining Control and Reclamation Act of 1975. At this time, I believe it is essential that my colleagues be aware of some of the developments since the Senate and the Congress last considered surface mining during the closing days of the 93d Congress. When the Senate last considered the adoption of the conference report of S. 425, in December 1974, I spoke against that bill for a variety of reasons, not the least of which was the projected loss of coal production which would result if the bill became law. The President agreed with my assessement and vetoed it. In this new Congress, the conference report was reintroduced on January 15 and is labeled S. 7. I said before that we have insured under this legislation that three results will follow from enactment of this bill:

First. The consumers of this Nation will pay more for electricity.

Second. This Nation will have less electricity available because of production shortages in the range of 15 to 50 million tons per year for the first year and 48 to 141 million tons per year thereafter.

Third. An estimated 46,980 jobs will be lost.

I repeat now there is no reason for the Congress to invalidate 32 State laws governing surface mining with a bill as defective as this. Sixteen of the largest coal producing States have amended their State laws with more stringent environmental standards to insure reclamation.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a survey of State surface coal mining programs compared with proposed Federal legislation as well as a survey of 15 States and recent amendments to their regulations for coal surface mining.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE SURFACE COAL MINING PROGRAMS COMPARED WITH PROPOSED FEDERAL LEGISLATION

SUMMARY CHART

The chart summarizes information obtained through telephone interviews with the official most concerned with coal surface mining in each state. The format contained thirty-one questions about permit and plan requirements, public notice requirements, performance bonds, requirements for abatement of pollution and siltation during the mining operation itself, the timing of the required reclamation, future land use, grading requirements, revegetation requirements and survival standards, penalties, budget, inspection procedures, number of outstanding permits, and orphaned mine site programs. The interviewees agreed that the format covered their state programs thoroughly and agreed with the overall assessment of their program relative to the proposed Federal program.

STATE LEGISLATION COMPARED TO PROPOSED FEDERAL LEGISLATION

States with coal surface mining	Year of basic law and years amended	Administrative		Environmental		Status of orphaned coal mine sites
		Less restrictive	As restrictive	Less restrictive	As restrictive	
Alabama	1969 Surface Mining Act	X		X		Fund getting started.
Alaska (1 surface coal operation)	Alaska Land Act 1960, amended 1964, 1966, 1969	Only 1 surface coal mine at present				No program, many old sites from old Federal lease program. The 1 operator reclaiming old sites.
Arizona	Coal being surface mined on Indian lands; no State laws to cover Indian lands. No other coal surface mining in State.					
Arkansas	Open cut and Land Reclamation Act, 1971	X		X		No provision for old mines.
California	No bituminous coal extraction—only lignite. A surface mining bill will be introduced next year.					
Colorado	Colorado Open Mining Land Reclamation Act, 1973	X			X	No program. New operations on old sites doing some reclamation.
Georgia	Georgia Surface Mining Act, 1967, effective statewide, Jan. 1, 1969.	X		X		No legislation concerning orphaned mine sites.
Idaho	Idaho Surface Mining Act, 1971, Idaho Dredging and Placer Mining Act of 1954, amended 1955, 1957, 1969, 1970, 1971.	X		X		No program.
Illinois	Surface Mine Conservation and Reclamation Act, 1971	X		X		No program. Some reclamation by new operators on sites.
Indiana	Surface Mine Reclamation Act of 1967, amended 1974, still have outstanding permits from 1941 law.	X			X	Have done an inventory of orphaned lands—6,000 acres.
Iowa	The surface mining law of 1967 amended in 1973	X		X		No program. Have 12,000 acres of old sites. New operations on old sites do reclamation.
Kansas (mining operation)	Mined Land Conservation and Reclamation Act of 1968, amended in 1974.	X		X		No progress.
Kentucky	XXVIII Kentucky laws, ch. 350, 1966, amended in 1972 and 1974.	X		X		A very small scale program of $1.5 million. State has purchased 600-700 acres, Job Corps doing grading.
Maryland	Strip mining laws of the State of Maryland, 1967, amended 1969, 1974.	X		X		Have a $30/acre tax for orphaned sites and new operations are reclaiming old sites.
Missouri	The land reclamation law, 1971	X			X	No program.
Montana	Strip Mining and Reclamation Act of 1973, amended in 1974.		X[1]		X[1]	Only one orphaned area of 1,000 acres being reclaimed privately.
New Mexico	1972 Coal Surface Mining Act	?		?		Only one large orphaned site that will be reclaimed as part of a new operation.
North Dakota (lignite only)	Reclamation of Strip Mined Lands, 1970, amended 1971, 1973.	X		X		No program.
Ohio	Law enacted in 1972	X			X	Have 300,000 acres unreclaimed mineral land. Have 4 cents per ton tax, but have not begun a program.
Oklahoma	The Mining Lands Reclamation Act, 1971, amended 1972.	X		X		Have mapped old sites; some reclamation being done by new operations.
Pennsylvania	Surface Mining Conservation and Reclamation Act, 1971 and clean stream law, amended in 1970.	X			X	New operators have reclaimed 35,000 acres in past 10 years. Orphaned sites reclaimed if part of a particular watershed pollution abatement program.
South Dakota	Surface mining land reclamation law of 1971, amended 1973.	X		X		No program.
Tennessee	Tennessee surface mining law, 1972, amended 1974	X		X		A program funded by fees. Currently cannot reclaim privately owned land except as part of an experimental or watershed program.
Texas	No State regulation of coal surface mining. Will soon be a top coat state. Bills defeated in last 2 sessions of legislature.					
Utah	No mined land reclamation law; currently no coal stripping, but there is a large quantity of high quality, low sulfur coal that is strippable.					
Virginia	Surface Mining of Coal Act, 1972, amended in 1974	X		X		Program begun in 1972, but have had to use funds for enforcement program, so only able to handle small acreages.
Washington (1 surface coal operation)	Surface Mine Reclamation Act, 1970	X		X		No program.
West Virginia	West Virginia Surface Mining and Reclamation Act of 1967, amended in 1971.	X			X	Have had a program for 10 years. Department spends 25 percent of time on this program.
Wyoming	Wyoming Environmental Quality Act, 1973, amended in 1974.	X			X	No program.

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[1] Very high standards.

STATISTICS

States with ongoing strip mining operations:

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Missouri, Montana, New Mexico, North Dakota, Ohio, Oklahoma, Pennsylvania, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, Wyoming.

(Utah has strippable coal, but it is not now being stripped.)

States with only one ongoing operation:

Alaska, Washington.

States having programs that approach proposed Federal standards administratively and environmentally:

Montana.

States having programs that approach proposed Federal standards environmentally:

Colorado, Indiana, Missouri, Montana (very high standards), Ohio, Pennsylvania, West Virginia, Wyoming.

States having no regulation of coal strip mining, but having strippable coal:

Arizona—strip mining on Indian lands; nowhere else at present.

California—lignite only; state will probably enact a strip mining bill next session.

Texas—legislature defeated bills last two sessions, one will be introduced next session.

Utah—no coal stripping but lots of strippable reserves that are low in sulfur; Governor has said there will be no stripping.

States with orphaned mine sites programs:

Alabama—fund just getting started.

Indiana—lands inventoried.

Kentucky—small scale program.

Maryland.

Ohio—has a 4-cent-per-ton tax for a fund, but has not begun a program.

Oklahoma—has mapped old sites.

Pennsylvania—old sites reclaimed if part of a watershed pollution abatement program.

Tennessee—cannot spend the money on private lands unless part of experimental or watershed program.

Virginia—program started but due to increase in permit applications funds used for enforcement.

West Virginia—program has been operating 10 years.

States enacting or amending legislation since January, 1972:

Colorado, Iowa, Kentucky, Maryland, Montana, New Mexico, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Virginia Wyoming.

SUMMARY OF STATISTICS

Twenty eight States have on-going coal strip mining operations. Of these, two have only one on-going operation. Twelve States produce 93 percent of the coal nationally mined (West Virginia, Kentucky, Pennsylvania, Illinois, Ohio, Virginia, Indiana, Alabama, Tennessee, Wyoming, New Mexico and Montana—1972 Minerals Yearbook). Each of these 12 States currently has regulations on surface mining.

Six of the 12 major producing States have high environmental standards, while only Montana has high administrative standards. Since 1970 all twelve States except Alabama have either enacted new coal mining legislation or amended old legislation.

Four of the 28 States with coal strip mining have no State regulation. In Texas, coal strip mining bills have been defeated in the last two sessions of the legislature, although coal mining is increasing. Utah has no coal stripping now but there is a substantial amount of strippable coal in the States. California's lignite strip mining is still not regulated by the State. Arizona's only coal stripping takes place on Indiana lands and is not regulated by the State.

Ten States have programs for reclaiming old mine sites. Only West Virginia and Pennsylvania have been able to do substantial amounts of orphaned mine site reclamation; the remaining States have programs which are just getting started. Virginia has had to use money from the orphaned mine fund for its enforcement program due to an increase in applications for coal strip mining.

FIFTEEN STATE SURVEY OF CHANGES IN STATE REGULATORY PROGRAMS FOR COAL SURFACE MINING

In this section we discuss the changes made in the state regulatory programs for fifteen states—the fifteen states with the most strippable coal reserves. These are in order:

Demonstrated strippable coal reserve by State in millions of short tons

Montana	42,562
Wyoming	23,674
North Dakota	16,003
Illinois	12,223
Alaska	7,399
Kentucky	7,354
West Virginia	5,212
Ohio	3,654
Missouri	3,414
Texas *	3,272
New Mexico	2,258
Indiana	1,674
Kansas *	1,388
Alabama	1,184
Pennsylvania	1,181

* Figures from the Office of Fossil Fuels differ from figures given by the regulatory agencies in Kansas and Texas, probably due to different measurement techniques and definitions.

Source.—Demonstrated Strippable Coal Reserve Base of the United States, January 1, 1974, Office of Fossil Fuels, U.S. Bureau of Mines.

The information for this section was gathered through telephone interviews with only the staff of the state regulatory agencies concerned with coal strip mining. The information gathered was on a general level rather than a specific level and cannot be considered comprehensive. There follows a list of changes in legislation and regulations for each state between 1971 and 1974, implementation of these changes, and a chart showing changes in the number of regulatory technical staff between 1971 and 1974, the production of surface mined coal in 1971 and in 1973, the number of mines in 1971 and 1974, the number of technical staff per mines in 1971 and 1974, and the number of technical staff per million tons of surface mined coal in 1971 and 1973.

CHANGES IN LAWS AND REGULATIONS GOVERNING COAL SURFACE MINING SINCE 1972

Montana—Unless otherwise noted, all changes made in 1973:

1. Under the Strip Mine Siting Act of 1974, provision made for regulation of access areas.
2. Contour mining banned.
3. Permits made annually renewable.
4. Bonding limits raised.
5. More specific information required in mining and reclamation plans—geologic cross sections, maps, ownership of minerals, wells.
6. Public notice.
7. Clear authority to deny permission to mine—under different sets of criteria.
8. Mandatory topsoil segregation and replacement.
9. Specific authority for citizen's mandamus.
10. Increased civil and criminal penalties, use of state attorney general instead of local attorneys general.

Implementation

The Siting Act of 1974 had a grandfather clause which only affected two small operations. These two companies are still mining under old contracts which allow them to mine without giving a resource inventory of access areas and to mine without saving topsoil, which they are doing voluntarily however. For the rest of the operations the old contracts were cancelled within six months after passage of the 1973 Act.

Wyoming—all changes made in 1973:

1. Surface land owner consent provision. Without consent the operator must post a damages bond.
2. Requirements for a permit application spelled out.
3. Reclamation plan submitted simultaneously with the mining application—both to be approved by surface owner.
4. The operator to publish a notice of intent to mine once a week for four consecutive weeks in the local newspaper.
5. Provision for written objections to plan and public hearings.
6. Creation of Environmental Quality Council, appointed by Governor.
7. A license to mine required for each permit.
8. The operator's annual report to include maps, cross sections, aerial photographs, a revised timetable of operations for reclamation and mining.
9. A special license required for exploration by dozing.
10. Bonding requirements increased.
11. Provision for solid waste management.
12. Penalties increased.
13. Increased provision for judicial review.
14. Requirement for publication and distribution of rules and regulations.
15. Increased provision for access to records.
16. Relief from taxation on pollution control investment.
17. Creation of advisory boards on pollution prevention, abatement, and control.

Implementation

Every operator must comply by July 1, 1975. Operations on new land which began after July 1, 1973, had to comply immediately. Getting sufficient detail from operators on old sites on how they plan to comply is difficult.

North Dakota—all changes made in 1973:

1. Requirement for regrading to rolling topography and original contour wherever possible unless land to go to other use requiring a different topography.
2. Provision for saving topsoil to a depth of two feet.
3. Bond raised.
4. Provision for reseeding as many times as necessary to reestablish vegetation.

Implementation

There was a grandfather clause, with no cut-off date for universal compliance. Old operations are encouraged to comply and most are regrading and reseeding, but are not saving topsoil.

Illinois—no changes made since 1971.

Alaska:

No legislative or regulatory changes since 1971. In 1972, however, the leasing stipulation included provision for a reclamation plan.

Kentucky:

1. Increased fees for permit with provision for half the money collected to go to the affected county (1972).
2. Increased bond (1972).
3. Water quality regulations introduced (1971).
4. Revegetation requirements increased (amount of seed, mulch, topsoil saving optional) (1973).
5. Concurrent reclamation (1973).
6. A liming requirement (1973).
7. Sediment dam requirement (1973).
8. Transportation plan requirement for hauling of coal on state and Federal highways (1974).
9. Bond increased further (1974).

10. Before grading bond released, the area must be limed to a pH of 5.5 (1974).

11. No permit issued if mining would adversely affect wild rivers (1974).

Implementation

The new laws became effective immediately. Violations of the new laws occur, but it is unclear how much of this is due to the old operation/new law problem and how much would occur anyway.

West Virginia—no changes since 1972.

Ohio—all changes made in 1972:

1. Grading to original contour required.
2. Topsoil segregation and saving provision.
3. Performance bond increased to the estimated actual amount of reclamation.
4. The plan must detail provisions for prevention of discharge of acid water and sediment.

Implementation

As operators applied for new licenses they came under new law. The rules, however, are before the State supreme court as being significantly different from those announced at a public hearing. The difficult point in the regulatory procedures is getting sufficient information into the plan.

Missouri:

The 1971 Land Reclamation law was the first reclamation law. Amendments will be proposed for the 1975 legislature.

Implementation

Any mining done after March 28, 1972 came under the new law. Operators applied for permits under the new law. Trouble with compliance was minimal due to cooperation between industry and environmental groups (after a fight) in proposing a law that both agreed to.

Texas:

No law regulating coal surface mining.

New Mexico:

Law passed in 1972. Prior to that there was no law regulating coal surface mining.

Implementation

All operations have come into compliance under permit renewal procedures.

Indiana—amended in 1974:

1. Bonds and fees increased
2. Entire bond can be held by Division of Reclamation until vegetation is reestablished.

Implementation

The new amendments were implemented as new permits were given. Holding the entire bond until revegetation is established has encouraged faster reclamation. Otherwise the operation having new permits do not differ significantly from pre-amendment operations.

Kansas—changes made in 1974:

1. Reclamation board moved from Department of Labor to State Corporation Commission.
2. Fees now depend on the number of acres actually affected by a mining operation previously were $50 per application.
3. Bond amount increased.
4. Regrading to be done with soil adequate to support plant growth comparable to previous growth.
5. The Reclamation Board increased from 9 to 13 members.

Implementations

The new law has a grandfather clause, but the old operations differ very little from the post-1974-law operations.

Alabama:

No changes have been made in the state coal surface mining regulatory program since the 1969 Surface Mining Act.

Pennsylvania—no changes since 1972:

FIFTEEN-STATE SURVEY

[Changes in regulatory technical staff[1] production of surface mined coal, and number of mines in the 15 States with the most strippable coal reserves]

State	Technical staff		Production of surface mined coal (in tons)		Number of mines		Staff per number of mines		Staff per million tons coal produced	
	1971	1974	1971	1973	1971	1974	1971	1974	1971	1973
Montana	1	13	7,000,000	16,000,000	3	7	0.33	1.86	0.14	0.81
Wyoming	1	5	8,700,000	14,840,000	10	11	.10	.45	.12	.34
North Dakota	½	2	5,821,076	7,183,364	14	12	.04	.17	.09	.28
Illinois	3	8	28,961,313	28,971,317	36	34	.08	.24	.10	.28
Alaska	0	0	786,000	900,000	1	1	0	0	0	0
Kentucky	4	11	66,469,795	64,145,581	842	703	.004	.02	.06	.17
West Virginia	18	43	25,914,742	19,791,256	[2]335	[2]261	.05	.16	.69	2.17
Ohio	7	35	38,570,000	29,558,000	267	377	.03	.09	.18	1.18
Missouri	1	2	4,000,000	4,654,000	9	13	.11	.15	.25	.43
Texas	0	0	(3)	(3)	2	3	0	0	0	[illegible]
New Mexico	0	[4]5½	7,000,000	[5]7,000,000	2	5	0	1.1	0	.79
Indiana	4	5	21,400,000	24,484,784	[2]42	[2]66	.10	.08	.19	.20
Kansas	1	0	1,153,252	1,308,012	6	4	.17	0	.83	0
Alabama	4	4	12,168,741	12,110,312	100	150	.04	.03	.33	.33
Pennsylvania	6	11	31,311,965	[5]32,611,534	1,018	1,016	.005	.01	.19	.34

[1] Includes inspectors if they have technical training (defined as college level or higher training) in a field related to mining and/or reclamation.

[2] Permits.

[3] The U.S. Bureau of Mines does not release production figures due to the small number of mines.

[4] Actually 11 part-time inspectors.

[5] Amount of surface mined coal will be increased considerably for 1974.

Mr. FANNIN. Mr. President, I also wish to draw the attention of my colleagues to a resolution which was delivered to me and several of my colleagues from the Oklahoma Legislature. On January 22, 1975, the Oklahoma Legislature adopted House Concurrent Resolution No. 1002 urging the Federal Government to exempt Oklahoma, Kentucky, Pennsylvania, North Carolina, West Virginia, South Carolina, Tennessee, Maryland, and Indiana from any Federal law regulating land reclamation as a result of surface mining. This resolution demonstrates that these States have enacted strong, thorough surface mining laws which best meet the needs of their States. Thus, Federal legislation on this nature is not needed. Federal lands already are covered by regulations administered by the Secretary of the Interior.

Mr. President, I ask unanimous consent that the enrolled Oklahoma House Concurrent Resolution No. 1002 be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

HOUSE CONCURRENT RESOLUTION NO. 1002

A concurrent resolution urging the Federal Government to exempt Oklahoma and the other member States of the Interstate Mining Compact from any Federal law regulating land reclamation as a result of surface mining; and directing distribution

Whereas, various members of Congress, representatives of federal and state agencies, representatives of environmental groups, and other interested persons met in April, 1964, to discuss the condition of the environment; and

Whereas, these individuals determined that the states had not fulfilled their responsibilities by requiring land reclamation in the coal mining industry; and

Whereas, they further stated that if the states assumed their responsibilities, Congress should not impose an arbitrary set of laws, rules and regulations on the states; and

Whereas, Oklahoma has accepted this responsibility by enacting "The Open Cut Land Reclamation Act" in 1967, which required the reclamation of land subjected to surface disturbance by open cut mining of any mineral; and

Whereas, through the efforts of the mining industry, this law was repealed in 1971 with the enactment of a stricter and more efficient reclamation law, "The Mining Lands Reclamation Act"; and

Whereas, as a result of the environmental meeting in April, 1964, eight other states not only passed reclamation laws covering the surface mining of coal and other minerals, but also joined together in the Interstate Mining Compact as a means of gathering and disseminating information and statistics and of coordinating efforts to obtain the most efficient method of reclamation; and

Whereas, the Compact States include Kentucky, Pennsylvania, North Carolina, Oklahoma, West Virginia, South Carolina, Tennessee, Maryland and Indiana; and

Whereas, the reclamation laws of these States have been effective, thus eliminating any need for a dual system of regulation; now, therefore, be it

Resolved by the House of Representatives of the 1st session of the 35th Oklahoma Legislature, the Senate concurring therein:

SECTION 1. That the federal government exempt Oklahoma and the other member States of the Interstate Mining Compact from any federal law regulating land reclamation as a result of surface mining.

SEC. 2. That authenticated copies of this Resolution be transmitted to the Honorable Gerald R. Ford, President of the United States of America; the Honorable Rogers C. B. Morton, Secretary of the Interior; the Federal Energy Administrator; to each member of the Oklahoma Congressional Delegation; the Honorable John McClellan, United States Senate, State of Arkansas; the Honorable Henry Jackson, United States Senate, State of Washington; the Honorable Mike Mansfield, United States Senate, State of Montana; the Honorable Morris Udall, United States House of Representatives, State of Arizona; the Honorable Patsy Mink, United States House of Representatives, State of Hawaii; the Honorable James B. Edwards, Governor of South Carolina; the Honorable Arch A. Moore, Jr., Governor of West Virginia; the Honorable Milton J. Shapp, Governor of Pennsylvania; the Honorable Marvin Mandel, Governor of Maryland; the Honorable Julian Carroll, Governor of Kentucky; the Honorable James E. Holshouser, Jr., Governor of North Carolina; the Honorable Ray Blanton, Governor of Tennessee; and the Honorable Otis R. Bowen, Governor of Indiana.

Mr. FANNIN. Mr. President, earlier this week I placed in the RECORD a summary of the economic impact which S. 7 would have if the bill were enacted. This summary came from the Department of the Interior during a hearing on February 20. I now have available to supplement that analysis, an estimate of the increase in reclamation cost due to the proposed Surface Mining Act as it would relate to a specific coal company, the Pittsburg & Midway Coal Co. This Midwest company has quantified in terms of cost many of the bill's provisions on a per ton basis and then translated those costs to the ultimate recipient of electricity, the consumer.

In summary, coal currently is selling for approximately $5.50 per ton to a nearby utility. An estimated $4.42 per ton will be added, because of enactment of S. 7, plus an increase due to productivity losses. Using the fuel adjustment formula for the utility, the cost to the consumer will amount to at least an 8.4-percent increase over current rates which are already 18 percent above a year ago. Remember this 8.4-percent figure represents only the cost that can be estimated, because of the provision of S. 7 and does not reflect estimated costs to those States where a utility will be unable to purchase coal due to production losses and will be forced to rely upon imported high-priced foreign crude.

Mr. President, I ask unanimous consent that this entire analysis be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

PITTSBURG & MIDWAY MINING CO. ESTIMATE OF INCREASE IN RECLAMATION COSTS DUE TO: PROPOSED SURFACE COAL MINING CONTROL AND RECLAMATION ACT OF 1974

A: INTRODUCTION

The proposed Surface Mining Control and Reclamation Act legislation (S. 425) after its pocket veto by President Ford in December, 1974 has been reintroduced in the 94th Congress for its passage as S. 7 and H.R. 25. At the same time the Department of the Interior has recently proposed revision of 30 CFR part 211 regulations governing coal mining operations on public and Indian Lands. The most important and significant aspect of proposed revision of 30 CFR part 211 by the administration is that they would incorporate performance standards with respect to Federal Lands to reclaim lands in substantially the same manner as will be required in S.B. 425 of 93rd Congress (except for Sec. 712 thru 716 covering surface owner protection clauses).

B. ADDITIONAL COST TO THE COAL PRODUCER DUE TO NEW LEGISLATION

The proposed Federal Surface Coal Mining legislation or revision of 30 CFR part 211 regulations by the Department of Interior will result in incurring additional cost for reclamation and complying with many other provisions. However, it is not possible to relate explicitly all the specifics of the proposed legislation into additional cost to the producer due to degree of subjectivity involved in the interpretation of the act. There are some provisions of the act for which accurate costs can be estimated given a set of parameters. These are tangible costs and include items such as moving of spoil material, elimination of highwayy banks, grading of land to approximate contour level and the reclamation fee of 35¢ per ton of coal produced by surface coal mining for the restoration of previously mined areas. Most of these tangible costs have distinct relationship with spoil geometry, coal seam thickness and pitch, ground surface pitch, depth and slope of initial box cut and final highwall cut, type of equipment used for grading to original contour, spoil swell factor etc.

There are many other additional costs which will surely be incurred if the proposed legislation is approved; but these costs have no bearing on general mine parameters described above under tangible costs. The intangible costs include such items as cost of the publications of blasting schedules and contacting of people who might be affected by mining activities; cost of maintaining hydrologic integrity; costs involved in the analysis of all strata for toxic compounds; fees for posting reclamation bonds; the cost of litigation which is sure to arise out of adoption of the proposed legislation; cost of seeding, reseeding, fertilization and guaranteeing to grow vegetation on mined out areas for prolonged periods of time; cost of additional clerical personnel to maintain detailed records of mining activities and reclamation engineers to work on these problems etc. All these intangible costs are to a large extent dependent solely on the specific characteristics of a particular mining operation and thus there is difficulty in assigning an explicit relationship to any of these costs. However, we shall try to closely estimate these costs to represent Western strip coal mining areas.

C. TANGIBLE COSTS

In order to evaluate the tangible costs involved in the proposed legislation it is necessary to consider an idealized strip mine situation so that a model could be developed to aid in cost studies. Several assumptions are made to facilitate the creation of the model. These assumptions are:

(1) The coal seams are horizontal, homogeneous and uniform in thickness;

(2) The topography has a uniform slope increasing uniformly in the direction of mining and or Highwall;

(3) The width of mining cut is uniform regardless of overburden depth;

(4) Track type bulldozers and wheel tractor scrapers are used for regrading mined out areas to original contour level;

(5) Mining will continue until a final specified mining depth is reached, (in this case 200 ft. is specified);

(6) A uniform thickness of topsoil is prevalent throughout the mining area; and

(7) Strict adherence to the requirements of the legislation is maintained.

The model that is developed here requires that general mine parameters be specified. These parameters are as follows:

(1) the thickness of the coal seam in feet (1 to 100 feet);

(2) slope of the ground surface in degrees (2 to 20 degrees);

(3) depth to the top of the coal seam at the box-cut (25');

(4) the final mining depth to the coal (200');

(5) the swell factor of the overburden material (25%);

(6) the slope angle of the highwall (67 degrees) and the slope angle of the spoil piles (39 degrees) measured in degrees from a horizontal reference;

(7) the width of each mining cut in feet (100 ft.);

D. INTANGIBLE COSTS

As was mentioned elsewhere in this report, the intangible costs are largely dependent solely on the specific characteristics of a particular mining operation. However, an attempt will be made here to generalize these costs to fit all strip coal mining situations in the Western U.S.:

Proposed article in S.B. 425, effect, and additional intangible cost/acre in 1975 dollars

502(f) (1); there will be at least one inspector every 3 months without advance notice; negligible.

505(b); any State law or regulation that is more stringent than the Federal Regulation will not be inconsistent with the Federal Regulation. And Federal Regulation which is more stringent than the State regulation shall not be considered inconsistent; ignored.

505(c) mining must commence within three years of the issuing of the permit; negligible.

507(b) (6); the specific mining plan has to be published in a newspaper of general circulation for four successive weeks prior to the application for the permit; $3.

507(b) (11); a determination of the hydrologic consequences of the mining and Reclamation must accompany the application permit (assume one hole/100 acres @ 500 ft. depth); $100.

507(b) (16); all drillhole logs, coal seam thickness data, coal seam analysis, chemical analysis of potentially acid or toxic horizons and stratum lying immediately underneath the coal to be mined are to accompany the application for mining permit (assume one hole/50 acres @ 200 ft. depth and analyze 10 soil samples and 10 coal proximate and ultimate analyses); $50.

509(a); a reclamation bond of no less than $10,000 shall be filed with the regulatory authority. The amount of the bond is determined by the authority. (Assume $2,000/Acre bond for an average life of 5 years @ ½% bond fee annually assume also that 100 acres will be distributed annually); $25.

510(b) (5); stopping adverse effect on valley floors underlain by unconsolidated stream laid deposits so that farming and ranching can be practiced; $100.

513(b); any person with a valid legal interest or the officer or head of any Federal, State or Local governmental agency shall have the right to file objections to the proposed initial or revised application for mining permit. (Assume a 5000 acre lease would have at least two law suits to this effect incurring $5,000/site—a one time cost); $2.

515(b) (2); restore land to higher or better uses in such a manner as to not create a public hazard vegetation, reseeding for 5 years fertilizing, etc.; $700.

514(b) (4); stabilize all surfaces to effectively control erosion; $50.

515(b) (10(A); minimize the disturbance to the prevailing hydrologic balance by (a) preventing water or removing water from contact with toxic materials (b) treating drainage to reduce toxic content, and (c) casing, sealing or otherwise managing bore holes; $50.

515(b) (10) (B); the suspended solids content of any surface water is not allowed to increase above premium levels (Need additional water impoundments); $100.

515(b) (10) (C); all temporary or large siltation structures must be removed from drainage after revegetation; $25.

515(b)(10)(D); the recharge capacity of any aquifer must be restored to premium conditions; we can't even venture to estimate such a cost which could be tremendous.

515(b)(10)(E); the hydrologic integrity of alluvial valley floors in arid and semi arid areas of the country must be maintained. (Assume General Hydrology not including recharge of aquifers); $550.

515(b)(11); all refuse materials including coal processing wastes must be compacted in layers, contoured and revegetated; $250.

515(b)(15)(A); provide written notice of all blasts to local governments and residents who might be affected. A log of all blocks, and magnitudes must be kept for two years. (Assume 2 men will be working one shift/day to meet this regulation—100 acres will be mined annually); $300.

517(b)(2); if an aquifer which significantly influences groundwater on or adjacent to the mine is disturbed then the operator shall (a) monitor the quality and quantity of surface drainage as desired by the mining authority, (b) keep track of all precipitation and (c) keep all well logs and borehole data; $50.

521(a)(2); the Federal government can order an immediate cessation of surface coal mining for non compliance with the proposed regulation; ?

527(c); for coal mines west of the 100th meridian which involve multiple seams additional regulations will be forthcoming; ?

Sec. 716; surface owner protection clause; $100.

All other regulations—unforeseen circumstances, citizens suits, legal staff, litigations, penalties etc.; $145.

Grand total intangible costs, $2,600.

[Due to mechanical limitations the tables referred to will be printed in a subsequent edition of the Record.]

Mr. FANNIN. Mr. President, I read with interest the recent U.S. News & World Report article "Those Shocking Electric Bills and the Complaints They Bring" dated February 24, 1975. It reported that anger at soaring utility rates is spreading like wildfire across this country, causing some people to react by cutting their power off completely and other consumers to cut back their usage drastically. The power companies have been hit by higher fuel prices, higher interest rates on capital needs for expanded generator capacity, the astronomical cost of environmental controls, and finally, inflation. This report charts the rising cost of electricity in many areas, including Washington, D.C., where electric rates have increased in 1 year, 1973–74, 25.1 percent. Power rates are up 19.3 percent in Atlanta, 29.1 percent in Cleveland, 32.8 percent in Boston, 21.7 percent in Los Angeles, and 37.6 percent in New York City.

Surface mined coal provides more than one-half of the feed stock for utilities in this country. The coal industry last year produced nearly 600 million tons and the future demand for coal mounts every day because of the pressure caused by high priced foreign crude oil, and yet the Congress is hellbent on passing a surface mining bill that will result in a loss of from 48 to 141 million tons of coal. For every million tons of strip coal production lost, 3,333,000 barrels of oil will be required as an alternative fuel at least in Arizona, because of the Btu content of coal available there and because neither natural gas nor nuclear power are available in the short term. To substitute this 3,333,000 barrels of oil for each million tons of coal will cost the Arizona electric consumer over $37 million per year per million tons. Even proponents of this bill such as Senator Jackson and Representative Udall concede the bill will increase coal production costs. There is no doubt that consumers will be asked to pay very heavily for the folly of this Congress if we ignore all of the economic impacts and pass this surface mining bill.

Mr. President, there is one other pertinent set of facts which resulted from the Interior Committee's hearings on February 10, 1975. The Department of the Interior responded to written questions from both the House and the Senate on specific provisions of the bill vis-a-vis the administration's bill, S. 652. I ask unanimous consent that these questions and answers be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Question From Fred Craft, Minority Counsel, Senate Interior and Insular Affairs Committee

QUESTION

Assuming that any surface mining legislation approved by the Congress and the President would result in the loss of some annual production of surface mining coal, is it possible for the industry to compensate for this loss without the resumption of leasing of federally-owned coal?

ANSWER

It is not possible to answer this question with an unqualified Yes or No. Whereas significant reserves of coal are now under lease, about half of the mining units involving Federal coal leases are already under long term contracts. It does not logically follow that the remaining Federal leases are located in relation to existing mining operations which would guarantee that those operations could continue and be expanded without additional Federal leases and prospecting permits. Also, many power plants cannot readily be converted from one coal to another.

It can only be categorically stated that it would be indeed more probable that the estimated loss of production could be recaptured after a few years by existing or new operations if the leasing of federally-owned coal was resumed. Conversely it can be assumed that it will be more difficult and less probable that the loss of production due to the passage of a surface mine bill can be recaptured if Federal leasing is not resumed. Only a precise analysis of each ongoing operation and its adjacency to Federally-owned coal could reflect each individual probability for the need for additional leasing so as not to disrupt ongoing operations.

Questions Submitted for Senator Richard Stone, Florida

QUESTION

1. What application does the S. 652 bill have to minerals other than coal? If the bill does, in fact, apply to minerals other than coal, what research has been conducted on the economic impact of the bill on these minerals?

ANSWER

The Administration bill as well as S. 7 applies to minerals other than coal in the aspects. Title VI of S. 7 and Title V of the Administration bill give the Secretary the Authority to designate Federal lands unsuitable for mining operations for minerals or materials other than coal. Before such an action is taken a public hearing must be held and valid existing rights are not to be affected by such a designation. Exploration is not to be prevented.

Section 711 of S. 7 and Section 609 of the Administration bill call for a study of reclamation standards for surface mining of other minerals. The study is to be completed within eighteen months (twelve for sand and gravel) and is for the purpose of determining whether standards of the coal legislation could be applied to other minerals, and for discussing alternative mechanisms for reclamation.

Inasmuch as no valid existing rights are to be affected by the designation of lands unsuitable for mining and inasmuch as the study will have no immediate impact, there should be no immediate economic impact of this bill in its application to minerals other than coal.

To the degree that reclamation standards and technology comparable to those required by the proposed legislation were to be imposed upon the mining of other minerals than coal, costs comparable to those projected for this bill would be anticipated.

Finally, S. 7 and H.R. 25 would establish a State Mining and Minerals Resources and Research Institute program which could include research on all minerals. However, the Administration bill deletes this title because it represents an unnecessary new spending program, duplicates existing authorities for the conduct of research, and could fragment existing research efforts already supported by the Federal government.

QUESTION

2. What provisions are in the bill to prohibit mining of land considered "unsuitable"? If such provisions are in the bill, what safeguards are there to prevent capricious and arbitrary designation of such "unsuitable" lands?

ANSWER

Each bill contains provisions to prohibit the mining of land designated unsuitable for surface coal mining. The Administration bill varies from S. 7 in several instances. A public hearing on a request for such a designation, although provided for, is not mandatory in every case as required by S. 7. The Administration bill does not institute a total ban on surface coal mining in the National Forests as does S. 7. The Administration bill does not prohibit mine access or haulage roads from joining public roads as S. 7 might be interpreted to do.

The Administration bill and S. 7 prevent capricious and arbitrary designations of lands as unsuitable for surface coal mining by providing for public hearings, written decisions, prior to any such designation, the preparation of a detailed statement concerning the impact of such a designation, and, under other sections, judicial review. It is also expressly provided in both bills that no lands may be designated as unsuitable on which operations are being conducted on the date of enactment or where substantial legal and financial commitments were made prior to September 1, 1974.

QUESTION

3. What provisions are contained in the bill for appraisal of other surface mining industries and possible need to extend the provisions of this bill to those minerals? Who makes the determination, and upon what guidelines, as to the need for such remedial legislation with respect to other minerals?

ANSWER

As stated in the answer to Question 1, each bill provides for an 18 month (12 in the case of sand and gravel) study of the need for reclamation standards for surface mining of other minerals. The study is to be conducted by the National Academy of Sciences-National Academy of Engineering, or other entities as contracted with by the Chairman of the Council on Environmental Quality. The Congress, based upon the recommendations of the President and the results of the study, of course, will make the determination as to the need for remedial legislation with respect to other minerals.

QUESTION

∴. What provision does the bill make for avoidance of conflicts and overlapping authority with regulations of EPA and other government agencies?

ANSWER

Both bills provide that nothing in the bill shall be construed as superseding, amending, modifying, or repealing a large number of Acts, including the National Environmental Policy Act of 1969. They also provide that nothing in them shall effect in any way the authority of any Federal Agency to include surface mining regulations in instruments dealing with lands under their jurisdiction. Each bill also requires each Federal Agency to cooperate with the States and the Secretary of the Interior to the greatest extent practicable in carrying out the provisions of this Act.

Each bill contains requirement that the Secretary of the Interior obtain the written concurrence of the Administrator of the Environmental Protection Agency with respect to those regulations and those sections of State programs which relate to air or water quality standards. Each requires the Secretary, prior to approving a State program, to solicit and publicly disclose the views of EPA, the Secretary of Agriculture, and the heads of other Federal agencies concerned with or having expertise pertinent to the proposed State programs.

QUESTION

Since the amount of coal contained within alluvial valley floors is tiny compared with other strippable coal reserves in the West, is it not an unnecessary sacrifice of our most valuable and productive agricultural lands to strip in these areas?

ANSWER

In the absence of a clear understanding of the extent of alluvial valley floors, it is difficult to accept a characterization of strippable alluvial reserves as "tiny" compared to other Western reserves. But even should this ratio be later determined to be relatively low, it does not alter the fact that over the next decade, reserves contained in Western alluvial floors could constitute a significantively low, it does not alter the fact that over burden is significantly shallower and easier to remove than in other strippable reserves, making them within the foreseeable future a more economically viable source of energy supply. Economic considerations should be allowed to play their legitimate role in determining the use at any given time for lands for which several uses are possible, always assuming that these considerations include the full cost for reclamation for further use. Because we believe that reclamation of alluvial valley floors is possible, and that where such possibility does not clearly exist mining should not proceed, no "sacrifice" of agricultural lands is seen as forthcoming or necessary.

QUESTION

Why is the Administration advocating language which would exempt "potential" farming or ranching lands from restrictions on permits to mine through alluvial valley floors, when coal companies in Montana are supporting such language in State legislation?

ANSWER

The Administration believes that without this qualification a stringent interpretation of the permit issuance provision could bring to a halt much new coal production in alluvial valley floors in the West. It is our understanding that similar but not identical language is reluctantly endorsed by several surface coal mining companies in legislation now before the Montana legislature. They apparently believe that while this language will not immediately impact ongoing operations, eventually very large amounts of reserves will be sterilized. New mining operations in the West would have to develop reserves located in different areas where mining costs were significantly higher.

QUESTION

Does the Mine Enforcement Safety Administration (MESA) sanction strip mining within 500 feet of active underground mines?

ANSWER

At the present time the Mine Enforcement Safety Administration does not contain in its regulations a prohibition of mining within a certain distance of an active underground mine and does permit mining within 500 feet of active mines where such activities do not endanger miners safety.

One of the purposes of this bill is to encourage full recovery and use of our Nation's resources. To accomplish this end every effort, within the bounds of mineworkers safety and environmentally sound practice, should be utilized. The same reasoning for which the Administration advocated the removal of the restrictions on mining within 500 feet of abandoned mines would apply to the restriction so placed on active mines. The barrier pillar which would remain between a stripping operation and an active underground mine could constitute an unnecessary resource loss which might not be recovered at a later time. It is our view that if this resource could be mined without endangering the safety of the miners involved, then it should be mined.

VIOLATIONS OF THE ACT: IMMUNITY FOR COAL COMPANIES

Question

Is not the effect of [the] Administration [citizen suit] amendment an attempt by the industry and the Administration to do an "end-run" on Congress? Is not the effect of immunity from the provisions of the Act another way of saying that Congress can spend four years debating a piece of legislation only to have the executive branch—through the promulgation and enforcement of regulations—broadly interpret the Act, while giving the industry immunity from violating provisions of the Act?

Answer

The Administration supports the use of citizen suits as an enforcement device in surface mining legislation. Under the Administration provision suits would be allowed to compel mine operator compliance with applicable rules, regulations, permits and orders—that is requirements specifically applicable to the operator. Citizen suits would not be permitted against operators where it was alleged that the regulations or permit were in violation of the Act. To remedy such situations, suit should be brought against the regulatory authority.

Both the Administration proposal and S. 7 provide appropriate full review and opportunity for participation in the rulemaking and permit-granting process which will protect legitimate concerns. Where unforeseen circumstances result in a serious and unforeseen hazard from an operation, the citizen may compel the Secretary or the regulatory authority to act immediately. Immediate shutdown of an operation is authorized, while if actual damage to a citizen is occurring, section 520 grants jurisdiction to the Federal courts to entertain a civil action without regard to jurisdictional amounts or diversity. Finally, all existing rights are preserved.

The Administration provision does not undercut citizen enforcement, since it allows such suits where operators are not complying with applicable rules, regulations, permits or orders and allows citizen participation in promulgation and review of rules and regulations.

"ABSOLUTE" TERMS

Question

Why is the term "prevent" when used in [the] context [of the testimony of the Interior Department witness at a West Virginia hearing on Coal Mine Waste embankments last July] considered a "flexible term" while when it is used in H.R. 25 it is an "inflexible" term which causes trouble?

Answer

Following the July 23, 1974, public hearing on proposed regulations governing coal mine refuse piles and impounding structures held in Charleston, West Virginia, the Secretary published findings of fact in the Federal Register (39 FR 38660, Nov. 1, 1974). *Finding* (23) states that, "Abandonment plans for refuse piles must have provisions to prevent future impoundment of water to ensure their stability. Abandonment plans for impounding structures must have provisions to either prevent future impoundment or in the alternative prevent major slope instability in order to ensure their stability."

In the case of these proposed regulations "prevent" is an inflexible term just as it is in H.R. 25. Future impoundment of water behind abandoned structures is a very destabilizing factor that may endanger lives and therefore must be prevented. Technology in the form of the construction of diversion ditches and other preventive measures is readily available to prevent such future impoundment of water, and therefore compliance with these proposed regulations is not unreasonably inflexible. No such technology exists to enable an operator to comply with the preventive provision of H.R. 25, and therefore those provisions are unreasonably inflexible because a court would have no choice but to give the language the literal interpretation. For example, the requirement that surface coal mining be conducted "so as to prevent additional contributions of suspended solids to streamflow . . ." (§ 515 (b) (10) (B) is unreasonably inflexible in light of the nature of surface mining and the present state of technology.)

NECESSITY TO WRITE SPECIFIC REQUIREMENTS

Question

[T]he regulations recently circulated by the Department to be applied to Federal lands are, in general, a mere restatement of the standards of the legislation (with some serious weakening modifications).

Is this a signal to the Committee that if any changes are to be made, in H.R. 25, such changes should be in the direction of writing more specifications into the law in order to make certain that Congressional intent is carried out?

Answer

The Administration bill and the recently proposed regulations which will apply to the reclamation of surface mined Federal coal lands contain those general performance standards which the Congress and the Administration agree should be included in a good reclamation program. Throughout the progress of S. 425 and H.R. 11500 there was little disagreement on these standards. Where there was disagreement, they reflect the Administration position. The objections to S. 425 as reported by the Conference committee and to S. 7 and H.R. 25 now before the Congress, are that the Secretary has little flexibility in choosing methods by which these goals can be reached.

The Administration bill and the proposed regulations would allow the Secretary to make site-specific determinations on whether the performance standard relating to approximate original contour needs to be varied to achieve the approved land use, taking into consideration the climate, terrain, and other significant physical features of the area to be mined. In the proposal regulations these specific decisions will be made by the Area Mining Supervisor. The "gaps" in the regulations will be filled after an on-site inspection and thorough consideration of each standard in relation to that location. No surface mining will be allowed where reclamation cannot be accomplished.

The performance standards in S. 7 and H.R. 25, with the few changes recommended by the Administration, represent a satisfactory effort to balance the need for general performance standards and the need for adequate guidance in achieving them. Any changes in the direction of writing more specifications into law would be both unnecessary and unreasonably restrictive.

Question

Why has there been a continued push to weaken the provisions in H.R. 25 concerning waste impoundments and how does this relate to the delay in promulgating new regulations for the construction of waste impoundments?

Answer

It is the Administration's position that there should be strong and reliable regulations to provide for safe and adequate construction of waste impoundments. However, these regulations must include realistic requirements which would not unreasonably restrict construction of such impoundments. It is the Administration's opinion that the provisions in H.R. 25 concerning impoundments could be unduly restrictive in determining the location of impoundments. These provisions, if not amended, could preclude almost all construction of impoundments because it is almost impossible to provide a feasible location where, if failure should occur, there would not be some danger to public safety. Almost any impoundment or dam in the Nation, if it were to fail, could create a hazard to public safety.

Proposed new regulations, promulgated by the Department under the "Coal Mine Health and Safety Act of 1969," have now been formulated after a long period of delay due in recent part to problems encountered in obtaining approval of the environmental impact statement. A final statement has now been submitted for legal approval, after which the new regulations will be published in the Federal Register.

EQUIPMENT VARIANCE

Question

Why . . . is [an equipment] variance necessary and isn't it a wide open loophole to allow an operator to use his equipment just for the profitable mining of coal while ignoring sound reclamation practices?

Answer

Section 402(d) of the Administration bill provides that the permittee or the applicant for a petition the regulatory authority for a variance from the return to approximate original contour requirements during the interim period if he demonstrates to the satisfaction of the regulatory authority that he has not been able to obtain the equipment necessary to comply with such standards.

Several important safeguards are provided in section 402(d) to protect against abuses in the administration of this provision for equipment variances. Before such a variance is issued the regulatory authority must publish a notice and offer an opportunity for a public hearing. Any decision to grant or deny a variance would be subject to the strict standards of the Administrative Procedure Act. The operator would have to conduct his operation so as to meet all other interim standards, and the alternate surface configuration must be stable and in accordance with a mining and reclamation plan approved by the regulatory authority. The operator must also demonstrate that the approved modification to the return to approximate original contour requirement will not cause hazards to health and safety of the public or significant imminent environmental harm to land, air, or water resources. Furthermore, the variance would only apply to the relatively short duration of the interim period.

Section 402(d) is not "a wide open loophole to allow an operator to use his equipment just for the profitable mining of coal while ignoring sound reclamation practices." With the safeguards provided in section 402(d), the equipment variance is a reasonable measure permitting coal to be surface mined in an environmentally sound and approved manner while equipment is unavailable to the operator through no fault of his own. It must be remembered that there are serious backlogs of orders for heavy earthmoving equipment and that not all coal is surface mined with the same equipment used in the reclamation of mined land. For example, coal is often surface mined by draglines, shovels and trucks, whereas bulldozers are needed for return of the land to approximate original contour.

Question

How do you justify including a proviso which would allow the regulatory authority to waive the required "determination of hydrologic consequences" if "adequate data" is available without any requirement that a site specific determination be made?

Answer

Under the present language of S. 7 pertaining to the hydrologic data to be submitted with an application, the applicant would have to provide the hydrologic data even where the data are already available; this creates a potentially serious and unnecessary workload for small miners. The site investigation required for the permit application could provide adequate information which could determine, along with any available hydrological data from adjacent areas, whether or not a permit should be issued.

CITIZEN SUITS

Question

The Administration contends that the citizen suit provision of H.R. 25 is unacceptable as it allows a citizen to sue for a violation of the Act as well as for a violation of the permit of regulations. It is argued that the provision of H.R. 25 would result in attack on the validity of a permit after such has been issued through the administrative process.

(a) Why is the citizen suit provision of H.R. 25 unacceptable when a provision identical, in substance, to it was approved by the President when he signed the Deepwater Ports bill into law just a few weeks ago?

(b) A similar citizen suit provision is found in Ohio law. Has the Administration any information that the Ohio law has led to harrassment? (In fact no suits have been brought under the Ohio Statute since its enactment in 1972).

Answer

(a) The citizen suit provision is one among many factors in consideration of both bills. The risk of adverse developments resulting from citizen litigation relates to the entire law and not merely the similarity of the citizen suit provision itself.

Surface mining legislation differs from deepwater ports legislation in that the former involves a large number of possibilities for litigation because of the large number of mines and potential issues. The uncertainties, ambiguities and greater detail in statutory specification of standards in H.R. 25 and S. 7 increase the possibility of adverse consequences of citizen suits. In contrast, relatively few deepwater ports are contemplated, the operation of that legislation was substantially simpler and clearer and the consequences of successful litgation likely to be less significant.

(b) The Ohio citizen suit provision is substantially different from those of S. 7 and H.R. 25. Only the State Attorney General and persons adversely affected or about to be adversely affected can bring suits directly against the operator. When another class of persons, i.e. "residents", have knowledge that the Ohio laws or rules promulgated thereunder are not being enforced, their only recourse is an action in mandamus to require the public officials to enforce the law or rules. Additionally, the Ohio citizen suit provision does not provide for the awarding of costs of litigation, the filing of a bond, or attorney fees all of which are included in S. 7 and H.R. 25.

Question

Can you explain why provisions dealing with subsidence which the Department has claimed accounted for most of the production losses is not addressed in the President's letter?

Answer

While it is true that in the Department of Interior's May 27, 1974, report sent to the House Interior Committee showed that there would be a major loss in production due to the provisions of H.R. 11500 relating to the subsidence control aspects of underground mining, there have since been adopted changes in the language improving this provision to the point where the Administration no longer considers this a major source of production loss. The specific impoverishing language referred to includes the wording "adopt measures consistent with known technology" and also the inclusion of the proviso, "That nothing in this subsection shall be construed to prohibit the standard method of room and pillar continuous mining".

Our consistent position has been that measures taken to control land surface subsidence, resulting from underground mining, are proper. We feel that the language as now written in S. 7 is consistent with our position and offers proper safeguards while not being unreasonably restrictive.

Question

Why is there a discrepancy between Secretary Morton's November 19 letter in which he reported an estimated coal production loss at 14–38 million tons per year and the present Administration estimates at 48–141 million tons per year?

Answer

The estimated coal production loss at 14–38 million tons per year represented the estimate during the year immediately following the passage of the bill or for the interim period and was related to current production. The estimate at 48–141 million tons per year represents the estimate at the time and for the period following full implementation of the legislation. It is based on what the planned production would have been at that time to meet the goals of Project Independence.

Question

Where are the analysis and data to back up the assertions of estimated coal production loss at 14–38 million tons per year and at 48–141 million tons per year?

Answer

Production losses were arrived at by examining the likely impact of various provisions of the bills on projected production, and estimating the losses associated with adjusting or curtailing such production to meet the various requirements. Current coal prices and the application of present mining methods and site selection procedures were assumed.

Production loss figures for the first full year of the interim period represent cutbacks only in current production operations. The coal production loss at 14–38 million tons per year during the year immediately following the passage of the bill or for the interim period was documented on a July 30, 1974, analysis by the Bureau of Mines of the potential production impact of H.R. 11500 (S. 425) as passed by the House on July 27, 1974. A copy of this document is enclosed.

The coal production loss of 48–141 million tons per year or those coal production loss figures for the first full year of complete implementation at the legislation represent losses to projected production. The assumptions underlying these figures follow:

(1) Coal prices would not increase

(2) Mining technology would remain at its present state

(3) New mining areas would not be opened in the West

(4) Capital investments would not increase in mining and related industries.

If the reverse of any of the above assumptions occurred, the overall coal production could increase.

Coal production losses for this period were related to projected production for that period. In the Project Independence Blueprint for coal specific target goals were established for two scenarios; "Business-As-Usual" and "Accelerated Development." It would be assumed that any production figure lower than the surface mine production target goal for that year represents a loss which would have to be made up from underground mine production in order to meet the total mine production anticipated for that year. Assuming full implementation by 1977, when the target level for surface mine production under the "Business-As-Usual" scenario is 394 million short tons and under the "Accelerated Development" scenario is 519 million tons.

An explanation of the scenarios follows:

BUSINESS-AS-USUAL SCENARIO

In arriving at the production figures listed it was assumed that no significant expansion in coal production would occur between 1975–1977 because of the long leadtimes required for new mine development. For the years 1977–1980, however, it was assumed that there would be available for new mines or additional expansions. It was also assumed that after 1975 there would be some acceleration in the development and installation of stack gas scrubbers to permit the use of large volumes of otherwise nonpermissible coal; that current manpower shortages would be somewhat alleviated and that adequate transportation facilities for shipping coal would be available.

The following additional assumptions were also made in arriving at the Business-As-Usual figures: that there would be no major disruptions to coal production as a result of new legislation; that existing mining methods would continue to be utilized in the earlier years; that significant increases in the production of low-sulfur western coal would occur after 1977; and that production from deep mines in the East would decline over the years as the emphasis shifts to low-sulfur western coal.

ACCELERATED DEVELOPMENT SCENARIO

In arriving at the production estimates for the Accelerated Development Scenario the following assumptions were made in addition to those made under the Business-As-Usual scenario: that some of the present requirements of the Clean Air Act would be relaxed; that substantial coal leases would be issued on Federal lands; that States would not impose any seriously adverse regulation on surface mining; that there would be adequate capital to finance major new mining operations; that there would be no significant manpower or transportation limitations; and that new technologies for utilizing and converting coal would be developed rapidly.

The data basis to support the various assertions is derived from a multitude of material. A basic document which contains both historical and forecast information is the Final Task Force Report of Project Independence Blueprint for coal of November 1974. In addition, a number of reference documents, reports of investigations, etc., were used as well as a review of the reclamation associations for various states and state reclamation agencies.

The analysis of the loss within the range of "minimum" to "maximum" depends on the interpretation of the various provisions of the legislation and of the implementation of these provisions. Anticipated losses therefore stem from the technical and administrative burden placed on the surface mine operation.

ESTIMATED PRODUCTION LOSSES UNDER COAL SURFACE MINING CONTROL LEGISLATION

[In millions of tons annually]

	Interim period				Complete implementation			
	H.R. 25–S. 7		H.R. 3119–S. 652		H.R. 25–S. 7		H.R 3119–S 652	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Small mines [1]	11	22	11	22	22	52	15	30
Steep slopes, siltation, aquifers [2]	3	16	3	16	15	68	7	38
Other losses, including alluvial valley floors [3]	1	12	1	12	11	21	11	12
Total	15	50	15	50	48	141	33	80

[1] Small mines include those mines producing 50,000 tons or less annually. These mines produced approximately 40,000,000 tons in 1973. It is anticipated they could produce 52,000,000 tons in 1975.

[2] Estimated production losses due to requirements concerning spoil on downslopes, reclamation to approximate original contour, siltation constraints, aquifer protection, and hydrologic problems.

[3] Anticipated other losses represent those losses, in addition to losses from all uvial valley floor constraints, due to varying interpretation of and compliance with the legislation, manpower and equipment problems, and decrease in productivity.

Question

To what extent can the Department of the Interior apply its proposed regulation on "diligent development . . . etc." to outstanding leases?

Answer

All coal leases were issued pursuant to the Mineral Leasing Act of 1920, which requires that coal leases be issued upon the condition of diligent development and continuing operation of the mine or mines. New draft diligence regulations are being reviewed internally and where appropriate will be made applicable to outstanding leases.

Mr. FANNIN. Mr. President, in conclusion, I would ask my colleagues to seriously measure whether this Nation can afford such an expensive and disastrous bill as S. 7, the Surface Mining Control and Reclamation Act of 1975.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER.** Is there further morning business? If not, morning business is closed.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Mr. ROBERT C. BYRD. Mr. President, what is the pending question before the Senate?

The **PRESIDING OFFICER.** The pending question is on agreeing to the motion of the Senator from Minnesota (Mr. MONDALE) with respect to Senate Resolution 4.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. BAYH. Mr. President, today we are once again making an effort to amend rule XXII of the Standing Rules of the Senate regarding the number of votes necessary to cutoff debate on any matter pending before this body.

We are voting today, as we did last week and on Monday, on a series of complicated parliamentary maneuvers designed to give this body a chance to express its will on whether it wishes to adopt Senate Resolution 4, a resolution which would allow the Senate to cut off debate on a pending matter by a margin of three-fifth of those Senators present and voting, as opposed to the practice of the past few Congresses where the margin was two-thirds present and voting. Senators from both political parties have attempted to change rule XXII in exactly this manner on several different occasions. I have supported those efforts in the past, and I do so today.

We have heard arguments during these past days of debate on rule XXII from those who oppose our resolution. They insist that we are leading this body down a path of doom. They argue that we are not only ignoring minority rights, but we are establishing a precedent for future despots who will have the control of the Senate in their hands alone. Mr. President, given the operation of the Senate over the last few legislative days, I find this indeed an ironic statement. To quote from an excellent Washington Post editorial this morning:

> As Senator Allen has so amply shown this week, a single senator with a sure grasp of the rules has many weapons for delaying action and frustrating the majority.

A change of the filibuster rule will do nothing to remove those weapons from those in the minority who cares to use them.

For those Members of the Senate who feel that we are seeking to destroy minority rights by supporting the series of parliamentary motions made by Senator Mondale and Senator Pearson I can only say that I am sure that none of the cosponsors of Senate Resolution 4, myself included, want to abrogate the minority's right to be heard. By changing the number of Senators necessary to bring a pending matter to a vote, we are not attempting to stifle full and adequate debate on any issue. What we are attempted to prevent is legislative paralysis. Only by allowing the Senate to come to a vote on pending legislation can we respond to the vital questions before us during this troubled time in the expeditious and timely manner.

I think it is important, Mr. President, that we recognize this is not a new problem before the Congress. When cloture was first created by the Congress in 1917 as a means for ending debate on pending motions, many of these very same arguments were debated on the floor of the Senate. Since we adopted the cloture rule in 1917, there have been exactly 100 cloture votes in the Senate. Cloture has succeeded under the two-thirds rule on only 24 of these occasions, even though a majority of those voting supported cloture motions on 82 different occasions.

Of the 100 cloture votes since 1917, 44 received a three-fifths majority, 20 more than those that actually succeeded under the two-thirds rule. Thus a change to three-fifths does not leave minority rights unprotected. It merely gives the majority a better chance.

Over the years we have seen many examples of vital and timely issues left unanswered by the Senate because of the inability of the majority to achieve the necessary margin of two-thirds. Ironically, in many of these instances, the question at hand was the protection of minority rights; for example, the use of the filibuster to block anti-poll tax laws in the 1940's; to prevent the passage of fair employment legislation in 1946 and 1950, to thwart civil rights legislation in 1957 and 1960, to stop voting rights legislation in 1966; to block open housing legislation in 1968 and to prevent the passage of voter registration legislation in 1973. In many of these cases the use of the filibuster prevented the Senate from voting on the pending measure; in others just the threat of the filibuster was enough to kill the legislation.

In the past Congress it was the filibuster that killed the consumer protection agency, killed the tax cut that might have well alleviated our current recession, killed the repeal of the oil depletion allowance, and delayed the enactment of meaningful campaign reform legislation. In this Congress I am told, we can expect filibusters on the extension of the Voting Rights Act, the consumer protection agency, and on no-fault insurance.

While it is true, Mr. President, that I remain basically opposed to the use of unlimited debate in this body to frustrate the will of a commanding majority, I find myself equally opposed to the actions of the Senate which represent the other extreme—using cloture to cutoff debate on a piece of major legislation before the Senate can possibly be expected to examine thoroughly the merits of that legislation.

During the closing weeks of the last Congress, we witnessed several examples of abuse of proper procedure in this manner. We witnessed the filing of a cloture petition on the Eximbank Conference Report after only a few hours of debate, a report which contained significant changes from the legislation that originally passed the Senate some months before the filing of a cloture petition on the trade bill after only 1 hour of debate, a bill which was perhaps the most important piece of legislation enacted by the 93d Congress; even the filing of a cloture petition on a minor tax bill before it had even been placed on the calendar—a clear violation of existing Senate rules.

If we are to be able to command the respect of the American people we cannot allow for abuses of the legislative process on either extreme. We cannot allow for the arbitrary ending of debate on an issue before all the sides of the question have been fully and fairly examined, and we cannot allow for the capricious use of the filibuster to delay the enactment of vital legislation. As legislators, we must continually strive for the balance between the two extremes.

One way to achieve that balance is to amend the existing rules, just as we have done on other rules on previous occasions, to make it easier for the Senate to respond to the needs of the Nation. Surely, Mr. President, we owe this to the American people. We cannot afford to allow dilatory and capricious abuse of procedure to make the institutions of government incapable of action.

Mr. President, I think that all of us here today have a special responsibility to prevent the continuing erosion of public faith in elected representatives and in the Congress itself. Such an erosion of faith has been an unwelcome reality over the last few decades. The public, frustrated at climbing inflation and deepening recession has grown weary of a Congress that cannot enact meaningful tax reform legislation. That same citizenry has grown more cynical after watching the exploits of Watergate unfold before them while one or two Members of the Senate delay the enactment of meaningful campaign reform legislation to prevent a repetition of these very problems. I wonder, Mr. President, how long we can expect the public to maintain confidence in an institution which can be crippled from taking meaningful and expeditious actions by the will of a small minority? I urge the Senate to take this opportunity today to restore America's faith in her governing institutions by approving Senate Resolution 4, a resolution which will make the Senate a more responsive and democratic institution.

ORDERS FOR RECOGNITION OF SENATORS MANSFIELD AND GRIFFIN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the Senator from Montana (Mr. Mansfield) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that after Senator Mansfield has been recognized on tomorrow, the assistant Republican leader (Mr. Griffin) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at the hour of 12 noon.

After the two leaders or their designees have been recognized under the standing order, the distinguished majority leader (Mr. Mansfield) will be recognized for not to exceed 15 minutes, after which the distinguished assistant Republican leader (Mr. Griffin) will be recognized for not to exceed 15 minutes, after which the Senate will resume consideration of Senate Resolution 4 on the pending question, that being on agreeing to the motion of the Senator from Minnesota (Mr. Mondale).

RECESS

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:25 p.m. the Senate recessed until Thursday, February 27, 1975, at 12 noon.

HOUSE OF REPRESENTATIVES—*Wednesday, February 26, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Thou wilt keep him in perfect peace, whose mind is stayed on Thee; because he trusteth in Thee.—Isaiah 26: 3.

Our Father God, we thank Thee for the gift of a new day and for the opportunities to serve Thee and our country. In this moment of prayer we give ourselves unreservedly to Thee and pray for the guidance of Thy Spirit as we approach the tasks that confront us and the problems that cry aloud for solution.

Let not the moods of discouragement defeat us nor the feelings of disillusionment make us give way to despair—but even in low spirits may we look up to Thee, who art ever with us and in Thee find strength for each day, wisdom for each hour, and love for each moment.

In these troubled times keep our minds on Thee that we may lift the burdens and lessen the fears which weigh so heavily upon so many of our people.

Humbly we pray for Thy help as we endeavor to do good for our beloved country.

In the spirit of Him who went about doing good we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Vice President, pursuant to Public Law 93–642, appointed Mr. JAVITS as a member, on the part of the Senate, of the Harry S Truman Scholarship Foundation Board of Trustees.

And that the President pro tempore, pursuant to Public Law 93–344 and on the recommendation of the chairman of the Senate Committee on the Budget, appointed, with the concurrence of the Speaker of the House of Representatives, Alice M. Rivlin as director of the Congressional Budget Office.

CRIME DOES PAY IN MEDICARE AND MEDICAID

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like to discuss the oversight procedures which currently monitor our national health programs, medicaid and medicare. The cost incurred by the Federal Government in maintaining these programs is enormous. In 1973 the total medicare payments for services and items furnished to beneficiaries was $9.5 billion and for medicaid, $8.713 billion. Few would oppose the expenditures if the money were well spent. Unfortunately, even a cursory look at these programs reveals instances of mismanagement and corruption. As the Congress considers a comprehensive national plan, we are obliged to examine closely our existing health organizations and how they have been functioning.

The most debilitating problem of medicare and medicaid in particular is the lack of regulation over the programs. This has resulted in extensive and costly abuses with little response from the Federal Government. Few indictments have been issued against those who have illegally enriched themselves on medicaid and medicare. There are some 23,000 nursing homes in this country, most all of which receive either medicaid or medicare support, or both, and several hundred thousand physicians also receive such funds.

At the end of 1973, there were 78 medicare cases pending with U.S. attorneys. Of this number, indictments have been obtained, or criminal information filed in 32 cases. Of the 40 medicare fraud convictions in 1973, only 6 were in the hospital insurance program, involving hospitals, skilled nursing facilities, and home health agencies. These six were the first convictions ever in this area. The other 34 convictions were almost entirely against physicians. I found it impossible to obtain accurate statistics regarding medicaid prosecutions. Unfortunately, it seems that vendors have been given a free hand in the dispersal of medicaid and medicare funds.

When federally funded health insurance for the elderly and impoverished was first suggested in the early 1960's it was vigorously opposed by associations such as the American Medical Association and the American Hospital Association. Their feeling at that time was that the proposed health insurance plans would interfere with their right to determine what kind of treatment their patients required, and what that treatment was worth. The outcome of the battle was a program which freely poured billions of dollars into the health industry with a minimum of regulation to show how that money was used. This disastrous compromise bestowed upon nursing homes and other providers, the power to extract huge excess profits from the Government.

Licensing and inspection of nursing homes that care for medicaid patients is left to the States. Furthermore, the States determine who is eligible for medicaid. While all States are supposed to submit comprehensive information on medicaid fraud quarterly to HEW, many States are apparently not even aware of the requirement.

Even when the Department of HEW surveys the States on medicaid reimbursements, it cannot always get an answer. In April 1974, the Medical Services Administration of the Department sent a survey to all the States requesting statistics on physician reimbursement and physician participation in medicaid. The administration was never able to get the information from the District of Columbia, New York, Pennsylvania, Wyoming, and Guam. I am following up today with my own State in an effort to get it to meet its obligation to provide the requested information.

Furthermore, when fraud is found, all the Government auditor generally does is force the operator abusing the programs to give back the money—most often without interest. The case is often not sent to the district attorney for criminal prosecution—and many that are sent to the DAs are turned down—and rarely is any move made to lift the operator's license. No attempt is made to deter the operator from trying again.

The medicare program, which pays for hospital care and 100 days after a stay in a hospital, is administered by the Social Security Administration—SSA. The SSA divides up the Nation into 10 regions with each region having "program integrity specialists" who follow up on complaints which come in concerning fraud or abuses of the program. I am told that there are approximately 80 program integrity specialists working throughout the country under the program integrity branch of SSA. The primary source of investigations are calls from informants. Rarely will the specialists initiate their own investigations, nor do they undertake any systematic program reviews. Under title XVIII—medicare—this type of oversight is done by intermediaries such as Blue Cross.

In December of 1974 I endeavored to secure statistics on the number of indictments and convictions secured in the States for medicare and medicaid fraud. But, I found that no reports have yet been compiled by the Department of HEW. Although a first set of reports were due on July 30, 1974, and title XIX first required that the quarterly medicaid reports be made to HEW in 1972, I am advised that no information will be available before the end of March 1975. Therefore, in an effort to obtain this information from the States, I sent the following letter to the attorney generals of each of the 50 States.

> DECEMBER 10, 1974.
>
> DEAR MR. ATTORNEY GENERAL: The cost of medicaid and medicare is enormous. If the money were well spent, there would be few who would oppose the expenditures. But, there is a general feeling here in Congress and in the public at large, that both programs are clouded with massive fraudulent practices involving physicians, and the proprietors of facilities such as nursing homes, whose bills are paid by these programs.
>
> I have ascertained from the Social Security Administration that since 1966 there have been a total of seven referrels to the Justice Department of alleged fraudulent

practices. In five of the cases, the U.S. government refused to prosecute; in one there was a conviction with a $5,000 fine and a 4-year suspended sentence; one case is pending. I have also been advised by the Social and Rehabilitation Service at HEW responsible for medicaid claims that they have no compiled statistics of any kind concerning fraudulent cases in their program.

I would appreciate knowing whether your State has any statistics on the number of frauds, and their dispositions, in either of these two programs beginning with 1966, and if so, would you provide me with the statistical information available regarding the number, the nature of the fraud, and the disposition, including civil and criminal penalties that may have been imposed.

Next year the Congress is embarking on a legislative effort to obtain comprehensive national health insurance. It would be helpful to know what efforts have been made under the existing programs to uncover fraudulent practices, the extent of the practices, and the dispositions of the cases, once uncovered. If your office is not responsible for either of these programs, I would appreciate your forwarding this letter to the appropriate State official who can furnish this information.

I would very much appreciate your giving this request prompt attention—the matter is urgent.

Sincerely,

EDWARD I. KOCH.

The responses I received to the questionnaire were startling. Here, in table form, are the statistics I received from the States which responded:

RESPONSES FROM ATTORNEYS GENERAL ON CURRENT FRAUD INVESTIGATIONS OR CONVICTIONS SINCE 1966

State	Medicare cases concluded	Medicaid cases concluded	Pending cases	Comments
Alaska	0	0		
Arizona	No stats [1]	No stats		
California			1,060	For 4th quarter of 1974; 15 complete action, total cases referred to prosecution/administrative procedures, 15.
Colorado		No stats		
Connecticut		3 (since 1971)	15	7 of the 15 cases pending were referred to law enforcement offices; 8 still under investigation by the Department of Welfare.
Delaware		No stats		
Florida	12			
Georgia		No stats		
Guam	0	0		
Hawaii	0	2		
Idaho	0	0		
Illinois	1	0		
Indiana		3	10	
Kentucky	No stats	0		
Louisiana	do	No stats		
Maine		8		2 nursing homes.
Maryland		13		From Oct. 1, 1973, to Nov. 30, 1974.
Massachusetts		12		
Minnesota	No stats	No stats		
Missouri	do	do		
Montana	do			
Nebraska	0			
New Jersey		4,500 cases investigated.		
New Mexico	0	3 miscellaneous		
New York		2		
Nevada	0	0		
North Carolina	0	8 prosecuted		15 providers suspended from participation.
Ohio		2		
Oklahoma		25 fraud		40 program abuses.
Pennsylvania	No stats	No stats		
Rhode Island	0	do		
South Carolina		Many	3	
Texas		30 cases investigated.		
Vermont	0	0		
Washington	0	0		
Wisconsin				Only local statistics.

[1] "No stats": No statistics are maintained by the State agencies.

Note: Letters indicate no figure available at this time. The following States and territories did not respond to my inquiry: Arkansas, Iowa, Kansas, Mississippi, New Hampshire, North Dakota, Puerto Rico, South Dakota, Tennessee, Utah, Virgin Islands, West Virginia, and Wyoming.

Many States maintain that they keep no statistics at all on either the medicare or medicaid programs, which is very interesting since the medicaid information must be sent quarterly to the Department of HEW. Eleven States, the Virgin Islands, and Puerto Rico did not respond to my survey. The numbers from those States who did respond indicate an incredibly low incidence of wrongdoings. We have seen too many individual instances of malfeasance to believe that these low figures indicate a lack of wrongdoing. To me they indicate that the Federal Government has not done an adequate job in policing the use of medicaid and medicare funds which not only allows fraud to go unchecked, but actually encourages it. Nursing home operators and their collaborators can engage in illegal dealings safely because there is little risk of being caught, and if caught, virtually no risk of being punished. At most, States like California and New Jersey seemed to have a large number of cases under "investigation" but showed no convictions.

Mr. Speaker, I along with 17 other Members of Congress, have requested that the General Accounting Office conduct an investigation into the internal auditing procedures which exist within the medicaid and medicare programs. Until we can efficiently monitor our national health care programs, the American people will be paying an enormous burden for a poor quality of medical care. Compassion must displace greed and the Government is the only agency to remove the current monetary incentives for medical dealers.

LEGISLATION FOR CONSTRUCTING 20 NUCLEAR POWER PLANTS TO REPLACE OIL BURNING PLANTS

(Mr. THORNTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THORNTON. Mr. Speaker, the special quality of this Nation is its enthusiasm for tackling difficult problems, not quiet acceptance of circumstances.

Our circumstances are these—we are beset with a continuing inflation, the best cure for which is increased productivity; we are faced with a growing recession and unemployment; and we are faced with a growing dependence upon foreign energy resources making our economy vulnerable to forces beyond our control.

Two weeks ago today I outlined to a joint session of the General Assembly of Arkansas several proposals to put unemployed people to work on programs designed to reduce demands for oil and gas and to use our Nation's technology and the great productive capacity of our people to develop needed energy resources while restoring health to our national economy.

At that time I called for construction of at least 20 nuclear power plants to replace oil burning plants using nearly a million barrels of oil each day.

Today I am introducing such a bill and this afternoon I have reserved a special order to discuss it.

FERTILIZER PRIORITY NEEDED

(Mr. BAUMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAUMAN. Mr. Speaker, the national and world food supply is threatened with further decreases and our domestic economic problems are about to be compounded because of the shortage of fertilizer in our country. This urgent fertilizer shortage has resulted because of nationwide natural gas curtailments for fertilizer plants. In order to prevent further food shortages abroad and increases in food prices here at home, today I am introducing a bill which would establish a priority for natural gas used to produce fertilizer and other agricultural chemicals.

At spring planting time when food production must be increased in order to meet demands both here and abroad, we must act to prevent fertilizer manufacturers across the country from having to shut their doors because they lack the natural gas necessary to continue production. Our spiraling inflation rate will be forced even higher by increased food prices unless we act now.

Millions of people throughout the world look to the United States to supply their food needs. Americans look to Congress to halt the economic problems at home. Therefore, we must insure an adequate supply of food and this production depends directly on an adequate supply of fertilizer and other agricultural chemicals. These cannot be produced without adequate natural gas. I hope all Members of the House will join me in supporting this bill.

POOR ENERGY PROPOSALS PROPOSED BY CONGRESS

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, for several weeks now, I have been lamenting the fact that the Democratic leadership in the Congress had failed to come up with an alternative to President Ford's energy program.

Well, I cannot do that any more. The distinguished chairman of the Ways and Means Committee (Mr. ULLMAN) according to press reports this morning, has indeed announced the Democrats' alternative.

I read these reports eagerly, because I genuinely hoped for some constructive ideas that might form the basis for a real solution to the energy problem. But I was sadly disappointed. Indeed, I was incredulous.

The program calls for a gasoline tax of 40 to 50 cents a gallon. Forty to fifty cents a gallon. I simply cannot believe that the American people will stand for such a burden, nor should they.

Worse yet, the Ullman program contains a coupon rationing system, which is inherently unfair, incredibly costly and totally unworkable.

If the Congress cannot come up with better ideas than these, we do not deserve the respect of our constituents nor the support of the American people.

CONCERNING ENVIRONMENTAL IMPACT STATEMENTS AND STATES' MATCHING FUNDS AND THE HIGHWAY PROGRAM

(Mr. HOWARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOWARD. Mr. Speaker, on December 11, 1974, the U.S. Court of Appeals for the Second Circuit in the Conservation Society of Southern Vermont versus Secretary of Transportation, et al., held that the Federal Highway authority must formulate and prepare its own impact statement to assess the environmental effects of proposed federally funded highway projects.

This ruling has had the effect of stopping any new highway projects in the three States within the jurisdiction of the second circuit, namely, Vermont, Connecticut, and New York.

Due to the current national effort during this period of recession, with spiraling unemployment, to provide jobs within the construction industry, I have drafted legislation which would remove the restraints imposed by the Vermont case.

It is to be noted that in the decision of the Vermont case, reference is made to contra opinions in the 4th, 5th, 8th, 9th, and 10th circuits; within these other circuits are 33 States, the Canal Zone, and Guam. Consequently, it would appear that the second circuit has imposed a standard for the preparation of environmental impact statements more rigid than those required in a majority of the States.

It should also be noted that there is reason to believe the Vermont case will be appealed to the Superme Court.

One problem raised in the event of an appeal of the Vermont case to the Supreme Court is that the time consumed before the Supreme Court rules on that case will go beyond the present urgent need to provide as much employment in those States as possible.

To alleviate the unemployment problem in those three States, therefore, I have introduced a bill which would enable the Secretary of Transportation to adopt as his own any environmental impact statement prepared by the State.

The Vermont case above referred to also held that although the project involved was only a 20-mile segment of a highway that extended for 280 miles, the environmental impact statement should have included a study of the 280 miles.

Included in my bill is a provision intended to leave with the Secretary of Transportation the final decision as to how extensive an environmental study has to be in order to conform with the intent and purpose of the National Environmental Policy Act.

Also, Mr. Speaker, I am today introducing a bill which would permit an increase in the Federal matching share for Federal-aid highways and certain mass transit projects approved during the period February 12, 1975, to the end of this fiscal year. These increases could be up to 100 percent Federal share to be advanced to a State, upon request, from a State's existing Federal apportionment. In return, the State must agree to pay back such increases to the Federal Government by December 31, 1976. Failure on the part of any State to honor this commitment would result in the withholding of future Federal-aid project approvals in the State.

Mr. Speaker, this bill offers a solution to problems many States are presently experiencing in meeting the matching requirements for the construction of Federal-aid highways. As you know, the President on February 12 of this year suddenly released $2 billion in impounded highway funds to provide a stimulus to our declining economy. The States, of course, did not anticipate this release, and many States are simply unable to meet the additional requirements for State matching. In order to meet the goal of obligating the entire $2 billion before the end of the fiscal year, I believe we must relax temporarily the matching requirement. Any increases advanced to a State for this purpose would be paid back to the Federal Government.

I sincerely urge my colleagues to support both of these important measures to provide jobs and to stimulate our declining economy.

CONGRESSIONAL RESPONSIBILITY IN ENERGY CRISIS

(Mr. RONCALIO asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I would like to respond to the partisan observations made earlier by the gentleman from Illinois (Mr. MICHEL) regarding the fact that if certain tax proposals take place on petroleum that we as Congressmen will not deserve the respect of the people.

Mr. Speaker, I attended a hockey game last night at the Capital Center, and during the intermission a half-dozen Members of this body and a few Members of the other body were booed, howled at, laughed at, and ridiculed. We do not now have respect from the people in this country—or about as much as most lawyers or bankers.

I believe that we are here to write the best law we can, in the best interest of the people and not to worry about respect of people. That is my response to the criticism of my party that was just made.

STATE INSURANCE BOARD CHAIRMAN MAKES SYSTEM WORK

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, Dr. Stanley A. Arbingast, director of the Bureau of Business Research at the University of Texas, once described the 20th century as the "Insurance Age."

Through the ages man has evolved and refined the insurance process by which risks are pooled to reduce the uncertainty of financial loss.

The importance of insurance has a positive influence on the economy in States. The industry provides employment, capital resources and financial protection.

In my home State, the insurance industry is regulated by a three-member board, the State Board of Insurance.

Its current chairman, Joe Christie, is highly regarded in regulatory circles as an individual determined to make the system work, both for the consumers and for the industry. He is ably assisted by two other outstanding commissioners, Hon. Ned Price and Hon. Durwood Manford.

The Dallas Morning News recently carried an article on the Texas State Board of Insurance and I would like to commend it to the attention of my colleagues:

CHRISTIE INSURES AGENCY FAIR PLAY

(By Al Altwegg)

Joe Christie likes to quote Thomas Jefferson on the proper role of government in our society.

Jefferson, he says, said government should give people the conviction that it is serving them well.

Christie likes to give people the conviction he is following that percept of Thomas Jefferson.

What Joe Christie is doing concerns the people of Texas, because he is—and has been for the past two years—chairman of the State Board of Insurance, which regulates, he notes, the Number One industry in Texas, larger than oil and gas and larger than agriculture.

Christie had been a state senator from West Texas and run an unsuccessful race for lieutenant governor when Gov. Dolph Briscoe tapped him to be chairman of the insurance board.

That board, Christie recalled in a speech in Dallas last week, then had a reputation of being controlled by the industry it was supposed to regulate. And at the time, the chairmanship had been vacant four years while governors tried to fill the post and the state senate kept turning down the nominees.

When Christie came along, he was nominated and confirmed in two days. He joshes that he knew too much about his ex-colleagues in the senate. They may have known him, for he is gaining a reputation around Texas as a man who is accomplishing his Jeffersonian goal.

Christie gave a progress report in his Dallas speech. The occasion was a luncheon given by M. Cullum Thompson, president of United Fidelity Life Insurance Co., to celebrate the company's passing of two milestones, $100 million in statutory assets and $1 billion in insurance in force.

What Christie was able to report were several steps he felt proud of:

1. Licensing of Adjustors, the first people an insurance customer comes in contact with on the occasion of a loss. If they are bad apples, they can do a lot of harm, Christie feels, and with licensing he now has a tool which will let the state board drum such apples out of the barrel.

2. The last session of the Legislature passed the Life Guarantee Act, which puts the other life insurance companies behind the policies of any life company that falls in its contractual obligations to policyholders. "No longer," says Christie, "will a widow or orphan wake up and find they have nothing."

3. The Legislature also closed loopholes in the insurance holding company act, giving the state board the power to take a hard look at any holding firm seeking to acquire a Texas insuror. "We screen these applicants very carefully," Christie says.

4. Finally, the Legislature also passed a bill "which instills some competition in auto insurance." Christie says the state board is encouraging "variations" in auto rates, and there are now over 170 companies offering Texans such rates.

Christie also is proud of two studies the state board commissioned from the LBJ School of Public Affairs.

One, Christie says, backed up his belief that Texans should be offered a choice between the present "fee for service" method of delivering health care or the prepaid approach, stressing more preventive medicine and exemplified by so-called health maintenance organizations (HMO's).

"I don't know which is more inefficient," Christie says, "the way we deliver our mail or the way we deliver our health service. All I'm interested in is giving people a choice."

The second study, he says, looked at every state having no-fault auto insurance and concluded that the idea would cost Texans money instead of saving them money.

Christie is also rather proud of the internal operations of the state board of insurance, which has been reviewed for the first time by a management consultant firm which "found it one of the most inefficiently run organizations they'd ever seen."

The upshot of it all was that, instead of contemplating construction of a new additional building for $20 to $30 million, thousands of filing cabinets and a number of employes have been eliminated—the employes by attrition.

Christie's pride in the progress of the insurance board's operations is exemplified by his statements that he is sure that state board was not unique in its past inefficiencies and "I hope what we've done will spread to other agencies, by example."

Christie is also working on plans to try to make insurance policies more readable, more easy for an ordinary insured to understand, less incomprehensible because of its legaleze.

He is also attempting to get state board writers of letters educated in the principles of more understandable letters, an effort he calls "not a minor undertaking."

The total effort, according to Jee Christie, is summed up this way: "Our task is to regulate an industry even-handedly, showing neither favoritism not antagonism."

REPAIRING ROADBEDS OF RAILROADS—EMPLOYMENT OPPORTUNITY

(Mr. HEINZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEINZ. Mr. Speaker, the U.S. Railway Association today released its preliminary system plan for restructuring the railroads in the Northeast and Midwest pointing out the urgent need for manpower to fulfill the vast rehabilitation requirements of railroad track beds. At the same time 8 million Americans are out of work and the rate is increasing despite the fact that this year we will spend $1.3 billion on public service jobs.

Railroad beds are in such a deplorable condition that in many cases trains cannot exceed 10 miles per hour. Yet while these roadbeds deteriorate, our unemployment rate soars. Everyday hundreds of individuals are being laid off while real jobs exist in restoring the much needed tracks for the railroads under ConRail.

While the Education and Labor Committee considers public service job legislation, the Congress must coordinate its efforts and let the right hand know what the left hand is doing by combining the Federal effort to improve our rail system and provide employment by unifying these goals.

Mr. Speaker, the time has arrived for this Government to put our national priorities in perspective. We cannot continue to use Federal tax dollars to provide jobs just for the sake of putting people to work. We must put people to work but we also must determine some logic for the types of jobs we create.

USRA estimates that more than half of the track miles in ConRail will be in need of immediate repair, requiring rehabilitation on as much as 1,600 track miles per year. This requires an effort far beyond the present capabilities of ConRail but conceivably within the limits of our goal to put people to work in areas that will stimulate our economy. At the same time we can return beneficial equity interest to the Federal Government for the improvements provided by public service employees. Surely this makes much more sense than the proposals to put people to work maintaining public buildings or cleaning streets.

Mr. Speaker, the question I want to ask this Congress is, why, if we have roadbeds that are in some cases 25 years behind in their maintenance, and at the same time we have millions of people looking for work who want productive work, we cannot find a way in this Congress to put those people to work on those railroad beds where the work is productive and where the work is needed? I look forward to working with any and all interested Members of Congress in making this idea a reality as soon as possible.

WILSON AMENDMENT TO THE GREEN AMENDMENT OF THE TAX BILL

(Mr. CHARLES WILSON of Texas asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. CHARLES WILSON of Texas. Mr. Speaker, at yesterday's meeting of the Democratic Caucus, the Rules Committee was instructed to vote for a modified closed rule on the Ways and Means Committee's Tax Reduction Act. That rule would make in order both an amendment by Mr. GREEN, of Pennsylvania and an amendment by me to Mr. GREEN's amendment.

Mr. GREEN's amendment would eliminate the oil depletion allowance; my amendment to his would retain the depletion allowance for only a very small, but highly significant segment of the industry—the independent wildcatters, who drill nearly 90 percent of all new area wells.

CONSERVATION AND DEVELOPMENT OF RESOURCES FOR THE FUTURE

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House the gentleman from Arkansas (Mr. THORNTON) is recognized for 20 minutes.

(Mr. THORNTON asked and was given permission to revise and extend his remarks.)

Mr. THORNTON. Mr. Speaker, for many years the American vision has been a future of abundance. If we needed more food products we moved a little further west and cultivated more land to increase our agricultural productivity. When natural resources were needed we scratched them off the surface of our land always in the belief that if we needed more we could dig a little deeper. Even during the Great Depression years the challenge was only to organize our economic and industrial systems and to improve our technology in order to develop and distribute resources which we believed were unlimited.

In recent years we have come face to face with a new kind of experience in which the real limits of our world are now being explored.

Today the challenge is not merely how we can develop our natural resources but also how to use them more wisely and how to develop alternatives for future years. I think today even more than at any time in the past we must heed the words of Adlai Stevenson when he said in his address to the Social Council in Geneva, Switzerland in 1965 that:

> We travel together, passengers on a little space ship, dependent on its vulnerable reserves of air and soil; all committed for our safety to its security and peace; preserved from annihilation only by the care and work and, I will say, the love we give our fragile craft.

As we consider the many problems which confront our Nation today, our faltering economy beset by inflation and by recession and our increasing dependence upon vulnerable supplies of energy, I am concerned that we have not always looked with enthusiasm toward our Nation's ability to meet these challenges, that we have not approached these challenges with the confidence that we have the resources, the human resources, to accomplish the work that needs to be done.

At a time of high unemployment, why not put the American people to work solving the energy problem by, for example, employing them to install insulation, increase the use of storm windows in public buildings and perhaps in the homes of the elderly?

On previous occasions our commitment to our programs has been in areas where work was needed. During the Great Depression we needed roads and we built roads. More recently we recognized the importance of environmental concerns and so we put our people to work improving our environment.

Now at a time when the resources, the human resources of this Nation could be well used to eliminate some of the drain and waste in our consumption of oil and gas, why not put the American people to work on those kinds of programs?

Mr. Speaker, what I am really trying to say is this: Instead of restrictions, instead of finding ways to cut back on our resources, why not meet the challenge by finding ways to put our people to work to reduce demands for scarce fuels by wise programs of conservation. This can be enhanced by needed changes in our tax laws such as repealing the excise tax on radial tires and the imposition of excise taxes on automobiles which are not fuel efficient. We should also put our technology to work now in developing alternative sources of energy supply. Such programs would have the effect of providing employment while meeting our Nation's needs for adequate supplies of energy which are not vulnerable to interruption by forces beyond our control.

Twenty nuclear plants would have the effect of eliminating consumption of some 220 million barrels of oil each year. Yet the sad statistics are that the construction of nuclear facilities is diminishing mainly because of the requirements for front-end capital with which to construct these very expensive plants even though after being constructed they have the capacity to produce electricity at far more economic rates than are available from any other fuel sources and to do so in the safest and most environmentally acceptable method of generating electricity which is now available.

I know that we are eventually going to move into the areas of fusion, solar power, geothermal and other permanent solutions to our energy problems; but in the middle term I think it is essential that we find ways to develop nuclear energy so that our dependence upon oil and gas under steam generating boilers can be reduced. That is why I have today introduced a bill calling for the establishment of a governmentally owned corporation to undertake the planning, design and construction of not less than 20 nuclear-powered generating plants to be located and constructed in cooperation with the private sector and interested groups.

The front end money for these plants can be provided by the Government. Upon completion, the plants may either be sold or leased to private industry; or operated by the Power Resources Authority so that the plants can begin producing electricity at the lowest possible cost.

Mr. Speaker, this is merely one of a number of steps which needs to be taken. Many others have been presented by other Members of this body.

There are many ways that we can reduce our consumption of energy and develop alternative energy resources for the future without disrupting our economy.

I believe the bill I have introduced will benefit the economy while increasing supplies of energy. A section-by-section analysis of the bill follows:

SUMMARY

TITLE

Section 1. Provides that the Act may be cited as the "National Power Resources Act of 1975."

FINDINGS

Section 2. States the findings of the Congress that:

(a) the national interest requires adequate facilities for the production of energy to prevent energy shortages from jeopardizing interstate and foreign commerce;

(b) the prompt development of nuclear facilities is required to reduce dependence upon resources of oil and natural gas;

(c) capital investments necessary to finance the prompt construction of nuclear power generation plants are beyond the capacity of any single company;

(d) the national interest requires that nuclear facilities be sited and constructed giving consideration to availability of other energy resources, environmental impact, and other relevant factors;

(e) a national effort by government in cooperation with the private sector is required for the construction of nuclear power generation plants.

STATEMENT OF POLICY

Section 3. States the policy of the federal government to establish a National Power Resources Authority to

(a) select location for, design, and construct not less than 20 nuclear power generation plants;

(b) to invite the participation of private industry in selecting sites for the construction of nuclear power generation facilities and the possible development of complete nuclear energy centers;

(c) to make available to private industry on suitable terms the completed power generation facilities or to operate the facilities to produce and sell electric power for distribution and resale.

States that the cost of providing capital for construction shall be considered a cost of national security funded through appropriations, subject to a reasonable return to the government upon the cost of facilities sold or leased.

CREATION OF CORPORATION; DIRECTORS

Section 4. (a) Creates the "National Power Resources Authority".

(b) Provides for the selection and appointment of members of the board of the Corporation.

(c) Designates the members of the board first appointed as the incorporators.

(d) Makes provision for the terms of office of members of the board.

(e) Provides for quorum requirements and appointments to fill vacancies in board membership.

(f) Provides for compensation for members of the board and the reimbursement of expenses.

(g) Forbids members of thee board to be engaged in other business.

(h) Provides that the board shall exercise the powers of the corporation.

(i) Provides for an oath of office by members of the board.

OFFICES AND EMPLOYEES OF THE CORPORATION

Section 5. (a) Authorizes the board to appoint employees of the Corporation and to fix their compensation.

(b) Provides that each contract to which the Corporation is a party shall be considered a contract to which the United States is a party for purposes of the Act of March 3, 1931 (40 U.S.C. 276a), and for the payment of prevailing rates of wages.

(c) Extends the benefits of Chapter 81 of Title 5 of the United States Code to employees of the Corporation.

(d) Forbids political tests or qualifications in appointments and promotions.

CORPORATE POWERS

Section 6. Provides for the general powers of the Corporation and the power of eminent domain in accordance with the provisions of Section 8 of the Act.

SPECIFIC POWERS AND DUTIES

Section 7. (a) Sets forth the specific powers and duties of the Corporation, including:

(1) the selection and location of sites for nuclear power plants and the planning, acquisition, construction and operation of facilities;

(2) invitation to Federal, State, and local agencies and to electric utilities and citizens' groups to participate in selection of locations for the construction of facilities, and coordination with the provisions of the Energy Reorganization Act of 1974;

(3) Establishment and maintenance of high standards of safety and environmental protection and the consideration of other national energy needs and programs.

(b) Authorizes the Corporation:

(1) where the private sector participates in selection of locations and in financing and construction, to enter into agreements for the lease or sale of completed plants and facilities;

(2) where no agreement is entered into under the preceding paragraph, to establish terms for the sale or lease of facilities; or

(3) to operate completed nuclear power generation plants and to produce, sell and deliver electric power.

(c) Prohibits the Corporation from entering into agreements for the sale, lease, or operation of plants with noncitizens or with corporations or associations substantially controlled by noncitizens of the United States.

EMINENT DOMAIN

Section 8. Gives to the Corporation the power of eminent domain in the name of the United States and designates the Corporation as the agent of the United States.

CORPORATE OFFICE AND BOOKS OF ACCOUNT

Section 9. Requires the Corporation to keep complete and accurate books of account and to select a location for the principal office of the Corporation.

REPORTS

Section 10. Requires the Corporation to make annual reports to the President and to the Congress.

BONDS

Section 11. (a) Authorizes the Corporation to issue and sell bonds, notes, and other evidences of indebtedness.

(b) Provides that payment of principal and interest on bonds issued by the Corporation shall be guaranteed by the United States.

(c) Sets forth the general requirements for the issuance of bonds.

(d) Provides that bonds issued by the Corporation shall be exempt both as to principal and interest from State and local taxing authority except estate, inheritance, and gift taxes.

(e) Declares the intent of this section to provide adequate authority and administrative flexibility to obtain necessary funds for the Corporation's activities and for the construction of the section to effectuate that intent.

APPROPRIATIONS

Section 12. Authorizes to be appropriated without fiscal year limitation $10,000,000,000 for the purpose of carrying out the provisions of this Act.

ALASKA VILLAGE DEMONSTRATION PROJECT

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. **YOUNG** of Alaska. Mr. Speaker, the EPA is ready to proceed with the reconstruction of the Alaska Village demonstration project at the village of Wainwright, Alaska. I am introducing this bill to increase the original authorization to meet the new inflation-impacted cost estimates for the project. It is my hope action can be taken in the near future so the EPA can begin work in May. The bill follows:

H.R. 3813

A bill to amend the Federal Water Pollution Control Act in order to increase the authorization for the Alaska village demonstration projects.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 113(d) of the Federal Water Pollution Control Act is amended by striking out "$2,000,000" and inserting in lieu thereof "$3,500,000".

OFFSHORE DRILLING AND MARINE ENVIRONMENT

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. FORSYTHE) is recognized for 10 minutes.

Mr. **FORSYTHE**. Mr. Speaker, yesterday I introduced a legislative package to regulate the development of the oil and gas resources of the Outer Continental Shelf. With this Nation's pressing energy needs, I believe offshore drilling is inevitable. However, as I said yesterday, this offshore activity can and must be regulated.

Today, I would like to examine some of the marine environmental issues surrounding the development of offshore oil and gas reserves. In the coming days, I will explore the technological ability of the oil industry to reduce marine oil pollution and I will examine the potential onshore environment impact related to offshore drilling.

The extent to which the marine environment is impacted by offshore oil and gas development depends, of course, on the incidence of oilspills. Statistical analysis reveals that between 1964 and 1972 there were only 4 oilspills of 5,000 or more barrels resulting from offshore drilling activities. This represents an accident rate of only 0.022 of 1 percent. If one looks at the period between 1953 and 1972, when virtually all offshore oil and gas wells were drilled, the accident rate for spills of 1,000 or more barrels was only 0.005 percent.

The 4 spills over 5,000 barrels discussed above resulted from transfer operations and cargo handling during exploratory and production drilling. Yet, to see the whole picture one cannot neglect the fact that a typical 10,000 foot offshore exploration well will generate approximately 2,100 barrels of waste cuttings weighing about 1,840,000 pounds.

This same well will also produce another 506,000 pounds of drilling mud waste. Often these cuttings and the drill mud are mixed with oil and, unfortunately, a typical disposal method is to pitch these wastes into the sea.

Nor do the spill statistics point out how oil companies frequently dispose of petroleum polluted water which is found buried next to oil deposits and which is brought to the surface with the oil. The typical well produces an average daily volume of 420,000 barrels of these "formation waters." Of that amount, it is not unusual for 180,000 barrels to be treated at the well site and dumped into the sea. The remaining 240,000 barrels are transported to shore for treatment and release. However, whether the oil-water separation treatment occurs at the well site or onshore, the separation process is not a totally clean one and often results in low-level oil pollution.

While the amount of oil introduced into the marine environment as a result of platform operations may not qualify as a major spill, it is nevertheless clear that low-level oil pollution may accompany offshore drilling operations. But, oil introduced into the marine environment because of oil-water separation and from the discharge into the ocean of drill cuttings and drilling mud represents only part of the problem.

Surface oil, whether created by a massive spill or a continuous discharge, may sink to the bottom by combining with particles in the water column or because of its heavy weight. Once settled upon the bottom, oil may persist in releasing its fractions into the ocean's waters for as long as 2 to 3 years in sandy areas of even longer where significant amounts of silt or mud are located. Although limited analysis has been done regarding the persistence of petroleum hydrocarbons in sediments, it is possible that some oil pollutants may survive for years or even decades. For example, oil spilled at West Falmouth, Mass., still remains in subtidal and marsh sediments over 3 years after the spill. Furthermore, buried oil discovered in the Santa Barbara Channel occurred from natural seepages over 25,000 years ago. The continued persistence and the possibility of spreading by bottom deposits may substantially delay ecological recovery of a community through constant repollution and continued toxicity. Clearly, because of the altering of the sediment characteristics, many affected areas will become unsuitable for marine organisms normally found there.

Yet, offshore drilling operations may result in oil being introduced into the marine environment by factors not directly related to drilling and production operations. Tanker and barge accidents, for example, and the cleaning, bunkering, ballasting, and pumping of oil from these vessels can result in significant oil pollution.

Similarly, waste discharges from refineries and petrochemical plants continue to pollute the rivers, bays, and creeks of coastal communities. Releasing up to several thousand gallons of oil per day, refineries daily pollute at concentrations of up to 10 to 100 parts per million with petrochemical plants polluting at even greater proportions.

The diversity of these spill factors and the variables associated with their incidence make it extremely difficult to predict the volume of oil which may be introduced into the marine environment because of offshore petroleum operations.

While predicting the volume of oil spillage is difficult, an analysis of the probable affects of that oil on the marine environment is even more difficult. Previously conducted research is inadequate. The data regarding the chemical, biological, and physical changes in the environment resulting from the continually increasing volume of petroleum hydrocarbons found in the world's oceans lacks completeness regarding first, the life history of certain species and second, certain biological information such as species fertility, survivorship, and larval life patterns. Without knowing this data, which will tell marine researchers what is the normal environmental conditions, it is difficult to determine what is the abnormal condition.

Although selected field studies have been conducted at actual spill sites, the infrequent occurrence of catastrophic oil-spills coupled with their status as a relatively new phenomena have prevented comprehensive analysis of short- and long-term ecological effects. Further, difficulties in duplicating natural conditions and the lack of standardization of bioassay testing methods have successfully precluded effective laboratory testing.

Nevertheless, one can identify numerous factors which all interact to determine a particular region's vulnerability. For instance, spills occurring in inshore areas will have a far different and perhaps a more severe impact than spills occurring at the drill-site because of the probability of inshore spills reaching environmentally sensitive coastal and estuarine areas.

Similarly, accidental spills of major proportions will have substantial immediate consequences, while chronic low-level spills will have subtler impacts occurring for a longer duration.

The severity of impact also parallels the physical characteristics of the oil. Saudi Arabian crude, for example, will have completely different effect than a refined South American oil. The differences are directly related to the oils' chemical make-up, since oil is a composite of thousands of hydrocarbon compounds each having various degrees of solubility, volatility, and toxicity.

Basically, three types of hydrocarbon compounds are found in petroleum oils: First, alkanes (also called paraffens of saturates; second, alkenes—which are only found in refined products; and third, aromatics—the most toxic of the three. Clearly, oil containing greater fractions of aromatics pose the most serious environmental problems. Thus, an oil slick only 1 or 2 days old having concentrations of soluble aromatics as low as 0.1 ppm may be lethal to marine organisms in larval stages. Adult marine organisms exposed to 1–100 ppm may be dead within a few hours. Thus light fuel oils containing more aromatics may effect marine organisms through toxicity, while heavy fuel oils may do more mechanical damage by smothering organisms.

The environmental impact of spilled oil is also influenced by the amount and concentration of oil. The degree to which the oil, as it spreads, is weathered by natural degradation, and whether the oil is concentrated in small areas where it will do more damage are major factors in determining spill toxicity.

The response of marine organisms to spilled oil depends not only upon the above factors but also upon the individual species sensitivity.

In the marine environment, individual organisms may be killed through first, destruction of the more sensitive larvae and fish eggs, second, direct exposure to water-soluble toxic hydrocarbon components which interfere with cellular and subcellular processes, and third, direct coating which may smother individuals by disrupting body insulation abilities of warm blooded animals and by interfering with such mechanical activities as movement and feeding.

Oil introduced into the marine environment will also have many indirect effects. Drastic physical changes in habitat which may destroy food sources or cause massive migrations. The incorporation of hydrocarbons in organisms may taint otherwise edible species with carcinogenic elements or cause genetic mutations. Chemical clues needed for survival, feeding, and reproduction may be disrupted. Although these indirect impacts do not result in the immediate death of marine organisms, the potential for long term effects is clear.

A major oil spill will have a different impact on marine organisms according to their mobility. Less mobile organisms are more likely to be trapped and killed by the oil. Finfish, on the other hand, normally swim away from an oil-impacted area. Because their surfaces are oil repellant, there have been few reports of spilled oil being directly toxic to these fish. However, the absence of these reports must be viewed circumspectly since laboratory testing has shown that petroleum and its refined products are quite toxic to various species of finfish.

Fish, however, are a vital renewable natural resource and while the effects of an oil spill on mature fish could be vast, the effect in fish larvae is even more sinister. Oil is 10 to 100 times more toxic to fish larvae and can destroy the breeding ground of various species—threatening future generations of fish. Man could be destroying his present as well as his future.

How marine fish organisms respond to oil pollution has serious implications for man. For example, a large spill would probably have two immediate effects on the commercial fishing industry in the affected area, first, a reduction in the catch size as fishing gear becomes fouled by the spilled oil and second, a drop in fish sales due to the contamination of those fish. In the mid-Atlantic region, a massive spill could severely effect New Jersey's $53 million commercial and recreational fishing industry which last year, employed approximately, 2,700 men directly with another 4,000 individuals involved in the processing industry.

Again, using New Jersey as an example, a complete ban against the taking of shellfish because of tainting such as that imposed after the spill near West Falmouth, Mass., could have disastrous effects for my States' shell fishermen who catch approximately 35,000,000 pounds of shellfish a year. Furthermore, the impact on the shellfish industry would be an enduring one since it could be as long as 17 years before destroyed beds have regenerated are able to produce at pre-spill levels.

Although New Jerseys' most important commercial fish, the menhaden, of which 60,000,000 pounds are caught annually, will probably be unaffected by massive larvae destruction, the hogchoker, which has four different age classes wintering simultaneously in an estuary will be very vulnerable. Because of the possibility of interrupting spawning process, another vulnerable species is the summer flounder, a game fish sought by over 1,800,000 middle-Atlantic salt water sport fishermen. In fact, last year, sport fishermen caught approximately 4,000,000 flounder. If these fish disappear, the impact on the mid-Atlantic recreation industry would be catastrophic.

Perhaps the most vulnerable marine organisms, however, are those birds living in or near estuarine waters. Not only are their mortality rates catastrophically high but their recovery rates are very low. Consequently, the possibility of extinction is not infeasible.

The danger of spilled oil to bird populations was made clear by the *Torrey Canyon* spill which resulted in the death of between 40 to 100 thousand birds. Unfortunately, this land count figure—may be a small proportion of the birds actually killed since it is estimated that only 5 to 15 percent of the dead birds washed onto shore.

Furthermore, immediate death is only one part of the problem because birds produce young at a rate of only two to three young a year, have a lengthy maturation rate of at least 3 to 4 years, and enjoy a longevity rate which may reach 40 years in some cases.

Of course, the effect of any spill depends largely upon the extent of the spill and the season in which it occurs. For example, a spill occurring in the winter months off the New Jersey coast could have a severe impact upon those species which make up the 356,000 waterfowl wintering there. The primary effect upon these birds, many of which are diving birds, is to coat their feathers with clinging oil particles. This disruption of the birds insulation and buoyancy abilities may cause them to sink and drown, to freeze, or become diseased. Unfavorable changes may also occur in their feeding, behavior, and reproductive patterns. During the spring new birds arrive off the New Jersey coast and should the spill occur after March 1, future generations of black ducks, mallards, and Canadian geese which breed in New Jersey's estuaries during the spring could be reduced. High mortality rates for Mid-Atlantic waterfowl will not only affect the entire ecosystem but will reduce the enjoyment of the 7 million bird-watchers, 5 million wild-life photographers, and 3 million water-fowl hunters located throughout the United States.

Thus far, I have spoken only of the effects of major oil spills. However, as I indicated substantial low-level pollution can occur through natural seepages and through the disposal of drilling wastes.

Studies indicate that as much as 50 ppm of oil may be continuously discharged from each oil-formation water separator unit, resulting in a contaminated surface area downstream of the platform. Obviously, freemoving fish and aquatic mammals will actively avoid the region.

However, less mobile organisms, such as phytoplankton, zooplankton, and shrimp, all of which anchor the food chain, may be swept through the impacted areas and killed. Other consequences of low-level hydrocarbon concentrations involve the disruption of photosynthesis and resipration. These low level but persistent oil discharges may also effect life processes concerned with survival, feeding, reproduction, and development of the young. For example, crude oil dissolved in concentrations of 20 to 40 ppb has affected the feeding behavior of lobsters.

Obviously, only a tiny portion of the widely dispersed species will be contaminated; nevertheless, the distinct possibility of the tainting and displacement of fish and fish feeding stocks cannot be ignored.

Mr. Speaker, it is clear that the placement of petroleum-drilling platforms on the Outer Continental Shelf could result in the introduction of oil into the marine environment. It is also clear that this oil may have a seriously adverse impact on the ocean environment.

The extent of the potential damage is sufficient to warrant our most careful consideration. It is significant enough that it should give us pause about the wisdom of plunging ahead with unregulated offshore drilling. I believe the information I have presented today argues eloquently for the prompt enactment of the environmentally protective legislation I introduced yesterday. While, this Nation needs the energy that lies below the Outer Continental Shelf, it is irresponsible to proceed with offshore drilling in a manner that will destroy the marine life of the Outer Continental Shelf.

PUBLIC WORKS EMPLOYMENT: A STEPPINGSTONE TO THE FUTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, stripped to its barest essentials one of the most important single challenges facing our Nation today is getting our more than seven and a half million jobless citizens together with jobs.

Our tradition of Government activity in helping the unemployed find work is more than four decades old, and our efforts have focused on both the private and public sectors of our economy.

The current economic and employment crisis can be a steppingstone for the future if a public works employment program which builds investments in community improvement is a part of our recovery package. But it will be a stumbling block if we simply throw money at the problem creating what amounts to leaf-raking activities without making the jobs and money serve also as building blocks for the future.

We have taken two principal approaches to the problem, particularly since 1960. Congress has made Federal resources—dollars and technical assistance—available to a variety of public and private groups working toward creating expanded productive job opportunities. And, specifically in the past year, we have funneled money into the State and local government sector for hiring the unemployed and underemployed for work in providing public services.

A congressional action of major importance in this area was the passage during the final days of the 93d Congress of the Emergency Jobs and Unemployment Assistance Act—EJUAA. I single out this law for discussion for two reasons. First is the variety of approaches in dealing with the unemployment problem which the law embodies. And, second is the current philosophical conflict between the administration and the Congress which threatens to block achievement of the aims which prompted the Congress to enact the law.

The EJUAA did three basic things:

Expanded the public service employment program authorized under the Comprehensive Employment Training Act;

Expanded the number of persons who can receive unemployment insurance checks and the number of weeks they can receive them; and,

Created public works employment programs that can both provide jobs for the jobless and a long-range or permanent improvement for the communities in which the jobs are located.

The course of economic history makes it clear that thus far we have been on an employment roller coaster. First we are up in terms of the jobs available to those of our citizens who want to and can work. Then we are down so far that unemployment levels are totally unacceptable, as is the case now. The time is long past for putting an end to our habit of legislating by crisis. We must initiate a two-prong approach which deals with our unemployment on both a short-term and long-term basis. And we must do it in such a way that the investment of taxpayers' dollars that we make gives us the greatest possible return in human and economic terms.

For me, the provisions of the EJUAA bring into sharp focus some of these human and economic questions for which we as a Congress and as a Nation must find solutions. Foremost among these questions are:

Will the same programs work as well for the countryside as for the cities?

Should these programs generate direct, indirect, and induced jobs, or just one or two of these types?

Should our goal be solely to put the jobless to work, or should it be to put the jobless to work and help keep those who are already employed working?

Should our jobs programs be solely directed at putting our citizens on payrolls, or should they have a double-barreled effect of providing employment and long-term or permanent community improvements?

Should the effectiveness of our jobs programs be evaluated simply on how many people find work and how rapidly, or on that factor plus others such as their contribution to increasing the gross national product, their impact on bringing into full use our Nation's production and consumption capacity?

Our national experience with the public service employment programs authorized under the Comprehensive Employment and Training Act and expanded under the EJUAA makes the answer to our first question clear. Public service employment programs are far more effective for cities and densely populated counties where the demands for public services are very heavy. In countryside areas the number of public service jobs is far less, though the burden of joblessness is no less cruel.

Therefore, public service employment programs offer more hope to the cities than to the citizens of the countryside. What the countryside needs most is another kind of effort—a public works employment program.

A public works employment program, such as that authorized under title X of the Public Works and Economic Development Act which was authorized in the EJUAA, makes good human and economic sense in a number of ways. It puts people to work. It has the potential of taking up destructive slack in our private construction and production industries, thereby creating indirect and induced jobs as well as generating direct jobs. It provides long-term or permanent community and public improvements.

In its unbridled effort to deprive the public works employment program of funds and fatten up the public service employment programs thereby increasing the Federal jobs assistance to the metropolitan areas, the administration seems to be forgetting the crushing unemployment problems of the citizens of the countryside and the need to generate employment in nonmetropolitan areas.

I am gratified that my Subcommittee on State, Justice, Commerce, and the Judiciary of the Committee on Appropriations has rejected the efforts to cripple the public works employment program by recommending against the rescission of the $125 million appropriated for title X.

The administration argues that the program is too expensive and that the jobs are not generated until too late in the unemployment cycle.

I believe that, when a fair and comprehensive evaluation of the impact of an effective public works employment program is made, the facts will not support the administration's contention. It is true that the public works employment program, on the surface, is more expensive than a straight public service employment program. But a public works employment program puts people to work directly on the project involved; it creates a demand for products from the Nation's manufacturing system which employs other persons; it produces public improvements which will continue to benefit the communities and the Nation even after the jobs program has ended; and, when the income earned by our citizens working on these projects and in the businesses and industries providing the products and services for the project is spent, it helps maintain or generate jobs for still other citizens. To get a true picture of the cost of public works employment programs we must consider all these factors.

Further, I believe that the response of the Federal, State, and local government groups to the directives of section 1004 of title X of the Public Works and Economic Development Act demonstrates that there are thousands of labor intensive public works employment projects that are ready to go into operation soon as their sponsors have funds. Under the terms of section 1004 the groups submitted to the Secretary of Commerce this month a listing of projects which they would undertake if they had the funds. To be eligible, the projects had to be:

Labor intensive, use more money for jobs than materials;

Subject to a substantial portion of the work being completed within 12 months; and,

Able to contribute significantly to the reduction of unemployment in an eligible area.

I will include in the RECORD, at the end of my remarks, information from just three of the groups which submitted recommendations for public works employment projects under title X. I offer this data as an illustration of the availability of public works employment projects which are ready to go and just waiting on funding.

This is by no means whatever a complete listing of the recommendations the Secretary of Commerce received or of the creative and innovative approaches to using such a program that have been suggested. Nevertheless, I believe my colleagues will find it useful for purposes of initial discussion of the public service employment versus public works employment controversy.

Finally, I would conclude with a brief comment on the need for Congress to take action on establishing the permanent mechanism for a public works employment program which would be triggered by rising unemployment levels. One of the problems which has made itself clear both in the effort to implement the public works impact program of some years ago and the title X public works employment program is that the mechanism is not in place for monitoring on a continuing basis the existence of plans for projects which could achieve the goal of putting the jobless to work rapidly.

I believe that the Congress must establish such a capability for monitoring within the Department of Commerce. In addition, we must gear up so that when national unemployment reaches and remains at a level of, say, 6 percent for 3 consecutive months, the project funding can be immediately appropriated and necessary project selection and fund allocation work can be completed within 30 days after the unemployment rate moves on to the 6.5 percent level and remains there for 3 consecutive months.

Except in times when the unemployment levels are high enough to trigger the funding of projects under the public works employment program, it would be necessary for Congress to appropriate on an annual basis only the funding necessary for the monitoring and data-gathering and dissemination functions.

Enactment of such a program for public works employment as permanent legislation is a critical step toward providing our Government with essential capability for quick response to rising unemployment problems. The existence of such a program would help us avoid the patchwork, rush analysis of potential projects which we have so often found ourselves doing in critical unemployment situations. Such a program would encourage long-term planning and would let Congress avoid the need for the crisis-response legislating that we have been doing in our efforts to relieve the Nation's unemployment problems.

I include the following:

THE OZARKS REGIONAL COMMISSION,
Little Rock, Ark., February 7, 1975.

Hon. WILLIAM ALEXANDER, Jr.,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ALEXANDER: Bill Fribley, Federal Cochairman of the Ozarks Regional Commission, asked that I send you a copy of all Title X (Public Works and Economic Development Act of 1965) projects submitted from the State of Arkansas through the Ozarks Regional Commission.

I am enclosing an index of all projects with the total number of potential jobs, and the funds requested. A copy of the projects will follow as soon as they can be duplicated and shipped.

We feel the tremendous response (more than $25 million in requests) in a very short time (just over one week) shows the need for this kind of program, and the interest State and local governments have in participating.

Thank you for your interest. If we can provide additional information, please let us know.

Sincerely,

THOMAS C. MCRAE,
Arkansas Liaison Officer.

	Amount	Approximate jobs
Total for 62 State of Arkansas projects	$9, 110, 905. 06	1, 262
Total for 123 projects in 8 planning and development districts	16, 338, 309. 00	2, 000
Total amount of projects submitted	25, 449, 214. 06	3, 262

NORTHWEST ARKANSAS PLANNING AND DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. Baxter County road improvements	$75, 800	6
2. Benton County road improvements	104, 000	8
3. Siloam Springs bridge construction	60, 900	9
4. Boone County road impovements	71, 137	8
5. Madison County road improvements	66, 000	8
6. Marion County road improvements	76, 350	9
7. Newton County road improvements	71, 000	8
8. Jasper water system improvements	68, 475	7
9. Searcy County road improvements	81, 340	10
10. Marshall street improvements	265, 788	33
11. Washington County road improvements	402, 576	16
Subtotal	1, 343, 366	122

WHITE RIVER PLANNING AND DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. County road maintenance and park improvements, Cleburne County	$30, 000	5
2. County road maintenance and park improvements, Fulton County	30, 000	5
3. County road maintenance and park improvements, Independence County	60, 000	9
4. County road maintenance and park improvements, Izard County	30, 000	5
5. County road maintenance and park improvements, Jackson County	60, 000	9
6. County road maintenance and park improvements, Sharp County	30, 000	5
7. County road maintenance and park improvements, Stone County	30, 000	5
8. County road maintenance and park improvements, Van Buren County	30, 000	
9. County road maintenance and park improvements, White County	60, 000	9
10. County road maintenance and park improvements, Woodruff County	30, 000	5
11. Flood controk, city of Diaz	20, 000	3
12. Flood control, city of Cotton Plant	20, 000	3
13. Flood control, city of Bald Knob	20, 000	3
14. Flood control, city of McCrory	20, 000	3
15. Newport Park improvements	20, 000	3
16. Calico Rock Park and drainage project	15, 000	3
17. Bebee City park	15, 000	3
18. Independence County service building	100, 000	20
19. Jackson County service building	100, 000	20
20. Cleburne County service building	100, 000	20
Total	820, 000	143

EAST ARKANSAS PLANNING AND DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. Keiser water system	$180, 000	45
2. West Memphis water treatment	282, 851	6
3. Marked Tree municipal building—Site preparation	5, 000	4
4. Marked Tree park improvements	5, 000	6
5. Marked Tree drainage	15, 000	6
6. Marked Tree municipal improvements	10, 000	6
7. Paragould train station	139, 000	55
8. Marianna City park	25, 000	12
9. Forrest City park improvements	30, 000	28
10. Jonesboro creek clearance	175, 000	63
11. Jonesboro northside drainage	92, 000	25
12. West Helena library	100, 000	39
13. West Helena street project	72, 000	38
14. Jonesboro Washington street drainage	160, 000	45
15. Jonesboro community center	18, 400	9
16. Craighead forest recreation area	31, 000	8
17. Jonesboro northside park	17, 300	9
18 Jonesboro park system improvements	5, 400	4
Total	1, 362, 951	408

SOUTHEAST ARKANSAS ECONOMIC DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. Community building, Prattsville	$35,000	12
2. Community building, Arkansas City	35,000	12
3. Community building, Kingsland	35,000	12
4. Community building, Rison	35,000	12
5. Community building, Star City	35,000	12
6. Community building, Dermott	35,000	12
7. Community building, Gould	35,000	18
8. Municipal building, Dumas	200,000	37
9. County office building, Star City	200,000	37
10. Community building, Hermitage	35,000	12
11. Community building, Wilmar	35,000	12
12. Community building, Wilmott	35,000	12
13. Community building, Gillett	35,000	12
14. Community building, DeWitt	35,000	12
15. Community building, Altheimer	35,000	12
16. Community building, Humphrey	35,000	12
17. Community building, Leola	35,000	12
18. Municipal building, Monticello	250,000	33
19. Community building, Eudora	35,000	12
20. Community building, Hamburg	35,000	12
21. Community building, Mitchellville	35,000	12
Total	1,280,000	329

CENTRAL ARKANSAS ECONOMIC DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. War Memorial Park development—City of Little Rock	$540,000	40
2. DeValls Bluff City Park and water	60,000	13
3. Clarendon riverfront campground	40,000	20
4. Conway—Park development	100,000	10
5. Jacksonville—Recreation park	50,000	6
6. Upgrade water distribution system—City of Little Rock	120,700	14
Subtotal	910,700	103

WEST CENTRAL ARKANSAS PLANNING AND DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. Clearing and site preparation for Arkadelphia Central Park	$100,000	18
2. Okolona Public Recreation and Elderly Center	77,507	16
3. Montgomery County community improvements	50,000	14
4. Hot Springs, water service adjustment, Malvern Road	120,000	12
5. Hot Springs, Wood Street drainage improvements	106,000	12
6. Hot Springs, Racetrack Drive improvements	205,000	21
7. Malvern, Town Creek drainage	200,000	16
8. Arkadelphia, Mill Creek drainage	75,000	15
9. Morrilton, remodling municipal building	262,160	7
10. Recreation park, Conway County	50,000	20
11. Renovation community center, Dardanelle	60,000	15
12. Danville Recreation Park	60,000	20
13. Yell County, Sulphur Springs Park	20,000	8
14. Smiley Bayou, drainage flood control	50,000	15
15. Pope County, works assistance to rural communities	30,000	20
16. Historical restoration, Pope County	25,000	4
17. Renovate museum, Clarksville	30,000	10
18. Rural road assistance, 10 counties	300,000	20
Subtotal	1,820,667	263

SOUTHWEST ARKANSAS PLANNING AND DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. Texarkana, drainage (Nix Creek)	$84,000	12
2. Magnolia, South High Street	42,000	8
3. Camden, multiple improvements	26,000	5
4. Magnolia, park improvements	25,000	5
5. Magnolia, sanitary landfill	50,000	5
6. El Dorado, park improvements	35,000	6
7. Nashville, park improvements	34,000	8
8. Hope, multiple improvements	65,000	10
Total	361,000	59

WESTERN ARKANSAS PLANNING AND DEVELOPMENT DISTRICT, INC.

Project title	Amount	Approximate jobs
1. Old city restoration	$2,000,000	214
2. Van Buren industrial park	1,310,000	43
3. Alma Park improvements	27,550	11
4. Greenwood Park improvements	27,550	11
5. Crawford County industrial park	165,000	65
6. Fort Smith Port	300,000	19
7. Sebastian water users	3,000,000	136
8. St. Edward Mercy Hospital, city of Paris	1,400,000	43
9. Westark Community College, job training facility	173,100	8
10. Westark Community College, outdoor recreation physical fitness facility	31,000	20
11. Westark Community College, redecorating occupational education facility	5,425	3
Subtotal	8,439,625	573

THE APPALACHIAN
REGIONAL COMMISSION,
Washington, D.C. February 11, 1975.

Hon. BILL ALEXANDER,
House of Representatives,
Washington, D.C.

DEAR MR. ALEXANDER: This is in reply to your letter requesting a copy of the information the Commission submitted to the Secretary of Commerce pursuant to Section 1004 of the Public Works and Economic Development Act of 1965.

Because of the time constraints (the Secretary's letter was dated January 21, 1975), many of the 1,060 projects submitted were brief descriptions only, not complete applications. In addition, there was substantial confusion on the local level between public service job projects eligible under Title I of P.L. 93-567, and those eligible as public works job opportunity projects eligible under Title III of P.L. 93-567.

Because of the time constraint and the brief descriptions, it was not possible to give each project a thorough review. The Commission has to date only received, catalogued, and transmitted them to the Secretary.

We have now begun the necessary review. This process, I am sure, will reduce the number eligible for Title X assistance because I am told many are actually public service job projects.

The Commission has also made application for $10 million in Title X funds to carry out a home renovation and insulation project in the region. I am enclosing a copy of our letter concerning this project and a brief description.

The Commission is aware that the Federal Energy Administration (FEA) is submitting a list of Mine Area Restoration projects totalling approximately $25 million in Title X funds. These projects are, if approved by the Secretary, to be administered jointly by FEA and the Commission, using the authority in Section 302 and 205 of the Appalachian Regional Development Act of 1965 (40 App USC 302 and 205). I am enclosing a copy of a letter we have sent to the Secretary endorsing this FEA proposal.

In line with your request, I will continue to keep you advised as we submit our further reviews and comments to Secretary Dent.

With best wishes.

Sincerely,

DONALD W. WHITEHEAD,
Federal Cochairman.

THE APPALACHIAN REGIONAL
COMMISSION,
Washington, D.C., February 5, 1975.

Hon. FREDERICK B. DENT,
Secretary of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: In accordance with your letter to the Appalachian Regional Commission of January 21, 1975, we are happy to transmit on behalf of the thirteen Appalachian States and the Appalachian Regional Commission completed "Inter-Agency Survey Reporting Forms for Proposed Activities Under the Job Opportunities Program."

In submitting these projects to the Appalachian Regional Commission, the Appalachian States acted under a very severe time constraint. The short time before your deadline of February 5th for submission of these projects to your office—only two weeks after receipt of your letter—made impossible the usual thorough analysis and integration of these projects with State Appalachian Development Plans by either the States or our staff. The lack of time and specific criteria also made it impossible to determine with certainty the eligibility of these projects. Nevertheless, we are confident that the projects which meet all of your criteria and ARC's will amount to a substantial portion of the total submitted and, once all the criteria are made clear, the Appalachian States and local development districts can ably assist in determining those which are eligible and merit priority funding.

Our staff did make an effort to provide summary tables for each State's projects where time permitted. In addition, those projects with labor requirements of 75 percent or more of project cost are identified and, as is shown on the attached summary table, these would require $56 million.

Included among these projects is one generated by the Appalachian Regional Commission staff which relates to renovation of housing and conservation of energy in the region. This project clearly meets the priority needs of both the Commission program and your legislation.

We have some concern that your review of the quality of these projects will necessarily be constrained due to the paucity of information required. We do recognize that there may be some confusion between Title I of the Emergency Job and Unemployment Assistance Act which deals with Public Service Employment and Title III which creates Title X of the Public Works and Economic Development Act. While time did not permit thorough screening and checking with the States for this factor, we will work with you in doing so.

We transmit these survey forms in accordance with the terms of your letter and information provided by Mr. Nat Maryn. Full funding of all of the attached projects would require an aggregate of $237 million in Federal funds under the new Title X of the Public Works and Economic Development Act. Recognizing that some of the projects may prove to be either of low priority or ineligible, nevertheless, of the total submitted, $56 million alone is for projects having 75 percent or more for labor costs. In light of the fact that there is only $125 million appropriated at this time for these purposes, however, we are formally applying for only $25 million on behalf of the Appalachian Regional Commission. Given the magnitude of need evidenced by these submissions, it may be quite appropriate to discuss with you additional funding for these purposes.

The Appalachian Regional Commission will continue to review these projects for consistency with Appalachian State and regional plans. We intend to submit additional material prior to the statutory deadline of February 15, 1975. We recognize the urgency for action and would like to take this opportunity to offer the full resources of the Appalachian Regional Commission and the States to help you implement this critical job creation program promptly.

Sincerely,

APPALACHIAN REGIONAL COMISSION,
DONALD W. WHITEHEAD,
Federal Cochairman.
JOHN D. WHISMAN,
States Regional Representative.

Attachments.

SUMMARY OF PROPOSED ACTIVITIES UNDER THE JOB OPPORTUNITIES PROGRAM

State	Number of projects	Total Federal funds	Federal funds in projects with 75 percent or more labor costs
Alabama	224	$17,695,874	$9,770,140
Georgia	29	4,211,850	436,350
Kentucky	62	4,270,724	1,161,668
Maryland	70	23,214,595	2,199,287
Mississippi	101	9,451,472	4,309,972
New York	46	9,896,441	2,073,522
North Carolina	106	10,634,259	4,529,988
Ohio	102	8,629,550	2,833,400
Pennsylvania	26	7,414,070	3,424,355
South Carolina	53	9,477,665	1,744,441
Tennessee	34	10,754,238	415,000
Virginia	8	974,814	356,400
West Virginia	210	110,832,507	16,049,857
ARC	1	10,000,000	6,900,000
Total	1,061	237,458,059	56,204,380

FEBRUARY 14, 1975.

Hon. FREDERICK B. DENT,
Secretary of the Department of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: The purpose of this letter is to transmit the capability of the Civil Works Directorate, U.S. Army Corps of Engineers to perform work under authority of Section III of the recently enacted Emergency Jobs and Unemployment Assistance Act (P.L. 93-567). The analysis of our budget as required will be forwarded separately on 19 February 1975. This information is provided in accordance with understandings reached in a meeting between Brig. Gen. Kenneth E. McIntyre, Mr. Nat Maryn and other members of our respective staffs on 9 January 1975. This information has also been provided to the Secretary of the Department of Labor.

Capabilities for the various Military Departments will be provided under separate cover in response to your letter to the Secretary of Defense dated 21 January 1975.

The total capability for the Corps Civil Works program is $137.8 million. Of this total, $114.7 million is included to perform operation and maintenance functions at our water resource development projects. $23.1 million is included for construction of recreation facilities at completed projects. This latter account is referred to as the Code 710 Program. All estimated costs are 100% Federal costs.

There is no legal requirement that local interests contribute any portion of the expenses for the Code 710 Programs. It is important to note, however, that the Administration presently requires, as a policy matter, that a contract be entered into with an appropriate non-Federal agency who must agree to pay 50% of the development costs and assume the O&M responsibilities for any recreation area targeted for the expenditure of Code 710 funds. Therefore, it would be necessary for the Administration to waive this policy requirement to enable us to utilize that portion of our above capability identified as Code 710.

As soon as funds are made available to the Corps they can be obligated. Actual work can be initiated with a maximum of 30-40 days lead time and will be completed within one year.

We have the capability to employ 19,314 people, representing 135,660 man-months of employment, under this program. Our total capability includes $111.1 million for labor costs. Although we have not analyzed the composition of labor requirements it appears that the bulk of the people we would hire would fit into the Blue-Collar Skilled and Unskilled Labor classifications.

The work which we propose will generally be accomplished by hired labor and equipment rental. However, some work will be done by contract. The legal and administrative requirements for implementation of the Davis-Bacon Wage Rate Act will be adhered to as applicable to the type of work to be performed.

The work items which we have included in our proposed program constitutes a partial backlog of items which we have not been able to accomplish due to personnel and budgetary limitations. Accomplishment of this work will meet local needs by placing facilities and natural resources in a better state of repair for use and enjoyment by the local people. Each year the backlog of important work becomes greater. The long term benefits to be gained by catching up on these work items will be very important in the proper management of water resource projects for the American people.

Sincerely,

J. W. MORRIS,
Director of Civil Works.

PROHIBITION OF FLIGHTS OF SUPERSONIC AIRCRAFT OVER AND OUT OF THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, it gives me great pleasure today to reintroduce, with 20 distinguished colleagues as cosponsors, legislation to prohibit flights of supersonic aircraft into, over or out of the United States, pending favorable environmental studies by the Environmental Protection Agency, the Secretary of Transportation, and the Congress.

As you will note from the names of our colleagues who have joined together in the effort to prevent flights of the SST, a noisy, uneconomic, and environmentally questionable aircraft, concern is being expressed from coast to coast of our great Nation.

Further, Mr. Speaker, fears, well-founded fears, I might add, have been expressed regarding the British-French Concorde in the very home of these gigantic white elephants which our good friends and allies would like us to help bail out of trouble.

At the close of my remarks today, I will present for the RECORD a letter I received this week from Mr. John Butler, chairman of the Heathrow Association for the Control of Aircraft Noise, in London, England. Mr. Butler's group, which represents more than 20,000 members in Great Britain, has been contending with the Concorde for years, and I hope that the House will be able to profit from our sister nation's experience, negative though it has been.

As Mr. Butler so eloquently points out, the Concorde represents a threat quite apart from the potentially severe ozone layer effects, and the resulting incidence of skin cancer, which I have dealt with at length in previous statements, and will again summarize briefly later today.

To quote Mr. Butler:

> This aircraft will be, by the manufacturer's calculations which we assume to be optimistic, at least as noisy as the noisiest aircraft now in operation. I do not know whether it might not be helpful to your case, and ours, if you attempted to ban Concorde from Kennedy simply on grounds of excessive landing and takeoff noise which adversely affects the environment on the ground.

Precisely the point, Mr. Speaker, and the one which I first raised on January 29 when discussing my legislation in the wake of an announced 50-flight test series request for John F. Kennedy Airport outside New York, perhaps as early as May.

As I said nearly 1 month ago, it really makes no difference if the SST is finally judged environmentally safe in the strictest sense, because the fact is that we in America today already suffer too much noise. We do not need any more.

And we most especially do not need a gratuitous intrusion from across the seas when Congress, in its wisdom, has already ruled that American manufacturers cannot and should not build an SST.

Now, Mr. Speaker, let me turn to the environmental threat to the ozone layer of the Earth's atmosphere for a moment, a topic upon which I have already addressed the House on a number of occasions this year. I am happy to present for the RECORD an editorial from a leading newspaper in New York, Newsday of Long Island, which sums up the problems and fallacies in any attempt to "revive" the SST either at home or abroad.

This editorial very kindly calls attention to my efforts to gain a congressional investigation of a report by the Department of Transportation minimizing the environmental effects of the SST, and I would again ask my colleagues to encourage the Office of Technology and Assesment to undertake this effort in behalf of the American people. It is becoming increasingly evident, I am sorry to say, that we in Congress must rely on our own resources if we are to get a truly accurate assessment of even so grave a danger as destruction of the Earth's ozone layer.

I hope that the OTA will be able to consult with two distinguished atmospheric researchers, Dr. Thomas Donahue, chairman of the Department of Atmospheric and Oceanic Science, University of Michigan, and Dr. Harold Johnston, an atmospheric chemist at the University of California, Berkeley. Both of these gentlemen have had extensive remarks already presented by me for the RECORD, and I would again ask the privilege of commending their findings to the attention of the House.

According to both of these gentlemen, and despite the optimistic publicity allowed by the Department of Transportation, the fleet of Concorde-type SST's due to be in operation by the 1990's could cause as many as 300,000 cases of skin cancer in the United States alone during the operational life of the aircraft.

Now it may well be that the noise and ozone problems with SST's can be ironed out, as is suggested by Dr. Alan Grobecker, manager of the DOT's climatic assessment study which is so strongly challenged by myself and others. Indeed, Dr. Grobecker was kind enough to write me and express the hope that I would call attention to sections of his report which mentioned the necessity of improvements before the SST could be environmentally acceptable.

However, Mr. Speaker, let me once again point out that Congress heard a very full debate on the necessity and utility of the SST in 1971, and I, for one, have heard absolutely nothing in the meantime to prompt me to change my mind.

In conclusion, Mr. Speaker, let me say that while the Federal Aviation Administration has yet to issue its final recommendation on the Concorde, I fear that if the tenor of the information it is receiving, and upon which it will base its recommendation, is that of Dr. Grobecker's report and its surrounding publicity, then we are in very grave trouble indeed.

I must reluctantly conclude that we face the real possibility that the express will of Congress is about to be circumvented in a highly questionable manner, and it is for this reason that 20 of my colleagues and I have today submitted our bill to ban all SST flights until we are fully satisfied as to the acceptability of these aircraft.

As one of my constituents, Mrs. Jean Wood, of Port Washington, N.Y., pointed out to me recently:

> A true conservationist is a person who knows that the Earth is not given to him by his fathers, but borrowed from his children.

Thank you, Mr. Speaker. I now submit for the RECORD, my bill and its cosponsors, the editorial from Newsday, and the letter from our British friends opposed to the SST:

H.R. —

A bill to prohibit the commercial flights by supersonic aircraft into or over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and by the Secretary of Transportation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful to operate a supersonic aircraft, manufactured in the United States or in a foreign nation, for a commercial flight at supersonic or subsonic speeds in the navigable airspace of the United States until—

(1) the Congress, by law, approves findings by the Administrator of the Environmental Protection Agency that the operation of such supersonic aircraft in the navigable airspace of the United States will not have detrimental physiological or psychological effects on persons on the ground and will not have detrimental effects on the environment; and

(2) the Secretary of Transportation shall have made affirmative findings, and submitted a written report thereon to the Congress, that the operation of supersonic aircraft in the navigable airspace of the United States meets all noise, environmental, and safety standards prescribed under the Federal Aviation Act of 1958 with respect to the operation of aircraft in the navigable airspace of the United States.

LIST OF COSPONSORS

Ms. Abzug; Mr. Addabbo; Mr. Badillo; Ms. Burke; Mr. Carr; Mr. Eilberg; Mr. Ford (Tenn.); Mr. Harrington; Ms. Holtzman; Mr. Koch; Mr. Mitchell (Md.); Mr. Pattison (N.Y.); Mr. Rangel; Mr. Roybal; Mr. Scheuer; Mr. Seiberling; Mr. Solarz; Mr. Studds; Mr. Tsongas; Mr. Yates.

KEEPING THE CONCORDE OUT OF KENNEDY

Britain and France, the sponsors of the white-elephant Concorde supersonic jetliner, are asking the Port Authority of New York and New Jersey to open Kennedy Airport for at least 50 Concorde demonstration flights.

Tactically, this effort to move into transatlantic commerce is brilliant. Like a skillful burglar inserting his crowbar at the weakest spot in a door, the Anglo-French forces have found a gap in the American defense against this affront to the environment and to the economics of air transport.

As Kennedy Airport's proprietor, the Port Authority has the power to grant or deny permission for these demonstration flights. But the 12 Port Authority commissioners are relatively immune to pressure from the governors and legislatures—and therefore the people—of New York and New Jersey. They were appointed, not elected, and they have no constituency except the holders of Port Authority bonds. They shouldn't be the final authority on this crucial decision.

In New York, Governor Carey has made it clear he wants to bring the state's public authorities back under the control of government. He and New Jersey's Governor Brendan Byrne should cooperate in moving legislation to curb the broad policymaking powers of their Port Authority appointees.

The Concorde decision is important because the demonstration flights would begin the complex process of winning U.S. Department of Transportation approval for scheduled Concorde flights across the Atlantic. Beyond the state-level initiative, we strongly support the effort by Representative Lester Wolff (D-Kensington) to win passage of a bill in Congress that would flatly ban all SST flights in this country pending a full environmental study.

These high-flying, supersonic planes destroy the earth's ozone layer. Thomas M. Donahue, a University of Michigan scientist, has estimated that 500 SSTs could destroy 40 per cent of the ozone in a single year, causing hundreds of thousands of new cases of skin cancer. Donahue's estimate and a Department of Transportation study that minimized the effect on the ozone are the subject of controversy. The careful environmental study demanded by Wolff is clearly a necessary prelude to any responsible decision on the Concorde.

Beyond the plane's impact on the economy of air transport, the Concorde costs twice as much to buy and twice as much to operate as a 747 jetliner. It will serve an affluent elite, and if it doesn't produce profits its losses will be reflected in the fares of subsonic flights, because that's the way airline economics works: Heavily traveled routes help pay for less traveled ones. As one analyst put it, the Concorde would be a case of the masses paying for the classes.

It was a foolish venture from the beginning, and Congress acted wisely in refusing to subsidize an American effort to produce an SST. Britain and France, on the other hand, made a mistake. But that doesn't mean the rest of the world has to pay for it.

HEATHROW ASSOCIATION FOR THE
CONTROL OF AIRCRAFT NOISE,
Chiswick, London, February 21, 1975.
Representative LESTER WOLFF,
House of Representatives,
The Capitol,
Washington, D.C.

DEAR MR. WOLFF: I am writing on behalf of this Association to welcome the bill that you introduced in the House last month to ban overflights by supersonic aircraft in the U.S.

HACAN is an association which has been in existence since 1966 to bring pressure on government to reduce the nuisance caused by aircraft noise in the environs of Heathrow. Currently our membership, which includes affiliated amenity societies, tops 20,000. Our objections to Concorde are based on the fact that it is noisier on take-off and landing than any aircraft currently operating through Heathrow. We are promised a quieter model for service conditions by Lord Beswick, the minister responsible. But even this aircraft will be, by the manufacturer's calculations which we assume to be optimistic, at least as noisy as the noisiest aircraft now in operation—a British tri-jet model called the Trident.

Clearly our interest is to prevent aircraft like Concorde using Heathrow because of its sub-sonic noise; your interest of course is to prevent the machine flying at supersonic speeds to the hazard of the environment. It may, however, be possible, even if your bill is passed through Congress, for SSTs to use Kennedy on transatlantic flights since they would not need to overfly U.S. territory at supersonic speeds. I do not know whether it might not be helpful to your case, and ours, if you attempted to ban Concorde from Kennedy simply on grounds of excessive landing and take-off noise which adversely affects the environment on the ground!

May I wish you good luck in your endeavours, which we will follow with great interest.

Yours sincerely,

JOHN BUTLER,
Chairman.

A CITY BETRAYED—NO. 11 SERIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

(Mr. GONZALEZ asked and was given permission to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, this will be known as "A City Betrayed, No. 11 Series."

I have over a period of time, embodying now 11 separate occasions, addressed myself to the House through this forum in order to point out the rather tragic circumstances besetting my native city of San Antonio, Tex., the unbelievable ramifications of its problem involving high and low individuals in the social totem pole, in the economic totem pole, and on the financial and political totem pole.

Also, I have stated, not as extensively as I shall, God willing in the future, what some people have considered simply astounding, the web of intrigue and connection between crime, highly sophisticated organized crime, and the various and sundry elements in our society.

I feel impelled to speak out. Now, reverting to the sorry history involving San Antonio's gas problem, remembering that San Antonio is rated as the 11th largest city in the Nation and the 3d in the State of Texas, the seriousness of this problem can very well be appreciated.

Probably the first outsiders to suspect that the company that took over the contract in San Antonio—as I have pointed out, under very suspicious, mysterious, and questionable circumstances, known as Coastal States Gas Co., and its main factotum or owner, Oscar Wyatt, in particular—were less than trustworthy—were the auditors.

Now, every one of these companies is supposed to have auditors. We have seen where this has been a matter of national concern in the case of Watergate, in the recent indictment of attorneys and accountants with respect to falsification of documents, and so forth. On the financial front we have seen the wholesale scandals brought about by the defrauding of millions of Americans by dishonest corporate officers.

In order to do that, it had to be based mostly on insiders dealing and information, either with the unwitting or the incompetence and the lack of knowledge on the part of otherwise respectable auditors. The company auditors play a very important part in any enterprise, and this is true in San Antonio to a certain extent.

They were the first ones in the case of San Antonio—we discover now through happenstance, because one of the attorneys had a penchant for writing notes to himself—who suspected things were wrong.

The notes revealed that the company auditors were the first to get nervous years ago. Problems started coming up with the auditors at least as far back as 1964. Norman Davis, the long-time attorney for Coastal States, reporting on a colleague's statement about the auditors' suspicions—and I quote from his notes:

> Today, top partners of T/R (Touche, Ross & Company) just don't believe us, and are suspicious of us, because we have withheld info from them and have intentionally misled them—can't make another misstep with them.

The nervous Coastal executives were counseled, according to Davis' notes, and I quote this counsel:

> Have to assure the auditors that we will take steps to see to it that past mistakes, any failure of information, et cetera, will be unintentional.

Coastal had become careless, and the financial backers and the auditors had to be calmed down. The natives were getting restless. Presumably, this was done somehow.

Years later, in 1973, Davis reported on another conference by nervous Coastal executives. This time, the problem was how to defend against damages arising from Coastal's failure to deliver gas required by contracts. During the discussion. Wyatt commented that there would be no problem with a lawsuit from the city of Austin, and maybe even from San Antonio, because he was hoping to break the contract with San Antonio or renegotiate the contract.

Davis noted, and I quote from his notes:

"OSW—"

That is Oscar S. Wyatt—

> OSW comments, no exposure to Austin because delivered annual contract quantity by early December. SA (San Antonio) is being renegotiated, etc.

Among other things, the conferees planned to defend Coastal against damage suits by claiming that gas curtailments had been caused by plant breakdowns, acts of nature, and other uncontrollable events. But, Davis summarized the conclusion of a colleague, and I quote:

> The total volumes curtailed were far in excess of the volumes cut off by physical breakdowns (plant down, etc.)—so this would not be a good defense.

Wyatt at this time was clearly hoping that he could still renegotiate his contract with San Antonio and prevent a lawsuit. He was enlisting the very mysterious aid of the present mayor of the city of San Antonio and the equally mysterious colleague in business who he had business with, Mr. Marcello, the widely known citizen of New Orleans.

Obviously, Oscar Wyatt was still hoping to break that San Antonio contract.

At long last, after years of systematic lies and deception, however, Wyatt finds himself cornered by the truth. He has very much at stake, much to lose. It is little wonder that he lies even more today than he did a year or two ago, or 10 years ago, to protect himself. He has everything to lose if the whole maneuvering, his connections with the mayor of San Antonio, with the mayor's mysterious business partner, with other business elements in San Antonio, were ever to come out. It involves millions of dollars.

As I pointed out in the case of Glen Martin, the other man involved in the contract in 1961, who has been estimated to have reaped anywhere from $15 to $18 million, the tragedy, Mr. Speaker, is that the helpless people and the citizens of San Antonio are in their clutches. I am speaking of constituents, I am speaking of the poor and disabled and those on social security who cannot pay their present fuel bills.

So it is necessary that the story come out because it is indispensable in seeking and finding the solution to San Antonio's prices at this time, as I hope to suggest at the end of the series, in which I hope to tie up all of these loose ends. Nobody has done it. This has, naturally, aroused the antagonism and bitter denunciations from local people, including some of the criminal element. It was not happenstance that the notorious Carrasco, the great dope-peddling king, who finally ended up in the great shootout at Huntsville State Prison, should have mentioned only one man before he died, in derogatory terms, in hateful terms. Why, of all of the public officials in far-away Huntsville, Tex., should that criminal have mentioned Congressman HENRY GONZALEZ as his enemy?

There is good reason, and I think that when I complete my story all of my colleagues and all who care to read the record will know and understand full well.

CONSUMER AFFAIRS SUBCOMMITTEE BEGINS EDUCATIONAL SESSIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, tomorrow the Consumer Affairs Subcommittee, which I am privileged to chair, begins its first of several hearings designed to determine exactly what problems face consumers in our country today.

At tomorrow's hearings, which will begin at 10 a.m. in room 2128 of the Rayburn House Office Building, representatives of a number of major consumer organizations will appear. They will discuss what they feel are the major legislative needs of consumers in the coming months. Tomorrow's tentative witnesses will be: George Myers, director of public relations, Credit Union National Association—immediate past president, Consumer Federation of America; Arnold Mayer, legislative representative, Amalgamated Meatcutters and Butchers Workmen; Judy Kory, president, Virginia Citizens Consumer Council; Mark Silbergeld, Consumers Union; Carol Foreman, executive director, Consumer Federation of America; John Brown, National Public Interest Research Group; Ralph Brown, Urban League; Hall Sisson, Communications Workers of America; and Prof. Fairfax Leary, professor of law, Temple University.

In future sessions the subcommittee plans to hear from officials of the various Federal governmental agencies involved in consumer affairs such as Mrs. Virginia Knauer, Presidential Adviser on Consumer Affairs, representatives of the Federal Trade Commission, and of the Federal Reserve Board.

It is also my hope that business groups such as the U.S. Chamber of Commerce, National Association of Manufacturers, and the American Bankers Association will appear before the subcommittee. These sessions are, of course, open to the public and should provide an excellent tool for Members to obtain deeper insight into consumer problems.

CONGRESSMAN McFALL SAYS AMPOWER HAS 50 COSPONSORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized for 10 minutes.

Mr. McFALL. Mr. Speaker, approximately 50 other Members join with me in sponsoring the energy conservation and development bill that I reintroduce today.

This show of support for the Ampower legislation reflects the widespread concern in this body to find a fair and effective way of stimulating domestic exploration for new oil and gas sources. It is particularly timely in view of current efforts to develop new sources off the Outer Continental Shelf and elsewhere.

This legislation, which I first introduced as H.R. 3111 on February 10, would provide for the establishment of a National Energy and Conservation Corporation—to be called Ampower—similar to the Tennessee Valley Authority.

Ampower would provide competition

in the marketplace, which is the traditional American way, to bring oil and gas prices down. The corporation would be a new source of risk capital to share with private enterprise, especially smaller companies. The corporation would be capable of doing exploration and other preliminary work to assist companies with limited resources. Then Ampower would lease tracts for production to the independents and the smallest entrepreneurs as well as the giant corporations.

In the other body, Senator STEVENSON introduced a bill of similar intent, S. 701, on February 17.

GUN CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 10 minutes.

Mr. METCALFE. Mr. Speaker, on February 18 and 20, my friend and colleague Congressman JOHN CONYERS, the chairman of the Subcommittee on Crime, held the first in a series of public hearings on the question of gun control legislation.

These hearings provided a forum for many points of view on this issue but nearly every witness during the 2 days expressed the opinion that some form of Federal gun control legislation is urgently needed.

I hope that the House will heed the message that was presented to the subcommittee and that this body will be able to enact some form of gun control legislation before this session ends.

At this point in the RECORD, Mr. Speaker, I would like to submit a copy of my testimony before the Subcommittee on Crime:

STATEMENT OF THE HONORABLE RALPH H. METCALFE BEFORE THE HOUSE JUDICIARY COMMITTEE ON CRIME, FEBRUARY 20, 1975

Mr. Chairman, the Subcommittee is to be commended for holding these hearings on gun control legislation.

This Subcommittee will have to examine all points of view in the days and weeks ahead. And, indeed it should. You will examine the Constitutional question and the relationship of the Second Amendment to proposed legislation. You will examine the position of citizens concerned about the enlarging of government activity and the diminishing of citizens' rights.

In the final analysis though, you will have to come to grips with the fact that in 1973 alone, there were 10,340 homicides by handguns. You will have to decide how best to provide for the common good.

My own city of Chicago is an example of the problems we confront. Commander Joseph DiLeonardi, writing in the January 1975 official publication of the Chicago Police Department, stated that the city of Chicago in 1974 experienced 970 deaths by homicide and that the "major vehicle of homicide is the handgun. In 1974, there were 669 homicides committed by firearms and 73.24% of these were handguns." Commander DiLeonardi continued to say that this "type of homicide can only be prevented by a total ban on the manufacture and sale of handguns . . ."

The Uniform Crime Report for the United States for 1973 (issued in September, 1974) states that in 1973 there were 19,510 murders committed in the United States. In 1973, firearms predominated as the weapon most often used. If we break down the murder rate by type of weapon used, we find that 67% were killed by firearms in general and 53% of the homicides were committed with handguns. This was an increase of 2% over the preceding years.

How many handguns exist in the United States? The U.S. News and World Report estimates around 40 million handguns, or about one handgun for every five persons. The Task Force on Firearms, in its Staff Report to the National Commission on the Causes and Prevention of Violence, estimated that there were "90 million firearms in civilian hands in the United States . . . 35 million rifles, 31 million shotguns, and 24 million handguns . . ." (in 1968).

The Criminal Justice Coordinating Council of the City of New York issued a report in November, 1973 in which it estimated that there were between 25 and 40 million handguns in the United States at that time and there were approximately 2.5 million handguns sold in the United States every year.

Comparatively speaking, the United States has more owners of handguns per 100,000 population by far than any other country. Great Britain has under 500 handgun owners per 100,000; Israel, 1,000; Canada, 3,000; then, the United States with an estimate of 12,000–20,000 per 100,000.

Mr. Chairman, at this point in the record I would like to include a list of cities and the handgun murder rate in those cities as prepared by the Library of Congress.

HANDGUN MURDER IN SELECTED U.S. CITIES, 1973

City	Total murder		Murder with firearm	Murder with handgun	
	Number	Rate per 100,000		Number	Rate
Atlanta	263	53.0	212	191	38.4
Boston	135	21.1	83	69	10.8
Chicago	864	25.7	614	549	16.3
Cleveland	277	36.9	222	202	26.9
Detroit	672	44.5	465	343	22.7
Houston	263	21.3	200	164	13.3
Los Angeles	489	17.4	276	172	6.1
New York City	1,680	21.3	851	810	10.3
Philadelphia	430	22.1	253	213	10.9
Pittsburgh	48	9.2	22	18	3.5
San Francisco	107	14.5	63	44	6.1
Washington, D.C.	268	35.4	161	154	20.3

Source: Basic data were obtained from FBI files. Rates were calculated by CRS, using 1970 census population data.

Is there any public sentiment for handgun control legislation? A Gallup poll conducted in 1974 indicates that 72% of those interviewed indicated that they were in favor of gun registration. There was a breakdown according to size of city which I found interesting: 85% of those interviewed in cities with a population of 1,000,000 and over were in favor of gun registration, 15% were not; 76% of those who lived in cities with a population over 50,000 and under 500,000 were in favor of gun registration, 24% were not; 62% of those interviewed who lived in towns with a population of under 2,500 were in favor of gun registration, 38% were not.

Also, 78% of the non-white citizens polled were in favor of gun registration, 22% were not; 71% of the white citizens polled were in favor of gun registration, 29% were not; so, there does not seem to be any great disparity of opinion according to race according to this Gallup poll.

The City Council of Chicago passed a resolution (February 24, 1972) in which it called on the Congress to prohibit the ownership and manufacture of handguns.

The Chicago Tribune, in the lead editorial on October 20, 1974, called on the Congress "to prohibit the manufacture of handguns or handgun parts in the United States."

WBBM radio, in an editorial on February 6, 1974, said "We'd like to see all handguns banned."

The Superintendent of the Chicago Police Department is on record in favor of a national prohibition on handgun purchase.

The leading candidates for the Democratic nomination for the Mayor of Chicago have taken a position in favor of stronger handgun control on the national level to "ban the manufacture, importation and sale of handguns" except for law enforcement purposes.

Gentlemen, my assessment of the mood of the citizens from the area which I represent leads me to one inevitable conclusion and that is, the citizens are ready for, if not already demanding, gun control legislation.

Black people are among the greatest victims of handgun crime in America. The people in the First Congressional District of Illinois know the terror of uncontrolled handguns. They know that the only solution to this epidemic of violent handgun crime is an absolute ban on the manufacture, sale and distribution of these weapons throughout the United States.

There are some who say that criminals, not guns, kill and stiffer penalties should be meted out to those who purchase, own, carry, or use firearms. The fact that some one will serve a long jail sentence will, in my opinion, not be very helpful to a homicide victim, nor very consoling to survivors of the victim. Nor do I think longer jail terms will deter individuals from using handguns. Further, the Uniform Crime Report for the United States for the Year 1973 states that "In 1973, murder within the family made up approximately one-fourth of all murder offenses." There were 19,510 murders committed during this period and 67% of the homicides were committed through the use of firearms and 53% were committed with the use of handguns.

Chicago's Police Superintendent Rochford pointed out that Americans are dying "from firearm accidents at the rate of about 2,900 per year," and that "another 20,000 persons suffer accidental injuries each year from firearms." Rochford continues by saying that "Firearm accident rates follow the pattern of firearm ownership." Over half of all fatal firearm accidents occur in or around the home and about 40% of the victims are children.

A further point might be made to those who say that people, not guns, kill and who advocate stiffer jail sentences as a result—and that point is an economic one.

Robert Sherrill in his book "The Saturday Night Special" states that "It costs $4,141.00 to keep a man in Lorton nine months . . . The Attorney General of New Jersey . . . figured it up [and said] . . . If that punitive notion had been in effect in New Jersey for the past seven years, it would have cost $6 billion to keep those people in jail." I am not against stiffer jail sentences, but to concentrate on that seems to me to ignore the influence of handguns altogether.

According to an article in the December 1, 1974 Chicago Tribune, the chances of an individual in Chicago in 1974 being murdered were four times greater than in 1950; one person out of every 35 who died in Chicago in 1974 was a murder victim and 63% of these murders were committed by handguns.

What is society's responsibility in the area of handguns? John Mill, in his Treatise on Liberty, states that: " . . . the fact of living in society renders it indispensable that each should be bound to observe a certain line of conduct towards the rest." And I would think that that statement means that society has a responsibility to protect itself from the aberrant action of certain of its citizens—and, eliminating the means whereby an injurious action is effected, certainly seems to me, at least, to be a legitimate responsibility of the Congress as the elected body having responsibility.

Mr. Chairman, while preparing for these hearings, I briefly reviewed the hearings held before Judiciary Subcommittee Number 5 in June of 1972. The legislation before that Subcommittee then is basically the legislation pending before this Subcommittee now.

On January 16, 1975 I introduced H.R. 1533. This bill would prohibit the importation, manufacture, sale, purchase, transfer, receipt or transportation of handguns except by members of the Armed Forces, law enforcement officials or licensed importers, manufacturers, dealers and pistol clubs.

I strongly urge the Subcommittee to report out legislation which would meet those objectives and sharply curtail handguns in the United States.

Thank you.

TAX REVISIONS—1975

(Mr. ROSTENKOWSKI asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, in recent weeks, I have introduced five separate bills which would amend various sections of the Internal Revenue Code. All five bills were tentatively approved by the Committee on Ways and Means during the 93d Congress. All were included in the list of tentative decisions agreed to by the committee as of November 18, 1974. However, as the committee attempted to expedite passage of a more simplified tax package, most of the sections of the draft bill, including these five, were dropped from the legislation that was eventually reported from Ways and Means.

Each of these five bills has been reintroduced in this Congress because, although they relate to different areas of the tax code, all five would help to bring more equity into the administration of our tax system.

At this point in the Record, I would like to briefly outline each of these bills:

H.R. 3052, to clarify the tax treatment of the gain on the lapse of options to buy or sell securities: H.R. 3052, would amend the Internal Revenue Code of 1954 with respect to the definition of unrelated business income. This legislation would rectify an inconsistency which presently exists in the tax law in regard to the treatment of tax-exempt organizations. Such organizations, including educational institutions, may seek to augment their investment income by granting options to purchase securities held in their portfolios.

If an option of this type is exercised, thus requiring the organization to sell the security, the premium received for the option is treated as part of the proceeds on the sale of the security itself. Any gain on such a sale is not subject to the unrelated business income tax, because that tax does not apply to investment income such as dividends, interest and capital gains.

If, on the other hand, the option is permitted to lapse, or is terminated, the organization retains the income it received for the option. Yet, although such income also is derived from the investment activities of the organization, the Internal Revenue Service holds that it is subject to the unrelated business income tax.

There is no rational basis for continuing this disparate treatment. The unrelated business income tax is intended to discourage exempt organizations from competing with taxable businesses. Given this purpose, there is no more reason for taxing the income derived from the lapse of options than there is for taxing the capital gains of exempt organizations. No competition with taxable businesses is involved in the production of either type of income.

The Internal Revenue Service's present position results from an historical fortuity. Under the Internal Revenue Code of 1939, income from the lapse of an option was considered short term capital gain, and as such was exempt from the unrelated business income tax. For reasons wholly unrelated to the present issue, such income was reclassified as ordinary income in the Internal Revenue Code of 1954. Although the 1954 change was directed at nonexempt taxpayers, it had the effect, apparently unintended, of subjecting such income in the hands of exempt organizations to the tax on unrelated business income.

During consideration of the Tax Reform Act of 1969, and again in August 1970, the Treasury Department indicated it would not oppose an amendment which would restore the pre-1954 code tax status. It did so after considering the legislative history of section 512 and the practice of exempt organizations with regard to the granting of options.

Enactment of the amendment at this time is particularly appropriate. The Chicago Board of Trade has organized the Chicago Board Options Exchange as the first national securities exchange to offer trading in options. Trading on the exchange began over 1 year ago and its successful development and expansion depends in no small part on the participation of tax-exempt organizations such as educational institutions. At the present time their participation is unnecessarily discouraged by the present tax treatment of the income from lapsed or terminated options.

Moreover, in view of current budgetary and fiscal restrictions, educational institutions, particularly our major universities, have an unusual and immediate need to supplement their investment income. The proposed provision would permit such institutions to realize the maximum return from their portfolio holdings without subjecting those holdings to any unusual investment risk.

The revenue loss which would result from this legislation is at most minimal. Educational institutions and other tax-exempt organizations are at present reluctant to engage in the writing of options because of the present restrictions of the unrelated business income tax on options that are not exercised.

This is the third consecutive Congress into which I have introduced this legislation. There has never been argument to the substantive provisions of this bill. In fact, the Internal Revenue Service does not oppose the change and in both the 92d and 93d Congresses, the bill was unanimously ordered reported by my Ways and Means Committee.

I trust that this Congress will also see the value of this legislation.

H.R. 3053, to exempt State lotteries from certain Federal prohibitions: My second bill, H.R. 3053, is an integral step toward helping our financially troubled States. In the past three Congresses, considerable progress has been made in assisting States with their mounting financial problems. In the 92d Congress, a monumental revenue sharing package was enacted specifically to allow States to hold the line on their taxes while they met the constantly increasing demand for services.

It is obvious that the problems that revenue sharing was designed to alleviate are most acute in our urbanized, industrial States. Their sharp population increase in the 1960's forced these States to search for many new methods to finance their skyrocketing State budgets. For many of these States, the answer became a lottery of some type. Since the enactment of the New Hampshire lottery in March of 1964, a dozen States have followed suit in an attempt to raise money for education, for health care, and for distribution to the various cities and towns under their jurisdiction.

In my own State of Illinois, the revenues from the lottery are used to help balance the budget of a State that has been particularly hard hit by an increased demand for State services. The Illinois lottery, which began operations last August, has already raised $27,000,000—net—in its first 6 months of operation, which represents 43 percent of the gross ticket sales, for this purpose. The most current projections indicate that the lottery may raise as much as $56,000,000—net—in its first 11 months of operation on a projected $130,000,000 of gross ticket sales; again, 43 percent of gross sales.

In light of these new developments in State financing, I was greatly disturbed to learn that the Internal Revenue Service presently plans to revive a relatively obscure excise tax provision to impose an excise tax on the gross re-receipt of all lottery revenues, except those lotteries in which the ultimate winner is determined by a horserace.

This narrow exception was enacted in 1964 when New Hampshire commenced its lottery for education. Such an excise tax does little but discourage States from embarking on such innovative methods to solve their own problems. In addition, we must remember that present law also requires that all lottery winnings be included as income in the year in which they are received—so, lottery receipts are already quite heavily taxed at the Federal level.

It is my understanding that while the Treasury Department feels obligated to enforce the excise tax, it would not object to congressional legislation to relieve them of this obligation. I believe that the legislation which I have introduced to exempt from the excise tax, State-run lotteries conducted for the benefit of the State and its residents, will solve the problem. It will relieve the harsh impact of double taxation which not only would deplete the financial return to the State, but would also discourage other States from introducing lotteries to better their financial needs.

H.R. 3054, a bill relating to the Federal excise tax on beer: All too often in recent years, the financial pages of our local newspapers have been forced to announce the termination of yet another small business. The type of city may change, the type of business may change, but the story remains depressingly the same. It appears that we are living at a time when the only path to survival for the small businessman is to sell out and be thankful he could.

Such a pattern of consolidation is troubling to me. I do not like to think that we have come to the time when bigness is the only road to survival in our economic system. For, if it is, much of the individuality and uniqueness that has made our country will be forever lost.

In Chicago, one clear example of this trend has been in the brewing industry. As the ethnic center of our country, Chicago was long the home for many of our most famous smaller breweries; breweries which developed products that added to our city's uniquely diverse atmosphere. In the last 25 years, however, the city of Chicago has watched the number of its breweries decrease from 48 to but 1. In this regard, Chicago is but one example of an incredible national trend. In the State of Wisconsin, the number of breweries has decreased in the last 25 years from 72 to 8. A sad story for a region that has long prided itself on its beer craftsmen. Nationally, the figures are not much different—from 466 to 56 in the same period of time.

While these figures outlining the decline of the individual breweries are in themselves clear, the message of bigness becomes unmistakable when this sharp decline is contrasted with the continuing increase in beer sales in recent years. In each of the last 14 years—through 1972—sale and production of beer and ale have annually established new highs. Thus, at a time when an industry is prospering, the individual smaller brewer is nonetheless becoming virtually extinct.

The demise of the small brewery can be attributed to many factors. The closings have been caused by many of the problems typical of our inflationary times. In addition, the small brewer has been beset by one problem that is unique to his industry. He is taxed heavier than any other domestic industry except one. He is the target of not only State taxation, but double Federal taxation as well. In addition to the usual Federal income tax, brewers must pay an excise tax of $9 on each barrel they brew. This $9 excise tax can be contrasted with average profit per barrel of only a little over a dollar. Such heavy taxation undoubtedly hits hardest on the small brewer, the man who has neither the capital nor the credit to expand his facilities to take advantage of the growth in industry-wide sales. As a result, he finds it easier to sell his business to those brewers who have the capacity to better bear the heavy financial burden. While this might very well streamline an industry, I seriously doubt that it is as good for American tradition or for the American consumer.

As a result of this, I have introduced legislation to ease the financial burden on the small brewers of this Nation. My legislation would reduce the Federal excise tax on small brewers from $9 to $7 a barrel. This reduction would only apply to brewers that produced less than 2 million barrels a year and even then, only to the first 60,000 of their barrels.

Through the years, Federal excise taxes on beer have risen from $1 to $9 a barrel. As is the case with most excise taxes, increases usually came on a "temporary basis" during a time of national emergency. Unfortunately, as is also usually the case, these "temporary" increases have remained now firmly entrenched in the Internal Revenue Code. The effect of my legislation would be to repeal—for the small brewer's first 60,000 barrels, the $2 increase that was levied to help finance Federal expenditures during the Korean conflict.

This small reduction will not itself insure the financial stability of the remaining small breweries in our Nation. It will, however, give those brewers a badly needed boost in capital to help them in their struggle to both remain open and remain a refreshing diverse part of the American scene.

H.R. 3055, to amend the Internal Revenue Code relating to distilled spirits. This legislation, which I introduced for myself, Mr. LANDRUM, Mr. WAGGONNER, and Mr. CLANCY, would amend the distilled spirits plant provisions of the Internal Revenue Code in order to remove certain restrictions that are presently incorporated in the code. This legislation would remove restrictions that are not necessary for effective enforcement of the revenue and regulatory aspects of the law. Removal of these provisions would also have the effect of facilitating and encouraging experts.

These provisions would have no adverse effect on the amount of revenue that would be collected by the Internal Revenue Service.

I introduced this same bill in the 92d and 93d Congresses. The Treasury Department, in response to a request from my Committee on Ways and Means, has already reported favorably on this legislation. I am therefore hopeful that this bill will be before the House early in this session of the Congress.

I would like to insert in the RECORD at this point, a brief explanation of the various sections of this legislation.

SECTION-BY-SECTION ANALYSIS OF THE BILL

SECTION 1—"IN BOND FOR EXPORT"

Section 1 of the bill would eliminate the requirement of showing on the label of gin and vodka bottled in bond for export, the name of the distiller. Such information serves no useful purpose, and since gin and vodka are produced from neutral spirits, compliance with the statute means showing the distiller of the neutral spirits which may be a person different from the producer of the gin or vodka; the showing of such distiller on the label could even be deceptive to the consumer.

SECTION 2—"DRAWING FOR BULK IMPORTED GOODS BOTTLED IN UNITED STATES"

Section 2 of the bill would authorize allowance of drawback of tax on bulk imported goods which are bottled in the United States and exported therefrom. Because of the limitation to goods "manufactured or produced in the United States" in existing law, imported distilled spirits are not subject to drawback under section 5062(b). However, by virtue of section 5523, IRC, reduction in proof and bottling or packaging are deemed to constitute manufacturing under section 311 of the Tariff Act of 1930. (19 U.S.C. 1311). This amendment would make the export standards of Section 5062(b) consistent with those in Section 311.

SECTION 3—"DISTILLED SPIRITS RETURNED TO BONDED PREMISES"

Section 3 of the bill would permit the bottler or packager to return to an export storage facility on bonded premises distilled spirits which would be eligible for drawback under Section 5062(b). The return of the spirits must be solely for the purpose of storage pending withdrawal for export, or other withdrawal without payment of tax authorized under Section 5214(a), or free of tax under Section 7510.

This section also permits the bottler to return to appropriate storage facilities on the bonded premises distilled spirits which he had bottled in bond after tax determination. Such spirits may be withdrawn for any purpose for which distilled spirits bottled in bond before tax determination may be withdrawn from bonded premises.

Appropriate amendments are made to provide for the remission, abatement, credit, or refund of tax on spirits returned to bonded premises under this section.

The amendments made by this section are designed to simplify and encourage export transactions.

SECTION 4—"WITHDRAWALS TO CUSTOMS BONDED WAREHOUSES"

Section 4 of the bill would authorize withdrawal of distilled spirits from bonded premises without payment of tax or transfer to any customs bonded warehouse. This provision applies to spirits bottled in bond for export and to spirits returned to bonded premises under section 5215(b). The amendment is designed to simplify and encourage export transactions.

SECTION 5—"REMOVAL OF SAMPLES FOR RESEARCH, DEVELOPMENT, OR TESTING"

Section 5 of the bill would make a reasonable extension of the purposes for which samples may be removed without payment of tax to include plant research in addition to laboratory analysis. This amendment is similar to the recent amendment to Section 5053 relating to beer.

SECTION 6—"MINGLING AND BLENDING OF DISTILLED SPIRITS"

Section 6 of the bill would permit distilled spirits plant proprietors to commingle distilled spirits within 20 years of the date of original entry rather than the existing 8 years. The section also eliminates the requirements of existing law that the mingled spirits be placed in the same barrels and that the mingling must be for further storage in bond. Proper administration of the distilled spirits tax and regulatory provisions does not require the limitations on commingling to 8 years or the return of the distilled spirits to bonded storage. From a practical standpoint, the use of the same package is an unnecessary restriction.

SECTION 7—"USE OF JUNIPER OILS IN PRODUCTION OF GIN"

Section 7 of the bill would authorize the use of the extracted oils of juniper berries and other aromatics in the production of gin without incurrence of the rectification tax in adddition to the present system of redistillation of a pure spirit over juniper berries and other aromatics. This amendment will permit production of gin with greater uniformity and without loss in quality.

SECTION 8—"LOSS OF PROVISIONS FOR SPIRITS BROUGHT IN FROM PUERTO RICO AND THE VIRGIN ISLANDS"

Section 8 would extend to bulk spirits brought into the United States from Puerto Rico or the Virgin Islands the same loss provisions now applicable to imported and domestic spirits.

Due to an oversight when the law was amended to permit entry of such spirits into bond the provisions applicable to imported and domestic spirits were not extended to spirits brought in from Puerto Rico or the Virgin Islands. Enactment of this section would cure inequities in the present law.

SECTION 9—"EFFECTIVE DATE"

The Act would become effective on the first day of the first calendar month which begins more than 90 days after enactment. This will give the Treasury Department and the distilling industry sufficient time to modify procedures under the statutes amended.

H.R. 3487, a bill to allow the investment tax credit with respect to certain leased commuter cars. This bill would adjust the investment tax credit on leased urban mass transit properties. Under existing investment tax credit provisions, property owned or used by a governmental unit is not eligible for the 7-percent investment tax credit. This means that the Government as lessor cannot pass the tax credit through to its lessee as is normally permitted a lessor. In enacting this provision, Congress apparently did not contemplate the situation toward which this legislation is directed. Congress was concerned about the circumstances wherein public funds are solely used in making the investment in personal property, and in that case did not wish the lessee of the investing governmental unit to have the credit passed through to it by the lessor.

The situation which has come to my attention involves the investment in mass transportation equipment by the Illinois Central Railroad which, because under the Federal law they could not take ownership of the property involved, were denied the investment tax credit.

My proposed bill would permit the lessor-governmental unit to pass the credit through to its lessee of qualified urban mass transit property. The amount of the credit would be based on the private entity's payment toward the cost of the property during the first 5 years of the lease. The Federal Government's grant is not included in the computation of the investment tax credit available to the lessee.

The investments by the private entities in new commuter car equipment serve in the congressional purposes in adopting the Urban Mass Transportation Act of 1964. Such purposes are: First, to assist in the development of improved urban mass transportation facilities, equipment techniques, and methods; second, to encourage the planning and development of areawide urban mass transportation systems; and third, to provide assistance to State and local governments in financing such systems, all with the cooperation of public and private mass transit companies. The subject would also be consistent with the congressional intent of the tax laws to allow the tax credit to lessees where the investment in qualified property is not made solely by a governmental unit.

The proposed legislation would aid the development of urban mass transit facilities and systems. It would offer a clear incentive to private entities engaged in the public transportation industry which are requested to bear part of the total cost of acquiring commuter equipment when the funds are not available to the local governmental authority. It would lessen the penalty incurred by the private entity in being denied ownership of the equipment and the resulting tax benefits.

In this instance, the Illinois Central Railroad leased commuter cars for a period of 25 years and was required to pay the nonFederal portion of the cost of 130 commuter cars in 1971 and 1972 during construction of the equipment in an amount approximating $13.3 million. The commuter line would have purchased a one-third interest in the commuter cars for $13.3 million but was unable to do so because of the requirements of the Urban Mass Transportation Act of 1964. The cars are, and must be, owned by the mass transit district involved. Had the railroad been permitted to purchase an interest in the equipment, the legislation I now introduce would be unnecessary. The railroad would have been eligible for the tax credit on its investment and also would have been taking accelerated depreciation on the equipment. The mass transit district involved is a governmental agency without taxing power. In order to secure the one-third local or State share for construction of the equipment, the transit district had to resort to the railroad for assistance. Without the railroad's payment the project would not have proceeded.

What is also unfortunate is that the $13.3 million investment is not permitted to be included in the railroad's rate base for determining its commuter fares and therefore, the railroad will probably receive no return on this substantial investment. The commuter operations are not expected to permit a reasonable return even on the substantial existing investment in commuter operations wholly apart from the $13.3 million investment.

Congress has expressed its concern about the problems in securing an efficient mass transportation system throughout the Nation. Obviously, there will be required cooperation of the governments involved and the private mass transit companies. The legislation I have introduced would encourage cooperative efforts of interested parties toward resolving our mass transportation problems.

FLOATING NOTES OF CITICORP

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, I would like to bring to the attention of the Members a copy of a letter I have forwarded to Chairman Ray Garrett, Jr., of the Securities and Exchange Commission with respect to the $650 million floating note issue which Citicorp marketed in July 1974. I have presumed to send a copy to Congressman JOHN E. MOSS, chairman of the Subcommittee on Oversight and Investigations of the House Commerce Committee.

Inasmuch as this matter involves the Nation's second largest bank, First National City Bank—"Citibank"—it should be of equal or greater interest to our three banking agencies so I have also sent copies to the Comptroller of the Currency, James E. Smith, the Chairman of the Board of Governors of the Federal Reserve System, Dr. Arthur F. Burns, and the chairman of the Federal Insurance Deposit Corporation, Frank Wille.

In this connection, I also call the Members' attention to the complaint, dated July 5, 1974, filed in the United States District Court for the Southern District of New York, against the Board of Governors of the Federal Reserve System by the Bowery Savings Bank, and the National Association of Mutual Savings Banks, in which it is alleged that these floating notes should be subjected to Federal Reserve regulations D and Q.

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C., February 24, 1975.

Hon. RAY GARRETT, Jr.,
Chairman, Securities and Exchange Commission, Washington, D.C.

DEAR MR. GARRETT: On July 24, 1974, with your approval, Citicorp, the holding company for the First National City Bank, issued a prospectus for the sale of $650 million so-called floating notes. I am very concerned about the scope of disclosure in this prospectus. It was a "first", and has become a model for offerings of this type.

As I understand it, corporations may use in their prospectuses unaudited quarterly figures subject to the condition that such figures fully and fairly describe the company's quarterly position. In my opinion, Citicorp's quarterly figures for 1973 and 1974 showing actual loan loss chargeoffs in Citibank, do not accurately reflect losses sustained at those times. Citicorp represents that on June 30, 1974 Citibank may legally declare a dividend in the amount of the bond issue, $650 million. Presumably, this figure is obtained by plugging actual loan loss figures for the first and second quarters (see table below) into the statutory formula of Section 60 of Title 12 of the United States Code:

ACTUAL LOAN LOSS MINUS TAX BENEFIT

	Quarter			
	1st	2d	3d	4th
1973	6,836	6,814	14,728	48,254
1974	6,880	8,523	14,000	59,780

You will note that in both years approximately 83% of the Bank's total losses are deferred to the third and fourth quarters.

The statements in the prospectus do not contain any explanatory footnote, but it is extremely unlikely in a Bank the size of Citibank that any seasonal factor could cause such large fluctuations in revenue.

Of course by manipulating the actual charge-off figure a bank may arbitrarily increase the amount of legally available profits from which dividends may be declared under 12 U.S.C. 60(b). There is no evidence in the prospectus that Citibank has employed an objective accounting method—or any method at all—in choosing to write its loans off in this manner. Both the S.E.C. and the Comptroller have the authority to prevent illegal manipulation of 12 U.S.C. 60 by promulgating guidelines for reporting unaudited quarterly figures which represent loan loss charge-offs. As this same pattern of loss activity has been observed in the prospectuses of other banks offering floating rate notes, it is time that authority were exercised. The S.E.C. might consider insisting on audited figures.

I am also concerned by the fact that while the prospectus is careful to highlight the Bank's legal ability to declare a dividend, any discussion of the Bank's actual ability to make such a payment is conspicuously absent. Citibank did not pay dividends to Citicorp in 1972 or 1973. Nor did it declare a dividend in 1974. However, Citicorp has paid dividends of $75 million in 1972, $86 million in 1973, and $98 million in 1974. The logical inference is that Citicorp is paying these dividends with money borrowed in the commercial paper market. In addition to being a practice of doubtful legality, it is one which should certainly be disclosed to the potential investor and discussed in the holding company's prospectus.

While I appreciate the values served by the equity method of accounting, it is singularly inappropriate as a method of disclosing the cash position of a bank vis-a-vis its holding company. The Bank's assets are not the holding company's assets.

When Citicorp is allowed to represent—

> "In the determination of the dividend policies of Citicorp its Board of Directors consider the earnings of Citibank available for the payment of dividends to Citicorp. Citicorp would anticipate that a portion of such earnings would be paid to it as dividends if such payment were required as a source of funds to pay Citicorp dividends in the future."

a consolidated statement is irrelevant. It is the liquidity of Citibank which is in issue, and the Commission ought to require that a statement providing this particular information be included in the prospectus.

The prospectus, moreover, neatly sidesteps disclosure of the nature and extent of Citibank's foreign investments—another factor affecting the Bank's actual ability to pay dividends. A geographic break-down of domestic and international net income is qualified by the statement—

> "It is not practicable to make a precise separation of the domestically oriented business from the part of the business resulting from operations in foreign countries and derived from customers in foreign countries; accordingly, the separation set forth below is based upon internal allocations which necessarily involve certain assumptions". (p. 13 Citicorp prospectus).

Such assumptions are never defined. The investor has no facts on which to base a judgment as to the soundness of the Bank's loans in foreign countries.

While you or the banking agencies may lack the statutory power to do so, don't you think that the directors, officers, attorneys, and accountants who represent a bank holding company should be completely independent and different from those of the bank? After all the Bank directors as trustees owe their first duty to the Bank's depositors. Here the holding company's need for the dividends may clash with the obligation of the Bank's directors to retain the dividends. If necessary, should we not pass legislation to effect this?

I would appreciate hearing from you what you can do to correct this situation.

Sincerely,

WRIGHT PATMAN,
Vice Chairman.

[In the U.S. District Court, Southern
District of New York]

COMPLAINT

The Bowery Savings Bank, National Association of Mutual Savings Banks, by its President Kenneth L. Birchby and Savings Bank Association of New York State, by its President Joseph C. Brennan, Plaintiffs, v. Board of Governors of the Federal Reserve System, Defendant.

The plaintiffs The Bowery Savings Bank ("Bowery"), the National Association of Mutual Savings Banks and Savings Banks Association of New York State, by their attorneys, Cadalader, Wickersham & Taft, for their complaint allege:

1. This action for declaratory judgment arises out of the provisions of Section 19 of the Federal Reserve Act, as amended, 12 U.S.C. § 461 and Regulations D and Q of the Federal Reserve Board, 12 C.F.R. §§ 204 and 217 respectively, issued pursuant to said act.

2. Jurisdiction of this Court is based upon Sections 1331 and 2201 of Title 28 of the United States Code.

3. The amount in controversy exceeds $10,000 exclusive of interest and costs.

4. Venue properly lies in the Southern District of New York pursuant to Section 1391 (e) of Title 28 of the United States Code. The plaintiffs have their principal places of business in the Southern District of New York.

5. Plaintiff Bowery is a New York State mutual savings bank organized and existing by virtue of the laws of the State of New York and maintains its principal place of business at 110 East 42nd Street, New York, New York.

6. Plaintiff National Association of Mutual Savings Banks is an unincorporated association existing under the laws of the State of New York, and has its principal place of business at 200 Park Avenue, New York, New York. Its 475 members, representing $108 billion in assets, are mutual savings banks conducting and authorized to conduct the business of savings banking under and by virtue of the laws of various states throughout the United States. Kenneth L. Birchby is the President of this association. This association brings this action on behalf of itself and in the interest of its members.

7. Plaintiff Savings Banks Association of New York State is an unincorporated association existing under the laws of the State of New York, whose members are 118 mutual savings banks chartered under the laws of the State of New York. Its principal place of business is in the City of New York, State of New York. Its members conduct the business of savings banking in various counties of the State of New York, including the County of New York. Joseph C. Brennan is the President of this association. This association brings this action on behalf of itself and in the interest of its members.

8. The defendant Board of Governors of the Federal Reserve System is an agency of the United States empowered and authorized by the Federal Reserve Act to regulate the business of members of the Federal Reserve System and their affiliates for purposes germane to this action, including all National Banking Associations ("National Banks").

9. On information and belief certain registered bank holding companies registered under the Bank Holding Company Act of 1956 which are affiliates of National Banks subject to the provisions of the Federal Reserve Act are about to and have expressed their intention to issue or their interest in issuing unsecured small denomination notes ("Notes"). These issuers include the holding company affiliates of Chase Manhattan Bank, N.A., Bank of America, N.A. and First National City Bank ("Citibank"). The Notes will yield interest in excess of the rates prescribed by Federal Reserve Board Regulation Q; and the requirements for reserves prescribed by the Federal Reserve Board pursuant to Regulation D are to have no certain application to the proceeds of such Notes.

10. Bowery and the member of plaintiffs National Association of Mutual Savings Banks and Savings Banks Association of New York State (collectively referred to as "Associations"), are within the group sought to be protected by authority granted to defendant to expand the scope of Regulations D and Q.

11. One such bank holding company, Citicorp, which owns all of the capital stock of Citibank, has presently pending before the United States Securities and Exchange Commission a certain preliminary prospectus dated June 27, 1974 with respect to the issuance, offer and sale to the public of $850,000,000 of such Notes ("Citicorp Notes") and is seeking registration for such an offering to the public.

12. The funds, or a portion of such funds, so obtained by such bank holding companies will be used directly or indirectly in the banking business of their affiliate National Banks or to maintain the availability of funds for the benefit of such banks.

13. Issues of such Notes seek to attract and compete for funds which otherwise would be invested in time or savings deposits of Bowery as well as with mutual savings institutions which are members of the Associations.

14. Bowery has requested that the Federal Reserve Board coordinate with the Securities and Exchange Commission on the applicable disclosures regarding the application of Regulations D and Q to the issuances of the Notes. The plaintiffs have requested that the defendant regulate the issuance of the Notes by subjecting this issuance (and proceeds) to Regulations D and Q.

15. Unless the defendant so regulates the issuance of the Notes, Bowery and the members of the plaintiffs Associations will suffer irreparable competitive injury.

16. In a certain letter dated July 2, 1974 from the defendant to the Honorable Ray Garrett, Jr., Chairman of the Securities and Exchange Commission, concerning the Citicorp Notes the defendant has recognized that:

> ". . . the result of the large offering—and any other offering like it, whether issued by bank holding companies or other corporations—can well be to divert the flow of savings from the residential mortgage market and to deprive home buyers of needed mortgage financing. It is not clear, therefore, that an offering of this type is in the public interest at this time."

17. In disclaiming authority to apply Regulation D to the entire offering of the Citicorp Notes, and apparently disclaiming any power to apply Regulation Q or to amend Regulation Q to apply to interest payable on any part thereof, the Board states that it lacks the necessary statutory powers:

> "The Board's present statutory powers do not authorize it either to prevent or to regulate the terms of the Citicorp issue. The legislative history of the 1969 amendments

to the Federal Reserve Act, which authorized the Board to determine what types of obligations issued by affiliates of member banks may be deemed to be deposits for purposes of the Board's regulations, makes it clear that such authority applies only to the extent that the proceeds of such affiliate obligations are used for the purpose of supplying funds to a member bank. To the extent that the proceeds of the Citicorp Notes may be *used for supplying funds to member banks*, they would be subject to reserve requirements, but not otherwise." (Emphasis supplied).

17. With specific reference to the Citicorp Notes the issuer describes the proposed "Use of Proceeds" on page 3 in its preliminary prospectus as follows:

"The net proceeds from the sale of the Notes offered hereby are expected to be applied to the repayment at maturity of commercial paper issued by Citicorp. See "Capitalization". Citicorp has issued commercial paper principally to finance the activities of its subsidiaries other than Citibank, including Advance Mortgage Corporation, Nationwide Financial Services Corporation and Citicorp Credit Services, Inc. See "Business—Related Services and Activities". Citicorp expects to continue to issue commercial paper to repay outstanding commercial paper as it matures and to finance expansion of the activities of its subsidiaries, including Citibank. With the anticipated continued growth of Citibank and other Citicorp subsidiaries, Citicorp also expects that it will, on a regular basis in the future, engage in additional financings in character and amount to be determined as the need arises."

18. Defendant has the statutory power to apply Regulations D and Q to the Citicorp Notes and proceeds thereof, and any similar issuances by other bank holding companies, for the following reasons, among others:

(a) On information and belief Citibank has been able to avoid paying any dividends to Citicorp, thereby retaining for its own capital base its entire net income, for two and one-quarter years—amounting to approximately $550 million. Citicorp dividends during this period, in the amount of $186.2 million (to meet the expectations of Citicorp shareholders—formerly shareholders of Citibank) have been paid through funds supplied by intricate borrowings by Citicorp and by decreases in loans financed from previous borrowings (largely through commercial paper). These previous borrowings are now "expected" to be refinanced from the sale of Citicorp Notes. The defendant has the statutory power to characterize the proceeds from the Citicorp Notes as "deposits" for purposes of Regulations D and Q by reason of the use of previously borrowed funds, intended to be refinanced by the Citicorp Notes, to benefit Citibank by enabling it to retain earnings otherwise payable as dividends to its shareholders.

(b) On information and belief, pending application of the proceeds to the repayment at maturity of commercial paper issued by Citicorp, the proceeds "may be used for supplying funds" to Citibank. The defendant has the statutory power to apply Regulations D and Q at the very least pending such application of proceeds.

(c) The defendant has the statutory power to treat debt issuances of Citicorp on a "first-in-first-out" ("FIFO") method of tracing funds used by or for the benefit of Citibank. Hence, even if the present "expected" use of proceeds is not deemed for the benefit of Citibank, funds resulting from a subsequent debt issuance (and benefiting Citibank directly or indirectly) may be attributed *pro tanto* to the proceeds of the instant Citicorp issue. Defendant has the statutory power to apply Regulation D to such proceeds on a FIFO basis, and Regulation Q as then applicable to all of the Citicorp Notes.

(d) Accordingly, the defendant has the statutory power to apply Regulations D and Q to the Citicorp Notes by reason of past Citicorp uses of funds to be refinanced (as described in (a) above), of current proposed Citicorp uses of proceeds described in (b), and/or by reason of future uses of proceeds from the Citicorp Notes under tracing described in (c).

20. Pursuant to Section 19 of the Federal Reserve Act, the defendant has the statutory power to apply the reserve requirements of Regulation D to the proceeds of the entire offering of the Citicorp Notes or similar obligations. Similarly, the defendant has the statutory power to regulate certain of the terms of the Citicorp Notes or similar obligations by the application to them or requirements of Regulation Q. The exercise of such statutory powers is plenary whether or not the proceeds are traceable to the direct use of banks which are members of the Federal Reserve System.

21. In the event that Section 19 of the Federal Reserve Act is construed so as to apply "only to the extent that the proceeds of such issuance are used for the purpose of supplying funds to banks which are members of the Federal Reserve System," then:

(a) in those circumstances where the issuer identifies the Notes, proceeds of which are to be so used, the defendant has the statutory power to subject to Regulations D and Q such proceeds and Notes as so identified;

(b) in those circumstances in which the issuer does not so segregate the Notes and proceeds to be so used, thereby rendering identification not feasible, the defendant has the statutory power to subject the entire issuance to the terms of Regulations D and Q; and

(c) failure by the issuer to facilitate the determination of whether Notes and proceeds therefrom serve the purpose of supplying funds directly or indirectly to or for the benefit of banks which are members of the Federal Reserve System shall in no way disable the defendant's full use of its statutory power to determine that interest payable on all or any part of a Note issuance is subject to Regulation Q, and that all or any portion of the proceeds are subject to Regulation D.

Wherefore, plaintiffs pray for judgment in their favor declaring that the Board of Governors of the Federal Reserve System has the statutory power under Section 19 of the Federal Reserve Act to regulate the terms of Note issuances by bank holding companies as described herein for purposes of determining whether, and to what extent, proceeds shall be deemed "deposits" for Regulations D and Q, and for such other relief as the Court deems just and proper.

Dated: New York, N.Y., July 5, 1974.

CADWALADER, WICKERSHAM & TAFT,
By ——— ———,
A Member of the Firm.

MARVIN WATSON—MAN OF GREAT ACHIEVEMENTS AND ABIDING FAITH

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, several weeks ago my good friend, W. Marvin Watson, spoke at the 50th anniversary of the Chamber of Commerce in Jacksonville, Tex.—which is one of the fast growing and rapidly developing towns in the First Congressional District of Texas. Marvin Watson has distinguished himself both in government and in business, and as his remarks in Jacksonville confirm, he is also a man who loves his country and his God, and who accepts His guidance in all things.

I believe Marvin Watson's words are especially important today. They speak to the faith and dedication of a single town and its people, and they speak too in a larger sense of those qualities that have shaped our Nation, the qualities that have made us great, the qualities that have rewarded us as a free people, and the qualities that assure us, in these difficult times, that America still has what it takes. There may be those who would say that faith alone has little power against the immensity of the world and its problems. But as Marvin reminded his audience: "A candle is small. But where there is darkness all about, men will come to share the light and will no longer fear the dark."

Mr. Speaker, I insert Mr. Watson's speech into the RECORD:

SPEECH OF MARVIN WATSON

I am grateful to have the opportunity to be with you and you'll forgive me if I tell you that another of the very nice things about being able to come here was I was told I'd have a chance to say some nice things about Luci Johnson Nugent. I never pass up a chance to do that.

I was remembering something about Luci the other night when we were talking about what separates folks who make the most of life from folks that don't.

The difference is attitude—believing in what you're doing, believing in what's right, being loyal to the folks that love you, and looking for the good in everybody, whether they love you or not. And then being stubborn about the whole business.

In 1960 there were some volunteers in Washington who believed Senator Lyndon Johnson should be President.

And because we believed that, we meant to do something about it.

So we set up a campaign headquarters.

I walked in one night and there off in a corner was Luci, stuffing envelopes. She was about ten or eleven then, I guess, and here she was in this office with all these though old political operators.

She was doing a good job on those envelopes, but I didn't think she should be there and I told her that.

Well, she didn't agree with me at all.

I will not forget what she said, "He's my daddy, and I expect to help him."

We discussed all that a bit, and I knew I wasn't going to win without some reinforcements.

By and by, Mrs. Johnson came by in the car and I went out to see her. I told her Luci was in there working with all those old people, and I thought she ought to be home doing her homework.

So Mrs. Johnson went in and she had a try at it.

But I think it was hard for her to say no to Luci anyway, and Luci had the best of it because she was working for a good cause. And she stuffed envelopes till about midnight.

The point, she didn't just believe in something. She was a little stubborn about it.

I had the honor to serve with President Johnson during his Presidency.

I learned first-hand his feelings about America and her people. He didn't just believe in us. He was pretty stubborn, about the way he believed in us.

He loved this nation, and he sure loved Texas. When he served Texas, he served her with all his heart.

He expected the best from us, and he gave his best to us. When he went to the White House, he did things the same way.

Lyndon Johnson struggled with all his great heart to bring peace to America and to the World.

Here at home, he saw his dreams for America written into law. He didn't just believe in civil rights, he acted on what he believed.

He didn't just believe in better education, conservation, health care, and an economic opportunity for all, he didn't just believe in a great society.

He did something about these things.

He was stubborn about what he believed. And because he was, we all walk in a light cast by Lyndon Johnson.

I like to think also, that like Luci—though perhaps not in such great abundance as her—we all possess some of his great spirit.

Though it is his legacy, it is also a legacy of this land where we were born and raised.

I read about the founding of Jacksonville, and how one of General Thomas Rusk's soldiers, Jackson Smith, rode through here scouting Gum Creek and found a place so lovely that he decided to come back and live here.

It took him nine years.

That's a while, but he apparently loved this place, and he'd made up his mind what he wanted, and he was a little stubborn about it.

So he came back, and built a place to live, and that was the beginning of Jacksonville.

The lesson of what he did and why, seems to have stuck.

Basically, it's just that you have to believe in a thing awfully hard, and love it a lot to get the most out of it.

From what I've been able to learn, that is the story of Jacksonville.

In a larger sense it is the story of America. And in the largest sense, I think it is the story of all human happiness.

No man can look around this city, see the record of progress written here in every index of accomplishment, and not say to himself, "These folks have a right to be proud of themselves."

And I know you do take pride in what this city and this Chamber of Commerce have achieved together.

Jacksonville has led our state in industrial development for cities of your size for the last four years.

Yours is a prosperous economy, and that is no small achievement when you look at our national economy today.

Now, that we have spent our way into inflation, I see some government experts expect to spend us back out again.

I don't think it will work.

Today, we have a situation that some people call stagflation.

It defies all the rules of classical economic logic.

We have a recession and inflation at the same time.

Production is down, and prices are up.

High prices ought to stimulate production, but for various reasons—production is off.

When people ought to be saving their money, they are spending more.

They are spending most all of it.

And the Government is having trouble figuring out what to do when the people do not respond to the economic situation the way the rules say they should.

This is a complicated problem.

But the first thing we need is confidence in our national economy—the kind of confidence that you have in your local economy.

One of the first steps toward restoring confidence in the national economy is for the Government to restore fiscal responsibility to the budgetary process.

We need a balanced federal budget.

Now that sounds like the standard brass-bound, copper-plated conservative answer to everything from hives to discourteous children.

So let me explain myself.

When the government operates with an unbalanced budget, it has to borrow to make up the deficit.

No matter how bad things look, the United States Government has a very good credit rating, and it can get the money.

But the supply of money is limited.

We're not like Germany in the 30's—we can't just print more money.

So when the Government needs money, it borrows.

And when it borrows money, there is just that much less for anybody else to borrow.

And if you can't get money, you can't build your factory, you can't extend your warehouse, you can't build your new house, and the total impact of all the things you can't do is to reduce productivity all across the broad range of the economy.

You have more dollars buying fewer goods, and pretty soon you have inflation, so your dollar is worthless.

If the rate of inflation is 2 percent or 3 percent, a person can buy bonds that bring 6 percent or 7 percent and stay ahead of the curve.

But if the rate of inflation gets up to 10 percent or 12 percent or more the way it is today, then people know there isn't any point in saving, because that is like throwing money away.

They put it in the bank and when they take it out, it's worth less than it was when they put it in.

So people don't save.

And when they don't save, that is just that much less money available to lend to people for their factories and warehouses and homes.

So I don't maintain that fiscal responsibility and a balanced budget will cure hives, but I do say it would help cure some of our economic difficulties.

But you are ahead of the economic difficulties.

You have something more than a prosperous local economy—you have a diversified economy, which tends to protect you from the ebb and flow in commercial progress that occurs within most industries, and most towns.

The Jacksonville Chamber of Commerce can take a lot of credit for this, as it can take great credit for so many of the achievements that flow from economic progress.

I want to take note of the fact that Jacksonville has some pretty valuable exports, as well, one of whom is a Vice-President of Occidental Petroleum and a good friend of mine—George Williamson.

He is our youngest operational Vice-President.

He manages over a billion dollar annual program of our company.

He is important to us, and we appreciate him.

It seemed to me, as I read of your accomplishments, that they might be sufficient to persuade some people that they could sit back and relax for awhile, and rest on their laurels.

But then I read two editorials of the "Daily Progress," and they don't talk about what has already been accomplished.

No. They reveal a people and a city with too much self-confidence to fall into the trap of self-congratulation.

They accept what has been done, and they talk about the need for a new library, new streets and highways, new housing.

They talk about even further industrial development, about improving the airport, and expanding recreation programs for your young people.

They talk about further improvements in educational facilities.

So as you look back on fifty years of progress in cooperation with the people, business, and industry of Jacksonville, you mark this occasion not as a period, but a comma—not an end, but just the beginning.

There is an old American saying: "Hats off to the past; coats off to the future."

That is the tradition in which you act, and in which I know you will continue to act.

It would be difficult to overestimate the importance of keeping this tradition alive in America today.

On every hand, we hear the voices of pessimism and defeatism, we see the ravages of atheism.

The entertainment so many of our people seek, and which is so available to them, is no longer the wholesome refreshment of the spirit that delights and sustains, but rather is the sordid sensationalism that denies and destroys.

In many places new notions of how to educate our young people are contributing to a harmful permissiveness and a falling away from those beliefs which are so vital to the maintenance of a strong and free nation.

When you travel around America and you go to the great metropolises with hundreds of thousands of people governed by huge bureaucracies spending millions of dollars, it is sometimes easy to equate size with importance.

And you have to wonder what a small city can do to preserve and advance the greatness of America.

Well, David was small, and Goliath was a giant.

But David was a believer, and God was with him.

Over two thousand years ago Athens, Greece was small.

In all the barbarian world at that time, one little city state, gave birth to an idea, an idea called freedom, that all the armies of all the tyrants since that time have not been able to destroy.

A candle is small. But where there is darkness all about, men will come to share the light of that candle and will no longer fear the dark.

Jacksonville may not be a metropolis.

But the spirit that lives there, that has made this a wholesome place, a beautiful place, and a prosperous place to live and to raise up families, and worship—that spirit will stand against all the darkness, and doubt, and despair, that the world can throw against it.

This is why the achievements of this city and its people working together are so vital.

Not because of what you provide for yourselves, but because of what you provide for all of our people.

You can call it a good attitude.

A positive attitude.

You can call it hope.

You can call it a anything you like, but it is a flame which affirms that a great people still inhabit this land.

All Americans need to be reassured of it, and given renewed confidence in themselves and their capacity for greatness.

And all the world needs to know it too, so that those with conquest in their hearts will not be tempted, and so that those who need to know that liberty and decency and hope live in the world can look to us, as they have for two hundred years, and still find those perfect things here in America.

All power, all strength, all ambition, even virtue itself, must unite, must be given leadership, must be channeled into a greater achievement and further progress.

This has been the role of the Jacksonville Chamber of Commerce.

It is a success story.

It speaks for itself.

And what it says is that the spirit of America is alive, and well, the spirit of mankind is healthy and strong, that faith and hope still guide the affairs of man if men will let them.

Tonight, as we remember the past with pride, let us look to the future with confidence.

We have a heritage to pass on, and a legacy to live up to.

With the attitude which characterizes Jacksonville, the faith that is reflected in your plans for the future, the hard work, that is reflected in all you have accomplished thus far, with a stubborn devotion to the ideals which have served you well in the past. I know that you will pass on the same legacy of greatness which you have inherited.

I am very, very proud to be here and to be a part of this occasion.

I thank you, and I hope to return to celebrate another fiftieth anniversary with you.

WILD AND SCENIC RIVERS STUDIES OF THE TONGUE RIVER, WYO.

(Mr. RONCALIO asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. RONCALIO. Mr. Speaker, today I am introducing legislation to include a portion of the Tongue River, in Sheridan County, Wyo., in studies for possible future inclusion in the Wild and Scenic Rivers System.

The justifications for this proposed inclusion are many. The river is of outstanding natural beauty, possessing wilderness characteristics, and having high water quality. A recent Tongue River composite, prepared by the Tongue Ranger District of the Bighorn National Forest gives the river the highest possible ratings for esthetics.

Land within the area provides habitat for moose, black bear, and a wide variety of nongame species. The area supports large numbers of elk and mule deer. Several species of grouse and other upland game birds are plentiful, and Golden Eagles are commonly observed. The river also supports an abundance of game fish in prime condition. The Wyoming Game and Fish Commission rates the river as a class 2 stream fishery—"very good trout waters-fishery of statewide importance."

Of even greater importance, however, is the expected expansion of industrial development in northeastern Wyoming. The Bighorn National Forest is recognized as the recreation mecca for northeastern Wyoming. In the spring of 1974, Gillette, Wyo., a 2-hour drive from the Tongue River area, received widespread coverage from the national news media when a coal mining boom in the Powder River Basin brought about a quantum increase in population.

Problems concommitant to such sudden increases in population are myriad, and have become topics of statewide discussion and concern. Problems related to sudden population growth will be a new experience for many of the State's inhabitants. There will be a need and demand for increased recreational opportunities to help cope with these problems. This area could well provide for many of the increased outdoor recreational needs of the State.

As well, as this massive energy resource development effort continues to get underway, in Wyoming, there is a growing demand for our water and commitment of our streams to meet the needs of coal development and power generation. As these related changes—population influx, and increased energy development—move ahead in Wyoming it is essential that full review and consideration be taken of those streams with unique and particularly scenic qualities, to provide for effective management and protection, before they are radically and possibly irreversibly altered. I believe that we must move now to protect and preserve such streams if we are to retain these in their natural state for the enjoyment and use of future generations and for their contribution in the natural state to their ecosystem. The Tongue River, is certainly one such river.

As I said when I first introduced this legislation in the last Congress, I received many requests from Sheridan County and from people who have enjoyed the Tongue River in its natural state for fishing, recreation, and its scenic qualities, asking that this legislation be introduced. There is strong support for this legislation from the Sheridan County Sportsmen's Association, Bighorn Audubon Society, and the Sheridan County Commissioners. I strongly urge that my colleagues here in the House move to include this portion of the Tongue River in the studies to determine its feasibility as a Wild and Scenic River.

AMERICAN POLICY CONCERNING: MIDDLE EAST, ARMS CONTROL, AND LONG-RANGE ENERGY PLANNING

(Mr. YATES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. YATES. Mr. Speaker, our colleague, the gentleman from Arizona (Mr. UDALL), recently spoke at the Academic Conference of the Friends of the Hebrew University of Jerusalem on the occasion of the 50th anniversary of the university.

In his speech, Mr. UDALL clearly and succinctly outlined principles and goals to guide American policy in three major areas of current concern: The Middle East, arms control, and long-range energy planning.

This thought-provoking piece eloquently addresses issues that are of great concern to all Americans.

I commend it to my colleagues for their reading.

The text of his remarks follows:

Ladies and Gentlemen:

I am honored to join you tonight in celebrating the happy event of the 50th anniversary of the Hebrew University.

Perhaps more than any other people, the Jewish people have traditionally placed a high value on knowledge and on education.

Since the return to Israel, through all the years of hardship and the struggle for mere survival—the Jewish people sustained and nourished a magnificent university which has now grown into an institution of internationally recognized stature.

The contribution of Hebrew University—the doctors, lawyers, economists, agriculturalists, engineers, and scholars it has produced—to the strength and prosperity of Israel—can hardly be overestimated.

So in a sense, what we are really celebrating tonight is the fruit of a wise decision. The choice to invest very scarce human and material resources in a great university.

For Israel, that choice was neither simple nor obvious but it reflected and still reflects a wise appreciation for *true* national self-interest—that the greatness of a nation is founded upon its appreciation and fostering of education and enlightenment.

Tonight I want to spend a few minutes sharing with you my thoughts on similar decisions facing the United States.

For I believe we are at a watershed. A time when it has become vitally important for Americans to come to a new understanding of where *our* true national interest lies.

Today is a time to discard old assumptions, and to abandon policies that no longer match the reality of current conditions.

A time to cast off the ties that bind us so pitifully to the status quo, and a time to take a fresh look at those policies whose momentum has carried us to places we would never have *chosen* to go.

The deepening troubles we face—in the economy, in energy, and in the international arena—have caused heightened concern, yet they give us the opportunity to unite in a serious effort to grasp the basics of our current condition, and the devise policies tailored to what we see, rather than what we might hope or wish to see.

I have no doubt that we can do it. It will require qualities lacking in past years perhaps, but they are there, and are waiting to be called up:—intellectual honesty, political courage, and a measure of wisdom.

Thomas Carlyle wrote: "Adversity is sometimes hard upon a man; but for one man who can stand prosperity, there are a hundred who will stand adversity."

The same holds true for nations.

No one here doubts, I am sure, that our decisions concerning American policy in the Middle East will affect our national interest and security to a very great degree. My own view of the principles that should guide those decisions is the following:

First, and most fundamental, our policy must be based on the realization that the continued existence of Israel is in the national security interest of the United States. Israel is a fully democratized nation, sharing with us a common Judaeo-Christian heritage. As such, it is our only natural and fully dependable ally in this pivotal, crucially important region of the world. While we continue to seek to create and strengthen friendly relations with the Arab nations of the Middle East, we cannot forget the unique relationship we share with the State of Israel.

Second, in both its policy statements and in its negotiating posture, the United States must separate the OPEC oil issue from the Arab-Israeli problem. Anyone with a sense of history can come to no other conclusion than that an attempt to extract Israeli concessions, in return for oil benefits, will lead to one inevitable result: further and tougher Arab demands. Even if by some miracle the Arab-Israeli dispute were to be solved tomorrow, the oil cartel would be no less strong, no less firm in its intent, and the energy crisis no less real. I reject the linkage. America rejected it last winter. America will reject it again.

Any doubts on this matter should have been set to rest by two recent and extremely disturbing events. Twice during January, the government of Kuwait warned French banks that Kuwait would not participate in major syndications unless three firms were excluded. The three—Warburg of London, the Rothschild merchant banks of London and Paris and Lazard Freres & Cie of Paris—are all controlled by Jews. Such demands amount to nothing less than international blackmail:

if ever presented to this nation, they must be rejected with complete conviction and firm resolve.

Third, we need not confuse and torment ourselves with hypothetical questions of when, and under what conditions, we would send American troops to the Middle East. The Israelis do not want our troops, a few weeks ago the Israeli Ambassador to the United States told me, "We do not want to be attacked by the Soviets. Equally, we do not want to be saved by the U.S. . . ."

They want arms to defend themselves, and these we must send. This requires no blank check, no surrender of American judgment to Israeli requests. It requires us to send enough arms to enable Israel to maintain a balance of strength with the Arab states, which will enable Israel to survive.

It also requires us to make a serious and immediate effort to slow the exploding arms race in the Middle East.

Fourth, the Soviets should in some way be brought into the process of achieving a Middle Eastern peace. Regardless of whether or not we believe that peace in that region is in Russia's self-interest, we can agree that their current exclusion from the negotiations leaves them no alternative but to try to undermine or destroy whatever initiatives Secretary Kissinger proposes. They must be given a participation stake in the eventual solution, or there will be no lasting peace in this troubled region.

I am concerned with our expanding efforts to become the arms supplier to all belligerents in the Middle East. The arms race demands serious reexamination. The worldwide trade in *non-nuclear* arms has grown from a world expenditure of about $300 million in 1952 to a total of nearly $18 billion this year—a 6000% increase.

The American contribution to this deadly race is estimated to be $12 billion. Among 57 major arms exporters, we alone contribute ⅔ of the total.

The arms trade is not a private business. It is carried on by governments, but as the trade doubles and redoubles, it has become less and less clear how the endless purchase of arms serves the interest of the nations these governments represent.

If we are, as we hold ourselves to be, the single greatest power in the world which is dedicated to peace—

And since we are, as the facts tell us, the single greatest producer of the tools of war—

We owe it to ourselves and to our hopes for the future to initiate serious study of the ways and means to control the international conventional arms trade.

What should be controlled? By whom, and under what types of agreement? These are questions for which we have no answers—but we must not wait much longer before trying to find them.

The nuclear arms race also demands our attention. The Vladivostok accords of last November may symbolize an end to the quantitative nuclear race, but the door has been left open to an equally dangerous and vastly expensive, qualitative race. Not only was the number of allowed MIRVed warheads set higher than anyone believes necessary for any strategic purpose, but no limitations were placed on the destabilizing programs to improve accuracy, on the status of cruise missiles, mobile-based missiles, and other new systems.

We must also devote more serious effort to achieving the comprehensive nuclear test ban to which we publicly dedicated ourselves more than a decade ago. First in the Limited Test Ban Treaty of 1963, and again in the Nuclear Nonproliferation Treaty of 1968, we stated our determination to end "all test explosions of nuclear weapons for all time."

Since then, little progress has been made. A good deal of the blame lies with Russia, but we also have been reluctant to commit ourselves in fact to our stated purpose.

Both nations must now realize that the overriding danger that we both face is the growing membership in what is no longer an exclusive nuclear club. Unless Russia and the United States show a serious desire to control their own nuclear menace, the other nations of the world will be understandably reluctant to limit themselves. The Nuclear Nonproliferation Treaty is scheduled for international review this May, and in this climate, it will require our strongest possible efforts to preserve it.

On the domestic scene, we also have some serious rethinking to do. We are passing from an era of cheap and abundant materials and energy to an era of shortage.

This is no cause for despair. The pangs of the transition will continue to be painful for a while, but once we understand the cause of the problem, we have the resources to effect its cure.

The shortsightedness of our wasteful energy policies has been pointed out for years by a few knowledgable people, but the "can doers" and "grow grow grow" philosophy carried the day.

As recently as November 1973, Richard Nixon said: "There are only 6% of the people in the world living in the United States, and we use 30% of all the energy. That isn't bad; that is good. That means we are the richest, strongest people in the world, and that we have the highest standard of living in the world. That is why we need so much energy, and may it always be that way." Well, as was so often the case—Richard Nixon was dead wrong. That isn't good; it is bad. It means not that we are strong or rich or great; but that we are greedy, lazy, and above all, terribly wasteful.

Until we all accept this fact; realize that our free ride is over, and learn to use resources wisely, recycle wherever possible, and cut energy waste wherever it can be found—until that day, the troubles of the past year can only grow worse.

The central failure of our Federal energy policy has been that it has consistently refused to accept what I see as the unavoidable necessity of embracing energy conservation as a positive, powerful, central principle of energy policy. Not as a fail-safe or stopgap measure to close the gap between what we want and what we have.

Our immediate attention in the next few months must be to the emergency measures needed to reverse economic trends and to care for the unemployed—our walking wounded.

But very soon, we must turn our attention to adopting energy conservation policies. Not only will a policy of limited energy growth not harm our economic recovery; on the contrary, energy conservation and thrift is the essential framework on which long-term economic health will be built.

The greatest economist of this century, John Maynard Keynes, wrote, "Practical men, who believe themselves to be quite exempt from any intellectual influence, are usually the slaves of some defunct economist." The irony is that Keynes himself is now one of those defunct prophets. And there are many more.

Defunct prophets—invalid assumptions—outdated policies. The challenge for this nation is to identify and discard them all. And when we have done so we can make new decisions—as wise as that one made on Mount Scopus 50 years ago—that we have gathered to commemorate tonight.

PERSONAL EXPLANATION

Mr. VANIK. Mr. Speaker, yesterday, on rollcall No. 27, the vote on the budget rescission bill, I am recorded as not voting. I was present, and I remember having cast my ballot in the computer system. I voted "yea" in favor of the legislation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Ketchum (at the request of Mr. Michel), for the remainder of the week on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 60 minutes, today, and to include extraneous matter.

(The following Members (at the request of Mr. Grassley), to revise and extend their remarks, and to include extraneous matter:)

Mr. Young of Alaska, for 5 minutes, today.

Mr. Forsythe, for 10 minutes, today.

(The following Members (at the request of Mr. Davis), to revise and extend their remarks, and to include extraneous matter:)

Mr. Alexander, for 30 minutes, today.
Mr. Nowak, for 5 minutes, today.
Mr. Wolff, for 5 minutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mr. Annunzio, for 5 minutes, today.
Ms. Holtzman, for 5 minutes, today.

(The following Members (at the request of Mr. Thornton), to revise and extend their remarks, and to include exextraneous matter:)

Mr. McFall, for 10 minutes, today.
Mr. Fithian, for 5 minutes, today.
Mr. Metcalfe, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Grassley), and to include extraneous matter:

Mr. Biester.
Mr. Archer in two instances.
Mr. Broomfield.
Mr. Whalen.
Mr. Steelman.
Mr. Ashbrook in two instances.
Mr. Crane in three instances.
Mr. Brown of Ohio.
Mr. Derwinski in three instances.
Mr. Goodling.
Mr. Michel.
Mr. Heinz in two instances.

(The following Members (at the request of Mr. Davis), and to include extraneous matter:)

Mr. Charles Wilson of Texas.
Mr. Gaydos in 10 instances.
Mr. Mineta.
Mr. Gonzalez in three instances.
Mr. Anderson of California in three instances.

Mr. Kastenmeier.

Mr. Dingell.

Mr. Mathis.

Mr. Nix.

Mr. Boland in two instances.

Mr. Carr.

(The following Members (at the request of Mr. Thornton), and to include extraneous matter:)

Mr. Hall in two instances.

Mr. McDonald of Georgia.

Mr. Harris.

ADJOURNMENT

Mr. THORNTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 34 minutes p.m.), the House adjourned until tomorrow, Thursday, February 27, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

408. A letter from the Under Secretary of Housing and Urban Development, transmitting the first annual report on the coinsurance program under the National Housing Act, pursuant to section 244(f) of the act (88 Stat. 680); to the Committee on Banking, Currency and Housing.

409. A letter from the Executive Secretary to the Department of Health, Education, and Welfare transmitting notice of proposed regulations for bilingual vocational training under the Vocational Education Act of 1963, as amended, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

410. A letter from the Administrator, Agency for International Development, Department of State, transmitting a report on the review of the level of defense expenditures by the Syrian Arab Republic, conducted pursuant to section 620(s) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

411. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403; to the Committee on Foreign Affairs.

412. A letter from the Governor, Farm Credit Administration, transmitting a report on the administration's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 522(d); to the Committee on Government Operations.

413. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report on control of sulphur oxides, pursuant to section 119(k) of the Clean Air Act, as amended (88 Stat. 255); to the Committee on Interstate and Foreign Commerce.

414. A letter from the Administrator, Federal Energy Administration, transmitting a semiannual report on the economic impact of Federal Energy Administration actions, pursuant to section 18(d) of Public Law 93–275; to the Committee on Interstate and Foreign Commerce.

415. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for the period July-December 1974, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

416. A letter from the Assistant Secretary of Defense (International Security Affairs), transmitting notice of the intention of the Department of Defense to consent to the loan of certain U.S.-origin military equipment by the Government of the Repûblic of Vietnam to the Government of the Khmer Republic, and, in the event of its loss or destruction, to consent to its replacemént with equivalent equipment which may be provided under U.S. military assistance to the Khmer Republic, pursuant to section 401(a)(2) of the Armed Forces Supplemental Appropriation Authorization, 1966, as amended, and section 505(e) of the Foreign Assistance Act of 1961, as amended; jointly, to the Committees on Armed Services, and Foreign Affairs.

Received From the Comptroller General

417. A letter from the Comptroller General of the United States, transmitting a report on Federal agencies administering programs related to marine science activities and oceanic affairs; to the Committee on Government Operations.

418. A letter from the Comptroller General of the United States, transmitting a report on the need for a better system of adjusting salaries of top Federal officials; jointly, to the Committees on Government Operations, and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on Feb. 25, 1975, the following report was filed on Feb. 26, 1975*]

Mr. BOLLING: Committee on Rules. House Resolution 259. Resolution providing for the consideration of H.R. 2166. A bill to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low-income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit, and for other purposes (Rept. No. 94–21). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McFALL (for himself, Mr. Teague, Mr. Eshleman, Mr. Ashley, Mr. Badillo, Mr. Brademas, Mr. Brown of California, Mrs. Burke of California, Mr. Carney, Mr. Corman, Mr. Cotter, Mr. Dominick V. Daniels, Mr. Danielson, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, Mr. Florio, Mr. Ford of Tennessee, Mr. Ford of Michigan, Mr. Hawkins, Mr. Helstoski, Mr. Hubbard, and Mr. Hungate):

H.R. 3750. A bill to establish a National Energy and Conservation Corporation (AMPOWER), and for other purposes; jointly to the Committees on Interior and Insular Affairs, and Science and Technology.

By Mr. McFALL (for himself, Mr. Teague, Mr. Hammerschmidt, Mr. Jenrette, Mr. Leggett, Mr. Meeds, Mr. Moakley, Mr. Mottl, Mr. Murphy of Illinois, Mr. Nedzi, Mr. Nix, Mr. O'Hara, Mr. Pepper, Mr. Richmond, Mr. Roe, Mrs. Schroeder, Mrs. Spellman, Mr. Stratton, Mrs. Sullivan, Mr. Won Pat, and Mr. Yates):

H.R. 3751. A bill to establish a National Energy and Conservation Corporation (AMPOWER), and for other purposes; jointly to the Committees on Interior and Insular Affairs, and Science and Technology.

By Mr. McFALL (for himself, Mr. Teague, Mr. Yatron, Mr. Zablocki, Mr. Solarz, Mr. Vander Veen, and Mr. Gilman):

H.R. 3752. A bill to establish a National Energy and Conservation Corporation (AMPOWER), and for other purposes; jointly to the Committees on Interior and Insular Affairs, and Science and Technology.

By Mr. ARCHER:

H.R. 3753. A bill to provide that certain provisions of the Natural Gas Act relating to rates and charges shall not apply to persons engaged in the production or gathering and sale but not in the transmission of natural gas; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHBROOK:

H.R. 3754. A bill to provide that certain criminal penalties imposed as a result of the failure of an individual to answer to questions submitted in connection with a census or survey conducted under title 13, United States Code, shall not be applicable to any census taken under section 142 of such title; to the Committee on Post Office and Civil Service.

By Mr. BAUMAN:

H.R. 3755. A bill to establish priority allotments for natural gas used to produce fertilizer and agricultural chemicals; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOMFIELD:

H.R. 3756. A bill to promote public confidence in the integrity of Federal employees by requiring such employees to make certain financial disclosures; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. CASEY:

H.R. 3757. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. CEDERBERG:

H.R. 3758. A bill to amend title 5 of the United States Code to provide for the designation of the 11th of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. DON H. CLAUSEN:

H.R. 3759. A bill to insure that each admission to the service academies shall be made without regard to a candidate's sex, race, color, or religious beliefs; to the Committee on Armed Services.

By Mr. CLEVELAND:

H.R. 3760. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. CLEVELAND (for himself, Mr. Wright, Ms. Abzug, Mr. Anderson of California, Mr. Andrews of North Dakota, Mr. Baldus, Mr. Beard of Rhode Island, Mr. Conable, Mr. Coughlin, Mr. D'Amours, Mr. Harrington, Mr. Hastings, Mr. Hinshaw, Mr. Jeffords, Mr. Kasten, Mr. Kemp, Mr. Krueger, Mr. McEwen, Mr. McKinney, Mr. Mineta, Mr. Roe, Mr. Ruppe, Mr. Sarasin, Ms. Schroeder, and Mr. Thone):

H.R. 3761. A bill to amend title II of the Federal Water Pollution Control Act to provide for State certification; to the Committee on Public Works and Transportation.

By Mr. CLEVELAND (for himself, Mr. Wright, Mr. Mosher, Mrs. Spellman, Mr. Tsongas, Mr. Vander Veen, Mr. Winn, Mr. Whitehurst, and Mr. Yatron):

H.R. 3762. A bill to amend title II of the Federal Water Pollution Control Act to provide for State certification; to the Committee on Public Works and Transportation.

By Ms. COLLINS of Illinois (for herself, Ms. Abzug, Mr. Burke of Massachusets, Ms. Burke of California, Mr. Carter, Ms. Chisholm, Mr. Danielson, Mr. Florio, Mr. Hall, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mrs. Heckler of Massachusetts, Ms. Holtzman, Mr. Metcalfe, Mr. Moorhead of Pennsylvania, Mr. Nix, Mr. Pattison of New York, Mr. Rangel, Mr. Rosenthal, Mr. Ryan, Mr. Solarz, Mr. Stokes, Mr. Wolff, and Mr. Yatron):

H.R. 3763. A bill to protect purchasers and prospective purchasers of condominium housing units, and residents of multifamily structures being converted to condominium units, by providing for the establishment of national minimum standards for condominiums (to be administered by a newly created Assistant Secretary in the Department of Housing and Urban Development), to encourage the States to establish similar standards, and for other purposes; to the Committee on Banking, Currency and Housing.

By Ms. COLLINS of Illinois (for herself, Ms. Abzug, Mrs. Boggs, Ms. Burke of California, Ms. Chisholm, Mrs. Fenwick, Mrs. Heckler of Massachusetts, Mrs. Holt, Ms. Holtzman, Ms. Jordan, Mrs. Keys, Mrs. Lloyd of Tennessee, Mrs. Meyner, Ms. Mink, Ms. Schroeder, Mrs. Spellman, Mrs. Sullivan, Mr. Burke of Massachusetts, Mr. Corman, Mr. Vander Veen, Mr. Pickle, Mr. Helstoski, Mr. Rangel, Mr. Jacobs, and Mr. Frenzel):

H.R. 3764. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer; to the Committee on Ways and Means.

By Ms. COLLINS of Illinois (for herself, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Blanchard, Mr. Boland, Mr. Brodhead, Mr. Brown of California, Mr. Carr, Mr. Carter, Mr. Clay, Mr. Conyers, Mr. Coughlin, Mr. Danielson, Mr. Davis, Mr. Dellums, Mr. Diggs, Mr. Duncan of Oregon, Mr. Edwards of California, Mr. Eilberg, Mr. Fauntroy, Mr. Findley, Mr. Ford of Tennessee, Mr. Fraser, Mr. Gaydos, and Mr. Gilman):

H.R. 3765. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou test for the diagnosis of uterine cancer; to the Committee on Ways and Means.

By Ms. COLLINS of Illinois (for herself, Mr. Gude, Mr. Hall, Mr. Harkin, Mr. Harrington, Mr. Hastings, Mr. Hawkins, Mr. Hayes of Indiana, Mr. Jenrette, Mr. Koch, Mr. Lagomarsino, Mr. Matsunaga, Mr. Melcher, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Moorhead of California, Mr. Moorhead of Pennsylvania, Mr. Murphy of New York, Mr. Nix, Mr. Oberstar, Mr. Patten, Mr. Pattison of New York, Mr. Pepper, Mr. Perkins, and Mr. Peyser):

H.R. 3766. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer; to the Committee on Ways and Means.

By Ms. COLLINS of Illinois (for herself, Mr. Riegle, Mr. Risenhoover, Mr. Rodino, Mr. Roe, Mr. Rosenthal, Mr. Roybal, Mr. Santini, Mr. Sarbanes, Mr. Simon, Mr. Solarz, Mr. Stokes, Mr. Treen, Mr. Tsongas, Mr. Waxman, Mr. Charles Wilson of Texas, Mr. Charles H. Wilson of California, Mr. Wolff, and Mr. Young of Georgia):

H.R. 3767. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 3768. A bill to amend section 3303(f) of the Internal Revenue Code of 1954 with respect to the payment of unemployment taxes by certain nonprofit organizations; to the Committee on Ways and Means.

By Mr. DELANEY:

H.R. 3769. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. DERRICK (for himself, Mr. Mann, Mr. Davis, Mr. Holland, and Mr. Jenrette):

H.R. 3770. A bill to designate the Veterans' Administration hospital in Columbia, S.C., as the William Jennings Bryan Dorn Veterans' Hospital; to the Committee on Veterans' Affairs.

By Mr. DINGELL:

H.R. 3771. A bill to make it a Federal crime to murder or assault a fireman or law enforcement officer engaged in the performance of official duties by any person traveling in interstate commerce or using any facility of interstate commerce for such purpose; to the Committee on the Judiciary.

H.R. 3772. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. DINGELL (for himself, Mr. Casey, Mr. Brown of California, Mr. Boland, Mr. Mazzoli, Mr. Stark, Mr. Fish, Mr. de Lugo, Mr. Badillo, Mr. Ashley, Mr. Wolff, Mr. Moakley, Ms. Holtzman, Mr. Whitehurst, Mr. Foley, Mr. Thone, Mr. Vander Jagt, and Mr. Studds):

H.R. 3773. A bill to prohibit the sale of "Saturday night special" handguns in the United States; to the Committee on the Judiciary.

By Mr. ERLENBORN (for himself, Mr. Michel, and Mr. Crane):

H.R. 3774. A bill to amend section 218 of the Social Security Act to provide that a policeman or fireman who has social security coverage pursuant to State agreement as an individual employee and not as a member of a State or local retirement system may elect to terminate such coverage if he is subsequently required to become a member of such retirement system; to the Committee on Ways and Means.

By Mr. FORSYTHE:

H.R. 3775. A bill to assure protection of environmental values while facilitating construction of needed electric power supply facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY:

H.R. 3776. A bill to amend section 121 of the Internal Revenue Code of 1954 to provide that the exclusion from gross income of gain on the sale of a principal residence held for more than 5 years provided by that section will be available without regard to the age of the taxpayer; to the Committee on Ways and Means.

H.R. 3777. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

H.R. 3778. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 3779. A bill to amend title II of the Social Security Act to increase to $750 in all cases the amount of the lump-sum death payment thereunder; to the Committee on Ways and Means.

H.R. 3780. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

H.R. 3781. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3782. A bill to amend title XVIII of the Social Security Act to provide payment under the supplementary medical insurance program for optometrists' services and eyeglasses; to the Committee on Ways and Means.

H.R. 3783. A bill to amend section 121 of the Internal Revenue Code of 1954 (relating to gain from sale or exchange of residence of individual who has attained age 65) to lower to 60 the age at which the benefits of that section may be elected and to increase the amount of gain which may be excluded under such section; to the Committee on Ways and Means.

By Mr. HEINZ:

H.R. 3784. A bill to amend the Internal Revenue Code of 1954 to extend and liberalize the amortization provisions for pollution control facilities; to the Committee on Ways and Means.

H.R. 3785. A bill to amend the Internal Revenue Code of 1954 to allow an individual to elect a tax credit for 50 percent of his charitable contributions in lieu of the deduction allowed for such contributions; to the Committee on Ways and Means.

By Mr. HOWARD (for himself, Mr. Jones of Alabama, Mr. Harsha, Mr. Wright, Mr. Shuster, Mr. Nowak, Mr. Taylor of Missouri, Mr. Johnson of California, Mr. Don H. Clausen, Mr. Anderson of California, Mr. Roe, Mr. McCormack, Mr. James V. Stanton, Mr. Mineta, Mr. Holland, Mr. Oberstar, and Mrs. Lloyd of Tennessee):

H.R. 3786. A bill to authorize the increase of the Federal share of certain projects under title 23 United States Code; to the Committee on Public Works and Transportation.

By Mr. HOWARD (for himself, Mr. Jones of Alabama, Mr. Harsha, Mr. Wright, Mr. Cleveland, Mr. Nowak, Mr. Walsh, Mr. Johnson of California, Mr. Don H. Clausen, Mr. Anderson of California, Mr. Roe, Mr. McCormack, Mr. James V. Stanton, Mr. Breaux, Mr. Ginn, Mr. Mineta, Mr. Holland, and Mr. Oberstar):

H.R. 3787. A bill to amend section 109 of title 23 United States Code relating to the preparation of certain statements on highway projects in the States of New York, Vermont, and Connecticut; to the Committee on Public Works and Transportation.

By Mr. KASTENMEIER (for himself, Mr. Steelman, Ms. Abzug, and Mr. Harris):

H.R. 3788. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. LONG of Maryland:

H.R. 3789. A bill to provide for the application of the Sherman Act to persons engaged in the business of organized professional team sports; to the Committee on the Judiciary.

By Mr. MATHIS:

H.R. 3790. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 3791. A bill to authorize equalization of the retired or retainer pay of certain members and former members of the uniformed services; to the Committee on Armed Services.

H.R. 3792. A bill to repeal the Occupational Safety and Health Act; to the Committee on Education and Labor.

H.R. 3793. A bill to amend the Accounting and Auditing Act of 1950 to provide for the audit of certain Federal agencies by the Comptroller General; to the Committee on Government Operations.

H.R. 3794. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from requiring an indirect source emission review as part of any applicable implementation plan; to the Committee on Interstate and Foreign Commerce.

H.R. 3795. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard Technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. OBEY (for himself, Mr. Lent, Mr. McHugh, and Mr. Moore):

H.R. 3796. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for sanitation and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation, and for other purposes; to the Committee on Agriculture.

By Mr. PATMAN:

H.R. 3797. A bill to amend the Federal Meat Inspection Act to require that imported meat and meat food products made in whole or in part of imported meat be labeled "imported" at all stages of distribution until delivery to the ultimate consumer; to the Committee on Agriculture.

H.R. 3798. A bill to reestablish November 11 as Veterans Day; to the Committee on Post Office and Civil Service.

H.R. 3799. A bill to amend the Small Business Act to expand the definition of small business concern to include agribusinesses; to the Committee on Small Business.

By Mr. PEPPER:

H.R. 3800. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 3801. A bill to make certain technical and perfecting amendments to the Education Amendments of 1974 (Public Law 93-380); to the Committee on Education and Labor.

By Mr. ROGERS:

H.R. 3802. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for cooperative housing corporations, condominium housing associations, and certain homeowners' associations and to tax the unrelated business income of such organizations; to the Committee on Ways and Means.

By Mr. RONCALIO:

H.R. 3803. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the Tongue River, Wyo., for potential addition to the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STARK (for himself, Mr. Blanchard, Mr. Carney, Mr. Carr, Mr. Coughlin, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, Mr. Evans of Indiana, Mr. Ford of Tennessee, Mr. Harrington, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. Jeffords, Mr. Krebs, Mr. Miller of California, Mr. Taylor of North Carolina, Mr. Traxler, Mr. Whitehurst, and Mr. Yatron):

H.R. 3804. A bill to amend the Bank Holding Company Act of 1956 to make it applicable to alien individuals; to the Committee on Banking, Currency and Housing.

By Mr. STEED (for himself, Mr. English, and Mr. Risenhoover):

H.R. 3805. A bill to provide price support for milk at not less than 85 percent of the parity price therefor, and for other purposes; to the Committee on Agriculture.

By Mr. STEELMAN:

H.R. 3806. A bill to amend title 38 of the United States Code so as to provide that public or private retirement, annuity, or endowment payments (including monthly social security insurance benefits) shall not be included in computing annual income for the purpose of determining eligibility for a pension under chapter 15 of that title; to the Committee on Veterans' Affairs.

By Mr. STUDDS:

H.R. 3807. A bill to amend the Coastal Zone Management Act of 1972 to authorize and assist the coastal States to study, plan for, manage, and control the impact of energy resource development and production which affects the coastal zone, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 3808. A bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes; jointly to the Committees on the Judiciary, Merchant Marine and Fisheries, Interior and Insular Affairs, and Science and Technology.

By Mr. THORNTON:

H.R. 3809. A bill to create a National Power Resources Authority for the development of nuclear power facilities, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. WALSH:

H.R. 3810. A bill to amend chapter 34 of title 38, United States Code, to authorize additional payments to eligible veterans to partially defray the cost of tuition; to the Committee on Veterans' Affairs.

By Mr. WOLFF:

H.R. 3811: A bill to amend the Outer Continental Shelf Lands Act to insure that leases of the Outer Continental Shelf for the recovery of oil and gas are issued only to citizens of the United States; to the Committee on Interior and Insular Affairs.

H.R. 3812. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska:

H.R. 3813. A bill to amend the Federal Water Pollution Control Act in order to increase the authorization for the Alaska village demonstration projects; to the Committee on Public Works and Transportation.

By Mr. CEDERBERG:

H.J. Res. 249. Joint resolution asking the President of the United States to declare the fourth Saturday of each September National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. DINGELL:

H.J. Res. 250. Joint resolution providing for the designation of the fourth week of April of each year as Police Officers Wives Association Week"; to the Committee on Post Office and Civil Service.

By Mr. MATHIS:

H.J. Res. 251. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

By Mr. PICKLE:

H.J. Res. 252. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. LONG of Maryland:

H. Con. Res. 153. Concurrent resolution expressing the sense of the Congress that the United States should call an international conference to limit the sale of arms to the Middle East; to the Committee on Foreign Affairs.

By Mr. MATHIS:

H. Con. Res. 154. Concurrent resolution to collect overdue debts; to the Committee on Foreign Affairs.

By Mr. MITCHELL of Maryland (for himself, Ms. Burke of California, Mr. Clay, Mr. Duncan of Oregon, Mr. Dodd, Mr. Fauntroy, Mr. Ford of Tennessee, Mr. Mikva, Mr. Simon, Mr. Stark, Mr. Stokes, and Mr. Young of Georgia):

H. Con. Res. 155. Concurrent resolution expressing appreciation to Mr. Frank Wills; to the Committee on the Judiciary.

By Mr. PERKINS (for himself, Mr. Dent, Mr. Erlenborn, and Mr. Quie):

H. Res. 257. Resolution to provide funds for the expenses of the investigation and study of welfare and pension plans to be conducted by the Committee on Education and Labor; to the Committee on House Administration.

By Mr. ROGERS:

H. Res. 258. Resolution disapproving the proposed deferral of $1,034,000 for sea-grant program grants (proposed deferral D75-94) contained in the President's message of November 26, 1974; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FAUNTROY:

H.R. 3814. A bill for the relief of Veronica Knowles; to the Committee on the Judiciary.

By Mr. FLOWERS:

H.R. 3815. A bill for the relief of Joseph J. Andrews; to the Committee on the Judiciary.

H.R. 3816. A bill for the relief of John A. Townsley; to the Committee on the Judiciary.

H.R. 3817. A bill for the relief of The Billings Gazette, The Idaho Statesman, The Independent Record, The Newspaper Agency, Utah State Press Association, Inc., Arizona Daily Sun, and Williams News; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 3818. A bill to validate the conveyance of certain land in the State of California by the Southern Pacific Transportation Co.; to the Committee on Interior and Insular Affairs.

By Mr. MITCHELL of Maryland:

H.R. 3819. A bill for the relief of Rosita J. Baclagon; to the Committee on the Judiciary.

H.R. 3820. A bill for the relief of Anthony Mohamed Kaikai; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

40. The SPEAKER presented a petition of Mrs. Helen Stagnaro, Stockton, Calif., and others, relative to vehicle taxes based on power; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2166

By Mr. CHARLES WILSON of Texas (amendment to the amendment offered by Mr. Green):

Strike out sections 101 and 102 in the text of the amendment offered by Mr. Green to H.R. 2166 and insert in lieu thereof the following new section:

Sec. 101. Repeal of Percentage Depletion in Case of Oil and Gas Wells.

(a) in general.—Part I of subchapter I of chapter 1 (relating to deductions with respect to natural resources) is amended by adding at the end thereof the following new section:

"Sec. 613A. Denial of Percentage Depletion in Case of Oil or Gas Well.

"(a) general rule.—Except as otherwise provided in this section, the allowance for depletion under section 611 with respect to any oil or gas well shall be computed without reference to section 613.

"(b) special rule for certain gas wells.—

"(1) in general.—The allowance for depletion under section 611 shall be computed in accordance with section 613 with respect to—

"(A) wells producing regulated natural gas,

"(B) wells producing natural gas under a fixed contract, and

"(C) any geothermal deposit which is determined to be a gas well within the meaning of section 613(b)(1)(A).

"(2) Definitions.—For purposes of this subsection—

"(A) Natural gas sold under a fixed contract.—The term 'natural gas sold under a fixed contract' means domestic natural gas sold by the producer under a contract, in effect on February 1, 1975, and all times after before such sale, under which the price for such gas cannot be adjusted to reflect to any extent the increase in liabilities of the seller for tax under this section by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates to the contrary by clear and convincing evidence.

"(B) Natural gas.—The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under section 611 with respect to such product.

"(C) Regulated natural gas.—The term 'regulated natural gas' means domestic natural gas produced and sold by the producer, prior to July 1, 1976, subject to the jurisdiction of the Power Commission, the price of which has not been adjusted to reflect to any extent the increase in liability of the seller for tax by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates the contrary by clear and convicing evidence.

"(c) 3,000 Barrel-a-Day Crude Oil Exemption; 18,000,000 Cubic Foot Natural Gas Exemption.—

"(1) In general.—The allowance for depletion under section 611 shall be computed in accordance with section 613 with respect to—

"(A) so much of the taxpayer's average daily production of domestic crude oil as does not exceed 3,000 barrels, and

"(B) so much of the taxpayer's average daily production of domestic natural gas (other than natural gas with respect to which subsection (b) applies) as does not exceed 18,000,000 cubic feet.

"(2) Average daily production.—For purposes of paragraph (1), the taxpayer's average daily production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies), as the case may be, shall be determined by dividing his aggregate production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies) during the taxable year by the number of days in such taxable year.

"(3) Exemptions to be determined on a proportionate basis.—

"(A) Domestic crude oil.—If the taxpayer's average daily production of domestic crude oil exceeds 3,000 barrels, the barrels to which paragraph (1) applies shall be determined by taking from the production of each property a number of barrels which bears the same proportion to the total production of the taxpayer for such year from such property as 3,000 barrels bears to the aggregate number of barrels representing the average daily production of domestic crude oil of the taxpayer for such year.

"(B) Domestic natural gas.—If the taxpayer's average daily production of domestic natural gas exceeds 18,000,000 cubic feet, the production to which paragraph (1) applies shall be determined by taking from the production of each property a number of cubic feet of natural gas (not including natural gas to which subsection (b) applies) which bears the same proportion to the total production of the taxpayer for such year from such property as 18,000,000 cubic feet bears to the aggregate number of cubic feet representing the average daily production of domestic natural gas of the taxpayer for such year.

"(4) Businesses under common control; members of the same family.—

"(A) Component members of controlled group treated as one taxpayer.—For purposes of this subsection, persons who are members of the same controlled group of corporations shall be treated as one taxpayer.

"(B) Aggregation of business entities under common control.—

"(i) If 50 percent or more of the beneficial interest in two or more corporations, partnerships, trusts, estates, or other entities is owned by the same or related persons (taking into account only persons who own at least 5 percent of such beneficial interest), the exemptions provided by this subsection shall be allocated among all such entities in proportion to the respective production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies), as the case may be, during the period in question by such entities.

"(ii) If more than 50 percent in value of the outstanding stock of a corporation (taking into account only stockholders who own at least 5 percent in value of the outstanding stock), or more than 50 percent of the beneficial interest in an estate or trust (taking into account only persons who own at least 5 percent of such beneficial interest), is owned by persons who own domestic oil-producing or domestic gas-producing properties, then under regulations prescribed by the Secretary or his delegate, such corporation, estate, or trust shall be entitled to the exemptions provided by this subsection only to the extent that one or more of the shareholders, or owners of beneficial interests, as the case may be, elects to have all or a portion of its exemption allocated to such corporation, estate, or trust; except that the total exemption of the corporation, estate, or trust resulting from such allocation shall not exceed 3,000 barrels of oil, or 18,000,000 cubic feet of natural gas, with respect to its average daily production.

"(C) Allocation among members of the same family.—In the case of individuals who are members of the same family, the exemptions provided by this subsection shall be allocated among such individuals in proportion to the respective production of domestic crude oil during the period in question by such individuals.

"(D) Definition and special rules.—For purposes of this paragraph—

"(i) the term 'controlled group of corporations' has the meaning given to such term by section 1563(a), except that section 1563(b)(2) shall not apply and except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in section 1563(a),

"(ii) a person is a related person to another person if such persons are members of the same controlled group of corporations or if the relationship between such persons would result in a disallowance of losses under section 267 or 707(b), except that for this purpose the family of an individual includes only his spouse and minor children, and

"(iii) the family of an individual includes only his spouse and minor children.

"(5) Sale or acquisition of oil or gas depletion property.—

"(A) Transferor.—If oil or gas depletion property is sold or otherwise disposed of by the taxpayer in any taxable year ending after December 31, 1974, the amount of the appropriate limit referred to in paragraph (1) shall be reduced, for taxable years following such year—

"(i) unless clause (ii) applies, by an amount which bears the same ratio to such limit as the taxpayer's average daily production from such property for such year bears to the taxpayer's average daily production from all producing properties for such year, or

"(ii) by an amount (not greater than the taxpayer's average daily production from such property for such year) which the taxpayer may designate in such manner as the Secretary or his delegate shall by regulations prescribe.

"(B) Acquisition by transferor of other property.—The reduction provided by subparagraph (A) shall be decreased (but not below zero) by the sum of—

"(i) the taxpayer's average daily production from producing property (other than property to which subparagraph (A) applied and property acquired from a taxpayer described in subparagraph (D)) acquired by the taxpayer after the sale or other disposition of property to which subparagraph (A) applied, and

"(ii) the amount of the reduction under subparagraph (A) with respect to any oil or gas depletion property acquired by the taxpayer after a sale or other disposition of other property to which subparagraph (A) applied.

"(C) Transferee.—In the case of any taxpaper who acquires any oil or gas depletion property, no part of the production from such property may be taken into account by the taxpayer under this subsection for the taxable year in which such property is acquired, and in any succeeding taxable year the amount of such production taken into account may not exceed the amount of the reduction which occurred with respect to such property under subparagraph (A).

"(D) Related parties.—This paragraph shall not apply in the case of the sale or other disposition of any property between persons with respect to whom the rules of subparagraph (A), (B), or (C) of paragraph (4) apply immediately following such sale or other disposition.

"(E) Transfers of interests in businesses under common control.—If there is any sale or other disposition of an interest in a business described in subparagraph (A) or (B) of paragraph (4), then (under regulations prescribed by the Secretary or his delegate) such sale or other disposition shall not result in an increase in the aggregate exemptions allowed under this subsection with respect to oil or gas depletion properties held on the date of such transfer by such business the interest in which is transferred or by the transferor of such interest.

"(F) Oil or gas depletion property defined.—For purposes of this paragraph, the term 'oil or gas depletion property' means any property interest (including an interest in a partnership, trust, or estate) with respect to the income from which a deduction for depletion is allowable under section 613 for domestic crude oil or domestic natural gas but only if the underlying mineral property is capable of producing oil or gas in commercial quantities on the date of transfer of such property.

"(d) Limitation Based on Qualified Investment.—

"(1) General rule.—So much of the deduction allowed for depletion as is computed by reference to section 613 by reason of subsection (c) shall not exceed for any taxable year an amount equal to the sum of the taxpayer's qualified investment and qualified investment carryback for the taxable year.

"(2) Qualified investment.—For purposes of paragraph (1), any person's qualified investment for any taxable year is the amount paid or incurred by such person during such taxable year (with respect to areas within the United States or a possession of the United States) for—

"(A) intangible drilling and development costs;

"(B) the following items if paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas within the United States or a possession of the United States:

"(i) aerial photography;

"(ii) geological mapping;

"(iii) airborne magnetometer surveys;

"(iv) gravity meter surveys;

"(v) seismograph surveys; or

"(vi) similar geological and geophysical methods;

"(C) the construction, reconstruction, erection, or acquisition of the following items but only if the original use of such items begins with such person:

"(i) depreciable assets used for the exploration for or the development or production of oil or gas (including development or production from oil shale); converting oil shale, coal, or liquid hydrocarbons into oil or gas; or refining oil or gas (but not beyond the primary product stage);

"(ii) pipelines for gathering or transmitting oil or gas, and facilities (such as pumping stations) directly related to the use of such pipelines,

"(D) secondary or tertiary recovery of oil or gas, or

"(E) the acquisition of oil and gas leases (other than off-shore oil and gas leases), but the aggregate amount which may be taken into account under this subparagraph for any taxable period shall not exceed one-third of the aggregate of the amounts which may be taken into account by the taxpaper under subparagraphs (A), (B), (C), and (D) for such period,

plus the following amounts—

"(F) 100 percent of any amount taken into account under subparagraphs (A) and (B) if such amount was not claimed as a deduction for the taxable year or if such amount was deducted without any tax benefit for the taxable year or any prior taxable year, and

"(G) 100 percent of the aggregate amount taken into account under subparagraph (C).

"(3) Qualified investment carryback.—For purposes of paragraph (1), a person's qualified investment carryback shall be the amount, if any, by which the amount of the person's qualified investment for a taxable year exceeds so much of the deduction allowed for depletion as is computed under section 613 by reason of subsection (c) (determined without regard to this subsection) shall be a qualified investment carryback for the preceding taxable year.

"(e) Producer Must Be Independent.—

"(1) Retailers excluded.—Subsection (c) shall not apply in the case of any taxpayer who directly, or through a related person, sells oil or natural gas, or any product derived from oil or natural gas—

"(A) through any retail outlet operated by the taxpayer or a related person, or

"(B) to any person—

"(i) obligated under an agreement or contract with the taxpayer or a related person to use a trademark, trade name, or service mark or name owned by such taxpayer or a related person, in marketing or distributing oil or natural gas or any product derived from oil or natural gas, or

"(ii) given authority, pursuant to an agreement or contract with the taxpayer or a related person, to occupy premises owned, leased, or in any way controlled by the taxpayer or a related person.

"(2) Refiners excluded.—Subsection (c) shall not apply in the case of any taxpayer where such taxpayer or a related person engages in the refining of oil or natural gas.

"(3) Related person.—For purposes of this subsection, a person is a related person with respect to the taxpayer if a significant ownership interest in either the taxpayer or such person is held by the other, or if a third person has a significant ownership interest in both the taxpayer and such person. For purposes of the preceding sentence, the term 'significant ownership interest' means—

"(A) with respect to any corporation, 5 percent or more in value of the outstanding stock of such corporation,

"(B) with respect to a partnership, 5 percent or more interest in the profits or capital of such partnership, and

"(C) with respect to an estate or trust, 5 percent or more of the beneficial interests in such estate or trust.

"(f) Definitions.—For purposes of this section—

"(1) Crude oil.—The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(2) Natural gas.—The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under section 611 with respect to such product.

"(3) Domestic.—The term 'domestic' refers to production from an oil or gas well located in the United States or in a possession of the United States.

"(4) Barrel.—The term 'barrel' means 42 United States gallons."

(b) Technical Amendments.—

(1) Subparagraph (A) of section 613(b) (1) (relating to 22-percent depletion rate for certain minerals) is amended to read as follows:

"(A) oil and gas, to the extent allowable under section 613A;".

(2) The last sentence of paragraph (7) of section 613(b) (relating to 14-percent depletion rate for certain other minerals) is amended by striking out "or" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or ", and by adding at the end thereof the following new subparagraph:

"(C) oil or gas wells."

(c) Clerical Amendment.—The table of sections for part I of subchapter I of chapter 1 is amended by inserting after the item relating to section 613 the following new item:

"Sec. 613A. Denial of percentage depletion for oil and gas wells."

EXTENSIONS OF REMARKS

MINUTE OF CONCERN

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. CARR. Mr. Speaker, while there is justified national concern over the direction of our energy consumption, and whether we will be able to maintain our current standard of living as an energy-consuming Nation, there is also concern among many of my constituents as to our direction in pursuit of oil.

The East Lansing Friends Society has put its concerns in the form of a statement which I request be inserted in the Record at this point:

Minute of Concern

The East Lansing, Michigan, Meeting of the Religious Society of Friends is deeply concerned by the threats of military action against oil producing nations to guarantee a large and dependable supply of low priced petroleum for the American economy. We are especially concerned by the recent statement of Secretary of State Henry Kissinger, given to Business Week magazine on December 23, 1974, with the concurrence of the President, that military action would be considered "where there's some actual strangulation of the industrialized world," presumably through reduced oil shipments.

We strongly protest diplomacy using threats of war. In our judgment such threats are unwise and unwarranted, especially for the sake of unlimited oil supplies. We believe such threats are unwise for several reasons. First, these threats from a rich and powerful nation challenge the integrity and the dignity of fellow members of the human community, who are and remain our brothers and sisters, and part of God's creation, no matter how much we may disagree with specific policies they may adopt. Second, they add immeasurably to the level of tension in the Middle East, already one of the most explosive political settings on the earth. Third, these threats alarm other nations, both allies and neutrals, who fear that they may be drawn against their will into disruptive and deadly war. Finally, and most important, war is never as simple and tidy a course of action as its proponents anticipate. The costs, both direct and indirect, of a Middle East war involving one or more major powers are likely to far exceed, in human and financial terms, the possible rewards of such a course of action.

The United States is still in the process of healing the terrible wounds of the Vietnam war, which drained us of blood, material resources, unity, and left us with severe inflation and unemployment. The consequences of another war may well be exhaustion and isolation rather than economic renewal and increased trade.

We also believe such threats are unwarranted. First and foremost, the rise in petroleum prices and the oil embargo have rather forcefully pointed out that the United States and the western industrial world are sooner or later going to have to live more simply and with less oil. Petroleum is only one of the nonrenewable resources whose supplies in the long run are going to diminish. Calls for cheap and unlimited oil supplies can only postpone the day of reckoning for economies wedded to lavish use of petroleum.

We believe that we should set our own energy house in order rather than aggressively laying claims to resources over which we have no intrinsic rights. The United States has been extremely slow to implement a variety of energy conservation measures ranging from energy efficient transportation to building insulation. The United States has the world's greatest coal reserves, which preclude the possibility of sustained economic strangulation, provided that significant initiative and leadership are taken in facilitating wise and efficient use of these resources. Other sources of energy, such as solar and wind power, await only a meaningful commitment and effective demand for development. We believe the U.S. should mobilize its resources for both flexibility and efficiency in energy utilization, rather than for a selfish war of energy acquisition.

Second, it appears to us that we have not exhausted all possibilities of peaceful cooperation with oil producing nations. A variety of avenues of negotiation exist, and we believe that the immense diplomatic resources of the United States should be devoted to humane and peaceful persuasion, not to threats of war.

We call upon the President and Secretary of State to lead the United States in policies of peace and self-restraint with the oil producing nations. We do not believe that the hardship caused by limited oil supplies can justify a war whose one sure result is more bloodshed and hate in a world yearning for justice and love.

BETHEL PARK CHAPTER, DECA, AN EXAMPLE OF YOUNG AMERICANS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. GAYDOS. Mr. Speaker, all of us, I know, are familiar with the Distributive Education Club of America, an organization dedicated to helping young Americans pursue a career in the field of marketing and distribution.

Working through schools and in cooperation with the local business community, DECA seeks to fill the needs of young people who want to contribute to and become a part of our society. I am pleased to report that in Bethel Park High School in the 20th Congressional District of Pennsylvania, DECA has succeeded admirably. Its acceptance by local employers, who willingly participate in the program, is proof of its popularity and worth.

Each year, the members of the Bethel Park Chapter of DECA, which now is 10 years old, sponsors a banquet for those who work with the students as a gesture of thanks for their interest and efforts. This year's event, which included a demonstration of magic by Ralph Smaltz, a DECA student, and an address by Mr. Leonard C. Staisey, chairman of the Allegheny County Board of Commissioners, was highlighted by the presentation of awards to local employers, the Bethel Park School Board and two DECA members for outstanding achievement.

Miss Patty Peterson, president of the Bethel Chapter of DECA, lauded local businessmen for providing students with more than just on-the-job training and experience. "Your understanding, consideration and concern," she told them, "make you more than just employers."

Mr. Harold Meeks, who accepted the award on behalf of the school board, pinpointed the reasons for DECA's success. He said:

> It is due to intelligent, industrious young people, who at an early age demonstrate the desire to be productive; it is due to dedicated teachers and a group of cooperative and understanding employers, without whom the program could not operate.

And, Dr. Eugene Spence, superintendent of Bethel Park Schools, summed up the feelings of local educators and administrators:

> We are grateful to the employees for what they do for our young people; we are even more grateful to our young people for what they do for us.

The recipients of the two "Outstanding Student Awards" were Miss Peterson and Mr. David Dickson. The presentation was made by Mr. Gary Clingan, a past president of the Bethel Chapter of DECA, in recognition of leadership and dedication to the program.

Mr. Speaker, I am extremely proud to represent young Americans such as the members of the Bethel Chapter of DECA. I would like to enter the names of the officers into the RECORD, along with those of the school coordinators and businesses who work so closely with these fine young people.

Bethel DECA Club officers: Patty Peterson, president; Marie Guerra, vice president; Jean LaBoon, vice president; Dana Volcheck, recording secretary; Laurie Latsko, corresponding secretary; Carolyn LaBoon, treasurer; Brenda Mercer, reporter; Dave Dickson, parliamentarian; Karen Norwood, historian; Sheila McClelland, chaplain, and Barbara Lawrence, artist.

Coordinators: Mr. Andrew A. Fiorentini and Mr. Ronald Kachuriak. Participating businesses: Autenreith's, Bethel Bakery, Cheese Board, Giant Eagle, Gimbel's, Hughes & Hatcher, Joseph Horne Co., Kaufmann's, Kinney's, Lerner Shop, Miller's Hardware, Orleans Leather Shop, Park Shirt Laundry, Plaza Furniture, Princess Ann Bakery, Sears, Roebuck & Co., Seymour's, Sheraton Motor Inn, and Thorofare Market.

VOICE OF DEMOCRACY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. GOODLING. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts a Voice of Democracy Contest in which young Americans write a theme on "My Responsibility as a Citizen."

I am pleased that Julie E. Gibble, of York, Pa., has been selected to represent the State of Pennsylvania in the final judging to be held here in Washington during March. I would like to share Miss Gibble's thoughts on her responsibilities of citizenship with you—I think that she has presented her feelings in an original and inspiring manner:

VOICE OF DEMOCRACY

What is my relationship, as an American citizen, to my government? I feel that the following analogy is very appropriate to answer this question.

A cuckoo clock hangs, ticking rhythmically, on the living room wall. There is a tiny label on the bottom that reads "Hand Carved in the Black Forest". This clock, of beautiful polished wood, has been in my family for generations. Each person that owned it gave it a place of honor on the wall in his living room and wound it every night to keep it running.

An electric clock would be more practical, in that it wouldn't need winding. Dusting its smooth surface would be easier than polishing tiny carved spaces, but somehow, visualizing that woodworker putting love and hard work into the clock makes me feel responsible to wind it regularly and to dust it carefully. Besides, thinking of my ancestors that took such pains to take care of the clock, makes me feel responsible not to let it stop.

Imagine all the thought, planning, time, and delicate work involved in carving each tiny leaf and balancing each fine spring. And I especially love the little bird that pops out regularly to tell me what time it is.

A few times something happened that the clock wouldn't tick and the small bird wouldn't come out. But with a little attention and careful examination the ticking would resume and the cuckoo would again sound on every hour.

I live in a country that was hand crafted. The entire governmental system here came into being with the hard work of men. A lot of hope and planning went into leaving a home country to start over in a completely new place.

Our government was with our families for many years. Ever since I can remember, few people have ever had reason to be ashamed to say that they live here. Our ancestors showed their respect openly, like hanging a cuckoo clock on the living room wall. The people of this nation have celebrated on national days, paid taxes to the country, developed the country, and even died for our country.

Maybe someday a new form of government, more efficient than this one, will come into being. But we will still display our way, always remembering the careful handcrafting involved in it.

But, like a cuckoo clock, sometimes a spring in our government unwinds, and no voice is heard on the hour. As keeper of the clock, I carefully examine the whole clock. With patience, knowhow, and a little time to mend, the government will return to its former order.

What can I do? I'm not one lucky enough or skilled enough to build a clock or build a nation, so how can I feel a part of our government?

A clock has many parts. It needs springs, wheels, nuts, bolts, and pins. I can be an individual, my own person, and still be an integral part of my nation. I add my views by writing my Senators and Representatives or by running for an office myself. Like each different part of a clock, each person here can have his own role in the running of his nation. No matter how small the part I may play, my help is crucial to the total clock.

The upkeep of a government, like that of a clock, must not be neglected. It must regularly be wound, by our voting, to keep it running. It must regularly be dusted, also, and all particles of dirt wiped out for good working order.

All the thought and planning behind each law and every branch of our ruling power is amazing. Like a well built clock, our government has survived for many years. It can still be trusted to keep accurate time. With my love and careful attention and yours also, it can last for many more years.

Help the United States by being a good keeper of the clock. It would be a shame to see such a precious heirloom run down.

WILLIAM JENNINGS BRYAN DORN VETERANS' HOSPITAL

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. DERRICK. Mr. Speaker, today I have had the pleasure of introducing a bill along with the other Democratic Members of the South Carolina delegation, to name the veterans' hospital in Columbia, S.C., the William Jennings Bryan Dorn Veterans' Hospital.

Congressman Dorn served for 26 years as the Representative of South Carolina's Third Congressional District. During his years of faithful service to the people of South Carolina, he was a staunch defender and proponent of the rights of the American veteran.

Bryan Dorn was for many years the vice chairman of the House Veterans' Committee and served as chairman of the committee during the 93d Congress.

Congressman Dorn was a coauthor of the cold war GI bill of rights and author of the Veterans Pension and Re-adjustment Act. These are but two of his numerous achievements on behalf of the Nation's veterans. In the performance of his duties, Bryan Dorn never failed to exhibit the qualities of fairness, reason, and honesty. He was a frank and forthright legislator who devoted himself to the needs and welfare of those American men and women who served in our Nation's armed services.

America's veterans, many of whom have sacrificed at great inconvenience and personal loss to themselves and their families, truly had a great friend in William Jennings Bryan Dorn.

I can think of no other individual more worthy of this honor. I would also like to note that the disabled veterans of South Carolina urge this Congress to name the Columbia hospital in honor of him.

Bryan Dorn has gained the respect and admiration of the people of the Third Congressional District and the Nation.

On behalf of myself and the other Democratic Members of the House from South Carolina, I urge the passage of this bill. It is but a small token compared to the years of honorable service and dedication to the American veteran by a distinguished public servant.

CONSUMER FEDERATION OF AMERICA

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ASPIN. Mr. Speaker, Congress is now in the process of formulating a viable alternative energy and economic plan for the Nation. Included in this should be input from the States, local governments, the American people, and from all phases of the economic community.

In view of this, I wish to share with my colleagues, the excellent ideas and concrete proposals of the Honorable Patrick J. Lucey, Governor of the State of Wisconsin. Governor Lucey's remarks were delivered to the Consumer Federation of America on January 30, 1975, and I feel they are significantly timely in view of the work currently being conducted by the Congress.

Governor Lucey is also the recognized leader of the movement to unite farmers and consumers, both of whom are the victims of large corporate and Government interests.

Governor Lucey's remarks follow:

SPEECH BY GOV. PATRICK J. LUCEY TO CONSUMER FEDERATION OF AMERICA

It is a pleasure to be here today and offer what I hope are some appropriate remarks to help set the tone of this important farmer-consumer conference.

I have always been puzzled when I hear people say that the farmers and the consumer are natural enemies. It has always seemed to me that in fact both have suffered much greater harm from large corporate and government interests.

This was true one hundred years ago. It is regrettably true today as well.

As school-children, all of us learned about the greedy corporate giants and the ruthless way in which they exploited the people and the resources of our land in their unrestrained lust for profit.

Their actions were an injustice against God's earth and man's dignity.

For some, however, the penalty was especially harsh.

In those days of agricultural revolution, farm expenses remained abnormally high. Farmers were subjected to excessive rail freight rates—in return for poor service.

They paid high prices for machinery and other manufactured products and they suffered under high interest rates and realized minimal returns for their products.

But things were not well in urban America, either.

In urban America there was filth, injustice and poor health. A dreary sweat-shop existence was shared by men, women and young children.

But as the limits of tolerance were reached, resistance began to build. The Grangers, the Greenback Party, Populists, the Farmers Union and labor unions became rallying points for the frustrations and disgust of the oppressed.

Strength was found in numbers. And survival became the fruit of persistence.

Reform, sometimes promoted by a muckraking press, was felt in the public sector as well. The robber barons were brought to their knees. Or so we were told.

Have we really put to rest the robber barons and corrupt officials who existed on spoils, slush funds and government favors? Or do they continue to live—more respectably and less flamboyantly, perhaps—but continue to live in the board rooms of domestic cartels and the offices of our public buildings?

Two decades ago the president of General Motors made an oft-quoted statement about what's good for his firm and what's good for America. At the time, the comment caused quite a stir.

But in fact, our national policies are good for General Motors—and Standard Oil—and B. F. Goodrich—and General Foods. There is no doubt about it.

And what do we have to show for the decades of tax privilege and government protection that these corporate giants have received?

From the auto manufacturers, we got products that are unsafe inefficient, gas-guzzling, resource-consuming, air polluting and self-destructing (usually before they are paid for).

From the major oil concerns—land, resource and market manipulation.

And from the giants of the food processing industry, product for human consumption that have little or no nutritional value, and that may even be harmful to your health.

It adds up to a grim picture—a grim picture for farmers and consumers. And it would be impossible for any economist, sociologist or philosopher to persuade me that the latitude we give those with the ability to abuse the public interest—is in the public interest.

But yet, we have those who argue that position, and argue it with vigor as our elected and appointed public servants.

Many of them are right here in this city, or at least visit it frequently.

One is the Secretary of Agriculture. A secretary who came to Washington as a corporate food consultant.

Another was one of the secretary's former employees—who left his job, and this city, to help engineer a grain deal with the Soviet Union—a deal that brought a lot of money to the corporate giant he worked for, and took a lot of money from the American farmer and consumer.

Another was the right hand man to our nation's former energy czar—a post he undoubtedly felt very comfortable in due to his ties with Phillips Petroleum.

Another almost became the czar himself—until it was discovered he had a personal interest in oil and oil shippers (a point amply emphasized by the consumer federation, I might add).

Another FEO adviser is commonly called "Mr. Oil Shale." On one hand he promotes synthetic fuels for his big energy contractors. On the other he consults with FEO, advising how the federal government might promote—or subsidize—synthetic fuel development. (By the way, "Mr. Shale" got his training at taxpayer expense, as supervisor of the U.S. Bureau of Mines oil shale experiments in Colorado.)

And finally there are the 37 top-level Food and Drug Administration officials who according to a Congressional Committee, left their jobs and promptly joined or served as consultants to companies they had been regulating.

These examples give us a glimpse of the pattern of power in Washington. And in the present energy, economic and agricultural crises, it is not a good picture at all.

Our nation and the world are in the throes of international, political, and natural resource turmoil. It is a turmoil that touches every energy producing, energy consuming and third world nation. And it touches us, here, today.

After months of delay—supposedly for thoughtful deliberation—we have seen in the past two weeks a series of initiatives by the President. The national administration has proposed what it calls a "comprehensive energy plan." The Congress—finding itself passed by the tortoise—is opening an eyelid and contemplating the race at last.

Without question the President has—commendably—recognized the need for energy action. But he has not recognized the need for equal energy sacrifices, nor profit discomfort for domestic oil producers.

Let's face facts. On January 15th, the President proposed a new energy partnership—a cartel, if you will—between domestic oil interests and the federal government. Quite simply, the proposals offered by the administration were the product of a philosophy that continues to hold: What is good for GM and Standard Oil is good for America. And whether consciously or not, the President sought the advice of the same types of people who sold us gas-guzzling cars with tail fins and chrome stripping—and brought us the Santa Barbara Oil Spill.

What the President failed to say, however, is that the new cartel is created at the expense of the American consumer and the American farmer.

We see it in Wisconsin.

Wisconsin's dairy agriculture is widely recognized. We also raise substantial quantities of field and cash crops, and have diversified livestock production. Ours is a typical agricultural state, and so our experiences and problems are similar to those in other Midwestern states.

And so it disturbs me to learn that Wisconsin farmers will suffer—and suffer greatly—under the President's proposed energy policies.

An average Wisconsin dairy farm—operated as a unit by a family—is about 186 acres, with 35 cows milked on a daily basis.

President Ford's oil tariff policies will mean an increase of $210 a year in gas and diesel fuel costs for that farmer.

The President's immediate and total deregulation of natural gas at the well-head will mean a $327 a year increase in fertilizer costs.

And the President's energy policies, as they affect utilities, will mean another $75 annually for electrical power needed for such things as milking machines, coolers and also unloaders.

Higher energy costs also will face farmers—as they do urban dwellers—in the use of their family auto, in the heating of their homes and in the consumer products that have petroleum components or bases.

The President's energy policies will be the final blow for some Wisconsin farmers. Our dairy agriculture is already depressed. Farmers last month were losing 16 cents on every gallon of milk they sold.

The smart managers will see that the sky-rocketing production costs of last year—baler twine went up 275%—will be repeated this year. And they'll be making their management decisions based on that general pessimism.

Wisconsin farmers will be looking for corners to cut. And where will they cut them? Our experts say farmers will try to get by with reduced fertilizer applications. The result, of course, will be lower yields, our Agriculture Department says up to 15%.

Higher costs of operation and lower yields can only mean higher consumer prices. Yet surely it is clear that the American family farmer—and consumer—are both coming out on the short end of the stick.

But that will not be the case with the corporate producer—the vertically and horizontally integrated food and fiber conglomerates.

Without a doubt, those corporate farms, owned by firms like Tenneco, Gulf and Western, W. R. Grace, Del Monte, Getty Oil, Goodyear, Monsanto, Union Carbide and Dow Chemical will not hesitate one second in passing the increased costs along to the consumer.

If the potential impact on consumers of the increased energy costs at the farm level is substantial, the cost of energy needed to process, package and transport foodstuffs is even greater. And here there is no doubt—the cost will be passed on entirely to the consumer.

The food processing business helps make agriculture Wisconsin's number two industry. But the energy price Wisconsin must pay—in both quantity and cost—is substantial.

Vegetable processing requires significant amounts of electrical energy and natural gas for canning equipment, cleaning and cooking. Meat processing is also energy-intensive. Gas-fired boilers heat millions of gallons of water needed for sanitation and meat preparation. In dairy processing, the President's proposals may increase the cost of processing milk another 10 cents a gallon.

The President's investment tax credit is not going to help our farmers, either.

The tax credit proposal seems to be designed for the big grain producers of the plains. The smaller, family livestock and dairy operations will not share very much in the President's $4 billion tax credit, because of current economic conditions and the type of equipment needed for their operations.

But if the proposed energy policies will impose special hardships on the Wisconsin farmer, there are still additional burdens which both farmers and consumers will have to carry as a result of the President's special interest energy program.

By removing price controls from domestic oil, the President will strengthen the hands of large oil corporations in their effort to price the smaller, less-diversified retailers out of the market. These fiercely independent retailers have long suffered at the hands of the giants. In Wisconsin, we passed a law protecting the franchise rights of these business operators. But most of these small stations depend upon gasoline sales for their mainstay. And wholesale deregulation of domestic prices will give the majors power to enact selective pricing actions to undercut the independents and force them out of business. Then, of course, the majors will raise the price again—for farm and non-farm consumers alike.

By imposing the across-the-board tariff on oil, rather than concentrating on gasoline—which has the greatest potential for effective conservation—the President will be hurting those who are least able to cut energy consumption. Fuel oil and natural gas—both going up in price—are staples. Many people will be hard-pressed to cut their use and those with low and fixed incomes—especially in cold climates—will be hurt the most.

As we look at the courageous actions of some Western European leaders, it is a national humiliation for the United States to continue to guzzle fuel as if there were no tomorrow. Tomorrow has in fact arrived.

Clearly, it is Washington's responsibility to develop fuel policies that not only provide some immediate relief, but are designed to prevent our nation from slipping into relapses similar to the economic and energy problems we face today.

Clearly, it is in the interest of those gathered here today to join together as a "people's lobby" and to demand a national energy policy which protects the public interest and not the well-oiled special interests. Such an energy policy should include the following twelve points:

1. The federal government should impose—as an alternative to the President's tax plan—restrictions on importation of oil and a crude oil price equalization program that prevents supply and price manipulation. The quotas should be imposed gradually to minimize the impact on foreign policy, provide time for further development of domestic production, ease the inflationary impact and allow conservation policies to take hold.

2. Allocation floors should be established to equitably distribute the shortage among states. States that excel in fuel conservation should not be penalized but be allowed to carry allocation surpluses from month to month. But we should not penalize oil companies that anticipate and set aside fuel for demand changes.

3. Mandatory energy conservation policies should be imposed equitably and with force. For example, states that ignore—or blunt through minimal enforcement or penalties—the 55 mile per hour speed limit should suffer loss of highway funds or experience other penalties.

4. Mandatory efficiency standards for air conditioning units should be imposed.

5. National labeling standards of appliance efficiency should be required.

6. Financial incentives should be provided to non-OPEC members to encourage production from new oil sources outside OPEC.

7. Congress should reenact a strong strip-mining bill, similar or stronger than that vetoed by the President, so the full potential of coal can be developed with minimal environmental impact.

8. The government should launch immediate investigations into methods of allocating energy revenue to compensate for social and environmental costs associated with energy development and use.

9. We should end the oil depletion allowance and foreign tax royalty and severance taxes that simply make the oil companies tax collectors for the foreign oil cartel.

10. We should institute a nation-wide energy conservation education program for every man, woman and child. The program would teach that energy is a limited resource and that energy conservation is not only a patriotic opportunity but a necessity for survival.

11. Nation-wide mandatory conservation standards in all structures should be imposed, covering all new homes, businesses, industries and public buildings.

12. A national efficiency standard of at least 25 miles a gallon must be mandated for each domestically-produced car.

The requirement for automobile efficiency would only be part of an even broader energy-transportation program that is needed to break us of our gas-guzzling habits.

To date little has been done to redirect and rebuild our national transportation system. The federal government has shown minimal interest in promoting balanced transportation. Instead it has stood idly by while urban trolley lines, interurban lines, bus service and rail passenger routes have deteriorated into shambles.

Supposedly, the President's energy and economic policies propose the investment and reinvestment of federal revenue to promote new jobs. But the fatal flaw of the President's job program is in reinforcing the same wasteful auto-economics that took us down this dead-end road.

Any comprehensive energy policy developed here in Washington must address transportation efficiency and service. The federal government should be providing funding necessary to draw upon the skills of engineers, managers and production workers in Detroit and elsewhere and redirect those skills to areas of energy efficiency.

Immediate federally-supported retooling and retraining is needed for the production of:

1. Energy-efficient cars that get at least 25 miles to a gallon.

2. Thousands of new buses for urban transportation systems gasping for life and for intercity service that has fallen to a sad level of despair.

3. Modern rolling stock for our deteriorating rail freight and passenger lines.

The circumstances also are right for the Congress and the President to recognize the inevitability of rail roadbed nationalization, consistent with the public ownership of highways, airports and port facilities. Start-up and accelerated service loans and investments are also needed to inaugurate new and improved public transportation systems in both urban and rural areas.

In addition, transportation rate restructuring that emphasizes efficiency and minimizes deadheading is a national necessity.

As we address these important transportation problems, we should remember that more than half of the petroleum consumed by this nation is consumed in transportation—and 80 percent of that on the highways. That recognition should be enough to sustain our determination—if only by fear.

I suppose what I find most discouraging about the mess we are in is that we are suffering from a disease called "leadership anemia."

Some years ago, John Kennedy wrote a book called "Profiles in Courage." It was about a group of elected officials who were prepared to suffer abuse and hardship to defend what they believed was in the public interest.

Today, I am convinced the American people are prepared to endure abuse and hardship—if it is applied fairly to the corporate giants as well as to the farm and non-farm consumers. It is the courage of our citizens which must be matched by those with the responsibility to provide leadership. And this, too, must be your task.

But not all that is happening at this time is cause for discouragement.

Some hope can be found in the fact that our President is an honest man and he has proposed what he believes is a forthright solution to our most pressing problems.

Some hope can be found in the fact that our Congress appears willing at last to move on the issues of energy and economy, although we will have to wait and see whether they are truly serious.

And some hope can be found in gatherings such as this where hope must spring eternal.

And though we are gathered in a place a great distance from the prairie townships chartered by the Grange—or the urban shops organized by AF of L . . . we are here with their purpose, and their resolve.

We are here to recognize and honor their commitment to unity—unity in times of distress—persistence in the face of peril.

In many respects, it is no different today.

The arena is larger and there are more performers. But the principles—the truths—remain.

They are truths that should bring man, woman and child to respect each other—the land—and the resources which we must conserve.

Truths that place a responsibility in leaders to lead—and in all to care.

Truths that tell us to join together today, as those before joined together yesterday.

Truths that tell us the opportunity for redirecting our nation—and the responsibility for saving it—is ours in this time.

It is up to us to act.

COMMUNITY RELATIONS SERVICE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. WOLFF. Mr. Speaker, all of my colleagues share my concern over the need to ease racial tensions and violence in our Nation's cities. I wonder, though, how many of us are fully aware of the work done by the Justice Department's Community Relations Service in heading off potential trouble areas. I noted with interest former Attorney General Saxbe's recent speech calling for stronger support for the Community Relations Service, and I thought my colleagues would also be interested in some of his comments with regard to the future of CRS. I would like to include in the RECORD a part of the Washington Star-News article covering Mr. Saxbe's speech:

Former Atty. Gen. William B. Saxbe drew expressions of surprise from former colleagues in the Justice Department when he proposed, in a speech last night, a doubling of the budget for the Community Relations Service.

Other officials said they had not heard Saxbe even mention the service during his year at the Justice Department and that he had not proposed the budget increase while he was attorney general.

But in his speech—prepared at the department before his resignation became effective on Monday, when he was sworn in as ambassador to India and delivered before a meeting of school principals in Columbus, Ohio, last night—Saxbe cited the CRS as the model for the kind of program the federal and state governments should join in to head off racial violence in the nation's cities.

"I propose that the federal government join with state and local governments in a new nationwide program to prevent and reduce racial tensions and violence," he said.

"My concern stems not only from potential school problems. Violence has occurred in some areas when minority families moved into white neighborhoods. And there also has been trouble over alleged employment discrimination.

"As one integral step, I recommend that the Community Relations Service be rebuilt to its level prior to a sharp cutback in 1972—and then expanded substantially beyond that."

CLOUDED HORIZONS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ARCHER. Mr. Speaker, as the 94th Congress debates the Federal budget and our economic program with certain changes to come in our tax structure, we should be aware of any future consequences of our actions. Mr. William Randolph Hearst, Jr., editor-in-chief of the Hearst Newspapers, had an excellent commentary on this very topic. He reminds us of the problems with deficit spending by the Federal Government and cities the problems in Great Britain. He warns us against undertaking a policy of seeking merely to spread the wealth while ignoring policies which would create additional economic development. I would like to enter this column in the RECORD:

CLOUDED HORIZONS

(By William Randolph Hearst, Jr.)

LONDON.—This column will be somewhat shorter than usual as it is being written on the TWA plane taking me back to London.

I had to curtail my visit over here a couple of weeks ago and return to New York for personal and business reasons. So please consider this as chapter two of the same news-gathering trip.

Joe Kingsbury Smith, our chief foreign writer and my long-time traveling companion, is again joining up for a more comprehensive look-see into what is happening on this side of the Atlantic. Watch for our forthcoming reports.

Meanwhile, of course, the big news of the week was all the continuing economic woe promised for the United States by President Ford's federal budget for fiscal 1976. It was a major international story since the bleak picture he forecast means more of the same for most other democracies of the Free World.

Mr. Ford finally admitted that the U.S. is in what he called a serious recession—and in reality it may even be worse than that. Call it what you will, recession or depression, we certainly are bogged in the most critical economic mess since World War II, as are so many of our friends.

I am frankly baffled by some aspects of the proposed $349.4 billion budget, with its projected record peacetime deficit of $51.9 billion. Even the experts are unable to explain clearly why unemployment is expected to hover at about 8 per cent throughout next year in a time of inflation. And nothing could be more divided than the conflicting views on what to do about the energy shortage.

Reading all the varying contentions of the White House, the Democratic-controlled Congress and the supposed experts takes on a curious air of familiarity here in Great Britain. Something of the same sort of divisiveness has been going on in England for decades, with matters getting progressively worse all the time.

A specific parallel comes quickly to mind. I'm afraid that the U.S., like our closest ally, has been undermining its economic strength by forever expanding social welfare programs and pump-priming labor giveaways. Labor in both our countries is always right up front in demanding to share the fruits of industry—as it should—but it almost never volunteers to share in the losses.

Ralf Dahrendorf, director of the London School of Economics, states flatly that Britain declined to its present despairing condition largely because it placed its emphasis on spreading the wealth in the worldwide economic upsurge following World War II instead of encouraging more plant development.

"It concentrated on redistribution of wealth through nationalization, setting up of socialized medicine and other welfare benefits when the unparalleled chances of expansion in the postwar era arose," Dahrendorf declares.

"Then it sought expansion when the prevailing mood became one of redistribution and inflation."

One need only look at President Ford's proposed budget to see how far this nation of ours has gone in its own emphasis on taxing the producers to help the nonproductive.

The largest share of every dollar in the proposed new budget—39 cents—is earmarked for direct benefit payments to individuals.

Despite, this, the Democratic majorities in Congress seem hell-bent to enlarge rather than cut back such aid programs. Their leaders already are on record as determined to kill Mr. Ford's modest proposal to set a 5 per cent limit on Social Security increases and other programs geared to cost of living changes in fiscal 1976.

If all this sounds like I am worried about so-called "creeping socialism," there's a good reason. I AM worried about it. Other democracies in the past have fallen because economic conditions have led the people to vote away their freedom while under the delusion that an all-powerful government would protect and take care of them.

At the same time I don't want to appear as negative as what has been written here may suggest. My perennially optimistic nature convinces me that our present stagflation-energy crisis will be overcome eventually—just as other grim crises of our past always have been worked out.

In the long run, compromise and cooperation will do the trick. Despite their deep political and ideological differences, the White House and Congress already show signs of seeking constructive mutual accommodation wherever at all possible.

HELP IN CLEARING UP THE ENVIRONMENT: THE POLLUTION CONTROL ACT OF 1975

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. HEINZ. Mr. Speaker, I am today introducing the Pollution Control Act of 1975. Evidence continues to mount of the pressing need to intensify our environmental cleanup drive. No one can deny any longer the critical danger to the public health posed by photochemical smog resulting from automobile pollution. But we are only now beginning to fully comprehend the deadly threat to people caused by industrial pollution, particularly sulfates, sulfur dioxides, and fine particulate matter. There is, therefore, no turning our backs on the Nation's commitment to a clean environment.

There also can be no denying the increasing difficulty American industry is experiencing in generating the huge capital funds necessary not only to fight pollution, but to build new job-creating capacity as well. In 1969, Congress enacted the present law allowing 5-year amortization of pollution control expenditures. It was adopted as encouragement for business and industry to make the expenditures necessary to meet strict pollution control regulations. Congress did so, not only because it recognized the urgent need to protect and enhance the environment and guard the public health, but also because Congress fully realized that these necessarily tough regulations would generate tremendous, new demands for investment capital.

The 5-year amortization period, therefore, was intended as a device to encourage environmental cleanup while easing the heavy financial drain caused by that cleanup. Unfortunately, however, that congressional intent is not being carried out.

At present, few if any businesses are claiming the 5-year pollution control amortization because in order to use that option, other more beneficial tax provisions—such as the 7-percent investment tax credit and accelerated depreciation range—must be set aside. Moreover, since the useful life of some pollution abatement facilities is rather short, and much uncertainty and delay is usually involved in certifying equipment for amortization, many corporations simply do not bother with special amortization. Rather they choose to depreciate these pollution control facilities on the same basis as other assets. The present law, therefore, pays mere lipservice to cleaning up the environment.

Mr. Speaker, my bill, the Pollution Control Act of 1975, would assure realization of the original intent of Congress when we enact the special amortization provisions for pollution control expenditures. In brief summary, the bill would:

First, provide for amortization of pollution control expenditures over 3 years rather than 5 years;

Second, allow these expenditures to be eligible for both the pollution control facility amortization provision and the 7-percent investment tax credit;

Third, permit amortization to begin when pollution control expenditures are made rather than awaiting the actual commencement of operations by the facility; and

Fourth, allow amortization of certified pollution treatment facilities used in connection with a plant or other property in operation before January 1, 1974—not January 1, 1969 as in present law.

Mr. Speaker, at a time of tight credit and rising prices, it is financially unrealistic and further inflationary to expect industry to make the needed but vast investments in pollution abatement equipment. If we want to protect people's health—and we must—we will have to change the present 4-year-old pollution control tax writeoff which actually penalizes those working to conform with the law. We can do this without weakening our environmental standards.

As the Ways and Means Committee considers various tax proposals, I sincerely hope that the committee will consider the Pollution Control Act of 1975 for inclusion in the legislation it reports.

DETERIORATING INTERNAL SECURITY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ASHBROOK. Mr. Speaker, little attention is being given to the security of our Nation. Intelligence agencies are being probed. A book has been published blowing the covers of many American agents outside of this country. The author of that book did some of his "research" in Cuba.

Here in the United States the Subversive Activities Control Board has been eliminated, the Internal Security Division of the Department of Justice has been eliminated, the House Committee on Internal Security has been eliminated.

The intelligence services of the Soviet Union and Communist China must be watching with glee while the effectiveness of American security agencies is reduced.

At this point I include in the RECORD the text of a column by Joseph Alsop which deserves attention. The text follows:

THE KGB'S "SAFE HOUSE"

(By Joseph Alsop)

Thus far only one fact of real importance has emerged from the rumpus about domestic surveillance by the CIA and FBI. This country, in fact, turns out to be shockingly vulnerable to the Soviet Union's ruthless, omnipresent KGB because of a shockingly incompetent and ill-advised counterintelligence system.

As an illustration, consider the truly bizarre ukase issued by the late J. Edgar Hoover toward the end of the 1960s. By order, the director of the FBI provided a gigantic, gloriously convenient "safe house" for the KGB's all too numerous agents and any other spies happening to be in Washington.

A "safe house," of course, is the intelligence community's label for a place where foreign agents can meet their local contacts in perfect security to make payoffs or to transmit orders or to pick up information. Just to add an extra touch of fantasy, the Hoover-provided safe house was no less than the second center of the U.S. government, the huge U.S. Capitol with all its grounds and dependencies.

Under the terms of the Hoover ukase, the Capitol complex was put strictly off-limits for all the FBI's counterintelligence men. Yet the FBI has a legal monopoly on all counterintelligence within the territorial limits of the United States. Hence Hoover's ukase meant that known Soviet spies, who were known to be about to make an American contact known to be dangerous, could still be sure of doing so with perfect impunity—provided they just named a rendezvous in the off-limits part of Capitol Hill.

All this seemed downright incredible to me when it was first reported by Ron Kessler of The Washington Post. My own check has fully sustained Kessler's story, however. There is only one significant point that remains in some doubt. It is no more than 95 per cent certain that the Hoover ukase remains in full force and that the Capitol, therefore, continues to be a KGB safe house. That 95 per cent certainty is too close for comfort, one must add.

Furthermore, I think I know why Hoover issued his ukase. For background, you must first understand that the KGB maintains an enormous number of spies in this country. As a measure, remember that we are priority No. 1, whereas Great Britain is no more than priority No. 4. Yet when the KGB grew over-bold in Britain, the Foreign Office had to expell 105 well-authenticated KGB men.

Second, you must understand that with such ample human resources, the KGB has long given a lot of its men part-time or full-time assignments on Capitol Hill. By the mid-1960s, there were somewhere between 20 and 30 KGB men dealing with the U.S. Congress or with the countless staff people the Congress and its committees employ.

This does *not* mean that KGB were constantly seeking senators and representatives. On the contrary, they were known to concentrate rather heavily on the lawmakers' personal staffs and also on the committee staffs.

But this is almost a distinction without a difference. Nowadays, in truth, domineering and able staff members largely control the thoughts and acts of all too many lawmakers, especially in the Senate. Great numbers of left of center staff members on the Senate side of the Capitol also constitute a quasi-independent power bloc. They all work together, all protect one another and often join to extend their bloc's power by planting friends and allies in new senatorial offices.

I myself belief that this unknown, unseen power bloc is an unhealthy new political growth. Yet I must hasten to add that it was *not* and is *not* necessarily improper for these people—or indeed for anyone else on Capitol Hill—to see the KGB men who have swarmed there for so long. The KGB men, of course, were all masquerading, and still are masquerading, as Tass correspondents, embassy secretaries, trade experts and so on.

Particularly on the left of the political spectrum, however, the FBI watch that J. Edgar Hoover staffed with his ukase showed an astonishing number of KGB contacts on Capitol Hill. It would have looked remarkably bad if anyone had made a public issue of them. Furthermore, President Johnson was tempted to do just that toward the end of his second term; and President Nixon actively wished to do just that in 1969.

It was about then that the Hoover ukase was issued. I feel sure, therefore, the aim was to suspend the FBI's former careful watch on the Capitol in order to be protected from Congress if the White House went too far in its revelations.

So there you have it—a horrifying story which is pretty likely to be going on this minute. The story is horrifying, of course, because foreign espionage is a damnably serious business, even in a free society like ours.

It is so serious, in turn, becaue it is dangerous to have a government, a press, an academic world and the ranks of science all bristling with people like Kim Philbey; Guy Burgess and Donald MacLean. I hope and think this is not our situation; but this is certainly the situation the KGB has been going all out to produce ever since the United States became the unique giant power in our half of the world.

If you reflect upon this story, you find that its main lesson is the singularly unprofessional character of the FBI approach to counterintelligence—at any rate under the leadership of the aging J. Edgar Hoover. Nor is this at all surprising. To have truly professional counterintelligence you have to know the story from the beginning, which is in Moscow in the case of the KGB.

The CIA, of course, is supposed to know all about Moscow. But another appalling revelation of the current CIA–FBI rumpus is the bloody bitterness of the FBI–CIA feud. The two agencies never worked together until new liaison arrangements were made by new leaders a year ago. This kind of crippling non-cooperation can too easily recur, too.

Again, the rumpus has glaringly revealed the recurring dominance of domestic politics in the FBI counterintelligence work, at any rate in the Hoover era. It was politics that caused the former FBI director to create the KGB safe house. It was politics, too, that caused him to ignore President Johnson's order to have a look at the peace movement's foreign links, thereby spurring Johnson to call in the CIA.

In short, the foolish may credit the argument that the CIA–FBI rumpus has uncovered a grave threat to our civil liberties. But more sensible people will instead perceive an open invitation to the KGB.

ILLINOIS ASSEMBLY HONORS ROBERT JUCKETT

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. O'BRIEN. Mr. Speaker, the Illinois State Assembly was deeply saddened by the death of Representative Robert S. Juckett February 2, 1975. Bob and I served in the State assembly at the same time and worked closely together on legislation for the handicapped. He was one of our outstanding leaders and will be missed greatly by his family, friends, colleagues, and constituents. I would like to insert in the RECORD today the following resolution passed by the general assembly in Bob Juckett's honor.

HOUSE RESOLUTION

Whereas, our beloved colleague Representative Robert S. Juckett was called from our midst by his Lord and Creator on Sunday, February 2, 1975; and

Whereas, Bob had been struggling long and valiantly for over ten months in silence and courage against leukemia; and,

Whereas, Representative Juckett was a superb representative of the people, giving unstintingly of his time and boundless talents and energy for over eight years in this House; and,

Whereas, he was respected and loved by every member of this House, whose friendship he sought regardless of party; and,

Whereas, Representative Juckett was a true leader of great spirit and wisdom and humanity, who served his fellow man in a multitude of capacities during his forty-two years of life among us; and,

Whereas, millions of Illinois citizens depended upon him to fight for their needs in the General Assembly, where he championed such diverse causes as opportunities for handicapped people, election reform, improvement in services for mentally ill and retarded persons, right turn on red traffic provisions, special education for handicapped children, township government, public access to government meetings, flood control, state government reorganization; and

Whereas, Representative Juckett never lost sight of his belief that in voting on appropriations, he was spending the citizens money and not some impersonal "government" money; and,

Whereas, throughout his service among us, he held firm to his guiding principles and philosophy of government doing for people only that which they absolutely cannot do for themselves, of the protection of individual liberty being the only purpose for government, and of an individual's right to dispose of his own property according to his own desires; and,

Whereas, to his last day in this world Bob Juckett worked tirelessly for his constituents and for all who called on him for help, serving each as a personal ombudsman; and,

Whereas, even as he took his oath of office at Lutheran General Hospital in Park Ridge, Illinois, on January 8, 1975, he expressed his love of service in these characteristic words, "It's a great feeling, there's really no description that you can give, when you're called upon to serve your fellow man"; and,

Whereas, his friends and constituents in his home of Park Ridge, and in his fourth district of Skokie, Golf, Morton Grove, Niles, East Maine, Park Ridge, Des Plaines, Mount Prospect, Prospect Heights, and Arlington Heights, and all citizens of Illinois, will miss him sorely; and,

Whereas, the members of this House already feel the blow of his loss and will miss Bob Juckett for his forthrightness, his courage, his talent, his integrity, his wisdom, and his friendship; now, therefore, be it

Resolved, by the House of Representatives of the Seventy-ninth General Assembly of the State of Illinois, that we do express to his family and to the world our shock and grief at the untimely loss of State Representative Robert S. Juckett, that we do in his honor rededicate ourselves to the service and liberty of the People of the State of Illinois, and that we do express our admiration and appreciation of his service here among us; and, be it further

Resolved, that as a further mark of respect, this House do now adjourn.

PERSONAL STATEMENT

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ARMSTRONG. Mr. Speaker, In checking the RECORD for February 20, I am dismayed to find that I am recorded as voting in favor of House Joint Resolution 210, the supplemental appropriation which included funds for the Penn Central Railroad.

It was not my intention to vote in favor of this appropriation for reasons outlined in my remarks on February 19 and in my views published with the committee report.

Apparently an error has occurred which has caused me to be so recorded.

ILLEGAL ALIENS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. WOLFF. Mr. Speaker, our Nation is confronted with a serious problem posed by the large number of illegal aliens within our borders. The Subcommittee on Immigration of the Judiciary Committee today held hearings on a measure to counter this problem. At this time, I would like to insert into the RECORD a copy of testimony I submitted on this measure. My testimony indicates why I feel that a stronger measure is necessary:

STATEMENT BY CONGRESSMAN LESTER L. WOLFF ON LEGISLATION TO DEAL WITH THE PROBLEMS OF ILLEGAL ALIENS

Mr. Chairman, I submit this testimony firmly convinced that there is a great need for fast action by the Congress to counter the problem of illegal aliens but uncertain whether H.R. 982 is the best bill to accomplish this goal.

First permit me to briefly discuss the problem, particularly as it pertains to the New York Metropolitan area.

Immigration officials estimate that there are six to seven million illegal aliens in the United States and, according to the Commissioner of the Immigration and Naturalization, the figure could be as high as ten to twelve million. In the New York Metropolitan area alone there are estimated to be between one to one and a half million illegal aliens.

These illegals present us with several distinct problems. First, they hold jobs that are vitally needed by the increasing number of unemployed citizens. Former Attorney General Saxbe estimated that approximately one million jobs nationwide are held by illegal aliens. In the New York region, there are estimated to be 100,000 aliens holding "higher paying" jobs and the average salary of illegals apprehended last year was $150 per week.

Second, these aliens, and especially those that are unemployed, pose a distinct drain on civic services. An unknown number receive welfare and Medicaid benefits. Schools, hospitals and other public services are used with little difficulty.

In many cases, these aliens use these services without filing Federal, state or local tax returns. They use our services without paying for them. Last June, a Congressional committee estimated that $100 million in income tax revenue to the Federal government was lost because of illegal aliens.

In addition, there is a drain on our balance of payments. Many illegal aliens routinely send money to their relatives in their native lands, either for safe keeping or to assist their relatives. Congressman Rodino has estimated that more than $1 billion is "removed from our economy" yearly by illegal aliens.

This is the nature of our serious problem. Perhaps the best way for us to come to grips with this problem is to deal with the principal reason we have such a large number of illegal aliens. For the most part, these people come to the U.S. lured by the promise of jobs. If we can make it more difficult for illegals to obtain jobs, we will reduce the incentive for them to enter our nation in the first place.

H.R. 982 deals with this by making it a Federal crime to knowingly hire an illegal alien. However, this measure has no real "teeth" in it as no penalties are set forth for the first offense. It is only after a second offense, if it occurs within two years of the first, that a penalty can be administered.

On the other hand, H.R. 257, legislation introduced by Congressman Mario Biaggi, would make it an immediate Federal offense for an employer to knowingly hire illegal aliens. The first offense would not be punished by a mere warning, but by a $500 fine or six months in jail. The second offense would be punishable by a $1,000 fine or one year in jail. This measure contains significantly more meaningful sanctions and, consequently, will act as a greater deterrent. It will be more effective in convincing employers not to hire illegals.

H.R. 257 has an additional benefit, not included in H.R. 982. It provides for an additional 2500 personnel for the Immigration and Naturalization Service.

One of the principal problems confronted by the Service is its attempt to prevent illegals from entering the country and apprehending and deporting those that are already here, is the lack of manpower and funds. As Henry E. Wagner, the investigations chief of the New York region said ". . . we don't have the money or manpower to carry out the law." Because of this money and manpower squeeze, the Immigration and Naturalization Service has had to revise its policies. It no longer pursues illegal aliens who have been apprehended but fail to appear for deportation hearings. Inquiries from the Social Security Administration are no longer handled with any priority, which means that illegals are easily issued Social Security cards, often used as proof of citizenship, and are eligible for benefits. As a result of these cutbacks, brought about by increasing work load and constant personnel, the number of illegal aliens seized in the Metropolitan area of New York has declined by 30 to 50%.

It is imperative for us to increase the Services staffing so that it can become a viable force in controlling the illegal alien problem. H.R. 982 does not do this. H.R. 257 does.

In conclusion, I urge the Committee to take meaningful action on the problem of illegal aliens. While H.R. 982 is an important step in the right direction, I feel that H.R. 257 would be a much more meaningful measure and I urge its adoption.

Thank you.

HOUSE INTERNAL SECURITY COMMITTEE SHOULD BE RESTORED

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ASHBROOK. Mr. Speaker, the 1975 Conservative Political Action Conference was held February 13–16 in Washington, D.C. The conference, sponsored by the American Conservative Union and Young Americans for Freedom, was attended by hundreds of concerned citizens from across the Nation.

An important part of the conference was the adoption of resolutions. One of these related to the House Committee on Internal Security. Conference participants voted overwhelmingly that the House Committee on Internal Security should be restored as a standing committee of the House of Representatives.

I agree wholeheartedly with the sentiments of this resolution. Our Nation needs a strong anti-Communist and anti-subversive unit. I urge my colleagues to restore this important committee.

Following is the text of the resolution.

House Committee on Internal Security

Whereas the House Committee on Internal Security has effectively investigated and exposed the activities of subversive revolutionary and terrorist groups such as the S.D.S., K.K.K., the Symbionese Liberation Army, and the Communist Party U.S.A.; and

Whereas recent international and domestic events amply demonstrate the continuing need for such a committee; and

Whereas the abolition of House Committee on Internal Security and the transfer of its jurisdiction to the House Judiciary Committee will almost certainly mean the end of its effectiveness as an anti-communist and anti-subversive unit;

Therefore be it resolved that the House Committee on Internal Security be restored as a standing committee of the House of Representatives.

CONGRESSMAN MO UDALL CALLS FOR PROTECTION OF COMPETITION IN AMERICAN ECONOMIC LIFE

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. KASTENMEIER. Mr. Speaker, our colleague, Mo Udall of Arizona, recently addressed the American Bar Association Conference of Bar Presidents on the evils of economic concentration in American industry and the heavy cost caused to society and the free enterprise system by the absence of vigorous competition in the business community.

In his speech, Mo Udall set forth a progressive program to cope with the dangers of economic concentration. He proposed the creation of a congressionally authorized commission to analyze the performances of a number of key American industries to determine whether Government should be taken to assure productivity, efficiency and competition. In addition, he called for other reforms, such as strengthening the enforcement of antitrust laws by the Justice Department and the FTC, the possible breaking up of food and energy conglomerates and the abolishment of the ICC.

Mr. Speaker, Mo Udall has presented a significant plan to prevent a few behemoths of industry from dominating the economic life of our Nation. I commend to the attention of our colleagues his remarks to the Chicago conference of ABA Bar Presidents on February 21:

The Future of Anti-Trust

(By Representative Morris K. Udall)

Our economy is in deep trouble. We are in the worst recession since the '30's and things aren't going to get any better for a while. We are suffering from inflation and rising unemployment at the same time—a combination economists used to think impossible.

We face shortages of raw materials. We face really serious environmental problems. We face sagging productivity.

These difficulties are serious, but they are not fatal.

What can be fatal is our continued reluctance to face the issue squarely—to admit that the economy has fundamental problems and that it needs fundamental solutions.

Instead, what we are getting is blind flailing. Last year the President told us we were going to whip inflation and passed out WIN buttons. This year he proposes energy taxes so heavy and so broad that the price of absolutely everything will go up. Maybe he'll soften the blow by passing out LOSE buttons. I believe that our economy is basically strong. It can provide jobs and a decent standard of living to all Americans.

But it will do so only if we have the vision to look at the long-range problems, and the courage to undertake the necessary reforms.

We Americans pride ourselves on having a free enterprise system in which producers compete freely for the consumer's dollar. We believe that through vigorous competition this kind of system stimulates innovation and discovery, promotes efficiency and best distributes resources to serve consumer desires.

I agree with that philosophy. I believe in free enterprise. But I am afraid that there is a wide gap between the philosophy we preach and the business we practice, for the vigorous competition on which our system is based has disappeared from broad sectors of the economy.

We have 400,000 manufacturing firms in this country, but a mere 200 control two-thirds of all their assets. Industry after industry is dominated by a handful of giant companies. Whether the concentration takes the form of monopoly or oligopoly, the result is the same. Competition is stifled, and the foundations of the free enterprise system are undercut.

We all know the cost. We see it in lack of innovation, in inefficiency, and in higher prices. And we see it in the loss of markets to foreign competitors and in the inevitable government intervention and regulation.

Let's look at a few examples.

With four firms controlling nearly half the market, price competition has always been sluggish in the steel business. Each company knows that if it cuts prices the others will match it, and nothing will be gained, and that if it alone raises prices, it will lose its shirt. So in steel we have follow-the-leader pricing. Not a conspiracy—but the effect can be the same.

Moreover, lack of competition has led to sluggishness in the industry. The basic oxygen process—the most important technological breakthrough in this century—was perfected by an Austrian company in 1950. Why, then, did it take American companies a decade or more to make the switch? Hundreds of millions of dollars were wasted as a result. In fact, even though we have the biggest steel industry in the world, almost all the major advances in the business for the last two decades have come from abroad.

Take an industry of more immediate concern to the consumer: food.

Food prices have gone through the roof—up 35% in the last two years, but Secretary Butz tells us that the amount the farmer gets has barely changed.

The middlemen and the supermarket chains, which collect ⅔ of the American food dollar, tell us that higher costs are to blame. What about lack of competition?

In 1966 the National Commission on Food Marketing recognized the anti-competitive effects of excessive concentration in the food industry. Yet, today, three companies sell 82% of our cold breakfast cereal. Four sell 70% of our dairy products, and 80% of our canned goods. And just one sells 90% of the soup in the country.

At the retail level, 2 to 4 chains sell the vast bulk of the food in almost every one of our metropolitan areas.

Last year Safeway's profits went up 51%; DelMonte, 43%; American Can, 52%; and Amstar—which dominates the sugar business—was up 250%.

We know that when companies don't compete on price, they tend to compete on other things—particularly advertising. Food processors and distributors spend over $4 billion a year on advertising—much of it on new products that no one wants.

The Federal Trade Commission has attempted to estimate the cost of concentration in this industry. In just 13 food lines the FTC estimates that overcharges amount to $2 billion per year. A yet-to-be-released staff study concludes that if the food oligopolies were broken up, prices would drop by 25%. Now *there's* a way to whip inflation.

Or, look at automobiles. In 1921 we had 88 firms in this industry. By 1935 there were 10 left, and you know where we are today: the big 3 make 97% of the cars manufactured in the United States. Even counting imports, they control 83% of the sales.

That doesn't just mean high prices—it means limited choice. It took the big 3 years to come up with the small cars—they might never have done so if it hadn't been for increasing competition from abroad.

To a certain extent they also control our future choices, for they control all research into alternative engines, auto safety, and emissions control.

The same big 3 that control the car industry also dominate the production of buses and trains. Last year, GM manufactured more than half our city buses, 90% of the bus engines, and 80% of our rail locomotives.

This kind of control has had disastrous effects on our transportation system. Since a bus or train can carry many more people than a car, GM had every incentive to push car sales and discourage mass transit.

Testimony to a Senate committee last year indicated that over the years GM bought and tore up electric railway systems in 56 cities throughout the country—including New York, Philadelphia, Baltimore, and Los Angeles. Some riders switched to GM buses—more bought GM cars.

The fact is that the big 3 shape America's ground transport system. And the system they have produced—roads clogged with millions of cars and trucks, pouring out pollution and consuming vast amounts of oil, while mass transit remains virtually nonexistent—that system simply won't do.

The Federal Government may have to reorganize the rail and bus equipment industries, building new plants and selling them to private investors if necessary, to increase capacity and promote competition.

The energy industry poses even bigger problems. A few huge corporations dominate the oil and natural gas businesses from the ground to the refinery, and for gasoline, of course, all the way to the pump. While the industry is not statistically very concentrated, it has hardly behaved in a competitive fashion. The oil majors are tied more subtly together through a complex network of overlapping directorates, joint ventures, and product exchange agreements.

We all know about the price rises in the last year. But did you know that in the ten months of 1973 before the Arab boycott and the cartel, the price of refined oil went up 40%?

The major oil companies control most of the supplies of crude oil. That has made it hard for independents to build badly needed new refineries. The main pipelines have been routed for the convenience of the majors, putting the independents at a competitive disadvantage.

The majors commonly engage in joint ventures in exploration and development, making competition with each other unlikely or impossible.

The Trade Commission has alleged in a current suit, that the majors manipulated the prices they charge at each stage of production to freeze out competitors.

The Federal Government is auctioning off vast areas of off-shore land for oil and gas exploration. Unfortunately, the way the system works, the winning bidders have to put out large amounts of cash—as much as $200 million—for each tract. And they must do so before they know whether they will find any oil. That is too risky and expensive for small companies. So the same big oil companies are buying up most of the oil lands of the future—making the industry even less competitive.

Moreover, the oil majors now have heavy holdings in alternative fuels—natural gas, coal, shale, and nuclear power. The oil majors are now in a position to limit future energy supplies and new energy technologies to maintain their profits.

From automobiles to cigarettes to chewing gum to soap, the story is repeated over and over again—concentration is now a prominent, perhaps a dominant, characteristic of our economy.

Concentration means high prices. That is a burden at any time. It is a burden we simply cannot afford at a time when spiralling inflation threatens both progress and prosperity. Concentration can also mean inefficiency, lack of innovation, and stagnation. That, too, is a burden we cannot afford. With raw materials getting scarcer and the environment getting dirtier, the free ride of the last century is over. But we can always afford the kind of growth that comes from efficiency—from the ability to produce more from less, and from the ability to innovate.

We must increase productivity if we are to meet the rising challenge of foreign competition, and if we are to restore economic growth.

Finally, concentration means power. It means too much control over our lives in the hands of corporate executives answerable to neither the public nor the marketplace.

Is concentration the cause? Is it the source of our economic maladies? Of inflation? Of slumping productivity?

In some industries, the answer is clearly yes. But in many cases we just don't know. Simple rules can often be powerful tools for understanding a complex situation, but often they will prove to be inadequate.

That there are two or three companies which share the bulk of the market and make substantial profits, does not necessarily give us the answer we need.

A commitment to a free enterprise system means a commitment to competition; and when there is competition, there are always some who lead the race, and some who win it. Indeed, the opportunity to lead is the incentive we count on to get competitors in the race, and, once in, to encourage them to compete hard, to take risks, to get in front and stay there.

We choose to play the game by not telling each competitor exactly how fast he can and must run, what his style should be or what course to follow. Our free enterprise view has been that each competitor does best and the public benefits the most if we act merely to prevent obstacles and hindrances to their forward motion.

We don't allow those in the lead to put up barriers behind them or to trip those who want to take the lead away. Each competitor must depend on moving forward himself—rather than on slowing down those behind him.

And we prohibit the front runners from agreeing to bunch together to prevent those behind from breaking through their lines. If the front few happen to come together on the track when all are moving forward at top speed, they are within the rules. But not if they do so deliberately.

The trouble, of course, is that it is very hard to tell whether the four steel companies or the three automobile or two bleach companies out in front are still racing, or whether they have all slowed down at the same time to block the others on the field.

But when you see prices and profits going up, and innovation going down, it's not hard to believe that they decided it was easier to coast along together than to compete alone.

And when you look out across the economy and see many races slowing down and the racers in front getting fat and sluggish, it's hard not to conclude that the rules don't work well enough any more.

Our racing rules have always been the anti-trust laws. Enforcement of these laws is the responsibility of both the Federal Trade Commission and the Justice Department.

Both have shown increasing vigor in the last two years, and I hope that trend continues. Their efforts will be aided by new legislation passed in the last session of Congress, which stiffens penalties for price fixing and expanded the Trade Commission's authority to protect consumers from unfair practices.

We must do more, however. These two agencies need a greatly enlarged staff if they are to adequately meet their responsibilities, and we must seek ways to keep politics out of anti-trust cases—to guarantee that there is no repetition of the ITT case.

Better enforcement will help, but it is not enough. We may have to rewrite the rules.

The Clayton Act prevents anti-competitive mergers regardless of intent. But when a giant grows more gigantic without merger, the only way to attack existing monopolies and prevent new ones is through section 2 of the Sherman Act. That statute makes it unlawful to try to monopolize an industry, but again the issue is usually intent—as inferred from behavior.

As trial lawyers, you can appreciate that analyzing the behavior of a huge corporation to prove its intent is a massive undertaking—often an impossible and generally an unrewarding one. Should intent really be the only touchstone for effecting structural change? I don't think so.

Six years ago the Government charged IBM with monopolizing the computer industry. In the discovery that followed, IBM produced 40 million documents. The anti-trust division of the Justice Department was making little headway with this mountain of paper until it obtained access to the retrieval and data bank system Control Data set up for a parallel civil suit. Control Data apparently spent three million dollars on that system. That compares with the anti-trust divisions' entire yearly budget of $15 million.

Obviously, the Government cannot police the whole economy this way.

We must recognize that the existing rules are not adequate for the task ahead. We all wish for easy formulas—a list of ten do's and don't—you turn the key and presto! economic propriety. That has not worked and I don't think adding a few more such rules will work either.

The answer, I believe, lies in approaching the problem industry-by-industry, determining what ails each critical sector, and prescribing the precise remedy that it requires.

This is not a difficult undertaking if the commitment is there. The number of really critical industries in our country is small—

ten, perhaps twenty at the very most, dominate our economic health. First we must look at how each economically crucial industry is performing, considering criteria of efficiency, innovation, price and profit. If it is performing well, then it is of no consequence whether there are two or two hundred competitors in the field.

For those which are not performing well, we analyze the peculiar factors which contribute to the problem and prescribe a set of remedies tailored to the specific conditions. These might take any of several forms: Government subsidies of a new competitor, changes in Government procurement practices, regulation, deconcentration, and many others.

This job can be performed by an *ad hoc* commission created by the Congress with a limited life-span and a clearly defined goal. Congress then must be prepared to consider and act on the commission's recommendations.

The procedure I have just outlined would be a giant step towards a healthy, competitive economy—but only a first step. There are several other major changes that would have to be made. Let me touch on some of them briefly.

We have got to ferret out and correct the myriad ways in which the tax code favors big companies over small ones.

The corporate income tax is riddled with concessions, exceptions, loopholes, and just plain give-aways. Except for the first $25,000 in earnings, corporations are supposed to pay a flat 48% tax. But in 1973, the average for the 143 biggest corporations for which data was available, was less than 24%.

There are many reasons: Export tax subsidies, foreign tax credits, and an investment tax credit based on the size of a company's earnings. Then of course there is the oil depletion allowance, which is based on the amount of oil produced, rather than the number of new holes drilled, and therefore helps the giant firms more than the small wildcatter who shoulders much more of the risk.

These sorts of tax provisions—as well as many others, including the estate tax and various excise taxes—are helping to push the whole economy towards bigness and away from competition.

Yet another source of trouble is the patent system. Originally designed to promote progress by encouraging inventors, today the system frequently allows big companies to get bigger by keeping inventions—often ones that are not properly patentable—out of the hands of their smaller competitors.

That is one of the ways that GE, AT&T and Xerox came to dominate their industries.

Part of the problem is in the Patent Office. The Office has a two and one half year backlog. Its staff is overworked and relies heavily on what applicants allege. Fully 70% of the litigated patents are eventually held invalid. But such challenges are time-consuming, costly, and risky, and few small companies can afford the cost.

The Patent Office should be given the resources it needs to streamline its procedures and improve its investigations. Applications that should be denied, should be denied quickly.

In addition, we should consider shortening the period of patent protection.

And we should look for ways to prevent patent holders from stifling competition by putting greater limits on restrictive licensing.

Anti-competitive policies pervade the Federal Government, but probably the worst culprit of all is the regulatory agency.

Government policies have protected concentration—not competition—in many of the regulated industries, often they have erected impenetrable barriers to any company which seeks to enter the field with better products or lower prices.

Transportation economists estimate that price fixing and waste allowed by the three regulatory agencies in this field—the CAB, the ICC, and the Maritime Commission—cost consumers between $8 and $16 billion a year.

From its creation, the CAB has restricted competition in the airline industry. It has not approved entry of a new trunk carrier since 1938.

Just last fall it rejected an application by Laker Airways, a private British carrier, to fly regularly scheduled New York to London flights for $125 each way—less than half of the present fare.

The CAB does not have jurisdiction over flights within a single State. As a result, there is vigorous competition, for example, on the Los Angeles to San Francisco route. That competition has driven the price down to $21.

The Washington to Boston flight is only a few miles longer, but is regulated by the CAB. Result?—The fare is $45—more than double.

That's the good news. Now, for the bad news—the ICC.

This agency divides up the country and allocates each area to just a few trucking firms. In other words, it creates oligopolies.

One ambitious firm—Gateway Transportation—is trying to compete on the route from Pittsburgh to Jacksonville, Florida. Because the ICC has awarded the direct route to someone else, Gateway's truck must make the trip via Cincinnati, Ohio—more than 200 miles out of the way.

The ICC, in fact, is so busy preventing competition in interstate trucking that it forces truckers to travel empty about 40% of the time. Somebody over there still hasn't gotten the message about the energy crisis.

We need to limit the authority of the regulatory agencies—to get them out of the business of regulating competition—whenever and wherever possible.

We should end the CAB's authority to set fares and restrict routes. I think you would be amazed at how the airlines could discover ways to reduce rates if they had to compete for their business.

As a matter of national policy, we may want to maintain service on low-traffic routes to small cities, and that may require some kind of subsidy, but the savings would far outweigh the cost.

As for the ICC, the time has come to abolish it. The Commission was established in 1880's to prevent price gouging by the monopolistic railroads, but the railroads lost their monopoly when the truck arrived on the scene, and the ICC lost its function. Since then, the ICC has stood firmly and steadfastly—in the *way* of competition.

I have taken you on just a quick tour of the field—but I hope I have been able to make my case. If we are to strengthen and preserve our free economy, we must act. We must take the power from the board room and return it to the market. We must replace concentration with competition to keep prices down, efficiency up, and economic power responsible.

The vitality of competition comes from the desire of business to grow and prosper. There is no villainy in that instinct—it is essential to a vigorous economy.

But when businesses get too successful or too big, they may begin to strangle competition.

Then Government must intervene. It must act as a referee, to limit and redirect growth when it threatens competition. This creative tension between business and government means litigation, which cannot displease you. But it also means an economy able to meet the challenges of the last quarter of the 20th century—an economy which truly serves its true masters—the American people.

THE CITY OF PICO RIVERA BENEFITS FROM REVENUE SHARING

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. DANIELSON. Mr. Speaker, I would like to take this time to share with my colleagues a letter from Councilman Frank Terrazas, of Pico Rivera, explaining the use which the city has made of revenue-sharing dollars, as provided under the Revenue Sharing Act of 1972.

With the general revenue sharing program scheduled to run through December 31, 1976, it becomes necessary for the 94th Congress to reconsider the program. Therefore, I am submitting for the Record the text of the letter from Councilman Terrazas explaining that in Pico Rivera 50 percent of the revenue sharing funds are used for law enforcement, and 50 percent used for plant facilities in their parks and recreational field. Continuation of the general revenue sharing program to allow the city of Pico Rivera to continue providing such services to its citizens.

During future consideration of the extension of the general revenue sharing program, I hope that the fine work the city of Pico Rivera has made of its revenue sharing funds will be brought to mind. Councilman Terrazas' letter reads as follows:

City of Pico Rivera,
Pico Rivera, Calif., December 26, 1974.

Hon. George E. Danielson,
Congressman, State of California,
Los Angeles, Calif.

Good Morning Congressman! I greatly appreciate your latest correspondence to me concerning the consideration by the Congress relative to the continuation of revenue sharing. I was not aware that the Congress in this session was debating the issue and to the extent of calling it to our attention at this time, is appreciated. Your interest as indicated in your correspondence prompts me to supply what Pico Rivera has accomplished and projected in terms of its revenue sharing distribution.

The City of Pico Rivera incorporated 17 years ago, does not have a property tax; therefore, our entire revenue picture is predicated on the economy of not only the country, but the metropolitan area in which the city is located. If the economy is such that currently is the case, the dollar is inflated and the citizens and businesses are in a recession as it relates to their economic growth. The efforts of municipal government must then reduce their services or find supplemental income from other sources.

Revenue sharing, through the distribution of Federal dollars provided through Federal Income Tax, has relieved the economic stress and strains of this municipality operating without a property tax. Initially, this Council in complying with the Federal Guidelines and the intent and purposes of the Revenue Sharing Act, desires to accomplish two goals: (1) To provide safer streets and a maintenance of public safety to its citizens; (2) to increase the social well-being of our citizens. To accomplish this, 50% of our annual revenue sharing dollars is devoted to law enforcement. Those dollars provide public relations officers within the police department and three teachers in law enforcement personnel. These instructors provide instruction in the elementary, secondary and high school level as well as extend the day for adults. Its purpose is to develop a better relationship of the understanding of the laws of the City, our society in this State, and the duties and responsibilities of law enforcement carrying out its responsibility.

Secondly, half of our revenue annual sharing dollars is devoted to plant facilities in our parks and recreational field. We have constructed bicycle trails, night lighting for boys' and girls' softball and baseball diamonds, playground equipment for tiny tots and adults. Our efforts here are to provide a social climate within the community that will permit, through the construction of these facilities, a wholesome vehicle where children and parents together can participate in a worthwhile and constructive recreational activity. The Council is committed to continue, through use of revenue sharing dollars, this policy.

I recognize that the Congress of the United States has a great burden and difficult decisions in terms of the economy on the one hand, and the stability of the government on the other. As a local official, I cannot help but believe that the stonewall of our governmental exercise is the strength, responsiveness and the effectiveness of local government. The continuation of revenue sharing in my judgment, would assist and be indicative of the Congress belief in this objective.

Very truly yours,

FRANK TERRAZAS,
Councilman.

JAMES M. STUART

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. WHALEN. Mr. Speaker, Dayton, Ohio, and the surrounding metropolitan area have been fortunate through the years to have many citizens who have translated their concerns for the community's welfare into activities which have resulted in great benefits to all area residents and, indeed, to all Americans. One of these remarkable gentlemen, James M. Stuart, recently retired from his civic life and from the business world. In recognition of the innumerable contributions Mr. Stuart made to the city's business, education, and civic endeavors, the Ohio House of Representatives last week adopted a resolution in his honor.

In inserting the text of that resolution here in the RECORD, I take the opportunity to join in the expressions of praise for this distinguished American, James M. Stuart:

A RESOLUTION—H.R. No. 66

To extend recognition to James M. Stuart upon the auspicious occasion of his retirement from active civic life and as a member of the Board of Directors of the Dayton Power and Light Company.

Whereas, The members of the House of Representatives of the 111th General Assembly wish to take this opportunity to give well-deserved recognition to James M. Stuart upon the auspicious occasion of his retirement as a member of the Board of Directors of the Dayton Power and Light Company and from active civic life, and wish to extend our sincere thanks for his long and effective service on behalf of the citizens of Ohio; and

Whereas, James M. Stuart has been a part of the DP&L family since his entrance into the business world. He is a personification of the "American Dream" that a hard-working and dedicated individual can indeed inaugurate a career at the lowest rung of the corporate ladder and reach the apex of the corporate world by utilizing his outstanding talents to the benefits of his fellow workers and community. James M. Stuart, as a corporate executive, never lost touch with the ordinary worker, the backbone of any business enterprise; he continued to be concerned for their welfare by utilizing his positions on their behalf; and

Whereas, James M. Stuart enthusiastically and effectively committed himself to many worthwhile civic causes, by serving as a Trustee of the Charles F. Kettering Foundation, as a Director of Junior Achievement of Dayton, as President of Dayton Boys' Club, and a variety of other noteworthy civic organizations. His devotion to the betterment of his community is renowned; as a community leader and business executive he has proceeded to implement both the spirit and the goals of equal opportunity for all, regardless of race, religion, color, or sex; and

Whereas, James M. Stuart has pledged himself to the concept of providing meaningful higher education by serving as a concerned member of the Board of Trustees respectively of Wilmington College and Wilberforce University, and as a member of the University of Dayton's Associate Board of Trustees. His dedication to the goals of higher education have earned him well-deserved recognition. He has been awarded the Honorary Degrees of Doctor of Humanities, Doctor of Laws, and Doctor of Commercial Science, which are a fitting recognition for a man who is a scholar in his own right; therefore be it

Resolved, That the members of the House of Representatives of the 111th General Assembly of Ohio, in adopting this Resolution, hereby commend James M. Stuart for his consistently high level of achievement and for his many worthwhile contributions to society; and in so doing, salute one of Ohio's finest citizens and corporate officials, wishing him Godspeed; and be it further

Resolved, That the Legislative Clerk of the House of Representatives transmit duly authenticated copies of this Resolution to James M. Stuart; to the Chairman of the Board of the Dayton Power and Light Company; to the Dayton Daily News; and to the Journal Herald, Dayton; and to the Kettering-Oakwood Times.

MEMBERS OF CONGRESS FOR PEACE THROUGH LAW

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. CARR. Mr. Speaker, yesterday, in a letter to the Congress, President Ford reiterated his request for additional military and economic aid to Southeast Asia. He further stated that the Governments of South Vietnam and Cambodia would collapse should we fail to comply with his request. It is a theme we have heard all too often and have repeatedly acted upon at the expense of our citizens here at home.

With the signing of the Paris peace accord, the American people were led to believe that U.S. involvement in Indochina had finally come to an end—that we could now turn our attention to our elderly, the jobless and other disadvantaged citizens.

And now—2 years after—we are being asked to give $300 million more in aid to South Vietnam and $222 million more to the Government of Cambodia. We are being asked to give these governments 3 more years of U.S. commitment.

Mr. Speaker, I am tired of the shallow promise that the war will soon be over. On February 6, 85 Members of Congress, myself included, sent a letter to President Ford stating our strong belief that we cannot afford to waste our time on debate of this issue while the needs of our own people are once again neglected.

All 85 signators belong to Members of Congress for Peace Through Law—a 9-year-old bicameral and bipartisan group of legislators. I request that the letter be inserted in the RECORD at this point:

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We, the undesigned Members of Congress for Peace through Law, write to you on a matter of very great concern—the extent and direction of the continuing U.S. involvement in Indochina.

What particularly disturbs us is the clear implication in remarks made by the Secretary of State and the Vice President and by yourself in a recent news conference that this only partly resolved issue—one of the most divisive in the nation's history—is being reopened for debate. We had thought that the American military withdrawal, the Peace Agreements negotiated by the Administration and the clearly and repeatedly expressed Congressional mandate to gradually eliminate the American role in Indochina had settled the matter. Apparently, that is not the case.

We remain resolute in our conviction, supported by the legislation passed in the 93rd Congress, that continuing American military and economic involvement in Indochina will not bring that unhappy region closer to a lasting peace. While continuing high levels of American assistance may perhaps prolong the life of the incumbent South Vietnamese and Cambodian governments, we can see no humanitarian or national interest that justifies the cost of this assistance to our country. Although the phased withdrawal of American support will not in itself bring peace to the region, it is equally clear that its continuation will not do so either.

Another prolonged disagreement over events in Vietnam and our policy there may well lead to acrimonious accusations over who "lost" Indochina, reminiscent of the China debate over two decades ago. The result of that earlier experience was to freeze U.S. options in Asia for a quarter of a century. We must at all costs avoid a repetition of such a struggle which would set the Congress against the Executive.

It is especially unfortunate that the internal debate over Indochina should resume at a time when we are confronted by so many pressing domestic and international problems. These problems do not have easy solutions. They require an extraordinary degree of accord between our two branches of government and among the industrialized and developing nations.

This is not the time for another divisive debate that can only impede the development of the cooperation so necessary in dealing with the complex problems of global inflation, domestic recession, and growing shortages of necessary raw materials. Instead, we need to work together.

We believe the time is now at hand when our government must make a decision, too long postponed at a tragically high cost to both the people of Indochina and to our own citizens, as to how we will extricate ourselves from the situation in Southeast Asia once and for all.

We write to ask you and your most senior advisers to accept this expression of our views in a spirit of conciliation. We should get on with the important work ahead of us. Innovative leadership both from you and the Congress will be needed more than ever.

Accordingly, we are prepared for a serious, unemotional dialogue on the immediate problem of ending our involvement in Indochina responsibly and honorably. We are not prepared for it to continue indefinitely.

Sincerely,

LIST OF SIGNATORIES—SENATE

Dick Clark (D-Iowa), James Abourezk (D-S.D.), Alan Cranston (D-Cal.), Philip A. Hart (D-Mich.), Floyd Haskell (D-Colo.), William D. Hathaway (D-Me).

Mark O. Hatfield (R-Ore), George S. McGovern (D-S.D.), Adlai E. Stevenson III (D-Ill.), John V. Tunney (D-Cal.), Harrison Williams, Jr. (D-N.J.), Hubert H. Humphrey (D-Minn.).

HOUSE OF REPRESENTATIVES

Bella A. Abzug (D-N.Y.), Joseph P. Addabbo (D-N.Y.), Thomas L. Ashley (D-Ohio), Les Aspin (D-Wis.), Herman Badillo (D-N.Y.), Jonathan B. Bingham (D-N.Y.), Michael T. Blouin (D-Iowa), Edward P. Boland (D-Mass.), John Brademas (D-Ind.), George Brown, Jr. (D-Cal.), Yvonne B. Burke (D-Cal.), John L. Burton (D-Cal.), M. Robert Carr (D-Mich.), Silvio O. Conte (R-Mass.).

John Conyers (D-Mich.), James C. Corman (D-Cal.), Ronald V. Dellums (D-Cal.), Charles Diggs (D-Mich.), Robert F. Drinan (D-Mass.), Don Edwards (D-Cal.), Joshua Eilberg (D-Penna.), William D. Ford (D-Mich.), Donald M. Fraser (D-Minn.), Bill Frenzel (R-Minn.), William J. Green (D-Penna.), Gilbert Gude (R-Md.), James M. Hanley (D-N.Y.), Thomas Harkin (D-Iowa), Michael Harrington (D-Mass.).

Elizabeth Holtzman (D-N.Y.), James J. Howard (D-N.J.), Andrew Jacobs, Jr. (D-Ind.), Barbara Jordan (D-Tex.), Robert Kastenmeier (D-Wis.), Martha Keys (D-Kan.), Edward I. Koch (D-N.Y.), Robert L. Leggett (D-Cal.), Torbert Macdonald (D-Mass.), Paul N. McCloskey, Jr. (R-Cal.), Mike McCormack (D-Wash.), Andrew Maguire (D-N.J.), Spark M. Matsunaga (D-Hawaii), Lloyd Meeds (D-Wash.).

Ralph H. Metcalfe (D-Ill.), Edward Mezvinsky (D-Iowa), Parren Mitchell (D-Md.), John J. Moakley (D-Mass.), William S. Moorhead (D-Penna.), Charles A. Mosher (R-Ohio), Gary A. Myers (R-Pa.), Edward Pattison (D-N.Y.), Joel Pritchard (R-Wash.), Charles B. Rangel (D-N.Y.), Thomas M. Rees (D-Cal.), Henry S. Reuss (D-Wis.), Frederick W. Richmond (D-N.Y.), Donald Riegle, Jr. (D-Mich.), Peter W. Rodino (D-N.J.).

Benjamin Rosenthal (D-N.Y.), Edward Roybal (D-Cal.), Fernand St Germain (R-R.I.), Patricia Schroeder (D-Colo.), John Seiberling (D-Ohio), Fortney Stark, Jr. (D-Cal.), Gerry Studds (D-Mass.), James Symington (D-Mo.), Frank Thompson, Jr., (D-N.J.), Morris K. Udall (D-Ariz.), Charles H. Wilson (D-Cal.), Antonio B. Won Pat (D-Guam), Henry Helstoski (D-N.J.), Dick Ottinger (D-N.Y.), Ken Hechler (D-W. Va.).

HELP FOR CHARITIES AND TAXPAYERS: THE RELIGIOUS AND CHARITABLE DONORS' TAX JUSTICE ACT

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. HEINZ. Mr. Speaker, everyone is aware of the economic impact that inflation has had on the average wage earner. But, as the Ways and Means Committee and the House continue to consider tax reform legislation, little attention has been paid to the social implications of inflation, especially as it affects our religious and charitable institutions.

These traditional American institutions, which have played a major role in the fulfillment of our religious, moral, educational, and recreational needs, are in danger from the impact that rapidly rising prices are having on their economic lifeline, voluntary charitable contributions.

My research of the most recent Internal Revenue Service data uncovered that while the average charitable contributions increased by 9.2 percent from 1966 to 1968, the 1968 to 1970 increase was only 3.7 percent. This sharp decline came during a period in which the rate of inflation was less than half of the current rate.

Since virtually all of these groups depend, to a large degree, on the generosity of the American people, there is a real concern that many may not survive our current inflationary spiral.

For these reasons I am today introducing the Religious and Charitable Donors' Tax Justice Act. My bill would amend the Internal Revenue Code of 1954 to allow each taxpayer to choose either the present deduction for charitable contributions or a tax credit for 50 percent of his or her charitable contributions, whichever is most beneficial. There would be a limit of $500 tax credit per individual return per year, with a $1,000 credit limitation for those filing a joint return.

My bill gives hard-pressed taxpayers an extra benefit while taking nothing away. It does not repeal or alter the present tax deduction for charitable contributions. What my legislation does do is give taxpayers a choice between something old—the present deduction—and something new, a tax credit of 50 percent of the annual total of his or her charitable contributions, up to a maximum credit of $500 per year on an individual return or $1,000 on a joint return. A tax credit reduces the taxes you owe, dollar for dollar, and so is much better for most taxpayers than a deduction which only reduces the taxable income on which you figure how much you owe in taxes. It is up to the taxpayer to decide what choice helps most.

Under present law, the deduction permitted for charitable donations mainly benefits people in high tax brackets. For example, an individual with a taxable income of $10,000 who gives his church $500 is entitled to a mere $125 tax savings. But the individual who makes $50,000 and also gives his church $500 saves up to $300 in taxes. This is clear discrimination against low- and middle-income taxpayers.

My tax justice bill, which employs a tax credit, will assure those who are not wealthy a tax benefit from charitable contributions as substantial as that already enjoyed by those who are. The tax credit would allow each taxpayer to continue his or her generosity toward the church or other institutions without depriving his or her family of life's basics.

I believe this approach would create incentives for Americans to increase their religious and charitable donations. By doing so, it would help strengthen this Nation's churches and religious groups, private educational institutions, cultural groups and other entities such as the March of Dimes and the heart and cancer research organizations which rely entirely on charitable donations.

Since first introducing this measure on June 28, 1974, I have received many endorsements from a wide variety of religious groups and organizations. For example, the following is a quote from a letter that the Catholic University Alumni Association sent to its members:

> The "Heinz Bill" proposes an effective remedy to the current situation wherein the inflationary spiral has detrimentally affected charitable giving. As such it is of enormous importance to all connected with the Catholic University of America, bearing closely upon the vital source of sustaining income known as the annual fund.
>
> Enactment into law could substantially multiply our potential to contribute to worthy causes such as CUA, while adhering to the limits of budget we all have.

This support, and that of other organizations, is particularly meaningful as the Ways and Means Committee continues to proceed with tax reform legislation. It is my hope that this or legislation similar to the Religious and Charitable Donors Tax Justice Act can be included in any tax reform legislation either by the committee or by means of a floor amendment.

THE RECYCLING OF PLUTONIUM

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ASPIN. Mr. Speaker, today I am introducing legislation to bring under control a very dangerous technological innovation: The recycling of plutonium.

The Nuclear Regulatory Commission now plans to license the extraction of plutonium from spent nuclear reactor fuel and its subsequent fabrication and use as fuel in light water reactors. The economic benefits of proceeding with plutonium recycle now are small. The risks, and the possible large-term costs, are great.

The dangers of plutonium recycle are simply stated: Plutonium is a destructive substance of unprecedented versatility and power. As a poison, it is lethal in microscopic doses. As the raw material of nuclear explosives, 10 pounds of it is ample for a fair-sized bomb. We could do the terrorists and criminals of this world no greater favor than to make this element an article of commerce, transported across the country in quantities measured in tons.

Thanks in no small part to the voice of Theodore B. Taylor, plutonium safeguards is no longer a side issue in the planned conversion to a "plutonium economy." For the first time, keeping this substance out of the wrong hands is being treated as an important problem of plutonium recycle. It is to be hoped that, with careful planning, the risk of plutonium diversion can be brought down to an acceptable level; always remembering that the only acceptable level is zero risk. We would be insane to build into our core energy technology a vulnerability to blackmail.

We have assigned to the NRC, and its predecesor, the regulatory arm of AEC, responsibility for overseeing the safety of nuclear power. We should expect that no responsible regulator would proceed to license the plutonium traffic without first designing and making plans to implement a fail-safe safeguards system. But look at AEC's Draft Gesmo, the draft environmental statement on plutonium recycle:

> Some possibility remains that an attempted act of theft or sabotage could be successful or partially successful. The probability of a successful act of sabotage or theft depends on many factors . . . the number and complexity of these factors . . . make probability assessment of a successful act of theft or sabotage not susceptible to precise quantification.
>
> The safeguards system has as its objective achieving a level of protection against such acts to insure against significant increase in the overall risk of death, injury, or property damage to the public . . . it is judged that this objective will not be fully met by current safeguards measures; however, present development programs have been carefully reviewed and other concepts which could significantly improve safeguards have been identified . . . studies on some of these aspects . . . are underway and other studies . . . are being initiated.
>
> The Commission has a high degree of confidence that through implementation of some combination of the above concepts the safeguards general objective set forth earlier can be met for Pu recycle. Indications at this time point to decisions on upgrading within about one year after issuance of the final Gesmo statement—Draft Generic Environmental Statement on Mixed Oxide Fuel, Wash-1327, August 1974, Volume 1, pp. S-6, S-7.

In other words, the Commission does not believe present safeguards systems are adequate, does not now have in hand a plan for an adequate safeguards system, and will not have such a plan ready until a year after its final impact statement is issued. Yet "the Commission has a high degree of confidence" everything will turn out all right in the end. How can the Commission know that a plan which does not even exist will be fool-proof? But any system which is less than fool-proof is intolerable.

No safeguards system can be more reliable than its components: Separation plants, fabrication plants, reactors, and the transportation links among them. One promising safeguards proposal would put separation plants, where plutonium is extracted from spent fuel, and fabrication plants, where the plutonium that is extracted is refashioned into fuel pellets for reuse, side by side, or even in the same building. This would eliminate the hazardous step of transporting refined plutonium on common carriers, subject to shipment diversion and hijacking. But this "integrated fuel cycle facility" or "nuclear park" proposal is still in the idea stage: NRC has no present plan to require it. Once NRC has licensed separate facilities and its licensees have constructed them, the nuclear park option may be lost. The same applies to the possibility of designing plants which will make materials accounting easier. In present plants, one-half of 1 percent is considered the limit of error in materials accounting. This seems impressive until one considers that one-half of 1 percent of a single ton of plutonium is enough to make a bomb, and that the plutonium economy planned by NRC will involve hundreds of tons of plutonium per year.

We should work on the development of better materials accounting systems. But plants built today have to be built with today's designs. If NRC proceeds to license construction now, the chance of basic improvements in materials accounting will be lost.

A few years' delay in developing plutonium recycle facilities will give the industry and the commission breathing time in which to plan an efficient and reliable safeguards system to replace the nonplan presented in NRC's environmental statement on plutonium recycle.

But the legislation I have introduced will do more than slow down the process. It will remove the crucial decision—the decision to permit plutonium to become a commodity—from the NRC altogether, and guarantee that the elected representatives of the people will decide. Do we want the raw material of nuclear weapons in routine commercial traffic? This is not a decision we should delegate to a regulatory agency, particularly not to one which has already decided to proceed with plutonium recycle though it admits that no adequate safeguard system has been designed.

The Congress needs two things in order to make a reasonable decision on this matter: Time and information. This bill would provide both: Time, by forbidding NRC from proceeding before we have a chance to act; and information, by requiring the Office of Technology Assessment to undertake a study.

To act on this problem by inaction, to allow NRC to proceed with plutonium recycling before the safeguards problem is solved, would be an abdication of our responsibilities. The text of the bill follows:

H.R. 3618

A bill to prohibit the licensing of certain activities regarding plutonium until expressly authorized by Congress, and to provide for a comprehensive study of plutonium recycling.

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That this Act may be cited as the "Plutonium Recovery Control Act of 1975."

FINDINGS

SEC. 1. The Congress finds that—

(1) the Nuclear Regulatory Commission proposes to license the extraction of plutonium from spent reactor fuel and its subsequent use in mixed-oxide reactor fuels;

(2) plutonium is both a highly toxic substance and the possible raw material for nuclear explosive devices;

(3) the establishment of a commercial plutonium industry and the consequent production and transportation of large quantities of plutonium may increase the likelihood of diversion of plutonium from legitimate channels to use by criminal or terrorist organizations;

(4) the possible adverse effects of plutonium diversion are so great that even a small probability of successful diversion is unacceptable;

(5) present plans for safeguarding plutonium as set forth in the Generic Environmental Statement on Mixed Oxide Fuels, are inadequate;

(6) delay in the establishment of plutonium extraction and re-use facilities will have no substantial adverse economic effect, but will provide time for careful planning of safeguards systems for economy and reliability;

(7) the final decision on whether the economic benefits of plutonium recycling are great enough to counterbalance its social costs and risks should be made by the Congress, and not by a regulatory agency.

SEC. 2. (a) Except as provided in subsection (b), the Nuclear Regulatory Commission, established by section 201 of the Energy Reorganization Act of 1974 (Public Law 93-438, 88 Stat. 1242), shall not license, permit, or otherwise authorize—

(1) the operation of any nuclear power reactor using recycled plutonium fuel; or

(2) the construction or operation of any facility which reprocesses or recovers plutonium from spent nuclear power reactor fuel or from production reactor products.

(b) The provisions of subsection (a)(2) of this section shall not apply with respect to—

(1) any construction activity undertaken in conformity with a construction permit issued pursuant to the Atomic Energy Act of 1954 (68 Stat. 919) before January 1, 1975; or

(2) any recovery of plutonium for military or research and development purposes.

(c) The prohibitions of subsection (a) of this section shall remain in effect until the Congress, after having adequate time to study the results of the investigation described in section 3, to hold the necessary hearings, and to consider the various alternatives available to the Nation, provides otherwise by law.

SEC. 3. (a) The Office of Technology Assessment shall conduct a comprehensive study of the recycling of plutonium for the purpose of determining the extent of the dangers to the public health and safety and to the environment resulting from such recycling. Such study shall be completed not later than three years following the date of the enactment of this Act, and shall include—

(1) investigation of the toxicity and carcinogenic characteristics of plutonium, the development of illicit markets for the sale of plutonium, and the fabrication and use of unauthorized nuclear devices made from plutonium;

(2) investigation of the risks of the unauthorized diverison or theft of plutonium, the development of illicit markets for the sale of plutonium, and the fabrication and use of unauthorized nuclear devices made from plutonium;

(3) investigation of the full range of economic costs and institutional implications, including threats to civil liberties, of the safeguards measures needed to minimize the unauthorized diversion or use of plutonium;

(4) investigation of the need for plutonium as an energy fuel and of non-plutonium strategies for meeting national energy requirements;

(5) investigation of alternative means of handling and containing plutonium on the assumption that the use of recycled plutonium as nuclear power reactor fuel is not permitted in the forseeable future; and

(6) consideration of the development of systems for the use of plutonium which will assure the protection of the public health and safety and of the environment.

(b) In conducting the study required by subsection (a) of this section, the Office of

Technology Assessment shall seek the assistance of a broad range of public and private groups with information or expertise relevant to the subjects of the study and shall assist and encourage the participation of the public in all phases of the study. The Office shall have the power to enter into contracts with individuals or corporations for the purposes of conducting the study, but shall not enter into contracts with any corporation or person which in the judgment of the Office might have a significant financial interest in the development or utilization of recycled plutonium fuel.

(c) All Government agencies shall cooperate to the fullest extent with the Office and shall provide access to their personnel and data. At the request of the Office, any Government agency shall furnish any information which the Office deems appropriate for the purpose of conducting the study under this section. The Office is further empowered to compel the delivery of any information in the possession of the National Laboratories which the Office deems necessary for conducting the study.

"(d) There is authorized to be appropriated, for use in carrying out this section, not to exceed $75,000,000.

"SEC. 3. For purposes of this Act—

"(1) the term 'plutonium' means pure plutonium, plutonium oxide, or any other plutonium compound;

"(2) the term 'recycled plutonium' means any plutonium recovered or separated from spent nuclear reactor fuel or production reactor products;

"(3) the term 'recycled plutonium fuel' means any nuclear reactor fuel containing recycled plutonium, including fuel containing mixed oxides of uranium and recycled plutonium;

"(4) the term 'spent nuclear power reactor fuel' means any material which forms part of a used fuel assembly for a nuclear power reactor."

CHALMERS WYLIE SUPPORTS BSA S.M.E. PROGRAM

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. BROWN of Ohio. Mr. Speaker, my colleague from Ohio's 15th District, CHALMERS P. WYLIE, has long been active in the Boy Scouts of America—from his youth when he participated actively as a troop member through current leadership and support of Scouting programs.

As a strong supporter of Scouting myself, I wish to commend my colleague for his continued activity in Scouting as it was illustrated in a recent editorial in the Clintonville Booster, a weekly newspaper serving north Columbus, Ohio.

So that I may share with my colleagues these comments on Scouting and CHALMERS WYLIE's support of the program, I am placing the editorial in the RECORD at this point:

[From the Clintonville Booster, Feb. 19, 1975]

"SURVIVAL KIT" RELATES SUPPORT FOR SCOUTS

During the very first year when the Clintonville Woman's Club was built a tradition was begun of hosting a key program of Boy Scouting. This breakfast, re-kindled on February 1, kicks-off "Sustaining Membership Enrollment" or the S.M.E. Program for Olentangy District of the Boy Scouts.

Congressman Chalmers Wylie addressed the breakfast meeting. We believe his remarks and the incident relating to Scouting are worth repeating as an editorial endorsement of the SME program.

"BIG CHUCK" FOR BSA AND SME

"The challenge for you the reader and the scout leaders who attended is, '. . . to strengthen the powerful tool for helping boys to fulfill citizenship responsibilities.' That tool is the Boy Scouts of America. Scouting teaches boys how to cope with problems; it is really a partnership of youth and age.

"To enlist those persons who are concerned and will support scouting, invite them to consider scouting tasks. Seek their support through a commitment of money, time and talent. This is the purpose of the start of the Sustaining Membership Enrollment Drive which is a yearly activity.

"Chalmers P. Wylie is a concerned adult scouter who is referred to by the members of Troop 156 as "Big Chuck." Here is why.

"In the summer of last year, Troop 156 ventured to the Adirondacks in New York State. At the beginning of a back pack hike, Congressman Wylie twisted a knee which has been somewhat sensitive since being injured in basketball playing days. He had to make a walking stick from a sapling to finish the hike.

"Congressman Wylie's office in Washington, D.C., has a certificate displayed on the wall. That certificate was the award for completing this hike. At Congressman Wylie's home, he has that walking stick displayed. It has been shellacked. On the side of the handle is carved the name 'Big Chuck.' On the shaft of the walking stick are carved the the initials of each of the boys who participated in the hike. The stick was a gift of the boys. The boys know Chalmers Wylie as 'Big Chuck.' He knows himself to be self-reliant in a trying situation.

"Let's get behind scouting to help teach our boys. Be prepared—do that good turn again and again and again.

"When that scout leader calls at your home, receive him and show him evidence of your support of this youth service in your community by contributing as a concerned friend of scouting."

INTRODUCTION OF "SATURDAY NIGHT SPECIAL" HANDGUN PROHIBITION LEGISLATION

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. DINGELL. Mr. Speaker, during the 93d Congress, along with my friend and colleague, BOB CASEY, I introduced H.R. 12553 and H.R. 12554, identical bills to halt the sale in the United States of certain handguns known as "Saturday Night Specials." Today, again with the gentleman from Texas (Mr. CASEY), and joined by several of our distinguished colleagues, I am reintroducing that legislation.

For the record, the original bill I introduced at the outset of the 93d Congress, H.R. 3611, also to prohibit the sale of certain handguns in the United States, was strengthened during the last Congress by my introduction of H.R. 12553 and H.R. 12554. It is this "strengthened" version we are reintroducing today.

I believe this legislation is a workable, moderate, and politically realistic approach. It does not impinge on the rights of law-abiding citizens to buy and use handguns for sporting and defensive purposes, and I believe it will enjoy their support.

Essentially, the bill would prohibit handgun manufacturers and importers—who all are federally licensed under existing law—from manufacturing, importing, or assembling from parts a "Saturday Night Special" for sale in the United States.

As many Members are aware, one of the principal problems in drafting any such bill is to accurately define "Saturday Night Special." People familiar with firearms know generally what is meant: crudely made, pot-metal handguns selling for as little as $10 or $15. Of poor quality and scant durability, the "Saturday Night Special" is unsuitable for sporting, target, or defensive use, but it is uniquely attractive to the criminal as a cheap, disposable weapon.

Yet the formulation of a precise definition has been difficult. One bill passed by the Senate in the 92d Congress was so loosely worded that it also would have banned many high-quality handguns purchased by honest citizens for legitimate purposes. Many people suspected—rightly—that the bill was a Trojan Horse for an attack on private handgun ownership generally, and the measure died in the House.

Another problem is to be specific enough to avoid leaving administrative officials wide discretion to decide what the law means. The way in which some city governments have stretched and twisted loose language in gun control laws to harass and discourage responsible citizens from owning firearms provides ample reason to distrust any bill that affords broad opportunities for arbitrary "reinterpretation."

The bill that I am introducing today, like my earlier bill, clearly identifies, and is confined to, "Saturday Night Specials." And it eliminates any need for unfettered discretionary powers in the hands of administering bureaucrats.

It would supersede a present hodgepodge of administrative regulations which pertain only to imported handguns, and which cannot effectively remove "Saturday Night Specials" from the market.

The bill establishes an objective standard of quality which all new handguns—no matter whether manufactured domestically or imported—must meet, or be banned from sale.

"Saturday Night Specials" would be prohibited by rating the metal from which they are made by three scientific criteria: a minimum liquidus melting temperature of 1,000° F; a minimum ultimate tensile strength of 55,000 pounds per square inch; and—where powdered metal is used—a minimum density of 7.5 grams per cubic centimeter.

Only those handguns which meet all three criteria could be manufactured, imported, or assembled for sale in the United States.

By their very nature, "Saturday Night Specials" cannot meet these criteria. Virtually all of them are made primarily of low-strength materials—such as zinc alloy—that permit the use of diecasting and other cheap manufacturing techniques costing as little as one-twentieth as much as conventional methods using strong steel or aluminum alloys. This prime characteristic of "Saturday Night Specials" accounts for both their poor quality and their low price.

Manufacturers of high-grade handguns avoid these cheap methods and materials in the construction of major parts critical to strength and durability. In "Saturday Night Specials," however, such parts are flimsy and perilously close to the margin of safety. For this reason, a quality standard is an effective means of distinguishing "Saturday Night Specials" from handguns suitable for legitimate defensive and sporting use.

This legislative approach was received very favorably when it was first embodied in H.R. 3611. The Illinois Legislature adopted the bill as a State law, as have several local jurisdictions. Citizens across the country, including a number of engineers and other technical people, have responded by volunteering their expertise to further improve the bill, suggesting ways to broaden its coverage and make it stronger.

The bill which I am introducing today includes many of their suggesttions, and goes far beyond the original measure, which imposed a single minimum 800° F melting point criterion on handgun frames. It will apply the three minimum requirements mentioned above to each of the following major structural parts of handguns: the frame—sometimes also called the receiver, the barrel, the cylinder of a revolver, the slide of an automatic pistol, and the breechblock of any other pistol. These parts are the ones critical to strength and safety. It should be noted that smaller parts that may be assembled to these larger components are not included, since their mechanical properties often are of necessity quite different.

In this bill, the liquidus melting temperature—that is, the point at which an alloy turns completely from a solid to a liquid—has been raised considerably above the 727-degree Fahrenheit melting point of the zinc commonly employed in "Saturday Night Specials," to provide a safe margin against metallurgical variations.

The ultimate tensile strength—the load required to actually break a bar of metal by pulling it apart—requirement was added because there are a few metals suitable for cheap diecasting which melt at temperatures higher than 1,000 degrees F. However, none of these can meet the ultimate tensile strength requirement. Alloy A–380, for example, a common aluminum diecasting alloy which could be utilized in "Saturday Night Specials," has an ultimate tensile strength of 48,000 pounds per square inch. By comparison, high-strength aluminum parts produced by costly forging and machining have an ultimate tensile strength as high as 83,000 pounds per square inch.

The third criterion—density—pertains only to the use of powdered, or sintered metal. It has come to my attention that a few "junk" handguns now are being made by this process, in which steel granules molded in the shape of a part are fused solid by high heat. A melting point criterion is inappropriate here, and superficially high tensile figures can be achieved.

However, this is deceptive, for the strength of sintered metal parts is determined by their density. For example, the auto industry uses powdered metal to fabricate automatic transmission gears; but to obtain the high density required, large presses and expensive dies must be utilized to compress the sintered part afterward under enormous pressure. "Saturday Night Special" manufacturers skip this costly operation, and produce cheap sintered parts lacking elasticity and impact resistance. Good enough for a "junk" handgun, but too brittle and unsafe for the major structural components of a quality arm.

Hence, a density level has been added to this bill to weed out "Saturday Night Specials" made of poor quality sintered parts.

Together these three requirements not only would eliminate every "Saturday Night Special" now being produced but would make circumvention extremely difficult.

I should emphasize that the provisions of this bill are easy to enforce and would take full effect 90 days after enactment without the need for further administrative approvals, promulgation of regulations, advisory committees, laboratory testing, or other redtape that has festooned many other proposals that have been circulated in the past.

And, unlike the Senate bill I mentioned earlier, this bill places the burden of compliance on those most knowledgeable and best able to obey its requirements: the manufacturers and importers. This point is extremely important, since virtually all Federal firearms law violations are classed as felonies, no matter how minor.

By cutting off "Saturday night specials" at their source, my bill would not subject ordinary citizens who might buy or sell a handgun in good faith to the risk of criminal prosecution for unwittingly running afoul of technical provisions—the Senate bill contained 37 technical criteria, and would have held ordinary citizens criminally responsible for failure to understand all of them.

A few words of explanation might be helpful on another point. After H.R. 3611 was introduced, I was contacted by several technical writers who had received the impression that each individual handgun produced would have to be subjected to a melting test—which of course would be ruinous to the finish and heat treatment even of high-grade firearms. That is not the case at all. This bill is best understood by comparing it to a ban on soft drinks containing cyclamates. No authority is provided—or needed—for the Secretary of the Treasury, who administers the Federal firearms laws, to require melt testing, or prior approval of each handgun. This simply is not necessary, any more than it is necessary to open each bottle of soft drink to look for cyclamates.

Rather, this bill would be enforced in very conventional fashion: if a firm is discovered to be manufacturing or importing for sale a handgun made of materials known not to meet the prescribed specifications, that firm is in trouble.

It should be understood that the liquidus melting point and the ultimate tensile strength of materials used in the construction of handguns are well known in the trade. A glance at any metallurgical manual reveals, for example, that 7071–T6 high tensile strength aluminum—which is not a die-casting alloy—would meet the requirements of this bill, while AG40A zinc alloy—which is Zamak, commonly used in "Saturday night specials"—would not.

Obviously, each manufacturer knows what materials he is using, and if he desires to avoid the risk of a felony conviction, he will make sure that he complies with the laws requirements, much the same as he presently complies voluntarily with the law that each handgun must be serialed, marked with his firm name, and duly entered on his records.

It has been suggested that this bill might be circumvented by the use of plastics. All available evidence indicates that to be an imaginary problem. The criteria in this bill refer to materials generally, not just metals. Both the melting point, and the tensile strength of polycarbonates and fiberglass—which are the two plastics sometimes used for nonstressed parts of certain firearms—are far too low and too weak to be used for structural components. These plastics turn to liquid well below 400° F, and most have tensile strengths no higher than 10,000 pounds per square inch, not even close to the requirements of this bill.

In summary, manufacturers of handguns would be forced by this bill to produce only those handguns meeting a quality standard of durability and safety that make them suitable for legitimate use, or go out of business. Either way, the "Saturday night special' will be driven off the market.

Let me say at this point that I have no objection to low-priced handguns as such. I do not believe that firearms ownership ought to be reserved for the affluent. A citizen of ordinary means, if he is responsible and law abiding, has just as much right to buy and own a handgun for lawful purposes at a price he can afford as a rich man does. Manufacturers ought to be able to meet such legitimate demand through a full spectrum of price.

The reason that I am proposing to treat "Saturday Night Specials" differently from other handguns is not the price, but the fact that the very nature of "junk" handguns precludes much legitimate use.

The appeal of the "Saturday Night Special" to the criminal element is that it is cheap and expendable. It is a "throwaway" gun. It can be bought for a pittance—which is a prime consideration to somebody who needs a gun for a stickup—and it can be discarded without hesitation if the need arises. Quality is not important—what the criminal really needs is an instrument of coercion—a threat.

The "junk" handgun fills that bill, and has little other usefulness.

As the H. P. White Laboratory tests, commissioned several years ago by the

U.S. Treasury Department, demonstrated, some of these guns are defective when new, and many break within the first few dozen rounds. Significantly, many of these "Saturday Night Specials" suffered failures from fracture of one of the major structural parts.

It is a plain fact of economic life that quality costs money. It is no accident that a good quality handgun—not a "Saturday Night Special"—today costs beween $50 and $100, and many of the most popular models are priced in the $100 to $200 range.

A prohibition on the manufacture, importation, or assembly of "junk" handguns would mean that many casual buyers—particularly those with criminal intentions who want a "throwaway" gun—will be unwilling or unable to make the substantially greater investment necessary for a quality arm.

In introducing this bill, I do not mean to suggest that criminals are able to walk into a gunshop and buy a firearm legally the way an honest citizen can. That is just not true.

The Gun Control Act of 1968 already prohibits the sale of handguns to a person under 21, or to a person outside the State of his residence. It also prohibits the sale of any kind of firearm to a person convicted of—or even under indictment for—a felony; as well as to any person who is a fugitive from justice; an unlawful user of narcotics or of any depressant or stimulant drug—including, I might add, marihuana; or to any person who has been committed to any mental institution.

These are very stringent restrictions, backed up by penalties of 5 years in prison or $5,000 fine or both, and they apply to "Saturday Night Specials" the same as any other firearm. To the extent, however, that "junk" handguns change hands in illegal channels—often to youthful purchasers at giveaway prices—they would be cut off at their source by this legislation.

The cosponsors of the "Saturday Night Special" bill are as follows:

LIST OF COSPONSORS

Mr. Dingell, Mr. Casey of Texas, Mr. Brown of California, Mr. Boland, Mr. Mazzoli, Mr. Stark, Mr. Fish, Mr. de Lugo, Mr. Badillo, Mr. Ashley, Mr. Wolff, Mr. Moakley, Ms. Holtzman, Mr. Whitehurst, Mr. Foley, Mr. Thone, Mr. Vander Jagt, Mr. Studds.

The text of the bill is as follows:

H.R. 3773

A bill to prohibit the sale of "Saturday Night Special" handguns in the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 921(a) of title 18 of the United States Code is amended by inserting after paragraph (20) the following:

"(21) The term 'handgun' means a firearm designed to be held and fired by the use of a single hand. The term also includes a combination of parts in the possession or under the control of a person from which a handgun can be assembled. The term does not include antique firearms, or any firearm which comes within the definition set forth in section 5845(a) of the Internal Revenue Code of 1954.

"(22) The term 'basic structural component' means any or all of the following single parts (including a permanent assembly forming such single part) of a handgun; frame, barrel, cylinder, slide, and breechblock."

SEC. 2. Section 922 of title 18 of the United States Code is amended by adding at the end thereof the following:

"(n) It shall be unlawful for a licensed manufacturer or licensed importer to manufacture, assemble, or import, for the purpose of sale in the United States, any handgun, knowing or having reasonable cause to believe the basic structural components thereof are made (1) of any material having a melting point (liquids) of less than 1000 degrees Fahrenheit, or (2) of any material having an ultimate tensile strength of less than 55,000 pounds per square inch, or (3) of any powdered metal having a density of less than 7.5 grams per cubic centimeter.

SEC. 3. Section 925(d) of title 18 of the United States Code is amended

(1) by striking out "or" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4), and inserting "; or" in lieu thereof; and

(3) by inserting immediately after paragraph (4) but before the final sentence the following new paragraph:

"(5) is a handgun which is not prohibited from being manufactured, imported, or assembled for sale in the United States by Section 922(n) of this chapter."

SEC. 4. The amendments made by this act shall take effect on and after the ninetieth day after the date of its enactment.

INTEGRITY OF FEDERAL EMPLOYEES

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. BROOMFIELD. Mr. Speaker, a majority of the 2½ million men and women employees in the legislative, judicial, and executive branches of our Federal Government are people of integrity with sincere dedication to better government.

The average citizen, however, does not have that impression of our Federal employees. On the contrary, more and more people are losing confidence in the integrity of the staff personnel who administer our Federal Government.

This may be due in part to activities and actions over the past several months involving ethics in governmental management. Another factor may be the fact that alleged mischief in Washington is considered news and reported by the media, whereas the average citizen hardly ever hears about the honest Federal employee because honesty is assumed and not considered news.

Nevertheless, it is our responsibility, as representatives of the people, to reduce to the absolute minimum wrongdoing among Federal employees. The success of our Government will be decided ultimately by the ethics that undergird it and the confidence the people have in it. We took one step in this direction when we adopted a Code of Official Conduct for the Members of the House of Representatives. I am asking that we take another step.

Today I am introducing legislation that will help restore lost confidence in the integrity of our Federal employees. My bill, like the Code of Official Conduct for the Members of the House of Representatives, provides for the financial disclosure of income. It does not go as far as the code we adopted for ourselves, and I do not believe this is necessary. It does not require the reporting of assets and liabilities, stocks and bonds, as the Code of Official Conduct for the Members of the House of Representatives does. My bill calls for the reporting of income only. The objective of my bill is to determine the amount and source of income received in excess of $1,000 of the salary paid by the Federal Government.

I am aware we cannot legislate ethical conduct, but we can legislate procedures to reduce wrongdoing and make it more easily detected. In introducing this bill, I am subscribing to the philosophy that "an ounce of prevention is worth a pound of cure." It will be a greater deterrent to wrongdoing than the Criminal Code, and wrongdoing may be more easily detected and proved than the obtaining of the evidence required in the Criminal Code.

The opportunity for misuse of trust exists for our Nation's employees. We owe it to the many who do not abuse that trust to establish procedures to eliminate the small handful that do.

The aim of this bill is to make the running of our Nation's Government more honest in actuality and appearance. It will serve as an example to other organizations and institutions and a reminder to our Federal employees and the American people that "we care." It will help restore and justify the confidence of the American people in our Nation's Government now and during the years ahead.

PENTAGON RECRUITING BUDGET SHOULD BE CUT

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ASPIN. Mr. Speaker, now that they are filling their quotas and unemployment is extremely high the Pentagon should cut back on its proposed $553.5 million recruiting budget for next year. The Pentagon should be able to cut its recruiting budget by at least 25 percent and possibly as much as 50 percent.

Mr. Speaker, I hope the Pentagon will voluntarily cut the budget but I must warn them that Congress might cut the request on its own if the Pentagon fails to reduce its budget.

Last December the military recruited 105 percent of its quota. With unemployment among 16 to 19 year olds above 20 percent, there is no need for the elaborate advertising and slick gimmicks of our current military recruiting campaigns. The military has a perfect opportunity to save some money while still maintaining the concept of the all-volunteer force.

It is interesting to note, Mr. Speaker, that the military is now becoming increasingly choosy about who they even recruit.

In the last month of 1974, 96 percent of the enlistees were of average or above average mental categories according to Pentagon tests. This is the brightest group to enter the military since the statistics on mental ability were first collected in May 1951.

Since the introduction of the all-volunteer army, recruiting budgets have grown steadily rising $85 million in just the last 2 years.

During a recession everyone including the Pentagon should tighten their belt and reducing the recruiting budget seems like a perfectly logical and reasonable way of doing it.

ECONOMIC PLIGHT OF OUR COTTON PRODUCERS

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. MATHIS. Mr. Speaker, this administration has made many eloquent remarks in the last 3 years concerning the target price concept for agricultural commodities and its tremendous benefits to both the farmers and the consumers. Much has been said in the past few years about the need to increase our acreage production and that the continued high prices on the worldwide market would guarantee a high level of prices to the American farmer. Whenever I hear spokesmen for the Department of Agriculture deliver their much rehearsed colloquy, I am only reminded of the economic plight which faces our cotton producers. I am inserting a sales receipt for cotton sales from one of my constituents, and I think this one invoice exemplifies the plight of the American farmer at this time.

PURCHASE INVOICE (NO. 58), DUNN'S COTTON GIN

[Shellman, Ga. Jan. 20, 1975, County Randolph, Seller David Hipp, Farm ——, Address Weston, Ga., No. Bales ——]

Grade	Receipt No.	Net weight
42-34	5, 191	492
42-33	5, 198	491
42-34	5, 202	503
42-34	5, 203	507
42-34	5, 204	491
51-34	5, 205	509
42-34	5, 206	501
41-34	5, 207	507
51-34	5, 208	518
41-34	5, 209	504
42-33	5, 210	512
42-34	5, 211	482
42-34	5, 212	501
42-34	5, 213	509
51-34	5, 219	509
51-34	5, 224	365
Total, Invoice No. 58		7, 901
Invoice No. 57		12, 935
Invoice No. 56		12, 803
Invoice No. 55		12, 807
Invoice No. 54		12, 440
Invoice No. 53		12, 264
Total		[1]71, 150
Total at $33.60		$23, 906. 40
Less warehouse charge		365. 00
Storage to date		362. 00
Less cotton board ($1 per bale)		146. 00
Total		23, 033. 40

As my colleagues will see, my constituent sold 71,150 pounds at a price of 33.60 a hundredweight. After deducting storage charges, his check amounted to $23,033.40. As I am sure most of you know, the target price for cotton was established by Congress at 38 cents a pound. Let me emphasize, however, Mr. Speaker, that this constituent will not receive any cash differential because the target price on cotton was figured for the first 5 months of last year. The average of those first 5 months was above 38 cents, so, consequently, my constituent does not receive any differential. Also, let me add, Mr. Speaker, that when this particular cotton was being grown and harvested, the estimated cost of production ranged from 40 to 50 cents a pound. This farmer has lost money on his cotton crop, and I seriously doubt he will grow cotton next year under these same conditions. The same illustration can be used not only for cotton but for all other commodities and unless Secretary Butz changes his attitude toward established and proven farm programs, the American consumer, as well as the farmers, will be seriously affected in the future.

SOCIAL SECURITY: $1.3 TRILLION UNDER THE RUG

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. MICHEL. Mr. Speaker, an editorial in the Wall Street Journal effectively points out that the much-publicized recent statement of eight former HEW officials was an exercise in irresponsibility.

The eight had gotten together to attempt to deflect the mounting criticism of the social security system. But rather than deal with the specifics of that criticism, they chose to cloud the issue by resorting to invective. They attacked the motives of the critics, calling them "vicious," "destructive," and "irresponsible."

Resorting to name-calling when you do not have the facts is a debating technique as old as time, but it has never been a very good one. Nor is it in this case. The simple fact is that social security is in trouble over the long haul, and the only way to avoid disaster is to act now.

One of the eight former Secretaries of HEW, Wilbur Cohen, claimed that we were trying to scare old people. Let the record be clear, it is not today's old people who ought to be scared. If you are 70, your social security check is going to keep on coming for the rest of your life. But if you are 40, it may not, and so as one of the critics of social security, I am trying to scare not old people, but rather young people who will surely suffer if the system is not radically changed.

I include the Journal editorial to be printed here in the RECORD:

[From the Wall Street Journal, Feb. 12, 1975]

$1.3 TRILLION UNDER THE RUG

We note that eight ex-bigwigs from the Department of Health, Education and Welfare trotted out a stack of Bibles on which to swear nothing was wrong with the Social Security System. Suggestions that there is a serious problem, they said, are "destructive," "irresponsible" and "baseless."

Apparently the former HEW and Social Security heads were upset because discussion of the system's actuarial deficits has caused some recipients to worry about whether they will receive their next check. We would also like to do our part to calm such fears. We cannot realistically conceive of a way the system would not meet its obligations in the next few years.

We do take exception, though, to Wilbur Cohen's willingness to extend the same assurances out of "20, 30 or 40 years" and indeed to say that failing to do so is "vicious." Social Security is a pay-as-you-go system, meaning that benefits to be collected 40 years from now must be financed out of what the economy produces 40 years from now. Whether in the next 40 years the economy grows fast enough to afford such benefits depends heavily on government economic policies, not least the level of taxation, to which Social Security's payroll tax contributes.

We further take exception to the claim that the current debate is nothing more than a rerun of the arguments that took place when the system was founded. No one we know of seriously wants to abolish the system. For that matter, we are quite content with the fact that it is something different from the usual private pension plan.

Back in the original debates one big issue concerned the accounting problem. The pro-Social Security forces won, and accounting for the system is not done on the "full reserve actuarial concept" that would apply to a private pension system. Rather, to reflect the pay-as-you-go aspect, a new and less stringent method of accounting was developed.

Under this "dynamic assumptions" method, the actuarial deficit of the Social Security System is now $1.3 trillion over the next 75 years, discounted to present value. This is the first time the official actuarial concept has shown a deficit of any such proportions.

Somehow it seems to us that if you are facing a deficit of such size, it is not exactly irresponsible to take some notice of the fact. Indeed, it somehow seems to us the irresponsible thing to do is to sweep the $1.3 trillion under the rug.

HOME HEALTH CARE

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. STEELMAN. Mr. Speaker, I am including for the RECORD a statement submitted to the Subcommittee on Health and Environment by the National Association of Home Health Agencies. It endorses legislation which Congressman FRASER and I have introduced, the Home Health Services Act of 1975 which would expand our programs of home care for the elderly as a cost-saving alternative to institutionalization in hospitals and nursing homes. The statement is as follows:

The National Association of Home Health Agencies supports H.R. 1736 and the Home Health Services Section of H.R. 2954 that provides grants for expansion of Home Health Services and training of personnel to provide Home Health Services. We urge the Committee to retain this section in their bill.

In a speech to the American Association of Retired Persons on January 20, 1975, Casper Weinberger, Secretary of HEW, stated:

". . . It is becoming increasingly obvious that government reimbursement programs are encouraging this warehousing of Older Americans. Government reimburses more for institutional care than it does for care in the patient's home. Because home health services have been under-financed by government, programs like Medicare, Medicaid and public medical assistance provide home health service benefits for only a narrow segment of the older population. That is the way the laws are written.

This is perhaps the major reason why people end up in institutions—it is the only way they can receive care for long-term illnesses. Yet what we are often dealing with among many older people is primary social and economic dependency, not a need for health care in an institution.

These social and economic needs could often be met much better and less expensively with home care programs that would allow older people to remain in their own homes—where they would rather be anyhow.

Nursing homes are not cheap to build. Nor is care in them cheap: The cost of caring for a person in a nursing home now averages around $12,500 in New York City. For example, nursing homes cost the Medicaid system over $600 million annually in New York State. Taking into account current construction plans in that State, which call for a substantial increase in nursing home and similar beds over two years, nursing home Medicaid costs will soon exceed $1 billion in that State alone.

Many of these additional beds would in all likelihood not be needed if adequate home care programs existed. And depending on the level of care needed, care of the elderly at home could be financed for between $3,000 and $9,000 a year.

But today, home services do not exist on anywhere near the scale needed. Nor do we have the reimbursement mechanism to meet the total need. Yet both economics and common humanity argue that we should have these home-care services.

From the recent past to the present, our concerns have been necessarily limited to getting nursing homes up to standard. That work must continue. But for the future, our concerns must also encompass the broader range of treatment options for long-term care of the aging—home health services, nursing homes, outpatient clinics and hospitals . . ."

In spite of the mounting evidence that Home Health Care would be both a cost effective and humane approach to providing needed care, the number of home health Medicare certified agencies dropped from 2,350 in 1970 to 2,247 in 1974 due to restrictive interpretation of the Medicare home health benefit and other funding problems. About half of the agencies provide only two types of services—nursing plus one other—instead of a full range of services. Hospital based home care programs, which often offer a wide range of services, have found the same problems in trying to expand as have the community-based agencies. Only 230 of a total of some 7,000 hospitals have such programs. In addition to expansion funds, training funds are needed:

To *increase* the availability of trained home-oriented paraprofessional personnel;

To *provide* business management training for Agency administrators, and

To *provide* continuing education for existing staff.

Presently, the Medicare, Medicaid Program does not provide an adequate reimbursement mechanism to create resources for development and expansion. Payments from these programs are made to certified Home Health Agencies only after services have been rendered and make no allowance in their cost formulas for development and expansion of Home Health Services. The service expansion funds would enable these existing Home Health Agencies to:

a. Extend services into unserved areas;

b. Add Homemaker/Home Health Aide services and other services to existing home health agencies;

c. To expand the number of services an existing home health agency can provide;

d. Improve the quality and cost-effectiveness of home health services, for example, improving staff productivity, developing a utilization review program, or an improved system of service demonstration to reduce paperwork, etc.

Many health education programs do not include a home health service field experience program in their curriculum. We urge the Committee to require that all educational institutions receiving federal funds be required to include such a program in their curriculum.

The increasing costs of health care alone dictates that we need to provide ready access to Home Health Services for all Americans as an effective alternative to institutional care. This requires that funds be appropriated *now* to develop a supply of quality home health services that is capable of meeting the increased demand.

Therefore, we strongly urge you to retain the Home Health Services section in the Committee bill and include a requirement that all educational institutions training health professions include a home health field experience program in their curriculum.

Thank you for the opportunity to submit our views on this vital issue.

THE RECORD OF ARAB TERRORISM

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. NIX. Mr. Speaker, yesterday I inserted in the RECORD the first of three installations of a list of Arab terrorist incidents committed since the 6 day war in 1967.

Today, I continue the grim record of terror for the years 1970–72. These years include such incidents as the massacre at Lod Airport of 28 civilians by Japanese terrorists working for Palestinian terrorists, the beginning of the "letter bomb" campaign, and the bloody attack on Israeli athletes at the Munich Olympics.

The material follows:

CHRONOLOGY OF TERROR

Jan. 1—A grenade tossed into a Jerusalem market place kills one Arab and wounds four. In Hebron, West Bank, a grenade thrown at an Israel army vehicle kills two Arabs and injures another.

Jan. 9—Christian Belon, a Frenchman, hijacks a Rome-bound TWA jet to Beirut. While praising the act, the PFLP denies any involvement. Released five days later, Belon is invited to be the house guest of Lebanese Interior Minister Kemal Jumblatt.

Jan. 21—Israelis strike across the Jordanian border at guerrilla camps in Safi. Guerrillas fight back, five are killed. Jordanian and Saudi Arabian troops participate.

Jan. 24—An ammunition-filled truck explodes in Eilat, killing 18 Israel soldiers and injuring 42. El Fatah and the PFLP both claim credit.

Feb. 10—A grenade blast in Khan Yunis, Gaza strip, injures 84 Arabs and one Israeli.

Feb. 10—Eleven passengers are wounded and one Israel passenger killed when two Jordanians and one Egyptian hurl grenades into an airport transit lounge and an airport bus at Munich Airport. The bus was carrying the passengers, including Israel Defense Minister Moshe Dayan's actor son, Asaf, to a London-bound El Al jet. The PFLP and the Action Organization for the Liberation of Palestine both claim credit. Israel radio claims the Syrian government supplied weapons. (Three days later, a fire in a Munich community center kills seven elderly Jewish residents; police suspect arson.)

Feb. 17—Police at Munich Airport arrest three armed Arabs suspected of planning to hijack an Israel airliner.

Feb. 21—Forty-seven passengers and crew die as a Swissair jet en route from Zurich to Tel Aviv explodes over Switzerland. Among the 13 Israel victims are Hebrew University professor Dr. Hanoch Milvitzky, head of the Department of Chest and Heart Surgery, and Hanoch Lev-Cochav, former Director of the Israel Labor Ministry. In Beirut, the PFLP takes credit, but retracts two days later. The same day, an Austrian Airlines jet, carrying Israel-bound mail from Frankfurt to Vienna, lands safely at Frankfurt after a bomb rips a hole in its belly 11 minutes after take-off.

Feb. 22—Olympic airliner hijacked in flight from Beirut to Athens.

Feb. 24—Terrorists fire on a tourist bus in Haloul, West Bank, killing an American woman and injuring two others.

Feb. 27—Grenade attacks in Gaza kill one Arab boy and injure 39 others.

Mar. 11—Terrorists strike in Gaza. Grenades wound 22 persons waiting for a bus. Terrorists blow up an Israel labor office in Jabaliya. Two Israel civilians die in a grenade attack near Khan Yunis.

Mar. 19—A bomb explosion in Gaza's central square injures 12 Arabs.

Mar. 29—Terrorists blast U.S. property in Beirut, exploding a bomb 300 feet from the American embassy. The PFLP takes credit.

Apr. 16—Palestinian demonstrators and guerrillas attack the U.S. embassy in Amman and set the American cultural center on fire. Saiqa, the Syrian-backed terrorist group, claims the demonstration was in protest against the upcoming visit of U.S. Assistant Secretary of State Joseph Sisco.

Apr. 23—A terrorist grenade injures three American tourists and a dozen other persons in Nablus.

Aug. 25—Explosion in El Al office in Istanbul.

May 4—Two El Fatah members kill the wife of the Israel embassy's first secretary in Asuncion, Paraguay. They had intended to murder the Israel ambassador.

May 22—Eight children and three adults die and 21 are wounded when terrorists ambush a school bus in Avivim. The PFLP claims responsibility.

May 29—Israel troops in Kibbutz Maoz Haim kill 11 Arab terrorists crossing the frontier from Jordan.

June 7—Terrorists in Amman kidnap Morris Draper, a U.S. embassy diplomat, and release him the next day.

June 9—Explosion in El Al office in Teheran.

June 10—El Fatah terrorists in Amman kill Maj. Robert P. Perry, U.S. embassy assistant army attache, as they invade his home. The PFLP holds 58 foreigners hostage in two Amman hotels; they are released unharmed four days later.

June 12—A nine-year-old girl dies and eight other persons are wounded by a rocket explosion in a Beisan playground.

June 28—Terrorists fire on Kiryat Shmonah, killing one Israeli and wounding another.

July 2—An Israel patrol in the West Bank intercepts and kills nine terrorist infiltrators.

July 22—Six terrorists hijack an Olympic Airways jet en route from Beirut to Athens.

They release the 53 passengers in Athens after the Greek government promises to free seven Arab terrorists from prison. The Popular Struggle Front in Damascus claims responsibility. The guerrillas take the plane to Cairo where they are greeted by a representative of President Nasser.

Aug. 5—Terrorist shells injure five Israel teenagers in Metulla.

Aug. 21—Terrorists in Amman kidnap Salim al-Sharif, a prominent Palestinian editor, thought to favor a Middle East settlement.

Sept. 6, 9—The PFLP hijacks TWA, Swissair and BOAC jetliners to the Jordanian desert. The planes are blown up Sept. 12 after evacuation of all the passengers. Some 55 Western nationals are held hostage in Jordan, the last not released until Sept. 29.

Sept. 6—PFLP terrorists seize a Pan American 747 jet bound from Amsterdam to New York and force it to land in Beirut, where it is loaded with explosives. After continuing to Cairo, the plane is blown up less than two minutes after the 173 persons on board are evacuated.

Sept. 6—Two PFLP terrorists fail to hijack an El Al plane bound for New York from Amsterdam, with 155 on board. Security guards kill one hijacker, an American; Leila Khaled, an accomplice, is handed over to London authorities; she is later released.

Sept. 16—Fighting in Amman between Jordanian army troops and Palestinian guerrillas erupts into a nine-day civil war.

Oct. 6—Two parcels with grenades addressed to the Embassy of Israel in London and the El Al office there found in the BOAC London office.

Nov. 6—Terrorists explode two bombs in the Tel Aviv central bus station, killing one and wounding 34; El Fatah claims credit.

Dec. 19—Israelis and terrorists trade fire across the border near Ainata, Lebanon; three guerrillas die.

1971

Jan. 2—A terrorist grenade kills two Israeli children, aged seven and five, when their car is blown up in Gaza.

Feb. 2—Forty-four pounds of explosives hidden in a tire go off in a Gaza post office, injuring 61 Arabs.

Apr. 19—Police thwart a plot to set off fire-bombs throughout Israel during the tourist-packed Passover season.

Apr. 19—A group of five terrorists (an elderly French couple, two sisters from Morocco and a French tourist) seized on arrival in Israel.

Apr. 21—Three Israel army officers die and four are wounded when their vehicle hits a terrorist mine in Beit Govrin.

May 17—Four armed terrorists kidnap and murder Efraim Elfrom, Israel Consul-General in Istanbul.

June 6—Two Arabs are found dead in Gaza—the 49th and 50th killed in the terrorist campaign against "collaborators."

June 11—A speedboat attacks an Israel-chartered oil tanker near the Bab el-Mandeb straits, 1300 miles south of Eilat. The PFLP claims credit.

June 11—Two Arabs die in a terrorist grenade blast in Gaza.

June 12—A terrorist bomb kills two Arabs and wounds 89 others in a crowded Gaza bus.

June 24—Two Arabs die and 44 persons are injured in Khan Yunis, Gaza strip, by a grenade tossed into a market.

July 7—Terrorist rockets kill four persons, including a five-year-old girl, and wound 30 others, in Petah Tikva.

Sept. 5—Two attempts in El Al planes on their way from New York to Israel thwarted. Explosive charges smuggled in by women tourists, one from the Netherlands, the other from Peru. Both women arrested on arrival at Lod, but later released as they had been unwittingly used by two Arab terrorists.

Sept. 8—A Palestinian terrorist armed with a hand grenada hijacks a Jordanian jetliner en route from Beirut to Amman. After landing in Benghazi, Libya, where the hijacker surrenders, the plane flies the passengers to Amman.

Sept. 19—A four-year-old Arab girl dies and five tourists are injured in a grenade blast in Jerusalem.

Nov. 28—Jordanian Prime Minister Wasfi Tal is gunned down in the Cairo Sheraton Hotel by Black September.

Dec. 15—A gunman in a crowded London intersection opens fire on the limousine of the Jordanian ambassador to Britain, who suffers hand wounds.

Dec. 26—An Arab woman in Gaza is killed by a grenade.

1972

Jan. 4-6—Israel police in Jerusalem and Tel Aviv intercept more than a dozen parcel bombs addressed to Israel public officials.

Jan. 6—An Israel Defense Ministry engineer is decapitated while inspecting construction sites in the Golan Heights. His murderers flee with his head into Syria.

Jan. 10—Three terrorists firing rockets into Safed are killed by an Israel army patrol.

Jan. 11—Three guerrillas die in a raid on Kibbutz Yiron.

Jan. 16—Terrorists attack an American Baptist hospital car in Gaza, killing an American nurse and wounding a Baptist minister and his daughter.

Feb. 6—Oil tanks set on fire in the Netherlands by members of Black September.

Feb. 6—Five Jordanians murdered in West Germany by Black September on charge of collaboration with Israel.

Feb. 8—A plant manufacturing motors blown up in Hamburg.

Feb. 22—Arab terrorists seize a Lufthansa 747 jet en route from New Delhi to Athens and take it to Aden. Among the 172 passengers is Joseph P. Kennedy, III, son of the late Senator Robert F. Kennedy. Lufthansa pays $5 million ransom.

Feb. 22—Oil pipeline damaged near Hamburg (Black September).

Feb. 23—Terrorists from Lebanon fire a bazooka point blank at a young couple who have just left a Bar Mitzvah celebration in northern Israel; both die.

Feb. 24—Two Israel soldiers die in northern Israel when terrorists attack their car.

May 8—Four Black September terrorists hijack a Sabena 707 in a flight from Brussels to Tel Aviv. After holding the plane and its 97 passengers and crew captive for 21 hours at Lod Airport, they are overpowered by Israel paratroopers masquerading as repairmen. Two hijackers and a passenger die.

May 30—Three Japanese terrorists working for the PFLP methodically machinegun dozens of people at Lod Airport terminal. Twenty-eight victims die, including 16 Puerto Rican pilgrims and Prof. A. Katzir-Katchalsky, noted Israel physical chemist. Seventy-eight are injured. Two terrorists die.

June 20—Terrorists in northern Israel ambush a tourist bus, killing two.

Aug. 5—Oil tanks blown up in Trieste by Black September.

Aug. 16—Two Black September terrorists induce two British girls to carry a bomb-loaded phonograph on an El Al 707 jet at Rome. The plane takes off, withstands the blast and returns safely.

Aug. 25.—A grenade tossed into the crowded central square in Gaza kills one Arab boy and injuries 25 Arab workers and one Israeli.

Sept. 4—Hal Rashad Shawa, mayor of Gaza, escapes assassination as his car is raked by grenades and small arms fire.

Sept. 6—Black September terrorists invade the rooms of the Israel Olympic team at Munich. Two Israel team members are murdered outright. Terrorists kill nine others at a Munich airbase when German sharpshooters fail in a desperation ambush. Five terrorists die in the fray.

Sept. 10—Member of Israel Embassy in Brussels shot and wounded by Black September.

Sept. 19—Booby-trapped envelopes sent out by terrorists to addresses in Israel and abroad. One of them kills Dr. Ami Shechori, Agricultural Counsellor, the Israel Embassy in London.

(This incident starts Black September's letter-bomb campaign. By November 1, more than 65 booby-trapped letters had been sent to Israel embassy officials and business offices around the world, President Nixon, New York Hadassah leaders, Jordanian government authorities, and a 75-year-old Jewish woman in Dusseldorf. Many mail-bombs bore Dutch or Malaysian postmarks.)

Oct. 29—The three surviving Palestinian guerrillas from the Munich massacre are freed by West Germany as two Black September terrorists hijack a Lufthansa 727 jet to Libya.

Dec. —Terrorist group uncovered in Greece. Planned to arrive by ship to Haifa on a suicide mission. The terrorists came from Lebanon.

Dec. 20—A bobby-trappd motor car left the Lebanese Fatah base Nahar Al-Bared and arrived in Europe in order to sabotage an Israel Embassy.

Dec. 24—Terrorist arriving from Beirut arrested in London in possession of weapons and explosives, which he planned to use against an Israel embassy in Scandinavia.

Dec. 28—Six members of the Israel diplomatic mission to Bangkok seized and held as hostages. They were released after 19 hours. The terrorists flew to Cairo.

CORPORATIONS SHORT CIRCUIT STATES TOO

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. HARRIS. Mr. Speaker, corporations not only dodge Federal taxes and enjoy tax advantages in Federal tax laws, they also "get away with murder" at the State level. James Rosapepe in a January 1975 article in the Washington Monthly shows how increased tax revenues can come to State governments with a minimal of effort—auditing. For example, in my own State, he points out, the first year Virginia audited out-of-State corporation tax returns, the Commonwealth collected more than $1 million from 54 multistate corporations. California, he says, gets $9 in new revenue for every dollar spent on corporate field audits.

I would like to share this concise and illuminating article with my colleagues. It follows:

CORPORATIONS AND STATE TAXES: THE BIG ONES GET AWAY

(By James Rosapepe)

(NOTE.—James Rosapepe was staff director of Fred Harris' Tax Action Campaign.)

To the average taxpayer, battered for years with reports of tax dodging by the nation's biggest corporations and richest families, new revelations of tax avoidance by the big boys tend to lack shock value. Nelson Rockefeller didn't pay a penny in federal income taxes in 1970. So what else is new?

But even the most cynical of us may be surprised by the estimate by some of the nation's top state tax officials that perhaps half the tax money legally owed state governments by the big corporations goes uncollected every year. "Avoidance of state tax liabilities by America's largest corporations has reached scandalous proportions," says Byron Dorgan, North Dakota's 32-year-old state tax commissioner. Lost revenue totals "hundreds of millions and perhaps billions of dollars," Dorgan estimates, and it is the result not of the legal forms of tax "avoidance" so characteristic of loophole-ridden state corporate tax laws, but of good old-fashioned, illegal, tax evasion. The reason they get away with it is simple: most states can't enforce the tax laws.

When Virgina changed its tax laws in 1972 from "straight line" depreciation to the much more generous "accelerated" depreciation allowed under federal law, state tax officials were surprised to find that most companies were not saving any money as a result of the change. After some inquiries, the officials discovered why: the companies had been using the "accelerated" depreciation schedules for years, in clear violation of Virginia law. But as the state's Deputy Tax Commissioner, Stuart Connock, explains, "The Department never checked, and the companies sure didn't volunteer the information."

A similar situation prevails in Illinois, which collected almost $235 million in corporate taxes in 1972. State Revenue Department official Harry Spellman told the *Chicago Tribune* last year that "if we spent $2 million [to improve the system], we could recover $50 million more." If the scale of evasion prevalent in Illinois is typical of that in the rest of the nation—and there is no reason to think it is not—non-payment of corporate taxes probably cost the 50 states over $700 million in 1972.

Corporate income taxes are not the only state taxes evaded on a large scale by businesses. For example, Albert Stoessel, former president of the Iowa Petroleum Association, estimates his state loses $50 million a year in uncollected diesel fuel taxes—a particularly hard area to enforce, since diesel fuel is chemically similar to non-taxed home heating fuel. Sales taxes are another area of undoubted abuse. Bill Brown of the Committee on State Taxation, a big-business group known as COST, claims, "There's a lot more sales tax revenue that they are not collecting than they have any idea. I say that on the basis of what the companies tell us in confidence." Illinois officials say they are losing around $25 million in cigarette tax revenue alone, and they won't even guess about total sales tax losses.

According to a 1974 report by New York State Comptroller Arthur Levitt, the state has been losing millions of dollars because the tax department has never collected from some 31,000 employers who have failed to turn over state taxes withheld from their employees' paychecks.

TAKING OFF THE GLOVES

Over the last few years several states have toughened up their enforcement efforts. Their experience demonstrates that massive corporate tax evasion is no myth—and that it is surprisingly easy to control.

Until 1973, Virginia had never sent its auditors to out-of-state corporate headquarters to check corporate tax returns. In the first year it started doing so, the state collected more than $1 million from 54 of the 6,000 multistate corporations doing business in Virginia. "In a lot of cases it was just a matter of dropping by the corporate offices to pick up the check," one Virginia tax official said. "They knew they owed us the money, but we'd never asked for it before." Fifty-four down, only 5,946 to go.

In North Dakota, Commissioner Dorgan's aggressive enforcement efforts increased the state's corporate tax receipts by nearly 30 per cent in two years. Since 1969 an average of 20 per cent of this revenue has been collected from audits, and Dorgan thinks he's just scratched the surface. Idaho, too, has collected 20 per cent of its recent corporate tax revenues through auditing, and the state's Chief Corporation Auditor, Frank L. Medlin, says improved enforcement efforts will soon yield even more "sizable tax recoveries."

But the best illustration of what a good auditor's division can do is in California. The state's Franchise Tax Board has 240 corporate auditors who collected an extra $51 million in 1972, including $35.8 million from field audits of 6,026 multistate corporations. To these substantial savings must be added the millions of dollars businesses paid voluntarily, aware that they were likely to be audited. Admitting in a *Wall Street Journal* interview that California has the toughest corporate tax enforcement around, U.S. Steel's Director, Arthur Hauser, said, "If we could get out of there, we would save a lot of money."

The most obvious difference between California's enforcement program and those in other states is its extensive network of trained auditors. In addition to its in-state staff, California has 200 field auditors located throughout the country, including those permanently based in offices in New York and Chicago. Idaho, by way of comparison, has six corporate auditors, all operating out of Boise. Even when the difference in the two states' population is taken into account, California clearly is devoting a greater effort to its program. You don't have to be a Wall Street tax lawyer to figure out which state ITT or GM is more likely to try to bilk at tax time.

Most other states resemble Idaho rather than California. Kentucky has 45 field auditors, who are responsible for auditing sales and personal income as well as corporate taxes. Vermont has 12. The deficiencies in Missouri's auditing operation are so great that U.S. District Court Judge William R. Collinson declared in a recent decision that "the enforcement of the tax laws in this state is notoriously lax and slipshod, apparently because the legislature will not appropriate the money to employ sufficient persons to even begin to adequately police the system."

"One of the facts of life is that most states are limited in resources," confesses Eugene Corrigan, executive director of the Multistate Tax Commission, a joint agency of 21 state governments. "They just can't afford the major operation of auditing a giant corporation." Corrigan points out that it's the multistate, and often multinational, corporations with dozens of subsidiaries that are the source of most state enforcement problems.

"We don't have the resources or personnel to go to New York and audit the tax books of U.S. Steel, for example," admits Missouri's state revenue director, James R. Spradling. "It takes highly knowledgeable, highly trained people to audit giant companies like that," adds Corrigan, "and most states just don't have them."

CLOSED BOOKS

To solve that problem, the Multistate Tax Commission (MTC) was set up in 1967 to audit firms which operate nationwide. "These big corporations are not above telling different stories to each state—telling Illinois for example that certain income was produced in Indiana and telling Indiana the income came from Illinois," Corrigan explains. "What we are trying to do is joint audits for several states so a company can't do that." In the first nine months of the Commission's joint audit program, it recovered $2.5 million for the states from just ten corporations.

But as the states have closed in on the corporate tax evaders, North Dakota's Dorgan says, "We've run into really vicious resistance." A dozen of the nation's top corporations, including U.S. Steel, Proctor and Gamble, General Mills, and Standard Brands, have so far refused to open their books to the MTC's auditors. And a coalition of 82 large corporations, led by these firms and joined by, among others, ITT, Green Giant, IBM, and International Harvester, have sought an injunction from the U.S. District Court in New York to put an end to joint corporate audits and to disband the MTC (the companies claim it is an unconstitutional compact among the states). The case has been pending for two years as lawyers for each side keep exchanging briefs, and no decision is in sight. The leaders of the MTC see the lawsuit as a diversionary tactic aimed at keeping the Commission busy defending its very existence rather than uncovering corporate tax evasion. "I spend days on end answering court papers," Corrigan says.

Meanwhile, the same corporations are prowling the halls of Congress, attempting to short circuit the MTC through federal legislation. Coordinating the fight is the pro-business COST, whose members include a number of the companies that are plaintiffs in the New York suit.

The principle which underlies the companies' various efforts, as explained by Bill Brown of COST, is as follows: "It's not a case of the states versus business, at all. Our view is simply that the commission is not acting within the law." Brown claims that corporate executives in his group do not object to joint audits in principle; rather "our members are concerned about the rules and regulations on auditing adopted by the MTC." While corporate spokesmen prefer to characterize their dispute with the MTC as "technical," Brown admits "the biggest problem is divided and foreign source income."

This matter of "foreign" income is a complicated question, near the heart of the states' tax problems. Most states determine a multistate corporation's tax liability by calculating the firm's nationwide profits and then applying the state corporate tax rate to the state's proportional share of those profits. The big corporations' major objection to the MTC is that it treats foreign source and dividend income just like any other income and requires conglomerates and multinationals to be taxed as a complete unit, the way the corner drugstore is. The ins and outs of this are too complicated to explain briefly, but enough money is at stake that the companies have mobilized for a real fight in Congress.

PUTTING CALIFORNIA IN ITS PLACE

COST's major efforts in this session of Congress have been on behalf of S. 1245 (sponsored by liberal Senators Charles Mathias, Abraham Ribicoff, and Hubert Humphrey). The key provision of S. 1245 would, in most cases, bar the states from taxing profits from foreign sources and dividends from corporate subsidiaries. Thus, by excluding foreign profits and other dividends, S. 1245 limits the taxable income of multinationals, like the oil companies, and of conglomerates with far-flung subsidiaries, like ITT. Brown of COST points out that only two or three states, among them California, now tax these dividends, and he stresses that S. 1245 would guarantee "uniformity" by getting these states, as well as the MTC, in line.

Byron Dorgan denounces S. 1245 as "a massive tax giveaway program for the largest corporations," and so far he and his colleagues at the MTC have managed to keep the bill bottled up in the Senate Finance Committee.

But the fight continues at the state level as the big corporations try to undermine the MTC and its joint audit efforts. Earlier this year, when Missouri Revenue Director James Spradling asked the state legislature for permission to join the Commission's joint audit program, large corporate interests, including the Missouri Oil Council, led the opposition. In Indiana, the State Chamber of Commerce has announced that "efforts to end Indiana's participation in the Multistate Tax Compact" is one of its top lobbying priorities in the 1975 legislative session.

Given the widespread political popularity of taxing giant corporations, it is somewhat surprising that Dorgan is just about the only state official who has attempted to focus public attention on corporate tax evasion. One reason may be that he is the only elected tax commissioner in the nation. While California's corporate tax laws are supervised by the Franchise Tax Board, which is made up of two elected officials and one appointee, its chief administrative officer is appointed. And in the great majority of the other states, the position of tax director is appointive, similar to the Commissioner of the Internal Revenue Service at the federal level.

Like so many appointed officials at any level of government, many state tax directors tend to see as their constituency not the public but the big corporations they are supposed to audit. Or they may develop incestuous personal and professional relationships with the companies. Illinois Revenue Director Robert Allphin is on leave from his regular job as tax manager of Pittsburgh Plate Glass. Paul Dillingham started out with the Kentucky Revenue Department and now manages Coca Cola's tax business as a corporate vice president, while Arizona State Tax Commission Chairman John Hazelett previously handled state tax matters for an aircraft firm. A familiar story, but it helps explain why state tax officials are not beating down the doors of the daily press with exposes about corporate tax evasion.

This particular case of governmental surrender to corporate pressure would be discouraging if the solution were not so obvious: auditors, auditors, and more auditors. Experience in dozens of states shows that when the corporations are audited, they pay more taxes; when they are not audited, they pay less. For example, of the 13,736 corporations that California field audited in 1972, 44 per cent owed the state more money and only five per cent had been overtaxed.

Indeed, for a governor or state legislature trying to balance the state's budget, tax auditing is one of the few areas in which the state can save money by expanding the payroll. State auditing of large, multistate corporations normally returns to the states anywhere from $5 to $10 for each dollar spent on auditing. In its first year of corporate field audits, Virginia was earning a return of 12 to 1. Obviously the ratio will decrease as the state moves from detecting the most obvious evasion to more sophisticated and complex cases. But even California, with its highly developed audit operation, still produces nearly $9 in new revenue for every dollar spent on corporate field audits.

For years the federal government has known that the best way to insure voluntary compliance with income tax laws is to have a staff of auditors ready to catch reluctant taxpayers. It's time for the states to apply the same principle to the corporations.

STEEL'S NO-STRIKE PACT VINDICATED

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. GAYDOS. Mr. Speaker, while members of other labor unions are queuing up in unemployment lines today, the Nation's steelworkers generally are looking forward to a good work year. One of the reasons for this is the no-strike agreement negotiated by the United Steelworkers of America and the basic industry 2 years ago.

I. W. Abel, president of the USWA, says the pact, which appears to have put an end to the boom-and-bust cycles that formerly gripped the industry every 3 years, has been vindicated. "It justified our feeling, our faith, that we, in fact, had found a better way," Mr. Abel has said.

Mr. Speaker, I am inserting into the Record for the consideration of my colleagues an article which appeared in the January 31 issue of the Pittsburgh Press which describes the present status of the steel industry. I am certain they will find it interesting and informative:

Steel Humming as Others Lag

(By Dale McFeatters)

Washington.—While members of other unions are being laid off, I. W. Abel's basic steelworkers are fully employed and are likely to remain so throughout the year.

And that, said the president of the United Steel Workers (USW) union, is vindication enough of the controversial experimental negotiating agreement—a no-strike agreement with the basic steel industry that made Abel's name anathema to the far left.

Thanks in large part to that two-year-old agreement, Abel said, the steel industry "today is an island of relative economic stability amidst a dangerously declining economy." He listed these developments:

Despite the drop in auto industry and construction orders, industry order books are full for the year. Orders from the oil and shipbuilding industries make up the difference.

Imports have been cut from 18 million tons of steel to 13 million tons while exports are up from two million to six million tons. Abel said that's because American steel salesmen can now guarantee delivery without fear of a strike.

Industry profits are among the highest ever, employment is steady and the average hourly wage this month is $6.94.

Under the agreement the union pledged well in advance of contract expiration to forgo a national steel strike.

In turn, the steel industry agreed to certain guaranteed wage and fringe improvements with any unresolved issues to go to binding arbitration.

The result was a fat three-year contract last year, settled three months early.

The contract also ended the boom-and-bust cycle in the steel industry in which every third year steel users stockpiled massive amounts of steel in anticipation of a strike.

When the contract was settled peacefully—as it has been ever since 1959—the industry would sit idle until the users worked off their swollen inventories.

Abel discussed his 10-year stewardship of the union with a group of labor reporters yesterday.

At 66 and with mandatory retirement when his term expires in two years, Abel's remarks were something of a valedictory.

There was a good deal of self-congratulation, but Abel quoted the late United Mine Workers President John L. Lewis: "He who tooteth not his own horn, the same shall not be tooted."

Other areas where he chose to toot the horn:

The USW has its highest membership ever, 1.4 million, surpassing the stricken United Auto Workers (UAW) as the nation's largest industrial union. It is also the largest union in Canada.

The union's net worth is $109 million, a 500 per cent increase in 10 years.

The union's officers bit the bullet and got a dues structure that will go up as the membership's pay goes up.

And there was the union's effort in getting the Pension Reform Act passed last year, a personal triumph for Abel who fought with Congress and a good bit of the rest of the labor movement to get it passed.

But for Abel it all comes back to the fact that his membership in basic steel is working—"all this means jobs saved, buying power saved, communities saved"—and his experimental negotiating agreement is vindicated.

"It justified our feeling, our faith, that we in fact had found a better way," he said.

SYMM'S REMARKS—EXTENDED TO GEORGIA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. McDONALD of Georgia. Mr. Speaker, some people claim that the Congressional Record is filled with remarks that are often inane and of little value, and thus that the Record is generally ignored by the media and the public. To whatever extent this may be true, the following confirms that Record remarks which are cogent and pertinent to the concerns of the American people do indeed get far more attention than one might expect.

On January 2, 1975, the editor of my hometown newspaper, the Marietta Daily Journal wrote a column based on our colleague Steve Symms' Record remarks of December 20, 1974. It is not often that a Republican from the Northwest draws the attention of the media in a Democratic district of Georgia. To have done so is a compliment to the effectiveness of my colleague's satire. The column, entitled "Save Our Santas From Government," detailed the Government's attack on our two Santas, Saint Nicholas and the free enterprise system.

Some may complain that the free enterprise system should not be viewed as a Santa Claus, since Santa brings his gifts free of charge whereas under free enterprise everything has a price. But observe that Santa Claus brings gifts only to those who have been good for the past year; that is, he rewards virtue. Likewise the free enterprise system rewards those who are virtuous, unless one believes that pursuit of happiness, self-respect, self-reliance and productivity are not virtues.

The only thing I would like to add to my colleague's comments is to point out that there is a third Santa, of sorts: Uncle Sam. When he first appeared on the scene almost 200 years ago, his activities were limited to those of policemen and judge. But more and more, particularly in the past 40 years, he has been competing with our other two Santas.

There are, however, some crucial differences among the three.

The mythical Santa, along with his elves and reindeer, works for free. But here in the real world, everything has a cost. The question is: Who pays the price and who receives the reward? Our free enterprise Santa creates wealth: The price is productive work, the reward is the producer's well-being.

Our Uncle Sam Santa doesn't create wealth, he redistributes it. The producers pay the price, but receive little of the reward. Much of it goes to Uncle Sam's elves, the bureaucrats; they don't work for free. The rest is returned; some to those who produced it, some to those who did not as their reward for being nonproductive.

And so we have a Santa Claus competition. In the real world, however, a Santa who rewards productivity and a Santa who punishes it cannot compete indefinitely. Which one survives depends on what we consider a virtue.

The article follows:

Save Our Santas From Government

(By Steve McMullan)

Though it has not become public knowledge as yet, it appears that Santa Claus may have made his last trip this holiday season. He's in big trouble with the Federal Government.

This bad news about Santa Claus came to light Dec. 20, when Rep. Steven D. Symms, an Idaho Republican, got up before his fellow Congressmen to detail the crimes of Santa Claus and inform the nation that the jolly man in the red suit might well wind up in Federal prison before another Christmas rolls around.

Rep. Symms remarks were published in The Congressional Record, and are quoted from that source:

"Mr. Speaker, rumors are flying around Washington to the effect that this may have been Santa Claus' last year of operation. Sources within the Federal bureaucracy are privately indicating the jolly old man is in big, big trouble.

"Apparently, from the Federal Government's point of view, Santa has been 'getting away with murder' for years now, 'breaking every law in the book,' as they put it. And indeed, the time has come to crack down on this unconscionable situation.

"Here is the inside scoop on Santa's long list of infractions:

"First. Operating a flying sleigh in absence of certification by the CAB, a clear violation of the Civil Aeronautics Act of 1938.

"Second. Unlawfully competing with the U.S. Postal Service on air mail deliveries.

"Third. Violating EPA requirements for emissions control devices on his reindeer.

"Fourth. Breaking the Sherman Anti-trust Act by maintaining a strict monopoly in his profession.

"Fifth. Violating the Fair Labor Standards Act by failing to pay his elves the minimum wage or proper overtime benefits.

"Sixth. Engaging in unfair promotional advertising designed to prey on the defenseless minds of children, a violation of Federal Trade Commission regulations.

"Seventh. Failing to secure an ICC permit and an assignment of certified routes by the Interstate Commerce Commission.

"Eighth. Violating numerous Operational Safety and Health Administration—OSHA—regulations by operating an 'unsafe workplace.'

"Ninth. Passing out candy canes and goodies not approved by the Food and Drug Administration.

"Tenth. Ignoring the edicts of the Equal Employment Opportunity Commission and the Civil Rights Act of 1964 by failing to institute a quota system in his workshop based on race, religion, sex, and size—too many elves.

"Eleventh. Making toys which were not approved by the Consumer Product Safety Commission.

"Twelfth. Failing to declare the cookies and milk which are out for him as taxable income with the IRS.

"Thirteenth. Transporting firearms across State lines as Christmas presents.

"Fourteenth. Avoiding State and Federal taxes on his sleigh, not to mention licensing, registration, and having an operator's permit.

"Fifteenth. Making various infractions of National Labor Relations Board regulations; including the maintenance of a nonunion shop and unfairly competing with the chimney sweeps' union.

"Mr. Speaker, it is said that these are but a sampling of Santa's more serious Federal offenses, which taken in total, will almost certainly put the man in red out of business for good. At present, we are told St. Nick is frantically searching for a lawyer, but that no one as yet is even willing to come up to his defense. Apparently it is an open, and shut case. Maybe the ACLU will come to his rescue!

"Mr. Speaker, meanwhile, there is another Santa Claus of sorts in this country which operates the whole year 'round. It has served us all well for many many years but is presently in the same predicament as Saint Nick, and as a result, is being pushed to the brink of extinction. It is called the American free enterprise system. Will anyone come to its defense?"

Well put, Rep. Symms. We only hope your colleagues in the House and Senate will take your remarks to heart, and save both our Santas from the Federal Government.

WINTERING OVER IN ANTARCTICA

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. TEAGUE. Mr. Speaker, recently, the groundhog failed to spot his shadow on his "special day." Hopefully, this means spring is not far away. But as we anticipate this balmy season here, winter is rapidly approaching in the Antarctic. About this time in February at McMurdo Station, the sun is very low on the horizon; during the daylight hours it will appear to set as it goes behind Mount Discovery. It then reappears like a sunrise about one hour later on the other side of Mount Discovery, seeming to give two sunrises and sunsets. This continues for about 3 weeks and then it will begin to disappear entirely at McMurdo, a few days later also disappearing at the South Pole, and at about the 21st of March they being their 6 months of darkness.

A group of approximately 50 scientists will conduct laboratory tests and experimentations at the South Pole studying temperature, wind, air currents, magnetic forces, auroras, ice and land formations, conducting trapping operations, and many similar types of studies. These studies are of immense value to the United States and to the world and these same studies are being conducted similarly by other scientists from 11 other nations.

Antarctica is one of the least understood continents of the world, but we are finding out more about it, thanks to studies carried on by the National Science Foundation.

On January 9 of this year, a group of U.S. officials made a trip to Antarctica to participate in the dedication of the new research station named in honor of the first two explorers to reach the geographic south pole—the Amundsen-Scott South Pole Station—which will be the focal point for research there for many years to come.

It was 47° below zero at the dedication—and this was summertime there—so the crews who will man this station are a hardy breed indeed. But the work they do in this stark and pristine environment is exciting, rewarding, and an important link in man's effort to understand himself and his world.

I salute the scientists, technicians, and explorers who have dared the elements to study this frozen wonderland. I would like at this time to reprint in the Record the speech delivered by Congressman J. J. Pickle at the dedication of the new Amundsen-Scott South Pole Station, January 9, 1975. The speech and the program from the dedication follow:

Remarks by Congressman J. J. Pickle

Good afternoon, Ladies and Gentlemen: I am honored to be here on this historic occasion. We traveled over 10,000 miles and lost over seventeen hours somewhere along the way to the Pole, and by now I'm not sure how many times I've crossed the Date Line or literally run in circles. Some say that is a natural tendency for politicans—or scientists.

Modestly, I must admit we do not have anything like this in Texas—yet. But as different as it is here, as unique as Antarctica is, I am pleased to note that the South Pole does have one thing in common with my home town of Austin, Texas—the South Pole has exactly the same longitude as my city.

Our industrialized world looks southward towards Antarctica and still views it as the last frontier on earth to be explored or exploited. I suspect that Antarctica looks northward on us and, with some cause, withholds judgment. We have made overtures toward this white-coiffured beauty and she suspects our intentions. We have, in essence, said "we love you", but that is not enough. Like any ardent suitor, we owe her a reaffirmation of our good intentions.

Some of our advances have been ill thought out and we now regret them. We are paying a price for our actions. The massacre of seals and penguins early in the century now deprives us of these things and embarrasses us, so it is much easier to forget these actions.

Fortunately, we have progressed a long way in our suit of mistress Antarctica. We realize that she has much to offer if approached with respect and understanding. The suitors have banded together in the Antarctic Treaty, recognizing one another's rights and privileges, reserving the right to observe another's actions, and sharing knowledge of her character and make up.

Coming through loud and clear is the realization that this cold southern land plays a major influence on our environment, the weather, and the ocean currents. She has things to offer which can be of value to man if used properly, and she can tell us much about our work that should improve our understanding of the world and our use of it.

Under the treaty, measurements and findings made here at the Pole and at other stations around the continent are shared by interested nations. All work on weather is added to other data to contribute to the world weather watch where the information is consolidated with and analyzed with that from the rest of the world. Correlations made by interested researchers of the annual snow accumulation here at the South Pole show predictive comparisons to temperature variations in the northern hemisphere a decade later.

Unspoiled and undeveloped, this stark, beautiful land waits patiently for us to make further advances. We must combine our efforts as a family of nations to protect her honor. It is to be fervently hoped that no one of these nations will indiscriminately thrust upon Antarctica an unwise attempt at exploitation. By treaty and honor we are bound to woo her and work together and share together the new knowledge that this continent will, in time, reveal to us.

The Congress of the United States has recognized our duty to continue international research and development. We have only just begun. What we learn can be as important or more important than what we learn in outer space.

As a Member of Congress, I state again that our country is interested in research and science and not in careless exploitation or development. We are not unmindful of the many possibilities for development and will not remain inactive if unilateral development is attempted by others, but we continue our pursuit of science as partners, friends, and neighbors. I hope the Congress will remain committed to that course.

If world conditions permit, and if our partners remain steadfast in their agreement to conserve this continent, mankind can grow richer through these programs of international cooperation. This is the one place in the whole world where environment comes first.

The station we dedicate today is yet another announcement to the world that we propose to move onward in the area of polar science. I sincerely commend the National Science Foundation for its prudent and progressive and invaluable work in Antarctic exploration and the projects that have brought these nations closer together. I express my thanks also to the agencies and institutions that are involved and especially the work of the dedicated military and civilian personnel which make this progress possible.

My best wishes to those who follow now in using this station. We hope that their results will continue the progress already underway.

DEDICATION

AMUNDSEN-SCOTT SOUTH POLE STATION

SOUTH POLE STATION, ANTARCTICA,
90° SOUTH,
January 9, 1975.

Schedule of events

Welcome—Dr. Robert E. Hughes, Assistant Director, National and International Programs, National Science Foundation.

Invocation—Lieutenant Commander Merlen F. Howe, Chaplain Corps, U.S. Navy, U.S. Naval Support Force, Antarctica.

Remarks—Dr. Norman Hackerman, Chairman, National Science Board.

Remarks—Honorable J. J. Pickle, Congressman from Texas, United States House of Representatives.

Remarks—Dr. Tore Gjelsvik, President, Scientific Committee on Antarctic Research.

Remarks and Message from President Gerald R. Ford—Dr. H. Guyford Stever, Director, National Science Foundation.

SOUTH POLE STATION

The original Amundsen-Scott South Pole Station, dedicated on January 23, 1957, is named for the first two men ever to reach this isolated spot, Roald Amundsen and Captain Robert F. Scott. It was one of seven scientific stations established by the United States during the International Geophysical Year.

The geographic South Pole was first reached by the Norwegian explorer, Amundsen, and his four companions on December 14, 1911. Approximately one month later Scott and four other Englishmen stood on the same spot. Scott and his party perished on the return journey.

The original South Pole Station, designed to last only a few years, was transported to Antarctica as a group of pre-fabricated buildings and established on the surface of the ice cap. The entire station was airdropped by C–124 "Globemaster" aircraft. Since then it has gradually disappeared under the accumulated snow and today is virtually buried.

Construction of the new station, built primarily by U.S. Navy Construction Battalion Units, commenced in November of 1971. It was designed by architects of the U.S. Navy's Facilities Engineering Command.

The most impressive structure at the New South Pole complex is the aluminum geodesic dome. Fifty meters in diameter, the dome rises from the hard-packed ice surface to 16 meters at its highest point. It houses three buildings containing living and working quarters. Adjacent buildings, protected by large metal archways, contain workshops, laboratories, medical facilities, the power plant, and fuel storage facilities.

The first winter-over crew at the new station will be entirely civilian. The last Navy crew to winter-over left "Old" South Pole Station in November of 1974. A civilian firm, Holmes and Narver Inc., of Anaheim, California, will operate the station under contract to the National Science Foundation.

The new Station is a testament to the early pioneers and to those who continue to dedicate themselves to America's scientific efforts at the bottom of the world.

KISSINGER LETTER REGARDING NATHANIEL DAVIS

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. BIESTER. Mr. Speaker, since the New York Times and Washington Post printed only excerpts of Dr. Kissinger's letter to Organization for African Unity Secretary Mboumoua regarding Nathaniel Davis' nomination as Assistant Secretary of State for African Affairs, I am inserting the full text of that letter in the RECORD for the information of my colleagues:

DEAR MR. SECRETARY GENERAL: The text of the "Consensus Resolution" of the OAU Council of Ministers commenting upon the nomination by the President of the United States of Nathaniel Davis to the important position of Assistant Secretary of State for African Affairs has been brought to my attention by press accounts.

The selection of senior officials for posts in the United States Government is a function of American sovereignty. Unlike the established procedures for accrediting Ambassadors for whom agreement is sought, the selection of Assistant Secretaries of State remains a purely internal, domestic concern. The United States Government would never comment publicly upon the choices of other sovereign governments in filling any of their public offices. Under commonly accepted principles of international decency it has the right to expect the same of other governments, particularly of those whom it has regarded as friends. You will understand, Mr. Secretary General, the depth of my dismay in learning from the press of this unprecedented and harmful act of the Council.

Ambassador Davis, as you know, is a brilliant career officer in our Foreign Service. President Ford and I repose paticular trust and confidence in him. Indeed, he has served with great distinction in high posts in our public service under Presidents Kennedy, Johnson and Nixon as Deputy Associate Director of the Peace Corps, Minister to Bulgaria, Ambassador to Guatemala, Ambassador to Chile and as Director General of the Foreign Service. He is not yet fifty years old. The post to which he has been nominated by the President is one to which we attach very great importance. Mr. Davis was selected in order to give new impetus and inspiration to our African policy. I have full confidence in his ability to fill this vital position with distinction. I am certain that the African statesmen with whom he will be dealing will learn to respect him as I do.

I cannot believe, Mr. Secretary General, that the members of the Council were aware that Ambassador Davis, while serving in the Peace Corps under President Kennedy, traveled widely as Africa, that he was a marshal in the great 1963 Civil Rights March in Washington led by Dr. Martin Luther King, that he has served for periods totaling five years as an Assistant Professor at Washington's leading black institution, Howard University, and that he has devoted many years of his spare time as a volunteer worker among the disadvantaged black citizens of Washington. I am truly saddened to learn of the manner in which the Council has besmirched the reputation of this outstanding man who was selected precisely because we believed that he possessed the breadth of view and the compassionate understanding for a new approach to this vital position. To suggest that such a man has a mission to "destabilize" Africa, a continent with which we have enjoyed excellent relations and in whose development it is our policy to assist is unacceptable and offensive. (I might also add that the word "destabilize" is one coined by a newspaper reporter, not one ever used by any U.S. official to describe our activities in any country.)

I would ask you to communicate to the African heads of State at the earliest possible moment the text of this message in order that the regret felt in the United States over this unfortunate and unfair action is well understood.

THE UNITED NATIONS: A DYING DREAM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. CRANE. Mr. Speaker, for some time it has been apparent that far from being a force for peace, the United Nations has been a disruptive force, encouraging terrorism and international disorder rather than opposing and ending it.

The United Nations has welcomed such totalitarian states as Communist China to membership while expelling such other member states as Taiwan, which has never been in violation of the Charter. The United Nations has welcomed the leaders of nongovernmental and terrorist organizations such as Yasir Arafat of the Palestine Liberation Organization, while suspending such long-time member states as the Republic of South Africa. The U.N. has repeatedly passed resolutions condemning the actions of such nations as Israel and Portugal, while remaining silent about the mass murders which have been committed by the Soviet Union, the Communist Chinese, and a number of dictational regimes in Africa.

Unfortunately, it has been our own Government which has been largely financing the disruptive activities of the United Nations. This must be changed, and to effect such a change I have introduced legislation which would reduce our contribution to the U.N. budget from approximately 31 percent to 5.6 percent. This will be effected by making population, as a percentage of the total population of U.N. member states, the basis for the annual contribution of the United States. The reduction would have meant a savings to the American taxpayer of $338 million in 1973.

Most important is the need for us to realize that the U.N. has become not a hope for peace but a potential cause of disorder. Discussing the initial hopes many held for the U.N. and the reality of that organization today, columnist James J. Kilpatrick points out that—

> It was a mission impossible, designed to self-destruct. The Security Council has not maintained peace, and the Assembly has degenerated into a mere tom-tom, sounding the beat of Third World propaganda.

The most recent session of the U.N. General Assembly should convince even the U.N.'s long-time friends and supporters in this country that their good will has been abused and that the dream they once had has now become a nightmare. Discussing that session, The Chicago Tribune noted that—

> The Third World flouted rules and custom and a common respect for decency . . . The spreading miasma of bias and hatred permeating the U.N. can produce only revulsion and mistrust on the part of the more developed democracies . . .

I wish to share with my colleagues the column, "A Dream Dying?" by James J. Kilpatrick, which appeared in the Washington Star-News of January 7, 1975 and the editorial "Suicidal Impulses at the U.N.," which appeared in The Chicago Tribune of December 29, 1974, with my colleagues, and insert them into the RECORD at this time:

[From the Washington Star-News, Jan. 7, 1975]

A DREAM DYING?

(By James J. Kilpatrick)

NEW YORK.—The United Nations is one of the great tourist attractions of New York, ranking ahead of the Bronx Zoo and behind Rockefeller Center, but it becomes increasingly difficult to perceive any other useful purpose in the U.N.'s continued existence. Little would be lost if we sawed it away from the East River and let it float out to sea.

When it came into being, nearly 30 years ago, it was supposed that the U.N. would do three things: The Security Council would maintain international peace; the General Assembly would provide a forum for responsible international debate; and the associated agencies would perform certain international services.

It was a mission impossible, designed to self-destruct. The Security Council has not maintained peace, and the Assembly has degenerated into a mere tom-tom, sounding the beat of Third World propaganda. Only the associated agencies have functioned according to plan, and these would have done as well if the U.N. had never come into being.

Colgate W. Darden Jr., one of the wisest Americans of this century, is among many idealists who have given up on the U.N. Darden will be 78 next month. As a young man, scarred by the brutal horrors of Verdun, he campaigned for the League of Nations. He served as wartime governor of Virginia, later as president of the University of Virginia. In 1945, he threw his energies behind the U.N. Ten years later, he served as a U.S. delegate to the General Assembly.

A few weeks ago, Darden spoke at Virginia Military Institute of his mounting disillusion. He had not changed his mind about the need for machinery to promote world peace; he did not believe that "world government" could be made to work, and he saw "little real hope" in the United Nations.

"The U.N.," said Darden, "has shown with its greatly enlarged membership a marked disposition to impose unreasonable burdens upon the more advanced industrial nations. It appears bogged down in petty bickering and self-serving ventures.

"We witness tug-of-war between the undeveloped and the developed nations rather than reasonable collaboration which is essential if the pressing problems overhanging us are to be solved, or even dealt with effectively. The structure of the present organization should be re-examined, and if it cannot be revamped so as to bring about a reasonable balance between the members it should be abandoned and some other plan devised."

Former Senator Peter Dominick of Colorado voiced the same view in a farewell address to the Senate last month. Like Darden, he has seen war at first hand; he has consistently supported the U.N., "imperfect though it may be," as a useful mechanism for world peace. Now he too is fed up.

"The 1974 General Assembly," said Dominick, "by reaching new heights of irresponsibility and hypocrisy and setting new records for ignoring its own rules has made it crystal clear that, far from representing a hope for peace, it is in fact an obstacle to it."

What would happen if the United States formally withdrew from the U.N.? Nothing very much. The United Nations would sputter along for a few years, passing windy resolutions and making impotent gestures, but the structure of world power would not be altered. Questions of war or peace would be resolved as they always have been resolved, by arms or by negotiation. The international service agencies, even now headquartered in Geneva, Berne, Montreal, Rome and Vienna, would function as before.

It would be charged, of course, that the United States had killed the U.N., but the charge would be untrue. A dream dies of its own accord when the dreamer awakes. Darden and Dominick, who believed in the dream, speak for many U.N. supporters who now see the dream disolve.

[From the Chicago Tribune, Dec. 29, 1974]

SUICIDAL IMPULSES AT THE U.N.

In the dying days of the dying year, those whose hopes have rested with the United Nations must view the future with foreboding.

They have agonized thru a General Assembly session in which the long-suffering United States finally lost its patience and cried that the assembly is ruled by "a tyranny of the majority." With these words, U.S. Ambassador John Scali made it plain that this country is fed up with the knee-jerk majority by which the Third World has repeatedly imposed its prejudiced view on the assembly. The majority, moreover, consists largely of governments which are accustomed to governing tyrannically at home, and have no understanding of democracy as we know it.

Mr. Scali warned that American participation in the U.N. requires the support of the people and of Congress, and "I must tell you honestly that this support is eroding—in our Congress and among our people."

If continued, that erosion could prove costly indeed to the U.N. The U.S. provided 40 per cent of funds spent by the organization between 1945 and 1970 and 29 per cent in 1973—some $410 million.

That support, tentative at best, has been imperiled during the last session by a series of unrealistic, hypocritical, and often spiteful and unproper gestures which make it clear that the majority has jettisoned the U.N.'s principles of peace and order in favor of a program of hatred and impatience. Or it may be more accurate to say that those who believe in hatred and impatience have become a majority in the U.N.

The Third World flouted rules and custom and a common respect for decency by insisting that Yassir Arafat of the Palestine Liberation Organization be invited to address the assembly, even tho he represents no nation, and thus in effect rewarding the P.L.O. for the dastardly acts of terrorism that have been committed in its name. Assembly President Bouteflika of Algeria compounded this offense by treating the P.L.O. leader as if he were a head of state.

At the same time, the U.N. General Conference cut off Israel's $12,000 UNESCO cultural allocation for 1975. The Lebanese delegate said that "Israel is a state which belongs nowhere because it comes from nowhere." And this despite the fact that Israel has been a member of the U.N. longer than most U.N. members and longer than almost any of the Third World countries. To act on this theory while according a hero's welcome to the leader of what is not even a state at all is the height of illogic.

Further, Israel's right to state its own case was curbed, and many of those who voted to give Mr. Arafat a forum made a mockery of that word by then refusing even to listen to the Israeli response.

The assembly majority denied South Africa a seat at this session [and probably would have expelled it] because of its policy of apartheid; yet the same majority found no need to condemn the mass killings and other flagrant violations of human rights in Uganda and Burundi, two Third World members.

The spreading miasma of bias and hatred permeating the U.N. can produce only revulsion and mistrust on the part of the more developed democracies upon which the U.N. depends primarily for its support. And yet the more Third World countries are admitted—some no bigger than an Illinois county—the less chance there is of reforming the structure of the U.N. That being so, the only visible hope for the U.N. rests on the ability of the U.N.'s more responsible members to persuade the majority of the danger of its biased folly before the erosion of support on the part of intelligent people becomes irreversible.

NEED TO DEREGULATE NATURAL GAS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ARCHER. Mr. Speaker, I have introduced a bill which would provide for the deregulation of natural gas. It is my belief that such deregulation will assist us in meeting the challenge of our current energy crisis.

Presently, natural gas supplies over one-third of our energy needs and is expected to be a significant source of energy in the future. It is the cleanest of all energy sources in terms of environmental pollution. It is versatile and easy to transport. Currently it is in short supply. It is in short supply not because our deposits have been exhausted but because producers are not developing this source due to a lack of incentive. Since 1954 when Federal price controls were imposed, exploratory drilling for natural gas has fallen by about 30 percent.

Since 1954 our reserve of natural gas has declined while the demand for natural gas has been increasing, stimulated by the artificially imposed low price. This combination of increased consumer demand for natural gas and reduced exploratory and development efforts have brought about a shortage of natural gas. Research groups, both government and private, have estimated that large natural gas deposits exist within the United States, especially in offshore locations. Development of and access to this fuel would help us in meeting the energy crisis: we would have additional supplies and the natural increase in price would help reduce excessive consumer consumption as individuals would turn to some alternative fuels. The price for natural gas would be determined by the supply and demand factor in the marketplace rather than governmental regulations.

If we continue our present policy regarding natural gas, we will be preventing further exploration and development due to a lack of incentive. I believe ending Federal controls over the price of natural gas would help us conserve our existing reserve of natural gas while providing a mechanism to attract investment capital to natural gas exploration and development. It is my hope that this Congress will act soon to pass a bill to deregulate natural gas.

SENATE—*Thursday, February 27, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

> "Drop Thy still dews of quietness,
> Till all our strivings cease;
> Take from our souls the strain and stress,
> And let our ordered lives confess
> The beauty of Thy peace."
> —JOHN GREENLEAF WHITTIER (1807–92).

Our Father God, all the ways of our need lead to Thy throne. Without Thee we are impotent to do our highest and best for the Nation. With Thee we can do all things needful for this Republic. When so many care so deeply about the ways by which this body serves the whole Nation, supply us with Thy renewing grace, and move us to a deeper commitment to truth and to selfless service. "With malice toward none, with charity for all, with firmness in the right as Thou dost give us to see the right," help us to bind up the wounds, become our brother's brother and strive to finish the great work to which we have been called.

And to Thee shall be all the thanksgiving and the praise. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Wednesday, February 26, 1975, be approved.

Mr. ALLEN. I object.

The VICE PRESIDENT. Objection is heard.

A DECENT MAN

Mr. MANSFIELD. Mr. President, in this morning's Wall Street Journal is published an article under the heading "Politics and People," by Alan L. Otten, with the subheading "A Decent Man," referring to President Ford—his candor, his honesty, his straightforwardness. It is an excellent article, and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICS AND PEOPLE

(By Alan L. Otten)

A DECENT MAN

WASHINGTON.—Maybe a lot of us are being too rough on Jerry Ford.

First, he wasn't showing enough leadership, and then he was selling too hard. He wasn't doing enough to halt inflation, and then he wasn't doing enough to undo recession. Conservatives complain the deficit's too big, and liberals that it's too small.

Almost completely overlooked in all this is another aspect of the Ford presidency—that so far he's managed to remain an honest, open, decent human being. And with the public's unprecedented distrust of government and politicians in general and of Presidents in particular, that's not an insignificant contribution.

It's always important, after all, just what kind of person the President is. It's not only that he's the man our children are supposed to look up to, as Richard Nixon piously proclaimed in one of those TV debates with John Kennedy, but also that he sets a tone and pattern of conduct for his administration. Right now, that tone and pattern can either further enlarge popular disaffection and alienation, or conceivably start reducing them.

Mr. Ford is not only a lot smarter than his critics suggest, but he's also an unusually honest and straightforward man, of considerable personal and professional integrity. He tends to say what he thinks and means what he says—an occasionally unsettling change from his immediate predecessors.

When GOP congressional leaders used to meet with Mr. Nixon, Sen. Hugh Scott reports, they had to stay wide awake to make sure the White House didn't slip a fast one by them. Now, he says, "there are no fast ones. You don't have to listen extra-careful."

Mr. Ford and his top aides are currently being chided for suggesting that the economic future may not be quite as bleak as their own budget projections indicated. Yet certainly he deserves continued praise for having permitted his economic counsellors to issue those frightening figures in the first place.

Or consider his answer during last month's TV interview, when NBC correspondent Tom Brokaw asked whether he was bothered by repeated reports that he wasn't smart enough for the job.

John Kennedy would have evaded with a wisecrack. Lyndon Johnson would have demolished with sarcasm. Richard Nixon would have overkilled with cant. Mr. Ford, with sensible restraint, merely cited his good record in law school and his steady rise to leadership in Congress.

Already the Ford administration has been comparatively open considerably longer than most people expected. The President is holding frequent press conferences, as he promised; if he uses them primarily to flog Congress for acting too slowly on economic and energy problems, that's more a criticism of the press for failing to pin him down on the tough questions than a criticism of him for skillfully employing the conference to his own advantage.

He's also been talking to many governors and other people on his travels, and inviting to the White House liberal Republican Senators, university presidents, civil rights leaders and other groups that haven't been there in a long while. White House staffers and other top administration officials are relatively accessible and seem willing to talk fairly freely, without worrying whether they're straying a few inches from the party line or without constantly looking over their shoulders to see whether a Marvin Watson or Bob Haldeman is marking them down in a little black book.

Nor does Mr. Ford appear uptight about possibly being overshadowed by more brilliant subordinates. His decision to put Vice President Rockefeller in charge of the Domestic Council and to let him staff it with his own people was the decision of a reasonably secure individual. Mr. Nixon certainly never gave Vice President Agnew or Vice President Ford that much leeway.

Mr. Ford's Cabinet appointments so far have been of notably high caliber, and again, hardly suggest a man seeking a comfortably consenting corps of advisers. Even his widely-criticized failure to act faster to remove Nixon holdovers who've outlived their usefulness is the failing of a decent man who can't quite bring himself to fire people.

Over and over, decency and genuineness turn up as the key words in any Ford portrait. He attacks Congress strenuously—but civilly. He challenges its policies but not its motives.

He honestly enjoys the job, and doesn't pretend otherwise. He doesn't constantly picture himself as unhappily bearing this dreadful burden (sigh!) only for the good of the country. His spontaneous humor—not the one-liners his speech-writers prepare and which he frequently botches, but rather his off-the-cuff comments at press conferences and other appearances—may not be sophisticated, but it's real.

It's easy to overstate the case, of course. As this column suggested soon after Mr. Ford's inauguration, institutional pressures will undoubtedly keep pulling him the other way—tending to make him less open and more secretive, less honest and more evasive, less accessible and more withdrawn, less relaxed and more paranoid. It's almost always happened that way before.

Even more importantly, moreover, Mr. Ford will continue to be judged primarily on policies and performance; on the programs he fashions to rebuild the domestic economy and to help preserve world peace, and on the effectiveness with which he carries those programs through. And it's right that the primary focus should be there.

Yet in this post-Vietnam, post-Watergate era, it would be wrong and unfair if his more personal contributions to the American presidency were slighted or ignored.

EXPRESSION OF CONFIDENCE IN THE VICE PRESIDENT

Mr. HUGH SCOTT. Mr. President, before yielding my time, I think I am duty bound to say that I have great confidence in the Presiding Officer of this body and that however tempers may rise, I hope that we will have an opportunity for them to cool.

I respect the differing points of view of all Senators equally. I know that the distinguished majority leader will concur with me in saying that what we wish to find is a resolution of our difficulties and our problems and a cooling of the atmosphere.

I believe that I am in conscience bound to say that; and because I have that confidence, I want it recorded here and now.

Mr. MANSFIELD. Mr. President, just to make a comment, I agree with the distinguished Republican leader.

Mr. HUGH SCOTT. I thank the distinguished majority leader. I think the leadership owes that obligation to the Presiding Officer.

I now yield the remainder of my time, or such part of my time as he may desire, to the distinguished Senator from Connecticut.

Mr. WEICKER. I thank the distinguished Senator from Pennsylvania.

THE RIGHTS OF MEMBERS OF THE SENATE

Mr. WEICKER. Mr. President, in light of certain events which have transpired in this Chamber in the past 24 hours, I respectfully suggest a terse reminder of why this body has respected in the past, and I hope will continue to respect in the future, the right of every Member to speak. Therefore, Mr. President, I submit these seven reasons for protecting the rights of Members who do not represent the majority view at a particular moment: Marcus Tullius Cicero, Cato, Thomas Moore, Martin Luther, Edmund Burke, Abraham Lincoln, Winston Churchill.

Mr. President, I yield back the remainder of the time of the Republican leader.

ORDER OF BUSINESS

The VICE PRESIDENT. Under the previous order, the Senator from Montana is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, I yield such time as the distinguished Senator from Vermont (Mr. LEAHY) may desire out of the 15 minutes allotted to me.

The VICE PRESIDENT. The Senator from Vermont is recognized.

Mr. LEAHY. I thank the majority leader.

EXPRESSION OF CONFIDENCE IN THE VICE PRESIDENT

Mr. LEAHY. Mr. President, I find the point that I am about to address somewhat of an unusual one, especially as I am the first Democrat ever elected to the Senate from the State of Vermont, and, quite frankly, as one who stated on numerous occasions many reservations I had when the President of the United States appointed the present Presiding Officer as Vice President. But I think that because of those two reasons, I can perhaps speak with less of an ulterior motive on this subject than most people.

I have heard distinguished Senators here state at some length their concern about the Presiding Officer's handling of the Chair. It is my own—and perhaps neophyte—feeling that the present Presiding Officer has been a model of fairness, a model of candor, and a model of distinguished concern in some very difficult times during the past few days. So, setting aside any partisanship, this Senator, anyway, would like to compliment the Chair. It has been an extremely difficult time. I think the Chair has acted not only from his distinguished position but, what is more important to the Senate, the distinguished position of the Presiding Officer, in a way that he does not have to apologize for it to anyone.

At least, this representative of Vermont feels that way, Mr. President. I felt compelled to make that statement.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period for the conduct of routine morning business, with a time limitation of 3 minutes per Member attached thereto, and that the period not extend beyond a half hour.

The VICE PRESIDENT. Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair appoints the following Senators to the United Nations Law of the Sea Conference, to be held in Geneva, Switzerland, March 17–May 10, 1975: Senators MAGNUSON, MUSKIE, PELL, MCINTYRE, HOLLINGS, JOHNSTON, CASE, STEVENS, and BUCKLEY.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, pursuant to 10 U.S.C. 4355(a), appoints the following Senators to the Board of Visitors to the U.S. Military Academy: the Senator from Rhode Island (Mr. PASTORE), the Senator from Vermont (Mr. LEAHY), the Senator from Maryland (Mr. MATHIAS), and the Senator from Virginia (Mr. SCOTT).

The Chair, pursuant to 10 U.S.C. 6968(a), appoints the following Senators to the Board of Visitors to the U.S. Naval Academy: the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. CULVER), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Maryland (Mr. BEALL).

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

(The remarks made by Mr. BUCKLEY at this point appear in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

The time for morning business has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the period for the transaction of routine morning business be extended for an additional, not to exceed, 15 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

The Senator from New York.

(The remarks made by Mr. Javits at this point appear in today's Record under Statements on Introduced Bills and Joint Resolutions.)

APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, pursuant to 10 U.S.C. 9355(a), appoints the following Senators to the Board of Visitors to the U.S. Air Force Academy: the Senator from Wyoming (Mr. McGee), the Senator from Colorado (Mr. Hart), the Senator from Alaska (Mr. Stevens), and the Senator from Michigan (Mr. Griffin).

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 12:18 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the enrolled bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

The enrolled bill was subsequently signed by the Vice President.

At 1:10 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

Supplemental Estimate of Appropriation for Fiscal Year 1975, Public Assistance, Social and Rehabilitation Service

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Health, Education, and Welfare for "Public assistance, social and rehabilitation service," has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation for the fiscal year 1975; to the Committee on Appropriations.

Report on the HUD Coinsurance Program

A letter from the Under Secretary of Housing and Urban Development, transmitting, pursuant to law, the first annual report on the HUD coinsurance program (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Proposed Public Broadcasting Financing Act of 1975

A letter from the Acting Director, Office of Telecommunications Policy, transmitting a draft of proposed legislation to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting and for other purposes (with accompanying papers); to the Committee on Commerce.

Transfer of Military Equipment

A letter from the Assistant Secretary of Defense in the nature of notification, pursuant to law, of the consent of the Department of Defense to the disposition of certain military equipment by the Government of the Republic of Vietnam by loan to the Government of the Khmer Republic; to the Committee on Foreign Relations.

Report of the Railroad Retirement Fund

A letter from the Secretary of the Railroad Retirement Board reporting, pursuant to law, on the activities of the Board for the calendar year 1974; to the Committee on the Judiciary.

Report of the National Advisory Council on the Education of Disadvantaged Children

A letter from the Committee on Mandated Studies transmitting, pursuant to law, a report on the research plan on the mandated study of compensatory education (with an accompaning report); to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Appropriations, without amendment:

S. Res. 23. A resolution disapproving the proposed deferral of budget authority to carry out the comprehensive planning grants program under section 701 of the Housing Act of 1954 (Rept. No. 94–23).

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.R. 3260. An act to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. oc. 93–398), and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94–39), and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), transmitted pursuant to the Impoundment Control Act of 1974 (Rept. No. 94–24).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. GRIFFIN, from the Committee on Commerce:

Robert J. Corber, of Virginia, to be an Interstate Commerce Commissioner;

William T. Coleman, Jr., of Pennsylvania, to be Secretary of Transportation.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. LONG, from the Committee on Commerce:

The following officers of the U.S. Coast Guard for promotion to the grade of rear admiral:

Malcolm E. Clark
Robert A. Duin
David F. Lauth
Sidney A. Wallace
William S. Schwob

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, February 27, 1975, he presented to the President of the United States the enrolled bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BUCKLEY (for himself, Mr. Baker, Mr. Randolph, and Mr. Morgan):

S. 865. A bill to promote more efficient use of the Nation's construction resources, to foster the preservation of buildings of historic or architectural significance, and to enhance the social and economic environment within and surrounding Federal office buildings. Referred to the Committee on Public Works, by unanimous consent.

By Mr. EASTLAND:

S. 866. A bill for the relief of Patrick Andre Tasselin and his wife, Fabienne Francoise Tasselin. Referred to the Committee on the Judiciary.

By Mr. JAVITS:

S. 867. A bill to amend the act entitled "An act to establish the Fire Island National Seashore, and for other purposes," approved September 11, 1964 (78 Stat. 928). Referred to the Committee on Interior and Insular Affairs.

By Mr. INOUYE:

S. 868. A bill to provide for minimum rate provisions by nonnational carriers in the foreign commerce of the United States, and for other purposes. Referred to the Committee on Commerce.

S. 869. A bill for the relief of Charles Bennie, Walter H. Jensen, and Charles W. Soule. Referred to the Committee on the Judiciary.

By Mr. FONG:

S. 870. A bill to place the position of Director of the Office of Management and Budget, in level I of the executive schedule under section 5312 of title 5, United States Code. Referred to the Committee on Post Office and Civil Service.

By Mr. FONG (for himself, Mr. Brock, Mr. Church, Mr. Domenici, Mr. Fannin, Mr. Hansen, Mr. Randolph, Mr. Stafford, and Mr. Williams):

S. 871. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the 65-year age limitation. Referred to the Committee on Labor and Public Welfare.

By Mr. HATFIELD (for himself and Mr. ABOUREZK):

S. 872. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates. Referred to the Committee on Post Office and Civil Service.

By Mr. INOUYE:

S. 873. A bill for the relief of James D. Davidson, Vincent W. S. Hee, and Kay M. Mochizuki. Referred to the Committee on the Judiciary.

S. 874. A bill for the relief of Antone R. Perreira. Referred to the Committee on the Judiciary.

By Mr. GARY W. HART:

S. 875. A bill to authorize the Secretary of Housing and Urban Development to make direct low-interest loans to assist homeowners and builders in purchasing and installing solar heating (or combined solar heating and cooling) equipment. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. ABOUREZK (for Mr. JACKSON and Mr. FANNIN) (by request):

S. 876. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1976. Referred to the Committee on Interior and Insular Affairs.

By Mr. MONTOYA (for himself, Mr. DOMENICI, and Mr. ABOUREZK):

S. 877. A bill to direct the Secretary of the Interior to purchase and hold certain lands in trust for the Zuni Indian Tribe of New Mexico; to confer jurisdiction on the Court of Claims with respect to land claims of such tribe; and to authorize such tribe to purchase and exchange lands in the States of New Mexico and Arizona. Referred to the Committee on Interior and Insular Affairs.

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 878. A bill to designate the Veterans' Administration hospital in Columbia, S.C., as the "Wm. Jennings Byran Dorn Veterans' Hospital." Referred to the Committee on Veterans' Affairs.

By Mr. MOSS:

S. 879. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to require itemized budget requests for funds to provide relocation assistance. Referred to the Committee on Government Operations.

By Mr. McGOVERN (for himself, Mr. ABOUREZK, Mr. BURDICK, Mr. CASE, Mr. CLARK, Mr. CHURCH, Mr. DOMENICI, Mr. HUMPHREY, Mr. MANSFIELD, Mr. McGEE, Mr. METCALF, and Mr. HUGH SCOTT):

S. 880. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans. Referred to the Committee on Veterans' Affairs.

By Mr. HATFIELD (for himself, Mr. CLARK, and Mr. McGOVERN):

S. 881. A bill to establish an Office of Food Administration for a temporary period in order to develop coordinated national policies on domestic and foreign food assistance programs. Referred to the Committee on Agriculture and Forestry.

By Mr. HUMPHREY:

S. 882. A bill to extend and revise the special supplemental food program. Referred to the Committee on Agriculture and Forestry.

By Mr. HUMPHREY (for himself, Mr. CLARK, Mr. McGEE, and Mr. McGOVERN):

S. 883. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility with which to participate in efforts to alleviate the suffering and human misery of hunger and malnutrition and for certain other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. STEVENS:

S. 884. A bill to provide needed facilities and services not otherwise available for the accommodation of visitors in the areas administered by the National Park Service, by authorizing the Secretary of the Interior to guarantee loans which are part of concessioner investments in such facilities and services, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY (for himself, Mr. JACKSON, and Mr. MAGNUSON):

S.J. Res. 38. A joint resolution to bestow United States citizenship upon Leif Ericson. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUCKLEY (for himself, Mr. BAKER, Mr. RANDOLPH, and Mr. MORGAN):

S. 865. A bill to promote more efficient use of the Nation's construction resources, to foster the preservation of buildings of historic or architectural significance, and to enhance the social and economic environment within and surrounding Federal office buildings. Referred to the Committee on Public Works, by unanimous consent.

PUBLIC BUILDINGS COOPERATIVE USE ACT OF 1975

Mr. BUCKLEY. Mr. President, I send a bill to the desk, and I ask unanimous consent that it be referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I am today introducing legislation that seeks to make the Federal Government a better neighbor in the cities of our Nation. I see this bill as a way to enhance the environment of our cites while saving money.

It is legislation that will also conserve energy and natural resources, while producing new jobs.

I do not see this as miracle working. Rather, it is an effort to bring greater flexibility—with some relatively small changes in the law—in the way we acquire and use Federal office buildings. The changes in this bill are reasonable, and I believe that they offer the prospect of substantial benefits to the American public.

Specifically, this bill authorizes two new options in the manner in which the Federal Government acquires and operates its office space. The bill would allow, for the first time, a cooperative, private-public use of space in Federal office buildings. And it would encourage the renovation—"recycling" might be the better word—of existing buildings into new Federal offices, where appropriate.

What kind of building policy should we have? What kind of a Federal environment should we foster? When asked that question more than a decade ago, Prof. Daniel P. Moynihan came to this conclusion:

> The policy shall be to provide facilities in an architectural style and form which is distinguished and which will reflect the dignity, enterprise, vigor, and stability of the American national government. Special attention should be paid to the general ensemble of streets and public places of which Federal Buildings will play a part.

A recent staff report to the Federal Architectural Task Force, established under the National Endowment for the Arts, contained a quotation that stated what I submit is the basic problem:

> The very term "public building" has become a contradiction: no one in his right mind now goes into a public building except on business.

This bill seeks to ameliorate that situation, to bring the public back into our public buildings. It seeks to breathe new life into Federal buildings. And to do it at less ultimate cost to the taxpayers.

The significant sections of the legislation are sections 2, 3, and 4. Section 2 lists a number of policy directives to the Administrator of General Services, directives that are implemented in sections 3 and 4.

Section 3 amends the Public Buildings Act of 1959, encouraging the Federal Government to purchase and rejuvenate older buildings when that proves practicable, and to convert those buildings into new Federal office space. Such an approach—an effort to recycle what is worthy and well built in our architectural heritage—would produce many benefits.

It would save energy. The design of older buildings is less extravagant in energy use than most present buildings. This revivalist approach would also save the consumption of energy needed to tear down and replace the old building. And it would usually prove cheaper than replacement construction. Since renovation tends to be more labor-intensive, per dollar invested, it would mean jobs. Further, it is often work that can be accomplished far more expeditiously than wholesale demolition and replacement.

At a hearing held yesterday, the General Services Administration testified to the Public Works Committee that a $1 million investment in repair and improvement work on existing Federal buildings produces five times as many new jobs as $1 million in new construction spending. While such figures may not prove exact or comparable for the type of renovation work that is contemplated in this bill, I am convinced that this legislation can and will have a substantial and effective payoff in worthwhile employment.

Possibly most significant, renovation projects would recapture some of the beauty of the past, making our cities more livable by fostering continuity and progress in our cities.

The bill directs that GSA contract with the National Trust for Historic Preservation for an inventory of possible local renovation alternatives whenever GSA initiates a survey of building needs.

But this is not an effort to pick an occasional historic building and then renovate it. I would anticipate the Trust and GSA would find opportunities for renovation in many older, run-down office buildings, warehouses, railway stations, theaters, and so on. The purpose would not be to preserve the interior as originally constructed but to convert the interior into modern offices, saving as much of the basic structure as proves to be wise.

This approach will prove both useful and frugal. The object of a Federal building policy is not to demolish and build, demolish and build because the Tax Code encourages such an approach in the private sector.

The object must be the spending of the taxpayers' money in the wisest and most effective possible way.

And, I might add, any effort to utilize older buildings may also have the salutary effect of slowing the push toward the consolidation of all Federal offices in one giant concrete monolith per city. We can reasonably question whether or not the local Secret Service office must be across the hall from the local Forest Service office.

But as we try to utilize the past, we must also seek to revitalize existing and future Federal offices, to the benefit of employees and visitors alike. Too often, we surround the Federal employee with an architectural moat. He has no place to eat, except in the building cafeteria. He has no place to shop, except possibly at a cigar stand. And the general public—the people who paid for the building—certainly has every reason to shun the building, except when forced there on business between 9 and 5.

We must open up our Federal buildings, encouraging public use of what they have paid for. The recent staff report to the Federal Architectural Task Force sought to "encourage a more lively pedestrian setting in and around these buildings." The report went on to urge that "multiuse" be "not just allowed but vigorously promoted."

Section 4 of the bill, in amending section 210 of the Federal Property and Administrative Services Act of 1949, would permit such multiuse or cooperative use. This section would grant GSA authority to lease ground-floor space of Federal office buildings for "commercial, cultural, educational, or recreational" uses.

Such expanded uses of ground-floor space would, of course, serve the employees of the building. They would serve the visiting public. Most significantly, I believe, they would bring new life, new activity, and new vitality to the blocks around that Federal office building.

Many examples of cooperative planning and use exist. New York City has pioneered in a good-neighbor approach, encouraging complexes that mix governmental, commercial, residential, and educational space. The basement of the Pentagon houses an area as big as a football field with a bakery, clothing stores, jewelers, banks, florists, drugstores, camera stores, and candy stores. Possibly the most active proponents for such a program are the Canadians, who are developing a number of mixed-used office facilities in Ottawa, with about a quarter of the space rented for commercial use.

Such a broadened horizon in usage should also prove to be a substantial cost-saver for the taxpayers. The most valuable space in most office buildings is the space on the ground floor. Instead of wasting this prime space in rows of desks and files, the bill would make it available at commercial rates.

The purpose, of course, is not to make GSA the Nation's landlord. Cooperative use is a limited tool. I would not expect it to work everywhere. And it should only be tried where local governments agree. But it is a policy that should have the ancillary benefit of enhancing employee morale and efficiency.

I recognize that neither renovation nor mixed cooperative use can prove applicable everywhere. Many occasions exist when rejuvenation of an area can be achieved only with new construction. And cooperative use, though it might prove profitable, is not necessary in many downtown locations. Recognizing such variations, the legislation mandates no change. It permits change, allowing this flexibility when it is desired by local people and GSA.

I am honored that three of my distinguished colleagues on the Public Works Committee have joined in sponsoring this bill. Specifically, the distinguished chairman of the full committee, Mr. RANDOLPH, the ranking minority member of the full committee, Mr. BAKER, and the new chairman of the Subcommittee on Buildings and Grounds, Mr. MORGAN, are each cosponsors of this legislation. I recognize Chairman RANDOLPH's deep and strong interest in the effort to make the Federal building program a more flexible one, a program that is meshed with the national effort to conserve energy and produce new jobs. His cosponsorship is greatly appreciated by me, indicating as it does his longstanding desire to tackle problems, not partisan politics.

The Senator from Tennessee (Mr. BAKER) is a member of the Federal Architecture Task Force. As such, he has a great interest and knowledge in problems and issues involving urban architecture. His counsel to me over the years has been wise, and his cosponsorship of this bill is deeply valued.

And I am pleased that one of the new members of the committee, the Senator from North Carolina (Mr. MORGAN), who is chairman of the Buildings and Grounds Subcommittee, has also agreed to cosponsor the bill. I thank him and look forward to our working together in the years ahead.

Mr. President, I ask unanimous consent that an article in the Washington Post be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INSTITUTIONAL ISOLATION

(By Wolf Von Eckardt)

There is nothing public about our public buildings.

The General Services Administration designs them exclusively for various federal pursuits and, as a new report by the federal architecture task force of the National Endowment for the Arts points out, "No one in his right mind goes into a public building except on business."

This is bad for the government and worse for the neighborhood and GSA knows it—or should.

It is bad for the government because institutional isolation is always bad. It can only benefit from an interplay between government activities and community life.

Besides, the interplay undoubtedly helps the morale and efficiency of federal employees who work in a building like the new Garnisonen in Stockholm, which includes restaurants and snack bars, exhibit halls, auditoriums, gymnasiums and a sauna, as well as offices.

The Garnisonen houses the Swedish equivalent of our GSA. It was designed as a truly public building in that the public is welcome and offered amenities private developers usually fail to offer. The public spaces have movable partitions, to meet changing public needs.

What's more, the government makes some money on renting out space in its buildings.

Single-minded use of government buildings is bad for the city because, as everyone knows, the buildings die after the clerks have gone home. If you have a lot of government buildings clustered together, as in Washington's Federal Triangle, the entire business district suffers gangrene.

The Canadians have learned this and now devote about a quarter of the space in new government office buildings to private commercial use. They hope to provide the kind of shops that keep cities lively, such as barber shops, bookstores, and interesting restaurants, which the private developers pass up because they demand rents that only banks and airline offices can afford.

The GSA is now beginning to pay lip service to the "multiple use" idea. But it is not doing anything about it. It's not legal, GSA bureaucrats say.

GSA is authorized by Congress to assign space to a federal agency, they argue, but says nothing about nonfederal agencies. "Consequently," says a May, 1972, memorandum by GSA's general counsel, ". . . We lack the requisite authority to plan, design and construct a new building, or alter an existing building, to include such features as theaters, libraries, dining quarters, stores, etc., for the use of the general public."

GSA has written this narrow and questionable interpretation of the law (the Public Buildings Act of 1959) into its guidelines and has made only few exceptions. It now allows commercial activities in federal buildings under the auspices of the Minority Enterprise Program, for instance. Some agencies can sell their own products. The U.S. Geological Survey sells maps, the U.S. Mints sell collectors' coins and the Office of Economic Opportunity sells Appalachian handicrafts on the ground floor of its Washington headquarters.

But, as the arts endowment report points out, a few coins or candlesticks, or even stands operated by the blind or by minority enterprises, is not what it is all about. What it is all about is to use public buildings to enhance the quality of public life in the city.

The government needs all the space it can build, says GSA. Besides, Congress wouldn't like it. So we can't do it.

Yes, you can, says the endowment's federal architecture project staff—if you consult local officials and then tell the Office of Management and Budget as well as Congress of the community advantages of multiple use and charge rent to recoup the additional cost.

We can't do it, says GSA, because it threatens security—people might steal paperclips or secrets, or demonstrate or throw bombs.

No excuse, says the endowment report. People also misbehave in private buildings. Lock your offices or perhaps even the elevators. Besides, there is less crime and vandalism when there are people around. It's those dead-at-night office buildings that are dangerous.

If you want to mix uses, says GSA, mix them in privately owned buildings. We rent government space in private office building in Crystal City, for instance, but only the upper floors. The ground-floor space is too expensive.

That's just the point, says the endowment. Speculative developers care about high rents, not urban vitality. The government could afford to rent space along the street for activities people enjoy.

But a lot of areas don't have any people on the street, says GSA.

We don't expect you to open a flower stand in the Atomic Energy Commission along U.S. 70 at Germantown, says the endowment. But if the government wants to help the inner city survive, it should locate federal employment centers downtown—in multipurpose buildings.

We couldn't help much, says GSA. The Supreme Court wants all federally owned facilities tax exempt. If we house private enterprises in our buildings it would be also tax exempt and therefore unfair competition.

Oh, c'mon, says the endowment. You can get payments-in-lieu-of taxes. You can charge fair rents. You could do all kinds of things to overcome these obstacles administratively with new guidelines if only you wanted to.

It should all be much easier, says the endowment report, since the Federal Building Fund was started last summer. Federal agencies now pay rent to GSA for their office space. If GSA can collect rent from the U.S. Treasury, it should also be able to collect rent from a flower shop or pizza parlor.

The Defense Department has for years now operated one of the largest and most thriving regional shopping centers in the Washington area—the Pentagon Concourse.

It contains a department store, bakery, clothing stores, jewelers, shoe repair, government bookstore, two banks, a florist, a drug store, a camera shop, candy stores, a cafeteria and other services. It grosses some $6 million in sales a year. The Pentagon did it with special legislation. And if we had anything just nearly like it in the Federal Triangle serving tourists as well as the federal employees, we would not have to worry about downtown gangrene.

But since GSA can think only of reasons not to open up its public buildings to the public, the endowment recommends an executive order that places special emphasis on good urban design and multi-use development of federal buildings to attain it. Will someone please tell President Ford?

Congress, especially the House and Senate Public Works Committees, might also take an interest in this subject. There are a lot of architects, city planners, city officials, realtors, developers around the country happy to testify at a public hearing what public use of public buildings could do to make our cities more viable and livable.

Mr. BAKER. Mr. President, I am very pleased to join with my distinguished colleague from New York (Mr. BUCKLEY) in sponsoring this legislation, the Public Buildings Cooperative Use Act of 1975. I commend Senator BUCKLEY on his initiative.

As one of 13 members of the task force that is working with Executive Director Bill Lacy to study the guiding principles for Federal architecture, I have had the opportunity to weigh the options that may be available through programs for cooperative and adaptive use. I support fully the intent of this bill. I believe it is fitting that someone, who has not been connected with the task force, mold these thoughts into legislation.

The rationale that has been presented in the floor statement of the ranking minority member of the Subcommittee on Buildings, Mr. BUCKLEY, is sound. We must work to make the Federal Government a better neighbor in every city. We must bring the public back to our "public" buildings.

I share his thinking that this approach will produce a variety of benefits.

By permitting the General Services Administration to lease ground-floor space of Federal office buildings for shops and restaurants and cultural activities, we would bring new life and vitality to the Federal neighborhood. This bill will also generate savings in both cost and energy.

By encouraging the Federal Government to buy old buildings, then rejuvenate them into new Federal office space, we have a chance to recycle worthy monuments from our past. And that work will mean new jobs, and usually a savings in energy.

Mr. President, I am particularly pleased that Chairman RANDOLPH and Senator MORGAN have joined with Senator BUCKLEY and me in sponsoring this legislation. Chairman RANDOLPH's leadership in developing answers to problems relating to Federal employees and energy use is known to each of us. I am pleased to be associated with him. And I am gratified that Senator MORGAN, the new chairman of the Buildings Subcommittee, has joined with us.

I am hopeful that this sign of bipartisan interest will enable us soon to conduct hearings on this bill, then move it to the floor for full Senate consideration.

By Mr. JAVITS:

S. 867. A bill to amend the act entitled "An Act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (78 Stat. 928). Referred to the Committee on Interior and Insular Affairs.

Mr. JAVITS. Mr. President, I send to the desk for introduction today, and it is being similarly introduced in the other body, a bill relating to the Fire Island Seashore in New York, a Federal development of which we are extremely proud.

The bill would increase the authorization figure in respect to the Fire Island Seashore by $10 million, and it would give the Secretary of the Interior the authority to go to the appropriate U.S. district court for injunctive relief against any action covered by the Fire Island Seashore Act which is inconsistent with the purposes of the act or which is considered adverse to the protection and development of the national seashore.

The $10 million figure is attributable to the estimate of the National Park Service that it will take $7.15 million to complete acquisitions and condemnations in respect to the seashore.

That is an estimate and could, of course, go up on further condemnations, and the power to the Secretary to seek injuctive relief is because there is very serious threat to the seashore in respect to certain uses of private property which are part of or contiguous to the seashore.

In 1964, the Fire Island National Seashore was established:

> For the purposes of conserving and preserving for the use of future generations certain relatively unspoiled and undeveloped beaches, dunes, and other natural features within Suffolk County, New York, which possess high values to the Nation as examples of unspoiled areas of great natural beauty in close proximity to large concentrations of urban population . . ." 16 U.S.C. § 459e(a).

The seashore, a long narrow stretch of unstable sand reef varying from several hundred yards to a half mile in width, forms a barrier separating the ocean from the bays and protects the bays and the mainland of southern Long Island from the Atlantic Ocean. It contains an impressive array of seashore resources of an extremely fragile nature. The ocean beaches were and where not eroded are wide, clean and gently sloping. The dunes were and where not eroded are stabilized by beach grass, bayberry, other vegetation and some low lying pitch pine. On the bay side, wetlands and marshy areas contribute to the ecological resources of the bays which run almost the length of the southern shore of Long Island. Except for facilities at Smith Point County Park and Robert Moses State Park, there are no roads, highways or parking lots within the seashore, a factor which imparts a special character to the seashore. Access to the seashore is primarily by means of scheduled ferry service and private boats. Motor vehicles gain access to the seashore by bridges at Smith Point County Park to the east and Robert Moses State Park to the west.

The eastern portion of the seashore is, for the most part, undeveloped and in its natural state. The western portion, however, contains several predominantly summer communities. While inholdings of private property within a public park are not desirable, especially on a resource as fragile as the seashore, a compromise was worked out to reconcile the local interests with the national interest of preserving Fire Island. The then Secretary of the Interior Stewart L. Udall, reported this compromise to the Congress:

> Also located in the western half of the island are several small but rather intensively developed communities. Under the provisions of the enclosed draft bill these communities, as well as the owners of more scattered improved properties, could retain their present state of development as long as adequate zoning approved by the Secretary of the Interior is in effect, and the development remains compatible with the purposes of a national seashore.

Consequently, the act directs the Secretary to issue regulations specifying zoning standards with which local zoning ordinances must conform and gives the Secretary the right to approve local zoning ordinances—16 U.S.C. 459e–2. The development of any property not in accordance with approved zoning is subject to condemnation by the Secretary. Thus, any development taken pursuant to a variance or exception from approved zoning laws, which variance or exception is not approved by the Secretary, subjects the property to the power of condemnation of the Secretary—16 U.S.C. 459e–1.

Pursuant to the act the Secretary promulgated regulations—36 C.F.R., part 28. The regulations establish minimal standards which must be met if private property is to be exempt from condemnation. Four local governments have zoning jurisdiction on the seashore. Since the passage of the Fire Island National Seashore Act in 1964, the Secretary has approved only one of those zoning ordinances, that of the town of Islip. Consequently, the Secretary can condemn any development, not only noncomforming development, in any of the three other jurisdictions. During the period of 1965–73, the local jurisdictions granted at least 320 variances. Of these, the superintendent of the seashore received notice of 86 and objected to 65 as not consistent with the purposes of the Seashore Act. Nevertheless, not one piece of property has been condemned for violation of the Seashore Act's zoning requirements.

In 1972, 17 individual property owners on the seashore brought an action against the Secretary of the Interior, National Park Service officials and the local governments on behalf of themselves and 12 civic associations on the seashore which have a membership of about 1,500 persons. This action sought to enjoin any further development inconsistent with the act until such time as the Secretary prepared, issued, and implemented an environmental impact statement as required by the National Environmental Policy Act (NEPA)—42 U.S.C. 4321 et seq. After a hearing on plaintiff's motion for a preliminary injunction to stop any further inimical development on the seashore, the district court found:

> Plaintiffs demonstrate beyond peradventure that the period since 1964 has seen continuing development of the residential use of the portions of Fire Island not taken in condemnation, and has witnessed the granting of a very large number of variances. It is estimated, on the basis of aerial surveys, that a 32% increase in building has occurred from 1964 through 1973. The affidavits demonstrate that such intensification of use, and the corresponding expansion of commercial uses, in the opinion of eminently qualified experts, has materially increased the ecological effect on the island's limited water resources and has increased the risk if not the actuality of water contamination from septic tank run-off and sea water intrusions, and that for all that appears the burgeoning use of the island may already have resulted in exceeding the ecologically optimum population of the island, and must continue to do so if residential and related commercial development is suffered to continue.

Notwithstanding, the court denied the preliminary injunction on the ground that it lacked jurisdiction to do so.

This decision was affirmed by the U.S. Court of Appeals for the Second Circuit. *Biderman v. Morton,* 497 F. 2d 1141 (2d Cir. 1974). The circuit court began its opinion by stating:

> "Efforts by environmentalists to preserve our natural habitat—in this instance, Fire Island—cannot help but strike a sympathetic chord. Indeed, this is particularly true where, as here, this laudable purpose appears frustrated by a federal statutory scheme which, despite its lofty terms, provides a mere chimera of environmental protection . . ." 497 F. 2d at page 1142.

The Court concluded its opinion by stating:

> ". . . In their justifiable frustration, plaintiffs have sought relief from the courts but it is clear that only Congress can provide the remedy. . . . Nevertheless, precatory though our words must necessarily be, we cannot help but urge those with the power and authority to presrve this gem of an island to halt their procrastination and get on with the urgent business of saving this charming and fragile outpost of nature before the encroachments of haphazard development irrevocably despoil it." 497 F. 2d at pages 1148–49.

Despite the fact that the Seashore Act was passed in 1964, no master plan to govern development nor any environmental impact statement as required by NEPA yet exists. A draft master plan was prepared in 1965 but found inadequate. A second draft master plan and draft environmental impact statement was prepared in 1973 in response to the lawsuit but were also recalled as inadequate. A third draft master plan and second draft environmental impact statement has just been prepared and released. They have not yet been approved by the Secretary. When and if they are, they will then be the subject of public hearings after which they may or may not become final depending on whether or not they have to be modified. Thus, a final master plan and final environmental impact statement are still more than a year away despite the fact that the Seashore Act was passed in 1964 and NEPA in 1970.

It is therefore necessary for Congress to provide the Fire Island National Seashore with improved environmental protection. Such additional protection is of great importance now, since no final master plan or environmental impact statement is in existence to govern future development, and building could be rushed to completion before implementation of the master plan. Wholesale building and development continue on the seashore without regard to the requirements of the Seashore Act. For example, a large piece of land known as tract 2203 was sought to be condemned many years ago by the Secretary. Over vigorous local opposition this property was revested, and the present owner has filed plans to subdivide and develop the tract. The Superintendent of the seashore has opposed this development and recommended that the Secretary condemn it. However, the Secretary needs additional funds for this purpose and also needs the power to halt the development without the use of the condemnation power. This bill would provide both the funds to condemn this land and the power to enjoin development.

Giving the Secretary the injunctive power to further the purposes of the Seashore Act is clearly constitutional. There exists a paramount Federal interest in the preservation of Fire Island. This paramount national interest is expressed not only specifically in the Fire Island National Seashore Act but also generally in the National Environmental Policy Act—NEPA. These statutes establish the overriding Federal concern with the protection of such an ecologically unique and valuable resource.

To carry out this paramount national interest, courts may enjoin the action of private parties or even local governments which are inconsistent with the national interest or prevent its fulfillment. *Perez* v. *Campbell,* 402 U.S. 637 (1971); *Radio Station WOW* v. *Johnson,* 326 U.S. 120 (1945); *Savage* v. *Jones,* 225 U.S. 501 (1912).

Courts have enjoined the actions of private persons which interfere with the paramount national interest as expressed in NEPA. *Silva* v. *Rommey,* 473 F. 2d 287 (1st Cir. 1973); Citizens for *Clean Air, Inc.* v. *Corps of Engineers,* 349 F. Supp. 696 (S.D.N.Y. 1972).

Furthermore, it has been specifically held that zoning restrictions can be imposed on private property for esthetic or environmental considerations. *Berman* v. *Parker,* 348 U.S. 26, 33 (1954); *City of St. Paul* v. *Chicago, St. Paul, Minn, and Omaha RR Company,* 413 F.2d 762, 767 (8th Cir. 1969).

The restrictions imposed by the National Seashore Act, which is now being backed up by injunctive powers, are eminently reasonable. Only development which is inconsistent with the Seashore Act would be subject to injunction. Development which conforms to the zoning standards spelled out in the act and regulations would be allowed.

Recently, the National Park Service has suggested in the latest draft master plan that the western part of Fire Island be dropped out of the National Seashore to avoid problems of condemnation and presumably to save money. This is not an acceptable way to deal with the protection of a valuable resource such as Fire Island.

If the Fire Island National Seashore is to be preserved as Congress intended in 1964, the additional money and powers provided in this bill are a basic minimum to achieve that end. I intend to seek early hearings on this bill and the entire problem.

I ask unanimous consent that a copy of an Interior Department memo containing pertinent information on Fire Island and its administration and the text of the bill be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JAVITS. For all these reasons, Mr. President, this bill commends itself very highly to us in New York and, as I say, will be sponsored by the local Members of the House in the other body.

S. 867

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 10 of the Act entitled "An Act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (78 Stat. 928), is amended by deleting "$16,000,000" and inserting in lieu thereof "$26,000,000".

(b) Section 7(c) of such Act is amended by adding immediately after the first sentence thereof the following new sentence: "In addition to any other statutory authority available to him under this Act or any other law, the Secretary, in carrying out his duties under this Act to administer, protect, and develop Fire Island National Seashore, is authorized to petition an appropriate United States district court for injunctive relief concerning any action covered by the provisions of this Act which the Secretary determines is inconsistent with the purposes of this Act, or which he considers adverse to the protection and development, in accordance with the purposes of this Act, of the area comprising the national seashore, and the United States district courts shall have jurisdiction to receive, consider, and act upon any such petition.".

Briefing Statement—Fire Island

1. Fire Island National Seashore was authorized by Public Law 88–587 passed September 11, 1964.

2. The purpose of the area is to preserve a

section of barrier beach off the south shore of Long Island, to provide recreation and natural open space for the enjoyment of all.

Support for establishment of the park came from residents and conservationists who did not want to see a road constructed on Fire Island as proposed by Robert Moses. A severe storm in 1962 had a sobering effect on homeowners on the island and led to a feeling that much of the open space on the island should be preserved. Also there was a substantial interest in strengthening erosion control measures and zoning controls on the island.

3. The boundary extends 29 miles from the east boundary of Robert Moses State Park to Moriches Inlet. Sixteen million dollars has been authorized for land acquisition and of this figure, less than one percent remains unobligated. The water boundary extends 1,000 feet on the oceanside, and up to 4,000 feet on the bayside.

A. The Federal Government holds title to 2,733 acres.

B. The State of New York holds title to all ocean front lands below mean high water (a legal point not accepted by all.) We are now in process of having these lands before Federal areas transferred from the State of New York.

C. The Towns of Brookhaven and Islip hold title to all bay bottom lands except a small tract at Sailors Haven.

D. The Towns of Brookhaven and Islip also hold title to several tracts within our boundary—totaling 204 acres.

E. Title held by private citizens or village governments and associations totals 1048 acres.

F. Suffolk County holds title to 1519 acres.

4. Federal Jurisdiction is Proprietory and extends to all lands in Federal ownership plus lands and waters of the State of New York adjoining fast lands of Federal ownership.

5. Budget for Fiscal Year 1974 is $617,400.

6. Staffing: 28 Permanent and 50 Temporary.

7. Visitor Use for Calendar Year 1972 was 578,702. Use was predominately from Long Island and Metropolitan New York.

8. Developed Areas:

A. Watch Hill:

(1) Marina 150 boats.

(2) Concession-contract.

(3) Ferry Service—special use permit.

(4) Campground—reservation system.

(5) Protected swimming beach.

(6) Nature Trail.

B. Sailors Haven:

(1) Marina 30 boats.

(2) Concession-contract.

(3) Ferry Service—special use permit.

(4) Protected swimming beach.

(5) Nature area—Sunken Forest.

(6) Boardwalk and cement trail systems.

9. Undeveloped Areas:

A. Eight mile zone (from Watch Hill east to Smith Point County Park) is to be left largely undeveloped.

B. Tailsman is to be developed as third major public use area when funds permit.

C. Westend Strips. These are too small for development as major public use areas.

10. Conceptual Master Plan Draft:

A. Attempts to solve certain resource and public use problems, i.e.:

(1) Visitor access:

(a) Parking on mainland.

(b) Ferry service and lateral movement (concession).

(2) Carrying capacity of developed areas.

(3) Priority placed on day use areas rather than more marinas.

(4) Natural zones to be placed in low development priority.

(5) Visitor exeprience defined.

B. Major recommendations:

(1) Acquisition of Coast Guard tract.

(2) Maintain ferry and parking sites.

(3) Dune protection zone—undeveloped lands along dune line within communities.

C. Areas to be developed are Watch Hill, Sailors Haven, and Tailsman.

D. Acquisition funds required—$7,150,000 estimate.

(1) For mainland parking and ferry terminal sites 80 acres	$2,000,000
(2) Beach strand in front of communities (60 feet) 50 acres @$25,000	1,250,000
(3) Dune zone within communities 40 acres @$35,000	1,400,000
(4) Enforcement of zoning standards—7 actions per year for two years @ $150,000 each	
(5) Acquisition of tract #2203—8.5 acres	500,000
Total	7,150,000

E. Increase of annual operating funds—$260,000.

(1) 5.5 man years.

(2) Temporary positions for beach protection, beach clean-up, enforcement of beach buggy regulations, etc., 16 man years.

11. Environmental Impact Statement:

A. Provided environmental data regarding suggested development plan.

B. Set forth overwash principle of barrier islands as a factor governing development.

C. Suggests erosion control philosophy.

12. Status of Law Suits:

A. First complaint action filed August 9, 1972.

(1) Requested an Environmental Impact Statement for Fire Island National Seashore.

(2) Asked National Park Service to control beach vehicle travel.

(3) Asked National Park Service to acquire ocean front beaches.

(4) Other issues:

(a) Zoning standards and action.

(b) Development in communities.

(5) Plaintiff filed interrogatories March 20, 1973.

(a) Reply included preliminary draft of Master Plan and Environmental Impact Statement.

(6) Motion for dismissal denied, but no decision—pending completion of Master Plan and Environmental Impact Statement.

B. Plaintiff's arguments and preliminary motion of injunction filed August 22, 1973.

(1) Points of complaint:

(a) Inadequacy of Environmental Impact Statement and Master Plan.

(b) Overwash theory contested.

(c) Continued and past failures of National Park Service to carry out provisions of Act.

(2) Asked National Park Service to refrain from giving approval for the issuing of or granting building permits, variance permits for dredging, building on dunes or wetlands. National Park Service should issue vehicle permits only for essential services and for health and safety of Fire Island National Seashore residents and visitors.

(3) Reply by Government September 13, 1973 agreed to items of injunction except:

(a) Superintendent may approve applications for building permits containing no variances, exceptions, or adverse locations by providing plaintiff in court on 30 day notice.

(b) We want to continue to manage vehicle control:

(1) Proposed vehicle regulation amendments submitted for court review.

(2) Seashore would issue permits subject to change and approval of regulations as proposed.

(2) Seashore would issue permits subject to change and approval of regulations as proposed.

(3) Items of injunction do not effect Federal land management and public use except beach buggy operations.

13. Status of Planning:

A. Survey on environmental assessment of non-Federal lands developed and proposals advertised. Necessary to complete Environmental Impact Statement:

(1) $68,000 study under contract with Jack McCormack and Associates.

(2) Study to be completed by September 1, 1974.

(3) Survey covers:

(a) Land use inventory.

(b) Land ownership inventory.

(c) Existing development.

(d) Evidence of environmental manipulation.

(e) Environmental pollution.

(f) Topography.

(g) Geomorphology and coastal processes.

(h) Soil.

(i) Ground, water hydrology.

(j) Vegetation and flora.

(k) Fauna.

(l) Estuarine quality.

(m) Assessment of storm damage.

(n) Historical, cultural and archeological resources.

(o) Needs to maintain presence on existing Federal lands.

14. Erosion Control:

A. Saltaire—Ocean Bay Park proposals to construct groins *objected* to by the National Park Service and Town of Islip. (Now before Corps of Engineers.)

B. National Park Service—Corps meetings September 6, 1973, opened discussions and established positions of each agency. Plans are to follow up with a review of Corps' plan for hurricane protection and submit comments. Plan not received from the Corps.

15. Beach Vehicle Control:

A. Kismet (Lighthouse Shores) versus Town civil action appeal heard by Suffolk County Supreme Court ruling that Town lack jurisdiction.

B. Seashore vehicle amendments have been submitted to Washington for printing in Federal Register.

16. Beach Strand Acquisition:

A. Letters have been sent to property owners in east end to determine their interest in donating strips to Federal Government—response has been limited and with little interest in donating.

B. Condemnation case regarding acquisition of beach strand in front of Seaview has resulted in information that costs would likely exceed $1,000,000. This figure exceeds available funds, and it has been recommended case be withdrawn without prejudice or cost to Federal Government.

17. Private Development on Lands in Seashore District:

A. Private owners and developers have asked town for building permit and right to subdivide undeveloped lands in the seashore district—(tract 2203).

B. By provision of the enabling legislation development of this land would subject it to condemnation.

C. Costs for acquisition of this tract would likely exceed remaining acquisition funds authorized by Congress.

18. Revision of Master Plan and Environmental Impact Statement will be completed as soon as McCormack information is provided. Hopefully this will be before end of 1974.

19. Public meetings will be held on Master Plan and Environmental Impact Statement.

20. New legislative authority will be sought as need is clearly identified in planning documents. This most likely will be in 1975.

By Mr. INOUYE:

S. 868. A bill to provide for minimum rate provisions by nonnational carriers in the foreign commerce of the United States, and for other purposes. Referred to the Committee on Commerce.

Mr. INOUYE. Mr. President, I introduce today a bill which I introduced in the last Congress, then known as Senate bill S. 2576. This legislation, often referred to as the "third flag bill," is absolutely vital for the continuation of the American merchant marine. It is not legislation that in any way gives any perference to the American merchant marine; it is not legislation which in any way costs the taxpayer any money; there is no subsidy involved; there is no appropriation involved.

The situation that exists in our American foreign trade today if allowed to continue regardless of the amount of subsidies that we may pay or the cargo preference that we may set for Government-financed cargo will soon see the end of the American flag on the world seas. We are experiencing today a new sense of nationalism in many nations who are using their merchant marine not as an instrument of commerce but as an instrument of economic destruction; as an instrument of foreign policy; and as an economic device which can be just as devastating as the torpedoes of World War II.

The bill that I have introduced today can resolve that situation. Without it, the United States will soon be a secondary power to the Russian merchant marine. We cannot pick up a maritime trade publication these days without noticing the new construction that is going on for the Soviet flag operations. It was only recently announced that that nation was involved in the construction of 33 new container ships. These vessels operate not between Russia and the United States, but they operate in the foreign trade between the United States and Japan; they are operating now in the foreign trade between the United States and Europe, and they are operating at rates which are destructive to the American flag's future.

The problem, however, is not simply limited to the Eastern or Soviet bloc; it was only recently announced that 17 nations in the Caribbean would soon be banding together to form their own nationalized consortium for shipping. Again in that area, we cannot foretell what their policies will be, but we can only believe that they must have motives for forming such a consortium which must be inimicable to the future of our own merchant marine. The U.S. foreign trade is the largest element of foreign trade in the world, and yet it is the only really open element of foreign trade.

With a few minor exceptions, we exercise no prohibitions against flags of foreign nations participating in our foreign trade. Our Nation, therefore, faces a choice. The first choice is closing our foreign trade, going into closed conferences, restricting the right of new carriers to come into our trade. This choice is not acceptable to the free trade concept of the United States. It is not a choice that this country should make.

The second alternative is the legislation I have introduced today. The bill is a simple one, it in no way abridges the long-held policy of keeping our foreign commerce open. It does not set a rate floor; it does not set a rate ceiling; it allows flexibility in all ratemaking. What it does provide is that where national flag carriers between United States and any country, for example, Japan, have particular rates, then a third flag carrier coming into that trade cannot go below the lowest rates set by any national flag carrier unless the third flag carrier is first able to prove that the rate is compensatory on a fully distributed commercial cost basis.

This leaves complete freedom to the Japanese carrier to set his own rates and to the U.S. carrier to set his own rates, but it does not leave freedom to those who would use their merchant marine as an economic torpedo. This bill was considered in the last Congress, with two hearings having been held before the Merchant Marine Subcommittee of the Senate Commerce Committee.

I believe that it is not necessary that further hearings be held, but I believe that the chairman of the subcommittee and the chairman of the full committee will agree it would be well if this legislation were allowed to sit with the Commerce Committee for a period of 2 weeks, so that if anyone wishes to comment, they would have an opportunity to comment on this legislation before it is brought to the floor for a vote.

Finally, I would close by pointing out to the Members of the Senate that only recently the President of the European Economic Shipowners Association, not only endorsed this legislation, but stated:

> European Governments should follow the example of the third flag carrier bill now in the Washington's legislative mill.

Mr. President, I look forward to the most expeditious passage of this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 18 of the Shipping Act, 1916 (46 U.S.C. 817), is amended by—

(a) striking *deleting* from paragraph (2) of subsection (b) the phrase *clause*: "which results in an increase in cost to the shippers *shipper,";*

(b) striking *deleting* the second sentence of said paragraph (2), which reads: "Any changes in the rates, charges, or classifications, rules, or regulations which result in a decreased cost to the shipper may become effective upon the publication and filing with the Commission."; and

(c) inserting at the end thereof a new subsection (c), as follows:

"(c) From and after 90 days following enactment hereof, every *of this section, no* nonnational flag carrier in any given trade in the foreign commerce of the United States shall not maintain rates or charges in its tariffs filed with the Federal Maritime Commission in that trade that are lower than the lowest corresponding rate or charge of any national flag carrier in that trade unless said rate or charge is first determined by the Commission as provided herein to be compensatory on a commercial cost basis.

Whenever after said 90-day period there shall be on file or newly filed with the Commission by any nonnational flag carrier a rate or charge effective in that given trade and whenever such rate or charge in the given trade is lower than the lowest corresponding rate or charge of any national flag carrier, then such filing shall be rejected if newly filed, or deemed newly filed and rejected if on file pending a final determination by the Commission, after hearing, concerning the lawfulness of said rate or charge if the Commission, in its discretion, determines that such rate is probably not compensatory on a commercial cost basis either through its own investigation or upon a reasonable showing by a national flag carrier. However, the Commission may stay any such rejection at any time within 30 days after the filing of such complaint or issuance of such order, upon a good cause showing by the nonnational flag carriers that there is a reasonable probability that the nonnational flag carrier will be able to prove after hearing, that the rejected matter is not in violation of this subsection. When any such rejection is stayed or when any such rate or charge is approved after hearing, the rate or charge of the nonnational flag carrier may then become effective upon the date specified by the Commission but not earlier than its originally filed effective date. At any hearing under this subsection, the burden of proof to show that the rate or charge is not lower than the lowest corresponding rate or charge of any national flag carrier or that such rate or charge is compensatory on a commercial cost basis, shall be upon the publishing nonnational flag carrier. Rates or charges which have been rejected by the Commission are void and their use other than during a stay of rejection is unlawful unless authorized by the Commission after hearing as provided in this subsection. For the purposes of this subsection—

"(i) the term 'national flag carrier' means a common carrier by water operating vessels on regular berth services to and from United States ports of call that are documented under the laws of the United States or the other country in the given trade;

"(ii) the term 'nonnational flag carrier' means any common carrier by water operating in the given trade, other than a national flag carrier; and

"(iii) the term 'given trade' means the trade between the United States and another country.".

By Mr. FONG (for himself, Mr. Brock, Mr. Church, Mr. Domenici, Mr. Fannin, Mr. Hansen, Mr. Randolph, Mr. Stafford, and Mr. Williams):

S. 871. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the 65-year age limitation. Referred to the Committee on Labor and Public Welfare.

Mr. FONG. Mr. President, on behalf of myself and Mr. Brock, Mr. Church, Mr. Domenici, Mr. Fannin, Mr. Hansen, Mr. Randolph, Mr. Stafford and Mr. Williams, I am introducing today a bill, S. 871, which would amend the Age Discrimination in Employment Act so as to extend its provisions to persons over 65 as well as those between the ages of 40 and 65.

It is identical in language to a bill which I introduced as S. 2499 during the 93d Congress with cosponsorship by Senator Frank Church, the distinguished chairman of the Special Committee on Aging. I am especially pleased with the additional bipartisan cosponsorship which the proposal has today.

As ranking minority member of the Special Committee on Aging, I have shared with Senator Church and other committee members a deep concern about the way our society both overtly and insidiously imposes second class citizenship on many older Americans.

One of the most serious manifestations of this second class status comes from the practice of denying jobs to persons past 65 solely because of chronological age. For many this creates totally unjustified economic hardship. That such denials are often totally unrelated to productive abilities, experience and willingness to work has been repeatedly shown by job performance studies.

That we have a law which prohibits age discrimination in employment only below age 65, is in itself discriminatory because it could be interpreted as a legal and moral sanction for such discrimination after 65. This alone, it seems to me is a most valid reason for removal of the age ceiling in the Age Discrimination in Employment Act. I think it would be most unfortunate if this well-intended statute, because of its age 65 ceiling, should be used as an excuse by employers to deny job opportunities to older persons.

Employment studies are extensive showing capabilities and dependability of workers past 65. Many are extremely desirable employees. Equally clear is the fact that older Americans—both employed and retired—deeply resent rejection of any citizen's right to employment just because he or she happens to have had a certain number of birthdays. And that "65" should be the number is totally unsupportable on a scientific basis.

To the extent that age discrimination prevents employment among persons over 65 who are able and willing to work—and there may be tens of thousands—our Nation suffers a loss in wealth which their voluntary use of skills and experience can produce. At a time when America is faced with shortages of many goods and services, this becomes especially shortsighted.

Even more important to the individual is the way in which age discrimination in employment after 65 can interfere with abilities of older persons to supplement other income through work, either part time or full time. How we, as a nation, can continue such arbitrary interference with the rights of older Americans to help themselves to acquire necessities and comforts of life is a matter which, in my judgment, is incapable of defense.

Beyond economic factors in employment discrimination based on age is the relationship it can have on the older person's health. For many individuals past 65, the psychological, emotional, and physical benefits to be derived from continued involvement in our Nation's productive activities can be even more important than the money they earn. We have no right to permit denial of their rights to such fulfillment.

Support is lent to this view by a recent statement of the American Medical Association's Committee on Aging. The AMA committee said:

> The increase in life expectancy and higher health levels will prove of little benefit to man if he is denied the opportunity to continue contributing his skills at a certain chronological age, whether this be 45, 65, or 85 years.

This medical view with reference to the health of older persons is reinforced by the frequently expressed opinions of older Americans themselves.

Currently Federal law does prohibit job discrimination based on age for persons from 40 through 64 by Government employers and employers of 20 persons or more. I believe that similar protection should be extended to persons past 65. This is what our proposal would do.

Employment discrimination based on age, is somewhat more complicated than discrimination based on race or sex—especially in enforcement of laws against it. It is also true that problems such discrimination creates are less dramatic than some other problems related to aging. Neither of these considerations, however, excuses delay or inattentiveness to the principle of equal employment opportunities for both the middle-aged and the old.

A recent report by the National Council on Aging, "A Comparative View of Services to Age Groups as reported in the Employment Security Automated Reporting System", stated:

> There are numerous barriers to employment of the worker over 40. Most are based on the irrational beliefs of employers, personnel managers—and sometimes the workers themselves—about the capabilities and potentials of the middle-aged and older worker. The data presented here demonstrate that this age group receives proportionately less service from the public Employment Service than do younger applicants seeking jobs.

It is imperative that America reexamine its employment and retirement policies—both overt and subtle—to the end that all persons, regardless of age, have the clear right to participate in the productive activities on which our total wealth ultimately depends.

An enlightened policy of work opportunity for older Americans who want gainful employment will benefit us all, young and old. Today's worldwide inflation, for example, is partly due to shortages of goods and services generating from rapid acceleration of demand in almost all nations. At least some of this demand-supply imbalance could be alleviated through use of skills offered by older persons who are denied the chance to work solely because of age.

There should be ample opportunity for retirement by older Americans, but such retirement should be with dignity, honor, and income adequacy. At the same time, we should make every effort to assure that such honorable retirement policies are not used as an excuse to deny work opportunities to able persons who want to continue in gainful employment.

Members of the Special Committee on Aging and most other Members of Congress, I believe, understand the seriousness of our need for fair employment practices related to age and for more enlightened retirement policies. The need for action, however, goes beyond legislative initiatives. We need to develop an entirely new attitude toward older people and their right to work in all parts of society—employers, Government, labor unions, educators, public opinion makers.

I believe that the Federal Government nonetheless does have a responsibility to provide leadership toward more sensible, more humane employment and retirement practices. This begins with legislation and vigorous implementation of legislation by the executive branch. These initiatives are essential to creation of the new attitude toward aging and employment which needs to permeate the whole fabric of our society. Enactment of S. 871 will be a step in this direction.

Mr. WILLIAMS. I am pleased to join Senator FONG, in sponsoring legislation which would amend the Age Discrimination in Employment Act so as to extend its provisions to persons age 65 and over.

As the former chairman and now ranking member of the Special Committee on Aging, I have long supported efforts to encourage the employment of older Americans. I was an original sponsor of the Age Discrimination in Employment Act of 1967.

This act had a three-fold purpose:

To promote employment of older persons based on their ability, rather than age;

To prohibit arbitrary age discrimination in employment; and

To help employers and workers find ways of meeting problems arising from the impact of age on employment.

Recent studies by the Senate Aging Committee and the Department of Labor indicated a need to strengthen and expand the provisions of the act. Last year, Congress enacted three measures which I sponsored designed to strengthen and improve the act by:

First, extension of coverage to Federal, State, and local government employees;

Second, broadening of the application of the act to include private employers with 20 or more employees; and

Third. Increasing the authorized funding level to strengthen enforcement activities.

Currently, the act does prohibit job discrimination based on age for persons from age 40 through 64. The next logical step is to extend similar protection to persons past 65. This is what our proposal would do.

Increasing complaints have been generated by those affected by the limitation during the more than 7 years of experience under the law. These complaints stem from the tendency in society to overlook the ability, experience and contributions associated with age in favor of youth.

The fact that the law only covers persons below age 65 may reinforce the trend toward decreasing participation of persons 65 and over in the labor force. In 1960, the participation rate for men 65 and over was 32.2 percent and by 1971, it had dropped to 24.6 percent. This rate is projected to drop even lower in the next decade.

It is argued that this trend should be encouraged since it is the natural result of an increasingly leisure-oriented society which is providing increased social security retirement benefits supplemented by private or public pensions. However, this argument does not square with the facts.

For the past 3 years, we have investigated and studied the private pension system in the Senate Labor Committee. Our investigations show that many older Americans did not collect their expected benefits even after long years of service under a private plan.

Many workers fell prey to the eligibility requirements buried in the fine print of the pension contract. While others lost their benefits when their plan was terminated after the sponsoring company was sold, merged or moved out of their locality.

Time and again, we learned about people who spent their entire working life—20, 30 or even 40 years—looking forward to retirement, only to see their pensions disappear to causes beyond their control.

To prevent such hardships in the future, we recommended and Congress enacted the new standards of the Employee Retirement Income Security Act of 1974 for private plans. But for those who have already lost benefits or for those with inadequate benefits, employment after 65 is the only answer.

Unfortunately, many barriers exist today for older Americans who want to remain active during their later years. Age discrimination exists because so many people in this Nation are victims of misinformation and their own prejudices.

They believe without the benefit of facts that skills or abilities always decline after a certain age. They are quick to assume that older employees should be removed "to make way for the young." They fail to understand the vital need for experienced workers and executives in almost any work setting and their contributions to the economy.

Clearly, no employee should remain in a position if he or she cannot meet its demands and the law recognizes this fact.

However, no employee should be forced out of a job opportunity simply because of reaching a certain age.

Such judgments should be made on the basis of the facts, not blanket assumptions. Age discrimination can take many forms. Want ads blatantly set age limits for new applications. A job description can exert a subtle form of discrimination by setting qualifications that are appropriate for young workers but completely irrelevant for someone with 30 years of experience.

Our Nation is the big loser when the varied talents and experience of older workers are overlooked or ignored.

This measure is designed to insure older Americans will be judged on the basis of their own individual merits and ability. This is nothing more than any other American worker can expect.

By Mr. HATFIELD (for himself and Mr. ABOUREZK):

S. 872. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates. Referred to the Committee on Post Office and Civil Service.

Mr. HATFIELD. Mr. President, under title 39 of the United States Code, preferred postal rates are allowed to certain categories of "qualified nonprofit organizations." By amendment in 1962 and in 1967, Congress extended this privilege to State highway and development agencies.

The legislation which I propose today will further broaden title 39 to include publications of State conservation and wildlife departments and would, at present, cover some 45 periodicals. It should be noted that only two of these periodicals carry any advertising at all, and that the remainder depend for their existence on fees paid by readers and/or fees paid to the conservation agency by users of the outdoors. Despite this narrow financial base and solid emphasis on informational matter, these magazines must presently travel through the mails at the same rate paid by commercial magazines, all of which have advertising revenues.

The legislation I propose is identical to a measure introduced in the House by Congressman WILLIAM D. FORD, and would permit needed conservation revenues, now spent on mailings, to be rechanneled into fish and wildlife conservation programs. Moreover, this legislation should lead to an expansion in scope and dissemination of these magazines, thereby markedly increasing available opportunities for environmental education. Mr. President, I ask unanimous consent for the text of my bill to be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 872

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3626 of title 39, United States Code, is amended by inserting "(a)" immediately before "If the rates" and by adding at the end thereof the following new subsection:

"(b) In the administration of this section, one conservation publication published by an agency of a State which is responsible for management and conservation of the fish or wildlife resources of such State shall be considered a publication of a qualified nonprofit organization which qualifies for rates of postage under former section 4358(d).".

SEC. 2. (a) Section 2401(c) of title 39, United States Code, is amended by striking out "3626" and inserting in lieu thereof "3626(a)".

(b) Section 3627 of title 39, United States Code, is amended by striking out "3626" and inserting in lieu thereof "3626(a)".

By Mr. GARY W. HART:

S. 875. A bill to authorize the Secretary of Housing and Urban Development to make direct low-interest loans to assist homeowners and builders in purchasing and installing solar heating—or combined solar heating and cooling—equipment. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. GARY W. HART. Mr. President, this country has committed itself to a goal of achieving energy independence by reducing imports of expensive foreign oil. Many of the programs which have been proposed to achieve this goal unfortunately would have adverse impacts on both the Nation's economy and the environment. The development of solar energy, however, is one way this country can reduce its dependence on foreign oil without disrupting the economy or polluting the environment. The bill I am introducing today will further that development by establishing low-interest loans to finance the construction of solar heating and cooling in private homes and in multifamily apartments. The attraction of this bill is that once the system is installed and the loan is paid for, the cost of solar energy to the individual homeowner, as well as damage to the environment, is virtually nil.

Solar energy for heating and cooling should prove to be an important contribution to energy self-sufficiency in the short term and could supply a large fraction of new energy requirements in the long run. The Solar Energy Task Force report, recently released as part of the Federal Energy Agency's Project Independence Study, maintains that solar heating and cooling is capable of producing the energy equivalent of 260,000 barrels of oil a day by 1985. At projected prices of $11 per barrel, a balance-of-payments saving of $1.04 billion per year would be realized. By 1990, this potential savings rises to 700,000 barrels per day and an annual balance-of-payments saving of $2.8 billion per year. The FEA report maintains however, that energy savings of this magnitude can be realized only if the United States adopts an "accelerated development effort" for solar energy.

Power for solar home and water heating is not a fictional energy source of the future. Solar power can be tapped with today's technology. As long ago as 1972, before the so-called energy crisis, a National Science Foundation panel on solar energy stated that—

> There are no technical barriers to the wide application of solar energy to meet U.S. needs.

As the FEA solar task force report concludes:

> There appear to be no insurmountable technical barriers to the implementation of solar energy systems, and several systems show early promise to achieving cost competitiveness with conventional systems. Solar energy systems, moreover, would conserve domestic fossil fuels and reduce dependence on imports while creating new exportable technology products, thus improving the U.S. balance of trade. Sociological and environmental impacts resuling from the utilization of solar energy systems are expected to be relatively small. Development of solar energy systems will provide producers and users of energy with alternative choices of energy supplies.

Solar energy must now be taken from the demonstration stage and placed in American homes. The administration does not seem prepared to make that commitment. In fact, the President's entire energy package contains only one passing reference to solar energy. It alludes to the need for further research and development of technology for all forms of energy, including fossil fuels, nuclear fission and fusion, solar and geothermal.

Obviously, it is now up to Congress to complete a wide-ranging solar energy program by passing legislation to promote the use and implementation of existing solar technology.

The last Congress initiated that effort by passing two major bills: the Solar Heating and Cooling Demonstration Act (Public Law 93-409), and the Solar Energy Research, Development, and Demonstration Act (Public Law 93–473). Support for these solar energy measures cut across lines of party and political ideology.

At present, two barriers keep this country from realizing the potential of solar heating and cooling. First, current unsubsidized solar energy must compete with conventional energy sources which are subsidized by the Government. Second, although solar heating and cooling systems cost virtually nothing to operate, construction and installation of such systems involve significant amounts of front-end capital. A potential consumer, willing to buy and install a solar unit economically competitive with alternate technologies, most likely will have difficulty in obtaining sufficient front end capital in today's tight money market.

Today, I am introducing a bill which will eliminate these barriers by providing a short-run boost to the development of solar power in the form of low-interest Government loans. The interest rates on these loans will be pegged to the rate at which the Federal Treasury can borrow money. Thus, the long-term effects on the U.S. economy and the national debt will be minimal. Such loans will be available to both individual homeowners and to persons engaged in building residential structures. Consequently, the loan program will have a broad impact on the home improvement, residential, and apartment construction industries.

Unlike many incentive programs which use tax rebates or tax exemptions, this program will not benefit the rich at the expense of the poor. Use of the tax system to enhance demand by providing subsidies for various sectors of the economy have had an unpleasant history of destroying the progressive character of our tax system. As a result of tax loopholes that allow the rich or special interests to escape carrying their share of the tax burden, public confidence in our tax system has been eroded. Loan programs do not have this drawback. They produce equal incentives to a wider range of income groups.

I have calculated the expense that homeowners and builders will incur if they use the low-interest loan program to finance the purchase and installation of solar heating and hot water equipment for a single-family home. Using December 1974 energy prices, I have compared these expenses with the cost of oil and electricity replaced by solar equipment. The results of that comparison are indicated in a table which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Region	Average energy costs per 10^6 Btu			Typical yearly energy bill for alternative systems			
						70 percent solar with 30 percent oil	
	Oil [1]	Electricity [1]	Solar [2]	100 percent oil [1]	100 percent electric [1]	1st 8 years [2]	After 8 years [1]
North East	$4.13	$14.07	$5.95	$547	$1,647	$633	$144
Middle Atlantic	3.77	12.02	5.95	414	1,322	566	124
East North Central	3.61	9.91	5.95	542	1,238	684	163
South Atlantic	3.84	7.56	5.95	307	605	425	91
West North Central	3.74	8.47	5.95	411	932	682	123
East South Central	3.63	6.15	5.95	235	399	341	70
West South Central	3.63	7.85	5.95	106	228	152	31
Mountain	3.83	8.44	5.95	421	929	586	127
Pacific	4.19	8.50	5.95	159	323	205	47

[1] These numbers do not include the capital cost of conventional equipment. Fuel costs are based on a Bureau of Labor Statistics survey conducted in December 1974. Conversion efficiency rates of 0.7 and 1 were assumed for oil and electricity respectively.

[2] The dollar figure comprising the cost of solar energy represents purchase and installation costs of a solar energy system using the proposed low interest loan financing with an 8-year amortization. Expenses therefore cease after 8 years. The calculations also assume $7 per square foot solar costs and FEA Solar Task Force Thermal data.

Mr. GARY W. HART. Mr. President, these calculations demonstrate that solar heating, when amortized over 8 years, is considerably cheaper than electric heating and is only slightly more expensive than oil. Solar energy is actually more economical when one realizes that after 8 years when the loan has been paid off, solar energy expenses will be virtually zero. Furthermore, once the equipment has been purchased and installed, solar expenses will not rise. Oil and electricity prices, on the other hand, will inevitably be subject to dramatic increases as resources continue to diminish in the next few years. For example, the administration's proposed cut in foreign oil imports will result in a 20-percent increase in heating oil and electricity prices over just a few months.

I am very pleased to have been able to work with Congressman GUDE who will be introducing similar legislation in the House.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 875

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS AND PURPOSE

SECTION 1. (a) The Congress finds that the heating and cooling of private homes accounts for a significant portion of our national energy consumption, and that the expected substantial increases in the cost of oil, gas, and electricity will significantly and adversely affect millions of American homes. The Congress further finds that, with technologies for solar heating having developed to the point of commercial application and improved solar heating units becoming increasingly available, and with technologies for solar cooling expected to reach the point of commercial application within a relatively few years, a program of Federal assistance in purchasing and installing solar heating equipment or combined solar heating and cooling equipment can provide a new opportunity for the efficient heating and cooling of homes despite the energy shortage.

(b) It is the purpose of this Act to provide a source of financial assistance for homeowners and builders to enable them to purchase and install solar heating equipment or combined solar heating and cooling equipment while substantially reducing energy use.

AUTHORIZATION OF LOANS

SEC. 2. (a) In order to carry out the purpose of this Act, the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") is authorized to make loans as provided in this section to individuals and families owning and occupying one- to four-family residential structures, and to persons engaged in the construction of residential structures of any kind, to assist them in purchasing and installing qualified solar heating or qualified solar heating and cooling equipment in such structures.

(b) A loan made under this section with respect to any residential structure shall—

(1) be in such amount, not exceeding 75 percent of the cost of purchasing and installing the equipment involved, and not exceeding—

(A) $6,000 in the case of a one- to four-family structure,

(B) $5,700 per dwelling unit in the case of a multifamily structure containing 5 or more but less than 25 such units,

(C) $5,400 per dwelling unit in the case of a multifamily structure containing 25 or more but less than 100 such units,

(D) $4,840 per dwelling unit in the case of a multifamily structure containing 100 or more but less than 200 such units, or

(E) $4,500 per dwelling unit in the case of a multifamily structure containing 200 or more such units,

as may be necessary to enable the owner or builder of such structure to purchase and install qualified solar heating or qualified solar heating and cooling equipment which is suitable and appropriate for such structure, including the cost of any necessary modifications in the structure itself, taking into account the climatic, meteorological, and related conditions prevailing in the region where the structure is located, as established by the Secretary in regulations prescribed by him and in effect at the time of the loan;

(2) bear interest at a rate equal to the average market yield (computed as of the end of the calendar month preceeding the month in which the loan is made) on all marketable interest-bearing obligations of the United States then forming a part of the public debt, (with such average yield, if not a multiple of one-eighth of 1 per centum, being adjusted to the nearest such multiple), plus one-half of 1 per centum for administrative costs;

(3) have a maturity not exceeding—

(A) 8 years in the case of a one- to four-family structure, or

(B) 15 years in the case of multifamily structure,

except that if the loan is made to the builder of a structure which is sold to another person for occupancy, rental, resale, or any other purpose, the maturity of the loan shall not extend beyond the date of the sale to such other person; and

(4) be subject to such additional terms, conditions, and provisions as the Secretary may impose in order to assure that the purpose of this Act is effectively carried out.

(c) Each application for a loan under this section shall be accompanied by detailed plans for the purchase and installation of the proposed equipment and an estimate of the costs involved. No such application shall be approved unless the Secretary finds that the proposed equipment is suitable and appropriate and will be effective, that the costs will not be excessive, and that the purchase and installation of the equipment will not involve elaborate or extravagant design or materials.

(d) In making loans under this section, the Secretary shall impose such standards and take such actions as may be necessary or appropriate to assure that the funds provided for such loans under section 6 are allocated equitably to both one- to four-family structures and multifamily structures.

QUALIFIED SOLAR HEATING AND QUALIFIED SOLAR HEATING AND COOLING EQUIPMENT

SEC. 3. (a) For the purpose of this Act—

(1) the term "qualified solar heating equipment" means equipment which utilizes solar energy to provide heating for a residential structure (including all necessary fittings and related installations) and which is certified by the Secretary—

(A) as being designed to meet more than 40 percent of the total heating needs (including domestic hot water) of the type of structure for which it is intended, or substantially all of the needs of such a structure for domestic hot water (where its remaining heating needs are met by other methods), and

(B) as meeting minimum standards (as developed under the Solar Heating and Cooling Demonstration Act of 1974 (Public Law 93–409)) with respect to durability of parts, efficiency, ease of repair, availability of spare parts, acceptability of cost, technical feasibility of design or proven workability, and such other matters as the Secretary may consider relevant or appropriate; and

(2) the term "qualified solar heating and cooling equipment" means equipment which utilizes solar energy to provide both heating and cooling for a residential structure (including all necessary fittings and related installations) and which is certified by the Secretary—

(A) as being designed to meet both the heating needs of the type of structure for which it is intended, to the extent required by paragraph (1)(A) of this subsection, and substantially all of the cooling needs of such a structure, and

(B) as meeting minimum standards (as developed under the Solar Heating and Cooling Demonstration Act of 1974 (Public Law 93–409)) with respect to the matters specified in or under paragraph (1)(B) of this subsection.

(b) In carrying out its functions under the Solar Heating and Cooling Demonstration Act of 1974 and in support of the objectives of this Act, the Energy Research and Development Administration shall—

(1) establish a mechanism or procedure (or both) for the inspection and evaluation of each type or model of solar heating and solar heating and cooling equipment, making provision for dealing with applications received from manufacturers and for the consideration of comments received from homeowners already using such equipment,

(2) review each new solar heating or solar heating and cooling unit, system, or component entering the maket,

(3) periodically (no less often than once every three years) review all outstanding certifications granted with respect to solar heating or solar heating and cooling equipment, and recommend the prospective rescission of such certifications (or appropriate modifications in the equipment involved) whenever it finds that such equipment no longer meets applicable standards or criteria,

(4) periodically transmit its findings and recommendations under this subsection to the Secretary for use in the performance of his functions under subsection (a) of this section, and

(5) take such other actions, and impose such other conditions and requirements, as will promote the objectives of this Act.

DISSEMINATION OF INFORMATION

SEC. 4. The Secretary shall provide to any person upon request by that person (without regard to whether or not such person is making or proposes to make application for a loan under section 3) full, complete, and current information concerning recommended standards and types of qualified solar heating or solar heating and cooling equipment appropriate for use in residential structures of varying sizes and types and in various regions of the country.

PENALTIES

SEC. 5. Any person who makes any false statement or misrepresents any material fact for the purpose of obtaining a loan under this Act, or who violates any provision of this Act or of a loan contract entered into under this Act, shall be fined not more than $1,000 or imprisoned not more than 1 year or both.

APPROPRIATIONS; REVOLVING FUND

SEC. 6. There are authorized to be appropriated not to exceed $100,000,000 to provide an initial amount for the program under this Act, and such additional sums thereafter as may be necessary to carry out such program. Amounts appropriated pursuant to this section and any amounts received by the Secretary as repayments of loans made under this Act shall be placed in and constitute a revolving fund which shall be available without fiscal year limitation to the Secretary for use in carrying out this Act.

EFFECTIVE DATE

SEC. 7. The authority of the Secretary to make loans under this Act shall become effective six months after the date of the enactment of this Act, and shall expire ten years after such date. Upon the expiration of such ten-year period, the revolving fund established under section 6 shall be transferred into the general fund of the Treasury, and any amounts received thereafter as repayments of loans shall be paid into the Treasury as miscellaneous receipts.

By Mr. ABOUREZK (for Mr. JACKSON and Mr. FANNIN) (by request):

S. 876. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1976. Referred to the Committee on Interior and Insular Affairs.

Mr. ABOUREZK. Mr. President, I introduce for appropriate reference a bill to authorize appropriations for the Indian Claims Commission for fiscal year 1976, pursuant to a 1972 amendment to section 6 of the Indian Claims Commission Act. That public law required the Commission to submit to Congress an annual authorization for its appropriations; a report reflecting the progress on the remaining cases; and a projected date for the completion of such cases.

I plan to call hearings on this legislation before the Subcommittee on Indian Affairs at an early date to take testimony from the Commission members and other interested individuals regarding the Commission's authorization request for the 1976 fiscal year.

I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 876

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is authorized to be appropriated to carry out the provisions of the Indian Claims Commission Act, 25 U.S.C. § 70, during fiscal year 1976, such sums as may be necessary to continue the program of the Indian Claims Commission.

By Mr. MONTOYA (for himself, Mr. DOMENICI, and Mr. ABOUREZK):

S. 877. A bill to direct the Secretary of the Interior to purchase and hold certain lands in trust for the Zuni Indian Tribe of New Mexico; to confer jurisdiction on the Court of Claims with respect to land claims of such tribe; and to authorize such tribe to purchase and exchange lands in the States of New Mexico and Arizona. Referred to the Committee on Interior and Insular Affairs.

Mr. MONTOYA. Mr. President, it is my pleasure to introduce today, with the cosponsorship of my colleague from New Mexico (Mr. DOMENICI) and the distinguished chairman of the Indian Affairs Subcommittee, the Senator from South Dakota (Mr. ABOUREZK), legislation which will move toward allowing a great injustice to be rectified. The white man's propensity for taking Indian land, followed by years of neglect and oversight, have resulted in the Zuni Pueblo of New Mexico being deprived of nearly 5 million acres of land and eventually of their opportunity to file an aboriginal land claim. The legislation which we are introducing today, if it is passed by the Senate and the House, will allow this independent and proud band of American Indians to seek justice before the U.S. Court of Claims.

THE ZUNI SALT LAKE

This legislation would do two things. First of all, it would provide for Zuni control of 560 acres of land which has sacred religious significance to the Zuni Indian Tribe. These acres surround the sacred Zuni Salt Lake, land which, for reasons unclear to us, was not included within the Zuni Reservation when, in 1877, President Rutherford B. Hayes set aside a very small Zuni Reservation. Subsequent requests, of record as early as 1880, that the small acreage of special significance be added, have gone unheeded.

The history books and legend prove that for several hundred years, the Zuni Indian Tribe has gathered salt from the Zuni Salt Lake. Over the centuries, the salt was valued not only for its use in Zuni homes, but as an item of trade. Sylvester Baxter, a Boston newspaper reporter, said in 1882 that—

> In recognition of the ownership of the Zunis in this lake, other Indian tribes who get there have always paid them toll for the privilege, and the lake has been a considerable source of revenue for them.

After Coronado had conquered the Zuni Pueblo in 1540, he reported with apparent surprise that within the village there was "salt, the best and whitest I have ever seen in all my life," noting that the salt had been brought from "a lake a day's journey distant."

History books record that, over the centuries, the Zunis built structures around the lake for priests and believed the lake to be very sacred. The interior of one of the volcanic peaks which rises out of the lake is considered especially sacred, and only a chosen few of the priesthood were allowed to descend into the crater.

The legislation would direct the Secretary of the Interior to acquire the 560 acres of land immediately surrounding the Zuni Salt Lake, from the State of New Mexico who, by my understanding, are willing to trade this land and to hold that land in trust for the Zuni Indian Tribe. Five years ago, the Zuni Indian Tribe paid $250,000 to acquire the right to mine salt, which right, as I read the history books, was probably theirs already. It is now time to restore to them the few hundred acres surrounding the lake.

This beautiful and sacred piece of nature should be supervised and looked after by its proper caretakers, the Zuni Indian Tribe.

ABORIGINAL LAND CLAIM

Second, this legislation would allow the aboriginal land claims of the Zuni Indian Tribe to be litigated before the U.S. Court of Claims and, if the Court of Claims finds merit in their claim, to order compensation to be paid.

When the Indian Claims Commission was created in 1946 to hear such claims from all tribes, there was provided a five-year statute of limitations. For reasons which are not completely clear, the Zuni Indian Tribe failed to file such a claim. The Zunis are the only tribe with a significant claim known to have neglected to file for consideration.

In explanation, there are allegations against some of the Zuni officials. But the facts are these: A new Zuni administration consisting of Conrad Lesarlley, Governor, and seven others, was installed on April 11, 1951. And on that same date a letter was sent to the area Director of the BIA signed by Governor Lesarlley, the Lieutenant Governor, and the head Teniente. This letter informed the area BIA Director that—

> The Zunis do not believe that we have a claim be filed; however, if we should at a later date discover that we have a claim, we shall notify you immediately.

Governor Lesarlley later reported that he thought the letter he signed had something to do with homestead allotments. It is obvious that the tribe did not understand the implications of its actions.

Further details, together with documentation, are available in a paper prepared by Dr. Richard Hart of the American West Center at the University of Utah in Salt Lake City. Mr. President, I ask unanimous consent that the paper "Factors Relating to Zuni Land 1900–51" be inserted in the RECORD at the conclusion of my remarks in its entirety so this matter might be documented to the fullest extent.

Mr. President, equity and justice demand that this oversight be corrected and that the claim for aboriginal land rights of the Zuni Indian Tribe be heard before the proper tribunal and decided upon its merits.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FACTORS RELATING TO ZUNI LAND, 1900–51

(By Richard Hart, Prepared for the Zuni Pueblo)

I. ENCROACHMENT ON ZUNI LANDS AND DEPREDATIONS COMMITTED AGAINST THE PEOPLE

Shortly after the Zunis' Reservation was formed in 1877, the Pueblo's leaders had protested that it was entirely too small, and should extend, at least, to include the Zuni Salt Lake, some thirty miles below the bottom tip of the reservation line in order to begin to encompass their territory.[1] But their plea went unheard and what land they were legally entitled to was inadequately surveyed and the boundaries were unmarked. They had lost a great deal of their land and water, not to mention religious shrines and sacred places, but they did not know how much until the twentieth century. Much of what was no longer legally theirs, was still used by the people well into the twentieth century, for grazing, farming, hunting, and religious purposes. But all of their lands were constantly subject to trespass and depredation, both in the nineteenth and twentieth century.

In 1906 it was reported that the Zunis were being prevented from gathering salt from the Zuni Salt Lake. They had gathered salt there for centuries. It was in their former territory, but now, as western New Mexico was becoming more heavily populated, a New Mexican had leased the lake and was hindering the Zunis' age-old source of salt, besides restricting an important religious shrine.[2]

In 1908 there were pressures from settlers in Arizona to use water stored for the Pueblo behind a dam recently constructed on the Reservation. The Governor of Arizona was enlisted by the settlers in the effort and the Commissioner of Indian Affairs was considering the idea favorably. But the man who had built the dam, and who was incidentally dedicated to improving the agricultural condition of Zuni lands, protested. This engineer, John B. Harper, was influential in saving this water for the tribe.[3] The dam proved ineffective, though, and in the next few years filled with silt because of inadequate silt-control measures.

In the following year the Governor of Zuni, Dathlana, wrote to the Commissioner of Indian Affairs in attempt to explain some of the people's problems. He averred that there was trespassing occurring on the Zunis' lands and complained of the agent's inaction in preventing the encroachment.[4]

In April of 1910 the agent assigned to the Zunis wrote to the Commissioner of Indian Affairs that, "The Mexicans are crowding in on the south, the Mormons on the east and the Navajos on the north and west, and the Zunis are fearful lest everything be taken up and they crowded into their little reservation which is entirely inadequate to their needs."[5] The next month the agent explained that land used by the Zunis traditionally was being taken by Navajos. "The land has been pastured for a great many years by the Zuni Indians but the Navajos have come in recently and taken possession of the same." He continued that the Zunis were coming to believe that "Washington does not like them any more."[6]

In 1912 a delegation of Zunis, including Governor William J. Lewis, his wife Margaret A. Lewis, who acted as interpreter, and Dick Tsanaha traveled to Washington, D.C., to issue a statement concerning some of the people's problems. A few of their problems included encroachment on Zuni land by Navajos, white squatters living on Zuni land, and the delegation asserted that "the Mexicans who are in the neighborhood allow their stock to come on to our reservation and destroy the crops to the detriment [sic] of our own grazing." Some Spanish speaking settlers, it was mentioned, had built a house on the reservation and the BIA Supervisor of Stock refused to evict them. The official was charged with being prejudiced against the Indians.[7]

In 1912 a new superintendent, Robert J. Bauman, was assigned to the Zuni Pueblo. The Zuni people remember Bauman as being aloof and unsympathetic to the people's needs.[8] Early in 1913 Bauman responded to the charges of trespassing on the reservation. He said that there were no Mexicans trespassing in either of the farming areas around Pescado and Ojo Caliente. The Mexicans complained of by the Zunis, Bauman reported, lived miles off the reservation and the Zunis were in the habit of ranging their cattle outside of their reservation in that area. Whites did occasionally water their cattle near Nutria Springs, he said, but they made a good effort to keep their stock off reservation land.[9]

In 1916 a Special Agent inspected the Zuni Reservation. Part of his remarks were directed at depredations committed against the Indians. "I presume," he said, "that the Indians do not really know the number of horses and cattle they lose yearly from stealing and killing of their stock. . . . The Superintendent reports that horse and cattle thieves range that section. Where cases of theft have been promptly reported, some of the thieves have been caught, but that is the exception."[10]

One noted author commented on the Pueblos' status in New Mexico's courts. Leo Crane suggested that the Pueblo Indians had practically no recourse against trespassing herds. While all they could do was to drive intruding stock off their land, if they were caught trespassing, it almost certainly meant imprisonment.[11]

In 1920 it was reported that cattlemen and others in the area surrounding the Zuni Reservation were attempting to gain control of part of the Zunis' water rights.[12]

In the early 1940's the Zunis' reservation was fenced, thus eliminating some of the trespassing on their lands.[13] But a memorandum dated May 27, 1943, which was enclosed with a series of reports on the United Pueblos Agency sheds light on the state of affairs at Zuni. It reads in part, "The one on Trespass has been intentionally softened since we know that especially at Zuni, considerable trespass has taken place of which we had knowledge. Thought if this was brought out too strongly, the Agency could be accused of not properly administering the lands by permitting trespass to continue. This article has been written with the intention of justifying the Agency's action, or lack of action."[14]

II. FACTORS RELATING TO ZUNI FACTIONALISM

Throughout the period from 1846 to about 1865 it had been in the interest of the United States Military to maintain an alliance with the Pueblo of Zuni. In the early years the posts and expeditions in what was considered the frontier needed the Zunis not only as guides and allies in military operations, but also to supply food in the form of corn for both men and animals. But with the suspension of Navajo/U.S. hostilities and Bosque Redondo a new pattern of relationships with the Pueblo began to form. By 1880 there were several groups of interested parties representing the United States at the Pueblo often with divergent aims and methods. Among them were missionaries, ethnologists as well as the military.

Footnotes at end of article.

In 1879 Frank Hamilton Cushing arrived at the Pueblo and embarked on a project to study the Zuni people's culture and religion for the Smithsonian Institution under Major John Wesley Powell. At about the same time, a permanent teacher was appointed to live at the Pueblo, with authority from the government through the Presbyterian Board of Home Missions. Cushing was concerned with the way the Zuni Tribal Government worked, and was in fact a member of the Priesthood of the Bow, in which capacity he took part in the tribal judicial process of trying those accused of crimes. The teachers were interested in converting the Indians to Christianity and substituting the laws and processes of the United States for those of the tribe. Often there was conflict.

The earliest mention of conflict was in 1881 when the teacher, T. F. Ealy, reported to Agent Ben M. Thomas that Cushing was interfering with the school.[15] Shortly thereafter, Ealy was replaced by Samuel A. Bentley. The year before Thomas had given Cushing authority "to aid the Native Chiefs, and to insist upon both his [Thomas'] own, and my [Cushing's] authority, in vindicating and carrying through their mandates."[16]

Cushing explained the controversy which developed.

"At the time, there was a refractory convert of the Mormons named *Wa'mu'n* or, in Mexican, Roman [Ramon] Luna, who ever since his conversion, had denied the authority of all the chiefs and Council of Zuni and who refused on the grounds of his Mormon claims, to listen to the commands of either 'Washington,' or any of his emissaries. He went off to his farm at Pescado, and refused to either submit or come to the agent. Dr. Thomas being compelled to leave without seeing him, gave directions to me before the council to bring him, with the aid of the chiefs, to terms, and make him pay the penalty of his disobedience, by twenty days of hard work, or by furnishing wood to the Mission. He promised, in case the man proved refractory, to either furnish me irons, or request the Commanding Officer of Fort Wingate to do so. Roman being informed of this, sent a message of defiance to me, saying that, if I came after him, he should kill me, or die himself. As the head of Fire of the Chiefs, I started the day following for Pescado.

"Arriving, I entered the house in which Roman was living, without opposition, offered the cigarette of Peace,—which he accepted,—told him I had come after him, accepted no refusal, and took him back to the Council. All of the Chiefs were present, and gave with myself, the order that he should get a four ox team wagon load of wood for the mission. The debate was hot but he acceded. I gave the man his own time. Several months passed by. Roman began to talk again, and went off to visit the Mormons one of whom, named Samuel Tenney told him they would back him up, and he again became defiant, saying that he had refused the Council, and that any Zuni who listened to its voice would be a fool. At this time, contrary to the orders of the Head Chief, my 'brother,'[17] he permitted a Navajo to plant and pasture his sheep on the Reservation, and became so impertinent as to personally oppose my entrance into one of the Summer Ceremonials. I had the War Caciques and Chief shut him up, entered and soon after sent into the Post for the Handcuffs, which were in due time given me. I then called a Council to which we had to bring Roman by force. He at first refused our commands, but afterward promised to abide by them.

"During my absence in the Coconino Country he became desperate and unruly again, seizing another man's Peach orchards, on the claim that they belonged to him by right of Gentile descent. On my return, I was informed of this and begged by my brother Chiefs to assemble another council. I told them to wait my movements; meanwhile Roman again reported that he should kill either the Governor or myself, if we again entered his house, to call him to Council. I immediately ordered a Council to be heralded, and Roman not coming in, I started alone for his house. He had loaded a gun and placed it in the corner of his room. I entered and commanded him to come to the Council. At first he refused, making a start for his gun; but I laid my hand roughly on his arm commanding to come or he should be bound and brought by force. He followed me. He again came to terms and I gave him ten days in which to execute his promise. The ten days passed and meanwhile, Lt. Bourke came to pay me a visit before his return Eastward. He had a small detachment of soldiers with him. Roman, without reference to this prepared his arms and said he intended to kill me. Learning this, I informed Lieutenant Bourke of the state of affairs, showing him a letter from General Sherman which you kindly had him write for me. . . .

I asked him if I could call on him for his moral support, and he replied that I certainly could, as a measure of protection. Accordingly, on the evening of the 28th inst. we filed out, and drew up before the house of Roman, backed by and by the request of all the council, which assembled for the purpose. A dance inside was the occasion for some delay, when suddenly, Roman armed with an immense rifle, sprang up through the roof and cocking it leveled it at my breast, calling out that "I should die that night, and that then he should. That he was ready." I commanded him in a loud voice to 'come down, or I would fetch him down.' A second command, (when he saw that I did not flinch,) brought him to the ground; when the lieutenant and his men disarmed him, and marched him off to the House of the Governor, where we made him acknowledge before the Council his obligations to the Great Father, the Agent, the Chiefs of Zuni, forswear his allegiance to the Mormons, and promise on the day following, to get the load of wood. This he did, expressing his regret to the council, and saying he had been led to suppose by the Mormons that he could do as he pleased. On the morning following, he took a load of wood to the missions,—where he was questioned, received promise of pay for his wood, contrary to Dr. Thomas' directions, was told that he had done right in refusing the Council and Cushing, and assured that Cushing would be sent off the Reservation, and the Captain of soldiers would be severely punished.[18]

"The name of this Missionary is S. Bentley. The most proper and elegant term for him I can find, is a Spanish one—"uno Ladrone y Fanfarron [a thief and a bum]. I would like to give its English equivalent, but under such circumstances, quotations, from foreign languages are considered more gentlemanly, while quite as expressive. I have met several of these whining martyrs (!) to the cause of Jesus, since my sojourn in this country, and they have invariably proved to be most unscrupulous rascals, and unchristianly breeders of trouble; opposing the progress of science, and by their overbearing dispositions, jealousies, and canting zeal, defeating their own ends, as well as those of the Government in permitting their presence,—the Education of Indian youth.

"I believe the one at hand is here as 'U.S. Indian Teacher,' although he claims to be agent and supreme master of the Zunis, with the privilege of turning me or any of my party—without reference to their moral standing or scientific objects—out of the Pueblo, and off the Reservation. I beg you will ascertain, so far as practicable, his standing and the extent of his authority: For I began my investigations, believing, that I was under the orders of Spencer T. Baird and Major J. W. Powell, of Washington, D.C., which gentlemen, by virtue of a bill passed by Congress and the U.S. Senate, had secured special privileges for their assistants and officers, either in trading for material with which to enrich the National Museum or in the pursuit of Ethnographic researches on behalf of the Bureau of Ethnology and Smithsonian Institution. I should infinitely prefer to die by the bite of a rattlesnake, than to be compelled to give up my investigations at their present stage, on account of the rantings of the Don Fanfarron.

"When I returned from the Country of the Coconinos, I found Mr. Bentley here as new Teacher. His plans were good, and I promised to further them to my best ability—so far as possible without jeopardizing my own work. I have not once forgotten this promise, and have, on several occasions, aided the man in his studies of the Zuni language, turning over to him one of my vocabularies, and writing out several grammatical rules for his use. He begged my advice, and I had it to offer on one occasion only. He was constantly talking about how, if an 'Indian Chief or anyone else,' offered opposition to him, disrespect, or in any way offended himself, he should 'knock the stuffin out of him,' or 'Break his head,' or 'give him a sidewinder,' or take a 'fence-pole to him,' or if the Indians didn't furnish wood for him, he should 'tear down the corrals,' and any man who opposed him would be 'laid out, that was all!'—I quote verbatum the elegant and constant expressions of a laborer in the 'Fold of Christ' who believes that—'Except ye become as little children, ye shall not enter the Kingdom of Heaven.' I did remark after hearing a few such speeches, that the 'Science' was unknown in Zuni, and that during a residence here of two years, I had never seen one Indian strike another, and that as I once tried the game to my own disadvantage, I did not think its employment would speed the work of conversion, or advance the cause of education, or popularize the gentleman who introduced it. But I was informed that I knew nothing of Indian Character. 'If I had passed twenty seven years among Indians, I would know more about them'; and since then whenever the good word of advice has risen to my lips, I have swallowed it.

"Some days before these occurrences (regarding Roman) one of the Secret Medicine Orders, being in session, the High Priest came and asked me if I would not like to have his Society give me a dance in my own house and an exhibit of some of their medical powers, in honor of Col. Stevenson and Lieutenant Bourke. I replied gratefully, 'yes:' for it was the highest possible honor. The dance was performed, in the presence of Col S., Mr. Mindeleff, Mr. Bentlely, and myself, but the Missionary got up with a frown, and left before the ceremonial was half completed. Having never been this honored by the Indians he felt jealous of the distinction they gave me. Since then, he has constantly been casting mud and slime in my pathway, by telling the Indians I was not what I had been representing myself, that I had come here to write about all their secret affairs, and when I sent my papers East, I was paid for them and that was the way I was enabled to live; that Washington did not give commissions to boys, but only to men like himself; that they must not come to me anymore for council, but to him; that I was a liar and would get them into trouble, and that if they asked me to interpret for them, I would surely deceive them, etc., etc., etc.

"When, unaware of all this, I paid a visit to the man, and asked him if he had received his wood, he replied by requesting the immediate presence of Lt. Bourke and myself. Lieut. Bourke sent his compliments to the gentleman and declined his invitation, stating that he had a room in the House of the Governor, where he would receive and

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Footnotes at end of article.

listen to the Missionary; to which the latter retorted by saying that he had 'merely thought to save himself the trouble of Reporting Messrs. Bourke and Cushing to the Departments.'

"Col. Stevenson urged me to have a conference with the irate bull-dozing representative of the House Missions, promising to be present and I accepted the invitation. On the evening of the 29th I went down in company with Col. Stevenson. My Missionary friend talked of the weather and health etc., etc., until I respectfully drew his attention to the fact that he had requested my presence for a cross examination. He replied that he had sent for Mr. Graham the trader. I informed him I had done the same, and that the gentleman would be at hand shortly. His arrival was the occasion of a second reminder from myself, which nettled the Missionary a little, and he began:—

"Mr. Graham, Mr. Cushing is a dangerous man. At my face, he is a perfect gentleman, behind my back he tried to undermine my authority with the Indians; 'Address your remarks to me, Mr. Bentley, I will hear you through Sir, and then reply,' said I. But the gentleman, like a hound that has stolen a bone did not like to speak directly to me, but continued his remarks to Messrs. Graham and Stevenson. To be brief, the substance of them was as follows:

"That I was a liar; that I had made grave charges concerning the former Missionary, (which I would substantiate I replied). That I had caused the Governor to remove him and Mrs. Stevenson from the sacred dance a few days previously—as he had been informed by Pedro Pino and other Indians (to which I replied that it was a question between the veracity of Pedro Pino and the other Indians, and Mr. Cushing, and that Mr. Cushing would state that either Pedro Pino and the other Indians, or else their reporter, were liars.) and the Reverend gentleman remarked that he preferred the testimony of the Indians, that I was not only unreliable but that I was in the habit of interpreting falsely between Indians and Americans. That I claimed to be a chief to Americans, but that he denied my position as such among the Indians. I asked him to inform me how it was that the Indians obeyed my commands; but he didn't inform me, and why it was that no other Americans questioned the veracity of my translations even those who were intimately associated with me—Lt. Bourke, Mr. Mindeleff, Mr. Graham, and others, to which he replied no one understood Zuni but myself and therefore no one's testimony amounted to anything—he knew how to put two and two together, and had not been a lawyer seventeen years for nothing.

"He said that his authority was supreme here, and that I had no business to make any orders in Zuni. I informed him that by authority of the agent, Dr. Bentley and Mr. F. H. Cushing were both at liberty to dictate to a limited extent in Zuni. That Dr. Thomas had officially requested my aid and sanctioned my authority as a chief, had requested me to bring Roman Luna to terms, see that the Indians supplied wood for the Mission, take care of affairs between the Zunis and the Navajos, etc., etc., that in all other matters the U.S. Teacher was his (Thomas') sub-agent, that on the strength of this I compelled the Navajo Sa ga ta he, to turn over six sheep to the Former Missionary, for trespass and had, after four councils, by authority of all the chiefs and my own as one of them, compelled Roman Luna to get wood for him, and that he objected to the best service I had ever done him, that I moreover, had a right to command in Zuni as a chief of native choice, a right sanctioned by the Treaty of Guadaloupe and a treaty now in Zuni, securing to the Zunis the right of Personal Property, Government, and Religious protection from the United States, that if the Indians saw fit to choose a foreigner as one of their chiefs, they had a right to do so, and that said chief had the right of executing the duties, and to live much as I had heretofore, relying upon my moral conduct, which no one could attack and a law of congress which Col. Stevenson was aware of, and my position in the Smithsonian (which the Reverend Gentleman denied), all of which accounted for my presence in the Pueblo.—to defend me.

"Mr. Bentley then remarked that I had ordered Roman Luna to get wood for him, in order to undermine his character and authority, had never secured such directions as I claimed from Dr. Thomas, and had done a rash act, in which Lt. B. had assisted me without authority (he was unaware of the letter I held) and that if I issued another order in Zuni, he should ruin me, turn the Indians against me, so that they would drive me out. He would simply and entirely 'crush' me and 'inform the scientific world how unreliable were my investigations.'

"I asked him if he saw the bracelet of china shells on my wrist, and understood the rank it gave me.[10] If he saw more than a few of the Indians with such bracelets, and that my membership in the exotic order (he denied exotic orders among the Zunis) would make the time of my final separation from the Indians a necessary time of difficulty for me, requiring in all probability the assistance of cavalry escort. I told him I thought the Indians believed in me, and even if they did not, each member of our order was sworn to eternal fraternity and fidelity, and that once a Priest of the Bow, always so.—'Ah that was a humbug.'—'Did you not witness some of my initiating ceremonials?'—'Ah well Mister Cushing they's a good deal of humbug in all that, and the proof of the Pudding is eating it.'—'Quite true and although we shall work apart henceforth, I doubt not we shall both chew at one string and find the proof therein.' 'I shall ruin you Mr. Cushing,' said the 'Christian Gentleman' 'and depend on it.' 'Very well Sir, do as you please, Mr. Bentley, and I wish you a very pleasant night.'

"I have since reported to Dr. Thomas in the official form the subjection of Roman Luna, and in a subsequent communication, have requested Dr. Thomas to pay an early visit of investigation to the Pueblo.[20]

The letter reveals much. Cushing used the military to cause his wishes. In one breath he claims power (he seems to have magnified his position somewhat) through the Zunis having given him a position of authority, and in the next accuses Pedro Pino [Lai-iu-ah-tsai-lu] of being a liar. The most interesting aspect of the letter is his anger at Bentley for threatening to tell the Zunis that he was writing of their sacred ceremonies and being paid for it, and that this was his true purpose of being there. Of course these accusations were true and Cushing's deceit becomes more apparent. With two apparently powerful government representatives working on the reservation, trying to achieve exactly opposite goals, it is not surprising that the Zuni themselves had problems in forming policy to deal with the United States Government. In March of 1881, it was reported that Bentley was leaving the Pueblo.[21]

Cushing, who adopted the title "1st War Chief of Zuni, Assistant Ethnologist," was instrumental in revealing and opposing a land scheme advanced by one Major W. F. Tucker, a plan which would have resulted in the settlement by Anglos of Zuni lands. Although the young ethnologist . . . was successful in countering this scheme, he encountered the wrath of Tucker's father-in-law, General John A. Logan, then Senator from Illinois. Senator Logan advised the director of the Bureau of Ethnology that he would smash the infant agency if Cushing was not recalled."[22]

The Zunis, during this critical period, and perhaps losing faith in their leaders who had trusted Cushing, elected a new Governor Yacqui Pie who replaced the leadership of Ba:lawahdiwa, whose family had remained in power for nearly sixty years at Zuni.[23] Cushing commented on the growing tension at the Pueblo just before this change. "The result of these and other injustices [trespassing and depredations] the Indians are suffering at the hands of out-laws, is—that they are becoming excited and quite unmanageable. I deeply regret to inform you that among those who try to subvert the authority of the chiefs in attempting to check their people from any promiscuous acts of violence, is—as a leading spirit—Ramon Luna. I fear he is rapidly becoming violent again. I have had much difficulty in keeping the Indians from making a raid on travelers, to the Southward, and I am sorry to learn that in nobly assisting me the Governor has been encountered and publicly abused by Ramon. I heard Ramon counselling [sic] his followers a few days since to go into the southern country and kill anyone who might found off the roads."[24] Ramon Luna, later known as Mormon or Mu:ma, would later become Governor of Zuni.

The agent to the Pueblos also noted a growing dissension at the Pueblo and reported in 1883 that "there are two antagonistic elements whose antagonism goes so far that it keeps this Pueblo, I believe, behind, superstitious and divided. They are fighting against each other. There is no peace there, but on the contrary they are machinating against each other all the time. I believe this state of affairs is what hinders this Pueblo from improving, and hearing the words of the Agent to them. . . ."[25]

Further dividing the Pueblo, were the events which took place after Cushing left the Pueblo. As noted, Cushing had been a Priest of the Bow, in the Zuni religion and had participated in the trials of individuals accused of various crimes. After his departure, local law enforcement officials, military officers, Indian Agents and others cooperated in arresting the Priests of the Bow on several occasions. In 1886 one Priest of the Bow was arrested,[26] for doing precisely what Cushing had previously participated in—trying those accused of crimes in the Zuni way. Two were arrested in 1892.[27] Four were arrested in 1897.[28]

At the same time as the last arrests were being made, an effort to suppress the Zunis' religion was begun.[29] This carried through into the first decade of the twentieth century, when troops occupied the Pueblo during the annual observance of "Sha'lak'o" a Zuni blessing ceremonial.[30]

In the 19th century, the Zunis had been under the jurisdiction of the Pueblo Indian Agent located in Albuquerque or Santa Fe. In 1920 they were separated and a superintendent was sent to live nearby and administer government policy. The Zunis had always been isolated, historically—in Spanish times, Mexican times, and in the early period of the United States. In fact, an investigator for the Board of Indian Commissioners later erroneously stated that the reservation for the Zunis was not instituted until 1902.[31]

The Zunis remained isolated. The Superintendent was often the sole voice in matters of government policy. Being the only link between the Zunis and the Bureau, often he could formulate and carry out his own policy towards the Indians. Throughout the first half of the twentieth century the Zunis were considered, administratively by the Bureau, to be in a somewhat separate, unique position.[32]

In 1908 another controversy which divided the people began to take form. The Catholic church wished to reopen its mission at the Pueblo (they had been absent since 1821) and officials of that church sent various

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Footnotes at end of article.

letters to government officials and spent time trying to influence the Zunis in order to allow their return.[33]

In 1909 the Zuni tribal officials of Zuni, led by Governor Juan DeDiose [34] wrote to the Commissioner of Indian Affairs, complaining that their agent was working at odds with tribal officials.[35]

But the major growth of factionalism at Zuni began in the 1920's. In 1922 a group of friends of the Indians discovered that Albert Fall, a New Mexican of the Harding administration had presented to congress a bill, which became known as the Bursum Bill. It was alleged that this bill proposed to give squatters on Pueblo Indian land clear title to that land. John Collier, then Secretary to the American Indian Defense Association, and a Taos Indian went from pueblo to pueblo urging the Indians to act, and suggesting that an All-Pueblo Council be formed to help fight for Pueblo Indian rights. "They decided to take their case to Washington, and chose seventeen of their leaders for this mission. Among those chosen was the Sun Priest of Zuni. No Sun Priest had ever left the Zuni Pueblo before." [36]

Two political divisions had formed at the Pueblo. Members of the Zuni "progressive" faction were reported to be actively attempting to form a movement to reclaim lands formerly used by the tribe, but which were outside of the reservation boundaries.[37] Another faction was reportedly supported by the Bureau of Indian Affairs Superintendent to Zuni, and was opposed to making any claim to land. It was also reported that this second political faction, when in power, moved in opposition to the All-Pueblo Council and later opposed the Pueblo Land Board.[38]

Collier described the way he saw what happened next. "Its [the Indian Bureau's] strategy of counterattack became manifest within a few months after the Pueblos had struck their first blow. The campaign followed these lines: The Pueblos and their friends were racketeers, taking money from the sympathetic public under false pretenses. They were anti-American, and subversive. In fact, they were 'agents of Moscow.' They were cultists of Indian paganism; and the pagan cults were horrible, sadistic and obscene. They were seeking to discredit and weaken the United States Government . . . Commencing with the Pueblos' actions of 1922, the destruction of the native religions that yet lived was viewed by the Indian Bureau as a *political* necessity . . . The Bureau sent out inspectors. These men collected pornographic gossip about the tribes, among whom no pornography existed at all. Much of the gossip was unprintable. The Bureau submitted it for scrutiny to no Indian and to no ethnologist. The foul pages, numbering 193, were photostated and turned over to various emissaries under the seal of confidence, as well as to leading editors, churchmen, and heads of women's organizations. I got my personal copy from the editor of the *Saturday Evening Post,* entirely innocently on his part.

"Then the Bureau struck publicly. These 'agents of Moscow,' the Pueblos and their friends according to the Bureau's publicists, were likewise the emissaries of pagan religions unspeakably bloody and foul, though, as a matter of common knowledge, the Pueblos were 'pagan' but Christian too. Unprintable exhibits were circulated by the Bureau in 1923." [39]

At Zuni the situation was aggravated by an incident involving the noted archeologist, Frederick Webb Hodge. Hodge and a group of scientists had been excavating ruins on the reservation since 1917, particularly the site of Hawikku.[40] In 1923, during the Zuni observance of the Sha'lak'o two brothers by the name of Cattel, in the employ with the Heye Foundation, and allegedly connected with Hodge, attempted to take motion pictures of this religious ceremony. Collier once described the Zuni Sha'lak'o as the "closest thing we have to the mighty dramas of the Greeks." [41] To the Zuni people the attempted photography of the Sha'lak'o was a serious insult.

Normally at Zuni the six Caciques were not to indulge in the mundane matters of tribal government, but when they believed they perceived a grievous mistake being made they could, with unanimous consent, remove the governor and his council. In this case, in 1923, two of the caciques expressed a desire to remove the incumbent governor and his council.

After investigating, Collier explained what next happened like this, the "Indian Bureau did, some ten months ago, execute, partly by direction and partly by a none-the-less compulsive indirection, a coup d'etat which overthrew the traditional government, which suspended the age-old authority of the committee of high-priests [Caciques] and established a dictatorship responsible to the Indian Agent. Religious and civil procedures and results were involved. Not nearly the whole story, nor the most (to Americans) humiliating parts of it, have yet been made public." Collier suggested that what the Cattel brothers had done was wrong, but added "that it is perfectly understood by everyone who has gone into the Zuni situation, that the intratribal disagreements which grew out of the making of pictures by scientists at Zuni were merely episodic, save that they were used by the Indian Bureau and its apologists as a justification for the coup d'etat referred to above."[42] Collier charged in his memoirs, that the Bureau officials resorted to "outright acts of violence in setting up the new Zuni council." [43]

The controversy over the Bursum Bill continued. One problem which the Pueblos faced during this period, said Collier, involved the peoples' access to information. "Various espionage statutes, not successfully defied until 1922 and not repealed until 1933, when combined with other conditions blanketed the Indians and the Indian country in the silence of a living tomb." [44]

It was also charged that the Bureau was attempting to suppress the Zunis' religion. In 1923 Commissioner of Indian Affairs Burke issued a statement making recommendations about the handling of Indian religions. The recommendations included the following: "That the Indian dances be limited to one each month in the daylight hours of one day in the midweek, and at one center of each district; the months of March, April, June, July and August being excepted. (No dances in these months.)

"That none take part in the dances or be present who are under 50 years of age.

"That a careful propaganda be undertaken to educate public opinion against the dance." [45]

In 1924 the Commissioner made orders barring Zuni children from certain of their people's religious observances. Collier commented in a national magazine, "At Zuni the withdrawal of children from the Government school for even four days for their sacred initiation has been outlawed. This oppression is not threatened but is actually going on now [1924]. At Zuni the ancient hierarchical system of choosing officials has been nullified and a dictatorship has been established. The overthrow of the Zuni system of government, religion and life was formally begun last December and is progressing at this writing." [46]

Responding to charges that they had been involved in the conflict at Zuni, the Bureau of Catholic Indian Missions made an investigation at Zuni in 1924. Collier arrived for part of the meetings to air the other side of the controversy. The two Zuni factions consulted, called "Protestant" and "Catholic," were questioned extensively, but neither the Catholic organization nor the Indian Rights Association was able to clearly make the other side out to be the villain.[47]

Through the efforts of Collier and others the tribal government at Zuni again changed hands in 1924. In January of 1925 the religious leaders of Zuni wrote to the Commissioner of Indian Affairs, complaining that their superintendent had confiscated the official emblems of office from the secular officials. They charged that Superintendent Bauman refused to return these emblems to the proper officials. The Caciques said that their people would "always suffer" for the wrongs being done to them.[48]

Superintendent Bauman responded to the charges that he had unlawfully taken the tribes' property by suggesting that the Zunis in office were troublemakers. One, he said, was circulating a petition among the people, "purporting to be a request to the Pueblo Land Board asking for lands outside of the present limits of the reservation, on the grounds that they had been used by the Indians many years ago." He continued, "I am somewhat at a loss as to recommending what action should be taken concerning the parties who are fomenting the trouble." [49]

In 1926 there were again protests from across the country that Superintendent Bauman had again installed a new council at Zuni.[50] Bauman denied that he had done anything wrong,[51] but shortly thereafter a new superintendent was appointed to the Pueblo.

In November of 1926 a group of Zunis who claimed to have been illegally deposed by Bauman wrote to the new superintendent. "We are officials of Zuni Pueblo," the men began "who were put aside through actions by Superintendent Bauman, your predecessor, the canes of office being taken away from us and given to men who have never been legally installed as officers of Zuni.

"It is necessary that you, at this time, shall know the facts although you were not responsible for causing them. This Pueblo attempted to hold a meeting during last March, its object being to discuss and take action upon the Indian Judge Bill and specially the Indian Oil Bill. Employees of the Indian Bureau forcibly took away from and destroyed,[52] the Congresssional Records and copies of the bills and thereafter the overthrow of our customary government took place as stated above.

"Now, there was called on October 5th, one month ago, a meeting of the Council of all the New Mexico Pueblos, a regularly called meeting called by the President of the Council. This meeting concerned the Zuni tribe because the subject of our land claims was considered, and likewise the Oil Bill, and Judge Bill, and other matters important to us. The men never legally installed as the Zuni official, but recognized, as we understand it, by the Indian Bureau, withheld from the Zunis the knowledge that the All-Pueblo meeting had been called, and they did not attend the meeting, nor did the President or Secretary of the All-Pueblo receive any acknowledgement of this call. That is what happened two years ago likewise, during the earlier time when an illegal Zuni government had been established by Superintendent Bauman—the time when the Pueblos decided that they would be represented before the Pueblo Board and the courts by independent attorneys . . .

"The present officers, never legally installed, came into power through a successful effort, by Superintendent Bauman, to prevent Zuni Pueblo from knowing about, and declaring itself about, the Judge Bill that authorized the Superintendents to put any Indian in jail for six months without court trial, and the Oil Bill that took more than one-third of the Indian oil royalty from executive reservation for taxes, and denied our

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claim of ownership to our executive reservations. And these same illegal officers have made it clear that they will act to prevent Zuni Pueblo from asserting its claim to its Spanish Land Grant before the Pueblo Lands Board and the Courts. Therefore, we are compelled now to make the facts known to you as in this letter, and to protest against an arrangement which has already cut Zuni off from the All-Pueblo Council and which, if continued, will cause Zuni to be represented in the new Indian Bureau council by spokesmen having no rights according to our well-known customary law, who were placed in power not by the Zunis but by intrigue following upon violence by Superintendent Bauman and who, as events have already proved, are irresponsible toward the Zuni tribe and even hostile in the supreme matters of our land and our liberty of religious custom." [53]

In 1927 the District Superintendent promised that a new election would be held at Zuni soon,[54] but it was not in that year, and in 1928 the Superintendent of the Pueblo reported that the situation had become acute.[55] In March of that year a date for a new election was set, with BIA officials to be there in order to prevent any illegality.[56] In mid-1928 a slate of officers were approved, on which the entire group of Zuni religious officials (electors) could agree upon.[57]

The "conservative" or "traditional" governor and council selected in 1928 served in office until 1933, with seemingly little friction within the Pueblo. In 1933 more division was noted. John Collier, recently appointed Commissioner of Indian Affairs under the Roosevelt administration, was charged with favoring one of the political divisions at Zuni. He denied it,[58] but the Zunis' superintendent reported that *he* would not recognize one of the Zunis' candidates for governor. Superintendent Trotter said that this candidate could not be recognized as governor because he did not represent the tribe, the reason being, reported the superintendent, that the man had separated from his wife.[59] However, Trotter commented that the office would not interfere with the selection of the tribal officers so long as it was "made in accordance with their custom and that representative Zunis be chosen for these positions." [60]

The *Daily Gallup Independent*, on March 21, 1933, commented on the situation. "The outcome [of the election at Zuni] is very much in doubt as the 'ins' have possession of the Lincoln cane with the nine points of the law that go with this possession. However, the agitation continues and whether the pressure becomes strong enough with the caciques to cause them to take action, it is being closely watched by Indian service officials who see in the agitations aid for their programs.

"Indian service men point out that only thru [sic] action of the younger people could the caciques be forced from old age customs thereby bringing a really 'new deal' to the Zunis." [61]

In July, 1933, Superintendent Trotter reported to Commissioner Collier that, "It is my belief that a great majority of the Zunis would welcome some change in the method of handling their affairs, and I feel that some sympathetic official or representative of your office should come here and assist in working out some plan whereby their [the Zunis'] tribal officials could be selected in some manner that would make of it a representative body." [62]

At about this time the effects of the Brookings Institute's report on "Law and Order in the New Mexico Pueblos, 1931–1932" were being felt in the Bureau. The report called for broad administrative changes in the structure of Bureau affairs in the southwest and also suggested that factionalism had developed at most of the Pueblos in New Mexico during the same time period—the first three decades of the twentieth century.[63]

By October of 1933 the Zuni people were split so badly that no officials were actually in power and the Pueblo was again in a state of political chaos. In mid-October at a council held at the Superintendent's office, it was reported, a majority of the religious leaders were willing to approve a group of officers "because of their interest in getting more aid for the Zunis, and to work with Mr. Trotter for that purpose." But the superintendent refused to recognize any officials who were not picked by the entire council, in the traditional way. In November the Zunis, reportedly, had agreed to select their officials by a standing vote at a mass meeting.[64]

In January of 1935 the meeting was held and the newspapers reported that the Zunis had adopted a "New Deal" government.[65] Henry Gaspar, a "progressive," had been elected by the people of Zuni as Governor, with a mixed slate of officers in the council.

During the period of World War II there was more division politically at Zuni.[66] In 1943 the governor at Zuni was impeached by the people and it was said that the Zunis were having problems in adjusting to their new form of government.[67]

The Superintendent of the United Pueblos wrote, in 1948, that "most of the pueblos which have changed or are changing from the old to the more modern pattern of civil organization are functioning relatively well, except Zuni . . . This stasis within the tribe was due in large part to a lack of experience of the people in handling their own government, due to strong paternalistic Federal control of the civil affairs of the group up until 1935." [68]

During the period between the end of the war and the early 1950's it has been reported that serious divisions again were evident in the Pueblo. The Tribal Councils could not work together and the Bureau was not sure who was in control.[69] Sometime early in 1951, probably between February and April, it has been alleged that Bureau officials supported only one of the political factions at Zuni and that a new governor and council was installed by the Bureau.[70] No council metings were held following this event, the people of Zuni were divided and their political system was reported in chaos.

In 1953 this governor was given the choice of resigning or being impeached.[70a] The factionalism at the Pueblo resulted in a situation between 1955 and 1957 in which two parties claimed to be the proper administration holding office.[70b] It was not unitl 1970 that the Zuni people adopted a constitution.

III. FORMAL AFFAIRS BETWEEN THE UNITED STATES GOVERNMENT AND THE ZUNI PUEBLO

Since a treaty was signed between the United States and Zuni in 1846 the people of that Pueblo always considered themselves as allies to the U.S. There is no record of there ever having been any armed conflict between the United States and Zuni. The patriotism of the Zunis has been noted throughout the last one hundred and thirty years. Bvt. Lt. Col. Edward Canby, commander of the Navajo Expedition in 1861 commented, "The people of Zuni are quiet and well disposed towards the government and people of the United States and are entitled to kind and considerate treatment from all who may have business with them in pass[ing] through this Pueblo." [71] A member of the Wheeler Expedition in 1873 said "the people were very kind and considerate, and have done all in their power to make our stay as pleasant and agreeable as possible . . ." [72] A member of a Bureau of American Ethnology expedition in 1879 stated, "They are an industrious, kind people ever ready to assist the whites." [73] General William Tecumseh Sherman, in 1878, reported that the Zuni people deserved the "friendly conduct of all Americans . . . [I] recommend that the farms, gardens, stock, and property of the Zunis be respected. They seem industrious, friendly and worthy . . ." [74]

The Zunis' Reservation had been formed in 1877 and an addition made in 1883,[75] but it was unclear to both the Zunis and to those living around the Zunis just which land was Indian as it had not been surveyed. There was a preliminary survey in 1908, marking the boundaries of the reservation and when the Zunis became aware of the small extent of their lands they petitioned the government.[76] In 1911 the government attempted another survey of the Zunis' land. This time the Zunis demonstrated their opposition to what they considered would be a further limitation of their territory. During the night survey markers were stolen by the Indians and carried.[77]

The Zunis complaints as to the limits of their reserve prompted the government to send a special investigator to the Pueblo in 1913. He reported that there were indeed insufficient lands on the reservation for the Zunis to survive.[78] A short time later in 1917 further additions were made to the reserve.[79]

In the late 1930's Congress authorized the purchase of lands to the south and north of Zuni to be held in trust for the tribe. These two acquisitions by the government came to be known as the Zuni North Purchase and the Zuni South Purchase.

By about 1930 the Zunis became aware that the government was planning stock-reduction for the Pueblos. Knowing that they didn't have enough range, and that if they were forced to reduce their sheep it would mean serious financial trouble, between 1930 and 1940 the tribe attempted to institute methods of managing their ranges, and thus anticipate a debilitating reduction of their stock.[80]

When World War II broke out in Europe, domestic problems increased, with the Indian Service being hardest hit.[81] The Zunis' reservation had recently been fenced and it proved to be smaller than they anticipated.[82] The land status in and around the reservation was in a disordered and confused state, yet when the United Pueblo's Agency prepared Land-Status reports in 1940, every pueblo was covered except Zuni.[83]

The Zunis were now facing stock-reduction and their economy was in trouble. Yet immediately after the bombing of Pearl Harbor, in the winter of 1941, the Secretary of the Interior reported that the Zunis were sending aid to the victims of the bombing. "In the pueblo of Zuni in New Mexico the Red Cross drive was announced from the housetops and the canvassing started in a blinding snowstorm. Each household contributed wheat, corn, or hay, or whatever there might be available. One family donated $6 and two rings." [84]

The Zunis were reported to have been careful to register for the draft.[85] During the period beginning in 1941 until the end of the war a total of 213 Zuni men served in the United States' armed forces. This total represented about 10% of the population of the Pueblo.[86]

One problem Zuni officials faced during the war centered around obtaining draft deferments for religious leaders. It was considered so important that the High Priests, who ordinarily would never deal with a civil matter such as this, joined with the governor in requesting exempt status for Zuni Priests.[87]

During the period of stock-reduction the Zunis allege that the government handled the program badly. Some categorized it simply as theft—the government stole their stock and slaughtered it, they didn't receive adequate, or sometimes any remuneration. Zunis have charged that those handling the program didn't bother, often, to find out whose stock was being liquidated, so that

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some people were paid for stock that wasn't theirs and some weren't paid at all.[88]

The Bureau official who was Area Realty Officer during this period, Mr. Dewey Dismuke explained the Bureau's role. The object, he said, was to increase the quality of Indian herds and decrease the quantity. The Indians were encouraged to dispose of wethers and aged steers which were kept for food. Mr. Dismuke said he helped the Zunis, and other tribes, rid themselves of broomtail horses, as horses are much harder on range than cattle. The horses were advertised and then sold to the highest bidder, bring $5 to $6 a head and being mostly shipped to a dog food factory. The money received was used to buy improved strains of bulls and rams for breeding purposes at the Pueblo. The Pueblos, Mr. Dismuke stated, were always advised of the intent of the programs to be carried out and never was a program instituted without the consent of the Indians.[89]

In 1948 Mr. Dismuke was instrumental in instituting a program for the Pueblos of New Mexico which was aimed at consolidating the Indians' land holdings. The first results of the Land Consolidation Program, and the largest results, came about in 1949. Having met with the New Mexico Cattlemen's Association and the New Mexico Sheep Grower's Association, and gaining their support, together with congressmen from New Mexico, Mr. Dismuke was able to influence the passage of a bill (Public Law 226, 63 Stat. 604, 605) which added approximately 450,000 acres of land to various Indian Reservations. Zuni received its North and South Purchase Areas, which resulted in an additional 56,155.11 acres for the reservation.[90] Further additions were made to the Zuni Reservation under this program in 1962 (610.0 acres).[91]

IV. EFFORTS TO INCREASE THE ZUNIS' LAND BASE, 1900–1950

In 1908 the Superintendent of the Zunis' Reservation wrote to the Commissioner. "I would . . . most respectfully request," he said, "that the Zuni Reservation be extended about six miles on the west into Arizona. This would give the Indians a chance to farm lands which can easily be watered from the large reservoir at Blackrock, and will also afford good pasture lands for their sheep. . . ."[92]

On January 22, 1909, the Zuni Tribal Council drafted the following resolution to the Commissioner:[93]

We, the officers of the Zuni Pueblo in council assembled renew our allegiance to our Government and express our appreciation of what that Government has done, and is doing, for our people, would beg the honor of presenting to you the following petition.

Whereas; in years gone by, before the White man settled in our country, our forefathers roamed over the valleys and hills, of our native land, unmolested and free to go where they wished and had ample room whereon to graze their flocks and herds, and;

Whereas; The present reservation is entirely inadequate to afford sufficient pasture for our sheep, as so much of it is broken by steep and rugged hills and deep ravines and canyons and the water is found in so few places.

Therefore; Be it resolved that we humbly petition you to use your influence, with Congress, to have the boundaries of our reservation extended so as to include pasture lands on the south, east, and north sides and some farming lands on the west.

Later in 1909 a new Zuni Governor, Dathlana, also wrote to the Commissioner requesting more land. ". . . As the reservation is now it is so [sic] small to feed their cows, horses, & sheep. We are very scarce of water, most of the water is off the reservation. We are very anxious to have it made larger, if possible. If the lines were left as the late Frank Cushing made them we should be satisfied.[94] We are very poor people and do not have the money to pay for surveying to take up land outside."[95]

In 1909, one further request was made, by Father Anselm Weber, who also requested an addition to the reservation. "Everyone who passes through the narrow, cliff-bound Zuni Valley, where rock-and-sand-and-adobe hills abound as soon as you leave the agricultural and irrigable lands in the lowest part of the valley, knows that the grazing lands of the Zuni Reservation amount to very little.

"Therefore I would submit to your thoughtful consideration the plan of temporarily extending the Zuni Reservation about on township, more or less, as the character of the land may suggest, to the northwest, west and south, and also to the east where feasible . . . all practically unoccupied land, land which the Zunis are now using as grazing land. . . ."[96]

In early 1910 the Zunis' agent asserted that land used by the Zunis traditionally was being taken by Navajos. "The land has been pastured for a great many years by the Zuni Indians but the Navajos have come in recently and taken possession of the same."[97]

In August of 1910 the Zunis' agent reported that the Zunis would "be very hard up in a few years" if they didn't receive an extension of grazing land.[98]

In 1912 a newly elected Zuni Tribal Council petitioned the Commissioner:[99]

Whereas: for ages past, before this part of the United States was made a part of our country, and for many years afterwards, our people inhabited, used and considered as their rightful possessions, the hills and valleys (as shown by the ruins of ancient villages) on all sides, adjacent to, but not now included in our reservation, and

Whereas: A great part of the present reservation is rough, rocky and broken canyons where no grass will grow for our sheep, and

Whereas: The farming land which may be put under irrigation for us by our Government will not be sufficient for our support without our flocks, and

Whereas: Navajos, Mexicans, and Americans are now crowding us off from the grazing lands lying outside of our reservation which we heretofore have been using and our flocks are thereby deprived of sufficient pasture.

Therefore: Be it resolved that we humbly petition you to use your influence with Congress to have the boundaries of our reservation extended so as to include lands on the north and south sides thereof . . .

Later in the year representatives of the Zunis visited Washington to press for more land. On the 23rd of September they left the following petition with the Commissioner:[100]

We, the undersigned delegates of the Zuni Pueblo, New Mexico, desire to make the following statement for your consideration regarding the addition of lands to our present reservation. We need lands badly for grazing purposes. We should like to have the lands added to our reservation which we filed with you in April of this year. The Council instructed us to lay this matter before you, and that is why we came here. It was taught that the Inspector would probably come sooner if we came here than if we did not come to see you personally . . .

[In talking of their sheep the delegation commented] This is the only means they have of making their living. If they don't do this, they will have to starve. They do not get anything from the Government. The traders don't give them very much for the wool and pelts. They only get about eight cents a pound for the wool, and we know it is worth more than that . . .

In 1915 the Governor of Zuni and over fifty other Zunis wrote another petition to the Commissioner, suggesting an alarming need for grazing. The Council requested the Commissioner to "use the great influence of your office in securing for us the aid which we so urgently need."[101]

A newspaper article in 1917 suggested that the Zunis were losing the use of thousands of acres of land. "William Bosson, formerly of Socorro County," the article read, "liked the looks of the grass to the northwest of the village of Zuni, and proceeded to lease several thousand acres of railroad land which controls the feed. He has begun the development of stock water by drilling wells and has already secured a good supply.

"But the Zunis now are opposed to having an American so close to their reservation and wish to secure the retirement of Mr. Bosson. It appears that the Indians have always, for centuries past, grazed their sheep in that particular range and are getting worked up over the fact that Mr. Bosson refuses to allow them to continue their time-honored custom."[102]

In 1918 citizens living around Zuni protested against the extension of Zuni land. The Board of County Comissioners of McKinley County and the McKinley County Bank sent lengthy telegrams to New Mexico's congressmen. One telegram reported that the "Indians own or control very sufficient area,[103] and another requested that the government "prevent extensions permanently, if possible."[104]

In 1925 the Zunis' superintendent reported that there was a petition circulating at the Pueblo, "purporting to be a request to the Pueblo Land Board asking for lands outside of the present limits of the reservation, on the ground that they had been used by the Indians many years ago."[105]

In 1926 a group of Zuni officials petitioned their superintendent to be allowed among other things, to file a claim with the Pueblo Land Board.[106]

Despite the divisions in the Pueblo in the 1930's, there was one thing the people could agree upon. The resolution petition written in 1934 read, in part, "It is the earnest desire of all the Zuni Indians that we may have lands adjacent to the Reservation so that we may be enabled, with a sufficient number of sheep, to be a self-supporting people. In order to do this, we are hopeful that we may have the additional lands to the northwest of our reservation and to the south which were formerly used by our people; and we earnestly request the assistance of your office in securing this land for our people."[107]

Between the years 1935 and 1937 Zuni Governor Henry Gaspar escorted government officials to visit areas in Arizona which the Zunis claimed to have used and possessed for centuries. The Zunis at that time received verbal permission, reportedly, to use the areas for religious purposes.[108] Later, in the 1940's, further efforts were made by the Zunis to secure a title to these areas.[109]

In 1946 a number of Zunis wrote to the Commissioner of Indian Affairs concerning land problems. In December of 1946 the Zuni Tribal Government under Governor Henry Gaspar wrote the Commissioner requesting that the North and South Purchase areas, still at that time under Government control, be added to the reservation.[110] Accompanying the petition from the tribal authorities, were letters from dozens of Zuni cattlemen who claimed to have used the land. Watecalu said, "I am one of the members of the Zuni Pueblo. My great grandfathers lived on sheep and cattle industry for many years before our land was crowded in by non-Indian settlers. . . . My people are lived [sic] on farming and stock raising for many years. We know how use [sic] our grazing lands as well as our farming lands. We are willing to follow the regulations, that has [sic] been set out by Service people.

"Every year Washington office tell [sic] us to reduced [sic] our sheep and cattle. And we do it willing. Regardless of what it [sic] will happen in years to come. For the truth no Zuni Indian would like to lived [sic] on

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Footnotes at end of article.

twenty nor thirty head of sheep as individual where as a man had more than five children to support. We Indians very much anxious to get more lands for our children."[111]

Wekeema Eriacho commented, "We have always used these areas prior to the purchase of these lands and have had free grazing before we were asked to pay leases on them."[112]

Payne said, "We have always use [sic] these lands and present this information to prove so."[113] Laniate Noble said he had a home in the area "before reservation was made for Zuni."[114]

The efforts by Zuni Governor Henry Gaspar in 1946 to claim the area in Arizona for religious use by the Zunis prompted the tribe's sub-agent to comment, "The Zunis have for a long time been interested in secure [sic] legal protection of their Sacred Lakes Area in Arizona. As I understand the situation, some action to secure such protection was initiated by Mrs. Stevens[115] before the first World War (perhaps as early as 1906). The area is near Hunt, Arizona and has a prominent place in Zuni mythology."[116]

In 1948 Governor Leopoldo Eriacho wrote to the Commissioner, "One of the most important things we are in need of is more grazing land if our people are to be self-supporting and to be kept off the dole. Too, we think we had better tell you why we are asking for more land . . . Before we were fenced in we have [sic] about [53,000] head of sheep and 2,000 head of cattle. With this number we could live and get by without much help. Those days when a drought came we would drift our sheep and cattle in every direction, taking advantage of all rough, unused land and kept moving until it rained and then we would drift back to our own reservation and seldom did we ever have any trouble with or were criticized [sic] by our white range neighbors, but now since we are fenced in and the land around us have been thickly settled. Now the only way we can use it is to buy it. At this time our livestock is down to around 18 to 30 thousand sheep and 6 to 700 head of cattle and we well know our tribe cannot survive on this number."[117]

V. THE ZUNIS' FAILURE TO FILE A LAND CLAIM WITH THE INDIAN CLAIMS COMMISSION 1946–1951

Because of widespread criticism of Bureau policy in the 1920's, Secretary of Interior Hubert Work requested a survey of Indian administration. The report, published in 1928 and known as the "Meriam Report" had marked influence on future policy of the government. One section dealt with the problems Indian tribes had in getting a land claim admitted to court. "Not only," the report read, "is the permission of the government necessary before an Indian tribe may commence suit against the government, but also no contract that the tribe may make with an attorney to represent it either in court or before Congress has any validity unless it is approved by the Secretary of the Interior. The position of the government as at once the Indian suitor's guardian and the adverse party to the suit is an anomalous one, but one that must be assumed, if the Indians are to be protected. . ."[118]

After the close of World War II, in 1946, during the administration of Indian Commissioner William Brophy, sufficient pressures had mounted both in and outside of the government to prompt the passage of the Indian Claims Commission Act. This act gave Indian tribes a specific judicial avenue through which they could sue for damages they believed they had suffered. Notably, tribes could sue for compensation for lands which they believed the Government had taken without payment. The Statute of Limitations for filing a claim, under the act, ran, originally, from August 13, 1946 to August 13, 1951.

In 1947 Zuni Governor Henry Gaspar was replaced by Leopoldo Eriacho. Governor Eriacho, during his term of office is recalled today in connection with his efforts to establish the status of Zuni Tribal land.[119] He was also interested in the Zunis' Spanish Land Grant and spent considerable time and effort obtaining old documents held by the Zunis which related to the grant and delivering them to the Bureau of land Management archives in Santa Fe.[120]

By June of 1947 the Indian Claims Commission was actively attempting to inform Indian tribes of their rights under the 1946 act. On June 11, 1947, Chief Commissioner Edgar E. Witt and the Associate Commissioners sent materials explaining the act to the Superintendent of the United Pueblos Agency to be forwarded to Zuni Governor Eriacho.[121] Zuni leaders today report that Governor Eriacho received the materials, but was involved in no meetings concerning them. He did not move to institute a claim for the Zunis, a fact which the Zunis cannot explain.[122]

In 1948, a period when the Zunis were having serious factional disputes,[123] the tribal government complained by letter to the Superintendent of the United Pueblos Agency that they were receiving bad representation on their reservation from the Bureau. Noting that their agent was on a leave of absence, Governor Eriacho and his council requested "that this man be removed from our Agency at once and be replaced by some western man who has some business knowledge and one who knows something about livestock, farming and someone who knows a little of our way of life.

"We specifically request that we have a chance to know who is being sent out and that we be given time to investigate this man and decide if we want him. We do not feel that we are being unreasonable in this request . . . we have had one Eastern Hotshot after another and who has done nothing but mess things up and keep us all upset. Last year we had one, this year we have another. Now we are due another. We are fed up on this and do not want any more of it. We kindly request that you notify us by letter so we can know what step to take to be relieved of this bad condition, should we not be granted this request.[124]

The council also reported that the Zuni tribe was faced with a very poor financial condition. In a letter to Secretary of Interior, the council said, ". . . we Zuni-People have always been very, very thoughtful and careful in making any requests for help from Washington and your files will show, that we have seldom ask [sic] for much help. Our people are proud people and do not ask or want relief. We want to be independent and self-supporting.

"At the start of the war, we were about on [sic] verge of having to ask for help but the war boom and increase [sic] demand for Indian hand-made jewelry, soldier's checks and increase [sic] value of what little wool, lambs and cattle we had. We took advantage of the war, jewelry market and got by fine. Now, we are finding it harder, day by day to get by.

"We have made surveys in our own way since January, this year. And we find that the only way a good part of our tribe has been able to get by has been to abuse our credit among the traders to such an extent that this coming winter may find some of us in a destitute condition. We have compiled a list of things we are in desperate need of and writing our Acting Commissioner, requesting that the same will be given sincere consideration."[125] The three main requests were a new well to supply culinary water for the Pueblo, land leveling equipment in order to improve the farming areas, and more grazing land.

Senator Dennis Chavez of New Mexico urged the Commissioner to respond to the Zunis' requests.[126] By November of 1948 the Bureau Area Director reported to both Governor Eriacho and the Commissioner efforts were being made to accede the Zunis' requests. Senator Chavez's son, Peter, was being made a Field Clerk on the reservation and the Area Director reported that, now in 1948, "for the first time, we now have a strong administrative setup at Zuni . . ."[127] The former agent had been re-stationed elsewhere. It was noted that there was a need for a new culinary water supply but hoped that the Zunis themselves, together with the All-Pueblo Council, would be able to solve that problem. The governor was informed that "the outlook for obtaining additional grazing land is not optimistic."[128] It was hoped that in the future the Bureau could assist the Zunis with land leveling, but the most important emphasis of the communications centered on the Zunis putting more reliance on the All-Pueblo Council.[129]

By 1951 the political situation within the Zuni tribe was in a serious condition. It is reported that the Tribal Council could not work together and the Bureau wasn't sure which political division was in control.[130] The five year Statute of Limitations under which a tribe might file a claim with the Indian Claims Commission was about to run out. In February of that year, Eric T. Hagberg, Area Director for the Bureau, wrote to both the Governor of Zuni and to Pete Chavez, BIA representative on the reservation. To Chavez: "In our uncertainty as to who is Governor this year, can you have this taken care of one way or another. Thanks."[131] Below this message to Chavez was the following message to the Governor of Zuni:[132]

"Dear Governor: You will remember how often we have discussed your rights and opportunities under the Indian Claims Act. Now Commissioner Myers has asked me to remind you that you and your people can file claims in the Indian Claims Commission only until August 12 of this year. After that, as the Commissioner says, 'Claims that may be presented to the Commission will be forever barred unless filed by that date, and the Congress will not consider special legislation with respect to any such claims that are not filed in time.'

"The Commissioner would appreciate knowing whether you and your people believe you have a claim within the jurisdiction of the Claims Commission, and right away, so that he can plan to give all possible help to all Indians, advising them of their rights under this Claims Commission law.

"So I would appreciate your letting me know by February 19:

"(1) Do you and your people believe you have a claim?

"(2) Do you wish to file a claim?

"Please let me know about this, so I can tell the Commissioner. If you have any questions about your rights, and about the law, let me know so we can talk them over with you. It would help if we can have your decision in writing."

There was no immediate response from the Pueblo.

Sometime during the next few months, it had been alleged, Bureau officials ousted one political faction from power and supported the installation of the other division.[133] It was reported, however, the old council held the emblems of authority, so that there was question as to who was in power. No council meetings were held and the people of Zuni were in a divided state.[134]

It has been alleged that BIA authorities confiscated the emblems of authority from the old Zuni council on April 11, 1951 and installed the new council into office. The new administration consisted of Conrad Lesarlley, Governor; Latone Wyaco, Lieutenant Governor; Leo Quetawki, Head Teniente; and five

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Footnotes at end of article.

councilmen, Pat Sessaky, Silas Sanchez, Sid Neutmoya, Bisa (Bissenti), and Lorenzo Chavez.[135] On April 11, 1951 a letter was sent to Area Director Hagberg from Zuni: [136]

"Dear Mr. Hagberg: This has reference to your letter of February 9, 1951 addressed to the Governor of Zuni Pueblo regarding our rights and opportunities under the Indian Claims Act.

"I wish to inform you that we do not believe that we have a claim to be filed; however, if we should at a later date discover that we have a claim we shall notify you immediately. As previously stated, at the present time we are unaware of any claim that the Zuni tribe might have."

The letter was signed by Conrad Lesarlley, Governor of Zuni Pueblo; Latone Wyaco, Lieutenant Governor; and Leo Quetawki, Head Teniente. The letter was received by Hagberg on April 16,[137] and on the 17th he forwarded a copy of it to the Commissioner of Indian Affairs with a note which read, "I am enclosing a copy of a resolution passed by the Zuni Tribal Council, pertaining to the Indian Claims Commission and possible claims that the Zunis might have. You will note that they do not feel they have a claim and have advised me of their decision; should, however, they find at a later date that they have a claim, they will, of course, notify us. The Zunis have been fully advised of their rights under the Claims Act and have made this decision with full knowledge of its meaning and its consequences." [138]

The man who was charged with the responsibility of explaining the Indian Claims Commission Act to the Zuni Pueblo was Mr. Dewey Dismunke, Area Realty Officer. Mr. Dismuke said he held several meetings at the Pueblo with Zuni officials and "old-timers." He reported that all conversations held by the Zuni Council concerning the land-claim were held in Zuni, which he could not understand. The Council decided it did not have a claim against the government.[139]

Mr. Dismuke said he did not in any way advise Zunis to file a claim, adding that it would have been inappropriate for a government official to encourage an Indian tribe to sue the Federal Government. Mr. Dismuke said that the Zunis were more disorganized than any of the other Pueblos. As reasons for not filing he suggested the passage of the 1949 act may have been one—it was better for the tribe to receive land than money, as Indians were likely to squander money. He also suggested that the religious leaders of Zuni, the Caciques, may have influenced the council against filing, but could give no reason why they might be so inclined. Mr. Dismuke said that a stenographer took notes at all meetings held with the Council, but these records have not been located.[140]

Pete Gonzales, who was the extension agent at Zuni for many years, a kind of subagent,[141] reported that he could recall no meetings at Zuni concerning the Indian Claims Commission,[142] though he tried to attend all Council meetings.[143] Sidney Neutmoya, a member of the Lesarlley Council, reported that there was no interpretor present and that Governor Lesarlley was alone in making the decision and that most of the Council was not informed of the decision until the next evening,[144] facts which barred the letter from status of a formal resolution, as all members of a Council must be informed of any question and then sign it, in order for it to be legally binding in the traditional Zuni way.[145] Another member of the Lesarlley Council, Lorenzo Chavez, reported that he knew nothing of land claims during this period.[146]

Governor Lesarlley reported that he thought that the letter he signed had something to do with allotments.[147] In the early 1960's the Zunis' tribal attorney reported the same thing, "It is my understanding that at the time that the Zuni governing body was approached regarding whether or not they had a claim, that there was a misunderstanding . . . The then governor, and two other members of the council, who considered this and talked with Bureau officials and signed an affidavit that the Zunis to their knowledge had no claim, actually were confused by the Homestead Act, or claim which was presented to them at the same time." [148]

Mr. Simpson commented further, in a letter dated May 5, 1960. "In the representations you and other members of the Tribal Council have made to me, it appears that the leadership of the Zuni Tribe was not properly advised or apprised by the Bureau of Indian Affairs, of the rights under the 1946 Act, nor the five year extension added thereto by Congress. This, you have explained was principally due to the fact that the Zuni leadership did not speak English and that the communications addressed to them were in English and without benefit of interpretation." [149]

VI. EFFORTS OF THE ZUNIS TO FILE A LAND-CLAIM SINCE 1951

Dr. Sophie Aberle, who was Superintendent to the United Pueblos Agency during part of the period when the Zunis could have filed a land claim, reported that many versions of what a land claim was were given to the tribes in the area during this period. She also reported that she and her husband, William Brophy who was attorney for the Pueblos, had completed research concerning the possibility of a Zuni claim and had concluded that there were good possibilities. She said they wondered that a claim had never been filed.[150]

Following criticism which charged him with doing an inadequate job, Mr. Lesarlley resigned as Governor of Zuni in 1953[151] Latone Wyaco, Lieutenant Governor under Lesarlley, was made Governor. Governor Wyaco's successor was Teddy Weahky, who was also forced to resign shortly after he took office. The old factionalism in the Pueblo precipitated a situation which led to two separate administrations, through the years 1955–1957, one led by Casa Appa and one by Leopoldo Eriacho, both claiming to hold office. Finally on January 10, 1957, Mr. Calvin Eustace was made Governor of Zuni Pueblo.[152]

Shortly after Governor Eustace took office, he and another Zuni, Fred Bowanie, visited the National Archives in Washington. After reviewing old War Department records, they were convinced that there was documentary evidence supporting a land-claim against the United States.[153]

Encouraged by this, Governor Eustace corresponded with the Gallup Area Office, seeking an avenue to approach the filing of a claim. Mr. Dismuke replied on February 10, 1958, "You asked me to determine whether or not a claim against the Government might now be filed under the 1946 Indian Claims Act or any extension thereof. The particular act referred to is the Act of August 13, 1946. This act provided that claims could be filed during the five year period following August 13, 1946, but no claim existing before such date but not presented within such period could thereafter be submitted. This was the provision of the original act and upon investigation, I find there has not been any extension thereof which would permit claims to be filed at this time.

"There have been numerous attempts made to have this act amended but without success as of this date. I trust the above answers your question.[154]

Nevertheless, the Zuni tribe began negotiations to engage an attorney in a claims contract. The negotiations continued into the next administration of Governor Warren Ondelacy. Representative Thomas G. Morris, in a communication to the Commissioner of Indian Affairs in 1961, said that the Eisenhower administration, 1953–1961, "refused to grant the necessary approval for them to enter into such a contract." [155]

In 1961 a claims contract was approved by the Bureau between the Zuni Pueblo and attorney Raymond Simpson. The contract was set to run until December, 1970.[156]

Governor Ondelacy in 1961 communicated with Mr. Simpson in an effort to find out what should be done at the Pueblo concerning a land claim.[157] Meetings were held at Zuni concerning the case. The following Zuni administration, headed by Governor Fred Bowanie, again attempted to promote a filing. On November 29, 1963, Governor Bowanie, Lieutenant Governor Calvin Eustace, Lorenzo Chavez (A member of the Lesarlley council), Dewey Dismuke, Raymond Simpson and others met at Zuni and held a meeting, much of which concerned the possibilities of filing a land claim.[158]

In 1965 a new governor, Robert E. Lewis, was elected to head tribal operations at the Pueblo of Zuni. He requested information concerning the claims contract. The Area Tribal Operations Officer has reported, of Simpson's claims contract, that all available records in the Bureau were checked but officials were "unable to find any record that the contract was ever renewed or that any action was ever taken by Mr. Simpson to fulfill the terms of his contract." [159]

In 1967, Governor Lewis and the Zuni Tribal Council again requested the Area Office to report if there was any way a claim might be filed.[160] Again the tribe was informed that there were few possibilities.[161]

In the late 1960's Governor Lewis' Council conducted a survey of the members of the tribe, which disclosed that one of the major concerns of the Zuni people was to find a way to file a land claim. Efforts continue to find an avenue for filing a claim.

FOOTNOTES

[1] T. F. Ealy to Pueblo Indian Agent, March 6, 1880, Register of Letters Received, Pueblo Indian Agency, 1879–80, RG 75, Archives Branch, Denver Federal Records Center (hereafter, DFRC).

[2] Alpheus A. Keen to Herbert J. Hagerman, June 12, 1906, RG 75, Letters Received (hereafter L-R), 1881–1907, 1906–51558, National Archives (hereafter, NA).

[3] "Report of Supt. Harper on request of K. K. Udall on behalf of Arizona people for use of water from Zuni Reservoir," RG 75, Central Classified Files, 1351–08–341, Zuni, NA.

[4] DiClana [sic] to Commissioner, September 25, 1909, RG 75, Central Correspondence Files, 1907–1939, Zuni, NA.

[5] Oliver to Commissioner, April 22, 1910, RG 75, Central Correspondence Files, 1907–1939, Zuni, NA.

[6] Oliver to Commissioner, May 2, 1910, RG 75, Central Correspondence Files, 1907–1939, Zuni, NA.

[7] William J. Lewis, Margaret A. Lewis, and Dick Tsanaha to Commissioner, September 23, 1912, RG 75, Central Correspondence Files, 1907–1939, Zuni, NA.

[8] Notes from a meeting with Governor Robert E. Lewis, Councilman Chester Gaspar, Councilman Harold Tuscon and Richard Hart, January 17, 1974, at the Zuni Tribal Office Building.

[9] Bauman to Commissioner, January 22, 1913, RG 75, Central Correspondence Files, 1907–1939, Zuni, NA.

[10] "Report of Special Indian Agent, W. W. McMonihe, on the Inspection of the Zuni School and Agency and Reservation," July 26, 1916, RG 75, NA.

[11] Crane, Leo, *Desert Drums: The Pueblo Indians of New Mexico, 1540–1928*, Rio Grande Press; Blorieta, New Mexico, 1972, especially pp. 178–180.

[12] Letters 1920–1922, Central Classified Files, RG 75, 100194–1920–341, Zuni, NA; and

Zuni Mineral Water Company to Secretary of the Interior, May 17, 1920, RG 75, Central Classified Files, 43930-1920-307.4, Zuni, NA.

[13] Henry Gaspar and Zuni Tribal Council to William Brophy, December 6, 1946, NA, Sutland Division (hereafter SD).

[14] Formhals to Aberle, memorandum, May 27, 1943, NA, SD.

[15] Ealy to Agent, 1881, RLR, PA, DFRC.

[16] Cushing to Baird, December 4, 1881, National Anthropological Archives, Smithsonian Institution (hereafter NAASI).

[17] Ba:lawahdiwa.

[18] On November 29, Cushing reported to Thomas that he had arrested Roman Luna, and noted "insubordination" and "interference" by Bentley. Cushing to Thomas, November 29, 1881, Pueblo Indian Agency (hereafter PIA), DFRC, Register of Letters Received (hereafter RLR). Bentley also reported Cushing's "arrest of one of the leading Zuni Indians," and asked if he (Cushing) had that authority. Bentley to Thomas, November 29, 1881, *Ibid.*

[19] Bourke reported that "for each man killed in war, they [the Zunis] are allowed to wear on wrist four small sea shells. Patricio [Ba:lawadiwa] had on his arm twenty of these, corroborating his statement that in years gone by he had made 5 Navajos bite the dust." Bloom, Cushing claimed to have taken a Navajo scalp. "Pueblo Pages," Lansing B, "Bourke on the Southwest," *New Mexico Historical Review,* Vol. 8-13 (1933-38) p. 243. *The Journal,* February 28, 1882, from NAASI clipping file.

[20] Cushing to Baird, December 4, 1881, NAASI, *op. cit.*

[21] Thomas to Graham, March 27, 1882, Copies of Miscellaneous Letters Sent, PIA, DFRC.

[22] Cushing, Frank H. Cushing *My Adventures at Zuni* with an introduction by Oakah L. Jones, Jr., Filter Press, Palmer Lake, Colorado, 1967, from Jones, p. VI. During part of this controversy Logan was a candidate for the Vice-Presidency and Cushing's attack on him was very damaging.

[23] Yacqui Pie and Quala Mona to Grover Cleveland, June 12, 1885, RG 75, L–R, 1881-1907, 24768–1885, L, NA.

[24] Sanchez to Commissioner Price, August 20, 1883, enclosing Cushing to Sanchez, August 17, 1883, RG 75, L–R, 1881–1907, 16208–1883, C, NA.

[25] Sanchez to Commissioner, December 10, 1883, RG 75, L–R, 1881–1907, NA.

[26] *Santa Fe Daily New Mexican,* March 5, 1886, p. 4, col. 2.

[27] Robertson to Chas. Hunt, October 18, 1892, CMLS, PJA, DFRC. Robertson to Marmon, October 3, 1892, *ibid.*

[28] Godfrey to Adjutant General, September 22, 1897, L–R, 1881–1907, 54703–1899, NA.

[29] *Ibid.*

[30] Oliver to Commissioner, December 10, 1908, RG 75, L–R, PA, DFRC.

[31] Malcolm McDowell, "Report on the Zuni Indian Reservation, New Mexico," pp. 4–5, from the papers of Hugh L. Scott which he accumulated while serving on the Board of Indian Commissioners, 1919–1933, NAASI, #4525 (pt.).

[32] Crane, *op. cit.*, 1972, pp. 2, 66.

[33] For a brief look at one side of the dispute in these early years, see: Wilken, Robert L. *Anselm Weber, O.F.M.: Missionary to the Navajos, 1898–1921,* Bruce Publishing Company, Milwaukee, 1953.

[34] On the document his name is incorrectly given as Kwan; Antonio.

[35] Zuni Officials to Commissioner, January 22, 1909, copy from Zuni Tribal Office Building Files.

[36] John Collier, *From Every Zenith,* Sage Books, Denver, 1963, p. 132.

[37] Bauman to Commissioner of Indian Affairs, March 27, 1925, RG 75, Central Correspondence files, 1907–1939, 22809–1918–113. 1, Zuni, NA.

[38] Usstisy [Eustace] et al. to Supt. of Zuni Res., n.d. [1926] RG 75, Central Correspondence Files, 1907–1939, 22809–1918–113. 1, Zuni NA.

[39] Collier, John *Indian of the Americas: The Long Hope.* New York, W.W. Norton, 1947, pp. 253–255.

[40] Later during an investigation undertaken by the Bureau of Catholic Indian Missions, made in 1924, it was alleged by one of the Zuni factions, that "a great many of the Indians objected [in 1917] to Hodge excavating here. Even at the present time there is a strong sentiment against it. The people do not think it is right to dig up the dead. It was necessary for Hodge to have the local officials with him to do that. The Indian Office gave a permit to Mr. Hodge to excavate, provided it was approved by the Indian officers. The officers here were supposed to talk to the people about it. Hodge hired quite a few to work for him." The implication to be reached from the tone of the report was, of course, that Hodge had bribed the Zuni government in order to enable him to continue his work. Transcript of proceedings of an investigation by the Bureau of Catholic Indian Missions at Zuni in 1924, vertical file on "Zuni," Museum of New Mexico.

[41] Collier, 1963, *op. cit.*, p. 137.

[42] Collier to editor of *Indian Truth,* November 2, 1924, RG 75, Central Correspondence files, 1907–1939, 22809–1918–113.1, Zuni, NA.

[43] Collier, 1963, *op. cit.*, p. 138.

[44] Collier, 1947, *op. cit.*, pp. 244–245.

[45] Collier, John "Persecuting the Pueblos," *Sunset Magazine,* July, 1924, pp. 50, 92–93. Collier was quoting from a Bureau document, a "supplement" to circular 1665, dated 1923.

[44] *ibid.*, p. 93.

[47] Investigation by the Bureau of Catholic Missions, *op. cit.*

[48] Usstisy [Eustace] et al. to the Commissioner of Indian Affairs, January 24, 1925. RG 75, Central Correspondence files, 1907–1939, 22809–1918–113.1, Zuni, NA.

[49] Bauman to Commissioner of Indian Affairs, March 27, 1925, *op. cit.* For further information concerning the controversy during this period see the following articles. John Collier, "Plundering the Pueblo Indians," Sunset Magazine, January 1923, pp. 21–25, 56. John Collier, "The Pueblos' Last Stand." *Sunset Magazine,* February 1923, pp. 19–22, 65–66. John Collier, "No Trespassing," *Sunset Magazine,* May 1923, pp. 14–15, 59–60. John Collier, "The American Congo," *The Survey,* August 1923, pp. 467–476. John Collier, "The Pueblo's Land Problem," *Sunset Magazine,* November 1923, pp. 15, 101. John Collier, "Persecuting the Pueblos," *Sunset Magazine,* July, 1924, pp. 50, 92–93. John Collier, "The Pueblo Lands," *The Survey,* February 15, 1931, pp. 548–549.

[50] Hagerman to Commissioner, May 5, 1926, RG 75, Central Correspondence files, 1907–1939, 22809–1918–113, Zuni, NA.

[51] Bauman to Commissioner, telegram of May 19, 1926, *ibid.*

[52] On the Commissioner's copy of this letter the word "destroyed" has been crossed out.

[53] Usstisy, et al., to Superintendent of Zuni, n. d. [1926], RG 75, Central Correspondence files, 1907–1939, 22809–1918–113.1, Zuni, NA.

[54] Faris to Commissioner of Indian Affairs, February 11, 1927, RG 75, Central Correspondence files, 1907–1939, 22809–1918–113.1, Zuni, NA.

[55] Trotter to Commissioner of Indian Affairs, February 8, 1928, *ibid.*

[56] Faris to Commissioner of Indian Affairs, March 31, 1928, *ibid.*

[57] Trotter to the High Priests of Zuni, May 21, 1928; Trotter to the Commissioner, May 21, 1928; High Priests of Zuni to Whom it May Concern, May 29, 1928, *ibid.*

[58] Collier to Trotter, August 25, 1935, RG 75, Zuni L–R, NA.

[59] Trotter to Commissioner, January 20, 1933, RG 75, L–R, Zuni, NA.

[60] *ibid.*

[61] "Politics Breaks Zuni Calm, 'New Deal' demanded," *Daily Gallup Independent,* March 21, 1933, *ibid.*

[62] Trotter to Commissioner, July 17, 1933, *ibid.*

[63] Brookings Institution, Committee on Survey—Mary Louise Mar (chairman), Elizabeth Long and Paul Gordon, "Law and Order in the New Mexico Pueblos, 1931–1932," Institute for Government Research, Washington, D.C.

[64] Trotter to Collier, November 21, 1934, RG 75, Zuni, L–R, NA.

[65] "Zuni Vote Topples Ancient Oligarchy," undated, unidentified newspaper clipping and "Lincoln Cane Goes to First Elected Governor of Zuni," undated, unidentified newspaper clipping from RG 75, L–R, Zuni, NA.

[66] Notes from a meeting with Governor Robert E. Lewis, Councilman Chester Gaspar, Councilman Harold Tucson, Richard Hart and Dr. Floyd A. O'Neil, January 17, 1974 at the Zuni Pueblo.

[67] John Adair, and Evon Vogt "Navajo and Zuni Veterans: A Study of Contrasting Modes of Culture Change," *American Anthropologist,* No. 4, Pt. 1, October-December, 1949, p. 549.

[68] Aberle, S. D. "The Pueblo Indians of New Mexico: Their Land, Economy and Civil Organization," *American Anthropologist,* Memoire 70, October, 1948, pp. 64–65.

[69] Notes of a conversation with Governor Robert E. Lewis and the Tribal Council of Zuni with Richard Hart, September 5, 1973 at the Zuni Pueblo.

[70] Field Notes from conversations with Richard Hart, Lt. Governor Theodore Edaakie and Councilman Chester Gaspar, August 24, 1973 at the Zuni Pueblo. Notes from a meeting with Governor Robert E. Lewis and the Zuni Tribal Council and Richard Hart, September 5, 1973, *op. cit.*

[70a] *Ibid.*

[70b] Minutes of a meeting held January 10, 1957 at the Zuni Pueblo, L-R, Zuni, NA, SD.

[71] Edward Canby to Pedro Pino, January 15, 1861, Hodge-Cushing Collection, Southwest Museum (hereafter H–C, SWM).

[72] Francis Klett to Pedro Pino, July 23, 1873, H–C, SWM.

[73] Tillie [Matilda Coxe] Stevenson to Pedro Pino, November 7, 1879, H–C, SWM.

[74] W. T. Sherman to Pedro Pino, September 10, 1878, H–C, SWM.

[75] See Map A.

[76] Zuni Officials to Commissioner of Indian Affairs, January 22, 1909, from the Zuni Tribal Office Building files.

[77] Farmer to Dunnington, July 8, 1911, RG 75, L–R, PA, DFRC. A series of letters concerning this episode were sent and received by the Bureau throughout the summer of 1911.

[78] Bauman to Commissioner, July 12, 1913, RG 75, Central Correspondence Files, 1907–1939, Zuni, L–R, NA.

[79] See Map B.

[80] Aberle to Collier, September 21, 1940, L–R, Zuni, NA, SD.

[81] Collier, 1963, *op. cit.*, p. 300.

[82] Henry Gaspar and Zuni Council to William Brophy, December 6, 1946, NA, SD.

[83] "Land Status Report, 1940," United Pueblos Agency (now Southern Pueblo Agency) Files.

[84] *Annual Report of the Interior Department,* 1942, Washington, Government Printing Office, p. 239.

[85] Notes from an interview with Mr. Dewey Dismuke by Richard Hart, January 18, 1974, at Mr. Dismuke's home in Albuquerque.

[86] Adair and Vogt, 1949, *op. cit.*, pp. 547–548.

[48] *Ibid.*, p. 548.

[88] An interview conducted by D. Corydon Hammond with Chester Gaspar, September 1,

1967, Doris Duke No. 94; an interview conducted by Hammond and Bowman Paywa, August 9, 1967, Doris Duke No. 83; *American Indian Oral History: The Duke Collection*, American Indian History Project, American West Center, University of Utah. The tapes and bound transcriptions from the Duke Project at Zuni are stored in the Western American Section of the University of Utah Library. Also: an interview conducted by Richard Hart with Nathaniel, June 4, 1973, transcript of tape.

[89] Interview with Mr. Dismuke, January 18, 1974, *op. cit.*

[90] See Map. C.

[91] "Land Consolidation Program, 1948–1962," memo supplied by Mr. Dismuke and *ibid.*

[92] William J. Oliver to Commissioner, November 30, 1908, RG 75, Central Correspondence Files, 1907–1939, 79281–1908–309, Zuni, NA.

[93] Zuni Officials to Commisioner of Indian Affairs, January 22, 1909, copy from Zuni Tribal Office Building Files.

[94] Frank Hamilton Cushing, as an ethnologist working for the Bureau of American Ethnology, had lived at the Pueblo from 1879 to 1884. While there he determined what the Zunis' territory had been before the area became part of the United States. He lectured in the East in later years, describing that land as encompassing more than ten times the territory of the reservation today.

[95] DiClana [sic] to Commissioner, September 25, 1909, RG 75, Central Correspondence Files, 1907–1939, L–R, Zuni, NA.

[96] Weber to Commissioner, April 22, 1909, RG 75, CCF, 1907–1939, 27392–1909–301–Navajo. NA.

[97] Oliver to Commissioner, May 2, 1910, RG 75, DDF, 1907–1939, Zuni, L–R, NA.

[98] Oliver to Commission, August 15, 1910, RG 75, L–R, Zuni, NA.

[99] William J. Lewis and Zuni Council to the Commissioner of Indian Affairs, April 24, 1912, RG 75, DDF, 1907–1939, Zuni, L–R, NA.

[100] William J. Lewis, Margaret A. Lewis, and Dick Tsanaha to Commissioner, September 23, *ibid.*

[101] Zunis to Commissioner of Indian Affairs, April 28, 1915, RG 75, General Correspondence Files, 1907–1939, Zuni, L–R, NA, also found in DFRC.

[102] "Indians Object to Confiscation of their Range," n.d., newspaper clipping, RG 75, PA, L–R, DFRC.

[103] Board of County Commissioners of McKinley County to Hon. W. B. Walton, March 8, 1918, PA, L–R, RG 75, DFRC.

[104] McKinley County Bank to Hon. W. B. Walton, March 9, 1918, *ibid.*

[105] Bauman to Commissioner of Indian Affairs, March 27, 1925, *op. cit.*

[106] Usstisy, et al., to Superintendent, n.d., *op. cit.*

[107] Lalio et al. to Commissioner, RG 75, Central Classified Files, 46562–1934–310, Zuni, NA.

[108] Helander to Olson, April 19, 1946, Memo, from Zuni Pueblo Tribal Office files.

[109] *Ibid.*

[110] Henry Gaspar et al. to Commissioner Brophy, December 6, 1946, letters received, Zuni, NA, SD.

[111] Watecelu to Commissioner, December 6, 1946, *ibid.*

[112] Wekeema Eraicho to Commissioner, December 5, 1946, *ibid.*

[113] Payne to Commissioner, December 4, 1946, *ibid.*

[114] Laniate Noble to Commissioner, November 5, 1946, *ibid.*

[115] Sub-agent Olsen probably meant Matilda Coxe Stevenson, an ethnologist for the Bureau of American Ethnology who worked at Zuni between 1879 and 1910. Ko luwala:wa is a small lake which is very sacred to the Zuni people, and is the site spoken of here. The Zunis believe they depart to Ko luwala:wa after death.

[116] Olsen to Evans, memorandum, April 1, 1946, copy from the Zuni Pueblo Office Building files.

[117] Eriacho and Zuni Council to Commissioner, July 14, 1948, RG 75, L–R, Zuni, NA, SD. During the years 1948–1950 the area around Zuni was hit with a severe drought. Hodge, Frederick Webb "Zuni Witchcraft Again," *The Masterkey*, Vol. 25, No. 1, p. 7.

[118] Institute for Government Research, *The Problem of Indian Administration*, John Hopkins Press, Baltimore, 1928, p. 808.

[119] Notes from a conversation between Richard Hart and Pete Gonzales, former Bureau employee at the Zuni Pueblo, made on September 5, 1973. Mr. Gonzales also recalled the efforts of Governor Gaspar to claim the area around Ko luwala:wa.

[120] Land Grant papers of the Zuni Pueblo, No. 54. Leopoldo J. Eriacho, on March 9, 1954, deposited some papers with the office of the BLM in Santa Fe. "He said he had brought the papers contained in this envelope. He requested that the papers be given to no one since it had taken him two years to secure them . . . , "a note reads. The papers are now stored in the New Mexico State Archives in Santa Fe.

Nathaniel Nasheboo, who was associated with Governor Eriacho during this period reported that the Governor acquired the documents and took them to Santa Fe at his own expense. (Transcript of a taped interview between Richard Hart and Nathaniel Nasheboo, June 4, 1973.)

The officials of Zuni during this period received no pay, had no office, and had to take care of tribal affairs in their spare time. (Interview of Lt. Gov. Theodore Edaakie and Councilman Chester Gaspar, at Zuni on August 24, 1973; transcript of a tape.)
wealthy Governor, and because most of the

Because of the need for an independently Zunis' problems centered around a need for more grazing land, most of the Juni Governors during this period were successful stock men. (Adair and Vogt, *op cit.*, p. 556.)

[121] Witt et al. to Eriacho, June 11, 1947, from Indian Claims Commission files.

[122] Transcript of a taped conversation with Lt. Gov. Theodore Edaakie, Councilman Chester Gaspar and Richard Hart, made at the Zuni Pueblo on August 24, 1973.

Asked why Governor Eriacho didn't file, Nathaniel Nasheboo indicated that the Governor probably didn't understand the statute of limitations. He reported that they once spoke with a lawyer and that he told them, following his explanation, "that they could file anytime, they knew the ropes." (Nasheboo interview, *op. cit.*)

[123] Notes from a conversation with Governor Robert E. Lewis and the Zuni Tribal Council, September 5, 1973. It was reported that the period between 1948 and 1951 was particularly bad.

[124] Eriacho et al. to Hagberg, July 14, 1948. L–R, Zuni, NA, SD.

[125] Eriacho and Zuni Council to Secretary of Interior, July 14, 1948, L–R, Zuni, NA, SD.

[126] Lawrence N. Stevens to Hagberg, telegram, October 12, 1948, L–R, Zuni, NA, SD.

[127] Hagberg to Commissioner, October 15, 1948, L–R, Zuni, NA, SD.

[128] Acting Commissioner Zimmerman to Leopoldo Eriacho, November 10, 1948, L–R, Zuni, NA, SD.

[129] *Ibid.*; Hagberg to Commissioner, October 15, 1948, *op. cit.*; and Hagberg to Eriacho, October 15, 1948, L–R, Zuni, NA, SD. This emphasis on the All-Pueblo Council was probably an indication of the growing mood which eventually led to the policy of termination. The Zunis were considered for termination but found unready. ("Summary Statement of Withdrawal Status, April, 1956,") L–R, Zuni, NA, SD.

[130] Notes of a conversation with Governor Robert E. Lewis, et al., September 5, 1973, *op. cit.*

[131] Hagberg to Chavez and Hagberg to Governor of Zuni (same letter), February 9, 1951, Zuni Pueblo Office Building Files.

[132] *Ibid.*

[133] Notes from conversations with Theodore Edaakie and Chester Gaspar by Richard Hart, August 24, 1973.

Notes from a meeting with Governor Robert E. Lewis and the Zuni Tribal Council by Richard Hart, September 5, 1973.

[134] *Ibid.*

[135] *Ibid.*

[136] Lesarlley, Wyaco and Quetawki to Hagberg, April 11, 1951, Zuni Tribal Office Building Files.

[137] *Ibid.*

[138] Hagberg to Commissioner, April 17, 1951, Pueblo Office Building Files.

[139] Notes from an interview made by Richard Hart with Dewey Dismuke, January 18, 1974, at his home in Albuquerque, N. Mex.

[140] ibid.

[141] Notes from a conversation between Richard Hart and Alice Duffy, former Secretary to the Area Office Director, September 4, 1973.

[142] Notes from a conversation between Richard Hart and Pete Gonzales, September 4, 1973.

[143] Alice Duffy conversation, *op. cit.*

[144] Notes taken from a conversation with Sidney Neutmoya (one of the Lesarlley Council in 1951) by Richard Hart, translated by Governor Robert E. Lewis, September 5, 1973.

[145] Transcription of a tape recording made at the Zuni Pueblo on November 20, 1963. Present were Zuni Governor Fred Bowanie, Zuni Lieutenant Governor Calvin Eustace, Councilman Lorenzo Chavez, Dewey Dismuke, Superintendent Richard Butts, Zuni Tribal Attorney Raymond Simpson, and others; from the Zuni Tribal Office Building Files.

Edaakie and Gaspar, August 24, 1973, *op. cit.*

Neutmoya, September 5, 1973, *op. cit.*

Raymond Simpson to Governor Calvin Eustace, May 5, 1960, L–R, Zuni, NA, SD.

[146] November 20, 1963 meeting, *op. cit.*

[147] Edaakie and Gaspar, *op. cit.*

[148] November 20, 1963 meeting, *op. cit.*

[149] Simpson to Eustace, May 5, 1960, *op. cit.*

[150] Notes from a conversation with Dr. Sophie Aberle and Richard Hart, September 5, 1973.

[151] Edaakie and Gaspar, August 24, 1973, *op. cit.* Gonzales, September 4, 1973, *op cit.* Lewis and Council, September 5, 1973, *op. cit.*

[152] Minutes of a meeting held January 10, 1957 at Zuni, L–R, Zuni, NA, SD.

[153] November 20, 1963 tape transcription, *op. cit.*

[154] Dismuke to Eustace, February 20, 1959, from the Zuni Tribal Office Building files.

[155] Morris to Commissioner John Crow, May 29, 1961, L–R, Zuni, NA, SD.

[156] Roland E. Johnson to Governor, Zuni Pueblo, August 31, 1973, memorandum, from Zuni Pueblo Tribal Office Building files.

[157] Ondelacy to Simpson, July 25, 1961, Zuni Pueblo Tribal Office Files.

[158] November 20, 1963, transcript, *op cit.*

[159] Johnson to Governor, August 31, 1973, *op. cit.*

[160] Superintendent of the Zuni Agency to Area Director, memorandum, May 1, 1967, Zuni Tribal Office Building Files.

Mr. DOMENICI. Mr. President, it is with a great deal of pleasure that I join my colleagues in introducing a bill to direct the Secretary of the Interior to purchase and hold 560 acres of land in trust for the Zuni Indian Tribe of New Mexico; to confer jurisdiction on the Court of Claims with respect to land claims of such tribe; and to authorize such tribe to purchase and exchange lands in the States of New Mexico and Arizona.

The people of New Mexico are proud

of the mutual trust and friendly relationships that we have with the Zuni people. The Zuni Tribe is well into its program to achieve self-determination and deserves credit for the progress that they have made in training and putting Zuni members into responsible positions of leadership formerly occupied by members of the Bureau of Indian Affairs. The Zunis as a people have a cultural tradition which leads to a nonaggressive method of problem solving and have demonstrated the ability to bring about change through peaceful means.

As is often the case, a people of passive and gentle behavior are often disadvantaged by the imposition of the non-Indian culture. The Zuni Tribe has always looked to the U.S. Government for protection of its way of life. Through the long history of the relationship between the United States and the Zuni Tribe, the Zuni people have always treated the United States with respect and have acquiesced in the judgment of the representatives of the United States. It has long been known that the Zuni Tribe occupied lands in the past which were much more expansive than the lands to which they are confined on their present reservation. No one can argue that the grazing lands and cultivated lands are adequate to supply the needs of the tribe whose birth rate is double that of the national average and whose mortality rate is half that of the national average.

I have met with representatives of the Zuni people on many occasions and they have expressed to me a desire to correct some injustices which prior to this time they had been too timid or reticent to mention. The Zuni Tribe has never been compensated for lands which were taken or occupied by the United States. The Zuni people have repeatedly made requests for additional lands, but have never had the inclination to aggressively confront the Government in a direct manner to achieve that end. The Zunis have preferred to make their needs known and rely upon the judgment and sense of fair play of the Government to deal justly with them.

Unfortunately, the United States has not responded to this somewhat low key and seemingly slow pace of the Zuni in dealing with the Bureau of Indian Affairs or other government agencies. As a result, the Zuni Reservation does not include their major sacred shrine located at Zuni Salt Lake, some 18 miles south of the reservation border located on 560 acres. Likewise, the Zuni Tribe did not file a claim against the United States under the Indian Claims Commission Act for lands taken by the United States, in part from an apparent misunderstanding, but also for fear that such an action would somehow jeopardize their relationship with their trustee.

It is interesting to note that during the period of time allowed under the Indian Claims Commission Act in which tribes had to file their claims that the Zuni Indian Tribe never employed legal counsel. They were involved in a land reconsolidation program which added measurably to the reservation acreage. It was the common feeling among the Zuni people at that time that if they were to file a claim against the United States that it would somehow jeopardize the land reconsolidation program.

It becomes readily apparent that the Zuni people have always trusted the United States to treat them fairly and have never been self-assertive or militant. Under these circumstances, I feel that the United States is held to a high fiduciary responsibility in dealing with the Zuni people. Accordingly, I introduce this legislation to correct two significant problems which now face the Zuni people, which need immediate correction.

First, this bill will return to the Zuni Indian Tribe approximately 560 acres in which the sacred Zuni Salt Lake is located. The tribe will then be free to use this shrine for religious purposes in perpetuity.

Second, this bill will confer jurisdiction on the Court of Claims to allow the Zuni Indian Tribe to prosecute a claim against the United States for lands taken which belong to the Zuni Indian Tribe. There is no question in my mind that the Zuni Tribe should have an opportunity to try its claim on the merits and should not be precluded from so doing.

I am proud to be of assistance in helping the Zuni people to obtain what is rightfully theirs and display to them on behalf of the United States our desire to treat them fairly and equitably as they have treated us.

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 878. A bill to designate the Veterans' Administration Hospital in Columbia, S.C., as the "Wm. Jennings Bryan Dorn Veterans' Hospital." Referred to the Committee on Veterans' Affairs.

Mr. THURMOND. Mr. President, I am pleased to introduce a bill to name the Veterans' Administration Hospital in Columbia, S.C., for former Congressman William Jennings Bryan Dorn.

Congressman Dorn served with great dignity in the U.S. House of Representatives for 13 terms. During his many years in Washington, he acquired a vast store of knowledge and experience. His expertise in Veterans' Affairs was, and remains, particularly noteworthy.

He was instrumental in helping numerous deserving veterans all over the Nation.

Bryan Dorn was a member of the House Veterans' Affairs Committee for 24 years, and served as chairman of the committee for his last 2 years in the Congress. He showed distinguished leadership for the cause of veterans during his entire congressional career.

Mr. President, I can think of no better way to recognize that leadership than to name the Columbia VA Hospital in his honor.

Mr. President, I send the bill to the desk for appropriate reference, and ask unanimous consent that it be placed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 878

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Veterans' Administration hospital at Columbia, South Carolina, shall hereafter be known and designated as the "Wm. Jennings Bryan Dorn Veterans' Hospital". Any reference to such hospital in any law, regulation, document, record, or other paper of the United States shall be deemed a reference to it as the "Wm. Jennings Bryan Dorn Veterans' Hospital".

By Mr. MOSS:

S. 879. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to require itemized budget requests for funds to provide relocation assistance. Referred to the Committee on Government Operations.

Mr. MOSS. Mr. President, during the 1960's it was brought to our attention in the Congress that many people were being removed from their homes and businesses as a result of government construction. We were made aware that the right of eminent domain provided adequate compensation only for the value of the property taken and that it failed to provide for all of the other expenses and inconveniences which were caused by eminent domain proceedings such as moving, transportation, and relocation costs. We also found that, in many instances, those who were being relocated were not the property owners, but were tenants and they were receiving no compensation for their loss of use of property or their sometimes very expensive need to relocate. To correct these inequities to those who were the real users of the property, the 92d Congress enacted the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970. The act has served its intention very well by providing assistance for tenants, businessmen, or homeowners when they were forced to relocate as a result of acquisition of their property by the Federal Government or by any agency using Federal funds. Many people who were previously turned out into the cold have, under this act, received and been assured of relocation whether for their housing or their business and adequately compensated for the inconvenience caused them by a Federal program.

Mr. President, the Uniform Relocation Assistance Act has, as I said, compensated all of those who became financial victims of Government acquisitions or condemnation proceedings. However, while it has acted to serve well those for whose benefit it was intended it has been brought to my attention that in its present form the act has caused the loss of some very valuable State or Federal programs. This is so because the act failed to authorize specific moneys to the agency for carrying out the purpose of this act, while carrying out its intent. The money to carry out this act has necessarily come out of program funds within the various agencies and has thereby made it necessary to terminate some very important and worthwhile programs. An example of this has recently taken place in my home State of Utah. The State Board of Education has found it necessary to build a new physical facility. The site which has been selected for construction of the facility required the displacement of many persons from their homes and businesses. As a result the act required the State to pay relocation assistance in the amount of approximately $250,000 for relocation, because part of the funds to be used for the facility are Federal funds. The end result of this relocation will be a loss of $250,000 from the State's title I Federal funds and, therefore, the termination of some very important vocational education and handicapped training programs. This loss to the State of Utah is only one example. I have been advised by the regional agency that this problem is recurring and causing a great deal of suffering and loss benefits.

Mr. President, the amendment I offer today will resolve a problem which the act has perpetuated simply by allowing the agencies, in their request for appropriations, to add as a line item the funds necessary to carry out the act.

Mr. President, I urge the Senate to give this amendment its earliest consideration and to act quickly to prevent any further damage being done to many beneficial programs.

By Mr. McGOVERN (for himself, Mr. ABOUREZK, Mr. BURDICK, Mr. CASE, Mr. CLARK, Mr. CHURCH, Mr. DOMENICI, Mr. HUMPHREY, Mr. MANSFIELD, Mr. McGEE, Mr. METCALF, and Mr. HUGH SCOTT):

S. 880. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans. Referred to the Committee on Veterans' Affairs.

WORLD WAR I VETERANS' PENSION

Mr. McGOVERN. Mr. President, last April I introduced legislation designed to provide guaranteed pensions for World War I veterans and their widows. Since that time, the economic situation has worsened, inflicting great financial strains on all Americans. But, ironically, the segment of our population which is probably suffering the most is also the group least able to cope with the increased economic burden. I am speaking of the elderly, especially those on fixed incomes, whose punctured pocketbooks seem to be deflating at a rate much quicker than that of the ballooning cost of living.

I do not feel that is proper treatment for any citizen of the United States and particularly not for our war veterans. I have often said that you can best judge a country by the way it treats its elderly. While we do have many fine programs intended to aid elderly Americans, it is obvious that we have fallen short of any decent commitment to those who have grown older and wiser watching several more conflicts go by and waiting for recognition of their own service to their country.

World War I veterans deserve a decent income in this time of financial uncertainty. Most of them are living out their final years on a meager income of social security and a small, income-related veterans' pension. Every time their social security goes up, their pension from the VA goes down. In many cases, they end up with less total income than they had before the social security raise. More than ever they are deserving of the recognition and compensation they should have received half a century ago.

In the last session of Congress, I attempted to bring the Senate's attention to the readjustment needs of Vietnam veterans. Aided by strong support from the Senate and the House, we not only passed substantial increases in GI bill benefits, but we also overwhelmingly overrode the President's veto of the bill. Now our Nation's latest group of veterans has been granted educational benefits approaching those offered Americans who fought in World War II.

This was one of the strongest arguments used by both myself and by major veteran's organizations in fighting for the expanded GI bill—that the Vietnam era veterans were entitled to the same level of benefits received by veterans of World War II. Given the overwhelming success of the World War II readjustment programs as documented in several studies, it is difficult, if not impossible, to argue with that reasoning.

It is also reasonable to extend that argument to our treatment of the men and women who served during the first worldwide conflict. If we do, we find that World War I veterans have been neglected to a degree that can only cast shame on every other effort this Nation has made to provide some compensation in civilian life for those who have served honorably in the Armed Forces.

Their situation must be made clear in order to understand the debt owed veterans of the First World War. When the war was over, there was no Veterans' Administration to counsel those who were fortunate enough to come home from the devastations of war. At that time there was no GI bill to help pay for the education of these young veterans who had set aside personal plans and ambitions to take their country's cause during a time of conflict overseas. In 1921 the men and women returning from the war were young and they had the rest of their lives to look forward to. They were proud and optimistic, strong, and idealistic. Although they did not receive the many benefits that veterans of later wars received, they were, at that time in their lives, more easily able to cope with the readjustment problems they faced and the sacrifices they had to make to get back on their civilian feet and fully integrate themselves into society. But these people are not young anymore. The average age of the World War I veteran is 79. While the inequities could be theoretically remedied by offering the same benefits to World War I veterans that veterans since that war time era have received, realistically we know that the job counseling and educational entitlement cannot benefit them now. But an unrestricted pension would guarantee the World War I veterans comfortable lives in their later years.

Mr. President, the veterans of the First World War have done a great deal for our country. They have earned our help and they need it now. Decorative medals and campaign ribbons will just not sustain them in these times of financial need. I am, therefore, introducing for appropriate reference a bill identical to one introduced by Congressman FREY in the House to provide a guaranteed pension for all World War I veterans. I hope that we can take immediate action to correct a grave injustice.

By Mr. HATFIELD (for himself, Mr. CLARK, and Mr. McGOVERN):

S. 881. A bill to establish an Office of Food Administration for a temporary period in order to develop coordinated national policies on domestic and foreign food assistance programs. Referred to the Committee on Agriculture and Forestry.

Mr. HATFIELD. Mr. President, today I am introducing legislation to create an Office of Food Administration in the Executive Office of the President to be headed by an administrator appointed by the President by and with the consent of the Senate. Senators CLARK and McGOVERN join me in introducing this legislation.

The bill is designed to create an operation similar to that managed from 1914 to 1924 by Herbert Hoover at the request of President Wilson. The history of that effort is readily available, and I summarized it in testimony before the Select Committee on Nutrition and Human Needs on December 18, 1974. That testimony can be found in the RECORD of December 19.

Let me briefly outline the dimensions of Hoover's food relief program.

During and after World War I, millions of people in central and eastern Europe and Russia were threatened by starvation. The United States responded magnificently. American food relief for Europe began in 1914 with the creation of the Commission for the Relief of Belgium under the chairmanship of Herbert Hoover and continued under other auspices until 1924. In all, 33 countries and millions of people were aided by the shipment of 34 million tons of commodities at a cost of $5 billion. Today's cost would be about $20 billion.

This was accomplished even in years when there was no "statistical" surplus available. Remarkable efforts were made in Germany, against the stubborn opposition of some allies and those who denounced the relief as treasonable feeding of the enemy. And also in Russia in 1922 and 1923, when an estimated 20 million people were fed, despite objections to assisting "Bolsheviks."

But the most rewarding operation was the child feeding program. Hoover realized that "stunted bodies and deformed minds in the next generation were not the foundation on which to rebuild civilization." Under his direction, 14 to 16 million children were fed at a cost to the United States of $325 million, the largest part of which came from charitable contributions.

When a similar situation arose in Europe in World War II, President Truman took the lead in urging Americans to adopt voluntary conservation measures. With little or no commodity surplus, increased aid had to be managed by reducing consumption. So Truman proposed that Americans eat no meat on Tuesdays; no poultry or eggs on Thursdays; save a slice of bread every day; and that restaurants serve bread and butter only on request. He also asked that distilleries close temporarily to save grain.

As a result of Truman's plea, 2½ million tons of grain were sent to Europe in just 60 days. That is nearly half the food we will send in this entire fiscal year.

The world's need for food aid has never been greater. We have spent considerable time in the past year discussing the causes and ramifications of the world food crisis. Yet our response has been sluggish at best. It is not because we lack food—shortly after the World Food Conference we learned that the grain was available if we were willing to pay for it. It is not because we lack the funds—the $2 billion needed to meet our share of the world food contribution is less than 0.2 percent of our GNP. It is not because we do not care—nongovernmental agencies report that contributions have increased. We simply lack leadership.

After the United States committed itself at the World Food Conference to increasing its food aid through Public Law 480, the final funding decision took months as the Agriculture Department, the State Department, and the Office of Management and Budget haggled over how much, to whom, and at what cost. When Congress declared that at least 70 percent of title I, Public Law 480, aid had to be sent according to humanitarian rather than political needs, the State Department balked at this supposed "interference" and further delay resulted.

All this took 3 months. If we had moved at Truman's pace, we could have shipped between 3 and 4 million tons of food in that time, and we would not be worrying now whether we could ship all the aid by June 30, 1975.

The food administrator I propose could put an end to this bureaucratic delay and exert the leadership to mobilize Americans in support of a coherent and humane food aid policy.

My bill would create the Office of Food Administration in the Executive office of the President, to be headed by a food administrator to be appointed by the President with the consent of the Senate. The Cabinet-level administrator would be the President's principal adviser on food assistance programs at home and abroad. He would ascertain the availability of food to carry out such programs and the means for funding them. He would recommend to the President the minimum level of funding for Public Law 480, with emphasis on the humanitarian purposes of the act. He would formulate and recommend to the President a national nutrition policy for the United States, so that we would not ignore hunger here at home while we help feed others abroad. He would formulate and recommend to the President policies to improve agricultural production at home and abroad, so we can have enough food to supply emergency aid and so the developing nations can move toward agricultural self-sufficiency.

I emphasize that the bill specifically directs the Secretary of State, the Administrator of AID, the Secretary of Agriculture, and the heads of other departments and agencies of the Federal Government food assistance programs to cooperate fully with the administrator. I do not intend to create another bureaucrat to debate with his fellows, but someone to put an end to self-serving arguments and bring order out of chaos.

With all due respect to my colleague Senator HUMPHREY, I must say at this point that his Senate resolution to authorize the appointment of a "food coordinator" is not sufficient to the task. His bill would not have the effect of law and it would not specifically direct and require the heads of other agencies to cooperate fully with the "coordinator" in the fulfillment of his duties. I suspect, therefore, that the "coordinator" would do little more than coordinate paper and have no influence over policy.

Mr. President, our food aid programs need direction, and that requires tough legislation.

As an indication of the authority the administrator I propose would have, he would serve as chairman of the interagency committee which oversees questions of food assistance. That committee, with representatives from USDA, the State Department, AID, and the Defense Department, among others, has been meeting regularly to parcel out U.S. food aid since its creation by Executive order during the Eisenhower administration, but it has come to our attention only recently.

In addition, the Food Administrator I propose would serve on the advisory committee established by section 407 of Public Law 480, and would be authorized to call meetings of that committee should the acting chairman fail to do so in the time prescribed by law, or for emergency purposes.

Mr. President, in developing food assistance policies the Administrator would take into consideration the role of nongovernmental agencies, and would utilize their services and facilities to the maximum extent possible, as Hoover did when he was Food Administrator. These voluntary agencies can frequently do a better job of food relief than governments can, but it is difficult for the average contributor to know which one is doing what for whom. The Administrator could clarify this situation for the American public.

In a similar role, the Administrator would submit to the Congress and to the people of the United States periodic reports on the progress of his plans for ending world hunger by 1985, as resolved by the World Food Conference, and on the status of nutrition in the United States.

Finally, Mr. President, section 8 of my bill declares that the Office of Food Administration and the Office of Food Administrator shall terminate 4 years after the appointment of the first Administrator. I have no desire to create another sprawling bureaucracy. If the Congress wants to continue the office, it can do so easily enough.

Mr. President, our foreign food assistance program should not be a stepchild to be considered only on an ad hoc basis when the reality of world hunger occasionally dawns upon us. We need a coherent, humane policy administered by a single office whose sole responsibility is foreign food assistance. At a later date I will be proposing amendments to Public Law 480 which will further enhance our efforts to eliminate world hunger. In the meantime, I hope we can get early hearings on this legislation, and I urge other Senators to join Senator CLARK, Senator McGOVERN, and me in sponsoring this bill.

I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 881

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is established within the Executive Office of the President an office to be known as the "Office of Food Administration".

(b) The Office of Food Administration shall be headed by an Administrator who shall be appointed by and with the advice and consent of the Senate.

SEC. 2. (a) The Administrator shall be the President's primary adviser on all matters relating to food assistance programs carried out by the Federal Government domestically and abroad, and shall be responsible for formulating and implementing the policies for such programs.

(b) In carrying out his functions under this Act the Administrator shall, among other things—

(1) ascertain annually the food requirements for domestic and foreign assistance programs, ascertain the availability of food to carry out such programs, and ascertain the means available for funding such programs;

(2) recommend to the President the minimum level of assistance which should be made available to foreign countries under the Agricultural Trade Development and Assistance Act of 1954, such level of assistance to be determined on the basis of the availability criteria prescribed in section 401 of such Act, except that primary consideration shall be given to the humanitarian purposes of such Act;

(3) formulate and recommend to the President a national nutrition policy for the United States;

(4) make periodic reports to the people of the United States and to the Congress on the progress of plans for solving the world hunger problem and on the status of nutrition in the United States;

(5) submit to the Congress from time to time such recommendations for legislation as he deems necessary to implement the policies formulated by him under this Act;

(6) formulate and recommend to the President programs to improve the agricultural production of the United States and foreign countries and to achieve agricultural self-sufficiency in the developing nations, and recommend minimum funding levels for these programs.

SEC. 3. The Administrator, so long as his office exists, shall—

(1) serve as chairman of any inter-agency food aid committee which oversees questions relating to food assistance, and

(2) serve as a member of the advisory committee established in section 407 of the Agricultural Trade Development and Assistance Act of 1954. The Administrator shall be authorized to call meetings of the advisory committee established in section 407 of the

Agricultural Trade Development and Assistance Act of 1954 should the acting chairman fail to do so in the time prescribed by law, or in times of emergency.

Sec. 4. The foreign food assistance policies formulated by the Administrator under this Act shall be directed toward the elimination of world hunger by 1985, as resolved by the World Food Conference.

Sec. 5. In developing food assistance policies under this Act, the Administrator shall take into consideration the role of non-governmental agencies and organizations and, in order to utilize the services and facilities of such agencies and organizations most effectively, the Administrator shall, to the maximum extent practicable, coordinate such policies with such agencies and organizations.

Sec. 6. The Secretary of State, the Administrator of the Agency for International Development, the Secretary of Agriculture, and the heads of other departments and agencies of the Federal Government concerned with food assistance programs shall cooperate fully with the Administrator in carrying out his functions under this Act.

Sec. 7. The Administrator shall receive compensation at the same rate provided for level I positions in the Executive Schedule under section 5312 of title 5, United States Code.

Sec. 8. Four years after the date on which the Administrator has been appointed, the Office of Food Administration shall terminate together with the office of the Administrator.

Sec. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. HUMPHREY:

S. 882. A bill to extend and revise the special supplemental food program. Referred to the Committee on Agriculture and Forestry.

Mr. HUMPHREY. Mr. President, I am today introducing a bill to extend and expand the special supplemental food program commonly known as WIC—women, infants, and children.

The program is designed to provide high-protein diet supplementation to low-income women, infants, and children, found to be at nutritional risk. The idea of the original pilot legislation was to reach people during those critical periods when nutrition intervention would do the most good for them and, therefore, give the taxpayers the best return on their tax dollar.

This program has brought a strong response from the States and the recipients under the program. We should move to make WIC a permanent program.

This bill attempts to correct problems which surfaced during the short life of the program. I might add that this program has been a success in spite of the many obstacles thrown up by the administration.

Under my bill, the funds for administrative expenses would be increased, with nutrition education and outreach to be included as administrative costs. The need for increased administrative funds, and provision for nutrition education, have been emphasized repeatedly by WIC administrators as necessary to make the program work more effectively.

The administrative expenses to be allowed are more clearly spelled out in this bill with startup costs provided for in sufficient amounts to get a program off the ground. Women are allowed to continue to receive foods for 6 months after birth, as opposed to 6 weeks, in order to allow them a longer period to catch up from nutritional depletion resulting from childbirth; and children can participate through 5 years of age, not 4, in an attempt to expand slightly their nutritional coverage during the preschool years.

The bill also provides for the establishment of a National Advisory Council on maternal, fetal, and infant nutrition. This council will be composed of administrators, health professionals, nutritionists, WIC directors, and WIC participants. They will meet with the Secretary of Agriculture on a regular basis as an advisory panel. Each year the council will prepare a report providing recommendations for the improvement of maternal, fetal, and infant nutrition programs.

The medical evaluation component has also been revised, under this bill, to overcome some of the earlier problems which have been discovered and identified. The new evaluation component requires the Secretary to meet with a group of experts in the field of maternal, fetal, and infant nutrition. This group will review the original evaluation, look at existing health and nutrition assessment methods, and develop a plan for implementing a specific evaluation geared to the WIC program.

The administration's intentions for WIC were clearly stated in the Food and Nutrition Service briefing memo dated January 31, 1975:

> WIC—program to be terminated regardless of action on the block grant.

What this means is there will not be a WIC program next year unless the Congress is willing to fight for it, because the President does not want it.

The WIC program was authorized by the Congress in 1972, and it is an important first step in decreasing the number of malnourished children, the number of birth defects due to malnutrition, and the rate of mental retardation due to malnutrition.

Instead of playing games up by proposing a "block grant" approach to assure the demise of the program, the administration should have joined in the effort to improve the program by offering its own suggestions.

I had hoped that the administration would have learned a lesson from the failure of its efforts to increase the costs of food stamp coupons.

But it seems that there is an almost diabolical administration plan to hit at the most needy persons in our society.

I would expect that this legislation may become a part of a larger child nutrition bill. But, I feel that it is worth taking a special look at this very interesting and unique program.

Mr. President, I ask unanimous consent that the text of this bill to extend and revise the special supplemental food program be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 882

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 17 of the Child Nutrition Act of 1966 is revised to read as follows:

"(a) The Congress finds that substantial numbers of pregnant women, infants and young children are at special risk in respect to their physical and mental health by reason of poor or inadequate nutrition and/or health care. Therefore, it is the intent of this act to provide supplemental nutritious food as an adjunct to good health care during these critical times of growth and development in order to prevent the occurrence of these health problems.

"(b) For each fiscal year the Secretary shall make cash grants to the health department or comparable agency of each State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare for the purpose of providing funds to local health or welfare agencies or private nonprofit agencies of such State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare, serving local health or welfare needs to enable such agencies to carry out health and nutrition programs under which supplemental foods will be made available to all pregnant or lactating women and to infants determined by competent professionals to be nutritional risks because of inadequate nutrition and inadequate income, in order to improve their health status. Such program shall be carried out without regard to whether a food stamp program or supplemental food program or a direct food distribution program is in effect in such area.

"(c) In order to carry out the program provided for under subsection (b) of this section during each fiscal year, the Secretary shall use $300,000,000 out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). In order to carry out such program during each fiscal year, there is authorized to be appropriated the sum of $300,000,000, but in the event that such sum has not been appropriated for such purpose by July 1 of each fiscal year, the Secretary shall use $300,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose and $300,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). Any funds expended from such section 32 to carry out the provisions of subsection (a) of this section shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out the provisions of such subsection, and such reimbursements shall be deposited into the fund established pursuant to such section 32, to be available for the purpose.

"(d) Whenever any program is carried out by the Secretary under authority of this section through any State or local or nonprofit agency, he is authorized to pay administrative costs not to exceed 25% of the projected program funds provided to each State under the authority of this section. *Provided*, that each health department or comparable agency of each State, Indian tribe, band, or group recognized by the Department of Interior; or the Indian Health Service of the Department of Health, Education, and Welfare receiving funds from the Secretary under this section shall, by January 1, each year, for approval by him as a prerequisite to receipt of funds under this section, submit a description of the manner in which administrative funds shall be spent, including, but not limited to, a description of the manner in which nutrition education and outreach services will be provided. Outreach funds shall be used to search out those most in need of the benefits of this program. The Secretary shall take affirmative action to ensure that programs begin in areas most in need of special supplemental food. *Provided further* that during the first six months of any program, or until the program reaches its projected caseload level, whichever comes first, the Secretary shall pay those administrative costs necessary to successfully commence the program."

"(e) The eligibility of persons to participate in the program provided for under subsection (a) of this section shall be determined by competent professional authority. Participants shall be residents or members of populations served by clinics or other health facilities determined to have significant numbers of infants and pregnant and lactating women at nutritional risk.

"(f) State or local agencies or groups carrying out any program under this section shall maintain adequate medical records on the participants assisted to enable the Secretary to determine and evaluate the benefits of the nutritional assistance provided under this section. The Secretary shall convene an advisory committee made up of representatives from the Maternal and Child Health Division of the Department of Health, Education, and Welfare, the Center for Disease Control, the Association of State and Territorial Public Health Nutrition Directors, the American Academy of Pediatrics, the National Academy of Science—National Research Council, the American Dietetic Association, the American Public Health Association, the Public Health Service and others as the Secretary deems appropriate. This committee shall study the methods available to successfully and economically evaluate in part or in total, the health benefits of the Special Supplemental Food Program. Their study shall consider the usefulness of the medical data collected and the methodology used by the Department of Agriculture and the Comptroller General of the United States prior to March 30, 1975. Their study shall also include the applicability to an evaluation of the Special Supplemental Food Program of federal and State health, welfare and nutrition assessment and surveillance projects currently being conducted. The purpose of this advisory committee shall be to determine and recommend in detail how, using accepted scientific methods, the health benefits of the Special Supplemental Food Program may best be evaluated and assessed. This advisory committee shall report to the Secretary no later than December 1, 1975. The Secretary shall submit to Congress his recommendations based on this study no later than March 1, 1976.

"(g) Definition of terms used in this section—

(1) "Pregnant and lactating women" when used in connection with the term "at nutritional risk" includes mothers up to six months post partum from low-income populations who demonstrate one or more of the following characteristics: known inadequate nutritional patterns, unacceptably high incidence of anemia, high prematurity rates, or inadequate patterns of growth (underweight, obesity, or stunting). Such term (when used in connection with the term "at nutritional risk") also includes low-income individuals who have a history of high-risk pregnancy as evidenced by abortion, premature birth, or severe anemia.

(2) "Infants" when used in connection with the term "at nutritional risk" means children under five years of age who are in low-income populations which have shown a deficient pattern of growth, by minimally acceptably standards, as reflected by an excess number of children in the lower percentiles of height and weight. Such term, when used in connection with "at nutritional risk", may also include children under five years of age who (A) are in the parameter of nutritional anemia, or (B) are from low-income populations where nutritional studies have shown inadequate infant diets. Any child participating in a non-residential child care program shall not be excluded from participating in the WIC program.

(3) "Supplemental foods" shall mean those foods containing nutrients known to be lacking in the diets of populations at nutritional risks and, in particular, those foods and food products containing high-quality protein, iron, calcium, vitamin A, and vitamin C. Such term may also include (at the discretion of the Secretary) any commercially formulated preparation specifically designed for infants or mothers. The contents of the food package shall be made available in such a manner as to provide flexibility based on medical necessity or cultural eating patterns.

(4) "Competent professional authority" includes physicians, nutritionists, registered nurses, dietitians, or State or local medically trained health officials as being competent professionally to evaluate nutritional risk.

(5) "Administrative costs" include costs for outreach, referral, operation, monitoring, nutrition education, general administration, start-up, clinic, and administration of the State WIC office.

(h) (1) There is hereby established a council to be known as the National Advisory Council on Maternal, Infant, and Fetal Nutrition (hereinafter in this section referred to as the "Council") which shall be composed of fifteen members appointed by the Secretary. One member shall be a State Director of the Special Supplemental Food Program, one member shall be a State Fiscal Director for the Special Supplemental Food Program (or the equivalent thereof), one member shall be a State Health Officer (or equivalent thereof), one member shall be a project director of a special supplemental food program in an urban area, one member shall be a project director of a special supplemental food program in a rural area, one member shall be a State Public Health Nutrition Director (or equivalent thereof), two members shall be parent recipients of the Special Supplemental food program, one member shall be a pediatrician, one member shall be an obstetrician, one member shall be a person involved at the retail sales level of food in the special supplemental food program, two members shall be officers or employees of the Department of Health, Education, and Welfare, specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to maternal, infant, and fetal nutrition, and two members shall be officers or employees of the Department of Agriculture, specially qualified because of their education, training, experience, and knowledge in matters relating to maternal, infant and fetal nutrition.

(2) The eleven members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that the nine members first appointed to the Council shall be appointed as follows: Three members shall be appointed for terms of three years, three members shall be appointed for terms of two years, and three members shall be appointed for terms of one year. Thereafter all appointments shall be for a term of three years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

(3) The Secretary shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Council.

(4) The Council shall meet at the call of the Chairman but shall meet at least once a year.

(5) Eight members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

(6) It shall be the function of the Council to make a continuing study of the operation of the Special Supplemental Food Program and any related Act under which diet supplementation is provided to women, infants, and children, with a view to determining how such programs may be improved. The Council shall submit to the President and the Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

(7) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

(8) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council.

(i) On September 1, 1975, the Secretary shall forward to each State an advance payment for the month of September pursuant to subsection (c) of this section which shall not be less than the total payment made to such State for the month of July 1975 pursuant to subsection (c) of this section and the Secretary shall forward any remaining payment due pursuant to subsection (c) of this section for the month of September 1975 no later than 30 days following the receipt of valid claim. Thereafter, on the first day of each month the Secretary shall, in a similar manner, forward an advance monthly payment to each State pursuant to subsection (c) of this section which shall not be less than the total payment made to such State in the second preceding month pursuant to subsection (c) of this section and the Secretary shall forward any remaining payment due pursuant to subsection (c) of this section for such month no later than 30 days following receipt of valid claims: *Provided, however,* That any funds unspent by a State shall be returned to the Secretary. On each July 1 and on each January 1 the Secretary shall publish in the Federal Register the amount of advance payments to be made to each State pursuant to this subsection for that month.

By Mr. HUMPHREY (for himself, Mr. CLARK, Mr. MCGEE, and Mr. MCGOVERN):

S. 883. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility with which to participate in efforts to alleviate the suffering and human misery of hunger and malnutrition and for certain other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. HUMPHREY. Mr. President, I am today introducing legislation to make certain improvements in the Food for Peace program.

The bill deals with three basic areas. The first section was approved on two occasions by the Senate, the most recent being the waning days of the 93d Congress. It was not acted on, however, by the House of Representatives. The purpose of the section is to assure the availability of food aid, even during periods of short supply. The administration supported a bill in the last session which was identical except for one minor word change.

A great deal has been written on the need to maintain our food aid during periods of short supply. In recent years the volume of our food aid has declined as supplies have grown tighter and prices escalated on the commercial markets.

But at the same time, the need for food aid has not disappeared. While many former food aid recipients are now our customers on the commercial market, bad weather has meant that food aid will continue to be needed for some years to come.

As the world's major food surplus country, we can hardly avoid playing a key role in this area. We have urged other nations to increase their food aid, and this has happened in recent years.

The second section of the bill is designed to give first priority to those countries most in need of our food assistance. The food-for-peace program has been used, and sometimes misused, in furthering other goals.

I do not oppose providing food aid to meet legitimate political goals, and the program can, at the same time, develop future markets for our commodities.

But I do want to see the program improved with humanitarian objectives given first priority.

In an era of food scarcity, we need to utilize this valuable resource with greater care than ever before. It needs to be tied to our development effort to maximize agricultural production.

We can no longer operate the program as if we have plentiful supplies, and the administration must be more willing to have the Congress participate in making the food allocations.

The bill also provides for improvements in the reporting requirements on food aid. There has been an unwillingness on the part of the administration to be forthcoming in terms of sharing program information on food aid.

The Congress and the public need this information, and it is needed on a quarterly basis. Because of the changes in prices as well as the availability of commodities, this data should be furnished, as provided in this bill, by country, commodity and cost.

The administration should not look on food aid as their preserve. The programing of food aid is very much a congressional concern and particularly at times when prices are high and supplies are in short supply. We need to keep tabs on what is happening and how the program is being implemented.

These reporting provisions of the bill would provide the basis for a useful and regular exchange between the executive and legislative branches on food aid.

Mr. President, I ask unanimous consent that the full text of my bill to strengthen the food-for-peace program be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 883

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 401 of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking the period and inserting a comma and the following: "unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest and humanitarian objectives of this Act".

SEC. 2. Section 401 of the Agricultural Trade Deevlopment and Assistance Act of 1954 is further amended by inserting "(a)" after the section designation and adding the following new subsection (b):

"(b) In programming food aid under this Act, first priority is to be given to those countries most in need of this assistance. In carrying out this requirement, reference shall be made to the studies and reports of the United Nations indicating those countries most in need of food aid. The humanitarian criterion upon which food aid allocations are made shall be published and made available at the same time the food assistance report is submitted to the Congress as required by section 408 of this Act, as amended."

SEC. 3. Section 408 of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(a) By inserting "(a)" after the section designation.

(b) By adding the following new subsection:

"(b) In addition to the report required by subsection (a) of this section, the President shall make the following reports each year to the Senate Committees on Agriculture and Forestry, Foreign Relations, Appropriations, and Budget, and the House of Representatives Committees on Agriculture, Foreign Affairs, Appropriations, and Budget:

"(1) A report submitted not later than March 15 each year on the projected food aid programmed for the next fiscal year. The report shall specify commodity levels and costs by country and by commodity, and grant and concessional sales programs shall be treated separately.

"(2) During each fiscal year, quarterly reports submitted not later than 30 days after the end of each quarter showing the food aid actually provided during such quarter by country, commodity, commodity amounts, and costs. The quarterly report shall include an explanation of any revision of 20 per centum or more in the levels or costs of commodities programmed for any country.".

By Mr. STEVENS:

S. 884. A bill to provide needed facilities and services not otherwise available for the accommodation of visitors in the areas administered by the National Park Service by authorizing the Secretary of the Interior to guarantee loans which are part of concessioner investments in such facilities and services, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, today I am introducing legislation which would authorize the Secretary of the Interior to guarantee loans used to finance the construction of visitor centers and other facilities in areas under the jurisdiction of the National Park Service.

Specifically, the Secretary would be authorized to guarantee up to 90 percent of the actual cost of a particular improvement. However, a $25 million ceiling would be placed on the aggregate unpaid principal amount of outstanding loans guaranteed under the act. Moreover, a loan could not be guaranteed unless the Secretary finds—First, that the concessioner is unable to obtain the necessary funds without a loan guarantee; second, that the proposed improvement is economically sound; and third, that the proposed improvement is necessary and appropriate for the public use and enjoyment of an area administered by the National Park Service. In order to insure the necessary financing, a revolving fund would be created, with contingency borrowing authority vested in the Secretary of the Interior in the event that at any time the moneys in the fund were not sufficient to pay an amount owed by the Secretary on account of a loan default.

The introduction of this bill is necessitated by the fact that because the legal title to all improvements erected in areas administered by the National Park Service vests in the U.S. Government, it is very difficult to obtain private capital on a long-term basis to construct such improvements. Moreover, the present economic situation makes it difficult to obtain the necessary financing.

Mr. President, I believe that the establishment of visitor centers and related facilities in areas not now served by these improvements would promote public use and enjoyment of our national parks, wilderness areas, wildlife refuges, and other areas of this type. Since the act stipulates that new facilities and services could be instituted only if they are consistent with the preservation and conservation of areas administered by the Park Service, the natural environment of these withdrawals would not be impaired.

In my State of Alaska, which has numerous areas of great natural beauty, tourism would be stimulated with a concomitant beneficial impact on our entire economy. At the same time, many thousands of Americans would be able to experience the scenic beauty and splendor of Mount McKinley National Park, the Glacier Bay and Katmai National Monuments, and other areas administered by the Park Service in my State. Similar public enjoyment and economic benefits would result in many other parts of the United States. For all of these reasons, I urge the prompt enactment of the bill that I have introduced today.

I ask unanimous consent that this legislation be reprinted at this point in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

POLICY AND PURPOSE

SECTION 1. It is hereby declared to be the policy of Congress to encourage private persons and corporations to provide and operate facilities and services for the accommodation of visitors in the areas administered by the National Park Service of the Department of the Interior, but only to the extent that such facilities and services are necessary and appropriate for the public use and enjoyment of such areas, and are consistent with their preservation and conservation. However, it is recognized that as legal title to all improvements erected in areas administered by the National Park Service vests in the United States Government, private capital to construct these facilities is not available from conventional sources for long-term financing.

It is the sense of the Congress that the Secretary of the Interior should adopt such policies and take such action as may be necessary or appropriate to implement the foregoing policy, and, in furtherance of that policy, it is the purpose of this Act to authorize the Secretary of the Interior to guarantee loans obtained by concessioners to finance such facilities. To the degree consistent with the best interests of the parties, these loans should be obtained from sources local to the area served.

DEFINITION

SEC. 2. As used in this Act—

(1) The term "Secretary" means the Secretary of the Interior.

(2) The term "concessioner" means a holder of a concession contract with the Department of the Interior, who is authorized to provide and operate, under the supervision of the National Park Service, facilities and services for the accommodation of visitors in areas administered by the National Park Service.

(3) The term "concession contract" means the contract to provide and operate facilities and services granted to the concessioner by the Department of the Interior.

(4) The term "improvement" means any facility used or to be constructed, repaired, or improved in an area referred to in paragraph (2), including equipment to be purchased and used in connection therewith by a concessioner pursuant to the request and subject to the approval of the Secretary, for the purpose of enabling the concessioner to furnish accommodations or to perform services to the public, as such accommodations and services are defined in the concession contract.

(5) The term "financing" shall mean any loan, advance of credit, or bonds or notes issued under a trust indenture.

(6) The term "lender" includes the original maker of any loan and his successors in interest, or the purchaser of a bond or note, except that in the case of a loan or advance of credit involving a trust indenture and an issue of bonds or notes thereunder, it means the trustee designated in such trust indenture and his successors and assigns as trustees, but does not include the holders of the bonds or notes issued under such trust indenture.

(7) The term "actual cost of an improvement" means, as of any specific date, the aggregate (as approved by the Secretary) of (a) all amounts paid by or on account of the concessioner on or before that date, and (b) all amounts the concessioner is then obliged to pay from time to time thereafter, for an improvement.

(8) The term "possessory interest" means the rights of the concessioner in improvements recognized in the concession contract.

GUARANTEE OF LOANS

SEC. 3. (a) When the Secretary determines that not less than 10 per centum of the cost of the improvement will be furnished by the concessioner from sources other than the lender whose financing is to be guaranteed, the Secretary is hereby authorized to guarantee such lender against loss of principal and interest on any financing made by such lender to any concessioner. Such guarantee shall be made on such terms and conditions, and pursuant to such regulations as the Secretary may prescribe, but in no case shall the Secretary pay, pursuant to any such guarantee, an amount in excess of 90 per centum of the actual cost of an improvement.

(b) The faith of the United States is solemnly pledged to the payment of each guarantee made pursuant to this Act.

(c) The aggregate unpaid principal amount of outstanding loans guaranteed under this Act shall not exceed $25,000,000.

GUARANTEE RESTRICTIONS

SEC. 4. No loan shall be guaranteed under this Act, unless the Secretary finds—

(1) that the concessioner would be unable to obtain the necessary funds for the improvement without such guarantee, and in the amount thereof;

(2) at or prior to the time the guarantee is made, that the improvement with respect to which the financing is or will be executed is economically sound; and

(3) that the improvement for which the financing is or will be executed is necessary and appropriate for the public use and enjoyment of an area administered by the National Park Service.

FINANCING GUARANTEE FUND

SEC. 5. (a) There is created a National Park Service Guaranty Fund (hereinafter referred to as the "fund"), which shall be used by the Secretary as a revolving fund for the purpose of carrying out the provisions of this Act. Moneys in the fund shall be deposited in the Treasury of the United States to the credit of the fund, or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States.

(b) The Secretary is authorized to fix a guarantee fee in connection with each financing guaranteed under this Act. Such charge shall not be less than one-quarter of 1 per centum per annum, nor more than one-half of 1 per centum per annum of the average principal amount of the financing outstanding. Fee payments shall be made when payments are first advanced under the loan agreement or trust indenture and on each anniversary date thereafter. All such fee payments shall be computed and shall be payable to the Secretary under such regulations as the Secretary may prescribe.

(c) All moneys borrowed by the Secretary under section 7, and all fees collected in connection with financing guaranteed under this Act, shall be deposited in the fund.

DEFAULTS ON FINANCING

SEC. 6. (a) In the event of an act or failure to act which gives the lender the right to mature any financing guaranteed under this Act (any such event being referred to herein as a default), and if there is a failure on the part of the concessioner to remove and remedy the default within thirty days thereafter, the lender shall have the right—

(1) in the case of a default in respect to the payment of principal or interest or the payment of any amount to provide for the payment of guarantee charges to the Secretary, to demand payment at or before the expiration of sixty days after any such default; or

(2) in the case of any other default, including but not limited to a substantial default or continued unsatisfactory performance under the concession contract to demand at any time during the continuance of such default, payment by the Secretary of the unpaid principal amount of such financing and of the unpaid interest thereon to the date of payment. Upon the making of any such demand, the lender shall assign the financing instrument and any obligations evidencing the same to the Secretary. The Secretary may at any time during the continuance of any default notify the lender in writing that a default exists, specifying the same, and that by reason of such default the Secretary intends to terminate the guarantee sixty days after such notice is received by the lender. The lender shall be entitled to demand payment by the Secretary as above provided at any time during such sixty-day period, whether or not the default is removed and remedied, and if the lender shall fail to make such demand, the guarantee may be terminated by the Secretary on or after the expiration of such period. Within a period of thirty days from the date of any such demand, the Secretary shall accept the assignment and promptly pay to the lender the unpaid principal amount of such financing and unpaid interest thereon to the date of payment; except that in any case in which the Secretary has given notice of intention to terminate the guarantee pursuant to the foregoing provisions, the Secretary shall not be required to accept such assignment if, prior to the expiration of such thirty-day period, he shall find that there was no default or that such default was removed and remedied prior to any such demand.

(b) In the event the Secretary shall accept the assignment of a financing agreement upon the default of a concessioner pursuant to subsection (a), he shall take such action against the concessioner or any other parties liable under the financing agreement thereunder as, in his discretion, may be required to protect the interests of the United States and of the lender as they may appear. In any event, and in addition to all other remedies which may be available to the Secretary as a matter of law, or pursuant to the concession contract or the financing agreement, the payment made by the Secretary to the lender under subsection (a) shall constitute a primary lien against the entire possessory interest of the concessioner under the concession contract of such concessioner, without any limitation to the improvements which were acquired by means of the defaulted obligation. The Secretary shall require as a condition of entering into the guarantee herein provided for, that the concessioner shall agree—

(1) default in the financing shall constitute a default under the concession contract;

(2) the Secretary shall have the right, in addition to the rights granted under the concession contract, to offer for sale not only the possessory interest of the concessioner, but all other property of the concessioner which may have been pledged to secure the loan, with any excess of the proceeds of such sale over any amount paid by the Secretary pursuant to subsection (a) to be paid to the concessioner.

If the Secretary shall determine that the interests of the United States do not require the sale of the possessory interest of the concessioner, he may make such agreement with the concessioner as, in the opinion of the Secretary, will result in remedying the default.

(c) Any amount required to be paid by the Secretary pursuant to subsection (a) shall be paid in cash.

BORROWING AUTHORITY

SEC. 7. If at any time the moneys in the fund are not sufficient to pay any amount the Secretary is required to pay by section 6(a), the Secretary is authorized to issue to the Secretary of the Treasury notes or other obligation in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations to be issued hereunder and for such purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Funds borrowed under this section shall be deposited in the fund, and redemptions of such notes and obligations shall be made by the Secretary from the fund.

INCONTESTABILITY OF GUARANTEES

SEC. 8. Any contract of guarantee entered into by the Secretary under this Act shall not be terminated, canceled, or otherwise revoked for any reason, except as provided in section 6, and shall be conclusive evidence that the financing complies fully with the provisions of this Act; and any contract of guarantee so entered into shall be incontestable from the date on which it is entered into, except for fraud, duress, or mutual mistake of fact.

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. There are hereby authorized to be appropriated such sums as may be necessary for the administrative expenses incurred in carying out the provision of this Act.

By Mr. HUMPHREY (for himself, Mr. JACKSON, and Mr. MAGNUSON):

S.J. Res. 38. A joint resolution to bestow U.S. citizenship upon Leif Ericson. Referred to the Committee on the Judiciary.

LEIF ERICSON HONORARY U.S. CITIZEN

Mr. HUMPHREY. Mr. President, as Americans, we have long been celebrating Columbus Day and the important contributions Christopher Columbus made in his discovery of America. However, we tend to forget the seemingly small, yet vital, part others have played in the discovery of our Nation. One such man, with whom I share a common Norse ancestry, is Leif Ericson.

Leif Ericson was born around A.D. 970 in Iceland. Born the son of the famed warrior, explorer, and discoverer of Greenland—"Eric the Red," Leif became famous after he became the first navigator to sail directly from Greenland to Norway, without stopping at Iceland. Leif arrived in Norway during the reign of King Olaf Tryggvasson, who had just converted to Christianity. The king commissioned Leif to return to Greenlannd to spread this new faith to the natives who were believers in the Norse mythology with its pagan gods and goddesses.

There are two traditional accounts of Leif's discovery of America, between the years of 1000 and 1004. One is the "Iceland version" which states that Leif accidentally discovered America when strong winds drove him off course on a voyage from Iceland to Greenland. Leif named the new land Vinland because of the land's plentiful supply of grapes. He stayed in Vinland only long enough to gather timber and wild grapes, and then returned to Greenland.

The second tradition is called the "Greenland version." This version is the one that recent evidence upholds; it states that a contemporary navigator of Leif's, Bjarni Herjolfsson, after being driven off course, chanced upon Vinland, but did not land. Upon his return, Leif followed Bjarni's directions and was the first to land and explore Vinland. He built a small settlement and spent the winter there before returning to Greenland.

Before 1963, the evidence supporting Leif Ericson's discovery was vague and circumstantial. His discovery was mentioned in three manuscript sagas that contained narratives of various Icelandic explorers, including Leif Ericson. In these manuscripts, Vinland is described and the natives were called Skraellingers. The only other evidence that supported the early discovery was a map drawn around A.D. 1570 by Sigurd Stefansson which labeled the northern coast of North America, in the vicinity of Newfoundland, as "the Land of the Skraellings."

In 1963, however, in the Newfoundland village of L'Anse aux Meadows, Dr. Helge Ingstad discovered evidence of a Norse settlement. Radioactive carbon tests substantiated, beyond a doubt, that the unearthed remains of Norse artifacts dated back to around A.D. 1000.

Then, in 1965, there was another major breakthrough of evidence. Yale University and British museum scholars painstakingly pieced together proof of the existence of a map that dates at least 50 years before Columbus sailed on his historic voyage to America. Drawn in brown ink on a piece of dry parchment measuring 11 by 16 inches, the map clearly shows the Western Hemisphere in the upper left-hand corner. The map also shows two rivers that cut into the land, which are conjectured to be the Hudson Straits and the Gulf of the St. Lawrence.

Organizations like the Leif Ericson Society, the "Sons of Norway"—the world's largest organization of Scandinavian Americans comprising 86,000 members—and "Svenskarnas Dag," have done much in keeping the name of such a great man alive and remembered. Previously, by a joint resolution, Congress set aside October 9 as a special day commemorating Leif Ericson for distinguishing himself in the exploration of America some 500 years before Christopher Columbus.

On behalf of the above organizations, I would like to go a step further by introducing this resolution, not only as a tribute to Leif Ericson, but also as tribute to Americans of Scandinavian descent. These people have long proved themselves to be brave and loyal Americans carrying on the tradition of exploration first started by their courageous Norse ancestors. They have exhibited their own pioneering spirit by sailing to the same new land. Because of their accomplishments, Scandinavian Americans have every reason to take pride in their individual heritage and its contribution to American culture.

What Leif Ericson stands for is something all Americans can be proud of—he is a symbol of man's unending quest for progress and an exploration of the unknown that surrounds him. We are all pioneers; even though we no longer have any new worlds to discover on earth, we still have our own secret dreams and goals. It is only appropriate that we recognize the importance of this individual by making him an honorary citizen of the United States, a small tribute for his contributions to our society.

Mr. President, I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 38

Whereas Leif Ericson of Iceland played a significant part in the discovery and exploration of North America; and

Whereas Leif Ericson, a brave Norse navigator, was the first known explorer to sail and land along the coast of North America, around Anno Domini 1000; and

Whereas Congress, by a joint resolution has proclaimed October 9 as Leif Ericson Day; and

Whereas Leif Ericson's accomplishments are a tribute to Scandinavian-Americans who have carried on the tradition of exploration first started by their courageous Norse ancestor; and

Whereas Leif Ericson is a symbol of something all Americans can be proud of—man's unending quest for progress and an exploration of the unknown that surrounds him: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Leif Ericson shall hereafter be known as a citizen of the United States of America.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 66

At the request of Mr. KENNEDY, the Senator from Ohio (Mr. TAFT) and the Senator from Maryland (Mr. BEALL) were added as cosponsors of the bill (S. 66), the Nurse Training and Health Services and Health Revenue Sharing Act of 1975.

S. 114

At the request of Mr. INOUYE, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 114, a bill to provide that certain persons, who have innocently entered into a legally defective marriage to an insured individual and have lived with such individual as his husband or wife for at least 5 years, shall be treated, for benefit purposes, as if such marriage had been legally valid.

S. 123

At the request of Mr. INOUYE, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 123, a bill to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program established by part B of such title.

S. 323

At the request of Mr. Moss, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of the bill (S. 323) to regulate commerce and to protect petroleum product dealers from unfair practices, and for other purposes.

S. 353

At the request of Mr. Roth, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of the bill (S. 353) to authorize the Federal Power Commission to allocate scarce supplies of natural gas.

S. 474

At the request of Mr. HOLLINGS, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Tennessee (Mr. BAKER), the Senator from Delaware (Mr. BIDEN), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arkansas (Mr. BUMPERS), the Senator from Iowa (Mr. Clark), the Senator from New Mexico (Mr. Domenici), the Senator from Michigan (Mr. Philip A. Hart), the Senator from Maine (Mr. Hathaway), and the Senator from Connecticut (Mr. Ribicoff) were added as cosponsors of S. 474, a bill concerning changes in status of members of the Armed Forces who are in a missing-in-action status as a result of their service in Indochina.

S. 482

At the request of Mr. Kennedy, the Senator from Indiana (Mr. Hartke) was added as a cosponsor of the bill (S. 432) the National Medical Malpractice and Arbitration Act of 1975.

S. 510

At the request of Mr. Kennedy, the Senator from Rhode Island (Mr. Pell) was added as a cosponsor of the bill (S. 510) the Medical Devices Amendments of 1975.

S. 532

At the request of Mr. Haskell, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 532, a bill to authorize the Secretary of Agriculture to amend retroactively regulations of the Department of Agriculture pertaining to the computation of price support payments under the National Wool Act of 1954 in order to insure the equitable treatment of ranchers and farmers.

S. 625

At the request of Mr. Kennedy, the Senator from Michigan (Mr. Philip A. Hart), the Senator from South Dakota (Mr. McGovern), the Senator from Minnesota (Mr. Humphrey), the Senator from New Jersey (Mr. Case), the Senator from Vermont (Mr. Leahy), and the Senator from California (Mr. Tunney) were added as cosponsors of the bill (S. 625) the Emergency Health Benefits Act of 1975.

S. 667

At the request of Mr. Beall, the Senator from Pennsylvania (Mr. Hugh Scott) was added as a cosponsor of S. 667, a bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property, and for other purposes.

S. 732

At the request of Mr. Dole, the Senator from Utah (Mr. Moss) was added as a cosponsor of S. 732, a bill to grant a preference in employment in the competitive civil service to individuals who have served an enlistment in a National Guard or Reserve unit.

S. 850

At the request of Mr. McGovern, the Senator from Conecticuit (Mr. Ribicoff) was added as a cosponsor of the bill (S. 860) the National School Lunch and Child Nutrition Act Amendments of 1975.

ADDITIONAL STATEMENTS

THE STATES AND THE NATION

Mr. McGEE. Mr. President, the Record is a daily compilation of history. I note that the National Endowment for the Humanities is providing for a series of writings on the history of our beloved States and the District of Columbia for the Bicentennial.

This series will be entitled "The States and the Nation."

I am proud to announce that Prof. T. A. Larson, nationally known historian at the University of Wyoming, has been selected to write the volume on my State. Professor Larson, like Wyoming, is known for firsts. Upon his retirement, forthcoming this year, he will have accumulated credentials as a teacher and historic author that distinguish him as a special American.

I urge my colleagues to read this forthcoming series on the States tnd the Nation as part of their personal celebration of the Bicentennial.

I ask unanimous consent that information provided on the Bicentennial history series and the accomplishments of Prof. T. A. Larson be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The States and The Nation Series

T. A. Larson, author and historian at the University of Wyoming, has agreed to write the volume, "Wyoming: A Bicentennial History", in the forthcoming Bicentennial State Histories series entitled "The State and The Nation."

"The States and The Nation," a fifty-one volume series covering every state plus the District of Columbia, is being produced by the American Association for State and Local History through grants from the National Endowment for the Humanities (NEH) totaling more than $600,000. Support for the project is a major part of Endowment programs to provide good reading for the public for the Bicentennial of American Independence, and to develop resources in state and local history.

Professor Larson's volume will be an interpretive essay, characterizing the peoples of Wyoming historically and showing the relationship of their state's history, their particular experiences, their applications of democracy, and their values, to those of the nation as a whole.

Professor Larson is amply qualified for the task. A past member of the editorial boards of Pacific Historical Review and the Western Historical Quarterly, he is the author of most of the articles on Wyoming published in encyclopedias in the past twenty-five years, and his book, "History of Wyoming," published by the University of Nebraska Press in 1965, won the American Association for State and Local History Award of Merit in 1966. Numerous journals have published his articles on a variety of subjects, including the women's rights movement in Western America.

Dr. Larson has lived in Wyoming since 1936, when he came to Laramie as a member of the University of Wyoming's Department of History. He holds the B.A. and M.A. degrees from the University of Colorado (1932, 1933) and the Ph.D. from the University of Illinois (1937). He has also studied at the University of Chicago and the University of London. He was born in Wakefield, Nebraska, in 1910.

Currently the University of Wyoming's William Robertson Coe Distinguished Professor of American Studies, Dr. Larson served as head of the university's Department of History from 1948 to 1969 and directed the School of American Studies there from 1959 to 1969. He was visiting professor of history at Columbia University, 1950–1951, and a member of the U.S. National Commission for UNESCO, 1963–1966. In 1966, he received the University of Wyoming's G. D. Humphrey Distinguished Faculty Award.

Dr. Larson is a member of Phi Beta Kappa; the Western History Association, which he served as president, 1970–1971; the American Historical Association; the Organization of American Historians, on whose Executive Committee he served, 1961–1964; and the Wyoming Historical Society, of which he was president, 1957–1958. During World War II, he served with the U.S. Navy (1943–1946).

In addition to his journal articles and award-winning "History of Wyoming," Mr. Larson's writings include "Wyoming's War Years," 1941–1945 (1954); and "Bill Nye's Western Humor" (1968), which he edited.

Twenty-three authors in The States and The Nation series have been announced previously. They are: Bruce Catton, Michigan; Louis B. Wright, South Carolina; David S. Lavender, California; Joe B. Frantz, Texas; Wilma Dykeman (Mrs. James R. Stokely), Tennessee; Elting Morision, New Hampshire; Jay Saunders Redding, Delaware; Norman C. Clark, the state of Washington; Gloria Love Jahoda, Florida; Oliver Jensen, Connecticut; Charles S. Peterson, Utah; Kenneth S. Davis, Kansas; Lawrence C. Powell, Arizona; Marshall Sprague, Colorado; John Alexander Williams, West Virginia; Joe Gray Taylor, Louisiana; William R. Hunt, Alaska; F. Ross Peterson, Idaho; Richard J. Jensen, Illinois; Clark C. Spence, Montana; Richard N. Current, Wisconsin; David L. Lewis, the District of Columbia; and Charles T. Morrissey, Vermont.

The AASLH selects authors for its Bicentennial series together with a distinguished advisory committee. Chairman of the advisory committee is James Morton Smith, director of the State Historical Society of Wisconsin. Other members are Roscoe Born, vice editor of The National Observer; Vernon Carstensen, professor of history at the University of Washington; Michael Kammen, professor of history at Cornell University; Joan Kerr, consulting editor to American Heritage Publishing Company; Richard Ketchum, former head of the book division of American Heritage; A. Russell Mortensen, assistant director, Archaeology and Historic Preservation, National Park Service; Lawrence W. Towner, director and librarian of the Newberry Library; and William T. Alderson, director of the American Association for State and Local History. Gerald W. George of the AASLH staff is Series Editor for the Bicentennial State Histories.

COLOR IT DANGEROUS

Mr. BEALL. Mr. President, I first called to the attention of the Congress and the country the work of Dr. Ben Feingold with respect to food additives and hyperactive children in October of 1973.

I refer my colleagues to page 35403 of the Record for that day. Dr. Feingold had found that by altering the diet of hyperactive children, dramatic results in the behavior of such children were achieved.

Thereafter, I had exchanged numerous letters with Dr. Feingold, the Food and Drug Administration, and the National Institutes of Health. In addition, I invited the Food and Drug Administration to my office to discuss Dr. Feingold's findings. However, the Food and Drug Administration refused to pursue Dr. Feingold's work and efforts.

Fortunately, however, NIE was more receptive, and with my support and endorsement, NIE authorized a followup study of Dr. Feingold's research. On

June 18, 1974, I announced in the Senate that NIE had awarded a grant of $50,000 to Dr. C. Keith Conners of Harvard to determine if Dr. Feingold's dramatic results could be replicated. Apparently, Dr. Conners has achieved the same dramatic results as Dr. Feingold.

Mr. President, the New York Times recently carried a story announcing a shift in attitude by the FDA with respect to Dr. Feingold's work. Although late, I certainly welcome FDA's interest in Dr. Feingold's hypothesis. I ask unanimous consent that the article from the New York Times be printed in the Record. In addition, Mr. President, Dr. Feingold has recently authored a book, "Why Your Child Is Hyperactive," which was published last month documenting his frustrating efforts to interest the Food and Drug Administration in his efforts. I ask unanimous consent that the Washington Post review of Dr. Feingold's book by Colman McCarthy be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the New York Times, Feb. 9, 1975]

F.D.A. in Shift, Test Diet for Hyperactive

By Lucinda Franks

The Food and Drug Administration, after discounting for almost two years the contention of a California pediatrician that hyperactivity and learning disability in children can be triggered by artificial food flavors and colors, is now helping to test the validity of his research.

Since 1973, Dr. Ben F. Feingold of the Kaiser-Permanente Medical Center in San Francisco has treated hundreds of hyperkinetic children on a special diet free of foods containing synthetic flavors and colors. He maintains that the diet has enabled about 50 per cent of his patients to return to normal or near-normal behavior. Within a month, he says, they can usually be taken off powerful tranquilizers and amphetamine stimulants that have been used to control their wild behavior.

The 74-year-old pediatrician has complained that since he first wrote of his findings the Food and Drug Administration has been "like a brick wall, giving me no support, only discouragement, as though they were representatives of the food industry, rather than a government agency."

"It is true that at first we were skeptical," concedes Richard Ronk, who is head of the agency's Department of Color Additives. "Dr. Feingold did not back his claims."

"Now we admit that there might certainly be something to it, but a lot more testing is needed," he continued. "I personally would hope it was true. It would help thousands of kids."

A GROWING PROBLEM

Dr. Feingold, who is chief emeritus of Kaiser-Permanente's Allergy Department, estimates that about 5-million children suffer from hyperkinesis-learning disability in this country. The term itself is relatively new and not precisely defined; it takes in a constellation of symptoms, including hyperactivity, impulsive and sometimes violent behavior and the inability to concentrate. Most experts agree that the diagnosis of hyerkinesis has been steadily and alarmingly increasing in recent years.

Medical researchers have tried to link hyperkinesis to a variety of factors, including the presence of excess lead in the blood. But no one has yet established its cause.

Dr. Feingold believes the rapid rise in the use of food chemicals parallels the rise in the incidence of hyperkinesis. He maintains that children of a certin genetic profile are victims of the proliferation of artificial "kid foods"—cereals the colors of the rainbow, potato chips in five different flavors, soda pop and powdered drink mixes that are mostly chemicals. He says that he has found similar reactions among certain children who eat some fruits and vegetables containing a "natural salicylate radical" that is similar to acetylsalicylic acid in aspirin.

In Dr. Feingold's Kaiser-Permanente or "K-P diet": foods containing artificial colors and flavors and foods containing the aspirin-like radical, such as oranges, tomatoes, peaches and cucumbers, are prohibited. A minor infraction spells disaster.

"One candy bar loaded with additives can make a child hit the roof," he says. "It might take a week for him to come down."

DYES UNDER ATTACK

The pediatrician's thesis is one of many attacks on artificial colors and flavors by some scientists and consumer groups who feel that the safety of many additives has not been satisfactorily proven.

Critics argue that since artificial colors and flavors have no nutritional value but are designed solely to sell more products by making them more colorful and palatable, the consumer should not have to bear any risk.

One of the most recent controversies over artificial additives involves the most widely used food dye, Red No. 2. Some research scientists within the Food and Drug Administration have argued that more testing is needed to clear the dye from suspicions that it may cause cancer and fetal death. The Food and Drug Administration is now reconsidering its earlier intention to give the dye a clean bill of health.

Dr. Feingold, whose book, "Why Your Child is Hyperactive," was published last month by Random House, says he began writing letters to the Food and Drug Administration in May, 1973, telling the agency of his clinical studies with hyperkinetic children, urging it to encourage the marketing of more foods free of artificial colors and flavors, and pressing it to require fuller disclosures of additives on food labels.

Although the Federal Food, Drug and Cosmetic Act requires food manufacturers to state the presence of artificial coloring or flavoring on most food labels (butter, cheese, and ice cream are exceptions and need not list any ingredients), Dr. Feingold complains that the tiny print on the labels is sometimes illegible and that many foods do not obey the requirements, a charge which the Food and Drug Administration concedes is probably true.

Moreover, pediatric medicines almost always contain artificial coloring. As a result, he says, parents have a sometimes impossible task of keeping their children on his diet. Indeed, he argues, the drugs prescribed for hyperkinetic children, because they can contain synthetic dyes, may themselves be injurious.

A CHANGE OF MIND

In a letter dated June 7, 1974, Dr. John Jennings, associate commissioner for medical affairs of the Food and Drug Administration, wrote Dr. Feingold that the agency thought his proposal for a symbol to be used on food packages to denote the absence of artificial colors and flavors would constitute "negative labeling" and would be of "no advantage to the consumer."

But last October, the F.D.A. apparently changed its mind. The agency sent Dr. Feingold a letter stating that its regulations would not prohibit the use of such a symbol on a food label provided the manufacturer did not claim that natural ingredients were any safer than artificial ones.

In another significant move the agency was instrumental in persuading the Food Research Institute—a department of the University of Wisconsin that receives funds from the government and the food industry—to set up a highly controlled extensive study that would use laboratory techniques to scientifically measure the affect, if any, of artificial colors and flavors on hyperkinetic children.

If this one-year test supports Dr. Feingold's hypothesis, more must follow. The next step would be tests to see which—if not all—of the many artificial colors and flavors are dangerous. Then more tests would be necessary to determine whether different children are affected by different additives.

BOSTON STUDY CITED

The new interest in Dr. Feingold's data is due, in part, to a preliminary study funded by the National Institute of Education, conducted in Boston by Dr. Keith Connors, who has been working with hyperkinetic children since 1960. He tested 10 to 12 children, who at different times received both the K–P diet and a control diet.

"Out of 10 children, eight underwent unexpected, dramatic changes, clearly in line with Dr. Feingold's studies," he said. "I'm pretty much of a skeptic, but in my opinion, we definitely have something here."

Dr. Conners now intends to conduct a larger experiment on the K–P diet involving 100 children.

[From the Washington Post, Jan. 23, 1975]

Color It Dangerous

"Why Your Child Is Hyperactive." By Ben F. Feingold, M.D. (Random House, 211 pp. $7.95)

REVIEWED BY COLMAN M'CARTHY

Last May in New Orleans for the annual convention of the Institute of Food Technologists—an occasion when scientists, salesmen and others gather to display their latest efforts to doctor and chemicalize our food—I kept thinking of Dr. Ben Feingold. He is the San Francisco pediatrician and allergist who received national attention when his work caught the interest of Washington Post reporter Morton Mintz. In October, 1973, Mintz reported in Feingold's studies showing that food colorings and flavorings are involved in the behavior of many hyperactive children, who, for undetermined reasons, are mostly boys: following the article, Mintz received more mail than on any other subject he has written about in 12 years.

In New Orleans, my thoughts were in Feingold's work whenever I walked among the exhibit booths that hawked the newest fake color and flavor that many food companies add to products that would otherwise rate as garbage. This is where the illness of hyperkinesis-learning disability (H-LD) may originate—in the colorings and flavorings injected into such foods as cookies, ice cream, fruit punches, hot dogs, dry cereal and others.

We do not learn from this careful and well-organized book what Feingold thinks of fake food artists—only those with a stomach for the bizarre should go among them—but we discover his thoughts about some 5 million children in the United States who suffer from hyperkinesis. It is a disease that shows up in the personality and behavior of the victim: unable to concentrate or sit still, self-injury, fits, disruptions. "Most of the children," Feingold writes, "don't want to be bad. They don't want to be on drugs. They don't want to be in learning disability classes. They are not subintelligent. In my opinion, they are chemically abused. These children are normal. Their environment is abnormal."

The "bad" children to whom Feingold refers are not really delinquent, any more than alcoholics are "bad" people. Feingold notes that almost 100 different symptoms have been listed in medical publications for hyperkinesis-learning disability, which is also known as minimal brain dysfunction. The symptoms range from mild to uncontrollable. About half the children are treated with drugs "as a matter of management."

Feingold's interest in the possible links between hyperkinesis and additives was roused when some of his allergy patients had behavioral changes when he put them on special diets. Feingold studied the research on immunology and wondered: "Was it possible that the artificial flavorings and colorings were causing the behavioral disturbances? The time factor favored it. The additives, particularly the flavorings, had not been used in any great quantity until after World War II. Most of the synthetic additives, aside from colors, were less than 35 years old. Could the mass of convenience foods and the great tangle of additives have anything to do with the recent alarming incidence of H-LD?

"There seemed to be circumstantial evidence. A Standard & Poor's graph projecting the dollar-value increase in artificial flavors looked very much like a graph indicating the rising trend of H-LD for the same period. A soft-drink graph displayed a certain parallel to the increased incidence in hyperactive children, and the synthetics were often used in the soft beverages."

Rather than becoming another prescription-happy physician—your respectable junkie who unthinkingly believes drug company pitches—Feingold conducted studies among groups of children. He created the "K-P" diet (many sample diets are included in the book), the initials coming from the Kaiser-Permanente health program he is associated with in San Francisco. The diet takes the children off, first, all foods artificially flavored and colored; and second, all fruits and vegetables containing natural salicylates (tomatoes, cucumbers, apples, grapes, oranges and peaches, among others).

Feingold reports many case histories showing surprising successes. One child had all hyperkinatic symptoms disappear within three weeks. Others showed similar positive results. In all, about 50 percent of the children on the K-P diet responded favorably, and 75 percent were taken off drugs.

Feingold's book has the ring of alarm to it, as well it should. He is suggesting that we not only may be making millions of our children sick but that we then turn around and support doctors, pharmacists and drug companies to "manage" the illness.

Such a message is likely to be dismissed as heresy among the true believers who trust the fake food companies and the Food and Drug Administration. Feingold can be quickly put down by those in power; his studies were "unscientific," they were of limited range, and besides who is he—just a tinkering allergist—to say he has the answers. Doesn't Feingold know that we must see the bodies falling dead in the street, before there is "absolute proof?", and action can be taken?

That is a standard response: citizens must prove something is dangerous rather than the manufacturer prove it is safe. Indeed, when Feingold wrote the FDA asking this supposed protector of the public health to require the use of the words "No Artificial Color or Flavor" on foods to so inform the shopper, the FDA wrote back saying nothing doing. "We know of no credible scientific evidence to distinguish between a natural flavor and its synthetic counterpart with respect to any safety questions," an FDA official said. "For these reasons any representations to the contrary—i.e., that there is such a link, or that there is a safety difference between natural and artificial counterparts—would be false or misleading. Similarly, any use of a symbol raising or referring to such connotations would be equally misleading."

This is classic FDA thinking. Don't stir up the public. Leave their hackles unraised. It also reveals how quick the agency bats down someone like Feingold who was doing on his own what the FDA should have been doing long ago: testing hyperactive children and their diets. Assuredly, Feingold is a lone doctor, and his experiments may lack foolproof certitude, but is he suspect because of that?

For the parents who wrote so many letters to Morton Mintz when his Feingold story ran, the answer is no. Too many citizens suspect that they cannot trust the food companies, and they know that the FDA is uncaring or underfunded, or else it would be leading the way to find answers, not telling Feingold to go away merely because he wants the consumer to see clearly that the food he is buying is fake.

For now, Feingold's book is a valuable warning. It is alerting us not only to his own findings—that colorings and flavorings are a possible cause of hyperactivity among some children—but also to the unsettling fact that if parents want to act to protect their child, they will likely have to do it on their own. The best help they may get is not from the medical community, the FDA nor the food companies, but from this book.

CALIFORNIA'S EARLY CHILDHOOD EDUCATION PROGRAM

Mr. CRANSTON. Mr. President, the February 26 edition of the New York Times carries a perceptive and complimentary article about California's unique program in early childhood education, spearheaded by the State superintendent of public instruction, Dr. Wilson A. Riles.

I am deeply pleased to see recognition given this outstanding program, and in view of its importance, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PREVENTIVE EDUCATION

> American education has devoted too much of its resources to massive remedial instruction, and not enough to the prevention of failure. Wasteful of manpower and funds, this policy is even more severely flawed in human terms. The frustrations suffered by children who cannot keep up with their peers are hard to erase, even with superficially effective remedial work.
>
> Since the existing approach is so demonstrably unsatisfactory, the decision of California's education authorities to replace it with preventive pedagogy is a triumph of common sense. The new Early Childhood Education program in that state relies on the oldest recipe—intimate personal attention to every child.
>
> Specifically, the program calls for the availability in each classroom of one adult for every ten children, to make sure day after day that no youngster is left behind in those early years, between ages 4 and 5. It is then, as all expert testing shows, that the foundations are laid for reading, numbers, the comprehension of new ideas and the responsibilities toward oneself and one's neighbors.
>
> Precisely such strategies have long been applied to the most successful private schools and to a few recent programs for the disadvantaged. The crucial difference in the California plan, however, is that it is intended across the board rather than exclusively for either the rich or the poor. The program thus avoids the high risk of failure that confronts any approach that does not benefit most children.
>
> The new plan must still skirt two graveyards of educational innovation: quick claims of easy victory and obsessive reliance on instant statistical feedback. Wilson Riles, California's unorthodox Superintendent of Public Instruction, has wisely allowed individual schools to draw their own pedagogical roadmaps.
>
> That means time will be required to determine the best ways of conducting preventive education.
>
> Since the program relies heavily on a combined force of teachers, paraprofessionals and volunteers, its success depends on each school ingenuity in establishing cohesion in a staff of such disparate background and capacities. In addition, the experiment will represent a challenge to the teacher-training institutions to shift their focus to the actual classroom scene.
>
> The California experiment gives new urgency to enactment of the Child and Family Services bill, the successor to the Child Development bill vetoed by former President Nixon. The combination, in home and school, of early diagnosis and preventive care in child rearing, nutrition and education places emphasis on joyous learning rather than on painful remedies for failure.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, we as Americans, have been blessed with a country whose success in economic and other terms is unprecedented in the history of the world. We have been extremely fortunate in all respects. We hold, as a country, a position of such power and high standing that any action we take, whether it involve domestic or international policy, will be carefully scrutinized by the rest of the world and will not pass unnoticed or without some effect on the policies of other countries. We must set high standards through example. The ratification of the Genocide Convention would be such an example.

In a statement to a subcommittee of the Foreign Relations Committee of the Senate, Francis Goldman, president of B'nai B'rith, stated:

> When the General Assembly of the United Nations approved the Genocide Convention, its action met with almost universal applause. The Genocide Convention was regarded as a historic milestone in the effort of civilized peoples to bring international law and practice abreast of the conscience of mankind. Our great country has always been in the forefront of this vital struggle. We cannot now abandon the fight, for it is in our security interests as well in the interest of justice and freedom. We must retain the faith of freedom loving and democratic peoples throughout the world. Such action by ourselves and other free peoples of the world will bring nearer the day when all peoples will demand and receive the protection of the international rule of law. We owe it to ourselves and posterity to make every effort to achieve this goal.

The issue involves more than just the prevention of Genocide. Again, I urge ratification as at least a partial fulfillment of our responsibility to all nations.

MIA'S IN INDOCHINA

Mr. STENNIS. Mr. President, in a Senate speech nearly a year ago, March 19, 1974, I discussed the situation with respect to MIA's—the missing-in-action in Indochina—and the problems which had evolved for the families of the MIA's. In the intervening year the situation has not changed materially and the problems remain, intensified by a year of fruitless waiting.

The MIA problems are many and complex, but I think there are two overriding questions involved:

First: What can be done to expedite the accounting for MIA's which was promised in the wake of the Vietnam agreement but has not yet been received? Of course this broad question embraces whether any of those listed as "missing" might conceivably be held in Indochina prisons.

Then, in view of this continuing uncertainty, should the military service secretaries go ahead with their proceedings in which the status of individuals now classed as missing can be changed to presumed dead?

New initiatives by the executive branch and new legislation by the Congress may be required if answers are to be provided for these and other MIA questions.

As one step along the way, however, I have written to President Ford urging that he appoint a top-level citizens' commission to study the present MIA situation. Creation of such a commission has been requested by the league—that is, the League of Families of American Prisoners and Missing in Southeast Asia—and the request has been supported by veterans' groups and by a number of our colleagues here and in the House.

I think a careful, dispassionate objective study of the current MIA situation by a respected group of concerned citizens would be helpful to the President, the Congress, and the MIA families, some of whom now feel that no one else is concerned about their problems.

I hope the President will follow this course of action. I ask unanimous consent that my letter to him may be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

February 27, 1975.

The President,
The White House,
Washington, D.C.

Dear Mr. President: I know you have been asked, by the National League of Families of American Prisoners and Missing in Southeast Asia, among others, to appoint a special Commission, with top-level membership, to consider MIA problems. I surely hope you will decide to appoint such a Commission.

As Chairman of the Senate Armed Services Committee, I have closely followed POW and MIA developments since before the Vietnam agreement in 1973. It is clear to me that MIA families were promised a full accounting for Americans missing in Indochina, and they have not yet received that accounting.

Despite this uncertainty, however, the Service Secretaries have power (which has been challenged in the Courts) to change the status of MIAs from missing to presumed dead. In their frustration, many MIA families feel that this administrative power may be used at any time to write-off all the MIAs and the entire MIA problem. I am confident that there is no such intent, but I can understand the concern of these MIA families.

I do not in any way minimize the difficulties involved for an MIA Commission. Clearly, there is no easy way to secure an accounting for MIAs, especially given the erosion of the cease-fire agreement, and the other MIA problems are also complex. I believe, however, that all interested parties would profit from a careful, dispassionate, objective study of all the questions involved. The findings and recommendations of such a Commission could point the way to Congressional action, as well as to executive initiatives, which could help solve these problems and ease some of the understandable concerns of MIA families.

May I urge you, once again, to give this matter favorable consideration.

With personal good wishes,
Sincerely,

John C. Stennis.

ON "HELPING" SOUTH VIETNAM

Mr. McGOVERN. Mr. President, I do not think we can read too much about the meaning of the administration's request for additional military aid for South Vietnam, and the adverse consequences should that request be approved. Such hopeless action would only prolong the suffering and repression of the people of Vietnam. Yet the administration has never attempted to understand this conclusion. Instead, President Ford and his advisors prefer to repeat the traditional words and phrases that have accompanied so many similar proposals conceived by the growing attitudes and policies of militarism. They call this the justification of their request, but they have never bothered to define these words or explain what these cliches really mean—to Vietnam or to the United States.

In an article appearing in Commonweal, Edward S. Herman has questioned the words of the administration spokesmen and has attempted to translate them into terms which present a more realistic view of the likely effect of another $300 million for South Vietnam. I would like my colleagues to have an opportunity to look behind the administration's rationale by looking deeper into the meaning of the words they use, and I therefore ask unanimous consent that the article "On 'Helping' South Vietnam" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

On "Helping" South Vietnam

(By Edward S. Herman)

$300 MILLION MORE?

In each period of expanding American intervention in Indochina a virtually identical set of rationalizations, clichés and fabrications is set forth to justify the renewed effort to maintain in power Washington's chosen instruments of rule. In early 1975, President Ford and Defense Secretary Schlesinger have been repeating these now traditional routines, and once again the mass media report them without comment as "news," thus serving once again as propaganda instruments for the war party, still firmly in control of the executive branch of government. The Orwellian (or Biercian) quality of these clichés has been so striking that in 1968 I could not resist putting some of them into a *Great Society Dictionary*. The following selections show that seven years later these Orwellisms are as applicable as ever:

Aggression, n.—Providing aid and comfort to the side that we oppose. (See "Assistance.")

Commitment, n.—Among the multitude of promises made and obligations incurred in the past, the one consistent with the line of action now planned. Sometimes a purely hypothetical obligation, self-imposed to lend moral sanction to actions decided upon today; in this case it is referred to as a "solemn commitment." Syn.—Preference.

Help, v.—See "Save."

Independent, a.—Aligned with us. (See "Satellite.")

Save, v.—Destroy. As in, "It became necessary to destroy the town in order to save it." Syn.—Help.

Self-determination, n.—The right of a people to select a government acceptable to us.

Once again we are being urged to honor our commitments and come to the aid of an alleged victim of aggression, although we have been and still are the only non-Vietnamese direct participant in the Indochina fighting; although we committed ourselves in the Paris Agreements to non-intervention in the internal affairs of South Vietnam (chap. 2, article 4); and although our client, Thieu, has quite openly refused to abide by the peaceful means of reconciliation laid out in the Agreements, in exact repetition of Diem's behavior from 1954 on. Once again, as in 1954–1964, the North Vietnamese and PRG are alleged to be "flagrantly" violating the relevant Agreements, although even a moderately attentive reader of the newspapers knows that neither Thieu nor Kissinger took the Agreements seriously, or intended to follow through on them, except for implementing the exchange of American POW's for withdrawal of U.S. direct combat forces. At the very time of his signing the Agreements, Thieu made it clear that he would not allow the promised freedom of expression, political organization and movement of people within South Vietnam, and for two years his violations have been consistent and comprehensive. Since the ceasefire, also, continued intervention in Indochina has cost the American taxpayer a staggering $8.2 billion, but once again it is claimed that only a little more aid will do the trick. For 25 years there has always been a "light at the end of the tunnel," but always some billions of dollars away!

The most basic of all the clichés, however, and the only one that I want to consider more fully, is that we are "helping South Vietnam." President Ford now tells us that we need an additional $300 million, fast, to "help South Vietnam." "South Vietnam" sounds like a country or people, not a Southeast Asian mafia, and the request to "help" has a superficially humanitarian touch, especially when tied in with related clichés on "aggression" and our solemn "commitments." Congressmen and the media have difficulty with these phrases, since to challenge them would be to question our very *ends*, not merely the cost effectiveness and probability of success of our means. They would have to deal with the painful fact (spelled out below) that we are backing an unrepresentative and venal clique who survive only by our largesse and force (past and threatened), and who are actually the *enemy* of the South Vietnamese majority.

This situation is hardly confined to South Vietnam. The American war party (Gerald Ford a long-standing member) has gravitated toward a regular sponsorship of "friendly fascists" in the Third World. This is usually rationalized on the grounds of our "security interests"—the friendly fascists will be friendly to *us*, and allow us to use them for our purposes, if we will allow them to be *unfriendly* to ("control" and milk) their own populations. Whatever the security benefits of this tradeoff, it is not easy to argue that we were, for example, "helping Greece" when we gave consistent support to Papadopolous and his torturers between 1967 and 1973. It is by no means clear in that case, or others as well, that we were even helping our "security interests."

In Indochina, also, it is doubtful that U.S. security interests were helped one iota by our immense and costly 25-year intervention. The position of the Left is stronger now in

Cambodia and Laos than it was in 1964. Our faction in Vietnam is more dependent on external sustenance than ever. And the earlier rationale of inherent Chinese expansionism and implacable hostility is now widely recognized to have been partly ideological claptrap, partly a cover for a simple desire to dominate. But the American war party hangs on in its dogged effort to determine who rules South Vietnam. And its investment there is so great that it must argue on all levels—we are not merely pursuing our (increasingly obscure) self-interest there, we are really "helping South Vietnam."

"Helping South Vietnam" for Gerald Ford is helping Thieu and his colleagues stay afloat. But there is no positive relationship between Thieu and "South Vietnam," if South Vietnam means either "the majority of South Vietnamese" or the interests of this majority as they perceive those interests. The points summarized below indicate that helping Thieu should be considered synonymous with "inflicting damage on South Vietnam."

(1) The Saigon government has never been selected by the South Vietnamese people in a meaningful free election, or by force resting on an indigenous base. Diem was imported from the U.S. and installed in power by Americans, and his successors have been chosen by or "cleared" with Americans. Free elections were rejected by our faction while they were still feasible (1956–1960), and they were not possible after 1965 because South Vietnam was subject to foreign occupation. (For most of the period 1968–74, the U.S. had more troops in South Vietnam than the Soviet Union found necessary in Czechoslovakia to keep its preferred faction in power.)

(2) The Saigon authorities have admitted time and again that they are unable to compete with the PRG on a purely political basis, and therefore need continued U.S. military intervention. A top Saigon general told George Kahin in 1967, "Frankly, we are not strong enough now to compete with the Communists on a purely political basis." (A large compilation of such statements was published by me in American Report, May 7, 1971.)

(3) This minority status—and dependence on external force—was confirmed by the chief U.S. official expert on the NLF (PRG) and also by the most famous and experienced of American pacification officers. Douglas Pike, in his book Vietcong, makes the bald statement that the NLF was the only "truly mass-based political party" in South Vietnam. The late John Paul Vann, in an internal Army memo of 1965, stated that "a popular political base for the Government of South Vietnam does not now exist," and that the Saigon regime "is, in fact, a continuation of the French colonial system of government with upper-class Vietnamese replacing the French."

(4) Vann referred to our faction as "intrinsically opposed to the social revolution in progress." It was and is a small urban and military elite that has always regarded the peasantry—80 percent of the population prior to "urbanization" by violence, and still a majority—as a hostile mass needing to be "controlled" and "pacified." This is why massive defoliation of the countryside, the forced transfer of vast numbers of peasants (10.4 million, or a majority of the entire population, according to the Senate Subcommittee on Refugees), the systematic bombing and burning of hamlets, was participated in and accepted by the Saigon junta. In the words of Senator Edward Kennedy, reflecting on the evidence of Thieu's unconcern for refugees: "In the field of refugee care and in many other fields the Government of South Vietnam has been engaged in the systematic looting of its own people."

(5) The Saigon faction supported by the U.S. war party is one of the most corrupt and brutal in modern history. It holds more political prisoners than the vast Soviet Union—a recent calculation shows that per 10,000 population there are 50 political prisoners in South Vietnam, four in Indonesia and 0.4 in the USSR. And it tortures more people more systematically than any regime of modern times. It is the last word in the police state, as is well documented in the NARMIC/VRC publication *After the Signing of the Paris Agreements: Documents on South Vietnam's Political Prisoners* (1973), and Holmes Brown and Don Luce, *Hostages of War: Saigon's Political Prisoners* (AFSC, 1973).

(6) The Thieu government "represents" at most 15 percent of the population, consisting mainly of a rapidly diminishing part of the small Catholic minority, plus a congeries of mainly parasitic elements that have grown up on the basis of war and U.S. dollars—military officers, military contractors, bureaucrats, pimps and speculators It stands in an actively hostile relationship to at least 85 percent of the population. The Third regime survives because it represents the *American* war party. As far back as 1959 David Hotham, describing how Diem "has crushed all opposition of every kind, however anti-Communist it might be," with the resources provided him by the U.S., concluded that "Diem's main supporters are to be found in North America, not in Free Vietnam." This is even more valid today as a description of the support base of the Thieu regime.

(7) A very large fraction of American "aid" and "help" to South Vietnam has been used to forcibly "pacify" the rural population of South Vietnam. (A crucial question, never discussed in the mass media and rarely in debates in Congress, has always been: "Why do we and our Saigon ally have to 'pacify' a people supposedly being victimized by somebody else's 'aggression'?") The war party in Washington has contributed trivial and tokenistic amounts for matters like health and education, but fantastic sums for killing. In 1968 public health outlays in Vietnam by AID totaled $28 million, while overall expenditures on Vietnam were at least $28 billion—a ratio of one to a thousand. Outlays for Vietnamese police and prisons have been consistently larger than those for schools—more than 20 times as great in fiscal 1974. A great deal of military and economic aid to South Vietnam is stolen. That which is not, however, *has a negative value for the majority of South Vietnamese,* as it sustains a long-term and cruel effort to control them by force and compel them to submit to a faction agreeable to an outside party.

The Congressional Record of June 16, 1967, contains a powerful letter written by "a hard-charging Marine 2nd Lieutenant" who found very quickly that instead of fighting Communist aggressors "90 percent of the time our military actions were directed against the people of South Vietnam," and that his mission as a soldier was "to pound a people into submission to a government that has little or no popular support among the real people of Vietnam." This is still the *de facto* role of "aid" to Saigon and the Ford-Pentagon version of "helping South Vietnam."

(8) It has long been a part of the intervention rationale that we are opposing prospective tyranny and keeping open the door to freedom. The fact that we have been supporting a tyranny all along has caused some muting of this claim, although we are still alleged to be interested in freedom in Vietnam "at some future date"! The war party in Washington, however, actually appears to *prefer* tyrannies—right-wing ones—as more manageable and consistent with our interest. Witness the positive support given to military dictators in preference to going democracies in Chile, Guatemala, Greece, Brazil and the Dominican Republic. The American war party may or may not like democracy in the U.S., but externally it clearly finds it an obstacle to its designs. In the Pentagon Papers, which were not intended for public view, the discussions of the reasons for intervening in Vietnam show that democracy in South Vietnam as well as the lives and welfare of the Vietnamese population were entirely irrelevant to U.S. policy-makers.

In sum, when Gerald Ford asks for $300 million to "help South Vietnam," we must translate as follows: the minority faction in Saigon that we put into power, and whose bills we still pay (85 percent of the Saigon budget), is unable to survive without still more. It is true that it steals and tortures on an unprecedented scale, and treats its citizenry as a hostile population to be repressed by violence. But Thieu is our choice and will do our bidding. If we stop funding him now, we—that is, the war party in Washington—will have lost control in South Vietnam, and power in Saigon will be returned to the Vietnamese! Even worse, Lyndon, Dick, Henry and Gerald will now go down in the historical record, finally and conclusively, as not merely responsible for profoundly immoral acts, but also as having failed badly even in the pursuit of their own narrow version of America's self-interest.

THE ROCK ISLAND RAILROAD

Mr. STEVENSON. Mr. President, the collapse of the Rock Island Railroad would cost thousands of its employees their jobs and seriously disrupt freight and passenger service in an area that extends from the Great Lakes to the Gulf of Mexico and from Chicago to the Continental Divide. The Rock Island's plight is a monument to the Nation's failure to develop a sound transportation policy.

During the Senate's consideration of the 1973 Regional Rail Act, I was instrumental in securing the adoption of language which allowed the Rock Island and certain other railroads on the verge of bankruptcy to apply to the U.S. Railway Association for funding to maintain essential operations.

The USRA has now refused to grant the Rock Island funds which the Rock Island claims that it needs to maintain operations. I want to know why. I want to know why the Rock Island was being refused help on the same day the USRA was presenting its preliminary system plan for the reorganization of railroads in the Northeast and at the same time the Senate was considering an additional $347 million in aid to the Penn Central. If the 1973 Act was inadequately funded to help the Rock Island, or if it was believed that the Rock Island was not worth saving, I want to know why the Department of Transportation did not come to Congress and say so.

I also want to know why shippers, passengers, and employees did not know how perilous the Rock Island's situation was until yesterday. I want to know why the Rock Island's board and management, the Department of Transportation, the Interstate Commerce Commission and the U.S. Railway Association did not inform the Congress and the public about the gravity of the Rock Island's condition and recommend solutions.

The essential services of the Rock Island must be provided—by the Rock Island or by other carriers. And the mistakes the Government has made in regard to the Rock Island—and the Penn Central—must not be made in regard to other railroads.

I have discussed this matter with Senator HARTKE, chairman of the Senate Surface Transportation Subcommittee, and he has agreed to convene hearings as soon as possible on the Rock Island and the future of other endangered railroads. The Congress has already empowered one agency—the USRA—to grant emergency aid to the Rock Island. The USRA has turned the Rock Island down, and I believe it is doubtful that the Congress will wish to provide direct assistance to the Rock Island. But certainly there is a duty on Congress' part to study the ramifications of the current situation. It is my home that these hearings will force the agencies of the Government—the Department of Transportation, the Interstate Commerce Commission, and the U.S. Railway Association included—to face up to the Rock Island situation and develop a national perspective on the plight of the railroads.

We cannot continue to act piecemeal. First, the Penn Central and six other railroads went under. Today the Rock Island faces the same fate. Which will be next?

It is time that we had a national transportation policy. That is why the Department of Transportation was created almost 8 years ago. I call upon our President and our new Secretary of Transportation to complete that task.

Instead of developing a balanced transportation system, the President has released $2 billion from the highway trust fund to build more highways. It appears that there is a $1 billion surplus in the airport and airway trust fund. Pan Am stock is being sold to Iran, and railroads are going bankrupt. With the energy crisis underscoring the need for an efficient transportation system based heavily on rails, the Government is continuing to subsidize the more inefficient modes of transportation. I hope these hearings will enable the Government to develop a balanced transportation system, as well as aid those who are dependent on the Rock Island railroad.

SMALL REFINERS RELIEF ACT OF 1975

Mr. TUNNEY. Mr. President, I was delighted to join with Senator CHURCH and 20 other colleagues in sponsoring the Small Refiners Relief Act of 1975 which was introduced yesterday.

This legislation will provide small refiners whose total refining capacity does not exceed 100,000 barrels per day with an exemption from the requirement to purchase entitlements under the Federal Energy Administration's crude oil equalization program. This legislation has become necessary because of FEA's repeated refusals to provide anything more than temporary relief for small refiners in the face of estimates that the program will cost them millions of dollars.

I think it is absolutely outrageous that FEA, after countless meetings with Members of Congress and with representatives of small and independent refiners, has refused to amend this program to permanently exempt small refiners, making it essential that Congress act to protect them.

While I have fully supported the intent of the program, which is to more equally distribute amounts of the lesser expensive "old" oil among all segments of the industry through an entitlements program, I have been opposed from its inception to the idea of forcing small refiners to purchase entitlements. Certainly there can be no question that the two-tier price system has created a great number of inequities by establishing different prices for "new" versus "old" oil. For the most part, the major oil companies have controlled access to supplies of the cheaper domestic crude leaving small and independent refiners no alternative but to pay the skyrocketing cost of new imported foreign crude oil.

This descrepancy was the reason FEA created the crude oil equalization program and it will unquestionably be beneficial to a majority of small and independent refiners who are now running almost nothing but new oil.

However, my concern is with the small refiners who have historically run large amounts of domestic crude oil and who must now purchase entitlements because they are refining more than the national average of "old" oil. In my State of California, for instance, a number of these refiners run "old" oil because they are located inland and have been unable in the past to obtain imported crude due to the lack of common carrier pipelines.

Additionally, both the State and Federal Government sponsor royalty crude programs which permit small refiners to purchase large amounts of crude from domestic production both onshore and from the Outer Continental Shelf. I feel very strongly that these refiners should not be penalized for their dependence upon sources of "old" oil that have never been available to the majors.

Finally, in response to numerous protests since the program began in November, FEA in special rule No. 3, delayed full implementation of the program for a period of 3 months—November, December, and January—permitting a phase-in period for the first 30,000 barrels per day a small refiner runs. These refiners are completely exempted from the requirement to purchase entitlements the first month, the second month they must purchase only one-third of the required entitlements, and the third month the program will go into full effect. Special rule No. 3 has now been extended for 1 month to cover December's entitlement but the refiners will have to begin purchasing January entitlements in March.

In passing the Emergency Petroleum Allocation Act of 1973, the Congress clearly intended that FEA insure the "preservation of an economically sound and competitive petroleum industry and to preserve the competitive viability of independent refiners, small refiners, nonbranded independent marketers and branded independent marketers."

However, the cost of purchasing the number of entitlements that this group of small refiners would need in order to refine the "old" oil they have historically run, will be absolutely prohibitive and I am deeply concerned that a number of these companies in California will be forced completely out of business as a result.

The Department of Justice in its September 30, 1974, opinion recognized the problems that might arise for small refiners and recommended that FEA amend its regulations to provide an exemption such as the one being proposed today.

The Department commented that—

> We would suggest that consideration be given to simply exempting certain small refiners from the entitlements scheme as it now stands. Some small refiners have been fortunate to have access to a supply of old oil and rely on more old oil than they would be allowed to under the allocation of old oil without buying entitlements. . . . We believe that FEA could exempt these small refiners from the proposed regulations. . . . To force these small refiners to buy entitlements so they can continue to use their supply of old oil would force these refiners to raise their prices, which would place them in a loss competitive position vis-a-vis the majors. . . . Such an inequitable result must be avoided if the small refiner segment is to remain healthy and viable. After all, the purpose of this regulation under the statute is to "preserve the competitive viability of independent refiners," not impede it.

Mr. President, of the 19 small refiners in California, 13 are potential purchasers under this program for the month of December and the cost to them could very well run into millions of dollars. It is absolutely essential that the Senate act quickly on this legislation to prevent any further hardship to refiners in California and across the country.

There has been too much delay already as a number of my colleagues and myself attempted to work out a compromise with FEA. It is now clear that FEA never intended to grant any exemption and its case-by-case review of exception requests has been going on since December with only one decision having been made. If this type of inaction and deliberate delay is allowed to continue much longer, we would not have to worry about helping the small refiners because they will be out of business. This is completely unacceptable to me and I hope that hearings will be held immediately and that the Small Refiners Relief Act of 1975 will be passed as soon as possible.

EXTENDING UNEMPLOYMENT COMPENSATION TO FILL AN URGENT NEED

Mr. WILLIAMS. Mr. President, I share the sense of urgency with which two bills, S. 766 and S. 767, were introduced under the joint sponsorship of Senators JAVITS, RIBICOFF, HART, GRIFFIN, NELSON, and myself.

The legislation was introduced under deadline pressure.

In April, thousands upon thousands of unemployed Americans will be receiving the last of the unemployment compensation benefits that have kept them from starvation's door since they were laid off. In June, thousands more will exhaust the special unemployment compensation benefits for workers who had not previously been covered by the Federal-State unemployment insurance system.

In each case, the legislation would extend the benefits for 13 more weeks. Over the course of that time, approximately 2 million unemployed Americans would otherwise lose their benefits under unemployment compensation and be forced to seek public assistance, putting a further strain on already overburdened State and local government budgets.

The basic programs to be amended by S. 766 and S. 767 were enacted last December as the Emergency Unemployment Compensation Act (Public Law 93-572) and the special unemployment assistance program, which is title II of the Emergency Jobs and Unemployment Assistance Act (Public Law 93-567).

At that time, Congress was eager to alleviate the adverse impact of a November unemployment rate of 6.5 percent with 6 million persons out of work. It was our intention to see to it that those Americans suffering worst from the recession—those who lost their jobs through no fault of their own and were unable to find new employment—would have at least a measure of continued income security.

Since then, the recession has worsened gravely. Unemployment has taken its largest 1-month leap in the history of Federal recordkeeping, adding an astounding 1 million persons to the unemployed rolls by the end of January.

The national unemployment rate reached 8.2 percent in January, but that figure concealed other disheartening factors. Pockets of unemployment of double the rate for the Nation as a whole exist in many places—in my home State of New Jersey, for example. Moreover, the latest figures do not reflect the estimated 875,000 Americans who have lost hope and quit looking for a job altogether.

Clearly, the emergency unemployment compensation measures enacted by Congress in December have been proved by events to be inadequate, and this legislation is required.

The urgency with which we have introduced these bills extends as well to two other measures introduced earlier to deal with the special conditions of unemployment that have arisen in the current recession.

The first would provide legislative authority to expand and extend the emergency public service jobs program to provide employment for several times the number of persons covered by existing funding. It is our goal to see a total of at least 1 million public service jobs filled this year by those who have no other hope for work.

The other bill would provide health insurance coverage for those who lost group coverage when they were laid off or who were not covered by group health insurance in their last job.

The Labor and Public Welfare Committee is moving rapidly to bring these two additional measures to early consideration so that they may be reported to the Senate for action.

It is my sincere hope that the bills to extend unemployment compensation benefits an additional 13 weeks can also be acted upon by both bodies of the Congress at the earliest possible time.

ENERGY CONSERVATION

Mr. STENNIS. Mr. President, very soon, I hope, this Congress will adopt an energy program to deal with our present energy crisis. It quite possibly will take the form of a compromise between the position of the administration and that of the majority party in the Congress who are going to offer a plan. While much of the program will deal with efforts to increase our domestic supplies of petroleum, a great portion of it will and should deal with conservation. It is imperative to our existence that we end wasteful—and I underscore that word wasteful—uses of our energy.

While I do not completely vouch for the following figures, I recently read that five-sixths of the energy used in transportation, two-thirds of the fuel consumed to generate electricity, and almost one-third of the remaining energy we use is discarded as waste heat. I am told that this Nation consumes some 630 quadrillion Btu's annually and that if we save 1 percent of that we would have another 100 million barrels of petroleum at our disposal.

Mr. President, I am convinced that much of this waste can be eliminated, especially in the transportation sector. Last year some 96.6 billion gallons of gasoline were consumed for highway use. This is equivalent to 4.6 billion barrels of crude oil. Three years ago, the transportation sector accounted for over half of U.S. petroleum consumption and about one-fourth of total U.S. energy consumption.

We can reduce dramatically our usage of gasoline if we leave off nonessential driving and improve the miles per gallon of gasoline our automobiles get. We drive cars today that are capable of going twice the speed limit, weigh 2 tons or more and have more horsepower than Lindbergh's *Spirit of St. Louis*. The extremely heavy weight of automobiles, their tremendous horsepower and the emission control requirements have caused the miles per gallon of gasoline an average automobile can travel to continue to drop annually in spite of our highly advanced technology.

While a pollution-free society is highly desirable, these laws we have passed placing these pollution control devices on automobiles have, to a large extent contributed to the decline in the miles per gallon of gasoline the average automobile gets.

Mr. President, I was very happy to learn recently that the automobile manufacturers have pledged to spend some $5 billion over the next 5 years to improve the miles per gallon of gasoline for the average automobile by some 40 percent if they are not required to install further emission control devices now scheduled to be required in 1977 and 1978 until the 1982 model year. I am heartened by this, Mr. President. I believe it can be accomplished and I believe we should tell them to proceed "full steam ahead." They are not asking that we relax the present controls—just do not require any more pollution controls than we now have in effect.

Let us make as a top priority the improving the miles per gallon of gasoline our automobiles can travel. Temporarily, pollution control can be deferred for a time at least. I believe this approach is vitally necessary at the present time. We just cannot maintain the present pace with respect to pollution control to the exclusion of a program to rapidly increase the miles per gallon of gasoline our automobiles get. I can support this, and I shall.

To carry out these purposes of conservation, it is not necessary to put the automobile manufacturers in a straightjacket. I am impressed with their offer to produce cars that will bring about this saving in gasoline by increasing the mileage produced by each gallon of gasoline. I hope and believe the method adopted by the manufacturers and the Congress will be to have the engines produced within a year's time will average out so many miles to the gallon. This will prevent having to outlaw all large engines.

I am not unmindful, Mr. President, of the fact that conservation alone is not the answer. We must, of course, increase our domestic production of petroleum. I have and will continue to support the many research and development programs. I support measures to assure a proper incentive to petroleum producers who go out and spend billions to find oil and natural gas. But these programs are, unfortunately, longrange in nature and some action must be taken soon to assure that we conserve what we have. This entire energy program must be balanced—conservation and increased domestic supplies. Neither standing alone can solve our problems in this area.

So, I would hope, Mr. President, that we could move on this particular aspect of our energy problem rapidly. The automobile companies are ready to move on this, and I believe that we should give them the go-ahead now.

VIETNAM

Mr. STEVENSON. Mr. President, one of the reasons that the administration has had difficulty assembling a group of Congressmen to visit South Vietnam is that many, if not most, have been there at least once already. More visits are not likely to change our views.

I visited South Vietnam in the summer of 1971 to observe the Thieu regime's conduct of the elections for the South Vietnamese legislature. General Thieu, with his power supplied by the United States, aborted the ostensible U.S. purpose for its involvement—self-determination for the people of South Vietnam in the elections that summer. The war for self-determination was culminated that fall in General Thieu's one-man election to the presidency.

It became plain to most Members of the Congress long ago that the administration was embarked upon a futile attempt to support an unpopular, repressive regime in derogation of our own stated purpose and best principles.

The administration suggests that South Vietnam must be saved from the Communists. South Vietnam is non-Communist, and in as much need of salvation from General Thieu as from Hanoi or the PRG. Continued U.S. involvement is about all that keeps the conflict going, and were it not for that provocative involvement, the South Vietnamese would have little to fight about. The people of South Vietnam are resisting the United States and its ally, the regime of General Thieu. Take away the U.S. presence, and even at this perilously late date, a reconciliation of conflicting political interests in South Vietnam could lead to a viable, non-Communist state. The administration's continued support for the Thieu regime is the surest way of guaranteeing a Communist takeover.

On my visit to South Vietnam in 1971 a young man burned himself to death outside my hotel wrapped in a poster which protested U.S. involvement in his electoral process. Many of the individuals with whom I talked, most of them non-Communist, were subsequently arrested. Madame Ngo Ba Thanh was arrested within minutes after my meeting with her, beginning what became one of the more celebrated cases of political repression in South Vietnam. In the course of these meetings, I encountered Ngo Cong Duc then a journalist and independent political figure in South Vietnam. Mr. Duc was the publisher of Tin Sang, Saigon's largest newspaper, and head of the South Vietnamese Association of Newspaper Publishers. During the 1971 elections, Time magazine said:

> Ngo Cong Duc is far and away the most popular candidate in Vinh Binh . . . he is now a national personality and in any fair election would be an odds-on favorite to win . . . as the campaign ended last week, western diplomats were still hoping for Duc's victory.

Unfortunately, after representing Vinh Binh for 4 years, Mr. Duc lost in what many observers felt was a fixed election.

I met Mr. Duc in his office during a minor riot occasioned in some way by his opposition to General Thieu. Like others of the political opposition, he was forced to flee South Vietnam, and I did not see him again until only a few days ago in my somewhat calmer office here in Washington. He gave me a statement on the political situation in South Vietnam which makes, far better than can I, many of these points about the counterproductive nature of U.S. support for General Thieu.

It should be stressed by those of us who seek to reduce funding for the Thieu regime that our purpose is not to abandon, but indeed to aid, the people of South Vietnam. Our purpose is not to write off our investment of blood and dollars but to redeem it at long last by permitting the people of South Vietnam to determine their own future under a non-Communist government. If Thieu were to leave office and be succeeded by a government capable of governing with some popular support, it could be in a position to negotiate a settlement. With Thieu out of power, the Congress might reconsider its position on U.S. aid to South Vietnam. It opposes increased aid for the Thieu regime, not necessarily aid for South Vietnam.

Mr. President, what Mr. Duc says is echoed by South Vietnamese of many persuasions and backgrounds. I ask unanimous consent that his statement be printed in the RECORD so that it may be read by my colleagues and more hopefully by members of the executive branch.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PROSPECTS FOR A POLITICAL SETTLEMENT IN SOUTH VIETNAM

(By Ngo Cong Duc)

As a Vietnamese, I will not oppose U.S. aid to my country if it will help our people to realize peace and democratic freedoms. If I believe that an aid cut-off to and the deprivation of the $300 million from the Thieu regime will lead to the entire collapse of that regime and then to the establishment of a Communist regime in South Vietnam, I will not ask for any aid cut-off.

I have read Senator Sam Nunn's report to military aid to South Vietnam. His report can be summarized in the following way:

1. North Vietnam and the PRG have increased their infiltration of men and equipment into the South, and also their military activities. Both have thus violated the Paris Agreement.

2. "The Paris Accord ended direct U.S. military involvement in South Vietnam, but the question remains: what are U.S. responsibilities and interests after 10 years of massive investment in South Vieanam."

On the basis of these 2 reasonings, Senator Sam Nunn proposes that Congress gives more aid to South Vietnam. The Senator's position can be interpreted as that of those who now argue for increased aid to the Thieu regime.

From my viewpoint, North Vietnam and the PRG did increase their military activities *because the Nguyen Van Thieu regime and this Administration have refused to implement the Paris Agreement so a political settlement can be reached among and by the South Vietnamese for South Vietnamese*. On the other hand, the fundamental threat at this moment to the Thieu regime's survival does not lie with the 300,000 PRG/North Vietnamese soldiers or with the supposed shortage of ammunition of ARVN forces, but with the opposition to the regime of about all South Vietnamese groups and religions. The threat also lies with the Saigon soldiers who no longer have the morale to continue the war. Senator Nunn's report does not quite emphasize these fundamental weaknesses of the regime.

At the present time, the Thieu regime is at once subjected to pressure from 3 sides:

1. The military activities of the PRG and North Vietnamese troops.

2. The opposition of about everyone in South Vietnam: Catholics, Buddhists, Hao Hao Cao Dai, journalists, intellectual circles, etc. . . .

3. Saigon's forces do not want to fight, especially the regional forces.

1. BEHIND THE MILITARY ESCALATION

As I said earlier, I believe that the PRG and North Vietnam have increased their military operations before the refusal of the Thieu regime to implement the Paris Agreement. The PRG is also fighting to gain the right to participate in the political life of South Vietnam in a framework determined by the people of South Vietnam and the Paris Agreement. This PRG right has been recognized in the Agreement. However, the Thieu regime has not implemented the release of political prisoners, and has not recognized the Third political force that is crucial to the formation of the National Council of Reconciliation. That Council is the turning point on the road toward national reconciliation, the ending of the war, and toward peace.

Current increased military activities tend to favor the PRG. More than ever before, the military and political potentials of the PRG are growing because all South Vietnamese are opposed to Thieu. Thus time is on the PRG side.

1a. MISTAKEN U.S. POLICIES CONTINUED

What had happened in Vietnam was the waste of hundreds of billions of dollars in support of disastrous policies of past U.S. Administrations. These disasters are continued today. The Vietnam policy-makers remain the same, with the same outlook. They still feel that they can rely on the might of the dollar to solve the problem.

To oppose communism and fight a people's war by using a corrupt and unpopular group that has led the South Vietnamese to a state of extreme poverty and starvation, will only result in failure. If South Vietnam has not yet fallen to the PRG, it is because the people there have not yet accepted communism. But when the people can no longer bear living under this corrupt Saigon dictatorship, they will be forced to chose the other side.

1b. FAILURE OF MILITARY STRATEGIES

To seek a military situation, from continued intervention that has brought desolation upon our country to the Vietnamization of the war, has cost greatly to the people and economy of this country. Not only in terms of lives and money, but also in terms of world opinion and other countries' attitudes toward the U.S.

Now, the U.S. military policy has to end because the American people and the Congress will not let this Administration spend away untold billions more of dollars—billions that really belong to American citizens—for the indefinite future and without any hope of success. Consequently, these disastrous policies will end, sooner or later.

In the course of such policies, the U.S.-backed generals in Saigon have brought more and more disasters upon the South Vietnamese. Now, the people have become extremely weary, and expressed a deep hatred for that corrupt leadership that seeks more war. This will further weaken the Saigon side.

To continue the war will only weaken the Saigon side also vis-a-vis the PRG. At a time when South Vietnam is engaged in warfare, North Vietnam begins a healthy program of national reconstruction. If things continue as they are, South Vietnam could not escape coming under the influence of North Vietnam in about 5 years' time.

1c. MORE AID, MORE FUEL FOR WAR

To increase aid to Thieu now will force Hanoi and the PRG to escalate their military activities. Escalation begets escalation, and the U.S. will be forced to susbtantially increase its aid. At that time, obstacles to peace will increase and make more difficult the process of restoring peace.

At some point in time, the U.S. must consider again re-intervention in Vietnam.

To increase aid will also induce Thieu to deal even harsher with his opponents, and to weaken the anti-communist and Third Force groups.

Without aid increases, I believe that the Thieu regime would not collapse because of a military offensive.

Contrary to Vice-President Rockefeller's claim that one million Vietnamese would be liquidated if the PRG takes over, Hanoi and the PRG do not have the capability to do so. Nor do they have the capability to take over the South by military force.

We can compare the military forces on both sides; we can also compare the number of supporters on both sides, the areas of control and influence. Although Thieu does not have the support of the people, the PRG has only seized in concentrated attacks a few provincial cities and districts. Although Saigon's forces have the potential to resist the PRG on the battlefield, their potential has been much weakened because of the corruption. This is also the judgment of the U.S. mission.

This war has already brought much sufferings to the people of South Vietnam, brought the country's economic collapse, and created much weariness within the military. Everyone wants peace.

North Vietnam and the PRG cannot continue the war for the following reasons:

Otherwise the people of South Vietnam will condemn them;

Hanoi needs to rebuild and to reconstruct the economy of North Vietnam;

The people of North Vietnam also want peace; and

The PRG is also quite weary of the war, and its current objective is to gain the right to participate in the political life of South Vietnam in the framework of the Paris Agreement.

The people of South Vietnam are not yet willing to accept the take-over of the South by military force. It is thus not possible for North Vietnam to succeed in such enterprise. This would be particularly true if South Vietnam has a non-corrupt leadership that advocates peace, national reconciliation, and that strives to build a healthy national economy. If North Vietnam goes back to war without the people's support, the war will result in a hopeless stalemate. Under such a circumstance, North Vietnam would fear greatly foreign intervention.

2. THE POLITICAL SETTLEMENT: TO REALIZE PEACE

Only a new U.S. policy that realizes peace can end this war and also salvage the Saigon regime from total collapse. A political solution will not push South Vietnam into the hands of North Vietnam and wil not generate the damaging consequences of, for instance, U.S. military strategies. And the process to realize peace demands that Thieu must go and that the Paris Agreement be implemented.

2a. ADVANTAGES OF A POLITICAL SETTLEMENT

A. Help Vietnam restore peace and consolidate that peace.

B. End America's waste of resources in Indochina.

C. Help those who belong to the Saigon regime and to the Third Force to consolidate their forces in order to attract the support of the majority of the population.

D. Help realize the conditions for economic reconstruction in Vietnam, and the beginning of developing trade between Vietnam and the U.S. and other countries.

2b. WHY SUCH A SOLUTION NEEDS THIEU'S OUSTER

A. Mr. Thieu will continue to ruin and destroy every effort toward peace and a political settlement as long as he remains in power. His actions since 1967 have indicated that.

B. Thieu's actions weaken the anti-communist side and the Third Force as well. These 2 forces must be healthy in a political competition if South Vietnam is to remain non-Communist.

C. No force or side trusts Thieu, and no one can seriously talk to Thieu about a political solution.

3. THIEU'S POLICY: FORCE THE U.S. TO STAY WITH HIM AND SUPPORT HIM

Thieu has 3 action slogans which he uses to fascinate past and present Administrations:

"Aside from Thieu, there is no else to do the job."

"If Thieu falls, South Vietnam will be lost."

"North Vietnam aims at conquering South Vietnam."

The media here has been intoxicated to a certain extent by these 3 action slogans. Because of Mr. Thieu's policies and actions, those Vietnamese who might consider themselves as possible successors to Thieu or who have potential have been eliminated or discredited one way or the other. As long as the U.S. does not change its policy, these persons will never surface.

4. THE TRANSITION PERIOD

If the U.S. Congress cuts the aid to the Thieu regime, the following situation would develop.

a. The Vietnamese who are with the Saigon regime such as the Catholics and many in the military will have a new leadership that will replace Thieu.

b. The Buddhists and other Third Force elements will organize themselves and strengthen their Third Force.

c. Thieu and his corrupt group will leave the country.

4a. THE CHANGE AT THE TOP

According to the views of Father Tran Huu Thanh which would include those of others in the Catholic movement, there will be a collective leadership within the following framework:

1. A leadership Council;
2. A head of state; and
3. A premier.

These views could be applied to the transition period. A leadership that appears to have broad support would be able to attract more cooperation from various elements. According to Father Thanh, this new leadership will strive to:

Sustain the morale of the administration and the military.

Win the support of the people whenever possible.

Develop the economic potential of South Vietnam to attract cooperation inside and outside of Vietnam.

The Saigon regime can have as members of this new leadership Council: Former Economics Minister Au Truong Thanh; Lawyer Nguyen Van Huyen, former Senate President of Saigon's National Assembly; Gen. Cao Van Vien, presently the Chief of General Staff; Gen. Ngo Quang Truong, the Commander of I Corps; Nguyen Ngoc Huy, leader of the Progressive Party; Nguyen Huu Hanh, former director of the National Bank of Vietnam; etc. . . .

5. PROCESS TO REALIZE PEACE

The new leadership in Saigon will call for a cease-fire and the demarcation of zones of control. The Third Force and the Buddhists will support such a call.

The 2 administrations will return to the negotiating table;

Saigon will release all political prisoners, and restores democratic freedoms;

The Third Force elements will unite themselves now that democratic freedoms exist, and prepare themselves for participation in the National Council of Reconciliation;

Formation of the National Council;

Holding of general elections for a Constituent Assembly;

Proclamation of one single Constitution for South Vietnam;

The withdrawal of North Vietnamese troops from the South;

The formation of one single army for South Vietnam;

The signing of an Agreement between the South and the North to guarantee the Peace (economic relations, establishment of the framework for the national reunification of the country by peaceful and democratic means); and

General elections according to the Constitution.

The responsibility of the United States vis-a-vis the people of South Vietnam, after more than a decade of intervention, is now not to intervene in our internal affairs so we can decide our own future. This, the U.S. has already pledged by signing the Paris Agreement. After the failure of U.S. military policies, it is time that the United States let us chose our policy of peace and national reconciliation.

SENIOR OPPORTUNITIES AND SERVICES PROGRAM—UNREALISTIC ADMINISTRATION BUDGET TRIMMING

Mr. TUNNEY. Mr. President, the administration once again has turned its back on the impoverished senior citizen. Nowhere in the supplemental appropriation for the remaining months of fiscal 1975 is there an ounce of compassion for the welfare of the aged. One of the more blatant omissions is the failure to designate funds for the senior opportunities and services program, funded through March 31 by continuing appropriations to the Community Services Administration—formerly, the Office of Economic Opportunity.

Independent evaluations of this program have consistently established that it is effective in identifying and meeting the needs of the elderly poor. The program has produced significant improvements in the aged's sense of dignity as well as their physical and emotional well-being. This, above all other Community Services Administration programs consistently has been able to secure local matching funds at an extraordinarily high level—clear evidence of community-wide support for SOS.

It appears to me that the administration is attempting to pit budget cutbacks direcly against human welfare, an intolerable trade-off. I have sent Senator MAGNUSON, chairman of the Labor-HEW Appropriations Subcommittee the following letter expressing my heartfelt concern.

COMMITTEE ON THE JUDICIARY,
Washington, D.C., February 26, 1975.

Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor; Health, Education, and Welfare, Senate Appropriations Committee, Washington, D.C.

DEAR MR. CHAIRMAN: I strongly urge the Subcommittee to recommend supplemental appropriations through the end of FY 1975 for the Senior Opportunities and Services program now funded by continuing appropriations through March 31. Since its inception in 1967, the SOS program has assured that OEO sponsored programs, such as legal services and emergency food and medical services "serve, employ and involve" the aged poor to the maximum extent possible. In 1973 alone, nearly 1 million aged poor received 7.9 million individual services from local SOS programs. Additionally, the program has succeeded in improving conditions of the elderly in many other ways including economical, psychological, nutritional and medical. Such additional funding will go a long way to aid the senior citizens of our nation, many of whom live below the poverty level.

President Ford, apparently in an effort to cut the budget, has recommended the discontinuation of the SOS program as of the last quarter of this year. I strongly disagree with Administration values that put the dollar sign above human well-being, in this case the well-being of the senior citizen community.

The SOS program provides the sole source of direct, Community Services Administration aid for the aged citizen living at or below the poverty level. All other programs, pitifully funded for the remainder of the year as a result of the Administration's proposed rescissions, are funded under HEW's auspices and are not primarily geared toward the needs of those in the low-income bracket.

The entire Western Region receives little more than $2 million for its countless SOS programs. This figure is the same as in FY 1973. Since 1973, California has received the same appropriation of $825,180 each year for SOS programs, despite increased inflation and the increased number of poor senior citizens. Los Angeles receives only $140,000 for its programs, San Francisco receives no direct SOS funds. The San Francisco area Community Action Agencies believed the SOS program to be of such priority that they used $203,696 of their local initiative funds to keep SOS operating in that city. One program alone services over 11,000 poor senior citizens. More than 100–150 additional individuals whose lives could be improved by the SOS program are identified each day in that city.

Clearly, the effect of this budget-cutting will be to add to the burden of senior citizens already hard hit by inflation and recession and to cripple one of the few services which offers them a chance to live with dignity. The budget needed for this program is minuscule in comparison to the effect it has and the needs it serves.

The continuing appropriation which has funded the SOS program through the first nine months of this fiscal year totalled $7.5 million, half the Senate-proposed authorization of $15 million. Because a total of $10 million was originally obligated to this program by the Administration, I believe the $2.5 million difference is the minimum required to carry SOS through the remaining four months of FY 1975.

I would hope this figure would be adjusted upward by the Subcommittee to take into account the effect of our 12.5% rate of inflation. CSA estimates that at least $3.75 million would be a more appropriate figure to insure that SOS programs now operating can be maintained at the same quality level in the next four months.

Again, I urge you to weigh the need against the cost, and appropriate the funds to continue this worthy effort which serves over 1 million of our senior citizens.

Sincerely,

JOHN V. TUNNEY,
U.S. Senator.

RULES OF SELECT COMMITTEE ON NUTRITION

Mr. McGOVERN. Mr. President, section 133B of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, requires the rules of each committee to be published in the CONGRESSIONAL RECORD not later than March 1 of each year.

In accordance with this section, I ask unanimous consent that the rules of the Select Committee on Nutrition and Human Needs be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES AND PROCEDURES OF THE SENATE SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS

(Adopted September 6, 1968)

(Amended November 5, 1969)

1. COMMITTEE MEETINGS

(a) The Chairman of the Committee, or if the Chairman is not present, a member designated by the Chairman of the Committee, shall preside at all meetings.

(b) The regular meeting date of the Committee shall be the second Friday of each month at 10 A.M. The Committee shall convene at the call of the Chairman at such times as are necessary to transact Committee business.

2. EXECUTIVE SESSIONS

(a) For the purpose of conducting an Executive session, seven members* of the Committee actually present shall constitute a quorum. No measure or recommendation shall be reported from the Committee unless a quorum of the Committee is actually present at the time such action is taken.

(b) Proxies will be permitted in voting upon the business of the Committee by members who are unable to be present; these proxies to be valid must be signed and assign the right to vote to one of the members who will be present.

(c) There shall be kept a complete record of all Committee action. Such records shall contain the vote cast by each member of the Committee on any question which a "yea and nay" vote is demanded.

The Clerk of the Committee, or his assistant, shall act as recording secretary of all proceedings before the Committee.

(d) No person other than members of the Committee and members of the staff of the Committee, shall be permitted to attend the Executive sessions of the Committee, except by special dispensation of the Committee or the Chairman thereof.

3. HEARINGS

(a) No hearing shall be initiated unless the Committee or the Chairman of the Committee has authorized such hearing.

(b) All hearings shall be open to the public unless an Executive eharing is specifically authorized by the Committee.

(c) Any witness summoned to a public or Executive hearing may be accompanied by counsel of his own choosing who shall be permitted while the witness is testifying to advise him of his legal rights.

(d) No confidential testimony taken or confidential material presented in an executive hearing of the Committee or any report of the proceedings of such an executive hearing shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the members of the Committee.

(e) Any member of the Committee shall be empowered to administer the oath to any witness testifying as to fact.

(f) The Committee shall so far as practicable, require all witnesses heard before it to file written statements of their proposed testimony at least seventy-two hours before a hearing and to limit their oral presentation to brief summaries of their arguments. The presiding officer at any hearing is authorized to limit the time of each witness appearing before the Committee.

4. SUBCOMMITTEES

The above rules shall apply to all duly constituted Subcommittees of the Committee.

CONTINUING VIOLATIONS OF HUMAN RIGHTS IN CHILE

Mr. ABOUREZK. Mr. President, the General Assembly of the Organization of American States has planned its next meetings for the middle of April. One of the major considerations which will be taken up will be the "Report on the Status of Human Rights in Chile," prepared by the Inter-American Commission on Human Rights and submitted to the OAS last November. I am somewhat mystified that a report of the depth and ramifications of the one prepared by the Commission has not had more attention in the Congress or the national press.

In light of the revelations last fall that the CIA was authorized to instigate the lawlessness, confusion, and outright subversion, the fact that our Government must bear part of the burden for the loss of over 15,000 lives, the torture and barbaric acts on thousands more, and the exile of another 10,000 people, as reported in the Commission's study, must be underscored. I was interested, therefore, in a Washington Post story recently which reported that Secretary of State Kissinger had assured former Ambassador Orlando Letelier that the CIA would not be involved in the domestic affairs of his country. Unfortunately, Letelier and the Chilean Government had the misfortune to believe that statement and the former Ambassador was one of those imprisoned for a year and a half on Dawson Island by the Chilean junta.

No one in this country will ever know the names of the thousands of hapless Chilean citizens who remain imprisoned and who continue to be tortured and assassinated by the repressive Chilean police force. No one will ever know the entire scope of activity which our own Government played in the overthrow of the Allende government. But no one can ever deny that the tragic and unforgettable events which have occurred as a result of our intervention have changed the course of Chilean history forever.

The Secretary has recently announced plans to visit several Latin American countries in the near future to reestablish a much needed dialog between the United States and these people. I hesitatingly support these plans and I am sincerely hopeful that productive accomplishments and true dialog can be achieved through the Secretary's initiative.

Although I favor the resumption of United States-Latin American dialog, there is one aspect of the upcoming trip to which I am adamantly opposed. This is in regard to the Secretary's announcement that he will also visit Chile in an effort to normalize U.S. relations with the Chilean junta. In light of the fact that our Government is responsible for that military regime taking its illegal action to assume power, and cognizant of the repulsive repercussions which have since occurred, I cannot think of a more inappropriate and ill-conceived action on the part of the Secretary of State.

As long as the junta insists on continuing to practice the gross and widespread violations of human rights against its own citizens, as the Inter-American Commission's report charges, official contact and negotiations on the normalization of relations between the United States and Chile should not even be considered.

I am sure that a great number of my colleagues join with me in continuing to express grave concern over the tragic events in Chile. I would hope that the

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*Amendment approved by the Committee on November 5, 1969, provided that seven members actually present shall constitute a quorum. The amendment was approved at the time the Committee requested an increase in its total membership to 14 by the addition of one minority member selected from the Senate at large. The former Rule 2(a) provided that a majority of the Committee actually present constitutes a quorum.

Secretary, too, could demonstrate to the people of Chile, including the thousands of current victims, exiles and Chilean sympathizers, that the U.S. Government recognizes its responsibility for the tragic events of the last 18 months, and will do all that it can to demonstrate its reaffirmation in the basic and undeniable human rights of all people. Certainly, part of this demonstration should include an unquestionable official reluctance to associate, beyond simple diplomatic recognition, with the murderous regime in power.

Mr. President, the report by the Inter-American Commission on Human Rights is an extraordinary document. It should be required reading for anyone at least remotely concerned with the continuing events in Chile. I ask unanimous consent that the conclusions and recommendations of the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT ON THE STATUS OF HUMAN RIGHTS IN CHILE

CHAPTER XVI: CONCLUSIONS

After a careful analysis of background information, and particularly after having made on-the-spot observations during a brief but very intensive mission, the Commission has collected information, which, after rational analysis, it feels is sufficient to assert that, under the regime instituted in Chile beginning September 11, 1973, extremely serious violations of human rights occurred.

The Commission realizes the exceptional circumstances which resulted in the advent of that regime, with the employment of force and bitter confrontation. It does not count as violations of human rights, the losses of life that occurred on both sides in the first few days of this process, so that it may entirely avoid the consideration, which otherwise would be essential, the legality or illegality and the justice or injustice, of the actions of the previous regime, a topic which is outside its competence.

But, after having examined the events subsequent to the consolidation of the new Government, determined the content of the measures issued by the Junta, visited the jails and detention camps for political prisoners, had access to mass communication media, interrogated hundreds of persons, of all social levels and political affiliation, reviewed judicial files, attended War Councils, contacted various national and international agencies aiding many people during those months, and after having traveled in the performance of its duties, to widely separate places in the territory of Chile, the Commission has arrived at the firm conviction that on some occasions by action of the Government of Chile through its official measures, and on other occasions by actions of its agents (in the latter cases it is not possible to determine whether the actions of such agents are in response to orders received from their superiors) very serious violations have been committed in Chile—by acts of commission or omission of the present Government—against the following human rights, which are set forth in international documents signed by that country:

1. *Right to life.* While executions by shooting without prior trial in the application of the so-called "law of flight", had ceased, the right to life could not be considered adequately protected in the proceedings of War Councils, which had handed down and repeatedly were handing down, death penalties in circumstances that do not satisfy the requirements of due process. The fact that the sentences had been commuted in most cases did not eliminate the certain risk to the right of life implied by such proceedings, nor was it enough to erase the tremendous harm caused to the accused and his family during the period of uncertainty as to what would finally occur. (See Art. 1 of the American Reclamation of the Rights and Duties of Man).

2. *Right to personal safety.* This right had been and was directly and seriously violated by the practice of psychological and physical abuse in the form of cruel and inhuman treatment. This is the conclusion from coinciding statements and testimony from persons of the most varied social condition, of very varied cultural levels and opposing political convictions, who were detained or were residing in widely separated places. The Commission has seen and heard persons affected as a result of such abuses and has collected convincing statements and testimony regarding cases of violation of the right of personal safety, consisting in torture, abuse and inhuman treatment which, because of their intensity and probable consequences, also involve on occasion actual threats to the right to life. The use of electric shock, the threat of harm to close relatives, sexual attacks, covering the person with a hood, blindfolding the person for weeks, etc., are reasonably proven facts. (See Arts. I and XVII of the above-mentioned American Declaration). The Commission does not assert that a "policy of torture" was practiced or might have been practiced, but it is in a position to assert that no effective "policy against torture" had been carried out.

It should be noted that in the Commission's interviews with the Ministers of the Interior and of Defense, they stated their concern regarding this subject and indicated it was the firm intent of the Chilean Government to eliminate torture, and if any cases were found, to punish those responsible. To that end, they requested any assistance that the Commission might provide.

3. *Right to personal liberty.* Ten months after the events of September, around 5.500 persons remained deprived of their liberty, according to figures supplied by some of the ministers. Many of these persons had been arrested without any charges brought against them, and they continued in detention without being brought before the courts, by virtue of the authority granted by the Constitution to the President of the Republic under the supervision of the Congress. The situation was even more serious due to the fact that there were also many persons regarding whom it was not known whether they were free or imprisoned, or even whether they were living or dead. (See Arts. VIII and XV of the American Declaration).

4. *Remedy of amparo and habeas corpus.* The remedy of *amparo* had been rendered absolutely ineffective, since the Magistrates of the Judiciary were satisfied with replies from the Ministries, that such and such a person was detained "by virtue of the powers authorized under a state of siege", or that he was not detained, without investigating the evidence provided by the petitioner. The Magistrates did not require that the prisoner be brought before them to verify that he was alive, or to determine where he was detained, or to determine whether the constitutional provision prohibiting keeping him prisoner in jails or together with common criminals, etc., were being complied with. (See Art. XVIII of the American Declaration).

5. *Guarantees of due process.* These guarantees were found to be seriously affected. In many cases, the right to be tried by a court established by law prior to the alleged offense, and in general the right to a regular trial had been violated and was being violated. Retroactive application of the "state of war" has constituted a flagrant violation of basic rights.

Statements made by the accused, under the pressure of psychological or physical torture, to the arresting official rather than to the trial judge, have been taken as "confessions". The proceedings of War Councils have constituted a massive violation of the guarantees of due process. (See Art. XXVI of the American Declaration).

6. *Freedom of expression and communication of thought and of information.* None of the mass communication media are free to disseminate thought or inform the public. These media operate between the extremes of censorship and self-censorship. Official pressure was being exerted also on publishing houses. As a general rule, these media could only publish news and ideas approved by the authorities. (See Art. IV of the American Declaration).

7. *Right of assembly.* This right was virtually suspended (See Article XXI of the American Declaration).

8. *Freedom of association.* Political parties, agencies, organizations and movements have been dissolved or declared "in recess", which means the prohibition of any kind of political activity in the broad sense. Other organizations, like labor unions for example, are prevented from any effective action. (See Art. XXII of the American Declaration).

9. *Freedom of opinion and equality before the law.* The Commission found that, as a result of Decre-Law 77, Marxism is generically considered as a felony. The term "Marxism" is used as though it were a label for a crime. Consequently, any individual professing Marxist ideology is considered as a criminal, regardless of whether he can be shown to have actually committed acts defined as crimes under criminal law. He can therefore be punished for "what he is" or for "what he thinks", regardless of "what he does". The commission of the same act in the same circumstances can give rise to different legal consequences depending on the persons who committed the act and their political ideology, without any rule of justice or reasonableness to justify such disparity of treatment. (See Arts. IV, II and XVII of the American Declaration).

10. *Political rights.* Such rights have been abolished. Since the supression of representative bodies has been accompanied by the destruction for the voters' register, which, according to the Government, it will take years to reconstruct, no possibility is seen of a fairly rapid return to normalcy in these institutions. (See Arts. XX and XVIII of the American Declaration).

It can be asserted in conclusion that the Commission's on-the-spot findings show that under the regime instituted on September 11, 1973, in Chile, repeated violations have occurred of the rights set forth in Articles I, II, IV, VIII, XXVII, XXVIII, XX, XXI, XXII, XXV, and XXVI of the American Declaration of the Rights and Duties of Man.

CHAPTER XVII: RECOMMENDATIONS

1. On July 29, the Commission sent to the Government of Chile the preliminary recommendations resulting from the note transcribed in Chapter XV of this report.

2. After reaching the conclusions summarized in the previous chapter, the Commission feels it is its duty to make the following recommendations to that Government:

1. In order to safeguard the rights referred to in Article 1 of the American Declaration of the Rights and Duties of Man, and with the promptness required by these circumstances, an exhaustive, detailed, speedy, and impartial investigation of the following acts should be ordered:

(a) The imposition of cruel conditions of living, punishment and forced labor on certain prisoners, as occurred for example in the case of those who were confined on Dawson Island.

(b) The use of psychological and physical torture in the following establishments: 38 Londres Street in Santiago; Air Force War

School in Santiago; a section of the Santiago Military Hospital; Central Bureau of Investigations in Santiago (a place known as "La Patilla"); Tejas Verdes; and the Navy ship "Esmeralda";

(c) The reception of persons arriving at Tres Alamos, the Santiago Central Jail and Capuchinos, Tejas Verdes and Buen Pastor detention centers with visible signs of having been subjected to torture or maltreatment, without the officials of those establishments having denounced such facts to their superiors;

(d) The conduct of the officials who directly or indirectly have been indicated in this report as performing, participating, instigating or covering up the acts indicated in the above points.

The Commission feels that such an investigation should be carried out so that: (a) unity of viewpoint may be ensured in establishing and evaluating the facts, for which purposes the persons performing this task should be able to take action throughout the territory of the country, and (b) any reasonable possibility of suspicion that those responsible for the investigation do not have the essential independence and resources to properly carry out their mission may be excluded *a priori*.

The Commission considers, finally, that this mission must comprise the exact identification of those responsible for the facts indicated in this recommendation, for their subsequent trial by regular judicial officials of Chile in accordance with the relevant provisions of Chilean law.

2. That, in order to safeguard the rights referred to in Article XXV of the American Declaration, a rapid survey should be made of the status of all persons who are still deprived of their liberty without any charges being brought against them, in order to release all those who do not constitute a serious and certain danger for the maintenance of public peace.

3. That, in order to safeguard the rights referred to in Article XVIII of the American Declaration, and pursuant to the authority exercised by the Chilean Government Junta, precise rules should be enacted to ensure that even in "time or state of war", when, during the state of siege, the President of the Republic, in exercise of the exceptional authority granted to him by Article 72.17 of the Constitution, orders the arrest of a person, petitions of *amparo* and *habeas corpus* on behalf of the prisoner before a civil judge, and the intervention of that judge, shall require administrative officials to bring the prisoner before the judge, to provide him with a complete copy of the decree under which the detention was ordered, to inform him exactly where the prisoner is being detained, and to inform him immediately of any subsequent transfer to another place of detention.

4. That, in order to safeguard the rights referred to in Article XVI of the American Declaration, and pursuant to the authority exercised by the Government junta, a remedy of review should be established to make possible a full examination of all of the verdicts handed down by the Councils of War, in order to verify the regularity of the proceedings and to decide on their validity, appropriateness and, as the case may be, the possibility of reducing the penalties imposed, with particular reference to those verdicts in which by whatever route, or by resorting to whatever argument, there has been retroactive application of the "state of war" or more severe rules than those in force at the time the allegedly unlawful acts began, or penalties have been imposed only because of the ideas or convictions of the accused.

5. That, in order to safeguard the rights referred to in Articles I and XIV of the American Declaration, the means available to the office responsible for locating persons detained or whose whereabouts are unknown should be expanded by requiring all officials in charge of establishments of any kind where persons are detained to submit, within the brief period that may be set for the purpose and under the strictest responsibility a detailed list of such persons, indicating the name they claim and the name on the identification document, if the two are not the same; date of birth; complete address at their last residence or that of their family. It would also be desirable to enclose a photograph of the prisoner, in view of the fact that, as the Government stated, there are often serious difficulties in identifying persons because of the fact that there are persons who have several identification documents under different names. The Central Information Office should process all such data, in order to be able to provide reports requested from them by those who claim to be parents of persons presumed to be imprisoned, or by any lawyer so requesting. The Director of the establishments to which we have referred should be required to report by telegram, within 24 hours, on any release or new admission that occurs.

6. That, in order to safeguard the rights referred to in Article XVIII of the American Declaration, independent labor courts should be speedily reestablished and the special provisions contained in Decree-Law 32 should be eliminated.

7. That, in order to safeguard the rights referred to in Article XX of the American Declaration, steps to effect the most rapid reconstruction of the voters register with the assistance of modern techniques should be immediately adopted so that the citizens of Chile will be able to exercise their political rights without unnecessary delay.

8. That, in order to safeguard the rights referred to in Article IV of the American Declaration, steps should be adopted to progressively restore freedom of expression of thought, both by individuals and through the mass communication media, without prejudice to holding responsible those who might abuse the exercise of that freedom, pursuant to the provisions of ordinary law on the subject.

9. That, in order to safeguard the rights referred to in Articles I, VIII, and XV of the American Declaration, consideration should be given in the future reform of the Constitution to lessening the President's authority during a state of siege, by granting to prisoners who are not charged with a crime the right to leave the territory of the country.

THE NATION'S RAILWAYS

Mr. McGOVERN. Mr. President, in the Washington Post of February 23, William H. Jones discussed the problem of the Nation's railroads in an article entitled "Righting the Rails."

Mr. Jones stated that the U.S. Rail Association, in its preliminary system plan released February 26, would suggest consideration of a plan in which the Federal Government would own all rail facilities. The association did recommend this as one of a number of alternatives.

In both 1972 and 1974, I introduced a resolution which called for a study of precisely that method of operation. I asked for Federal ownership of all rails, rights-of-way, signal systems, and other appurtenances. They then would be leased back to the rail companies on the basis of a users' fee, much as in the case of the Panama Canal, airport and airway facilities, and highways.

Now that the U.S. Railway Association preliminary plan is released, I ask unanimous consent that Mr. Jones' Washington Post article be printed in the Record as further demonstration of the growing interest in federally owned facilities as one method to rescue our rail lines and to operate them to fill the country's transportation needs. Given the railroad's energy efficiency, our shortages of petroleum products, and our growing awareness of environmental hazards produced by other kinds of transportation, I trust that we will be encouraged finally to consider in depth this most practicable of alternatives.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Feb. 23, 1975]

Righting the Rails

(By William H. Jones)

Because of the protracted economic recession, federal planners have concluded that it is impossible at this time to establish a profitable railroad to supplant bankrupt lines in the Midwest and Northeast.

Therefore, they will recommend this week virtually nationalization of all major rail facilities in the densely populated region—with federal ownership, rehabilitation and continual maintenance of the currently dilapidated system for at least the rest of the 20th Century.

Like the interstate highway system, built and subsidized largely with federal money and truckers' taxes, the government-owned railroads would be used by operating companies that would remain in the private enterprise system.

Eventually, planners hope the private enterprise firm may be able to assume ownership of the rail facilities company as well—but only after the heavy debt is paid off, and that could take up to 30 years.

This drastic solution to the nation's railroad crisis—Rep. Brock Adams (D-Wash.) last week called it a "permanent emergency"—is certain to be labeled by many persons as the first step toward nationalizing the entire U.S. railroad industry. But supporters of the idea say it may be the only alternative, at this troubled crossroads in American economic history, to total federal rail control.

Nevertheless, federal ownership and control over such a significant element in the nation's economic life has little precedent. The government did take over railroads temporarily during World War I, it established the Tennessee Valley Authority in the Great Depression, it operates a major business-service out of 13,000 Post Offices, and its loans have helped keep Lockheed and Grumman alive.

There have been no steps, however, to have Washington take over a large portion of a major industry. At the same time, one factor in the current crisis is that American railroading has received little federal aid since the Depression era in contrast to competing airlines, truckers, barge lines and bus companies—whose basic operating facilities (airports, highways, canals) have been subsidized by the U.S. Treasury.

"Railroads have suffered from a lack of long-term U.S. transportation policy," said U.S. Railway Association chairman Arthur D. Lewis in a recent interview.

When members of the House and Senate drew up the rail reorganization act of 1973, along lines originally proposed by the profitable Union Pacific Railroad, most legislators convinced themselves that a profitable railroad company could be created out of the wreckage of firms called Penn Central, Ann Arbor, Lehigh Valley, Reading and Erie Lackawanna, plus a couple of smaller lines.

The rail act, enacted into law on Jan. 2, 1974, directed a new planning agency, U.S.

Railway, to draw up blueprints for a financially self-sustaining regional rail system. The idea was to remove railroads from the public dole and eliminate annual Penn Central crises.

After months of delays, created because the Watergate-logged Nixon White House couldn't devote enough time to picking directors for the new agency, the rail planners set up shop last summer. They started to pinpoint what parts of the rail system should be maintained for essential services in 17 states and the District of Columbia, where the major bankrupt lines operate 22,500 miles of track.

The idea of a separate government corporation to own the tracks was considered, having been supported in the past by several legislators on Capitol Hill. Until the depth of the current recession became clear in recent months, however, there was a consensus that the Ford Administration and Congress never would approve the massive outlays necessary for rebuilding and owning the basic railroad system.

Today, many of these same people have reached a new conclusion: That a company given birth in the next year could not survive under the burden of soaring debts for track rehabilitation in an inflationary-recession cycle expected for the rest of the 1970s. The only answer, they say, is federal ownership of the roadbeds along with private operating companies that would own the engines and freight cars, market the service and pay a fee to lease U.S. rail facilities.

Government and industry sources said the U.S. Railway Association, in its preliminary plan to be made public next Wednesday morning, will stop short of calling for establishment of the new quasi-government rail facilities company. But, at the same time, the report will recommend congressional consideration of the plan as an alternative to creating a railroad doomed to failure.

The price tag for a federal takeover of the essential rail system is estimated to be a minimum of $5 billion over the next few years, including renovations and modernization. Even though the total may be more, the plan would be cheaper in the end than outright nationalization of all bankrupt rail operations at a cost estimated in the neighborhood of $12 billion.

In any event, the proposal is certain to generate controversy. Railroad executives questioned in recent weeks have expressed reactions that range from shock to shrugged shoulders. The key question appears to be the impact on currently profitable lines, which would compete against a rail operating company that doesn't have to pay for upkeep and maintenance of tracks.

Mainly involved would be the Chessie System (owner of the Baltimore & Ohio, Chesapeake & Ohio and Western Maryland) and the Norfolk & Western, highly competitive lines that serve the region from the Midwest to the Middle Atlantic States.

Under one proposal at U.S. Railway Association, these profitable firms would be given the same opportunity to operate over parts of the government-owned rail system, for a fee. Moreover, the Chessie and N&W would be allowed entry into the New York metropolitan area market in an effort to create more transportation competition.

Proposals of the railway association, according to congressional aides and industry officials, include the following specific route plans:

Establishment of one major company, called Consolidated Rail Corp. (Conrail) in the 1973 act, to take over most of the viable operations of the currently bankrupt firms. Conrail would be an operating firm, paying a fee to the U.S. to run over 19,000 miles of government tracks, including branches, which would be improved with federal money (and partially covered by the user fee). In four or five years, 1,000 miles of duplicate main lines would be eliminated, after parallel lines are improved.

Extending the Roanoke-based Norfolk & Western system into the New York area by taking over the Erie Lackawanna's main line between Buffalo and New York. N&W also would operate Erie's commuter operations in the Northern New Jersey market, under contract with regional authorities. N&W would pay a fee to use the government-owned tracks, just as Conrail does.

Adding to the Chessie System additional routes into the New York market—basically by taking over the Reading, Central of New Jersey and Lehigh Valley lines, and providing upgraded service between Hagerstown, Md., Harrisburg, Pa., and the New York region, as well as along the Washington-Baltimore-Philadelphia-Newark corridor. These lines also would be owned and maintained by the federal facilities company and leased to Chessie.

Recommending elimination of nearly 6,000 miles of branch lines in the overall 22,500-mile system, with the federal and state governments sharing the cost of subsidy for those lines which local governments and regional shippers decide are necessary for current or future economic health.

Transforming the Pennsy's New York-Washington main line into a high-speed, passenger-only line, to be used by Metroliners at speeds of 110 miles an hour by 1980, cutting travel time between the two cities to about two hours.

Of all these proposals, the suggestion of large-scale abandonments probably will generate the greatest outpouring of resentment.

Gov. Philip Noel of Rhode Island last week provided a sample of typical reaction that may be expected after Wednesday's report is distributed and digested. Revealing that the rail association is suggesting an abandonment of 60 per cent of Penn Central freight tracks in his state, Noel said the government agency has produced a "whitewash." U.S. Railway, he continued, "is really saying that these lines will be abandoned unless someone like the state or a shipper steps in to pay a subsidy."

Rhode Island's economy would feel a "tremendous impact" from the cutbacks, said state transportation director Robert Rahill, who said many lines are in areas scheduled for industrial development.

Similarly, an Interstate Commerce Commission office set up specifically to critique the U.S. Railway planning process, has complained about what is seen as too much focus on rail abandonments.

Throughout the reorganization process, said ICC rail services planning office public counsel A. Grey Staples Jr., "The one issue consistently evoking the most public interest has been the potential abandonment of many miles of light-density branch lines."

In a letter to rail planning office director George M. Chandler, Staples expressed anxiety about the U.S. Railway plans: "In spite of the clear and convincing crescendo of public and private opposition, U.S. Railway has unrelentingly persisted in the development of plans which, if taken to completion, will very likely produce large-scale branch line abandonments."

Although the highly emotional battle over branches is likely to generate the most public interest and pressure on Capitol Hill—every town and village or branch factory manager wants a rail spur—the concept of a federal takeover of rail facilities is a more important and fundamental question.

Chandler's ICC office, in a report distributed recently, called federal ownership of the rail facilities "intriguing." It could provide, Chandler's report said, "the means by which the restructured rail system could be financially self-sustaining, relieved of the large expenditures necessary for upgrading and maintenance . . . The fixed plant concept also has potential as a vehicle for channeling federal funds into meaningful public work projects."

In addition, the ICC report showed that there already is "substantial" public support for the concept, which "appears to reflect an attitude that was quite apparent at the office's hearings last year: That a substantial segment of the public believes that there should be a continuing governmental involvement in the financing and provision of rail services."

Orren Beaty, president of the National Association of Railroad Passengers, strongly endorsed the idea last week. "Ownership of railroad rights-of-way, tracks and signal systems by a non-operating public agency will best serve the interests of passengers, shippers and the general public," he asserted.

Other proposals for government ownership of actual rail facilities were offered previously by Senators Lowell P. Weicker (R-Conn.) and Vance Hartke (D-Ind.) and Rep. Les Aspin (D-Wisc.).

Pennsylvania Gov. Milton J. Shapp has proposed a rail trust fund, patterned after the highway trust fund. Shapp would institute a 5 per cent transportation surcharge on all U.S. rail shipping as a means of raising the funds that would rehabilitate and maintain the rail system with few abandonments.

Shapp says his trust fund would raise $12 to $13 billion over six years, to be spent as follows: $3.2 billion to electrify the nationwide network, permitting the use of more energy-efficient electric locomotives; $6.9 billion for track rehabilitation; $1.9 billion to modernize roadway and structures; and the balance to modernize yards.

Shapp's basic idea is given a good chance of winning some support on Capitol Hill. A group of Democrats plans to introduce rail trust fund legislation, patterned on the Pennsylvania proposal, as an alternative to the U.S. Railway Association program of abandonments.

Following publication of the U.S. Railway preliminary plan, the ICC rail services planning office will hold public hearings in 23 cities, starting March 17. After all public comments have been assessed, a final plan will be drawn up by U.S. Railway for submission to Congress in the summer.

The plan becomes a reality unless either the House or Senate votes affirmatively to block the plan within 60 working days.

RULES OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. TALMADGE. Mr. President, pursuant to section 133B of the Legislative Reorganization Act of 1946, as amended, I ask unanimous consent that the Rules of the Committee on Agriculture and Forestry be printed in the Record.

There being no objection, the rules were ordered to be printed in the Record, as follows:

Rules of Committee on Agriculture and Forestry

1. Regular meetings shall be held on the first and third Wednesday of each month when Congress is in session.

2. Voting by proxy authorized in writing for specific bills or subjects shall be allowed whenever a majority of the committee is actually present.[1]

3. Five members shall constitute a quorum for the purpose of transacting committee business: Provided, That one member shall constitute a quorum for the purpose of receiving testimony.[1]

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[1] For further restrictions with respect to proxies and quorums in the reporting of measures and recommendations, see section 133(d) of the Legislative Reorganization Act of 1946, supra.

REFORMS IN THE ANTIRECESSION TAX CUT PACKAGE

Mr. KENNEDY. Mr. President, one of the most important goals of our antirecession economic policy is to provide the immediate tax stimulus that both consumers and the business community need if we are to pull the economy out of its current worsening slide.

From the beginning of the year, in spite of the friction over energy policy, there has been a broad consensus between Congress and the administration over the need for a prompt tax cut. I am hopeful, therefore, that the tax cut now nearing final action in the House of Representatives will be approved promptly by the Senate and sent to the President for his signature.

At the same time, however, I believe there are a number of ways in which the House bill can be improved by the Senate:

First, in light of the worsening economic picture in recent weeks, there is already substantial agreement about the need to increase the total amount of the tax reduction—the 1974 rebate and the 1975 tax cut—from its present level of $21 billion in the House bill to a higher level of $25 to $30 billion.

In my view, the depth of the recession fully justifies such an increase. The figures prove that the economy is in worse shape now than when President Ford proposed his $16 billion tax cut in January, or when the Ways and Means Committee planned its $21 billion cut a few weeks later. Industrial production is still plummeting sharply. Unemployment has already soared past 8 percent—indeed we face the dangerous prospect of 10 percent unemployment or even higher if we fail to take adequate action now.

There is no substantial danger that a large tax cut now—of the order of $25 to $30 billion—will exacerbate the problem of inflation. The deep recession, the long lines of men and women out of work, the endless rows of idle machines and plants—all mean that a tax cut of this magnitude could be absorbed without any serious inflationary effect. At comparable GNP levels, we would need a $39 billion tax cut today to match the Kennedy-Johnson $18 billion cut in the mid-sixties that pulled us out of the lingering effects of the milder recession of 1958 and got the economy moving vigorously again without inflation.

The greatest danger we face now is that we may do too little, not too much, to stimulate the economy. The immediate downside risk is depression, and that is not a risk the Nation can afford to run.

The economy is walking the plank today. We cannot afford to gamble with depression. Our longrun problem of inflation is manageable, and our fears about inflation in the future cannot be allowed to cripple the recovery from today's recession. A few billion dollars more today is a small price to pay now, in terms of the antidepression insurance we will be buying for the future.

Second, I believe we can make the 1974 rebate and the 1975 tax cut for individuals more equitable for low- and middle-income groups than the House bill now provides.

Instead of the complex percentage rebate with maximums and minimums in the current bill, I have already suggested a "refundable" per capita tax credit of the order of $60 to $70. Such a credit would be far less complex than the House formula for the rebate. It would provide significantly more tax relief to low- and middle-income taxpayers, and it would also give relief to those so poor that they have no tax liability at all—their needs are greatest of all, and they deserve to share in the tax rebate, too. But, the House bill denies them any benefit at all in the current version of the rebate.

In addition, the 1975 tax cut in the House bill is also capable of improvement. As the AFL–CIO has pointed out, the bill will provide no relief at all for many low- and middle-income taxpayers who itemize their deductions. Typically, these individuals are homeowners with substantial interest deductions from the payments on their mortgages. It is unfair to enact a tax cut that omits these individuals from its benefits. To do so would turn the homeowners of America into second-class citizens, and that is a step that Congress should not take.

Apart from the homeowners who would get no relief at all in the House bill, there are many other homeowners who will get less than their fair share of relief—those who itemize their deductions now, but who will shift to the standard deduction in order to take advantage of the increased standard deduction in the House bill. But the advantage they receive will be less than the advantage the bill provides to those who already use the standard deduction—the latter get the full benefit of the increased standard deduction whereas the homeowners must give up their interest deduction to qualify for the standard deduction.

Two of the possible ways to remedy the disadvantage to homeowners are to reduce the tax rates for the income brackets of those affected or to adopt an optional tax credit of approximately $200 in lieu of the personal exemption. My own preference is for the optional credit which Senator MONDALE has done so much to develop and which I believe is an important principle to establish in its own right in the tax laws.

Third, the Senate must make its own stand for repeal of the oil depletion allowance. My hope is that the effort to achieve repeal will be successful in the House and give us the momentum we need to reach the same result in the Senate.

The oil depletion allowance is perhaps the most notorious single loophole in the Internal Revenue Code, a symbol of the greed and profiteering of a private industry that fails to serve the public interest. The soaring price of oil in the past year has removed any possible justification for retention of the depletion allowance as an incentive to exploration and development. Its demise is long overdue and its repeal cannot come too soon.

Fourth, I believe the Senate ought to consider an additional longrun incentive to business investment in plant and equipment, above the 10-percent investment credit now contained in the House bill.

In addition to other reforms in the House bill, therefore, I intend to offer an amendment in the Senate to provide a 15-percent investment credit for net new investment—the amount of the investment that exceeds a firm's average investment over the 3 preceding years. The cost of the provision would be an additional $500 million, a modest price tag for an important longrun innovation in the tax laws.

In effect, the proposal would provide a "bonus" investment credit of an additional 5-percent, in addition to the 10-percent credit already contained in the House bill.

The extra 5-percent credit would be both an antirecession and an anti-inflation measure. It would provide an immediate antirecession stimulus to the economy by encouraging additional investment in plant and equipment.

And it would also provide an important anti-inflation incentive. It will encourage firms to develop the longrun capacity the country will need to meet the inevitably growing demand for goods in the future, and thereby to prevent the shortages of supply that have fueled inflation in the past.

A major drawback of the flat 10-percent investment credit in the House bill is that it is no incentive at all for many firms—it is simply a tax windfall that rewards them for the investment they would be making anyway.

A "net new investment" tax credit has an important advantage over such a "flat" credit. It will reward only those firms that are growing, and it will encourage existing firms to engage in greater growth.

Thus, under the proposal I favor, every firm will receive a 10-percent investment credit for its investment in new plant and equipment, but those firms that exceed their prior 3-year average investment will qualify for a 5-percent bonus, or a total credit of 15 percent on their incremental new investment. My hope is that there will be broad support for such a credit, as an important longrun growth incentive for the economy.

Fifth, I also hope that Congress continues to expedite its action on the tax-cut legislation. The President's criticism of Congress on this score is unfair and undeserved. The Ways and Means Committee has acted promptly and effectively in developing the pending legislation, and I am confident that the full House and Senate will follow suit.

There is no higher priority now than action to stop the current downward plunge of the economy. Our goal should be to get the bill to the President by mid-March—certainly before Congress adjourns for the Easter recess on March 21.

On that timetable, I believe the tax cut can begin to have an impact even before the May target date set by the administration to begin payment of the 1974 rebate.

I see no reason why the Treasury cannot beat that timetable by at least a month. Congress should prod the Treasury to get the rebate checks into the mail within 2 weeks after the President signs the bill. By early April, the economy can begin to feel the healing effect of the tax cut stimulus, and the Nation can be safely back on the road to full recovery.

ARAB DISCRIMINATION

Mr. HARRY F. BYRD, JR. Mr. President, disclosures at a hearing conducted Wednesday by the Subcommittee on Multinational Corporations of the Senate Foreign Relations Committee indicate that Saudi Arabia maintains a boycott list of 1,500 American businesses and organization for alleged ties to Israel,

At the same hearing, an office of the Army Corps of Engineers admitted that the Corps had acceded to a Saudi Arabian request that no Jewish officer be assigned to projects in that country.

These are shocking disclosures.

It is unthinkable that the U.S. Government would permit foreign nations to impose patterns of discrimination in our business community or our Armed Forces.

I commend President Ford for his forthright denunciation of these practices. I firmly agree with the President's statement that "such discrimination is totally contrary to the American tradition and repugnant to American principles."

The investigations which the President has ordered by the Departments of Justice, Commerce, and State should be promptly carried out. Violation of the law should be vigorously prosecuted.

The disclosures of efforts to impose discrimination upon this country underscore the need for a careful monitoring of foreign investment in the United States and of projects in which U.S. personnel are assigned to Arab countries.

HEALTH INSURANCE FOR UNEMPLOYED WORKERS

Mr. KENNEDY. Mr. President, millions of Americans are today out of work. Most of these unemployed workers have lost their health insurance.

Earlier this month, Senators Williams, Javits, Schweiker, and I introduced S. 625, the Emergency Unemployment Health Benefits Act of 1975. This bill would direct the Secretary of Labor to make arrangements with health insurers to continue coverage that the unemployed workers would have had, had they continued to have been employed. The bill will thus assure that unemployed workers will have health insurance.

Recently the executive council of the AFL–CIO, meeting in Bal Harbour, Fla., and the international executive board of the UAW, meeting in Detroit, endorsed the provisions of S. 625.

Because of the importance of this legislation, I ask unanimous consent to have their statements printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Statement by the AFL–CIO Executive Council on Health Insurance for the Unemployed

Bal Harbour, Fla.,
February 17, 1975.

There are now 7.5 million unemployed workers in the United States, 8.2 percent of the labor force.

According to the Library of Congress more than 80 percent of the workers laid off during 1974 lost their health insurance coverage. A survey of health insurance contracts indicates at least two out of three workers have no health insurance after being unemployed for one month or more. Thus, if unemployed workers wish to continue their health insurance after coverage is terminated, they must pay the premium, usually at exorbitant individual rates, at a time when they are financially pressed and least able to do so.

Stripped of their group coverage and denied Medicaid because they are not poor enough, a serious illness in the family could leave some unemployed workers bankrupt. Many will postpone needed medical care for themselves and their families because they won't be able to pay sky-high doctor bills with meager unemployment insurance checks. This situation is intolerable and would not have existed had Congress enacted National Health Security which provides health benefits for all residents of the United States whether they are employed or unemployed.

The AFL–CIO Executive Council, therefore, calls upon Congress to give highest priority to early enactment of the Corman-Kennedy Health Security Bill (H.R. 21 and S. 3). However, there is no way that the Health Security program could be implemented, even if passed immediately, for at least one year. Therefore, at its meeting last month, the AFL–CIO General Board called for Federal legislation to provide health care to the millions of workers who lose their health insurance coverage under employer-employee plans when they become unemployed.

A bill (S. 625) introduced by Senators Kennedy (D.-Mass.), Williams (D.-N.J.), Javits (R.-N.Y.) and Schweiker (R.-Penna.) would simply extend existing or prior coverage provided by the unemployed worker's last employee-employer health benefit plan. The premium cost for continuation of this coverage would be paid from Federal general revenues. The program would be administered by the existing unemployment insurance offices and could be implemented almost immediately after passage.

Enactment of this bill would meet the critical need for the continuation of health insurance protection for the unemployed. But many jobless workers didn't have health care coverage when they were working and now that they are living on meager unemployment insurance payments certainly cannot afford to obtain it. To meet the health care needs of these jobless workers and their families, S. 625, when enacted, should provide for their coverage under Medicaid.

With this necessary change, the AFL–CIO Executive Council, therefore, endorses S. 625 as an emergency program to assure health care coverage for the unemployed and their families.

UAW Supports Bill to Continue Medical Coverage for Unemployed

February 13, 1975.

Support of S. 625, the bill under consideration in the U.S. Senate to provide continuation of health insurance coverage for unemployed workers, was voted by the UAW International Executive Board at its regular quarterly meeting at Solidarity House, International UAW headquarters in Detroit.

UAW President Leonard Woodcock, who announced the IEB's unanimous action today, said passage of S. 625, a short-term emergency measure, "is essential in view of the present economic crisis and its massive, prolonged unemployment."

The bill would provide federal government payment of premiums to continue the private health insurance coverage which a worker lost when his employment was terminated. Its principal sponsors are Senators Edward M. Kennedy (D., Mass.), Harrison Williams (D., N.J.), Jacob Javits (R., N.Y.) and Richard S. Schweiker (R., Pa.).

Woodcock emphasized that the Senate bill, however, "is not a substitute, nor should it be considered one, for a comprehensive national health insurance program which the nation needs to have adopted promptly.

"The S. 625 proposal is needed because the right kind of comprehensive national health insurance is not in force today," the UAW president said.

"With the exception of S. 3, the Health Security Program proposed by Sen. Kennedy and Rep. James Corman (D., Cal.), practically all other national health insurance proposals before Congress are related to both the worker's employment and private insurance industry coverage," Woodcock explained.

"The problem of providing needed health insurance coverage in this economic crisis, which calls for the immediate passage of S. 625, would remain under the proposed national health insurance programs other than Health Security, S. 3."

LIBRARY OF CONGRESS REPORTS ON WORLD FOOD SITUATION

Mr. CLARK. Mr. President, the Library of Congress Congressional Research Service has done thorough and concise reports on the 1974 World Food Conference in Rome and the response of the 93d Congress to the world food problem.

The study is an excellent orientation to the problems this Congress confronts as it looks at the world food situation. The issue is complex—the committees, organizations, bills, and resolutions are numerous. The report successfully summarized the subject, and I recommend it to the public and my colleagues.

I ask unanimous consent that the study be printed in the Record, as follows:

There being no objection, the study was ordered to be printed in the Record, as follows:

The World Food Conference: Implications for Congressional Action

(By Harvey R. Sherman)

December 8, 1974.

Critical food shortages and famine conditions in some developing countries were addressed at the World Food Conference in Rome during the first two weeks of November 1974. The Conference, which followed a long period of increasingly urgent reports of reduced food availability in the African Sahel, East Africa, India and Bangladash, was convened under the aegis of the United Nations to take up questions of international food relief, international food reserves and increased food production in chronically food-short areas.

Its genesis can be traced to several sources, including a suggestion by Senator Hubert Humphrey during confirmation hearings on the nomination of Henry Kissinger to be Secretary of State. It was subsequently proposed by Secretary Kissinger in an address before the General Assembly of the United Nations, and endorsed by the Economic and Social Council of the U.N. Dr. Sayed Marei, of Egypt, was appointed Secretary-General of the Conference, which was reportedly attended by delegates from 130 countries, 47 United Nations agencies, 4 liberation movements, and some 300 nongovernmental organizations.

Proceedings of the Conference, which were widely reported, have been described by two Members of Congress in terms ranging from "disgusting", and "a hate America-session"[1] to "neither an outright success nor an outright failure, but rather a combination of both frustration and hope."[2] News reports from the Conference left the impression that the meetings—at least in their early stages—were used by a number of delegations from the underdeveloped sector as a forum to confront developed countries (particularly the United States) with a variety of issues relating to trade, development assistance, and emergency relief. The failure of the Conference to agree on measures to provide immediate food relief tended to cast it in much the same light as the "unsuccessful" World Population Conference (Bucharest, August 1974). Nevertheless, the conference appears to have achieved agreement about long-range goals, even though there was less than unanimity about how to achieve them.

RECOMMENDATIONS OF THE CONFERENCE

It ought to be noted, first, that several of the actions of the Conference did not result in clear-cut agreement on recommendations relating to some of the more pressing problems of food relief and agricultural development. In fact, details of most of the more substantive actions, such as the establishment of food reserves and the provision of food relief in forthcoming months, were left for subsequent negotiations. But the Conference did reach agreement on a number of recommendations which, if implemented, would substantially revitalize agriculture in the developing world. These negotiations, as well as those showing promise of further agreement, contain implications for action by the Congress.

RESULTS OF THE CONFERENCE

The "Programme of Action" adopted by the Conference includes a declaration on the eradication of hunger and malnutrition and 22 resolutions designed to implement the declaration. But agreement on three critical questions—food relief; the funding of agricultural development; and the establishment of food reserves—was not achieved, and the Conference ended on the disappointing note that these matters would be the subject of continuing negotiations.

Universal Declaration on the Eradication of Hunger and Malnutrition.—This declaration states, in general terms, the condition of world food supplies. Its findings attribute the present crisis to "historical circumstances" which include "alien and colonial domination, foreign occupation, racial discrimination, *apartheid,* and neocolonialism," aggravated, by deterioration of the international monetary system, inflation, the burden of national debt and rising food demand.[3] Further, it notes that a "lasting solution" to the food problem requires adherence to "a new international economic order," i.e., the elimination of differences between developed and developing countries.[4] The Declaration proclaims the right of every person to be free from hunger, the fundamental responsibility of governments to provide incentives to improve food production, and the need for international measures to assist agricultural development, including food assistance and the provision of a food reserve system. Finally, it affirms the determination to make full use of the U.N. system in implementing the Declaration and other decisions of the Conference.

Generally speaking, the 22 resolutions adopted by the Conference may be grouped under three main concerns: agricultural development; food assistance and improved nutrition; and institutional arrangements for follow-up action. To these were added three resolutions which relate to basic goals of the Conference. First, a resolution was adopted which recognizes "that women everywhere generally play the major role in procurement and preparation of food," and calls on governments to implement that recognition through appropriate policies and programs.[5] Secondly, agreement was achieved on the need for all governments to support "rational population policies" in recognition of the fact that "increasing demand for food is related in particular to . . . unprecedented population growth."[6] Thirdly, a resolution called on governments to reduce military expenditures and "to allocate a growing proportion of the sums so released to the financing of food production in developing countries and the establishment of reserves to deal with emergency cases."[7]

Agricultural development.—Several recommendations of the Conference are subsumed under this heading. Leading them is a resolution setting forth the objectives and strategies of food production, which calls on developing countries to give high priority to food production, and on the developing nations to provide increased financial and technical assistance to developing economies.[8] The need to improve rural conditions through agrarian reform, the promotion of cooperative organizations, education and production incentives, is the subject of a second recommendation in this area.[9] Support for the International Fertilizer Supply Scheme, and assistance in providing additional fertilizer production capacity is addressed in a third recommendation.[10] The importance of providing adequate supplies of pesticides, as well as research and training in their use was agreed to in another recommendation.[11] Another recommendation called for increased attention to high-quality seed supply and development.[12]

The optimal use of land is the subject of a recommendation calling for improved soil protection and conservation, as well as preparation of an assessment of lands that can be brought into production, the latter to form the basis for "an international cooperation towards the most rational use of the world's land resources."[13] Another recommendation urged governments and international organizations to undertake comprehensive action on scientific water management, including irrigation, drainage and flood control.[14] Scientific research in food and agriculture, including extension and training was called for in another agreement of the Conference.[15] The role of expanded and liberalized trade policies, as well as agricultural stabilization and adjustment was addressed in a recommendation aimed at improving the foreign exchange positions of developing countries.[16] In a resolution directed at the Food and Agriculture Organization, delegates agreed on the need for an intensive effort to control African animal trypanosomiasis and the tsetse fly in several African countries.[17] Finally, a recommendation which may be viewed as crucial to the implementation of all of these development recommendations was adopted. It recommended establishment of an International Fund for Agricultural Development to finance agricultural development projects in the developing countries.[18] Details of the fund have not yet been worked out; Resolution XIII calls on the Secretary-General of the U.N. to convene a meeting of all interested nations "to work out the details."

Congressional implementation.—Development recommendations adopted by the Conference contain implications for congressional action on foreign assistance appropriation proposals. U.S. commitments on the final agreements on the development fund, the fertilizer and pesticide aid programs, the irrigation and agricultural reserach programs, and the nutrition aid program will need to be assessed against provisions for appropriations in the foreign aid bill for fiscal year 1975. Foreign aid appropriations are currently funded under authority of a continuing resolution on the basis of appropriations contained in P.L. 93–240, which expired June 30, 1974.

The Senate, in passing S. 3394, the Foreign Assistance Act of 1974, on December 4, adopted an amendment offered by Senator Humphrey. The amendment sets forth U.S. policy with respect to countries most seriously affected by food shortages. It calls on the President "to proceed immediately with the implementation of resolutions and recommendations adopted by the World Food Conference" and to report to the Congress within 90 days of the bill's enactment the status of U.S. implementation.[19] In the House of Representatives, House Resolution 17234 has been introduced, but not action has yet been taken.

A related proposal which would implement the fertilizer aid program agreed on by the Conference is S. 4165. This bill would make more chemical fertilizer available for export to developing nations by substantially reducing the amount of such fertilizer used in the United States for nonfood-growing purposes. According to the bill's sponsor (Senator Clark), as much as 15 percent of the fertilizer used in the U.S. is for such nonfarm purposes as ornamental use (home gardens, parks, and the like). The Senator stated: "This is approximately 4 percent of the world's fertilizer use—as much as the entire nation of India uses, and more than any other of the less developed countries uses. . ."[20] S. 4165 would require the Federal Government to reduce its use of fertilizer for ornamental, nonfood purposes to not more than 10 percent of its average annual use during the 3 preceding years, and it calls on the President to urge State and local governments to reduce fertilizer use for ornamental and decorative purposes. In addition, the bill directs the President to establish a commission to determine methods of increasing fertilizer production.

Food assistance and nutritional improvement.—Several resolutions were adopted which relate to the problem of food assistance, both in the immediate future and over a longer period. One resolution, calling for "An improved policy for food aid," requested that cereal exporting and importing countries, as well as present and potential financial contributors, meet as soon as possible to consider ways and means to provide food assistance in the immediate future.[21] Details of the agreement, which included both the provision of emergency food assistance over the next 8 months, and a 3-year food aid program, were thus not resolved by the time the Conference ended. News reports indicated that the longer-term effort contemplated contributions of grain by the exporting countries, and financial assistance by the oil-exporting nations, to assure delivery of at least 10 million tons per year, either on a donation or favorable credit basis.[22] With respect to the emergency assistance program over the next 8 months, no agreement on an increase over present food assistance levels was reached by the Conference.

Senator Clark has stated that 10 million tons of additional food aid to meet immediate needs over the next 8 months would cost about $2 billion.[23] At the Conference, Canada offered to double its food aid to 1 million tons and keep that level for the next 3 years. Australia also indicated it would increase its food contributions. The U.S. delegation to the Conference requested permission of the White House to offer an increase of 1 million tons in food aid, but was refused; Senator Clark stated the additional commitment would cost about $175 million.[24]

Negotiations on food assistance were continued at a meeting of major grain producing and consuming nations which convened on

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Footnotes at end of article.

November 29 in Rome. Here again, according to news reports, no firm commitments were made on the financing of food relief. Although earlier reports indicated the November 29 meetings would include among the major grain producing and consuming nations both the Soviet Union and the People's Republic of China, neither of these countries was represented. No reason has been offered for their absence. Among the grain exporting countries attending the meeting were the U.S., Canada, Argentina, Australia and the nine-nation European Common Market. Consumer nations were represented by India, Bangladesh, Pakistan and Tanzania.

Of the 7.5 million tons determined by the November 29 meeting to be needed over the next several months, some 2 million tons is reported to be covered by current food assistance programs of the U.S., Canada, the Common Market and Japan. India's needs were estimated at some 2.5 million tons, and Bangladesh's, at 2.3 million tons, followed by Pakistan, with estimated needs of 1.5 million tons. According to a news report, the grain exporters "were reportedly able to assure the most seriously affected countries that there was enough grain available to meet their basic needs."[25] But the question of financing food relief was not resolved.

Another resolution relating to food assistance called for financial attention to the food needs of "the populations of Guinea-Bissau, Cape Verde, Mozambique, Angola, Sao Tome and Principe," in their struggle for independence.[26] Yet another called on governments and international organizations to undertake extensive research on food and nutrition, and to give increased emphasis in development planning to the role of food production.[27] Finally, a resolution calling for establishment of a "global information and early-warning system on food and agriculture" was adopted.[28] Presumably, this function would be carried out by a "world food security committee," one of the subsidiary units of a World Food Council to be created by the Conference. This would be part of the administrative machinery of the Council, the details of which are yet to be formalized (see below). Although it would appear to be a feasible objective, such a system involves surveillance over agricultural conditions, information on which can have serious impacts on world grain trade, and at least one country, the U.S.S.R., has expressed reservations on it. The current food crisis is blamed, in large measure, on the lack of advance information on agricultural and market conditions which such a system might have provided. The U.S. in recent months has taken steps to protect its own supplies by requiring advance notice of large export grain sales; in one case, such notice resulted in cancellation of a large sale of grain to the U.S.S.R.

Congressional implementation.—The dimensions of food aid which will result from the Conference are not yet known. But any substantial additional commitment of supplies to food relief must involve U.S. supplies and the extent to which these supplies are committed might well involve additional shipments of grain under P.L. 480 (Food for Peace). Current estimates of fiscal 1974 U.S. food aid total some $863 million. Several proposals have been introduced in the 93d Congress to increase the f.y. 1975 P.L. 480 shipments beyond the budget request of $891 million. President Ford, speaking before the U.N. General Assembly on September 19, stated that the U.S. would increase food aid spending in fiscal 1975. Requests for increases of $500 million to $1 billion for P.L. 480 in fiscal 1975 have been countered by the Department of Agriculture with statements to the effect that the U.S. is not in a position to expand the program so sharply, without seriously disadvantaging U.S. consumers.[29]

As with the agreement on food assistance, details of a resolution concerning establishment of a global food reserve system are to be worked out at a later date.[30] Ambassador Edwin M. Martin, deputy chief of the U.S. delegation to the Conference, was reported to have said that about a dozen major grain producing and consuming countries would meet "within three months" to negotiate details of the system.[31] The same news story reported that the U.S. was "said to back a target of 60 million tons," with each country having control over its share of the reserve.

The reserve proposal, which is central to the purpose of the Conference, was a highly controversial element in preparatory work leading to the Conference. It involves complex problems concerning the size of stocks to be maintained; the question of which countries would contribute to their establishment and maintenance; the management of stocks, particularly the mechanism and criteria for their release onto the world market; the effect of the holding of grain stocks on market conditions, particularly their price effects; and whether the burden of stock maintenance will be equitably distributed among producing and consuming nations.

Congressional implementation.—Several legislative proposals in the 93rd Congress relate to the establishment of food reserves. Hearings were held in March on two bills, S. 2005 (Humphrey) and S. 2831 (Clark), both of which contained proposals to establish reserve inventories of food and feed grains. H. Res. 561 (Fraser) and S. Res. 157 (McGovern) call for U.S. cooperation with international agencies to the fullest possible extent in efforts to establish food reserves. H.R. 16874, the Federal Food Reserves Act (Mrs. Heckler) and H.R. 1186, the Strategic Storable Agricultural Commodities Act (Smith of Iowa) propose establishment of specified quantities of reserve inventories of wheat, feed grains and soybeans and limits sale or release of such inventories to specific parity price levels and emergency conditions. S. 3410, the Federal Food Reserve Act (Metzenbaum) would establish reserves of designated commodities, define their geographical storage locations, authorize sale of stocks under stated supply conditions and their utilization under specified emergency situations.

S.J. Res. 243 (McGovern) directs that the U.S. participate fully in the World Food Conference, and would authorize, "insofar as other major developed countries . . . set forth similar commitments, the establishment of a contingency supply of basic food commodities" for world food relief, and provides for U.S. contributions to such a supply. S. Res. 329 (Humphrey) passed the Senate August 7, 1974. It would express the sense of the Congress that the U.S. should "contribute to alleviating the immediate economic and human crisis of the developing world by providing assistance in the form of food and the means and technology to produce it."

All of these proposals would, in one way or another, serve to implement the Conference resolution on food reserves. But, absent a clearer definition of the size, distribution and management of food reserves, it would appear that decisions on full U.S. implementation must await final agreement by the countries involved.

Institutional arrangements.—The complexity of the problem addressed by the Conference and the need for an integrated approach determined the conferees on the need for creation of an organization to follow-up and coordinate action on the Conference recommendations. This was accomplished in agreement on a resolution proposing establishment of a World Food Council.[32] The new Council, when approved by the General Assembly, will have a Secretariat in Rome, associated with the Food and Agriculture Organization. Its purpose, according to the resolution, is—

> ". . . to function as an organ of the United Nations reporting to the General Assembly through the Economic and Social Council, to serve as a coordinating mechanism to provide over-all, integrated and continuing attention for the successful co-ordination and follow-up of policies concerning food production, nutrition, food security, food trade and food aid, as well as other related matters, by all the agencies of the United Nations system. . . ."

Its 20 to 30 members will be elected by the General Assembly, and it "should establish its own programme of action for co-ordination of relevant United Nations bodies and agencies."

Another part of the resolution to provide follow-up action recommends the establishment by FAO of a Committee on World Food Security. Its functions would include monitoring of food supply and demand, to evaluate the world food situation, and to make recommendations for action to assure adequate cereal supplies for minimum world food security.

It was also recommended that the FAO Intergovernmental Committee on the World Food Programme be reconstituted, so that it could carry out the goals of the Conference with respect to food assistance. It was proposed that the Committee be re-named the Committee on Food and Policies and Programmes, and that it report periodically to the World Food Council.

It was recommended that several groups, including both bodies established as a result of the Conference and appropriate FAO bodies, report periodically to the World Food Council. These include the Governing Board of the proposed International Fund for Agricultural Development, the FAO Commission on Fertilizers, and the proposed Consultative Group on Food Production and Investment in Developing Countries. The CGFPI was contemplated by the Conference as an organization composed of bilateral and multilateral donors and representatives of developing countries, whose purpose would be to coordinate and improve the efficiency of financial and technical assistance for agricultural development.

Congressional implementation.—As noted above, some of the actions taken at the Rome Conference have been, in a sense, anticipated in several proposals in the 93rd Congress. What would appear useful at the outset, from the point of view of the Congress, is a complete report on actions taken, including a review of current U.S. programs which are directed toward the goals of the Conference. Such a report is contemplated in Senator Humphrey's amendment to the Foreign Assistance Act of 1974, which was passed by the Senate on December 4. With such information at hand, the Congress could then assess the need for further action to implement U.S. participation in the work set out by the Conference.

FOOTNOTES

[1] Remarks of Hon. John Ashbrook. *Cong. Rec.*, Nov. 21, 1974, p. E6776.

[2] Senator Dick Clark. *Cong. Rec.*, Nov. 18, 1974, p. S19420.

[3] Universal Declaration on the Eradication of Hunger and Malnutrition. Part 2, Programme of Action. Adopted by the Conference on Nov. 16, 1974. In: *Congressional Record*, December 3, 1974, p. S20382–20392.

[4] A "new economic order" was the subject of General Assembly Resolutions 3201 and 3202, May 1, 1974.

[5] Resolution VIII.

[6] Resolution IX.

[7] Resolution XIV.

[8] Resolution I.

[9] Resolution II.

[10] Resolution III.

[11] Resolution X.

[12] Resolution XII.

[13] Resolution VI.

[14] Resolution VII.

[15] Resolution IV.

[16] Resolution XIX.

[17] Resolution XI.

[18] Resolution XIII.

[19] *Congressional Record*, December 4, 1974, p. S20587.

[20] *Ibid.*, November 19, 1974, p. S19528.

[21] Resolution XVII.

[22] Later reports indicated that import requirements until next summer in South Asia and Africa would be about 7.5 million tons of grains, valued at $1.8 billion at today's market prices. (*New York Times*, November 30, 1974, p. 1).

[23] *Congressional Record*, November 18, 1974, p. S19420.

[24] *Ibid.*

[25] *New York Times*, November 30, 1974, p. 15.

[26] Resolution XV.

[27] Resolution V.

[28] Resolution XVI.

[29] Butz sees politics in food appeal. *Washington Post*, November 19, 1974, p. A2 and Food aid for the world, *Washington Post* (ed.) November 12, 1974.

[30] Resolution XVII.

[31] *Washington Post*, November 17, 1974.

[32] Resolution XXII.

Food for Peace—Actions of the 93d Congress

(By Janice E. Baker)

January 24, 1975.

The 93rd Congress enacted four laws and passed three resolutions bearing on Food for Peace programs under the Agricultural Trade Development and Assistance Act (Public Law 480). Nine other bills to amend Public Law 480 were introduced. Only one of the bills was reported; it passed one chamber of the Congress.

The House and Senate Committees on Agriculture held hearings in 1973 and 1974 on the world food situation, foreign food aid needs, and U.S. food relief programs, particularly Public Law 480. The proceedings of six hearings dealing with Public Law 480 have been printed. The House Committee on Agriculture also has printed the 1973 annual report on Public Law 480, submitted by the President as required by law.

LAWS ENACTED BY THE 93D CONGRESS

The Agriculture and Consumer Protection Act of 1973 (P.L. 93–86) is an omnibus farm bill, covering the crop years 1974 through 1977. Section 701 of the Act extends Public Law 480 through 1977.

The Foreign Assistance Act of 1974 (P.L. 93–559) sets U.S. policy for foreign aid programs. The Act directs that not more than 30 percent of concessional food aid be allocated to countries other than those most seriously affected by current food shortages, unless the President demonstrates to Congress that use of such food assistance is solely for humanitarian food purposes. The Act directs that special attention be given to increasing agricultural production in countries with an annual per capita income under $300. For fiscal year 1975 the Act authorizes new budget authority of $40 million for famine and disaster relief, $5 million for international funds and programs, and $500 million for food and nutrition programs.

The Agriculture-Environmental and Consumer Protection Appropriation Act for 1974 (P.L. 93–135) authorized $239,051,000 for Title I programs, including sale of agricultural commodities for foreign currencies and for dollars on credit terms, and $314,587,000 for Title II donation programs.

The Agriculture-Environmental and Consumer Protection Appropriation Act for 1975 (P.L. 93–563) authorizes $425,175,000 for Title I sales programs and $353,298,000 for Title II donation programs. The Act stipulates that no more than 10 percent of the amount authorized for Title I programs shall be made available to any one country.

RESOLUTIONS PASSED BY SENATE OR HOUSE

S. Res. 329, passed on August 8, 1974, declares it to be the sense of the Senate that the United States should contribute to alleviate the immediate economic and human crisis of the developing world by providing assistance in the form of food and the technology to produce it, while supporting programs of population planning. The resolution expresses the sense of the Senate that the President and the Secretaries of State and Agriculture should give the highest priority to the immediate expansion of American food assistance.

S. Res. 440, passed on December 3, 1974, declares it to be the sense of the Senate that the United States should continue to assist in meeting the growing economic and human crisis in many developing countries, by making available both food aid and the technology to produce it, and by supporting population planning. The resolution expresses the sense of the Senate that the United States should cooperate fully with other nations in the implementation of agreements reached by the World Population Conference an the World Food Conference.

H. Res. 1399, passed on December 9, 1974, expresses the sense of the House of Representatives that the United States should increase food aid to meet specific short-term emergencies and that appropriate Government agencies should begin planning immediately to provide increased food aid. The resolution declares it to be the sense of the House of Representatives that the United States should vigorously help poor countries increase agricultural production, and should promote development and population-planning programs.

HOUSE BILLS TO AMEND PUBLIC LAW 480

H.R. 13875, introduced on April 2, 1974, would have amended the Agricultural Trade Development and Assistance Act of 1954 to prohibit the use of foreign currencies under Title I of the Act for common defense. The bill was referred to the Committee on Agriculture. It was not reported to the House before the 93rd Congress adjourned.

H.R. 17207, introduced on October 9, 1974, would have amended the Agricultural Trade Development and Assistance Act of 1954 to provide for the purchase of live beef cattle for donation to nations experiencing widespread famine. The bill was referred to the Committee on Agriculture. On November 26, 1974, the Subcommittee on Department Operations held a hearing on this and other bills. H.R. 17207 was not reported to the House before the adjournment of the 93rd Congress.

H.R. 17265, introduced on October 10, 1974, would have amended the Agricultural Trade Development and Assistance Act of 1954 to permit donations of grain up to $300 million a year regardless of whether the grain was surplus grain. The bill would also have authorized the Secretary of Agriculture to enter into long-term continuing agreements with land-grant colleges and other institutions for the provision of several services to developing countries: assistance in the development of agricultural educational capability; the exchange of scientists, educators, or students for the purpose of improving the capability of agriculture; and conducting research of direct relevance to the solution of the problems of agricultural development. The bill was referred to the Committee on Agriculture. Hearings were held on November 26, 1974, on this and other bills. H.R. 17265 was not reported to the House before the 93rd Congress adjourned.

H.R. 17441. introduced on November 18, 1974, would have prohibited except in cases of extreme emergency, assistance under the Agricultural Trade Development and Assistance Act of 1954 to any country which was not making reasonable and productive efforts to alleviate causes of the need for assistance. The bill was referred to the Committee on Agriculture. It was not reported to the House prior to the adjournment of the 93rd Congress.

H.R. 17510, introduced on November 25, 1974, would have amended the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of the Act. The bill was referred to the Committee on Agriculture. It was not reported to the House before the 93rd Congress adjourned.

H.R. 17513, introduced on November 25, 1974, was identical to H.R. 17441. It was referred to the Committee on Agriculture. The 93rd Congress adjourned before the bill was reported.

SENATE BILLS TO AMEND PUBLIC LAW 480

S. 2792, introduced on December 7, 1973, would have amended the Agricultural Trade Development and Assistance Act of 1954 to permit the Secretary of Agriculture to waive the availability criteria for commodities which may be disposed of under Public Law 480, if he determined that some part of the exportable supply should be used to carry out the national interest and humanitarian objectives of the Act. The bill would have required the Secretary of Agriculture to determine and certify that all domestic feeding programs were provided with the same types and kinds of agricultural commodities at not less than the levels provided in fiscal year 1974 before these commodities would become available for use under Public Law 480. S. 2792 was referred to the Committee on Agriculture and Forestry. On December 18, 1974, the Committee reported the bill favorably (Senate Report 93–1412), and the Senate passed the bill, with amendments.

S. 4245, introduced on December 17, 1974, would have amended the Agricultural Trade Development and Assistance Act of 1954 to prohibit the disposition of food to foreign countries under the Act in any fiscal year unless the Secretary of Agriculture determined and certified that all domestic feeding programs would be adequately provided with appropriate foods in that fiscal year. The bill was referred to the Committee on Agriculture and Forestry. It was not reported to the Senate prior to the adjournment of the 93rd Congress.

S. Con. Res. 69, introduced on February 19, 1974, expressed the sense of the Congress that the Secretaries of State and Agriculture should each conduct an immediate and thorough investigation to determine whether foreign currencies generated from the sale of agricultural commodities under the Agricultural Trade Development and Assistance Act of 1954, and agricultural commodities intended for use under such Act, had been or were being utilized in violations of that Act or of any other Act, particularly Section 40 of the Foreign Assistance Act of 1973. The resolution was referred to the Committee on Agriculture and Forestry. It was not reported to the Senate before the 93rd Congress adjourned.

HEARINGS HELD BEFORE THE COMMITTEES ON AGRICULTURE

The House Commission on Agriculture held four separate hearings on Public Law 480. On April 4–5, 1973, the full Committee held hearings on the extension of Public Law 480 as part of its general consideration of the omnibus farm bill. The proceedings were printed under the title "Extension of the Food for Peace Program," Serial No. 93–L.

On May 22, 1973, the Subcommittee on Tobacco held a hearing on the barter program for tobacco under Public Law 480. The proceedings were printed under the title

"Suspension of P.L. 480 Barter Program for Tobacco," Serial No. 93–V.

World population and the demand on the world's food supply was the subect of hearings held July 23–25, 1974, by the Subcommittee on Department Operations. The proceedings were printed under the title "World Population and Food Supply and Demand Situation," Serial No. 93–NNN.

The Subcommittee on Department Operations held a hearing on November 26, 1974, on three bills—H.R. 17207, H.R. 17265, and H.R. 17443. Two of these bills would have amended Public Law 480. The proceedings of the hearings were published under the title "Food Relief Programs", Serial 93–VVV.

The Senate Committee on Agriculture and Forestry held three sets of hearings on food aid programs. On October 17 and 18, 1973, the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices and the Subcommittee on Foreign Agricultural Policy held hearings on the world food situation and the U.S. food supply situation. The proceedings were printed under the title "U.S. and World Food Situation."

The Subcommittee on Foreign Agricultural Policy held a hearing on April 4, 1974, on United States food aid to other countries. The proceedings were printed under the title "Foreign Food Assistance."

On December 10 and 12, 1974, the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices and the Subcommittee on Foreign Agricultural Policy held hearings on the U.S. food situation and foreign demands on U.S. food supplies, through both commercial channels and food aid programs. The proceedings of the hearings have not been printed to date.

1973 ANNUAL REPORT ON PUBLIC LAW 480

The House Committee on Agriculture printed two documents concerning Public Law 480. The first was the President's annual report on agricultural export activities, issued as House Document 93–127, dated July 16, 1973. The second was the 1973 annual report on agricultural export activities carried out under Public Law 480, issued as House Document 93–362, dated September 25, 1974.

JOE ROBBIE—THE PRIDE OF SISSETON, S. DAK.

Mr. McGOVERN. Mr. President, many of my colleagues share my great enthusiasm for professional football. But I would say that even those who do not follow the sport closely know about the super-powered Miami Dolphins. Certainly no one can deny that they are one of the most successful professional football teams of all time. But besides the excitement I get every time I watch the Dolphins play, I have another reason for being a special fan of the two-time Super Bowl champs—my old friend and fellow townsman Joe Robbie is the owner of the Miami Dolphins.

Joe was born and raised in South Dakota and attended the University of South Dakota where he was a national debate champion. Always an avid promoter of sports events, Joe proved his knowledge of and dedication to sports early in his life. By the age of 14, he was a sports editor in his hometown of Sisseton, S. Dak. Joe has always been active in public life in South Dakota. He served in the South Dakota Legislature and was a candidate for Governor of the State before beginning his law practice in Mitchell, S. Dak.

It is easy to see that Joe Robbie has led an interesting life. John Lowrie, a respected South Dakota journalist asked Joe to talk about his life in an exclusive interview for the Watertown Public Opinion. I think the rest of my colleagues, football fans or not, would enjoy learning a little bit more about Mr. Robbie and I ask unanimous consent that the interview, "Joe Robbie—The Pride of Sisseton, S. Dak.," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOE ROBBIE—THE PRIDE OF SISSETON, S. DAK.

Q. We understand you are a very proud South Dakotan, born and raised in Sisseton?

A. That is correct, I was born in 1916 and that makes me 59 years old.

Q. Did you participate in sports?

A. No, I had a size problem then but I went though Sisseton High as a Sports reporter and also team manager.

Q. What was your first job in Sisseton while going to school?

A. My very first job was delivering the Watertown Public Opinion, then I became a Sports Editor in Sisseton and worked in the print shop.

Q. Do you still have relatives in Sisseton?

A. Yes, my mother's relatives are still there. My folks moved to Mitchell in 1943. My mother's brother lives in Sisseton and his name is Francis Ready. He's in a home up there and I hear he is in charge of entertainment. Merle Ready and his family live in Sisseton and of course I still know most of the Sisseton people.

Q. And is your wife a South Dakotan?

A. Yes, she is. I met my wife at the University of South Dakota. She lived on a farm between Beresford and Vermillion.

Q. What do you remember most about your home town?

A. I was raised among the immigrant Scandinavian people and the Indian people. I remember the struggling times we all went through but everybody pitched in and helped each other and I think that's probably as much a mark in my early life in northeastern South Dakota as any: the willingness of the people to help each other.

Q. When did you serve in the South Dakota Legislature?

A. In 1949 to 1951.

Q. And you ran for Governor?

A. Yes, in 1950 and lost to Sigurd Anderson. Joe Foss ran in the primary and lost it and I ran in the final and lost.

Q. Any further political aspirations?

A. Oh, I'm still interested in politics. I'll have that interest all my life but that doesn't mean I'm going to run for office.

Q. Did you hold any political office in South Dakota?

A. Not many, but I'm proudest of the fact I was president of the student body at Sisseton High, Northern State and USD.

Q. What paper did you work on in Sisseton?

A. I worked on the old People's Press which was started in 1930 by George Lasell. He was an old lawyer who was deeply interested in politics. He ran perennially for Probate Judge. He opened the People's Press and I went to work as the Sports Editor that year. I was 14 years old at the time.

Q. The People's Press is no longer in existence today, is it?

A. No, it was absorbed by the White Rock Journal in the early 30s and became the Journal Press.

Q. What do you remember most in your early writing years?

A. Back then, everyone waited for the great Grantland Rice All American teams and one year when it was announced I disagreed quite vehemently and announced my own All American Team and challenged Rice's team to a mythical "Super Bowl" game at the tender age of 14. We played the entire game with pen and ink in the newspaper and of course my team won.

Q. Did you give today's Super Bowl terminology birth?

A. No, no, that was Lamar Hunt's idea and he said it in a rather spoofing moment, but it took on immediately but I certainly can take no credit for that.

Q. Did you work your way through college?

A. I went to Northern and worked in the dormitory in Aberdeen my first year and I worked in the J. C. Penney store selling shoes and one thing and another and I was publicity director for Northern my sophomore and junior years and was paid for that. I always had one job or another and even swept out restaurants a few times.

Q. And when you went to the "U"?

A. Yes, I worked in the Adult Education Department correcting papers mostly and also I worked at the radio station as an announcer.

Q. What was your first full time job after graduating from the university?

A. I went to work in June of 1941 as Assistant County Supervisor for the Farm Home Administration in Mitchell and six months later I went into the Navy. So that's the only full time job I had until I was 30 years old when I started to practice law in Mitchell. From the time I was 19 until I was 30, I was in college for seven years and in the Navy for four.

Q. When did you buy into the Miami Dolphins?

A. Danny Thomas and I obtained a franchise August 16th of 1965 and I thought we had investors behind it but sometimes people don't show up with money when they say they're going to, so I found myself having to finance the Dolphins through the bank and so as a result of that I have operated the Dolphins since the first day.

Q. How much of the Dolphins do you now own?

A. I own approximately 75 per cent of the Dolphin franchise.

Q. And who else are your partners now?

A. Coach Don Shula has more partnership shares than any of the remaining partners and we still have eight or nine besides Shula with fractional interests.

Q. What would you say the Dolphin operation would be worth today on the market?

A. The problem there is I'll never find out because you never know until you put it up for sale.

Q. What has been your greatest thrill?

A. Winning a Super Bowl Championship has to rank with the others. I think probably the victory I enjoyed more than any wasn't either of the Super Bowl victories, but the day we beat Kansas City on Christmas Day in 1971 and then went on to the Super Bowl game. That was the day the Miami Dolphins became of age as a championship contender. I truly enjoyed that, but outside of professional football the years our family were still all at home in Sisseton were even more pleasing than these

Q. And how about your greatest disappointment?

A. I haven't had enough disappointments, fortunately, so I can't rank them very easily. I can't even say not getting into the playoffs this year was that bitter a disappointment. We have to take the bitter with the sweet like everyone else and we've had a lot of good fortune.

Q. How about running for Governor, was that a big disappointment?

A. I am so highly competitive I would have much preferred to win. I thanked my fellow alums in Rapid City last night for sending me on to professional football instead of electing me to political office.

Q. In your lifetime, who do you consider the finest football player to ever play the game?

A. Bronco Nagurski. Bronco Nagurski was an All American defensive lineman, converted to fullback and an All American as a fullback at the University of Minnesota. For the Chicago Bears, I'm told by Red Grange, he was the greatest lineman he ever saw.

Q. And if we don't limit it to your lifetime?

A. I have to say Jim Thorpe. I think Jim Thorpe and Bronco Nagurski are the two greatest players ever to play the game of football.

Q. You mentioned Jim Thorpe. Has there been other Indians in the same class as Jim Thorpe?

A No. I don't recall of any who was ever the star of the magnitude of Jim Thorpe. However, there have been some good Indian football players. Wahoo McDaniel played for us in the American football league and while he was not a star of major mention, he was a quality football player.

Q. Any thoughts on the greatest South Dakota football player?

A. It just has to be Ol' Jack Manders. He's a Milbank boy who played for the University of Minnesota and then was a great star for the Chicago Bears from '33 to '40.

Q. Lynn Boden, the Stellar SDSU Tackle, was the first South Dakota football player to be drafted on the first round. How do you compare Boden with your Jim Langer, also an SDSU Grad?

A. Well, if he's like Jim Langer, he's going to be a major star. Jim Langer is the finest center in professional football and will be for the next decade if he can stay free from injury. How Boden compares with Jim Langer at this moment I really don't know. He's coming in with a much bigger buildup than Jim.

Q. Everyone knows that Larry Csonka, Jim Kiick and Paul Warfield of your Dolphins signed with the World Football League for an unprecedented $3.5 million. Where will they be playing football next year?

A. Well, I'm hopeful Larry Csonka will be playing for us.

It's more problematical that Warfield and Kiick will, simply because Kiick wants to go someplace where he can play more football and Warfield is at a point in his career where he wants to go into broadcasting or telecasting rather than play football, but if he signs again we certainly want to sign him and I think that opportunity may arise. We aren't going to deal with these players until they are released from their contracts.

I know that Csonka wants to be released from his contract and he wants to play with us.

Q. How did you manage to get Jim Langer?

A. We obtained Langer on waivers from the Cleveland Browns.

Q. Any rule changes that you would like to see made?

A. I'd like to see some rules repealed. Particularly on crack back blocking. I think this has damaged the running game which is an important part of football. However, I doubt if there will be any major changes this year and I'm sure that rule will stay on the books.

Q. How about the rules that were adopted a year ago?

A. We had some great ones. One of the best was the rule that set the kick-off back to the 35 from the 40 yard line which allowed for many more kick returns to be made. That adds excitement to the game.

And the field goal rule, but I do have some mixed feelings about it, because it reemphasizes punting which is certainly not one of the most spectacular aspects of the game, but nevertheless, it does put some emphasis back on the touchdown, too.

Q. You seem to be in excellent physical condition. Do you follow any regular exercise program to keep yourself in shape?

A. Just moving around from place to place. I have no exercise program. I should really get back to playing golf that I dabble at occasionally.

Q. The biggest sports disaster is the World Football League. Do you feel they will field any teams next season?

A. I'm not sure that they will. They might be able to piece together a few teams to start. If they do, they're going to have an exceedingly difficult time finishing the season, but I'll be surprised if they start again, but stranger things have happened.

Q. Will salaries paid to professional athletes continue to increase?

A. Well, if they do, we'll all be out of business. And I think the fans are disgruntled right now with constant bickering about money instead of getting out and playing football or whatever the sport is.

Q. The Internal Revenue Service wants to plug the owners loophole allowing them to depreciate players' salaries over five years. If the depreciation game came to an end, what would happen to professional sports?

A. Well, the value of the franchise would be drastically reduced immediately. The only time investors in professional football or professional sport franchises of any kind depreciate these contracts is on acquisition.

In other words, if a franchise is purchased for $10 million, in football the portion of it attributable to player contracts is amortized over the estimated remaining career of the players which is 4, 5 or 6 years.

The reason that the franchises are worth that much is because this depreciation can be claimed and it's all that makes the value of these football teams what they are. So if the IRS and the Federal Courts were to say that, or the Congress were to say that we can't amortize those contracts at all, I would think the franchises would sell for less than half of what they would right now.

Actually, the Atlanta case is the one you're talking about and in that case the challenge's to the value of the contract and not to the legality of claiming depreciation.

The government has taken the position that the players acquired in an expansion franchise from the other teams is not very great because 22 or 23 players are protected before the others are able to select them.

Q. Can you explain very briefly what effect the Joe Kapp Court Case could have on professional sports?

A. The Joe Kapp Case could cause damages to be awarded to players who brought the action which is the least important factor. It could bring about the abolition of the compensational "Rozelle" rule. This would mean that a player could play out his contract and become a free agent.

He'd be up for bidding like Catfish Hunter was and it'd only take four or five cases like that to put a dent into everybody and to be highly destructive to professional football.

Q. This abolishment is a distinct possibility then?

A. Oh, it's a possibility and certainly the Atlanta case could establish a rule within the Internal Revenue Service that you can only claim a small amount of depreciation rather than to depreciate a substantial portion of the purchase price.

Q. How important is attitude in professional athletics?

A. Professional sports is the same as practicing law, practicing medicine or editing a newspaper or anything else as it requires the proper attitude just as much as it requires necessary technical skills.

The player who doesn't have the proper attitude is not going to be there when he's needed the most. He's going to fall down at competing for a championship.

All the skill in the world won't overcome a sour attitude and this is just as true in daily life as it is in professional sports.

Q. Catfish Hunter signed a $3 million, five year contract for around $15,000 for each game he pitches. Is this tops for professional athletes?

A. Probably, figured that way, but as far as contracts I'm not so sure some of the basketball contracts aren't at least that big. That's why the basketball teams are all losing money.

Q. What would happen in football if they abolished the "Rozelle" Rule?

A. All players would be up on the auction block. The rich teams get richer and the poor teams poorer.

Q. This could almost bankrupt professional football?

A. It could.

Q. All professional sports?

A. All professional sports. It could also create a complete imbalance in competition.

Every player would want to go up to New York to play in the midst of the great New York press, television and radio that causes press agentry to make a much greater star out of the athletes that play there. It means something to players in income because of testimonials and appearances.

So the teams that have the money or the teams that are in the favorable location will pick up the players and the other teams will become weaker.

This certainly is not in the interest of American sport fans.

Q. You made it through two Super Bowl Championships. Then you lost in the playoffs last year. Is the Dolphin era over?

A. No! It's just interrupted!

JOBS AND THE ECONOMIC AND ENERGY PROGRAMS

Mr. MOSS. Mr. President, it is a very late hour at which we are finally coming to deal with energy and economic problems which have been facing the country for a long time. The underlying principle of our past national nonpolicy on energy—that we possess an inexhaustible supply of cheap oil and gas—has been critically questioned for 20 years. Domestic oil production peaked in 1970 but it took the Arab embargo in the fall of 1973 to force us to begin an examination of the consequences of relying on foreign nations for a substantial portion of our supply. It is now a year and a half since the embargo occurred and still we are only at the point of developing the broad outlines of a sensible energy policy. We still face the time consuming task of filling out and perfecting the details of numerous pieces of legislation which will be required to translate the outlines of energy policy into effective programs.

There is little utility in wasting additional, precious time in pointing fingers and arguing about who is to blame for this state of affairs. The President blames Congress, we blame the executive—surely the truth lies somewhere in between. Piecemeal efforts to cope with the increasing problems of meeting a national energy appetite which went from vigorous to voracious started long ago. I first introduced a bill to create a Department of Environment and Natural Resources in 1965. The Senate has had its Senate Resolution 45 study by the Interior and Public Works Committees; the executive has had four energy czars in 2 years; the Nation has yet to have an Alaska pipeline; the people of Santa Barbara had oil all over their coastline after a blowout on a drilling rig in the Santa Barbara channel; we have nuclear powerplants on the drawing boards which no one wants sited in his community; the Congress has had a flood of bills to cure overuse and under production. Somewhere along the line piecemeal efforts to cope with the problems of energy supply and demand began to add to, rather than diminish, the problems of having no overall energy policy.

The President has made a valuable contribution toward bringing order to this chaos by offering a comprehensive plan to return the country to domestic sufficiency in energy. His proposal is late and is sweeping in scope. Its lateness, however, cannot justify Congress abnegating its responsibility to examine and pass judgment on the proposal, to determine whether it is a proper and sufficient remedy. Congress has an obligation to propose alternatives to the unacceptable portions of the President's program, and this the majority is doing through the Democratic white paper prepared by an ad hoc subcommittee of the Policy Committee ably chaired by Senator Pastore.

Although I have congratulated the President for coming forward with a plan, the main contribution that plan has made has been to galvanize the Democrats into cooperative action to formulate an alternative policy which is in tune with the economic realities now facing us.

Those realities are grim: official estimates of 8.2 percent unemployment and inflation continuing at 12 percent. There is reason to believe that the official unemployment estimates do not reveal the true unemployment picture, which is probably over 10 percent nationwide. Spot unemployment among certain labor groups is much higher: Over 22 percent among construction workers, 24 percent in the auto industry, 17 percent in textiles; over 15 percent in many of our major cities. Those figures do not even begin to tell the story of fear and human suffering, of broken dreams, broken homes, and broken lives as ever greater numbers of people are unwillingly but helplessly sucked into the expanding maelstrom of joblessness.

The Government's first priority in meeting this rising tide of hardship must be to get people back into jobs as soon as possible. We need fiscal and monetary policies which will set the economy back onto a course of full employment, and we need expanded unemployment compensation and public service employment programs to help people through the slump until the economy is healthy again.

I am not speaking of timid, halfway measures designed to provide relief to 1 or 2 million people. The President's budget forecasts unemployment remaining around 7 percent through 1978. The economics of Mr. Simon, Mr. Greenspan, and Mr. Burns are premised on the old canard that a hefty unemployment rate is the only solution to inflation.

That premise is not only untrue, as the experience of the last 20 years demonstrates, but it is intolerable in a democratic society. If social justice means anything at all, it means to prevent 8 million workers being unemployed for the next two years and it means keeping their families healthy and their hopes of a better future alive. Our task is to get 6 million of the people now unemployed back to work as well as to provide jobs for the new people coming into the labor force between now and the beginning of 1977.

That task will be impossible to accomplish if the President prevails in his attempt to force his energy program through Congress. Those aspects of his program which increase energy prices will negate the expansionary effects of the tax cut Congress is about to enact. And the reduction in oil supply which the President seeks of 1 million barrels a day this year and 2 million barrels a day next year will cause more than 300,000 people to be thrown out of work.

It is imperative that we have an alternative to the President's energy program which will harmonize the need for a long range reduction in our dependence on foreign oil with the more immediate need to set the economy back on the course toward full employment. The Democratic program prepared under the able leadership of Senator Pastore and adopted by the Policy Committee is such an alternative. By setting forth proposals for reducing demand for energy and increasing the domestic supply of energy, the program establishes a chart for the achievement of domestic energy sufficiency over the next decade which will not impair economic recovery. It is now up to the relevant committees of Congress to act with the greatest possible speed to turn the white paper's recommendations into concrete legislation.

SENATOR HATFIELD RECOMMENDS AMENDING PUBLIC LAW 480

Mr. CLARK. Mr. President, in testimony before the Senate Agriculture Committee on February 18, Senator Hatfield proposed several amendments to Public Law 480 that would make our food for peace program responsive to the needs of hungry people around the world rather than to the requirements of foreign policy and so-called "national security interests."

Senator Hatfield's remarks speak directly to many of our problems with our food aid programs, and I commend them to my colleagues. I ask unanimous consent that Senator Hatfield's testimony be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Testimony of Senator Mark O. Hatfield, Senate Agriculture and Forestry Committee, February 18, 1975

Mr. Chairman, the Food for Peace program has been operating fairly quietly and fairly effectively for twenty years. It is the only government program we have that is specifically designed to help feed the world's hungry. There is no doubt that it has made a difference.

In the past two years, the manifold ramifications of a global food shortage have gradually dawned upon us. In November, the U.S. delegation supported a resolution of the World Food Conference pledging an end to world hunger by 1985. If we mean what we say, the inadequacies of the P.L. 480 program become apparent in light of the immensity of the task.

The purposes for which it was created in 1954 do not fit the circumstances of today. Our Food for Peace program does not always ship food, and it does not always serve peace. It is frequently motivated more by a desire to create new demand for American agricultural commodities than a desire to meet needs for food that already exist. It often responds to political requirements more quickly than it does to the basic requirements of existence. The magnitude of today's problems and the prospects for the future demand that we do more than make incremental alterations of P.L. 480. I believe substantive changes must be made.

For several of us here, the most recent argument about what P.L. 480 is and what it should become has been over the political use of food aid. The 1974 shipment to Southeast Asia of half the aid in P.L. 480 aroused the Congress to restrict the political uses of food aid. First, Congress declared that no more than 10% of P.L. 480 aid could be sent to any one country. Then in the language and legislative history of the Foreign Assistance Act of 1974 (P.L. 93–559), we clearly stated that no more than 30% of Title I concessional food aid can be directed to countries not identified by the United Nations as "most seriously affected" by the world food shortage. Despite that clear expression of intent, the Administration attempted to exclude aid to Southeast Asia from the limitation. When that failed, it was decided that the restriction, which specified "concessional *food* aid," did not cover shipments of cotton and tobacco, which will be used to boost political aid. But at least in the process we managed to have funds for P.L. 480 increased to $1.4 billion.

This skirmish should prompt us to make some changes in the intent and extent of Food for Peace.

First, political considerations should be completely excluded from decisions about allocating P.L. 480 aid. When the law was written, world hunger was not so critical (or we were not so aware of it) and Cold War mentality demanded that we exclude certain countries from our assistance programs despite their needs. Now global hunger is all too evident, and detente has blurred distinctions between "them" and "us."

It should always have been so, but now it is imperative that our food aid be directed to those in need, not those we think we need for the accomplishment of some grand foreign policy strategy. We must not refuse aid to starving people who do not agree with our scheme of world order. On the other hand, we should not ship food to foreign countries because they happen to be our allies and regardless of their food need. Nor should food be allocated on the basis of what natural resources the recipient countries control and how they could use that control as an economic weapon.

These are all real problems for our foreign policy, and must be dealt with. But P.L. 480 should not be the tool. Therefore, I recommend that for at least as long as the world food shortage continues all Food for Peace aid be directed only to those countries that require and request assistance to feed their people, regardless of their or our political inclinations. At least for the immediate future, I suggest that we use the United Nation's list of those nations "most seriously affected" by the world food crisis to determine what countries should receive P.L. 480 aid. As of January 24, that list included 32 countries with a total food deficit of 4.74 million tons, 3.2 million tons of which was attributable to India, Bangladesh, Pakistan, and Sri Lanka. I might add that South Vietnam and Egypt are not on the list. Cambodia and Laos are.

For similar reasons, I recommend that the Act be amended to excise the portion that establishes the creation of export markets as one of the purposes of the program. U.S. agricultural exports have quintupled since passage of P.L. 480, and export markets are well established around the world. Food shortages continuing indefinitely into the future will assure sustained high export levels. P.L. 480 need not be used, therefore, to stimulate exports. So long as the world food crisis continues, the sole purpose of Food for Peace should be feeding people.

In keeping with that purpose, I recommend the Act be amended to remove cotton, tobacco, and all non-food commodities from the program. In FY72 we shipped tobacco and cotton with an estimated market value of $114 million under Title I of P.L. 480. In FY73 the amount rose to $126 million in estimated market value. This came to a total of slightly less than half the estimated market value of wheat and flour ($505 million) for the two fiscal years 1972 and 1973. (Data from Agricultural Statistics, 1974 published by USDA).

The shipment of tobacco under the Food for Peace program is particularly disturbing to me. I was astounded to learn last year that our government, which has found that cigarette smoking is hazardous to health, and has placed restrictions on all advertising of tobacco, then uses taxpayers' money to buy tobacco, store it, and ship it to other countries, giving low interest loans to support its purchase. Like many citizens, I had no idea this was being done in the name of "Food for Peace." It makes a mockery of the entire program. How much food rich in protein could have been grown on the land that provides all this tobacco?

A better case can perhaps be made for cotton. At least it can be made into clothing and provide one of the necessities of life. Here again, however, we confuse the public by sending a non-food item overseas under the guise of Food for Peace. More importantly, we expend funds that could be used for food.

I realize that P.L. 480 purchases of tobacco and cotton help subsidize the production of these commodities. I do not want to debate the question of agricultural subsidies here—it may be that these subsidies are quite legitimate. If we wish to continue them, so be it. But they do not belong in the P.L. 480 program. Again, if we present this program to the American people as "Food for Peace," it should be exactly that.

While I do not believe the production of tobacco and cotton should be subsidized through P.L. 480, I do think we have an obligation to use the program to support the price of food products. Cynics might say that I make this suggestion because Oregon produces no tobacco or cotton but a good deal of wheat, for example. But I have a different reason. The government of the United States has committed itself to the effort to end world hunger by 1985 and has called upon the American farmer to achieve maximum production in order to meet that goal. We not only have an obligation to aid foreign countries in need, we also have an obligation to protect the price of farm products when the American farmer responds to the call for all-out production with record harvests. If we do not, we will again have land lying fallow in the United States while millions go hungry abroad.

Therefore, I recommend that this Committee make it quite clear to the American agricultural community that P.L. 480 purchases of food will be increased to meet the food aid need and to protect the producer from the price-deflating effects of a surplus the commercial markets cannot handle.

In a similar vein, I recommend that P.L. 480 be amended so that the establishment of food aid levels will not be dependent upon commercial considerations. Presently P.L. 480 levels are set only after allowances have been made for domestic needs, commercial exports, and carryover stocks. While I agree with the first and last of those criteria, I believe commercial exports should not take precedence over Food for Peace aid.

The countries that are most seriously affected by the world food shortage do not have the money to meet their food requirements by purchases on the commercial market. As a consequence, most of our exports have gone to developed nations such as Russia, China, Taiwan, and Korea. Food should be sent where it is needed most first, and then any remaining surplus can be sold for export. Again, P.L. 480 purchases can be used to support prices against the effect of any decline in commercial exports.

All of these recommended amendments to P.L. 480 attempt to establish what I believe to be an appropriate balance of economic, political, and humanitarian concerns. Obviously, I believe that the last of these should be first, and that economic and political considerations should always be subservient to human needs. Even if all my suggestions should become law, the Food for Peace program would still be a football to be kicked back and forth between the State Department's foreign policy makers and the Agriculture Department's farm economists. That is one reason why I will be introducing legislation to create an Office of Food Administration headed by a Food Administrator appointed by the President with the consent of the Senate.

I have discussed this proposal on other occasions, most recently at the December 18, 1974, hearings of the Select Committee on Nutrition and Human Needs, so I will not go into it in detail here. Suffice it to say that it is patterned after the Office of Food Administration created by President Wilson and run by Herbert Hoover during and after World War I. It is intended to insulate the Food for Peace program from bureaucratic infighting, and ensure that food aid is allocated on the basis of human needs rather than political or economic interests. Furthermore, the Food Administrator would coordinate all government and private food aid efforts to enhance their effectiveness. I expect to introduce this legislation later this week. Your support is welcome.

The Food for Peace program has always had a great deal of potential for alleviating suffering around the world. In this time of global food shortages it is absolutely crucial that the potential be fully realized. I believe the changes I have recommended can help us accomplish that goal.

SIX-MONTH MORATORIUM ON SALE OF ARMS AND RELATED SERVICES TO STATES OF THE PERSIAN GULF

Mr. KENNEDY. Mr. President, on Saturday, I introduced S. 795, a bill to impose a 6-month moratorium on the sale of arms and related services to the states of the Persian Gulf, unless during that time the President submits to Congress, for our approval, a firm statement of U.S. policy toward that troubled part of the world. At the same time, I urged the President to seek international agreement to limit the flow of arms to the Gulf States.

On Sunday, both the Under Secretary of State, Mr. Joseph Sisco, and the Secretary of Defense, Dr. James R. Schlesinger, commented on this legislation on network television. I wish to comment on some of their remarks.

I would first like to call the Senate's attention to a point raised with Secretary of Defense Schlesinger on the ABC program, Issues and Answers:

> Mr. DONALDSON. May I go back to the contract with the Vinnell Corporation—I think it is some $77 million—for this corporation to use civilians to train Saudi Arabia's defense force for the oil field defense.
>
> Senator Fulbright, the former Senator from Arkansas, claims that an amendment that was made law actually was designed to prevent this type of Defense Department contracting. Will you respond to that?
>
> Secretary SCHLESINGER. Well, I am not familiar with the amendment that Senator Fulbright refers to, but the Department of Defense, of course—
>
> Mr. DONALDSON. Well, it is one, if I may, that says it is in the interests not to have a Defense Department contract directly with American soldiers in, I think some amplication of the MAAG mission concept, to make such training, but that it is in the interests of the United States to return to a business-type relationship between other countries, and perhaps businesses, like the Vinnell Corporation, but not channelled through the Defense Department.
>
> Secretary SCHLESINGER. I think the existing law leaves open the possibility of either having a foreign military sales case through the Department of Defense, or by direct contracting with individual companies.
>
> I think that U.S. policy is likely to be criticized irrespective of the actions taken by the government. One must recall the Department of Defense is executing a policy designed to fulfill a Memorandum of Understanding reached with the Saudis in the spring of '73, and this is just a small part of that total Memorandum of Understanding.

Mr. President, I challenge the Secretary's interpretation of the law, as it has been applied by the Department of Defense in regard to the Vinnell Corp. contract, and others.

In 1973, Congress clearly expressed its will, in an amendment to the Foreign Military Sales Act:

> In order to reduce the role of the United States Government in the furnishing of defense articles and defense services to foreign countries and international organizations, and return such transactions to commercial channels, the United States Government shall reduce its sales, credit sales, and guaranties of such articles, and defense services as soon as, and to the maximum extent, practicable.

What was the intent of Congress in enacting this provision? The legislative history is explicit. In its report on the Foreign Military Sales Act, the Senate Foreign Relations Committee stressed:

> . . . the objective of returning U.S. arms sales transactions to commercial channels. A basic purpose of this act is to get the U.S. Government out of the arms sales business and return such transactions to commercial channels. Government policy controls would then be exercised through export licensing procedures.

Mr. President, it seems clear that the Congress intended for the sale of any arms to foreign countries to be done on an arms-length basis, with minimal involvement of the Department of Defense. Only "export licensing procedures" would be retained, and these reside in the State Department, as is right and proper in matters affecting the foreign policy of the United States.

It is equally clear that for the Pentagon to arrange contracts, with the Vinnell Corp. and others, is not getting "the U.S. Government out of the arms sales business." Rather, it is a continuing involvement, against the expressed legislative intent of the Congress. It is time to bring Defense Department policy into compliance with the spirit—and the intent—of the law.

Mr. President, there were several other

areas of discussion on network television last Sunday, February 23, by Mr. Sisco and Dr. Schlesinger, that bear comment:

First, on "Meet the Press," Under Secretary Sisco indicated U.S. concern for countries in the Gulf that "have legitimate security interests and need the arms for self-defense purposes." He also indicated that various countries in the area "perceive a real danger."

Yet I believe we in Congress should ask what these legitimate security interests are. What are the dangers? What is the source of threat? To be sure, there are security problems in the Gulf: Iran has had centuries of experience in dealing with Russia to the north; there are traditional rivalries between Iran and Iraq, and between various countries over the future of Kuwait; there is an insurgency in the Sultanate of Oman, at the mouth of the Persian Gulf; and there are rivalries between various of the United Arab Emirates, and between some of them and Saudi Arabia.

But how serious are these rivalries, and how do they relate to one another? How do they relate to the supply of arms to one or another State in the region? And how do these arm supplies relate to the "regional cooperation" that Mr. Sisco says that we are seeking to promote.

These are all questions that we in the Congress should ask the administration, before we continue to sell arms on a massive scale.

We should bear in mind that Great Britain provided stability in the Persian Gulf for a century and a half. It did so primarily through a political involvement in the region. Clearly, no other power can substitute for that now-departed presence. Yet it is questionable that an arms policy, which appears to exist more or less on its own, is the answer.

Second, Secretary Schlesinger spoke on "Issues and Answers" about the contract between the Vinnell Corp. and Saudi Arabia, in which up to 1,000 American former Armed Forces personnel would train the Saudi Arabian National Guard.

Dr. Schlesinger said that these civilians would be used "to train soldiers of a country with whom we hope to have friendly relations for an extended period, several decades at least." I share the Secretary's hope that we will maintain and further develop friendly and cooperative relations with Saudi Arabia, Iran, and other states of the Persian Gulf. As a nation, the United States should welcome the chance to help these countries in their rapid social, economic, and political development. Cooperative involvement of this kind should be the basis for the future course of our relations with the gulf states, and an adjunct to our efforts to secure stable sources of energy at reasonable prices.

Yet, if there is anything that we should have learned from our recent experience in Southeast Asia, it is the dangers which can arise from military arrangements in which thousands of Americans train "internal security forces" of another country. No matter what the possible advantages, we should be loathe to enter lightly into any such arrangement.

Third, Undersecretary Sisco argued that other nations will supply arms if we do not:

> It is not a question of whether we provide arms, or no arms going into the area. It is a question of whether we provide them or others . . .

Secretary Schlesinger concurred, arguing that:

> It is not plain that the United States by its unilateral decisions can head off the sale of arms, and it is plain, I think, if arms sales will be sold, that it is in the American interest for these arms normally to be American arms.

It may be that, if the United States stopped selling arms to the gulf countries, we could not prevent other countries from stepping in and doing so.

We sometimes hear of American, British, French, and other weapons manufacturers tripping over each other in the hotel lobbies of Teheran and Ridayh.

Yet has there ever been a serious attempt on the part of major arms-producing nations to negotiate limitations on the conventional arms trade in the Persian Gulf? I know of none. Last year, I introduced an amendment to the Foreign Assistance Act, urging the President to propose to the Geneva Conference on Disarmament that it consider as a high priority agenda item discussions among participating nations of that Conference for the purposes of:

First, agreeing to workable limitations on conventional arms transfers; and

Second, establishing a mechanism through which such limitations could be effectively monitored.

The President was also requested to report to the Congress within 6 months on the steps he has taken to carry out this provision. Two months have now passed. Accordingly, I call upon the administration to tell us what is being done pursuant to this legislation.

If the administration is seriously concerned with the unbridled marketing of sophisticated weapons, then let it follow the expressed will of Congress, and act to join with others to impose controls on this traffic.

It is my hope that the legislation I introduced last Saturday will lead to such an international effort—including both selling and purchasing states in the Persian Gulf—so that any flow of arms to the gulf will truly meet the interests of countries concerned.

Such an effort is particularly important, now, before the volume of U.S. arms sales to the region further whets the appetites of other supplier nations. It will be far more difficult to gain multilateral limits on the flow of arms once the United States has locked up prime contracts—totaling billions of dollars—with the Persian Gulf states. At the same time, we must work with other supplier states so that their own balance of payments problems will not impel them to ignore any call for joint action on regulating the arms flow.

For ourselves, I cannot say too strongly, it would be a sorry day for the American economy if our strength became dependent upon selling arms to a volatile area of the world. We would also stand to lose far more, in money and men, if shortsighted policies of selling arms for balance-of-payments reasons later led to our direct involvement in a Persian Gulf conflict.

Fourth, in a similar vein, Secretary Schlesinger maintained that it is in our interest for arms sales to gulf states "normally to be American arms." Their value, he reasoned, is that they "establish close relationships between the United States and other countries"; that they "provide the United States with a degree, a moderate degree of influence in some cases, but a degree of influence." But how much influence? What kind of influence? Has it ever been proved that influence with a nation's military establishment can be translated into political influence with governments, in our national interest? Did this "influence" prevent Turkey from ignoring the terms on which we had supplied arms over the years, when it intervened militarily in Cyprus? Did it prevent India and Pakistan—countries to which we had provided arms over the years—from going to war with each other twice in a decade?

Arms programs in themselves may not create conflicts, but they undoubtedly increase the level at which such conflicts will be fought, with greater human suffering. Surely we lose more of that fabled "ability to control events" when, through arms programs, we enhance and intensify a government's ability for independent military action, than can ever be gained by the mere fact that the jets being piloted are American made. Perhaps arms sales to gulf states will provide us with some access to the military establishments of purchasing countries, but the price we could have to pay for this advantage may be awesome in terms of the long-range risks involved.

In considering the value of arms sales in gaining influence, we must also look at the contradictory nature of our relations with Iran over the years. Following the Second World War, we sought to build up Iran as part of the cold war with the Soviet Union.

Later, we apparently sought to help Iran in its ambitions to be the dominant power in the Persian Gulf. If that latter policy could have been achieved without opposition from other local states, the outcome might have been a happy one. Yet that is now not the case, as requests for arms from other Persian Gulf states clearly testify.

Furthermore, we must recognize that it is Iran, feeling its new political power, that has led the effort to exploit the economic potential in the West's dependence on Middle East oil. It is Iran—the country where we have so long sought influence, in part through arms supply—which has worked hardest to keep up the world price of oil, even though it did not join in the oil embargo imposed by several Arab States during the 1973 Middle East war. We must ask again, therefore, what influence we truly gain through the supply of arms.

In addition, we must be concerned about the possibility that U.S.-supplied arms in the future could be diverted to other countries. Secretary of State Kissinger recognized that problem at his press conference yesterday, in relation to the Arab-Israeli conflict. But there are wider concerns, as well. During the last year, for example, Iran made three transfers of U.S.-supplied arms to other countries:

Five C-130 transport aircraft were transferred to Pakistan;

Twenty-four F-5 aircraft are now being transferred to Jordan; and

Ten AB-205 helicopters, made in Italy under U.S. license, were lent to Pakistan.

I understand that all of these transfers were approved by the State Department and that the Congress was so informed.

But in the future will we be certain that arms we sell to Persian Gulf nations will always be subject to State Department control to prevent their being transferred to third countries, either in or outside the region?

What criteria would the State Department use to make decisions, even when it can maintain control? And what role will the Congress have in making such decisions? Today, the Congress has 20 days to disapprove of individual arms sales over $25 million. But how can we be involved in transfers of weapons from the country to which they are sold, to yet other countries? Here, too, we need answers from the administration.

On "Issues and Answers" last Sunday, Secretary Schlesinger further said that "arms represent a symbol of those kinds of relationships" which we want to maintain with the Persian Gulf States. I ask only this: Is there no other way to symbolize those relationships? Have we so little imagination that we cannot find political and economic means to gain whatever influence is possible, and to develop relationships? I believe we should at least try, instead of first reaching, once again, for a military policy.

Fifth, I believe that Secretary Schlesinger also missed the thrust of my proposal for a 6-month moratorium on arms sales to Gulf States, when he implied that such an action would represent a tendency "to disapprove of what is going on in the external world and to show our disapproval by cutting ourselves off. In the long run—in fact, in the short run—that is a disastrous policy."

I concur wholeheartedly with Dr. Schlesinger that such an attitude could have disastrous shortrun and long-range implications for the United States. We cannot divorce ourselves from events in the outside world. But neither should we contribute to—or exacerbate—the possibility of conflict elsewhere in the world.

The Persian Gulf, by its history and geography, is not a region where a stable balance of military power could easily be established. Quite the reverse: The territory is too flat, the weapons are too powerful, the distances between countries too short, the rivalries too intense and complex and a tradition of a balance of power totally absent—for there to be any hope that a stable military balance can be created by arming all sides.

Furthermore, many Persian Gulf States will in the future experience the instabilities arising from the flux of shifting power changes, rapid economic and social development, and traditional territorial and minority disputes. For our part, in providing unprecedented levels of sophisticated military equipment to the region, we are in fact encouraging the likelihood that possible internal changes in Gulf States will entail high levels of violence and immense human suffering.

Mr. President, in raising these questions about public testimony of two leading administration figures on the sale of arms and related services to Persian Gulf States, I am only emphasizing the purposes of S. 795: To gain a full public hearing of U.S. policy toward the Gulf; and to gain for the Congress its proper constitutional role in making U.S. foreign policy toward that volatile but vital part of the world.

On Sunday, the Secretary of Defense said that:

> The policies of the United States, are, of course carefully scrutinized in advance before we make sales.

All I am asking is that the Congress, too, have a chance to take part in this scrutiny.

At any time during the 6-month moratorium which I have proposed, the administration could come to the Congress with a comprehensive statement of U.S. policy toward the region. If Congress approves it by joint resolution, then the moratorium would be ended. But we owe it to ourselves—and to the countries of the Persian Gulf—to take a hard look at what we are doing there, and to seek ways of securing our interests without increasing the likelihood of conflict and future U.S. military involvement.

Mr. President, I ask unanimous consent that my bill, S. 795, along with supporting documents, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 795

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), and all licenses with respect to the transportation of arms, ammunition, and implements of war (including technical data relating thereto) to Iran, Saudi Arabia, Iraq, Kuwait, Qatar, Bahrain, the United Arab Emirates, and the Sultanate of Oman, shall be suspended on the date of enactment of this Act until a date 6 months thereafter, unless the President transmits to the Congress, and the Congress by joint resolution approves, a statement of policy regarding sales, credit sales and guarantees made to such countries under the Foreign Military Sales Act. The foregoing suspension shall include the suspension of the delivery of any defense article or defense service contracted for prior to the date of enactment of this Act and which has not been delivered before such date.

Extracts From "NBC's Meet the Press," Sunday, February 23, 1975, With Joseph J. Sisco, Under Secretary of State for Political Affairs

Mr. Valeriani. Mr. Sisco, you said here that war cannot be precluded in the Middle East and President Ford, Secretary Kissinger have emphasized repeatedly how explosive the area is, how volatile the situation, and yet the Administration is pouring billions of dollars of new weapons into the area on both sides. Why?

Mr. Sisco. Well, let me say, first of all, that insofar as our support on the military side for Israel is concerned, I think it is important that we maintain a trend. Insofar as our arms sales to other parts of the area. Let's take first of all the Gulf and the Arabian Peninsula. I have heard it said that we are doing this willy-nilly, on an ad hoc basis.

This is not the case. I can recall the kind of studies that we undertook on this whole question of arms in this area in the aftermath of the exodus of Great Britain. What confronted us at that particular time was this: Do we try to fill this kind of a void directly or do we undertake a policy of helping those who really have legitimate security interests and need the arm for self-defense purposes. We concluded the way to proceed in this area was to try to help in regional cooperation. We see Saudi Arabia, Iran and these countries as elements of stability in the area with legitimate self-defense needs and it is not a question of whether we provide arms, or no arms going into the area. It is a question of whether we provide them or others in circumstances where they perceive a real danger.

Mr. Valeriani. Are you willing to go along with a six months' moratorium on arms shipments to the Persian Gulf as suggested by Senator Kennedy?

Mr. Sisco. I have read the press report this morning. Obviously I have not seen the resolution itself, but I would only emphasize that we feel that we are meeting a legitimate concern of the countries in the area and these are friends of ours, these are friends who are trying to pursue a moderate course in the circumstances.

Extracts From ABC News' "Issues and Answers," Sunday, February 23, 1975, With James R. Schlesinger, Secretary of Defense

Mr. Donaldson. Secretary of Defense, James R. Schlesinger, the man responsible for carrying out the defense policies of the United States, here are the issues:

How will U.S. arms sales to Arab countries affect the possibility of another war in the Middle East?

Is the United States losing its place as the dominant military power in the world?

Can record defense spending be justified at a time when the Administration asks for reductions in spending for the poor and the aged?

Mr. Tomlinson. Mr. Secretary, the United States has been selling a great deal of arms to the Persian Gulf States and Senator Kennedy is now proposing a six months moratorium on such sales, saying in effect it is a risky path toward a dangerous arms race. Is that a valid criticism?

Secretary Schlesinger. I think it is not a valid criticism. The policies of the United States are, of course, carefully scrutinized in advance before we make sales. I think Mr. Donaldson's question went to shipments to Arab countries increasing the likelihood of war.

As you know, the shipments to Arab countries have been but a small fraction of Israel. You used the phrase Persian Gulf and that includes Iran and, of course, Iran has received most of the contracts. Those contracts apply to shipments that will take place during the rest of this decade.

Mr. Tomlinson. But in the Persian Gulf area we have now entered into a contract with a civilian company, the Vinnell Corporation, to train the Saudi Arabian National Guard. This is rather unique in having civilians train people like that. It is being called by some a mercentary force. Are we indeed getting into the mercentary business of sending men over to teach men how to fight?

Secretary SCHLESINGER. Well, of course, the United States has been engaged in training foreign soldiery for an extended period of time. "Mercenaries," I take to be an unfriendly term, which would appropriately be applied to those who would fight for these foreign countries. Instead, they are being used to train soldiers of a country with whom we hope to have friendly relations for an extended period, several decades at least, and the contract seems valid to us. The Saudis pay for it, of course.

Mr. DONALDSON. Senator Kennedy's point, as I understand it is not in our interest to sell arms, but that we don't know yet, that there has been no coherent policy, that we apparently are selling to Saudi Arabia, Kuwait, and perhaps Oman. We are helping, and Iran, without any clearcut policy, so my question to you is, precisely what do you think we are going to gain and what is our objective in making these sales?

Secretary SCHLESINGER. Well, let me turn that around. It is very easy to talk about arms races and to the desirability of restraining the sale of armaments, the build-up of armaments. Some years ago the Congress enacted legislation restricting U.S. sales to Latin America.

As a result of that legislation, there is now a steady flow of Soviet and French arms into Latin America. It is not plain that the United States, by its unilateral decisions can head off the sale of arms, and it is plain, I think, if arms will be sold that it is in the American interest for those arms normally to be American arms.

Mr. DONALDSON. You are saying it is just a commercial enterprise, it is a balance of payments problem?

Secretary SCHLESINGER. Quite the reverse. What the sale of armaments does is to establish close relationships between the United States and other countries. It provides the United States with a degree, a moderate degree of influence in some cases, but a degree of influence.

Mr. TOMLINSON. A degree of influence you say, but what about just the other day one of the Deputy Assistants in your Department, under the Defense Department, agreed that for the first time, as far as I know, that oil is playing a part in this. It is a factor. Are we indeed buying insurance to make sure the oil supply lines stay open in Saudi Arabia, Iran, Kuwait and Oman?

Secretary SCHLESINGER. I think the fact of the matter is that because of the dependence of the industrialized world on petroleum from the Persian Gulf, that is a greater consideration than it has been hitherto, but that is not the motivation for the sale of arms. I think that one must recognize that we are engaged in attempting to maintain influence in these areas, to maintain close relationships, and arms represents a symbol of those kinds of relationships.

Mr. TOMLINSON. This follows after Secretary Kissinger had said in the event of strangulation, admittedly he would not rule out the possibility of going in to get the oil. You are asked if that was feasible, and you said yes. I wonder if you would expand on that. How is it feasible for us to do that?

Secretary SCHLESINGER. Will I think everybody recognizes that the United States has the military capability to carry out that kind of operation. I think that there has been undue emphasis on Secretary Kissinger's statements. What he said was something that really is a truism in political science. I am not sure that anyone has advocated that in the event of the economic strangulation of the West that we do nothing.

Mr. DONALDSON. What is your position about the possibility of U.S. intervention in the Middle East under certain circumstances, to secure an oil pipeline for the Western world?

Secretary SCHLESINGER. I do not think that the necessity will arise. I think that our relations with the producing states in that area will continue to be harmonious.

Mr. DONALDSON. But you do not rule it out?

Secretary SCHLESINGER. Under the hypothetical circumstances that were discussed, of course not.

Mr. DONALDSON. Most Americans, if I may, Frank, then are a little confused, are they not? Or at least I am by the fact that we are making these arms sales to those Arab States and the Persian Gulf, we are helping train their militia forces through a contract with the Vinnell Corporation, training their National Guard to safeguard the oil fields.

At the same time we don't rule out the possibility that we might be the ones who will want to go in there and try to engage in military action. Is there some contradiction in this policy?

Secretary SCHLESINGER. I don't think there is any contradiction in the policy. Of course, you can't rule out all possibilities, but these possibilities are far distant and remote. There is very little likelihood of our having to do such a thing. I don't think those circumstances will arise and in the interim we want to maintain friendly relations with all of the nations in that area.

Mr. TOMLINSON. Well, Mr. Secretary, you said you didn't think it would be necessary for the United States to go in and get the oil. Is it the arms sales that are negating that possible necessity?

Secretary SCHLESINGER. No. The reason that necessity will not arise in my judgment is because the states of that area recognize their common interests with the industrialized states in the West.

Mr. DONALDSON. You have made it clear perhaps, but I would like you to say it. Then you oppose Senator Kennedy's bill suggesting a moratorium of six months on arms sales in the Persian Gulf.

Secretary SCHLESINGER. Let me go back to what I said earlier about Latin America. The effect of a six months moratorium will be to encourage, or force many of the states in that region to turn to other sources of supply. Whether they be the Soviet Union or nations of Western Europe, and that certainly is dubiously in our interest.

Mr. DONALDSON. The answer is yes, you do oppose the bill.

Secretary SCHLESINGER. Yes indeed.

Mr. TOMLINSON. Would this have the same effect, do you think, that the arms cutoff to Turkey, did by possibly affecting our allies overseas?

Secretary SCHLESINGER. It is very similar in many respects to such a proposal.

Now, the tendency of many in the United States today is to disapprove of what is going on in the external world and show our disapproval by cutting ourselves off. In the long run—in fact, in the short run, that is a disastrous policy.

Mr. DONALDSON. Mr. Secretary, what are the chances of Turkey actually leaving NATO?

Secretary SCHLESINGER. I think the chances of Turkey leaving NATO are remote.

Mr. TOMLINSON. But if they cut out our bases in Turkey, if they asked the Americans to leave, how will that affect us?

Secretary SCHLESINGER. They have indicated to us that they will re-examine their bilateral relationships with the United States as opposed to their NATO-wide relationships. The effect of the loss of those facilities in Turkey will be costly to the United States and, in addition, will substantially curtail our intelligence and other operations.

Mr. DONALDSON. May I go back to the contract with the Vinnell Corporation—I think it is some $77 million—for this corporation to use civilians to train Saudi Arabia's defense force for the oil field defense.

Senator Fulbright, the former Senator from Arkansas, claims that an amendment that was made law actually was designed to prevent this type of Defense Department contracting. Will you respond to that?

Secretary SCHLESINGER. Well, I am not familiar with the amendment that Senator Fulbright refers to, but the Department of Defense, of course—

Mr. DONALDSON. Well, it is one, if I may, that says it is in the interests not to have a Defense Department contract directly with American soldiers in, I think some amplification of the MAAG mission concept, to make such training, but that it is in the interests of the United States to return to a normal business-type relationship between other countries, and perhaps businesses, like the Vinnell Corporation, but not channelled through the Defense Department.

Secretary SCHLESINGER. I think the existing law leaves open the possibility of either having a foreign military sales case through the Department of Defense, or by direct contracting with individual companies.

I think that U.S. policy is likely to be criticized irrespective of the actions taken by the government. One must recall the Department of Defense is executing a policy designed to fulfill a Memorandum of Understanding reached with the Saudis in the spring of '73, and this is just a small part of that total Memorandum of Understanding.

Mr. TOMLINSON. But at the same time that we have this Memorandum of Understanding, we are negotiating for landing rights on an island just practically at the mouth of the Persian Gulf; we have sent an aircraft carrier into the Persian Gulf; we now have the biggest ship that we own in the Indian Ocean, doing humanitarian work, by the way, but is this not a show of force to the Russians to say to them that we can keep that pipeline open if we want to?

Secretary SCHLESINGER. Well, I think that one might infer that kind of conclusion. What I would say is that the United States intends to maintain whatever presence is necessary to insure the security of the Persian Gulf from the standpoint of the Western world.

Mr. DONALDSON. If those remote circumstances you were discussing earlier should occur and we should think it in our interests to move militarily into the Persian Gulf, what would the Soviet Union do?

Secretary SCHLESINGER. I think it would depend upon the circumstances, but my conclusion would be that the Soviets would be very prudent in any actions that they took in response to a serious American action involving military force.

Mr. DONALDSON. Apart from those circumstances, and looking just at the Middle East today, Mr. Secretary, do you think we are in fact embarked upon a relaxation of tensions with the Soviet Union in that area because of Dr. Kissinger's work, that war between the super powers there is not as imminent as it might have been a couple of years ago?

Secretary SCHLESINGER. We certainly hope so. That is our intention. Our goal is a relaxation of tensions between ourselves and the Soviets, not only in the Middle East, but elsewhere.

On the other hand, we recognize that Eutopia has not as yet been reached and we must be prepared to balance power with our own power.

[Editorial, Baltimore Sun, Feb. 26, 1975]

SUPER-POWER AS SUPER-PEDDLAR

Congress is gradually awakening to the fact that Uncle Sam's role as arms merchant to the world challenges congressional efforts to get a better grip on foreign policy.

While the Congress has been making much of legislation to curb presidential war powers, control foreign aid and limit the use of treaty-like executive agreements, the Nixon and Ford administrations have been making it big in weapons sales. Defense Secretary James R. Schlesinger reported this month that cash sales of arms jumped from $1 billion four years ago to $6.6 billion in the fiscal year ended last June.

If credit sales are added, this figure grows to $8.3 billion, even without adding military aid. It would come as no real surprise should annual sales at today's inflated prices grow quickly to $10 or $12 billion, thus consolidating guns as an export second only to butter, i.e., agricultural products. American weapons are flooding the Middle East and the Persian Gulf, on a per capita basis the world's most densely armed regions.

Arms sales are an extension of foreign policy, and the Executive Branch is thus continuing to involve and commit this country abroad with little oversight from Congress. This mockery of all that Vietnam should have taught us did produce, in the adjournment rush of the 93d Congress, an amendment sponsored by Senator Gaylord Nelson that requires the government to notify Capitol Hill in advance of any weapons deal amounting to more than $25 million. Congress then has 20 days to veto the contract by concurrent resolution.

This kind of information is useful and may someday even bring about a congressional veto, but it is clearly inadequate. Congress should require detailed impact statements from the executive branch on how particular arms deals will affect efforts to limit world armaments and present and future American policy. When the administration sells $3.7 billion worth of arms to one country (Iran) in one year (fiscal 1974) it has various military, economic and geopolitical objectives—most, we suspect, of a tactical nature. These contracts may indeed help redress our trade imbalance with Iran, create defense jobs, maintain the oil-price dialogue and make Iran's formidable armed forces dependent on U.S. resupply. But this dependence also constitutes an American commitment to make parts available—a commitment of potentially troubling consequence whether it is kept or dropped. What, for example, would we do if Iran were to come in conflict with Saudi Arabia, which bought $600 million in U.S. arms last year, or with Israel, which is highly dependent on the U.S. supply line (and Iranian oil)? When Senator Kennedy proposed an unlikely six-month moratorium on arms sales to the Persian Gulf, Mr. Schlesinger had a breathtaking reply: "We are engaged in attempting to maintain influence in these areas, to maintain close relationships, and arms represent a symbol of these kinds of relationships."

Arms may indeed be a symbol of U.S. relations with other nations, but they are a symbol we should lament deeply. While we eschew the proliferation of nuclear weapons, we and our fellow arms peddlars—the Russians, the British, the French, the Swedes—are proliferating a frightening array of sophisticated "conventional weapons" to Third World nations whose military expenditures will soon take up nearly as much of their gross national products as those of developed nations. This arms sale policy, essentially unchecked by Congress, is making the world's danger areas steadily more dangerous. At a time of economic downturn, legislators may be reluctant to put a clamp on arms traffic that provides jobs. But if Congress is to live up to the foreign policy responsibilities it so often proclaims, it will seek to check and balance arms sales as it has foreign aid, executive treaties and presidential war powers.

[Editorial, New York Times, Feb. 26, 1975]

ARMS SUPPLIER . . .

With the emergence of the United States as chief supplier of weapons and military training aid in the Persian Gulf—not to mention the dubious decision to lift the embargo on arms to Pakistan—insistent questions are being raised about American policy toward the entire area in general and toward the booming international arms trade in particular.

In the past year, the United States has sold about $5 billion in arms and training services to Iran and Saudi Arabia, the two major rivals in the Persian Gulf area, and small amounts to Kuwait and Oman. The $4-billion of arms sales to Iran, on top of $2 billion the year before, dwarfs the $1.5 billion of arms grants to Israel during and after the October 1973 war. It has helped to stimulate the new Saudi Arabian military effort, which now finds the United States arming the chief petroleum producer of the oil cartel—against which the Ford Administration has refused to exclude military action in the event of economic "strangulation" of the West.

The Saudi arms sales and military training deals could be considered as putting the United States on both sides of the Arab-Israeli arms race as well as that in the Persian Gulf—perhaps increasing the need for arms aid to Israel to maintain a military balance in the Middle East. Although distant from the Arab-Israeli battlefields of the past, Saudi Arabia has sent symbolic troop units to the area and is a major financier—along with Moscow—of the extensive military efforts of Egypt, Syria and, perhaps indirectly, the Palestinian guerrillas. Other "non-battlefield" Arab countries, such as Libya have transferred arms purchases to Egypt after pledging not to do so.

Similarly, the decision to allow export of lethal arms to both Pakistan and India—however even-handed it may be juridically—is in fact a stimulus to the arms race in the subcontinent, an exacerbation of Indian-Pakistan relations, a blow to American relations with India and new evidence of the "tilt" toward Pakistan.

* * * * *

The Persian Gulf, however, is the fundamental problem now, since the new large-scale American role as arms merchant has its origin there. What remains unclear is the threat against which Iran is being so heavily armed and why the Shah is being sold some of America's most sophisticated weapons such as the Navy's F-14 jet fighters, simultaneously with its introduction into the American armed forces. This is far from the hand-me-down arms trade the world has known in the past.

Soviet arms sales to Iraq undoubtedly have something to do with the Shah's decision to build up Iran's military forces. But the size of the Iranian effort vastly exceeds that of Iraq and appears primarily to reflect the grandiose ambitions of the Shah, who has talked openly of reviving the glory of Persia's ancient empire. Is this something Washington can safely ignore?

It can be argued that American refusal to sell weapons would not restrain the Persian Gulf arms race and would merely leave Iran and Saudi Arabia to turn for arms to France, Britain and even—unlikely as this is for conservative monarchies—to the Soviet Union. Arms sales abroad also help the Pentagon to keep important production lines open and to reduce the unit cost of its own purchases.

But does this justify the apparently unrestrained size of the Persian Gulf deals or the substantial involvement of American personnel on the ground, in the training of technicians and combat units? Technical assistance and training contracts with Iran and Saudi Arabia total $767 million, as compared with $51 million with 32 other countries around the world.

In the past, American civilian contractors have been brought in primarily to teach foreigners how to operate and maintain the equipment they sell. But the recent $77-million contract to Vinnell Corporation for training four battalions of the Saudi national guard would introduce American civilians for the first time to train substantial units of a foreign nation.

Senator Kennedy has proposed a six-month moratorium on arms sales to Persian Gulf states—including arms already contracted for, unless Congress approves a Presidential policy statement justifying such sales. With or without such legislation, there is urgent need for a fundamental reassessment by Administration and Congress together of the arms and other policies upon which the United States is now embarked in the Persian Gulf area.

[From the New York Times, Feb. 25, 1975]

ABU DHABI AWAITS TWO TRANSPORT JETS

(By Eric Pace)

ABU DHABI, February 24.—The armed forces of this Persian Gulf Sheikdom will acquire in the next few weeks two C-130 transport aircraft, their first major pieces of United States-made military equipment, qualified informants reported today. Abu Dhabi has already sent airmen to the United States for training in manning the planes.

The sale of the aircraft, a kind that was used during the Vietnam war, is a further step in the increasing United States military role in the Persian Gulf area, the source of much of the world's oil supply.

Within the last few months, Washington has sold antitank missiles and land mines to Oman and more than $250-million in air defense missiles, warplanes and military transport vehicles to Kuwait.

The largest purchaser of United States arms in the area has been Iran, whose military establishment includes more than 50 C-130's, according to qualified sources in Teheran. Much Iranian military planning is based on use of the transport aircraft, known as the Hercules, in the event of war or crisis.

SALE TWO YEARS AGO

Abu Dhabi's purchase of C-130's could not be officially confirmed here. The sources, who are supporters of Abu Dhabi's ruling sheik, said the contract for the sale was signed two years ago. They said the deal, thought to have been for less than $10-million, had been a commercial one between Abu Dhabi and Lockheed, the manufacturer of the aircraft. The gap between the concluding of the deal and the delivery of the aircraft was apparently due to delays imposed by Lockheed's production schedules, the informants said.

The informants said it was to be assumed that the transaction had the blessing of the United States Government in the form of an export license approved by the State Department.

It was unclear what the status of the transaction would be in the event of enactment of a bill, introduced by Senator Edward M. Kennedy on Saturday, that would cut off for six months all American arms sales and military training assistance to Persian Gulf nations.

The legislation proposed by the Massachusetts Democrat is an attempt to oblige the Ford Administration to try to reduce the current flow of military equipment to the Persian Gulf region.

The issue was underscored earlier this year by the disclosure that men who had formerly served in the United States Army were being recruited by a private concern in California to train troops in Saudi Arabia.

AIRMEN ARE FOREIGNERS

The number of Abu Dhabi airmen who have been sent to the United States for training * * *. The sources said that most, and perhaps all, of the personnel were Pakistanis and other foreigners, not citizens of the United Arab Emirates, of which Abu Dhabi is a part.

The rules of Abu Dhabi, Sheik Zayed bin Sultan al-Nahayan, is also the head of the federation. Abu Dhabi is the most influential of the component principalities, largely by virtue of her oil income, which was about $4-billion in 1974.

Dhabi has used her wealth to acquire military equipment manufactured by Western countries, as well as on foreign aid and internal development.

Sixteen French-made Mirage 3 jets have been delivered in the last year for the equivalent of about $140-million, the informants said.

FEW INDIGENOUS PILOTS

Abu Dhabi has also contracted to buy about $100-million British-made Rapier air-defense missiles and associated radar equipment, which is expected to be in operation before the end of the year.

The growth of the military establishment is being slowed by a shortage of indigenous personnel with technical training. The sheikdom is said to have fewer than half a dozen of its pilots. All or almost all of the Mirages are being flown by Pakistani pilots.

The uses to which Abu Dhabi plans to put the C–130's have not been disclosed. The Iranian planes are to be used to airlift troops to a crisis area or to move military equipment in a hurry. One Iranian Commander is reported to have said that Iran's C–130's could airlift all the equipment necessary to set up a tactical fighter air base within a few hours at any airfield in the country.

THE ECONOMIC CRISIS ON THE FARM

Mr. McGOVERN. Mr. President, on several occasions in recent months I have spoken to my colleagues in the Senate about the severe and urgent problems of our Nation's farmers. These problems, if not considered immediately, threaten not only our agricultural community, but our Nation's economy, as well.

On February 25, Gov. Milton Shapp of Pennsylvania spoke before the National Association of State Departments of Agriculture. In his address, he set out several excellent proposals for meeting and solving our agricultural crisis. I was very pleased to note that he endorsed my recently introduced farm legislation to stabilize our farm economy. He also cited the necessity for investigation into the food processing and distribution system which I have set as one of the main targets of the Select Committee on Nutrition and Human Needs.

Because this speech presents such an outstanding treatment of the farm crisis, I ask unanimous consent that it be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Address by Governor Milton J. Shapp of Pennsylvania

It is a privilege for me to be here today to address this annual meeting of the National Association of State Departments of Agriculture.

We are meeting, unfortunately, in a atmosphere of economic crisis. Certainly each of you is familiar with the economic crisis on the farm. It is really an incredible situation when you consider that farm prices are going down while prices on everything else, including all the products a farmer needs to operate, are going up.

Wages in the general economy are not going down. The recession has thrown more than eight per cent of our labor force out of work. Double digit inflation persists, crippling the buying power of those fortunate enough to remain at their jobs.

Why should NASDA be concerned with the nation's general economic condition? Well, for a start, the impact of the inflation-recession has been strongly felt in America's rural communitiets. Rural communities are especially vulnerable to the loss of jobs, to the severe cutback in housing construction and to the impoundment of federal funds to develop essential services.

The fate of rural communities concerns me. I think all of you should be as involved in the problems of rural America as we in Pennsylvania have become. Many of you may not realize it, but as Governor of Pennsylvania, I have the largest constituency of rural residents in the nation, about three million people. The Commissioner of Agriculture from Texas may want to dispute this point with me. Texas was reported recently to have surpassed Pennsylvania in total population. But we still have the edge on Texas in rural population.

I know that as the heads of agriculture departments in your respective states, you are deeply concerned with what is happening down at the farm. Just as I am convinced that you cannot divorce the economic health of rural communities from the farm situation, I am also convinced that you cannot separate the economic situation of the urban areas from agriculture. America is an industrial power, but we still depend on exports of grain and other foodstuffs to bring our foreign trade into a semblance of balance. The oil dollars that flow from America to the alliance of multi-national corporations and the Arab nations have been recovered to a large extent by our sales of food abroad.

But look what is happening on the farm! We hear from the United States Department of Agriculture that farm income in the past couple of years has never been so good. Mostly, USDA likes to point to the high grain prices of recent years. That has been equated with farm prosperity.

Why, then, does the decline in commercial farms continue? Why do I find stories in newspapers of ranchers slaughtering their beef cattle in protest over the prices they are receiving or why do potato farmers in Idaho leave their potatoes in the ground to rot? Why have dairy farmers pressured Washington so intensely for an increase in milk support prices in the federal orders? Why is the forecast down for hog and poultry production? And, finally, why are grain prices softening, especially when we know the world is caught in the grip of a food shortage?

The answer is that Washington has reached in knee-jerk fashion to agricultural policy as they have toward solving our overall economic woes.

I don't have to tell this group about the economic conditions in this country. You know how bad they are. And our farmers know how bad they are. And our aged on fixed incomes, our poor families with children to feed, our working families with children in school—they all know about the economic conditions in this country. They're bad and getting worse. And what is even more tragic than the rampant inflation and recession we now have is the remedy President Ford has proposed!

The President's economic witchdoctors have looked at our country suffering from malnutrition and prescribed less food.

Last fall they recommended five per cent more income taxes for people who couldn't meet payments on their homes, furniture, medical bills and groceries. Now they look at our inflation and recession and recommend a three-dollar tax on imported oil and the deregulation of domestic crude oil which is going to cause a new round of inflation and recession that would take us twenty years to recover from.

I ask all of you here today to help us do four things while you are in Washington:

1. Get approval by Congress and the President of an immediate tax cut and rebate for all Americans, especially those of low and moderate income;
2. Stop permanently the President's attempt to impose a $3 tax on imported oil and reregulate domestic crude oil;
3. Create jobs for unemployed America by getting the President to release all impounded funds and put other funds into permanent improvements in the country in housing, transportation and pollution control systems.
4. Urge Congress not to accept the United States Railway Association plan to scrap our rail system, especially in the rural areas, and I'll say more about this later.

Back in 1972, when Richard Nixon was wooing the farm vote for reelection, more subsidies were paid out to farmers to hold land out of production than ever before. It has since been estimated that the amount of land withdrawn from production would have been sufficient to make up the grain deficit the world is now experiencing. Wouldn't it have been better to encourage rather than discourage farm production and have our farmers paid through sales to needy countries, prompted by easy credit terms? Or even to have had low-priced bread to distribute to the aged and other needy people in our cities?

The Nixon administration followed that act by wiping out remaining reserves through encouraging the massive sale of grains to the Russians. Eventually, that move sent shock waves through our entire economy.

Grain prices went sky high. For the most part, they did so after the grain had left the farms and was in the hands of a few major grain dealers. Livestock and dairy farmers were then clobbered with high feed costs. They reduced their demand and that is one of the reasons grain prices are softening. The boom and bust approach to agriculture certainly swung into the bust cycle.

Practically all farm prices are caving in as we meet today. Ironically, our agricultural plant is shrinking while food prices in the supermarkets remain high and a scarce food supply threatens millions of people in the world.

Let's take a closer look at what has happened to farm prices. In a chart I have here on recent changes in the wholesale price index for major commodities, we see that farm products experienced the only decline of 22 major commodities in the third quarter of 1974. In comparing the third quarters of 1973 with 1974, we find that farm products slid in prices by 5.9 per cent. In contrast, foods and feeds went up 3 per cent. That may tell you something about the middle and retail segments of our food industry. Fuels went up 37.9 per cent between '73 and '74; metals up 85.5 per cent; petroleum products up 34.1 per cent; electric power up 31.6 per cent; machinery equipment up 17.6 per cent; motor vehicles up 25.6 per cent; chemicals up 40.6 per cent; and so on down the line.

These figures illustrate a crucial point about our farm situation today: while farm prices are sinking, the input costs of agriculture have inflated tremendously. Livestock and dairy farmers, burdened with declining prices, must pay more than they ever did for farm production items. Even when grain farmers were getting good prices, their fertilizer costs were tripling and their fuel costs doubled. The machinery they needed to farm more acres moved up 25 to 50 per cent. What the chart does not tell us is why.

We can make some immediate and well-educated guesses as to why. If the farmer isn't getting his price and the consumer is paying too much for food, it is logical to assume that a bundle is being made somewhere in that huge gray area of food processing and distribution.

I think one of the first steps to be taken is a full-scale congressional investigation into the food processing and distribution system of this nation and into the profit picture of the chain stores. Once and for all, let's get clear-cut answers to what happens to product prices between the farm and the supermarket checkout counter. The question has been belabored and the answers obfuscated by government and land grant colleges for a hundred years. It is time for the Congress to take the plight of the farmer and consumer seriously enough to come up with the real answers.

What else should we do? Basically, we have to guarantee farmers a fair price for what they produce. Realistic support and loan prices for farmers should be matched by a buildup of grain and food reserves that could be put back in the market in times of scarcity, again, at prices fair to farmers. This would stabilize our food supply as well as the prices.

Generally, I would back farm legislation being proposed by Sen. George McGovern and others. The upshot of these proposals is to boost target prices on commodities to 90 per cent of parity and to raise loan rates to 75 per cent of parity. Equally important, new farm legislation must contain a cost of production escalator clause that would adjust both minimum price guarantees and loans each year to account for increases in production costs. A key provision of the McGovern bill provides for a special livestock and meats purchase program of $1 to $2 billion. This is needed to preserve our depressed livestock industry to insure a meat supply for our consumers.

New legislation should provide for establishment of a reserve of basic commodities, with a requirement that no reserve stocks be released into the market at less than full parity prices.

Again, let me stress that I recommend that Congress conduct a full-fledged investigation of our farming economy, examining all aspects of food production, processing and distribution. Special attention should be given to conglomerates and multi-national corporations and their tie-in to international trading and manipulation of the money market. In line with this investigation, we should strengthen anti-trust and other producer-consumer protection agencies and laws.

This investigation is of utmost importance. Farmers are folding because they are caught in a squeeze by big business. On the one side, the farmer is victimized like any consumer. He must face monopolized industries for his supply of capital, land, seed, fertilizer, machinery, feed, pesticides, drugs and fuel. On the other side, the farmer must sell to giant output industries that process, market and retail the food products. The single farmer is powerless when he deals with a large processor and as a result the middleman—even at today's high prices—take two-thirds out of every dollar the consumer spends for food.

Under the current federal administration, which has taken anti-trust action only against farm cooperatives, conglomerates are making deeper inroads into agriculture.

In Pennsylvania, early in my first administration, I reached the conclusion that the futures of our farmers and rural population were completely tied together. Our rural communities, lacking services of virtually every kind, were, realistically, the farmer's communities.

As the number of farms diminished in line with the national pattern, so did small rural businesses and so did the rural population.

I directed my Secretary of Agriculture, Jim McHale, to move on these problems and he did.

Implementing the policies of the Federal Redevelopment Act of 1971, we set up a Bureau of Rural Affairs in our Department of Agriculture which, until then, had dealt only in negative, regulatory functions.

We found, when we took office, a system of land-grant college and private sector research aimed only at improving crop production. We have turned that around, although it took a long court battle to do it. Research in Pennsylvania continues to serve the needs of crop production but now it is mainly oriented toward people-needs. It is geared toward bettering the life of farmers and all rural residents of Pennsylvania on the simple premise that what goes on in the farm and rural home and town is every bit as important as what grows in the farmers' fields. We have also innovated a highly successful cooperative Rural Transportation program now in effect in 23 counties.

Our Department of Agriculture worked in close conjunction with our Department of Transportation to bring this about and we would suggest that each of you use his influence back home to see to it that the horizons of your respective transportation departments are broadened similarly.

Tomorrow, the United States Railway Association releases to the public its plan to save the country's railroads. I don't know in detail what the plan contains. But I have talked with Arthur Lewis, Chairman of the USRA, on numerous occasions and I'll tell you this: nothing the USRA has been seriously considering is going to improve service or save the railroads.

At a time when the country is on the brink of a depression, at a time when people are begging for jobs, at a time when factories are cutting back and production is falling, at a time like this, the federal government's plan to save the railroads is to abandon track and cut back on service to our shippers—bringing more unemployment and more business shutdowns.

I have proposed the only plan I know of which solves the railroad problem, avoids nationalization, creates thousands of jobs, stimulates the economy and doesn't cost the taxpayers any money.

Now, how can anyone disagree with a plan like that?

Actually no one has. But the President hasn't endorsed it either. Sometimes I almost wish he had thought of it first.

My plan is very simple. It's a Rail Trust Fund patterned after the idea of the Highway Trust Fund.

It will work and it's financially feasible. The USRA plan being described in the press the past few days will mean three things:

1. a continual raid on public treasury to bail out bankrupt railroads like the more than three-hundred-million dollars for the Penn Central and its friends being demanded of Congress this very minute;

2. a continuing retraction of rail services and the resulting depressing effect on the nation's economy, and

3. eventual nationalization of the country's railroads. And when it will take as long as our freight to travel fifty miles as it does our mail.

The United States Railway Association proposes to shut down some six thousand miles of track in the seventeen-state northeast quadrant of the nation and most of that track is in rural areas. In Lancaster County, Pennsylvania, alone, we would see 50 firms affected, 17,000 jobs lost, and over 10,000 carloads of raw material requiring alternative means of transport.

The Rail Trust Fund I have proposed would restore and modernize economically depressed lines instead of shutting them down.

Under this plan, the farmer, whose product has to move fast, would gain.

Produce merchants in the Northeast quadrant depend on products on the West Coast and the products come in by rail. Too often, delays caused by unrepaired tracks and breakdowns caused by refrigerator and freight cars in deplorable condition lead to the produce merchant finding himself with unusable products or no product at all. The Rail Trust Fund I propose would help that situation as well without costing taxpayers a dime in direct payments or subsidies. Adding brankrupts to bankrupts as USRA proposes didn't work with the Pennsylvania and New York Central as I warned long ago and it won't work now.

Getting back to Pennsylvania, we conducted a review and follow-up program on Rural Health care. We started a Consumer Services Council abetted by regional consumer advisory councils throughout rural Pennsylvania.

We have begun a three-county Rural Housing project. We moved, along with our legislature, to change our Constitution so that farmers would benefit by "Clean and Green" legislation providing tax relief in areas where urban sprawl was making landholding untenable for farmers.

Our Agriculture Department sponsored a national land use conference. Every one of my cabinet officers whose area of endeavor touched rural Pennsylvania testified before federal committees on proposed rail cutbacks of branch lines in our Commonwealth, and I testified as well. I am sure that you can quess the thrust of our collective testimony.

We began the first anti-inflation garden program undertaken by any state and the program is working very well.

Following the floods of Hurricane Agnes in 1972, we provided the first direct financial aid from a state to farmers in the nation's history.

When Washington, because of its internal problems, refused to move on the issue of food, I convened a national conference on Food Policy in Hershey in 1973. As a direct result, the World Hunger Action Coalition, supported by more than 70 national organizations, was formed.

Senator Percy of Illinois and I were named co-chairmen of National Advisory Council of the Coalition. Late last year, under my direction, a group of over 100 Pennsylvanians—ninety-five per cent of them paying their own way—went to the World Food Conference in Rome to make their views as observers heard worldwide. Prior to that trip, six regional food conferences in Pennsylvania, sponsored by church, labor, farm and other groups, distilled the question to be asked and the postures to be taken at Rome.

Last week at the National Governors' Conference I had an interesting conversation with Governor Andre of Idaho which points up the world's food problem to a great extent.

He said that Idaho potato farmers were facing a price so low that they have chosen in great numbers to leave the crop in the ground. Millions are starving in the world and the Idaho potato crop is to stay in the ground. Why? Why not use Title Two funds to export these potatoes to places where they can avert starvation. Why not use strategically placed processing plants to hold the crop, utilizing nitrogen, until such a time when a decent market comes into being? More and more it appears to me that food processing and distribution constitute a real world problem, not just a national problem. My contingent made that clear in Rome and it is time for the Congress to take a hard look at the situation.

In full realization that farm policy and farm income are determined in Washington, we have, in short, moved to do all that we can do for farmers and rural Pennsylvania within our existing powers.

Much remains to be done at the national level. Before I touch on suggestions on that level, let me mention one more state project I have directed Jim McHale to tackle: that is the structuring of a pilot producer-consumer cooperative project. We hope that this will be a start toward a national trend in producer-consumer cooperatives utilizing the auspices of the AFL–CIO, the U.A.W. and all labor organizations as well as the enterprise of such organizations as the Opportunities Industrialization Centers in our Urban areas. Certainly milk, meat products and farm processed foods lend themselves to this concept.

In Pennsylvania, the National Farmers Organization recently conducted off-the-truck sales of cheese and ground meat direct to the consumer. The NFO was very successful. It appears to me that the scale of that kind of effort must be broadened to allow the farmer a fair price and the consumer a fair shake.

At this point we really are moving into the national arena. American producers cannot afford to produce while at the same time American consumers cannot afford the products which reach the supermarket shelves. He must find out where the long maligned "problem in the middle" really is. This project will be a sound beginning.

But really constructive actions still must come from the federal government.

To list a few, we must:

Move ahead with farming legislation that will give farmers an incentive to produce through higher support and loan rates.

Conduct an investigation of middleman and retail profits in the food industry such as that recently launched by Senator McGovern's Select Committee on Nutrition and Human Needs.

Adopt a national Family Farming Act, which will prevent our family farms from being swallowed up by conglomerates and multi-national corporations not primarily engaged in agricultural production.

Take the lead in establishing international commodity reserves which would tend to stabilize prices and provide a critical reserve of food and fiber.

Increase the use of the Commodity Credit Corporation so that a year's supply of feed grains and oil seeds will be held in reserve domestically and handled in a way which will not depress prices to farmers below a fair income level.

Adopt land use policies at the state level that will set aside good plowland into a permanent preserve which can be used for no other purpose than family farming.

Adopt a strong national policy of helping young people to get started in farming by providing long-term, low-interest credit.

Do everything necessary at all levels of government to achieve the goal of the Rural Development Act of 1972. The goal is to bring about a balance in equality of opportunity and standard of living between urban and rural America.

Encourage further development of farmer-consumer cooperatives.

The points, I believe, are the fundamentals of a prescription to turn our farm economy, and hence the nation's economy, around. Time is short. We'd better act fast.

You gentlemen are on the firing line in your respective states. May I suggest you look up and then fire away.

FOREIGN GOVERNMENT INVESTMENT CONTROL ACT

Mr. ROTH. Mr. President, on Monday, I intend to introduce legislation entitled the "Foreign Government Investment Control Act" designed to control and regulate investment in American industry and real estate by foreign governments, foreign governmental institutions, and private individuals acting as agents for foreign governments.

This bill does not affect private investment, nor does it restrict investment which would be beneficial to the interests of the United States. Its purpose is precisely to insure that investments made by foreign governments are in our national interests and consistent with our national ideals.

The rise of concern over foreign investments in this country is closely related to several fundamental changes in the international economic and financial structure—the recovery to full economic health of Western Europe and Japan, the devaluation of the dollar making investment in the United States cheaper in terms of foreign currencies, and, more recently and most importantly, the acquisition of huge amounts of capital by oil producing countries.

A level-headed, dispassionate response to these developments requires a thorough appreciation of both the positive and negative features of foreign investment.

It must be recognized that foreign investment can contribute to the capital resources of the United States. When it adds to our resources and creates new jobs and industry, it is beneficial and should be welcomed. In fact, when the United States was young, foreign investment of this nature, primarily coming from Europe, was a very significant factor in our economic growth.

It has been estimated that a program of energy self-sufficiency will require capital investment of between $400 and $600 billion in the next 10 years. Under proper conditions, where control is not exercised by foreign governments, foreign investment can be very helpful in providing the immense funds which will be needed.

U.S. foreign investment abroad has been predominantly of the type that is beneficial to the host country. It has, therefore, usually been welcomed by developing countries who have viewed it as an important instrument of economic growth and new technological know-how.

Our investment abroad and traditional foreign investment in the United States, however, is fundamentally different in at least two respects from the kind of investment we may see coming from the Arab world.

In the first place, American foreign investment is investment by private companies, made for economic reasons. In contrast, much of current Arab investment is government investment, and the policies of the foreign owners may reflect not simply economic considerations, but political and foreign policy considerations as well. For this reason, the Foreign Government Investment Control Act prohibits foreign governments from investing at all in the sensitive areas of defense industries and the media. It is essential that foreign governments do not own newspapers, radios or television stations which they may use for propaganda.

An essential part of our national interests is to insure that there is no corruption of our ideals of equal opportunity for all of our civil rights laws preventing discrimination against any individual because of his race or creed. I am absolutely and fundamentally opposed to the practices of some Arab governments which discriminate against Jewish people and against firms engaged in trade with Israel. These practices are not something new, but have been going on ever since Israel was established almost 30 years ago. I applaud those companies which have resisted this pressure.

It is imperative that the United States not permit foreign government investors to introduce any form of this ugly racial or religious discrimination into the United States. I welcome President Ford's strong statement yesterday on this subject. He has made it clear that the United States will use its civil rights legislation to prevent such discrimination.

The Foreign Government Investment Control Act can be a powerful tool in the hands of the executive branch for preventing racial discrimination. If a company in the United States that represents an investment by a foreign government is practicing discrimination, it cannot only be prosecuted under our laws, but any new investments by the same foreign government can be and should be prohibited as contrary to the national interests.

A second fundamental difference between American foreign investment and OPEC investment is that while U.S. investment brings new technologies and skills to other countries, petrodollar investments are simply capital and capital accumulated not through hard work, efficient management, or advanced technology by the owners. Rather petrodollar funds have been acquired through monopolistic control of the world oil market. Having used their monopoly to increase world oil prices five-fold in less than 2 years, the OPEC countries now, in a kind of double whammy, can add injury to injury by using the ill-gotten booty to purchase industries built up painstaking over the years by the blood and sweat of Americans. I welcome investment that creates new jobs but not investment that simply transfers ownership without adding something to the economy.

I believe that the oil producing countries should receive a fair price for their oil, a price reflecting the laws of supply and demand. But a monopolistic price is not a fair price.

To date, Arab countries have been restrained in their investments. Major investments have taken place in Europe where Arab governments have purchased substantial shares of Krupp and Daimler-Benz, but no truly substantial investments have taken place in the United States. Nevertheless, the potential for substantial investment is there, and it is essential to establish the legislation needed to protect American industries from investment that is not in the national interest.

RESIGNATIONS FROM THE FEDERAL BENCH

Mr. STEVENS. Mr. President, recently a concerned citizen provided me with a copy of the State Bar of New Mexico Bulletin of January 16, 1975. It contained a brief article regarding the number of resignations from the Federal bench and the reasons for this 100-year record of resignations. The article succinctly points out the problem this Congress must face with relation to the salaries of our top officials, not only in the judicial branch of Government, but the executive and legislative as well. I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUDICIAL COMPENSATION REVIEWED

The honor of being His Honor can be an empty one, and so, as a result, can be His Honor's chair. Low pay is cited as one of the main reasons today making it difficult to keep judges from leaving the bench and influencing lawyers to prefer private practice to judgeships.

Five federal district judges have resigned this year, a 100-year record of resignations, according to a survey by Pat Chapin, research assistant for Judicature, journal of the American Judicature Society. Money wasn't the only reason given by the five who resigned (they also cited the necessary monastic social life, time away from their families, and mounting case backlog) but it was a definite factor. The 497 active federal district judges are appointed for life, retire on full salary and currently receive $40,000 a year, the Judicature survey points out. They also haven't received a salary review or even a cost-of-living raise for the last five years.

One of the five, Judge Anthony T. Augelli of New Jersey, joined General Motors as a judge in disputes between the company and its dealers. As a point of reference, Judicature notes that the nation's No. 1 judge, the chief justice of the U.S. Supreme Court, now makes $62,500 a year. The salary of the chief executive of GM is listed at $875,000.

The state judiciary fares a little better in keeping pace with the rising cost of living. National averages are $36,117 for associate justices of the supreme courts, $32,484 for general trial court judges—up about $5,000 a year from the 1972 American Judicature Society salary survey. And 1974 was a good year for the state judiciary—more than half of them got raises. But, raises are often subject to the whims of state legislatures, and there are automatic cost-of-living clauses in the judicial salary scale in only five states—California, Maryland, Massachusetts, Tennessee, and Pennsylvania.

The private sector of the law still looms greener. Judge David L. Middlebrooks, Jr., of Tallahassee, Fla., another of the federal district judges who resigned this year, suggests that anyone competent to be a federal judge can earn $60,000 to $100,000 a year in private practice. Retired Supreme Court Justice Tom C. Clark and Chesterfield Smith, former president of the ABA, feel that the threat to judicial excellence is not so much from resignations as in difficulty attracting top flight lawyers to the bench. "All judges deserve the assurance that their needs are not forgotten, that their salaries are under regular evaluation and that they will not be skewered by the inflation spiral," concludes the Judicature article.

MINNESOTA DAIRYMEN FACE A BLEAK FUTURE

Mr. HUMPHREY. Mr. President, I would like to share with this body a release from the Minnesota Department of Agriculture pertaining to the dairy situation in my State.

I have pointed out repeatedly the crisis facing our dairy producers. While the Department of Agriculture reluctantly and belatedly raised the support level for milk to 80 percent of parity in January 1975, our dairy farmers continue to lose money. The release estimates that dairy farmers are losing 25 cents on each gallon of milk with each cow losing a farmer 86 cents per day.

Our dairy industry is a vital part of American agriculture, but this administration has been almost oblivious to its problems. I have introduced legislation to set the milk support level at 90 percent of parity with a quarterly adjustment of the prices paid to farmers.

It is urgent that legislative action be taken, because the administration has declared that the support level will be 80 percent of parity through March 1976. With the ever-increasing costs of production, this is likely to mean that the support level will drop well below 80 percent of parity.

In the past year, over 3,100 Minnesota dairy farmers were driven out of production, because of the cost-price squeeze. This trend is likely to continue if we do not take action to reduce losses to our dairy farmers.

Mr. President, I ask unanimous consent that this release be printed in the RECORD.

There being no objection, the dairy report was ordered to be printed in the RECORD, as follows:

DAIRY REPORT—MINNESOTA DEPARTMENT OF AGRICULTURE

Dairy farming is continuing to be one of the most disastrous family business enterprises in Minnesota despite the emergency federal action last month to increase the milk price support by nearly six cents per gallon, Agriculture Commissioner Jon Wefald reported today.

"The fact is—testified by nearly 1,000 central Minnesota dairy farmers at an emergency meeting in Foley, Minnesota recently, and from hundreds of telephone and mail contacts—that Minnesota dairy farmers are actually receiving less than 64 per cent of parity," Commissioner Wefald stated.

He said that Minnesota dairy farmers lost nearly $23.4-million during January, according to latest production, cost and price estimates. That boosted the industry's aggregate losses during the past year to upwards of $200-million.

"Dairy farmers in Minnesota are losing 25 cents on every gallon of milk they market. Each cow is losing the farmer 86 cents a day.

"Minnesota dairy farmers would take some hope if they could see anything near the 80 per cent of parity average milk price the January 3 federal increase in the minimum support from $6.57 to $7.24 per 100 pounds (11.63 gallons) was supposed to accomplish.

He said that the U.S. Department of Agriculture estimated Minnesota's mid-January average price paid farmers for milk at $6.97 compared to a national full parity price of $11.

Dairy farmers from all parts of Minnesota have reported they are receiving as little as $6.25, less than 57 per cent of parity, and a maximum of $6.90, less than 63 per cent of parity, for manufacturing grade milk produced and sold in January.

University of Minnesota agriculture extension economists have estimated that it costs the state's farmers an average of $9.90 to produce 100 pounds of milk, or slightly over 85 cents per gallon. The farmer now is receiving only 53 to 59 cents per gallon.

Minnesota's January milk production is officially estimated at 802-million pounds (nearly 69-million gallons) obtained from 886,000 dairy cows.

At the unit cost average of $9.90, the state's January milk production represented a total farm cost of $79,398,000. The market value received by farmers for that volume of milk during January, according to the mid-month price average of $6.97 was $55,899,000.

Commissioner Wefald said the January loss for the state's dairy industry, divided by the 34,000 family dairy farms, indicates a one month loss of upwards of $688 per farm.

He said the federal price support action has been too little, too late and too indirect to save many Minnesota dairy farmers.

"In the first place, the milk price support is not paid directly to the farmer. Federal price support actually is an attempt to influence the commercial market—which is still glutted by two years of unrestricted imports—by purchasing butter, cheese and powdered milk from commercial inventories held by processors and brokers. The dairy farmer never sees a government check for his milk. The government buys manufactured dairy products only, from the middlemen.

"In the second place, even federal authorities are reluctant to estimate when and if the dairy industry nationally may see milk prices paid farmers at 80 per cent of parity. Many dairy farmers will not be able to hang on and avoid bankruptcy on weak assurances from federal spokesmen that milk prices may reach the minimum parity level by late February or some ensuing month.

"In the third place, Minnesota dairy farmers may never see 80 per cent of parity, because this state's milk price averages among the two or three lowest in the entire nation, consistently lagging 10 per cent or more behind the national average, unless there is a significant change in federal policy or until enough family dairying operations have been financially liquidated to sharply cut production and inventories below national consumer requirements.

"Neither farmers nor consumers can afford the latter alternative," Commissioner Wefald suggested.

RECESS UNTIL 3:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 3:30 p.m. today.

There being no objection, the Senate, at 12:51 p.m., recessed until 3:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BENTSEN).

RECESS UNTIL 4:30 P.M.

Mr. ALLEN. Mr. President, I move that the Senate stand in recess until the hour of 4:30 p.m. today.

There being no objection, the Senate, at 3:31 p.m., recessed until 4:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. CULVER).

RECESS UNTIL 4:45 P.M.

Mr. MANSFIELD. Mr. President, I move that the Senate stand in recess until 4:45 p.m.

There being no objection, the Senate, at 4:31 p.m. recessed until 4:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GRIFFIN).

Mr. MANSFIELD. Mr. President, I

move that the Senate stand in recess until the hour of——

Mr. ALLEN. Will the Senator yield so I might ask a question?

Mr. MANSFIELD. Mr. President, I withhold that request. I yield to the Senator from Alabama.

Mr. ALLEN. The Senator apparently is going to recess until Monday and the Senator from Alabama has no objection to going over until Monday. He is hoping somewhere along the line the distinguished majority leader is going to adjourn the Senate as distinguished from recessing the Senate, because the recess gives a decided advantage in this matter to what I have been calling "the gag rule Senators." The leadership, I am sure, is not taking sides in this matter, and it would seem that a more even-handed approach would be to recess one day and adjourn the next.

I wonder if the distinguished majority leader has given any thought to giving us a break sometime?

Mr. MANSFIELD. The Senator has raised a very valid question, and were I in his shoes I would raise the question time and time and time again.

Were I acting as the Senator from Montana I might act differently, but I think that as majority leader, I do have to wear that hat on occasion, and the best assurance I can give the distinguished Senator at this time is that hopefully sometime in the not-too-distant future we will be able to adjourn, but I would not like to move it tonight.

Mr. ALLEN. I appreciate the nonanswer that the majority leader has given.

Mr. MANSFIELD. Well, I am getting to be pretty good at evading some questions which are asked direct, but I am not in the easiest of positions, as the Senator will understand.

Mr. ALLEN. Well, I appreciate the distinguished majority leader's statement that in the not-too-distant future he is going to give consideration to adjournment of the Senate, which would give fair treatment to those who advocate free speech here in the Senate.

Mr. MANSFIELD. Well, I know that if the distinguished Senator from Alabama were in my shoes, he would be in the same perilous position in which the Senator from Montana, acting as majority leader, finds himself.

Mr. ALLEN. I thank the Senator.

Mr. GRIFFIN. Mr. President, would the majority leader take enough time to have a brief quorum call?

Mr. MANSFIELD. Yes, but I wish to make a request first.

SENATE RESOLUTION 91—REFERRAL TO COMMITTEE ON RULES AND ADMINISTRATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Senate Resolution 91, a resolution relating to the activities of the Committee on Foreign Relations in facilitating the interchange and reception of certain foreign dignitaries, be removed from the Calendar and be referred to the Committee on Rules and Administration.

The PRESIDING OFFICER (Mr. BAKER). Without objection, it is so ordered.

Mr. MANSFIELD. Now, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL TOMORROW AND FROM TOMORROW UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, I have discussed with the distinguished Senator from Alabama the following request, which is a double-barreled request: I ask unanimous consent that when the Senate completes its business today it stand in recess until 12 o'clock noon tomorrow, and that when the Senate completes its business tomorrow it stand in recess until the hour of 12 o'clock noon on Monday.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Alabama.

ORDER FOR RECOGNITION OF SENATOR MANSFIELD AND SENATOR HUGH SCOTT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the two leaders have been recognized under the standing order, the distinguished majority leader be recognized for not to exceed 15 minutes, after which the distinguished assistant Republican leader be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 4:55 p.m., the Senate recessed until Friday, February 28, 1975, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate February 27, 1975:

U.S. ADVISORY COMMISSION ON INFORMATION

John M. Shaheen, of Illinois, to be a Member of the United States Advisory Commission on Information for a term expiring January 27, 1977. (Reappointment)

ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

The following-named persons to be members of the Advisory Council on Women's Educational Programs for the terms indicated (new positions);

For a term of 1 year:
Benjamin DeMott, of Massachusetts.
Marsha Jean Darling, of North Carolina.
Jon W. Fuller, of Michigan.
Margaret B. Harty, of Texas.
Holly Knox, of the District of Columbia.
Irene E. Portillo, of California.
For a term of 2 years:
M. Anne Campbell, of Nebraska.
Joanne M. Carlson, of Oregon.
Bernice Sandler, of Maryland.
Gerald E. Weaver, of Mississippi.
Sister M. Joyce Rowland, of Minnesota.
For a term of 3 years:
Mary L. Allen, of Kansas.
Ernest L. Boyer, of New York.
Katherine K. Burgum, of North Dakota.
Theresa Aragon de Shepro, of Washington.
Mary Beth Peters, of Pennsylvania.
Agnes M. Dill, of New Mexico.

SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

Frederick B. Dent of South Carolina, to be Special Representative for Trade Negotiations, with the rank of Ambassador Extraordinary and Plenipotentiary (new position).

HOUSE OF REPRESENTATIVES—*Thursday, February 27, 1975*

The House met at 12 o'clock noon.

The Reverend William Ayres, St. Joseph's Roman Catholic Church, Babylon, N.Y., offered the following prayer:

O Lord, You are the deepest source of our life and our hope. Help us to know what You call us to do as servants of Your people.

May we honestly recognize our own fears and doubts, so that we do not act from them but rather overcome them with Your strength.

Help us to recognize any false pride or narrow self-interest so that we may never betray Your call to us or our responsibility to Your people.

May we hear the cry for justice from the poor, the hungry, and the oppressed in all lands.

Most of all, Lord, help us to believe that we are loved, and that our greatest joy is in loving You and one another in return.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 281. An act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

THE REVEREND WILLIAM AYRES

(Mr. DOWNEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY. Mr. Speaker, if it appears that I feel somewhat nervous today, it is because this is the first time I have had the privilege of addressing this body. I could not think of a more fitting occasion than this, to compliment my good friend and spiritual adviser, the Reverend Bill Ayres.

Everything Reverend Ayres does, from the rock program that he has to increase spiritual awareness in our young people over a radio station in New York to his work on world hunger, indicates his compassion and deep feeling for his fellow human beings.

Mr. Speaker, I am proud to know him and honored to introduce him today.

FURTHER AID TO CAMBODIA

(Mr. ROUSH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROUSH. Mr. Speaker, day after day we see pictures and hear reports of the human suffering in Cambodia, suffering that occurs because of the war that is going on in that faraway land. Suffering that is being prolonged because of our continual support of that war. The administration has asked for an additional appropriation of $222 million in order to prop up the Lon Nol government in Phnom Penh. This money would be pumped into the country, not to relieve the suffering of the Cambodian people, but to support a regime that is declining daily. This $222 million is in addition to the $377 million already expended this fiscal year to support a war which no one has said can or will be won.

The President has told us we must keep our "word" to the Cambodians, we cannot let them down. I must take exception to this. It was established in hearings on this matter before the Foreign Operations Subcommittee of the House Committee on Appropriations by Chairman PASSMAN and Assistant Secretary of State Philip Habib that the United States has no legal obligation to Cambodia. Let me quote a passage from those hearings:

> Mr. PASSMAN. If we should deny all funds, we have violated no legal commitments?
>
> Mr. HABIB. That is correct.

We are being asked to appropriate money not to keep a legal commitment nor to help those in Cambodia, but to prolong their misery and despair by prolonging a cruel and unnecessary civil war.

And, finally, Mr. Speaker, we must ask ourselves the question, the answer to which must ultimately dictate our decision and that is this: Is what we propose in the best interest of the United States? I must say "no" and conclude that I cannot and will not be a party to this appropriation of additional funds for military support to Cambodia.

TEXAS SHOULD BE FIVE STATES

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLINS of Texas. Mr. Speaker, the time has come for Texas to consider action on dividing into five States. When Texas was annexed to the Union in 1845, the joint congressional resolution stated that—

> New States, not exceeding four in number, in addition to said State of Texas, may hereafter, by consent of said State, be formed—entitled to admission under the provisions of the Federal Constitution.

Instead of having one State of Texas, we should have five Texas States including north, south, central, east, and west Texas.

Our county of Dallas has three times the population of the State of Vermont. Houston is twice as large as the State of New Hampshire. Add one county to San Antonio and you would have a State larger than Maine. Texas has four times as many square miles as New England, yet Texas is only one State and New England represents six States.

Because Texas does not have a heavy State debt, the division would be possible without financial complications. Every year Texas balances its budget and this fiscal strength would let all five States start with no debt.

The States would have homogeneous relationships. Dallas and Fort Worth already have joint economic interests. Houston would be the hub of another State. San Antonio would be the center of south Texas and Texas large Mexican-American population. All west Texas would tie together with their common interest in ranching. Central Texas could be built around the present State capital in Austin.

Instead of 2 U.S. Senators, we would then have 10. Instead of one Governor we would have five. The last man to speak out strongly in behalf of this plan of five Texas States was Speaker John Nance Garner. The execution of this plan rests with the Texas State Legislature.

When Texas annexed and no longer was the Republic of Texas, the guiding fathers had foresight in specifying the right and provision for Texas to later divide into five States of the United States. Now the eastern liberals are asking for no tax on fuel oil and all the tax on gasoline. The western liberals suggest nationalizing the oil industry. The northern liberals want price ceilings on beef. Everyone wants to work over Texas because we have a small voice. The time has come for Texas to be five States.

SUPPORT OF DEPLETION ALLOWANCE

(Mr. MAHON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MAHON. Mr. Speaker, today the House will be considering the Tax Reduction Act of 1975, along with an amendment to repeal the depletion allowance for oil and gas effective January 1, 1975.

It is mandatory that the United States move as rapidly as possible toward domestic sufficiency in energy. The repeal of the depletion allowance would discourage exploration for oil and gas and slow down new efforts which are underway to make this country less dependent upon foreign sources for energy.

In the past year we have experienced a significant increase in the drilling of oil and gas wells in this Nation. We must not destroy the progress that we are now making and, in fact, we must accelerate it.

Mr. Speaker, this Nation faces a very grave economic situation. Without a doubt our imports of foreign oil and the high prices that we must pay for this oil are prime contributors to our economic problems.

We must solve these problems and we simply cannot move in a direction that only further heightens our dependence on foreign oil.

Mr. Speaker, I wish to record my continued disapproval of the proposed elimination of the depletion allowance. Does anyone believe that elimination of the depletion allowance could do anything except remove one of the important incentives that exist for oil and gas exploration?

This incentive is particularly important for the independent producers of oil and gas who drill about 80 percent of all exploratory wells. They must be encouraged to continue to exert a maximum effort to find more reserves of oil and gas. It is for this major reason that I speak out against the repeal of the depletion allowance. We want more fuel for our cars, for our homes, and for industry. We should not erect a roadblock against domestic self-sufficiency in oil and gas.

FIRST OFFICIAL BICENTENNIAL VISITOR

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WON PAT. Mr. Speaker, during this coming weekend a historic event will occur in which I, as a native-born Guamanian, am doubly proud to be a part. At 7 a.m. on Saturday, March 1, 11-year-old Patrick Andrew Guzman, of Umatac, Guam, will arrive at Dulles International Airport as the first official Bicentennial visitor. With the cooperation of the Guam Bicentennial Committee and Mr. Kent Williams, San Francisco regional director for the American Revolution Bicentennial Administration, Patrick not only will open America's Bicentennial celebration, but will also become a part of Guam's historical relationship with these United States.

Along with Gov. Ricardo Bordallo, of Guam, I and other representatives of the city of Washington and the Bicentennial Administration will welcome this young traveler on his first trip away from Guam. Along his route he will stop in Honolulu, San Francisco, and Los Angeles and help to open each city's Bicentennial celebrations as he is presented the keys to these cities.

Young Patrick will have the opportunity to see firsthand the Declaration of Independence which gave birth to our country two centuries ago. He will tour the White House, meet with local and Federal officials, with Mr. John Warner, Director of the Bicentennial Administration, and visit many historic monuments of our Nation's Capital. A hockey game and a children's party will top off his very busy and crowded schedule.

On behalf of my colleagues in the House of Representatives, I would like to welcome Patrick Andrew Guzman to our city and to the Congress of the United States. It will be my pleasure and honor to be his official host in Washington and it is a great source of personal pride for one of my young countrymen, on whom rest the future hopes of Guam, to be so intimately involved in the 200th birthday of our great Nation.

MAKING FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR 1975

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year 1975, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, after line 14, insert:

"CAPITOL BUILDINGS AND GROUNDS"

Page 2, after line 14, insert:

"CAPITOL GROUNDS

"For an additional amount for 'Capitol Grounds' to enable the Architect of the Capitol to convert squares 680, 681 West, and 722, now a part of the United States Capitol Grounds, for use as temporary parking facilities for the United States Senate, $134,000, to remain available until June 30, 1976."

Page 2, after line 14, insert:

"ACQUISITION OF PROPERTY AS A SITE FOR PARKING FACILITIES FOR THE UNITED STATES SENATE

"For an additional amount for 'Acquisition of property for a site for parking facilities for the United States Senate', $866,000, to remain available until expended."

Page 3, after line 20, insert:

"GENERAL PROVISION

"SEC. 101. Section 205 of the Supplemental Appropriations Act, 1975 (Public Law 93–554) is hereby repealed: *Provided,* That none of the limitations on travel included in the regular appropriations for fiscal year 1975 shall be exceeded."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Texas would be kind enough to explain the Senate amendments.

Mr. MAHON. Mr. Speaker, if the gentleman will yield, I will be happy to do so.

There were four amendments adopted by the other body. Three of these amendments have to do with the business of the Senate.

Senate amendment No. 1 simply is a technical amendment. It inserts a heading.

Senate amendment No. 2 provides for additional amounts for Capitol grounds to enable the Architect of the Capitol to convert certain property of the U.S. Capitol for use as temporary parking facilities for the U.S. Senate.

Amendment No. 3 is for the acquisition of a site for parking facilities.

These are additions relating to the Senate, and normally we do not undertake to revise such Senate provisions and the Senate does not undertake to alter provisions of the House.

Then, Senate amendment No. 4 is a general provision. It relates to the governmentwide travel limitation. In the supplemental bill last December the House and Senate conferees agreed to what amounted to a 5-percent reduction in travel. This applied to all Government departments and agencies. There has been such a problem as a result of this blanket reduction in travel that the proper execution of some critical activities have been threatened. It has been contended that the travel limitation is unworkable and very harmful to the carrying on of programs generally, so it is repealed in this amendment No. 4.

Mr. BAUMAN. Then there is no provision in these amendments which relates to the $35 per diem for Senators?

Mr. MAHON. No, there is nothing like that in the Senate amendments.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for his explanation, and I withdraw my reservation of objection.

Mr. MAHON. Mr. Speaker, the repeal of the travel limitation in the supplemental appropriation bill should by no means be interpreted that congressional concern about travel and travel costs has diminished. It has not.

When the supplemental was considered in the other body in November an amendment was agreed to which would have limited travel to 75 percent of the rate of obligations in fiscal year 1975. There was widespread feeling that Government travel was excessive but at conference it was recognized by some that the Senate amendment was probably too severe, especially considering that almost half the fiscal year had elapsed. Consequently, the conferees modified the Senate amendment and agreed to a provision that was less severe and which it was hoped would be more workable.

As the modified travel limitation was implemented, it became apparent that many necessary requirements for travel by certain agencies could not be adequately fulfilled. Over a period of many weeks we have conferred with the Appropriations Committee of the other body and with officials of the executive branch seeking an equitable solution to the growing problems associated with such a blanket limitation. Very recently I conferred with the chairman of the Senate Appropriations Committee and it was agreed that the best course of action at this time under the circumstances was to repeal the limitation and direct attention to the matter in connection with the appropriations for fiscal year 1976 for which hearings are currently being conducted.

Yesterday, when the repeal of the limitation was being considered in the other body, the chairman of the Senate Appropriations Committee very clearly laid out why the travel limitation was causing problems. I commend his remarks to the attention of Members.

Mr. Speaker, the conference report on the supplemental contained a statement that the Appropriations Subcommittees would conduct a continuing review of Government travel costs of individual departments and agencies with a view toward achieving further economies and reductions where practicable. I will do everything I reasonably can toward that objective and I will urge others to do likewise.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBER OF NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

The SPEAKER. Pursuant to the provisions of 44 United States Code 2501, as amended, the Chair appoints as a member of the National Historical Publications and Records Commission the gentleman from Indiana, Mr. BRADEMAS.

APPOINTMENT AS MEMBERS OF SELECT COMMITTEE ON AGING

The SPEAKER. Pursuant to the clauses 6 (e) and (h), of rule X, and without objection, the Chair appoints as additional members of the Select Committee on Aging the following Members of the House:

The gentleman from Oklahoma (Mr. RISENHOOVER) and the gentleman from Maryland (Mr. GUDE).

There was no objection.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 28]

Abzug
Andrews, N.C.
Ashley
Badillo
Barrett
Brown, Mich.
Burke, Calif.
Butler
Chappell
Chisholm
Conyers
Diggs
Dodd
Drinan
Edwards, Calif.
Fenwick
Flynt
Fountain

Fraser
Goldwater
Hébert
Heckler, Mass.
Hinshaw
Jones, Okla.
Ketchum
Kindness
Long, Md.
McCloskey
McCormack
Milford
Mills
Murtha
Obey
Patterson, Calif.
Rhodes
Rostenkowski
Rousselot
Satterfield
Scheuer
Seiberling
Shuster
Staggers
Teague
Thompson
Waxman
Wiggins
Young, Alaska

The SPEAKER. On this rollcall 385 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RULES OF THE JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

Mr. BROOKS. Mr. Speaker, following the organizational meeting of the Joint Committee on Congressional Operations on Thursday, February 20, 1975, and in accordance with rule XI, section 2(a) of the rules of the House, I am submitting for publication in the CONGRESSIONAL RECORD the joint committee's rules for the 94th Congress.

As the joint committee is a continuing body, these rules are unchanged from those used in the 93d Congress:

JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

RULE 1

The rules of the Senate and House, insofar as they are applicable and consistent with sections 401 through 407 of Public Law 91-510, shall govern the committee and its subcommittees. The rules of the Committee, insofar as they are applicable, shall be the rules of any subcommittee of the committee.

RULE 2

The meetings of the committee shall be held at such times and in such places as the chairman may designate, or at such times as a quorum of the committee may request in writing, with adequate advance notice provided to all members of the committee. Subcommittee meetings shall not be held when the full committee is meeting.

RULE 3

Six members of the committee shall constitute a quorum, except that two members shall constitute a quorum for the purpose of taking testimony and receiving evidence. A majority of the members of a subcommittee shall constitute a quorum of such subcommittee except that two shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE 4

A member may vote by proxy on any measure or matter before the committee and on any amendment or motion pertaining thereto. A proxy shall be in writing and be signed by the member granting the proxy; it shall show the date on which it was signed and the member to whom the proxy is given. Each proxy authorization shall state, and shall be limited to, the specific measure or matter to which it applies; and unless it states otherwise, it shall apply to any amendments or motions pertaining to that measure or matter. Unless limited by its terms, a proxy shall remain valid until revoked or until superseded by a proxy bearing a later date. A proxy may contain more than one authorization.

RULE 5

The chairman in consultation with the vice chairman may—

(1) name standing or special subcommittees, and

(2) designate the chairman of each standing or special subcommittee.

No member of the committee shall be chairman of more than one standing or special subcommittee. The total number of chairmanships, and the membership, of standing and special subcommittees shall be equally divided, so far as practicable, between the Members of the Senate and the Members of the House of Representatives on the committee. Any member of the committee shall have the privilege of sitting with any subcommittee during its hearings or deliberations, and may participate in such hearings or deliberations, but no such member shall vote on any matter before such subcommittee.

RULE 6

The committee shall select a chairman and a vice chairman from among its members at the beginning of each Congress. The vice chairman shall act in the place and stead of the chairman in the absence of the chairman. The chairmanship and the vice chairmanship shall alternate between the Senate and the House of Representatives with each Congress. The chairman during each even-numbered Congress shall be selected by the Members of the House of Representatives on the committee from among their number and the chairman during each odd-numbered Congress shall be selected by the Members of the Senate on the committee from among their number. The vice chairman during each Congress shall be chosen in the same manner from that House of Congress other than the House of Congress of which the chairman is a Member.

RULE 7

All meetings and hearings conducted by the committee or its subcommittees shall be open to the public except where the committee or subcommittee, as the case may be, by a majority vote orders an executive session.

RULE 8

So far as practicable all witnesses appearing before the committee shall file advance written statements of their proposed testimony, and their oral testimony shall be limited to brief sumaries. Brief insertions of additional germane material will be received for the record, subject to the approval of the chairman.

RULE 9

An accurate stenographic record shall be kept of all testimony. Brief supplemental materials when required to clarify the transcript may be inserted in the record subject to the approval of the chairman.

RULE 10

Each member of the committee shall be provided with a copy of the hearings transcript for the purpose of correcting errors of transcription and grammar, and clarifying questions or remarks.

RULE 11

Testimony received in executive hearings shall not be released or included in any report without the approval of a majority of the committee.

RULE 12

The chairman shall provide adequate time for questioning of witnesses by all members.

RULE 13

Television and radio coverage of open hearings of the committee, or any subcommittee, shall be allowed unless a majority of the members of the committee or subcommittee disapprove. Television and radio coverage of any such portion of hearings of the committee, or of a subcommittee, as may include testimony of a witness shall not be authorized if such witness objects to such television or radio coverage: *Provided* that such witness shall be afforded the opportunity to make such objection, if any, to the committee or subcommittee at a time when the proceedings are not being covered by television or radio.

RULE 14

No committee report shall be made public or transmitted to the Congress without the approval of a majority of the committee except that when the Congress has adjourned, subcommittees may by majority vote and with the express permission of the full committee submit reports to the full committee and simultaneously release same to the public: *Provided*, that any member of the committee may make a report supplementary to or dissenting from the majority report. Factual reports by the committee staff may be printed for distribution to committee members and the public only upon authorization of the chairman of the full committee.

RULE 15

There shall be kept a complete record of all committee proceedings and action. A clerk of the committee, or a designated member of the committee staff, shall act as recording secretary of all proceedings before the committee and shall prepare and circulate to all members of the committee the minutes of such proceedings. Minutes circulated will be considered approved unless objection is registered prior to the next committee meeting. The records of the committee shall be open to all members of the committee.

RULE 16

The chairman of the committee, upon consultation and with the recommendation of the vice chairman, shall have the authority—

(1) to appoint, on a permanent basis, without regard to political affiliation and solely on the basis of fitness to perform their duties, not more than six professional staff members, and not more than six clerical staff members;

(2) to prescribe their duties and responsibilities;

(3) to fix their pay at respective per annum gross rates not in excess of the highest rate of basic pay, as in effect from time to time, of the General Schedule of section 5332(a) of title 5, United States Code; and

(4) to terminate their employment as he shall deem appropriate.

No appointment or salary adjustment shall become effective until approved by a record vote of a majority of the Committee.

RULE 17

The chairman shall have the authority to utilize the services, information, facilities, and personnel of the departments and establishments of the Government, and to procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract at rates of pay not in excess of the per diem equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332 of title 5, United States Code, including payment of such rates for necessary travel-time.

RULE 18

Attendance at Executive Sessions shall be limited to members of the committee, the committee staff and Congressional staff designated by committee members to attend such sessions. Other persons whose presence is requested or consented to by the committee may be admitted to such sessions. Any individual who is not a member may be excluded by the committee.

RULE 19

Selection of witnesses for committee hearings shall be made by the committee staff under the direction of the chairman. A list of proposed witnesses shall be submitted to the members of the committee for review sufficiently in advance of the hearings to permit suggestions by the committee members to receive appropriate consideration.

RULE 20

Proposals for amending committee rules shall be sent to all members at least one week before final action is taken thereon. Approval by at least six members of the committee shall be required to amend these rules.

RULE 21

The information contained in any books, papers, or documents furnished to the committee by any individual, partnership, corporation, or other legal entity shall, upon the request of the individual, partnership, corporation, or entity furnishing the same, be maintained in strict confidence by the members and staff of the committee, except that any such information may be released outside of executive session of the committee if the release thereof is effected in a manner which will not reveal the identity of such individual, partnership, corporation, or entity: *Provided,* That the committee by majority vote may authorize the disclosure of the identity of any such individual, partnership, corporation, or entity in connection with any pending hearing or as a part of a duly authorized report of the committee if such release is deemed essential to the performance of the functions of the committee and is in the public interest.

JACK BENNY SHOULD BE HONORED BY A COMMEMORATIVE STAMP

(Mr. McCLORY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. McCLORY. Mr. Speaker, today I am introducing a bill to provide for the issuance of a commemorative stamp in honor of the late Jack Benny.

Mr. Speaker, it strikes me that this great American, who was indeed a national institution, should be appropriately honored by the citizens of our Nation. In this connection, there is general interest in my congressional district in support of such a commemorative postage stamp honoring Jack Benny.

Mr. Speaker, the most populous urban center in my congressional district is Waukegan, Ill. Indeed, Waukegan achieved national recognition as a result of Jack Benny and his appealing good humor and close rapport with citizens of our Nation, young and old, and from all walks of life.

Mr. Speaker, it would be a fitting tribute to this honored citizen to issue a postage stamp in his memory. Accordingly, I am today introducing a bill for this purpose, a copy of which is attached to these remarks.

A bill to provide for the issuance of a commemorative postage stamp in honor of the late Jack Benny

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General is authorized and directed to issue a special postage stamp in honor of the late Jack Benny. Such stamp shall have a denomination of 10 cents, shall bear such design as the Postmaster General shall determine, shall first be placed on sale on a date to be subsequently determined by the Postmaster General at the Main Post Office at Waukegan, Illinois, and shall be sold for such period thereafter as the Postmaster General shall determine.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2166, TAX REDUCTION ACT OF 1975

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 259 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 259

Resolved, That upon the adoption of **this** resolution it shall be in order to move, clause 2(1)(6) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R 2166) to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low-income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and to the amendments made in order by this resolution and shall continue not to exceed four hours, three hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, thirty minutes to be controlled by Representative Green of Pennsylvania, and thirty minutes to be controlled by Representative Charles Wilson of Texas, the bill shall be considered as having been read for amendment. It shall be in order to consider without the intervention of any point of order the amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill as an original bill for the purpose of amendment, and said substitute shall be considered as having been read for amendment. No amendment to the bill or to said substitute shall be in order except (1) amendments offered by direction of the Committee on Ways and Means; (2) the text of the bill H.R. 3612 if offered as an amendment in the nature of a substitute for the said committee substitute; and (3) the amendment inserted on page E696 of the Congressional Record of February 25, 1975, by Representative Green of Pennsylvania if offered either to the committee substitute or to the substitute text of the bill H.R. 3612 if offered, and said amendments shall be in order, any rule of the House to the contrary notwithstanding, but shall not be subject to amendment: *Provided, however,* That an amendment in the following form shall be in order, any rule of the House to the contrary notwithstanding, if offered by Representative Young of Alaska as an amendment to the amendment offered by Representative Green:

"Arctic Circle Exemption.—In the case of any well located north of the Arctic Circle, if the taxpayer elects the application of this subsection for the taxable year, then with respect to gross income from crude oil from such well before January 1, 1985, the percentage referred to in section 613(a) shall be 15 percent."; but said amendment shall not be subject to amendment, and: *Provided further,* That the amendment inserted in the Congressional Record of February 26, 1975, by Representative Charles Wilson of Texas shall be in order without the intervention of any point of order as an amendment to the amendment offered by Representative Green, and the said amendment offered by Representative Wilson of Texas shall not be subject to amendment except for two amendments in the following form which shall be in order, any rule of the House to the contrary notwithstanding, if offered by Representative Archer of Texas.

On page 3, strike out subparagraph (C) (in lines 6 through 17) and insert the following:

"(C) Regulated natural gas.—The term 'regulated natural gas' means natural gas subject to the jurisdiction of the Federal Power Commission with respect to the sale or transportation of which an order or certificate of the Federal Power Commission is in effect (or a proceeding for the issuance of such an order or certificate has been instituted), if price is taken into account directly or indirectly in the issuance of such order or certificate.

"(3) Termination of regulated natural gas exemption.—In the case of regulated natural gas, if the summary of prices published pursuant to paragraph (4) for any calendar year shows—

"(A) an average price per 1,000 cubic feet of regulated natural gas which equals or exceeds

"(B) one-sixth of the average price per barrel of domestic crude oil not subject to Federal price control,

then the allowance for depletion shall be computed for all periods after December 31 of such calendar year without reference to paragraph (1)(A).

"(4) Compilation of data with respect to prices of regulated natural gas and domestic crude oil.—For each calendar year beginning after December 31, 1974, the Secretary or his delegate shall compile data establishing—

"(A) the average sales price per 1,000 cubic feet of regulated natural gas sold during such year, and

"(B) the average sales price per barrel of domestic crude oil not subject to Federal price control which is sold during such year. Within 90 days after the close of any such calendar year (or, if later, within 90 days after the date of the enactment of this Act), the Secretary or his delegate shall publish a summary of such data in the Federal Register. Any such summary so published shall be final and conclusive.

"(5) Authorization to compile data.—

"(A) Data from executive agencies.—In compiling the data required under paragraph (4), the Secretary or his delegate is authorized to receive directly from any other executive department or agency of the United States information and statistics necessary for the compilation of such data. Such ther executive department or agency shall furnish any such requested information and statistics directly to the Secretary or his delegate.

"(B) Purchasers and sellers to furnish information.—If no other executive department or agency of the United States is able to furnish the Secretary or his delegate the information and statistics from which the data required under paragraph (4) can be compiled, the Secretary or his delegate may by regulation require purchasers and sellers of domestic crude oil and regulated natural gas to make such reports of sales, volumes, prices, and related information as may be necessary to compile the data required under paragraph (4).".

(1) On page 6, line 1, strike out "partnership".

(2) On page 8, insert after line 10—

"(5) Partnerships.—In the case of a partnership of more than five members, the amount of average daily production which can be attributed to the partners shall not exceed 3,000 barrels.".

(3) Redesignate paragraph (5) as paragraph (6); but said amendments shall not be

subject to amendment. At the conclusion of the consideration of the bill H.R. 2166 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Missouri (Mr. Bolling) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. Quillen), pending which I yield myself such time as I may consume.

Mr. Speaker, I would like to explain this rule to the Members. This is an unusual rule, and it is a complicated rule.

On the other hand, I think it is a rule that will allow practically every Member in the House who wishes to express a particular view, at least so far as we have heard, to do so. The only alternative—and it would be more limiting in some respects than this rule because it would prevent a vote on the Green amendment—would be a wide-open rule.

This rule provides for 4 hours of general debate, part of it to be divided, as is the normal fashion, between the chairman of the committee and the ranking minority member of the committee. Three hours of the 4 hours are to be divided in that fashion.

Then the authors of the two principal amendments which are made in order by the rule are each allocated under general debate a half-hour of time, because of the procedure which will be followed when we get to the limited amendment stage. In the limited amendment stage, under the provisions of the modified closed rule, there will only be 10 minutes allowed on each amendment, 5 minutes on each side. In order that the gentleman from Pennsylvania (Mr. Green), the author of one of the principal amendments, and the gentleman from Texas (Mr. Charles Wilson), the author of an amendment to that amendment, would have an opportunity to explain to the Members of the House the content of their amendments without interfering with the ordinary operation of the rule, the division of time on general debate was made in this fashion.

Beyond that, the rule waives all points of order against practically everything.

The base bill that will be considered is the committee amendment in the nature of a substitute. In order as an amendment to that will be the proposition offered by the gentleman from New York (Mr. Conable), which is a substitute for the committee amendment. My understanding is that that is essentially the tax program offered by the President. This in effect would provide for an opportunity to have a contest between the committee tax program and the President's program. I believe that is correct.

That amendment may be offered early or late, as I understand the parliamentary situation, either at the beginning of the consideration of the committee bill or at the end.

In addition to that, a number of other amendments are especially made in order. The question of germaneness is waived with regard to at least two of those amendments. Those two are the so-called Green amendment, which would eliminate all depletion, and the Wilson amendment, an amendment to the Green amendment, which would modify that elimination by giving those who produce less than 3,000 barrels of oil a day an exemption from the elimination of depletion. That would relate to the so-called independents, the wildcatters.

Then, in addition, at the request of particular Members, and by a majority vote of the Committee on Rules, three other amendments to one or another of those propositions are made in order.

Two amendments may be offered by the gentleman from Texas (Mr. Archer) which would clarify and modify the depletion allowance. There is another one by the gentleman from Alaska (Mr. Young) that would give special consideration to developments in the Alaskan area, in the Arctic Circle.

Therefore, we have, as I said in the beginning, an unusual rule and a complicated rule. I will be glad to try to answer any questions, if there are any. Otherwise I will yield to my friend, the gentleman from Tennessee (Mr. Quillen).

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished gentleman from Missouri (Mr. Bolling) has explained this very complicated rule, and indeed it is complicated.

We really are witnessing the fruits of the Democratic Caucus in action, when the caucus mandated the Committee on Rules, to report a rule, and this rule is the caucus rule with certain variations.

I shall not take the time to further explain the rule because Mr. Bolling has done an excellent job.

But why do we have such a complicated rule before us when the economic picture of this country is suffering almost beyond recall, when this Congress should get down to the business of performing its duty with the passage of a tax rebate bill pumping money immediately into the economy to turn this recession around? Instead, we have before us a bill with nongermane amendments, although they are made germane by the action of the Committee on Rules, which could conceivably delay this tax rebate, this input into our economy by days and weeks, and we will continue to suffer, as many Americans are suffering, unnecessarily.

I want it clearly understood that the oil depletion allowance was tied to this measure by action of the Democratic Caucus; but as the gentleman from Pennsylvania (Mr. Green) and others pointed out before Rules it was not done as an obvious delaying tactic. However, I want to emphasize that it will be just that—a delaying tactic—if this House acts favorably on these amendments today. I would hope that if we do act, first of all, that a clean bill goes to the Senate.

I could favor a phaseout of the oil depletion allowance only so that it may be coupled with a windfall profits tax because I think that this country must see more oil exploration. We must see more holes dug into the ground to produce oil for energy and for the use of the American people as they travel about their business.

Mr. Speaker, whatever we do today, all eyes of this country are going to be upon us. I do not think it is the intention of Congress, certainly not the intention of this Member of Congress, to delay, to delay, to delay. Rather, I think that we should go forward and adopt the Conable substitute to this measure because it pumps more money into the economy immediately than that reported by the Committee on Ways and Means, because they tacked onto their measure a tax reform approach where reform will be spread over a period of months, and that money will not actually be pumped into the economy as quickly as it should be.

The Conable or the administration approach puts money into the economy for the benefit of the American people so that we might turn our economic picture around without delay.

I call on the Members of this House when this bill is debated and the amendments are offered, to consider the need for quick action because I would like to see us do our duty and send a bill to the Senate, so that it may be acted upon speedily. The American people would applaud us for this action.

So, Mr. Speaker, I would like to see the Conable substitute adopted. I would like to see the Young of Alaska amendment accepted, along with the Archer amendments, which would not be a delaying tactic, but would be more or less of a clarification.

Mr. Speaker, I have some requests for time. I would inquire of the gentleman from Missouri (Mr. Bolling) if the gentleman has any requests for time?

Mr. BOLLING. Mr. Speaker, I have no additional requests for time.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Illinois (Mr. Anderson).

Mr. ANDERSON of Illinois. Mr. Speaker, it seems to be conceded on both sides of the aisle that this is a most unusual rule. I have to say at the outset that I am less sanguine than the gentleman from Missouri (Mr. Bolling) that it is going to allow every Member of this body who desires to express a viewpoint on the measure to really have the time to do so. But I also have to confess to a certain feeling of futility in even attacking this rule this afternoon, because obviously, I think that this is a deck that is stacked with kings. This is a King Caucus rule, as my friend, the gentleman from Tennessee, has said.

Really, I think it does not do very much to launch a meaningful debate on tax policy or fiscal policy, because what we will really be doing for the next 4 hours is to have kind of a coronation service here on the floor of this Chamber, a coronation ceremony for King Caucus, because this rule, for the most part, with a couple of minor changes, was largely made up behind the closed doors of the Democratic Caucus, and not in the open Chamber of the Committee on Rules, which met yesterday from 10:30 in the morning until around 5 o'clock to consider it.

This is a rule, I would remind the Members, that not only circumvents the germaneness rule of the House of Representatives, it even goes so far as to circumvent the germaneness rule of the Democratic Caucus.

I am tempted to express some wonderment at the fact that a member of that caucus does not make a point of order against the rule that violates one of the rules of the Democratic Caucus. Because, if you will look at the rule, M-9, it states that the caucus may instruct the Democrats on the Committee on Rules to make germane——

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. When I finish I will yield to the gentleman.

It states that the caucus may indeed instruct Rules Committee Democrats to make germane—and I repeat and underscore—germane amendments in order to an otherwise closed bill. But for some reason the caucus has sidestepped that germaneness requirement, and has mandated that two non-germane, caucus-approved, amendments, be made in order to the bill.

Mr. GREEN. Mr. Speaker, if the gentleman will yield, the gentleman is reading from the old M-9 rule, a closed rule procedure that allows somebody on the Democratic Caucus if they have a germane amendment to offer to delay for 4 days in order to get the signatures they need to come in.

That is all fine, but we did not proceed under rule 9, so any discussion of rule 9 is not justified.

Mr. ANDERSON of Illinois. The gentleman has one rule, then, that permits what this practice apparently permits——

Mr. GREEN. That is not correct.

Mr. ANDERSON of Illinois. Making in order a totally nongermane amendment.

Mr. GREEN. Then we have rule 2:

> Meetings of the Democratic Caucus may be called by the chairman upon his own motion and shall be called by him whenever requested in writing by 50 members of the Caucus or at the request of the Party Leader.

That is, if 50 members of the caucus request it.

Mr. ANDERSON of Illinois. Let me point out in response to what the gentleman from Pennsylvania has said—and if he will not make the argument, I am sure others will—that the Committee on Rules has engaged previously in this procedure of making nongermane amendments in order under certain bills. Indeed, that is true, but usually, at least in my recollection and memory, that has been at the specific request of the committee involved. In this case the Committee on Ways and Means did not report either the Green amendment or the Wilson amendment. Indeed, they voted against making those amendments in order.

In all fairness and with credit to the great candor of the distinguished chairman of the Committee on Ways and Means, when he appeared before us yesterday, he said that he was personally opposed to making those amendments in order; it was only because he felt subjected to the heavy yoke of the Democratic Caucus that he was there suggesting that we adopt this kind of rule.

I think, Mr. Speaker, that it is highly ironic that in this body, where we have been fighting for years—for years—to plug that loophole that permitted the other body on the other side of the Capitol to tack nongermane amendments onto House bills—where we even went so far as to have a subcommittee of the Committee on Rules chaired by my friend, the gentleman from California (Mr. SISK) work out a House rule that would enable us to at least have a chance to vote on those nongermane amendment that were being tacked on by the Senate—this body is today establishing a precedent when we adopt this rule—and they have got the votes to adopt it; there is not any question about that. We are establishing a precedent and, yes, we are institutionalizing a device whereby any group of Democrats, as the gentleman from Pennsylvania has said, can call a meeting of the Democratic Caucus and get them to order and direct and mandate the Democratic members of the Committee on Rules to tack those nongermane amendments onto a bill——

The SPEAKER. The time of the gentleman has expired.

Mr. QUILLEN. I yield 3 additional minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

I just want to make the point—and I would ask the gentleman to remember that I will so predict—that the day will come, and it will not be too far down the road, when the gentleman is going to rue the day that they established the precedent that they are going to vote in this House today. The day will come when they are going to regret that and permit a small group to tack nongermane amendments onto a committee bill.

Let me point out the vote in the Democratic Caucus was, as I recall it, 153 to 98. In other words, about 36 percent of the total membership of this body of 435—36 percent of that membership—have mandated what a majority of this House, I think, should decide.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

I am not going to argue with the gentleman about King Caucus and things like that. I want to argue with the gentleman as a lawyer now about, What is the real reason for the germaneness rule? As I see the real reason for the germaneness rule, it is to protect Members of the House from capriciousness and surprise.

Mr. ANDERSON of Illinois. I cannot concede the gentleman's point. It goes far beyond protecting Members against surprise amendments. It goes to the very heart of orderly legislative process. Let me say to the gentleman from Florida——

Mr. GIBBONS. Will the gentleman yield further?

Mr. ANDERSON of Illinois. Let me make my point. The very next item, I say to the gentleman from Florida—and I hope he is listening—the item on the agenda of the Committee on Ways and Means is supposed to be an energy bill. That is where this particular amendment belongs. I happen to be in favor of repealing the depletion allowance. My vote against this rule today is not a vote in favor of retaining the depletion allowance; but I would suggest that in the interest of orderly legislative process, that amendment ought to be debated in the gentleman's committee, which it was not. It ought to be subject to amendment in the gentleman's committee, which it was not. It ought not to be brought up on this floor today under procedures providing 5 minutes of debate, once the amendment is offered, for the amendment and 5 minutes of debate in opposition to the amendment.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I have to say this rule of germaneness is to protect someone from being capriciously surprised. I am very capriciously surprised. I am not capriciously surprised that maybe after 50 years the depletion allowance has been the issue but I am capriciously surprised that it is being brought in under a violation of the rules of the House.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. QUILLEN. Mr. Speaker, I yield the gentleman from Illinois 2 additional minutes.

Mr. ANDERSON of Illinois. Mr. Speaker, I regret I cannot yield further. I have been limited to 2 minutes.

I want to say again we are not passing, in attacking this rule, on the substantive issue of the depletion allowance. What I am suggesting and I repeat again is that in the interest of orderly legislative process those amendments ought to be considered under some other procedure than has been sought to be employed here today. To dignify the substitute offered by the gentleman from New York, which does go to the heart of the matter and which does deal with the important question of what kind of tax policy we ought to have in order to stimulate the economy and promote recovery, with 5 minutes of debate for the amendment and 5 minutes of debate against it I do not think is the kind of open debate and discussion that we have been given credit for. We have taken great pride in the fact that we have reformed the procedures of this House and now in the spirit of openness we should have the kind of meaningful debate that is called for on an important measure of this kind. We are not doing it, I think, when we limit debate on the Conable substitute to 5 minutes for and 5 minutes against.

This is a bad rule. I think it sets a bad precedent. I think it ought to be defeated.

In conclusion, Mr. Speaker, I would urge my colleagues to vote against the oil depletion amendments when they are offered, not because they are bad amendments, but because they should be given due consideration by the Ways and Means Committee in connection with the pending energy bill, and because adequate time should be allowed on the House floor to debate and amend them. If we do not reject those nongermane amendments now we will only be insuring prolonged, if not indefinite, delays in enacting this tax reduction bill and getting those rebate checks into the pockets of the American people. I for one will not be a party to such a cynical maneuver. Let the blame for that rest with the other party.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Speaker, today we will vote a $21 billion tax cut for Americans, $5 billion of which is in the form of an investment tax credit for businessmen. The tax rebate is designed to spur demand for consumer goods immediately, and it is hoped the investment tax credit will encourage investment by businessmen in capital goods which not only will increase workers' sagging productivity, but also stimulate employment of those necessary to produce the new capital goods. Both are important objectives.

Unfortunately, the House will not have an opportunity to consider a proposal which would provide an even greater stimulus to increased employment and productivity—the new jobs tax credit. Regrettably, despite the much touted reforms wrought by the 94th Congress, bills from the Ways and Means Committee still do not reach the floor under an open rule, thus making it impossible for Members to offer amendments.

Were I permitted, I would offer an amendment to extend the investment tax credit to the employment of new people—not just new machines.

The investment tax credit is fine as far as it goes. It will stimulate the purchase by business and industry of machinery and other property, and thereby help to curb rising unemployment while at the same time increase productivity. However, one of the necessary byproducts of increased productivity is often the substitution of machines for labor. Automation, mechanization, labor efficiency—these will be the inevitable byproducts of this bill.

The amendment I would propose if permitted would provide a tax credit equal to 10 percent of the annual salary of any additional employee hired by an employer this year. This is the logical extension of the 10-percent tax credit provided for employers who purchase additional machinery this year. It does, however, have significant advantages.

First, it would provide a much more direct stimulus to employment. It would encourage employers to go out tomorrow and begin hiring new employees. Employers would not have to wait for new machinery orders to begin. For the unemployed, the difference could be the most important weeks or months of 1975.

Second, the increased employment generated by the new jobs tax credit should be more lasting. Because my amendment contains a strict recapture provision to discourage a businessman from firing a person employed to take advantage of the tax credit, the new employee should be guaranteed a job for at least 2 years. By that time, the new employee would be of proven worth.

Third, the new jobs tax credit should pay for itself. Unlike new machinery, employed men and women pay taxes. So long as the tax credit is less than the income taxes these new employees pay, there will be a net gain to the U.S. Treasury. In addition, unemployment compensation and welfare payments would be eliminated for them.

Think of the satisfaction to be realized by an unemployed person returned to work through the new jobs tax credit program. Insead of despondency and despair, which inevitably result from taking Government handouts, this is one Federal program which could produce hope and self-respect for those it assists. The new jobs tax credit would enhance the most vital productive force in our economy—American labor.

Although I shall not have a chance to offer my amendment today, I do hope that the House Ways and Means Committee will give it serious consideration as it considers tax reform measures in the coming weeks. This is one measure which could begin to unlock the almost limitless prosperity which I believe our economy is still capable of providing to the American people.

Text of the amendment follows:

AMENDMENT OFFERED BY MR. FINDLEY

On page 15, lines 5 through 9 inclusive are amended to read as follows:

"(b) DETERMINATION OF QUALIFIED INVESTMENT.—

"(A) Subparagraph (B) of section 46(c)(1) is amended by striking out the period at the end and inserting in lieu thereof a comma and the word 'plus'. The following new subparagraph (C) is added at the end of section 46(c)(1):

"'(C) the applicable percentage of the annual salary or wages of any additional person employed beyond the total number of persons employed as an integral part of the same business on the corresponding day of the preceding year. This subparagraph does not include additional persons employed primarily outside the United States. If during the succeeding taxable year any additional person under this subsection terminates employment with respect to the taxpayer, then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate credits allowed for such additional employee under section 38.'

"(B) Subparagraph (A) of section 46(c)(3) (relating to determination of qualified investment in case of public utility property) is amended to read as follows:"

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Speaker, when the committee did have this amendment up it was discussed in the committee and it was discussed much longer than the substitute was discussed. It was open for amendment at any point. There was no attempt made by any Democrat to cut off debate on the depletion matter. It was germane to the bill. It was not held to be ungermane to the bill in the committee.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, let me say at the outset that I intend to support this rule but for a different reason. I shall vote against the previous question however, hoping we can get an open rule which would permit needed amendments. This rule goes a little bit further in permitting floor amendments than do most rules that come out of the Rules Committee on Ways and Means bills and for this reason I am going to support it should our efforts fail to make it completely open. I think the closer we can get to an open rule out of the Rules Committee for Ways and Means bills, the better off the House is going to be and the better off the country is going to be. I, for one, do not believe the members of the Ways and Means Committee should be the only Members of the House to have an opportunity to offer amendments to tax bills.

There are several tax matters which the House should be considering today not in this bill and there are several matters included in the bill which should be subject to amendment on the floor. We should be able to consider some of our own judgment on these matters rather than depending exclusively on the judgment of the Ways and Means Committee.

As a matter of fact I think title II of this bill could be labeled a welfare title rather than one of tax reform designed to stimulate the economy. Everyone realizes the automobile industry and the great many industries which feed off the automobile industry are the most seriously affected by the current recession. The President proposed a plan on tax rebates which would do something for the automobile industry, but, lo and behold, the Democrat plan to rebate taxes would limit the amount of the rebate to $200. This $200 rebate starts to diminish for a couple filing jointly when their income exceeds the $20,000 figure regardless of the amount of taxes they pay. Would a $200 rebate to such a couple cause them to rush out and purchase a new car? I think not. Neither do I believe the plan to rebate 55.1 percent of this title to the low-income group is going to stimulate this industry, nor do I believe it is going to be of much help to those receiving the rebates. About two trips to the grocery store and the rebate will be gone.

Information furnished the gentleman from New York (Mr. CONABLE) from the Treasury Department indicates that 51.5 percent of all the taxes paid by individuals are paid by those with incomes in excess of $20,000; 35.5 percent are paid by individuals in the $10,000 to $20,000 brackets; and 13 percent are paid by those earning less than $10,000. I think the record should show how these various tax brackets fare under this bill. Those earning less than $10,000 per year would get 55.1 percent of the rebate; those earning between $10,000 and $20,000 in our middle-income group would receive 34.4 percent; and those earning more than $20,000 would receive 10.5 percent. There are those who believe the rebate procedure is being used not to stimulate the economy but to attempt to gain favor with the greatest number of people and use these figures in support of their argument.

I know it is politically wise to always try to pass tax benefits out to the most people in the country and this bill does that. The question is will you be helping the most people and the country generally in the long run? Only time will tell whether this course of action will get our unemployed back to work.

I would hope when this legislation gets over to the Senate where the Senators can amend Ways and Means bills on the floor of the Senate, something more will be done to stimulate the economy in a most lasting way than is provided for in the bill.

Let me say further there is a provision in this bill to which I object very strenuously. It is the negative income tax theory and it is getting in under the guise of an earned income section.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. QUILLEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Ohio.

Mr. LATTA. We are adopting a negative income tax for the first time and it is coming in under the name of earned income credit. I urge my friends to pay attention to this section of the bill because I think we will all live to regret its adoption.

I might add, there is a provision in this bill which favors those not itemizing deductions over those who do. I think this is wrong. They should be treated just the same under our tax laws but they are not. Under this modified closed rule an amendment to correct this mistake will not be in order. Neither will an amendment to give single persons maintaining a household the regular household exemption be in order.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. CEDERBERG).

Mr. CEDERBERG. Mr. Speaker, I just want to announce that it will be my intention to ask for a vote on the previous question. I think it is time the 435 Members of this House have an opportunity to express themselves as to whether or not they want to have an opportunity to have an open rule on this matter.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for yielding to me.

I thank the gentleman for his statement. I want to assure him that if he is successful in that effort, I have prepared for submission an open rule which will be completely open so that the Members may work their wills.

Mr. CEDERBERG. Mr. Speaker, we will find out whether or not King Caucus is going to rule here, or a majority of the Members of the House of Representatives. When we come here with a rule dictated by King Caucus, certainly there is a responsibility here to open it up and let every Member have an opportunity to amend this bill in the way he wants to amend it.

So, we will have a vote on the previous question, and the Members can decide then whether they want to go along with the majority of the Members of the House of Representatives or be dictated to by a closed caucus.

I do not think, as far as I am concerned as one Member here of this body, that I am going to be bound by that kind of operation.

Mr. BOLLING. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Speaker, I am sure the gentleman understands that the rule would prevent the offering of an amendment on depletion.

Mr. CEDERBERG. We should handle depletion in the tax reform bill. If the Ways and Means Committee wanted to bring it up, let them do it. I just object to this kind of an operation. We are talking about opening things up, talking about reform. My good friend from Missouri is the reform leader, so now we will find out whether or not we are going to have reform. Just vote down the previous question, and we will get a little reform.

Mr. BOLLING. Mr. Speaker, if the gentleman will yield further, I will say that opportunity is closed on depletion.

Mr. CEDERBERG. Mr. Speaker, I think I have said all that I wish to say. I just want to announce to the House that we are going to find out, as I said, who the reformers are and who wants to open this thing up so that every Member can have an opportunity to amend it.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, there is wonderful news for all of us today from the same friendly, fun-loving folks who gave us proxy voting and the great minority staff ripoff. We are getting another closed rule from that same bunch of friends. We are also getting the good news that all points of order all over the place, have been waived, no matter what they may be.

So, great gag rule marches on. Thanks for that to the "reform-oriented" majority group. Boy, are they ever for reform.

The winds of reform are blowing through the House. They must all be blowing in from Cooke County, because that is the way they operate out there.

Mr. Speaker, I do not oppose closed rules. I think we need them sometimes, but to use a closed rule every time we bring a tax bill to the floor is being doggoned lazy and shows the committee is afraid of its own craftsmanship. Closed rules ought to be used sparingly. If we continue to use the closed rule for a crutch, it will be deservedly taken away from us, and we are not going to be able to use it when we need it.

To add to the closed rule, we have stuck on a nongermane amendment. I am for open rules, but not for nongermane amendments. We put in nongermane amendments by imperial fiat of "King Caucus," by 153 Members of the House who are more equal than the rest of us, and who operate in the shadow of secrecy of a closed caucus.

The caucus also decided we are going to have a nongermane amendment brought up, and that will give a wonderful opportunity for the Senate to load down the emergency tax bill with lots of other nongermane amendments. It is a bad strategy which will delay an important bill. Apparently the tax cut is not as urgent as I thought it was.

This rule is a gag rule. It is an embarrassment to the House and to its traditions. We ought to be ashamed of ourselves if we vote for it.

The rule should be defeated. The previous question should be defeated.

Mr. DU PONT. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Delaware.

Mr. DU PONT. Mr. Speaker, I heartily endorse the comments just made by the gentleman from Minnesota. The winds of reform that have blown so strongly in the House seem to have been stilled by the majority's fear of any ideas or amendments not given the seal of approval by the Democratic Caucus.

I am going to vote against the rule for two reasons: first, because it is a closed rule, prohibiting any amendments from the floor and waiving all points of order against portions of the bill that are not germane. Such rules are not in the best interest of the Congress or the people of the county, and I had thought that one of the elements of reform in the 94th Congress would be the end of such rules.

Second, and even more important, is the fact that this rule limits debate on each amendment permitted to a total of 10 minutes. We will be permitted to debate repeal of the oil depletion allowance, for example, which is a complex and far-reaching change in national tax policy—and which I favor—for a total of 10 minutes. Under the rule I am prohibited from even speaking on the question, as are 433 out of 435 members of the House. I would not say that "reform" is really helping the people of the country if this is to be its result.

I believe we should have an open rule, and most important, a rule that permits Members of Congress to participate in the legislative process. I shall vote "no" on the previous question in an effort to open up the rule, and should that fail, I shall vote "no" on the rule itself. We need a tax relief bill; we need to repeal the oil depletion allowance; but we also need an open and fair legislative process which this rule clearly does not provide.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I rise in opposition to the adoption of this rule. I was under the impression when I came in this morning that we would be considering a tax bill today to help stimulate the economy and create new jobs. Although the merits of the tax bill as reported by the Ways and Means Committee can be debated, it at least contained economic stimulation as the prime subject matter to be considered on the House floor today. Due to the urgency of the deteriorating economic situation, this seemed to be a proper step.

During the House Ways and Means Committee deliberations on the proposed tax cut stimulus bill, as the gentleman from Florida previously indicated, certain Members tried to inject ancillary considerations dealing with oil depletion allowances and were turned down. Tax depletion allowances are a most controversial subject. The handling of this complex tax issue may have serious economic implications in terms of price stability and the development of energy resources. Consequently, the committee had the wisdom to reject oil and gas depletion amendments and leave this complicated subject for consideration when hearings are held on a comprehensive tax reform bill. But the caucus of the majority party and the Committee on Rules have decided that oil and gas depletion allowances will be considered under this bill, under certain restrictions, and have come up with a terrible and unbelievable rule which was not even available to Members to consider until late this morning.

Amendments to the Internal Revenue Code have generally been considered under a closed rule. This bill, however, is a departure from the general procedures we have followed in this regard. If floor amendments to tax bills are to become the order of the day, then why was the Rules Committee so niggardly in dealing with the scope of the amendment? If floor amendments to tax bills are now the order of the day, why not an open rule on this bill? With an open rule, I am sure there would be a multitude of amendments to the Internal Revenue Code offered on the floor. It appears, however, that the Rules Committee doubts the collective wisdom of the House to deal with tax proposals on an open basis.

In all seriousness, H.R. 2166, as reported, is a most appropriate subject for the House to be considering during this time of severe economic necessity. I am deeply disturbed, however, that we have also had oil and gas depletion allowance issues thrust upon us today. Depletion allowances are not germane to the subject of H.R. 2166 as reported by the Ways and Means Committee. The rules of this House wisely provide for a germaneness rule, yet this House is about to start out early in this session by making a very significant exception to the rules of procedure only recently adopted by this House.

For these reasons I will vote against the rule.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Speaker, I want to point out that the depletion amendment was considered in the Committee on Ways and Means completely, it was debated, it was open for amendment. Only a member of the Republican side tried to cut off the debate in the committee. The problem is, everybody is for repeal of depletion, but the time is always never. Just 2 weeks ago, we debated this amendment in the Committee on Ways and Means.

Mr. WYLIE. But it is a fact that the depletion amendment was rejected by the Ways and Means Committee as a part of this bill.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. YOUNG).

Mr. YOUNG of Georgia. Mr. Speaker, I did not ask for time in the beginning of this debate, because I thought that we would get on with the business of passing this rule and considering the measures which have been brought before the Committee on Rules. However, we have had so much discussion of reform and we have so many additions to the ranks of reformers, I felt obligated to say something about reform and in defense of the Democratic Caucus.

In the first place, reform is really not an abstract principle such as closed rule or open rule. Reform is about serving the interests of the people of this Nation. The only way the interests of the people of this Nation can be served is that this House of Representatives be allowed to work its will.

This House of Representatives cannot work its will in the interests of the people all the time because we are still faced with a coequal body which is laboring under the tyranny of a filibuster, and only one-third of them have come under the judgment of the people since the recent economic crisis.

Two-thirds of them are hangovers from 4 or 6 years ago.

Mr. Speaker, the other thing is that downtown, at 1600 Pennsylvania Avenue, we are faced with a President and a Vice President neither of whom has ever come before the vote of the people for the offices which they hold. Therefore, if the interests of the people of the United States are to be protected and preserved, it is up to this House of Representatives to do so. The power in this House of Representatives comes about because we have been sent here by the people of the United States, and neither the White House nor the other body can make that statement. The power happens to reside in the Democratic Caucus by the will of the people.

So this rule, in response to the Democratic Caucus, is a reform rule, in response not to certain abstract principles but in response to the most recently expressed will of the people in the November elections.

And so I urge the passage of this rule so that a wide variety of amendments can be considered from both sides and so that the will of the people of these United States might be protected by the power which they recently vested in this body.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Georgia. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, may I say to my eloquent friend, the gentleman from Georgia, that he has given an exceedingly eloquent defense of an indefensible position, and I fail to understand how the will of the people can be exercised or how there can be any judgment of that kind when we are limited to 5 minutes of debate for or against on the floor and when we are limited only to those amendments that, by action of the Committee on Rules, we can debate on this floor.

The will of the people is being perverted by this kind of a rule, and I will say that I am distressed to hear the gentleman's position, in contrast to what I usually expect from such a distinguished and intelligent Member of this body.

Mr. YOUNG of Georgia. Mr. Speaker, let me answer that.

I understand the rule provides 4 hours of debate, which will be divided equally between the two sides. I think there will be ample opportunity to have this expression of amendments.

The amendment offered by the gentleman from New York (Mr. CONABLE) was included in the rule. The amendments offered by other minority members, under the provisions of this rule, were given express attention by the committee, and I fail to see the point the gentleman has made.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Georgia. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, I would like to say that the gentleman's argument concerning carrying out the will of the people has been used by corrupt regimes for thousands of years throughout history. It is always convenient to have gag rules, suppressed debate, and the absence of recorded votes.

That certainly has been true in Chile through two successive regimes. I am surprised that the gentleman would resort to that argument.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Georgia. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, my good friend, the gentleman from Georgia, has been such a champion of minorities that I am at a loss to understand his position. We represent the minority over here, and he wants the Democratic Caucus, but a not-too-large margin, to dictate what can happen on the floor of this House of Representatives and whether or not the minority can have an input into the proceedings here.

This bothers me, especially because the gentleman is my very dear friend.

Mr. YOUNG of Georgia. Mr. Speaker, let me say that this rule, I contend, is a rule for the interests of the people of these United States as well as the minority of the House.

Mr. CEDERBERG. I represent those people, too.

Mr. YOUNG of Georgia. Mr. Speaker, in the interest of time I will yield no further to the gentleman.

Mr. Speaker, we have considered in the Committee on Rules the positions of special interests on both sides, and in an attempt to accommodate the needs of the people in this body, I feel we should be able to vote up or vote down these amendments. Therefore, we have constructed a rule to allow this House to work its will, and I hope we will adopt this rule.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

I would like to urge that we vote down the previous question on this rule and do it without delay, so that we can present other amendments and do away with the nongermane amendments to this bill.

Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. BOLLING. Mr. Speaker, I yield myself such time as I may consume.

Before I move the previous question, I would like to say this briefly, with crocodile tears: The Committee on Rules and the Democratic Caucus have no power on this floor.

The only decision that the House can make is the decision that is made on this floor. It is made by a majority vote of the Members of the House of Representatives. That procedure has been the usual procedure.

We will now proceed to have a vote on the previous question. I hope that my colleagues will vote for the previous question, so that there will be an opportunity to vote on the matter of continuing or not continuing the depletion allowance and on a variety of other matters provided for in this rule, and then I hope we adopt the rule.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WYLIE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 222, nays 180, not voting 30, as follows:

[Roll No. 29]

YEAS—222

Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Brodhead
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John L.
Burton, Phillip
Carney
Carr
Chisholm
Clay
Collins, Ill.
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, Dominick V.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Ginn
Green
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Hefner
Helstoski
Henderson
Hicks
Holtzman
Howard
Howe
Hughes
Hungate
Ichord
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Landrum
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
McCormack
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patman
Patten
Pattison, N.Y.
Pepper
Perkins
Preyer
Price
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Sikes
Simon
Sisk
Smith, Iowa
Solarz
Spellman
Stanton, James V.
Stark
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Traxler
Tsongas
Udall
Ullman
Vander Veen
Vigorito
Weaver
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wirth
Wolff
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NAYS—180

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Biester
Boggs
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
de la Garza
Devine
Dickinson
Downing
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Esch
Eshleman
Findley
Fish
Flowers
Forsythe
Frenzel
Frey
Gilman
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harsha
Hastings
Hébert
Heckler, Mass.
Heinz
Hillis
Holt
Horton
Hutchinson
Hyde
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Kindness
Krueger
Lagomarsino
Latta
Lent
Long, La.
Lott
Lujan
McClory
McCollister
McDade
McEwen
McKinney
Madigan
Mahon
Martin
Mathis
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
O'Brien
Passman
Peyser
Pickle
Pike
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Roberts
Robinson
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Skubitz
Slack
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Talcott
Taylor, Mo.
Teague
Thone
Thornton
Treen
Vander Jagt
Vanik
Waggonner
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wright
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, Tex.

NOT VOTING—30

Abzug
Aspin
Barrett
Breckinridge
Brown, Mich.
Chappell
Derwinski
Fenwick
Flynt
Ford, Tenn.
Fountain
Fraser
Hightower
Hinshaw
Holland
Hubbard
Ketchum
Long, Md.
McCloskey
McDonald
Mills
Mosher
Murtha
Patterson, Calif.
Rostenkowski
Rousselot
Staggers
Symms
Van Deerlin
Waxman

So the previous question was ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Rostenkowski for, with Mr. Brown of Michigan against.

Mr. Flynt for, with Mr. Hinshaw against.

Mr. Barrett for, with Mr. Rousselot against.

Mr. Holland for, with Mr. Derwinski against.

Ms. Abzug for, with Mrs. Fenwick against.

Mr. Van Deerlin for, with Mr. Symms against.

Mr. Fountain for, with Mr. McCloskey against.

Mr. Fraser for, with Mr. Mosher against.

Until further notice:

Mr. Chappell with Mr. Long of Maryland.

Mr. Murtha with Mr. McDonald of Georgia.

Mr. Breckinridge with Mr. Waxman.

Mr. Staggers with Mr. Ford of Tennessee.

Mr. Hubbard with Mr. Hightower.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the resolution.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 242, nays 162, not voting 28, as follows:

[Roll No. 30]

YEAS—242

Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brinkley
Brodhead
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Chisholm
Clay
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, Dominick V.
Danielson
Davis
Delaney
Dent
Derrick
Diggs
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fisher
Fithian
Flood
Florio
Flowers
Ford, Mich.
Ford, Tenn.
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Green
Gude
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jacobs
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Landrum
Latta
Leggett
Lent
Levitas

Litton
Lloyd, Calif.
Lloyd, Tenn.
McCormack
McDade
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten
Pattison, N.Y.
Pepper
Perkins
Peyser
Preyer
Price
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Stanton, James V.
Stark
Stephens
Stokes
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wirth
Wolff
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NAYS—162

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Boggs
Bowen
Breaux
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
de la Garza
Derwinski
Devine
Dickinson
Downing
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Esch
Eshleman
Findley
Fish
Forsythe
Frenzel
Frey
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hammerschmidt
Hansen
Harsha
Hastings
Hébert
Hightower
Hillis
Holt
Horton
Hutchinson
Hyde
Jarman
Jeffords
Johnson, Colo.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Krueger
Lagomarsino
Long, La.
Lott
Lujan
McClory
McCollister
McDonald
McEwen
McKinney
Madigan
Mahon
Martin
Mathis
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
O'Brien
Passman
Patman
Pickle
Pike
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Risenhoover
Roberts
Robinson
Runnels
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Stuckey
Symms
Talcott
Taylor, Mo.
Teague
Thone
Thornton
Treen
Vander Jagt
Waggonner
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wright
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, Tex.

NOT VOTING—28

Abzug
Aspin
Barrett
Brown, Mich.
Chappell
Coughlin
Dellums
Fenwick
Flynt
Foley
Fountain
Fraser
Hinshaw
Holland
Ketchum
Kindness
Lehman
Long, Md.
McCloskey
Mills
Murtha
Nix
Patterson, Calif.
Rostenkowski
Rousselot
Ruppe
Staggers
Wampler

So the resolution was agreed to.

The Clerk announced the following pairs:

Ms. Abzug with Mr. Aspin.
Mr. Staggers with Mr. Dellums.
Mr. Rostenkowski with Mr. Foley.
Mr. Patterson of California with Mrs. Fenwick.
Mr. Flynt with Mr. Lehman.
Mr. Barrett with Mr. Brown of Michigan.
Mr. Fraser with Mr. Ruppe.
Mr. Holland with Mr. Hinshaw.
Mr. Long of Maryland with Mr. Rousselot.
Mr. Nix with Mr. McCloskey.
Mr. Murtha with Mr. Kindness.
Mr. Fountain with Mr. Wampler.
Mr. Chappell with Mr. Coughlin.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBER OF THE DEFENSE MANPOWER COMMISSION

Mr. O'NEILL. Mr. Speaker, pursuant to the provisions of section 701(b), title 7, Public Law 93-155, I have today appointed as a member of the Defense Manpower Commission Mr. Arthur E. Haley, of Winchester, Mass.

APPOINTMENT AS MEMBER OF THE DEFENSE MANPOWER COMMISSION

Mr. RHODES. Mr. Speaker, pursuant to the provisions of section 701(b), title 7, Public Law 93-155, I have today appointed as a member of the Defense Manpower Commission, Mr. Britton L. Gordon, of Grand Rapids, Mich.

TAX REDUCTION ACT OF 1975

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2166) to amend the Internal Revenue Code of 954 to provide for a refund of 1974 individual income taxes, to increase the low-income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon (Mr. Ullman).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 2166, with Mr. Price in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Oregon (Mr. Ullman) will be recognized for 1½ hours, the gentleman from Pennsylvania (Mr. Schneebeli) will be recognized for 1½ hours, the gentleman from Pennsylvania (Mr. Green) will be recognized for 30 minutes, and the gentleman from Texas (Mr. Charles Wilson) will be recognized for 30 minutes.

At this time the Chair recognizes the gentleman from Oregon (Mr. Ullman).

Mr. ULLMAN. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the need for this legislation is almost self-evident.

Because of the rising unemployment, because of the increasing recession in this country, economists have universally agreed that we have the grave responsibility of providing a major stimulus to the economy to put it in place as rapidly as possible and to make it applicable in areas where it will provide spending power in the economy.

The Committee on Ways and Means held a series of panel hearings, calling before it the foremost economists and experts in the country, in order to get a broad viewpoint and as much expertise as possible on the subject matter. The experts were almost unanimously agreed that we do need to put into place this tax cut and do it as rapidly as we possibly can.

Mr. Chairman, this is not surprising in view of the sharp decline in economic activity which has taken place recently. Although characterized by marked inflation, 1974 was a recession year. After taking into consideration a 10.2 percent increase in prices, as measured by the GNP implicit price deflator, which is the broadest measure of inflation, real GNP fell 2.2 percent. The decline in output and the rise in prices were especially marked in the fourth quarter of 1974, when real GNP fell at an annual rate of 9.1 percent and prices rose at a rate of 14.4 percent.

The decline in economic activity is pervasive and affects both consumption and investment. Declining disposable income, inflation, and declining consumer confidence have led to particularly sharp declines for durable goods expenditures, which includes new automobiles. Business investment and housing starts have also dropped sharply. As the economic situation deteriorates, unemployment rates continue to rise, from 5.2 percent in January of 1974 to 8.2 percent in January of 1975. The unemployment rate at present is the highest since 1941.

Moreover, economic forecasters are particularly concerned and almost unanimous in predicting that unless we take appropriate action now to cut taxes, the current recession will continue and deepen.

So in view of that preponderance of opinion, the Committee on Ways and Means moved to develop a tax package of sufficient magnitude and dedicated to a particular purpose and with a speed that is designed to accomplish its objective of turning this economy around.

Mr. Chairman, let me very briefly lay out for the Members the format of the measure that we have before us. It has a total revenue impact of around $21 billion. A little over $19 billion of this will occur in this calendar year, and a small portion, something under $2 billion, will be carried over into the next year.

All of the carryover is in the business tax reduction. It is because of the way that the investment tax credit provisions are scheduled, where, if the investment is ordered now but placed in service the next year, it will be taken as a credit then.

Individuals will receive a tax reduction of $16 billion. Almost half of that will be in the form of a rebate on 1974 taxes, and about half of it, in title II, will be a reduction in current 1975 taxes that will go into the withholding stream.

The committee felt that to get the maximum impact it would be wrong to put it all in a rebate, and they also felt that it would not be proper to put it all in a current reduction. Therefore, they divided it almost down the middle, to the point where half of it will be a rebate on 1974 taxes.

The committee also felt that it would be unwise to put the tax rebate, the 1974 rebate, into too high brackets and in too large amounts. It was the feeling of the committee that the more broadly we could spread the rebates on 1974 taxes, the better and more stimulative effect it would have on the economy. Consequently, the committee worked out what I think is a very reasonable and feasible method of applying the rebate based upon a 10-percent rebate, but it built around a $100 minimum and a $200 maximum. If you paid less than $100, you get back what you paid in; but if you paid more than that, you have a floor of $100 and a ceiling of $200. Between the $20,000 and $30,000 levels, the rebate phases down from $200 to $100. Above the $30,000 phase-out figure, you are reduced to $100.

This seems to be an equitable way of doing it. It keeps us from putting too large a benefit in the higher brackets, and again, it gives everyone who pays taxes a rebate on the last year tax. It is broadly based.

Title II of the bill is the part that affects current taxes. It is divided into two major components. About $3 billion of the $8.1 billion involved in the reduction of current taxes is in what we call an earned-income credit, and it phases out at $6,000 of income. It only applies to people who make less than $6,000 of income. The credit is 5 percent of earned income. The maximum credit would be $200 per individual. One cannot go above that. This because it is based upon the concept that almost everyone, even those in the low brackets, pays a payroll tax and that this tax is very regressive. Although we in no way affect or change the social security law, we are in effect rebating to the low income groups below $6,000 most of the payroll tax that they have already paid in those brackets.

It has an additional feature: For those who pay taxes, it applies as a credit; but for those who do not pay taxes, we have a provision whereby they can file a return if they have had earned income and get a refund in that amount.

I think that if we look at the whole spectrum of taxation, we will recognize that this does accommodate a very serious problem of regressivity in the social security tax system.

I think it is a good long-range reform, even though it applies to only 1 year. Remember that title II in all of its aspects applies only to the current year.

The bigger part of title II has to do with the standard deduction and the low income allowance that we already have in present law. It generally conforms with the recommendations of the President—in tax recommendations he made on the energy bill.

The bill increases the minimum standard deduction from $1,300 to $1,900 for single persons and $2,500 for joint returns. It also increases the percentage standard deduction from 15 percent of adjusted gross income with a maximum of $2,000 to 16 percent with a maximum of $2,500 for single persons and $3,000 for joint returns.

These increases in the standard deduction effect a major simplification of the income tax. Almost 10 million taxpayers are expected to shift from itemizing deductions to using the standard deduction. This would raise the number of tax returns that use the standard deduction to almost 60 million, or 72 percent of all returns.

In addition, these changes will grant sorely needed tax relief to low-income families at poverty income levels which have incurred severe hardships in recent years as a result of inflation and especially higher food and energy costs. It will do this by alining the income levels at which taxpayers start to incur tax liability more closely with present poverty levels. For example, as a result of the increases in the low-income allowance and the standard deduction, a single taxpayer will start to incur tax liability at an income of $2,650 compared with the 1975 poverty level of $2,694. Under present law, the tax liability for a single person starts at an income of $2,050—substantially below the poverty level. Similarly, under the new law, a married couple with two dependents will start to incur tax liability at an income of $5,500—or very close to the income level of $5,442 which is deemed to be the poverty level. At present, such a married couple is required to start to pay tax at an income level of $4,300.

So I think this part of the package should have broad bipartisan support. Essentially what it achieves is this: It will, when it is in place, provide that the current poverty line, will be pretty well the lowest level at which people pay income tax. It is designed to meet that objective. We think that it is sound tax policy that we not tax people below the poverty level. In effect this change in the low-income allowance or the standard deduction would assure that people below the poverty line would not be taxed.

In addition, by increasing the standard deduction, we accomplish a really major long-range reform proposal, and that is that over 10 million taxpayers who are now itemizing their deductions would find that with the new higher standard deduction, they would do better by going to the short form and taking the standard deduction rather than itemizing their deductions.

In our considerations in the last year in developing tax reforms in the Committee on Ways and Means we considered this a very desirable reform objective. We had it basically in this form, although with a smaller increase, in the bill that we developed in the committee last year that, for various reasons, did not get enacted into law. The President has basically recommended the same procedure. Therefore we think it is extremely sound.

I might add that the total of $16.2 billion of tax reductions provided to individuals under the three tax reduction provisions that I have just described is designed to grant the relief where it is most needed and where it will be most effective in bolstering the economy; 56 percent of this reduction is expected to be received by taxpayers with adjusted gross income below $10,000, and 90 percent by people with income below $20,000. Your committee believes that concentrating the tax reduction in the low- and middle-income brackets is equitable in that these are the taxpayers who have been affected the most by inflation. Also, a tax cut concentrated in these brackets will be more effective since these people will be more likely to spend the tax cut and in this way increase income and employment.

Going to the third title of the bill, we deal there with the problem of business investment.

It is the feeling of the committee that you can better trigger a turnaround in the economy by combining with the increase in the tax reduction for individuals a reduction to help business investment, through a cut in business taxes.

We provided a reduction for business of about $4 billion. We divided this into two parts, the larger part is an increase in the investment tax credit from the present 7 percent in the case of business to 10 percent, and from the present 4 percent in the case of utilities to 10 percent.

In the past we made a differentiation between the 4 and the 7 percent, giving the utilities a lesser level of investment credit. I think that under past circumstances that was a justified decision, but with the energy crunch, with the tremendous needs for capital in the utility industry for development, and particularly for conversion from petroleum products to coal and nuclear, I think the situation now is reversed, and that the utilities need, and desperately need, the 10 percent.

In addition, to focus the incentive effect of the investment credit on the less profitable utilities which are faced with rising energy costs, the bill increases the limitation on the amount of income tax liability which can be offset by the investment credit in any year from 50 percent of tax liability—above the first $25,000 of tax liability—to 100 percent. This 100-percent limit applies for 2 years and then the limitation is gradually phased back to 50 percent over a period of 5 years. However, to prevent an excessive proportion of the revenue reduction from going to any one company, an upper limit of $100 million was placed on the amount of investment credit that any one utility company could receive from the 6 percentage point increase in the investment credit from 4 to 10 percent—or with respect to other property the increase from 7 percent to 10 percent.

In addition, the amount of used property eligible for the investment tax credit is increased from $50,000 to $75,000. The increased 10-percent credit is to be available for property placed in service after January 21, 1975, and before January 1, 1976. In the case of property acquired pursuant to an order placed before January 1, 1976, the 10-percent credit is to be available if the property is placed in service by the end of 1976. Also, in the case of construction occurring after January 21, 1975, the 10-percent credit is to be available for the portion of the construction occurring before January 1, 1976, regardless of when the property is placed in service. The revenue loss from these changes in the investment credit is estimated at $3.9 billion—of which $1.5 billion is expected to occur in 1976.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 3 additional minutes.

So we are increasing the investment credit across the board to a 10-percent figure.

The second part of the business tax provision in title III also is important. It increases the present surtax exemption, which is $25,000, and is applicable to all corporations. The first $25,000 of earnings of corporations are taxed at 22 percent under existing law. This was put in place many years ago. To accommodate the problems of inflation, we in this bill have increased that $25,000 to a $50,000 level. It will give a benefit to all corporations but a proportionately much bigger benefit to smaller corporations. I think this is the way that we can help the small corporations more than any other device that we can put into the Tax Code.

So, up to the first $50,000 of corporate income the tax will be 22 percent, and from then on it will go to the level of 48 percent. This, then, constitutes the total package that we have before us.

Let me relate very quickly, then, to the other matter. I think one of the most important parts of this package is the speed with which we act to get it into place. If we can pass this bill today—and I hope that we have widespread support for it—and if we can keep it clean and free from extraneous matter, then I am positive that it can go over to the other body and be acted upon very expeditiously within a matter, hopefully, of a few days so that it can get signed by the President. If we can move this rapidly, we can get it into the spending stream on the first of May. We can get the rebate checks in the mail so that the first will arrive the first of May, and shortly after the first of June the final checks can be delivered. This is extremely important. The speed with which we get this in place will have almost as much to do with its impact on the economy as the amounts that we deliver.

If we can act expeditiously we can get the withholding stream changed. We can get an increase in take-home pay on the part of millions and millions of Americans in place by the first of May.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 2 additional minutes.

We think that this is extremely important. Later in the debate I will relate a little bit more fully as to the extraneous problems that have been raised. As I think the Members of the House know, I have been extremely concerned about keeping this bill clean, keeping it a tax measure that goes to the economic problem, and not relating it to any reform procedures. Under the rule there will, however, be two amendments made in order having to do with the depletion allowance. I will oppose them both. I will hope that the House votes both of them down. I think that is our best assurance that we get rapid action, that we respond to the needs of the economy, that we demonstrate to America that we are responsive, that we are responsible and that we know how to legislate rapidly to meet a particular problem, and that we avoid the fuzzing-up kind of procedure that gets us entangled in all kinds of delay problems.

If this bill goes clean to the other body, there will be immediate action. If we attach depletion on it one way or the other, if we adopt the Wilson amendment, there will be those in the other body who will say that is too much of an oil company amendment and, therefore, it ought to be cleaned up. If we do not and just pass the Green amendment, then we are sure that there will be continual delays over there and the procedures will be slowed up measurably.

The Senate will be involved in writing all kinds of substitute procedures that will involve delay.

I very much urge the Members to support the bill as it is written. That is the way it will most effectively meet the challenge that the House has before it today.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, my colleague the gentleman from New York (Mr. CONABLE) will explain in detail his substitute, but before I get into the Green amendment, I would like to make some comments on the Conable substitute with which I concur and which I support most heartily.

First, the Conable amendment would provide a one-shot rebate of 1974 taxes on a graduated basis, which is desirable if we wish to reduce taxes, for total losses to the Treasury of $12.2 billion. This, of course, would have an immediate stimulative impact or consequence, 50 percent greater than that in the committee bill, that is, 50 percent more being refunded on rebate, hopefully in the month of May.

Second, the substitute would provide a maximum rebate per return of $430 per person, more than double the maximum provided under the committee bill. The larger payments of the substitute would result in more widespread consumer buying, including, presumably, the so-called big ticket items. To stimulate the economy, what we are talking about is home construction, automobile purchasing, and appliance buying, all large ticket items. With the committee bill, in my opinion, which is for a maximum rebate of $200, we are not going to have a very great stimulative effect in this area.

Third, the substitute would provide greater tax relief to millions of middle-income taxpayers than the committee bill would. This has been articulated most effectively by the AFL-CIO, which has pointed out that among other things almost half the taxpayers in the broad income range between $10,000 and $20,000 would receive no relief from title II of the committee bill. The view of the AFL-CIO with respect to title II is cited in greater detail in the minority report to the committee report, and I commend it to the attention of the Members.

Fourth, whereas title I of the committee bill would provide some immediate economic stimulus, title II goes well beyond that to make substantive changes which would apply in the next taxable year—changes which obviously do not respond to the need for stimulus now and which will not necessarily be responsive to the needs of the economy a year from now.

I address myself now to the problem of amendments relative to the depletion allowance. I am opposed to the proposal by the gentleman from Pennsylvania (Mr. GREEN) relative to his elimination of the depletion allowance, and as it would be modified by the Wilson amendment.

The Wilson amendment was never presented to our committee. Our committee finished action on this bill last week. The Wilson amendment was first called to the attention of the House in a Democratic Caucus last Tuesday. I still have not seen a copy of it. It is 19 pages long.

Mr. CHARLES WILSON of Texas. Mr. Chairman, will the gentleman yield

Mr. SCHNEEBELI. I yield to the gentleman from Texas.

Mr. CHARLES WILSON of Texas. Mr. Chairman, the gentleman would agree there has not been an opportunity for me to present this amendment to the Ways and Means Committee, would he not?

Mr. SCHNEEBELI. That is one of my complaints, that the gentleman has not had the chance.

Mr. CHARLES WILSON of Texas. And that the data we have compiled and used in making our case has never been considered by the Ways and Means Committee—would the gentleman agree with that?

Mr. SCHNEEBELI. That is another complaint I have. The complaint I have is that we have not had the opportunity to look at it. We have not looked at it and it is a piecemeal approach to the problem. Here we are concerned about the matter of $3 billion on a matter that was presented to the Democratic Caucus on Tuesday. Most of the members of our committee have not seen the amendment. In fact there is a great difference of opinion as to what the impact of the amendment will be. In order to gage the impact of the amendment we went to the industry itself, the Joint Committee on Internal Revenue Taxation and the Treasury Department and we said: What does this all mean? What are the dollars and cents figures on this amendment? Their estimates ran all the way from a reduction of the depletion repeal intake to the Treasury of 12.6 percent to 40 percent.

Now, we are talking about a percentage of $3 billion. This is a lot of money. We should know what we are doing. We do not know what we are doing.

Furthermore, I am advised that we need technical amendments to the Wilson amendment. I do not know whether they have been taken care of. I doubt it very much.

I would like to ask the question: What is the big rush for this depletion deal? Our committee on Monday of next week takes up the matter of energy taxation. We would like to consider everything at one time. We have the question of a windfall profits tax. We have the question of an excise tax on domestic and foreign production on imports to this country. We have the question of the depletion allowance.

Why should we proliferate the subjects covered in this bill, and take up one subject in the energy field at this time, when we have plenty of time to deal with energy matters when the committee starts 2 weeks of hearings on Monday on this very subject?

The committee chairman has promised that before the end of April we will have a complete energy bill on the floor. At that time, when we bring the bill to the floor we can address ourselves to the same problem as addressed in the Green and Wilson amendments. We can recommend them to the House after we have had time to look them over and after we get some mature judgment on their impact and effect.

So I ask that action on this be deferred until your committee has a chance to look it over. At that time, when we bring out a bill in April, we can cover all the subjects that are covered herein and we can give the House a balanced judgment on the whole package.

In fact, many of us who opposed the inclusion of the Green amendment in this bill have already voted in committee to vote out depletion. Many of us who opposed the inclusion of the amendment in this bill are not opposed to the elimination of the depletion allowance. We have already voted on the matter. As many will recall, in the tentative decisions we made on the Comprehensive Reform Act last year, the depletion matter was taken up. The bill said there would be either a phaseout or limitation of depletion over 2 years time. We addressed ourselves to that question and many of us voted to phaseout depletion. However, we do not like this rush act on depletion in this bill, because this depletion amendment intereferes with the consideration and quick action on what we hope is a fast return of this tax rebate to the public.

I would also like to call to the attention of the House that we have a lot of company in our opposition to the consideration of depletion in this bill.

Let me read a letter which all the Members of Congress received from the President of the AFL–CIO. It is a letter sent to each of the Members, dated February 11, 1975, as follows:

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL
ORGANIZATIONS,
Washington, D.C., February 11, 1975.

To all Members of the House.

DEAR CONGRESSMAN: We in the AFL–CIO are deeply concerned at reports that an amendment repealing the oil depletion allowance will be attached to the tax cut measure on the floor of the House.

We are completely opposed to the oil depletion allowance but we consider such an amendment now would be a serious mistake.

The tax cut package by the Ways and Means Committee is a substantial improvement upon President Ford's proposal. The Committee bill would increase the buying power of low- and middle-income families, thus greatly stimulating the economy. That stimulus is of overriding importance.

To provide its greatest benefit to the economy, the tax rebate and cut must be passed as quickly as possible. Adding repeal of the oil depletion allowance to the Committee bill would almost certainly lead to a filibuster in the Senate and, thus, delay getting the tax cut into the hands of consumers.

The AFL–CIO believes that, as soon as the emergency tax package is passed, the Ways and Means Committee should begin work on comprehensive tax reform, with repeal of the oil depletion allowance a "must" item.

Therefore, we urge every member of the House to support quick passage of the Committee bill and to oppose any amendment that might delay enactment of a measure the economy so desperately needs.

Sincerely,

GEORGE MEANY,
President.

In summary, I ask for approval of the Conable substitute, which the gentleman from New York (Mr. CONABLE) will describe in greater detail.

At the same time, I would urge that we vote down the consideration of the depletion allowance at this time and let your committee consider it in a well-balanced energy tax bill, which we should have on the floor here within 6 weeks.

Mr. SCHNEEBELI. Mr. Chairman, I yield 10 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, during the French and Indian War, immediately prior to the first battle of Lake George, the provincial commander, a man by the name of Sir William Johnson, heard of a large French Army coming down the road from Crown Point. He ordered 500 Indians and English provincial soldiers out along the road in the direction of the French Army.

The wise old chief of the Mohawks, Hendrik, hearing about this, came to Sir William to complain. Sir William said, "Why do you wish to speak to me?"

Hendrik said, "What is the purpose of sending these men? If they are to fight, they are too few. If they are to die, they are too many."

The distinguished chairman of my committee, the gentleman from Oregon, has said that the purpose of the Ways and Means Committee bill is almost self-evident. I submit that it is not self-evident. If the purpose of this bill is to stimulate the economy, it is too little. If it is to erode the tax base, to redistribute the wealth, to reform taxes after 3 or 4 days of deliberation only, it is too much.

It seems to me there are many problems with this committee bill, Mr. Chairman. It does not serve the purpose that is announced for it. It is hastily prepared and not well thought out. Title II, in all probability, will be a permanent change in the tax structure.

It works against middle-income taxpayers who already shoulder most of the tax burden. It cuts the tax base when our greatest problem is recurring deficits.

Forty-six percent of those between $10,000 and $20,000 of adjusted gross income will get no benefit at all. These are the ones who itemize because their deductible expenditures are above the average. Such an omission is an invitation to the Senate to add further tax cuts to the bill and to a deficit already perilously high.

Now, Mr. Chairman, there is a substitute that bears my name. I must say that it is a joint effort of the Republicans on the Ways and Means Committee. I think it is far preferable to the committee bill.

It rebates to middle-income taxpayers, who also are strapped by inflation like others, in an amount more commensurate with their portion of the overall tax burden. Those who are in the low-income category still receive a sizable rebate. It is weighted to those with low income—and make no mistake about that—but it does give greater recognition to the middle class, which carries the great bulk of our tax burden. It is based on 1974 taxes, a rebate of taxes already paid, and is therefore temporary. Next year, if further stimulation is required, it can be added at that time.

The committee bill adds a permanent stimulus through a permanent tax structure adjustment. The substitute bill provides maximum rebates as high as $430. Two hundred dollars is the cap for high-income taxpayers, and this margin of rebate will permit a much more substantial boost to the economy at the very point where the slack is the greatest, in durable goods.

If we want to encourage big ticket item purchases, how foolish of us to give no more than $100 or $200, the amounts provided by the committee bill.

The substitute is a one-shot, $12.2 billion immediate infusion of funds which will pack a bigger wallop than the immediate cuts of $8.1 billion provided by the committee bill. The rebates will be paid at one time rather than dribbling them out via the withholding system. The title II provisions under the committee bill will, of course, have to be passed out through withholding on the 1975 tax. A portion of the committee rebates would not be paid until spring of 1976.

It also seems to me, Mr. Chairman, that the total amount of the substitute is about right, $17.3 billion, in contrast to the more than $21 billion of revenue lost in the committee bill.

I wish to point out the substitute does not change the committee bill with respect to business taxes, which amount to roughly $5.1 billion.

We want to stop recession without setting off another round of inflation.

The proposed 1976 budget deficit, $52 billion plus the $17 billion which apparently is not going to be deferred and rescinded, includes a $16 billion tax cut. Any amount over that increases the defict, increases the probability that we will ratchet inflation and interest rates to a new higher plateau than they have ever been before.

Mr. Chairman, I do not think the substitute is a panacea. I think the economists, who have come before our committee, were in general agreement, however, that the economy does need a wallop at this point. We have had a downward spiral of recession during the past 4 months. It is my hope that this body will accept the substitute that will deal with the specific problem facing us now rather than accepting a committee deal that is neither fish nor fowl, that is too much or too little, depending upon its purpose.

It is within the capacity of Congress to move wisely with respect to economic matters. I think this issue is a test as to whether we are equal to the challenge.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Chairman, there is so much to talk about in this bill that it would be difficult to do it in the few minutes allotted to me. My colleague from New York has talked about some of what I feel are major problems with the general tax portion. I would like to spend just a few minutes talking about the amendments which I intend to offer to the Wilson amendment at the appropriate time.

First, I would like to say to my colleagues that the depletion allowance has, unfortunately, come under severe and, I believe, misguided political attack; but it has been the finest capital accumulation tool for the production of energy in this country since its institution, and it has permitted the consumers in this country to enjoy the cheapest energy prices of any country in the world. To do away with it at this time, when we are desperately seeking energy independence domestically, I think would be a great mistake. This is particularly true when we know that the outstanding energy economists in this country predict that we will need $1 trillion of additional capital investment in the next 10 years in order to produce the energy that America needs. That trillion dollars must come primarily from internally generated profits or from outside capital investment because banks and lending institutions will put up no more than 25 percent.

In order to attract this capital, the depletion allowance, is an essential tool, particularly to the independent oil operator. I think that we will pay a rich price as consumers in this country in years to come if, as a result of any action this Congress might take, we eliminate the oil depletion allowance.

In fact, simple arithmetic shows us that the oil depletion allowance on $10-a-barrel oil would be $2.20. If it is removed, any producer who is in the 50 percent tax bracket must recover $4.40 a barrel in order to be even economically and retain the same necessary return on invested capital.

That means that on domestically produced new oil, when we eliminate the depletion allowance, we are ultimately passing on a tax to the consumer of 10 cents a gallon on gasoline. We will either see this passed on in higher prices to the consumer in order to compete for capital in the competitive capital markets, where return on invested capital is the barometer for that invested capital, or we will not have the production of oil, because the return will not justify the investment of rich capital. For example, today the projected cost of producing new oil from the Outer Continental Shelf is now $12 to $14 a barrel in order to produce a 15-percent return on invested capital—and this assumes continuation of the depletion allowance.

So let us know what we are doing when we talk about eliminating the depletion allowance, because every $2.20 that we return to the Treasury will cost the consumer $4.40 in the price of the product that is made from domestic oil.

Mr. Chairman, with respect to the two amendments, the first one would give thrust to the Wilson amendment. The Wilson amendment, which the gentleman from Texas will tell us about later, is an effort to keep in business the small operator, the wildcatter, the independent operator, who drills 88 percent of the wells that are drilled onshore domestically.

I think it is absolutely essential to our domestic effort that we continue to give that independent the incentives that he needs.

My first amendment is a rather technical one. It is an amendment which would merely fulfill the promise that the gentleman from Texas (Mr. CHARLES WILSON) has in his amendment, the promise that the independent will have a 3,000-barrel-a-day exemption from the elimination of the depletion allowance. It is very important, because it relates to the common practice of working interests in the oil and gas business, where a small independent actually goes out and drills the holes very frequently for a large major company and yet the small independent has only a small percentage of that joint venture or partnership. The arrangement is generally a joint venture.

Mr. Chairman, the Wilson amendment, I think unintentionally, has the possibility of denying to that independent his share of the oil produced from that joint venture, which would otherwise under the 3,000-barrel limitation be exempted from removal of the depletion allowance, and my amendment would assure that this does not happen. The committee staff tells me that this amendment would result in a negligible cost, with respect to the Wilson amendment.

Mr. Chairman, the second amendment relates to natural gas, which is in very, very short supply in this country today. If we are going to control the price of natural gas, which we are doing in America today through the Federal Power Commission, we must in my opinion continue to permit the depletion allowance to stay in place. Otherwise, we are not going to get the natural gas that this country desperately needs.

Just this winter, several weeks ago, 1,200 steelworkers were laid off, in spite of the fact that the orders in the steel business far outstripped the capacity of the steel industry to produce. They were laid off because there was no natural gas to operate the steel mills. We are going to take a very severe economic loss in this country if we, on one hand, regulate artificially at a low level the price of natural gas and, on the other hand, take away the depletion allowance which has been permitted on gas produced at a lower price level.

Once again, the same economic factors come into play. For every dollar that we take away in depletion allowance for natural gas, the consumer will pay $2 or else the gas will not be found, because the producers have to compete in the capital markets for return on their invested capital.

It seems to me that if we are going to take the position, as my colleague on the Committee on Ways and Means, the gentleman from Florida (Mr. GIBBONS), has so ably stated in committee on many occasions that the market price should take care of the depletion allowance and that there should not be any particular special tax benefit, then we should adopt my amendment, which says that if we do not let the market price apply and if we control the price through the Federal Power Commission, we should continue to permit the depletion allowance to be taken on natural gas. Under my amendment when price regulation is eliminated, which I hope it will be soon, there would be no further depletion allowance.

It is only equity, where producers have invested risk capital on an economic premise, that the depletion allowance would be there, and they have discovered gas and that gas has been regulated by the FPC at a low price to permit them to continue to fulfill their contracts under Federal price regulation with the depletion allowance that they took into consideration when they produced that gas at that cheap price to benefit the consumers.

Therefore, Mr. Chairman, both amendments which I will offer, and unfortunately, I will only have 5 minutes on each at the time of offering them under the rule, are highly constructive. They do not go as far as I would like to see us go to benefit the consumer, but they will help to a significant degree.

I think any elimination of the depletion allowance is a total mistake, but if this House does eliminate it, it should protect these two vital areas, the independent and natural gas suppliers, and in doing so help to assure more available and reasonably priced energy to the consumer in years to come.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to a member of our committee, the gentleman from Ohio (Mr. CLANCY).

Mr. CLANCY. Mr. Chairman, I favor the thrust of the legislation which we are presently considering, with regard to the tax rebates and the changes in the investment tax credit and the corporate surtax exemption. However, consideration of the changes in the standard deduction contained in title II and the proposals relating to the elimination of the percentage depletion allowance should be deferred until such time as general tax reform measures are considered.

I am in favor of the Conable substitute to title I and title II of H.R. 2166. Under the Tax Reduction Act, it has been estimated that 12.1 million taxpayers, or approximately 46.2 percent of taxpayers with adjusted gross income between $10,000 and $20,000 would receive no tax benefit under title II of H.R. 2166. The majority of these taxpayers are residential homeowners who usually itemize on their Federal tax returns and who have substantial tax deductions relating to their homeownership. These tax deductions include local property taxes and interest on home mortgages. Additionally, those taxpayers with large medical expenses or casualty losses would receive no benefit from the tax reductions contained in title II, in that they also would continue to itemize on their Federal tax returns.

I believe that the Conable substitute is a viable alternative to title I and title II as contained in H.R. 2166. The Conable substitute would provide for a one-shot tax rebate of $12.2 billion and would delete title II of the Tax Reduction Act. This rebate would be on a graduated scale with those in the lower income brackets receiving a larger percentage rebate based on 1974 tax liability. The maximum rebate under the Conable substitute would be $430.

It is the purpose of the legislation before us today to provide an immediate economic stimulus, to curtail the downward slide of our economy and to restore economic growth. I believe that the business tax reductions in title III of the Tax Reduction Act are an effective means of stimulating the economy. The increase in the investment tax credit and the corporate surtax exemption will alleviate the twin problems of increases in the cost of inventory and the lack of working capital. These measures will result in expanded employment, productivity and output, as well as combating inflation and recession. Taking into consideration what inflation has done to small businesses, the business tax reductions may help to bring the costs in line with inflation, while also providing stimulus for economic growth and needed employment.

For these reasons, I favor the thrust of this legislation, but express grave reservations with regard to inclusion of title II and the proposals relating to the elimination of the percentage depletion allowance in this bill. While changes in the minimum standard deduction and the percentage stnadard deduction are necessary and vital to a number of taxpayers and many Members believe that the percentage standard deduction are be eliminated, such changes should be considered and better dealt with in general tax reform rather than in the Tax Reduction Act. Since general tax reform measures will be considered by the Ways and Means Committee early this spring, changes in the standard deduction and the percentage depletion allowance should be deferred until that time, and the House should deal only with immediate rebate measures in the Tax Reduction Act.

Mr. ULLMAN. Mr. Chairman, I yield 4 minutes to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman from Oregon for giving me this time.

Mr. Chairman, I know my voice will be just like a small cry in the wilderness today, but I have a conscience, and I feel I must speak up against the tax reduction and the tax rebate which is the main issue in the bill before us. We are getting ready to spend $21 billion we do not have to spend.

I, certainly, am not against a reduction or a tax rebate to the people of this country if the money is available but, my colleagues, we all know we are getting ready to have a $50 billion deficit budget in this fiscal year. If we take the $21 billion that is involved in this bill, this further adds to an unbelievable and uncontrollable Federal debt. This deficit spending will further add to the flames of inflation. The problem now is that the Government borrows all the money from the banks and savings and loans which in turn causes high interest rates and leaves no money for business and business expansion.

In effect, Mr. Chairman, it seems to me that in taking up this bill today that we have the cart before the horse under this proposal. I know that about half of the Members of this Congress have served in State legislatures. In the State legislatures when one would bring up a bill that was going to cost more money than there was in the Treasury, before you would bring the bill up you brought up some tax measure to pay for that proposal.

So, as I say, there is no question about it but that we have the cart before the horse. We do not know where in the world we are going to get the money to take care of the tax rebate and the tax reduction.

Quite frankly, Mr. Chairman, I have not heard from the people back home, asking for a tax reduction or a tax rebate. The people I represent realize that further deficit spending is not going to solve the recession. They are interested in straightening out the energy situation. They think that the recession will take care of itself, if the Government does not kill private enterprise and will let supply and demand work.

About the only ones whom I have heard say that this is going to work, and that this might pull us out of the recession, are a bunch of economists, and the economists in this country have a pretty good record of being wrong in most things that they have predicted.

I am opposed to the bill, and I hope it can be defeated.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN of Tennessee. Mr. Chairman, I generally am opposed to deficit financing and a deficit budget, because when this Government has a deficit there are just two places we can get the money for it, and the chief source is usually in the money market. When we borrow money it automatically causes interest rates to be higher then they normally would be.

I was one of those on our side who supported the depletion phaseout last year in the committee. I think perhaps maybe I was the only one. But there is a proper place for that legislation. This legislation is designed to stimulate the economy, and is not a tax reform act. To tack nongermane amendments to the legislation will prevent the speedy tax cut the economy so badly needs.

I also support the Conable substitute.

Mr. SCHNEEBELI. Mr. Chairman, I yield 4 minutes to the gentleman from North Carolina (Mr. MARTIN).

(Mr. MARTIN asked and was given permission to revise and extend his remarks.)

Mr. MARTIN. Mr. Chairman, having been persuaded by consistently uniform testimony that the flagging economy needs the quick stimulus of a simple, modest tax rebate, nevertheless, I cannot accept and must oppose the package of tax reductions in H.R. 2166. Specifically, I object to five features of title II:

Its inflationary aspect;

Its permanence;

Its tax cut for people who do not pay taxes;

Its tax cut for people who do not have substantial debts; and

Its erosion of the incentives of the charitable deduction.

The inflationary aspect of title II arises from the magnitude of the revenue loss and more especially from the timing of the tax impact of title II. In view of the $75 billion deficit now expected for calendar year 1975, because of revenue losses as a result of the business recession, it is irresponsible to enact a semi-permanent tax cut which will continue to stimulate the economy long after recovery. While the one-shot, stimulative tax rebate of title I will come in advance of the recovery at a time when the $8 billion in increased consumer buying power could help generate jobs and production, the more prolonged stimulus of the decreased withholding under title II will be inflationary. The additional $8 billion is just that much more debt that must be financed, in competition with private borrowing, thus increasing the upward pressure on interest rates.

The permanence of title II is another great concern. The two basic changes of this title are proposed for only 1 calendar year. Once this tax advantage is granted to the two favored classes of citizens, however, it would be extremely difficult to reverse the change in the future. The new advantage will not then be viewed as a 1-year bonus, but as an inherent right. Any future decision to return to 1974 tax structures would be regarded by these beneficiaries as a penalty.

Title II incorporates a novelty tax cut for people who do not pay taxes. This nearly $3 billion "refund" of the "earned income credit" institutes a negative income tax for many whose adjusted gross income is less than $6,000. Such a fundamental and profound change in tax policy has no place in a bill to provide a stimulative tax cut. It should stand on its own if the Congress conscientiously advocates such a concept; it should not, like the camel's nose, be slipped under the tent in this way. Once the principle is established at this relatively cheap level of $200, the philosophical objection will have been overcome; and the next step will be to fatten the payoff for those for whom the unsuccessful 1972 candidate for President advocated a guaranteed income of $1,000 apiece. This free lunch concept has no place in a sincere bill to remedy the problems of the economy. It is a political sellout that can only weaken the economy. In simplest terms, people who pay no taxes should not participate in a tax cut.

Title II provides a discriminatory tax cut for people who do not have substantial debts. The extra $5 billion conferred upon taxpayers who do not itemize their deductions bestows upon them an advantage—and listen to this—an advantage not shared by their neighbors of similar economic condition who also happen to be obligated for mortgage payments on their home. Generally mortgage interest deductions determine whether a middle-income taxpayer itemizes deductions or uses the standard deduction. In principle, such a permanent tax adjustment should be accompanied by offsetting new revenues, which is not the case here. The most serious hazard of this approach is that a tendency to gradually but steadily raise the standard deduction will encroach upon the viability of the charitable deduction.

Few Members of Congress—or their constituents—openly advocate a frontal assault on the charitable deduction. Yet it cannot be denied that one practical—however unintended—effect of making the standard deduction more attractive is that it will steadily erode the benefit of the charitable deduction to increasing numbers of taxpayers, as well as the churches, schools, nonprofit service institutions and other charities of their choice.

I will support the amendment to be offered by the gentleman from New York, because it will eliminate these objections. If the Conable amendment alone is accepted without other amendments, I will vote for passage of this bill. If the remedies of the Conable amendment are rejected, then I must continue to oppose the bill because of its glaring deficiencies.

I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, did I understand the gentleman to say that if a person takes the standard deduction on his 1975 income tax return he would receive the tax reduction provided for by this bill, but that if the same taxpayer itemizes his expenses he would not receive the benefit of said tax reduction?

Mr. MARTIN. That is true with regard to title II of the bill H.R. 2166. That is, the person who itemizes the deductions would get the same benefits as anyone else in the rest of the bill, but he would not get the additional preferential benefit under title II, the increase in standard deduction. Of course the person who has substantial local taxes or substantial interest to pay would ordinarily itemize deductions, and therefore would not get that extra tax break bestowed in this bill upon the person of similar income who does not itemize.

Mr. WYLIE. Does the gentleman regard that as a glaring omission in title II of this bill, the fact that the person who itemizes deductions does not get the same reduction benefit?

Mr. MARTIN. Yes, except I would not say it was an "omission" but I would call it a "commission." I think it is a discriminatory provision and I think it is intentional, I will say to the gentleman.

Mr. SCHNEEBELI. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. STEIGER), a new member of our committee.

Mr. STEIGER of Wisconsin. Mr. Chairman, I rise in support of this bill. I do so, I admit, with some reluctance because it is not quite what I would like to see us do and I hope the amendment offered by the gentleman from New York will be adopted.

There are some points that legitimately the House ought to consider when we discuss the issues involved in this bill. The first is that which goes to the extent to which in our effort to achieve stimulus to a badly sagging economy we do in fact erode significantly the tax base upon which at some point in the future all of us as people in this country are going to be asked to continue to pay and share the burden for financing the Federal Government. I am satisfied that in title II of the Ullman bill we are making permanent tax changes which do in fact erode the tax base. Beyond that it distributes the money available for the economic stimulus in 1975 through the adjustments in withholding in a way that effectively minimizes the extent to which something like 46 percent of the people in this country can benefit. Those who itemize are not recognized in title II even though I recognize that under title I the committee has made an effort to try to reconcile the oversight of what they did in title II.

Insofar as the investment credit is concerned I would want to make sure the House does understand that as a result of the discussion which began with the gentleman from Texas (Mr. BURLESON) and the gentleman from Texas (Mr. ARCHER) and me, the law for the investment tax credit is being modified to take cognizance of the progress in payments in recognizing the time at which the investment tax credit will be available. There is a discussion on pages 12 and 13 of the committee report of this provision of the bill and I think it is important that the Members of this House take cognizance of the fact that for those industries around this country which have long leadtime items, there will now for the first time be a recognition of the fact that they do not have to place the item in service before the investment tax credit is available.

Let me, Mr. Chairman, with the few seconds remaining on my 3 minutes also say that I very much hope the oil depletion allowance, whether in the form of the Green amendment or the Wilson amendment, is not dealt with in this bill. I think it would be a serious mistake for the House today to adopt any one of the provisions that deal with oil depletion. That is something that the Ways and Means Committee will deal with.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield the gentleman 30 additional seconds.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate very much the gentleman from Pennsylvania (Mr. SCHNEEBELI) yielding me this additional time.

The chairman of the Committee on Ways and Means has said that we will have something like 90 days to deal with the energy problem. That is the point at which the public policy deserves to have this dealt with. Good public policy means we should turn down the Green and Wilson amendments, pass this bill as quickly as we can and hope the other body does not tack on to it much more than we have in it.

Mr. SCHNEEBELI. Mr. Chairman, I yield 3 minutes to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Chairman, I want to congratulate the chairman of the Committee on Ways and Means, the ranking minority member and all the other members for having brought this bill out, and with some expedition. It is not a simple bill. It took some time.

I think that in the main the time was well spent. I hope I can vote for the bill. I intend to vote for it if the Conable amendment is adopted and if the proposed amendments having to do with depletion are not adopted.

Mr. Chairman, I voted with the majority in cutting the depletion allowance to 22 percent some years ago. It is very possible that if the Committee on Ways and Means brings out a bill reforming the tax structure, and a case is made for the repeal of the depletion allowance, that I would vote for repeal. But if it is to be brought up as an amendment without proper consideration, I shall certainly vote against that amendment. If it is adopted, I shall certainly vote against the bill.

I think we should all recall that one of the reasons for this bill being brought here with some haste is the fact that we have a shortage of domestic petroleum. We would like to cut down on imports of petroleum. Of course, one of the ways to do this is to increase, or at least to hold the level of domestic supplies.

Now, I do not know how much petroleum the depletion allowance is responsible for. I do not know how much drilling there would be without it; however, I certainly think it is a pertinent question to ask as to whether or not if we were to adopt this bill with the proposed amendment that we might be going the wrong way. We might actually be doing something which would reduce the exploration of oil in the United States and possibly reduce domestic supplies right at a time when we should be trying to increase them.

Now. I think it should also be understood that this bill should have come up after a vote on the prospective veto of the other bill which the Committee on Ways and Means has brought out this session, which defers the right of the President to impose an import tax on crude oil. I say this because when we vote on this bill today it will be impossible for us to tell whether or not we are adding to the deficit, which we will experience in fiscal years 1975 and 1976. If the bill which I mentioned is vetoed and the veto is sustained, then there will be funds coming into the Treasury which can be recycled, which can be rebated and can go to stimulate the economy of the United States in the consumer goods area without adding to the deficit. If the reverse is true, if the veto is overridden by both Houses of the U.S. Congress, then the tax cut which we may vote today will be as inflationary as any tax cut ever has been, because it adds to an already massive deficit for each of these years.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield the gentleman from Arizona 1 additional minute.

Mr. RHODES. It will go to add to the deficit, which is already a horrendous deficit, wildly inflationary, and will in my opinion not be in the best interests of the country.

I mentioned the Conable amendment. I think it is very important that title II be stricken. Title II, of course, is supposed to last for only 1 year, to provide certain tax relief for only 1 year.

Of course, I think everybody knows that one of the most permanent things in Washington is a temporary vote for tax relief. We just almost never restore such cuts. It is there, it is in the books, it is going to stay there.

I am just afraid that again we will have adopted a measure which will have the effect of permanent alteration of the tax structure of the United States without really knowing exactly what we have done to our revenue base for the future.

I hope I have spelled out what I hope the bill will look like when we finish with it, because I really hope that I can vote for it. I think the country does need a shot in the arm as far as the economy is concerned. I know the taxpayers need some relief, and I certainly am willing—since I voted against a lot of the spending measures—to go further and reduce the burden on the taxpayer.

But, Mr. Chairman, I cannot see my way clear to doing this at the expense of further inflation of the economy.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. BAFALIS).

Mr. BAFALIS. Mr. Chairman, my objections to H.R. 2166, which are shared by many of my fellow minority members on the Ways and Means Committee, are stated in my views which accompanied the committee report and have been basically stated by other Members here today already. I would like to address only briefly one aspect of H.R. 2166, the "earned income credit," included in title II of the committee bill, which is in reality a "negative income tax" for many persons with incomes up to $6,000 per year. The credit is refundable to persons whose tax liability—computed without regard to the credit—is less than the credit itself, to the extent of the difference between the two.

The credit is also an alteration in the way our social security system and benefits thereunder are funded, in a certain sense beginning funding of social security benefits out of general revenues, inasmuch as at present revenues and benefit payments under the system are closely matched from year to year.

In my opinion, this bill is not the place for the introduction of either a negative income tax or a fundamental change in funding of our social security system. The questions in these areas are so complicated, and the mechanics of any possible solutions so involved, that much more deliberate consideration legislatively is required than has been possible in the short time in which this bill was fashioned. Provisions such as the earned income credit in title II of the bill have basically made H.R. 2166 an income redistribution bill, at a time when we were thought to be attempting enactment of an emergency economic stimulation tax package.

If we are here enacting an income redistribution bill, however, and if the principal thrust of this bill is to provide relief for millions of hard-pressed Americans, including many on lower incomes, at least this bill should be evenhanded in its operation. The earned income credit is not evenhanded. It does not uniformly grant relief to people on lower incomes. Because of the way in which this credit is computed, payments will be made only to certain Americans with income below $6,000 per year. This provision grants a 5-percent credit on earned income up to $4,000 per year, with a phase out of this credit as income rises to $6,000 per year. As the credit is computed on earned income, and as "earned income" is defined, this credit does absolutely nothing for millions of Americans with low incomes who have some of the greatest needs. I am talking about people, many of them elderly, who receive social security benefits. This bill, the majority's income redistribution bill, grants no relief for any such people, arbitrarily excluding them from participation. If we are to attempt to help many lower income Americans in this bill, which was put together in a single week, we should at least attempt to do so fairly. Haste in enactment is no excuse for inequity.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. Mr. Chairman, I do not expect to get into the intricacies or the technicalities of tax legislation. I am just a lawyer. I do not understand all the economists that testified. I do not understand all the tax experts. All I understand is what the people back home are talking about.

We have had, I would say, roughly a 180-degree change of position by the administration since last October, when our President and his advisers were recommending a tax increase. That is, a 5-percent surtax; an effort to increase the revenues in order to pay for some of the expenditures that are thrust upon this administration and the taxpayers by the big spenders here in the Congress.

Following the election and the current recession and the increase in unemployment, of course, the President and the administration had to concern themselves with problems of unemployment, to try to soften the recession, to try to prevent us from getting into a depression. Apparently, upon the advice of the so-called financial and economic advisers, they decided to go the other route, to reduce revenues, to have a tax cut and then, as a result of the energy problems, also tied into the economy and the proposed tariff that the President hoped to be able to put on the oil imports, to redistribute approximately $31 billion in oil tariff revenues across the board.

The formula that has been worked out in the legislation is a rather mysterious thing to me because it looks like the nonproducers are going to receive the benefits, and the great majority of the taxpayers who carry the great burdens of this Nation are going to get very little if anything back.

The thing which disturbs me more than anything else is this: The President's program is based on what he felt would be the honoring by this body, by the Congress, of a moratorium on new spending. Let me say this to my colleagues, if I have any ability at all to feel the pulse of the Congress, I think that this Congress not only will not honor the moratorium on new spending, but that this Congress will probably go on record as being one of the biggest spenders in the history of the country.

So, what will happen if we adopt tax legislation? We reduce revenues, we are going to have larger deficits. The President in his budget message suggested that our deficit would be in the neighborhood of, I think, $51.8 billion.

There has now been a revision of that; that it will perhaps be closer to $53 billion. I do not like to predict, but on the basis of programs that are being offered and the reductions of the revenues, I would not be surprised if this Nation in the 1976 fiscal year will not have a $52 or $53 billion deficit, but it will be in the area of $75 to $100 billion.

Our problem is inflation. Recession is a result. We seem to always treat the effect rather than the cause; so we are going to reduce revenues, we are going to increase the deficit in order to fund the spending programs authorized by this body, all of which is counterproductive.

We are going to have to go out and borrow money, borrow money from the private sector to pay for these deficits, pay high rates of interest, and we are going to dry up the money that would be necessary for the private sector to launch out and help solve the problems and get back to the free enterprise system.

This whole package, as I say, is a mystery. I cannot explain it. But I do know that the folks back home say, "It is impossible for you guys down in Washington to reduce revenues and have additional spending and have anything but more and more inflation." They question our sanity, and for good reason.

Mr. SCHNEEBELI. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania (Mr. MYERS).

Mr. MYERS of Pennsylvania. Mr. Chairman, I would like to recall the principles of a former colleague today, which were, "You cannot bring about prosperity by discouraging thrift. You cannot help small men by tearing down big men. You cannot strengthen the weak by weakening the strong. You cannot lift the wage earner by pulling down the wage payer. You cannot help the poor man by destroying the rich. You cannot keep out of trouble by spending more than your income. You cannot further brotherhood of man by inciting class hatred. You cannot establish security on borrowed money. You cannot build character and courage by taking away man's initiative and independence. You cannot help men permanently by doing for them what they could and should do for themselves."

There may be some who would argue that these principles of Mr. Lincoln are not applicable to today's tax bill. I think these guidelines of Mr. Lincoln are extremely relevant to the actions today in this House regarding this important economic bill.

The American people are depending upon us now to do what is right to stimulate the economic conditions of this country which cast a dark shadow over the lives of so many of us. The American people are not waiting for us to come up with a bill and tax proposal which is designed to stimulate votes in next year's elections.

I call upon my colleagues to ask themselves, "What is it we are trying to accomplish here today?" Is it a viable vehicle to stimulate and spur the economy so that confidence will be built back to create jobs and the economic viability we so strongly need?

If it is, I strongly urge the support of the forthcoming Conable amendment to this bill, which will put a fair share of the tax rebate into the hands of the middle-income taxpayer.

Ask yourselves, "Which sector of the economic spectrum will have to be activated to stimulate the production and the sale of durable goods when the sale of these goods is so vitally needed to improve economic activity?"

I think it is the middle-income taxpayer's sector.

Is there any good reason not to rebate to the middle-income taxpayer on an equal footing to the extent that they have been paying taxes in the past? I do not think there is. How often do we hear that the middle-income Americans are the Americans who pay the most to the Federal Government and receive the least—they do not get food stamps, but they pay for them; they do not get educational grants for their children, but they pay for them; they do not get most of the Government subsidies, but they pay for them.

Ask yourselves, "How often do you get the chance to do something for the middle-income taxpayer of America?"

This is one clear opportunity which we have today and I urge that we take advantage of this opportunity because it is crucial to the success of the economic stimulus.

Mr. Chairman, I only ask that we do for the middle Americans what they deserve. "Let them have their fair share of this rebate."

I know that there will be a strong tendency today to vote for a tax bill regardless of its form. I hope we will resist that temptation.

Mr. Chairman, let us insist on a quick stimulus for the economy which is equally distributed to all the taxpayers or let us not pass any bill at all. Then we can go back and redesign a new and more appropriate bill.

Mr. SCHNEEBELI. Mr. Chairman, I believe that was the maiden speech of the gentleman from Pennsylvania (Mr. MYERS), and I wish to congratulate him on a very effective presentation.

Mr. Chairman, I now yield 2 minutes to the gentleman from California (Mr. HINSHAW).

Mr. HINSHAW. Mr. Chairman, I am unaware of any subject matter that we deal with in this House which is more complex, more emotional and more difficult than issues dealing with tax matters.

I recall that the gentleman from Pennsylvania (Mr. SCHNEEBELI) referred to previous actions in the Committee on Ways and Means dealing with the depletion allowance. Later today we are going to have some amendments offered dealing with the depletion allowance.

I for one realize that this is a very emotional but nevertheless a very complex matter. I hope that we will refrain from agreeing to these amendments in this particular bill. I think we should deal with them in a more systematic fashion.

In this regard, I would like to ask the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), this question, and I would like to address the same question to the ranking minority member.

The question is this: Can this House be assured that sometime before we complete hearings on tax matters, sometime perhaps before June, the committee will bring before the House some legislation dealing with the depletion allowance?

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the chairman of the committee.

Mr. ULLMAN. Mr. Chairman, I certainly want to give the gentleman and the Members of this House that full assurance. The committee has scheduled for very expeditious action an energy bill. We are beginning hearings on that this coming Monday. I have asked the committee to program a conclusion date of April 17. That is a tight schedule, but we expect to meet it. In the consideration of the energy bill, where this matter belongs, we will schedule a full confrontation with the problem of depletion. I have stated many times that I am in favor of handling the depletion allowance by doing it in a responsible way.

Mr. Chairman, I assure the gentleman that we will bring to the floor, in the time frame he suggests, a responsible approach to the termination of the depletion allowance.

Mr. HINSHAW. Mr. Chairman, I thank the chairman of the committee for that statement.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I can assure the gentleman and the others Members on our side that we will cooperate with the chairman of the committee in trying to effectuate a bill by that date.

Mr. HINSHAW. Mr. Chairman, I thank the gentleman.

Mr. SCHNEEBELI. Mr. Chairman, I yield 2 minutes to the gentleman from Alaska (Mr. YOUNG), the author of one of the amendments.

Mr. YOUNG of Alaska. Mr. Chairman, I will offer my amendment. It is an amendment that has been made in order under the rule that has been granted. It is an amendment on which I have been allowed 5 minutes to speak.

I think this is an amendment that is very, very important if the Green amendment is adopted. It is important, due to the fact that we must have oil, and if we are to achieve the goals of Project Independence, then that oil must come from the State of Alaska.

I truly believe that the depletion allowance must be retained in this situation, due to the extreme climatic conditions. It is extremely important that they be granted this exemption above the Arctic Circle, because otherwise we will not have the oil.

It is a simple fact that it costs a good deal more to drill for oil in Alaska, 6,000 miles away, than it does to drill for oil in west Texas.

So I do urge my colleagues to consider this amendment, which will be offered at a future time, later on in the day.

This amendment will provide for the recovery of these extra barrels of oil, up to 4½ million barrels a day by 1985, if we are allowed to adopt the amendment that I shall propose to the Green amendment.

Mr. SCHNEEBELI. Mr. Chairman, as our final speaker at this juncture of the debate, I yield 4 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, H.R. 2166 is the kind of bill that I believe is needed, and urgently needed, to put a floor under the risk that still exists for extending the recession in this country.

I do, however, note that the bill is substantially expanded from the proportions originally presented to us by the Executive when he determined that a tax cut was necessary as a stimulus to the economy.

I do intend to vote for the bill, as I voted for it in committee; but I would like to invite the attention of some of our Members to what I consider to be very serious flaws in the bill.

In the discussion of the Conable amendment it will be pointed out that the distribution table in title I does not take care of taxpayers who have over the years made substantial tax contributions. That is, the ceiling is far too low.

In title II, especially section 203, we have attempted to play the role of Robin Hood. We have tried to redistribute income and to give back money to people who have never even paid Federal income tax in the first place. Playing Robin Hood is a good and useful role, but it is not very good when one does not know what he is doing. We may as well be dropping money from airplanes across this country. On the basis of income alone, section 203 returns money to people who may have not paid taxes. It has nothing to do with their need. It does not take care of the poorest of the poor. It does not take into account medical expenses, or expenses of shelter, and does not take into account dependency expenses, and in general, is simply hasty and bad legislation.

If we want to invoke a negative income tax, we ought to at least know whom we are helping, and we ought to make those dollars help the people who need it the most.

Mr. Chairman, section 203 is a disaster, and title II is not very good altogether. Unfortunately, however, we need a title II because we have to have a continuing stimulus to the economy supplied through the withholding tables for 1975. We need some kind of title II, and it is simply a shame that the committee gave us this one.

Mr. Chairman, I regret that I have to use this time to discuss some of the amendments, but because of the unfair gag rule that was foisted upon us by the majority in their caucus, I am obliged to speak to the six amendments or however many will be allowed under this rule. I am going to oppose all of them.

This is supposed to be an emergency. This is a tax bill that we are trying to get on the President's desk so that he can put purchasing power into the hands of Americans to stave off the effects of a recession that bothers us greatly.

Instead of following out that agency theory, this House has allowed a couple of amendments to be made in order, which, in my judgment, can only slow down the progress of this bill.

I support termination of the depletion allowance. Nevertheless, I am going to vote against that amendment and all the amendments thereto, because they will simply hinder the progress of this bill as it moves forward in trying to get our economy going again.

Everyone knows that this bill will be in trouble in the Senate. Everyone knows that the committee to which it will go in the Senate will be unreceptive to a bill carrying that kind of amendment.

We also know that a nongermane amendment established by the House will be an invitation to the Senate to give us many, many more nongermane amendments.

Therefore, Mr. Chairman, I would urge the Members of this House, even if they feel as I do that the depletion allowance should be terminated, to vote against all amendments to this bill so that we can put this needed tax bill through the Senate and have it sent up to the President for signature. Our economy desperately and urgently needs this stimulus.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, I thank the gentleman for yielding to me this time.

Mr. Chairman, I would like to have a discussion with the Chairman, the gentleman from Oregon (Mr. ULLMAN) on the subject of the earned income credit.

The bill provides for a refund or approximately $3 billion for the earned income credit aspect of the bill.

As I understand it, the proviso here would be that if an individual earned from zero to $4,000 he could still get up to $200 in earned income credit. Ostensibly that refund would be, for the purpose of equating what he had put into social security payments.

Mr. ULLMAN. If the gentleman will yield, the gentleman is correct, except that we want it fully understood that we are not in any way amending the social security law, or interfering with the social security trust funds. But we are relating this tax credit to the fact that the taxpayers, the wage earners, have already paid approximately this amount in payroll taxes.

Mr. PICKLE. I know that in no way would we affect the social security trust funds or programs related to it. Yet, by the yardstick we use by this earned credit program, we do equate in effect. I recognize the individual in the lowest brackets who pays for social security is the hardest hit. We can certainly be sympathetic with that. But it seems to me what we are really attempting to do in this part of the bill is establish a negative income. We are saying to the individual who makes from zero to $4,000, and who might pay approximately $100 in social security payments, he could still get $100 extra through this bill—he gets paid or given money—cash—which he did not pay. We are going to refund $3 billion on earned income credit to individuals who did not pay any taxes—or probably any taxes. It is a sort of negative income.

Mr. ULLMAN. If the gentleman will yield further, I would like to strongly object to any comparison of this to a negative income tax. This is in no sense of the word a negative income tax. This is in essence and truth a credit mechanism, even though available to those who do not pay income taxes, nevertheless will be used, almost entirely, by those who have paid payroll taxes. In essence it is a return of taxes paid to an individual who has worked and whose taxed income is less than $6,000.

Mr. PICKLE. But in general terms an individual who makes $4,000 or less does not pay any income tax.

Mr. ULLMAN. But he does pay payroll taxes. He does not pay an income tax, normally. To that extent he would file a return and get the 5 percent of earned income returned to him that he has paid in in other forms.

Mr. PICKLE. Because he has paid it in in payroll taxes, in social security.

Mr. ULLMAN. Yes, that is right.

Mr. PICKLE. But he also, at some point, is supposed to get his social security money back. We assume that that is the way the social security program will work, and that will be refundable to him at some point.

We in committee had a long discussion about this matter, and I have serious reservations about this approach. I think we are laying the groundwork clearly for what would be termed later as a negative income tax, regardless of what the gentleman may call it. I think this will come back to haunt us.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas (Mr. SHRIVER).

Mr. SHRIVER. Mr. Chairman, today we are debating a $21 billion tax cut, as prescribed by H.R. 2166, which is designed to stimulate the depressed national economy. There are honest differences on how the tax reduction should be spread, and who should get them.

In the long run, we should guard against triggering an inflationary spiral, and the measure as reported by the committee is inflationary in that it provides for a redistribution of income on a permanent basis.

While I agree that Congress should take action to overcome rising unemployment and the recessionary cycle affecting the economy, I wish to raise certain strong reservations about this measure.

It is regrettable that King Caucus has taken over the responsibility which normally is exercised by the Ways and Means Committee in regard to tax reform provisions. Last week the committee voted, 12–23, against debating the controversial matter of eliminating the oil depletion from this socalled emergency tax cut. However, King Caucus has prevailed and here we are considering the elimination of the oil depletion. The attachment of the depletion amendment to this bill will probably slow the bill enough so that the people will not receive a tax cut until much later than the committee's projection of either May or June. Supposedly, the purpose of this emergency bill is to provide an immediate economic stimulus for the country.

Mr. Chairman, those of us from Kansas are deeply concerned about any action that would eliminate incentives for the independent petroleum industry. The Congress and the administration should recognize the difference between the "independent' producer as contrasted with "major" companies and "major" producers. The independent producers are the backbone of the oil and gas industry in Kansas. They are, in the main, small business men drilling 85 percent of the oil and gas wells in Kansas.

This industry is a major source of tax revenue for our State government. In fact, Kansas petroleum industry taxes account for 22 percent of the total State tax revenues. Kansas counties receive nearly $20 million annually from personal property taxes on oil and gas operations.

For the independent industry, elimination of the depletion allowance deprives that industry of a major source of risk capital for exploration and drilling. Depletion allowance is not to be equated with excess profits of major petroleum companies.

If we are to lesson our reliance on foreign oil, we must continue to provide the stimulus and necessary incentives for the domestic industry to stay in business and to expand exploration.

I intend to support the amendment by my colleague from Texas (Mr. Wilson) which will continue the depletion allowance for those independents with production of 3,000 barrels or less of crude oil per day. This is needed by the independents to keep them in business, and I urge the adoption of this amendment.

Mr. Chairman, I also have strong reservations about title II of this act because it unfairly penalizes middle-income taxpayers by limiting reductions to those using the standard deduction. This would mean that almost half the taxpayers in the $10,000 to $20,000 income range and 80 percent of those over $20,000 will receive no tax reduction at all under title II.

Middle-income families in this country are bearing a heavy burden insofar as the tax load is concerned, and they should not be discriminated against.

While there must be concern given the plight of low-income Americans today, I am inclined to agree with the minority members of the committee who have suggested that the permanent alternatives offered in title II should be considered in conjunction with overall tax reform where the total revenue implications can be carefully determined.

Mr. SCHNEEBELI. Mr. Chairman, I reserve the balance of my time.

Mr. ULLMAN. Mr. Chairman, may I ask how much time I have remaining?

The CHAIRMAN. The gentleman from Oregon has 1 hour and 2 minutes remaining.

The gentleman from Pennsylvania (Mr. Schneebeli) has 31 minutes remaining.

Mr. ULLMAN. Mr. Chairman, I will reserve 30 minutes of my time.

Mr. SCHNEEBELI. Mr. Chairman, I reserve the balance of my time.

Mr. ULLMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. Cotter).

Mr. COTTER. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act of 1975.

This was my first experience in handling tax legislation on the Ways and Means Committee, and I would be remiss if I did not mention the fair and impartial way our chairman, Al Ullman, guided this legislation through the committee.

We are all keenly aware of the differences between Members over the inclusion of a vote on the repeal of the oil and gas depletion allowance. While I am aware of the concern of many Members that this bill is not the vehicle for removing this tax preference, I believe that each Member should be given the opportunity to cast his vote on this matter as they will later this afternoon.

The committee's tax bill is reasonable and prudent. In a $1.5 trillion economy, it makes little sense to call for a tax stimulus of any less than $20 billion and the committee correctly readjusted the President's original proposal by providing for both a rebate on 1974 taxes and a future tax reduction on 1975 taxes.

There is an immediate need for this legislation. The report of President Ford's own economic experts projected a bleak economic picture which extends well into the future.

Here are some of the most alarming facts found in the Economic Report of the President:

$85 billion deficit for the next 2 years, but only if the Congress holds down the cost of living increases to social security recipients, and raises the price of food stamps. Congress has and will reject such antipeople economic proposals.

Eight percent unemployment projected into 1976 and tapering off to 7.9 percent at the end of 1976, but continuing at a 7 percent rate well into 1978 and beyond.

Another year in 1975 of double-digit inflation.

A 3-percent decline in production for 1975.

Now it would be easy to say that these figures were overly pessimistic. But the panels of economic experts—representing various political and academic viewpoints—who appeared before the Ways and Means Committee, indicated that the President's Economic Report might be "optimistic" and that the recession and unemployment would continue at greater rates into 1976 and beyond.

This $20 billion tax reduction package is the second major effort to stem the economic tide of bad news. Earlier, the committee and the Congress told President Ford to delay for 90 days his tariff on imported oil which would cost consumers over $3.2 billion in additional fuel costs this year. Next week we will have an opportunity to override the President's veto of this bill.

This new tax relief bill will give Connecticut residents over $270 million in additional tax relief. I see this bill as a $20 billion downpayment on permanent tax reform that the committee will present to the Congress later this session.

Briefly, I want to explain the major highlights of this bill. It provides a rebate of up to $200 on 1974 tax liability with the rebate progressively reduced to a maximum of $100 for incomes higher than $30,000. The purpose of this rebate is to give working men and women and their families the bulk of the tax relief. You will remember under the President's proposal there was a maximum rebate of $1,000, but over 44 percent of the relief went to people with incomes over $20,000. The committee correctly chose to shift the emphasis to working men and women with low and moderate incomes. Under this bill, over 85 percent goes to those with incomes below $20,000.

The second part of the bill provides tax reductions of $8 billion on 1975 income. It does this in a number of ways. It raises the low-income allowance for single and married persons. It raises the percentage standard deduction from 15 to 16 percent and increases the maximum to $2,500 for single persons and $3,000 for married persons.

The bill further provides low income persons with a 5-percent tax credit on earned income up to a maximum of $200. This credit partially offsets the effect of social security payroll taxes. Its effect is immediate since the reduced tax liability for 1975 will be reflected in lower withholding rates.

In addition, the bill provides increased economic incentives for businesses to expand their productive capabilities by increasing the investment tax credit from 7 percent to 10 percent for most major businesses and from 4 percent to 10 percent for public utilities.

The committee bill also helps small businesses by raising from $25,000 to $50,000 the amount of profit which is exempt from the corporate surtax.

Later this afternoon, Mr. Chairman, we will be given the opportunity to vote to end percentage depletion for oil and gas. Since coming to Congress I have worked to get this unjustified tax loophole removed from our tax code.

With the price of oil almost quadrupling, there is more than enough incentive to encourage oil exploration. Removal of this tax preference will generate almost $3 billion in additional revenue.

As important, it will serve notice on the major oil companies that this new Congress will not be subservient to their unreasonable demands, but will work with them to help find a way out of our energy problem.

In conclusion, Mr. Chairman, I urge my colleagues to vote for this legislation and promise that I will continue to work for a comprehensive tax reform proposal that most of us have been seeking since our election to Congress.

Mr. ULLMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. Waggonner).

Mr. WAGGONNER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, in view of the colloquy a moment ago between our distinguished Chairman, who I want to say has been doing an excellent job in leading this committee, and my colleague on the committee, the gentleman from Texas (Mr. Pickle), having to do with the refundable credit on earned income, I want to point out to the committee that in the report language on page 29, in an honest effort to prevent that happening which Mr. Pickle and I both have reservations about, in paragraph 2, speaking to the matter of the income tax credit against earned income, down along in the language—and I will try not to be redundant—we will find these words which are significant and I think are binding on the committee and, therefore, for the time being on the Congress until the committee does otherwise, which I do not now anticipate:

> Although the earned income credit may be viewed as a method to help compensate wage earners of low income families for much of the social security taxes they pay, your committee wishes to have it clearly understood that this provision of the bill is not intended to provide a way of reducing social security taxes paid by low income wage earners. The financing of the social security program is a

matter which the committee will be required to review in depth in subsequent legislation. The earned income credit provision in your committee's bill does not amend the Social Security Act or the provisions of the Internal Revenue Code relating to social security taxes nor does this provision apply to any year except 1975.

I think that expresses the intent of the committee.

Mr. ULLMAN. I appreciate the gentleman's raising this issue because it is important and it is clearly stated in the report.

Mr. WAGGONNER. Mr. Chairman, I can further assure my colleagues on the committee as a member of the Social Security Subcommittee, having been designated by its chairman to do an in-depth task force study of social security financing, we will consider that matter at that point in time, and Congress will first get a chance to act on it because this is not final action in that respect.

Mr. ULLMAN. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. GREEN) is recognized.

Mr. GREEN. Mr. Chairman, let me just begin by explaining what my amendment does. First of all, it repeals the depletion allowance for all gas and oil as of January 1, 1975, with the exception of certain gas wells, those which are under fixed-price contract today, and those other gas wells which now are regulated in their price by the FPC.

Why do we tie this measure to this bill? We tie it to this bill because we believe this is the only way we are really going to get a chance to repeal the oil depletion allowance. The big argument that I think will be raised today will be one of delay. I think the record will show to this second that there has not been 1 minute's delay in the House of Representatives, and no one has argued that there will be any delay in this body, because this body can act and will act.

But others say that the U.S. Senate will hold up this measure. I do not believe they can. And even if they were intending to do so, there would be an effort regardless of what we did here in the House today to place the oil depletion matter on the tax rebate bill in the Senate. So those who would not like to see it tacked on can take no comfort that there will not be any delay that will occur in the Senate if the House in fact does not tack it on.

What the Senate will be doing, in my mind, and therefore they will not be able to effectively delay this bill, is take a very bad idea, which is the oil depletion allowance, and say to the country that its taxpayers cannot have a rebate unless a few stodgy old men in the Senate can let the fat cats in the oil companies run away with their oil depletion allowance again, that none of the American taxpayers will get a tax rebate otherwise. I do not think the U.S. Senate can do that. I do not think the U.S. Senate should do that. I do not think the people of this country are going to allow the Senate to get away with that.

I am confident, although I have no assurances, that if this bill passes the House and passes the Senate with my oil depletion amendment on it, it will be signed by the President, and I think in addition to that, if it is not, it would be veto proof. We could get a two-thirds margin to pass a bill, to give a $21 billion or greater tax rebate to people now to get the economy going.

They say these are emergency times. They are. But this bill will not be held up, as many allege that it will be. The fact is that everyone in the country today advocates a windfall profit tax. President Nixon advocated the windfall profit tax. President Ford has advocated the windfall profit tax. The Republicans have advocated the windfall profit tax. The Democrats have advocated the windfall profit tax. But we have not had any. We have had none at all.

What we are doing here is we are saying—or some are saying—we are not, certainly—that what we need is a windfall profit tax. These oil companies are making an outrageous profit. Some have advocated that we should not repeal the oil depletion allowance which simply subsidizes the oil companies to begin with. That makes no sense. We should not subsidize them and then turn around and tax them to take that subsidy back. It makes no sense. It should be changed.

Or we see each time we have this great debate in which we are talking about the oil depletion allowance, we see now that the administration is changing its position on the windfall profit tax. They are talking about plowing back, which is a euphemism for giving back all the money we take away from them in a windfall profit tax. That is what always comes up when we talk about this. They always say it belongs on another bill. They said it last year. They knew they were going to sit on the tax reform bill last year and they did. This year when we attempt to tie it onto the tax bill, they know it cannot be sat on because the tax bill is something that is really going to rebate money to the average person in the country, so they say this is not a tax measure but this is an energy measure and the next bill they are going to consider is an energy measure and they will be putting it on there, and they promise us that.

But I can tell the Members whatever we take away with one hand they will give back with another. What we have got in this country is a very, very unwise policy. In 1959 when the foreign oil was cheap the Eisenhower administration placed a quota on oil because the domestic industry in this country was getting more money for their oil than the Arabs wanted for theirs. So we said no, do not let that cheap oil come into our country. Let us drain America dry. So we did that. We kept their oil out and we sold our oil at the high price to benefit our oil companies. Now we find ourselves in a situation where we are out of oil or quickly running out of oil, and so is the whole world. Now they have jacked their price up and that is fine with us. It does not make any sense.

We are quickly running out of oil in this country. What we are saying is that let us not subsidize the finding of coal. Let us not subsidize the finding of other kinds of energy. Let us just keep subsidizing the finding of oil and when we know full well we will have run out of oil in 20 or 30 years in this country, at any rate, we allow outrageous windfall profits because of the shortage and subsidize the depletion of it until we are totally dry and discover other sources of energy to take its place.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Sixty-seven Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole House is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. GREEN. Mr. Chairman, prior to the quorum call, what I tried to do was explain why my amendment should be passed. Consider for just a minute that we are getting back, in order to stimulate this economy everyone tells us is in trouble and in fact is in trouble, $8 billion in 1974 to the taxpayers of this country. We could put almost another 50 percent on top of that to stimulate this economy if the oil companies did not use $3 billion worth of depletion allowance a year.

Do not fall prey to the argument that this is going to increase the price of any oil in this country, because the simple fact of the matter is it has been demonstrated over the last few years that the price of oil in this country is controlled not by this country but by the price of foreign oil.

Let me turn my attention for a moment to the Wilson amendment, the so-called independent amendment or the independent amendment for the little people in the oil business. Understand a few things. His amendment covers 99 percent of all the oil producers in this country, not just a few small oil producers. It exempts 3,000 barrels a day, which is 1,095,000 barrels a year of production, which can cost anywhere from $7½ to $12 million a year.

Who are the small people, these independents? Seventy-five percent of all the oil they sell is unregulated. So they are the ones, compared to the majors. Eighty percent of all the oil the majors do sell is regulated, so that only 20 percent is unregulated for the majors, and 75 percent of all of the oil is unregulated for these so-called little independents. So they are the people today who are getting the greatest windfall profit of all. So what are we trying to do, punish these little people? We are not trying to punish the little people and we are not trying to punish the big people at this point. We are trying to get tax equity. We are trying to see that the oil companies of this country pay taxes like everybody else today. In fact, we are not even going that far, because they have intangible drilling cost breaks, and all sorts of other breaks they can avail themselves to, avoid taxation.

Let me take one prospectus from one small company, Patrick Petroleum Co., and let me read a clause they put into their potential investors.

> The company's income tax policy is to generate sufficient statutory deductions, that is, intangible development and drilling costs, and the excess allowable statutory and cost depletion to reduce the taxable income of this company to zero.

These are the people with the greatest windfall profit, with 75 percent of the oil they produce not regulated. Therefore, they are making the greatest profit. In many cases they are able to reduce that tax consequence to zero.

I have a letter that, if she has time, I know my friend from Kansas (Mrs. KEYS) will read. This is the kind of letter they send out.

"DEAR DOCTOR:—

This goes to doctors and lawyers and people with a lot of income who want a shelter and pay no taxes—

> Undoubtedly you make more than $40,000 a year. That is why you should take a minute to read this. No doubt you are paying a substantial amount of income tax monies that are gone forever. Few tax havens are left for you. One tax haven that has withstood the wrath of the Federal Government is the oil and gas industry.

And they tell them how to avoid taxation. That is simply what is happening.

There are many people in this country who work hard for a living, who pay through the nose on April 15, while many rich people throughout this country—and that is what we are talking about, rich people who have an excess of income who want a tax shelter. They are the people we are talking about. They are the people who get this break.

It is the average person in this country who pays through the nose by comparison who is being asked to subsidize them while the price has gone through the roof and this Congress has done nothing about a windfall tax.

Mr. Chairman, I do not have a copy of the Wilson amendment in my hand, but I will ask the Members to take a look at it. It is 19 pages long. It ought to be called the Oil Tax Lawyers Relief Act of 1975. They will be driving every truck in Texas through those 19 pages before this is over.

Let us not fall prey to the argument that these are just the little people. I might add that the staff of the Joint Committee on Internal Revenue Taxation tells us, in addition to that, that the Wilson amendment is full of holes, technical holes, that are going to enable people, who after they are sure they have discovered the oil and after they are sure it is there, but before they pump it out, take the oil and sell it off and in effect sell that depletion allowance credit they would get and thereby give that depletion allowance to someone else.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Chairman, I wish to join in the gentleman's remarks.

Mr. Chairman, I rise in support of Mr. GREEN's amendment to the tax cut bill, repealing the percentage depletion allowance for oil and gas. On January 30, I introduced H.R. 2446, the Emergency Tax Adjustment Act of 1975. My bill not only cuts the taxes for the average working family by $22.7 billion, it provides for the quick elimination of three blatant tax preferences currently enjoyed by the big oil companies at a cost to taxpayers of $5 billion a year.

Today there is wide acceptance of the need to eliminate these unwarranted tax loopholes—the depletion allowance, the foreign tax credit, and the option to deduct intangible drilling costs. The only significant point of controversy, I feel, is when we will enact this reform.

We have heard the argument that to touch any loopholes now would delay the passage of the entire tax cut package. This tax cut was only introduced a month ago, and today it is ready for passage by the House. This alone is evidence of the willingness of this Congress to act swiftly on the tax bill. Arguments to the contrary are being pushed by the oil lobby before the Congress, in the administration and through the media. The oil companies will always say the time is not right. Mr. Speaker, there is enthusiastic support in the country today to pass a tax cut, and I believe we can pass the bill, as amended, and do it now. This is an opportunity we cannot afford to miss.

I have taken my case to Ways and Means and to the Democratic caucus. I now appeal to my colleagues here: We must include the removal of the depletion allowance at the very least. To do so will demonstrate our commitment to serious tax reform in this session, and will offset the expected loss of revenue from the tax cut by $2.9 billion.

The oil lobby makes three points: First, that oil is needed and the allowance fosters exploration; second, that special tax incentives are needed to foster energy development and to make up for the losses incurred from dry wells; and, third, that smaller companies need the depletion allowance so they can compete with the majors.

In the first instance, the percentage depletion allowance has never encouraged the exploration and discovery of new oil. To a certain extent, it can even be argued that the allowance promotes dependence on existing wells to the exclusion of new discovery.

As for the need for incentives, I should point out that just 2 years ago, the world price of oil was between $3 and $5 per barrel. Today oil costs $11 and $12 per barrel. This incredible jump in the price of oil should provide a much stronger incentive to produce than the depletion allowance ever did, if the oil companies are really interested in increased oil supplies. If U.S. oil men cannot be persuaded to produce at these prices, they will never produce.

The argument that the depletion allowance is needed to foster competition is the most ludicrous of all. It has been precisely this kind of blatant tax preference that has enabled the oil barons to gain control over such a large segment of the economy. We do need to increase competition in the energy industries, but we should do it by such methods as creating a Federal Oil and Gas Corporation and by revamping the ways that we lease the huge amounts of oil and gas on Federal lands. We should do it by exercising real control over the petroleum pipelines which have been used to manipulate the supply of oil and to illegally fix prices. Mr. Chairman, we definitely do not increase competition by continuing outrageous tax loopholes like the oil depletion allowance.

The President has accused the Congress of inaction on energy. I urge my colleagues to act today to show the administration and the people that we mean business. This may be our best opportunity and this issue deserves our immediate action.

Mr. CRANE. Mr. Chairman, will the gentleman yield for a question?

Mr. GREEN. Mr. Chairman, I have so little time that I would rather yield later. If the question is very brief, I will yield.

Mr. CRANE. It is a very brief question.

Mr. GREEN. I yield to the gentleman from Illinois.

Mr. CRANE. Mr. Chairman, my question deals with this whole area of depletion allowances. As a freshman member of the committee, not having had the advantage of earlier discussion, I confess that I am up for grabs on the whole subject.

The gentleman in the well makes out a persuasive case. My only question is this: What other minerals are covered in the depletion allowance?

Mr. GREEN. Mr. Chairman, there are many other minerals covered in the depletion allowance, and there are many other substances. There are now people who are trying to sneak into this whole operation of geothermal energy, which means we may have great hunks of earth dug up and we will have holes sunk because someone may want a depletion allowance for the heat in the Earth.

This is something that is not, I think, covered in this legislation, but that will be covered at a later time.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. CHARLES WILSON) for one-half hour.

Mr. CHARLES WILSON of Texas. Mr. Chairman, this morning there was a very misleading letter circulated over the signature of the majority leader and the signatures of several members of the Committee on Ways and Means. I think I can show the Members that it is misleading, and I would, first of all, like to deal with this letter.

> The letter made four central charges all of which are inaccurate. First of all, it said this amendment covers 99 percent of all the oil producers in the United States.

I think that is probably right, but they would have us think that this amendment covers 99 percent of all the production in the United States. That, of course, is a terribly misleading and untrue statement: The major production in the United States is effected by 8 or 9 or 10 major oil companies.

They are trying to say that an independent who produces 10 barrels a month on a stripper well is a producer and that Exxon is a producer, and they are exactly right. This amendment will benefit 99 percent of the petroleum producers in the United States, but it will only benefit 15 percent of the total petroleum.

Mr. GREEN. Mr. Chairman, will the gentleman yield, very briefly? I do not wish to interrupt him, but I wish to clarify a point.

Mr. CHARLES WILSON of Texas. I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Chairman, I just want to clarify the situation.

We did say it would benefit 99 percent of all the producers, the gentleman is right. It does benefit 99 percent of all the producers. I agree with the gentleman that the figure is somewhere around 25 percent, not 15 percent.

The staff says the figure is 25 percent. I understand the figure of the Treasury Department is even more. But what we were talking about, when we were talking about the individuals, was something around 25 percent of the oil producers.

Mr. CHARLES WILSON of Texas. Mr. Chairman, that is the gentleman's opinion; my opinion is that the figure is 15 percent. I think the gentleman's figures are much better than the Treasury figures, but the gentleman and I agreed this morning that it was somewhere between 15 and 25 percent.

Mr. GREEN. Mr. Chairman, I will just say that in my opinion the Treasury figures are better.

Mr. CHARLES WILSON of Texas. Mr. Chairman, this is the first time I have ever heard the gentleman from Pennsylvania use the Republican Secretary of the Treasury as a reference.

They say that it would exempt up to $1.8 million to be put into the pockets of rich people in the United States.

I wish to tell the Members that the people who want this amendment, the independent oil producers in the United States, are in fact generally rich—that is, the ones who have not gone broke drilling dry holes. But the $1.8 million does not go into anybody's pocket.

This is a central fact that the other side refuses to admit. If this $1.8 million is not in the ground, in exploration, within 24 months, the independents have to pay it in taxes. Therefore, this exploration exemption does not accrue to any individual.

Finally, their last point was that it would become merely a vehicle for preserving depletion for all of the oil companies.

Our greatest criticism from the oil community is that we have prohibited anybody from receiving any of the depletion allowance who owns any part of or operates a service station or owns any part of or operates an oil refinery. If my opponents can show me a major oil company that does not have oil refineries and filling stations, then I will withdraw this amendment.

The Secretary of the Treasury or the Treasury Department has also indicated that the independents drill a lot of holes, but they do not find much oil.

I would ask that the Members pay close attention to the chart I will now present. This principal chart shows all of the wells in the United States that were drilled last year. The major-depth well was 5,000 to 7,500 feet. There were 2,125 of them drilled, 1,766 drilled by persons without service stations and refineries, and 110 drilled by the major oil companies of the United States.

Then the Treasury Department says, "They drill a lot of wells, but they don't find any oil because it is only the major oil companies that are drilling the deep wells."

I would say to them that in the category of 17,520 feet, the major oil companies drilled 23 wells and the independents drilled 25. As to the very deep wells, which are many of the offshore wells, the majors drilled 18 and the independents drilled 14, and that was the only category in the entire country in which the major oil companies drilled more wells than the independents.

The next chart is more important. It illustrates the situation in the State of Louisiana for last year. Louisiana is the second largest oil producing State in the country. In the 10,000- to 12,500-foot depth range, the total number of wells drilled was 112, with the independents drilling 97 and the majors drilling 15.

Then the Secretary of the Treasury says, "The independents drill a lot of holes, but they are unsuccessful; they are dry holes."

Of these Louisiana wells, the independents were successful 10 times, the majors once. In all of Louisiana last year, there were 50 successful wells drilled, 48 by the independent producers of this country and 2 wells by the major oil companies.

In the years 1967 to 1971 in Texas, the third chart shows production by category. There are four kinds of oil discoveries that are considered new discoveries: You drill deeper in known fields; you drill shallower in known fields; you drill on the periphery of known fields; and you drill in totally new areas.

As to new finds, the independents had 60 percent and the majors had 40 percent. That is the figure the Treasury Department uses. But what kind of wells are they? The majors did well in drilling deeper in known reserves, in digging shallower in known reserves, and in digging on the periphery of known reserves. But for new areas, wildcat fields, which have to be the source of new production in this country, the independent wildcat producers of America found 88.7 percent of the new oil in Texas over that 5-year period.

Finally, it is my contention that if this amendment fails, there will be great incentive for the independent oil producer to sell out to the majors.

The figures on this chart have been audited by a national accounting firm and show the actual cash flow situation for a typical independent operator. With the depletion, he can probably expect to make a net profit in his property, the properties that are known reserves, of $7 million over a 10-year period. If he sold out to the majors and took his capital gains he could get $5.5 million.

Without depletion, he could expect to make $5 or $6 million, or only a very little above what he would make by selling out and taking his capital gains.

This is based on a man who pays a.50 percent income tax, and who has very little incentive to continue working. Unhappily, these particular producers, however, are in the 70 percent income tax range, and if the Green amendment passes today, they will face a situation where they can sell out to the major oil companies and take their capital gains for $5.1 million. They can do that, or else they can produce their oil with no depletion in their capital gains and have a net income of $3.6 million. There is nobody on earth who would work 10 years for $3.6 million, when they can be sure of getting $5.1 million. That is what you would do if you pass the Green amendment without the Wilson amendment.

Finally, very seriously and sincerely, we have a disagreement as to the amount of money that this bill costs the Federal Treasury, but these figures are pretty hard to challenge.

There were 8.3 million barrels of oil produced per day last year. Of that, the major oil companies produced 72.6 percent, the rest amounted to 27.4 percent.

As the Members know, I am only exempting the first 3,000 barrels of production a day, and that takes off 11.8 percent, the production of individual producers above 3,000 barrels per day. That leaves 15.6 percent, no matter how you figure it.

But, for purposes of argument, I will say that perhaps the gentleman from Pennsylvania (Mr. GREEN) is more right than I think he is, and that the figure is somewhere between 15 and 25 percent. That is a small price to pay to maintain a healthy, independent, competitive discipline on the eight major oil companies in this country. It is a small price to pay for increased and vigorous exploration.

Mr. GREEN. Mr. Chairman, I yield 5 minutes to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Chairman, I am not remiss, I believe, in having to take exception to my good friend, CHARLIE WILSON, the Texas WILSON. I appreciate the fact that the gentleman comes from an area in which there is so much oil. However, I also have done some studying in this matter, particularly with Paul London, who is the economist in our New England caucus.

I think the feeling of the New England caucus is that it represents, for the most part, the Northeast Corridor, east of Detroit, and as far as Chicago.

As I said in the Democratic Caucus on Tuesday, I would have preferred to delay voting repeal of the depletion allowance until the Committee on Ways and Means had reported out its full tax bill.

Unemployment throughout the Northeast is at 8 percent, and in Massachusetts it is 9.9 percent. In my State there are some 251,000 people who are unemployed. So I thought it was best that we take no chances of delaying this tax relief bill, and that was my attitude and my feeling when I spoke before the Democratic Caucus. But the will of the caucus prevailed, and I hope the caucus is right. I hope that we can get a repeal of depletion through the Senate, and I hope that we can get the President to sign it.

I said on Tuesday, before the Democratic Caucus, that I intended to vote to knock out the depletion allowance. I have never favored the depletion allowance. It is a tax loophole that should have been knocked out long ago. I am in favor of knocking it out now, and I am in favor of knocking it out once and for all. I do hope that we can get the President and the Senate to accept our thoughts here because it is really a step in the right direction.

It has been argued that we should knock out only depletion for the 70 largest oil companies and leave the other 10,000 oil producers, who each produce less than 3,000 barrels a day, free and clear. We have heard the gentleman from Texas. This is a hard argument to deal with. We all want to help the little guy. That has been my philosophy in public life all my life—to try to help the little guy. But in this particular case the little guy is not so little. He has received an awful lot of help along the line.

Let me give the Members some figures. Already, under price control regulations, oil from the really small "stripper" wells producing less than 10 barrels a day is exempt from price controls.

November FEA data shows that decontrolled U.S. domestic oil, including oil from small stripper wells, is selling today at $10.83 a barrel at the wellhead, and the price has been rising steadily toward the price of imported crude oil which, as of November, was $12.53.

I can remember that years ago in talking with Sam Rayburn—and there were those who said Sam Rayburn was an oil man all the way along the line—one day out in the lobby I questioned him about it. He said:

> You know I was an oil man when oil was 11 cents a barrel, but when it got to 89 cents and we made all those millionaires, I ceased being an oil man.

Imagine, at one time back in the forties, or earlier, a barrel of oil selling for 11 cents a barrel and then making millionaires and fortunes at 89 cents a barrel, and today they get $10.83 for it at the wellhead. These prices mean that the owners of small oil holdings, the "stripper" wells, have seen the price of oil they sell more than triple since September of 1973. The little "stripper-weller," the guy that they are worrying about—the price of oil that he is receiving for his oil today has tripled since September of 1973.

In September, before the OPEC oil cartel began to raise its prices, U.S. oil, including "stripper" oil, was selling for around $3.60 a barrel at the wellhead. So at $10.83, the small producer is now receiving $7.23 more a barrel for his oil than he was before the embargo. I think this is adequate incentive to go out and find new oil.

Mr. O'NEILL. I can talk about the whole process, but let me get down to the particular part of the process.

If an oil producer is already producing wells which produce old oil which are subject to price control at $5.25 a barrel, if he finds a barrel of new oil, he can decontrol a matching barrel of old oil and raise the price of the matching oil to $10.83 from $5.25, an increase of $5.58. This means that the new barrel of oil found by the wildcatter is worth today $16.41. That is, the $10.83 he gets for the new oil and the $5.58 additional he can now get by charging for the matching barrel of old oil.

If one has 30 barrels of oil he produces a day in old oil, and he has a well, and he has new oil, for every barrel he produces, he is going to have the schedule of $5.25, and then it moves up to the $10 price. For every barrel they produce, they go off the schedule of $5.25, a move up to the $10 price. They have got all the incentive in the world I can possibly think of. I cannot bleed for the little fellow in this instance, and believe me I have spent a lifetime working for the little fellow.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from California.

Mr. BELL. The Stripper Well Association was started in California many years ago and it was made up of the stripper wells, that is small wells. That is wells that produce 10 barrels per day or less. In California one of the companies that had the largest amount of stripper wells was Superior Oil Co. It is a very large oil company. I do not know how many barrels a day they produced but many thousands of barrels more than 3,000 barrels a day. Many of the stripper wells today are owned by larger oil companies, so we are talking about apples instead of oranges. The stripper well situation has no relationship to the size or wealth of oil companies, so does not pertain to the depletion allowance and its effect on small oil companies.

Mr. O'NEILL. I am talking about the 10 barrels per day or less, and he is entitled to the price of $10.83.

Mr. BELL. Many major oil companies have wells that have less than 10 barrels a day, so your point on the stripper well program is not "where the bat meets the ball" on the small company depletion allowance.

Mr. O'NEILL. I am for the Green amendment. I regret I cannot absolutely go along with the Wilson amendment. This time if we wipe out the depletion allowance, we ought to wipe it out for all. Believe me, that is the fair thing to do.

And I want to congratulate Chairman ULLMAN and the members of the committee for responding to the urgency of our present economic situation and reporting out this legislation.

Mr. GREEN. Mr. Chairman, I yield to the gentlewoman from New York (Ms. HOLTZMAN) such time as she may consume.

Ms. HOLTZMAN. Mr. Chairman, I rise in support of the Green amendment.

Mr. Chairman, I strongly support putting an end to the oil depletion allowance.

The oil depletion allowance has long symbolized to the American taxpayer the inequities and injustices in our tax system. Especially at this time, when oil companies have become bloated with profits, the American taxpayer finds it difficult to understand why these companies should be given special treatment.

Some people have argued that this is not the right time to end the oil depletion allowance because it would interfere with the passage of the underlying bill which provides tax rebates to help our recessionary economy. I firmly disagree with this point of view. This provision will not, in my opinion, hold up the tax rebate bill. Moreover, at this time, it is imperative that we show the taxpayer that the Congress is going to insist that all sectors of our economy—including the special interests—share the burden of dealing with the recession.

I know that the American people are prepared to sacrifice and do what is necessary to bring this country out of serious economic difficulty, but they will only be prepared to do so if they know that everybody is going to participate fairly in this process and that no special interests will be exempted.

For these reasons I can think of no more appropriate time to abolish the oil depletion allowance.

Those who argue that the oil depletion allowance is necessary to deal with the energy crisis are completely unconvincing. First, the oil industry continues to make record profits. Second, it is plain that the present highly inflated price of oil is a very strong incentive to produce. Finally, as a Federal Trade Commission staff report pointed out, the depletion allowance has actually served to increase oil prices to the consumer. By artificially increasing the price of crude oil, it has kept independent refiners out of the business and increased the monopoly structures of the oil industry in this country.

It is estimated that doing away with the allowance would produce an extra $2.5 billion in tax revenue in the first year alone. This is revenue desperately needed to help Government cope with the economic crisis and the growing budgetary deficit.

The question at the heart of Congress' disagreement with the President over economic recovery measures is: Who is going to bear the cost of those measures? Is it going to be the overburdened middle-class taxpayer, the elderly, the poor? Or are we going to make the oil corporations, which have helped to create the crisis, pay as well?

I believe we must end the oil depletion allowance, so that the oil industry will bear its fair share of the cost of Government, and so that a further burden will not be placed on those people who have already suffered most from inflation, recession, and the oil shortage.

Mr. GREEN. Mr. Chairman, I yield to the gentleman from Texas (Mr. MILFORD) such time as he may consume.

Mr. MILFORD. Mr. Chairman, I rise to oppose the Green amendment to H.R. 2166 for several critical reasons.

First, oil and natural gas are not the only items on which the depletion "tax break" is given. There are six depletion rate brackets, beginning with 22 percent ranging down to 5.

In the 22 percent bracket, along with oil and natural gas, are 42 other minerals. The list begins with antimony and includes, in addition to items most people never heard of, such things as asbestos, bauxite, cobalt, lead, manganese, mercury, titanium, tungsten, uranium, and zinc.

Getting a 15-percent allowance are copper, gold, oil shale, iron ore, and silver.

A 14-percent bracket takes in 37 minerals, including borax, four kinds of mineral-bearing clay, potash and talc. The final entry in this bracket is "Other minerals not covered elsewhere."

In other words, all minerals are covered by some depletion allowance. Those not in the top bracket with oil or one of the lower brackets, which include gravel, sand and stone, are in the 14-percent bracket.

The question raised by all this is why, if every mineral is covered by some sort of depletion tax break, is Congress picking on the oil depletion allowance as an evil that must be done away with?

That question casts a still more puzzling shadow in the light of some other facts about the oil and gas depletion allowance.

Invariably, in their attacks on the provision, depletion allowance foes in Congress label it a "tax break" for the "big oil companies."

Actually the giants like Exxon, Mobil, Texaco, and Gulf are not the big beneficiaries of the depletion allowance.

That is because they possess little of the holdings on which depletion allowance applies. The independent operators hold most of the royalties and, therefore, gain most from the "tax break."

Depletion allowance foes err again in their assessment of the effects of the allowance.

They give the impression that it just helps wealthy "oil men" get richer by giving them fatter profit margins. In fact, its main effect, so far as "oil men" are concerned, is to encourage investment in oil and gas exploration and drilling operations.

For instance, it enables oil companies to pay more to landowners for drilling rights and, thus, makes more drilling sites available.

As for the consumer, the most important effect of the depletion allowance probably is its tendency to reduce the price at which oil companies sell gasoline and other products. This might come as a surprise to some consumer advocates who persist in attacking the depletion allowance as a tool for robbing the poor—consumers—to help the rich—oil men.

But informed critics of the allowance, such as Thomas Field of Taxation with Representation, concede the point. They base their opposition on the claim that tax breaks for the oil industry subsidize oil consumers at the expense of taxpayers in general.

A rather lame point, that, it seems to me, since taxpayers in general ARE oil consumers.

To summarize, doing away with the oil and gas depletion allowance would have two major effects. It would eliminate an inducement for exploration, at a time when it is needed more than ever before. And it would sock the consumer with another push on fuel prices on top of those already effected by Arab oil price increases and their inflationary factors. I would urge my colleagues to oppose this damaging piece of legislation.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 2 minutes to my friend, the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Chairman, I thank my friend for yielding.

Mr. Chairman, I have had some experience in the oil business for about 20 years. I thought I would mention some things to the Members on behalf of small business engaged in oil. They have today to compete with the many huge major oil companies. I am talking about the small independents. In order to be able to compete many have to do what they call programing, which is a new method by which the small oil companies have been able to compete. That means that they have to get a number of investors to participate with them. Sometimes they underwrite this through an underwriting firm. But that is the only way they can compete with the oil companies, which is to get the investors to invest with them.

For the oil companies that have less than 3,000 barrels a day, we are going, in effect, to eliminate those people that might invest with those companies. The people that would invest with them will not do that unless the depletion allowance is in effect. There is no point in their investing otherwise because they can make more money through a capital gains method. So why invest in oil exploration?

If it is true that a large percentage of the oil is found by these independents then are not we killing the goose that lays the golden egg? That is assuming we want to encourage further exploration for oil and gas. The majors will be getting bigger by the elimination of the depletion allowance, the independents will be getting smaller. All we are doing is helping the majors. Elimination of the depletion if it is done should be done with greater consideration and thought. Writing such complicated legislation through either the Green or the Wilson amendment on the House floor I believe is a mistake.

The president of one of the major oil companies said recently: "maybe it is time for the elimination of the depletion allowance." So the major oil companies are not hurt substantially by the depletion allowance elimination but the small independents are.

I might end my statement by saying at this time I have no interest in this as I am no longer engaged in oil business. I am only giving the Members the benefit of what knowledge I have. Although, I feel there are some mistakes in the way it is written, I think the Wilson amendment should be supported to protect the small oil companies.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield to the gentleman from Illinois (Mr. SIMON) such time as he may consume.

Mr. SIMON. Mr. Chairman, there are two fundamental questions and I say this as one who in the Democratic caucus voted for the Green amendment. One is the question of tactics. Here I yield to the superior knowledge of my seniors in terms of service here, though it strikes me that what the chairman of the Ways and Means Committee has said, that it would be easier to get this bill through the Senate with the Wilson amendment on, makes sense.

I talked to one of my colleagues from a neighboring State who said that with the Wilson amendment on he would vote favorably on the Green amendment; without the Wilson amendment he is going to oppose it. But I yield on that.

The matter of substance is the real thing. Where should we go? I would remind the Members of a little history here. Who was the man who stood up on the floor of the Senate and started the fight against the oil depletion allowance?

It was Paul Douglas of the State of Illinois who said that with that, when we get an oil depletion allowance, we have to protect the small oil producer.

Now, I do not know all the national statistics. I am sure my distinguished colleague from Texas is probably correct; but I know the facts of life in oil-producing southern Illinois. Let me just tick those off very briefly. Let me give an illustration that I used just the other day in this period when we talk to the empty House, and we hope our colleagues will read it the next day. I pointed out that right now—and this is typical of what is happening—right now in the Shawnee National Forest in Illinois, the Interior Department is about to hand out oil leases at 50 cents an acre on a first-come first-served basis of 125,000 acres, and guess who is in line for the 125,000 acres? No. 1, Exxon, and No. 2, Amoco. Everyone else is out. That is the way it goes.

The squeeze is on the small oil producer. When he fights with Standard Oil to get equipment, who gets it? You know who. He gets the squeeze all along the line. He develops that wildcat oil and the big oil producer, the big oil company comes in and they get the oil wells around him.

Who has access to capital? Is it Standard Oil or is it Tom and Jane Smith with their small operation? I think we know the answer to that.

Who gets the breaks in foreign investments? Is it Tom and Jane Smith? We know the answer.

Who is it that is going broke? A lot of them, as our leader has said, a lot of them are making a lot of money, but many of them go broke day after day after day.

Finally, I would read to the House one sentence from the Democratic study group report on this bill. It says:

> The major oil companies oppose the Wilson amendment on the grounds that it could give the independents a competitive edge.

I do not for a moment question the sincerity of those who oppose the Wilson amendment, but there is no question from what I see in southern Illinois that they are fighting for the big oil companies who do not need our help. The people who need our help are the small oil producers. The Wilson amendment will do that.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 2 minutes to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the Wilson amendment and I am sure many of you are surprised because I say "oil," rather than "orl." I am sure people wonder why someone from Colorado who is supposed to be a consumer advocate would support the Wilson amendment? I am sure your suspicion is that I have been brought up by the oil interests. I can assure this is not the case. Because of the disclosure laws, I know for every dollar I got from possible oil interests in my district my opponent got at least $10 or more. Because my political persuasion is different from theirs, they will always be limited to mainly sympathy money from their woes. I have no illusions that I can change their minds.

Why am I here? I think because the consumer issue is one of the issues we should talk about. So many things are controlled by two or three major companies. Energy is sure in this field. When we talk about oil "production," we are using the wrong word. We do not "produce" oil, and until we get this through our heads, we do not understand what the word incentive is all about. We do not make oil. We take it out of the ground and once it is gone, it is gone. Therefore, if you have oil, why take it out and sell it today? There is no way that you can figure out what it will be worth later on; so if you sell it now you will lose money. From the consumer standpoint how can we keep oil on the market and keep people looking for oil domestically, I think is very, very important. The cost of money is very high. The only way to attract investment capital is to keep some kind of tax incentive going. Otherwise people will put their money in any number of other competing interests.

I became very concerned about ownership of energy sources by a few companies when we started looking at things like geothermal alternatives. Looking at hot springs in Colorado, I found the people who had been there first were the major oil companies. There were days when I became certain that the only alternative way to go was with Sun, because Exxon cannot buy it. I am truly concerned about having two or three major companies control all of the energy sources. The best solution is to keep the small guys out there and producing. The Wilson amendment helps do this.

We have got to have this kind of amendment to assure that little guys will stay in and will keep working and will not cap wells and sit and wait. For that reason, I do rise in support of the Wilson amendment, and I hope many of the Members will consider it very seriously as a consumer measure.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield to the gentleman from Louisiana (Mr. MOORE).

Mr. MOORE. Mr. Chairman, I thank the gentleman from Texas for yielding to me. I would like to rise in support of this amendment and against the Green amendment.

I would like to commend the gentleman from Texas for a most enlightening discussion.

Mr. GREEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. MIKVA).

Mr. MIKVA. Mr. Chairman, members of the committee, we have just seen a marvelous production in living color by the distinguished gentleman from Texas. I would like to entitle it, "Gimme Shelter," I just do not want any Member in this room to think that we are talking about some ma and pa corner grocery store operation which has to be carved out for special preferences in order to keep them from going on public aid the following day. We are talking about a tax preference. That is what oil depletion is. It says that we are going to support one group of taxpayers over another; we are going to give one group a benefit we are not giving everybody else.

Mr. Chairman, I would like to list just at random some of the people to whom we are going to give shelter.

As some Member has said, there were many ma and pa operations in Texas. Here is one called Coquina Oil Co. It had a 75 percent return on shareholder equity in 1974. Its profits went up from 68 cents a share to $2.60 a share in 2 years. Do the Members know what they paid in taxes? Zero.

Then there is Basin Petroleum. They had a 50 percent return on their equity investment. It went from 22 cents per share in 1972 to $1 per share in 1974. Do the Members know what it paid in taxes? Zero.

One of the "fairest" companies was named Equity Oil—very apropos. It had a 30-percent return on invested equity. Its profits went up from $35 cents a share in 1972 to $2 a share in 1974. And—bless them—they paid a 10-percent tax. Is that not nice?

Would the Members like to go home and explain to the taxpayers why they are struggling, straining, and striving to give them a $100 refund or perhaps a $200 refund when they are paying 18 or 20 percent of their income in taxes, but we somehow cannot find it in our hearts, even as we have to reach to give them back that little bit, we cannot say that everybody in the oil business ought to pay some taxes.

Mr. Chairman, I like the gentleman from Texas—although I am not going to yield to him. I suspect on a number of questions he and I are going to be together, but this is one where, if we support the Wilson amendment, we have come up with only a piece of a mouse instead of getting rid of this tax preference. If we get the Green amendment adopted, we will get rid of one of the many, many tax preferences in our code, the most outrageous, the most shameful, the most symbolic of the preferences. But if we put on the Wilson amendment to the Green amendment, just to keep "ma and pa" oil producers of 1 million barrels a year in an oil depletion allowance we will have to explain this decision to ma and pa taxpayer.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. JOHNSON).

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I rise in support of the Wilson amendment. The year 1858 was a momentous year in the history of this Nation, as that is the year oil was discovered in the Drake Well, near Titusville, Pa., which is in my district. It was the greatest find of natural resource in all history. It opened up a whole new era in the life of civilization.

Soon, oil was discovered near Bradford, Pa., also in my district, and there followed feverish excitement in northwest Pennsylvania.

The entire Pennsylvania oilfields are located in my district. Pennsylvania oil is the highest grade crude oil produced anywhere in the world. It is a paraffin-base oil used mainly for lubricants, as well as gasoline.

However, during the last 20 years, the fields have not been producing as much as they should, as the price of oil has been too low, and the cost of production too high. Those who have stayed in business were able to do so because of the depletion allowance. However, the recent increase in the price of oil, plus the depletion allowance, has created great activity, and many new well locations have been staked out and much new drilling is planned. Marginal properties, heretofore unprofitable, have all of a sudden become attractive for exploration and, as a result, 15 million barrels have been added to recoverable reserves, now estimated at 50 million barrels.

If the depletion allowance is destroyed, the incentive to develop will be gone, and the stakes will be pulled. That is why this 3,000-barrel-a-day exemption is so vital to the Pennsylvania oilfields. These producers are not big business. They are just ordinary fellows who borrow the money to drill the wells.

I would say this: As an accountant, down through the years I have prepared many hundreds and hundreds of tax returns for small oil people in my district, and they are all in debt up to their necks, and they go to the bank and borrow money, much like all of us do. So in granting this 3,000-barrel exemption we are doing it for the small businessman.

This depletion allowance, when it was first enacted, was enacted to encourage development, but its foundation is based on the fact that oil properties are a capital asset. If one sells the oil property, one gets a capital gain on it and one pays only up to 50 percent of the profit. However, if one produces oil piecemeal and without the depletion allowance, one pays ordinary income tax on it. In other words, one is selling a nonrenewable capital asset and not getting the benefit of the capital gain. That is the reason for the oil *depletion allowance*, in the first place.

If we want to help Project Independence, help President Ford in bringing this country to a sound energy solution, we should pass this 3,000-barrel exemption.

I want to say to the people from New England that my territory is riddled with pipelines, with oil roads, and drilling wells. We have refineries, we have produced oil, and we have kept New England warm. The people of New England today should be doing something to help the oil men and not bring them to their knees. Some day the people of New England will be crying to the oil men, saying, "We want some oil for our lamps," and there will not be any for them.

Mr. GREEN. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. Gibbons).

Mr. GIBBONS. Mr. Chairman, I rise in support of the Green amendment, in opposition to the Wilson amendment, in opposition to the two Archer amendments, and in opposition to the Young amendment.

Mr. Young's amendment would not help the small independents, even small by Texas style. That would only help the majors, where the oil has already been discovered, and in Alaska. It would be an unconscionable windfall for them. I will not take any more time on it, but it should be defeated.

Mr. Archer's two amendments will make it possible for the gas companies to gradruple the price of gas and still have depletion, an unconscionable amendment.

Mr. Chairman, the other amendment offered by the gentleman from Texas (Mr. Archer) will allow any partnership that has 5 or more persons in it, or 5 or less persons in it, however we read it, to have 15,000 barrels of oil a day exempt; or it could perhaps have 500 partners in it and have 500 times 3,000 exempt. If the Members read it the way I read it, we could have an unlimited number of people exempt, just so they had at least 5 in that partnership.

So that amendment ought to be defeated.

The amendment offered by the gentleman from Texas (Mr. Charles Wilson) ought to be defeated. This is not a new issue. It has been before the Committee on Ways and Means many times since the year 1969. Since I have been there, we have discussed it many, many times.

Even as conservative as the Committee on Ways and Means is and as anxious as the Committee on Ways and Means has been to take care of the little man, we never brought out any program that was as generous as this.

We brought out two amendments last year to take care of little oil producers. We had a phaseout provision in them. The gentleman from Texas (Mr. Charles Wilson) did not put any phaseout provision in his amendment.

The gentleman's amendment is 19 pages long. It is an oil lawyer's dream. We will never get through litigation, with all the language contained in it.

Mr. Chairman, the majority leader gave a wonderful speech, and he hit it right on the head. Maybe some of these arguments made by the gentleman from Texas (Mr. Charles Wilson) were good 3 years ago, but they are not any good now. At that time we were talking about $2 and $3 a barrel as the price of oil. Today we are talking about $11 a barrel for oil, or, just to be very conservative, $10 or $8 a barrel for oil.

That oil has already been discovered. It is in the ground; it is being pulled out. It does not cost any more to pull it out today, or if it does, maybe it is just a few cents a barrel, than it did 3 years ago. It is ridiculous to give those people that kind of a windfall.

In addition to that, if we adopt the Wilson amendment, there is nothing in it that will prevent the majors, when new oil is discovered, from splitting up and taking advantage of the Wilson amendment, and, frankly, within a matter of a few short years we may be right back in the same "barrel of oil" mess we are in right now on percentage depletion.

I know that the gentleman from Texas (Mr. Charles Wilson) disagrees with me on that, but I have lived through this thing—perhaps not as long as he has—for a long time, and I have studied the issue as conscientiously as I can and as intelligently as I can. I must disagree with him in his conclusions.

So I will say to my colleagues that this is the first time in 50 years that we have had an opportunity to vote here on the House floor on the issue as to whether we will get through what appears to be the largest tax loophole in the whole tax system and the one that has perhaps been the most greatly abused.

Mr. Chairman, I think we ought to have a change. There was a time in the past when perhaps it would not have been wise to do it, but that time has long expired. It has expired because events have overtaken us. When oil was selling for just a few cents a barrel, as the majority leader pointed out, or when oil was selling for just $1 or $2 a barrel, then there may have been some need for a tax incentive, but there is no need for it any more. Oil is now selling for $11 a barrel.

The whole national policy, as enunciated by the President of the United States, is to raise the price of oil in order to encourage other forms of energy to come on the line at a reasonable price. Whether we like it or not, the President is going to get a victory on that. If he does not, the Arabs and the OPEC countries are going to keep the price up anyway.

So, Mr. Chairman, depletion is an ancient idea whose time has expired. My time has also expired, Mr. Chairman.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. Regula).

Mr. REGULA. Mr. Chairman, I rise in support of the Wilson amendment.

I wish to point out to the previous speaker that this is not an idea whose time has expired in Ohio, for the reason that it is very vital to jobs and the maintenance of a strong economic base in my State of Ohio that the Wilson amendment be adopted.

Ohio has many gas-energy intensive industries, and although Ohio is not a self-sufficient State in energy production, nevertheless the production brought in by some 500 independent oil and gas producers in my State is very vital to the continuation of a strong economic base.

Most of the Ohio producers are small. Ninety-five percent of them are independents. In addition to providing much needed energy in response to the needs of Ohio industry, the independent producers provide 8,000 to 10,000 jobs within their own industry. These independent producers also provide a means for Ohio landowners to realize the benefits of their mineral resources.

While I recognize the desirability for achieving equity in the tax laws I would urge that this body not ignore the need of independent producers to attract venture capital for oil and gas production in States such as Ohio. Continuation of the depletion allowance for major oil companies is no longer necessary nor equitable since these companies are able to generate risk capital internally from their large operations whereas the small independent producers covered by the Wilson amendment need the depletion allowance to maximize their ability to continue exploration and development of Ohio oil and gas resources.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico (Mr. Runnels).

Mr. RUNNELS. Mr. Chairman, I thank the gentleman from Texas for yielding.

Mr. Chairman, I want the Members to know that I am just as prejudiced in one way as most of the Members sitting here are prejudiced the other way.

I do not want the Members to misunderstand me because they have heard it in caucus before my friend, the gentleman from Texas (Mr. Charles Wilson), presented charts.

I want the Members to know that the only chart I have is my right hand. I am the only Member of the House or Senate who has lost any part of his body to the oil industry. I want the Members to know that it is not all good and I want them to know that it is not all bad.

I just merely want the record today to show that someone stood in the well of this House and said to the Members that their constituents, the consumers of America, will pay for everything that we take away from either the majors or the independents.

I want the Members to ask themselves this one question: Has any individual from the major oil companies or the major oil companies' lobbying arm, the API, said one thing to any Member, in his office or any place else, about the subject matter being discussed today? Would you raise your hand if they have said a word to you?

Is it not strange that the major oil companies have not lobbied you? I see three hands out of all these people, but do not the Members think it strange that they have not said something to them?

The independent people have said something to you. The independents have talked to you. You do not understand, I believe, the words "risk capital." If there is a time that we need to bring them up in debate, that time is now. We have an oil shortage in America.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana (Mr. Long).

Mr. LONG of Louisiana. Mr. Chairman, I am frustrated. I think my friend, the gentleman from Texas (Mr. Charles Wilson) is frustrated, too.

We go home to Louisiana and Texas, as the gentleman from Texas (Mr. Charles Wilson) and I have over the years, and the big oil companies absolutely hate us. We come up here and we are accused of being the slaves of the big oil companies and of trying to protect them. They have caused the gentleman from Texas (Mr. Charles Wilson) and me more political misery over the past 10 or 15 years than anybody could imagine. Yet, we come up here and we find in the Wall Street Journal and the Washington Post that we are trying to bail out the big oil companies.

I tell the Members, that is a frustrating experience to me. Another thing happened with respect to the legislation that we passed on deepwater ports. One of the things that bothered me was that we did not make a provision that would prohibit the major oil companies from owning and operating the deepwater ports.

The Federal Trade Commission has already taken out after them for creating a monopoly. They are taking the deepwater ports now, and they are going to get them. Watch what I am saying. They are going to have those; they are going to control those. We do not have any of these independents producing as much as 1 percent of the oil in the United States, not 1 percent, and if we have an automobile manufacturer that is producing only 1 percent of the automobiles in this country, we do what the Congress did for American Motors about 5 years ago. We give them $25 million.

Mr. CHARLES WILSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. LONG of Louisiana. I yield to the gentleman from Texas.

Mr. CHARLES WILSON of Texas. Does the gentleman agree that 3,000 barrels of oil a day is one-third of one-tenth of 1 percent of the daily production in the United States?

Mr. LONG of Louisiana. One-third of one-tenth of 1 percent of the production in the United States every day. That is what it is.

That is what it is. If you own a refinery—of course—or if you own a service station you do not even get the 3,000-barrel exemption under any circumstances. If you do not own one of them you can get the 3,000-barrel exemption only if you put the money that you get for the depletion allowance back in the ground.

So what we are going to do is drive all of the little ones out of business. And I grant you they are here, just like American Motors in the automobile industry, sort of mom and pop operations, but what happens to the people that work in them? They are in bad economic trouble. In the automobile industry we bail them out, But when it comes to the oil companies, the smaller oil companies, we are going to drive them out of business and create a monopoly in the oil business which will extend then to coal, and then to the atomic energy business.

Mr. GREEN. Mr. Chairman, I yield myself such time as I have remaining.

Mr. Chairman, we are wrapping this up now.

We have just heard that 3,000 barrels a day is one-third of one-tenth of 1 percent. That is right. Ninety-nine percent of the producers in this country get one-third of one-tenth of 1 percent. We are not talking about one-third of one-tenth of 1 percent at all. We are talking about at least 25 percent, and we are talking about 99 percent of the people in this country who produce oil. We are talking about rich people. We are talking about people who dodge paying their taxes while the people who work for a living pay their taxes, they pay through the nose.

What are we deciding today, basically? We are deciding—and it is very easy for us to blame the Republicans for this situation, and to blame the Democrats for this oil depletion. The oil depletion allowance has been kept in by the powerful oil companies which have had far too much to do with both political parties. I think the people of our country are fed up with this.

What we are talking about is power, not just energy, but power, the power of the oil lobby. The basic issue that this House will decide today is where the power in this country belongs, and whether it belongs to the people who work and the people who pay their taxes, or whether or not it belongs to the special few.

President Kennedy once said that the men who create power are indispensable, but the men who question power are equally indispensable, because it is they who decided whether the power will be used for the few or the many.

This power has been used for the few, and I say today is the time to change that, and use the power for the many.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Texas (Mr. Charles Wilson) has 1 minute remaining.

Mr. CHARLES WILSON of Texas. Mr. Chairman, ARCO has said, on national television, that they do not care about the depletion allowance, and that they do not care whether Congress abolishes the depletion allowance—they will get it back at the pump.

The gentleman from Pennsylvania (Mr. Green) has made it very clear, and he did so yesterday in the Committee on Rules, that the major oil companies do not need the depletion allowance because the majors already have an overabundance of tax credits in the foreign tax credit—which I think should be abolished also.

But the independents do not have those credits. If an independent sells his oil in the ground to a major oil company, he gets capital gains, if he pumps it out of the ground he gets the depletion allowance. But what happens if you take the depletion allowance away from the independent producers in this country? If they sell to the majors, they get a capital gain, but if they pump it out, they get no consideration. Every independent in this country will sell out to the major oil companies.

By the action we take in this House today, if we adopt the Green amendment without the Wilson amendment, the petroleum industry of the United States will be controlled by the eight men who head the eight major oil companies in the United States.

If that is what you want to do, then have at it.

Mr. ULLMAN. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. Vanik).

Mr. VANIK. Mr. Chairman, it is only with grave concern and misgivings that I support this bill to provide a pass-through of $21.3 billion from the Federal Treasury—which must borrow it. The medicine which we give our "sick" economy could overwhelm the patient. In a sense, it is very much like the ancient cure of "bloodletting."

Like every Member of this body, I hope and pray that the prescription works. It was recommended almost unanimously by economists who testified before our Ways and Means Committee.

There is no question of the need for providing tax relief to the low- and middle-income taxpayers. The inflationary spiral has just about taken them out of the marketplace except for the limited items of survival and existence.

And yet, those without work are not helped by this bill except through such advantage or opportunity for reemployment which may occur from the added disposable income which is distributed to those at work. If buying is restored, production can be restored and employment follows.

If what we do in this bill is in fact too little, or too late, it could result in a tremendous tax and revenue loss with little compensating advantage. We could end up spending $20 billion for a psychological uplift which could endure for a week or a weekend. There is no certainty that our proposal will work. My chagrin and concern is that we have not been sufficiently provident to prepare for these days. We had become almost immune and indifferent to the risk of recession or downturn or depression.

As we enact this legislation, we must also begin to consider alternative approaches to our economic problems. We must develop systems and procedures which will work and turn things around for the better.

As I stated in my supplementary views, the price tag for this legislation is grossly underestimated. It will be difficult to limit the 10-percent investment credit to 1 year. It will also prove impossible to withdraw tax relief to the low-income groups or to reduce the standard deduction. These long overdue changes for low-income groups must become permanent law.

We could have provided for a more effective schedule for the application of investment credits. If the increased tax credits were available for capital expenditures in excess of levels for a base period—an incremental investment credit—we would have produced more purchasing per dollar of tax loss. In addition, the increased investment credit could have been directed toward labor-intensive industries—providing credits for jobs and payrolls increased over a base period. In this way, an industry could receive a credit for a commitment to employ added workers.

The investment credit could also have been designed to promote capital expenditures to conserve energy and to stimulate the retooling of the automobile industry to produce new, gasoline-efficient automobiles.

The incentives provided for business expansion should rekindle business activity. The incentives to small business are substantial, including the doubling of exempt income, and the application of the investment credit to $100,000 of used equipment.

The increase of the investment credit from 4 to 10 percent for utilities constitutes a 250-percent increase in the incentive for utility expansion, improvement, and redesign. This could lead to expansion for the purpose of increasing rate bases on which utility charges are established rather than more efficient or needed supplies of energy. It will remove 25 percent of those utilities now paying income taxes from the Federal tax rolls.

I believe that some of these tax inducements are excessive and we must carefully monitor their effect and achievement.

This, therefore, will be a period in which we must closely watch the economy, the unemployment rolls, and signs of change, to determine which procedures are working and which are not. We must be prepared to try other things and maintain the confidence of the people in our efforts.

Down the road, and as soon as we can, we must decide how we pay for recovery and the permanent Treasury loss and increased debt which are involved. That will take some soul-searching and tax reform.

Mr. Chairman, I expect to vote to repeal the depletion allowance. For over 20 years I have argued that this deed be done.

I am not pursuaded by the argument that this amendment will prevent passage of this tax package which is so critically needed to restore the economy. If one man in the other body can stop this bill, we are confronted with a situation in which a majority of this House must yield to the whim, caprice, or fancy of a single Member of the other body. If that is the problem, we must confront it. I do not believe that we should sacrifice the fundamental principle of rule by the majority in the interest of expediency, however urgent.

It was never intended by our Founding Fathers that law should be passed by a majority vote in this body and with the unanimous approval of every Member of the other Chamber.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, I have remained on the floor this afternoon, and I have listened very carefully to, the very eloquent and persuasive presentation of the amendment offered by the gentleman from Texas (Mr. WILSON). It has convinced me that what I said when we were debating the rule earlier this afternoon is correct: How extremely unwise it was to adopt a rule which permitted the offering of a nongermane amendment under circumstance where it could not be perfected, because, frankly, there are many reasons why I would be constrained, I think, under other circumstances, and if this amendment were properly offered to a bill to which it was really germane, to give serious consideration to some relief for the truly small independent operators of the kind described by my friend, the gentleman from Illinois (Mr. SIMON), from the 24th District.

After all, the amendment, if I understand it, is predicated on the assumption that the independent segment of the oil industry is vitally dependent on the percentage depletion allowance since a large proportion of its new investment funds are internally generated, and that many of these small independent operators work on narrow cash flows, and if they suffer a sudden increase in tax liabilities, they might go out of business.

But at the same time I have to make the same point that has been made by others: That this is an extremely complex amendment, 19 pages in length, with a great many ambiguities which simply cannot be corrected and cannot be perfected under the procedure that we follow here this afternoon.

Let me point out that this amendment does more than simply seek to exempt a specified class of oil and gas producers. It goes on to specify what may be done with the funds that are derived from the use of that allowance, and this is where I think we launch ourselves into considerable difficulty because in the amendment, in creating a class of qualified investments that are related to exploration, development, and production costs, I find a number of ambiguities that trouble me greatly.

First of all, it would deny the use of depletion to any producer engaged in refining. No definition is given for refining which could easily apply, I am told, to small field stripping operations that are commonly associated with many gas and oil wells. This might deny small producers their right to use the allowance, the very people for whose benefit this particular amendment is intended.

Second, the expenditures that are defined in the amendment, as I read it, and that are considered qualified investments are somewhat arbitrary and even potentially counterproductive, because, as I read the amendment, only new equipment may be accounted for, although many independents use other equipment, that is, used equipment, because of price and availability problems.

In addition to that fact, under the language of the amendment, only one-third of lease acquisition costs can be credited, although this is a primary expenditure for many, if not most, independent operators.

Finally, as I read the amendment, it seems to me there are a great many administrative problems. Obviously, some system would have to be established by which operators' production levels could be closely scrutinized.

It certainly would have been wise and it certainly would have been prudent to have some comments from the Federal Energy Administration or from the Treasury Department on the efficacy of our present monitoring systems and whether or not we could really tell who was qualified or who was not qualified under the provisions of the amendment. I think it has already been mentioned in addition to what I have just said that the Treasury Department does oppose the Wilson amendment. It contends that the amendment will introduce distortions as oil firms scramble to qualify for exemptions. In the talk that I had with the Secretary of the Treasury yesterday, and I do not hesitate to call him as a witness in my behalf, he said he thought it would lead to the wildest case of lease swapping in the history of the oil industry.

These reasons and in addition to that the difficult inherent in the matter of working out the enforcement provisions of this amendment militate against its adoption. I do not think the Independent Producers Association has taken an official stand on this amendment as I understand it but because I was sincerely interested in trying to do something to help the independent operators in the country I did make the effort to try to solicit some of the views of the people who belong to that association. I found they were not happy with the language as it is written. They think, as I pointed out a moment ago, the qualifying section of the amendment is arbitrary and does not really address the needs of the independents, even though in the overall they support of course the objective that is sought to be reached by this amendment.

So in conclusion although it may constitute small solace indeed to the gentleman from Texas (Mr. WILSON) I can assure him that under other circumstances where I felt we could intelligently address this problem and offer the kind of perfecting amendments that might make it the proper vehicle to aid the independent operators of America, I might be able to support it. However, under the circumstances in which we find ourselves this afternoon, where we are considering a nongermane amendment offered under a closed rule, I simply cannot support the gentleman's amendment. I urge its defeat.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Texas.

Mr. ECKHARDT. The gentleman has referred to lease swapping. I would like to know where any lease swapping would do anyone any good to get under the exemptions. As a matter of fact, much of the reason for the bill being so long is to block all of those loopholes. But if the gentleman would point out one of them I would appreciate it.

Mr. ANDERSON of Illinois. It was stated in testimony offered before the Rules Committee yesterday that the gentleman from Texas (Mr. ECKHARDT) was one who had worked very diligently in an effort to eliminate the possible loopholes that would lead to lease swapping, but I have to repeat that in my conversation with Treasury officials they said they feel the language has not been perfected to the extent where that danger is wholly nonexistent.

Let me make one other point which I think is germane to the issue. It has also been suggested that the production of oil, this very scarce commodity, at a time when we are trying to increase supplies, might suffer to some degree because some producers would even seek to curtail their output in order to come within the 3,000 barrel per day exemption.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Texas (Mr. Pickle) such time as he may consume.

Mr. PICKLE. Mr. Chairman, I commend my colleague, the gentleman from Texas, for his presentation and I favor his amendment and oppose the Green amendment.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Texas (Mr. Hightower) such time as he may consume.

Mr. HIGHTOWER. Mr. Chairman, I rise in support of the Wilson amendment.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Illinois (Mr. Shipley) such time as he may consume.

Mr. SHIPLEY. Mr. Chairman, I rise in support of the Wilson amendment.

Mr. Chairman, I am very much in favor of the Wilson amendment which we are considering today. There are a number of independent producers and operators in my district, and without the Wilson amendment, they will be forced to go out of business. Certainly, this would be most disastrous, especially in this time of economic crisis and high unemployment. Failure to enact the Wilson amendment would add fire to the economic problems we presently face.

The majority of the exploratory drilling in this country is done by the independent producers. By eliminating the depletion allowance available to the independents, we would seriously jeopardize this segment of our society. It would be difficult, if not impossible, for the independents to raise the necessary operating capital without the depletion allowance because of the high risk involved in drilling a well.

It would seem to me that failure to enact the Wilson amendment would serve to increase the fortunes of the major oil companies. It would be more profitable for the independents to sell out to the major oil companies rather than to stay in business, thus eliminating any competition for the major oil companies. We certainly do not need this.

I urge all my colleagues to seriously consider this matter, and vote in favor of the Wilson amendment.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Texas (Mr. White) such time as he may consume.

Mr. WHITE. Mr. Chairman, I rise in support of the Wilson amendment.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Arkansas (Mr. Alexander) such time as he may consume.

Mr. ALEXANDER. Mr. Chairman, I rise in support of the amendment of the gentlemen from Texas which will have the effect of permitting small oil producers to remain in business while continuing to encourage domestic production.

Looking at the simple facts and figures, the benefits of this proposal far outweigh the costs.

Major oil companies control about 80 percent of the oil and gas production in the United States. However, it is the several thousand small independent producers who drill approximately 80 percent of the exploratory wells in search of new oil and gas supplies and consequently make about 80 percent of the new domestic discoveries.

If we are ever to achieve energy independence, it is domestic exploration upon which we must concentrate.

The major oil companies tend to spend much of their time in offshore drilling and in developing the oil and gas resources of foreign countries. It was precisely our development of the oil resources of other countries that has brought us into our present state of dependency.

It is estimated that if we do eliminate the oil depletion allowance for all companies, we will gain $3 billion in revenue. However, if we take action now to exempt the small independents and wildcatters, it will cost us only $468 million of the $3 billion.

I do not believe that this is an excessive price to pay for providing the incentives and possibilities for investment and enterprise by small businesses whose discoveries ultimately benefit the country as a whole.

We can simply not afford to create a situation which would make it unprofitable for small producers to continue exploration and production. To do so would leave us totally at the mercy of the major oil companies whose policies have already proven too costly to the American public.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Texas (Mr. Mahon), the chairman of the Appropriations Committee, such time as he may consume.

Mr. MAHON. Mr. Chairman, I rise in support of the Wilson amendment and in opposition to the Green amendment.

Mr. Chairman, perhaps there are those in the House who feel that too many Texans are injecting themselves into the argument over the depletion allowance and that we may be doing injury to our cause. I would hope not.

The people of the United States have been well served for many years by Texas oil and gas. Without that production, the Nation would be infinitely poor.

Texans have the right to be proud of the contribution which our State has made and is making in providing oil and gas for the consumers of the Nation.

In its truest sense, the issue before us is uncomplicated. The issue before us is this: Do we want more oil and gas for transportation, for home and for industry? If we do, we must resist the Green amendment which would remove the depletion allowance and do great violence to the independent producers who are doing a magnificent job in drilling exploratory wells and helping move us toward less dependence on foreign sources of energy.

Repealing the depletion allowance will mean a slowdown in the momentum of the independents who are responsible for drilling the great majority of the exploratory wells and finding the additional sources of energy.

The question is a simple one. If we want more fuel for our cars, industries, and homes, we must vote against the Green amendment which repeals the depletion allowance and for the Wilson amendment which preserves the depletion allowance for the independent operators.

The Archer amendment is also in the public interest and I strongly support it.

Let me strongly urge the defeat of the Green amendment.

Mr. ULLMAN. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. Eckhardt).

Mr. ECKHARDT. Mr. Chairman, I thank the gentleman for yielding this time. I know how difficult it is to yield at this point.

I merely want to point out that most of the arguments made against the Wilson amendment simply do not recognize the fact that all potential escapes have been taken out of this amendment. As far as I know, not a single member on the Committee on Rules challenged that point when I made myself available to it to answer any contentions to the contrary. For instance, the statement that oil companies would decrease their production in order to get into the 3,000 barrel exemption is utterly without foundation, because the 3,000 barrel exemption is for the first 3,000 barrels produced by an oil company other than a major; there is no way to reduce production and gain any benefit.

It seems to me those opposed to the Wilson amendment argue against it in a most peculiar way. They say the amendment is too long. Most of the length of the amendment is to make it absolutely certain that the amendment is not subject to an escape or to a proliferation of the 3,000-barrel exemption.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. Corman).

Mr. CORMAN. Mr. Chairman, I use this minute to answer the gentleman from Texas (Mr. Eckhardt), if I may, on this matter of whether or not leases may be split up. So far as I can read the amendment and so far as the Treasury lawyers can read it, it pretty well takes care of oil already in production, but there is no way to prevent a splitting up of leases and the maximizing of oil depletion on the first 3,000 barrels of oil already in production. That is the big loophole in the amendment and it is one of the reasons this tax advantage will grow until we are right back here again with it.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield so that I may answer that?

Mr. ULLMAN. I yield the gentleman 30 seconds.

Mr. ECKHARDT. Mr. Chairman, what the language does, it prevents the oil companies splitting up to increase the exemptions going to the various segments of the original group.

Now, if the amendment encourages additional new production, that is good in my book. Of course, it does that. Of course, it permits a single company to use the depletion allowance for its first 3,000 barrels, but the company cannot then split up to get the advantage of say 6,000.

Mr. ULLMAN. Mr. Chairman, I would ask the gentleman from Pennsylvania (Mr. Schneebeli) if he has any further requests.

Mr. SCHNEEBELI. Mr. Chairman, I

have no further requests and I yield back the balance of my time.

Mr. ULLMAN. Mr. Chairman, let me take this opportunity to advise the Members that we do plan to complete action on this bill this evening. It is our hope that we can proceed expeditiously.

Let me summarize what I consider our situation with respect to approval. First, under the rule, we will consider the committee amendments in the nature of a substitute.

After acting on that matter, it is my understanding that the Green amendment will be in order. Then the Wilson amendment to the Green amendment will be considered and then under the rule there are three perfecting amendments to the Wilson amendment, which will have to be acted upon.

So the gentleman from Alaska (Mr. YOUNG) has one amendment. The gentleman from Texas (Mr. ARCHER) has two amendments. It is my understanding, and if I am wrong in this respect, I will be glad to yield to the gentleman from Alaska for his comment.

Mr. YOUNG of Alaska. If the gentleman will yield, I am in agreement with that. It is not the Wilson amendment. It is the Green amendment.

Mr. ULLMAN. The amendment of the gentleman from Alaska is to the Green amendment?

Mr. YOUNG of Alaska. Yes; it is.

Mr. ULLMAN. It is my understanding there are two perfecting amendments to the Wilson amendment and then we will act on the Wilson amendment and then on the Young amendment to the Green amendment.

Then, we will act on the Wilson amendment; then, the Young amendment to the Green amendment; and then finally the Green amendment.

Under the rule, there are 5 minutes on each side on each one of these amendments. Then finally, after we have acted on the Green amendment, as amended, the gentleman from New York (Mr. CONABLE), will be recognized for the other amendment, the substitute that is allowed him under the rule. That will be the final action.

Mr. Chairman, it is our hope that some of these matters can be disposed of without a record vote. If that is the situation, we should be able to finish this in a couple of hours.

Mr. ULLMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman, my colleagues of the committee, having heard now the presentation by the gentleman from Pennsylvania (Mr. GREEN) in support of his amendment, and having heard the gentleman from Texas (Mr. WILSON) present his proposed amendment to the Green amendment, I think it is time now to know what some people are thinking around the country and even here in Washington about the amendment offered by Mr. GREEN.

Mr. Chairman, I hold here in my hand a copy of an editorial by radio station WMAL today, which I have by telephone verified with Mr. Charles MacAtee, the general manager of radio station WMAL. I want to read it to the Members. I said basically these same things to the caucus the other day. However, the words which I will read to the Members now are the words of radio station WMAL, in today's editorial:

> Congressman Green and House Democrats this time we're talking to you. Congress, you rejected President Ford's tax package. You said you had a better plan. You said a $16 billion tax cut was not enough. You said the economy needed at least $21 billion to get it going again. You said we needed that injection as soon as possible.
>
> Now you're playing games. You've got enough support to pass your expanded tax cut bill without delay, yet in a test of power, you have decided to attach an amendment . . . one you know will mean a filibuster. Many legislators who would support the tax bill won't support it with the depletion amendment.
>
> That amendment means a filibuster . . . filibuster means delay and delay means Americans will have to wait even longer for tax cuts and rebates. Congressman Green, this is your amendment. All those speeches about the dismal state of the economy and what must be done won't mean a thing if your amendment delays passage of the tax bill even one day.
>
> Drop the amendment; get the tax bill through Congress now and worry about depletion allowances later. Americans are not in the mood for power plays.
>
> The Green amendment should be defeated.

Mr. ULLMAN. Mr. Chairman, my position, after hearing all of the debate, is more solid than ever. We are making a great mistake in adopting any extraneous amendment to this bill. I urge the Members to vote down all of the extraneous amendments, pass out the tax reduction bill and permit it to do what it is intended to do, to stimulate the economy in a time of great distress.

Mr. SCHNEEBELI. Mr. Chairman, I would like to add to what the gentleman from Louisiana (Mr. WAGGONNER) has said.

There are many Members here who were not here when I appeared on the floor, so I would like to read a letter which I quoted in my remarks from Mr. George Meany, president of the AFL–CIO:

> DEAR CONGRESSMAN: We in the AFL–CIO are deeply concerned at reports that an amendment repealing the oil depletion allowance will be attached to the tax cut measure on the floor of the House.
>
> We are completely opposed to the oil depletion allowance but we consider such an amendment now would be a serious mistake.
>
> The tax cut package approved by the Ways and Means Committee is a substantial improvement upon President Ford's proposal. The Committee bill would increase the buying power of low- and middle-income families, thus greatly stimulating the economy. That stimulus is of overriding importance.
>
> To provide its greatest benefit to the economy, the tax rebate and cut must be passed as quickly as possible. Adding repeal of the oil depletion allowance to the Committee bill would almost certainly lead to a filibuster in the Senate and, thus, delay getting the tax cut into the hands of consumers.
>
> The AFL–CIO believes that, as soon as the emergency tax package is passed, the Ways and Means Committee should begin work on comprehensive tax reform, with repeal of the oil depletion allowance a "must" item.
>
> Therefore, we urge every member of the House to support quick passage of the Committee bill and to oppose any amendment that might delay enactment of a measure the economy so desperately needs.
>
> Sincerely,
>
> GEORGE MEANY,
> *President.*

Mr. DRINAN. Mr. Chairman, I would like to lend my strong support to the Tax Reduction Act of 1975 (H.R. 2166). My State of Massachusetts and the Nation as a whole are in the midst of a deep recession, and the Congress can no longer afford to allow the economy to worsen. My fear is that if there is any further downturn in economic indicators, it is possible that we could be entering into the beginnings of a depression.

I do not want to be overly pessimistic, in mentioning the possibility of a depression, Mr. Speaker. However, we must fully realize how bad the present economic situation has become. Unemployment has now climbed to 8.2 percent for the United States as a whole, and it has reached the astounding level of 10 percent in Massachusetts. These joblessness rates have reached frightening proportions, especially when we realize that they are now at 50 percent of the depression's unemployment rate. In 1935, for example, the adjusted unemployment rate was 16.4 percent, though the worst level was reached in 1933, when this country registered an 18.9 percent figure. We can certainly see that the times are bad, and that it is now time for the Congress to turn this economic downslide around.

I believe that the Tax Reduction Act is capable of providing a major impetus to economic recovery. This legislation represents no timorous half-way measure, but rather, a total tax relief package to individuals and businesses which will amount to $21.28 billion in 1974 and 1975. Due to the huge size and importance of this bill, I would like to summarize briefly its major provisions.

Title I of the Tax Reduction Act calls for refunds to individuals for their 1974 income taxes. Taxpayers will receive a 10 percent rebate on their Federal taxes for 1974 which can reach a maximum of $200. The minimum rebate will equal the individual's 1974 income tax liability or $100, whichever is less.

Title II of the bill raises the low-income allowance or minimum standard deduction. The latter deduction will be increased from $1,300 to $1,900 for single persons and from $1,300 to $2,500 for married couples filing joint returns. In addition, low-income persons will receive a 5 percent tax credit on earned income up to a maximum of $200.

In title III, the investment tax credit will be temporarily increased for most businesses from 7 percent to 10 percent, and from 4 percent to 10 percent for public utilities. The use of the credit for used property will be increased from $50,000 to $75,000, and the credit will be made available for property under construction and not yet in service.

Mr. Speaker, I heartily endorse the first two titles of the Tax Reduction Act, but I feel that the expenditures for title III are unjustified. There can be little doubt that the $16.18 billion authorized for the first two titles are greatly needed to give the average taxpayer the break which he so richly deserves. Title III, on the other hand, targets $3.87 billion for increased investment tax credits on top of the $4 billion which are already lost due to this business incentive. I object due to the fact that since 1962, the tax credit has primarily benefited only the largest corporations, giving companies like General Motors an average of $40 million each year. It is no wonder that while corporations shouldered 35 percent of the total tax revenues in 1960, they now contribute only 14.4 percent to the same Federal revenues. In short, I oppose these title III deductions.

I would now like to turn, Mr. Chairman, to an extremely important amendment which is being offered to the Tax Reduction Act. My colleague from Pennsylvania, Mr. Green, has offered an amendment which would eliminate the 22 percent oil and gas depletion allowance effective January 1, 1975. Other amendments have been proposed which would retain the depletion allowance for certain independent producers, but I feel that it is now time for the Congress to eliminate this vast tax loophole once and for all.

We have watched oil prices skyrocket in the past year while profits of oil companies have soared. Major oil companies have increased their annual profit from $2.9 billion in 1968 to $7.3 billion in 1973. In addition, the net earnings of the 10 largest oil corporations for the first half of 1974 are 148 percent greater than the same period last year. In the face of these statistics, providing the energy producers with this continued tax loophole simply does not make good sense.

The depletion allowance was originally intended to compensate the drillers for their unusually risky endeavors and to insure that America always had enough oil to be self-sufficient. But as the events of the past year have shown, the tax break approach to the energy crisis has failed. Over 40 percent of the tax breaks have gone either to foreign operators or to "nonoperators"—individuals who have not pursued oil exploration, although they do own oil-bearing land. In all, the oil industry's tax breaks due to the oil depletion allowance cost the U.S. Treasury $1.4 billion, but generated only $150 million in extra oil reserves.

It has been said, Mr. Speaker, that repeal of this deduction will discourage new energy exploration by the major oil companies. However, depletion does not encourage exploratory drilling. Since depletion only applies to revenues from producing wells, it encourages producers to drill excessively in proven fields where the 22 percent subsidy is assured, and to refrain from wildcat exploration. If the depletion allowance were repealed then, the incentive to overdrill existing reserves would be reduced, and repeal would therefore encourage increased exploration for new oil reserves.

Opponents of the Green amendment argue that even if the depletion allowance is repealed, the independent oil producers should be exempted. I would counter this argument by stating that the data on production and profits indicates that independents are not suffering from a competitive disadvantage due to their size. They are, in fact, much better off now than they were before the energy shortage of last winter. They are now selling for $10 per barrel the same oil that they were selling profitably for $4 per barrel before the shortage, This price increase is worth many times the loss of the depletion allowance and the inflationary increases in production costs.

The Congress can no longer delay in repealing the oil depletion allowance. The House was never allowed to act on the Energy Tax Act of 1974, which would have repealed the allowance. As a result of that inaction, the oil companies reaped a $2.6 billion windfall from depletion in 1974, and another $3 billion will be lost this year if repeal is delayed once again. The taxpayers of this country will no longer stand inaction on the part of the Congress with regard to this undeserved deduction.

Mr. Chairman, if the Tax Reduction Act of 1975 is enacted with the Green amendment attached, we will have taken a long step forward both from the standpoint of economic recovery and tax reform. This Reduction Act should provide a needed boost to the economy, easing the tight cash flow problems which we are now experiencing. We would also be eliminating a tax loophole which has plagued our tax code for years. It is for these reasons that I enthusiastically support the passage of this act in accompaniment with the Green amendment.

Mr. COHEN. Mr. Chairman, I strongly oppose including in the tax rebate bill provisions to repeal the oil depletion allowance and to restructure our income tax rates for individuals.

This Nation is now experiencing an increasingly severe recession. Rebating a portion of our 1974 taxes is clearly the quickest and most effective way of providing the American people with the additional spending power needed to stimulate the economy and check the recessionary slide. The success of the rebate, however, depends on its quick enactment. If the economic decline is allowed to continue unchecked, it will become harder and harder to turn it around. Inserting tax provisions unrelated to the rebate in the legislation before us today will inevitably result in unnecessary delays which will jeopardize the entire purpose and effect of the rebate.

Personally, I favor both the phasing out of the depletion allowance and the easing of the tax rates for low- and middle-income individuals. I recognize, however, that these involve complex issues whose resolution will involve protracted debate. Clearly the Ways and Means Committee did not have the opportunity to adequately address these matters during its 3 days of hearings on the current tax proposals. And even though this body may vote on these questions today, their consideration by the other House will certainly take far more time than we can afford at the present juncture.

We have a commitment from the distinguished chairman of the Ways and Means Committee that both energy taxes and comprehensive tax reform will receive priority consideration in the coming weeks, and that legislation in these areas will be reported to the full House later this session. While these are both matters which this Congress must resolve, there will be sufficient time during the next several months to accomplish this. We are rapidly running out of time, however, to enact a tax rebate that will be successful in stimulating the economy. For the sake of the Nation, let us set aside for now the issues of depletion allowances and tax rates. I urge my colleagues to vote against the amendments on depletion allowances and to support the substitute measure to be introduced by the gentleman from New York (Mr. Conable).

Mr. BINGHAM. Mr. Chairman, in January the House Democratic Steering and Policy Committee, of which I am privileged to be a member, issued a statement outlining a Democratic program of action to revive the economy and called on the appropriate committees of the House to report legislation pursuant to certain "immediate action goals" as soon as possible. At the top of the list of these goals was tax relief, principally for low- and middle-income families, to stimulate consumer spending and ease the burden of those hardest hit by inflation. H.R. 2166, the Tax Reduction Act of 1975, represents the House Ways and Means Committee's response to our call and I commend my colleagues on the committee for acting so quickly, and so in concert with the spirit behind the leadership's proposals.

H.R. 2166 provides approximately $8.1 billion in 1974 individual tax rebates, $8.1 billion in 1975 individual tax reductions, and $5.1 billion in business tax relief in 1975 and 1976, for a total tax cut of about $21.3 billion.

Taxpayers with incomes below $20,000 will receive almost 85 percent of the total rebate and 95 percent of the tax reductions slated for 1975. The rebates would be paid in lump sum, most likely within 60 days after enactment of the legislation. Here is how the rebate would work:

For a taxpayer whose 1974 income tax was less than $100, the entire tax would be rebated.

For a taxpayer whose 1974 tax was more than $100, and whose income was less than $20,000, the rebate would be $100 or 10 percent of the tax, whichever is greater, but not more than $200.

For taxpayers with incomes between $20,000 and $30,000, the $200 maximum rebate would be reduced by $1 for each $100 of income over $20,000.

For taxpayers with incomes over $30,000 there would be a rebate of $100.

I am pleased to note that H.R. 2166 includes a provision protecting taxpayers from loss of Government benefits because of the rebate.

Title II of H.R. 2166 contains four changes in the tax law which would reduce individual income tax liability for 1975, for an estimated total cut of $8.1 billion. First, the low-income allowance would be increased from $1,300 to $1,900 for single persons, and from $1,300 to $2,500 for married persons filing joint returns—half that amount for married taxpayers filing separate returns. Second, the percentage standard deduction would be increased from 15 percent of adjusted gross income—not to exceed $2,000—for single persons to 16 percent not to exceed $2,500—$3,000 for married persons filing joint returns. Third, withholding taxes would be reduced to reflect these changes. Lower withholding rates would apply to wages paid starting May 1, 1975, and continuing through the end of the year. Finally, a 5-percent tax credit on earned income—wages and self-employment—with a maximum credit of $200 would be provided for low-income taxpayers. The credit would be completely phased out at an income level of $6,000. The earned income credit is principally designed to offset social security payroll taxes which low-income wage earners are required to pay regardless of whether their income is high enough to be subject to Federal income taxes. The credit will be available as a cash payment for those wage earners who pay no income tax.

Title III, covering business tax relief, includes among other things investment incentives for public utilities and an increase in the investment tax credit for industry to 10 percent. The bill wisely does not contain the permanent reduction in corporate tax rates which the President had asked for. There is one important business tax change which is needed in this bill, and I plan to support the Green amendment to end the 22-percent depletion allowance for oil and gas effective January 1, 1975. This is a long overdue reform which I have been advocating for several years. The revenue gain from this change alone is estimated to be $3 billion for 1975 and will exceed $3.8 billion a year by 1979. Oil company propaganda to the contrary notwithstanding, the oil depletion allowance has not encouraged increased domestic production and it has proven to be a wasteful, costly tax subsidy which allows the large oil companies to escape their fair share of the tax burden. I urge my colleagues to approve the Green amendment and I sincerely hope its eventual enactment will signal the beginning of a major tax reform effort by the 94th Congress.

On the whole, H.R. 2166 as reported is a good bill. The House Ways and Means Committee has designed the individual tax rebate and reduction provisions so that almost 90 percent of the revenue involved will be distributed to low- and middle-income households with adjusted gross incomes under $20,000. These are the taxpayers who need the increased purchasing power the most, but I am distressed that this legislation completely ignores nontaxpayers in similar income brackets. Included in this group are millions of elderly and disabled social security recipients. Elsewhere today, I plan to discuss my proposed legislative remedy for this serious omission.

It is noteworthy to mention that the provisions of H.R. 2166 are similar to recommendations announced this morning by the House and Senate Democratic leadership in their energy and economy congressional program of action. The majority party now has put forward an alternative to the President's plan and the passage of H.R. 2166 before us today will mark an important first step toward implementing it.

Mr. EVANS of Indiana. Mr. Chairman, I rise in support of the Tax Reduction Act of 1975.

This bill will provide $16.21 billion in tax relief to individuals and $5.07 billion to business.

In addition to a minimum rebate of at least $100 for individuals and married couples, the bill also provides that pay checks will see some increase after May 1 when the withholding rate is reduced to reflect the increase in the standard deduction to $2,500 for single persons and $3,000 for married persons filing a joint return.

Business will also be helped. The bill increases the investment tax credit from 7 percent to 10 percent, and doubles the surtax exemption so that taxable income up to $50,000, rather than $25,000, will be taxed at the 22-percent rate.

Taxes have been rising steadily over the past several years. In Indiana, the State property tax has increased from an average per capita tax of $126 in 1965, to $236 in 1973. For middle income families, social security taxes rose over 20 percent in 1974, and personal income taxes rose by about 25 percent. For everyone, regardless of income bracket, all measures of real income declined during 1974.

For the great majority of the people I represent, it has been impossible to get ahead. The past 2 years of high inflation have been like trying to go up a down escalator. Just staying even has been very difficult.

So as real income has declined, so has disposable income. And this means putting off buying a new car, or a new refrigerator or washing machine. It means putting less of a paycheck into the bank. And for some, it means wondering if you have got enough money in your wallet to pay the bill at the supermarket, or the rent, or the utility bill.

As for the business community, the New York Stock Exchange estimates a capital shortfall of $650 billion, or 13 percent of our capital needs, between now and 1985. The tax relief in the bill before us will provide a needed incentive to capital formation, which in turn will ultimately create jobs for American workers.

Mr. Chairman, I will also support the amendment to be offered by the gentleman from Pennsylvania (Mr. GREEN) to repeal the 22 percent oil depletion allowance.

The oil companies have been arguing for years that the depletion allowance is necessary to encourage domestic exploration for new oil. Yet exploratory drilling in the United States has declined by more than 50 percent over the last 15 years.

Further, a 1969 study by the Department of the Treasury found that the allowance was costing American taxpayers $1.4 billion a year, while producing additional oil reserves valued at only $150 million.

It would seem that we have been paying the oil companies handsomely, and getting little in return.

The increased prices which new oil is getting on the market—now more than $10 per barrel—is to my mind sufficient incentive to the oil companies to conduct exploratory drilling in the States. These price increases added over $9 billion in oil company profits in 1973 alone, and it is estimated this figure will be higher for 1974.

Some have argued that the Tax Reduction Act is the wrong vehicle for repeal of the depletion allowance. I disagree. The urgency of the need for individual and business tax reductions make the chances of favorable consideration by the other body greater than ever.

The people in Indiana are worried about government expenditures. They understandably fear high budget deficits. Passage of this amendment will bring in $3 billion in tax revenues in 1975, and $3.8 billion by 1978. If we are serious about lowering unnecessary Government expenditures, repeal of the depletion allowance is a big step in the right direction.

Mr. LUJAN. Mr. Chairman, when you boil H.R. 2166 down, what you really come down to, is that this Congress is saying, Let us go out and borrow $8 billion so we can send everyone $100.

Well, Mr. Chairman, as a friend of mine says, "Don't do me favors."

I would think it would be a great idea if we had a surplus, but as you know Mr. Speaker, we already owe one-half trillion dollars and even if we did not send out these $8 billion, we have been told that we have to go out and borrow more.

Mr. ZEFERETTI. Mr. Chairman, a major debate is raging in the Congress over tax reform. I feel I must make my position clear in advance on one major aspect of that debate; the oil and gas depletion allowance. This allowance, which saves the major oil and gas companies approximately $2 to $3 billion annually in Federal taxes, should be ended forthwith. Over the years, the oil and gas industries have been uniquely successful in accumulating tax privileges that no other industries and certainly no other individual citizens enjoy. No part of those privileges is more unjustifiable than the depletion allowance.

Every time a barrel of oil is taken out of the ground, a resource is allegedly being depleted and a tax writeoff can be taken up to 22 percent of the value of the well. Some oil wells have been written off as many as a dozen times. And for every dollar the oil industry does not pay in Federal taxes, the Government must take that dollar out of the rest of the country, many out of the pockets of the working people. For years, Congress has been talking about doing something about the depletion allowance, and for years nothing has been done. I do not intend to contribute to further inertia and inaction.

A good tax bill has already been prepared for consideration in the House today. It is a major tax cut measure, aiding the average working family, and I support the bill.

There is a major move in Congress, however, to add to this bill an amendment to kill the depletion allowance for oil and gas producers. Some of my colleagues oppose this amendment on procedural grounds, claiming it will hurt the main tax bill. I disagree. I want to see the depletion allowance ended through amendment to this tax bill, and on Tuesday morning, I supported such a move in the caucus of all House Democrats.

My contention is that Congress knows pretty much what is wrong with our tax system. We know what special interests are evading billions of dollars in legitimate taxes at public expense. No delay is justified at this point. The oil and gas depletion allowance must go, and before the issue comes up on the floor of the Congress, I want my constituents to know where I stand.

There is still another tax preference enjoyed by the oil and gas industries that I believe should be eliminated by Congress forthwith; the overseas tax write-off. Every time an American oil company pays a dollar in taxes or royalties to a foreign country, it can deduct that dollar from its American taxable income. This tax loophole is worth several times what the depletion loophole is worth, yet has not been widely publicized to the general taxpaying public. By allowing the oil industry this special privilege, they are offered a greater incentive to drill for oil and gas abroad. However, by depriving them of this profitable gimmick in foreign countries, the major oil companies will be required to place greater stress on a domestic search for energy resources. This will have the duel benefit of closing a tax loophole for the benefit of smaller taxpayers while increasing domestic energy supplies.

Mr. PRICE. Mr. Chairman, I strongly support the pending bill H.R. 2166 calling for a $21.2 billion antirecession tax cut, including $8.1 billion in 1974 rebates to be mailed to taxpayers by mid-June.

This type of relief for low- and middle-income Americans is needed immediately in this badly depressed economy.

The bill provides for a 10-percent rebate of 1974 Federal income taxes to individual taxpayers. The minimum rebate would equal the lesser of $100 or the taxpayer's 1974 income tax liability. The maximum could not exceed $200 of adjusted gross income between $20,000 and $30,000. Taxpayers with adjusted gross income in excess of $30,000 would receive a rebate of $100.

President Ford's proposal gives far greater relief to the well to do. This bill switches the emphasis to relief for low- and middle-income families. These are the people who most need the help.

In addition, this bill will reduce taxes by $8 billion in 1975, and will give three-fourths of the relief to this same group of low- and middle-income Americans. It is more than a one-shot affair.

This tax cut will go a long way toward stimulating the economy, strengthening the demand sector, and turning the tides of recession and unemployment. As an added boost to the economy, the bill will increase from 7 to 10 percent the tax credit businesses may claim for investing in new equipment.

This is an excellent piece of legislation which must be enacted. It will demonstrate to the American people that we are, in fact, an action-oriented Congress, willing to take the reins of leadership, and determined to straighten out this economic mess.

I am pleased also that the House will have an opportunity to vote on the issue of the oil depletion allowance. While I certainly believe that incentives can be provided, I find in this instance that the depletion allowance has not been utilized effectively for developing new energy sources. It is necessary, therefore, to eliminate it in a time of shrinking revenues so that our Government can pay for needed programs. In addition, it represents one of the most glaring tax loopholes that should be closed. Such action is a good start toward comprehensive tax reform.

Mr. EARLY. Mr. Chairman, I rise in support of the bill, H.R. 2166, the Tax Reduction Act of 1975, and in support of the amendment being proposed by my distinguished colleague, Mr. GREEN, and others, to repeal the 22-percent depletion allowance for oil and gas.

I want to congratulate Chairman ULLMAN and all of the Ways and Means Committee members for their efforts in reporting this tax relief measure promptly. Unlike the President's proposal, this bill will provide tax cuts and investment incentives totaling $21.28 billion for immediate expenditure in the form of individual tax rebates and for reductions in 1975 income taxes for individuals and businesses. It will provide for a tax rebate on 1974 returns at a minimum rate the lesser of $100 or an individual's income tax liability and a maximum rate of $200. For persons with adjusted gross incomes between $20,000 and $30,000 the maximum rebate would be reduced by $1 for every $100 above $20,000, and for those with incomes in excess of $30,000 the rebate would be a fixed $100. This provision, expending $8.12 billion, will put 85 percent, or approximately $6.9 billion into the pockets of low- and middle-income Americans by the end of June.

In addition, the bill will increase the low-income allowance by $600 across-the-board. It will increase the standard deduction from 15 percent to 16 percent, with a maximum deduction increase from $2,000 to $2,500 for single persons, $3,000 for married persons filing jointly and an increase from $1,000 to $1,500 for married persons filing separately. It will provide a 5-percent tax credit on wages and self-employment income at a maximum rate of $200, reduced by $1 for every $10 of adjusted gross income in excess of $4,000, putting an additional $3.3 billion into the pockets of low-income workers.

For small businesses the bill would temporarily increase the corporate surtax exemption from $25,000 to $50,000, thereby taxing only income in excess of $50,000 at the 48-percent rate.

Corporate adjustments are also made through raising the investment tax credit to 10 percent, including utility companies, that credit not to exceed $100 million for any one company or affiliate, and through increases in the property investment value eligible for tax credit from $50,000 to $75,000.

In my district, and throughout the Commonwealth of Massachusetts, unemployment is far higher than the national average. Industry is cutting back. Small businesses are folding. Fuel shortages affect us far more severely than in other areas of the country. Inflation and the high cost of living persist, with no end in sight.

This bill will be the first step toward positive recovery action the people of my district have seen. It will be a shot in the arm for individuals and industry. It will promote spending, increase demand, investment and production. This Congress has a tremendous task before it. The Tax Reduction Act of 1975 is a good beginning.

Mr. ADDABBO. Mr. Chairman, I rise to support H.R. 2166, the Tax Reduction Act of 1975. I also want to take this opportunity to commend the chairman and members of the House Ways and Means Committee for their prompt action and hard work in preparing this important measure for the early consideration of the House of Representatives. The executive and legislative branches of Government agree that this is a top priority measure in our fight against the recession which is crippling our economy. There is no room for partisanship in this debate and the bill before us reflects none.

While I will vote for H.R. 2166, I also plan to support amendments to the bill to eliminate the oil and gas depletion allowance. I have fought for repeal of this tax loophole for a number of years now and I believe this Congress will settle this long debate once and for all. I only hope that the issue of oil depletion will not delay passage of this bill because the Congress should have another opportunity to resolve this issue when a tax reform measure is brought before us. That will hopefully be done shortly and the record should clearly show that this tax reduction bill is no substitute for the kind of comprehensive tax reform that we need.

H.R. 2166 provides a $21.3 billion tax cut, including an $8.1 billion rebate on 1974 taxes, an $8.1 billion reduction in 1975 taxes, and a $5.1 billion business tax reduction. The latter includes an increase in the investment tax credit from 7 percent to 10 percent.

The rebate would be a one time payment up to a maximum of $200. This ceiling assures that the majority of the rebate will go to middle- and low-income taxpayers rather than the original proposal submitted by the President which would have provided up to $1,000 rebates to the wealthy. The committee draft on the rebate is equitable and provides relife as well as a stimulus to the economy.

The 1975 tax reduction will be implemented through an increase in the standard deduction from $300 to $1,900 for single persons and from $1,300 to $2,500 for married couples filing joint tax returns. Similar increases in the percentage standard deduction from 15 percent to 16 percent with maximums of $2,500 for single persons and $3,000 for married couples filing jointly are imposed by the legislation.

Mr. Chairman, the House has a duty to act favorably on the basic legislative package before us today. I am supporting the oil depletion elimination amendment because I believe such action is long overdue but with the hope that

Congress will not let this effort delay passage of the measure in either Chamber.

I urge my colleagues to vote in favor of H.R. 2166.

Mr. PICKLE. Mr. Chairman, I rise in support of Mr. Wilson of Texas' amendment and against the Green amendment.

First, I tip my hat to the good job done by my colleague, Mr. Wilson. He has nursed this amendment, tuned it to be a fine legislative mechanism, and has worked many hours, and worked hard, to present this amendment to the full House.

He may or may not win today; I hope he will. But anyone who tangles with the gentleman from east Texas had better have his facts. The reason is that Charles Wilson has the facts, and he can put them before us in a very convincing way.

In discussing this amendment, I think it is good to consider the big picture of tax policy and tax theory.

A tax system can attempt to be neutral, or it can be so structured that the system encourages certain activities in society, particularly economic activities.

Obviously, the United States does not have a neutral tax system. We give tax incentives, or tax breaks, if you wish, to many activities.

Interest on mortgages is deductible. Coal has a depletion allowance. Business expenses and moving expenses are deductible. Lumber, tin, gold, aluminum, and a hundred other items have their depletion allowance. I could go on and on.

But Mr. Chairman, the facts are simple—our tax system should encourage certain activities.

Now, what kind of activities do we want to encourage in the oil and gas industry? Except for those who want to nationalize the oil companies, which of course would be a nightmare our people could not afford, I think we all want to increase production of oil and gas. We must have increased domestic production.

Finding new oil and gas reserves in the 50 States and offshore is one way to increase production.

Drilling more exploratory wells is a way to do this, and the question becomes who do we wish to see taking the lead in this search?

Congress has spoken to the kind of oil industry it wants. I quote from the 1973 Mandatory Allocation Act the clear legislative intent as to what kind of oil industry structure we should have:

> Preservation of an economically sound and competitive petroleum industry; including the priority needs to restore and foster competition in the producing . . . sectors of such industry . . . (§ 4(b) (1) (D), Mandatory Allocation Act of 1973).

I would strongly argue that the Wilson amendment is in the firm fulfillment of this policy.

The Wilson amendment keeps the producing segment of the industry compatible and competitive. It prevents the driving from business of the many independents, who produce less than 20 percent of the oil, but who dig 80 to 90 percent of the exploratory wells.

Why do independents need this tax incentive? Since 8 out of 10 oil and gas exploratory wells probably end up as a dry hole, drilling exploratory wells is a very high risk venture.

Bankers do not like high risk ventures; neither do investors, for that matter.

Because of the depletion allowance, bankers and investors have looked favorably upon putting money with the independents to drill these "wildcat" wells.

If there is no depletion allowance, the capital for the independents will dry up—mark my words. The independents will just not be able to get the money to drill expensive exploratory wells.

This will mean fewer exploratory wells will be drilled, and thus, the chances of more domestic production, and less dependence on foreign oil, will not improve. And the exploratory wells that are drilled will be controlled by integrated oil companies, and thus, there will be less competition in the production phase of the oil industry. The depletion allowance should not be removed at all—for any of the companies, but certainly this little exemption for any independents should be allowed.

I urge this House to approve the Wilson amendment. I urge a vote for more production. I urge a vote for more competition.

This means a vote for the Wilson amendment.

Mr. PICKLE. Mr. Chairman, I also rise in strong opposition to the amendment offered by the gentleman from Pennsylvania (Mr. Green). I do not favor the immediate repeal of the depletion allowance for domestically produced oil and gas. The Green amendment is not a germane amendment, and ought not to be made in order by any rule.

I would say this, however, that it may be well that this issue is finally coming to a vote. For many years, if there has been one issue that has been demagogued and demagogued, it is the oil and gas depletion allowance. It seems to me that just as everyone has to be for motherhood and apple pie, it is a requisite for some of our friends from the North and East to be against the oil and gas depletion allowance.

I wonder what will become the favorite issue and the favorite "bad guy" if the depletion allowance is repealed.

These are not the real issues, but only indicative of the emotionalism surrounding the arguments that go into a debate about this particular tax incentive. I think that we have to look at the principle of allowing a depletion allowance on oil and gas or any mineral, for that matter. In the U.S. Tax Code over 100 minerals receive a depletion allowance. One wonders why coal can have a depletion allowance, but oil and gas should not.

It would seem that if a depletion allowance is fair, equitable, and an incentive for the economy of America for one mineral, then the same would be true of the other minerals. I would say that if we are going to repeal the depletion allowance in one area, that would certainly mean that we need to look at the depletion allowance on these other minerals. In this endeavor, I would hope to see the gentleman from Pennsylvania working to repeal all depletion as hard as he has in bringing forward this repeal of the allowance for the oil and gas industry.

The gentleman from Pennsylvania admits that repealing the oil depletion allowance will raise the price of gasoline at the pump, perhaps by 3 to 5 cents a gallon, and this seems to be inconsistent with his earlier stand forbidding the President to impose a tariff on oil imports. I joined with the gentleman from Pennsylvania in that tariff position, and it would seem that he would remain consistent and not propose this amendment today which would raise the price of gasoline at the pump.

Be that as it may, what else will the repeal accomplish?

It will make it more difficult to find the capital for our lending businesses to drill these highly expensive, high-risk exploratory wells. Fewer exploratory wells means that we will not be finding any new oil and gas reserves within our boundaries. This means that our dependence upon foreign crude will continue to grow, and become even greater as domestic production drops more rapidly.

So repealing the oil and gas depletion allowance on domestic production only hurts the American consumer, who needs more domestic production not less. And I would go on to say that the gentleman from Pennsylvania's amendment exempts that natural gas under long-term contracts. This really means that those gas companies producing gas sent to places like Boston, New York, and Philadelphia will continue to receive the depletion allowance for natural gas.

Now, I can understand why a Member would want to protect his own area. But it seems a little unfair to call it statesmanship when practiced by those from nonproducing States and demagoguery by those who might want to protect their constituents who happen to live in a producing State. I would think that we would all want to look at these natural gas provisions long and hard to see their true impact on the proposal before us today.

But there is an even greater concern facing this Congress, and really facing the American people. This concern is the economy and whether or not we can pull ourselves out of the deepening recession.

Nearly everyone agrees we need a tax cut bill. Nearly everyone agrees we need it quickly. The American people expect Congress to act responsibly and to pass a tax-cut bill. This Congress should take no solace in repealing the oil and gas depletion allowance and jeopardizing, perhaps postponing until too late, the passage of a tax-cut bill. How can we have faith in a Congress that wants to score some political points, that wants to make campaign promises from campaigns past, in total disregard for what is needed by this Nation and its people right now. They cannot, and they should not. And we are wrong to fool ourselves that they will.

Furthermore, we are wrong to not understand that we are expected to lead as well as apply permanent issues during an emergency crisis—permanent issues that are going to prevent corrective action to overcome the emergency.

If the Green amendment is accepted, the earliest that a tax bill will pass Congress will be probably late July or August. A more reasonable prediction if the Green amendment is accepted would be a tax bill next fall. And the incredible thing about the big push now to repeal the depletion allowance is that the Ways and Means Committee, as stated by the distinguished chairman, will have an energy tax bill by the middle or late April. That energy bill, I would predict, will be effective January 1, 1975, just like the Green amendment before us today. What difference does 4 weeks make when you are risking breaking the faith of the American people? And I would urge my colleagues to look at this issue in this light. At least hearings could be held, and important facts brought out.

I am saddened by the sectionalism displayed by the Congress.

When are we going to realize that solving our energy crises by pitting one region of the country against another is just counterproductive—that sectionalism breeds animosity, breeds lack of cooperation, and quite frankly, breeds the seeds of disunity or distrust of the States.

I do not want to stand here and sound like someone from south of the Mason-Dixon line in 1850. In fact, I wish we would not look at other Members as being from Texas or being from Pennsylvania, or Massachusetts, or Alaska, or whatever. The energy crisis is a national problem. It will take national solutions. It will take national unity—most of all, it takes increased production.

Ever since the oil embargo and the Mandatory Allocation Act of 1973, we have had many different suggestions over which course to take in solving our energy problems. I am sure all of us have had changes of opinion on specific actions that are needed. But there is one position I have never changed since those first days of the energy crisis. This position is that we are headed toward economic ruin unless the petty and political one-upsmanship between the different sections of the country over energy problems does not cease.

Mark my words, this is a problem that is festering and will continue to fester.

Let us lay aside the stereotypes.

Let us reason together.

And we can come up with an energy program that the American people can respect.

Mr. LEHMAN. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act of 1975. The legislation we are considering today is one of the most important proposals, in terms of reversing our recessionary trend, that will come before us during the 94th Congress.

Today we begin the long but necessary process of correcting the inequities that have evolved over the years and have become entrenched in our present tax structure. The burden of paying taxes rests too heavily on persons in the middle and lower age income brackets.

The committee's bill is a response, but not the ultimate answer to our troubles. The fact that it is a greater response than the administration's, and it is anticipated that the cuts will be made permanent.

Mr. Chairman, unlike the President's one-shot rebate plan, the committee has proposed legislation that exceeds the President's request by $5 billion in tax cut relief for individuals and corporations. The bill before us today provides for a rebate of 1974 income taxes up to a maximum rebate of $200, increases the low-income allowance and the percentage standard deduction to reduce individuals' 1975 income taxes.

In addition, the committee's bill allows for an earned income credit up to $200 to offset social security payroll taxes for low-income persons. As an ex-businessman, I am especially pleased to see that the committee has increased the investment tax credit. Hopefully, this will encourage businessmen to plow back some of their earnings into their respective businesses for repairs, improvements, or acquisitions. This could give the sagging construction and equipment industry the boost it so desperately needs.

This legislation will bring tax relief to hard-pressed middle-income families and individuals and place a fairer share of the tax burden on the upper income bracket.

Finally, Mr. Chairman, we will be considering the repeal of the oil depletion allowance. The oil companies reaped a $2.6 billion windfall from depletion last year, and in 1975 another $3 billion could be diverted from the Treasury if this outdated privilege is not rescinded. The elimination of the depletion allowance will contribute an additional $3 billion in revenues to the Treasury and could promote research and development of alternative sources of energy. The oil companies maintain that the allowance is an essential if not the sole incentive for further domestic exploration for new oil. Yet, during the last 5 years, exploratory drilling in the United States has declined by more than 50 percent. The depletion allowance is costing the taxpayers billions while the level of our domestic oil reserves remains relatively constant.

Mr. Chairman, it is obvious that the depletion allowance has not provided the incentive or achieved the success for which it was designed. Therefore, it is imperative that this special tax advantage be repealed.

Mr. Chairman, I stated earlier that this bill initiates the process of overhauling and reevaluating our entire taxing structure. I trust that what we have before us today will lay the foundation on which a more thorough and permanent revision of our taxing laws can be built.

Mr. BIESTER. Mr. Chairman, the frustrations we all have felt in trying to manage our own budgets and cope with rising costs are borne out in the cold, hard figures of national economic statistics. It is all but impossible to derive encouragement from any of the monthly or quarterly economic indicators except to note that some of the negative signs are not increasing at quite the same depressing rate they have been.

The picture drawn by the recent staff study prepared for the Joint Economic Committee is sobering. The combined impact of inflation and increased taxes on the average citizen has been substantial. Whatever salary increases may have been realized in 1974 were more than likely insufficient to offset the inflation-plus-tax bite causing real disposable income—the broadest measure of actual purchasing power—to fall last year. Lower-income families including those on small, fixed incomes bear a particularly difficult burden at times like these. Middle-income families, as well, however, have been especially vulnerable to present economic conditions. They have experienced large increases in both social security and personal income tax payments, and as these families move up through middle-income tax categories they even more quickly reach higher tax brackets. The study determined that, taking tax payment growth into account, the family with an income of $12,626 in 1973 required an additional $1,840 in 1974 simply to maintain its same standard of living.

The tax rebate legislation before us, H.R. 2166, is an emergency initiative. As such it calls for a strong, well-conceived response on our part, one which will restore the consumer buying power of the American taxpayer in a manner fair and equitable for all.

The unprecedented budget deficit toward which this $21.3 billion tax program will contribute is a bitter tonic to swallow. It is a strong prescripition for a most difficult economic situation—a recessionary period overlapping an inflationary one. Economists are revealing themselves to be all too human in their efforts to explain and predict the intricacies of the forces at work in the economy. There is a general consensus among economists of varying philosophical persuasions that a sizable tax cut—distasteful as its accompanying revenue loss and budget deficit are—must be initiated.

We do not know how these rebate moneys will be spent, and we have no guarantee that they will be spent on the kinds of big, expensive items, like automobiles and large appliances, that many economists and Government officials hope will be the case. Undoubtedly there will be some of this buying, but much of the rebates will go toward paying off bills and purchasing less expensive necessities which have been put off. A goodly portion is likely to end up in savings accounts. Wherever the taxpayer decides to place this money—so long as it is not under the mattress or in a cookie jar—it is going to be pumped back into the economy either directly through his purchase of goods and services or indirectly as financial lending institution capital investments and increased loan and mortgage money availability. The important thing is that this money get back into the hands of the public where it can circulate and revive an unhealthy economy.

The Tax Reduction Act, as an alternative to the President's tax cut proposal, was conceived with the best of intentions and out of unusual and serious circumstances but was delivered by the Ways and Means Committee in less than optimal form. Using fairness and equitability to the largest number of taxpayers as criteria for judging this bill, the legislation as drawn by the committee stradles a very fine line between acceptability and unacceptability.

Title I of the legislation provides for individual tax rebates in the amount totaling $8.1 billion based on 1974 taxes paid. Payments to taxpayers will range between $100 and $200 or the total taxes paid if that amount was less than $100.

Title II contains a $5.2 billion tax cut for 1975. This would be achieved through increasing the minimum standard deduction—from $1,300 to $1,900 for individuals, to $2,500 for joint returns and from $650 to $1,250 for married persons filing separately—and the percentage standard deduction from 15 to 16 percent of adjusted gross income with a $2,500 maximum for singles, $3,000 for joint returns, and $1,500 for marrieds filing separately. While this might seem desirable on its face, the net effect is to discourage itemization among the large number of middle-income families, especially, making mortgage payments and paying property taxes. It has been estimated that upwards of 46 percent of all taxpayers in the $10,000- to $20,000-income range would receive no benefits under the provisions of this title as reported by the committee.

This title also includes a tax credit of 5 percent on earned income up to $4,000, phasing out at $6,000, which works out as a credit offset on social security taxes paid. Individuals with low incomes who pay little or no income taxes will receive a cash payment under this title. Such an idea, expected to cost almost $3 billion, does have merit and should be considered more thoroughly, but I do question whether this bill is the proper vehicle for such a far-reaching new initiative.

Our distinguished colleague, Mr. Conable, has offered a substitute to titles I and II which would make the tax reduction a one-time, $12.2 billion cut. Title II would be eliminated and the entire rebate would be spread out differently than in the committee bill; under the alternative, maximum payments of $430 and greater individual amounts to middle-income taxpayers would result. Some middle- and higher-income taxpayers may fare better under this proposal, but lower-middle- and lower-income families would not. The Conable substitute would eliminate the questionable provisions of title II which would discourage itemizations by a substantial percentage of taxpayers and which would initiate a program of income redistribution.

Unfortunately, I find both good and bad in the committee bill and the Conable substitute. The committee bill has some better features, primarily in title I, for families toward the lower end of the tax scale, and the Conable alternative is attractive in that it would provide increased rebates to a middle-income population deserving of further financial assistance. I regret that the parliamentary situation is such that it is impossible to combine the more desirable features of each. Because I am convinced that a full year of tax relief is essential for revitalizing the economy I cannot support the Conable substitute and am constrained to vote for the committee bill.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 2166, the proposed Tax Reduction Act of 1975. By enactment of this legislation, Congress will be taking a first, firm step toward adopting a positive action plan to deal with America's momentous economic woes.

The need for this legislation, Mr. Chairman, is evident from any of several indices:

Unemployment now stands at 8.2 percent, the highest in more than 30 years.

America's gross national product actually declined in 1974, by about $16 billion in real terms, the largest such drop since 1946.

Our economy is operating more than $200 billion below its potential.

In a word, we are in a recession, the most serious recession since the great depression of the thirties. H.R. 2166 represents the first legislative response of the 94th Congress to this downturn, and the Ways and Means Committee, particularly its able and distinguished chairman, the gentleman from Oregon (Mr. Ullman), deserves the highest praise, both for the contents of this bill, and for the speed with which it has been brought to the floor.

What H.R. 2166 provides is more than $21 billion in tax reductions for 1974 and 1975, three-fourths of it directed to individuals, the other quarter to businesses.

The individual tax reductions are divided into three major categories:

An immediate rebate of 10 percent of the person's 1974 taxes up to $200.

An earned income credit of up to $200 for those whose incomes are insufficient to trigger tax liability.

Increases for 1975 in the low-income allowance and the percentage standard deduction.

The tax reductions for businesses come principally in the form of temporary increases in both the investment tax credit—to 10 percent, and the corporate surtax exemption—to $50,000.

I share the judgment of the committee that many small businesses will be saved from bankruptcy by the doubling of the surtax exemption. Moreover, many small enterprises that are not particularly capital intensive, and could not take advantage of the investment credit increase, will benefit.

I was particularly pleased, Mr. Chairman, by the structure of the increases in both the low-income allowance and the percentage standard deduction. These increases generally are not so much tax reductions as they are compensation for hidden tax increases caused by inflation. Millions of Americans have slipped into higher tax brackets, not because of increased purchasing power, but because of the inflated times in which we live.

In addition, the committee has wisely seen fit to provide substantial improvements in the allowances for married couples filing jointly. This will help to alleviate, at least for 1975, the unduly heavy burden being borne by couples where both spouses work—a situation more common in Hawaii than anywhere else in the country.

There are those who conceive of this just as another inflationary action. Nothing could be farther from the truth. The recession has resulted in a great deal of unused productive capacity in our country, and it is that slack which will be stimulated if H.R. 2166 is enacted.

This is a step, Mr. Chairman, which must be taken. We know it is not the only step. Indeed, it may be the easiest step of any we will be taking for every constituent taxpayer would like to see his taxes cut. The harder choices loom ahead, and it will take all the wisdom of the Congress—hopefully with the full cooperation of the administration—to avoid a devastating depression.

Mr. Chairman, I urge the passage of H.R. 2166.

Mr. BAUMAN. Mr. Chairman, as most Members of the House, I have been searching for solutions to the economic problems facing the people of my district and the Nation. Rarely in our history have we suffered from the combination of both a recession and runaway inflation.

I have talked with many members of the Ways and Means Committee who are far more knowledgeable than I on tax matters. I recently took part in a 2-day seminar with some of the leading economists in the Nation under the auspicious of the American Enterprise Institute.

While there is some degree of agreement on the need for economic stimulus in order to revive the economy, I must seriously question any beneficial impact that H.R. 2166 will have if it becomes law.

First of all, this bill would result in a decrease in Government revenues of approximately $21 billion. This comes at a time when we already face a deficit for the next fiscal year which at a minimum will amount to $54 billion, a figure which was revised by the administration only yesterday. More realistically the deficit will probably amount to $80 billion. If we add to this amount $21 billion in additional deficit, I can foresee only national bankruptcy, even greater inflation and a complete drying up of available capital for private business, as the Government goes into the private money markets in order to finance this huge deficit.

This bill also contains a number of inequities which are highly unacceptable. While this bill purports to give most of its tax rebates to lower-income groups, it establishes for the first time payments to persons who pay no taxes at all, in effect the first time the Congress will have authorized a negative income tax. To add this spending scheme to an already overburdened welfare system is, in my opinion, totally irresponsible.

Still another objection to the bill is that the great majority of middle-class taxpayers, who in fact pay the greatest percentage of our total tax bills, will not benefit at all. This is because, as has been pointed out in debate, the bill is written in such a manner as to benefit those who use the standard deduction on their income taxes, rather than those who itemize their deduction, as almost one-half the middle-income taxpayers do.

There are indeed good features in the bill, such as tax breaks for small businesses and increased investment credits.

These could mean more jobs and expansion of business.

But, I cannot possibly understand how the national economy or any single individual can be helped by legislation which would increase our already massive national deficit and insure that the rampant inflation which has caused most of our economic problems will only get worse. That is the cruelest tax of all.

Mr. Chairman, I, therefore, feel that it is my responsibility to vote against this bill.

Mr. BUCHANAN. Mr. Chairman, I oppose this bill. The relief it may give to any individual American family is quite small, but the price tag to our country is high indeed. At a time of record Government deficit, this constitutes a hasty expenditure of $21.6 billion in desperately needed Federal revenues. In a country whose basic economic problem is that of the cruel tax of inflation which falls so heavily on all Americans, but especially on low- and middle-income families, it will increase inflation. At a time of energy crisis, when our Nation is striving to achieve self-sufficiency, some of its provisions will discourage needed production. However well intended, this bill is wrong for our country and, in the long run will hurt, rather than help, American taxpayers. We cannot cure inflation with more inflation. We cannot solve problems created by deficit financing with higher deficits. We cannot spend or borrow our way into prosperity. Already the Federal Government is consuming 65 percent of the available capital supply to finance the great and growing Federal debt. This will increase that debt and that problem which is both inflationary and a stumbling block to real economic growth.

We cannot lift the burdens from the shoulders of the American people by laying new burdens of debt and inflation upon them. This, Mr. Chairman, is the wrong medicine to treat the wrong illness in the wrong way at the wrong time. It will, in my considered judgment, not cure the patient, but rather will worsen our country's economic illness.

I urge the defeat of H.R. 2166.

Mr. BADILLO. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act of 1975, and urge its adoption together with the amendment sponsored by my distinguished colleague (Mr. GREEN) to end the 22-percent depletion allowance for oil and gas effective at the beginning of this year.

By every measure, we are now in the midst of a lengthy, continuing economic crisis which seems likely to approach the frightening proportions of a massive depression. President Ford has presented the Congress with an economic program and proposed budget for fiscal year 1976 which clearly fails to take into account the rapidly deteriorating economic situation or the gravity of growing unemployment. His program offers the American people a steady diet of increased inflation, deepening recession, and expanding unemployment. It is characterized by severe inequities, especially among those persons least able to bear additional economic burdens. We are today considering legislation which will signal a reversal of this trend. H.R. 2166, the Tax Reduction Act of 1975, as reported by the Committee on Ways and Means, represents a significant alternative to the administration's proposals.

The Tax Reduction Act of 1975 is the first and most crucial step taken by this Congress in the long march back to economic health for the citizens of our country. In brief, this bill will provide substantial economic incentives. H.R. 2166 provides for a rebate of 1974 income taxes up to a maximum of $200, increases the low-income allowance and the percentage standard deduction to reduce personal 1975 income taxes, provides for an earned income credit up to $200 to offset social security payroll taxes for low-income persons, and temporarily increases the investment tax credit and the corporate surtax exemption. Overall, the bill will provide $21.28 billion in tax relief. Importantly, $61.21 billion will go to individuals, which is where I believe the priority should be.

Clearly, the first priority for improving economic conditions is to increase the purchasing power of the average taxpayer and the most direct way of doing this is to provide a 10-percent rebate on 1974 income taxes and reduction on 1975 income taxes. It is important, however, that we established priorities of need as well and this legislation properly provides the greatest relief to low- and middle-income taxpayers. This is reflected in the fact that the rebates are limited to maximum of $200 per taxpayer; that of the total rebate of $8.12 billion, 35 percent will go to individuals earning less than $10,000 and 85 percent will go to persons earning less than $20,000 and that of the individual income tax reductions for 1975, 5 percent will go to persons earning less than $10,000 and 75 percent will go to persons earning under $15,000.

At the same time that we move to provide relief to individual taxpayers, we must also take action to help business, especially by encouraging expansion of our economy. It is for this reason that I support the increase in the investment tax credit generally from 7 to 10 percent for corporations and from 4 to 10 percent for utilities. Here, too, it becomes important that priorities of need be established and for this reason I support the $100 million ceiling for any public utility or controlled group. Similarly, the increase in the corporate surtax exemption from $25,000 to $50,000 benefits all business but provides the greatest relief to the small businessman for whom the difference between a 48-percent tax rate and a 22-percent tax rate on $25,000 could be decisive in determining survival. There are many such businesses in my district.

H.R. 2166 is, therefore, a good bill; a bill that will bring additional needed funds to the taxpayers, and a bill that establishes clear priorities based on greatest need.

H.R. 2166 can be a better bill, however, and it is for this reason that I support the amendment offered by my distinguished colleague (Mr. GREEN) to repeal the percentage depletion allowance for oil and gas.

Repeal of the oil depletion allowance has been one of the most debated legislative proposals in history. Members of Congress have been talking about this issue for more than a quarter of a century. The depletion allowance has given the oil and gas industry a tax shelter which must be the envy of every American citizen.

Mr. Chairman, as a certified public accountant I must say that the 22-percent depletion allowance presently on the books is in no way related to economic necessity, to investment effort, to scarcity of resources, to profits or losses or to any relevant accounting standard or procedure. It is simply a 22-percent giveaway.

Under the present law, the first 22 percent of every dollar received by the oil and gas companies are simply not subject to tax regardless of whether the company has a profit or loss, regardless of whether the oil wells are good for 1 day or a thousand years, and regardless of whether the company invested $1 or $1 billion. If we are going to set priorities in this bill, we must not only set priorities by deciding where there is the greatest need for assistance, but we must also determine those areas where there is also no relevant need for assistance. The continuation of the oil and gas depletion allowance is the most important of such areas and therefore the repeal of this provision is an essential component of this basic legislation.

With the passage of H.R. 2166, as modified by the Green amendment, we will have established that this Congress intends to take the leadership in providing the economic recovery program that will not only restore our economic health, but also insure that the benefits of that health will be available to all groups in our society.

Mr. SARASIN. Mr. Chairman, I will reluctantly cast my vote in favor of the committee tax package now before us. I believe it is inadequate to the task of stimulating the economy and clearly discriminatory against the tax-paying, middle-income wage earner. It also institutionalizes the unjust discrimination against the single taxpayer. It is, however, unfortunately the only plan before us and we can afford no more delay in taking some action. I only hope that as this measure moves through the legislative process, it can be improved to the point of being truly fair and effective.

We would have been far better advised to adopt the Conable substitute, which provided a stronger weapon against recession and fairer treatment of the middle-class taxpayer. The proposal we are about to pass today contains poorly conceived changes in overall tax policy, changes which demand more thorough consideration than they have been given.

I will vote for this tax plan, not because it is the right plan, but because it is the only plan before us. Its shortcomings include the following:

It discriminates against the taxpayer in the middle-income range, between $10,000 and $20,000 per year, precisely the people who are always called on to carry the burden and who are most deserving of relief. The $100 to $200 rebate allotted to these people is too small to be a real stimulant to the economy. The Conable proposal with the maximum rebate of up to $430 designated for these taxpayers would be more equitable and more effective.

The tax reduction provision in the committee proposal legislates a sweeping change in tax and social philosophy, establishing a negative income tax and institutionalizing second-class treatment for single taxpayers while discriminating against the large number of middle-income taxpayers who itemize their tax deductions, including virtually every homeowner in the country.

It should be borne in mind what we are trying to do. I think there is general agreement we need to concern ourselves with several problems. First and foremost, we need to get our economy going again and reverse the rising trend of unemployment. This can only be done by encouraging consumer spending by those who comprise the heart of the economy, the middle-income workers. This can only be accomplished by giving these individuals a meaningful rebate.

What we are doing is taking a small, hesitant step in this direction. Rather than acting forthrightly and courageously to address the first problems first, we are trying to satisfy every one of dozens of competing interests, therefore doing none of it very well.

As I already said, I will vote for this bill, but reluctantly. It is not a good bill, but it is the only one we have. I hope in the future we will do better.

Mr. MOORE. Mr. Chairman, I rise to support the amendment which the gentleman from Texas (Mr. CHARLES WILSON) will offer to continue the oil depletion allowance for small independent producers who plow back these benefits into further domestic exploration. I further wish to indicate my strong opposition to the Green amendment which would do away with depletion allowances entirely.

Although a tax relief bill is not the proper vehicle for consideration of this matter, I am willing to concede that perhaps the percentage depletion allowance should no longer be available to the major multinational oil companies who do not engage in domestic exploration at least equal to the depletion allowance. I am very concerned, however, for the ability of this country to become self-sufficient in energy in the foreseeable future.

This is where the independents come in and where percentage depletion plays such a large part. Independents do most of the exploration in this country, take most of the risks, and produce nearly half our domestic output. Whatever historical rationale originally led to the enactment of percentage depletion, the economic basis for its continued benefit to independents is short and simple: the attraction of sufficient capital in such high risk ventures to stay in business and keep looking for new oil. Otherwise, we are going to remain under the thumb of the Arab blackmailers and mortgage our economy to the whims of other nations.

The cash flows from internal financing are so narrow, that a sudden increase in tax liabilities will put many of the independents under. This is no time to inhibit investment in domestic exploraton and there is no justification to take the punitive action recommended by the gentleman from Pennsylvania (Mr. GREEN) against a segment of the industry which is not to blame for the high prices we are currently paying for oil and gas. Who in their right mind will take the very high risks inherent in exploration if they do not have some chance for a reasonable return on their investment?

Nobody, except the consumer who will have more energy at his disposal, is going to get a windfall if the Wilson substitute passes. None of the funds from percentage depletion will be distributed to the investors.

All of the money must be plowed back into domestic exploration. The House agreed to this concept when it considered an excess profits tax at the end of 1973.

There should be no question of its continued benefit to our country. Without the capital attracted by percentage depletion there is not going to be much exploration. Without more exploration there will be less oil, and with less oil the economy of this country is going to be in ever greater trouble than it is now.

Mr. Chairman, there is absolutely no reason for percentage depletion to be before the House today. This bill is supposed to be about giving some well-deserved income tax relief to individual taxpayers. In case there is any doubt left in anyone's mind as to why we are going through this unwise charade, let me make it crystal clear. It is due to the un-American action of the Democratic Caucus, taken in secret session by a vote of a minority of Congress to instruct the majority members of the Rules Committee to make these nongermane amendments in order. It arbitrarily overrode the will of the Ways and Means Committe, which promised to take up the matter shortly as a germane part of the energy package and hopefully come out with well-thought-out legislation to remove unnecessary preferences, but continue to encourage domestic production.

Furthermore, as a representative of the people of the great State of Louisiana, I personally resent the action of "King Caucus." For the second time in as many months, Louisiana has been struck a mortal blow as the public's business has been conducted by a minority in private. First they removed one of the most experienced and knowledgeable Members of this body, the gentleman from Louisiana (Mr. HÉBERT) from his chairmanship, despite the wishes of many of its members that he be retained. This too was done with arbitrary, binding instructions—something we do not have and do not wish to have on this side of the aisle.

Now they want to drive the independent oil producers of Louisiana out of business to the detriment of the entire country and especially to my State, which derives much of its revenue from oil and gas. The people of Louisiana have gone overboard to make more than their fair contribution to the energy needs of this Nation. We have no shortage of natural gas in Louisiana, for example, but we have watched and frozen while this critical energy source has been piped out of the State. Right this minute we are risking our beaches while offshore oil rigs pump out crude for the rest of the country. I do not see any such rigs off the Atlantic coast. You want our oil, but now you want to take away our means of finding it and getting it out of the ground.

Mr. Chairman, if the Green amendment passes without the Wilson substitute, I am most reluctantly going to have to vote against this bill. I think it is a rather poor way to help the individual taxpayer in any case. I strongly favor a one-time tax rebate to help us out of the recession, but I have reservations about some of the other aspects of the committee bill. First of all, it would provide a negative income, which I oppose, in the guise of a so-called earned income credit. If we are going to give out welfare, let us call it that and consider it separately in proper fashion with public discussion of its implications and consideration of alternatives. Second, it institutionalizes an increased standard deduction which will be hard to turn around if economic conditions change and which penalizes the the middle-income homeowner who generally itemizes his deductions. Third, it creates a much larger deficit than that recommended by the President, which was already dangerously high to my way of thinking, contributing to inflation. The Conable substitute will ameliorate these deficiencies, and I urge its adoption as well. With the committee bill intact, it has problems, but I could support it because I want to help the economy and see a tax rebate for the people of my District. With the depletion allowance cut in the bill we are going to run into a long delay while this legislation moves slowly through the other body and a difficult conference. I fear that any rebate will then come too late to be of much help. Under those circumstances I will be constrained to vote against final passage.

I once again thank the gentleman for yielding and strongly hope that his amendment will be adopted.

Mr. KEMP. Mr. Chairman, I must oppose the enactment of this counterproductive bill and do so for a number of reasons.

First, it is incredibly inflationary and will be financed only by further Government borrowing. It would shift even greater tax burdens onto the backs of the working people in our economy—those who help produce the goods and services of America.

Second, it would actually give tax rebates to those who did not even pay taxes to start with. This is a negative income tax, totally rejected by the American voters in the last Presidential election, during which the to-be-defeated candidate proposed that the Government adopt a permanent, outright cash payment program for those who do not work.

As I said earlier, it will sow the seeds of additional inflation and recession. Inflation robs the American people of their purchasing power. Recession robs large numbers of them of their jobs. Both are the product of the Federal Government relying too heavily on deficit financing, a process which draws job-creating investment money away from the productive sector of our economy.

It will drive up the price of goods and services—food, clothing, shelter, medical care, utilities, fuels—by expanding the amount of money flowing within the economy without a commensurate increase in production. When there are more dollars in circulation and production goes down the result is higher prices and a cheaper dollar.

It will hamper our efforts to increase domestic production of oil and gas which is the only means to lessen our dependency on foreign oil.

In short, this bill is antimiddle class, antiproducer, antiworker. It is patently inflationary. It will sow the seeds of another and a worse recession. It will not appreciably help restore jobs, and in the long run will probably hamper that restoration. It simply will not do what we are being told it will do.

I am strongly in favor of tax reforms and tax reductions. I believe both are long overdue. I have categorized the types of reforms I think are necessary, and will strongly vote for the Conable substitute which is aimed at increasing production and truly stimulating the economy.

I have worked hard as ever the past 5 years in helping lift the tax burden from the American people. They are paying too much in taxes because the cost of government is too much. In 1974, increases in taxes outpaced any other increases in the economy—outpacing utilities, food, transportation, fuels, housing. Taxes rose last year by a staggering 26.5 percent on the Federal, State, and local levels. Total taxes already stand at about 42 percent of the total of private incomes in the country. We cannot long survive under such a tax burden.

But, the bill before us does very little about this problem. It does not address the issue of overall Federal spending—which is, at the same time we are today considering this bill, expected to increase at least 11.9 percent during the next fiscal year alone. It does not address the issue of the ever-increasing portion of the people's livelihood taken by tax collectors. It does not face up to the interrelationship between revenue and spending or the deficits which arise—and fuel inflation—when spending runs ahead of revenue. Nor, do the advocates of this bill disclose fully the possibilities of what can happen to the economy by pursuing this reckless course.

I cannot imagine what good they expect to do—for the Nation, the economy, the people—by voting for this tax rebate scheme, when clear economic lessons tell us that it will make matters worse. I trust that no one thinks he or she is improving their respective chances at the polls in 1976 by voting for this scheme, because it most certainly will have backfired by then.

Let me, very briefly, point out the bill's defects.

Almost $3 billion of relief is given to people who did not pay taxes in the first place.

How can tax relief be given to nontaxpayers? Quite simply, by giving them cash handouts from either taxes paid by those who do work and pay taxes or borrowed money. This is a form of a negative income tax—a cash payout to someone who earns so little that no taxes are paid on it. But, it differs from the classic form of a negative income tax, in that such a form was designed to replace existing welfare and assistance programs. This bill, on the contrary, just adds this cash on top of all the existing programs. And, the taxpayer pays for all of them. In this bill—and implicit in its adoption—no welfare reform is encouraged or obtained. No tax load on others is reduced by savings from a reduced bureaucracy. This measure constitutes a major, new direction for this Government, yet it has been sneaked into this bill without any careful review. It is wrong to do that.

The workers and producers of our society will, in another way, be forced to carry a heavier share of our economic load. It will be through inflation made worse and a possible loss in jobs available.

The bill before us will result in a larger deficit for both the current and next fiscal years and it is already $70 to $80 billion.

Government will cover the additional deficit created by these tax rebates by additional borrowing. Government will borrow that money from the capital markets, leaving that much less for private borrowers—from housing to industrial expansion.

As a result, interest rates will be pushed up. In addition, the Government will then "monetize" a portion of that debt, which means they will increase the money supply without any accompanying increase in national productivity. That will cause inflation, for every increase in money supply, unaccompanied by an increase in productivity, is followed by an increase in prices. And, we must never forget, that inflation is a forerunner of recession.

The tax reductions called for in this bill total $20 billion. That is a tremendous amount of money which will have to be borrowed, especially when one considers that the maximum rebate for an individual is $200. It is not much, one by one; but, taken as a whole, it constitutes a tremendous deficit for the Federal Government. The taxpayer who is getting back $200 should be ever mindful that the inflation which will result from this one bill alone will eat away a great share of that money's true purchasing power. Again, it is the oldest trick of Government; giving with one hand only to take with the other.

This business of Government giving with one hand, only to take away with the other, is explicit in this entire tax rebate approach.

The taxpayers are being told that they will get a rebate to help them overcome a small share of their economic problems.

They are not, to my knowledge, being told that the Democratic Party leadership in this House has recommended that taxes on gasoline be raised by as much as 15 cents per gallon—which would take billions from the people.

They are not being told that the Committee on Ways and Means—from whence came this very bill before us—is soon to report out a bill which could include a gasoline tax as high as 40 to 50 cents per gallon. Gas would rise to around $1 per gallon. This would take billions from the taxpayers.

They are not being told of the active consideration in the Congress of an altogether new tax—a national sales tax. This so-called value-added tax would cost the taxpayers billions.

This bill does not deal effectively with the question of how to stimulate the production necessary to create—and expand even further than in the past—the jobs from which our taxpayers earn their salaries. The bill does take some steps in the right direction, but they do not match adequately the attention given to consumption.

Prosperity rests—more than on any other economic factor—on the amount of capital invested within the economy. The more capital invested, per person, the greater the economic growth and the better the standard of living—in real, not inflated, dollars.

This phenomenon of compulsory transfer—through the engines of government machinery—from those who produce to those who consume tax dollars—known as "transfer payments"—can no longer be ignored in our policy considerations. It constitutes a government-mandated income transfer which already threatens the incentive of the workers to continue to work. The growth in transfer payments has been just short of astounding. In 1965, they constituted only 6.9 percent of wages and salaries earned. By December 1974, they had risen to 20.4 percent—one-fifth of every dollar earned—or 1 day out of every week worked.

I think, even in this emergency measure, that more attention ought to have been given to stimulating productivity. I urge its defeat, let us put our country ahead of politics.

Mr. FORD of Tennessee. Mr. Chairman, I urge my colleagues to vote against the passage of the Conable amendment to H.R. 2166, the Tax Reduction Act of 1975. H.R. 2166, as reported by the Ways and Means Committee, offers the American people a tax cut directed toward the group needing it the most—the low- and middle-income wage earner. Mr. CONABLE's amendment reflects the proposal sent us by the President—it is much too generous in its rebates for upper-income persons. It also omits a vital part of the committee version—the individual tax reductions for 1975. Yet it retains the tax reductions for businesses and corporations.

Mr. Chairman, I am aware that these business tax reductions will provide the stimulus needed for expansion which will in turn preserve many jobs now threatened and hopefully create new positions. However, we must also provide long-range tax cuts to those hit hardest by inflation. Let me point out that these adjustments lowering the withholding rates will provide an additional stimulus to the economy. Not only will taxpayers enjoy an immediate tax rebate, they will be able to use their higher take-home pay to cope with ever-rising prices.

We need both the immediate stimulus represented in the tax rebate proposal and longer-range tax cuts. Only the two incentives together will encourage sufficient consumer spending to halt our spreading economic decay. I intend to vote against the Conable amendment and urge my colleagues to do likewise.

Mr. ASHLEY. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act of 1975. I urge approval of this legislation because of its potential as a catalyst for economic recovery and as an important first step in what I hope will be a comprehensive review and reform of our outdated tax system.

The immediate stimulus of the tax cuts in this bill is too crucial to our goal of reversing the decline of the economy to allow for any undue delay. If approved as reported out of the Committee on Ways and Means, H.R. 2166 will provide $16.21 billion in tax relief for individuals and $5.07 billion for businesses and corporations. The economic impact of these tax cuts will be enhanced by the emphasis on relief for low- and moderate-income families, in direct contrast to the President's proposal to stimulate consumer spending by concentrating tax rebates on the well-to-do.

It is clear that those most severely hit by inflation are the individuals who must spend the bulk of their income on life's necessities—food, fuel, clothing, transportation, housing, and medical care. I believe that the committee has done well therefore to direct 55 percent of the tax cuts in H.R. 2166 to persons earning under $10,000 and 75 percent to those with incomes below $15,000. These are the Americans who are falling behind in the daily struggle against the spiraling cost of living, and if there is any objection to this bill, it is that tax relief for the lower brackets could be greater.

The legislation before us provides relief from 1974 taxes in the form of rebates ranging from $100—or the total of any lower amount of taxes paid—to a maximum of $200. If the Senate concurs and the President signs the bill, rebate checks could be ready by early summer and would provide a tremendous shot-in-the-arm for the economy by freeing $8 billion in fresh consumer spending power.

The Tax Reduction Act also lowers 1975 taxes by raising the low-income allowance from $1,300 to $1,900 for single persons and from $1,300 to $2,500 for married persons filing jointly. The deduction for married persons filing separately will go from $650 to $1,250.

In addition, the standard deduction is increased in 1975 from 15 percent of adjusted gross income to 16 percent, with a maximum of $2,500 for single persons and $3,000 for married couples filing joint returns. For married people filing separately the deduction rises from $1,000 to $1,500 maximum. Approximately $5.19 billion in tax relief will flow from these revisions of deduction levels, and if the bill is not delayed, reduced withholding rates from paychecks could increase take-home pay as early as May 1.

For those Americans with little or no tax liability, H.R. 2166 allows a 5-percent low-income tax credit on earned income up to a maximum credit of $200 for persons making $6,000 or less a year. An estimated $2.89 billion revenue loss from this provision brings the total of personal income tax relief for 1974 and 1975 to more than $16 billion.

This legislation also offers incentives for increased capital spending and industrial activity by raising the investment tax credit for business from 7 to 10 percent. Utilities, severely hampered by difficulties with financing, also will have their investment tax credit raised to 10 percent from the present low level of 4 percent. The act also raises the corporate surtax exemption from $25,000 to $50,000, lowering the tax rate on all taxable income below $50,000 to 22 percent.

Mr. Chairman, the tax cuts authorized in this bill constitute a critical first salvo in our long-range battle to reverse the decline of the American economy. I urge my colleagues to resist the effort that will be made to confine the promised relief to 1974 taxes only, for I am convinced that the additional personal income from lower withholding rates applied to 1975 paychecks is crucial to enable the average American to keep pace with the current pressures of inflation. By including 1974 and 1975 tax relief in this early action, we will have breathing space to proceed with a more comprehensive tax reform package to follow these temporary reductions.

I also urge approval of the amendment that will be offered to repeal the oil depletion allowance. There is no longer any logical defense for special tax treatment of an industry swollen with record profits while the vast majority of Americans are struggling under the burden of high prices for gasoline, home heating oil, propane and other agricultural fuels, and for all goods produced in industries dependent on petroleum or petroleum derivatives.

Oil industry spokesmen claim that the depletion allowance is a necessary tax break for the expenses of exploration for new sources of oil. But this argument explodes in the face of declining domestic oil production—more than half a million barrels a day in 1974—during a boom of recordbreaking industry profits made possible by a variety of special tax loopholes and credits along with astronomical prices for oil production.

Exploratory drilling for oil in the United States has declined more than 50 percent over the past 15 years, in spite of a depletion allowance that costs the Treasury approximately $3 billion a year in lost revenues. With clear and convincing proof that the oil depletion allowance does not accomplish what its backers claim for it, it must be seen for what it is—a giveaway with neither equity or economic rationale to recommend its continuance. By following repeal of the oil depletion allowance with early action on windfall profits tax legislation, we can stymie the threat of the oil companies to pass the costs of this legislative reform on to the public. The oil companies defend their privileged tax treatment on grounds that are clearly fallacious and self-serving. We can strike an important blow for meaningful tax reform by approving H.R. 2166 as reported out of committee and the amendment to repeal the unjustifiable oil depletion allowance.

Mr. Chairman, I urge overwhelming approval of the Tax Reduction Act of 1975 in the House today, and I hope that the Senate will follow as soon as possible to get this country on the road to economic recovery.

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act of 1975.

The state of the Union, the President told us bluntly, is not good. Since its peak in mid-1973, the economy has entered what now appears to be the most severe recession since World War II. Testifying before the Joint Economic Committee, United Auto Workers President Leonard Woodcock warned of the "worst economic upheaval since the Great Depression." Addressing the same committee, Henry Ford II agrees:

> I have never before felt so uncertain and so troubled about the future of both my country and my company. It is not too much to say that the very survival of our free society may depend on finding good solutions to these economic problems.

Mr. Chairman, I believe that H.R. 2166 is one such solution to our present economic problems. The proposed $21.2 billion tax cut contained in H.R. 2166 is overdue and should pump desperatedly needed cash into our troubled economy.

Declining national economic activity and rising unemployment have led most of our country's distinguished economists to urge a major cut as a means of stimulating the economy. Many of these very same economists argue for even higher tax rebates than those contained in either the administration's proposals or in H.R. 2166. Their scenario projects that tax rebates would be reflected in increased consumer spending, and the resultant increase in demand for products would be accompanied by expanded output and a rise in unemployment.

Mr. Chairman, without a major stimulus, the economic decline is expected to continue throughout 1975. Although estimates vary, most economists anticipate that in 1975 the real GNP will be between 1 and 4 percent lower than in 1974 and that the unemployment rate will average well over 7 percent for the year. Further increases in consumer prices—perhaps even greater than the 12.6 percent CPI rise in 1974—are also anticipated.

The administration's program of a $16 billion tax cut, while a laudable one, should be expanded and should be paid out in a lump sum. H.R. 2166 does both, as well as "tilting" the tax reform package towards lower income people by increases in the minimum standard deduction. H.R. 2166 also returns approximately 94 percent of the total tax relief to individuals who earn less than $20,000 a year and 55 percent to those with an annual income of less than $10,000.

It is regrettable, Mr. Chairman, that a large number of middle-income taxpayers will not benefit from H.R. 2166 as it now is constituted. Roughly 46.2 percent of those with adjusted gross incomes between $10,000 and $20,000 and who itemize their deductions would be excluded from the tax relief provisions of this bill.

I also rise in support of the Green amendment to H.R. 2166 which would repeal and end the inequitable oil and gas depletion allowances. In this time of crisis, we cannot permit a very few select people to reap such an unfair tax advantage when tax increases have been the fastest rising source of inflation to our middle-income citizens.

Mr. Chairman, we cannot afford to delay congressional action any longer if we expect to reverse our present economic decline. We must act prudently and expeditiously. Accordingly, I urge my colleagues to support H.R. 2166 without further delay.

Mr. HUGHES. Mr. Chairman, we are demonstrating for the second time this month how quickly we spend and how slothfully we move to enact the tax reform measures necessary to cover the bills.

On February 5 we raised the debt ceiling to $531 billion through June 30.

Now we are set to vote $21.28 billion in tax relief to individuals and corporations which, as some of my colleagues have pointed out, may be a bit conservative.

Yet all we can do is talk of tax reform.

We should be considering these tax cut proposals simultaneously to proposals for tax reform. The adoption of the Green amendment will increase tax revenues by an estimated $3 billion a year but this is a far cry short of the $21.28 billion we intend to spend in the form of rebates, reductions and business investment incentives.

Let us not fool ourselves. It will be very difficult, as Mr. VANIK points out, to limit the investment tax credit to 1 year or to reduce the minimum standard deduction once raised as we are now considering. This would make the price tag considerably higher than any of us might now foresee.

But I am a newcomer here, Mr. Chairman, and a man of faith and patience. I am going to display confidence in the assurances of members of the Ways and Means Committee that they intend to enact tax reform measures this year to raise the Federal dollars needed to pay for these programs and reduce our projected budget deficits.

There are areas where we can plug loopholes and we demonstrated that tonight in the elimination of the 22 percent oil and gas depletion allowance.

The elimination of foreign investment tax credits, certain allowable deductions and foundation write-offs are just a few.

I hope we turn our attention to tax reform this year or else face the possibility that the real stimulus created by our action tonight is for more inflation and even greater budget deficits.

Mr. LENT. Mr. Chairman, I support the Conable substitute because I feel that it is a more equitable and honest approach to our current economic problems than the bill H.R. 2166, which was reported by the Committee on Ways and Means.

The Conable substitute is a simple measure which would provide a one-time-only stimulus to the economy of $12.2 billion. The committee's bill, which includes a rebate of $8 billion, would not have nearly the desired impact on the economy at a time we need it most—right now. Further, title II of the committee bill has no place in an emergency tax measure. It is really an income redistribution proposal which has serious potential for inequities.

There can be no doubt that lower income families should receive a healthy share of the benefits to be passed along in any rebate bill. However, if a tax rebate is to have the desired effect, it must be spread broadly throughout the economy so that diverse buying habits at all income levels can be stimulated. The committee bill, with a $200 rebate ceiling, would not encourage so-called "big ticket" purchases, while the Conable proposal, with a $430 ceiling, would encourage major purchases. I believe the President's proposal, which established a ceiling of $1,000, would have presented an even greater opportunity for pumping life into the economy.

Mr. Chairman, I am also deeply concerned by the bill's lack of fairness to that income group which pays more than its fair share of Federal taxes and receives less than its fair share of benefits—the middle-income class, or those people making between $10,000 and $20,000 per year. These individuals are especially penalized by title II, which increases the low-income allowance and the standard deduction. This title essentially excludes all taxpayers who itemize deductions, mostly homeowners who pay taxes and interest. Indeed, it has been estimated by the AFL–CIO that almost half of the taxpayers in the $10,000 to $20,000 class would receive no benefit from the tax-reduction proposals, and even among those middle-income taxpayers who do receive a benefit, the reduction would be minimal.

While I will support the committee bill if the substitute fails, I would hope that my colleagues will not lose sight of the purpose of this emergency tax legislation. We are trying to stimulate the economy, not redistribute the wealth or make permanent tax policy. The Conable substitute is far more likely to provide a stimulus to the economy than the committee's bill, and I hope it will be adopted.

Mr. DON H. CLAUSEN. Mr. Chairman, I will support the substitute that will be offered by my colleague from New York (Mr. CONABLE).

The substitute raises the total rebate figure to $12.2 billion with a maximum rebate for individuals of $430. The committee proposal provides for a total rebate of only $8.1 billion with a maximum for the individual of only $200. In other words, the amendment more than doubles the maximum rebate amount for the individual.

At the same time, the substitute reduces the overall drain from the Treasury by removing the adjustments in the withholding provisions of the tax code. In my view, this approach is a more responsible and positive approach to the problem at hand which is the need to provide a quick and direct boost to our economy.

By raising the level of the rebate we will provide for a more equitable rebate with a broader base. More people will qualify for a larger check. The impact will be an immediate, one-time shot in the arm.

I believe very strongly that we must provide relief for those on low incomes. They are being hard hit by the current inflationary trend. The items for which most of their income is spent, such as food, energy, and housing, are those items whose prices have risen the sharpest.

At the same time, I also feel strongly that we must also make the rebate available to those in the middle-income bracket who have carried the burden of the tax bill for so long. Their purchasing power and their role in the production process are the very foundation of our economy. They too have been hurt by our rapid rate of inflation and should benefit from the rebate program.

By placing this larger rebate in the hands of those who will use it to purchase "big-ticket" items, we will stimulate these industries which will then have a positive effect on the rest of the economy.

I support the remainder of the bill as reported from the committee. The corporate tax reductions and, in particular, the increased tax surtax exemption will benefit our small businesses. The increase in the investment tax credit from 7 to 10 percent will encourage companies to expand which will result in the creation of new and additional jobs.

Mr. HARRINGTON. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act, which would provide $21.3 billion in tax relief.

Much as I could find fault with our somewhat awkward effort to come to grips with the economic problems we face as a nation, in part because of its inadequacy when set against the critical situation we face, it is my feeling that this legislation should be acted upon favorably today.

Hopefully, we can look to the Senate side for some improvement in the legislation, and should, it seems to me, support action now rather than accept the delay involved in striving for a perfection which might never be attained.

Under this legislation, as we all know, individuals would receive a 10-percent rebate on their 1974 Federal income taxes up to a maximum rebate of $200, with this maximum decreasing for individuals earning over $20,000, and being limited to $100 for those earning more than $30,000.

The legislation also provides for a 1975 tax reduction under which the low-income allowance or minimum standard deduction will be raised and the standard deduction increased for individuals in 1975. Also, low-income individuals will receive a 5-percent tax cut on earned income up to a maximum of $200 with a tax credit phased out entirely for those earning more than $6,000. Each provision will provide for tax relief of approximately $1 billion.

The measure will also temporarily increase the investment tax credit for most businesses from 7 to 10 percent, and from 4 to 10 percent for public utilities.

The use of the credit for used property will be increased from $50,000 to $75,000 and a credit will be made available for property under construction and not yet in service. The revenue cost associated with the investment tax credit is estimated at $4 billion. Finally, the taxable income level at which the corporate tax rate of 48 percent applies will temporarily be increased from $25,000 to $50,000. The revenue lost for this is estimated at $1.2 billion.

With specific reference to the size of the rebate, it is my hope that the Senate will give that its most serious, immediate attention. The recent dramatic decrease in real disposable income has been very severe; in fact, almost unprecedented in the postwar period. If we were to restore real disposable income to the previous level reached in 1973, it would be necessary to increase this tax cut to some $50 billion. It is clear that $50 billion, however, could prove to be excessive in face of the inflationary pressures we are still experiencing and the shortages which linger as an unresolved problem. At the same time, it is my feeling that the $21 billion proposed in tax relief here may be inadequate to the task, and I would hope to see some upward revision on the part of the Senate.

With this reservation, and an additional feeling that not as an institution, but even more broadly we have failed to develop the ability to deal effectively with our economic problems, I would urge my colleagues to join me in supporting this legislation. It at least offers some relief to our sorely pressed constituents, and the challenge to us all as Members of Congress to develop a complete program to revitalize our economy. However modest as a first step, it deserves our support.

Mr. WHALEN. Mr. Chairman, at this time, I will discuss briefly my position in regard to the reported version of H.R. 2166. Later in the debate, I will address myself to the Green amendment which I support.

I am pleased that the Tax Reduction Act, as recommended by the Ways and Means Committee, contains several proposals which are identical or similar to ones which are in my bill, H.R. 1150. Specifically, the parts to which I refer are the increase in the minimum and maximum standard deduction and the increase in the investment tax credit from 7 to 10 percent generally and from 4 to 10 percent for public utilities.

As I pointed out in a statement regarding the economy on January 8, in order to stem the current economic decline, we must restore the consumer's buying power which, in terms of real per capita income, declined by $110 between September 30, 1973, and September 30, 1974. As a result of increased consumer demands which the tax cut will spawn, business should be in a position to recall laidoff employees and, ultimately, to begin to expand production. The increase in the investment tax credit will give further impetus to that needed economic growth.

Like the committee's bill, my plan concentrated the tax reduction in the low- and middle-income brackets. However, I did not propose that part of the reduction be in the form of a rebate. In my opinion, applying the decrease to taxes as of January 1, 1975, would be a more equitable approach.

Nevertheless, I will support H.R. 2166. In doing so, I reiterate my view that any tax reduction ultimately must be coupled with tax reform. It is at the time that tax equity is achieved that the tax reductions in this legislation should be made permanent. A fair tax code is absolutely essential, and I hope that one will be devised by the Committee on Ways and Means in sufficient time for Congress to enact it into law this year.

Mr. THORNTON. Mr. Chairman, I am very much in favor of a reasonable tax reduction and provisions for a rebate if those actions are coupled with restraint in Federal spending. But if a tax rebate and reduction are the means we are going to rely upon to stimulate the economy, prompt action is necessary, and the effect of the House action in mixing together the rebate-reduction provisions with a repeal of the oil depletion allowance will almost surely be to delay action in the Senate.

At a time when we need to be developing our Nation's energy resources and cutting back on our imports of foreign oil, it is a mistake to cut back on production and discovery of oil within the United States. We are still in the grip of a recession. Without adequate supplies of oil, our businesses and industries cannot operate at full capacity, and if they are forced to reduce their operations, more people will be out of jobs and the recession will deepen.

Tax policies should be developed to discourage reliance upon imports and to encourage production of domestic reserves. For example, the depletion allowance for foreign production should be ended, and in this country, the allowance should be retained as an incentive for only those producers who use the allowance in their domestic exploration for oil.

We have an oil-dependent economy and it will take us some time to make the transition to other energy sources. The "National Power Resources Act of 1975" which I introduced this week would reduce this dependency on oil, but, it will not give us immediate results. In the immediate future, we must still rely on our domestic oil production, and so it is important that we encourage, not discourage, domestic production.

Tax reduction legislation designed to encourage spending and investing by the private sector should not be encumbered with a controversial provision relating to the oil-depletion allowance which will likely delay the passage of the legislation, and which as amended by the gentleman from Pennsylvania (Mr. GREEN) will discourage domestic exploration and production, increasing our reliance upon higher priced foreign sources of oil. Continuing to increase our imports will drive up prices at the gasoline pumps to 70 or 80 cents a gallon or higher.

For those reasons, Mr. Speaker, I cannot support H.R. 2116 as amended by the gentleman from Pennsylvania (Mr. GREEN).

Mr. SOLARZ. Mr. Chairman, the House of Representatives enacted a $21.8 billion tax cut to stimulate the economy. Although I voted for the bill I did so with mixed feelings. I am pleased with the distribution of the tax cut for individuals. Seventy-five percent of this tax cut goes to those earning less than $15,000 a year. This is a great improvement over the President's proposal which would have only given this group 32 percent of the total reduction. In addition, I am proud to be a Member of a House of Representatives which voted to end the oil depletion allowance that has for years drained our Treasury and provided a giveaway to the undeserving oil companies.

However, I have serious misgivings about the package we have passed. I am disappointed about the size of the tax cut and I have serious doubts that it is large enough to have a significant impact on the current recession. Although a $21 billion tax cut appears to be a massive stimulant, when placed in the context of an economy of close to $1½ trillion, it is not. The tax cut is 1½ percent of our gross national product and the projected deficit, to which it will contribute, will be, in terms of a percentage of gross national product, only 1½ times as large as the deficit registered by the Eisenhower administration in blunting the much milder 1958 recession. To counter a recession that has already brought the Nation's unemployment rate to over 8 percent, and threatens to increase that figure to over 10 percent, we will need unprecedented actions. A much larger deficit and tax cut will be needed if we are to avert depression and reduce unemployment. I am, therefore, encouraged by reports that the Senate is contemplating a larger tax cut. If the Senate should pass such a measure and distributes the larger reduction in an equitable manner, I hope that our conferees will accept it and we will adopt it.

If the Senate does not adopt such a measure, I will propose new tax reduction legislation which I hope will get this body's full consideration. The size of the tax cut was not my only objection to this legisation. I was and still am opposed to an increase in the investment tax credit. This corporate tax break is not an appropriate tool to combat unemployment. The investments it encourages take time to plan and order. Our best economic information tells us that it takes at least a year to feel the effects of a change in the investment credit. In addition, many of the investments it encourages are for automotive goods which cause additional unemployment. I hope, therefore, we will have an opportunity to review the entire matter of the investment tax credit this session.

In conclusion, I voted for the tax cut bill, because I think it is a necessary, although small, first step toward ending the recession. However, I am under no allusion that this is enough. To put America back to work and to guarantee each American a job, bolder and more dynamic actions must be taken. Further tax cuts should be made and an emergency, public service, employment bill which will employ millions at useful work should be passed and implemented. We should also adopt full employment legislation, which will plan the best use of our manpower and safeguard us from recurring recessions.

Full employment must be made our No. 1 priority. Unemployment not only diminishes our economic wealth, but also eats away at our social fabric. Since the beginning of this crisis there has been a large increase in the crime rate. Undoubtedly, family disintegration, drug addiction, and alcoholism have been increased by the personal despair which unemployment brings. We must move swiftly and strongly to end this crisis or we will be paying a large price for decades in the form of jails, drug rehabilitation programs, and welfare benefits.

The CHAIRMAN. Under the rule, the bill is considered as having been read for amendment, and it shall be in order to consider without the intervention of any point of order the amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the reported bill as an original bill for the purpose of amendment.

No amendment to the bill or to the substitute committee amendment shall be in order except—

First, amendments offered by direction of the Committee on Ways and Means;

Second, the text of the bill, H.R. 3612, if offered as an amendment in the nature of a substitute for the substitute committee amendment; and

Third, the amendment inserted on page 4310 of the CONGRESSIONAL RECORD of February 25, 1975, by Mr. GREEN, if offered either to the substitute committee amendment or to the substitute text of the bill, H.R. 3612, if offered, and said amendments shall not be subject to amendment, with the following exceptions:

It shall be in order to consider an amendment appearing on page 3, lines 5 through 10, of House Resolution 259, if offered by Mr. YOUNG of Alaska as an amendment to the amendment offered by Mr. GREEN, and amendments which may be offered, as follows:

First, the amendment appearing on pages 4503–4504 of the CONGRESSIONAL RECORD of February 26, 1975, if offered by Mr. CHARLES WILSON of Texas as an amendment to the amendment offered by Mr. GREEN;

Second, the amendments as printed on page 3, line 22, through page 6, line 7, and on page 6, lines 8 through 14 of House Resolution 259 if offered by Mr. ARCHER, of Texas, as amendments to the amendment offered by Mr. CHARLES WILSON of Texas but said amendments shall not be subject to amendment.

The text of the committee amendment in the nature of a substitute reads as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Tax Reduction Act of 1975".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Amendment of 1954 Code.

TITLE I—REFUND OF 1974 INDIVIDUAL INCOME TAXES

Sec. 101. Refund of 1974 individual income taxes.
Sec. 102. Refunds disregarded in the administration of Federal programs and federally assisted programs.

TITLE II—REDUCTIONS IN INDIVIDUAL INCOME TAXES

Sec. 201. Increase in low income allowance.
Sec. 202. Increase in percentage standard deduction.
Sec. 203. Credit for certain earned income.
Sec. 204. Withholding tax.
Sec. 205. Effective dates.

TITLE III—CERTAIN CHANGES IN BUSINESS TAXES

Sec. 301. Increase in investment credit.
Sec. 302. Allowance of investment credit where construction of property will take more than 2 years.
Sec. 303. Increase in corporate surtax exemption.
Sec. 304. Effective dates.

SEC. 2. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provisions, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

TITLE I—REFUND OF 1974 INDIVIDUAL INCOME TAXES

SEC. 101. REFUND OF 1974 INDIVIDUAL INCOME TAXES.

(a) IN GENERAL.—Subpart B or chapter 65 (relating to rules of special application in the case of abatements, credits, and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6428. REFUND OF 1974 INDIVIDUAL INCOME TAXES.

(a) GENERAL RULE.—Except as otherwise provided in this section, each individual shall be treated as having made a payment against the tax imposed by chapter 1 for his first taxable year beginning in 1974 in an amount equal to 10 percent of the amount of his liability for tax for such taxable year.

"(b) MINIMUM PAYMENT.—The amount treated as paid by reason of this section shall not be less than the lesser of—

"(1) the amount of the taxpayer's liability for tax for his first taxable year beginning in 1974, or

"(2) $100 ($50 in the case of a married individual filing a separate return).

"(c) MAXIMUM PAYMENT—

"(1) IN GENERAL.—The amount treated as paid by reason of this section shall not exceed $200 ($100 in the case of a married individual filing a separate return).

"(2) LIMITATION BASED ON ADJUSTED GROSS INCOME.—The excess (if any) of—

"(A) the amount which would (but for this paragraph) be treated as paid by reason of this section, over

"(B) the applicable minimum payment provided by subsection (b),

shall be reduced (but not below zero) by an amount which bears the same ratio to such excess as the adjusted gross income for the taxable year in excess of $20,000 bears to $10,000. In the case of a married individual filing a separate return, the preceding sentence shall be applied by substituting '$10,000' for '$20,000' and by substituting '$5,000' for $10,000'.

"(d) LIABILITY FOR TAX.—For purposes of this section, the liability for tax for the taxable year shall be the sum of—

"(1) the tax imposed by chapter 1 for such year, reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property),

"(D) section 4 (relating to expenses of work incentive programs), and

"(E) section 41 (relating to contributions to candidates for public office), plus

"(2) the tax on amounts described in section 3102(c) or 3202(c) which are required to be shown on the taxpayer's return of the chapter 1 tax for the taxable year.

"(e) DATE PAYMENT DEEMED MADE.—The payment provided by this section shall be deemed made on whichever of the following dates is the later:

"(1) the date prescribed by law (determined without extensions) for filing the return of tax under chapter 1 for the taxable year, or

"(2) the date on which the taxpayer files his return of tax under chapter 1 for the taxable year.

"(f) JOINT RETURN.—For purposes of this section, in the case of a joint return under section 6013 both spouses shall be treated as one individual.

"(g) MARITAL STATUS.—The determination of marital status shall be made under section 143.

"(h) CERTAIN PERSONS NOT ELIGIBLE.—This section shall not apply to any estate or trust, nor shall it apply to any nonresident alien individual."

(b) NO INTEREST ON INDIVIDUAL INCOME TAX REFUNDS FOR 1974 REFUNDED WITHIN 60 DAYS AFTER RETURN IS FILED.—In applying section 6611(e) of the Internal Revenue Code of 1954 (relating to income tax refund within 45 days after return is filed) in the case of any overpayment of tax imposed by subtitle A of such Code by an individual (other than an estate or trust and other than a nonresident alien individual) for a taxble year beginning in 1974, "60 days" shall be substituted for "45 days" each place it appears in such section 6611(e).

(c) CLERICAL AMENDMENT.—The table of sections for such subchapter B is amended by adding at the end thereof the following new item:

"Sec. 6428. Refund of 1974 individual income taxes."

SEC. 102. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

Any payment considered to have been made by any individual by reason of section 6428 of the Internal Revenue Code of 1954 shall not be taken into account as income or receipts for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

TITLE II—REDUCTIONS IN INDIVIDUAL INCOME TAXES

SEC. 201. INCREASE IN LOW INCOME ALLOWANCE.

(a) IN GENERAL.—Subsection (c) of section 141 (relating to low income allowance) is amended to read as follows:

"(c) LOW INCOME ALLOWANCE.—This low income allowance is—

"(1) $2,500 in the case of—

"(A) a joint return under section 6013, or

"(B) a surviving spouse (as defined in section 2(a)).

"(2) $1,900 in the case of an individual who is not married and who is not a surviving spouse (as so defined), or

"(3) $1,250 in the case of a married individual filing a separate return."

(b) CHANGE IN FILING REQUIREMENTS TO REFLECT INCREASE IN LOW INCOME ALLOWANCE.—So much of paragraph (1) of section 6012(a) (relating to persons required to make returns of income) as precedes subparagraph (C) thereof is amended to read as follows:

"(1)(A) Every individual having for the taxable year a gross income of $750 or more, except that a return shall not be required of an individual (other than an individual referred to in section 142(b))—

"(i) who is not married (determined by

applying section 143), is not a surviving spouse (as defined in section 2(a)), and for the taxable year has a gross income of less than $2,650.

"(ii) who is a surviving spouse (as so defined) and for the taxable year has a gross income of less than $3,250, or

"(iii) who is entitled to make a joint return under section 6013 and whose gross income, when combined with the gross income of his spouse, is, for the taxable year, less than $4,000 but only if such individual and his spouse, at the close of the taxable year, had the same household as their home.

Clause (iii) shall not apply if for the taxable year such spouse makes a separate return or any other taxpayer is entitled to an exemption for such spouse under section 151(e).

"(B) The amount specified in clause (i) or (ii) of subparagraph (A) shall be increased by $750 in the case of an individual entitled to an additional personal exemption under section 151(c)(1), and the amount specified in clause (iii) of subparagraph (A) shall be increased by $750 for each additional personal exemption to which the individual or his spouse is entitled under section 151(c);".

SEC. 202. INCREASE IN PERCENTAGE STANDARD DEDUCTION.

(a) Increase.—Subsection (b) of section 141 (relating to percentage standard deduction) is amended to read as follows:

"(b) Percentage Standard Deduction.—The percentage standard deduction is an amount equal to 16 percent of adjusted gross income but not to exceed—

"(1) $3,000 in the case of—

"(A) a joint return under section 6013, or

"(B) a surviving spouse (as defined in section 2(a)),

"(2) $2,500 in the case of an individual who is not married and who is not a surviving spouse (as so defined), or

"(3) $1,500 in the case of a married individual filing a separate return."

(b) Conforming Amendment.—Subparagraph (B) of section 3402(m)(1) (relating to withholding allowances based on itemized deductions) is amended to read as follows:

"(B) an amount equal to the lesser of (i) 16 percent of his estimated wages, or (ii) $3,000 ($2,500 in the case of an individual who is not married (within the meaning of section 143) and who is not a surviving spouse (as defined in section 2(a)))."

SEC. 203. CREDIT FOR CERTAIN EARNED INCOME.

(a) Allowance of Credit.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits against tax is amended by redesignating section 42 as section 43 and by inserting after Section 41 the following new section:

'SEC. 42. EARNED INCOME CREDIT.

"(a) Allowance of Credit.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 5 percent of the taxpayer's adjusted earned income for the taxable year.

"(b) Adjusted Earned Income.—For purposes of this section, the term 'adjusted earned income' means—

"(1) so much of the individual's earned income for the taxable year as does not exceed $4,000, reduced by

"(2) two times the excess over $4,000 of the greater of—

"(A) the taxpayer's adjusted gross income for the taxable year, or

"(B) the taxpayer's earned income for the taxable year.

"(c) Earned Income Defined.—

"(1) In general.—For purposes of this section, the term 'earned income' means—

"(A) wages, salaries, tips, and other employee compensation, plus

"(B) the amount of taxpayer's net earnings from self-employment for the taxable year (within the meaning of section 1402 (a)).

"(2) Special rules.—For purposes of paragraph (1)—

"(A) except as provided in subparagraph (B), any amount shall be taken into account only if such amount is includible in the gross income of the taxpayer for the taxable year.

"(B) the earned income of an individual shall be computed without regard to any community property laws,

"(C) no amount received as a pension or annuity shall be taken into account.

(D) compensation described in paragraph (1)(A) for services performed by an individual in the employ of his spouse, father, mother, son, or daughter (within the meaning of section 3121(b)(3)) shall be taken into account only if such compensation constitutes wages (as defined in section 3121 (a)) and only if such wages are evidenced by a receipt required to be furnished under section 6051(a) (relating to receipts for employees),

"(E) in the case of an individual who has not attained the age of 18 years by the close of his taxable year—

"(i) compensation described in paragraph (1)(A) shall be taken into account only if such compensation is evidenced by a receipt required to be furnished under section 6051 (a), and

"(ii) earnings described in paragraph (1) (B) shall be taken into account only if such individual has self-employment income for the taxable year (within the meaning of section 1402(b)), and

"(F) no amount to which section 871(a) applies (relating to income of nonresident alien individuals not connected with United States business) shall be taken into account.

"(d) Requirement of Joint Return.—In the case of an individual who is married (within the meaning of section 143), this section shall apply only if a joint return is filed for the taxable year under section 6013.

"(e) Taxable Year Must Be Full Taxable Year.—Except in the case of a taxable year closed by reason of the death of the taxpayer, no credit shall be allowable under this section in the case of a taxable year covering a period of less than 12 months."

(b) Refund To Be Made Where Credit Exceeds Liability for Tax.—Section 6401(b) (relating to excessive credits) is amended—

(1) by inserting ", 42 (relating to earned income credit)," before "and 667(b)"; and

(2) by striking out "and 39" and inserting in lieu thereof ", 39, and 42".

(c) Clerical Amendment.—The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Earned income credit

"Sec. 43. Overpayment of tax."

"SEC. 204. WITHHOLDING TAX.

(a) Requirement of Withholding.—Subsection (a) of section 3402 (relating to income tax collected at source) is amended at read as follows:

"(a) Requirement of Withholding.—

"(1) General rule.—Except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with—

"(A) in the case of wages paid on the basis of an annual payroll period, the table set forth in paragraph (2), or

"(B) in the case of wages paid on the basis of other payroll periods, tables prescribed by the Secretary or his delegate.

In the tables prescribed under subparagraph (B), the amounts set forth as the amount of deducted and withheld shall be computed on wages and the amount of income taxes to be the basis of the table set forth in paragraph (2). For purposes of this subsection, the term 'the amount of wages' means the amount by which the wages exceed the number of withholding exemptions claimed, multiplied by the amount of one such exemption as shown in the table in subsection (b)(1).

"(2) Annual payroll period.—

"(A) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $3,000	0.
Over $3,000 but not over $4,500	33% of excess over $3,000.
Over $4,500 but not over 7,500	$495 plus 21% of excess over $4,500.
Over $7,500 but not over $10,500	$1,125 plus 26% of excess over $7,500.
Over $10,500 but not over $14,000	1,905 plus 21% of excess over $10,500.
Over 14,000 but not over $15,200	$2,640 plus 28% of excess over $14,000
Over $15,200 but not over $18,000	$2,976 plus 30% of excess over $15,200.
Over $18,000	3,816 plus 35% of excess over $18,000.

"(B) Married Persons:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $2,450	0.
Over $2,450 but not over $5,450	16% of excess over $2,450.
Over $5,450 but not over $9,250	$480 plus 20% of excess over $5,450.
Over $9,250 but not over $12,250	$1,240 plus 21% of excess over $9,250.
Over $12,250 but not over $14,750	$1,870 plus 15% of excess over $12,250.
Over $14,750 but not over $20,950	$2,245 plus 26% of excess over $14,750.
Over $20,950 but not over $25,650	$3,857 plus 30% of excess over $20,950.
Over $25,650	$5,267 plus 36% of excess over $25,650."

(b) Conforming Amendment.—Section 3402(c)(6) (relating to wage bracket withholding) is amended by striking out "table 7 contained in subsection (a)" and inserting in lieu thereof "the table for an annual payroll period set forth in subsection (a)(2)".

SEC. 205. EFFECTIVE DATES.

(a) For Sections 201 and 202(a).—The amendments made by sections 201 and 202 (a) shall apply to taxable years ending after December 31, 1974. Such amendments shall cease to apply to taxable years ending after December 31, 1975.

(b) For Section 203.—The amendments made by section 203 shall apply to taxable years beginning after December 31, 1974, and before January 1, 1976.

(c) For Sections 202(b) and 204.—The amendments made by sections 202(b) and 204 shall apply to wages paid after April 30, 1975, and before January 1, 1976.

TITLE IIII—CERTAIN CHANGES IN BUSINESS TAXES

SEC. 301. INCREASE IN INVESTMENT CREDIT.

(a) Increase of Investment Credit to 10 Percent.—Paragraph (1) of section 46(a) (determining the amount of the investment credit) is amended to read as follows:

"(1) General rule.—

"(A) 10-percent credit.—Except as provided in subparagraph (B), the amount of the credit allowed by section 38 for the taxable year shall be equal to 10 percent of the qualified investment (as determined under subsections (c) and (d)).

"(B) 7-percent credit.—In the case of property—

"(i) the construction, reconstruction, or erection of which is completed by the taxpayer before January 22, 1975, or

"(ii) which is acquired by the taxpayer before January 22, 1975,

the amount of the credit allowed by section 38 for the taxable year shall be equal to 7 percent of the qualified investment (as defined in subsection (c)).

"(C) Transitional rule.—In the case of property—

"(i) the construction, reconstruction, or erection of which is begun by the taxpayer before January 22, 1975, and

"(ii) the construction, reconstruction, or erection of which is completed by the taxpayer after January 21, 1975.

subparagraph (B) shall apply to the property to the extent of that portion of the basis which is properly attributable to construction, reconstruction, or erection before January 22, 1975, and subparagraph (A) shall apply to such property to the extent of that portion of the basis which is properly attributable to construction, reconstruction, or erection after January 21, 1975."

(b) Public Utility Property.—

(1) Determination of qualified investment.—Subparagraph (A) of section 46(c) (3) (relating to determination of qualified investment in the case of public utility property) is amended to read as follows:

"(A) To the extent that subsection (a)(1) (B) applies to property which is public utility property, the amount of the qualified investment shall be 4/7 of the amount determined under paragraph (1)."

(2) Increase in 50-percent limitation.—Section 46(a) (relating to determination of amount of credit) is amended by adding at the end thereof the following new paragraph:

"(6) Alternative limitation in the case of certain utilities.—

"(A) In general.—If, for a taxable year beginning after 1974 and before 1981, the amount of the qualified investment of the taxpayer which is attributable to public utility property is 25 percent or more of his aggregate qualified investment, then subparagraph (C) of paragraph (2) of this subsection shall be applied by substituting for 50 percent his applicable percentage for such year.

"(B) Applicable percentage.—The applicable percentage of any taxpayer for any taxable year is—

"(i) 50 percent, plus

"(ii) that proportion of the tentative percentage for the taxable year which the taxpayer's amount of qualified investment which is public utility property bears to his aggregate qualified investment.

If the proportion referred to in clause (ii) is 75 percent or more, the applicable percentage of the taxpayer for the year shall be 50 percent plus the tentative percentage for such year.

"(C) Tentative percentage.—For purposes of subparagraph (B), the tentative percentage shall be determined under the following table:

"If the taxable year begins in:	The tentative percentage is:
1975 or 1976	50
1977	40
1978	30
1979	20
1980	10

"(D) Public utility property defined.—For purposes of this paragraph, the term 'public utility property' has the meaning given to such term by the first sentence of subsection (c)(3)(B)."

(c) Cap on the Increase in Investment Credit Benefits for Public Utilities Which May Result From Increasing Investment Credit to 10 Percent.—

(1) In general.—The amount of the credit allowed by section 38 of the Internal Revenue Code of 1954 to any taxpayer which is a public utility for the taxable year shall not exceed by more than $100,000,000 the amount of such credit which would have been allowed to such taxpayer for such year but for the amendments made by subsections (a) and (b)(1) of this section.

(2) Credit in excess of cap may be carried only to taxable years to which this subsection applies.—For purposes of section 46(b)(1) of the Internal Revenue Code of 1954 (relating to carryback and carryover of unused credits), the excess of the amount which would be allowable as a credit under section 38 of such Code for any taxable year over the amount which is allowable under such section after the application of paragraph (1) of this subsection—

(A) shall be treated as an excess described in such section 46(b)(1), but

(B) shall be an investment credit carryback and an investment credit carryover only to taxable years to which paragraph (1) of this subsection applies.

(3) Controlled group of corporations.—For purposes of this subsection, persons who are members of the same controlled group of corporations shall be treated as one taxpayer. For purposes of the preceding sentence, the term "controlled group of corporations" has the meaning given to such term by section 1563(a).

(4) Public utility defined.—For purposes of this subsection, the term "public utility" means a taxpayer 50 percent or more of the qualified investment of which for the taxable year consists of public utility property within the meaning of the first sentence of section 46(c)(3)(B) of the Internal Revenue Code of 1954.

(d) Increase From $50,000 to $75,000 of Dollar Limitation on Used Property.—Paragraph (2) of section 48(c) (relating to dollar limitation in case of used section 38 property) is amended—

(1) by striking out "$50,000" each place it appears and inserting in lieu thereof "$75,000", and

(2) by striking out "$25,000" and inserting in lieu thereof "$37,500".

Sec. 302. Allowance of Investment Credit Where Construction of Property Will Take More Than 2 Years.

(a) General Rule.—Section 46 (relating to amount of credit) is amended by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and by inserting after subsection (c) the following new subsection:

"(d) Qualified Progress Expenditures.—

"(1) In general.—In the case of any taxpayer who has made an election under paragraph (6), the amount of his qualified investment for the taxable year (determined under subsection (c) without regard to this subsection) shall be increased by an amount equal to his aggregate qualified progress expenditures for the taxable year with respect to process expenditure property.

"(2) Progress expenditure property defined.—

"(A) In general.—For purpose of this subsection, the term 'progress expenditure property' means any property which is being constructed by or for the taxpayer and which—

"(i) has a normal construction period of 2 years or more, and

"(ii) it is reasonable to believe will be new section 38 property having a useful life of 7 years or more in the hands of the taxpayer when it is placed in service.

Clause (i) and (ii) of the preceding sentence shall be applied on the basis of facts known at the close of the taxable year of the taxpayer in which construction begins (or, if later, at the close of the first taxable year to which an election under this subsection applies).

"(B) Normal construction period.—For purposes of subparagraph (A), the term 'normal construction period' means the period reasonably expected to be required for the construction of the property—

"(i) beginning with the date on which physical work on the construction begins, (or, if later, the first day of the first taxable year to which an election under this subsection applies), and

"(ii) ending on the date on which it is expected that the property will be available for placing in service.

"(3) Qualified progress expenditures defined.—For purposes of this subsection—

"(A) Self-constructed property.—In the case of any self-constructed property, the term 'qualified progress expenditures' means the amount which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) Non-self-constructed property.—In the case of non-self-constructed property, the term 'qualified progress expenditures' means the lesser of—

"(i) the amount paid during the taxable year to another person for the construction of such property, or

"(ii) the amount which represents that proportion of the overall cost to the taxpayer of the construction by such other person which is properly attributable to that portion of such construction which is completed during such taxable year.

"(4) Special rules for applying paragraph (3).—For purposes of paragraph (3)—

"(A) Component parts, etc.—Property which is to be a component part of, or is otherwise to be included in, any progress expenditure property shall be taken into account—

"(i) at a time not earlier than the time at which it becomes irrevocably devoted to use in the progress expenditure property, and

"(ii) as if (at the time referred to in clause (i)) the taxpayer had expended an amount equal to that portion of the cost to the taxpayer of such component or other property which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) Certain borrowings disregarded.—Any amount borrowed directly or indirectly by the taxpayer from the person constructing the property for him shall not be treated as an amount expended for such construction.

"(C) Certain unused expenditures carried over.—In the case of non-self-constructed property, if for the taxable year—

"(i) the amount under clause (i) of paragraph (3)(B) exceeds the amount under clause (ii) of paragraph (3)(B), then the amount of such excess shall be taken into account under such clause (i) for the succeeding taxable year, or

"(ii) the amount under clause (ii) of paragraph (3)(B) exceeds the amount under clause (i) of paragraph (3)(B), then the amount of such excess shall be taken into account under such clause (ii) for the succeeding taxable year.

"(D) Determination of percentage of completion.—In the case of non-self-constructed property, the determination under paragraph (3)(B)(ii) of the proportion of the overall cost to the taxpayer of the construction completed during any taxable year shall be made, under regulations prescribed by the Secretary or his delegate, on the basis of engineering or architectural estimates or on the basis of cost accounting records. Unless the taxpayer establishes otherwise by clear and convincing evidence, the construction shall be deemed to be completed not more rapidly than ratably over the normal construction period.

"(E) NO QUALIFIED PROGRESS EXPENDITURES FOR CERTAIN PRIOR PERIODS.—In the case of any property, no qualified progress expenditures shall be taken into account under this subsection for any period before January 22, 1975 (or, if later, before the first day of the first taxable year to which an election under this subsection applies).

"(F) NO QUALIFIED PROGRESS EXPENDITURES FOR PROPERTY FOR YEAR IT IS PLACED IN SERVICE, ETC.—In the case of any property, no qualified progress expenditures shall be taken into account under this subsection for the earlier of—

"(i) the taxable year in which the property is placed in service, or

"(ii) the first taxable year for which recapture is required under section 47(a)(3) with respect to such property,

or for any taxable year thereafter.

"(5) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) SELF-CONSTRUCTED PROPERTY.—The term 'self-constructed property' means property more than half of the construction expenditures for which it is reasonable to believe will be made directly by the taxpayer.

"(B) NON-SELF-CONSTRUCTED PROPERTY— The term non-self-constructed property' means property which is not self-constructed property.

"(C) CONSTRUCTION, ETC.—The term construction' includes reconstruction and erection, and the term 'constructed' includes reconstructed and erected.

"(D) ONLY CONSTRUCTION OF SECTION 38 PROPERTY TO BE TAKEN INTO ACCOUNT.—Construction shall be taken into account only if, for purposes of this subpart, expenditures therefor are properly chargeable to capital account with respect to the property.

"(6) ELECTION.—An election under this subsection may be made at such time and in such manner as the Secretary or his delegate may be regulations prescribe. Such an election shall apply to the taxable year for which made and to all subsequent taxable years. Such an election, once made, may not be revoked except with the consent of the Secretary or his delegate.

"(7) TRANSITIONAL RULES.—The qualified investment taken into account under this subsection for any taxable year beginning before January 1, 1980, with respect to any property shall be (in lieu of the full amount) an amount equal to the sum of—

"(A) the applicable percentage of the full amount determined under the following table:

"For a taxable year beginning in:	The applicable percentage is:
1974 or 1975	20
1976	40
1977	60
1978	60
1979	100

plus

"(B) in the case of any property to which this subsection applied for one or more preceding taxable years, 20 percent of the full amount for each such preceding taxable year.

For purposes of this paragraph, the term 'full amount', when used with respect to any property for any taxable year, means the amount of the qualified investment for such property for such year determined under this subsection without regard to this paragraph."

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENT OF SECTION 46(c).—Section 46(c) (relating to qualified investmnt) is amended by adding at the end thereof the following new paragraph:

"(4) COORDINATION WITH SUBSECTION (d).—The amount which would (but for this paragraph) be treated as qualified investment under this subsection with respect to any property shall be reduced (but not below zero) by any amount treated by the taxpayer or a predecessor of the taxpayer (or, in the case of a sale and leaseback described in section 47(a)(3)(C), by the lessee) as qualified investment with respect to such property under subsection (d), to the extent the amount so treated has not been required to be recaptured by reason of section 47(a)(3)."

(2) AMENDMENT OF SECTION 46(a)(1).—Paragraph (1) of section 46(a) (as in effect without the amendment made by section 301(a)) is amended by striking out "(as defined in subsection (c))" and inserting in lieu thereof "(as determined under subsections (c) and (d))".

(3) DISPOSITION, ETC.—

(A) Subsection (a) of section 47 (relating to certain dispositions, etc., of section 38 property) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) PROPERTY CEASES TO BE PROGRESS EXPENDITURE PROPERTY.—

"(A) IN GENERAL.—If during any taxable year any property taken into account in determining qualified investment under section 46(d) ceases (by reason of sale or other disposition, cancellation or abandonment of contract, or otherwise) to be, with respect to the taxpayer, property which, when placed in service, will be new section 38 property, then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from reducing to zero the qualified investment taken into account with respect to such property.

"(B) CERTAIN EXCESS CREDIT RECAPTURED.—Any amount which would have been applied as a reduction of the qualified investment in property by reason of paragraph (4) of section 46(c) but for the fact that a reduction under such paragraph cannot reduce qualified investment below zero shall be treated as an amount required to be recaptured under subparagraph (A) for the taxable year in which the property is placed in service.

"(C) CERTAIN SALES AND LEASEBACKS.—Under regulations prescribed by the Secretary or his delegate, a sale by, and leaseback to, a taxpayer who, when the property is placed in service, will be a lessee to whom section 48(d) applies shall not be treated as a cessation described in subparagraph (A) to the extent that the qualified investment which will be passed through to the lessee under section 48(d) with respect to such property does not exceed the qualified progress expenditures properly taken into account by the lessee with respect to such property.

"(D) COORDINATION WITH PARAGRAPH (1).—If after property is placed in service, there is a disposition or other cessation described in paragraph (1), paragraph (1) shall be applied as if any credit which was allowable by reason of section 46(d) and which has not been required to be recaptured before such cessation were allowable for the taxable year the property was placed in service."

(c) CLERICAL AMENDMENTS.—

(1) Paragraph (4) of section 47(a) (as redesignated by subsection (b)(3)(A) of this section) is amended by striking out "paragraph (1)" and inserting in lieu thereof "paragraph (1) or (3)".

(2) Paragraphs (5) and (6)(B) of section 47(a) are each amended by striking out "paragraph (3)" and inserting in lieu thereof "paragraph (4)".

(3) Paragraphs (1) and (2) of section 48(d) are each amended by striking out "section 46(d)(1)" and inserting in lieu thereof "section 46(e)(1)".

(4) Subsection (f) of section 50B is amended by striking out "section 46(d)" and inserting in lieu thereof "section 46(e)".

SEC. 303. INCREASE IN CORPORATE SURTAX EXEMPTION.

(a) GENERAL RULE.—Section 11(d) (relating to surtax exemption) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 1561(a) (as in effect for taxable years beginning after December 31, 1974) (relating to limitations on certain multiple tax benefits in the case of certain controlled corporations) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(2) Paragraph (7) of section 12 (relating to cross references for tax on corporations) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(3) Section 962(c) (relating to surtax exemption for individuals electing to be subject to tax at corporate rates) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

SEC. 304. EFFECTIVE DATES.

(a) FOR SECTION 301.—

(1) INCREASE OF INVESTMENT CREDIT TO 10 PERCENT.—The amendments made by subsections (a) and (b)(1) of section 301 shall apply to—

(A) property placed in service after January 21, 1975, and before January 1, 1976, in taxable years ending after January 21, 1975.

(B) property—

(i) acquired pursuant to orders placed before January 1, 1976, and

(ii) placed in service in 1976 in taxable years ending after December 31, 1975,

(C) property the construction, reconstruction, or erection of which is completed by the taxpayer and which is placed in service after December 31, 1975, but only to the portion of the basis of such property which is properly attributable to construction, reconstruction, or erection by the taxpayer after January 21, 1975, and before January 1, 1976, and

(D) qualified progress expenditures, as described in section 46(d) of the Internal Revenue Code of 1954, made after January 21, 1975, and before January 1, 1976, but only to the portion of the basis of the progress expenditure property, as described in such section 46(d), which is properly attributable to construction, reconstruction, or erection for the taxpayer after January 21, 1975, and before January 1, 1976.

(2) INCREASE IN 50-PERCENT LIMITATION.—The amendment made by subsection (b)(2) of section 301 shall apply to taxable years beginning after December 31, 1974.

(3) INCREASE IN LIMITATION ON USED PROPERTY.—The amendments made by subsection (d) of section 301 shall apply to taxable years beginning after December 31, 1974, and before January 1, 1976.

(b) FOR SECTION 302.—The amendments made by section 302 shall apply to taxable years ending after December 31, 1974.

(c) FOR SECTION 303.—

(1) IN GENERAL.—The amendments made by section 303 shall apply to taxable years ending after December 31, 1974. Such amendments shall cease to apply for taxable years ending after December 31, 1975.

(2) CHANGES TREATED AS CHANGES IN TAX RATE.—Section 21 (relating to change in rates during taxable year) is amended by adding at the end thereof the following new subsection:

"(f) INCREASE IN SURTAX EXEMPTION, ETC.—In applying subsection (a) to a taxable year of a taxpayer which is not a calendar year, the change made by section 303, and the change made by the second sentence of section 304(c)(1), of the Tax Reduction Act of 1975 in section 11(d) (relating to corporate surtax exemption) and in section 962(c) (relating to individual electing to be taxed at corporate rates) shall each be treated as a change in a rate of tax."

The CHAIRMAN. Are there any further committee amendments?

Mr. ULLMAN. Not at this time, Mr. Chairman; there are no further committee amendments.

AMENDMENT OFFERED BY MR. GREEN

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: H.R. 2166 is amended by adding, at the end of title III, the following new title:

"TITLE IV—REPEAL OF PERCENTAGE DEPLETION FOR OIL AND GAS

"SEC. 101. REPEAL OF OIL AND GAS DEPLETION

"(a) Section 613(b)(1)(A) of the Internal Revenue Code is amended by striking out the words "oil and gas wells," and by substituting therefor the words "certain gas wells as defined in subsection (e)."

"(b) Section 613(b)(7) of such Code is amended by:

"(1) Deleting 'or' at the end of subparagraph (A) thereof;

"(2) Deleting the period at the end of subparagraph (B) thereof and by inserting, in lieu thereof, '; or'; and

"(3) Adding the following new subparagraph after such subparagraph (B): '(C) Oil and gas wells.'

"SEC. 102. CERTAIN GAS WELLS.

"The following new subsection is added to Section 613 of the Internal Revenue Code:

"(e) SPECIAL RULE FOR CERTAIN GAS WELLS.—

"(1) The gas wells referred to in Section 613(b)(1)(A) are—

"(A) wells producing regulated natural gas,

"(B) wells producing natural gas sold under a fixed contract, and

"(C) any geothermal deposit which is determined to be a gas well within the meaning of Section 613(b)(1)(A).

"(2)(A) The term 'natural gas sold under a fixed contract' means domestic natural gas sold by the producer under a contract, in effect on February 1, 1975, and all times after before such sale, under which the price for such gas cannot be adjusted to reflect to any extent the increase in liabilities of the seller for tax under this section by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates to the contrary by clear and convincing evidence.

"(B) The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under Section 611 with respect to such product.

"(C) The term 'domestic' refers to petroleum from an oil or gas well located in the United States or in a possession of the United States.

"(D) The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(E) The term 'regulated natural gas' means domestic natural gas produced and sold by the producer, prior to July 1, 1976, subject to the jurisdiction of the Federal Power Commission, the price for which has not been adjusted to reflect to any extent the increase in liability of the seller for tax by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates the contrary by clear and convincing evidence."

"SEC. 103. EFFECTIVE DATES.

"The amendments made by sections 101 and 102 of this bill shall apply to oil and gas produced on or after January 1, 1975."

Mr. GREEN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GREEN. Mr. Chairman, I know that many of the Members who are here right at this moment have been here for large parts of this already, but some Members have come in, and I would like to repeat, first describe exactly what my amendment does, to urge that no amendments be adopted to it, and to urge its passage.

First of all, what the amendment does is to repeal the oil and gas depletion allowance as of January 1, 1975, except for certain gas wells, those under fixed price contracts and those under regulation. For 18 months those under regulations are exempt from the provision repealing the oil depletion allowance.

What is the main argument against doing this?

The main argument is that we are going to delay—not here in the House, because we have already demonstrated this will take no time in the House, that we will not delay consideration in this body by bringing this matter up, but that the Senate will filibuster this amendment and they will not consider it.

What they are saying is that they are going to let the U.S. Senate take a perfectly bad idea and hold up a perfectly good idea, a tax break to the tune of $21 billion—$8 billion this year—to individuals in this country, and that the U.S. Senate is going to sit over there and say to the whole country and to everyone who is anticipating a check: "You are not going to get your check unless we allow the few rich people in this country to take almost 50 percent of the money you would have been given back and keep it for themselves."

All of the American people in 1974 got back $8 billion, and they are going to say that the oil companies of this country can hold $3 billion in hostage for the rich and that the average people who pay the great bulk of these taxes cannot get their money back.

Mr. Chairman, I do not think the American people are going to tolerate this, and I do not think it is going to work out that way in the U.S. Senate.

This bill, I might add, is veto proof. This is the only chance we are going to have to repeal the oil depletion allowance.

The gentleman from Oregon (Mr. ULLMAN), the chairman of the committee, is going to tell the Members in good faith that the depletion allowance is an extraneous subject and is, in fact, an energy matter. Last year, when we considered taxes, it was a tax matter, but we knew it was going to have to wait until next year because the gentleman from Arkansas (Mr. MILLS), the chairman of the committee, took the bill and put it over in 208, put it in the bottom drawer, updated it, and it never saw the light of day, despite the fact that the Democratic caucus of this House mandated that the measure be brought to the floor.

Now, we have one tax bill. We put this in the tax bill, and they tell us now it is an energy matter. The next thing I predict is that if we do not pass this now, when the energy bill comes back, someone will tell us that they made a mistake and that it is a tax matter and the next thing we are going to take up is taxes.

The fact of the matter is that this matter has been delayed for 50 years. There have been fights on this issue for as long as I have been alive; there have been attempts to do something about the oil depletion allowance and take it off the books, because it never succeeded.

We are not going to succeed now in this effort unless we tie it to this measure.

Does any Member mean to tell me that this is going to cause the bill to be delayed, a bill that would give the American people $8 billion this year and give them $21 billion overall, to be defeated, that this is going to hold that bill up? Should we put this in a bill when we start dealing with an energy package, one that has gasoline taxes in it, that has rationing in it, and has allocations in it, a measure that potentially is unpopular, and that we should put depletion allowance in that bill? I do not think so.

Our whole posture in this country has been very shortsighted. Back in 1954, what did we do? We said that Arab oil should not come into this country because we want to "pump America dry." That is exactly what we did. We kept that oil out, and now we find ourselves today at the point where we have almost no oil in this country and we are asking the people to subsidize with further depletion the production of what little bit we have left. And at the same time we have not concentrated on finding alternate sources, and as a result today this country is dry as far as oil is concerned.

What is this issue all about? I could go into the amendment offered by the gentleman from Texas (Mr. CHARLES WILSON) at this point, but I will do that at a later time.

No amendment to this amendment should be adopted. The one question we face today is one of power. We could blame it on the Republicans, if we like, but that would not be fair. We can name the Democrats in our own party who have helped to keep the oil depletion allowance on the books for years and years and years.

Mr. Chairman, this is simply a question of power and the accumulation of power, whether it is by the major companies or the other rich people in the oil industry.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. GREEN) has expired.

(By unanimous consent, Mr. GREEN was allowed to proceed for 1 additional minute.)

Mr. GREEN. Mr. Chairman, let me just finish my point. I will try not to use even the additional minute. I thank the Members for not objecting to my request.

This is a question of whether or not we are going to have justice, whether or not the people who pay their taxes and pay through the nose from their earned income are going to continue to pay while many rich people in this country and large corporations in this country pay effectively no taxes at all.

President Kennedy once said: "The men who question power are indispensable."

The men who question power are indispensable, and the men who mistrust power are equally indispensable. That is what this is all about. That is what this House has to decide, whether or not we are going to continue the power that these people have or whether or not we are going to turn the power back to the people of this country and not leave it up to the few, because only when we question it will power be used not for the benefit of the few but for the benefit of the many.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let us get back to what this bill is all about.

This country is in a grave recession. It may turn into a depression. Let us not forget that for 1 minute.

The people of this Nation are looking to us for responsible action. The purpose of this bill is to give a major tax reduction, which almost every economist admits we need, in order to help turn our economy around and get us back into a posture of growth so that we can turn to considering the solutions of some of our other real problems.

However, if we fail to act or if we delay our action, we may prolong a recession, and it may get worse and worse. What we are doing today with these amendments is playing Russian roulette with the credibility of this House of Representatives.

The gentleman from Pennsylvania has made a very stirring appeal. Let me remind him that early last year the Committee on Ways and Means brought out of the committee and asked for a rule on a bill that would have been a much tougher bill than the Wilson amendment, that would have, in fact, terminated the depletion allowance as it should have been terminated. If it had not been for caucus intervention, that bill would have passed this Congress and passed this Congress overwhelmingly, and we would no longer have a depletion allowance.

Then it came up in November again in a very abbreviated form. I remind the Members that it again was a much tougher termination of the depletion allowance than the Green-Wilson provision. Therefore, let us not say that Congress cannot act. We should have acted. We had a bill out of committee that should have been passed.

I say that the proper course of responsible action for this House is to vote down these extraneous amendments. We will pass an energy bill; we must pass an energy bill. It has the highest priority. The Committee on Ways and Means is moving to spearhead the effort and the rest of the jurisdictions in the Congress are moving responsibly. Those who say we might not pass a bill are just failing to face up to the reality of the problem. We must pass a bill, and the ending of the depletion allowance must be in that bill. We can do it more responsibly. We can handle all of the problems that have been talked about here today.

Let me say this: Our options today are limited and the options are wrong. Whatever we do here today if we adopt either or both of these amendments will not be the proper answer to the problem.

If we send a bill that is a straight Green amendment over to the Senate, I have talked to the people there. It will involve delay upon delay. Let us not kid ourselves. If we adopt the Wilson amendment to the Green amendment, it may pass the Senate and it may get down to the President, but it is the wrong amendment. It continues the depletion allowance when it should not be continued.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I would like to remind the House that the chairman of our committee has made three or four previous commitments to the House. He has lived up to every one of them. Be it the trade bill or the pension bill or any other bill that he has steered through the House, he has lived up to his commitments. I think we should support the chairman of our committee in his declaration that we will have a bill out of here before the end of April.

Mr. ULLMAN. Mr. Chairman, I thank the gentleman.

I urge the Members to vote down all of these extraneous amendments. Let us get down to the job of voting out this very important tax reduction bill.

AMENDMENT OFFERED BY MR. CHARLES WILSON OF TEXAS TO THE AMENDMENT OFFERED BY MR. GREEN

Mr. CHARLES WILSON of Texas. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Charles Wilson of Texas to the amendment offered by Mr. GREEN: Strike out sections 101 and 102 in the text of the amendment offered by Mr. Green and insert in lieu thereof the following new section:

Sec. 101. Repeal of Percentage Depletion in Case of Oil and Gas Wells.

(a) In General.—Part I of subchapter I of chapter 1 (relating to deductions with respect to natural resources) is amended by adding at the end thereof the following new section:

"Sec. 613A. Denial of Percentage Depletion in Case of Oil and Gas Wells.

"(a) General Rule.—Except as otherwise provided in this section, the allowance for depletion under section 611 with respect to any oil or gas well shall be computed without reference to section 613.

"(b) Special Rule for Certain Gas Wells.—

"(1) General.—The allowance for depletion under section 611 shall be computed in accordance with section 613 with respect to—

"(A) wells producing regulated natural gas,

"(B) wells producing natural gas under a fixed contract, and

"(C) any geothermal deposit which is determined to be a gas well within the meaning of section 613(b) (1) (A).

"(2) Definitions.—For purposes of this subsection—

"(A) Natural Gas Sold Under a Fixed Contract.—The term 'natural gas sold under a fixed contract' means domestic natural gas sold by the producer under a contract, in effect on February 1, 1975, and all times after before such sale, under which the price for such gas cannot be adjusted to reflect to any extent the increase in liabilities of the seller for tax under this section by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates to the contrary by clear and convincing evidence.

"(B) Natural Gas.—The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under section 611 with respect to such product.

"(C) Regulated Natural Gas.—The term 'regulated natural gas' means domestic natural gas produced and sold by the producer, prior to July 1, 1976, subject to the jurisdiction of the Federal Power Commission, the price for which has not been adjusted to reflect to any extent the increase in liability of the seller for tax by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates the contrary by clear and convincing evidence.

"(c) 3,000 Barrel-a-Day Crude Oil Exemption; 18,000,000 Cubic Foot Natural Gas Exemption.—

"(1) In general.—The allowance for depletion under section 611 shall be computed in accordance with section 613 with respect to.—

"(A) so much of the taxpayer's average daily production of domestic crude oil as dces not exceed 3,000 barrels, and

"(B) so much of the taxpayer's average daily production of domestic natural gas (other than natural gas with respect to which subsection (b) applies) as does not exceed 18,000,000 cubic feet.

"(2) Average daily production.—For purposes of paragraph (1), the taxpayer's average daily production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies), as the case may be, shall be determined by dividing his aggregate production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies) during the taxable year by the number of days in such taxable year.

"(3) Exemptions to be determined on a proportionate basis.—

"(A) Domestic Crude Oil.—If the taxpayer's average daily production of domestic crude oil exceeds 3,000 barrels, the barrels to which paragraph (1) applies shall be determined by taking from the production of each property a number of barrels which bears the same proportion to the total production of the taxpayer for such year from such property as 3,000 barrels bears to the aggregate number of barrels representing the average daily production of domestic crude oil of the taxpayer for such year.

"(B) Domestic Natural Gas.—If the taxpayer's average daily production of domestic natural gas exceeds 18,000,000 cubic feet, the production to which paragraph (1) applies shall be determined by taking from the production of each property a number of cubic feet of natural gas (not including natural gas to which subsection (b) applies) which bears the same proportion to the total production of the taxpayer for such year from such property as 18,000,000 cubic feet bears to the aggregate number of cubic feet representing the average daily production of domestic natural gas of the taxpayer for such year.

"(4) Business under common control; members of the same family.—

"(A) Component Members of Controlled Group Treated as One Taxpayer.—For purposes of this subsection, persons who are members of the same controlled group of corporations shall be treated as one taxpayer.

"(B) Aggregation of Business Entities Under Common Control.—

"(i) If 50 percent or more of the beneficial interest in two or more corporations, partnerships, trusts, estates, or other entities is owned by the same or related persons (taking into account only persons who own at least 5 percent of such beneficial interest), the exemptions provided by this subsection shall be allocated among all such entities in proportion to the respective production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies), as the case may be, during the period in question by such entities.

"(ii) If more than 50 percent in value of the outstanding stock of a corporation (taking into account only stockholders who own at least 5 percent in value of the outstanding stock), or more than 50 percent of the beneficial interest in an estate or trust (taking into account only persons who own at least 5 percent of such beneficial interest), is owned by persons who own domestic oil-producing or domestic gas-producing properties, then under regulations prescribed by the Secretary or his delegate, such corporation, estate, or trust shall be entitled to the exemptions provided by this subsection only to the extent that one or more of the shareholders, or owners of beneficial interests, as the case may be, elects to have all or a portion of its exemption allocated to such corporation, estate, or trust; except that the total exemption of the corporation, estate, or trust resulting from such allocation shall not exceed 3,000 barrels of oil, or 18,000,000 cubic feet of natural gas, with respect to its average daily production.

"(C) Allocation Among Members of the Same Family.—In the case of individuals who are members of the same family, the exemptions provided by this subsection shall be allocated among such individuals in proportion to the respective production of domestic crude oil during the period in question by such individuals.

"(D) Definition and Special Rules.—For purposes of this paragraph.—

"(1) the term 'controlled group of corporations' has the meaning given to such term by 1563(a), except that section 1563(b)(2) shall not apply and except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in section 1563(a),

"(ii) a person is a related person to another person if such persons are members of the same controlled group of corporations or if the relationship between such persons would result in a disallowance of losses under section 267 or 707(b), except that for this purpose the family of an individual includes only his spouse and minor children, and

"(iii) the family of an individual includes only his spouse and minor children.

"(5) Sale or acquisition of oil or gas depletion property.—

"(A) Transferor.—If oil and gas depletion property is sold or otherwise disposed of by the taxpayer in any taxable year ending after December 31, 1974, the amount of the appropriate limit referred to in paragraph (1) shall be reduced, for taxable years following such year—

"(i) unless clause (ii) applies, by an amount which bears the same ratio to such limit as the taxpayer's average daily production from such porperty for such year bears to the taxpayer's average daily production from all producing properties for such year, or

"(ii) by an amount (not greater than the taxpayer's average daily production from such property for such year) which the taxpayer may designate in such manner as the Secretary or his delegate shall by regulations prescribe.

"(B) Acquisition by Transferor of Other Property.—The reduction provided by subparagraph (A) shall be decreased (but not below zero) by the sum of—

"(i) the taxpayer's average daily production from producing property (other than property to which subparagraph (A) applied and property acquired from a taxpayer described in subparagraph (D)) acquired by the taxpayer after the sale or other disposition of property to which subparagraph (A) applied, and

"(ii) the amount of the reduction under subparagraph (A) with respect to any oil or gas depletion property acquired by the taxpayer after a sale or other disposition of other property to which subparagraph (A) applied.

"(C) Transferee.—In the case of any taxpayer who acquires any oil or gas depletion property, no part of the production from such property may be taken into account by the taxpayer under this subsection for the taxable year in which such property is acquired, and in any succeeding taxable year the amount of such production taken into account may not exceed the amount of the reduction which occurred with respect to such property under subparagraph (A).

"(D) Related Parties.—This paragraph shall not apply in the case of the sale or other disposition of any property between persons with respect to whom the rules of subparagraph (A), (B), or (C) of paragraph (4) apply immediately following such sale or other disposition.

"(E) Transfers of Interests in Businesses Under Common Control.—If there is any sale or other disposition of an interest in a business described in subparagraph (A) or (B) of paragraph (4), then (under regulations prescribed by the Secretary or his delegate) such sale or other disposition shall not result in an increase in the aggregate exemptions allowed under this subsection with respect to oil or gas depletion properties held on the date of such transfer by such business the interest in which is transferred or by the transferor of such interest.

"(F) Oil or Gas Depletion Property Defined.—For purposes of this paragraph, the term 'oil or gas depletion property' means any property interest (including an interest in a partnership, trust, or estate) with respect to the income from which a deduction for depletion is allowable under section 613 for domestic crude oil or domestic natural gas but only if the underlying mineral property is capable of producing oil or gas in commercial quantities on the date of transfer of such property.

"(d) Limitation Based on Qualified Investment.—

"(1) General rule.—So much of the deduction allowed for depletion as is computed by reference to section 613 by reason of subsection (c) shall not exceed for any taxable year an amount equal to the sum of the taxpayer's qualified investment and qualified investment carryback for the taxable year.

"(2) Qualified investment.—For purposes of paragraph (1), any person's qualified investment for any taxable year is the amount paid or incurred by such person during such taxable year (with respect to areas within the United States or a possession of the United States) for—

"(A) intangible drilling and development costs;

"(B) the following items if paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas within the United States or a possession of the United States:

"(i) aerial photography;

"(ii) geological mapping;

'(iii) airborne magnetometer surveys;

"(iv) gravity meter surveys;

"(v) seismograph surveys; or

"(vi) similar geological and geophysical methods;

"(C) the construction, reconstruction, erection, or acquisition of the following items but only if the original use of such items begins with such person:

"(i) depreciable assets used for the exploration for or the development or production of oil or gas (including development or production from oil shale); converting oil shale, coal, or liquid hydrocarbons into oil or gas; or refining oil or gas (but not beyond the primary product stage);

"(ii) pipelines for gathering or transmitting oil or gas, and facilities (such as pumping stations) directly related to the use of such pipelines,

"(D) secondary or tertiary recovery of oil or gas, or

"(E) the acquisition of oil and gas leases (other than off-shore oil and gas leases), but the aggregate amount which may be taken into account under this subparagraph for any taxable period shall not exceed one-third of the aggregate of the amounts which may be taken into account by the taxpayer under subparagraphs (A), (B), (C), and (D) for such period,

plus the following amounts—

"(F) 100 percent of any amount taken into account under subparagraphs (A) and (B) if such amount was not claimed as a deduction for the taxable year or if such amount was deducted without any tax benefit for the taxable year or any prior taxable year, and

"(G) 100 percent of the aggregate amount taken into account under subparagraph (C).

"(3) Qualified investment carryback.—For purposes of paragraph (1), a person's qualified investment carryback shall be the amount, if any, by which the amount of the person's qualified investment for a taxable year exceeds so much of the deduction allowed for depletion as is computed under section 613 by reason of subsection (c) (determined without regard to this subsection) shall be a qualified investment carryback for the preceding taxable year.

"(e) Producer Must Be Independent.—

"(1) Retailers excluded.—Subsection (c) shall not apply in the case of any taxpayer who directly, or through a related person, sells oil or natural gas, or any product derived from oil or natural gas—

"(A) through any retail outlet operated by the taxpayer or a related person, or

"(B) to any person—

"(i) obligated under an agreement or contract with the taxpayer or a related person to use a trademark, trade name, or service mark or name owned by such taxpayer or a related person, in marketing or distributing oil or natural gas or any product derived from oil or natural gas, or

"(ii) given authority, pursuant to an agreement or contract with the taxpayer or a related person, to occupy premises owned, leased, or in any way controlled by the taxpayer or a related person.

"(2) Refiners excluded.—Subsection (c) shall not apply in the case of any taxpayer where such taxpayer or a related person engages in the refining of oil or natural gas.

"(3) Related person.—For purposes of this subsection, a person is a related person with respect to the taxpayer if a significant ownership interest in either the taxpayer or such person is held by the other, or if a third person has a significant ownership interest in both the taxpayer and such person. For purposes of the preceding sentence, the term 'significant ownership interest' means—

"(A) with respect to any corporation, 5 percent or more in value of the outstanding stock of such corporation,

"(B) with respect to a partnership, 5 percent or more interest in the profits or capital of such partnership, and

"(C) with respect to an estate or trust, 5 percent or more of the beneficial interests in such estate or trust.

"(f) DEFINITIONS.—For purposes of this section—

"(1) CRUDE OIL.—The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(2) NATURAL GAS.—The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under section 611 with respect to such product.

"(3) DOMESTIC.—The term 'domestic' refers to production from an oil or gas well located in the United States or in a possession of the United States.

"(4) BARREL.—The term 'barrel' means 42 United States gallons."

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (A) of section 613(b) (1) (relating to 22-percent depletion rate for certain minerals) is amended to read as follows:

"(A) oil and gas, to the extent allowable under section 613A;".

(2) The last sentence of paragraph (7) of section 613(b) (relating to 14-percent depletion rate for certain other minerals) is amended by striking out "or" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or", and by adding at the end thereof the following new subparagraph:

"(C) oil or gas wells."

(c) CLERICAL AMENDMENT.—The table of sections for part I of subchapter I of chapter 1 is amended by inserting after the item relating to section 613 the following new item:

"SEC. 613A. DENIAL OF PERCENTAGE DEPLETION FOR OIL AND GAS WELLS."

Mr. CHARLES WILSON of Texas. Mr. Chairman, I ask unanimous consent that further reading of the amendment to the amendment be dispensed with, and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I have spent 12 years in the Texas Legislature as a vigorous opponent of the major oil companies of the United States, as have my good colleagues from Texas, BOB ECKHARDT, HENRY GONZALEZ, BARBARA JORDAN, and many others. We have never won a fight in the State legislature.

Texas does not have a corporate income tax because the major oil companies do not want the corporate income tax.

Texas is the only State in the United States that does not include in its franchise tax out-of-State sales, because the major oil companies do not want the out-of-State sales included. They sell 95 percent of the Texas-produced gasoline to the rest of the United States.

There is no one who has been more buffeted, and defeated more consistently over a longer period of time by Exxon, Mobil, Texaco, and the rest, than I have.

I have no love, no loyalty, and no commitment to any major oil company. That is essentially why this amendment is being offered.

The gentleman from Pennsylvania (Mr. GREEN) talks about the concentration of power. If we make it more attractive for independent producers—who, according to my statistics, account for only 15 percent of the revenue in the oil depletion allowance—to sell their production to the eight major oil companies in the United States, you will concentrate the entire petroleum resources in the United States in the hands of eight men. If that is not a concentration of power, then I have never heard of a concentration of power.

So far as proliferation is concerned, every suggestion that was made to tighten up our amendment has been followed. That accounts for the length and complexity of the amendment—and I say to the Members that it is air-tight in that regard.

Finally, whether we are talking about 15 percent or 25 percent of the total oil production, it is in the national interest of the United States of America to encourage oil exploration and to encourage a vigorous and healthy competition in this most important of all industries. And the bottom line is that every dollar accrued to an individual producer as a result of this amendment must be back in the ground in oil exploration within 24 months of the time that the depletion allowance is taken on their income tax return.

This is an amendment aimed to encourage and to influence greater risks toward greater oil exploration so as to make us independent of foreign countries in our foreign policy, and in our economic policy in the United States.

I urge the adoption of this amendment to the Green amendment.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. CHARLES WILSON of Texas was allowed to proceed for 2 additional minutes.)

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to my colleague, the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I rise to bring up three facts that have not been brought out in this matter.

No. 1. Of course, I wish to protest the way in which this is being brought up so that we have no opportunity to discuss in detail all of the issues involved.

No. 2. And this is very important to those of us on our side who like Don Quijote are fighting windmills—and that is that the major oil companies could care less about the depletion allowance. What we are doing, we are hurting those who are small. Granted, the Members do not fully understand the oil industry, and very few of the Members who sponsored the Green amendment know what it is all about. I do not say that in a derogatory way, but I say so for this reason: Because no one has mentioned the royalty owners. The royalty owners in my district are composed of people who own 20 acres, 50 acres, or 90 acres. Yes, there are some large ones, but we have not mentioned the royalty owners at all. I wish that the amendments could come up under a rule so that we could discuss that. We are only hurting the little people for whom many of our hearts bleed for every day. We are hurting the little people, the ones who we are attempting to reform this House, so as to assist them. It was mentioned earlier, they have no voice here, and then you limit us to 5 minutes on this so important issue, and in the same gesture we say, "We are going to give you $100 of your taxes back." What are they going to do with $100? As things are now they can buy very little for that amount.

What we are doing is, we are crossing our interests. We are not knowledgeable about what we are dealing with. Many of us are legislating on pure emotion against "big oil." Let me assure you that the greater part of the royalty owners are not millionaires. The royalty owners in my district get checks every month or every 3 months for $90, for $70, for $200. We have in my district people who have received royalty checks for as little as $1.87 for 1 month.

We always bring up the fellow who made a million dollars. We always bring up the big refinery who made $600 million. I know of refineries who process in my district 6,000 gallons. We have little refineries that are composed of small people that buy from small royalty owners, and this is an irreplacable asset. Once we take the oil that we say we have depleted the resource, we have depleted people's assets, and one way they can recoup is with this depletion.

But we are blinded by big oil. As far as I am concerned, big oil can go to—you choose the place my friends.

What we are doing here is we are jeopardizing the little people, those who own 20, 60, and 90 acres. We do not know what we are doing, and we are liable to do irreparable damage to many people, both royalty owners and producers who are not "big oil." I urge you to consider carefully, know what it is you are about to do.

Mr. GREEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, let me just calmly, if I may, and quietly, if I may, take a look at this Wilson amendment for a minute, with the Members. During the debate earlier we heard 3,000 barrels a day is one-third of one-tenth of 1 percent, and that is what we are talking about. That is not the case at all. We are talking about one-third of one-tenth of 1 percent for every producer of 3,000 barrels a day or less, and that is 90 percent of all the producers of oil in the United States.

Is it fair to leave the impression that perhaps I am talking about 99 percent of the oil when I speak of the Wilson amendment? That would be unfair. It is really about 25 percent of all of the oil in the United States that we exempt by the Wilson amendment. We are exempting not 3,000 barrels; we are exempting 3,000 barrels a day, and when we exempt 3,000 barrels a day, 3,000 times 365 is 1,095,000 barrels a year. If 99 percent of the producers can get up to that, they can get somewhere, depending upon the price, between $7½ and $12 million for that much oil, and that is the kind of little, small guy that we are talking about when we talk about the Wilson amendment.

The problem with that is it is those so-called little producers who are getting the greatest windfalls today. Many of these little producers were making a great deal of money when it was $3.25 a barrel. That is no longer the case, and we all know that. The fact of the matter is that 75 percent of the oil the independents produce is not regulated, so they get the higher price, whereas 80 percent of the oil the majors produce is regulated and only 20 percent is not.

The fact of the matter is, then, that what we are dealing with here is a tax loophole, and that is as simple as it is. We are not trying to punish the little people; we are just trying to make sure that oil companies in this country, big or small, pay some taxes.

I read earlier from a prospectus of one company that the tax policy of that company is to use the intangible drilling costs and the costs of percentage of depletion to see that this company pays no taxes at all. We can see the letters that they send out. These little so-called independents send out letters saying, "Are you a doctor? Are you a lawyer? Are you making more than $40,000 a year? Then perhaps we can show you how to pay no taxes." That is what is wrong. The people in this country with large incomes have a shelter for their taxes here. They are paying no tax by virtue of this shelter. And then we are turning around and depleting what little we have left of oil as quickly as we can and asking the Government to subsidize it. Some day soon we will have no oil in this country and we will not have taken the kind of money we can raise by closing these loopholes to find other sources of energy for when that day comes.

This is a question of whether or not we will begin to have tax equity in this country, and it is important that this amendment be defeated and that we support my amendment which would relieve those who would really be potentially hurt. They are the gas producers under fixed price contracts and under regulation by the Federal Government at an artificially low price.

I ask the Members not to be misguided by this talk about the little people. We are talking about the rich people who pay no taxes while our smaller people all over the country pay through the nose so these rich ones can get their tax breaks.

AMENDMENT OFFERED BY MR. ARCHER TO THE AMENDMENT OFFERED BY MR. CHARLES WILSON OF TEXAS

Mr. ARCHER. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Texas (Mr. CHARLES WILSON).

The Clerk read as follows:

Amendment offered by Mr. ARCHER to the amendment offered by Mr. CHARLES WILSON of Texas:

On page 6, line 1, strike out "partnerships".

On page 8, insert after line 10—

"(5) PARTNERSHIPS.—In the case of a partnership of more than five members, the amount of average daily production which can be attributed to the partners shall not exceed 3,000 barrels."

Redesignate paragraph (5) as paragraph (6).

Mr. CHARLES WILSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Texas.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I would like to say to the gentleman that his amendment is acceptable to me and I give it my support.

Mr. ARCHER. I thank the gentleman from Texas (Mr. CHARLES WILSON).

Mr. Chairman, if Members believe in the concept of the Wilson amendment, which I hope they do, to enable the continuation of competitive activity of the smaller independent oil producers in this country, then they will want to vote for my amendment. If the Members do not believe in the concept of the Wilson amendment, then they will be opposed to my amendment.

It is the intention of the Wilson amendment to permit each individual independent producer of oil in this country to have a 3,000-barrel-a-day exemption from the elimination of the depletion allowance. Unfortunately and unintentionally, and this is one of the difficulties of trying to legislate in the way we are doing it today, through a back door it has the potential of a limitation which would eliminate many of the small independent producers, those who are in joint venture agreements with larger oil companies, which is a common practice in the oil and gas industry. Under these joint venture working agreements which are so common, particularly in the higher risk prospects for oil where the big oil companies do not want to take the risk, the properties are farmed out to the small independent and that independent has a less than 50-percent ownership interest in the oil properties. A technical interpretation of the Wilson amendment would not permit that independent to get his full exemption but rather to have it construed as a percentage of what might be allocated to that particular joint venture by the large oil company. It therefore could deny to the independent the very thing that the Wilson amendment is attempting to give as an incentive and further restrict the exploration of these risky prospects, the marginal wells which we really need to go after today in the United States. Much, much of the oil is being found by these independents today under these circumstances.

So my amendment would permit, in these types of partnerships or joint venture agreements, the individual independent who had a minority interest to get the full percentage of the total oil produced from those properties and not be subject to some allocation formula that might be put on those properties by some large oil company. My amendment also has a protective device to prevent any unreasonable proliferation of the 3,000 barrel exemption because it limits the number of partners in a partnership or joint venture.

So it restricts any possibility of proliferation and under no circumstances can an individual oil operator or producer get more than the 3,000 barrels a day. This is the intention of the Wilson amendment. It is an intention that I agree wholeheartedly with and this perfecting type of amendment will fulfill the promise that is incumbent in the Wilson amendment.

Mr. FORSYTHE. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from New Jersey.

Mr. FORSYTHE. Mr. Chairman, I rise in opposition to the Green amendment to repeal the oil producers' depletion allowance.

While I agree that the oil depletion allowance is an issue that should be considered by the Congress, the measure we have before us today is not the appropriate legislation for such consideration. H.R. 2166 is emergency legislation providing a tax cut for relief of this country's economic recession, and attempts to repeal the oil depletion allowance will only delay this antirecession tax cut.

I feel, instead, that the repeal of the oil depletion allowance should be included in the energy tax bill which is being considered by the Ways and Means Committee.

While I support the repeal of the oil depletion allowance, I cannot support the amendment offered by Mr. GREEN which we are considering today. American taxpayers need immediate relief. The Green amendment will only provide an unnecessary hurdle for this important antirecession measure.

Mr. ARCHER. Mr. Chairman, in the time remaining, I would like to briefly touch on the history of depletion allowance, which is so widely misunderstood in the Congress and in the country. It came into effect in lieu of capital gains treatment. If an investor has a forest, he can sell the whole forest and get capital gains treatment. Or, he can sell one tree land still get capital gains treatment making 50 percent of his income nontaxable.

A man who produces a single barrel of oil, in contrast to selling his entire property, does not get the capital gains tax treatment. In lieu thereof the depletion allowance at 22 percent, replaces the 50-percent capital gains treatment.

Oil is a nonreplenishable capital asset. Now, either we are going to continue to have the incentives for private enterprise to produce the necessary energy in this country, or we have no place to go but the Federal Treasury and that, in my opinion, would be a disaster for this country. Because we have been successful in producing cheap energy primarily through the wildcat activities of individuals, I think we should pass this amendment to the Wilson amendment.

Mr. MIKVA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would ask the Members of the Committee to take a look at this amendment. It is very short. It appears on page 6 of the rule. It did not appear in the RECORD, as far as I know.

With all due deference to my colleague from Texas, what he says and what he does are two different things. In the first place, let us talk about what he says. Part of what he says is so; that is, in addition to the 3,000 barrels a day for "maw and paw" for whom my friend from Texas wants to continue the depletion allowance, this exempts 3,000 barrels per day for each one of their "maw and paw" partners; so at least up to five such partners will each get 3,000 barrels a day, which means in any individual partnership they can get at least 15,000 barrels a day as far as depletion is concerned. But in addition, and this is something I think he does that he did not intend to do, he creates a loophole for any sized partnership. Look at the language. It says:

> In the case of a partnership of more than five members, the amount of average daily production which can be attributed to the partners—

Not to the partnership—

> shall not exceed 3,000 barrels.

I may not have dug all the oil that my friends from Texas have dug, but I have dug a lot of oil contracts, and a lot of oil payment contracts. It seems to me as I read this, Exxon itself could convert into a limited partnership and every shareholder would get a 3,000-barrel exemption, as recommended by the gentleman from Texas (Mr. ARCHER).

That is not a Mack truck, that is a whole fleet of Mack trucks. So I would urge defeat of the Archer amendment, and if the gentleman from Texas (Mr. WILSON) is sincere about this small group, he ought to oppose this amendment also.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentelman from Texas.

Mr. ECKHARDT. Mr. Chairman, I do oppose the Archer amendment.

Mr. MIKVA. I am glad to hear that.

PREFERENTIAL MOTION OFFERED BY MR. WAGGONNER

Mr. WAGGONNER. Mr. Chairman, I offer a preferential motion.

PARLIAMENTARY INQUIRY

Mr. MIKVA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MIKVA. For what purpose does the gentleman from Louisiana rise?

The CHAIRMAN. To offer a preferential motion.

The Clerk will report the preferential motion.

The Clerk read as follows:

> Mr. WAGGONNER moves that the Committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken.

Mr. WAGGONNER. Mr. Chairman, my colleagues of the committee, in all too many instances today, votes here are not going to be cast based upon a reasonable approach to what is good and what is bad for the economy and for providing for a better energy approach in this country. Emotion is going to prevail in most instances, so I am not going to attempt to reason with you about the facts of this matter. I've tried that before. I am going to talk to you about the aspects of the Green amendment which will affect the business community, the consumers, and the people of this country, and I want you to consider it on that basis.

Who participates in the depletion allowance? The facts of life are that every single mineral extractable in this country enjoys percentage depletion to one extent or the other. Then the question is who benefits? Everywhere that percentage depletion applies to these extratable minerals, it means, in effect, a benefit to the consumer, because it means that it provides a lower cost product, a lower priced product to the consumer. It is a subsidy to the consumer.

We, of course, ask ourselves then who is for depletion and who is against depletion. The facts of life, the truth, is that everybody is for depletion, including the gentleman from Pennsylvania (Mr. GREEN), because the Green amendment proposes to continue exemptions, continuation of the depletion in the instance of contract natural gas which goes to Philadelphia through "Big Inch" pipelines from Louisiana, Texas, and some other places.

The reason he is for continuing that exemption and allow depletion on that gas, simply, is that he knows that if depletion is denied that contract gas, these contracts are going to be reopened, they are going to be renegotiated, prices are going higher and his consumers will have to pay more for that gas. He cannot explain that to his constituents so he wants to close all the so-called loopholes except the one he benefits from.

So, is depletion a loophole? You bet it is to the man who does not understand it. He wants to keep that loophole he benefits from. That is what a loophole is, a tax deduction, a tax treatment which somebody else has and I do not have. That is what the gentleman from Pennsylvania is interested in in this particular case. Otherwise, he would not single out just oil. He would be just as interested——

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. The gentleman can speak in opposition to the preferential motion. I presume he will do that. The rules provide that he can speak in opposition to the preferential motion. He can get his time then.

The question now is who is against depletion and the answer is those who do not understand it and are dictated to by their emotions.

So, why single out oil? Why not coal? They have coal in Pennsylvania. Coal gets 10 percent depletion. Everybody says oil and gas are responsible for higher prices for electricity. It is not just oil and gas. Forty-five percent of all generating facilities in this country are fueled with coal. Others are not fueled necessarily with gas or fuel oil. Some of them are nuclear and some are hydroelectric.

But, is it when we apply it to coal a loophole? Of course it is not a loophole. That is different.

Then, the idea is advanced that people in the oil and gas business are making too much money. What is wrong in America today with making money? Is there something wrong with making money? Of course not, but if they are making too much, we are going to take care of that with the windfall profits tax in the House Committee on Ways and Means where the gentleman serves.

But, they are not making too much money. The Senate has just done a study, and they have concluded that the oil industry pays taxes at the same rate that the rest of the industry does in this country, and that their profits are not excessive. That is not an industry study; that is a Senate committee study.

The idea is to tax away profits. Profits from whom? Individuals, big individuals do not own the oil companies any more. A study has shown that the six largest oil companies in America today are owned by more than 14 million shareholders. So, if we are going to tax away profits and cut profits by cutting depletion, and in turn provide higher cost products to the consumers, you are going to be reducing individual shareholder income because they are the people who own these oil companies now.

So, I say to you and to the gentleman from Florida (Mr. GIBBONS), who said that when oil was $2 a barrel they needed depletion, but not now that oil is $11 a barrel. When oil was $2 a barrel, they estimated that we could build the Alaskan pipeline for $900 million. They estimate now that it is going to cost over $6 billion. With oil at $11, that is not even a 6 to 1 proportion, but that is what has happened with respect to the cost of, not just oil, but the cost of producing oil and everything the industry does.

The great law of good economics is never sell a depletable resource item for less than its replacement cost. So if you vote against the Wilson amendment, you are going to be voting for higher priced products and for less production. This will aggravate our efforts to increase domestic production and be counterproductive. It will hasten the day when other minerals will be denied depletion. You had better look beyond the ends of your noses.

How many of you Members who are willing to get rid of oil and gas depletion would be willing to get rid of all depletion for all other minerals or for example accelerated depreciation or straight line depreciation, in the instance of commercial real estate? The principle is the same. Your answer is of course that I am meddling now. That is different you say. But I know your mood and will not be surprised at your vote today or your double standard.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the preferential motion. I cannot believe the gentleman is serious. What he is promoting is that we strike the enacting clause of this whole tax proposal, and I think no one here could go home, really, in good conscience, having voted for that kind of a measure.

So I hope that by voice vote we can vote down this motion.

Mr. Chairman, I yield to the gentleman from Pennsylvania (Mr. GREEN).

Mr. GREEN. Mr. Chairman, I thank the gentleman for yielding. I will be very brief.

The gentleman from Louisiana (Mr. WAGGONNER) says that I am for depletion. I am not for depletion, but I have created two exemptions in my amendment of a temporary nature, one for 18 months, for those gas and oil companies which are regulated, and not getting the kind of prices that these others companies have been getting; and also those in a fixed-price contract, many of them written a long time ago, when the price structure was different.

But if the contracts are renegotiated, they lose that, and they automatically lose the 18 months if they are regulated.

Second, it is not simply a question of people making money. It is where the taxpayers of this country are going to be asked to subsidize those people who are really making plenty of money.

Mr. ULLMAN. Mr. Chairman, I yield briefly to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I oppose the preferential motion. I think as the Members know, I supported generally the chairman's position in respect to this bill. I am for the bill, and I shall probably vote for it in any manner in which it is amended, but I think it would be best amended in such a manner that it will work to continue the production of oil in this country through those who are really making the explorations. It is not a question of whether one is for the depletion allowance or not. It is whether or not one ought to rock the industry in a sufficient amount to reduce the production of oil in the United States.

Mr. ULLMAN. Mr. Chairman, how many people understand the implications of the Green amendment? I think this implication clearly indicates that the Green amendment should be voted down, and certainly the Wilson amendment, and all of the amendments thereto, should be voted down.

How many know what the implications are, unless we in the committee can deal equitably with them, and bring a measure that we can all rely on?

I ask the Members to vote down all of these extraneous amendments.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Louisiana (Mr. Waggonner).

The preferential motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. Archer), to the amendment offered by the gentleman from Texas (Mr. Charles Wilson).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ARCHER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the amendment was rejected.

AMENDMENT OFFERED BY MR. ARCHER TO THE AMENDMENT BY CHARLES WILSON OF TEXAS

Mr. ARCHER. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Texas (Mr. Charles Wilson).

The Clerk read as follows:

Amendment offered by Mr. Archer to the amendment offered by Mr. Charles Wilson of Texas: Page 3, strike out subparagraph (C) (in lines 6 through 17) and insert the following:

"(C) Regulated Natural Gas.—The term 'regulated natural gas' means natural gas subject to the jurisdiction of the Federal Power Commission with respect to the sale or transportation of which an order or certificate of the Federal Power Commission is in effect (or a proceeding for the issuance of such an order or certificate has been instituted), if price is taken into account directly or indirectly in the issuance of such order or certificate.

"(3) Termination of regulated natural gas exemption.—In the case of regulated natural gas, if the summary of prices published pursuant to paragraph (4) for any calendar year shows—

"(A) an average price per 1,000 cubic feet of regulated natural gas which equals or exceeds,

"(B) one-sixth of the average price per barrel of domestic crude oil not subject to Federal price control,

then the allowance for depletion shall be computed for all periods after December 31 of such calendar year without reference to paragraph (1)(A).

"(4) Compilation of data with respect to prices of regulated natural gas and domestic crude oil.—For each calendar year beginning after December 31, 1974, the Secretary or his delegate shall compile data establishing—

"(A) the average sales price per 1,000 cubic feet of regulated natural gas sold during such year, and

"(B) the average sales price per barrel of domestic crude oil not subject to Federal price control which is sold during such year. Within 90 days after the close of any such calendar year (or, if later, within 90 days after the date of the enactment of this Act), the Secretary or his delegate shall publish a summary of such data in the Federal Register. Any such summary so published shall be final and conclusive.

"(5) Authorization to compile data.—

"(A) Data from executive agencies.—In compiling the data required under paragraph (4), the Secretary or his delegate is authorized to receive directly from any other executive department or agency of the United States information and statistics necessary for the compilation of such data. Such other executive department or agency shall furnish any such requested information and statistics directly to the Secretary or his delegate.

"(B) Purchasers and sellers to furnish information.—If no other executive department or agency of the United States is able to furnish the Secretary or his delegate the information and statistics from which the data required under paragraph (4) can be compiled, the Secretary or his delegate may by regulation require purchasers and sellers of domestic crude oil and regulated natural gas to make such reports of sales, volumes, prices, and related information as may be necessary to compile the data required under paragraph (4)."

Mr. ARCHER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARCHER. Mr. Chairman, I certainly have a great deal of agreement with what the gentleman from Oregon (Mr. Ullman), the chairman of our committee, just said a few moments ago, that the place for all of this consideration on energy matters is particularly and properly in the normal legislative process. Unfortunately, we are not permitted that today.

However, we do have an opportunity to vote on this amendment, which was considered in exactly that way, because the amendment which I offer now is exactly what the Committee on Ways and Means reported out last year after months of deliberations with respect to natural gas.

My amendment would simply continue the provisions in the Wilson amendment and in the Green amendment retaining the depletion allowance on gas regulated by the Federal Power Commission without cutting it off on July 1, 1976.

I have checked with the Federal Power Commission this week, and I find they do not have in their formula a provision for passing through the economic value of the depletion allowance, and the depletion allowance is not considered in the sense of the pricing of natural gas.

If we do not adopt my amendment to continue the depletion allowance in cases where the price is artificially regulated below the market price, the losers are going to be those at the end of the pipeline, those who are up here on the east coast and in the Midwest, because the gas economically cannot be produced at the requested lower price and put into those pipelines. I think it is very important that we realize what this result might be.

In addition, that gas which is put through will ultimately be higher in price to the consumer because of the economic value of the depletion allowance must be passed on in higher prices or ultimately one day there will be no gas whatsoever in the pipelines. Again, it is a question of competing in the capital markets for the available funds to do a job. If one cannot produce an economic return, the job will not be done.

So I think that the consumer has much at stake, particularly the consumer in the Midwest and the consumer in the Northeast, in the enactment of my amendment, which would continue the depletion allowance on natural gas which is subject to Federal Power Commission price control.

Once the price control is lifted and gas is deregulated, then, of course, this amendment would have no force or effect. Also, if the Federal Power Commission does raise the price of natural gas to a point where it is equivalent on a Btu basis with the price of new oil, then this amendment will be of no force and effect.

The amendment has been carefully considered by the Committee on Ways and Means; it has been found to be sound, and it was incorporated in our energy bill last year.

Mr. Chairman, I urge adoption of the amendment.

Mr. MIKVA. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas.

The Green amendment adequately takes care of those natural gas producers who, with existing regulation, have entered into fixed price contracts based on the depletion allowance which they now have and which they could lose if the Green amendment is adopted, with or without the Wilson amendment.

What this amendment does is to create—in perpetuity—for all practical purposes a depletion allowance for natural gas producers. What it says is that until the price of natural gas reaches a relation of 4 to 1 or 3 to 1 to oil, until that time gas producers will continue to get depletion.

I would point out that at this point

free oil is selling at approximately $10 or $11 a barrel. That means that the price of natural gas would have to go to approximately $1.67, as I read the amendment, before producers would lose this depletion allowance. This means that not only are we creating a "ma and pa" exception if we adopt the Wilson amendment but if we adopt the Archer amendment to the Wilson amendment, we are creating a permanent natural gas depletion exception for everybody in the natural gas business.

Mr. Chairman, for all intents and purposes this is saying that natural gas will continue to get depletion even if we decide to take it away from the oil companies.

Mr. ARCHER. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I will be glad to yield to the gentleman from Texas.

Mr. ARCHER. The gentleman failed to mention that this amendment would not take effect if natural gas were deregulated, irrespective of what the price happened to be. Second, when the gentleman mentions $1.67, I would point out to the gentleman that today in Texas, Louisiana, Mississippi, and Alabama, in many instances natural gas is already selling for well over $1.67 for 1,000 cubic feet.

Mr. MIKVA. Mr. Chairman, I would merely point out to the gentleman from Texas that he determines the gas price by reference to the price of oil not subject to Federal price control. That means that that price would only be determined by the free price of oil. I do not know when this Congress is going to deregulate natural gas in its entirety.

I would point out again that the gentleman from Pennsylvania (Mr. Green) has adequately allowed for those gas producers who had entered into fixed contracts based on the depletion allowance. We are not going to treat them retroactively. We are going to give them an allowance in time to adjust to the depletion allowance being taken away.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. Archer) to the amendment offered by the gentleman from Texas (Mr. Charles Wilson).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARCHER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 157, noes 254, answered "present" 1, not voting 20, as follows:

[Roll No. 31]

AYES—157

Abdnor
Alexander
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bauman
Beard, Tenn.
Boggs
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
de la Garza
Derwinski
Devine
Dickinson
Downing
Duncan, Tenn.
Edwards, Ala.
English
Erlenborn
Esch
Eshleman
Flowers
Frey
Ginn
Goldwater
Gonzalez
Goodling
Grassley
Guyer
Hagedorn
Hammerschmidt
Hansen
Harsha
Hastings
Hébert
Hightower
Hillis
Hinshaw
Holt
Hutchinson
Hyde
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Kindness
Krueger
Lagomarsino
Landrum
Latta
Levitas
Long, La.
Lott
Lujan
McClory
McCollister
McDonald
McEwen
Madigan
Mahon
Mann
Martin
Mathis
Melcher
Michel
Milford
Miller, Ohio
Mollohan
Montgomery
Moore
Moorhead, Calif.
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Natcher
O'Brien
Passman
Pickle
Poage
Quie
Quillen
Regula
Rhodes
Risenhoover
Roberts
Robinson
Runnels
Ruppe
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Skubitz
Slack
Smith, Nebr.
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Symms
Talcott
Taylor, Mo.
Teague
Thone
Thornton
Treen
Vander Jagt
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wright
Young, Alaska
Young, Tex.

NOES—254

Adams
Addabbo
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Brodhead
Broomfield
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John L.
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, Dominick V.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Frenzel
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Gradison
Green
Gude
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Jacobs
Jeffords
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Lent
Lloyd, Calif.
Lloyd, Tenn.
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Matsunaga
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patman
Patten
Pattison, N.Y.
Pepper
Perkins
Peyser
Pike
Pressler
Preyer
Price
Pritchard
Railsback
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Sikes
Simon
Sisk
Smith, Iowa
Snyder
Solarz
Spellman
Stanton, James V.
Stark
Stokes
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

ANSWERED "PRESENT"—1

Bell

NOT VOTING—20

Abzug
Barrett
Brown, Mich.
Chappell
Fenwick
Flynt
Fountain
Fraser
Holland
Johnson, Calif.
Ketchum
Litton
Long, Md.
McCloskey
Mills
Murtha
Patterson, Calif.
Rostenkowski
Rousselot
Staggers

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. Charles Wilson) to the amendment offered by the gentleman from Pennsylvania (Mr. Green).

RECORDED VOTE

Mr. CHARLES WILSON of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 197, noes 216, not voting 19, as follows:

[Roll No. 32]

AYES—197

Abdnor
Alexander
Anderson, Calif.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Baucus
Bauman
Beard, Tenn.
Bell
Bevill
Biaggi
Boggs
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
de la Garza
Dent
Derwinski
Devine
Dickinson
Dingell
Downing
Duncan, Tenn.
Eckhardt
Edwards, Ala.
English
Esch
Eshleman
Evans, Colo.
Findley
Fish
Flowers
Foley
Frey
Ginn
Goldwater
Gonzalez
Goodling
Grassley
Guyer
Haley
Hammerschmidt
Hansen
Hastings
Hayes, Ind.
Hays, Ohio
Hébert
Hicks
Hightower
Hinshaw
Holt
Howe
Hutchinson
Hyde
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kazen
Kelly
Kemp
Kindness
Krebs
Krueger
Lagomarsino
Landrum
Latta
Lehman
Levitas
Long, La.
Lott
Lujan
McCollister
McDonald
McEwen
McKay
McKinney
Macdonald
Madigan
Mahon
Martin
Mathis
Melcher
Meyner
Milford
Miller, Ohio
Mollohan
Montgomery
Moore
Moorhead, Calif.
Morgan
Murphy, N.Y.
Myers, Ind.
Natcher
Nichols
Nowak
O'Brien
O'Hara
Passman
Patman
Pattison, N.Y.
Perkins
Pickle
Pike
Poage
Preyer
Price
Quillen
Railsback
Regula
Rhodes
Risenhoover
Roberts
Robinson
Rogers
Roncalio
Rose
Runnels
Ryan
Santini
Sarasin

Satterfield
Schroeder
Schulze
Sebelius
Shipley
Shriver
Shuster
Simon
Sisk
Skubitz
Slack
Smith, Nebr.
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Stephens
Stratton
Stuckey
Symington
Symms
Talcott
Taylor, Mo.
Teague
Thone
Thornton
Traxler
Treen
Vander Jagt
Vander Veen
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wirth
Wright
Wylie
Young, Alaska
Young, Ga.
Young, Tex.
Zeferetti

NOES—216

Adams
Addabbo
Ambro
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Beard, R.I.
Bedell
Bennett
Bergland
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Brodhead
Broomfield
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John L.
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, Dominick V.
Danielson
Davis
Delaney
Dellums
Derrick
Diggs
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Edgar
Edwards, Calif.
Eilberg
Emery
Erlenborn
Evans, Ind.
Evins, Tenn.
Fascell
Fisher
Fithian
Flood
Florio
Ford, Mich.
Ford, Tenn.
Forsythe
Frenzel
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Gradison
Green
Gude
Hagedorn
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hillis
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Jones, N.C.
Karth
Kastenmeier
Keys
Koch
LaFalce
Leggett
Lent
Lloyd, Calif.
Lloyd, Tenn.
McClory
McCormack
McDade
McFall
McHugh
Madden
Maguire
Mann
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Michel
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Mosher
Moss
Mottl
Murphy, Ill.
Myers, Pa.
Neal
Nedzi
Nix
Nolan
Oberstar
Obey
O'Neill
Ottinger
Patten
Pepper
Peyser
Pressler
Pritchard
Quie
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rooney
Rosenthal
Roush
Roybal
Ruppe
Russo
St Germain
Sarbanes
Scheuer
Schneebeli
Seiberling
Sharp
Sikes
Smith, Iowa
Snyder
Solarz
Spellman
Spence
Stanton, James V.
Stark
Steiger, Wis.
Stokes
Studds
Sullivan
Taylor, N.C.
Thompson
Tsongas
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waxman
Weaver
Whalen
Wilson, Charles H., Calif.
Wolff
Wydler
Yates
Yatron
Young, Fla.
Zablocki

NOT VOTING—19

Abzug
Barrett
Brown, Mich.
Chappell
Fenwick
Flynt
Fountain
Fraser
Holland
Ketchum
Litton
Long, Md.
McCloskey
Mills
Murtha
Patterson, Calif.
Rostenkowski
Rousselot
Staggers

So the amendment to the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Flynt for, with Ms. Abzug against.

Mr. Staggers for, with Mr. Fraser against.

Mr. Litton for, with Mr. Fountain against.

Mr. Rousselot for, with Mrs. Fenwick against.

The result of the vote was announced as above recorded.

Mr. FLYNT. Mr. Chairman, I oppose the Green amendment to repeal the percentage depletion allowance for oil and gas effective January 1, 1975, and I do so because I strongly believe that this is neither the time nor place for the Congress to act on the depletion allowance issue.

The fundamental purpose of the tax cut package, reported by the Ways and Means Committee, is to provide stimulus to the economy. To maximize the effectiveness of the pending proposal, the tax rebate and the tax reductions must be enacted as quickly as it is humanly possible to do. To add to the committee bill the proposed depletion allowance amendment may well delay final action on these tax cuts and jeopardize the emergency economic stimulation that H.R. 2166 was designed to provide.

On March 3, 1975, the Ways and Means Committee will begin consideration of our energy situation, including tax policy in the energy sector. In my judgment, the depletion allowance issue should be considered not as a piecemeal amendment to an emergency tax reduction measure but in the context of a comprehensive energy bill that the committee will only 4 days from now begin work on. We all know that the committee last year recommended a phaseout of percentage depletion on domestic oil and gas production, and it may well do so again. Regardless of individual feelings on the soundness of the depletion allowance, a change in current provisions should not be included in the tax cut package before us but rather in a cohesive energy package to be forthcoming from the Ways and Means Committee. For these reasons, I urge my colleagues to reject the Green amendment.

Mr. OBERSTAR. Mr. Chairman, I rise in support of the Green amendment and in opposition to the Wilson amendment. We have heard many arguments why we should not at this time in the context of this tax reduction bill take this step. It has been argued that the Senate will filibuster the tax reduction bill to death and, if by some miracle it does pass both bodies, the President will veto it in any event.

What matters is what we do here today, not what the other body or what the President may do. Those are arguments that have been used repeatedly to delay and ultimately kill actions of this kind and I do not want to fall victim to that strategy.

What the people are looking for in this great deliberative body of ours is an act of unmitigated courage. Just once let us all stand up and be counted on a tough decisive issue.

Public tax and energy enemy No. 1 in my district is the oil depletion allowance. Public patience is at an end with those who for years have called for an end to the oil depletion allowance but have done nothing about it.

Today, we have a golden opportunity to take that step: to take some of the sting out of the energy crisis; and to make those who have profited most from the energy crisis begin at long last to pay their fair share.

The issue is big oil, to make no mistake about it. The big oil companies have had too much of a hand in the tax and energy policy of this country in the past and today we have the unique opportunity to return that power to the people where it really belongs.

We have heard a lot of talk about the effects of this amendment on the "little" oilmen. What I am concerned about is the real little people of this country. Those who have no one to protect them except us—their elected representatives—and I am talking about the working men and women who have been paying the freight of the energy crisis. They want and deserve tax equity. The Green amendment would not give them all the equity they deserve, but it will give them assurance that we do care and that we in the Congress are doing something about the oil depletion allowance, which is the symbol of tax loopholes and tax inequity in this country. I urge this body to act without further delay; pass the Green amendment; end once and for all the oil depletion allowance.

Mrs. LLOYD of Tennessee. Mr. Chairman, I rise in support of the Green amendment which seeks to end the 22-percent depletion allowance for oil and gas. This loophole, by far the largest in the Federal tax structure, costs the American taxpayer $3 billion per year. The lost revenue, which must be compensated for by higher taxes on individual incomes, goes into the pockets of the oil companies.

For years the oil companies have justified this allowance on the basis of the expenses they incur in prospecting for oil. However, despite the fact that revenues from the oil depletion allowance have increased dramatically in recent years, the amount of exploratory drilling done by the major oil companies has dropped 50 percent in the last 15 years. The Treasury Department found that $150 million worth of oil reserves were discovered during 1969. Revenue loss attributable to the oil depletion allowance that year was $1.4 billion, or a cost ratio of $10 in lost revenue to $1 in new oil discoveries.

In 1973, the most recent year for which complete figures are available, oil prices averaged $7.50 per barrel, an increase of nearly $4 per barrel. This increase resulted in $9 billion of profits for the oil companies, $7 billion more than they received under the oil depletion allowance in 1973.

Oil producers continue to press for the depletion allowance tax subsidy despite the fact that prices have continued to rise at the gas pump and oil company profits for 1974 were even higher than those of the preceding year.

Mr. Chairman, there is no justification for saddling the American taxpayer with the additional burden of supporting an oil industry dedicated solely to increasing its enormous profits at the expense of the individual taxpayer.

Mr. MOFFETT. Mr. Chairman, I rise in support of the Green amendment. The public interest often requires our Government's involvement in the marketplace. It is clear, however, that there are instances in which the Nation is best served by the removal of wasteful and inequitable Government involvement. One such instance is the oil depletion tax loophole that in effect provides billions of dollars each year in Federal subsidies to the oil producing industry. The consumer is cheated twice by this subsidy, on the tax bill and at the filling station.

Corporations are supposed to pay a 48 percent Federal income tax. But oil companies are allowed to ignore for tax purposes 22 percent of their gross income from each well. The cost to taxpayers of this loophole has been estimated at $3 billion for calendar year 1975. Meanwhile, the oil companies continue to reap "windfall" profits.

The rationale that the depletion allowance was necessary to insure full production of domestic oil has been proven bankrupt. Evidence suggests that substantial reserves have been withheld from the market in order to manufacture shortages and drive the prices higher. Furthermore, there is considerable evidence that the depletion allowance has actually had the effect of decreasing domestic production, by encouraging wasteful drilling practices and discouraging exploration.

According to a Treasury Department study, about 42 percent of the allowance goes either to foreign and domestic landowners who receive royalties from oil companies even though they do not produce oil, or else to foreign producers. That portion which does go to domestic oil producers provides a strong incentive, not for efficiency and exploration, but rather for the abandonment of wells before they are dry, and for the safe and profitable reliance on known fields.

Only about 1 out of 10 exploratory wells is productive—and, therefore, eligible under the depletion allowance—so the major companies tend to indulge in the overdrilling of known reserves, where the depletion subsidy is guaranteed. This practice is wasteful in that it may decrease the pressure which forces the oil toward the surface.

The only limitation on the depletion allowance encourages companies to cap wells that still hold oil. No more than 50 percent of the net income from each well may be subtracted under the allowance. The effect of this limitation is to give the greatest tax subsidy to the most profitable wells, and to discourage producers from operating less profitable—but still productive—wells. The oil companies earn large profits by "skimming the cream" off of a well and then abandoning it when it is partially pumped.

Perhaps the most damning argument against the oil depletion allowance is that it encourages monopoly and vertical integration in an industry where the top eight companies already control one-half of the drilling, refining, and gas sales in the country. Many of the largest companies earn their massive profits by selling the crude oil to themselves. The majors produce, transport, and market their product in a controlled chain reaching from the well to the gas station. We hear much of the blame for the present economic situation being placed upon the elusive middleman, but in this case, the oil company is not only the middleman, but frequently the wholesaler and the retailer as well.

Through this highly questionable process, the oil company can determine at precisely which points in the chain it wants to make its profit. This, therefore, occurs at the initial sale of crude oil to the refinery, since high profits at this point in the chain are not heavily taxed, due to the depletion allowance among other loopholes. By taking its profit on this sale, the industry retains a much greater share of the profits than if they had been earned at the filling station. The refiners always throw up their hands and claim that they must pay the posted price, but all to often this price level is set, not by market forces, but by intracorporate transaction posted by no one but the company itself.

The oil majors, therefore, want to maintain the depletion allowance, along with a large cost-price spread at the wellhead, since the entire system of vertical integration is based upon large profits at this point. I suggest that it is unconscionable and economically suicidal to discourage independent competition at a time when a handful of monolithic corporations are rapidly taking over the market and dividing it up among themselves. The disintegration of the vertically integrated system is a necessary first step toward a less wasteful, more equitable, more decentralized energy supply.

It would be wrong, however, to exempt nonintegrated companies from this repeal of the depletion allowance. For one thing, the integrated companies would soon find a way to squeeze through such a loophole by semilegal manuevering. More importantly, the independents do not need the allowance any more than the majors. The recent price hikes have resulted in excess profits for many of the independents, since they are doing the exploration, and, therefore, control a larger share of the uncontrolled oil. It is a mistake to go overboard on behalf of independents without discriminating between independent refiners and independent drillers. The former are being squeezed out of the market by the artificially high wellhead prices, while many of the latter are becoming quite wealthy for the same reason. An exemption of independent drillers would only make the situation worse, involving the Government in still more detrimental, biased intervention in the marketplace at the consumer's expense.

In attempting in our committees to work out a comprehensive energy program over the past few months, it has become clear that the depletion allowance stands squarely in the way of many of the most vital aspects of such a program. One such area is the development of energy alternatives. For example, the depletion allowances are based upon the value of the resource in the ground, rather than in processed form. This means that liquefied coal, which in its processed form may cost as much as oil, gets a very small depletion allowance, since coal in the ground is worth much less than oil. Of course, the depletion allowance provides no incentive at all for the development of such alternative sources as solar energy. It benefits only those who are engaged in using up our scarcest sources of energy for windfall profits, while actively discouraging the development of alternatives.

The administration in its energy program has proposed a so-called windfall profits tax. Aside from the fact that the President's tax does not even deserve that name, it is obvious that this is the wrong approach entirely. I am baffled by the logic of allowing the profits to pass through the loopholes on the one hand, and then trying to get the money back through complicated, unproductive windfall taxes on the other. The real solution to the problem of excess profits is simply to remove the loopholes and require the oil companies to pay their full share of taxes at the normal rate.

Several years ago, a Treasury Department study concluded that the oil depletion allowance, while costing taxpayers $1.4 billion annually, increased reserves by only $150 million. With rising prices, this gap has perhaps doubled. Given the current economic situation, the continuation of the depletion allowance just does not make sense. The time has come to stop the oil companies from relying on tax subsidies in order to reap unreasonable profits at the expense of the American consumer and taxpayer. Market prices are high enough to sustain a reasonable profit for the companies, and the market is where this transaction should take place; not in hidden costs to the public via tax loopholes. The oil industry cannot call for decreased regulation and continued subsidization in the same breath.

Mr. WHALEN. Mr. Chairman, I rise in support of the pending amendment offered by the gentleman from Pennsylvania (Mr. GREEN).

As I have stated on a number of occasions, it is my philosophy that in considering tax reforms, changes should be made only in those areas where there is ample evidence that the old program is no longer serving us well. In my opinion, the percentage depletion deduction is one of those areas. Certainly, in the last 2 years, the situation which spurred the allowance has changed drastically.

In 1973, domestically produced oil, selling from $3 to $3.25 per barrel, exceeded that of foreign oil which could be purchased at $2 per barrel. This price differential was due primarily to the fact that U.S. firms are high cost producers.

However, it was determined that our security interests required that our dependence on foreign oil should not be more than 20 percent of our needs. Therefore, in order to assure the continuation and expansion of U.S. production at a rate sufficient to provide at least 80 percent of the country's requirements, the following two policies were implemented.

First, continuing exploration and production were encouraged by allowing producers to capture a part of their drilling costs by deducting percentage depletion against total revenues. In this way, it was not necessary to charge higher prices in the market.

On the other hand, the second policy—oil import quotas—resulted in the American consumer paying higher prices. The quotas, which were imposed from the mid-1950's until 1973, brought the price Americans paid to $3 per barrel rather than the $2 price of foreign petroleum.

Today, in 1975, the situation to which those policies were addressed no longer exists. In fact, the price circumstances are reversed. The cost of foreign oil has increased to a point where it exceeds domestic prices. We must adjust to these new circumstances by abandoning the oil depletion allowance. Three reasons dictate that we do so.

First, it cannot be argued that U.S. security interests mandate the retention of the percentage depletion deduction.

Second, the continuation of the allowance will discriminate against alternative sources of energy which, in the case of some resources such as solar energy, are more plentiful and which, through technological developments, may be at least no more costly than the oil. For example, at the cost of $7 per barrel, oil is subsidized with the allowance in the amount of $1.30 per barrel. However, there would be no such subsidy for solar energy if the technique is developed to capture it and apply it for heating processes at a comparable Btu cost.

Third, by removing this deduction, we will not, in turn, discriminate against U.S. oil producers. Any loss that they will suffer by this change in the tax statutes will be offset by the price they now receive in the marketplace.

Therefore, Mr. Chairman, I join my colleague from Pennsylvania in urging that his amendment be adopted.

Mr. FITHIAN. Mr. Chairman, I rise today to emphasize once again the vital necessity of eliminating the oil depletion allowance. This giant tax loophole defrauds the American taxpayer of nearly $3.6 billion annually. It has been, without a doubt, the biggest tax giveaway in the history of this country. It must be ended and it must be ended now.

It has been argued that the oil depletion allowance is necessary to provide incentives for increased domestic production of oil. It is true that increased domestic production of all sources of energy is necessary and desirable. But the vicious irony of this argument is that depletion allowances also apply to overseas production of petroleum by American oil corporations. Overseas production of oil has been further subsidized by even larger tax benefits than for domestic production through foreign tax credits. Through this policy we have been subsidizing the very sources of oil from which we must become independent.

Special treatment of the oil industry has frequently been rationalized on the grounds that drilling for petroleum is an uncommonly risky proposition. Actually the depletion allowance bears little relationship to the actual costs incurred in the discovery of a particular oil well. Moreover, the oil and gas industry has no monopoly on business risks. The small businessman and farmer face financial uncertainties which equal the risks taken by the oilman. But even if the risks taken by the oil industry did exceed those involved in other business ventures, few businesses are favored by incentives which are so heavily weighted in favor of the large corporation over the small. This policy benefits the corporation which buys up producing wells but gives no help to the explorer who unsuccessfully drills for new wells. Thus the large integrated corporation is grossly favored over the small independent producer.

One test of the depletion allowance's effectiveness as an incentive to increased domestic production is the number of new oil finds and the number of new wells drilled. Both new oil finds and new drillings have declined since 1970 despite the abundant generosity we have shown the oil industry at tax time.

But most important, Mr. Chairman, is the fact that the American taxpayer has been unjustly forced to shoulder the tax burden of the oil industry. It is wrong that any special interest should benefit unduly from Federal tax policy. But it is intolerable that large integrated oil corporations like Texaco and Gulf have been getting away with paying effective Federal income tax rates of less than 3.2 percent while the base income tax rate for most small business is 44 percent and average working families pay between 12 and 24 percent.

Does it not, Mr. Chairman, boggle the mind that oil company profits, financed in part by special tax privileges, have skyrocketed to record heights when millions of Americans are unable to pay their taxes and millions more will be forced to dip into their life's savings? And consider what portion of our national debt could have been avoided if this segment of our economy had indeed been facing up to its tax responsibilities.

Mr. Chairman, the action which I hope to see accomplished in this body today is long overdue. For decades now, with no visible defenders in this House, this iniquitous system of legalized tax evasion has shifted, as if by sleight of hand, tax dollars in excess of three billion per year from the oil industry to the backs of those who have no powerful lobby. For decades opponents of the depletion allowance system have labored in vain to end this unjust tax policy. And for decades we have perfected into permanence a system which has long been outmoded. I do not ask for a penalizing or debilitating burden on oil companies. I ask only for equity. Equity for producers of other commodities, and equity for average working families who have dutifully paid more than their fair share of the tax burden.

It has been argued that the time is not right, that we should wait until energy policy is discussed to address ourselves to this problem. The truth is that the oil depletion allowance is a tax matter. Today we discuss a tax bill. It is germane. Moreover, it is just. And let us not delude ourselves. If this injustice cannot be ended now, as a part of a bill which provides a timely and overwhelmingly popular tax adjustment in favor of the American people, it surely cannot be dealt with in April when we enter into discussion of energy policy matters.

What better way to restore the faith of the American people in our institutions of government and free enterprise system; what better way to reestablish a fair tax system for all Americans; and what better way to forever refute the charge that this body cannot deal with our economic problems with speed and effectiveness?

Mr. Chairman, we have thought about many changes in the way this House conducts its business, changes which have already set this Congress apart from all others. Let us further distinguish this Congress from those before us by combining tax relief with the gift of tax fairness. Let us by this action prove false the charge of inaction. Let us strike a blow for the forgotten worker and businessman who shoulders his fair share of the tax burden. If we in the Congress fail him, where shall he find relief? If we cannot be fair on taxes, does fairness exist anywhere?

Let us gather the courage today to act in the interest of tax justice for all rather than in defense of ill-conceived tax privileges for the influential few. If we do not have enough backbone today to stand up to the special interests, then we will fail the American people.

Mr. FISHER. Mr. Chairman, the oil depletion allowance has had its day. It is no longer needed. It should be eliminated. Oil prices and profits are sufficiently high now to permit large reinvestments along with adequate returns to stockholders without the 22 percent depletion allowance that incidentally goes on and on and on, year after year.

Arguments on the tactics of eliminating the oil depletion allowance as an amendment to the tax cut bill have been flying back and forth. As a newcomer to the Congress I find it difficult to determine which side has the better of it, whether now is the time to get rid of this large and symbolic tax loophole or whether it has an easier chance of passing as part of an energy bill or a tax reform bill. The protagonists, I do believe, have fought to a draw.

So I come back to the substance of the issue: Should we vote down the oil depletion allowance now, with this bill, tactics apart? Here my answer is clear and straightforward: yes, we should vote to eliminate the depletion allowance now. This is a good time to do this good thing. There may never be a better time.

Turning now to the bill (H.R. 2166), the Tax Reduction Act of 1975, I am persuaded that it should be passed forthwith. The national economy needs this $21 billion stimulus. The growing number of unemployed need this help as do hard pressed business organizations. The total amount seems about right. Distributing the tax rebate on 1974 income taxes and the reduction on 1975 taxes predominantly to the low- and moderate-income persons is wise both to relieve hardship and promote spending. The substantial increase in the business investment tax credit and the raising of the amount of income of smaller firms not subject to the higher tax rate are justifiable. There could be other ways of achieving the same objectives but none I can think of would be preferable. We should get with it, vote for the bill, and hope that this measure will promptly become law. It can help mightily to reverse the downward trend of the economy.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise to concur in an opinion expressed by our colleague from Oregon, the distinguished chairman of the Ways and Means Committee (Mr. ULLMAN) that consideration of the oil depletion allowance question, in connection with the measure before us, is untimely and in his words, "a bad mistake."

Once again we are seeing the difficulty of the so-called Christmas tree bill. Modifying our tax structure to ease the burden on low- and middle-income families is too important to have extraneous, unrelated provisions tacked to the bill.

We are in a time of serious economic difficulty and, if we are to be able to continue what appears to be the beginning of our recovery, we must legislate reasonably and responsibly. We do not do so if we seek to give a tax break on the one hand with possibly harmful economc effects on the other.

It is up to the Ways and Means Committee to review these issues, as its chairman has promised it will do, before we vote on an issue of such importance. It is inappropriate to add the Green amendment to a tax relief bill. It can, and must, be able to stand alone.

As I see it, there are two significant problems in taking the approach that the gentleman from Pennsylvania (Mr. GREEN) and others have advocated.

First, inclusion of provisions dealing with percentage depletion on oil and gas production as a part of this bill only confuses and complicates our efforts to provide meaningful tax relief to those in the fixed-, low-, and middle-income brackets. At the very least, inclusion of such provisions will delay our best efforts to get tax rebates into the hands of the American consumer, to bolster their purchasing power and to get our economy moving again.

My concern is that insistence on retention of provisions to do away with percentage depletion, particularly as we begin to deal with our colleagues in the Senate, could seriously jeopardize this bill. I think most of my colleagues would agree with me that should this occur, we will have rendered a great disservice to our constituents by slowing down our efforts to revitalize the economy at a time when it is most important that we seek to build and maintain economic strength and stability.

Second, I will be quite candid with my colleagues in stating my conviction that this effort to repeal percentage depletion reflects an emotional commitment to punish the so-called big oil companies. What we really need is an objective, well thought out and comprehensive energy tax plan that will close tax loopholes and include investment incentives for energy production without unduly restricting the ability of our energy companies to invest sufficient capital to increase exploration and production activities.

In this regard, the fault I find with the approach of my colleague from Pennsylvania is that it fails to distinguish between the exploration and production activities of the "majors" and those of the "independents." Those who have a basic familiarity with the oil and gas industry understand that while both groups are important contributors in the search for and development of new oil and gas reserves, the "independents" play a particularly important role.

The independent segment of the oil and gas industry has drilled 9 out of every 10 new wells in the United States since 1969. This group involves literally thousands of small producers—virtually none of whom have the capital resources of the major energy companies. In fact, most independents operate on limited capital.

To many of these independent producers, loss of percentage depletion could result in economic disaster which would literally force them out of business, thereby reducing our domestic production when we need it the most. I can assure my colleagues that such a turn of events would have a drastic impact on oil and gas production and pricing, not only in California, where the independent has historically played a key role, but throughout the Nation. And we all know who will be forced to pay these higher costs—the already overburdened consumer.

With this background in mind, I urge my colleagues to support the amendment of my colleague from Texas (Mr. WILSON), which would exempt those independents producing less than 3,000 barrels per day. More than that, however, I would hope that in any future action we undertake to revise and restructure energy tax policy, we act not on the basis of emotion, but with the objective of encouraging maximum development of reasonably priced domestic oil and gas. If we carefully and objectively review this entire question, we just might find that taking punitive action against independent oil and gas producers would pinch the consumer's pocketbook even further.

Mrs. KEYS. Mr. Chairman, I rise in support of the Green amendment to repeal the 22-percent depletion allowance for oil and gas, effective January 1, 1975. I speak because I cannot remain silent about this matter.

If we accept the plea from the American people for responsibility in dealing with the economic crises of the day, then oil depletion in its entirety must be repealed and "'tis well 'twere done quickly." For too long our citizens have listened to promises of fairness and equity regarding our tax structure. For too long our citizens have listened to our expressed concern and watched our inaction. It is now time to act.

This is a tax bill and oil depletion is a tax issue. It is responsible to move quickly on this well-understood issue which has received full hearings over many past months in this body and in the public print as well.

It is responsible to end the depletion allowance at this time and to lessen the impact of the tax reduction bill on the budget deficit without lessening its full effective and fair impact on our economy and on our citizens.

It is responsile to quickly accomplish this urgent measure as a promise that we can and will provide promised legislation for real tax reform demanded of us by the American people.

I urge my colleagues in this body to join me in voting for the Green amendment.

For those in this Chamber who need further convincing about this matter, I would like to share a recent communication from one of my constituents:

TOPEKA, KANS.,
January 31, 1975.

DEAR MARTHA KEYS: At a time when we are all feeling the crunch of higher prices for energy, it makes me very angry to receive a letter like the one I'm enclosing which points out how to make a profit from the "tax haven" in oil and gas.

I urge you to close off this option for the rich to make money while those of us who earn less than $40,000 are scrimping to make ends meet!

Sincerely,
DAVID W. REID, M.D.

DEAR DOCTOR: No doubt you make more than $40,000 a year. That's why you should take a minute and read this.

No doubt you are paying a substantial amount of income tax—$$$$ that are gone forever. Few tax havens are left for you!!!! One tax haven that has withstood the wrath of the Federal Government is in the oil and gas industry.

We offer participations in sound drilling ventures which may be a place for your lost tax dollars. What we are talking about is a specific venture with a limited dollar input and a return based on production. With the increased prices for oil and particularly natural gas, the potential for profit is more attractive than ever. Due to the higher prices, many wells are being profitably produced today that would have been abandoned as noncommercial only a short time ago.

Opportunities available to you in the oil and gas field can be received by simply filling out the enclosed form and mailing it in the postage-free envelope.

BIG "D" OIL & GAS CO., INC.

BIG D OIL & GAS CO., INC.,
Dallas, Tex.

GENTLEMEN:

—— Yes
Send me immediately opportunities in oil & gas ventures.
—— No

Below is a declaration that establishes my qualifications to receive information and to participate in your program. My signature will indicate that I meet the governmental requirements regulating private investments in oil and gas drilling ventures.

Declaration (I have checked portions applicable to me.)

—— I have sufficient knowledge, experience and understanding of finance and business matters to evaluate a drilling program in oil and gas exploration or such knowledge and understanding is available to me through my consultants or representatives.

—— I have previously invested in oil and gas exploration and drilling programs.

—— I am financially able to invest in oil and gas exploration and drilling programs and have sufficient financial income so as to beneficially utilize such programs as a tax sheltered investment:

Please print:
Name:
Address:
City:
State:
Bus. Phone:
Res. Phone:
Best time to call:
Business or Occupation:
Date:
Signature:

Mr. FORD of Tennessee. Mr. Chairman, I intend to vote favorably on the Green amendment repealing the 22-percent depletion allowance on oil and gas. This depletion allowance will cost the Public Treasury $3 billion this year. That would mean $3 billion will go into the pockets of oil company shareholders instead of meeting our urgent domestic needs—$3 billion we could spend on housing, health care, and education, instead of increased oil profits.

The oil companies argue that this special tax loophole, known as the oil depletion allowance, is necessary to encourage them to continue domestic exploration for new oil sources. Let me point out, however, that exploratory drilling in the United States during the last 15 years has declined by more than 50 percent anyway. This means that the American taxpayer is losing an average $1.4 billion a year in potential oil company taxes and gaining only $150 million in new oil reserves discovered. That is not what I call a fair exchange.

Nor do I have to remind anyone of the new higher prices we have experienced in all oil products. These fantastic price increases added over $9 billion in oil company profits in 1973. That figure must be much higher for 1974. We cannot determine that, however, because many oil companies have not reported their 1974 earnings yet. What we do know is that these excessive profits were much more significant to the oil companies than the $3 billion in tax breaks they fought so hard to preserve. It seems very clear to me that these record high profits should provide all the incentive any oil company needs for exploration of new oil sources.

I hope my vote today will help gain the American taxpayer at least $3 billion. I will put all my efforts into seeing that our domestic programs receive this "windfall profit." It is about time the oil companies were told that their "windfall profit' days are over. I urge my colleagues to cast votes in favor of the Green amendment.

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA TO THE AMENDMENT OFFERED BY MR. GREEN

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Young of Alaska to the amendment offered by Mr. Green: At the end of section 101 of the Green amendment, insert the following:

"Arctic Circle Exemption.—In the case of any well located north of the Arctic Circle, if the taxpayer elects the application of this subsection for the taxable year, then with respect to gross income from crude oil from such well before January 1, 1985, the percentage referred to in section 613(a) shall be 15 percent."

Mr. YOUNG of Alaska. Mr. Chairman, I come before the Members today to offer this amendment. My amendment, providing for the Arctic Circle exemption, would exempt wells north of the Arctic Circle from the repeal of the oil depletion allowance.

May I remind the Members that this exemption was in the bill from the Committee on Ways and Means as it was reported to this floor last year. May I remind the Members that at that time there was dual study put into this provision.

This has not been done, and I am saying to the Members now that if we are going to achieve Project Independence, we are going to have to find oil where oil has not been found before. The easy way to find domestic oil reserves has long passed. That oil has been discovered, and those wells are on their way to being depleted.

But in the remote Arctic, exploration is much more costly than anywhere else in the world. Should oil be found there, the exploration and production and transmission costs run into the tens of billions of dollars.

The gentleman from Louisiana (Mr. Waggonner) stated today that the cost of the trans-Alaska pipeline went from $900,000 to $6½ billion in 4 years. I will ask the Members to think about that for a moment.

A good example is this: I hear much talk on this floor of the opening of Pet 4. To open Pet 4 means that we are going to spend $238 million just for exploratory work.

As I mentioned before, I am going to ask the Members again to please consider the facts. The facts are that there are vast quantities of oil in Alaska, but the facts are that it takes a great deal of money to get that oil to the market.

I say to my good friend, the gentleman from Pennsylvania (Mr. Green), that I can tell him this: If we adopt the gentleman's amendment without my amendment, we will have Alaska in the hands of the major oil companies because we do not have the independents up there. With the adoption of my amendment, the independents will come to Alaska.

The 15 percent depreciation allowance is a compromise to the 22 percent, and there is a 10-year phase-out period.

Besides that, I would like to remind the Members of comparative costs. The comparative costs are $61 per man hour on the North Slope compared to $23 in west Texas; $150 a foot in the North Arctic compared to $15 a foot in west Texas. It takes $5.5 million for a 12,000-foot wildcat oil well on the North Slope. In west Texas it takes $600,000. For a 9,500 field development well, it takes $2.6 million on the North Slope and in west Texas it takes $350,000.

What I am saying here today is that you want our oil. I as a representative and the only representative from that State say that you can have our oil if you let us drill for it.

I ask for a short, 10-year period so that the oil fields can be developed on time and so that we can get 4.5 million barrels of oil a day by 1985 if my amendment is adopted. However, I tell the Members here today that if it is not adopted, that exploration will not take place in the Alaskan area as it should. True, the majors will have some benefit from this, but I want the independents to have the balance in that State, and right now they do not have it.

The pleas that the gentleman from Texas (Mr. Charles Wilson) made are absolutely apropos to this amendment here, and the pleas that those other Members made as far as concentrating the power is concerned are more apparent in my State than in any other State of the Union.

Mr. Chairman, I do urge the favorable consideration of this amendment so that we may get on with the show of independence, so that we can supply our own oil to our own people on time.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment.

Let me first commend the House for its good judgment thus far this afternoon, and a continuation of that good judgment will be to vote down this amendment and then to vote down the Green amendment.

The issue is delay. The issue is whether, in fact, we do get a tax cut into the stream of the economy now or whether we wait day after day after day and week after week in the other body while they develop an energy policy on this bill.

Therefore, Mr. Chairman, I urge the Members to vote down the Green amendment.

Mr. Chairman, I yield to the gentleman from Florida (Mr. Gibbons).

Mr. GIBBONS. Mr. Chairman, I thank the chairman of the committee for yielding to me.

Mr. Chairman, I rise to oppose this deceptively attractive-looking little amendment that would seem to help Alaskan oil production.

Let me tell the Members what it does, and please understand me, I cast no aspersions at the gentleman from Alaska. Yesterday when he appeared before the Committee on Rules, he said he did not know a lot about oil; he was just there trying to protect his State. I commend him for that, but this is a very serious matter, and there is an awful lot of money riding on this.

We are talking about a benefit to the major oil companies, not to the independents, not even to the Texas-sized independents. We are talking about a benefit to the "Seven Sisters," if you please, the largest companies in the world, of $2.5 billion. That is what this amendment would do.

Picture, if you will, what we have got going in Alaska. The major oil companies decided a few years ago to develop the finds they had made in Alaska. In a few years oil will start flowing out through the pipeline that is being built with Japanese steel on which the oil companies received an investment credit, at the rate of 2 million barrels a day. This will be at 2 million barrels, times $10 a barrel per day; that is an awful lot of money.

But the tax savings that they would have out of all this, the money that they would put in their pockets and they never have to pay taxes on, would be $2.5 billion. But there would not be the first small individual independent involved in it at all. This is the major oil companies we are talking about.

Why cannot the small independents participate in this, even the Texas-sized independents? Because the major oil companies own the pipeline, and they cannot get oil out of Alaska, unless they bring it out in the pipeline, or in a tanker, or something like that.

So the pipeline controls the oil in Alaska, and the pipeline is owned by the majors. The majors are the ones that are developing it up there, they are the only ones that can survive. They agreed to develop it at $3 a barrel, and they will now get $10 a barrel. You know, God bless them, I am glad we are going to get the oil, but let us not give them everything while we are doing it.

I am not against oil companies, large or small. I think we ought to tax them like we tax every other business enterprise in America. We ought to let them make their profits as best they can. But there is no sense in further subsidizing the majors in this area.

I would like to say, as far as the Green amendment holding up this bill, that the Senate may not filibuster. I do not believe any Senator is going to filibuster too long when the issue is whether or not we will return to the taxpayers of this country $20 billion of their own money. I do not believe any Senator—or anyone in the House or Senate—is that narrow, that they would do that.

I believe the Green amendment should be adopted because it is a good amendment. It will be the first time in 50 years on this House floor that we will have a chance to vote on a repeal of depletion. So I believe it should be adopted, and then let it go to the Senate, and let the Senate work its own will. I believe the Senate can then overcome any procedural problems that they might have. If they do not, I am sure that this bill will become law anyway.

The **CHAIRMAN**. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Alaska (Mr. Young) to the amendment offered by the gentleman from Pennsylvania (Mr. Green).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. YOUNG of Alaska. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 81, noes 329, not voting 22, as follows:

[Roll No. 33]

AYES—81

Alexander
Archer
Beard, Tenn.
Boggs
Breaux
Brinkley
Brooks
Brown, Ohio
Buchanan
Burleson, Tex.
Butler
Casey
Clancy
Clawson, Del
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
de la Garza
Devine
Dickinson
Erlenborn
Forsythe
Gonzalez
Goodling
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Hightower
Hutchinson
Hyde
Jarman
Johnson, Pa.
Jones, Okla.
Kasten
Kazen
Kelly
Kindness
Krueger
Latta
Lujan
McDonald
Madigan
Mahon
Michel
Moore
Moorhead, Calif.
Myers, Ind.
O'Brien
Pickle
Poage
Quillen
Rhodes
Roberts
Robinson
Rose
Runnels
Satterfield
Schulze
Sebelius
Shriver
Shuster
Steiger, Ariz.
Stuckey
Symms
Teague
Treen
Waggonner
Wampler
White
Whitehurst
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Young, Alaska
Young, Tex.

NOES—329

Abdnor
Adams
Addabbo
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brodhead
Broomfield
Brown, Calif.
Broyhill
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Carter
Cederberg
Chisholm
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, Dominick V.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Diggs
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Frenzel
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gradison
Grassley
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kemp
Keys
Koch
Krebs
LaFalce
Lagomarsino
Landrum
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
McClory
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patman
Patten
Pattison, N.Y.
Pepper
Perkins
Peyser
Pike
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schneebeli
Schroeder
Seiberling
Sharp
Shipley
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Whitten
Wilson, Charles H., Calif.
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—22

Abzug
Barrett
Brown, Mich.
Chappell
Fenwick
Flynt
Fountain
Fraser
Goldwater
Holland
Ketchum
Litton
Long, Md.
McCloskey
Mills
Murtha
Patterson, Calif.
Rostenkowski
Rousselot
Staggers
Steiger, Wis.
Vander Jagt

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. Green).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GREEN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 248, noes 163, not voting 21, as follows:

[Roll No. 34]

AYES—248

Abdnor
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Brodhead
Broomfield
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Chisholm
Clay
Cleveland
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, Dominick V.
Danielson
Delaney
Dellums
Dent
Derrick
Diggs
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Findley
Fisher
Fithian
Flood
Florio
Ford, Mich.
Ford, Tenn.
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Goodling
Grassley
Green
Gude
Guyer
Hall
Hamilton
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hinshaw
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Ichord
Jacobs
Jeffords
Jenrette
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kelly
Keys
Koch
Krebs
LaFalce
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
McCormack
McDade
McFall
McHugh
McKinney
Macdonald
Madden
Madigan
Maguire
Matsunaga
Meeds
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Natcher
Neal

Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten
Pattison, N.Y.
Pepper
Perkins
Peyser
Pike
Pressler
Preyer
Price
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Rooney
Rose
Rosenthal
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Sikes
Simon
Sisk
Smith, Iowa
Snyder
Solarz
Spellman
Stanton, J. William
Stanton, James V.
Stark
Stokes
Studds
Sullivan
Symington
Thompson
Thone
Traxler
Tsongas
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, Charles H., Calif.
Wirth
Wolff
Wydler
Yates
Yatron
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NOES—163

Anderson, Ill.
Archer
Armstrong
Ashbrook
Bauman
Beard, Tenn.
Boggs
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burke, Fla.
Burleson, Tex.
Butler
Byron
Casey
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis
de la Garza
Derwinski
Devine
Dickinson
Dingell
Duncan, Tenn.
Edwards, Ala.
English
Erlenborn
Esch
Eshleman
Fish
Flowers
Foley
Forsythe
Frenzel
Frey
Fulton
Ginn
Gonzalez
Gradison
Hagedorn
Haley
Hammerschmidt
Hanley
Hansen
Harsha
Hastings
Hébert
Henderson
Hightower
Hillis
Holt
Howe
Hutchinson
Hyde
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jordan
Kasten
Kazen
Kemp
Kindness
Krueger
Lagomarsino
Landrum
Long, La.
Lott
Lujan
McClory
McCollister
McDonald
McEwen
McKay
Mahon
Mann
Martin
Mathis
Mazzoli
Melcher
Michel
Milford
Miller, Ohio
Mollohan
Montgomery
Moore
Moorhead, Calif.
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
O'Brien
Passman
Patman
Pickle
Poage
Pritchard
Quie
Quillen
Railsback
Rhodes
Risenhoover
Roberts
Robinson
Roncalio
Runnels
Ruppe
Satterfield
Schneebeli
Sebelius
Shipley
Shriver
Shuster
Skubitz
Slack
Smith, Nebr.
Spence
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thornton
Treen
Ullman
Vander Jagt
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wylie
Young, Alaska
Young, Tex.

NOT VOTING—21

Abzug
Barrett
Brown, Mich.
Chappell
Fenwick
Flynt
Fountain
Fraser
Goldwater
Holland
Ketchum
Litton
Long, Md.
McCloskey
Mills
Murtha
Patterson, Calif.
Rostenkowski
Rousselot
Staggers
Teague

So the amendment was agreed to.

The Clerk announced the following pairs:

Ms. Abzug for, with Mr. Flynt against.

Mr. Staggers for, with Mr. Fountain against.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. CONABLE

Mr. CONABLE. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. CONABLE: Strike out all after the enacting clause of H.R. 2166 and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Tax Reduction Act of 1975".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Amendments of 1954 Code.

TITLE I—REFUND OF 1974 INDIVIDUAL INCOME TAXES

Sec. 101. Refunds of 1974 individual income taxes.
Sec. 102. Refunds disregarded in the administration of Federal programs and federally assisted programs.

TITLE II—CERTAIN CHANGES IN BUSINESS TAXES

Sec. 201. Increase in investment credit.
Sec. 202. Allowance of investment credit where construction of property will take more than 2 years.
Sec. 203. Increase in corporate surtax exemption.
Sec. 204. Effective dates.

SEC. 2. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

TITLE I—REFUND OF 1974 INDIVIDUAL INCOME TAXES

SEC. 101. REFUND OF 1974 INDIVIDUAL INCOME TAXES.

(a) IN GENERAL.—Subchapter B of chapter 65 (relating to rules of special application in the case of abatements, credits, and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6428. REFUND OF 1974 INDIVIDUAL INCOME TAXES.

"(a) GENERAL RULE.—Except as otherwise provided in this section, each individual shall be treated as having made a payment against the tax imposed by chapter 1 for his first taxable year beginning in 1974 in an amount determined under subsection (b).

"(b) TAX REDUCTION TABLE.—

"If the amount of the taxpayer's liability for his first taxable year beginning in 1974 is:	The amount treated as paid by reason of this section in the following percent of such liability for tax:
Between 0 and $500	18% of the liability for tax.
Between $500 and $1,000	$90, plus 15% of the excess over $500.
Between $1,000 and $1,500	$165, plus 14% of the excess over $1,000.
Between $1,500 and $2,000	$235, plus 11% of the excess over $1,500.
Between $2,000 and $2,500	$290, plus 10% of the excess over $2,000.
Between $2,500 and $3,000	$340, plus 7% of the excess over $2,500.
Between $3,000 and $3,500	$375, plus 6% of the excess over $3,000.
Between $3,500 and $4,000	$405, plus 3% of the excess over $3,500.
Between $4,000 and $4,500	$420, plus 2% of the excess over $4,000.
Between $4,500 and $5,000	$430, less 1% of the excess over $4,500.
Between $5,000 and $5,500	$425, less 2% of the excess over $5,000.
Between $5,500 and $6,000	$415, less 5% of the excess over $5,500.
Between $6,000 and $6,500	$390, less 6% of the excess over $6,000.
Between $6,500 and $7,000	$360, less 9% of the excess over $6,500.
Between $7,000 and $7,500	$315, less 10% of the excess over $7,000.
Between $7,500 and $8,000	$265, less 13% of the excess over $7,500.
Over $8,000	$200.

"(c) MARRIED INDIVIDUAL FILING SEPARATE RETURN.—In the case of a married individual filing a separate return, the amount treated as paid by reason of this section shall be one-half of the amount determined under subsection (b).

"(b) LIABILITY FOR TAX.—For purposes of this section, the liability for tax for the taxable year shall be the sum of—

"(1) the tax imposed by chapter 1 for such year, reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property),

"(D) section 40 (relating to expenses of work incentive programs), and

"(E) section 41 (relating to contributions to candidates for public office), plus

"(2) the tax on amounts described in section 3102 (c) or 3202(c) which are required to be shown on the taxpayer's return of the chapter 1 tax for the taxable year.

"(e) DATE PAYMENT DEEMED MADE.—The payment provided by this section shall be deemed made on whichever of the following dates is the later:

"(1) the date prescribed by law (determined without extensions) for filing the return of tax under chapter 1 for the taxable year, or

"(2) the date on which the taxpayer files his return of tax under chapter 1 for the taxable year.

"(f) JOINT RETURN.—For purposes of this section, in the case of a joint return under section 6013 both spouses shall be treated as one individual.

"(g) MARITAL STATUS.—The determination of marital status shall be made under section 143.

"(h) CERTAIN PERSONS NOT ELIGIBLE.—This section shall not apply to any estate or trust, nor shall it apply to any nonresident alien individual."

(b) NO INTEREST ON INDIVIDUAL INCOME TAX REFUNDS FOR 1974 REFUNDED WITHIN 60 DAYS AFTER RETURN IS FILED.—In applying section 6611(e) of the Internal Revenue Code of 1954 (relating to income tax refund within 45 days after return is filed) in the case of any overpayment of tax imposed by subtitle A of such Code by an individual (other than an estate or trust and other than a nonresident alien individual) for a taxable year beginning in 1974, "60 days" shall be substituted for "45 days" each place it appears in such section 6611(e).

(c) CLERICAL AMENDMENT.—The table of

sections for such subchapter B is amended by adding at the end thereof the following new item:

"Sec. 6428. Refund of 1974 individual income taxes."

Sec. 102. Refunds Disregarded in the Administration of Federal Programs and Federally Assisted Programs.

Any payment considered to have been made by any individual by reason of section 6428 of the Internal Revenue Code of 1954 shall not be taken into account as income or receipts for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

TITLE II—CERTAIN CHANGES IN BUSINESS TAXES

Sec. 201. Increase in Investment Credit.

(a) Increase of Investment Credit to 10 Percent.—Paragraph (1) of section 46(a) (determining the amount of the investment credit) is amended to read as follows:

"(1) General rule.—

"(A) 10-percent credit.—Except as provided in subparagraph (B), the amount of the credit allowed by section 38 for the taxable year shall be equal to 10 percent of the qualified investment (as determined under subsections (c) and (d)).

"(B) 7-percent credit.—In the case of property—

"(i) the construction, reconstruction, or erection of which is completed by the taxpayer before January 22, 1975, or

"(ii) which is acquired by the taxpayer before January 22, 1975,

the amount of the credit allowed by section 38 for the taxable year shall be equal to 7 percent of the qualified investment (as defined in subsection (c)).

"(C) Transitional rule.—In the case of property—

"(i) the construction, reconstruction, or erection of which is begun by the taxpayer before January 22, 1975, and

"(ii) the construction, reconstruction, or erection of which is completed by the taxpayer after January 21, 1975,

subparagraph (B) shall apply to the property to the extent of that portion of the basis which is properly attributable to construction, reconstruction, or erection before January 22, 1975, and subparagraph (A) shall apply to such property to the extent of that portion of the basis which is properly attributable to construction, reconstruction, or erection after January 21, 1975."

(b) Public Utility Property.—

(1) Determinarion of qualified investment.—Subparagraph (A) of section 46 (c)(3) (relating to determination of qualified investment in the case of public utility property) is amended to read as follows:

"(A) To the extent that subsection (a) (1)(B) applies to property which is public utility property, the amount of the qualified investment shall be 4/7 of the amount determined under paragraph (1)."

(2) Increase in 50-percent limitation.—Section 46(a) (relating to determination of amount of credit) is amended by adding at the end thereof the following new paragraph:

"(6) Alternative limitation in the case of certain utilities.—

"(A) In general.—If, for a taxable year beginning after 1974 and before 1981, the amount of the qualified investment of the taxpayer which is attributable to public utility property is 25 percent or more of his aggregate qualified investment, then subparagraph (C) of paragraph (2) of this subsection shall be applied by substituting for 50 percent his applicable percentage for such year.

"(B) Applicable percentage.—The applicable percentage of any taxpayer for any taxable year is—

"(i) 50 percent, plus

"(ii) that proportion of the tentative percentage for the taxable year which the taxpayer's amount of qualified investment which is public utility property bears to his aggregate qualified investment.

If the proportion referred to in clause (ii) is 75 percent or more, the applicable percentage of the taxpayer for the year shall be 50 percent plus the tentative percentage for such year.

"(C) Tentative percentage.—For purposes of subparagraph (B), the tentative percentage shall be defined under the following table:

"If the taxable year begins in:	The tentative percentage is:
1975 or 1976	50
1977	40
1978	30
1979	20
1980	10.

"(D) Public utility property defined.—For purposes of this paragraph, the term 'public utility property' has the meaning given to such term by the first sentence of subsection (c)(3)(B)."

(c) Cap on the Increase in Investment Credit Benefits for Public Utilities Which May Result From Increasing Investment Credit to 10 Percent.—

(1) In general.—The amount of the credit allowed by section 38 of the Internal Revenue Code of 1954 to any taxpayer which is a public utility for the taxable year shall not exceed by more than $100,000,000 the amount of such credit which would have been allowed to such taxpayer for such year but for the amendments made by subsections (a) and (b)(1) of this section.

(2) Credit in excess of cap may be carried only to taxable years to which this subsection applies.—For purposes of section 46 (b)(1) of the Internal Revenue Code of 1954 (relating to carryback and carryover of unused credits), the excess of the amount which would be allowable as a credit under section 38 of such Code for any taxable year over the amount which is allowable under such section after the application of paragraph (1) of this subsection—

(A) shall be treated as an excess described in such section 46(b)(1), but

(B) shall be an investment credit carryback and an investment credit carryover only to taxable years to which paragraph (1) of this subsection applies.

(3) Controlled group of corporations.—For purposes of this subsection, persons who are members of the same controlled group of corporations shall be treated as one taxpayer. For purposes of the preceding sentence, the term "controlled group of corporations" has the meaning given to such term by section 1563(a).

(4) Public utility defined.—For purposes of this subsection, the term "public utility" means a taxpayer 50 percent or more of the qualified investment of which for the taxable year consists of public utility property within the meaning of the first sentence of section 46(c)(3)(B) of the Internal Revenue Code of 1954.

(d) Increase From $50,000 to $75,000 of Dollar Limitation on Used Property.—Paragraph (2) of section 48(c) (relating to dollar limitation in case of used section 38 property) is amended—

(1) by striking out "$50,000" each place it appears and inserting in lieu thereof "$75,000", and

(2) by striking out "$25,000" and inserting in lieu thereof "$37,500".

Sec. 202. Allowance of Investment Credit Where Construction of Property Will Take More Than 2 Years

(a) General Rule.—Section 46 (relating to amount of credit) is amended by redesignating subsections (d) and (e) as subsections (c) and (f), respectively, and by inserting after subsection (c) the following new subsection:

"(d) Qualified Progress Expenditures.—

"(1) In general.—In the case of any taxpayer who has made an election under paragraph (6), the amount of his qualified investment for the taxable year (determined under subsection (c) without regard to this subsection) shall be increased by an amount equal to his aggregate qualified progress expenditures for the taxable year with respect to progress expenditure property.

"(2) Progress expenditure property defined.—

"(A) In general.—For purposes of this subsection, the term 'progress expenditure property' means any property which is being constructed by or for the taxpayer and which—

"(i) has a normal construction period of 2 years or more, and

"(ii) it is reasonable to believe will be new section 38 property having a useful life of 7 years or more in the hands of the taxpayer when it is placed in service.

Clauses (i) and (ii) of the preceding sentence shall be applied on the basis of facts known at the close of the taxable year of the taxpayer in which construction begins (or, if later, at the close of the first taxable year to which an election under this subsection applies).

"(B) Normal construction period.—For purposes of subparagraph (A), the term 'normal construction period' means the period reasonably expected to be required for the construction of the property—

"(ii) beginning with the date on which physical work on the construction begins (or, if later, the first day of the first taxable year to which an election under this subsection applies), and

"(ii) ending on the date on which it is expected that the property will be available for placing in service.

"(3) Qualified progress expenditures defined.—For purposes of this subsection—

"(A) Self-constructed property.—In the case of any self-constructed property, the term 'qualified progress expenditures' means the amount which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) Non-self-constructed property.—In the case of non-self-constructed property, the term 'qualified progress expenditures' means the lesser of—

"(i) the amount paid during the taxable year to another person for the construction of such property, or

"(ii) the amount which represents that proportion of the overall cost to the taxpayer of the construction by such other person which is properly attributable to that portion of such construction which is completed during such taxable year.

"(4) Special rules for applying paragraph (3).—For purposes of paragraph (3)—

"(A) Component parts, etc.—Property which is to be a component part of, or is otherwise to be included in, any progress expenditure property shall be taken into account—

"(i) at a time not earlier than the time at which it becomes irrevocably devoted to use in the progress expenditure property, and

"(ii) as if (at the time referred to in clause (i)) the taxpayer had expended an amount equal to that portion of the cost to the taxpayer of such component or other property which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) CERTAIN BORROWINGS DISREGARDED.—Any amount borrowed directly or indirectly by the taxpayer from the person constructing the property for him shall not be treated as an amount expended for such construction.

"(C) CERTAIN UNUSED EXPENDITURES CARRIED OVER.—In the case of non-self-constructed property, if for the taxable year—

"(i) the amount under clause (i) of paragraph (3) (B) exceeds the amount under clause (ii) of paragraph (3) (B), then the amount of such excess shall be taken into account under such clause (i) for the succeeding taxable year, or

"(ii) the amount under clause (ii) of paragraph (3)(B) exceeds the amount under clause (i) of paragraph (3)(B), then the amount of such excess shall be taken into account under such clause (ii) for the succeeding taxable year.

"(D) DETERMINATION OF PERCENTAGE OF COMPLETION.—In the case of non-self-constructed property, the determination under paragraph (3)(B)(ii) of the proportion of the overall cost to the taxpayer of the construction of any property which is properly attributable to construction completed during any taxable year shall be made, under regulations prescribed by the Secretary or his delegate, on the basis of engineering or architectural estimates or on the basis of cost accounting records. Unless the taxpayer establishes otherwise by clear and convincing evidence, the construction shall be deemed to be completed not more rapidly than ratably over the normal construction period.

"(E) NO QUALIFIED PROGRESS EXPENDITURES FOR CERTAIN PRIOR PERIODS.—In the case of any property, no qualified progress expenditures shall be taken into account under this subsection for any period before January 22, 1975 (or, if later, before the first day of the first taxable year to which an election under this subsection applies).

"(F) NO QUALIFIED PROGRESS EXPENDITURES FOR PROPERTY FOR YEAR IT IS PLACED IN SERVICE, ETC.—In the case of any property, no qualified progress expenditures shall be taken into account under this subsection for the earlier of—

"(i) the taxable year in which the property is placed in service, or

"(ii) the first taxable year for which recapture is required under section 47(a)(3) with respect to such property,

or for any taxable year thereafter.

"(5) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) SELF-CONSTRUCTED PROPERTY.—The term 'self-constructed property' means property more than half of the construction expenditures for which it is reasonable to believe will be made directly by the taxpayer.

"(B) NON-SELF-CONSTRUCTED PROPERTY.—The term 'non-self-constructed property' means property which is not self-constructed property.

"(C) CONSTRUCTION, ETC.—The term 'construction' includes reconstruction and erection, and the term 'constructed' includes reconstructed and erected.

"(D) ONLY CONSTRUCTION OF SECTION 38 PROPERTY TO BE TAKEN INTO ACCOUNT.—Construction shall be taken into account only if, for purposes of this subpart, expenditures therefor are properly chargeable to capital account with respect to the property.

"(6) ELECTION.—An election under this subsection may be made at such time and in such manner as the Secretary or his delegate may by regulations prescribe. Such an election shall apply to the taxable year for which made and to all subsequent taxable years. Such an election, once made, may not be revoked except with the consent of the Secretary or his delegate.

"(7) TRANSITIONAL RULES.—The qualified investment taken into account under this subsection for any taxable year beginning before January 1, 1980, with respect to any property shall be (in lieu of the full amount) an amount equal to the sum of—

"(A) the applicable percentage of the full amount determined under the following table:

"For a taxable year beginning in:	The applicable percentage is:
1974 or 1975	20
1976	40
1977	60
1978	80
1979	100;

plus

"(B) in the case of any property to which this subsection applied for one or more preceding taxable years, 20 percent of the full amount for each such preceding taxable year.

For purposes of this paragraph, the term 'full amount', when used with respect to any property for any taxable year, means the amount of the qualified investment for such property for such year determined under this subsection without regard to this paragraph."

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENT OF SECTION 46(c).—Section 46(c) (relating to qualified investment) is amended by adding at the end thereof the following new paragraph:

"(4) COORDINATION WITH SUBSECTION (d).—The amount which would (but for this paragraph) be treated as qualified investment under this subsection with respect to any property shall be reduced (but not below zero) by any amount treated by the taxpayer or a predecessor of the taxpayer (or, in the case of a sale and leaseback described in section 47(a)(3)(C), by the lessee) as qualified investment with respect to such property under subsection (d), to the extent the amount so treated has not been required to be recaptured by reason of section 47(a)(3)."

(2) AMENDMENT OF SECTION 46(a)(1).—Paragraph (1) of section 46(a) (as in effect without the amendment made by section 301(a)) is amended by striking out "(as defined in subsection (c))" and inserting in lieu thereof "(as determined under subsections (c) and (d))".

(3) DISPOSITION, ETC.—

(A) Subsection (a) of section 47 (relating to certain dispositions, etc., of section 38 property) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) PROPERTY CEASES TO BE PROGRESS EXPENDITURE PROPERTY.—

"(A) IN GENERAL.—If during any taxable year any property taken into account in determining qualified investment under section 46(d) ceases (by reason of sale or other disposition, cancellation or abandonment of contract, or otherwise) to be, with respect to the taxpayer, property which, when placed in service, will be new section 38 property, then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from reducing to zero the qualified investment taken into account with respect to such property.

"(B) CERTAIN EXCESS CREDITS RECAPTURED.—Any amount which would have been applied as a reduction of the qualified investment in property by reason of paragraph (4) of section 46(c) but for the fact that a reduction under such paragraph cannot reduce qualified investment below zero shall be treated as an amount required to be recaptured under subparagraph (A) for the taxable year in which the property is placed in service.

"(C) CERTAIN SALES AND LEASEBACKS.—Under regulations prescribed by the Secretary or his delegate, a sale by, and leaseback to, a taxpayer who, when the property is placed in service, will be a lessee to whom section 48(d) applies shall not be treated as a cessation described in subparagraph (A) to the extent that the qualified investment which will be passed through to the lessee under section 48(d) with respect to such property does not exceed the qualified progress expenditures properly taken into account by the lessee with respect to such property.

(D) COORDINATION WITH PARAGRAPH (1).—If, after property is placed in service, there is a disposition or other cessation described in paragraph (1), paragraph (1) shall be applied as if any credit which was allowable by reason of section 46(d) and which has not been required to be recaptured before such cessation were allowable for the taxable year the property was placed in service."

(c) CLERICAL AMENDMENTS.—

(1) Paragraph (4) of section 47(a) (as redesignated by subsection (b)(3)(A) of this section) is amended by striking out "paragraph (1)" and inserting in lieu thereof "paragraph (1) or (3)".

(2) Paragraphs (5) and (6)(B) of section 47(a) are each amended by striking out "paragraph (3)" and inserting in lieu thereof "paragraph (4)".

(3) Paragraphs (1) and (2) of section 48(d) are each amended by striking out "section 46(d)(1)" and inserting in lieu thereof "section 46(e)(1)".

(4) Subsection (f) of section 50B is amended by striking out "section 46(d)" and inserting in lieu thereof "section 46(e)".

SEC. 203. INCREASE IN CORPORATE SURTAX EXEMPTION.

(a) GENERAL RULE.—Section 11(d) (relating to surtax exemption) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 1561(a) (as in effect for taxable years beginning after December 31, 1974) (relating to limitations on certain multiple tax benefits in the case of certain controlled corporations) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(2) Paragraph (7) of section 12 (relating to cross references for tax on corporations) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(3) Section 962(c) (relating to surtax exemption for individuals electing to be subject to tax at corporate rates) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

SEC. 204. EFFECTIVE DATES.

(a) FOR SECTION 201.—

(1) INCREASE OF INVESTMENT TO 10 PERCENT.—The amendments made by subsections (a) and (b)(1) of section 201 shall apply to—

(A) property placed in service after January 21, 1975, and before January 1, 1976, in taxable years ending after January 21, 1975,

(B) property—

(i) acquired pursuant to orders placed before January 1, 1976, and

(ii) placed in service in 1976 in taxable years ending after December 31, 1975,

(C) property the construction, reconstruction, or erection of which is completed by the taxpayer and which is placed in service after December 31, 1975, but only to the portion of the basis of such property which is properly attributable to construction, reconstruction, or erection by the taxpayer after January 21, 1975, and before January 1, 1976, and

(D) qualified progress expenditures, as described in section 46(d) of the Internal Revenue Code of 1954, made after January 21, 1975, and before January 1, 1976, but only to the portion of the basis of the progress expenditure property, as described in such section 46(d), which is properly attributable to construction, reconstruction, or erection for the taxpayer after January 21, 1975, and before January 1, 1976.

(2) INCREASE IN 50-PERCENT LIMITATION.—The amendment made by subsection (b) (2) of section 201 shall apply to taxable years beginning after December 31, 1974.

(3) INCREASE IN LIMITATION ON USED PROPERTY.—The amendments made by subsection (d) of section 201 shall apply to taxable years beginning after December 31, 1974, and before January 1, 1976.

(b) FOR SECTION 202.—The amendments made by section 202 shall apply to taxable years ending after December 31, 1974.

(c) FOR SECTION 203.—

(1) IN GENERAL.—The amendments made by section 203 shall apply to taxable years ending after December 31, 1974. Such amendments shall cease to apply for taxable years ending after December 31, 1975.

(2) CHANGES TREATED AS CHANGES IN TAX RATE.—Section 21 (relating to change in rates during taxable year) is amended by adding at the end thereof the following new subsection:

"(f) INCREASE IN SURTAX EXEMPTION, ETC.—In applying subsection (a) to a taxable year of a taxpayer which is not a calendar year, the change made by section 203, and the change made by the second sentence of section 204(c)(1), of the Tax Reduction Act of 1975 in section 11(d) (relating to corporate surtax exemption) and in section 962(c) (relating to individuals electing to be taxed at corporate rates) shall each be treated as a change in a rate of tax."

Mr. CONABLE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CONABLE. Mr. Chairman, I explained my amendment in the nature of a substitute this afternoon when very few Members were here. I am pleased and grateful to have so much attendance and so much attention now that I have a full 5 minutes to explain this little amendment that would substitute for the entire bill.

To begin with, Mr. Chairman, I have deeply respected the sterling efforts of the chairman of our committee as he has today resisted efforts to add amendments such as the one that was just added to this bill.

I suspect, however, that his sterling efforts were doomed from the start, partly because the Committee on Ways and Means itself could not discipline itself to do what we set out to do; namely, to provide a stimulus for the economy as quickly as possible.

As we know, the Committee on Ways and Means bill provides $8 billion of temporary rebate on the 1974 tax, but $8 billion of structural changes in title II. It also provides, in title III, for some business stimulus.

My amendment in the nature of a substitute does not change title III. However, it substitutes for titles I and II a temporary rebate on 1974 taxes increased from the amount of $8 billion under the bill of the Committee on Ways and Means to $12.2 billion.

The purpose in back of this amendment in the nature of a substitute is to try to get an adequate amount of money into the economy as quickly as possible without the distraction of trying to go through tax reform piecemeal, as the committee is trying to do in title II.

The particular mechanism by which this money is returned is a graduated rebate starting at 18 percent for the first $500 of taxes paid in 1974, and decreasing percentagewise until the rebate levels out at $200. The maximum rebate paid is $430, not the $200 of the committee bill. This is enough to help, rather than tantalizing, as the committee bill does.

The purpose of this legislation is to get money quickly into the economy in sufficient amounts so that the very areas of the economy where the greatest slack has occurred, namely, the big-ticket items, things like televisions and refrigerators, can be bought with the rebate.

In fact the committee bill does too little in terms of immediate rebate, and then with respect to the structural changes that are made in title II it inches an additional $8 billion into the economy through the withholding system.

While this will provide a gradual stimulus throughout the rest of the year, all of the economists have told us that what we need now is a substantial lift now for an economy that has been collapsing quite badly in the past 3 or 4 months.

I would like to think that the Congress is capable of moving in a disciplined way to do what is necessary rather than moving piecemeal toward a tax reform which would be better done in a comprehensive way, as has been promised.

As a matter of fact, I am disturbed by the fact that it was thought necessary to put a permanent redistributive title in this bill because we had been told that we were going to have tax reform later on.

Does the inclusion of title II, and now the inclusion of an elimination of depletion, mean that we are not going to have a substantive tax reform that has been promised for later on in the year? Do we have to make permanent changes now, or not at all?

I say, Mr. Chairman, we should keep our eye on the ball. Let us try to get the tax rebate bill through now, passing out refunds in big enough amounts to help stimulate the economy where the most slack has appeared—in the big ticket items. Let us not inch these refunds into the economy by increasing take-home pay by $1 or $2 a week but pour them in all at once by rebates on the 1974 tax. That can turn the economy around. That should be our goal here, rather than tax reform, redistribution of the wealth, or any other goal deemed socially desirable by people who are insufficiently disciplined to understand the danger of delay and diversion. If we fiddle around here in the face of the burning economic needs of the country we may find our prosperity in ashes.

Mr. DU PONT. Mr. Chairman, all of us are concerned with the almost geometrical decline in people's confidence in our Government in general and Congress in particular. Professional pollsters probe the psyche of the American people to find out what is wrong and how it can be corrected. However, we need to go no further than this Chamber to diagnose the difficulty.

Those who framed this bill and the closed rule under which it is being considered are seized with a legislative malaise that prevents us from combining commonsense and compassion in our legislative efforts. When the vote on this bill comes I will support it, but with serious misgivings—because it provides not the best, but the only choice I have.

The country is faced with a need for equitable and stimulative economic policies; instead we are served a program for massive and evidently permanent restructuring of the tax system.

The basic reason for any change in our tax laws at this time is to achieve benefits of an immediate tax rebate to stimulate the economy and halt our slide into recession. I do not believe that either the amount of the tax or the distribution of it will meet the objective of spurring the economy in the most affected sectors. The way the rebate is structured, its main impact will be to give some assistance for a brief period to one segment of our society. While this may temporarily ameliorate their hardships, their best hope for the future lies like everyone else's with a recovery in the economy. Without this they will be faced with decreasing job opportunities and increasing inflation.

Lest my remarks be misunderstood, let me say that I agree with the idea that the conditions of those living in or near the poverty level are so extreme in today's economy that we cannot fairly ignore them in this tax package. In fact, one of my objections to President Ford's original energy and economy proposal was that it did not provide sufficient compensation or compassion for those who are faced with the hard choices that being poor in our society forces upon them. My objection to the committee bill is that it excludes from its considerations the original objective of the rebates by not giving the middle-class individuals an amount substantial enough to spend in a way that will revitalize those segments of our industrial economy that are most in need of assistance.

Do we really expect that $100 will tempt an individual making $10,000 to buy anything of substance, or $126 to alter the spending priorities of someone making $12,500?

If we believe that stimulation will help the economy then let us stimulate it. Let us keep the rebates for the poor, but let us also allow significant amounts of $250 to $350 for the middle level people who will make purchases that will help "big ticket" sales. This way the return in tax revenues through a healthy economy will offset at least part of the costs. With the committee's tax plan we have done something for everyone in the short run and not enough for anyone in the long run.

Now, let us consider the long-term and

possibly permanent changes in the tax laws proposed by the committee.

This is no easy task since the proponents of this change have rushed it through without sufficient consideration of whether it serves to advance the cause of general tax reform. How, for instance, does the committee justify such minimal relief for those making between $10,000 and $20,000 per year who are carrying the bulk of our tax burden? Worse yet, the committee has chosen to exclude entirely those in that bracket who are forced through property losses, medical bills, dental bills, or heavy mortgage expenses to itemize their deductions. This discriminates against a middle-level wage earner at their time of greatest need. Would it not be better to allow full discussion of and appropriate amendments to the bill so that we can help those in the best position to help the economy—the middle income taxpayer?

I fear that next year we are again going to be gobbled up by double-digit inflation and hounded by a recession because people cannot or will not buy products because of their cost. I hope not, but if so, a large measure of the responsibility must be shouldered by those whose cleverness has prevented any constructive changes in this bill.

Mr. Chairman, I support substantive tax relief to fight our recession, but I believe such relief could have been better tailored to solve the problem we have. I am disappointed that the committee has not allowed us to work our will on the legislation and produce a better bill than this one.

Mr. MICHEL. Mr. Chairman, a highly respected political pollster reported last year that in his experience a majority of the American people would respond to the question "What does tax reform mean to you?" with the answer, "It means my taxes will go up."

I would like to suggest to this body today that passage of H.R. 2166, in its present form will only increase that sort of cynicism on the part of the American people.

Millions of taxpayers will learn that this much publicized tax break will give them absolutely nothing. Because they itemize their deductions, they will be cut out altogether. Because they may have had particularly heavy medical expenses, or are paying substantial interest on their mortgages and other purchases, because they moved during the last year, and for dozens of other possible reasons, they are to be discriminated against.

Forty-six-point-two percent of all taxpayers in the middle-income $10,000 to $20,000 range itemize their deductions. Perhaps for a certain number of them, passage of this bill would mean that it would be in their interest to take the standard deduction instead. But that is small comfort, and in addition, by this late date, a great many of those who might gain slightly will have already filed their returns. What are they to do?

Now it is important for us to remember who these people in the $10,000 to $20,000 income bracket are. They are not rich. They are not fat cats. They are white-collar and blue-collar workers who are providing the lion's share of the productive capacity of America today.

Now these people have been taking a real beating from inflation, and as we all know, the indexing effect of the graduated income tax is such that inflation keeps forcing them into higher and higher tax brackets, so that even though their income may go up, after inflation and taxes they wind up with less income than they had before in many cases. Indeed, a recent study showed that income taxes are the fastest-growing expense of middle-income families, and were up some 26.5 percent last year.

By cutting vast numbers of these people out of the tax break, we are going to be committing an immoral and discriminatory act, one which is sure to engender a new cynicism and distrust of Government on the part of that segment of the population which I have recently referred to as "the backbone of our economy."

How is middle-income America going to feel when they learn that this much-touted tax relief is really an income redistribution program designed to take their hard earned dollars, at a time when they may be just barely getting by, and give them to someone else?

Moreover, how is this going to help the economy? Under the committee bill, how many people will be encouraged to buy a new car, or refrigerator, or lawnmower? I think very few. I think therefore that to view this bill, in its present form, as a method of stimulating the economy is to perpetrate a fraud on the American people.

If we are going to stimulate the economy we have got to do something for middle-income Americans. In my opinion, the Conable substitute is the best vehicle for us to use at this time, although frankly I would like to have seen an even higher rebate schedule than that. But it is twice as high as the committee bill, and it will go to the people who deserve it. It is a vast, vast improvement over the committee bill and deserves the support of everyone here today. It will attack the problem we are supposed to be attacking.

That is really a key point. The reason for this bill is that the economy is in its most severe recession since World War II. But as reported by the committee, it is not directed to that end at all. It has been turned, by design or by oversight, into a bill whose "reforms" cannot reasonably be held to be temporary, whose thrust is to put into effect an income redistribution program that is unquestionably inflationary and will not stimulate the economy, and whose effect is to initiate a negative income tax system, which whatever its merits may be, certainly does not belong in a program of this type.

In short, the committee bill is unworthy of support. I urge the adoption of the Conable substitute, which, if approved, will mean that we can all hold our heads high and say that we in the Congress have done something to straighten out the economy.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment in the nature of a substitute.

Mr. Chairman, this amendment, I think, puts the position of the minority in proper perspective as against the majority on the basic aspects of this bill.

What we are doing in the Conable substitute is taking $12 billion of tax reduction as against $16 billion tax reduction in the committee bill. Furthermore, the Conable substitute changes greatly the emphasis in the committee bill. Although most of the taxpayers of the country are in the below-$10,000 bracket, the Conable substitute provides them only 21 percent of the tax relief. The committee bill provides that those with incomes under $10,000 are to receive 55 percent of the tax relief. Putting it another way, the Conable amendment gives 28 percent of the tax benefits to those who earn more than $20,000, whereas the committee bill only gives 10 percent of the benefits to those who earn more than $20,000. That puts the matter, I think, in proper perspective.

In addition, the Conable substitute puts the whole package of benefits on a refund basis. Almost every economist that I have talked to has said that a mix of refunds with a current reduction in withholding taxes that goes into the income stream on a continuing basis is a much more effective mechanism for meeting the problem of recession. So the committee bill will have, according to most economists, a much more important impact on reviving the economy than the all-refund approach of the gentleman from New York.

In addition, the committee bill does some things that have long needed doing. One is it adopts the same recommendations that the administration made and the Committee on Ways and Means made last year in increasing the low-income allowance, which is the major part of title II of the committee bill. In doing that, it accomplishes a long-term reform that we have been trying to achieve. Additionally, it takes into consideration in the low-income areas the impact of inflation, which, in fact, has hit hardest in the low-income brackets. Therefore, it is a reform that is long overdue.

Additionally, the committee bill only says that those below the poverty level will not pay taxes, whereas the Conable approach in no way changes or accommodates that problem.

So in almost every aspect of the field of taxation, when we consider the purposes of this bill, the committee bill meets the need more emphatically and more directly than does the Conable approach.

In summary the Conable is $12 billion compared to $16 billion in the committee bill. The Conable is all in rebates, whereas the best from the standpoint of the economy is a mixture, one half rebate, and one half a reduction in current withholding taxes.

Finally, the Conable proposal is geared too much to the high income brackets relative to the committee bill, which goes to the low- and middle-income brackets where it will have its maximum effect in providing a stimulus to the economy.

So I urge the Members of the House to support the committee bill overwhelmingly.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from New York (Mr. CONABLE).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONABLE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 160, noes 251, not voting 21, as follows:

[Roll No. 35]

AYES—160

Ambro
Anderson, Ill.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Boggs
Bowen
Breaux
Brinkley
Broomfield
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Casey
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
de la Garza
Derwinski
Devine
Dickinson
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Esch
Eshleman
Fish
Foley
Forsythe
Frey
Ginn
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hammerschmidt
Hansen
Harsha
Hastings
Hébert
Hillis
Hinshaw
Holt
Horton
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Levitas
Long, La.
Lott
Lujan
McClory
McCollister
McDonald
McEwen
McKinney
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mosher
Myers, Ind.
Myers, Pa.
O'Brien
Passman
Pickle
Pressler
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Risenhoover
Robinson
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Thone
Thornton
Treen
Vander Jagt
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, Tex.

NOES—251

Abdnor
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Chisholm
Clay
Cleveland
Collins, Ill.
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, Dominick V.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Findley
Fisher
Fithian
Flood
Florio
Flowers
Ford, Mich.
Ford, Tenn.
Frenzel
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Green
Gude
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Lloyd, Calif.
Lloyd, Tenn.
McCormack
McDade
McFall
McHugh
McKay
Macdonald
Madden
Madigan
Maguire
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patman
Patten
Pattison, N.Y.
Pepper
Perkins
Peyser
Pike
Poage
Preyer
Price
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Stanton, James V.
Stark
Stokes
Stratton
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—21

Abzug
Barrett
Brown, Mich.
Chappell
Fenwick
Flynt
Fountain
Fraser
Goldwater
Holland
Ketchum
Litton
Long, Md.
McCloskey
Mills
Murtha
Patterson, Calif.
Rostenkowski
Rousselot
Staggers
Teague

So the amendment in the nature of a substitute was rejected.

The Clerk announced the following pair:

Mr. Rousselot for, with Mrs. Fenwick against.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee on the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2166) to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low-income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit, and for other purposes, pursuant to House Resolution 259, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SCHNEEBELI

Mr. SCHNEEBELI. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SCHNEEBELI. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. SCHNEEBELI moves to recommit the bill, H.R. 2166, to the Committee on Ways and Means.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ULLMAN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 317, noes 97, not voting 18, as follows:

[Roll No. 36]

AYES—317

Adams
Addabbo
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Carter
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, Dominick V.
Danielson

Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Frenzel
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Goodling
Gradison
Grassley
Green
Gude
Guyer
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Jacobs
Jeffords
Jenrette

Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Keys
Kindness
Koch
Krebs
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
McCollister
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patten
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quillen
Railsback

Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Spence
Stanton, J. William
Stanton, James V.
Stark
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson
Thone
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOES—97

Abdnor
Alexander
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Boggs
Breaux
Brinkley
Buchanan
Burleson, Tex.
Burlison, Mo.
Butler
Casey
Cederberg

Clancy
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Derwinski
Devine
Dickinson
Edwards, Ala.
English
Erlenborn
Findley

Forsythe
Gonzalez
Hagedorn
Hammerschmidt
Hansen
Hébert
Hightower
Holt
Ichord
Jarman
Johnson, Colo.
Jones, Okla.
Kazen
Kelly
Kemp
Krueger

Long, La.
Lott
Lujan
McClory
McDonald
McEwen
Mahon
Martin
Mathis
Michel
Milford
Montgomery
Moore
Moorhead, Calif.
Myers, Pa.
Passman

Patman
Poage
Quie
Rhodes
Risenhoover
Roberts
Robinson
Runnels
Satterfield
Schneebeli
Sebelius
Shipley
Snyder
Steed
Steiger, Ariz.
Symms
Taylor, Mo.

Teague
Thornton
Treen
Vander Jagt
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wylie
Young, Alaska
Young, Fla.
Young, Tex.

NOT VOTING—18

Abzug
Barrett
Brown, Mich.
Chappell
Fenwick
Flynt

Fraser
Holland
Ketchum
Litton
Long, Md.
McCloskey

Mills
Murtha
Patterson, Calif.
Rostenkowski
Rousselot
Staggers

So the bill was passed.

The Clerk announced the following pairs:

Ms. Abzug with Mr. Murtha.
Mr. Barrett with Mr. Litton.
Mr. Flynt with Mr. Staggers.
Mr. Fraser with Mr. Chappell.
Mrs. Fenwick with Mr. Rousselot.
Mr. Holland with Mr. Brown of Michigan.
Mr. Rostenkowski with Mr. McCloskey.
Mr. Patterson of California with Mr. Long of Maryland.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit and the surtax exemption, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my own remarks on the bill just passed, and to include extraneous material and, further, that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, and on the amendments to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORTS

Mr. LLOYD of California. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL), if he is in a position to inform the House as to the program for the balance of the week, if any, and for next week.

Mr. O'NEILL. If the distinguished minority leader will yield, I will be happy to respond.

When we adjourn today, we will adjourn to meet Monday next.

The program for next week, the week of March 3, 1975, for the House of Representatives, will be as follows:

Monday will be Consent Calendar day, with no bills;

Suspensions, no bills.

So on Monday there will be just a pro forma session.

For Tuesday and the balance of the week, there will be the Private Calendar, no bills;

Suspensions, no bills;

H.R. 1767, prohibiting imposition of tariffs, fees, and quotas on oil imports. This is the vote on the overriding the anticipated President's veto;

House Concurrent Resolution 133, lowering interest rates, under an open rule, with 1 hour of debate;

And we have a third budget recission bill, for the fiscal year 1975. That is for Tuesday and the balance of the week.

I know of no conference reports at the present time unless something possibly comes up. If there are any, they would be called up, and the remainder of the program will be announced later.

May I say the committees and subcommittees have been working diligently. We anticipate that a heavy schedule of legislation should be before the House starting with the week after next. We anticipate during the week numerous reports from the committees, and I will put in the RECORD this list of bills that we anticipate will come before the House before Easter.

Mr. RHODES. I think it would be interesting for the Members to have that list. Could the distinguished majority leader give the House some guidance as to when the various items of legislation might come up. Would it be the majority leader's intent to try to bring these up all on 1 day and dispose of them?

Mr. O'NEILL. No. We cannot be definite at this time on dates because of committee timetables being subject to change but the list of possible bills before Easter is as follows:

National Science Foundation Authorization.
NASA Authorization.
Standard Reference Data Act.
Non-Nuclear part of Energy Research Development Agency.
Agriculture and Consumer Protection Act Amendments.
Supplemental Appropriations for Jobs bill.
Foreign Aid Appropriations.
Legislative Appropriations.
Deregulation of old oil.
Health Revenue Sharing.
Health Manpower.
Health Service Corps.
Developmental Disabilities.
Nurses Training.
Housing Interest Rate Subsidies.
Housing Mortgage Assistance.
Arms Control.
Rhodesian Chrome.
Missing in Action Resolution.

State Department Authorization.
USIA Authorization.
Maritime Authorization.
Strip Mining.
School Lunch Amendments.
Older Americans Act.
Youth Camp Safety.
Executive Protective Service.
Voting Rights Extension.
Presidential Protection.
Voting Rights for ex-offenders.
Repeal President's Emergency Powers.

There are other items that could possibly be reported, so I take great pride in the fact that the committees are working so diligently, that the subcommittees are working so diligently. May I make comment on this, also. Having checked the record, we find that in the 90th Congress it was the first week in March that the Committee on the Judiciary had organized, and that was the first committee in the 90th Congress to organize. So the Members can see we have organized early in relation to the past. We have passed a half dozen bills, including the one today, and so for the 1st session of the 94th Congress we have been moving with haste and speed that has not been seen around here for years, even though I must say that I am sure that the press does not appreciate it. I hope the new Members appreciate it. But we are moving, in my opinion, with great haste.

Mr. RHODES. I congratulate the majority leader on his speed record.

Mr. O'NEILL. I thank the gentleman from Arizona.

ADJOURNMENT TO MONDAY, MARCH 3

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday Rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING CLERK TO RECEIVE MESSAGE AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until Monday, the Clerk be authorized to receive messages from the Senate, and that the speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TO ESTABLISH A NATIONAL COMMISSION FOR PRESERVATION OF LANGUAGE RESOURCES

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, I have again introduced a bill that I have proposed in several past Congresses that would establish a National Commission for the Preservation of Language Resources. In the last year or two I have received a large number of letters in support of this legislation from educators and others involved with languages.

The intent of this bill is to create a small consultative group to advise in the formulation of policies to identify, preserve and improve this Nation's heritage of language resources. In addition, it would evolve active programs for the conservation of these resources, and serve as consultant and coordinator to national and State professional educational associations for the development and implementation of activities designed to preserve and identify these same resources. It will also develop and maintain what could be considered a data bank of this country's language resources.

I am sure many will question the need for preserving other languages since English is our national language. But one of the answers to this question lies in our great desire for peaceful coexistence in this world. In order to achieve this goal we must have meaningful communication.

Virtually all Americans are immigrants or the descendants of immigrants, so one might assume that we would have a culturally pluralistic society. However, this is not the case; every immigrant has felt a strong urge to become "Americanized." I do not feel that this trend should be otherwise, but unfortunately our country has lost a great deal in this process. We find that persons who have a rich linguistic and cultural background soon lose it, while young people in our school systems are studying these very languages.

It is indeed unfortunate that we have not used the resources our immigrants have to offer, and have discouraged their children from maintaining a second or third language that they might have learned within their families. Would not our society be much richer in the cultural sense if we had an active and enthusiastic policy to encourage extra language development, and to effectively use the language resources we are squelching or ignoring by not tapping its source.

I can report that in a number of Spanish-speaking communities across the country we are attempting to preserve the Spanish language to some extent through bilingual and bicultural programs in the schools. And in some areas where there are a large number of Chinese children attending school there are now programs geared to preserving this language and culture. But we have many other languages and cultural traits that are not being utilized or preserved.

My bill does not in any way seek to disestablish English as the common language of American unity, but rather to reinforce and maintain the other languages spoken in our country to be used to the benefit of our Nation.

Despite the fact that this country is rich with diverse peoples and cultures, to date there is no agency or branch of Government in charge of a full-scale incentive program to encourage social, educational, and political associations, educational institutions, and educational systems at the State and local level to develop programs to preserve foreign language resources.

The Special Subcommittee on Education held 1 day of hearings on my bill in the last Congress, and a number of Members on the Subcommittee agreed my bill had merit, but unfortunately no further action was taken.

I hope that the 94th Congress will agree with me that the time is now to develop the commission provided for in my bill. Let us begin to create a good foundation for meaningful communication amongst the people of mixed cultures in our country and with those across our borders and oceans.

Our Nation might not have enough oil, but we certainly have vast untapped language resources. Let us not waste these resources, but let us utilize them in the best interests of our Nation.

LEGISLATION TO REDUCE CRIME INVOLVING FIREARMS

(Mr. CASEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CASEY. Mr. Speaker, I know that there is growing concern in the Congress and throughout our Nation about our rising crime rate and particularly crimes involving firearms.

This week I have introduced legislation that I believe would achieve significant reductions in crime involving the use of guns and that will do so without abridging the constitutional rights of any citizen.

First, I submit a bill that would make it a Federal offense to use any firearm that has been transported in interstate and foreign commerce during the commission of any robbery, assault, rape, burglary, kidnapping or homicide. I propose that the penalty for violation of this law be a mandatory minimum of 10 years in prison for the first offense, and the second or subsequent offense, a minimum of 25 years in prison. There would be no suspended sentences or probationary sentences granted to those convicted.

This might be considered a harsh law by some, but I will point out that any crime committed with a gun is a harsh crime, and one that is obviously planned in advance.

I believe that if my bill becomes law we will see a dramatic decline in the incidence of crimes committed with firearms, because everyone will know that if he uses a gun in the commission of a crime, he is almost certainly going to be sent to prison for an extended term.

I am convinced that this is the proper approach to the problem and one that would not abridge the right of our citizens to bear arms.

My bill is a sound alternative to those who would seek to take this right away, or to require our citizens to register firearms.

Those approaches are neither in the best interest of combating crime nor of our Nation.

Guns do not commit crimes, Mr. Speaker, but people do commit crimes.

The vast majority of our citizens who own guns would never consider using them in the commission of a crime.

And the criminal elements who desire firearms for criminal purposes will find ways to get them, just as dope pushers find ways to get heroin.

Penalizing the legitimate owners of guns, the sportsman, the collector, the target shooter and the many others who own guns and use them with care, respect, and for lawful purposes is not the answer.

We must instead penalize those who misuse guns, the criminal element of our society. That is exactly what my bill would do. And I believe I can safely guarantee that it will do far more to combat violent crime than all the laws we could pass to ban or register firearms.

The second piece of legislation that I have introduced, as a cosponsor with Mr. DINGELL, would prohibit the sale of the so-called "Saturday night special" handgun.

This is one type of weapon that we not only can do without, but which does pose a serious threat to society. The guns in the "Saturday night special" category have no legitimate use and are in fact dangerous to those who use them.

No sportsman, law-enforcement officer or anyone with a real need for a handgun would ever purchase these cheaply made pistols because they are both unreliable and unsafe. They do however provide an inexpensive and disposable weapon for the criminal element.

The bill that Mr. DINGELL and I are introducing today would require that all handguns imported or manufactured in this country have the critical parts, such as the barrel, cylinder and frame, constructed of materials that will withstand a temperature of 1,000° Fahrenheit without melting and to have a minimum tensile strength of 55,000 pounds per square inch. Unless a handgun can meet this test, it is dangerous to the user.

Such guns are being manufactured and sold, however. They are cast from diecast zinc alloys, which is low in cost, making such guns most appealing to the spur of the moment buyer, or to a criminal who plans to use it and then throw it away.

The bill proposed would not affect the manufacture of quality handguns made by reputable arms makers.

Mr. Speaker, I would like to emphasize once again, that in our zeal to fight crime we must not make the law-abiding citizens our target.

We must pass laws that go to the heart of the problem, which will provide deterrents to crime, and which provide swift and sure punishment to those who choose to violently prey upon society.

We do not need to eliminate guns.

We do need to remove from society those who misuse guns.

I believe the two bills I propose would do that, Mr. Speaker, and I invite all my colleagues to join in their sponsorship. I also urge that the merits of these bills be given a full and early hearing and brought before the House for passage.

AUDITING AN $8.7 BILLION MEDICAID PROGRAM REQUIRES MORE THAN ONE MAN WORKING HALF A DAY

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, the more I learn about the monitoring systems of our medicare and medicaid programs, the more astounded I become at the inefficiency and neglect involved.

I have been informed that the Department of Health, Education, and Welfare, which administers our $8.7-billion-a-year medicaid program, has one man, working part time, on monitoring fraud within the program. Throughout the entire country, Mr. Harry Schneider, an employee in the Department of HEW in Washington, D.C., is the only person monitoring fraud, and he only does this on a part-time basis. I find this situation not only incredible, but absurd. It is tantamount to the U.S. Government saying to medicaid providers, "Here, take all the money you want. Spend it however you wish. We won't check up on you."

Admittedly, a token effort has been made to gain some semblance of order within the program. In 1972, a provision was added to title XIX of the Social Security Act which required all States to report quarterly to HEW specific information regarding cases of abuse or fraud perpetrated on the medicaid program. Although these statistics are currently being compiled by HEW's fraud monitoring division—Mr. Schneider, the National Center for Social Statistics advises me that no compilation of the quarterly reports will be ready at least until late March of this year. Even when these statistics do become available, however, I feel confident that they will not accurately reflect the true fraud picture. Some States report no cases of abuse, and return the forms to HEW just so they will be in compliance with title XIX. When I made a personal survey of medicaid abuses throughout the 50 States, I discovered that many States were not even aware of the title XIX requirement and they claimed that no information on fraud existed.

New York State, for example, for the quarter ending June 30, 1974, reported no fraud or abuse cases in the State and that included all medical services—physicians, hospitals, nursing homes, et cetera. This, of course, is far from the truth. In fact, a case has since been referred to the U.S. attorney for the eastern district of New York which involved the alleged fraudulent practices of 9 clinics and 109 doctors during this same period. For the quarter ending September 30, 1974, New York State claimed only one case of abuse against the medicaid program. In addition, hearings and investigations held by the Senate Select Committee on Long-Term Care have revealed gross abuses of the medicaid program by a number of nursing homes. It is obvious that the States are paying little or no attention to the reporting requirements.

In an effort to upgrade its monitoring program, I have learned that before July 1, 1975, another 11 persons will be hired to assist Mr. Schneider in forming a Fraud Investigation Bureau at HEW. Unfortunately, none of this personnel will be doing field audits although their presence will be a welcome addition. For fiscal year 1976, the HEW budget calls for 108 additional staff for the fraud unit, of which 100 will operate in the field in the 10 regions of the country, and 8 will work at the HEW offices in Washington. No congressional authorization has yet been granted for these slots, but the need is obvious, Mr. Speaker, for approval of HEW's request in this area. Why, at an annual cost of $8.7 billion, the medicaid program alone is almost twice as costly as the total estimated expenditure for general science, space, and technology for fiscal year 1976, and only one man monitors fraud under the entire medicaid program. This is so ridiculous, it is laughable.

If I may, Mr. Speaker, I would also like to take a moment to discuss the medicare program, which maintains a fraud division under the Social Security Administration of approximately 80 program integrity specialists, whose responsibility it is to keep abuses minimal. A communication from HEW Secretary Caspar Weinberger, states that—

> Since the beginning of the medicare program, the Department has placed great stress on program integrity activities, with the expectation that the combination of an increasingly sophisticated monitoring system and wide publicity within the health field and among beneficiaries, would eventually lead to a reduction in the incidence of fraud and abuse situations.

The program integrity specialists, who monitor the $9.5 billion medicare program, act on leads from informants, usually beneficiaries, who report abuses by vendors. Obviously, reports on individual physicians are more numerous than reports about institutions such as hospitals and nursing homes, since it is much more difficult to detect abuses on an institutional level. The program integrity personnel rarely initiate investigations, and most oversight—auditing—is done by intermediaries, such as Blue Cross. In these cases, the data inspected is supplied by the physician or institution.

Statistics supplied by HEW show that under medicare fraud cases have declined from 3,055 in 1972 to 2,361 in 1973, and abuse cases have decreased from 4,873 in 1972 to 2,977 in 1973, a total decrease of 2,590 cases. This decline might be due as much to a falling off of willing informants as to a decrease in fradulent practices. While efforts to fight fraud under medicare appear to be faring better than medicaid, it becomes more and more clear to me as I investigate these monitoring programs, that they are both grossly inadequate. We cannot and must not tolerate such a lax attitude by the Federal Government in overseeing two programs which cost the taxpayers billions of dollars every year.

THE LATE HONORABLE JERRY PETTIS

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from California (Mr. BOB WILSON) is recognized for 60 minutes.

GENERAL LEAVE

Mr. BOB WILSON. Mr. Speaker, I ask unanimous consent that all Members who wish to join in this special order may have 5 legislative days in which to do so and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BOB WILSON. Mr. Speaker, I have taken this time to allow my colleagues to join me in paying tribute to the memory of one of the finest Members of Congress who ever stood in the well of this House, the late JERRY PETTIS, who just 2 weeks ago tomorrow met with a tragic accident while on a flying trip in his own congressional district of California.

The accomplishments of JERRY PETTIS on behalf of mankind, as a legislator and through other endeavors, were numerous. I am sure they will be referred to many times today in the eulogies of our colleagues who grieve the tragic loss of this wonderful man. He had been an inventor, a businessman, an educator, a Christian leader, a rancher, a philanthropist, and an aviator, both in peacetime and in war; but through all of his endeavors ran a single thread of purpose—to extend a helping hand to others. His genuine friendliness toward his colleagues pierced the formality of our daily chores in the House. His untimely death is not only a great loss to Congress and our Nation, but to me personally, for he had been one of my closest friends.

As a Congressman, JERRY PETTIS was a dynamic legislator, one who always contributed new ideas for solving problems, not only on a national level, but those of his constituents whom he served so well with endless energy. There was never a constituent request that did not receive his fullest effort.

As a member of the Committee on Ways and Means, he had just reached a leadership position as ranking minority member of the Subcommittee on Health when his life was cut short. His colleagues on that subcommittee, I know, are well aware of the excitement and enthusiasm JERRY PETTIS had about delving into the complex question of a national health program.

JERRY PETTIS in one of his recent experiences had been a hospital administrator and was an acknowledged expert on medical problems. During a recent visit to Red China he spent much of his time exploring Chinese medical knowledge and practices, including acupuncture.

Mr. Speaker, my wife, Shirley and I, extend our deepest sympathy to his children, Yvonne, Deborah, and Peter, and especially to his widow, Shirley, who was always a helpmate of his political campaigning. In the conduct of his business she often attended with him the various meetings throughout his large district. She often spoke for him when he was not able to be present. She is a beautiful person in every way and we, my wife and I, extend to her our special sympathy.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BOB WILSON. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman from California taking this time. I must say, it does not seem possible that just 2 weeks ago tomorrow JERRY PETTIS was killed in what has to be one of the saddest and most tragic plane accidents, and yet also the most ironic of accidents. From my wife, Janet, to Shirley and the Steiger family, JERRY PETTIS and Shirley have been close friends, one of the men to whom I would look for guidance and counsel, one of those who came in that 90th Congress as part of the class who was elected in 1966, JERRY PETTIS above and beyond anything else represented the finest ideals and qualities of a human being. He was kind to those who were his friends. He was generous to those he may never have met before, but who asked him to serve. He was incredibly good in his commitments to his fellow human beings, whether that be as a Member of this institution or as an inventor, as the gentleman from California (Mr. BOB WILSON) has said, or as a leader, at Loma Linda University as a professor in that institution, as one of the guiding lights of his church and all that he did and for his religious faith.

JERRY PETTIS long will be remembered by many who have many deep feelings about who ought to serve in this body, and have all kinds of ideas we ought to live up to.

I must say, Mr. Speaker, the day the delegation went to JERRY's funeral will be for me and for Jan one of the saddest days we have ever experienced. It was a tribute that so many in his district came and were either in the Loma Linda University chapel or were outside that chapel. Perhaps no man could ask for more than to know that those he served had that kind of affection for one like JERRY PETTIS.

He will be missed; he will be remembered. May we ever, within our own service in this body or in our own lives, strive to do half as much as he did.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from Wisconsin for his remarks.

Mr. BROWN of California. Mr. Speaker, will the gentleman yield?

Mr. BOB WILSON. I yield to my colleague from California.

Mr. BROWN of California. Mr. Speaker, I thank the gentleman from California for yielding to me. I want to commend him for taking this time to allow us to express our individual respect and regard for JERRY PETTIS.

Mr. Speaker, it is nearly impossible for me to convey the sense of shock and deep personal loss which struck me on Friday afternoon, February 14, when I first learned of the sudden death of JERRY PETTIS. I have known JERRY since he first came to Congress in 1967, when he was assigned to the House Science and Astronautics Committee on which I also served. I developed great respect for his legislative abilities and intelligence during the next few years; and I found Congressman PETTIS to be a cordial companion in the many activities in which, because of our common committee assignment, we participated together. In 1968 we both took part in an inspection trip to our scientific facilities in Antarctica, and the following year we were guests together on a Los Angeles television station, providing commentary during the historic Apollo 11 mission.

But it has been only since 1972, when reapportionment found us campaigning in adjacent districts for the first time, that I have come to fully appreciate the exceptional qualities which made JERRY L. PETTIS so popular, not only among his colleagues here in the House, but also in the community which he so ably represented for the last 8 years.

Mr. Speaker, rather than try to describe the respect and affection with which JERRY PETTIS was regarded by his constituents, I would like to submit at the end of my remarks the texts of editorials which appeared in the San Bernardino Sun-Telegram and the Riverside Press Enterprise on Sunday, February 16. These editorials convey better than I could the feelings which JERRY's integrity, ability, and dedication inspired among his constituents.

One of the reasons for JERRY PETTIS' exceptional popularity back home was his sincere, intense commitment to stimulating and diversifying the economic base of the Inland Empire, as the area we come from is called. Just 1 week before his death, JERRY saw one of his many efforts in this field bear fruit, as the metropolitan San Bernardino area was designated a special impact area by the Economic Development Administration. Congressman PETTIS had worked closely with city and county officials in the successful effort to obtain this designation for San Bernardino, which entitled the area to a number of important benefits, including an increase from 50 percent to 80 percent in the amount of Federal funding available for qualified local public works projects.

Although JERRY PETTIS was a moderately conservative Republican—with most observers feeling that he was moving more toward the moderate side as the years went by—and I am generally regarded as a liberal Democrat, our differing philosophical and political views never interfered with the close working relationship we developed over the past few years. JERRY and I worked closely together on several legislative matters of particular concern to the residents of San Bernardino and Riverside Counties. Always, in every contact we had, Congressman PETTIS displayed the highest qualities of statesmanship, integrity, and dedication to the interests of his constituents and the Nation.

Mr. Speaker, I mourn the loss of a friend, the people of California's 37th District have lost a dedicated and able Representative, and the Congress shall be the less for the tragic death of one of its most capable and hardworking Members.

I extend my sympathy and heartfelt best wishes in this difficult time to those most directly affected by this tragedy: the Congressman's gracious and popular wife, Shirley; their children; and JERRY's very knowledgeable and competent staff both here and back in California.

At this point I submit for the RECORD the texts of the two editorials to which I referred earlier:

[From the Riverside (Calif.) Press-Enterprise, Feb. 16, 1975]

JERRY PETTIS

Representative Jerry Pettis, Republican of Loma Linda, who died in the crash of his private plane Friday morning, was a man of exceptional energy, a dynamic politician who could shoehorn a great deal of activity into a small amount of time. It is not at all incongruous that he died in transit in his district, for he was proud of the agility his light plane gave him, and relied on it heavily.

Rancher, businessman, inventor, professor, university administrator and finally congressman, Representative Pettis was a man whose talent and appetite for work stood out. He had in recent years moved closer to his party's philosophical center, and his colleagues in the House GOP had recognized his ability and leadership, first with important committee assignments and most recently with election as deputy GOP whip.

He had represented portions of San Bernardino County since 1967; only with the most recent reapportionment were portions of Riverside County added to his district. His seniority and his ability added up to a promising future, one which could have been beneficial to this area in a way that no successor's work can be for at least several years and perhaps not even then. Personally and as a congressman, he will be missed.

[From the San Bernardino (Calif.) Sun-Telegram, Feb. 16, 1975]

JERRY L. PETTIS

The shock of the death of Jerry L. Pettis, member of Congress from the 37th District of California, will linger long with deepest sadness.

The crash of his plane Friday, which he was piloting, in the mountains north of Beaumont in San Gorgonio Pass, ended the outstanding career of this fine public servant at its peak. He would have been 59 next July.

The tragedy brought to an untimely close a record begun more than seven years ago of uninterrupted devotion to the House and to the people who chose him as their representative.

Pettis brought to his office a rare and valuable blend of experience and talent. He was special assistant to the president of United Airlines for four years after his Air Force service as an instructor and pilot with the Air Transport Command in the Pacific Theater in World War II.

He then turned to his own private businesses and formed four successful companies. Moreover, he found time to teach economics as a Loma Linda University professor, and served as vice president of the university as well as chairman of its Board of Counselors.

At this point in his life he was drawn to a desire to devote his energies and abilities to the people of his congressional district and to the people of the United States through its House of Representatives.

He was elected first in 1966 and was reelected every two years since. He was that kind of a man—a representative, admired and respected by those in his Republican party and those in the Democratic party alike.

His qualities did not go unnoticed in the House. He became a leader of the California congressional delegation and at his death was a member of the powerful Ways and Means Committee. This gave him the influence which he used widely both in the interests of the nation as a whole and in the interests of his district and his state.

His level-headed judgment will be missed in the House of Representatives, of course. But he never allowed the weight of his responsibilities there to keep him from the people in his district, or throughout the Inland Empire.

He kept close to them, listened to them, helped them and visited them frequently—the mark of a congressman living up to the finest traditon of dedication to constituents.

The nation has suffered a great loss with the death of this honorable and compassionate and earnest man. Even greater, though, is the loss mourned by those of us who will ever remember his gracious smile, good humor and constant concern for us and our problems.

There will be other congressmen to represent us. But not another Jerry L. Pettis.

Mr. Speaker, I want to add one additional thing. At the funeral which so many of us attended, during the eulogies it was suggested that it would be a fitting tribute to JERRY if the Loma Linda Veterans Hospital now under construction in his hometown might be designated as the Jerry L. Pettis Memorial Veterans Hospital.

This, of course, requires legislation by the Congress. During the past few days, several of his friends in the California delegation have been circulating a draft of a bill which would accomplish this aim. I am very pleased to report that every Member of the California delegation who has been contacted—and I think we have contacted all but possibly one or two—has agreed to cosponsor this, together with the leadership on both sides of the aisle and other close friends of JERRY.

We have considerably more than 50 cosponsors of this legislation, which we will introduce on the next legislative day.

I personally think it would be a great action on the part of this House if we could move this bill through as expeditiously as possible and designate this hospital which JERRY worked so hard to secure, both as to its location and as to its connection with the Loma Linda Medical School and the Loma Linda University, with which he was closely associated. I just hope we can achieve this memorial in his name, which I am sure will have the unanimous support of all of the people of this district.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from California, and I would like to add that the Republican delegation from California has joined with the gentleman from California (Mr. BROWN) in cosponsoring the legislation of naming the new hospital in Loma Linda in honor of JERRY PETTIS and we will introduce companion legislation, with others who care to do so, along with the gentleman from California (Mr. DON N. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, I proudly associate myself with the remarks of my colleague from California (BOB WILSON) and the other Members participating in this eulogy to JERRY PETTIS.

Also, I am delighted with the acceptance of the request made by our friend GEORGE BROWN and myself to our California delegation and his friends in the Congress to cosponsor legislation designating the "JERRY L. PETTIS Memorial Veterans' Hospital" in Loma Linda, Calif.

This health facility will stand as a living monument to his outstanding record of accomplishments.

Mr. Speaker, the death of our friend JERRY PETTIS has taken from the Congress one of its most able and effective Members and taken from our lives a man all of us came to love and respect. I have lost one of my closest friends.

JERRY was a remarkable man in so many ways and every one of us fortunate enough to know and work with him were enriched and rewarded by that association.

His life was marked by that quality of penetrating sincerity which we call integrity. His district, his State, and his beloved country have lost a great citizen. I will always think of him as a man who brought a great passion and personal commitment to the problems which faced our country.

The warmth of his spirit and the depth of his wisdom were a source of comfort, counsel and advice that we could feel free to call upon—and we all did.

He was courageous. He was outspoken. And yet, while fighting so strongly for what he believed, he could disagree without being disagreeable—the secret to his success in every endeavor he undertook.

JERRY was a man of deep religious conviction and principle. He was devoted to his church and to his fellow man. He was persistent and idealistic and never one to lower his standards or his principles.

Adlai Stevenson once said:

> It is often easier to fight for principles than to live up to them.

JERRY PETTIS was able to do both.

Ollie and I offer our deepest sympathies and prayers to his wife, Shirley, son Peter, daughter, Deborah and family.

In my judgment, the spirit of JERRY PETIS was captured well by an editorial in the Victorville, Calif. Daily Press and I will have it inserted in the CONGRESSIONAL RECORD so that it will be available to all.

In addition, each of us attending JERRY's funeral were deeply impressed by Dr. Alonzo Baker's moving eulogy which was a personal remembrance of a man well worth remembering.

JERRY PETTIS was the first Seventh Day Adventist to ever be elected to the Congress of the United States. With equally strong convictions relating to the preservation of constitutional principles, we worked together to guard against any possible erosion of religious liberty.

In death, JERRY PETTIS brought to his

beloved Loma Linda more people of national political prominence than at any other time in history. The congressional lelegation that flew out to Loma Linda to pay their last tribute to JERRY came away appreciative for the reception they received by JERRY's lovely wife Shirley and their many friends and admirers and impressed by the institution, the people, and the program participants' eloquent eulogies to JERRY.

The nationally recognized musical talents of the King's Herald Quartet and Marilyn Cotten offered beautiful and appropriate renditions.

Our close mutual friend Elder Bill Loveless, Dr. Alonzo Baker, House Minority Leader JOHN RHODES and the uncomparable H.M.S. Richards, the "Voice of Prophecy," brilliantly and eloquently put JERRY PETTIS' life and all its meaning in full perspective.

It was a moving testimonial to an extraordinary man, husband, father, churchman, businessman, pilot, farmer, educator, and Congressman.

JERRY PETTIS was a genius as an inventor, innovator and motivator—all directed toward helping his fellow man.

God has blessed you JERRY and all of us privileged to know and work with you.

Your spirit, influence and constructive deeds will live on forever.

I include the aforementioned editorial and the "Life Sketches" of Dr. Alonzo Baker and Kenneth H. Wood.

This records for posterity the life story of my friend Congressman JERRY L. PETTIS of California.

The material follows:

[From the Victorville (Calif.) Daily Press, Feb. 18, 1975]

JERRY L. PETTIS WILL BE MISSED

Rep. Jerry L. Pettis, whose funeral was held today on the campus at Loma Linda University, was a valued friend to all who knew him, to all of his constituents and to the desert. His loss will be felt deeply and for a long time.

It was typical of the man that when he died last Friday morning, his plane exploding on a hill near Banning, he was taking the extra step to do his job better as he saw it. He knew that bad weather might be encountered in San Gorgonio Pass, but to drive would have made him late for an appointment, and he hated to be late, not out of picayunish concern for punctuality, but out of concern for those who would be kept waiting.

In fact, he was in the district under protest. He felt the Congress should stay in session and work on the problems of the nation rather than spending 10 days polishing apples in the home districts. But since his fellow representatives would not agree to working in Washington, he set about putting the time to as good a use as possible, as usual visiting as many of his far-flung constituents as possible.

It is standard practice, when a person of note dies, to list the person's accomplishments while overlooking the faults. Jerry Pettis had no faults worth overlooking. He was honest to a fault, generous to a fault, considerate to a fault and friendly to a fault. But in an era when the popular pastime is looking for and chipping away at the clay feet of the mighty, Pettis stood firm and tall. Never in five successful campaigns for Congress was there a successful attack on his reputation or competence. Never was there a question about his public or private behavior.

As he won, over close to a decade of representing us, our growing respect and allegiance as expressed in ever larger margins of majority votes, so he won respect and recognition from his peers in the House of Representatives and others in Washington, D.C. He was named early in the House Ways and Means Committee, a signal honor which recognized his legislative and intellectual abilities, and rose to become third ranking Republican on the committee. With little effort at campaigning for the job, he nearly won the minority whip post in the House against major contenders, and he was named deputy whip by the winner.

President Gerald Ford was among the earliest formally to express regret at last Friday's tragedy, and his regret was for both the loss of a friend and a counselor.

His constituents here in Victor Valley always knew they could call on him for help, knowing he would give as much as his principles would allow. He would never promise more than could be given; he would always deliver whatever he promised.

He was a public servant in the best sense of that term. He acted on his judgment of the greater good of all the public rather than out of concern for a special interest group or major financial supporters. He never apologized for his votes or positions in Congress; he didn't have to and he was never asked to.

His relations with the press were perhaps best spelled out by his former press secretary, Kolleen Schmidt, when she resigned to go back into the news business last month: "Let me emphasize I have enjoyed working with Congressman Pettis and will never regret my association with him. He possesses the healthiest respect for the press of any politician I have ever known . . . I have never seen him less than honest with the media or with the people of the 37th District."

We will miss him.

LIFE SKETCH OF JERRY L. PETTIS

Today we mourn the tragic passing of the most distinguished resident the City of Loma Linda has ever known. Indeed, in the roster of distinguished men and women who have come from San Bernardino County in its 125 years of history few names, if any, shine with more luster than that of Representative in the Congress, Jerry Pettis.

Jerry Lyle Pettis was born in Phoenix, Arizona, on 18 July, 1916. His father, Dwight Pettis, died when Jerry was but 15 years of age. His mother, Clora Zimmerman Pettis, now 96, lives on in Phoenix. Owing to the infirmities of years she is unable to be here today.

Jerry was the eldest of five children, three of whom survive him. A sister, Mrs. Ramona Ireland, lives in Nelson, New Zealand; Two brothers, George and Wendell Pettis, of Phoenix, are here today.

In addition to an adored wife, Shirley, Jerry leaves a son, Peter, 19, and a daughter, Deborah, 16. Deborah is a student in the very excellent private preparatory school, "The Bishop's School for Girls," in La Jolla. Peter is a recent graduate of the prestigious Sierra International Academy of Aeronautics in Northern California. Of the several score graduates in his class Peter was top man in grades and scholarship. He is now a licensed commercial pilot, and a licensed flight instructor.

Three other members of the close-knit Pettis family group are the parents of Mrs. Pettis, Dr. Harold McCumber, veteran college history professor and author, and Mrs. Dorothy McCumber, and Mrs. Pettis' aunt, Dr. Maud O'Neill. These three are longtime residents of Loma Linda and active participants in community life here.

Jerry Pettis took his preparatory school education in the Thunderbird S.D.A. Academy in Phoenix; his four years of college study were done at Pacific Union College in Napa County, California, from which he was graduated with high honors and as president of his class Jerry did graduate study in speech at the University of Southern California earning a Master of Arts degree. In the school year of 1940–41 he taught speech at Union College, Nebraska.

For a time Pettis was a Seventh-Day Adventist minister pastoring churches in Arizona and Colorado. Inasmuch as his parish areas were large he flew a rented plane. On a Sabbath morning he would preach in one of his churches; Sabbath afternoon in another far away; and sometimes even on a Saturday evening he would meet with a third congregation. He soon became known and publicized as "the flying parson."

It was during those years of ministry that Jerry came in contact with Elder H.M.S. Richards, an evangelist, and now the world famous Dr. Richards of the "Voice of Prophecy" radio broadcasts heard regularly the world around. Some 25 years ago Dr. Richards was the clergyman who united Shirley McCumber and Jerry Pettis in marriage. It is that same venerable Dr. Richards who shortly will present the sermon of this afternoon.

After the Pearl Harbor debacle Pettis, since his early boyhood an ardent believer in America, yearned to do something for his country then in distress. Hence he soon became an organizer for the Civil Air Patrol, known everywhere now as C.A.P. The C.A.P. is an organization of non-military fliers who respond instantly when a call comes over the air for assistance in locating a lost or downed plane. They do a tremendous job of search and rescue. For years Jerry also acted as a flight instructor for young fliers who wanted to join C.A.P. I hold in my hand a telegram from General Leslie Westberg, United States Air Force, and Commander C.A.P.:

"Dear Mrs. Pettis: The entire membership of C.A.P. has been saddened by the news of your husband's tragic death. The C.A.P. has lost one of its greatest friends and most respected leaders. His personal support and untiring efforts in our behalf will continue to be an inspiration to the 61,000 members of this national volunteer organization. Although words cannot express the depth of our concern, be assured of our prayers and heartfelt sympathy."

In the last two years of WW2, 1944 and 1945, Jerry Pettis was with the Air Transport Command flying the Pacific. After the war he became a United Airlines pilot, eventually rising to the position of Special Assistant to the President of United Airlines.

Recognizing the great talents of Jerry Pettis the Adventist medical school, now known as the Loma Linda Medical School, persuaded Pettis to forgo his bourgeoning career in commercial aviation to become Vice-President for Public Affairs and Development. Pettis was an influential factor in the consolidation of the hitherto bifurcated school on the Loma Linda campus; also in the planning and erection of the magnificent new 450-bed Medical Center Building; also in the improvement and enlargement of library and teaching facilities here. Pettis was most active in promoting the medical school and its several affiliates to university status. He himself solicited large funds from the alumni for these improvements and expansions. Of more recent years he and Mrs. Pettis have been most liberal benefactors of this University, their gifts running six figures and more.

In the 1950's Jerry served as an executive in the office of the Los Angeles County Medical Society whose members number more than any other county medical society in America. It was during this period of time that Pettis originated the tape-recorded

Audio-Digest for the thousands of busy physicians he served. When Jerry accepted the invitation of this medical school to become one of its officials he turned his Audio-Digest business over to the C.M.A., the California Medical Association, with the one proviso that all profits made from his invention should go to assist needy medical students. To the day of his death last Friday the C.M.A., has been enabled to help deserving medical students to an amount in excess of ten million dollars.

Not many months ago a friend asked, "Jerry, of all the things you have done in your career what gives you the most satisfaction?" Without even a moment's hesitation he replied, "The gift of the Audio-Digest to the C.M.A., and its resultant aid to hundreds of medical students who needed financial help to get through school: that's the thing which warms my heart the most. If I am remembered at all after I am gone that's the one thing I want to be remembered for."

Generosity and concern for others bring their own rewards to a man's heart, soul and psyche. If per chance they also pay dividends of a material worth then the doer and the giver is doubly blessed, as for example: The production of the Audio-Digest led Pettis inexorably to the invention of the magnetic tape duplicating device, thence onward to the founding of the successful Hollywood business firm known as Magnetic Tape Duplicators whose profits have run into millions of dollars.

In the estimation of many friends of Jerry Pettis his greatest accomplishment in the eight years he has been in Congress is his success in persuading the Federal Veterans' Administration to locate a new 550-bed $35,000,000 Veterans' Hospital on a tract of land near and adjunctive to the Loma Linda Medical School and Medical Center. Being a veteran of WWI myself, having been a member of the American Legion for more than a half century, and a past Post-Commander in the Legion, I applaud Congressman Pettis for his part in locating a new veterans' facility in the heart of California's Inland Empire. I am joined in this applause by the tens of thousands of veterans in Riverside, San Diego, San Bernardino, Imperial and Orange Counties. I pray a suggestion from me on this somber occasion will not be deemed inappropriate. I make bold this day, and here and now, to suggest that the new hospital in America's Bi-Centennial year 1976 be named, "The Jerry Pettis Memorial Veterans' Hospital."

To give a faint idea of the high esteem held for Jerry Pettis you have just heard the Minority Leader in the House of Representatives, the Honorable John Rhodes, Republican Congressman from Jerry's home state of Arizona, read you three Telex wire messages from President Gerald Ford, Evangelist Billy Graham, now on a campaign in Mexico City, Mexico, and George Bush, Ambassador to the Peoples' Republic of China from Peking. I have two more to read you now, the first from the greatest diplomatist America has ever had, Secretary of State, Henry Kissinger, at the moment shuttling back and forth between Cairo, Tel Aviv, Damascus, Teheran and Riyadh in another effort to prevent another fateful Middle-East War. From the Mid-East under date of February 15, the day after Jerry's death, Henry Kissinger wired Mrs. Pettis: "I was shocked by the news of your husband's tragic accident. His absence will be a major loss to the Congress and will diminish us all.

How true Kissinger's words, "His absence will diminish us all"!

Yesterday at the McCumber residence here in Loma Linda I spent some hours looking over the hundreds upon hundreds of telegrams, mailgrams, and letters which have poured in since last Friday noon. All are addressed to Shirley who, of course, has not yet seen even a tithe of them. I was overwhelmed by the avalanche of esteem and admiration for Jerry, and the love and sympathy for Shirley. Allow me to read just one more, this one from "The Members of the San Bernardino City Council." I was more impressed by this communication than any other, and for this reason: Someone has said that a prophet is not without honor except in his own home town and community." In all my long life I have never felt called upon to challenge that statement, but I do so now! San Bernardino is the site of the headquarters office for Congressman Pettis in all his huge 37th Congressional District. Lend your ear, please, to this from San Bernardino's City Fathers: addressed to Mrs. Pettis:

"Our hearts share your sorrows in these dark hours. There is so little we mortals can do for those left behind except hold them up in prayer so God, the Father, may see them through the valley of shadow to the sunshine of His mountain top. The world will surely long remember Congressman Pettis as a giant among men who courageously stood for right and the betterment of mankind through effective government. His concern for all peoples, rich or poor, big or small, the neighbor next door or the person across the state, was without equal. This made him dear to the hearts of the people. Yes, Congressman Pettis was a great man and losing him will be felt throughout the land. May God bless and keep you in these days." (Signed: Members of the City Council, City of San Bernardino.)

If the death of Jerry Pettis constitutes an irreparable loss to California and the nation at large, his loss is even a greater blow to Seventh-day Adventism. Jerry was the first of our faith ever to sit in America's national legislature. The integumentation between the office of Congressman Pettis on the Hill and our national and international headquarters a few miles away in Takoma Park has been of invaluable aid to the officials of our General Conference. However, since last Friday our linkage with the Congress through the person of a capable and dedicated Seventh-Day Adventist Congressman no longer exists.

In the opinion of many of us here today Loma Linda University also has suffered a major loss in the passing of Jerry Pettis. His guidance and wise counsel is no longer available to the trustees of the University nor to the Deans of the nine schools comprising the University. Pettis was very popular and influential with the medical college alumni.

In the galaxy of names of persons who have contributed greatly to the upbuilding and upgrading of Loma Linda University are such as Dr. Percy Magan, Dr. Newton Evans, Dr. Edward Risley, Dr. G. T. Anderson, Dr. D. J. Bieber, and Dr. Robert Cleveland, and in my category last, but by no means least, is the name of Jerry Pettis. Our University will sorely miss him in the months and years ahead.

A few minutes back I told you of the one thing Jerry said he hoped to be remembered for. With your suffrance let me tell you now of a few words of mine to Jerry Pettis some ten years ago which in light of developments since then now constitute a high point in my many years of life.

The first time Jerry ran for Congress he was defeated. When I heard the news in the evening of that November election night I was very disappointed. I was about to go off to bed with a heavy heart when suddenly I found myself not heading for the bedroom, but instead to my study and to my typewriter. In a minute or so I found myself writing Jerry a letter urging him to run again two years hence. I gave him two chapters out of my life story, the year 1936 chapter and the year 1938 chapter.

I told him that in 1936 I aspired to be the very first Adventist ever to be elected to the Congress. I won the Republican nomination in the primary very handily. For the November general election I was amply supplied with funds from men such as ex-president Herbert Hoover, Samuel F. B. Morse, of the Del Monte Properties Corporation, and others of the 8th California Congressional District which then was made up of the five counties directly south of San Francisco City and County. I told Jerry of the very active campaign I put on for seven months and of my hopes of attaining a seat in the Federal Legislature. I also told him of my narrow defeat in November, owing to the national landslide for FDR wherein he won 46 out of the 48 states.

After that recital I told Jerry I made the mistake of my life in 1938 when I turned down the importunities of Republican leaders and offers of plenteous campaign monies if I would allow my name to be put in nomination. The defeat two years before had wounded my pride and ego so much I was afraid of the risk.

Another young chap was nominated and elected, serving 14 years in the Congress, then retiring to look after his deceased father's farms and orchards.

I besought Jerry not to repeat my mistake of 30 years before. He took my advice, was elected and re-elected three times more, and undoubtedly could have served in Congress many more terms were it not for the tragedy last Friday morning in the murky weather high on a mountain above Banning.

Four weeks to the day before Jerry's passing the Pettises had invited Mrs. Baker and me down to their lovely home and ranch on the slopes of Mt. Palomar over looking the beautiful Pauma Valley with Oceanside and the blue Pacific on their western horizon. Jerry took me via four-wheel-drive jeep through his 100 acre citrus and avocado groves. In all my 76 years of living in California have I ever seen a more verdant, thriving, and productive citrus and avocado grove than on the Pettis ranch. To my surprise and amazement I discovered a phase of Jerry's multifaceted interests and abilities I had not known before. Jerry has been a very skilled, scientific horticulturist for years; so skilled, so innovative and so creative in citri-culture that every year the professors at U.C.R. (University of California at Riverside, formerly a college founded for the express purpose of developing and scientific study of the citrus industry in Southern California) bring their students down to the Pettis ranch to see the great contributions Pettis has made to the growing of oranges, lemons, grapefruit, tangerines and tangelos. In my estimation Jerry Pettis is California's modern day Luther Burbank.

As Jerry and I stood on the porch of his ranch house that Friday evening and watching the golden sun sink into the waters of the Pacific beyond Catalina, Jerry said to me, "Shirley and I have built this home and developed these orchards so we may have a place to retire to some day; a home far, far away and sequestered from the busy, high-pressure life a Congressman and his wife lead. This is to be our haven of rest after a few more years in Washington."

Because of the inexplicable tragedy of last Friday that roseate future is not to be; at least, as of now. But it will be some day, of that I am sure! Here are the words of Isaiah, one of the greatest of the Bible prophets, when he foresaw the time when a new earth is to be: "In that day," said Isaiah, "They shall build houses, and inhabit them; they shall plant vineyards and eat the fruit of them; They shall not build and another inhabit; they shall not plant and another eat; they will not labor in vain nor bring forth for calamity for my people, mine elect, says Jehovah of Hosts, shall for eternity enjoy the work of their hands."

Another with prophetic prescience, Ellen White, living in the early years of our 20th century, has written: "In the earth made new the Redeemed shall live the Eden life in garden and field." Our beloved Jerry will be right at home in the Edenic environment!

Alonzo L. Baker, Ph.D.,
Professor, Political Science, College of Arts and Sciences. Loma Linda University.

Life Sketch Jerry L. Pettis

(By Kenneth H. Wood, Review and Herald)

It requires the perspective of time to provide an accurate evaluation of the life of a man, and to assign him his place in history; yet even now, surrounded as we are by the dark cloud of tragic death and sorrow, it is possible to see through that cloud to the clear realization that Jerry L. Pettis was a great and good man. He was great in his pursuit of achievement, in his enormous vision of what could be accomplished, in his capabilities and talents. He was good in his devotion to his family, to his home, to his church, and to his country. He was a man of sterling character, devoted to worthwhile causes, to furthering the welfare of all the people whom he served.

He was, by birth, a Westerner, shaped by the vast deserts and plains and towering mountains. His thinking was influenced by the adventure and restlessness and broad scope of opportunity which characterizes that area. Born in Phoenix, Arizona, on July 18, 1916, he fitted well the poetic appeal:

> "Bring me men to match my mountains,
> Bring me men to match my plains,
> Men with empires in their purpose
> And new eras in their brains."

He carried within himself the vital motivation for achievement which culminated in his great contribution to his country, for he was not born to wealth and ease. Throughout his early life, his education in Seventh-day Adventist parochial schools was financed almost entirely by his own efforts and this at a time when the United States was still deep in the aftermath of the Great Depression. These school years firmed and crystallized his belief in the message of his church and caused him thereafter always to regard himself as, first of all, a Seventh-day Adventist, everywhere and in all circumstances.

His college years, at Pacific Union College, about 50 miles north of San Francisco, were years of growth and development. Classmates recall that many times he worked most of the night, slept two or three hours, then attended his classes. Ever a natural leader, he became a keen student of human nature; he came to understand the needs and hopes and desires of others. He sensed the basic loneliness of the human being. This understanding and genuine interest in others resulted in his being elected to most of the major offices on his college campus, including the presidency of his senior class in 1938. One of his classmates, a close friend for 41 years, commented recently: "There was something about Jerry, a special quality, a charisma, a singleness of purpose, a clear definition of goals which, young as we were then, we all recognized. We expected him to rise to great heights—so that, when he did, it was almost as though it had been preordained."

Always a most persuasive and effective speaker, Jerry became student assistant in the Speech Department of Pacific Union College to the late, distinguished professor, Dr. Charles E. Weniger. Their friendship was close and enduring, terminated only by the death of the latter.

After college graduation, Jerry's love for the broad deserts of Arizona brought him back there as a ministerial intern. Tirelessly he criss-crossed his assigned territory, bringing God's message eloquently to all who would listen.

His penchant for overwork at one tim caused his conference president to order him to take a month off, free from all platform activity. Immediately thereafter he resumed his evangelistic work.

His eloquence and superior talents soon attracted the attention of the leaders of the Seventh-day Adventist Church. He was asked to conduct evangelistic meetings in Kansas City, Missouri, where he was ordained to the gospel ministry. In an era when youth was not looked upon favorably for leadership posts, Jerry's achievement was all the more remarkable.

It is said that one characteristic of a truly superior person is his broad spectrum of interests. By this standard, Jerry Pettis was truly superior. Time after time he entered a new and completely different professional field, stayed in it as long as was necessary to make a brilliant success, then fastened his eyes and energies on a new goal.

His speaking skills so impressed the administration of Union College, in Lincoln, Nebraska, that he was invited to join the faculty as a member of the Speech Department. This new challenge drew him inexorably, but he did not depend entirely on his intrinsic capabilities; he recognized that the world of academia had its own standards, so he put himself under a heavy study schedule at the University of Denver and earned his Master's Degree. Later he took further advanced work at the University of Southern California.

In addition to his professional interests during his early years, Jerry had become convinced that aviation, then somewhat in its infancy, would eventually become the most important means of transportation in the world, as well as one of the military and economic factors which would decide national superiority. During his college years, he had been fascinated by a small open cockpit plane which a friend owned. He flew as a passenger in this craft at every opportunity. Later, in Arizona, he took flying lessons and obtained his first license, to the amazement of his less visionary friends and colleagues. True to form, he continued his lessons and skills until he secured his commercial pilot's license. At the time of his death, he was the only member of the House of Representatives to hold such a license.

It was almost as though he had foreseen World War II and had known that flight instructors would be vital to the war effort of the United States, for he filled this role as well as that of an Air Transport Command Pilot in the Pacific theater during the war years. College classmates in far-flung corners of the earth in various types of service for church and country sometimes looked up and there was Jerry, having just brought in a transport plane to Guam, or Fiji, or New Guinea. On one flight to Shanghai, China, he made it a point to visit the Shanghai Sanitarium, operated by the Seventh-day Adventist Church, which he had heard so much about from close friends who had grown up as missionaries' children there.

His marriage to the former Shirley McCumber, marked the beginning of one of the most brilliantly successful husband and wife teams on the American scene. Shirley full understood when she married him that her life would be one of intensity, of pressure, and of conquering "the hill beyond the hill beyond the hill." Her complete devotion and supportive attitude sustained Jerry through the remainder of his life, a life which took on ever larger dimensions.

From 1948–1960 he was a special assistant to the president of United Airlines. Then a new horizon beckoned, and he entered the world of business. Applying his tireless energy and ambition in this field, he founded the Magnetic Tape Duplicators—the world's largest user and duplicator of magnetic tape. He also established the Audio Digest Foundation, a non-profit organization furnishing monthly education tapes to physicians to keep them abreast of new developments in their field. Foundation earnings are held in a trust fund and are used to provide scholarships for needy medical students throughout the United States.

During this period he accepted the post of Executive Secretary of the California Medical Association. His expertise in the field of medicine and health care served him later in good stead in his political life.

While devoting his efforts to the business world, he continued his interest in education, and from 1948–1964 served as a professor of Economics at Loma Linda University in Southeastern California. From 1960–1964 he was Vice-President of this institution in charge of development, and from 1960–1967 he was Chairman of the Board of Counsellors. He played a key role in funding and building the $25 million Loma Linda University Medical Center. The new $71 million, 550-bed Veterans' Hospital in Loma Linda is also being built as a direct result of his efforts both in and out of the Congress.

With so many worlds conquered, he looked about him much as Tennyson's "Ulysses" did:

> "I am a part of all that I have met;
> Yet all experience is an arch wherethro'
> Gleams that untravell'd world whose margin
> fades
> Forever and forever when I move.
> How dull it is to pause, to make an end,
> To rust unburnish'd, not to shine in use!
> As though to breathe were life!
> Life piled on life were all too little . . ."

The world of the political arena now engaged his interest and ambition. Nurtured in an age when patriotism and service to one's country were considered cardinal virtues, he had always been an interested spectator of the political scene. Now having made his decision to run for the House of Representatives from California's 33rd district, he was elected to the 90th Congress on November 8, 1966. Subsequently, he was reelected to the 91st, the 92nd, the 93rd, and, last November, the 94th Congress.

He was a member of the powerful Ways and Means Committee, which writes the laws on all personal and corporate taxes, Social Security and related health care programs, trade and tariff regulations and other vital areas. Since joining the Committee, Congressman Pettis had helped to author comprehensive welfare reforms, Social Security increases totalling 15 percent, middle-income oriented tax reforms, to airport and airways funding regulations, new trade agreements and a revenue-sharing plan designed to help states and localities.

In the 94th Congress, he had been appointed Chief Minority Deputy Whip. As the third most senior Republican on the Ways and Means Committee, he was the Ranking Republican on the Subcommittee on Health; he also served on the Trade and Oversight Subcommittees.

Congressman Pettis also served on the special Congressional Task Force on National Health, and was a member of the Earth Resources and Population Task Force. He was an advisor to the National Commission on Fire Prevention and Control and was a member of the Republican Congressional Policy Committee.

As an acknowledged expert in the health care field, the Congressman was in great demand as a speaker advocating new approaches to improve national health care delivery systems. His interest and background led to his recognized role as a strong advocate of improved educational programs.

The *Christian Science Monitor* honored him in its choice of Outstanding Congressmen and he won the Watchdog of the Treasury Award for support of thrift in government spending, a 100% National Security Index rating put out by the American Security Council and numerous commendations for service and leadership in the Congress.

And so the curtain has fallen on a life filled with dedication and achievement. Was there one place, one spot which for him meant rest and tranquility, easement from incessant work? There was such a place—his ranch home among his citrus and avocado groves in Southeastern California. There he and Shirley cherished precious peace and privacy. There he spent treasured hours with his children, Peter and Debbie, to whom he leaves the precious legacy of his desire for excellence.

At the time of his death, he was a member of the Loma Linda University Seventh-day Adventist Church. But when he was in Washington, D.C. he regularly attended the Capitol Memorial Church off Connecticut Avenue, the Sligo Church, the Takoma Park Church, or other suburban churches. He was a familiar sight to other worshippers, his Bible always with him.

Jerry L. Pettis, a man for all seasons, a man to match mountains, died on February 14, 1975, at the age of 58. He awaits the call of His Saviour, in whom he believed and whom he served.

He leaves his beloved wife, Shirley; three children, Yvonne, Peter, and Debbie, and hosts of devoted friends from all parts of the world and all walks of life.

The world is richer for his having lived.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from California (Mr. Don H. Clausen).

Mr. Speaker, I yield to the gentleman from Michigan (Mr. Ruppe).

Mr. RUPPE. Mr. Speaker, I thank the gentleman for yielding. I would like to say how appreciative I am for having this opportunity to join the Members present in the tribute we are expressing here this evening to Jerry Pettis. I had the privilege and honor of coming to the 90th Congress with Jerry Pettis. I remember him over the years as a good and loyal friend, as an individual who worked hard for this Congress and who worked hard for his district. Above all, he had boundless enthusiasm both for his work here and for his work in California.

It was mentioned here a few moments ago that he would be today the ranking Member on the Subcommittee on Health, the Ways and Means Committee. I think it was recognized by many people here and throughout the United States that he was ideally suited for that responsibility. I would suggest that no one in the House of Representatives knew more about health and had more of an interest in it or had more of a background in doing things to help people, to further improve the health of mankind than did Jerry Pettis.

One of the things that was expressed as a tribute to Jerry Pettis in California just 2 weeks ago was the remembrance of the tremendous job he had done in developing a mass duplication mechanism for medical tapes so that doctors could be brought up to date on the latest medical developments.

Not only was this the beginning of the Audio Digest Foundation, which has performed a tremendous service for doctors throughout the United States in bringing them up to date as far as the latest in medical technique and latest in medical technology is concerned, but more than that, Jerry Pettis gave his rights to that Audio Digest innovation to the California Medical Association when he left that association, with the one single proviso that the rights and the moneys derived therefrom be used for the benefit of medical students in conducting or furthering their education in California.

As I understand it, since that time, through the Audio Digest Foundation, the California Medical Society has contributed literally millions of dollars to further the medical education of literally hundreds of students in California. Certainly this will be not only a tribute to Jerry, but it will also be used in furthering the education of these people.

This will be a living memory to a man who had no selfishness in him but who had, rather, a keen and everlasting generosity in his dealings with others.

Mr. Speaker, Jerry Pettis for many of us, besides being an associate whom we admired and respected, was very much a friend and an individual with whom we were pleased to be associated on so many occasions.

It is really for that reason that I feel such a very personal loss for Jerry Pettis, and on behalf of my wife Loret and our children, I would like to express to Shirley the great and deep appreciation we feel for having known the Pettis family and for having had so many good years together with them.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from Michigan.

I now yield to the gentleman from New York (Mr. Conable), who was a colleague of Jerry Pettis on the Committee on Ways and Means.

Mr. CONABLE. Mr. Speaker, I thank the gentleman for yielding so I may give testimony to the feelings I think we all share about our friend Jerry Pettis.

Mr. Speaker, I sat next to Jerry Pettis on the Ways and Means Committee. Since he was a fine man, he inevitably became one of my special friends. We are always prejudiced about our friends, Mr. Speaker, but no amount of prejudice could change the basic outline of Jerry Pettis' character as it has been described here today. I shall not repeat the many nice things said about him, but this does not mean I in any way disagree.

I want to add one note about his personality, however. He was an unusual combination of tranquility and activity. His tranquility came from the inner peace of a deeply religious man who had never failed to achieve what he set out to do. His activity was that of a man always reaching out to serve, to understand, and to help.

I revere his memory, and I shall always derive strength from it, just as his body drew strength from his judgment while he was here. I am sure his family, to whom he must have been a tower of strength, will accept the gratitude that we all feel to them for having supported his service here. We all send our love to them, as well, at a time which must be even more difficult for them than it is for us.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman for his remarks.

I yield now to the gentleman from California (Mr. Burgener), who comes from an adjoining district to that of Jerry Pettis.

Mr. BURGENER. Mr. Speaker, I would rather talk about Jerry Pettis' life than about his death. I am sure we all would.

Mr. Speaker, on Thursday, February 13, I spent almost the entire day with Jerry Pettis. We were jointly conducting a public hearing at the north shore of the Solton Sea, where our two congressional districts meet. I presided over the meeting in the morning, and Jerry presided in the afternoon. It was a long and grueling session, with some 30 to 40 witnesses giving testimony. The problem of excess salinity in the sea is a real and a serious one and the witnesses presented their strongly held convictions on the subject. Congressman Pettis' good wife, Shirley was was with him, as was often her custom, during this entire day.

I felt it a privilege to spend that last full day with Jerry Pettis because he was no ordinary man. He was good to be with and somehow seemed to convey to his congressional colleagues that their work was more meaningful and their constituents needs could be better served by a little greater effort on the part of the elected representative. In short, he stimulated all who knew and worked with him to do a little better job.

I count among my most meaningful duties during my short time in this House, the opportunity to work closely with Jerry on problems of the constituents of our adjoining congressional districts. During the slightly more than 2 years I served with Jerry in this House, I was repeatedly impressed by the uniformly high regard for him among all of our colleagues. He was, without doubt, what the Rev. Ray Blakely said in a touching article following his death, a man who cared. He cared deeply for the people he served and he served them well. I know that my colleagues would be interested in the article by Reverend Blakely and I include it at this point in the Record:

[From the Victorville (Calif.) Daily Press, Feb. 21, 1975]

Straight in the Desert: From the Hills Above Banning

(By Rev. Ray Blakely)

They stopped the presses last Friday to get the last word in: a small plane piloted by Rep. Jerry L. Pettis, R-Loma Linda, is missing between Palm Springs and San Bernardino.

Even as the presses rolled again, and the papers went out through Victor Valley, the bad news continued to roll in. The terrible fact became more impossible to reject: Jerry Pettis, one of the finer, more experienced pilots around, has died in hills above Banning, the apparent victim of a howling canyon wind.

There have been many eulogies. There will be more—thousands of words put down in the Congressional Record, each word well-deserved. With the eulogies, a question:

When my turn comes or your turn comes, will they stop the presses as we did for Pettis?

Or will the presses roll and time roll on just as though we'd never checked out at all—or even checked in?

If you're like me, you'll find it considerably more comfortable to leave that question entirely rhetorical for now, further comforting yourself with the religiously valid observation that there are at least a million things immeasurably more important than fame (all of them summed up in one four-letter word from I Corinthians 13), and perhaps even entertaining, despite the steady toll of years, the fond if foolish determination to leave your name somewhere (in whatever few remain) on something besides a tombstone.

So, if you're at all like me, lots of days roll by which you more or less take for granted. Then something like the Pettis crash happens.

"It gives you a sort of weird feeling," I told the office at large as I left for home. "The sheer accident. Pettis is dead, and you're still alive."

Outside, you breathe in deep and then exhale pure gratitude which, for one brief moment, disperses shock and sadness. This is one day, this Valentine's Day, 1975, which you can't just take for granted.

Your own life, somehow continuing with death at every corner, is more miraculous than you can ever say. You drive very carefully home, plop still stunned before the tube, hear it blasting the now-certain news.

Why should it hit you so? Like a member of the family! You're a hard-nosed, thick-skinned newsman, remember? You've written fatal accident stories by the dozen. You've even photographed the mangled bodies and never felt like this. (Newsmen, like doctors, morticians and ministers, learn to operate at one remove, sometimes at least, from human impact—or they neither do their jobs nor survive.)

Maybe it was that 30 minutes in a small room at Barstow's Holiday Inn half a dozen years ago when you were a general assignment reporter for the Desert Dispatch.

It was your first stab at California journalism, and you wanted to do well, so you listened closely to every word. Funny, you can't remember a thing said now. You can't even remember the subject. The closest you can come is that maybe it was that flap about possible closure of the Marine Corps Supply center; or maybe, related to that, it was the need for overall economic development of the city.

He had spoken to the chamber of commerce, and he huddled with the press afterward in those smaller quarters. Your basic impression wasn't changed: Here was a realistic, skillful politician, if there ever was one.

But from that closer view, that only slightly more intimate talk, you began to suspect that maybe, just maybe, here was something more. Judged by the usually superficial yardstick of labels alone (and even, at times, by the more accurate yardstick of actions and votes on some matters of consequence), you stood at different poles both religiously and politically.

So you watched this man over the years and were amazed that he was so frequently available for the watching. Your suspicion grew that maybe, just maybe, this guy really did care about more than the honor, the dignity, the prestige of a Washington office.

Good Lord! What if he was for real?

Heaven wasn't on your beat then, so maybe that's why you became convinced on different, almost entirely observable grounds, that Pettis' "something more" was two simple words:

He cared.

But Monday's Daily Press story of Pettis' death gave the game away. It wasn't quite that simple. The story added four more words, and then you were sure. He cared, at least in part, because he was:

"A deeply religious man. . . ."

The story added at last one other small bit to what you already knew for sure: "Pettis was the only Seventh-day Adventist in Congress." And that denomination's record in this caring business (much as some of us might disagree with its fundamentalism) argues strongly that Pettis' unusual energy in that enterprise was in large part religiously motivated.

His death came as cruel deprivation to his family, friends, and constituents (and I was not the only newsman to feel the impact). But its occurrence in the process of contacting constituents could not have been more characteristic of the man most of us knew, at least a little bit.

Just as it would be impossible to discuss Picasso with no actual reference to art, it seems equally impossible to drive home the strictly religious point of this column without some small example from politics, the field in which Pettis most publicly practiced his religion.

A Tuesday night phone call informed me that members of the Victor Valley College first-year respiratory therapy class, still clinging to some small hope for VVC-provided transportation to clinical training despite the previous Tuesday's governing board denial, had just one week later given way to complete and total despondence.

They'd written to Pettis the Tuesday of the board meeting a report of recent events and a request for action on their behalf. Then came the crash; and their hopes, they said, died with the congressman.

It's only a ready example (and no argument at all for either side in the already settled issue), but it brings out quite sharply, I hope, the specifically religious point of this whole column, the point for which even idealization has been risked a little, if not (I stoutly maintain) indulged in:

Maybe the presses won't stop when this reporter bites the dust, and most likely time will roll on when you roll out. But maybe, just maybe, it will be enough if somebody somewhere has seen in us "something more."

Mr. CHARLES H. WILSON of California. Mr. Speaker, I thank the gentleman.

I yield now to the gentleman from New York (Mr. McEwen).

Mr. McEWEN. Mr. Speaker, I thank the gentleman for yielding and for giving to me the opportunity to express the grief that I share with others here today on the loss of Jerry Pettis.

Here in the Congress we all know that we meet and get to know our colleagues in many places and in many ways, here in the Chamber, in the cloakroom, maybe on the paddle ball court, maybe over meals; and in all of these places I knew Jerry, but most of all I think in the mornings, on some of the quiet times we may have here or relatively quiet times.

I dare say, Mr. Speaker, on 2 or 3 days every week Jerry Pettis and I had breakfast, and it was a thoroughly enjoyable experience always.

As my colleague, the gentleman from New York (Mr. Conable), said, he was a remarkable combination of tranquility and energy. He had a mind that was inquisitive and always active. I guess if one were looking to see if there was a way to build a better mousetrap, whatever it was, and if there was a better way, a more helpful way for people to do things, one would go to Jerry Pettis.

Reference has been made here today to his Audio Digest interest. My colleague, the gentleman from Michigan, referred to it, and my colleague, the gentleman from New York, referred to it. I recall, Mr. Speaker, one morning at breakfast Jerry Pettis told me how he had thought about the lack of eye time, as he described it, that so many of us face so that there is just not time to read all the things that we should read. He related how he thought that the medical profession would come high on that list and that it would be helpful to them to have the medical information out of the latest medical journals on a tape so that they could drive a car and listen to it or listen to it at home, put it on a recorder and listen to it as they relaxed.

Then he concluded. He mentioned that, I believe it was just before he came to Congress, some time ago, he had made this gift of his interest in Audio Digest to the California Medical Association for their medical scholarship program.

In Jerry's words, he said it had been "some help." He did not mention any figure, and I did not inquire as to the extent of his charity, but through others in the beautiful chapel of Loma Linda University I found out, as well all did, how much that "some help" this modest, unassuming man had mentioned was.

As I recall it, Mr. Speaker, the person giving that eulogy said that it came to more than $10 million, and I think all of us thought that yes, it certainly had been "some help."

Jerry is missed by all of us, and to Shirley and his son and daughters I want to join in extending my deepest sympathy on their loss, which we share.

Mr. BOB WILSON. I thank the gentleman from New York for his remarks.

I now yield to the gentleman from California (Mr. Lagomarsino).

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, as a comparative newcomer to Congress, I did not have the opportunity to know Jerry Pettis as long, or as well, as many of my colleagues. However, since one did not have to know Jerry long in order to know his worth as a human being and as a Representative, I share the profound grief felt by Members of this, and past Congresses in which he served.

His untimely death deprived his constituency of a dedicated and respected representative; robbed his colleagues of a good friend; and tragically bereft his family of a husband and father. I know I speak for all here today in saying that we sincerely mourn his passing.

I need not reiterate the many accomplishments of Jerry Pettis the inventor; Jerry Pettis the educator; Jerry Pettis the businessman; Jerry Pettis the benefactor; and, Jerry Pettis the public servant. He was a multifaceted man who offered his talents and capabilities in many fields. Here in the House of Representatives, his valuable and competent service marked him as an effective and well-respected legislator.

Above all he was one of the truly good guys.

I join with the Members of Congress, the California delegation, and his constituency in extending my deepest sympathy to Shirley and the Pettis family.

Mr. BOB WILSON. I thank the gentleman from California.

Mr. RUPPE. Mr. Speaker, will the gentleman yield further?

Mr. BOB WILSON. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Speaker, I would just take this time to note for the benefit of my colleagues from Arizona that Jerry Pettis actually was born and raised in Arizona. I think one of the more interesting aspects of his career and his lifetime really took place in that State, and in the area immediately next to Arizona, because I believe JERRY's first title might well have been "The Flying Parson." As a young Seventh-day Adventist JERRY used his airplane to travel from one part of Arizona to another, holding services in the morning, then perhaps one around noon at another location, and a third later in the afternoon after further flying. He traveled to the more remote parts of Arizona and New Mexico. This I think was a most interesting facet of his very deeply felt religious beliefs. In facts, he at one time participated in the H.M.S. *Richards* program during those years, and it carried over, and at one time he was the announcer for the H.M.S. *Richards* program, and even his pilot, as well.

So, I think as we consider JERRY as a legislator, as a very successful businessman, as a philanthropist from California, that maybe we should consider, above all, that he really was a man of God. His earliest and perhaps in some respects his most exciting and meaningful days were those he spent as a preacher in the Seventh-day Adventist Church.

I think that most of the aspects of JERRY's life are well known, but I think it is the fact that he was so deeply religious and had such firm religious beliefs that these were really the very cornerstone of the way he conducted his life and his activities here in the Capitol, and I am sure it was in many respects radiated to the people of California. I think that this is very well indicated by the vast crowd of people who turned out at Loma Linda to pay their respects to the memory of JERRY PETTIS, and the evidence of their presence showed the very deep respect they had for him, and for his family.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from Michigan for his additional statements. I might also say that I too witnessed the tremendous crowd at the church, and I was most impressed at the number of people who were outside the church, because of no space being available for them, but still they were there outside in their own quietness, paying tribute to this great man.

Mr. McFALL. Mr. Speaker, it is with sorrow that I rise to pay tribute to the memory of our departed colleague, my fellow member of the California delegation and my good friend JERRY PETTIS. The entire Nation is the poorer for his loss. I have respected his abilities and talents since he became a Member of Congress in 1967; my regard readily became friendship, particularly during our service together on the congressional delegation that visited China in 1973.

Before he entered the House, JERRY had already succeeded in a long series of endeavors, any one of which other individuals might have counted as their life's work. It is tragic to have a man of such vast experiences and talents taken from us in the critical times facing this Nation.

In World War II, JERRY was a flyer. After the war, he joined United Airlines as a commercial pilot and rose to become special assistant to the president of United. During this time, he was also one of the early organizers of the Air Line Pilots Association, AFL–CIO.

Not content with his successes as a commercial flyer, JERRY PETTIS turned to teaching. He served as a professor of economics at Loma Linda University. While at the University, he found time to serve as vice president from 1960 to 1964 and as chairman of the board of councilors from 1960 to 1967.

On top of these careers in education and aviation, JERRY turned his ever active mind to the business world. He invented a magnetic tape duplicating device and, as a byproduct, created the firm Magnetic Tape Duplicators. He also founded a consultant firm for radio, television, and the motion picture industry. And, as we all know, JERRY loved nature and the out-of-doors. He was also an avocado and citrus rancher and used to smile about having the country's largest kumquat orchard.

JERRY PETTIS was always concerned about others. As a private citizen, JERRY provided the medical profession with a nonprofit organization that sold to doctors tapes of up-to-date medical research information. Quite in character for JERRY, the earnings from this endeavor were used to help needy medical students. After coming to Congress, JERRY continued this concern for the medical world by leading the effort to build the new medical center in Loma Linda.

JERRY's years in Congress were equally productive in other ways. He was a congressional adviser to the National Commission on Fire Protection and Control in 1970, and was proud of the legislation that grew out of that commission. He sat on the House Space and Aeronautics Committee for several years. And in his years on the Ways and Means Committee, JERRY made a very valuable contribution to the work of the House, bringing to the committee his knowledge of economics, the business world, and the problems facing all individuals concerned with medical care. JERRY had just become the ranking minority member of the Subcommittee on Health. It is indeed a tragedy that JERRY PETTIS was taken from us just as his subcommittee is preparing to consider national health insurance, an area for which JERRY's background had ably prepared him.

I shall greatly miss JERRY PETTIS. During our trip to China, my wife and I developed a great affection for Shirley and JERRY. They were a couple whose lives together expressed that quiet dignity that comes with a reverence for life. JERRY appreciated the deep spiritual bonds uniting all individuals. He possessed a flexible, open mind, a spirit of willingness, and a deep commitment to work for the betterment of our Nation.

JERRY PETTIS was a remarkable man, a man of great personal accomplishment and stature. Shirley and the children receive my greatest sympathy in his passing and my greatest admiration for his life of service.

Mr. BUCHANAN. Mr. Chairman, I thank the distinguished gentleman from California for taking this time in tribute to our colleague, JERRY PETTIS. All who had the privilege of knowing him loved and respected him as a devout Christian, a great humanitarian, a gifted public servant, and as an American inventor, entrepreneur and philanthropist whose story is an inspiration to all who love our country and cherish its way of life. I thank God for his life, his influence, his achievements, and his example. He will be greatly missed.

Mr. ICHORD. Mr. Speaker, it was with a deep sense of personal loss and sadness that I learned of the tragic death of JERRY PETTIS. Since he first came to Congress in 1966, JERRY had not only been a close personal friend of mine but also an outstanding legislator whose talents of compassion, good will, hard work, and excellence were a source of admiration and inspiration to many of his colleagues. JERRY's vigorous crusade for fiscal responsibility in governmental programs and his fine work on the House Ways and Means Committee were greatly appreciated by all of us and particularly his own constituents in California's 33d Congressional District. JERRY has now been called for a higher purpose, but his honors will long continue after him. As Cicero said:

> Nor, in truth, would the honours of illustrious men continue after death, if their own spirits did not make us preserve a longer remembrance of them.

JERRY was a man and legislator of such spirit, and his presence will be sorely missed. I join with JERRY's many friends in this body in extending my heartfelt sympathy to his family.

Mr. MOSS. Mr. Speaker, in the quiet of the evening, the loss of our colleague, JERRY PETTIS, comes particularly hard. He was a man of great ability and great achievement. In his time, he tasted war and victory in war. He was a pilot in a time which honored those who could navigate the air most of all. He was a legislator; a legislator who came to the Congress to give as he had received. Such a one was taken from us in an apparently senseless air accident.

The country has lost a man who had much left to contribute. This alone would be sufficient to validate this solemn convocation. There is a greater loss, however. JERRY represented in his life our own best vision of ourselves, energetic, courageous, loving, and creative. He had a bedrock faith in the ability of intelligence and goodwill to solve apparently intractable problems. In his time in the House, his faith strengthened that of all of us. His passing leaves us not only with one less capable man but with our spirit diminished. For this reason, his loss has been a personal one for me. At this time, memory is our best defense against melancholy. Carla Roberts summed my feeling when she wrote:

> Remember his smiles easily won
> Remember his time shone in the sun
> Remember how great beauty brought him tears
> Remember that he loved us many years.

I and the other members of the California delegation will so remember our colleague, JERRY PETTIS.

Mr. McCLORY. Mr. Speaker, in paying final tribute to our colleague, JERRY PETtis, Congressman from the 37th District of California, one cannot help but acknowledge the complete devotion to worthy and humane causes which characterized the personal and public life of this honored citizen of our land.

In addition to my personal relationship with Jerry Pettis as a fellow Member of Congress, my wife, Doris, and I came to regard Jerry and his devoted wife, Shirley, as good friends who were representatives not only of their constituency in California—but truly representative of the best in terms of high principles and winning personality which our Nation can produce.

Mr. Speaker, the leadership which Jerry Pettis demonstrated as a Member of the U.S. House of Representatives is evidenced by his membership on the Ways and Means Committee as well as on the Republican Policy Committee and in other positions of party and public leadership.

An articulate and persuasive spokesman on major issues affecting our Nation's welfare, Jerry Pettis never boasted of his personal efforts to benefit his fellow man. Still, it is known that by his contributions to his church, the Seventh Day Adventist, as well as in his assistance to many young and deserving individuals aspiring to professional careers in the field of medicine—Jerry Pettis was a substantial benefactor.

Mr. Speaker, his contributions to responsible legislation were evidenced during Jerry Pettis' congressional career in various measures recommended by the House Ways and Means Committee—measures affecting tax reform, social security programs, tariffs, trade and other social welfare and revenue related issues. In addition, Jerry Pettis was instrumental in authorizing legislation dealing with drug addiction and rehabilitation, educational bills, airport and air traffic legislation, and various other congressional programs in which he possessed expertise.

Mr. Speaker, Congressman Jerry Pettis' contributions will endure throughout all time. He has left an indelible record in the pages of our congressional history. The truly sad aspect of this tribute is that Jerry Pettis lost his life in a tragic plane accident on Friday, February 14, 1975.

I join his many other friends in the Congress in mourning his untimely death. My wife, Doris, joins in extending to his wife, Shirley, and his three children, Yvonne, Peter, and Debra, our deep compassion and affection.

Mr. MAHON. Mr. Speaker, I want to join with others in the House in paying tribute to the memory of our late colleague, the Honorable Jerry Pettis of California, who died so tragically earlier this month. I had a profound respect for Jerry and considered him a truly outstanding legislator. Jerry was a great credit to his district, State, and the U.S. Congress, and he will be sorely missed. He leaves a rich legacy of accomplishment in behalf of his fellow man.

I join in mourning the passing of this great American and in expressing my sympathy to the loved ones he left behind.

Mr. EDWARDS of Alabama. Mr. Speaker, it is with great sorrow and deep regret that I join with the others here on the House floor today to pay tribute to our late colleague and dear friend, Jerry Pettis.

I was shocked when I learned of his untimely death and I want to extend my heartfelt sympathy to Jerry's wife and family.

Jerry was an outstanding legislator and his service to his constituency and his fine contribution to this country will certainly be missed.

His charity, his faith, his devotion to his God and family were an inspiration to all of us. It can be truly said that Jerry Pettis was an outstanding man who was great because he was more concerned for his fellow man than himself.

His years in the House were short, but our fond recollections of Jerry Pettis shall be long lasting.

Mr. THONE. Mr. Speaker, I have been a great admirer of the work of Representative Jerry Pettis in the House of Representatives. Others have testified more eloquently than I could as to his effectiveness as a Congressman.

Since Jerry Pettis once served as a college instructor in Nebraska in the district I represent, I would like to pay tribute to his contributions there. During the school year 1941–42, Jerry Pettis was the pastor of a Seventh Day Adventist Church in Kansas, City, Mo., and also a part-time instructor at Union College in Lincoln, Nebr. He commuted in his own plane. During the school year 1942–43, he was a full-time instructor at this Seventh Day Adventist institution of higher education.

Jerry Pettis and I were not acquainted during those years. In recent months, however, we visited several times about those days. And we visited about his 1971 return to Union College to give the commencement address. In 1975, he was still interested in the progress of Lincoln and talked about how he enjoyed living there. In 1975, he was still keeping up to date with the growth and development of Union College.

At Union College, Jerry Pettis taught courses in rhetoric, parliamentary procedure and oral interpretation. Several alumni of those classes are working today in communication departments of universities. One of them, Dr. Jerry Lien of Southern Missionary College of Collegedale, Tenn., described Jerry Pettis as "one of the most outstanding teachers of speech—his teaching was characterized by inspiration and practicality."

Five of those words provide a summation of the work of Jerry Pettis as a Member of Congress: "Characterized by inspiration and practicality."

Mr. NIX. Mr. Speaker, it was with great sorrow that I learned of the sudden and tragic death of Jerry Pettis, our distinguished colleague from California. Jerry Pettis was a dedicated and brilliant Member of Congress, and we shall miss his great contribution to the work of this House.

Most men only wish for themselves success in one chosen field or profession. Jerry Pettis was one of those men who possess the talent and the capacity for hard work that leads to success in many fields. He was a successful businessman and rancher. He was a great leader in the field of aviation, being both an airline pilot and an airline executive. And he was also a professor of economics.

Fortunately for our country, Jerry Pettis decided to put his great ability to work in the field of government. He was in his fifth term in the House of Representatives when this tragic accident cut his life short. He was a conscientious and able legislator, who brought his great knowledge and experience to bear on the problems facing the Nation. He served with distinction on the Committee on Science and Astronautics and on the Committee on Ways and Means.

Finally, Jerry Pettis was also a dedicated servant of his constituents, flying in his own airplane to the towns and cities in his farflung district. I know that he will be sorely missed by his constituents, as he will by his colleagues.

Those of us who have had the privilege of serving with him will remember him not only as a dedicated public servant, but as a fine and decent man and a good friend.

Mr. DERWINSKI. Mr. Speaker, I join my colleagues in paying a special tribute to Jerry Pettis, whose tragic and untimely passing has left almost an irreplaceable void in the House of Representatives. I personally felt a deep sense of loss on learning of Jerry's death because I had worked closely with him on a number of international conferences in which he was a most effective spokesman for our country, its institutions and its dynamic economic system.

Jerry Pettis was a very devoted public servant and most diligent in the discharge of his congressional responsibilities. As a Member of the House Ways and Means Committee, he carried his responsibilities with a sense of deep concern knowing that the committee's actions affect almost every American. He was an objective man, especially in analyzing the great issues before our country.

Jerry Pettis was a man of compassion, goodwill, and foresight. He was a very fine religious individual and believed thoroughly in spiritual values as an important part of life. Many of us here noted the special human qualities of this distinguished gentleman which were so readily apparent to all who shared his company. The absolute integrity of Jerry, in conjunction with his sensitivity to the needs of others, enabled him to command the complete respect of all of us in Congress.

Jerry was truly dedicated to public service, and lived up to the full measures of his responsibilities. He leaves rich memories for all of us in public office.

Mr. Speaker, Mrs. Derwinski joins me in expressing our most profound and heartfelt sympathy to his gracious and lovely wife Shirley and their three children, Yvonne, Peter, and Debra.

Mr. ANDERSON of California. Mr. Speaker, I would like to take this moment for a brief memorial to our late colleague, the Honorable Jerry L. Pettis of California.

Jerry Pettis' recent death in a tragic airplane accident was a tremendous loss which shall be deeply felt. It will be most deeply felt by his wife, Shirley, and his family, to whom I extend my sincere condolences.

The death of Jerry Pettis will also be felt by his colleagues in the House of Representatives, and by the people of his district, to whom he devoted the last 8 years of his life in unparalleled service and devoted representation in the halls of Congress.

I believe many of my colleagues will agree with me when I say that it was an honor to serve with Jerry Pettis. He was known to us as a man of tremendous ability and integrity, a man who was honest in his convictions and who never shied away from his responsibilities.

Jerry's untimely death cut short a distinguished career of 8 years in Congress. Before he entered public life, Jerry Pettis had already led a productive and successful life. A pilot during World War II, Jerry served as a commercial pilot for United Airlines. He was a successful businessman. He was an educator, serving as an economics professor at Loma Linda University, a campus which he helped to build. He was a successful inventor. A deeply religious man, Jerry Pettis was a minister of the Seventh Day Adventist faith.

Jerry Pettis was a successful man long before he came to Congress, and his success carried on during his tenure in the House. His service on the Ways and Means Committee was particularly outstanding. The record of personal service and the reputation he leaves behind will serve as examples for all of us to strive to attain.

Mr. Speaker, Jerry Pettis' death was a tragic event, and my wife Lee joins me in sending our heartfelt condolences to his wife, Shirley, and their children, Peter, Deborah, and Yvonne.

Mr. WAGGONNER. Mr. Speaker, our beloved and respected colleague, Jerry Pettis of California, was the kind of man who enriched the lives of those who were privileged to have known him. His untimely and tragic death is indeed an occasion of sadness at the loss of this wonderful friend and esteemed legislator.

His time of service to this Congress was all too short, but his life of service to his country, his community, and humanity was long, indeed.

It was a privilege for me to have served with him in numerous capacities here in Congress. We worked together on the Science and Astronautics Committee. We served together on the Ways and Means Committee and on the Health Subommittee. In each endeavor, Jerry Pettis drew on his rich and varied experience and background to serve the people of this country. He had prepared himself well for his role in Congress, and his legislative accomplishments are a credit to the people who elected him.

Jerry Pettis was a good citizen, deeply involved in the task of bettering his community and the lives of the people he served. He played key roles in building two hospitals in his hometown to serve the medical needs of its citizens. He unselfishly used his talents as an inventor to assist in the education of needy medical students throughout the country, and to help doctors expand their knowledge of modern medical techniques.

As a citizen-soldier during World War II, Jerry Pettis distinguished himself in the service of his country as a pilot in the Pacific theater.

He was successful as a businessman, rancher, and educator.

A deeply religious man, Jerry Pettis was instrumental in the founding of Loma Linda University by his church, where he later taught economics and served in the administration.

All these qualities, coupled with a deep sense of personal humility, added up to a total life of service, worthy of admiration and respect.

At this time, we mourn too with his wife, Shirley, and their three children. Theirs is the greatest loss, because theirs was a close family. Our prayers are with them.

We have lost an honorable friend, a trusted colleague and a great American.

Mr. CRANE. Mr. Speaker, when the plane piloted by our colleague, Jerry L. Pettis, crashed in the mountains of California, Congress and the Nation lost a valued friend. As one who had come to know Jerry Pettis, not just as a competent legislator but also as a personal friend, his death comes as a tremendous blow and my heart goes out, in sympathy, to his wife, Shirley, his children, and the rest of his family. He will certainly be missed.

It is almost ironic that Jerry Pettis should have died in a plane crash. For 35 years he had been flying airplanes, as a search and rescue pilot for the Colorado Civil Air Patrol, as an air transport command pilot during World War II, as a commercial airline pilot before coming to Congress, and lastly, as his own pilot, in order to better serve his congressional district. His dedication to flying, and the contributions he made to the country by his efforts in the field of aviation, were typical of Jerry Pettis' whole attitude toward life. He strove to excel, to accomplish, and to contribute and, in retrospect, it must be said that he did all three exceedingly well.

While not a man to brag, Jerry Pettis was far more than an aviator turned legislator. Before coming to Congress just 8 short years ago, Jerry Pettis has been a successful inventor, electronic media and motion picture consultant, economics professor, and businessman. In addition, he was a very strong religious and family man, a man who knew the meaning of the word responsibility and a man willing to shoulder its burdens.

As others have said, Jerry Pettis ran for Congress, not for reasons of personal gratification, but in order to contribute his years of experience and expertise in a wide variety of fields in the hope of making America a better place to live. He knew the value from both a practical and theoretical standpoint, of the free enterprise system and he believed in the values that have made this Nation great. And even more important, he was willing to make the sacrifices necessary to put his beliefs to work here in the halls of Congress.

Everyone who worked with Jerry Pettis knew how hard he worked and how disciplined he was. When something needed doing he was there to do it, whether it be here in Washington or back in his district.

Each Congress presents its share of challenges and opportunities, but one of the opportunities I was really looking forward to in the 94th Congress was working with Jerry Pettis on the House Ways and Means Committee. During the few short weeks we did have to work together, all the things I already knew about his dedication to principle and hard work were reinforced. In his own way, he was making an invaluable contribution to the workings of that committee and it will suffer from his absence.

It is not often one gets to meet, much less to know and work with, a man of the caliber of Jerry Pettis. For those of us who have had that opportunity, we are thankful for it at the same time we mourn our loss; for those who were not fortunate, their loss is even greater. Congress and the United States will truly miss a real gentleman.

Mr. ADDABBO. Mr. Speaker, I rise to join my colleagues in eulogizing our late colleague, the Honorable Jerry L. Pettis of California, whose tragic passing shocked us all. I have known Jerry for many years and have admired his intelligence and practical experience which he combined to win the respect of Members on both sides of the aisle.

Jerry Pettis was a leader among us in the House and he will be missed for his dedicated approach to the issues facing our Nation. As a member of the Ways and Means Committee he served the State of California and the Nation as an effective spokesman on crucial problems. As a former commercial pilot and a dedicated fellow member of Congressional Civil Air Patrol he brought to us a deep understanding of the importance of air safety together with a love of flying which tragically and without warning, ended his outstanding career as a public servant.

It is impossible to express the sense of loss which we all feel; however, I do want to extend my sympathies to Jerry's lovely wife, Shirley, and the three Pettis children. We appreciate the all too brief period of time we had to know Jerry Pettis as a Member of Congress and as a friend and we hope the memory of his years of active service to our country will sustain his family and friends in this time of sorrow.

Mr. MORGAN. Mr. Speaker, when I learned of Jerry's untimely death, I was filled with a deep sense of personal loss. Although he represented a district at the other end of the country from mine, we became friends, and I know that all of my colleagues share my feelings for this fine man and legislator.

Jerry's service on the Ways and Means Committee earned him the respect of all his colleagues. He was a source of wise counsel to me, and his record of achievement before he entered this Chamber continued while he served in this House.

In 1973, my wife and I went to China with Jerry and his lovely wife, Shirley, and our friendship became even stronger.

During that momentous trip, I know that our Chinese hosts observed and studied our group as closely as we studied them. JERRY and Shirley were valuable members of the delegation, and our hosts could easily observe the mutual affection among all of us. Mrs. Morgan and I extend our sympathies to Shirley and the family. We will miss him dearly.

Mr. LLOYD of California. Mr. Speaker, it is sad that tributes to such a great man as my good friend JERRY PETTIS come after he has passed on in such tragic circumstances. He was a great man, regardless of how one defines the term. Those of us fortunate enough to have had the opportunity to sit with him in the House of Representatives knew he was a Congressman's Congressman. He was thorough in his research and understanding of legislation, from the beginning of the legislative process to how enacted bills would affect the American people.

His unique grasp of economics was an invaluable asset to the Ways and Means Committee, as well as to the Congress and the Nation. To say that he will be missed does not come close to expressing the vacuum left by his departure.

Nor can it express the profound sense of loss felt by his wife, Shirley, and their fine children. I pray that the strong religious beliefs held dear by JERRY and his family will give them strength to endure.

Those Californians fortunate enough to have had JERRY as their Representative have also suffered a grievous loss. Not only was he a Congressman's Congressman, but he was a true Representative of his constituents.

Not only have JERRY's family, Congress, his constituents, and friends lost a great man, but the field of aviation has lost a best friend. JERRY and I shared in the comradeship of flying, and I know that there was no one more dedicated to air safety and aviation fellowship than JERRY PETTIS.

As I was flying back to Washington with the California delegation and the other honorable Congressmen who attended JERRY's funeral, I thought to myself that JERRY, if he could feel an emotion, was probably angry. Angry that he left so much undone, when the country needs his economic expertise, that he is unable to lend it.

His passing at the young age of 58 seems so tragically wasteful. He was so full of life, so enthusiastic about his work in Congress. I think it can be said that JERRY left us in the prime of his life. He made so many contributions, and he would have made so many more.

Although some 2 weeks have gone by since the tragic news of JERRY's accident, I still find it hard to believe that JERRY will not be available if I give him a call.

JERRY had so much to offer to everyone. He was a distinguished educator, a faithful man of his church, a successful businessman, and an exemplary Congressman. He was an outstanding husband and father. And no one could have a finer friend than JERRY PETTIS. To have known JERRY PETTIS was to have loved, respected, and admired him. I am glad to say that I knew JERRY PETTIS.

Mr. SEBELIUS. Mr. Speaker, I wish at this time to join my many colleagues in paying tribute to JERRY PETTIS.

I think I should state I did not know JERRY from a close personal standpoint or enjoy a relationship that would be described as being a "close friend." However, I believe the measure of a man can fairly be judged by those who observe and work with him as a colleague as well as those who enjoy the privilege of a close personal friendship.

In observing JERRY PETTIS in his work within this body, the following attributes will always be recalled in my memory. First, he was a religious man and his contributions and membership within the Congressional Prayer Breakfast were appreciated by all within this organization.

Second, I was always impressed by his dedication to his job. The people of the 33d district of California were truly fortunate to have as their representative a man who was most serious in his intent, thorough, effective in his work and admired by his colleagues.

I was especially struck by the comments made last February 17 by my colleague, the Honorable ROBERT LAGOMARSINO, when he spoke of the example of JERRY PETTIS. I would simply like to say JERRY's service within the House was exemplary in every respect and through self-reflections I believe we can all benefit from his example.

I remember well the times when I witnessed JERRY eating breakfast by himself in the House dining room getting organized and doing his homework for the coming day. I will miss him, and more importantly, we will all miss his fine example and the contributions he made in behalf of his constituency in California and our Nation.

Mr. DE LA GARZA. Mr. Speaker, JERRY PETTIS was no ordinary man. I knew him as a friend and highly esteemed colleague, a dedicated public servant who took his duties seriously. He was a credit to the California delegation, which can rightly pride itself on having so many distinguished members.

Long before he became a Member of the House, JERRY PETTIS had rendered outstanding service to his country as a flyer in World War II. He was an inventor of no little ability, a businessman, and an educator, and a fine human being.

He will be missed in the House. He will be missed by all who knew him.

Mr. CEDERBERG. Mr. Speaker, it is with the greatest sadness that I pay tribute to our recently departed colleague from California, JERRY PETTIS. Even now it is difficult to imagine his absence from the 94th Congress.

He was a man in his prime, who had accomplished so much and yet offered promise of so much more. A man of many abilities, he reached the heights of accomplishment as a businessman, educator, pilot, and finally as a Congressman. Just as his political career was blossoming he had attained a position of leadership within his party, he was overwhelmed by a freak act of nature.

Respected by all, JERRY PETTIS will be remembered for his astute political sense, his strong patriotic sentiments, his total dedication to the system of government which had provided him with so many prosperous opportunities, and his overwhelming desire to repay that system with totally committed and concerned public service. There can be no doubt that his motives were not selfish for he had attained every goal identified with success. His only fault would be that he tried to give so much of himself to all those and everything around him.

A wonderful family man, he leaves behind him a lovely wife, Shirley, and three beautiful children, Yvonne, Peter, and Debra. To them all, Mrs. Cederberg and I extend our unbounded sympathy and we sincerely hope that the sorrow fostered by this tragedy will soon pass for them.

As for this body, we can best honor JERRY with our continued dedication to those ideals in which he believed and for which he struggled. Our actions, a memorial for all to see, will demonstrate our respect for the man, our commitment to his belief in an equal representation for all interests, and our emulation of his constant striving for a better Congress.

I am sure that my colleagues from both sides of the aisle join me when I say that JERRY PETTIS will be sorely missed. The absence of his contribution to our proceedings will certainly be our loss but let us carry with us the memory of JERRY PETTIS—a man who would not want to be eulogized but only remembered as a hard working colleague and a personal friend to all.

Mr. WYLIE. Mr. Speaker, the people of southern California and the Nation have lost a true public servant with the recent death of Congressman JERRY L. PETTIS in the crash of his private plane.

JERRY's death was particularly grievous for me as we were both members of the 90th Congress Club. Thus, it was in this context that JERRY and I became friends.

As others have already observed, JERRY PETTIS led a very diversified and exceptional life, both as a private citizen and public servant. In his last bid for reelection, JERRY won with a margin of 2 to 1, which certainly indicates his popularity and ability as Representative to the 33d District of California.

My wife, Marjorie, joins me in conveying our deepest and sincerest sympathies to Shirley during this most difficult period. Words cannot adequately reflect the deep loss we feel.

Mrs. BURKE of California. Mr. Speaker, those of us who knew and worked with JERRY PETTIS recognize his tragic death as a great loss to the country and the Congress. My deepest sympathies go out to his family who I hope will find comfort in the knowledge that JERRY PETTIS was an esteemed and respected member of the House of Representatives.

The Nation has lost the services of an enormously thoughtful and industrious man. The breadth and depth of his interests were almost unique in the House. From personal knowledge, I know that JERRY was an aviator, an avid tennis player, a desert conservationist, an inventor, and a well-respected citrus/avocado rancher. I suspect, Mr. Chairman, he had many other areas of expertise that I knew nothing about.

Jerry's District was the 33d Congressional District of California. He was well-suited to represent the area for he had an abiding love for the desert of southern California. Last year, Jerry sought to preserve our endangered desert areas by introducing the California Desert Protection Act.

Jerry was also very close to the people who lived in the large desert areas of the 33d District and he was particularly concerned about their lack of adequate medical facilities. The result of that concern is a new, 550-bed, VA hospital in Loma Linda. His tragic death has cut short the other plans he had for improving medical facilities in the district.

He was a great humanitarian, raising millions of dollars for scholarships, hospitals, and aid to the less fortunate.

Mr. Chairman, without question Jerry Pettis' first love was public service. He was known as a hard working dedicated lawmaker. The people of his district, California, and the Nation have lost a great statesman.

It was an honor to have known and served in the House of Representatives with a man of his stature.

Mr. BEVILL. Mr. Speaker, I was left with a deep sorrow upon learning of the tragic death of my dear friend and colleague, Congressman Jerry Pettis.

My wife Lou and I had come to know, respect and admire Jerry and his lovely wife Shirley.

Jerry Pettis was a fine person. A good father, an able businessman, he was, in my judgment, one of the most able Members to serve in the U.S. House of Representatives. His energy, hard work, integrity, and sense of purpose will be greatly missed in this body.

I will always remember my association with Jerry and I will treasure the memories of our friendship.

Congressman Pettis' dedication, sound judgment, and ability to look at problems in a reasonable and fair manner earned him the respect of his colleagues. He leaves behind an outstanding record of accomplishment.

Few men in public life have shown more understanding of the legislative process. For me, Jerry was an inspiring example of a dedicated public servant. I feel the loss of a very dear friend.

Mr. LEGGETT. Mr. Speaker, with sorrow I join my colleagues of the Congress in a brief farewell for the record to our fallen brother in the Congress, Jerry Pettis.

Jerry graduated from the Pacific Union Adventist College high in the clouds on a plateau overlooking the Napa Valley in 1938. He became a legend in the Congress before his election in 1967. How could a plain airline pilot defeat an able incumbent Democrat in the U.S. Congress? We soon found out—a man of calm demeanor but obvious strength. We soon discovered we had a man of creativity in our midst—not only an airline pilot, but a college professor of economics, an inventor of important magnetic tape duplication capability, an entrepreneur extraordinaire who apparently was more than successful in a number of private ventures, a search and rescue pilot, a World War II air transport command pilot, and as he stated many times "the largest cumquat grower in the West." Jerry brought all of these talents to Washington along with his beautiful wife, Shirley.

The House recognized his talents both in effecting his appointment to the Ways and Means Committee and in his election as deputy minority whip.

Jerry brought talent, devotion, and capability to the House of Representatives. I consider his death a personal tragedy and a tragedy for the people of the State of California. My wife, Barbara, and I extend our very best wishes to Shirley and the family in this time of personal crisis.

Mr. GUYER. Mr. Speaker, the tragic and untimely passing of Jerry Pettis was an irreparable loss to all America. Jerry was one of the most unheralded Members of the Congress, yet one of its finest and most gifted sons.

His quiet and unpretentious manner shielded many from knowing the profundity of his dedication, devotion, and generosity to his community, his party, his church, and his country.

While not being privileged to know Jerry for a great period of time, it took little time to recognize that this man was one of the very few of our times, who lived and loved what he esteemed and believed. Sealing his words with his deeds, Jerry Pettis left a monument to memory in translating love into action. Truly he lived, he loved, and he understood. Such a man never dies. "Blessed are they who die in the Lord, and their works do follow them."

Mr. VIGORITO. Mr. Speaker, I share the sorrow and deep regret with my colleagues at the tragic death of a much respected and admired Member of Congress, Jerry Pettis.

Congressman Pettis gave 8 years of distinguished service in the House of Representatives to his people in southern California. His outstanding congressional career followed many years of achievement as a businessman and educator in California. Jerry Pettis was an exceptional public servant, a genial person, and a devoted family man. We in the Congress will all miss him.

Mr. LUJAN. Mr. Speaker, I am only one of many who will offer words of sorrow and praise for our colleague Jerry Pettis for his was respected and liked by all in this House.

And while we all feel a sense of sadness and loss at Jerry's untimely death, we should feel a definite uplifting of our spirits when we review the accomplishments of this man, not only in his years in Congress but throughout his life.

Jerry was a man of extraordinary ability who did more in 58 years than two or three men usually do. He was a man of the Earth, a rancher in the farmlands of southern California. He was a man who served his country in the finest manner in the Second World War as a pilot. He was an inventor, the founder of companies, a college professor, and later the vice president of Loma Linda University.

He has been a commercial pilot and was the special assistant to the president of United Airlines when it was in its infancy. He served as a congressional advisor to the National Commission on Fire Prevention and Control. And, of course, he has served the State of California as a most able Congressman in the House of Representatives since his election in 1966 until the present.

But probably his greatest legacy is that he was a good husband, a fine father, and a friend to many of us. In this time of such hardship for Jerry's wife, Shirley, and his children, they hopefully will find comfort in knowing the respect and admiration his colleagues and peers had for Jerry. I personally have lost a good friend and I will miss him.

Mr. ANDREWS of North Dakota. Mr. Speaker, I wish to take this opportunity to join my many colleagues in expressing a deep sense of loss in the tragic death of Jerry Pettis. Congress needs more men like Jerry.

He was a successful, practical businessman, and his approach to legislation was made on this basis.

He will be sorely missed on his Committee on Ways and Means and as deputy whip of my party and by the House as a whole. I shall miss him as a personal friend and a colleague whose counsel I trusted at all times.

Mr. COLLINS of Texas. Mr. Speaker, Jerry Pettis was a great man. I considered Jerry to be the most competent Member of Congress. He was a self-made business capitalist. He built his business as a pioneer in its field. In becoming a millionaire, he conceived ideas that were new and dynamic.

From his first days in business when he worked his way up through United Airlines until he became assistant to the president, he developed keen insight into every phase of their industrial operation. I remember when I asked Jerry how he happened to evolve into that position. He said that he asked the president of United so many questions that the president called him in one day and said he wanted to make him his assistant so he could answer all the questions and save them both time.

The great thing about Jerry Pettis was the fact that he not only asked questions, but that he analyzed down to the base of every issue and found all of the answers.

His knowledge of matters before the Ways and Means Committee was excelled by no one. But more than Congress, he had a feel for every town and every person in his district in California. California was represented with distinction in the five terms that Jerry Pettis served.

Jerry was a great believer in education. He was the guiding father of Loma Linda University serving as chairman of its board from 1960 to 1967. His interest in this fine Christian college was its greatest source of strength.

Jerry Pettis was highly respected. His knowledge of business, fiscal responsibility, legislative procedures, and day-to-day problems of the world gained the respect and admiration of all his colleagues. Jerry was successful, because he worked hard and combined this energetic activity with his strong Christian character.

Dee and I extend our sincerest sympathy to his wife, Shirley, and their three lovely children. His sudden death was a shock to this country. But the achievements of JERRY PETTIS in Congress will be a memorial for all posterity. JERRY was a warm friend, and a man this country will always remember.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, it was with profound grief that we all learned of the untimely death of Congressman JERRY L. PETTIS. JERRY was highly respected by all Members, and he was indeed one of the finest men in the Congress.

He was a kind, just, and courteous man who held strong religious convictions, and he was recognized as a hard-working and dedicated legislator. JERRY had a brilliant future ahead of him, which was cut short by his passing. As someone once said:

> I expect to pass through this world but once; any good thing therefore that I can do, or any kindness that I can show to any fellow creature, let me do it now; let me not defer or neglect it, for I shall not pass this way again.

Yes, Mr. Speaker, JERRY will not pass this way again, but his good works will live long after him. Mrs. Johnson and I extend our deepest sympathies to Mrs. Pettis and the children at this great loss to our Nation.

Mr. McDADE. Mr. Speaker, this House has been greatly saddened by the loss of our colleague, JERRY PETTIS. He was an astonishing man. He was an inventor. He could have taken his talents as an inventor to make a staggering fortune for himself. He chose not to do so. When he pursued his ideas to the point of production of a new product, he gave away the profits from that profit to the people of his district. When he conceived a new idea which could easily be translated into a new and profitable invention, he gave away the idea to someone in his community, so that his people would profit from his genius.

He was a minister of religion. He had such an enthusiasm for the spread of the word of God, that he flew his own plane into remote hamlets so that no one would be without the Gospel he wished to bring to them.

He was an outstanding pilot. During the Second World War he flew transports over the most challenging air route in the world, the route known as "the Hump" in the Asiatic theater of war. He then became an airline pilot, and was the founder of the Airline Pilots Association. It is through that association that new and significant safety rules were developed for the safeguard, not only of the pilots, but of the millions of passengers who ride the airlines yearly.

He was a Congressman. He was a devoted, intelligent, and learned Congressman, who gave to his duties in Congress the same devotion and intensity he had given every other job he had ever undertaken.

His loss is a great loss to his people and his Nation. It is also a great personal loss to me. He was an outstanding man, a fine friend, and the sort of Congressman all of us might consider as a model of personal and professional excellence.

Mr. FREY. Mr. Speaker, I join with my colleagues in the Congress in expressing a deep sense of loss over the tragic and untimely death of the gentleman from the 33d District of California. It just does not seem right.

I have had the privilege of knowing JERRY ever since I came to Washington 6½ years ago. As everyone knows and recognizes, he was an outstanding Congressman. He did his job, he did it well, and he knew what he was doing. The personal side of JERRY PETTIS revealed a man who cared about other people and was not afraid to reach out and help. I had this happen to me personally. My district includes the Cape area where the space program is most important. When I first arrived and was appointed to the space committee, I found that I was unable to get on the Manned Spaced Subcommittee. This was obviously key to my survival. It seemed that a Congressman from California, a Mr. PETTIS, was on the subcommittee, outranked me, and wanted to stay on that particular subcommittee. One of the old Members suggested that the gentleman from California was quite an individual and why did not I go talk with him, explain my problem, and see if there was any way he could help. I frankly thought it was a hopeless mission, but I went over and did discuss it with JERRY. After listening for a while, he said:

> Well, I really want to be on that committee but it makes a lot more sense for you to be and it would help you more.

And so, he removed himself from consideration and allowed me to go on that subcommittee.

That is just a small example of the wonderful human being and wonderful person for whom we had so much affection and respect. There is much more that could be said, yet words seem so inadequate. Our prayers, our thoughts and sympathy are with his family. He has done much that will live forever. The Congress and this country are better for his being here.

Mr. COTTER. Mr. Speaker, it was with deep sadness that I learned of the untimely death of a friend and colleague, JERRY PETTIS. The late Representative was a much admired and well-liked man; we of the House, and especially his fellow members of the Ways and Means Committee, will miss him in the years ahead.

JERRY was a very successful man in many fields. After service in World War II, he embarked upon a career in civil aviation and also found time to teach at Loma Linda University in California. JERRY rose to become vice president of the university and chairman of its board of councilors. In 1967 he left the academic world to enter the 90th Congress.

During these years JERRY was also a successful rancher on the fertile land of his district. He was a determined man and found laudable achievement possible in more than one career. Like myself, he served first on the House Science and Astronautics Committee; and then on the Ways and Means Committee. JERRY brought his special abilities to each of these areas and again found success.

I extend my profound sympathies to the family of JERRY PETTIS. He was a good man and a good representative of the people in the House of Representatives.

Mr. FRASER. Mr. Speaker, the accident that resulted in the death of JERRY L. PETTIS took from us a hard-working and decent human being.

He was a man of broad experience, having pursued careers in agriculture, aviation, business, and education, the sort of person who has much to offer a representative body such as this House. And JERRY PETTIS not only had the capacity to be a good representative, he delivered on his promise.

His wife and children have lost a husband and father. We have lost a colleague. And because JERRY PETTIS gave full meaning to these relationships, there is no need to search for adjectives to describe them. He was a husband and a father and a colleague in the best and fullest sense of these words.

Mr. SARASIN. Mr. Speaker, I want to join my colleagues in expressing my deep sense of loss at the untimely and tragic death of Congressman JERRY PETTIS. My sympathy goes, of course, to his family, deprived of a fine husband and father. My sympathy also extends to his constituents, who have lost an able and dedicated representative, a man who exemplified the very finest tradition of public service.

While I only had the privilege of serving with JERRY for 2 short years, I came to know and respect him. He was an outstanding legislator and a great human being. There is little I can add to the many well-deserved tributes already voiced in this Chamber except to note that the House of Representatives and the entire country are poorer for the loss of JERRY PETTIS.

Mr. FORD of Michigan. Mr. Speaker, I join my colleagues today in paying tribute to JERRY PETTIS. Like you and them, I was shocked and grieved to learn of his tragic, untimely death in an airplane crash.

Although we sat on different sides of the aisle, I found JERRY to be a fine gentleman and a sincere and dedicated Member of the House, always willing to consider all positions before making up his mind on an issue.

His death will be a great loss to his State and to this Congress, as well as to his family. I know that his wife and children take great comfort in knowing that he lived a full and satisfying life, and that he was held in the highest esteem by all who knew him.

Mr. HORTON. Mr. Speaker, I wish to join with my fellow House Members in expressing profound sorrow over the death of our colleague, JERRY PETTIS. JERRY was a close friend of mine for whom I have the highest regard and affection. I valued his counsel as did all of us who knew JERRY as a man of high principle whose word could be trusted.

Few individuals have served in this Chamber with equal dedication. JERRY was a remarkably inventive and resourceful man and his death is a tragic loss to our country at a time when we need men of his wisdom and insight.

Jerry Pettis excelled in every endeavor of his outstanding career and his memory can best be served by rededicating ourselves to his exemplary standards of public service.

Mr. REUSS. Mr. Speaker, I was shocked, as we all were, to hear of the recent plane crash which took the life of our colleague, Congressman Jerry L. Pettis of California. All of us share in the sorrow at his tragic death.

His was a distinguished career—as a serviceman, an educator, a businessman, and a Member of Congress. Though we sat on different sides of the aisle, I always had the highest regard for his ability and energy, and I know that he served with diligence in the interests of his constituents in the 33d District of California.

Jerry Pettis will be missed in this House. I know I speak for us all when I extend my sincere sympathy to his family.

Mr. NEDZI. Mr. Speaker, the tragic death of Congressman Jerry Pettis was a heavy blow to his colleagues in the House, to his constituents, and to his many, many friends.

It is no exaggeration to add that his passing was also a heavy loss to the Nation.

Jerry Pettis, a youthful-looking 58, had one of the most remarkable backgrounds in public life—pilot, inventor, businessman, educator, economist, politician.

I knew Jerry Pettis as a good Congressman, a good man, and a personal friend. Although we had our differences on partisan issues, I always felt that he was reasonable, and a man one could work with in confidence. Indeed, we first became friendly when we cosponsored legislation nearly a decade ago.

I should add that my staff shared my distress at Jerry Pettis' death because they had come to know him in the informal Capitol Hill softball league. The Nedzi and Pettis teams frequently played against each other and Jerry was often in the line-up.

It was with real regret that we face the remainder of this session and future sessions without Jerry Pettis in our congressional line-up.

I extend my sympathy to his wife and children.

Mr. DENT. Mr. Speaker, throughout the almost constant partisan disagreements and the obvious differences that occur daily here in Congress, one still senses the comraderie that exists among all Members of Congress, regardless of party lines, of special caucuses, of sex, of color of skin, of creed or any other difference. This comraderie comes to feeling and mind most especially when one of those among us dies. And so it was that I was reminded of this special tie that binds us all when I learned of the death of the Honorable Jerry L. Pettis, our colleague from the State of California.

This was indeed a tragic death in every sense of that word. For here was a man who was born to the sky, so to speak, and much of the importance of his life was expended in and because of the sky. Here was a man who had much more to offer this body of Government, and indeed this country, in service. Here was a man who died in the process of that service, at the fateful whim of his special place, the sky.

I happen to have had some experience with planes, as a ground crewman in the Marine Corps, and I have consequently had much experience with those who fly the planes. I have an empathy with what Jerry Pettis felt about flying, and I find particular irony and tragedy in his death. Perhaps we might find some solace in the paraphrasing of this quotation, by Richard Bach, who himself flies and is the author of "Jonathan Livingstone Seagull:" "The man sees farthest who flies highest." I would like to believe that Jerry Pettis has achieved such sight and altitude, and I would pray that he has.

Mr. ABDNOR. Mr. Speaker, like all of the rest of you, I was stunned by the death of Jerry Pettis, but the impact was even greater when, upon returning to Washington from South Dakota, I found that one of the last things Jerry had done before leaving for California was to write a letter, which was an unexpected personal favor for me. It was typically a thoughtful gesture on his part.

Those of us in the Congress are not only going to miss the special insights and consideration he gave to his legislative work, but we are going to miss his warm friendship even more. The tremendous personal example he set under all circumstances challenged all of us to try harder. For this we are grateful.

While many of us will be speaking many words in tribute to Jerry Pettis, I would hope that some of those words will also serve to create a more fitting memorial. One of Jerry's finest efforts was designed to protect what remains of the great California Desert and the historical heritage it contains for all Americans. His renewed effort in this regard is embodied in H.R. 820.

Most of the land in the California Desert is public land, and there exists in this public land one of the largest and richest concentrations of prehistoric art in the world, Indian rock carvings known as petroglyphs. Some of them are thought to be at least 5,000 years old. Like the pyramids of ancient Egypt, these ancient carvings are being subjected to the plunder of souvenir hunters and the obliteration of vandals. They are even being pried away and carted off for sale as decorations. H.R. 820 will fill a gap in the present law and will give the Bureau of Land Management the authority it now lacks to protect the petroglyphs and the desert environment generally.

To further this work, I, together with Bob Wilson have had H.R. 820 redrafted with the added provision that this area be named the Jerry Pettis National Conservation Area, and am reintroducing this measure today. I invite my colleagues to join in cosponsorship and to quickly complete the work we must do on this project which was so close to Jerry's heart.

Mr. ROSTENKOWSKI. Mr. Speaker, today I join my colleagues in expressing the deep sense of loss we all feel at the death of our good friend, the Honorable Jerry L. Pettis.

I had the honor and the pleasure of serving on the Ways and Means Committee with Jerry Pettis and I know firsthand what a dedicated representative he was. Not only will my committee suffer the loss of this untiring, unselfish man, but the entire Nation will feel the void created by his untimely departure.

I not only had the privilege to serve on the Ways and Means Committee with Jerry, he was also the ranking minority member of my Subcommittee on Health. Our subcommittee had just begun to lay the organizational foundation on which we will construct a national health program and I was counting on Jerry's inspiration, energy, and insight throughout our deliberations.

Although we sat on different sides of the aisle, Jerry's synergetic approach was pervasive. I was also looking forward to his participation on my Subcommittee on Health because his real commitment was to mankind and not to just one small geographic area.

I once had the occasion to travel to Arizona with Jerry and it was on that trip that I realized what an absolutely warm and tender human being he was. I knew Jerry—the Washington legislator and statesman—not the Loma Linda Californian.

Last week, I had the privilege of being a member of the congressional delegation at Jerry's funeral. I was tremendously impressed by the love and admiration shown for him by his neighbors. I learned of his genius and his generosity.

I would like to extend to his wife and children my deepest sympathies.

Mr. GIBBONS. Mr. Speaker, I had an opportunity to get to know Congressman Jerry Pettis. He was a fine gentleman, and a very able Member of Congress. He enjoyed his work as a Congressman and took his responsibilities very seriously. He prided himself in studying and reasoning about the issues that we face. He effectively presented his argument and was widely respected by all those who knew him.

In addition to this, Mrs. Gibbons and I had an opportunity to be with Jerry and his wife Shirley on a number of occasions. We found them to be most interesting people, always exciting and concerned about their role in this life here in Washington. We shall always cherish our friendship with them. Together, we extend our love and sympathy to Shirley and to their children in the loss of Jerry.

Mr. SCHNEEBELI. Mr. Speaker, the quality of the 94th Congress has been diminished by the recent tragic death of our colleague, Jerry Pettis. Word of his plane crash came as a harsh blow, since I had a deep sense of respect and admiration for Jerry—he was indeed a lovable man—deeply committed to his lofty ideals. We shall miss Jerry and his warm personality very much.

Jerry was a member of our Ways and Means Committee for several years and it was most evident from his attention to his work there that he felt that it was in the Congress where he could return to his country, his thanks and gratitude through good and faithful work. It is well known that Jerry at one time was a traveling minister for his church and it was this deep sense of spiritual commitment which motivated his fine work here in the House of Representatives. I was among those who attended the funeral services for Jerry at Loma Linda, Calif., and the many thousands of his friends who were there testified to the love and great respect that his fellow townspeople had for him. It was an impressive group of fine people who came to say goodbye to their leader and friend.

Jerry's fine contributions to society before and during his services in the House have been recounted in the many eulogies being given to Jerry today—so I shall not repeat them. But I do underscore the tremendous help he has been to his fellow colleagues on our committee. He had just been chosen as the ranking Republican on the Subcommittee on Health of the Committee on Ways and Means, and he told many of us how he was looking forward with great enthusiasm to this particular assignment—a field in which he had already contributed over $10 million through his transfer of one of his many inventions to the California Medical Society. The country will suffer a great loss since Jerry will be unable to continue his work in the national approach on health problems.

Jerry's wife, Shirley, can be counted upon to carry on further, much of Jerry's unfulfilled dreams and she is to be encouraged and supported for her determination to carry his work forward.

We shall all miss Jerry very much—and this country has been diminished in its attempted attainment of its goals with his passing. Few men have ever held the position of high esteem in which he has been held these many years, and no man ever deserved it more than he.

Mr. JOHN L. BURTON. Mr. Speaker, in times of grief, words seem inadequate to properly convey the sorrow and bereavement which we feel at the passing of our friends, and share with their families.

The tragic death of my friend and colleague, Jerry Pettis, has left a void in a world which benefited from his talents, and in the House of Representatives, which sought his abilities.

Jerry was elected to the House with a broad and varied background that stood him in good stead as he served on the Ways and Means Committee.

Prior to his election to Congress in 1966, he had been a flyer and instructor in World War II, an inventor, a businessman, an educator, and special assistant to the president of United Air Lines.

Jerry's service to his constituents, to his State, and to the Nation will not be forgotten. His contributions to his country will always be remembered.

I join with my colleagues in sending to Jerry's wife, Shirley, and their three children our heartfelt sympathy. We feel their loss, and share in their mourning.

Mr. STARK. Mr. Speaker, I was shocked and saddened to learn of the violent and tragic death of Jerry Pettis. I knew Jerry for the 2 years I have been in the House, and most recently I had the honor of serving with him on the Ways and Means Committee. While we often disagreed on issues, Jerry was always a patient, understanding man of total integrity—a man who despite our political disagreements, always had a larger human quality which bridged any partisan differences.

He was a serious and humble man, who never sought headlines or news for himself, and in fact reserved words for those matters which he felt critical. Yet he made valuable contributions in numerous areas, benefiting not only the State of California but indeed the entire Nation.

One of the foremost authorities in the Nation on air safety, Jerry Pettis was the victim of a cruel irony which downed him and his small plane on Friday, the 14th of February. We will remember him for the fine man he was and for the commitment and dedication he showed to the House and to the people he served.

Mr. PHILLIP BURTON. Mr. Speaker, I want to express my deepest sympathy to the family of Congressman Jerry L. Pettis and to his many close friends in the House of Representatives and elsewhere on the tragic death of our distinguished colleague.

A talented and versatile man, Jerry Pettis brought a wealth of background and experience to his deliberations on issues before the Congress. A former teacher, radio announcer, airline pilot, and corporation official, Congressman Pettis achieved a deserved reputation as a widely respected Republican lawmaker.

Again, my sincerest condolences are extended to his many good friends and most particularly to his widow, to his son, and to his daughter on their great loss.

Mr. CORMAN. Mr. Speaker, it is with the deepest sorrow that I join my colleagues today in paying tribute to the memory of my fellow Californian, Jerry Pettis. My respect and affection for Jerry grew tremendously over the years we served together on the Ways and Means Committee. Whenever a problem arose in California, Jerry could be counted on to bring his broad knowledge as well as his finely tuned sensitivity to the search for a solution. His varied background in business as well as in the academic world equipped him with the practical competence so necessary for astute legislative decisionmaking. His willingness to rise above partisanship in matters vital to the State and to the Nation made him a valuable working partner in the legislative process.

But my memories of Jerry encompass far more than a respect for his unique capabilities. His most memorable qualities were his ever-present gentleness and kindness. He was truly a man well-loved by everyone who had the privilege of knowing him. Jerry will be sorely missed by the committee as well as by this entire body as a competent legislator, but mostly as a friend. My wife Patti joins me in extending our heartfelt sympathy and deep affection to Shirley and the children.

Mr. DANIELSON. Mr. Speaker, it is with profound sorrow that we gather here today in recognition of the late Jerry L. Pettis. All of us who share this Chamber with him have experienced in some measure the loss which is felt by the people of California, and which is so deeply felt within his family circle—characterized by close and sensitive ties.

Jerry Pettis was a man whose whole life was devoted to the betterment of mankind. As founder of Magnetic Tape Duplicators of Los Angeles, Jerry Pettis used his knowledge to establish the Audio-Digest Foundation. This foundation has aided the medical profession through its efficient method of recordkeeping. Furthermore, all profits of this foundation are used to provide scholarships for medical students, and I am informed that $10 million has been realized for that purpose so far.

During World War II, Jerry Pettis continued his service to his fellow man and his Nation. Drawing on his experience as a search and rescue pilot, he was assigned to the Air Transport Command in the Pacific Theater.

After the war, Jerry Pettis took an active role in the development of our Nation's young people, as a professor of economics at Loma Linda University. His service to that university included the post of vice president for development and chairman of the board of councilors.

When Jerry Pettis ran for Congress, he was not seeking a political post but rather he wished to serve his Nation once again. A deeply religious man, he served in this House as an example of fine moral, conscience, and principle. Throughout his life Jerry Pettis was a man who, having benefited from our system, continually desired to serve the Nation he felt he owed so much. He gave of his energy and his ability so that other men's lives could be improved. This House was enriched by his presence and I deeply regret his passing. We all feel a loss that we are never going to be able to express adequately.

Mr. ROYBAL. Mr. Speaker, it is with deep sorrow and regret that I join my colleagues today to eulogize Congressman Jerry L. Pettis, who died so tragically in a plane crash earlier this month. This accident could not have come as more of a shock, as we all knew him to be an experienced aviator, who had been both a pilot and flight instructor during World War II.

It was almost 25 years ago when I first met Jerry. I was chairman of the public health and welfare committee of the Los Angeles City Council and Jerry was associated with White Memorial Hospital in Los Angeles. We met on several occasions to plan and execute community health programs for the area. And it was with real pleasure that I welcomed Jerry as a colleague in the House, following his election in 1966.

Jerry was an excellent Congressman and he served his district and his country with dedication and commitment. These qualities were not new to Jerry, for to him it was a way of life. It was only natural that this extremely successful inventor, rancher, economics professor and businessman should decide to direct his energy and abilities toward serving the Nation which had allowed him to achieve such a great measure of success in private enterprise. He had garnered an impressive array of accomplishments prior to coming to Congress and his work in Washington was equally impressive. To all who knew him, it was clear that JERRY's future held only promise.

It is difficult to express the deep sense of personal loss that I feel today, for JERRY PETTIS was friend and a highly respected and admired colleague. His death is a great loss not only to those of us who knew and loved him, but to the country which he is no longer able to serve.

My sincerest sympathy is extended to JERRY's widow Shirley and their three children Yvonne, Peter and Debra.

Mr. VAN DEERLIN. Mr. Speaker, I join our colleagues in mourning the untimely death of JERRY PETTIS; he was both a close personal friend and a man of many parts—one whose accomplishments were manifold.

He was, first, one of the most respected Members of this body, and with reason. The ability and independence which were his hallmarks served him well in his key assignment on the Ways and Means Committee and earned him the high regard of colleagues on both sides of the aisle.

He was also an inventor of note, a successful businessman, an educator, an aviator, and a singular benefactor in the service of the Seventh-day Adventist Church and its affiliated school, Loma Linda University, in Riverside County.

JERRY's district extended over vast portions of Riverside and San Bernardino Counties, but we and San Diego County were almost able to call him one of our own, thanks to his ranch in our county's Pauma Valley, where he grew avocados and citrus at a higher elevation than orchardists anywhere else in the world.

I was terribly shocked by the news of JERRY's death, which came to me while I was in my district and was numbing because it was so unexpected—he was such a vibrant man. The deepest sympathies of Mrs. Van Deerlin and myself go to his widow, Shirley, and their children, Peter and Deborah.

Mr. JOHNSON of California. Mr. Speaker, it was with great sadness and shock that Albra and I learned of the tragic death of our good friend JERRY PETTIS. His passing will leave a void in both the California Congressional delegation and the House of Representatives which will be difficult to fill.

JERRY was a Member of special ability and expertise. He came to Congress after a distinguished career in the field of aviation. He flew his first airplane in uniform, as a decorated flyer during World War II. His competence was quickly recognized and he was selected to instruct other pilots. Upon leaving the military he flew commercially with United Airlines and quickly rose to the upper echelons of that organization.

JERRY PETTIS had 35 years of flying experience and one of his most dedicated efforts was in the field of aviation safety. Therefore, it was most ironic that he was taken from us through an aviation accident.

In addition to being an outstanding aviator, JERRY was a successful businessman, a rancher, and an economic professor. He was truly a master of all trades.

In the House of Representatives, he distinguished himself as a member of the important Ways and Means Committee and his strong leadership capability was recently recognized by his appointment as deputy minority whip.

During his 8 years as a Member of Congress, representing southern California, JERRY showed a special interest in the people he served, and was a watchdog for the interests of the "little man." His effectiveness as a legislator and a representative were acknowledged by the fact that he was consistently returned to office with increasing margins of victory, including a two-to-one majority in the last election.

Perhaps the greatest contribution made to the Congress by JERRY PETTIS was his style. JERRY was a quiet man, but when he spoke, his words carried great substance and were direct to the question or topic under discussion. He was a deeply religious man and this characteristic showed throughout both his public and private life. JERRY set a fine example for all of us to follow.

To Shirley and their three children, Yvonne, Peter, and Debra, Albra and I extend our sincere sympathy and condolence. JERRY was a great man and a fine Congressman. We will miss him.

Mr. KETCHUM. Mr. Speaker, it was with a great sense of personal sadness, and a strong awareness of public loss, that I received the news of JERRY PETTIS' tragic passing.

I doubt there is anyone here who is unaware of JERRY's consistent devotion to public service here in the House of Representatives. Through four terms in Congress, he demonstrated his outstanding ability as a legislator, his deep concern for his constituency, and his capable management of his many responsibilities.

Likewise, I doubt there is an individual present who could but admire JERRY PETTIS' outstanding contributions in the private sector. As a businessman, a rancher, a pilot, and an inventor he stood as an outstanding example of the success made possible by the free enterprise system, in which he so fully believed. In addition to achieving, and legislating, he was able to educate others, through his 16 years of service as a professor of economics.

These are all public losses. There are few appropriate words in our language to express one's response to the loss of a friend. My most sincere sympathies go with JERRY's wife, Shirley, and his three children. Suffice it to say that the loss of a man such as JERRY PETTIS leaves a great void behind.

Mr. ROUSSELOT. Mr. Speaker, during his lifetime, each individual is required to fulfill many roles, and JERRY PETTIS ably fulfilled each of his responsibilities.

A Christian man, JERRY PETTIS believed that our U.S. Constitution was authored in consonance with the practice of religion.

A devout man, JERRY PETTIS was dutiful and faithful in the performance of his responsibilities as a Member of the U.S. House of Representatives.

A fervent man, JERRY PETTIS applied both his acts and his words to full service of his appointed task whether it be in the office, at home, or with his church.

A dedicated man, JERRY PETTIS was wholly committed to the Christian way of life and those same principles which guided our forefathers to found a government based upon a Constitution guaranteeing individual freedom, and a Declaration of Independence recognizing that all men are created equal and cannot be denied the rights of life, liberty, and the pursuit of happiness.

A Republican, JERRY PETTIS accepted the basic philosophy that God is supreme and that the Declaration of Independence states that this shall be a free country, and the U.S. Constitution protects the individual freedom of the people of America. Among their basic beliefs, Republicans "believe that the basic function of Government is to maintain an environment in which the individual can freely develop powers of mind, heart, and body with which his Creator endowed him. We believe that Government should do for the people only the things they cannot do for themselves."

A free enterpriser, JERRY PETTIS believed that private business should have the freedom to "organize and operate for profit in a competitive system without interference by government beyond regulation necessary to protect public interest and keep the national economy in balance."

An American, JERRY PETTIS set an example for us all in statesmanship and gentlemanly manner. His acts were fruitful and his words and deeds shall be remembered for he served the right, the holy, the true, and the free.

His wife, Shirley, always supported JERRY, and worked with him in furthering his goals. Their life together was one of sharing—sharing of responsibilities, sharing of Christian beliefs, and sharing of ideals. Her courage during this trying time has been commendable. My deepest condolences go out to Shirley and the children.

Mr. RHODES. Mr. Speaker, I join my colleagues of the House of Representatives today to express my deep sense of loss of a talented and outstanding Member. To me, he was more than a colleague, he was a close friend.

JERRY PETTIS was a man of ambition and achievement. His ambitions were not for himself, but for a greater role in serving his country and his God. His achievements, while they brought him most deserved recognition, were for the good of mankind.

He was a man of many parts, the possessor of many talents, a deeply religious man who radiated genuine good will toward mankind. He was a man of careful thought, and decisive action. He was highly successful in several fields; a veteran in aviation, where he pioneered in organizing a pilot's union; a flying clergyman in his Seventh Day Adventist Church; an esteemed teacher and active booster for better facilities for higher education; a most successful political campaigner, a highly respected and well-liked Member of the House.

We, on my side of the aisle, especially feel the untimely loss of JERRY PETTIS. His capacity for leadership had been recognized by his selection as deputy whip on the Republican side. He had ambitious plans to help streamline the whip operation through introduction of modern technology. He was an expert on communications. He understood the highly complicated technical aspects. Yet, he exuded warmth and friendliness in all of his human relationships.

John Donne once wrote: "Any man's death diminishes me." I am sure that all of JERRY PETTIS' many friends on both sides of the aisle feel that they, and the Congress, are diminished by his loss. All of us who knew him are the better for it, and we are acutely aware that a great person has been taken from our midst.

Mr. CARTER. Mr. Speaker, I had the honor to serve for 8 years in the House of Representatives with JERRY PETTIS. During that time I came to know him as a quiet, unassuming man with strong religious conviction.

In the finest sense of the term he was a conservative, both in his voting and in his personal life.

JERRY was an extremely capable Congressman and fulfilled his duties with diligence and intelligence. Acting in the finest tradition of the House of Representatives, he used the experience and insight gained from his life prior to his election to effectively evaluate and direct legislation. JERRY served with distinction as a member of the Ways and Means Committee whose decisions directly affect all Americans.

This body will suffer from the loss of such legislative expertise and wisdom, and from the loss of such a devoted Christian.

I offer my most sincere condolences to his wife, Shirley, and to his fine son and daughters.

Mr. SIKES. Mr. Speaker, I was very sorry indeed to learn of the tragedy that took the life of our friend and colleague, JERRY PETTIS. His untimely death is a great loss to the Congress and to our country. JERRY was a fine man and an able legislator. He excelled as a rancher, teacher, aviator, religious leader, and businessman prior to his election to the Congress in 1966. He brought his experience in these areas to his work in the Congress and to his position of leadership among House Republicans.

I admired his character and his abilities. This admiration and respect was shared throughout the membership of the Congress.

He was third-ranking minority member of the House Ways and Means Committee and was very active in the important work of that committee. He was reelected by wide margins four times in a district in which Democrats hold a registration advantage. In the last election, his margin of victory was 2 to 1. This attests to the fact that he was highly respected by his constituency and they admired his very capable representation in the Congress.

I join my colleagues in extending deepest sympathy to JERRY's family and, along with many others, I assure them he will long remain in our thoughts and prayers.

Mr. DEL CLAWSON. Mr. Speaker, when a man lives his allotted 3 score and 10 and beyond our sorrow and mourning are not as severe as the tragic and accidental death of our friend and colleague, JERRY PETTIS. In this early beginning of the 94th Congress JERRY was on the threshold of new successes in an already successful congressional career. He had moved up the seniority ladder on the Ways and Means Committee where he enjoyed the prestigious honor and respect of other committee members and exercised an influential voice in the conduct and decisions of the committee. He had been appointed to a leadership position in the minority whip's operation that provided an excellent outlet for JERRY's special ability. This bright future for JERRY was snuffed out completely with the untimely crash of his plane in the San Bernardino Mountains.

In paying our personal and collective tribute to our colleague we recognize the unique qualities of character and business acumen that brought JERRY a much higher than average success in the business arena in addition to his political successes.

JERRY was also a religious man with firm convictions in the church of his choice. JERRY was a fine father and family man demonstrated by his devotion and dedication to Shirley and the children.

JERRY was a good citizen and patriotic member of our society with strong feelings about our constitutional form of government and its continued preservation. There is such a thing as an "untimely death."

Today that fact is clearly revealed. The sorrow, remorse, tribulation and lonellness suddenly thrust upon the Pettis family is shared by all of us. Our hearts and minds reach out to Shirley in an effort to assuage the burden that now rests upon them. May the healing balm of God's blessings of understanding, peace, and serenity come and abide with them also is our humble prayer.

Mr. GOLDWATER. Mr. Speaker, it is just too difficult to comprehend the untimely death of our colleague, JERRY PETTIS. Like the title of the great drama, JERRY was truly "A Man for All Seasons." Dedicated to his work here and unassuming in his demeanor, JERRY was respected by every Member of this body.

He worked at this job 24 hours a day. He was a constituent Congressman in the finest sense of the word, and his constituents returned him to Congress with tremendous majorities. Ironically, JERRY was killed while performing constituent service.

He made an invaluable contribution to the important Ways and Means Committee, and as we debate the tax bill today, I cannot help but think about him and how diligently he worked for meaningful tax reform as a member of the committee.

In my judgment, few men and women can match the role he played in furthering the cause of aviation. Not only was he a distinguished pilot, but he had a perspective about aviation and its role in the Nation's transportation system that helped immeasurably in bringing aviation of age. Aviation has lost one of its greatest friends and most effective spokesman.

Mr. Speaker, it was my sad duty to attend the funeral of JERRY PETTIS. The outpouring of hundreds, perhaps thousands, who attended the funeral was a mighty tribute to a mighty man. He was loved and admired by all who came into contact with him, and JERRY was a person with no vendetta toward his fellow man.

He leaves a lovely and gracious wife, Shirley, and three handsome children. Theirs is the secure knowledge that JERRY PETTIS was a doer, a Christian gentleman who made a positive mark on the world, and made it a better place in which to live. I salute his memory. I shall miss him. People like JERRY PETTIS are hard to find.

Mrs. MINK. Mr. Speaker, I think that the word "shock" best describes my own reaction when I heard of the death of our colleague, JERRY PETTIS, earlier this month. The tragic accident which took his life has left a void in this Congress and deprived us of his counsel and those whom he represented of a friend and loyal Congressman.

Most of us were familiar with his distinguished career as a pilot, an educator, and a businessman. During World War II JERRY PETTIS served in the Pacific and knew the area, and I like to feel that he had a special sympathy for Pacific peoples and our unique approach to life. JERRY and I worked together on education funding for our respective school districts during the time we shared membership in this House, and I found him a thorough Congressman and a concerned human being.

I send my deepest sympathies to his wife, Shirley, and their three children. I share their sorrow at his untimely passing. We will all miss JERRY.

Mr. PRITCHARD. Mr. Speaker, it is with much sorrow and a deep sense of personal loss that I join my colleagues in mourning the death of our good friend, JERRY PETTIS.

JERRY was a magnificent man. I have never met anyone so thoughtful of everyone he came in contact with and who demonstrated such intense compassion for people. He raised the level of every group he worked with and activity he participated in. I considered his friendship a high compliment.

Few men in America could begin to match JERRY's variety of accomplishments. Most men are successful in a handful of areas, but JERRY was a success in everything he did—from his early years as an aviator to his later careers in the academic and political worlds. Yet he always retained his humility and sense of humor.

We all tend to remember individuals

through their particular work or achievements, particularly when those people are public figures. But Jerry Pettis left something much more valuable and meaningful to those of us privileged to know him. His great legacy to us is the memory of a man who had a perfect sense of priorities, a gentleness of character, a strength of commitment, and impeccable integrity. He had a strong sense of direction, and all of his actions reflected his firm beliefs.

Before I entered politics, someone gave me a bit of advice. He said that there was no limit to what a person could accomplish if he was not concerned with who got the credit. Jerry Pettis must have lived by this principle. He was selfless in his approach to public life, and continually performed services for others unmindful of who would get recognition.

I join my colleagues in extending deepest sympathy to all of Jerry's family and especially to his wife, Shirley. We want them to know how much we will miss them. We are all richer because he passed this way.

Mr. GINN. Mr. Speaker, unfortunately during my first term in Congress, I did not have the opportunity of working closely with Jerry Pettis as we served on different committees and in different parties so our paths did not cross often.

However, I did learn of his personal characteristics that made him one of those men who truly has made a contribution to this Nation. His concern for his constituents was well-known and it was this keen dedication to duty that lent itself to his untimely death for he was flying to a meeting on behalf of the citizens of the 37th District of California when his plane crashed.

His membership on the Ways and Means Committee gave Jerry Pettis the opportunity to make contributions to the enactment of many laws that have an effect on nearly every American. His particular attention to tax reform and trade reform legislation was valuable in the committee's work on this needed legislation.

His family and personal life are sterling examples of the man that Jerry Pettis was and the effects of his work and personality will remain with all who worked with and knew him.

I extend my personal sympathy to his wife and children, his congressional staff and his constituency who are truly blessed by having personally known this kind and concerned man.

Mr. MILLER of Ohio. Mr. Speaker, I feel a very real sense of personal loss with the passing of our colleague, Jerry Pettis of California. He was a good friend, an able legislator and a dedicated public servant.

Jerry Pettis was a remarkable man. We all know that he was an outstanding Member of the House and we are aware of his long record of public service.

However, in addition to these qualities, Jerry was a distinguished businessman, an educator, an inventor, an economist, and an aviator. I personally admired his involvement in these various fields and I know that we all gained a great deal from his expertise in such a variety of interests. His broad background in so many different fields earned for him the respect of not only Californians, but businessmen and citizens across the country.

We will miss Jerry Pettis. We will miss his leadership and his cooperation. On behalf of all those who knew and respected Jerry as much as we in this House, I extend my deepest sympathy to his family.

Mr. ERLENBORN. Mr. Speaker, our colleague, Jerry Pettis, is gone from us, never to return; and the House of Representatives has suffered a real loss.

He was one of the most versatile Members of this body. All of us know that he was once an airline pilot; but not so many know that he was once a professor of economics. It is easy to recall that he served as assistant to the president of a large corporation in the postwar years; but less well known that he was a kindly man and a helpful colleague.

He had such a broad range of interests that he might have been expected to be a jack of all trades and a master of none. Jerry Pettis, however, was a master of many.

He was killed in an airplane accident February 14, a tragedy for his family and for the Nation. We need people of his caliber and his understanding and his honesty.

Mr. Speaker, I join in extending sympathy to his bereaved family.

Mr. BROOMFIELD. Mr. Speaker, with the tragic death of our colleague Jerry Pettis, the House has lost a truly outstanding legislator, as well as a remarkable individual. Personally, I have lost a good friend.

Jerry came to Congress with an impressive list of accomplishments to his credit. Few Members of Congress have ever displayed the versatility that Jerry Pettis possessed. During his remarkable life, Jerry was an inventor, an educator, a businessman, a commercial pilot, and finally, a dedicated public servant.

The same energy and ability that made him so successful in private life, made Jerry a first-rate Member of this body. Congress and the country will sorely miss the thorough and professional job he performed as a member of the Ways and Means Committee, and his constituents will miss the outstanding representation he provided them with during his 8 years in the House.

On a more personal level, those of us who came to know Jerry over the years, will deeply miss his friendship. He was a warm and decent human being, and our lives have been enriched simply by associating with this kind of a person.

I am proud to have known and worked with a man of Jerry Pettis' character, and I join my colleagues in paying tribute to his memory. To his wife Shirley and their children I offer my sincere condolences in this most difficult time.

Mr. J. WILLIAM STANTON. Mr. Speaker, the news of the death of Jerry L. Pettis was received by the Stanton family with deep shock and great sadness.

Jerry Pettis was a very devoted public servant. He was extremely well liked by all who came in contact with him. It was obvious to everyone that he was a man of high moral character who knew the importance of spiritual values.

My wife, Peggy, joins me in extending to Shirley and their three children, Yvonne, Peter, and Debra, our deepest sympathy.

Mr. CLANCY. Mr. Speaker, it is a sad occasion to honor a dedicated and outstanding colleague and friend after his untimely and tragic death. Jerry Pettis was a remarkable man of great responsibility and dedication to service and I personally mourn the loss of a close and good friend. Jerry was a very devoted public servant, giving fully of his time, and his vast knowledge and insight. With Jerry's particular sense of responsibility, he devoted himself to whatever matter was before him.

As a member of the Ways and Means Committee with him, I was able to observe firsthand that Jerry was the kind of Congressman who had a deep sense of concern for all who might be affected by the committee's actions. He made tremendous contributions to that committee, to this House as well as to this country. I think that all the Members of this House have been enriched and enlightened by association with Jerry Pettis and the ideals he stood for. His passing has been a great loss to all of us who knew and admired him. His contributions to us have been both scholarly and practical and we shall miss him.

Mr. FLYNT. Mr. Speaker, I join my colleagues in paying my respects to a patriotic American and a great Californian.

I was both shocked and saddened when news reached me of the untimely and unfortunate death of Congressman Jerry Pettis. I am sure that all of us were wholly unprepared for the sad news of his death.

From the very first day that Congressman Pettis came to Congress, I have known, liked, admired, and respected him. I considered him a warm personal friend, and I know that he was an able public servant and an outstanding Member of the House of Representatives.

From the time that I met him until his recent passing, I found him always willing and able to be helpful to me, and I am sure to other Members of the House.

He was dedicated to America and its democratic institutions. California was truly fortunate to have had the services of Congressman Pettis and it is a tragedy that such an unfortunate accident has cut short a brilliant career.

He was a statesman of courage and commitment. He was a wise and strong leader. He was a man of consistent and unwavering integrity. We will all miss him, and I extend my sympathy to his family and all the people of California.

Mr. TALCOTT. Mr. Speaker, I thank the gentleman for yielding and I sorrowfully join my colleagues in their eulogies to our former colleague, Jerry Pettis.

Lee and I consider knowing Jerry and Shirley Pettis as one of our very special joys and privileges of serving in the House of Representatives.

JERRY had one of the most successful careers of any Member before being elected. He was gifted with many special talents and he used them well.

He shared his talents with his family, associates, and fellow man. He shared the fruits of his achievements with his church, his community, and fellow man.

He was an able and respected Member of this House, his Committee on Ways and Means, and our California delegation. He was a conscientious legislator and dedicated to the constituents of the congressional districts which he was always proud to represent.

We were impressed that Shirley was always so much of his congressional life and that they worked as such an effective team in representing their district and the individual constituents.

We are grateful that he demonstrated by principle and example a tremendous religious faith in God and a true friend and supporter of his church.

We were shocked and grieved by his sudden death, because he seemed to us too young to die and his work and talents needed here and at home. Obviously we do not comprehend the longer plan.

We find some consolation and relief from our grief in having known him during his life and to have shared many happy and satisfying times with him which we shall long remember with joy and fondness.

We believe he died while on active duty, serving his district, trying to make an appointment on time, in suddenly inclement weather, when he was physically, mentally, and emotionally fatigued. Even the best of airman cannot always survive the hazards, rigors, and burdens of our work.

Lee and I express our condolences to Shirley and their children. We applaud Shirley for the manner and faith in which she has withstood her sudden and tragic bereavement and her strength and commitment in carrying on so beautifully and impressively.

Mr. BROYHILL. Mr. Speaker, it was with great shock and deep sense of loss that I learned of the tragic death of our colleague, JERRY PETTIS. I have known JERRY well since he came to Congress in 1967, and I know that his death will be a great loss for the House of Representatives.

JERRY PETTIS came to the House with a most interesting and successful background. He was a pilot in World War II, a businessman, and an educator. JERRY brought a wealth of talent with him to the House of Representatives, and he used it well during his service here.

I knew JERRY as one of the most studious Members of the House. He was extremely thorough in his approach to legislation and as a result he was always well-informed of the details of complex legislation. He was a person whom other Members often consulted for information and advice. His views were well respected and his counsel was valued.

To me, JERRY PETTIS epitomized the type of public servant which this country needs: The House of Representatives can be proud of JERRY's service here. We have lost a fine man and an outstanding legislator.

I extend to his wife, Shirley, and his three children, my deepest sympathy for their sad loss. I know their pride in JERRY's accomplishments and their memory of his fine human qualities will help to ease the sadness they feel.

Mr. RAILSBACK. Mr. Speaker, I wish to join in expressing sorrow at the untimely death of our good friend and colleague, JERRY PETTIS. JERRY was a wonderful person, warm and outgoing. We entered the Congress together back in 1967, and I am certainly going to miss him.

JERRY was a dedicated and responsible man. He brought to his work in Congress all his experience as an inventor, businessman, educator, and civic leader.

He had the distinction of being one of the very few Members of Congress to serve on the Ways and Means Committee after just 3 years in the House. As a member of that committee, he worked for welfare reform, drug control legislation, social security increases, tax reforms, and the revenue sharing plan. Most recently, he was the ranking minority member of the House Ways and Means Subcommittee on Health.

JERRY PETTIS also served on the Congressional Task Force on National Health, where he was an effective and articulate spokesman for new approaches in our current health care system.

And he was just appointed deputy minority whip.

JERRY's death is a great loss to me, to the Congress, and to all his friends and constituents. Such a man cannot be replaced; he can only be remembered with respect, affection, and enormous gratitude that we were privileged to know him. To his wife, Shirley, and their three children, Yvonne, Peter, and Debra, I extend my deepest and most heartfelt sympathy.

Mr. QUILLEN. Mr. Speaker, I join my colleagues in paying tribute to the life and memory of JERRY L. PETTIS, the late Congressman from the State of California. The Members of the House have lost a great colleague, the constituents in his district have lost a great representative, the country has lost a great American, and I have lost a good friend.

JERRY PETTIS served in the House for 8 years. He will long be remembered for his valuable contributions as a member of both the Science and Astronautics Committee and the Ways and Means Committee.

He was an honest and honorable man who was highly respected and admired by his many friends. He was a man of firm convictions and deep devotion for the welfare of our Nation, which always came first with him. His untimely passing leaves a void which will be impossible to fill.

I extend my deepest sympathy to his family.

Mr. COUGHLIN. Mr. Speaker, the death in a plane crash of JERRY PETTIS leaves a void for the many of us who knew and respected him as a friend and as a Congressman.

A man of many talents, JERRY PETTIS died in the prime of his life, but not before he had filled his years with accomplishments that few could match. Aviator, World War II veteran, airline executive, rancher, college professor, Congressman—all of these were JERRY PETTIS and more.

Despite, or perhaps, because of his varied and brilliant record in a number of highly competitive areas, he was a man who carried his achievements with informal grace. He was an unpretentious, solid individual who took his work seriously, but never himself seriously.

As a Congressman, JERRY PETTIS labored hard in behalf of his constituents. He fit into life in the Capital with the ease of the mature and experienced, but never neglected the citizens who had honored him by electing him to five successive Congresses.

While the loss is great to his constituency and his colleagues, the loss is far greater to his devoted wife and three children. On behalf of myself, my family, and my staff, I offer them our sympathy and condolences, and the comfort of Isaiah 25:8:

> He will swallow up death in victory; and the Lord God will wipe away tears from off all faces.

Mr. WOLFF. Mr. Speaker, it is with a sense of great sorrow and great privilege that I rise today to join with the colleagues of JERRY PETTIS throughout the land, and particularly in the Civil Air Patrol he loved so much, and worked so hard for, in formally acknowledging our respect for him as a man, and as a leader of men.

It is perhaps presumptious of us to say that any man's passing is untimely, for it is not our place to question the wisdom of the ages which has forever dictated such things. But it is with a particularly personal sense of loss that I pay tribute to my good friend JERRY here today.

JERRY L. PETTIS and I worked together to set up the Congressional Squadron of the Civil Air Patrol in 1967, and I ask the permission of the House to present for the RECORD tributes from our colleagues in squadrons from several States at the conclusion of my remarks.

Along with his love of the desert, which he embodied in his California Desert Protection Plan, and which I take the liberty of commending to our attention as a fitting congressional memorial to JERRY's memory and the ideals he so ably represented, our colleague loved the air and the machines which probe its spaces.

He loved nothing better than to introduce others to the wonders of the skies, and no one had more respect for the skill and courage necessary to be a good pilot, particularly a pilot who voluntarily risks his or her life in rescue efforts in behalf of others.

If I may, I would mention one project JERRY was working on which perhaps best illustrates his love of the air and his desire to spread the gospel, and that is a program right here in the Nation's Capital to set up a flight program for inner-city children so that they too can feel the wonder of flying.

Mr. Speaker, JERRY's colleagues have already expressed their respect for him as a legislator far more eloquently than my poor words, and I thank them for it. I would only add that I, too, respected and honored his belief in the institutions of free trade and a free economy, and the manner in which he translated his beliefs into strong arguments and forceful persuasion.

JERRY L. PETTIS is missed and will continue to be missed by all of us here in this House, and by those who knew and loved him at home. Let me end by joining the House in extending my deepest personal sympathy to JERRY's wife, Shirley, and to his three children, Yvonne, Debra, and Peter, and let me again pass on the respects of JERRY from my personal colleagues in the Civil Air Patrol:

LITTLE ROCK, ARK.,
February 19, 1975.

Hon. LESTER WOLFF,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WOLFF: The Arkansas Wing, Civil Air Patrol, joins me in expressing our most sincere and deep sympathy for the family of Congressman Jerry L. Pettis. Several of my staff and I were at the Aerospace Rescue and Coordination Center at Scott Air Force Base, Illinois, when the message arrived that his aircraft had been found. I wish I could convey to you the sense of loss that pervaded that room when the announcement came.

Most certainly Civil Air Patrol has lost a good friend. But, most of all, we want you to know that we share in your grief and that of his family and his many friends.

Please extend this, our expression of concern, to all whom it might bring comfort and tell them our prayer is that they know the peace that passeth understanding.

Sincerely yours,
DONALD F. HUENEFELD,
Lieutenant Colonel, CAP Commander.

CONGRESSMAN JERRY L. PETTIS
GROSSE ILE, MICH.,
February 19, 1975.

Congressman LESTER WOLFF,
Congressional Squadron,
Washington, D.C.

DEAR CONGRESSMAN: It is with great sorrow I write to you upon the death of Jerry L. Pettis.

In the business of Search and Rescue we are involved many times with fatalities but it is always the "other guy." We begin to believe it can't happen to us. When we lose someone with whom we can closely associate with as Jerry Pettis, life takes on a new meaning.

I like to always believe every dark moment has a purpose. We cannot always see the silver lining as soon as we think we should, however, in the long haul it becomes apparent. I'm sure this will be true in Jerry's death. If only one pilot has his thoughts awakened to the possibility that it could be him the next time and becomes a safer pilot because of it . . . this sad tragedy will have some purpose.

Please express the sorrow we the people of Michigan share with the family, you and your colleagues in Congress at the passing of Congressman Jerry L. Pettis.

R. A. SHEIBELS, *Lieutenant Colonel,*
CAP, Michigan Wing Commander.

CONGRESSMAN JERRY L. PETTIS
BEAVER DAM, WIS.,
February 17, 1975.

Congressman LESTER WOLFF:

1. It is with great sorrow that the Dodge County Composite Squadron, CAP, learned of the death of a fellow flyer and CAP member.

2. Please extend to his family and friends our deepest sympathy as we share with them a deep sense of loss.

WILLIAM F. COURSEN,
First Lieutenant, CAP, Commander.

CHARLOTTE, N.C.,
February 19, 1975.

Congressman LESTER WOLFF,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WOLFF: It is with much sorrow that we here in North Carolina learn of the untimely death of Congressman Jerry Pettis, a true friend of Civil Air Patrol. We know that he will be truly missed by his colleagues in Congress.

Please extend my personal sympathy to his family and friends.

Sincerely,
IVEY M. COOK, Jr.,
Colonel, CAP, Commander.

VALLEY STATION, KY.,
February 18, 1975.

Hon. LESTER WOLFF,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. WOLFF: We of the Civil Air Patrol deeply regret the death of Representative Jerry L. Pettis in an airplane crash on February 14, 1975. He will be missed by all Civil Air Patrol senior members and cadets.

His work toward legislation beneficial to the Civil Air Patrol was indicative of his friendship with the Civil Air Patrol.

We would like to extend our sympathy to Mr. Pettis' family.

Respectfully,
J. F. UNDERWOOD,
First Lieutenant, Squadron Commander.

BUCKHANNON, W. VA.,
February 17, 1975.

Hon. LESTER WOLFF,
House of Representatives,
Washington, D.C.

DEAR MR. WOLFF: The Buckhannon Composite Squadron Civil Air Patrol wishes to express their deepest sympathy to the colleagues in congress and to the family of Congressman JERRY L. PETTIS.

We too, feel that we have lost a very dear friend in Civil Air Patrol.

Lt. CLAYTON BAUGHMAN,
CAP, Squadron Commander.

WILMINGTON, DEL.,
February 19, 1975.

Hon. LESTER L. WOLFF,
U.S. House of Representatives,
Washington, D.C.

DEAR COLONEL WOLFF: Delaware Wing, Civil Air Patrol, joins all C.A.P. members throughout the country in mourning the loss of Congressman Jerry L. Pettis. He was a true public servant, and his contributions to his fellowmen will long be remembered.

It would be appreciated if you would express to Mr. Pettis' family our sincere sympathy in this time of sorrow.

We only hope that the good work Mr. Pettis did in connection with the new C.A.P. Supply Bill was sufficient to enable his surviving colleagues to effect its passage by congress. In any event, his service has benefitted C.A.P. and will not be forgotten.

Sincerely yours,
LOUISA SPRUANCE MORSE,
Colonel, CAP Commander.

LITTLE FALLS COMPOSIT SQUADRON,
Little Falls, Minn.

Rep. Jerry Pettis will be deeply missed by Civil Air Patrol Auxiliary.

From: Communication Personnel, Lt. Helen Leiknoll:

There is so little we can do
To help you bear your sorrow.
There is so little we can say
To help you through tomorrow.
But still, may these words comfort you
And let you know somehow,
Our heartfelt thoughts of sympathy
Are there with you right now.

TELEGRAM

From: Hq. CAP–USAF, Maxwell AFB.
To: Mrs. Jerry L. Pettis:

The entire membership of Civil Air Patrol has been saddened at the news of your husband's tragic death. Civil Air Patrol has lost one of its greatest friends and most respected leaders. His personal support and untiring efforts in behalf of CAP will continue to be an inspiration to my staff and the 61000 Americans who serve in this national volunteer organization. Although words cannot express the depth of our concern, be assured of our prayers and heartfelt sympathy.

Brig. Gen. LESLIE J. WESTBERG,
USAF, National Commander.

Mr. WINN. Mr. Speaker, it is with deep sorrow and regret that I pay final tribute to my friend and colleague, JERRY L. PETTIS of California.

JERRY PETTIS' death was an untimely one. He was a youthful man, physically meticulous and mentally alert and active. He had much that he could yet give and share with his constituents and the American people. Although young at the time of his death, his accomplishments were many; airline pilot, first president of an international union, businessman, economist, educator, religious leader, and legislator. The success of all of his endeavors followed him to the Congress, where his natural leadership qualities again made him stand out.

His background, knowledge, and dedication in the field of economics made him a respected member of the House Ways and Means Committee; but JERRY PETTIS was also a fine human being. He enjoyed the out-of-doors, and kept himself physically active playing a great deal of tennis. He also enjoyed a game of softball or touch football.

It was a pleasure for me to number JERRY PETTIS among my personal friends. His contributions are legion and he will be missed by those who knew and worked with him. Joan and I want to express our heartfelt sympathy to Shirley and their children.

Mr. EDWARDS of California. Mr. Speaker, it is with great sadness that I rise to join my colleagues in paying tribute to the late Representative of the 37th Congressional District of California, JERRY PETTIS. An intelligent and totally dedicated legislator and a wonderful human being, I am proud to have known JERRY, and will greatly miss him.

As a fellow member of the California delegation, I have known JERRY PETTIS for many years, and have certainly been enriched by our friendship. I remember him as always cheerful and a fascinating person to talk to. I have only the highest respect for this man, and extend my deepest sympathy to his fine wife Shirley, and their three children.

JERRY was an individual of so many interests and talents, all of which he brought to Congress. He had complete faith in America and the American way of life, and was himself a remarkable example of all that our way of life has to offer.

As a most hard-working and constructive member of the Ways and Means Committee, JERRY PETTIS has served his constituents and his country outstandingly. He was a man who cared, and that was reflected in everything he did. His contributions will certainly be long admired and remembered by all. I can only say that we shall all lose by the tragic and untimely passing of JERRY PETTIS.

Mr. BROWN of Ohio. Mr. Speaker, I join in mourning the death of JERRY L. PETTIS, our late, distinguished colleague whose death in a plane crash February 14 while piloting his own plane brought sadness to each of us and all who had been served by him and associated with him in and out of government.

Although JERRY PETTIS and I served on different committees in the House, I became well acquainted with him through our membership in the Republican whip organization and the general activities of the House. A finer public servant, legislator and friend would be difficult to name. His loss to the House, our Nation and his district will be felt greatly as we struggle to solve the economic and energy problems that confront us. Especially will his absence be felt on the Ways and Means Committee from which some of the major legislative solutions must spring. Fortunately, the quality of his service and the responsible manner that marked his career in the House gained the type of respect from his colleagues that will continue to have influence. As it does, it will provide a greater testimonial to his life than all we say here today.

Mr. Speaker, I wish to express my most heartfelt condolences to JERRY PETTIS' widow, Shirley, and their family. Their personal loss of a fine husband and father makes our sorrow seem selfish. But to them, may I say we will miss him here, too.

Mr. McKINNEY. Mr. Speaker, I share with many of you a special sense of loss on the passing of our colleague, JERRY PETTIS of California. At one time or another, we were all freshmen in the Chamber and I am certain that at some times, we experienced a similar feeling of bewilderment as we faced our new duties and responsibilities. It is in those early days when we all look for a helping hand and I know that in my case, as I am sure it was the case with many of you—one of the first to come to my aid was the gentleman from Loma Linda, Calif. Here was a man, Mr. Speaker, who came to Congress fresh from an enormously successful career in the business world; a career—and this was consistent with his personal values, which put the consumer, or should I say, the person, first. It was with this same spirit that he approached his duties in the House, a deep concern for the needs of all his fellow citizens, especially as it related to his work on the House Ways and Means Committee. Mr. Speaker, JERRY PETTIS' business career was one of success and while here, no one doubted his understanding and ability in the legislative field. But more importantly, and what stands out—and this is his legacy—is the way in which he treated his fellow man; with dignity, respect, and a generous amount of kindness. To me that was JERRY PETTIS—an example we would all do well to follow.

Mr. BOB WILSON. I thank all of our colleagues today who have contributed to this special order on behalf of our late colleague.

Mr. Speaker, in conclusion let me just add one further remark about one of JERRY's facets, because, as the gentleman from California (Mr. LAGOMARSINO) stated, he was a many-faceted man. He was a rancher, and an innovative rancher, in San Diego County, as a part of the various properties that he held.

One of the reasons that I feel a special loss about JERRY is the fact that at his urging I recently purchased some property adjacent to his in the Palomar Valley to build for my future an avocado grove adjacent to JERRY's grove. JERRY was absolutely a master at making a beautiful Garden of Eden, as one of those in the eulogy stated, out of this rocky hillside that he purchased many years ago in the Palomar Valley. He grew everything there in great profusion and abundance.

He had avocados of many varieties. He had 17 acres of kumquats; he had dates; he had everything that could possibly grow on that side of the mountain. He had a true green thumb. He was an innovator. He developed a new tangerine, and it was known as the Pettis Tangerine, among many other fruits on that beautiful ranch.

So we were counting on being next-door neighbors to JERRY PETTIS. It comes truly as a very great loss to realize that is not going to be, but I am assured by his widow, Shirley, that she intends to keep that property more or less as a memory, as a tribute to his ability as a farmer and a rancher, so we will be neighbors with Shirley Pettis who, again, has the sympathy, I know, of every one of us in this House and her many friends in the district in which he served.

Mr. EILBERG. Mr. Speaker, I knew JERRY PETTIS as a warm, friendly Member who came, as I did, to represent his district in the 90th Congress. JERRY, a talented pilot, who often toured his way along the campaign trails in his own small aircraft, had friends across party lines, and I was privileged to be among them. In tribute to him and to his constructive efforts in advancing the work of the Congress, I offer the following eulogy:

Mr. Speaker, it is with great sadness that I join my colleagues in mourning the passing of our friend and colleague, JERRY PETTIS. His death was the kind that has inspired men of all ages and nations to ask "Why?" Why should such a good man, such a great man, be cut off in the prime of life, by a senseless and tragic accident? We cannot answer that question. But JERRY was a man of deep religious faith which he shared with his wife and family, and that faith will comfort them in their terrible loss.

The memory of JERRY PETTIS will inspire all of us who were privileged to know him to be better men, better public servants, and to lead fuller and more productive lives. He was an outstanding pilot, inventor, businessman, teacher, and Representative, who felt that he owed his accomplishments to the opportunities granted him by his country. He believed with his whole heart in American freedom and opportunity, and with that belief went a strong sense of responsibility to protect, defend, and serve it. He worked very hard on the Ways and Means Committee, and few men have achieved mastery over the highly complex and crucial issues which constitute that committee's work. He was dedicated and sincere in his belief that public service is just that, and demands a willing sacrifice.

The death of JERRY PETTIS is a great loss to his friends and colleagues, his constituents, and the Nation. To his family I extend my deepest sympathy.

Mr. BELL. Mr. Speaker, words cannot express the sorrow I feel at the passing of our colleague and my very good friend, JERRY PETTIS. He served the people of California with great distinction and his death has created a void that will be difficult to fill.

It was my privilege to work closely with JERRY PETTIS from the time he became a Member of Congress in 1966; we served together on the Science and Astronautics Committee until 1970. I came to know JERRY as a man of reason, whose views were moderate and in the best interest, not only of the State of California, but also of the Nation as a whole. His commonsense and leadership will be sorely missed.

One is always shocked at the untimely death of a good friend, especially one that possesses as much vitality, intelligence and caring for man as JERRY possessed. We can only console ourselves by the fact that we had the privilege of knowing this man and remembering that his good works will continue and his fine example will remain with us in spirit.

For those of us who knew him well and for those whose acquaintance with him was only brief, JERRY PETTIS will be remembered as a dedicated, hard-working, and capable individual. We all will miss him greatly.

In addition to my own remarks, I would also like to include the remarks of February 20 by Doug Huff in the Desert Sentinel of Desert Hot Springs, Calif.:

[From the Desert Sentinel, Feb. 20, 1975]

EDITORIALLY SPEAKING

(By Doug Huff)

Pardon me. I'm still numb from the shock of events last week. In three days last week I lost three friends, two of them in violent accidents.

Congressman Jerry Pettis in a plane crash Friday.

Desert Sentinel county correspondent Lou Thomann Wednesday.

Bill Alward, owner of Personalized Cleaners in Desert Hot Springs Friday in an auto-pedestrian accident.

My biggest shock however, was the Pettis plane crash.

I considered Jerry almost a personal friend, so much help has he been to me over the five years I have been covering the deserts of Riverside and San Bernardino counties.

Here was a man that truly did his homework. He did not shoot from the hip, as too many politicians and people do. He gave it to you straight. If he had no answer he would find out and call you back. You never got a lot of bull from him.

I called on him and his office staff many times. Whenever he was in the area and I was at an event he was attending he always knew me by name, by paper. Usually he recalled our last meeting and knew what I and the paper I represented had been saying.

He spoke at the last meeting I attended as editor in Yucca Valley—a meeting in Twentynine Palms—and when he heard I had left the paper, sent me word wishing me well in Banning.

It was like it was yesterday when we last met in Desert Hot Springs.

That was when he spoke to the American Association of Retired Persons (AARP) just prior to last November's elections. It had been several months since we'd last met.

I remember well his trying to convince two teenagers on the corner of Pierson and Palm that he was a real live congressman. How he laughed as he climbed into Mayor William Schultz' car about how they hadn't believed him because they'd never heard of him and besides, what would a congressman be doing in Desert Hot Springs, of all places.

Some weeks back I had called his office in Palm Desert on behalf of a widow who seemed to be having some problems with her son and the veteran's administration. His staff had the answers within a day. They weren't exactly what the widow had told me, but they were answers and to me quite satisfactory though the widow's problem was not entirely solved. It was not a matter Mr. Pettis or his staff could exercise any power over, it turned out.

Recently I was to attend a press conference in Palm Springs. I had to bow out however, because it was on a Tuesday and you know what kind of day that is. There is a newspaper to be put together. Which is also why, regretfully, I couldn't make his funeral. I was writing this column.

Jerry didn't want to be in this area the past few days. He would rather have been in Washington, D.C., but his fellow colleagues had wanted a 10-day recess rather than work on pressing national problems.

Having no choice, Jerry flew back to his district to do what he felt was the next best thing. Fly the district and hold hearings on the problems it faced. I suppose it is ironically fitting that he died carrying out two of his great loves, flying and attending the needs of his constituents.

I just feel such a void. Here was a man at the zenith of his congressional career. A man rated most effective of all the California legislators and rapidly becoming one of the most powerful men in Congress. He was respected by leaders and members of both parties and frequently consulted by occupants of the White House. A man of his integrity and experience will not be duplicated in the 37th Congressional District for many years, if ever again.

When I heard on the car radio he was missing on a flight from Palm Springs to San Bernardino I was entering the big curve on Indian Avenue. I almost crashed. I was so stunned. I looked at those horrendous storm clouds, felt the wind on the car, and I knew he was gone.

It gave me a cold chill.

Palm Desert administrative assistant to Jerry, Mrs. Gretchen Paulson, perhaps sums up what many of us feel today: "It was a murderous ghastly schedule."

He wanted to serve us. He gave his life doing just that.

Mr. LANDRUM. Mr. Speaker, Jerry Pettis was one of the most wholesome, constructive, and delightful men it has been my pleasure to know.

His tragic and untimely death has taken from our membership one who was vitally concerned with the economic, social, and religious problems of today and one who was devoting his entire energies toward a constructive solution to these problems.

I share with his friends in this body as well as those from his home region profound shock and sadness at his passing and extend to Mrs. Pettis and his family the warmest sympathy and gratitude for their letting us share with them the fine qualities of this man.

Mr. MONTGOMERY. Mr. Speaker, I join my two colleagues from California, Mr. Bob Wilson and Mr. Rousselot, in expressing my very profound shock and sense of loss with the tragic and untimely death of Jerry Pettis.

Jerry and I both came to Congress in January 1967, and since that time we had developed a very close and personal friendship which I shall always treasure. My friendship for Jerry grew out of the deep respect I had for his abilities and his dedication to his constituents.

His advice, which I sought often, was always freely and soundly given. He had the unique ability to cut through the legal jargon and give a concise explanation of legislation that was readily understandable to all. This was particularly true with the often complicated bills reported from the Ways and Means Committee on which he served.

I always knew that I could count on Jerry for meaningful advice on tax legislation and honesty of how any particular bill might affect my constituents. For this, I will always be grateful.

Mr. Speaker, I will always remember Jerry Pettis as a man who was deeply religious and very much dedicated to his faith. I considered it an inspiration to join with him each Thursday while the Congress was in session for the congressional prayer breakfast.

In addition to the other attributes of Jerry Pettis I have mentioned, he was always very much interested in competitive sports, and especially physical fitness. This interest of his was best evidenced by his sponsorship of touch football and softball for his office staffers. And most of the time his staffers were winners just like Jerry.

Mr. Speaker, I am sure all my colleagues, plus many others on Capitol Hill, feel the loss of Jerry Pettis. He was a man who deserved and got the respect of all. I extend my deepest sympathy to his wife, Shirley, and his fine family.

Mr. DICKINSON. Mr. Speaker, I was very shocked and sorrowed on the afternoon of February 14, 1975 to hear of the tragic death of my personal friend and a dynamic legislator, Jerry Pettis.

Jerry and I really got to know each other when we had offices directly adjacent on the third floor of the Cannon Building. Although we did not see eye to eye on every issue, he had the enviable quality of being able to disagree without being disagreeable.

I extend my sympathies to Jerry's widow Shirley and the family, Deborah, Yvonne, and Peter, and to his staffs, here in Washington and in the district.

Perhaps the greatest tribute one Congressman can pay another is to note that he never forgot the people who elected him. Despite his busy schedule here Jerry Pettis always found or made time to visit with his constituents—to listen to what they had to say and to report to them his thoughts on the issues.

This House and the Nation have lost a leader. He will be sorely missed and long remembered.

Mr. FINDLEY. Mr. Speaker, the death of our colleague, Jerry Pettis, ended a productive career in the Nation's legislature.

Jerry was always a constructive influence. He wanted the Republican Party to advance, of course, but he never let party loyalty surmount his view of the broad public interest.

I rejoiced when he was assigned to the Ways and Means Committee. In his first term, I recognized in him outstanding qualities—hard work, intellectual grasp, integrity.

This past December, I was pleased to see him make himself available for leadership within the Republican delegation. He was deputy whip and had already begun to assist Republican Whip Bob Michel in using the computer science in which Jerry was so skilled to forge a more effective organization.

We have all lost a great friend and an able legislator.

Mr. WYDLER. Mr. Speaker, I have rarely felt the shock I did feel when my wife told me that she had just read that our colleague, Jerry Pettis, had been killed in a plane crash in California. I had always known and liked Jerry in the years he had served in the Congress, but only recently, with his selection as chief deputy whip, did I get to work very closely with him. I found him to be a remarkable man and a superb Congressman. He was, in my judgment, one of those who was just beginning to come into his own in the Congress, and he would have left an unusual record of achievement if he had had the opportunity and the years to develop his full potential in the Congress. I know I will miss him here, and I think the country will miss him as well.

Mr. GIAIMO. Mr. Speaker, my heart was filled with sadness when I learned of the tragic death of my good friend, Congressman Jerry Pettis of California. I extend my deepest sympathies to his wife and children.

In his long and productive career, Jerry served in many capacities. As rancher, airline pilot, flight instructor, and founder of four major companies, Jerry Pettis has epitomized the success of our free enterprise system. As a professor of economics and Air Transport Command pilot in the Pacific theater during World War II, he affirmed his own commitment to the strength, vitality and stability of our educational and political systems. From these activities he brought great talent and experience to his work as a Member of Congress.

The people of the 33d Congressional District of California whom he served for 8 continuous years will miss him greatly. The people of this country, unfortunately, will never know the great contributions he made to their wellbeing while in Congress. We in this Chamber who had the privilege to work with him will miss his absence here most of all.

Jerry Pettis will be remembered—and well honored—for his hard and constant labor for the issues in which he believed. He was a man of convictions who always listened to every argument before making a final decision. To me, and to all those who were fortunate to know him well, JERRY PETTIS will be remembered as a colleague and friend.

As his friend, my heart speaks and says the same words uttered by Anthony over the body of the fallen Brutus upon the field at Phillippi:

> His life was gentle and the elements so mixed in him that nature might stand up and say to all the world, this was a man.

Mr. ANDERSON of Illinois. Mr. Speaker, I join my colleagues in mourning the tragic death of our good friend JERRY PETTIS. The plane crash which took his life just 2 weeks ago snuffed out his congressional career at its pinnacle: JERRY had just been reelected to a fifth term by a 2 to 1 margin, had ascended to the ranking minority spot on the Ways and Means Health Subcommittee, and had been chosen a deputy Republican whip in the House. He was respected and liked by Members on both sides of the aisle as a man of great personal integrity, intellect, and warmth.

JERRY brought with him to the House in 1967 the benefit of a rich and varied background as a businessman, inventor, rancher, aviator, philanthropist, and Christian leader, and those who came into contact with him in turn benefited from his multi-faceted experience and strong character. JERRY had the unique combination of talents as an idea-man and problem solver, and this helps to explain the enormous contributions he made both to the House and his own district.

During my 14-year career in the House, I have never met a more decent and personable individual, and I will deeply miss his presence in this House both as a fellow Republican and a friend. I extend my sincere condolences to his wife Shirley, his son Peter, and his daughters, Debbie and Yvonne.

Mr. PICKLE. Mr. Speaker, JERRY PETTIS had a varied and successful career. He was a success in aviation, in business, and in the Congress. His innate qualities guaranteed that he would be an outstanding citizen.

Mr. PETTIS was considered one of the most genuine gentlemen in the House. He never took the extreme position on the issues; he never engaged in personalities or outbursts of rhetoric or demagoguery. In his legislative performance he was very careful and thorough. Mr. PETTIS would marshal his facts and meticulously present his case. Because of this approach and because of his kindly demeanor, Mr. PETTIS was held in esteem by his colleagues for his thoughtfulness and consideration.

I feel that I was particularly privileged because I knew JERRY PETTIS in several different ways. We served on the same committee where he always counseled the sound moderate approach to our problems. He was a leader on his side of the aisle and his colleagues constantly sought him for advice and consultation.

I also knew him as a fellow member of the U.S. Capitol Historical Society. JERRY and I were board members and officers on the executive committee together. This post was not just an honorary one for him. He took it very seriously, attended the meetings, and was very active in fund raising for the proposed sound and light program, and the just completed "Capitol Hall." JERRY contacted friends throughout the Nation to gain support of these worthy historical projects. Only last month he had made tentative plans with me for a fund-raising luncheon to aid the sound and light program.

And lastly, like other Members, I knew JERRY as a colleague. I enjoyed meeting with him on a personal and social basis. He leaves a wonderful family.

I do not hesitate to say that JERRY PETTIS was held in as high esteem as anyone in the House. He was a fine individual, a dedicated legislator, and public servant.

This is a tragic, heartbreaking loss for his family and for his colleagues in Congress. We have lost one of the best Members in all the House.

Mr. HINSHAW. Mr. Speaker, I wish to join in the expression of sorrow voiced by many of my colleagues over the death of JERRY PETTIS, one of our outstanding congressional leaders.

Having worked very closely with JERRY on many legislative matters these past few years, I gained a very deep respect for him both as an individual and as a very highly accomplished and effective lawmaker.

My deep sense of loss at his death is of a personal nature. When one has developed the kind of rapport with a friend such as JERRY and I had, the sense of loss is accentuated the feeling of those who know only of his professional contributions to our country, to California, and to his congressional district.

He has left the lasting impression with me, and, I am certain, with all those who knew and worked with him, that he stood for loyalty, dedication, and a high sense of moral and personal integrity. He was endowed with an abundance of these characteristics which may explain, at least in part, the place he won in the hearts of so many of us.

His record of public accomplishments and his successes in the private sector mark JERRY as a great man, whose loss will be felt by all who knew him.

Mr. BURKE of Massachusetts. The loss of JERRY PETTIS is one that will be felt in the House of Representatives and on the Ways and Means Committee for a long, long, time. It is a great shame that a man who had given so much to his family, his community, and his country should be taken from those duties he loved while he still had so much more to give.

In every field he entered, JERRY PETTIS excelled. In his younger years, he excelled in his studies received a masters' degree at USC and taught speech in Nebraska at the age of 24, during 1940–41. Throughout his life he retained always a deep-rooted love for academic, which gave him most of his greatest satisfaction.

He always worked to improve the lot of his fellow man. As a Seventh-Day Adventist preacher, he first learned to fly small planes of the type in which he so tragically perished. As a preacher he first evidenced that sense of duty which led him to visit every corner of his large parish and a U.S. Congressman every corner of his large California district.

When World War II began, he answered the call every man answered, but in a way that typified JERRY PETTIS. He made a great contribution in helping to organize the Civil Air Patrol, now a well-known and elite air assistance unit of civilian flyers that respond to air distress calls everywhere. He also taught young pilots for quite some time in the CAP. And later in the war he took to the air in the Pacific with the Air Transport.

JERRY loved the air as much as he loved his country and his State, and we would do well to put as much of ourselves into our tasks as he did into the many extraordinary tasks he undertook. He devoted much of himself to the medical world, as an administrator, perennial benefactor, and as a Congressman.

The new Loma Linda Medical Center and VA Hospitals in his district shall serve as two of the greatest monuments any man could ask; for JERRY PETTIS they are barely fitting to honor his great contributions to medicine in California. The gift he was proudest of, the tape-recorded Medical Audio-Digest he donated to the California Medical Association, will serve as a living memorial to this great man.

When he came to Congress, he brought with him that undeniable urge to serve that was imparted to many of us to our great advantage. The power of his drive could never be diminished; the value of his work will never be fully realized; neither can any of us measure the great potential that will be our painful loss.

As a colleague of JERRY's on the Ways and Means Committee, I knew him to be an honest, hard-working, and cooperative member. He always impressed us with his knowledge of committee business, and of course, in his devotion to the important affairs of the Nation so often pressuring the committee he was tireless. He shall be deeply missed.

However great our loss, we must remember in the times ahead to offer comfort to those who have suffered the greatest loss, his very dedicated wife Shirley and his three children. Mrs. Burke and I offer the deepest heartfelt condolences.

JERRY PETTIS was a credit to the House of Representatives he served so faithfully, to his State, to his proud family, and to every cause or organization to which he lent his efforts. It was always a great honor to serve with such a man.

Mr. MOSHER. Mr. Speaker, I feel privileged to join in the special order honoring our colleague and friend, the late JERRY L. PETTIS. His untimely death shocked and saddened all of us. It is a profound loss to the Congress, to his constituents, and to his family.

JERRY PETTIS' death is a very personal loss for me. We are all familiar with JERRY's remarkable record of public service and personal accomplishments, Mr. Speaker, but I wish to add now a few personal remembrances, and also to make a special proposal for a specific appropriate memorial.

When JERRY PETTIS first came to the Congress he was assigned to the House Committee on Science and Astronautics, a committee on which I also served. This assignment was very appropriate because of his wealth of knowledge and experience in the areas of aeronautics. And his scientific curiosity was not limited solely to aeronautics. In particular, I remember JERRY's ingenious and successful experiments in the production of citrus fruits. That was consistent with his innovative, inventive efforts in all his endeavors.

Throughout his service on the Science Committee, all of us on that panel found JERRY to be a fascinating, much enjoyed human being. He participated faithfully and productively, with a very significant understanding of our committee's obligations.

Then, JERRY moved over to the Ways and Means Committee, where he felt he could better serve his constituents. From talks with my colleagues on that committee, I know that he continued there in his tradition of making very valuable contributions to committee activities.

Even after he moved to the Ways and Means Committee, I was privileged to remain in close association with JERRY PETTIS as we were both members of the Wednesday Group. All of us in that group feel JERRY's loss very personally. Through our weekly meetings and discussions we all knew JERRY to be a wonderful colleague—always productive and creative and hardworking.

Mr. Speaker, all of my comments thus far have been looking backward, into the recent past. If I may, I would now like to propose an idea for the future, to continue in a very vital way our tribute to JERRY PETTIS.

In the opening weeks of this session I joined as a cosponsor of legislation to establish a national conservation area of the California desert. I joined on this legislation at the invitation of JERRY PETTIS.

JERRY felt very strongly about the need to preserve the history and heritage and unique environment that can still be found in the California desert. He first introduced the California Desert Protection Act in the 93d Congress and some hearings were held. Many of our colleagues joined to cosponsor this legislation, both in the last Congress and in this one.

I suggest it would be an entirely appropriate and suitable memorial to our esteemed, departed colleague if we were to do everything possible to hasten the passage of the Desert Protection Act.

Further, Mr. Speaker, I suggest that we should name the proposed conservation area in honor of our former colleague.

Mr. Speaker, as a small token of our esteem for JERRY PETTIS and as a sign of our concurrence with his goals and objectives, I urge the prompt enactment of legislation to create the JERRY L. PETTIS Memorial National Conservation Area in the California desert.

Mr. SISK. Mr. Speaker, it was a sad day when I learned of the tragic death of my friend and colleague from California, JERRY PETTIS.

His unfortunate demise is a great loss, not only to our delegation in Congress, but to California and the Nation as a whole. He was one of the more knowledgeable members of the Ways and Means Committee, and while of a different party than half of us on the delegation, shared his knowledge of complicated tax legislation in a nonpartisan way.

In recognition of his talents in this field, and in the field of tariffs, he had been selected to be one of the House representatives at the forthcoming international Trade Agreements Conference in Geneva. In a sense the world suffers from his loss.

He was also knowledgeable in the field of agriculture, California's biggest industry, and will be sorely missed by all his friends in that pursuit.

I admired his character and abilities and this admiration and respect was shared by all the Members of the House.

My deepest sympathy goes to his family and I assure them his memory will long remain in our thoughts.

Mr. BAUMAN. Mr. Speaker, I want to join with the many other Members who have expressed a great sense of loss caused by the untimely death of our colleague, JERRY PETTIS, of California.

In the brief time I have served in the House I came to know JERRY as a good friend, an able Member, and in every way, a fine human being. Only a few days before his death we were discussing his long career in aviation and comparing the relative size of our respective congressional districts. Both of us concluded that the airplane was essential to meet the many commitments of districts such as ours. He recalled to me that my predecessor in Congress, the Secretary of the Interior, Rogers Morton, had learned to fly during his time in the House, and JERRY had encouraged him in this.

That little conversation was typical of the warmth and friendliness of JERRY PETTIS. He will be greatly missed here. My family joins me in extending our sincere sympathy to Mrs. Pettis and their family.

Mr. WHALEN. Mr. Speaker, I join my colleagues in paying tribute to our late colleague, JERRY PETTIS of the 37th District of California.

Jerry and I entered Congress at the same time, and we became good friends. Like others, I immediately became aware of his deep personal integrity and his thoroughness in researching issues. To work with JERRY on legislative matters, always was a very satisfying experience.

The variety of his precongressional career enabled JERRY to become an extremely effective Member of the House, and resulted in his rise to leadership both on his committee and in the Republican policy structure. The tragedy of his untimely death is augmented by the fact that from his new positions, his contributions to the Nation and to his constituents would have been even greater.

Mrs. Whalen joins me in extending our sympathy to Mrs. Pettis and her children.

May JERRY rest in peace.

Mr. BIESTER. Mr. Speaker, I wish to add a few words of deep respect for our late colleague, JERRY PETTIS.

Few Members of this body elicited the kind of warm and genuine regard which JERRY evoked. He was a friend to all, and we all have lost a true friend.

JERRY and I arrived in Congress at the same time, and from the beginning it was clear that here was a very special person. He approached his legislative responsibilities and committee work with unaffected dedication. As a member of the Ways and Means Committee, he knew the importance of his job. He knew it well and he did it well.

Sudden and tragic deaths are hard to accept, and it is especially difficult to comprehend the loss of someone with the vitality and ability JERRY possessed and shared so willingly. His family should be immensely proud of his contributions to his district, State, and Nation.

Mr. SHRIVER. Mr. Speaker, I wish to express my deep personal sorrow over the sudden loss of a respected colleague and friend, JERRY PETTIS of California.

It is always difficult to say goodby, but it is even more so when one such as JERRY PETTIS, who was energetic, able, and had so much more to contribute, is taken suddenly in a tragic accident. He was in his prime, and had so much more to give to his family, his constituents, to us, and to our Nation. We will miss him very much.

JERRY PETTIS was a person of many diversified interests. He was an accomplished pilot, dedicated to the activities of the Civil Air Patrol, an economist, a teacher, a rancher, an able legislator. He was a devoted husband and father.

I am proud that I had the privilege of being associated with JERRY PETTIS in this House, and will always value the friendship we enjoyed. Mrs. Shriver joins with me in extending our heartfelt sympathy to his wife, Shirley, and to the Pettis family.

Mr. REES. Mr. Speaker, I join with my colleagues from the House in expressing my deep sorrow over the untimely death of our good friend and colleague, JERRY PETTIS.

I had the honor and privilege of working with JERRY over the years on many projects affecting our State of California and our Nation, and I developed a great deal of respect and regard for his many abilities, his great compassion, and his dedication to improving the lot of his fellow man.

It is difficult to express deep feelings in mere words; I know, though, that my own life has been enriched by having had the opportunity of knowing and working with JERRY PETTIS. He will be sorely missed. California and the Nation has indeed suffered a grievous loss.

Mr. ESCH. Mr. Speaker, on February 14 the country lost a dedicated servant, the House lost a real leader, and I lost a close friend. I considered JERRY PETTIS to be a very close friend, having first come with him into Congress in January 1967, and having served with him during the past 8 years.

I knew JERRY to be a man of unquestionable morality and capability—one whom I could turn to to gain specific information and advice on matters before his committee and this House. JERRY PETTIS had the respect of his colleagues because of his own personal attitude. He was a man of great self-discipline and dedication. He was one of the real humans who knew who he was in relationship to his fellow man and to his God, and thus served as a personal inspiration to many of us who were honored and fortunate to be his colleagues.

But Congressman Pettis was more than that. He was a leader in the House, and many others will confirm his dedication as a Member of this body. Let me also give recognition to his work, not only on the Ways and Means Committee, but also his earlier contributions to the Science and Astronautics Committee.

Especially significant in the work of this House was his keen analytical sense of what was effective business practices for our country. He brought to the Congress the sense of his experience as a businessman and economics professor, and his contributions continued to grow in recent years in the Ways and Means Committee. But most important, Jerry Pettis will be missed because of his contributions as a public servant for his country.

At a time when the credibility of all public officials is questioned, there was never a question about the credibility of Jerry Pettis. His deep religious conviction permeated his public and private life. He was one who lived his religious beliefs and practiced them with his family and for his country. That above all others perhaps is the most striking legacy he left with all of us.

Mr. CLEVELAND. Mr. Speaker, one hardly knows where to begin a tribute to a man like Jerry Pettis, who was taken from us at a time when his career in public service was marked by so much accomplishment and promise for the future.

In an age of increasing specialization in all areas of life, Jerry Pettis stood apart, distinguishing himself in many fields when the ordinary man would be content with success in any one of them.

Jerry exhibited business ability in his founding of Magnetic Tape Duplicators, which he developed into the world's largest user and duplicator of magnetic recording tapes. He was successful, as well, as an avocado and citrus grower, commercial airline pilot, and special assistant to the president of United Airlines.

Coming from a family of modest means, Jerry worked his way through college by working on the college dairy farm, getting up at 3 o'clock every morning to milk the cows. His appreciation for the value of education was reflected in later life as he taught at two colleges, served as vice president for development of Loma Linda University and played a key role in the establishment of its $25 million medical center.

He established the Audio Digest Foundation, a nonprofit organization which furnishes monthly educational tapes to physicians. Revenues from this foundation are held in a trust fund to provide scholarships for needy medical students around the country.

The talents which Jerry brought to private life were placed in the service of the Nation as a whole in his congressional career, in which be became an acknowledged expert in the health care field and worked successfully for the establishment of a 630-bed veterans hospital in Loma Linda.

One need not catalog his legislative accomplishments and record of service to Members of this body, who recognized his intelligence, dedication and capacity for hard work with his assignment to the Ways and Means Committee only 3 years after his election to the Congress in 1966. He was only the second Member in this century to achieve this position in so short a time.

Along with a thread of accomplishment, Jerry's life was pervaded by deep religious conviction and genuine concern for his fellow man and his problems. He was a Seventh-day Adventist and spent many years preaching for his church and guiding his own life by its principles. Indeed, his sense of purpose, of service, of principle was inseparable from his religious faith.

Despite his achievements, Jerry never stopped caring for people as individuals. Rather, his accomplishments placed him in a better position to help them. This was perhaps the aspect of his work as a Member of Congress that gave him the greatest satisfaction.

Jerry Pettis took much from America in the way of opportunities offered a man of his capabilities. And in the Nation's highest traditions he gave back in full measure and more. To the House in which he achieved stature, he lent stature, honoring those who had the pleasure and privilege of knowing and working with him.

But the final judgment rests with the constituents we serve, and I can think of no more fitting tribute than these words from his hometown newspaper, the Loma Linda Bulletin:

> This man, Jerry Pettis, seems to have touched the lives of nearly everyone who saw him. And, in this part of the world, wherever there is help . . . or hope . . . or healing . . . Jerry Pettis will be remembered.

CONGRESSMAN PAUL FINDLEY INTRODUCES TAX REFORM BILL

The SPEAKER pro tempore (Mr. Danielson). Under a previous order of the House, the gentleman from Illinois (Mr. Findley) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, today the House passed the general tax cut proposed by the President and reworked by the Ways and Means Committee. The effect of the bill is still very much in doubt, and this year's joy may turn to next year's regret if the tax cut spawns a new round of inflation. Recently, I asked my constituents to name the single greatest problem confronting our Nation, and 77 percent feel that inflation is public enemy No. 1. By more than 3-to-1, they rate inflation more critical than unemployment.

I firmly believe that most Americans would be just as pleased with meaningful tax reform as they will be with the few extra dollars which will result from this tax cut. It is time for Congress to begin working on such a tax reform package.

Today, with that purpose in mind, I am introducing the Tax Reform and Simplification Act of 1975. The most recent figures show that hundreds of citizens still pay no income taxes at all, while many others pay only a small fraction of their fair share. At the same time, most Americans are now struggling to figure out what deductions they can legally take and how much they owe the Federal Government this year. In fact, 30 million Americans are so confused by the income tax forms that they pay almost $1 billion to have tax specialists fill out their forms.

The situation has clearly gotten out of hand. It is time for Congress to change it. It is time to eliminate the tax preferences and deductions which allow the wealthy to escape fair taxation. It is time for Congress to simplify the tax code so that the average American can understand it. The bill I am introducing today is designed to accomplish both of these goals.

To simplify the task of filling out tax return, my bill provides a realistic standard deduction of 25 percent or $3,000. This is higher than the $2,500 in itemized deductions which the average taxpayer claims, and thus will provide an incentive to use the minimum standard deduction and quit worrying about whether a certain item is deductible. In fact, most Americans will be able to use the short form if my bill is passed.

Second, to spread the tax burden more fairly, my bill doubles the minimum tax preferences to 20 percent, and imposes a new minimum tax of 20 percent on new issues of municipal bonds which currently are tax free. Although such bonds have been a boon to local governments, they have become an unconscionable tax haven for the wealthy. My bill would not eliminate the usefulness of these bonds to local governments, because the 20 percent tax would still be less than the capital gains tax which attracts investment in real estate and stocks.

This bill is similar to one which I introduced last year and which regrettably was not acted upon prior to adjournment. I hope that a better fate awaits it this year. I have no doubt that the American people would welcome the kind of tax reform it offers.

THE TWIN ILLS OF INFLATION AND RECESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. Edwards) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, the twin ills of inflation and recession continue to plague our Nation as more and more Americans are feeling the bite that our economic situation is having on their lives.

While the rising cost of food and unemployment are still a problem at present, some business leaders are cautiously predicting an upward turn later this year.

People will step up their spending on cars and other products and thus lead the Nation's economy in a recovery from the recession, a group of national business leaders said at a recent meeting in New York.

They based their qualified collective opinion on the encouraging signs already visible, indicating that a modest upturn is in the offing.

They pointed to the tax cut now making its way through the Federal Government process, a slide in short-term interest rates, a buoyant stock market and the steps taken by industry to work off excess inventories.

These developments, in time, will lead to a revival of consumer confidence, the business leaders believe. Many of them added that consumer spending remains the only force that can rebound quickly enough to lead to a recovery in 1975.

Steps taken by President Ford and the Congress to break the economic slump are encouraging.

Billions in Government funds that were impounded by President Ford and his predecessors are being turned loose, partly as a result of official policy and partly because of new court rulings.

The President released $4 billion worth of impounded pollution-control money in late January. He followed this with an announcement on the spending of $2 billion in deferred highway construction money.

Release of impounded funds will eventually add billions to the economy, but no immediate boost in new jobs is expected. It takes months to gear up new construction projects and to distribute the money. Some States are hard pressed to come up with the matching funds required to qualify for some of these grants, although legislation has been introduced to give them partial relief.

Some folks hit hard by inflation and recession may not see or realize the results of these steps for many months. Unfortunately, this process is slow.

It is hoped that the release of these previously authorized funds will stimulate the economy. However, it is important that the line be held on the present budget and any new spending programs. Excessive Government spending by Congress is an evil for which we are all paying dearly at this time, and I urge each of you to do your part toward reinstating fiscal responsibility. I also encourage you to look closely at any bill that unnecessarily interferes with private enterprise. I believe the American public has reached its saturation point and we should start reducing regulations and guidelines, rather than constantly enacting more.

President Ford's proposed 1-year moratorium on the start of any new spending programs certainly has merit. We also need to consider tax reform, impose a windfall profits tax on oil companies and examine existing Government programs for waste. As a member of the House Appropriations Committee, I plan to do just that; and I earnestly urge you to do likewise.

KING CAUCUS RUNS THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 5 minutes.

Mr. BAUMAN. Mr. Speaker, last Friday, February 21, my distinguished colleague, the gentleman from Idaho (Mr. SYMMS) engaged in a colloquy with the distinguished majority whip, Mr. McFALL, of California. The gentleman from Idaho sought to determine why the House was in session on a Friday when there was no scheduled business. The answer of the gentleman from California was less than complete and the result was a quorum call which only produced 208 Members. For the first time in many years the House had to adjourn for lack of a sufficient number of Members to do business, hardly an inspiring example to the country.

Mr. Speaker, I submit the real reason that the House was called into session, at considerable expense to the taxpayers, was to comply with rule M IX of the Rules adopted by the Democratic Caucus. Apparently, seeking a closed rule on the income tax cut bill, the full House was forced to convene for at least 4 legislative days after notice was placed in the RECORD, by order of the Ways and Means Committee majority.

What we now see is the rules of the House being expanded to meet the political considerations of the majority party caucus. While these caucus rules form no official part of our procedure, they apparently force the entire House membership to hold legislative sessions whether any business is to be conducted or not.

At this point I include the text of rule M IX since it is not printed in the House rules:

M IX. CLOSED RULE RESTRICTION

(a) It shall be the policy of the Democratic Caucus that no committee chairman or designee shall seek, and the Democratic Members of the Rules Committee shall not support, any rule or order prohibiting any germane amendment to any bill reported from committee until four (4) legislative days have elapsed following notice in the Congressional Record of an intention to do so.

(b) If, within the four (4) legislative days following said notice in the Congressional Record, 50 or more Democratic Members give written notice to the chairman of the committee seeking the rule and to the chairman of the Rules Committee that they wish to offer a particular germane amendment, the chairman or designee shall not seek and the Democratic Members of the Rules Committee shall not support, any rule or order relating to the bill or resolution involved until the Democratic Caucus has met and decided whether the proposed amendment should be allowed to be considered in the House.

(c) If 50 or more Democratic Members give notice as provided in subsection (b) above, then, notwithstanding the provisions of Caucus Rule No. 5, the Caucus shall meet for such purpose within three (3) legislative days following a request for such a Caucus to the Speaker and the chairman of the Democratic Caucus by said committee chairman or designee.

(d) *Provided, further,* that notices referred to above also shall be submitted to the Speaker, the Majority Leader, and the chairman of the Democratic Caucus.

I have one suggestion—that if the entire House membership is to be ruled by a bare majority of the majority party members by way of their caucus rules, then a sufficient number of Members should attend all sessions of the House which may be required because of these caucus rules.

The gentleman from Idaho is to be commended for underscoring this point.

HEARINGS ON ILLEGAL ALIEN LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that my Subcommittee on Immigration, Citizenship, and International Law of the Committee on the Judiciary, will continue its hearings on H.R. 982—a bill which would impose civil and criminal penalties on those employers who knowingly hire illegal aliens.

This hearing will be held in room 2247 at 10 a.m. on Wednesday, March 5, 1975. At this hearing testimony will be received from Andrew Biemiller, legislative director, AFL–CIO.

In addition, we have invited officials of the Social Security Administration to testify on this legislation, as well as on section 137 of Public Law 92–603 which imposed certain restrictions on the issuance of social security cards.

We would also like to invite any other Members of Congress who are desirous of testifying on the subject of illegal aliens, but who were not available to testify at yesterday's hearing.

PERSONAL STATEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. NOWAK) is recognized for 5 minutes.

Mr. NOWAK. Mr. Speaker, on February 25, 1975, I was detained by pressing local business with some of my constituents and arrived too late to record my vote on Roll No. 24.

I would like the RECORD to show that had I been present I would have joined the majority in voting to pass House Joint Resolution 219, making further continuing appropriations.

A CITY BETRAYED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, yesterday the mayor of San Antonio, the Honorable Charles Becker, did a great favor for the city; he announced that he would not be a candidate for reelection, and furthermore that he has "had it with politics." All of us in San Antonio hope that he means it.

Becker's outburst yesterday showed his true character; a frustrated bullyboy, who could not buy the capability of being a good mayor. He could buy the office, but he could not use his wealth to increase his ability, which was and is inadequate. So his frustration is understandable and his outrage should come as no surprise. Becker is a man who was born with all the goods this world can bestow; he is accustomed to the notion that his inherited wealth should bring him anything, and it can bring him any material goods he wants—but it cannot bring him the satisfaction of being his own man.

Politics was going to be the proving ground of Charlie Becker's manhood.

Politics was going to demonstrate to everybody, but most importantly to Charlie himself, that he could achieve success on his own hook. He could be a leader; he would show everybody. But it did not work out that way. Charlie Becker's whole career in politics was a portrait in frustration, a personal disaster, and a political disaster for San Antonio.

Becker is not without some redeeming merit. He foresaw that he could not be a mayor of any success unless the city council could somehow be united, a process that was made nearly impossible by his own rejection of the group that originally backed him by the vicious and fantastically expensive campaign that he conducted to be elected, by his own reckless ambition, all of which were complicated by a series of his mistaken judgments. Perhaps Becker foresaw all this, for his first statement as would-be mayor contained this, his own political epitaph:

> Unification is an absolute necessity. Without it this council will pass into oblivion.

So it has. San Antonio under Charles Becker has endured one disaster after another. His ambitions have been wrecked, and the city's own hopes have been blasted. No wonder he is frustrated. And no wonder, given his fatal defect, the defect of the man of inherited wealth who wants, but cannot be his own self-made man, he now blames everyone except himself for his political failure.

Since Charles Becker plays such an important role in San Antonio's present municipal disaster, I can only hope that he is really through with politics. He says that he will not be a candidate again. But I know that he still wants to wield personal power—partly to satisfy his craving for revenge upon his enemies, real and imagined—but partly also because he wants to satisfy his ego by becoming a kingmaker, now that he cannot be king in his own right. So he is now prepared to back candidates in the coming city election. He approached one, who declined to run, with an offer of $200,000 worth of support. I wonder how many others can resist.

San Antonio has been through difficult times. The city has survived under six sovereign flags; it has struggled through wars, pestilence, banditry and depression. It has wrestled with political corruption; it has endured inept and greedy government; it has known every kind of municipal evil—yet it has survived, prospered, and created within itself a charm and graciousness nearly unknown in American cities. Greatness, perhaps, has eluded San Antonio—but it remains a robust city, one of which I am proud, and one which I think can confront the future with confidence.

In this season of municipal politics, San Antonio has a fresh opportunity to overcome its problems. The city has a chance to renew its leadership and be done with the erratic and querelous, bumptious doings of Charles Becker and his sometime allies.

Few of those elected with Charles Becker served out their council terms. Some must have left because they could not stand the weekly marathons of council meetings, which too often broke down into quarrels or downright pandemonium. Some left simply because they could not stand the abuse of Becker. Whatever their reasons for leaving, I doubt that any city council in San Antonio's history had as many resignations as the one now leaving. That says a great deal about the leadership qualities of the now-departing mayor.

When he was elected to the city council in 1973, Charles Becker reported expenditures of $218,971.04. That was far less than he actually spent, and it was far more than all other candidates spent, combined. Much of the money Becker spent came from business associates: people who worked for him, people who built his buildings and stocked his stores. A great deal of the money was reported as being "anonymous" contributions—usually in the form of $1,000 chunks of cash. From whom came this manna? What was it that made these donors so shy? Was it that they had some special interest in what the future mayor would do? Could it even be that some of these thousand dollar contributions came from people like Oscar Wyatt, who we know discussed political expenditures in San Antonio during 1971 executive sessions of his company; who Becker consistently defended from that day to this, and who now says that he would give funds to Becker if he ran again? Could it be that some of this anonymous money came from people like Morris Jaffe, the mayor's closest friend and ally, flamboyant businessman, mysterious wheeler and dealer—and who was with Becker when that honorable official offered $200,000 to a potential candidate in the 1975 city election?

We may never know. Becker has never identified his anonymous supporters, and there has never been any outpouring of community indignation over this curious, incredibly dangerous political disease of anonymous giving.

Becker might do much to prove his righteousness if he would only identify who his anonymous friends are. It does little good for him to dismiss the question as unimportant, and merely accuse me or others who question this corrupt practice, of being insane. It is hardly insane to wonder who gave to a political campaign of unprecedented cost and viciousness—anyone who has lived through the ordeal of Watergate knows that. Lifting the cloak of secrecy from political contributions tells much about the candidate. Becker hides his good friends. I can only wonder if it is because he has served their interests too well and openly—or because the contributions came from corporate sources, perhaps his own company—or because they came from people like Oscar Wyatt, whose greatest interest was to influence the regulatory decisions of the city council. There is no good reason for anonymous political contributions in the $1,000 class. It is a form of political corruption that Becker and his erstwhile allies on the council were peculiarly afflicted with. Perhaps the disasters that followed this expensive election, filled as it was with the anonymous bags of cash, could have been expected, if only because of the hidden interests symbolized by those sums of cash

Beyond the basic corruption of which the election campaign was a symbol, Becker's leadership was characterized by a desire to form his own political machine.

There were two visible symbols of this effort to create a Becker party. One was the placing in the mayor's office Charles Becker's own political operator, Jack Skipper. Skipper had run the mayor's campaign; before that he worked for Becker's grocery company, his principal duty being the task of laying the groundwork for the campaign that he later directed. Skipper was transferred onto the backs of the city taxpayers after Becker became mayor. He has since resigned, and I presume is carrying out his political chores once again on the payroll of the grocery company.

The other symbol of Becker's drive for a political machine of his own was the so-called Independent Citizens Association, which he launched with great fanfare a year or so ago. The citizens association has since disappeared, a bubble pricked by the needle of no public support. The rise and fall of this political balloon offers an excellent graph of Becker's rising ambition, his gross failure, and his ultimate frustration and exit from active politics, except in the form of a bagman operating behind the scenes, buying up the power that he cannot win and hold in his own right.

Part of the political failure was traceable to Becker's eccentricity. For instance, he would suddenly and inexplicably change his position—first, strongly endorse a State utilities commission—Texas being one of the only places not having such a commission—and then turn against the idea. He would call for rejuvenation of the downtown areas of San Antonio—but fight tooth and nail for municipal policies that directed investment away from downtown. It proved impossible to know what Becker would do, except speak in the form of wisecracks.

Another part of the city's leadership disaster was caused by Becker's penchant for taking the law into his own hands.

Becker and his friend, Morris Jaffe, appear to have had a kind of personal, private policeman. This informant, by the way, is still on the police rolls and until very recently was conducting a side business—rugs—with the mayor's former security officer for Handy Andy and Morris Jaffe's son. It was this man who one day informed Becker that two officers had murdered members of the notorious Fred Carrasco drug syndicate. Becker saw to it that the story was written large; he claimed to have a secret witness to support his story; and he lodged that witness in a motel room. Unfortunately for Becker, the witness himself was a criminal, worse still, one who dealt heroin from the mayor's own personally financed secret lodgings.

This secret witness was arrested by Federal agents, in the midst of the great hue and cry Becker had raised—and the witness is now lodged in prison, where he belongs. The man's master, Fred Carrasco himself, landed in jail in San Antonio, where he received royal treatment courtesy of Judge Preston Dial—whose judicial errors frequently embarrass one and all—this same Fred Carrasco ended his life in the Texas State Prison, killed in a shootout along with two innocent hostages. Carrasco's lieutenant was hardly the man a person of very good sense would place under his personal protection, or rely on to prove charges of police corruption—but that is what Becker did.

Incredible incidents like this surely enraged and embarrassed Becker, because such things could not help but undermine any claim he had to being a responsible leader. Things of this nature showed him up as a kind of 20th century vigilante, one who unfortunately was the fool in a burlesque.

After this sensational episode, the fortunes of Charles Becker went into rapid decline. San Antonio fell into a disastrous energy crisis, precipitated by the deceitful and fraudulent dealings of Coastal States Gas Co., whose integrity Becker consistently defended. The mayor time and again insisted that Coastal States in general, and Oscar Wyatt in particular, had never done anything wrong. He insisted that it was the victim of the crime, the public service board on which he served, that was at fault, not Wyatt. Becker still insists on this, though the record is strewn with proof after proof of Wyatt's double dealing and fraud. Becker's defense of Wyatt, a double-distilled liar if ever there was one, is evidence of a particularly foolish consistency. Where in other matters the mayor would be as unpredictable as a weathervane, in his defense of Wyatt, he remains tried and true.

I think that this defense of Wyatt and Wyatt's company is rooted in a basic part of the major's character. It probably is not accounted for by the fact that Becker had, through his company profit sharing trust, investments in 700 shares of Coastal stocks—after all, this investment was worth only $20,000 or so, if Becker told the truth about it, and $20,000 more or less is in his word, "infinitesimal" to him. It is a lot to most of us.

However, I am prepared to believe that Becker's peculiar affection for Wyatt is born of something other than a business association. It lies in his genuine admiration for the high-rolling, self-made man. Becker has never had the satisfaction of being a successful businessman in his own right—in the sense of making his wealth starting from scratch—and he sincerely admires men who have done so, like Oscar Wyatt. He has never known what it is to take a real risk, and wants to be on the side, and at the side of, those who have done so. Oscar Wyatt is one of these. This may account for the mayor's attitude, more than any cash that he ever got from Wyatt. In a man of Becker's character, money itself does not mean very much, so he is probably not corrupt in the sense of being bought. His fatal flaw is that he admires corrupt people like Wyatt.

Becker hates his own class, those who, as he said yesterday:

> Have already got theirs, and now they don't want anybody else to get any.

His closest friends and supporters, those whom he admires most, are not those who inherited wealth, as he did. They are the hard-driving, ambitious, self-made high-rollers like Morris Jaffe, Jim Dement, and Oscar Wyatt.

For Becker, I think that politics was going to be the source of personal success and satisfaction. It never worked out that way, and now he blames everyone except himself—me, the newspapers, his political opponents, even the television stations. It is a sad and sorry thing for him. It is a sad thing for the city.

But San Antonio has survived other disasters, natural, political and economic. It will survive this.

San Antonio was planted on a wild and dangerous frontier by a few men and women who came with a mixture of faith and ambition, who were blessed with courage and stubborness, and who stuck it out.

I hope that today San Antonio has in it still enough people of faith, ambition, courage and zeal to overcome the city's problems, the leavings of fatuous and self-deluded people like the departing mayor. It took people of skill and courage, people of real vision and daring to plant the town of San Antonio; such people have nourished it through good times and bad—and I believe that enough such hardy souls are still around to provide the leadership that San Antonio needs. We have now the opportunity to put the past where it belongs, to look ahead, and to work as a city toward the greatness that is its heritage, which is far greater than any one human being, far greater than any single persons' amibition or greed, far greater than the curses it has endured from Charles Becker.

LEGISLATION TO EXEMPT RURAL LETTER CARRIERS FROM PROVISIONS OF FAIR LABOR STANDARDS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. Ford) is recognized for 5 minutes.

Mr. FORD of Michigan. Mr. Speaker, today, at the request of the National Rural Letter Carriers Association, I am introducing legislation to exempt rural letter carriers from the provisions of the Fair Labor Standards Act.

The Fair Labor Standards Act amendments which were enacted last year signified another step forward for workers throughout this country. However, these amendments have been the source of some concern for both rural letter carriers and the U.S. Postal Service. This is because the rural letter carriers work under unique conditions which differ significantly from the other kinds of employment which are covered by the Fair Labor Standards Act.

At this point, I would like to insert into the Record a copy of a letter I received from Mr. Rial M. Rainwater, president of the National Rural Letter Carriers' Association requesting legislation to exempt rural carriers from the provisions of the act. In his letter Mr. Rainwater explains the reasons why his organization feels this legislation is necessary, and emphasizes that this legislation would be applicable only to rural carriers and not to other Postal Service employees who benefit from the protection the act affords.

National Rural Letter
Carriers' Association,
Washington, D.C., February 6, 1975.

Hon. William D. Ford,
Rayburn House Office Building,
Washington, D.C.

Dear Congressman Ford: Enactment of the Fair Labor Standards Act amendments, effective May 1, 1974, was a giant step forward for many newly-covered employees of this country. The rural letter carriers of America are the exception to the rule.

Since the inception of the Rural Delivery Service, rural carriers have had an incentive-type system which requires very little supervision. It is based upon the number of miles of the rural route or upon the evaluation of the route, whichever is higher. It has a built-in feature which already assures overtime pay when the route evaluates in excess of 40 hours. The system has served the rural carriers of the Nation well and has proven to be beneficial to the Postal Service.

The nature of rural delivery is such that it would be most difficult to tailor a rural route to exactly 40 hours. There are about 31,000 rural routes in about 16,500 post offices, or an average of 2 rural routes per office. To adjust rural routes to comply with the Fair Labor Standards Act will cause an untold number of address changes throughout Rural America. It would create numerous administrative problems for the Postal Service as well as many, many problems and hardships for rural carriers.

The National Rural Letter Carriers' Association, on behalf of the 49,000 members it represents, strongly urges enactment of an amendment to exclude rural carriers from the provisions of the Fair Labor Standards Act. The exclusion we seek would apply only to the rural carrier craft and not to the other Postal employees. The Fair Labor Standards Act is valuable protection to other Postal employees who are on a straight hourly basis of pay.

We hereby request you as a Member of the Education and Labor Committee, as well as the Post Office and Civil Service Committee, to introduce legislation to exempt rural carriers from the provisions of the Fair Labor Standards Act for the reasons described above.

With kindest regards.

Sincerely yours,

Rial M. Rainwater,
President.

I would also like to insert excerpts from a letter written on December 4, 1974 by Mr. Louis A. Cox, General Counsel of the U.S. Postal Service, with respect to this legislation:

> The Postal Service favors the enactment of this provision, which would amend the Fair Labor Standards Act of 1938 to preserve the present method of computing the compensation of rural letter carriers.
>
> Implementation of the Fair Labor Standards Act has created a number of problems for the Postal Service. Most of the problems seem on their way to solution. One problem, however, concerning rural letter carriers, appears intractable and requires the corrective legislation proposed for the reasons set forth below.
>
> The Postal Service employs approximately 30,000 rural letter carriers who, for a number of years, have been paid a yearly salary based on whichever of two schedules results in a higher wage for the individual carrier. Under the first schedule, called the Rural Carrier Mileage Schedule (simply "RCS"),

the carrier's salary depends on the number of miles in his mail delivery route. However, it has been recognized that many rural carriers have routes in which mileage does not reflect the work involved, because population density or other factors require them to make relatively high numbers of deliveries. To ensure that all rural carriers are compensated fairly for their work, a second schedule called the Rural Carrier Heavy Duty Schedule was developed. Under this second schedule, a rural carrier's salary is based on the estimated number of hours per week it takes the carrier to complete his route on the average; the estimate is based on an evaluation of the route made once each year. The Heavy Duty Schedule is keyed to the pay of a city letter carrier. Overtime is built into the Heavy Duty Schedule at a time-and-a-half rate when the rural carrier's estimated work week is in excess of 40 hours.

As can be seen, neither the RCS mileage schedule nor the Heavy Duty Schedule compensates the rural carrier in accordance with the actual number of hours the rural carrier works each week, as required by the Fair Labor Standards Act. Rather, under both schedules, with certain exceptions not relevant here, the rural carrier receives the same weekly pay, based on his yearly salary, regardless of actual hours worked.

The system of rural carrier compensation described above is incorporated into the current national labor agreement between the Postal Service and the National Postal Unions, including the Rural Letter Carriers Association, which is the collective bargaining representative of the rural carriers. The Rural Letter Carriers Association considers the current system of compensation advantageous to its membership and preferable to the hourly system used for other postal employees. The Postal Service likewise considers the present system highly satisfactory in providing effective rural mail service.

In short, we believe that there are compelling reasons for retaining the present compensation system and rural carriers. To date, however, we have not been able to find a way to do so which clearly establishes compliance with the provisions of the Fair Labor Standards Act. Indeed, after discussing the problem with officials of the Wage and Hour Division of the Department of Labor, which has jurisdiction to administer the provisions of FLSA with respect to postal employees, it appears that corrective legislation is the only solution. Accordingly, we strongly support the enactment of this suggested amendment.

Finally, Mr. Speaker, I would like to insert a copy of the amendment:

To amend the Fair Labor Standards Act of 1938 to permit certain rates of compensation for rural letter carriers employed by the United States Postal Service

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding at the end thereof the following new subsection:

"(o) Notwithstanding the provisions of subsection (a) of this section, any employee of the United States Postal Service occupying a position whose regular duty involves the collection and delivery of mail on a rural route may be paid at a rate of compensation established or determined under any collective-bargaining agreement made under chapter 12 of title 39, United States Code, between the Postal Service and any bargaining representative recognized under section 1203 of such title.".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to any collective-bargaining agreement between the United States Postal Service and any bargaining representative recognized under section 1203 of title 39, United States Code, in effect on or after the date of the enactment of this Act.

PUBLIC SUPPORTS TWO-TIER GAS PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Annunzio), is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, as the House considers energy legislation today I would like to bring to the attention of my colleagues the results of a newspaper poll conducted in my district concerning a two-tier gas plan.

Under the plan, gasoline rationing would be established by allotting a certain number of gallons of gasoline per ration coupon depending upon the absolute necessity of the driver.

The second tier of the plan would allow a person who wanted to get more gasoline than allotted, to buy the gas, but at a higher price than the gas sold under the coupon plan. The basic price of the gas would remain the same at the local level, but the additional cost of the nonrationed gas would come about in the form of a Federal fuel tax. The money collected from the second tier could be used to find new energy sources.

One of the major benefits of the plan is that people who do only a limited amount of driving would not have to pay high gas prices. It would also mean that there would be an adequate supply of gas for those drivers who need to purchase additional amounts.

Following the announcement of my plan some weeks ago, the Peacock newspaper chain in my district ran a poll to determine how their readers felt about the two-tier program. More than 72 percent of the readers endorsed the rationing program, while an additional 5 percent expressed qualified support.

While I realize that rationing is not the most palatable means of solving the energy crisis, it is my feeling that if we must go to some form of rationing in order to conserve energy sources, then the two-tier plan is the most equitable. Hopefully, we can avoid rationing. But at the same time we must be willing to pursue every possible course of action in solving the energy problem.

Mr. Speaker, I am including with my remarks a copy of a press release I issued on February 19 concerning the newspaper poll.

ANNUNZIO GAS PLAN FAVORED BY WIDE MARGIN

More than 72% of Peacock Newspaper readers who responded to a recent questionnaire have endorsed a two-tier gas rationing program suggested by Congressman Frank Annunzio (D–Ill.).

The plan, first unveiled in an exclusive interview with the Peacock Newspapers, would include gas rationing plus an opportunity to buy additional gas at a higher price.

Congressman Annunzio made it clear that he will not seek to implement his plan unless there is a gasoline emergency such as last year's Arab oil boycott.

"One of the major benefits of the plan," explained Congressman Annunzio, "is that people who do only a limited amount of driving would not have to pay higher gas prices. There would also be an adequate supply of gas for those drivers who need to purchase additional amounts."

Of the hundreds of people who answered the two-tier gas rationing questionnaire, 72.7% favored the plan, while an additional 5% expressed qualified support.

"One of the most gratifying aspects of the survey," Annunzio explained, "was the large number of people who took time to send letters expressing their feelings on the two-tier plan. This is the type of input that a Congressman wants and needs if he is to do an effective job in representing his district."

Under the Annunzio plan, gas rationing would be established by allocating a certain number of gallons of gasoline per ration coupon, depending upon the absolute necessity of the driver.

The second tier of the plan would allow a person who wanted to get more gasoline than alloted, to buy the gas, but at a higher price than the gas sold under the coupon plan. Actually, the price of the gas would remain the same at the local level, but the increased cost would be in the form of a Federal fuel tax. This money would be used to find new energy sources.

"Of course, we all would rather not have any form of rationing," Annunzio added, "but if the only alternative is gas prices that only the wealthy can afford, then we must look to some type of rationing program."

"When President Ford proposed a $3 increase in the tax collected on imported oil," Annunzio continued, "it meant that people living on fixed incomes would shortly be unable to afford gas for their cars. While the President's plan would limit gasoline usage, it would place the entire burden on people who are already hurt most by inflation. The two-tier plan will require everyone to share the burden."

Congressman Annunzio said that he will introduce his rationing plan only if there is not a better way to solve the problem.

"Rationing in any form is only a short range solution," he added, "We must also look for long range answers so that we don't have to deal with a new crisis every six months or so."

One of the long range solutions suggested by Congressman Annunzio is increased emphasis on new types of automobile engines. "Auto makers can build cars that travel 200 miles an hour, why can't they build cars that travel 50 miles on a gallon of gas?"

Annunzio also believes that the Federal government must take a close look at oil companies to make certain they are not limiting oil supplies for the sole purpose of driving up gasoline and heating oil prices.

Annunzio, who was recently elected chairman of the House of Representatives' Consumer Affairs Subcommittee, says his subcommittee will watch the oil companies closely and if he finds any evidence of withholding supplies, he'll call the oil companies before the subcommittee "to go to the woodshed with them."

PROVIDING FOR ORDERLY IMPLEMENTATION OF FUTURE EMERGENCIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Rodino) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I have today introduced a bill providing for the termination of all powers and authorities relating to existing national emergencies and providing for the orderly implementation of future emergencies and for their continuation or termination. The bill is similar to the bill I introduced on the same subject in the 93d Congress and would meet the pressing need for statutory resolution and definition in this area of the law.

The time is overdue for the termination of existing emergencies and for a clear congressional mandate that our governmental operations be conducted under regular and orderly processes of law rather than under provisions which were intended to be effective for limited periods to meet specific emergency conditions. In some instances where there has been a long and accepted use of some of this emergency authority that experience would seem to indicate a need for permanent legislation to deal with particular problems and situations. On the other hand, the actual need for such emergency authority may have disappeared with the emergency, and the appropriate committees of the Congress can consider legislation which can better serve our current needs and deal with the problems we face today.

It is intended that consideration of this bill will be initiated in the near future by the Committee on the Judiciary.

TRUTH IN SAVINGS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentlewoman from Missouri (Mrs. SULLIVAN) is recognized for 5 minutes.

Mrs. **SULLIVAN**. Mr. Speaker, at an informal meeting this morning of the Subcommittee on Consumer Affairs of the House Committee on Banking, Currency and Housing, representatives of seven organizations strongly oriented toward the consumer interest discussed their ideas of the priority areas of consumer legislation. I congratulate the new chairman of the subcommittee, Mr. ANNUNZIO, for arranging for this useful session.

Witnesses representing the Credit Union National Association, the Virginia Citizens Consumer Council, Consumers Union, Consumer Federation of America, National Public Interest Research Group, Urban League, and the Communications Workers of America had many good suggestions for the subcommittee, and for the House generally, for new legislation. The proposed Consumer Protection Act, which is not in the subcommittee's jurisdiction, received a very high priority, of course.

But I was struck by the fact that in the areas of our subcommittee jurisdiction, the witnesses nearly all placed either first or second the truth in savings bill, which I have reintroduced in this Congress as H.R. 14; and the strengthening immediately of the weak Equal Credit Opportunity Act passed last year, so as to include race, color, religion, national origin and age, as well as the factors of sex and marital status included in the 1974 act. I am pleased that Chairman ANNUNZIO has agreed to schedule hearings and action on further antidiscrimination legislation in the credit field promptly, so that we can correct the deficiencies of the 1974 act before it takes effect next October.

H.R. 14, truth in savings, also deserves early consideration, as most of the witnesses this morning urged. It assures to consumers, as savers, the same kind of accurate and uniform information on the terms of the interest paid on their savings accounts as they are now required to be given under the Truth in Lending Act on the finance charges they have to pay when using credit.

LEGISLATION INTRODUCED TO PREVENT DECONTROL OF OIL PRICES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. **VANIK**. Mr. Speaker, today on behalf of myself and 65 other House Members, I have introduced legislation to limit the President's authority to decontrol the price of oil produced from known reserves to no more than $1 per barrel per year. If Congress does not act by April 1, President Ford intends to allow so-called old oil prices, presently controlled by the Federal Energy Administration at $5.25 per barrel, to rise to the prevailing world oil price of $11 per barrel.

The administrative action proposed by the President threatens our depressed economy with a horrendous inflation threat which will affect every consumer. A higher price for oil will be passed all along the energy stream. It will add $50 to $100 billion to our annual inflation and increase the cost of just about everything.

The President's plan would provide instant fortunes to those who own our oil reserves, 60 percent of which are controlled by eight major companies. Today, at $5.25 per barrel, these known reserves have a value of $194 billion. On April 1, President Ford with one stroke of his pen, multiplies the value of these oil reserves to over $400 billion. Never before in the annals of American history has so much economic wealth been created through a single stroke of Presidential discretion.

Congress never intended or anticipated that the President would use his authority to "victimize" the American people in this way.

The President's action would create horrendous windfall profits in an industry that is hard put to tell us how it has expended the windfalls resulting from the arbitrary and unjustified pricing policies of the past. While the President suggests a windfall tax on these profits, it is unrealistic to expect that a meaningful tax can ever be imposed on these profits. The most effective way to deal with the problem of windfall profits is to prevent them from developing in the first place.

The legislation which we are proposing today would allow a gradual increase in the price of old oil. This increase would be limited to no more than a dollar per barrel a year. This would allow for recognized increases in the cost of drilling expenses and would provide necessary capital for further exploratory drilling.

Mr. Speaker, the time is short. In 33 days, the American consumer will be dealt the single, most severe blow, in our Nation's economic history. I hope that this legislation can be considered and approved on an emergency basis.

Following is a list of the Members cosponsoring this legislation as well as a copy of the proposal:

Mr. Vanik (for himself, Ms. Abzug, Mr. Ambro, Mr. AuCoin, Mr. Badillo, Mr. Bennett, Mr. Boland, Mr. Brademas, Mrs. Burke of California, Mr. Conyers, Mr. Corman, Mr. Daniels of New Jersey, Mr. Danielson, Mr. Duncan of Oregon, Mr. Edwards of California, Mr. Fascell, Mr. Ford of Michigan, Mr. Ford of Tennessee, Mr. Fraser, Mr. Gilman, Mr. Gude, Mr. Harris, Mr. Hechler of West Virginia, Mr. Hicks, and Mr. Hughes).

Mr. Vanik (for himself, Mr. Karth, Ms. Keys, Mr. Koch, Mr. Lehman, Mr. Meeds, Mr. Metcalfe, Mr. Mikva, Mr. Miller of California, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Nedzi, Mr. Nix, Mr. O'Hara, Mr. Pepper, Mr. Reuss, Mr. Richmond, Mr. Rodino, Mr. Rooney, Mr. Rosenthal, Mr. Ryan, Mr. Santini, Mr. Sarbanes, and Mr. Scheuer).

Mr. Vanik (for himself, Mr. Seiberling, Mrs. Spellman, Mr. James V. Stanton, Mr. Stokes, Mrs. Sullivan, Mr. Thompson, Mr. Udall, Mr. Vander Veen, Mr. Wilson of California, Mr. Wolff, Mr. Won Pat, Mr. Yates, Mr. Yatron, and Mr. Young of Georgia).

Mr. Vanik (for himself and Mr. Brademas, Mr. Moorhead of Pennsylvania, and Mr. Vigorito).

H.R. 3906

A bill to amend the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of certain crude oil by more than $1 per barrel per year

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h) (1) The President may not amend the regulation under subsection (a) in any manner which results in an increase in the ceiling price of the classification of crude oil denominated in such regulation as 'old crude petroleum' as in effect on January 1, 1975, of more than $1 per barrel per year.

"(2) The President may not amend the regulation under subsection (a) to allow an increase pursuant to the provisions of paragraph (1) in the ceiling price of the classification of crude oil denominated in such regulation as 'old crude petroleum' until April 1, 1975."

A "SIMPLER AND FAIRER" COURSE: CUT SOCIAL SECURITY TAXES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. **BURKE** of Massachusetts. Mr. Speaker, in the Tuesday, February 11 issue of the Los Angeles Times, an article appeared that was authored by a young and promising lawyer, named Russell Goldsmith, who is currently studying at Harvard Law School, under the tutelage of Stanley Surrey. This article, which was entitled: "A 'Simpler and Fairer' Course: Cut Social Security Taxes," dealt with one of my favorite topics—social security and the effects of a possible cut in the social security payroll tax.

I have long been an advocate of a cut in social security taxes because of their regressive character. But in this period of deepening recession a cut is especially needed because it is one of the most effective ways of getting money back into the economy. The bill, which I have sponsored, H.R. 33, has only in recent weeks begun to be cosponsored by my colleagues, and yet I have well over 100 cosponsors. In light of the response to date, I have set a goal of 219 cosponsors.

I believe that Mr. Goldsmith has put in a few words, in a precise, exact manner, the case that too few of us, in government and in economics, have seen in the past few years. Most of us can see rather easily that a cut in social security taxes will benefit the taxpaying employee. A great many of us do not see the advantages there are for business, and the taxpaying employer. Mr. Goldsmith points out, that if social security tax rate for employers were reduced from 5.85 percent to 3.85 percent business would receive a $10 billion tax cut. He goes on to say in his article:

> The FICA tax cut would give virtually all businesses an immediate 2 percent reduction in labor costs (up to $14,100 in salary per employee). Ford's cut in the corporate rate would help only profitable companies—and the more profit they make, the larger their tax savings would be. That doesn't make sense. During a recession, tax relief must go to all businesses—especially those in financial straits.
>
> This payroll tax cut would not be limited to companies making capital investments, as Ford's boost in the investment tax credit would.
>
> Companies which provide jobs to people would be helped the most by the FICA tax cut. By reducing the cost of most employees 2 percent, it would fight unemployment, and would also help nonprofit institutions that pay payroll taxes but not corporate income taxes.

You can see that these measures affect a broader business sector than does the President's plan or even the one currently being debated by the House.

At this point, I would like to insert Mr. Goldsmith's article in the RECORD, so that my colleagues may have the benefit of his remarks:

A "SIMPLER AND FAIRER" COURSE: CUT SOCIAL SECURITY TAXES

(By Russell Goldsmith)

America's political and economic leaders now agree that if our economy is to recover anytime soon, a tax cut is essential. President Ford has delivered his proposal for a reduction in taxes and, on Thursday, the House Ways and Means Committee approved a plan of its own.

Unfortunately, both the President and the House have elected to bypass the most efficient and equitable device for lowering taxes: a cut in the payroll deduction for Social Security (FICA), which is the federal government's second-greatest source of revenue.

The President's proposal would, as is well known, give rebates on 1974 taxes in the form of separate cash payments in May and September, adding up to $12.2 billion. His plan would also raise exemptions, and thus add nearly $18 billion in relief through reduced withholding of income taxes.

The House plan is a variation on the same theme, using the same principles but reducing the amount of the tax cut ($20 billion compared to the President's $30 billion reduction), and shifting more of the benefits to lower-income groups.

Since the plans are relatively similar, for purposes of simplicity I will hereafter compare the merits of the cut in payroll taxes with the President's plan only.

If the President's $30 billion in tax relief were administered through a cut in the Social Security payroll tax, everyone's FICA payments would be zero for one year. It would give almost every working person a 5.85% increase in take-home pay on earnings up to $14,100, the maximum income liable to Social Security taxes.

Though the total amount of relief would remain the same, a cut in FICA taxes would have many advantages not present in the Ford plan.

—Those most in need, people with lower and middle incomes, would receive the majority of benefits. No one would receive more than $850, but that amount would be available to any taxpayer earning at least $14,100. The President's plan would provide comparable relief only to those earning at least $35,000 per year. In fact, if one compares the relief that a family of four would receive from a payroll cut in Social Security taxes with what they would get under the President's plan, the virtues of the former are obvious.

Income level	FICA tax cut	Ford's rebate plus tax savings
$5,600	$330	$207
$10,000	585	453
$15,000	850	425
$30,000	850	750
$40,000	850	1,085
$50,000	850	1,130

In addition, a cut in Social Security taxes would benefit the millions of Americans who work but who, for various reasons, do not pay income tax or file returns.

Tax relief would begin with everyone's first paycheck after the President signed the necessary legislation. There would be no waiting for rebate payments.

This plan would require no new paperwork on the part of the federal government. Employers would merely stop withholding FICA tax from each employe, and would reduce payments into the Social Security system.

The disagreeable prospect of millions of citizens receiving welfare-like checks from the government would be avoided. Instead, each worker would simply keep more of the money that he or she earns.

The FICA tax cut would stimulate the economy more effectively than would the President's plan. The money returned to individuals would more likely be spent, since it is not divided into two lump payments. For example, a payroll tax cut would give a worker earning $7,000 per year an additional $8 per week for 52 weeks, or $416 total, while the President's plan would give this same worker two rebates payments of $24.50 and additional exemptions netting him $292—a total of only $341.

The more money one makes, the smaller the percentage of tax relief. Everyone earning $14,100 or less would get a 5.85% tax cut. Someone earning $28,000 still would get the maximum cash cut of $850, but a percentage cut of only 2.9 percent. (The President's rebate percentages would not start to decline until income exceeded $40,000.)

There are a number of Americans who do not pay Social Security taxes—and who therefore would not gain by an FICA cut. Most are government employes, though, and they might be given a raise comparable to the relief enjoyed by their counterparts in the private sector.

As for business itself, Ford's tax cut plan would provide a 5 percent increase in the investment credit and an 8 percent raise in the tax credit for utilities. These would be temporary, and worth $4.1 billion. His plan would also cut the corporate tax rate 6 percent—a permanent change worth $6 billion a year to business.

There is, I believe, a simpler way to help businessmen—also through a cut in Social Security taxes. By reducing the employer's share of these taxes from the current 5.85 percent to 3.85 percent, the government would give business a $10 billion tax cut. This would have three major advantages over the Ford plan:

The FICA tax cut would give virtually all businesses an immediate 2 percent reduction in labor costs (up to $14,100 in salary per employe). Ford's cut in the corporate rate would help only profitable companies—and the more profit they make, the larger their tax savings would be. That doesn't make sense. During a recession, tax relief must go to all businesses—especially those in financial straits.

This payroll tax cut would not be limited to companies making capital investments, as Ford's boost in the investment tax credit would.

Companies which provide jobs to people would be helped the most by the FICA tax cut. By reducing the cost of most employes 2 percent, it would fight unemployment, and would also help nonprofit institutions that pay payroll taxes but not corporate income taxes.

To some, a cut in Social Security taxes might seem a threat to the system itself. It is not. Call it what you will, contributions through FICA do not amount to insurance premiums, but are taxes on people working today to support retired people who paid the tax while they were working. Your FICA taxes are *not* saved for *you*. (The Supreme Court has even ruled that no one has a right to Social Security benefits just because he has paid the FICA tax.)

The myths surrounding Social Security should not confuse our tax policies any longer. Like the general public, officials and legislators involved with fiscal policy tend to regard the Social Security funds as something sacred and apart from the federal budget. Thus, in time of financial difficulty they tend to overlook Social Security taxes and think only in terms of altering budgetary policy.

It is time, however, to shake off this conventional viewpoint and recognize that an FICA tax cut could provide more equitable tax relief—without endangering actual Social Security benefits. General revenues could be used to make up any resulting slack in the Social Security trust fund, since it's all coming out of the same pocket anyway.

Drawing on general revenues for Social Security payments would certainly involve deficit spending in the federal budget, but so would Ford's plan—with far less benefit to the nation as a whole. If we are to have a budget deficit, we might as well derive the maximum benefit from it.

The drafters of our federal tax laws have too often passed off their favored treatment for an influential (and wealthy) minority as technically necessary; the President's proposal incorporates this faulty premise. A much simpler and fairer course is to cut Social Security taxes.

WASHINGTON CONGRESSIONAL DELEGATION INTRODUCES ALPINE LAKES LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. MEEDS) is recognized for 5 minutes.

Mr. MEEDS. Mr. Speaker, the Washington congressional delegation today is introducing two bills to classify as wilderness portions of the Alpine Lakes country in the central Cascade Mountains of Washington State. A third bill will be introduced later.

The delegation wishes to emphasize

that it is not wedded to the specifics of this or that proposal. All the measures involving Alpine Lakes are different, and we will hold public hearings in Washington State before deciding what bill and what changes to adopt. We must have public input before reaching a consensus. Thus, we are putting the bills in without bias in any direction.

The Alpine Lakes country constitutes one of the most unique areas in North America. Low timbered valleys, soaring peaks, alpine meadows, 700 lakes, and many glaciers comprise five of the seven biotic or life zones known to ecologists. Heavy rainfall on the west slopes of the Cascades gives way to dry upland country on the east side. The forests include Douglas fir, Western hemlock, Ponderosa pine, larch, and Lodgepole pine.

But there is another aspect to the geography of the Alpine Lakes area; it lies no more than 60 miles distant from half the population of the State of Washington. Stevens Pass borders the area to the north, and Snoqualmie Pass rounds out the southern border. Both are barely more than an hour's drive from Seattle. To many Washington State people, the Alpine Lakes area is like having a diamond in the backyard.

Special classification was extended to the Alpine Lakes in 1946 when a 256,000-acre limited area was created by the Forest Service. Since then there have been many citizen and Government proposals for the area, including the recommendations for wilderness designation by the North Cascades Study Team in 1965.

The bills we are introducing today differ greatly. The measure recommended by the Alpine Lakes Coalition of timber industry segments and outdoor vehicle users creates an Alpine Lakes Wilderness Area of 172,000 acres and an Enchantment Wilderness Area of 44,000 acres. The Jack Creek drainage in the Wenatchee National Forest bisects the two areas. Surrounding the wilderness, but not identified in the bill is a large multiple use management unit.

More complex and certainly larger, is the bill supported by a host of conservation groups including the Sierra Club and the Alpine Lakes Protection Society. This measure establishes an Alpine Lakes National Recreation Area of 1,012,000 acres, and inside this land is a "core" wilderness area of 575,000 acres. The measure calls on the Secretary of Agriculture to draw up a comprehensive management plan, and it imposes a host of land use restrictions. To regulate clearcutting, the conservation groups' bill requires that no more than 30 percent of the acreage harvested each year be clear cut, and it requires that clearcuts be no larger than 25 acres. So that land uses may be compatible with the purposes of the recreation area, the Secretary of Agriculture would supervise local zoning. Further, the Secretary is given broad powers to acquire land.

We anticipate that a third bill will be presented soon by the U.S. Forest Service. In 1973 the Portland office of the agency submitted a plan which called for an Alpine Lakes Wilderness Area of 285,000 acres and a surrounding "management unit" of some 639,000 acres. The management unit would be administered according to multiple use guidelines, but would not be identified in the legislation. In addition, some 82,000 acres would be administered in their natural state; if private inholdings could be acquired, the Forest Service would ask Congress for wilderness classification for this unit.

When we hold hearings on the proposals later, the timber supply and private inholding questions will dominate the controversy. As many people know, the railroads in the 19th century were granted public lands. These lands were later sold to timber corporations, and the railroads still retain a good many acres of their own. The result in many areas, including the Alpine Lakes country, is a "checkerboard" ownership pattern.

Since the Wilderness Act does not contain authority to purchase land outright, acquisition of private lands for wilderness is accomplished through exchanges. One result of such exchanges can be a reduction in the national forest area, and thus a reduction in the annual timber cut. The corporation acquiring the Government land outside the wilderness area is not affected as much as the nontimber owning parties who must bid on national forest timber to survive. However, the bill submitted by the conservation groups does permit the Secretary of Agriculture to purchase private lands; the catch is that free-owned timber land in the Pacific Northwest is extremely expensive. In 1972, for example, Champion International purchased 650,000 acres in Montana from Anaconda. The price of the 650,000 acres was $117 million. Prices are higher in the Douglas fir region to the west.

We are confident that the controversies surrounding the Alpine Lakes country can be resolved in a reasonable time. To preserve and enhance such a magnificent area should command our energies and our attention.

ABOLISH THE DEATH PENALTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. Drinan) is recognized for 5 minutes.

Mr. DRINAN. Mr. Speaker, the practice of executing persons for crime continues to remind us that the goal of a civilized criminal justice system is yet to be accomplished. Three years ago in *Furman* v. *Georgia,* 408 U.S. 238 (1972), the Supreme Court declared certain State death penalty statutes unconstitutional. After that decision, it was believed that the practice would cease.

But since the judgment in Furman, 30 States have passed new laws calling for the death penalty for particular offenses. In 1974, the Congress made hijacking of aircraft a capital crime. These developments compel the conclusion that legislation is needed to prohibit the imposition of the death penalty under Federal law.

Two years ago I introduced H.R. 5592 in the 93d Congress to forbid capital punishment as a sanction for the commission of a Federal offense. On January 17, 1975, I reintroduced the same bill as H.R. 1602. The 19 cosponsors of this bill, which I am resubmitting today, are: Representatives Abzug, Badillo, Brown of California, Burke of California, Carr, Conyers, Dellums, Edwards of California, Fraser, Metcalfe, Mitchell of Maryland, Mollohan, Nix, Nolan, Rees, Rosenthal, Roybal, Stark, and Won Pat.

My view against the death penalty is premised on several considerations: capital punishment, studies show, does not deter crime; the application of the death penalty—including the period since the Furman decision—discriminates against the poor and minorities; capital punishment violates the ideal of human dignity, as the taking of a life is morally unacceptable; and the imposition of the death penalty is irrevocable, foreclosing rehabilitation and clemency, if facts later develop proving the innocense of the convicted.

One final note: *Fowler* v. *North Carolina,* No. 73-7031—October term 1974—is presently pending in the Supreme Court. It raises the question whether post-Furman death penalty statutes are constitutional. We do not know what ruling the Court might make on the merits. Notwithstanding this case, it is important to legislate on the matter. Our responsibilities as the national legislature demand that we, as well as the Court, confront this crucial issue.

H.R. 1602

A bill to abolish the death penalty under all laws of the United States and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) no sentence of death shall be imposed hereafter upon any person convicted of any criminal offense punishable under provision of law of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States, and no unexecuted sentence of death heretofore imposed under any such provision shall be carried into execution after the date of enactment of this Act. Each such provision which authorizes or requires the imposition of such sentence hereafter shall be deemed to authorize or require the imposition of a sentence to imprisonment for life and each sentence of death heretofore imposed under any such provision which remains unexecuted on the date of enactment of this Act shall be deemed to be a sentence to imprisonment for life.

(b) The Attorney General is authorized and directed to transmit to the Congress at the earliest practicable time his recommendations for appropriate amendments to be made to all such provisions of law which by their terms provide for or relate to the imposition of any sentence of death in order to substitute for such sentence in all such laws a sentence to imprisonment for life.

Co-sponsors of Bill to Abolish Capital Punishment Reintroduced by Congressman Drinan, February 27, 1975

Ms. Abzug, Mr. Badillo, Mr. Brown of California, Ms. Burke of California, Mr. Carr, Mr. Conyers, Mr. Dellums, Mr. Edwards of California, Mr. Fraser, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Mollohan, Mr. Nix, Mr. Nolan, Mr. Rees, Mr. Rosenthal, Mr. Roybal, Mr. Stark, Mr. Won Pat.

SOCIAL SECURITY LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, the tax cuts and rebates we have considered and passed today exclude one sizable segment of the poorest among our people—those whose only income protection is social security and SSI.

Without doubt, the 30 million social security recipients are suffering the most from inflation's effects. To illustrate this crisis in dollars and cents, consider a typical example in New York City of an elderly individual who receives $226 a month total income from social security and SSI—New York State level—and who has monthly expenses of $150 for rent, $17.50 for utilities and $9 for a telephone; $38 a month or about $1.27 a day is all the individual has left to pay for food, clothing, health care not covered by medicaid, and other necessities. Can we really justify denying such people some Federal relief?

The Democratic leadership of the Senate and the House in the congressional program of action released today have recognized this omission: one of its top recommendations to turn this economy around is a retroactive cost-of-living increase for social security recipients.

Earlier today, I introduced legislation to implement the leadership's recommendation on social security. This bill would provide an estimated 8.7-percent increase in social security benefits retroactive to January 1, 1975, and payable in checks mailed in May or June. It, in effect, would speed up the payment of the cost-of-living increase already due to be paid in July, giving some desperately needed buying power totaling some $2.4 billion to 30 million social security beneficiaries who are given little or no help by tax cuts or rebates.

My proposal would not affect any other provision of the Social Security Act. All sections of the act affected by the 1975 cost-of-living computation quarter would operate without regard to the retroactive application of the cost-of-living increase, nor would it affect next year's cost-of-living increase. For example, if the base quarter in 1976 is a cost-of-living computation quarter, the resulting benefit increase would become effective in June 1976 and would be included in the July check.

According to a Social Security Administration estimate based on the economic assumptions used to prepare the fiscal year 1976 budget, the 1975 cost-of-living benefit increase would be 8.7 percent. The additional benefit payments required for the retroactive application of this increase would be approximately $2.4 billion. While I recognize that this is a significant expenditure from the trust funds, whose financial condition has already been questioned, I believe the long-term solution lies in utilizing general revenues to supplement funds derived from payroll taxes, as we now do in the case of medicare part B. This concept is entirely consistent with the Social Security Advisory Council's recommendations that all of medicare be financed from general revenues.

A retired worker with no dependents received an average monthly benefit of $183 as of December 31, 1974, according to the Social Security Administration. Assuming an 8.7 percent cost-of-living benefit boost, he or she would receive an additional $17 a month raising the benefit level to $200 a month. Under normal circumstances, the increase would be reflected in the July check, but since my bill provides that the retroactive portion of the increase be paid in a lump sum at the earliest possible date, the raise could show up in May or June checks, and his or her net gain for the year under my proposal would be $85. For a retired worker and his aged wife receiving a total monthly income of $312, the increase would be $29 a month to $341 for a net gain due to the retroactivity of $145. An aged widow with a monthly benefit of $177 would have hers raised $17 to $194 a month for a net gain of $85 as in the case of the retired worker. This would provide social security recipients with the same kind of one-shot infusion of cash as taxpayers would receive under the rebate plan before this body today.

The third important aspect of this bill is a pass-through provision which provides that for the purposes of determining eligibility or benefit levels in any Federal or federally funded State or local assistance program the retroactive portion of the cost-of-living increase shall not be considered as income or resources.

This legislation does not deal with benefit increases and other improvements in the supplemental security income program, which the steering committee task force also recommended but my distinguished colleague from New York, ELIZABETH HOLTZMAN, and I have proposing comprehensive reforms in that program. I urge the House Ways and Means Committee to take up both these bills as the next item on its action agenda for this session of the 94th Congress.

INTRODUCTION OF THE EMERGENCY HEALTH BENEFITS PROTECTION ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. ROGERS) is recognized for 5 minutes.

Mr. ROGERS. Mr. Speaker, I am introducing today the Emergency Health Benefits Protection Act of 1975. I am joined in doing this by Mr. PREYER, Mr. SYMINGTON, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARNEY, Mr. WIRTH, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ, members of the Subcommittee on Health and Environment of the Committee on Interstate and Foreign Commerce, of which I am chairman. This legislation amends the Public Health Service Act to establish an emergency health protection program for people who are unemployed and have, therefore, lost their health insurance coverage. I am also today announcing hearings on this legislation for March 10 and 11, 1975, and my intention to act upon the proposal as soon as is feasible.

In its 1976 budget the administration estimated that an average of 8.1 percent of our labor force, about 7.5 million workers, would be unemployed during 1975. Similar figures were projected for subsequent years. There are those who feel that these estimates may be too low, for example, the rate for January 1975 was 8.2 percent. Approximately 70 percent of full-time workers in private industry and Government are now covered by group health insurance plans. However, many of these individuals when they become unemployed lose their coverage for health insurance either immediately or after a period of a few months specified in contracts. Some people who would otherwise lose their coverage can continue to pay for it themselves but usually at a much higher premium and often with substantial restrictions on the coverage available to them. Most people who lose their coverage are not immediately eligible for medicaid or any other Government-supported health program because they are not eligible for welfare or have excessive assets or income.

Most people who become unemployed are eligible for unemployment compensation or insurance, approximately four-fifths of the 7.5 million who are now unemployed.

However, unemployment compensation does not provide coverage for the costs of continued health insurance and does not provide adequate compensation to allow individuals to buy their own health insurance. Some of those who become unemployed continue to have coverage either under their own contract with their employer or because another member of their family is covered through his or her employment, but it is estimated that approximately 60 percent of those who are unemployed have no source of coverage available to them.

The legislation which I am introducing today would create a Federal program which would continue for people who are unemployed, eligible for unemployment compensation, and without health insurance, the health insurance benefits which they had when they were employed for as long as they were eligible for unemployment compensation—or would be except for illness. This would be done by having the Federal Government either pay directly to the insurance companies which had been providing coverage to such people when they were employed, or to such companies through State unemployment compensation agencies, the premium costs for their insurance coverage. Coverage would be provided to such people as long as they were eligible for unemployment compensation. Given that 7½ million people are presently unemployed, that four-fifths of them are eligible for unemployment compensation, and that three-fifths of them have no other source of health insurance, this plan would provide desperately needed health insurance coverage to approximately 3½ to 4 million unemployed workers and their families in this country.

The general approach which I am suggesting has been endorsed, and its enactment urged, by the AFL–CIO, the UAW, the American Hospital Association, the

American Medical Association, Blue Cross and Blue Shield, and the Health Insurance Association of America. While no similar proposal has yet been forthcoming from the administration, I am aware that the problem is under active consideration by the Secretary of Health, Education, and Welfare. Thus, this emergency plan has broad based support which is not surprising in recognition of the magnitude of the problem.

I should note that this proposal is not intended as a substitute for national health insurance or as a permanent provision. My committee will continue to explore both alternative ways of providing health insurance to people who become unemployed and the need for a more comprehensive program of national health insurance. For this reason, the proposed program would continue in effect only through the end of fiscal year 1976.

This is important legislation which responds to an acute problem within our society. I urge my colleagues' scrutiny of it and welcome their suggestions for its improvement.

THE CITY OF MONTEREY PARK BUDGETS FOR REVENUE SHARING FUNDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Danielson) is recognized for 5 minutes.

Mr. DANIELSON. Mr. Speaker, in the past I have shared with my distinguished colleagues letters from cities in my district telling of the use they have made of revenue sharing funds. At this time, I present for consideration a letter I have received from Mayor David G. Karnos, telling of the impact which the Revenue Sharing Act of 1972 has had on the city of Monterey Park in preparing their budget.

The city of Monterey Park has cautiously proceeded to use funds provided under the general revenue sharing program because of the uncertainty of the length of the program. While the revenue sharing funds represent only 3 to 4 percent of the annual revenues, it is quite clear that eliminating the availability of these funds would create a burden on the municipality.

When the 94th Congress reconsiders the general revenue sharing program, I hope the benefits which cities like Monterey Park relate in the following letter from Mayor Karnos will be recalled:

Monterey Park, Calif.,
February 3, 1975.

Hon. George E. Danielson,
House of Representatives,
Washington, D.C.

Dear Congressman Danielson: General revenue sharing has now been a reality for three years and I thought you might be interested in a status report, since it has been under attack by some members of Congress. The first funds were received by the cities a little over two years ago. The City of Monterey Park has been very cautious in planning its use of these funds in order to maximize their effectiveness. It was not until the current fiscal year (1974–75) that the specific allocation of the accumulated funds was made through our normal budgeting process. The process included public hearings where input was received from the City's advisory boards and commissions as well as the opportunity for suggestions from the general citizens. As you know, the City Council encourages this type of community participation throughout the year to help assess the needs of the City.

Our caution in the use of revenue sharing funds was justified for the following three reasons: First, the uncertainty of the duration of the program made us hesitate to expand present services, add new services or even use the funds for regular operating expenses for fear that withdrawal would be more traumatic than doing without. Second, the City had been without any capital improvements to speak of for three or four years and was in need of new recreation facilities and expanded municipal quarters. This has required some long range and careful planning as well as the accumulation of funds to provide adequate dollars to accomplish these plans. Third, which relates to the first comment, is concern by the City in becoming too dependent for operating purposes on an uncertain source of revenue which could be lost by a vote of the Congress. At present, revenue sharing funds represent about 3–4% of our annual revenues. When we reach the point that this is being used primarily for operating purposes, we become very vulnerable if these funds are eliminated.

This fiscal year, Monterey Park has allocated its accumulated funds in a number of different ways. Maintenance equipment is being purchased to help make our park operation more efficient; books are being purchased for our Library to better serve the citizens; recreation facilities are being built to reduce a recognized need for tennis courts, handball courts, and partial payment for a community recreation center; commitments are being made to expand the Police and Fire facilities and we also found it necessary to allocate a portion of the funds available to support ordinary operating expenditures in some of the priority categories.

As it turned out, with the use of revenue sharing funds, the City of Monterey Park was able to maintain the same manpower level at a time when unemployment was on the increase and provide capital construction work for an industry that is presently experiencing an extremely high unemployment rate.

In the years to come the extension of the general revenue sharing program cannot be the only answer to this City's financial problems, but it should continue to minimize the burden that inflationary costs and public demands for increased service levels place on the local property tax. We feel that a Federal government that assists without mandating through a program such as general revenue sharing allows local government to continue to best serve the needs of its citizens and urge your support for continuation of the program.

Very truly yours,

David G. Karnos,
Mayor.

REMARKS BY REPRESENTATIVE PATSY T. MINK CONCERNING H.R. 1767, IMPORTED OIL TARIFF INCREASES

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, before I vote on H.R. 1767, the legislation relating to the President's imported oil tariff increases, I brought to the attention of this House the unique position my State of Hawaii holds in relation to dependency on oil as a source of energy. In my remarks, I included the information that analyses of the effects of the President's oil tariff proposals indicated that the increased tariffs would place a disproportionately higher burden on the citizens of Hawaii when compared to the costs to be borne by others in this country. The Congress passed the bill and sent it on to the President, and at this moment the fate of the bill is uncertain.

Mr. Speaker, in acting as we did, the Congress assumed the responsibility for developing alternate approaches to our related goals of energy independence and conservation. I am pleased to hear of the progress of the House Task Force on Energy and the Economy, headed by the Honorable James C. Wright, Jr., and to know that we will soon have such an alternate energy plan before us.

In considering the Congress energy program, I must still concern myself with the oil dependence issue in Hawaii, and I hope that this will be of concern to my colleagues also. So that the facts of the issue may be delineated more clearly, I would ask permission that related printed material be entered into the Record of these proceedings for the examination of the Members of this House. I refer specifically to a letter from Mr. Carl H. Williams, president of Hawaiian Electric Co., my State's largest electrical utility, to Representative Wright which reviews the present situation and comments on Hawaiian Electric's plans for the future. I think that when my colleagues examine the record, they will find that Hawaii's dependence on oil—with no practical alternatives to turn to for energy—poses a truly unique problem which must be considered in the energy program which this Congress finally adopts.

The letter follows:

Hawaiian Electric Co., Inc.,
Honolulu, Hawaii, February 18, 1975.

Hon. James C. Wright, Jr.,
Chairman, Task Force on Energy and the Economy, U.S. House of Representatives,
Washington, D.C.

Dear Mr. Wright: The purpose of this letter is to aid the Task Force in its deliberations and to point out the unique situation of the State of Hawaii with respect to energy.

We are aware of the seriousness of the energy problems facing the Country and that every state thinks its situation is special. This does not change the fact that the State of Hawaii is truly different. We are an island state composed of several islands that are not connected by railroads, highways or electrical transmission systems. These are not technically feasible because of the great ocean depths between the islands. We have the longest supply lines of any state, over 2200 miles from the west coast of the United States. We have no natural energy supplies than can be further developed and consequently the State is totally dependent on oil, using an estimated 117,000 barrels per day in 1975, of which approximately one third is for military and commercial jet fuel. The total usage for the State is approximately 0.65% of U.S. consumption. Generation of electricity will use approximately 20% of the estimated consumption of the State.

Coal is not a viable alternate for making electricity in Hawaii at the present time because of the long supply lines to coal mines via sea lanes and railroads and transfers between them. All these together with the inefficiency of hauling high ash content coal over the long and varied supply lines have resulted in our dependence on oil. As a result, the islands do not have basic port or bulk-handling facilities adequate for the importing of coal. Consideration of quantities of oil used, resources required, including many public work facilities such as harbors, indicates a time frame to the late 1980's for earliest possible operation of a coal-fired plant in Hawaii. Projections of coal and oil prices in conjunction with all these considerations indicate fuel oil should continue to be used in Hawaii until alternate energy sources are developed in the future. The development of coal liquification in the future might be a hope in this regard because of the transportation problems cited above.

These conditions seem to point towards nuclear energy as a possibility *until* our small size is considered. My company has had a long-term interest in nuclear power starting back with our association with the first prototype gas-cooled reactor in the 1950's. This was installed on the Philadelphia Electric system and was called "Peach Bottom #1." The early prototype reactors were sized to produce about 50 megawatts of power, and we thought sizes would become available that would fit into our system here in Hawaii. However, it has turned out that costs are prohibitive for smaller sizes and as a result they are not manufactured. In 1975 the 105 nuclear plants reported "on order" by *Electrical World*, June 1 issue, averages 1090 megawatts in size. One unit this size is equal to the total utility electrical generating capacity on the island of Oahu (over 85% of electrical output in the State). For these reasons it is doubtful that nuclear energy will prove economically feasible in Hawaii in this century.

To generate electricity, Hawaii burns waste fuel oil from gasoline stations, uses bagasse, the waste product from the grinding of sugar cane, and is working on the prospect of burning garbage. These help but unfortunately they have the potential of supplying a very limited amount of the total requirements. Hawaii has been actively studying other alternative methods of energy supply, but at the present time there is no practical alternative to fuel oil for Hawaii.

Due to the makeup of the economy in Hawaii, the favorable climate, conservation, and price of electricity, the electricity consumption *per capita* in Hawaii is approximately 25% *below* that in the United States as a whole. This is especially interesting as the majority of water heating is by electricity in Hawaii and on the Mainland it is by other fuels.

The price of electrical energy and gas has increased dramatically in Hawaii in the last two years, primarily because of the increased fuel prices, but inflation and the high cost of money are also having major effects as they are on the total utility industry in the United States. The price of electricity on the islands of Hawaii, Maui, Lanai, Molokai and Kauai are among the highest in the nation, primarily due to the size factor and high fuel costs.

The President's action to increase the tariff on imported oil and place a comparable excise tax on domestic crude would disproportionately increase the burden on the residents of Hawaii. Mainland U.S.A. residents receive over 80% of their electricity from sources other than oil, so taken as a whole, their price of electricity would be increased less than one fifth as much as that of residents of the State of Hawaii. Our dependence on foreign crude oil has already had a serious effect on Hawaii residents due to the tariff going into effect on February 1, 1975.

Given the location of the State of Hawaii and its dependence on fuel oil as described above, a tariff-tax approach would place an unfair burden on residents who have no other choice and are already paying very high rates for electricity and gas because of size factor and high cost of fuel.

Strong arguments can be made against imposing any kind of taxes on electricity to raise its price and thus conserve its use. Home use of electricity is a necessity and there are no substantial savings that can be made in this area beyond those being achieved because of price increases due to inflation. The burden on households caused by taxes on electricity is inflationary and hits where it hurts the most. Commerce and industry are cutting back on the use of electricity where productivity will not be greatly affected. There is a definite limit on how far they can go without materially affecting productivity, which the country cannot afford.

The price of electricity has increased dramatically because of accelerating fuel cost and the effect of inflation and the high cost of money. Utilities have become an increasing cost industry with new facilities costing more than the average cost of existing equipment. This coupled with money costing more than the embedded money cost has a compounding effect on costs and consequently on rates. While unregulated industry does not expand unless it can earn an adequate return on new investment, utilities must expand facilities every year to meet loads. These factors will cause electricity prices to increase and the additional burden of taxes is not needed to increase the price.

Hawaii has two refineries that primarily use foreign crude oil, with most of it coming from Indonesia. Having refineries located in the U.S. is certainly in the interest of Project Independence. However, the President's Tariff Proclamation did not recognize this. Residual oil from foreign refineries was exempt from the first one dollar tariff and a further relief of 40 cents is effective with the March and April tariff increases. This means foreign residual would pay a tariff of $1.20 per barrel whereas we would pay $3 per barrel on residual from the refinery we buy from here because it imported foreign crude to make residual. This brings about the ridiculous situation that if we could move our refinery off shore to a foreign island and use the same crude import and residual output we could save $1.80 per barrel tariff. We certainly hope such unusual regulations can be avoided in your program.

The distances driven in cars in Hawaii is minimal compared to the mainland U.S. because of the small area of the islands. On Oahu, where 82% of the population resides, the total area of the island is 600 square miles. There are no great commuter distances and no long trips to take on weekends and holidays. Nevertheless, the greatest savings can be made in the area of gasoline with the least effect on the community. We believe that an attempt should be made to control this by price and that if this is unsuccessful procedures should be instigated such as the as plan we used during the embargo. This was a method of making gas available to odd and even customers at certain times and requiring a minimum amount of gas in the tank before a refill.

We wish you success in your deliberations, and if we can help please let us know.

Sincerely,

Carl H. Williams.

REMARKS BY REPRESENTATIVE PATSY T. MINK CONCERNING H.R. 3445, AMENDMENT TO THE SOCIAL SECURITY ACT OF 1937

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, I have introduced legislation for the consideration of the 94th Congress which seeks to amend the Social Security Act to bring to a realistic standard certain provisions of the act which have remained unchanged since its original passage in 1937. I refer to section 202(i) of the act which allocates a lump sum death benefit to the beneficiary for the purposes of covering burial costs of those who have participated in the program.

As the law stands currently, such a payment is limited to $255, an amount so small as to be practically useless for the purposes for which it is intended.

A survey conducted in 1973 by the National Funeral Directors Association to gather statistical information for the Veterans' Administration indicated that in 1972 the average funeral cost $1,097, for provision of the following services and facilities: Professional services of a funeral director, use of facilities and equipment at a funeral home, and a casket. The $1,097 figure does not include such things as charges for interment receptacles, cemetery or crematory expenses, monuments, or markers, or other miscellaneous items such as an honorarium for a clergyman, flowers, transportation charges, burial clothing, or newspaper notices. As you can see, the presently provided $255 is less than one-fourth of that total average cost for services provided even 3 years ago.

My bill, H.R. 3445, would increase the death benefits under section 202(i) to $1,000, an amount much more in line with actual costs as we find them today.

The aim of the social security program is to provide income security in retirement for those who have contributed to the program during their productive years. When the program was originally enacted nearly two generations ago, the drafters of the legislation recognized a need for the burial cost subsidy and included the present provision in their bill. It is our responsibiilty to update that provision to realistic proportions.

Mr. Speaker, I urge early and favorable consideration of this bill.

LIFE IS YOUR BATTLE

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, my area of Louisiana has often been referred to as the "Bible belt." Sometimes this term has been applied in a derogatory manner, but we choose to think of it as a compliment.

Faith, teamed up with a strong dose of self-reliance has been the formula which has seen our region through some of the darkest days of history. But sometimes we need to be reminded that life is a struggle, indeed a battle, not only against outside forces but against internal attitudes and apparent hopelessness and despair.

One of the most eloquent expressions of this idea was delivered recently in a sermon which I had the pleasure of hearing by Dr. Benedict A. Galloway, pastor of the Noel Memorial Methodist Church in Shreveport.

In the years I have cherished my friendship with Dr. Galloway, I have always found a remarkable thread of solid, commonsense woven throughout his scriptual lessons.

His outstanding sermon, entitled, "Life Is Your Battle," not only is an inspirational message, but it brings to the listener or reader a reminder of the need for individual responsibility.

As Dr. Galloway so aptly points out, "Every man is born on a battlefield," the battlefield of life. In words from the Old Testament, he draws a message for lifelong struggle which takes place on that battlefield:

"Who shall command the battle? And he answered, Thou!"

But the ultimate spiritual victory comes when we can say along with St. Paul, "I have fought the good fight."

Mr. Speaker, we would all do well to pause a moment in the anxious times we face today and reflect on the thoughts presented here by Dr. Galloway. I ask that the text of his sermon appear at this point in the Record.

The sermon follows:

"LIFE IS YOUR BATTLE"—A SERMON PREACHED AT NOEL MEMORIAL UNITED METHODIST CHURCH, JANUARY 5, 1975

(By Dr. Benedict A. Galloway)

Text: I Kings 20:14—"Who shall order the battle? And he said unto him, Thou!" II Timothy 4:7—"I have fought the good fight!"

Let your mind wander over an ancient battlefield outside the walls of Samaria where the Syrians fought against the army of Israel, a battlefield strewn with fallen pavilions, wrecked chariots, unlifted lances, shields which had been cast away, and alas, strewn also with the dead, this is the timeless message which I gather from this battlefield: "Who shall command the battle? And he said unto him, Thou!"

The Prophet and Ahab, King of Israel, were standing together on the wall of beleaguered Samaria. The prophet said to Ahab: "Hast thou seen all this great multitude? Thus saith the Lord, Behold I will deliver it into thy hand this day and thou shalt know that I am the Lord." But as the king stood on the battlements of the city and surveyed the great army of Ben-hadad, he felt a certain misgiving. There at the foot of the mountain, all around the walls of the city, lay the encircling host. Ahab saw their standards waving in the morning breeze. He could hear the neighing of the war horses, the rumbling of the chariots as they wheeled into position, and all the hum and murmur of the great host. He could see the flashing of the sun reflected on the helmets and shields and lances of Ben-hadad's army. No wonder that when the prophet said to him: "Hast thou seen all this great multitude? Behold I will deliver it into thy hands this day," Ahab asked, "By whom?"

The prophet answered that the victory would be won by the soldiers of the princes of the provinces; all told seven thousand men. In astonishment Ahab said: "Who shall command the battle? And he answered, Thou!" Thus assured, Ahab mustered his little army of seven thousand, fell upon the Syrians at high noon when their captains were drinking themselves drunk in their pavilions, and smote them with a great slaughter.

There are three truths, all closely related, which are suggested by this battle outside the walls of Samaria: First, that life is a battle; second, that life is *your* battle; and third, that it is the Lord's battle.

The great masters of imagination like Edmund Spenser, or John Bunyan, have generally thought of life under two metaphors, a pilgrimage or a battle. That is true also of the Bible. Sometimes it speaks of life as a journey, a pilgrimage, but more often it speaks of life as a battle, a warfare, which is not accomplished until life is over. In this warfare some are only recent recruits. All they know about the battle is the music of the bands, the cheering of the people, the waving of the banners in the sunlight. Others are in the midst of the warfare, standing in the very forefront of the hottest battle, their uniforms stained and torn, caked with mud and blood, their faces blackened with powder. Others, again, are nearing the end of the battle, their armor well-hacked and dented with the blows of the foe, and soon for them will sound the trumpet of recall. But for one and all life is a battle. Is there not a warfare appointed unto the sons of men?

When a royal infant is born, his name is at once inscribed on the roll of one of the regiments of the army. So every man is born, as it were, on a battlefield.

Secondly, life is *your* battle. That warfare cannot be undertaken for you by anyone else. In the American War Between the States a drafted man could be released from service by paying the sum of $300.00 for a substitute; but in this battle of life, all the gold of Ophir cannot purchase you a substitute. You are drafted at birth, and to the front you must go. No love, no sheltering, no intercessory prayer on the part of those interested in you can deliver you from the battle. When the tidings came to David as he stood there, waiting by the tower during the battle in the Wood of Ephraim, that Absalom, who had rebelled against David, had fallen in battle, and the second runner had said to David: "The enemies of my Lord the King, and all that rise up against thee to do thee hurt, be as that young man is," David wrapped his mantle about him and went up the stone stairs to the chamber over the gate, and as he went thus he lamented: "O Absalom! O Absalom, my son, my son, would God I had died for thee! O Absalom, my son."

David was wishing there for the impossible, that he might have taken Absalom's place in the lists of battle and had died in that tangled wood instead of his son. But that is always impossible. No father, no mother, no husband, no wife, no son, no daughter, no brother, no sister, no nearest friend can fight another's battle. Even the Son of Man had to fight His battle alone. In His human nature He yearned for fellowship and companionship in that dread struggle, and asked the three disciples to watch with Him. But even that was not granted Him. He had to drink His cup and fight His battle alone. "I have trod the winepress alone." It cannot be otherwise with you and me. No matter who the adversary or the invader may be, the battle is yours. "Who shall command the battle? Thou!" If you do not, no one else will do it for you. You cannot expect your Congressman, your Senator, or your President and his Cabinet to shoulder the responsibilities of our nation's government alone. Nor can you expect your Mayor or your Councilmen to shoulder all the responsibilities for the problems that arise in our beloved City of Shreveport. Let's stop blaming others for the plight we are in as a nation and begin shouldering some of the responsibility ourselves. The battle is yours.

Lastly, the battle is also God's. Ahab was told that he must command in the battle, and yet was given the assurance that when he did so, the Lord would give him the victory. When Jehoshaphat stood in battle against the hosts of Moab and Ammon, one of the Levites upon whom the Spirit of the Lord had come, spoke to the king in the army: "Thus saith the Lord, Be not afraid nor dismayed by reason of this great multitude, for the battle is not yours but God's." When the famous Field Marshal Montgomery in the Second World War was asked as a young officer what he would do when confronted with a certain military situation, he answered: "I would first pray about it, and then I would fight." That is what we ought to do in the battle of life. Seek God's guidance and help, but at the same time do our own part and fight the battle which is appointed unto us.

The old year has passed and the new year has dawned. Some of you may be entering this new year a little weary in spirit because you can see nothing ahead of you but the same hard battle, the same dull round, which has been yours in the past years. Others may be discouraged today by the recollection of past defeats, and fearful about the conflict which is to come. Others again are confronted by difficult and painful situations, for the solution and remedy of which they have prayed earnestly but apparently in vain; and others there are who are drinking the cup of loneliness and grief because of dear friends who have been taken from them in the year which has just closed. Hence, for all of us is this message, this ringing, soul stirring message from the Bible: "Who shall command the battle? and he said unto him, Thou!"

That, then, is the great word I would leave sounding in your ears as you have said farewell to the old year and have crossed the threshold of the new: Thou! Thou, with all thy sacredness; Thou with all thy capacity. Thou with all thy value to God; Thou with all thy influence upon they fellowman; Thou with all the glory that is laid up for thee. Upon the sword with which thou battle that is the word I see inscribed, "Thou," and upon the Crown of Life which is laid up for thee, and which God would place upon thy brow, that is the word I see written, "Thou!" How splendid, then, is that final message of the great warrior and apostle of Christ, "I have fought a good fight! . . . Henceforth there is laid up for me a crown."

The Jews have a tradition that when Lucifer was cast out of heaven he was asked in hell what he missed most out of his former life. He replied: "I miss most the sound of the trumpet in the morning." Does anyone here today miss the note of the trumpet? Has the spirit been ebbing and the high moral and courageous purpose been wavering? Then hear this trumpet note from the prophet of God. "Who shall command the battle? And he said unto him, Thou!"

MORE FEDERAL RESERVE SECRECY

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the Washington Post carried in its Tuesday morning editions a significant news story about efforts to suppress important consumer information at the Federal Reserve.

This continued secrecy and efforts to hide information from the public should be investigated and our Domestic Monetary Policy Subcommittee in the Banking, Currency and Housing Committee is taking a close look at this newest development within the Federal Reserve. It is absurd that the Federal Reserve would attempt to keep consumers from obtaining basic information which might allow them comparison shopping on interest rates but this appeals to be what has happened under the direction of Dr. Arthur Burns.

Consumers Reports and Consumers Union which obtained the information on interest rates—despite the Federal Reserve's opposition—should be commended. They are performing an important public service in printing this information and I hope that other news media will follow this example and more aggressively attack the Federal Reserve's rule of secrecy.

Mr. Speaker, I want to place in the RECORD copies of letters I have sent to Chairman REUSS of the Banking Committee and to Chairman Burns of the Federal Reserve Board concerning these issues:

Washington, D.C.,
February 25, 1975.

Hon. HENRY S. REUSS,
Chairman, Banking, Currency and Housing Committee, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I am sure you share my concern about efforts of the Federal Reserve to suppress important information about interest rates as reported on the front page of the Washington Post this morning.

This is apparently a continuing effort to keep this data from Consumer Reports, a valuable and widely circulated magazine for consumers. The news story, by Ronald Kessler, says that the Federal Bureau of Investigation has been brought in by Dr. Arthur Burns, Chairman of the Federal Reserve Board, in an attempt to discover who may have "leaked" the information to the magazine.

It appears to me that the type of information published by Consumer Reports should be available to the public and I question the right of the Federal Reserve to suppress it or to attempt to harass employees who have been willing to make such data available. This incident is in keeping with the Federal Reserve's long record of secrecy and it is a clear indication that the agency feels its responsibility is to protect the banks and the banks' data rather than providing information to the consumers.

It is my intention to have the Domestic Monetary Policy Subcommittee take a look at this situation and the allegations contained in the Washington Post article. I will, of course, keep you fully informed as this Subcommittee investigation continues. It will be my intention to have the staff make a preliminary study and to conduct Subcommittee hearings if the facts so warrant.

With best regards, I am,

Sincerely yours,

WRIGHT PATMAN.

WASHINGTON, D.C.
February 25, 1975.

DR. ARTHUR F. BURNS,
Chairman, Board of Governors, Federal Reserve System, Washington, D.C.

DEAR MR. CHAIRMAN: This morning's Washington Post carries a lengthy article by Ronald Kessler describing attempts of the Federal Reserve to suppress information on consumer interest rates charged by various commercial banks. The news story raises a number of significant points which fall under the jurisdiction of the Domestic Monetary Policy Subcommittee of the Banking, Currency and Housing Committee.

It is my intention to take a look at this situation and I trust that you and your employees will be cooperative with the staff and the Subcommittee in carrying out this investigation. As I have indicated to Chairman Reuss, it is my intention to have the staff make a preliminary study and to follow this with hearings if the facts so warrant.

Initially, Dr. Burns, I would like answers to these questions:

1. What data does the Federal Reserve collect from commercial banks on consumer loans and what use is made of this data?
2. What are the names of the commercial banks from which such data is obtained?
3. What authority has the Federal Reserve used to withhold this information from the public?
4. What was the basis for utilizing the services of the Federal Bureau of Investigation in investigating your employees and what instructions or requests did you make to the F.B.I. concerning this entire matter?
5. Did you receive any complaints from any commercial banks concerning the release or "leak" of any of this data and was this the basis on which you acted?
6. Have there been any previous incidents in which investigations have been conducted of news media and/or Federal Reserve employees as a result of "leaks" of information from your agency?
7. What is the approximate number of man-hours and what sums of money have been expended in opposing the legal action brought by Consumers Union to obtain this information?

These are, of course, preliminary areas of inquiry and we will undoubtedly be following this up with additional requests.

With best regards, I am,

Sincerely,

WRIGHT PATMAN,
Chairman.

Mr. Speaker, I also want to place in the RECORD a copy of the article by Ronald Kessler as it appeared in the Washington Post, Tuesday, February 25:

FBI PROBES "FED" STAFF ON LEAK TO MAGAZINE

(By Ronald Kessler)

The Federal Reserve Board said yesterday that Chairman Arthur F. Burns requested the FBI to investigate Fed employees to determine if any gave Consumer Reports magazine a list of interest rates charged by banks for consumer loans.

A board spokesman made the statement after being asked questions about the interviewing of employees of the bank regulatory agency by FBI agents seeking to determine who might have leaked the interest rate list.

The list, which appears in the March issue of the 2-million-circulation consumer magazine, shows variations of as much as five percentage points in interest rates charged for auto, personal, and consumer loans by different banks.

Consumer Reports obtained the list from sources it refuses to disclose after the U.S. District Court here ordered the Fed to give the list to the magazine under the requirements of the Freedom of Information Act.

The list was not given because the court's ruling was stayed pending the outcome of an appeal by the board.

"The purpose of the FBI investigation," a Fed spokesman said yesterday, "is to find out if there was a leak and if so who may be responsible."

"The only thing we know is that some figures involved in the litigation (under the Freedom of Information Act) were published by Consumers Union," he said.

In response to a question, the spokesman said, "It (the investigation) was requested by Chairman Burns."

Consumers Union is the nonprofit publisher of Consumer Reports.

Burns did not return a reporter's telephone calls yesterday.

An FBI spokesman said the bureau began an investigation last week at the request of the Justice Department's Criminal Division.

He said its purpose is to determine if there were violations of laws prohibiting theft of government property or disclosure of confidential government information in connection with the magazine article.

The spokesman said he believes the probe so far has been limited to Federal Reserve Board employees. Asked if the investigation might eventually involve the magazine, the spokesman said, "I couldn't say it would or it wouldn't."

Deborah M. Rankin, the Consumer Reports economics editor who wrote the consumer credit article in which the list appeared, said she has not been contacted by the FBI.

Ira J. Furman, a Consumers Union spokesman in Mount Vernon, N.Y., said the data published by the magazine is readily available upon request from each of the banks named in the story.

"You walk into a bank and say, 'What will you charge for an auto loan?' " he said.

Reading from a statement prepared in case of inquiries about the FBI probe, Furman said: "Consumers Union is astonished that the Federal Reserve Board continues to attempt suppression of purchasing information that is so vital to inflation-weary consumers."

He added: "We think the Federal Reserve Board should be spending its money and energy disseminating the information and promoting competition rather than covering up for the banks that are embarrassed by their noncompetitive interest rates."

A Federal Reserve source said FBI agents had interviewed a number of board employees and appeared particularly interested in the agency's computer system, which contains the interest rate data.

Among those interviewed, he said, was David R. Hull, a Reserve Board economist.

Hull apparently was suspected of leaking the data, the source said, because he told a colleague that a friend of his at Consumers Union gave him an advance copy of the March issue of the magazine.

Hull confirmed yesterday that he was interviewed by the FBI last week to determine if he had leaked the interest rates. He said he had not done so.

Hull referred further questions to his lawyer, who had no further comment.

Peter H. Schuck, Washington director of Consumers Union, said a Federal Reserve official asked him last Wednesday to have the magazine stop publication of the list.

The request was made after the board learned the magazine had the list, he said. By that time, he said the March issue was already on the newsstands.

The magazine would have refused the request in any case, Schuck said.

In ordering the Reserve Board last May to give the data to Consumers Union, U.S. District Court Judge William R. Bryant said interest rates are public before the Reserve Board obtains them during monthly surveys. Therefore, he said, the data are not confidential.

The U.S. Court of Appeals last November sent the case back to Judge Bryant to obtain more specifics to support his ruling. The appeals court also urged the parties to the suit to settle the matter among themselves.

Finally, Mr. Speaker, I want to place in the RECORD a copy of the article from Consumers Reports:

HOW TO SHOP FOR CREDIT—A GUIDE TO BANKING SERVICES—PART 3

(In the January and February issues, CU discussed how to find the best checking and savings accounts for your needs. We surveyed the three major types of banking institutions serving consumers—commercial banks, mutual savings banks, and savings and loan associations. We reported that the costs of basic banking services differ greatly. Often, the best deals are offered by small- or modest-sized institutions, while their larger competitors charge the highest prices in town. Our research also found wide variations among banks and other lenders in the cost of short-term credit, the subject of the following report.)

Consumer credit has been an American way of life since Colonial times, when farmers borrowed against their crops and bought much of their furniture on the installment plan. Credit cards, "no-bounce" checking accounts, and sophisticated methods of computing interest have altered credit techniques a bit, but the basic theory has remained the same over the centuries. Lenders rent money to those who need it. Money is thus a commodity, and someone who borrows, or rents money pays for the privilege. The interest rate is the rental price of money.

A prospective borrower must always remember that lenders are in the business of credit, not in the business of doing favors. If lenders offer easy repayment terms, they're not doing it just to be nice; they're doing it to increase their sales volume. Easy credit terms have swelled the amount of consumer credit. By the end of 1974, Americans owed more than $188-billion (excluding mortgages) and were using about 16 per cent of their take-home pay for that debt. Americans borrow in two forms:

Closed-end credit, which includes installment loans, is commonly used to finance such items as cars or appliances. In a closed-end loan, a specific amount is borrowed and repaid over a specific time period, usually in equal monthly installments.

Open-end credit, which includes department-store charge accounts and bank credit cards, is more flexible. Generally, the monthly repayments required are lower than with installment loans, and consumers can, within certain limits, elect how much of their bills they wish to pay at any one time.

Whether you borrow cash or buy goods on "time," the cost of the credit involved can be quite high; this winter, some California banks were charging more than 16 per cent for personal loans. Yet consumers spend relatively little time deciding how they will finance a purchase, according to a report of the National Commission on Consumer Finance.

Wise consumers who borrow in order to buy *should* shop carefully for credit. The money saved by borrowing from the lowest-cost lender can be considerable, especially when the loan is a large one. CU commonly found differences of about two percentage points in rates charged by different banking institutions within the same cities. In Boston, to take one example, the largest commercial bank in the city, First National Bank of Boston, charged 14 per cent for a personal loan while the largest savings bank, the Provident Institution for Savings, charged 11.08 per cent.*

If you paid off $3000 worth of doctors' bills with such a loan over three years, you would pay First National Bank a total of $691 in interest; by contrast, the loan from Provident Institution would cost you only $540—a difference of $151.

The first step in shopping for credit is to compare the interest rates charged by different institutions. The Truth-in-Lending Act, passed in 1968, requires lenders to quote the cost of credit in terms of *the annual percentage rate*. This is the "effective" rate a person pays for credit; it includes the basic finance charge as well as any additional fees, such as credit investigation fees, service charges, or mandatory insurance premiums. But don't take it for granted that all lenders necessarily obey the law—the indications are otherwise. Studies made last year by various Public Interest Research Groups across the nation have found that some institutions were still quoting "add-on" or "discount" rates instead of annual percentage rates. (These rates are ones used internally by banks and are approximately *half* the equivalent annual percentage rate; the Truth-in-Lending Act prohibits creditors from quoting these misleading low rates to the public.)

CU found similar disclosure problems when we shopped for credit last summer at banks in the New York City area. One of them, Bank Leumi Trust Co., repeatedly used the discount rate in discussing the cost of the loan with a CU shopper. It was only after the shopper asked why the rate appeared so cheap compared with others she'd been quoted that the officer gave the cost in terms of the annual percentage rate.

The experience points up the difficulty of shopping for credit. To compare the cost of credit accurately, one must have all the pertinent facts, especially the annual percentage rate. But many banks are reluctant to publicize this information for fear easy comparison of interest rates would force rates down as consumers opted for the lowest rates. Instead, banks tend to promote the purported friendliness of their credit officers or the simplicity of applying for a loan.

Forget about such advertising smokescreens. Seek out the lowest annual percentage rate you can find and the type of credit that best meets your needs. The two major types of bank credit services, as well as alternate sources of credit, are described in detail below.

So many Americans depend on open-end credit—typically the credit card—for routine needs that there are now more than two of these embossed plastic chips for every person in the country. Bank credit cards, however, account for little more than one-tenth of all the credit cards in circulation; most credit cards are issued by retail stores and oil companies. Commercial banks that enter the credit-card field (savings institutions are not allowed to do so in most states) generally sign up with the licensors of BankAmericard or Master Charge, the two giants in the field.

Banks make money from credit cards in two ways: They get processing fees, known as "discounts," ranging from 1 to 6 per cent from merchants who allow customers to buy goods with these cards; and they obtain monthly finance charges from customers who elect not to pay their bills in full by the due date. Credit cards usually permit a consumer to make as many purchases (or loans) as desired up to the maximum dollar limit. Additional credit, up to the same limit, is allowed as the borrower pays off the original balance.

Banks introduced the cards with no charge in the late 1960's. But now a few banks charge up to $10 a year for them. Others have tried to offset their costs by making the cards part of expensive package accounts (see "How to Pick the Best Checking Account," CONSUMER REPORTS, January 1975). So far, such institutions are in a minority. If you want a BankAmericard or Master Charge card, most commercial banks still hand out one or the other free. Don't pay for them.

Banks encourage consumers who use the card to postpone payment for purchases. That's good business for the banks, which then are entitled to collect finance charges on these unpaid purchases. But it's poor economics for consumers, who needn't pay any finance charge if they settle credit-card bills promptly. Depending on the point in a bank's billing cycle when one makes a transaction, 30 to 60 days elapse before a person is billed for a purchase. If you pay your bill during this "free ride" period, no finance charge is assessed. If the bill or a certain portion of it is not paid by the end of the initial billing period, a finance charge of 1.5 per cent per month (equal to an annual percentage rate of 18 per cent) is typically levied on the unpaid balance. This charge is often reduced to 1 per cent per month (equal to an annual percentage rate of 12 per cent) on that part of the balance above a certain limit, generally $500. (Laws in some states, such as Washington, prohibit the annual percentage rate from going above 12 or 15 per cent on revolving credit.)

Unlike the terms of installment loans, the finance charges for credit cards are not negotiable. However, the actual amount of interest you pay can vary greatly, depending on the method the bank uses to calculate charges. Here are the three methods in common use:

The adjusted balance method, sometimes called the closing balance method, is the cheapest for consumers. The finance charge is calculated on the unpaid balance of the previous month, less credits and payments made in the current month.

The previous balance method, traditionally used by retailers, is more costly for consumers. The finance charges are calculated on the amount owed on the final billing date of the previous month. This method does not take into account any payments made to reduce the balance or any credits for returned merchandise. The interest cost of this method is about 16 per cent higher than under the adjusted balance method.

The average daily balance method, used by most banks, is also about 16 per cent more costly than the adjusted balance method. Under this approach, the finance charges are determined by dividing the sum of the balances outstanding for each day of the billing period by the number of days in the period, and then multiplying by the daily rate of interest. The longer you defer payment, the higher your average daily balance and the higher the resulting finance costs.

SOME CREDIT-CARD PROBLEMS

Credit-card billing creates certain problems you should be aware of.

Delayed billing. Statements are sometimes sent so late that they arrive after the due date, making it impossible for consumers to avoid a finance charge. Federal officials expect that problem to be cleared up by the new Fair Credit Billing Act, which takes effect in October. It requires creditors to mail bills at least 14 days before the due date—the day on which banks start to charge interest on unpaid credit-card balances. (The box on the facing page gives some of the other provisions of the act.) If you're plagued by late billing in the meantime, complain to the Office of Saver and Consumer Affairs of the Federal Reserve Board, 20th St. and Constitution Ave., Washington, D.C. 20551.

Misleading numbers. When you finally do get your bill, you may be misled about the amount of money you owe. The statements of some banks (and other creditors as well) focus attention on the *minimum* amount due rather than the total owed. Of course, the more you leave unpaid, the more interest you owe. If you plan to pay the bill completely, scrutinize your statement carefully. Otherwise you may end up paying an unexpected finance charge the next month.

Vague reporting of transactions. As banks switch to low-cost computer technology, another difficulty is developing: how to determine exactly what you are being charged for. Many banks are abandoning what is called "country club" billing, which provides customers with copies of their charge slips. They're turning instead to "descriptive" billing, which simply lists the charge transactions you made the previous month. But descriptive billing often isn't very descriptive.

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* Except where otherwise noted, all rates mentioned in this report are ones reported by the institutions last summer and may have changed since then.

The merchant's name on the monthly bill may be that of a parent company, not the name of the firm with which you actually conducted your business. And the date on the bill may be the date the transaction was posted to your account, not the actual date of your purchase. Banks save money with this type of billing because it reduces their paperwork. But consumers are the ones who must deal with the confusion resulting from being billed by unfamiliar sellers on dates they can't recall having shopped. If your bank adopts descriptive billing, save your purchase receipts, since these will be your only proof of purchase.

SMALL LOANS—BIG CHARGES

Banks have contrived various ways to persuade you to use your credit card to get instant loans even though you may prefer not to borrow money. Here are two:

Cash advances. Banks allow credit-card customers to obtain small loans through a device known as the "cash advance." To get the cash, you simply present the credit card at the bank, fill out a form indicating the amount of money desired (it must fall within your permissible line of credit), and give the form to a teller.

Banks have made the process so simple that it may suppress your normal qualms about borrowing money. But the costs of such "painless" little loans can be quite high. In California, for instance, the price is 1.5 per cent per month, or an annual percentage rate of 18 per cent, while in New York it costs 1 per cent per month, or an annual percentage rate of 12 per cent. Some California banks assess an additional "transaction fee" for processing the loan—as much as 2 per cent of the total borrowed. Such a fee, coupled with a basic annual percentage rate of 18 per cent, can result in an interest cost far above that for installment loans at many of these same banks.

Unfortunately, a number of big banks now refuse to make installment loans for amounts under $1000 or $2000, forcing borrowers to use their credit cards for this purpose. Reason: It costs a bank $35 to $45 to process a new installment loan but only $7.50 to process a credit-card loan. Thus, it's good business for the banks to push the loans that cost them less. But an installment loan may well cost you less.

Blank checks. Some banks also issue blank "checks" that can be used as cash advances. The banks will often stress the versatility of these "checks," suggesting that they can be used like regular checks to pay doctors, tax collectors, and others who don't accept credit cards. But some banks also tend to omit mention of the finance charge involved. Such forgetfulness has prompted the Federal Reserve Board to propose a Truth-in-Lending regulation that would require creditors to disclose such charges "in a clear and conspicuous manner."

NO-BOUNCE CHECKING

The latest gimmick in open-end credit is the no-bounce checking account, which goes by such names as "Privilege Checking" or "Checking Plus." Under this arrangement, a person is granted a prearranged line of credit and can overdraw his or her checking account up to that amount without the checks bouncing. The overdraft is treated as a loan. and interest is charged on it.

One way bankers maximize income on this type of credit is by advancing customers more money than is actually needed to cover an overdraft. Many banks insist that advances be in multiples of $50 or $100, regardless of the amount of the overdraft. The result: if you overdraw your account by one dollar, you may be charged for a $100 loan. Some banks advance only the exact amount of the overdraft. We suggest you look for them.

The interest rate charged on overdraft loans, like the rate on credit-card cash advances, ranges from 1 to 1.5 per cent per month (equivalent to annual percentage rates of 12 to 18 per cent), it is worth doing some shopping before you open an account with overdraft privileges. In Portland, Me., we found more than a seven-point spread between banks. The Casco Bank and Trust Co. offers its "Money Manager" overdrafts at an annual percentage rate of 10.8 per cent, while Maine National Bank charges an annual percentage rate of 18 per cent on its "Free and Easy" overdrafts.

Banks also differ in the way they allow consumers to repay these overdrafts. Some, such as First National City Bank in New York City, require customers to use special deposit slips for loan repayment. Others, including Chase Manhattan Bank, another big New York City bank, automatically credit money deposited in a checking account as payment toward the overdaft loan. The latter method is to be preferred. It's less cumbersome for consumers and prevents them from mistakenly believing that routine deposits are ridding them of their debt.

Overdraft checking is fine when used only occasionally, as protection against unforeseen expense. In such cases it can eliminate the embarrassment of a bounced check—and even cost less than a bounced check. But it's unwise to use overdrafts routinely.

If you have an overdraft account and want to close it, notify the bank in writing. Some consumers have left a small balance in their unused accounts, expecting service fees to deplete the account to zero eventually, only to discover that the accumulated service fees not only exhausted the balance but triggered an unwelcome overdraft as well.

TRY TO PAY ON TIME

The open-end credit provided by credit cards, cash advances, and overdraft checking can be useful and convenient so long as you understand it will cost you money whenever you don't pay the bill in full and on time. It takes self-discipline to keep your purchases within the limits of your income, enjoy the 30- to 60-day free ride on a credit card, and pay up before any finance charge is assessed. But consider these incentives to pay promptly:

The finance charge. Assume you typically have an average daily balance of $500 in merchandise purchases outstanding on your credit card. If you regularly fail to pay in full by the due date (and two-thirds of Americans do fail), that balance would be subject to a finance charge equivalent to an annual percentage rate of 18 per cent and would result in a yearly interest bill of at least $90. That's a lot to pay for $500 worth of credit.

Interest on interest. Banks compound, or charge interest on interest. The interest assessed on your unpaid balance each month becomes part of the balance against which interest is charged the following month. Assume you have an unpaid balance of $100. If you make no payments, the monthly interest charge of 1.5 per cent adds $1.50 to that sum. The following month, the interest charge is figured on $101.50, not $100.

Late charges. Failure to pay the minimum amount due each month sometimes triggers late charges, which can be substantial over a year's time. Generally, these charges amount to 5 per cent of the minimum monthly payment required, up to a maximum of $5. The charges are also added to the unpaid balance and become part of the base on which interest is figured in the accounting the following month.

If you can't manage to pay your credit-card bills fully within a fairly short period—six months at the most—CU suggests you stop using bank credit cards and other forms of revolving credit. Instead, get an installment loan from your bank or from one of the cheaper credit sources we'll discuss later in this report.

Installment credit is the means by which most Americans finance such major purchases as automobiles. Most Americans, however, are under the mistaken impression that banks charge pretty much the same rates for such borrowing. Not so. Rates vary widely. Always shop for the lowest rate before giving an institution your credit business.

In our limited study of loan rates last summer, CU found important differences between large and small banks. With new-car loans, for instance, the small banks charged an average annual percentage rate of about 10 per cent, while the large banks charged an average annual percentage rate of 11.5 per cent. And a Government survey of about 350 selected commercial banks around the country shows that, on average, the largest banks charged about one percentage point more on consumer loans than the smallest banks.

But no clear-cut pattern emerged. Not all small banks offered the cheapest installment loans, and the small banks that did charge low rates on one type of loan did not necessarily charge the lowest rates on other types. (The table on the facing page shows the loan rates some commercial banks across the nation were charging last November.)

In shopping for an installment loan, don't hesitate to bargain for a lower price. Banks like to give the impression their loan charges are inflexible, but banks often have a range of permissible rates.

Most of the commercial banks that participated on our survey indicated that their rates were indeed negotiable. And a CU shopper was able to negotiate a reduction in annual percentage rate from 10.33 percent to 9.22 per cent on a personal loan from Barclays Bank in New York City without too much trouble. (As the shopper prepared to leave, the credit officer scratched his head and muttered. "That's the first time a customer ever asked about a lower rate. Usually they just ask about the monthly payments.")

Traditionally, installment loans have been the province of commercial banks, because savings institutions have been prohibited from entering this field. But the legal restraints are beginning to ease. Though thrift institutions in most states still are not permitted to offer such things as auto loans, their rates for the loans they can offer are often lower than rates charged by commercial banks.

WHAT AFFECTS INTEREST RATES?

There are a number of considerations that can affect the interest rate charged thereon. One is the cash standing of the borrower. To measure this, banks traditionally have used a formula known as "the three C's of credit—character, capacity, and collateral."

Character is measured by such things as continuous employment in the same line of work for a number of years and residence in the same area for a certain length of time. Capacity is measured by level of income sufficient to pay off the loan plus any other debts that may be outstanding. Collateral is measured by a potential borrower's assets, such as a car, a house, and stocks and bonds. (Some institutions red-flag persons in certain occupations as potential credit risks. Among those considered credit risks are beauticians, bartenders, foreign diplomats, freelance artists, writers, and musicians, longshoremen, noncommissioned military personnel, and taxi-drivers.)

A second factor that affects interest rate is the amount of money borrowed. Generally, the larger the loan, the lower the rate. On a personal loan, for instance, a bank may have one rate if the loan is for less than $1000; another rate if it is for between $1000 and $3000; and a third rate if it is for more than $3000.

A third consideration in determining the interest rate is the type of loan. Traditionally, new-car loans carry relatively low rates because the car represents collateral—the lender can repossess the car and sell it if the borrower defaults. By contrast, unsecured personal loans (loans that are not backed by collateral) are the most expensive. There are also specialized loans to finance such things as home improvement or college tuition. The rates on those fall somewhere between new-auto loans and unsecured personal loans.

THE CHEAPEST WAY TO BORROW

The most economical way to borrow is to borrow against accumulated assets, which may be in the form of stocks and bonds or in the form of a savings account. Loans backed by such assets usually carry lower annual percentage rates than those on other types of loans. How much lower depends on the type of collateral you put up.

Savings institutions specialize in loans backed by savings accounts. Such "passbook" loans often carry the lowest rates available from banking institutions. You can usually borrow against 90 per cent or more of the money in your savings account. Our survey showed that most savings institutions charged borrowers an annual percentage rate of about 7 per cent, or two percentage points or so above the interest rate the savings themselves earned. Fairly typical was the Bowery Savings Bank in New York City, the largest savings bank in the country, which paid 5.25 per cent on passbook savings and charged an annual percentage rate of 7.5 per cent on passbook loans.

Commercial banks rarely offer such bargains on passbook loans. We found that most of the commercial banks in our survey were charging annual percentage rates of around 11 per cent, or six percentage points above the rate charged by savings banks for the same type of loan.

About three-fourths of the institutions in our sample allowed borrowers to use their savings account progressively as a passbook loan was being repaid. The others refused to let borrowers touch their savings at all until the *entire* loan was repaid, an unnecessarily harsh attitude.

If you use securities as collateral, the interest rate will probably not be as low as that for a passbook loan. In addition, banks usually don't lend much more than half the current value of the securities. If the value suddenly drops below the bank's limit, you may have to prepay part of the loan or put up more collateral.

INSTALLMENT LOAN MATHEMATICS

Although all lenders are required to quote loan costs in terms of the annual percentage rate, they can use different methods to calculate finance charges, then convert these charges into the equivalent annual percentage rates. Most banks use either the "add-on" or "discount" method, which we disussed earlier.

But a number of banks are adopting the "simple interest" method, which CU feels is much easier for consumers to understand. Under this approach, a bank charges interest only on the exact amount borrowed for the exact amount of time it is loaned. This method automatically rewards you for paying early and penalizes you for paying late.

A regular repayment schedule with equal monthly payments is usually still set up, with a final "equalizer" payment at the end. If you follow the repayment schedule exactly, your final payment would be approximately the same size as all the previous ones. But if you were regularly late, the final payment would be a little larger, because you had use of the money for a longer period than in the first case. (One would think that a bank using the simple interest rate would not also sock you with late charges. But half do.) Similarly, if you consistently made payments ahead of time, your final payment would be somewhat smaller than the others.

Between lenders charging the same annual percentage rate, choose the one that calculates the rate using the simple interest method (ask the loan officer about it) without a late charge. If you only find rates figured with the add-on or discount method, you need still more information.

Creditors that use the add-on or discount method to figure finance charges also use one of two methods to determine how much interest you get back if you repay a loan early. These are the actuarial method and the so-called Rule of 78's. You needn't learn how they work, but you should know this: Given the same annual percentage rates, favor the bank that uses the actuarial method, especially if you are borrowing large sums of money over fairly long periods—say $10,000 over four years. The difference between the two methods is fairly inconsequential when the amount borrowed is small and for a short period—say $2,000 for two years.

THE FAIR CREDIT BILLING ACT

A law enacted by Congress last year may greatly minimize those troublesome billing problems that seem to afflict all credit-card users at one time or another. The Fair Credit Billing Act, which takes effect in October, requires creditors to mail statements at least 14 days in advance of the due date. It also requires creditors to acknowledge billing inquiries within 30 days and to settle any complaints within 90 days.

The act also prohibits creditors from sending dunning letters until such questions are settled. And it prohibits them from issuing unfavorable credit reports on disputed accounts until customers are notified and collection agencies are told the bills are in dispute. The act also requires creditors to indicate on monthly bills an address for handling billing disputes.

An important section of the act gives cardholders the right to withhold payment for items that prove defective without being held liable for the entire amount owed. The section repeals, in effect, the "holder in due course" doctrine. That legal doctrine has tended to absolve third parties in credit transactions (such as banks) from any responsibility for items bought with a credit card that prove defective after purchase. The act applies, however, only to purchases of more than $50 made in the buyer's state or within 100 miles of a buyer's home.

COMPARISON OF LOAN RATES

Listed below are the most common annual percentage rates on three types of consumer loans reported to the Government last November by commercial banks located in 11 large metropolitan areas. Rates may have changed since, but other bank surveys show that *relative* differences tend to remain constant:

	Auto [1]	Consumer goods [2]	Personal [3]
Boston area:			
First National Bank of Boston	11.96	12.02	14.01
National Shawmut Bank of Boston	11.52	13.80	14.01
New England Merchants National Bank	11.52	None	14.01
State Street Bank & Trust Co	10.20	None	13.57
Hancock Bank & Trust Co., Quincy, Mass	10.64	12.47	14.89
Chicago area:			
Aurora National Bank, Aurora, Ill	9.31	None	12.68
County Bank and Trust Co., Blue Island, Ill	11.08	12.91	12.67
American National Bank & Trust Co	10.65	12.91	12.67
Central National Bank	9.31	12.91	12.68
Continental Illinois National Bank & Trust Co	11.00	None	12.67
First Commercial Bank	10.20	None	None
First National Bank of Chicago	12.91	12.91	12.91
Harris Trust & Savings Bank	9.76	None	12.68
La Salle National Bank	11.03	None	12.68
Main Bank of Chicago	9.31	12.02	9.10
Marina City Bank	11.96	12.91	12.68
Marquette National Bank	11.32	12.68	12.68
Merchandise National Bank of Chicago	10.64	12.91	12.67
National Bank of Albany Park in Chicago	10.22	11.12	12.67
National Security Bank of Chicago	10.20	12.68	12.68
Northern Trust Co	11.08	None	12.91
South Chicago Savings Bank	10.20	10.23	12.68
Union National Bank & Trust Co. of Joliet, Ill	10.20	10.22	12.67
Gary-Wheaton Bank, Wheaton, Ill	10.20	12.80	12.80
Cleveland area:			
Central National Bank of Cleveland	11.96	14.60	14.39
Cleveland Trust	11.08	12.02	14.45
National City Bank	11.95	14.67	14.45
Society National Bank of Cleveland	12.83	13.80	14.45
Union Commerce Bank	11.96	14.68	14.45
Dallas-Fort Worth area:			
First National Bank in Dallas	11.52	12.91	17.97
Mercantile National Bank at Dallas	11.08	12.02	14.45
Republic National Bank of Dallas	7.51	10.68	10.00
First National Bank of Fort Worth	11.52	14.68	14.45
Fort Worth National Bank	10.20	11.13	14.45
Detroit area:			
Bank of the Commonwealth	11.08	12.91	12.68
City National Bank	9.77	None	12.67
Detroit Bank and Trust Co	11.08	12.91	12.91
Manufacturers National Bank of Detroit	11.08	12.91	12.68
Michigan National Bank of Detroit	10.20	10.32	11.79
National Bank of Detroit	10.20	None	12.68
First State Bank of East Detroit, Mich	10.20	12.91	12.68
First National Bank in Mount Clemens, Mich	11.08	12.91	12.91
Community National Bank of Pontiac, Mich	11.08	13.00	13.00
Warren Bank, Warren, Mich	11.08	14.39	16.40
Los Angeles area:			
Valley National Bank, Glendale, Calif	10.64	15.55	21.46
First Western Bank & Trust Co	12.39	None	16.22
Security Pacific National Bank	18.26	19.02	19.05
Union Bank	12.83	None	15.78
United California Bank	18.00	18.00	18.00
Santa Monica Bank, Santa Monica, Calif	10.64	12.83	16.22
Miami area:			
Florida National Bank at Coral Gables, Fla	14.55	None	None
City National Bank of Miami	10.25	None	10.00
Coconut Grove Bank, Coconut Grove, Fla	None	11.72	13.59
New York City area:			
Peoples Trust of New Jersey, Hackensack, N.J	11.10	None	11.58
National Community Bank of Rutherford, N.J	11.18	11.37	11.58
Bankers Trust Co	13.38	12.59	11.58
Bank of New York	13.38	None	11.58
Chase Manhattan Bank	13.38	12.59	11.58
Chemical Bank	10.88	10.89	10.07
First National City Bank	13.38	None	11.58
Irving Trust Co	10.87	None	10.07
Marine Midland Bank—New York	10.88	10.89	None
National Bank of North America	13.36	12.59	11.58
Chemical Bank Hudson Valley, Nyack, N.Y	11.00	12.00	12.00
Scarsdale National Bank & Trust Co., Scarsdale, N.Y	10.27	None	11.58
County Trust Co., White Plains, N.Y	10.88	11.50	11.50
National Bank of Westchester, White Plains, N.Y	12.88	12.59	11.58
Newark, N.J., area:			
Maplewood Bank & Trust Co., Maplewood, N.J	10.88	11.37	11.58
Fidelity Union Trust Co	11.18	None	11.58
First National State Bank of New Jersey	11.18	None	9.00
Midlantic National Bank	11.18	None	11.58
First National Bank of Central Jersey, Somerville, N.J	11.18	18.16	11.58
Summit and Elizabeth Trust Co., Summit, N.J	11.08	11.57	11.34
Union Center National Bank, Union, N.J	9.25	11.00	11.00

	Auto[1]	Consumer goods[2]	Personal[3]
Philadelphia area:			
Bank of New Jersey, Camden, N.J	11.08	11.37	11.58
Philadelphia National Bank, Ardmore, Pa	13.11	13.16	12.15
Central Penn National Bank, Bala-Cynwyd, Pa	13.21	None	11.58
First Pennsylvania Banking & Trust Co., Bala-Cynwyd, Pa	13.38	12.59	11.58
Girard Bank, Bala-Cynwyd, Pa	14.47	None	12.50
Provident National Bank, Bryn Mawr, Pa	13.38	None	11.58
Industrial Valley Bank & Trust Co., Jenkintown, Pa	13.37	12.58	11.57
Continental Bank, Norristown, Pa	11.08	13.34	12.28
Bucks County Bank & Trust Co., Perkasie, Pa	11.08	14.68	11.58
Fidelity Bank, Rosemont, Pa	None	None	12.00
Washington, D.C., area:			
American Security & Trust Co	11.50	None	11.50
Madison National Bank	11.50	11.50	11.50
National Bank of Washington	11.50	11.50	11.50
National Savings & Trust Co	11.50	11.50	11.50
Riggs National Bank of Washington, D.C	10.00	11.00	11.00
Security National Bank	None	11.50	11.50
Suburban Trust Co., Hyattsville, Md	11.00	12.00	12.00
American National Bank of Maryland, Silver Spring, Md	10.50	12.00	12.00
Bank of Virginia-Potomac, Fairfax City, Va	12.10	14.40	14.40
United Virginia Bank, Vienna, Va	10.20	12.91	12.68

[1] New-auto loans, 36 months.

[2] Loans for TV sets, major appliances, furniture, etc., 24 months.

[3] Unsecured personal loans, 12 months.

CREDIT LIFE INSURANCE

Most people take out credit life insurance when they borrow. This covers repayment of the loan should the borrower die. The practice of including insurance premiums along with loan payments has been widely criticized by Government regulators. They claim consumers are railroaded into purchasing the insurance at inflated prices. The Truth-in-Lending Act says the insurance costs must be reflected both in the quoted finance charge and in the annual percentage rate—unless the insurance is an option the lender may refuse.

The Federal Trade Commission has begun an investigation into just how optional the purchase of such insurance is. Trade figures show that in some states, 95 percent of the persons borrowing from consumer finance companies have purchased credit life insurance, a figure authorities consider remarkably high. The FTC probe will focus on whether the finance companies lead consumers to believe such insurance is a necessary condition of the loan. Federal Reserve Board officials note that those who borrow from commercial banks buy credit life insurance almost as frequently as do those who borrow from finance companies.

Banks and finance companies push credit life insurance because they profit from commissions based on the size of the premiums: the higher the premium, the bigger the commission. "It's one of our biggest sources of income," a Minneapolis banker told CU.

The question is, does a borrower *need* the insurance? Answer: If you have enough life insurance to protect your family and repay the debt, you don't need more. If not, credit life insurance might be worth buying—or you may want to reconsider your personal insurance program. (For help in doing that, see "A Guide to Life Insurance," CONSUMER REPORTS, January, February, and March 1974).

REPAYMENT PROBLEMS

Nobody likes to think about it when applying for a loan, but circumstances may force you to fall behind on your payments. If that happens, contact your creditors immediately and explain the situation. That demonstrates a sense of responsibility and may prevent harsh legal action.

Don't be surprised if a creditor turns a deaf ear to your explanations, however. A manual for bank collection departments published by the American Bankers Association indicates that sympathy is not in great supply. If a person pleads illness in the family as an excuse for late payments, the manual suggests asking: "How does illness of other family members justify holding up payments to us?"

If a bank is particularly intransigent, you may want to protect yourself against its right to dip into a savings or checking account by transferring your savings or checking account to an institution that does not hold your loan. (CU discussed this practice, the "right of offset," in January.)

Should you run into trouble, one place to look for help is the National Foundation for Consumer Credit, 1819 H St., Washington, D.C. 20006. It maintains a list of 167 nonprofit credit counseling centers around the country. These centers set up realistic budgets for people burdened by debt and intercede with creditors so that borrowers trying to repay are not harassed. These services are usually free.

Beware of "consolidation" loans, which creditors push as the low-cost answer to all debt difficulties. Consolidation loans may create more problems than they solve. Bankruptcy is a last resort, but it's the only sensible solution in some circumstances. When things get that bad, you need a lawyer.

So far, we've talked about the types of credit you can obtain directly from banking institutions. But there are other places that provide consumer credit, some at rates much lower than banks and others at rates much higher. Here are four major alternative sources of financing:

Credit unions. The annual percentage rates charged by these nonprofit organizations, which CU discussed fully last month, generally start at about 9 per cent and are prohibited from going above 12 per cent. An analysis last year by the National Credit Union Administration, which regulates Federally chartered credit unions, found that credit union rates were "consistently and significantly lower than those of commercial banks and finance companies for all classes of consumer loans." The credit unions undercut commercial banks by only three-tenths of a percentage point on automobile loans but by a full percentage point on personal loans.

Credit life insurance is often included in these rates and is not reflected as an additional charge, as it is with some banks. There are also no prepayment penalties, and some well-established credit unions also refund a portion of the interest paid by their borrowing members after the yearly books are balanced. Such refunds can reduce the cost of a loan to well below the contractual rate.

However, many credit unions insist on wage assignments. Such assignments allow a credit union to deduct loan payments from the salaries of delinquent borrowers without court hearings.

Most credit unions are ones in which members have a common bond, such as the same employer. But a few states, including New York, permit "open-charter" or "community" credit unions, which any resident of the state may join. To learn more about credit unions, write to the Credit Union National Association, Box 431, 1617 Sherman Ave., Madison, Wis. 53701.

Life insurance companies. CU believes that "term" life insurance is the most economical type of insurance for the needs of most people except those who have difficulty saving or those in very high tax brackets. But if you already have purchased the more expensive "whole life" insurance, it can serve as collateral for the cheapest loans around. Under the terms of most whole-life contracts, a policyholder is entitled to borrow most or all of the accumulated cash value of the policy at a guaranteed rate. The rate on most new policies being written today is 6 per cent; and in New York State, the rate is limited to 5 per cent. The loans can usually be made with a minimum of red tape and technically don't even have to be repaid. But note this well: Borrowing against a life insurance policy reduces the financial protection for the policy's beneficiaries, and financial protection is an insurance policy's only good reason for being.

Auto dealers. Auto dealers usually offer to finance new or used cars. Such loans are invariably expensive—usually about two percentage points above a typical bank installment loan used to finance new cars. True, an auto dealer will make things convenient: There's a minimum of paperwork and of credit investigation, since the dealers want to sell their cars and figure speedy loans will help them do it. One way or another, however, the source of such credit is a bank. If you go to a bank instead of letting the dealer fetch the money for you, you can often save $100 or more in financing costs. The same advice holds true for installment credit offered by other retailers, whether they're selling furniture or television sets. You're always better off getting your loan directly from the source of the money.

Finance companies. These firms, which include companies like Household Finance and Beneficial Finance, are usually the most expensive legal sources of loans. In some states, the annual percentage rates they charge on small loans (under $300) can go as high as 45 per cent; the rates typically decline to about 21 per cent on larger loans ($1200 or more). Finance companies usually lend to low-income, high-risk borrowers of small sums (persons banks most often turn away). But they also compete with banks for high-income borrowers who may represent a high risk for other reasons. Their rates thus reflect the characteristics of their customers. If you can't get a loan from a bank or savings institution, try a credit union before going to a finance company.

Use credit with care. Here's a rule of thumb: Keep your debt payments (excluding mortgage payments) to no more than 20 per cent of your take-home pay, and strive to limit it to 15 per cent if you can. Interest rates have risen so steeply that the average consumer may pay $15 or more for every $100 borrowed. (There are some tax advantages to borrowing, but these are primarily for persons in extremely high tax brackets, who can take advantage of tax loopholes through complex credit transactions. For the average American, the cost of borrowing money has little if any offsetting tax value.)

Credit cards can make life easy so long as you know how to use them. Get cards from banks that issue them free. Try to pay your bills promptly, preferably in that 30-to-60-day free-ride period before a finance charge is levied. If you let your repayments stretch out beyond six months, you're probably better off with an installment loan, especially when the amounts involved are substantial—$500 or more.

Automatic overdraft privileges are convenient but expensive. Use the privilege only in emergencies. Look for banks that permit overdrafts for the exact amount needed rather than in multiples of $50 or $100. Choose banks that allow you to repay your overdrafts automatically, through deposits in your checking account. Discipline yourself to liquidate such debts as quickly as possible—within six months at the most. Otherwise, once again, you'd be better off with an installment loan.

If you choose an installment loan, look for the cheapest source possible—the one with the lowest annual percentage rate. If you already have purchased an expensive whole-life insurance policy and have sufficient cash value, you could start with the insurance company. Otherwise, begin with a credit union, if you belong to one, and compare the rates it offers to those charged by a number of banks and savings institutions in your area. Look for an institution that uses the simple interest method and does not assess late charges. Resist attempts to make you agree to wage garnishment provisions as a condition for obtaining the loan.

When considering any kind of credit transaction, keep in mind that banks make money on people who go into debt and stay there. They will rarely discourage loan applicants who look as if they can repay—and repay and repay. Any self-restraint, therefore, is the responsibility of the borrower, and you should realize this before entering into any sort of credit transaction, no matter how simple it seems.

DISCRIMINATION AT THE CREDIT WINDOW

Many people will find the accompanying report on how to shop for credit irrelevant—because they can't get a loan at any price. A large percentage of these people will also happen to be nonwhite or female. Discrimination, which exists in other industries, is no stranger to financial circles. A 1972 study by the Council on Economic Priorities found it "endemic to commercial banking" and maintained it was "perpetuated by Federal law, policy and complacency." Last year, the U.S. Commission on Civil Rights surveyed mortgage-lending practices in Hartford, Conn., and discovered such widespread discrimination that it called the system "a stacked deck."

Such reports finally prompted Congress last year to enact the Equal Credit Opportunity Act, which bars lenders from discriminating against borrowers on the basis of sex or marital status. The law, which takes effect in October, applies to all personal and commercial credit transactions, including cash loans, installment sales, mortgage loans, and revolving charge accounts.

Unfortunately, the violations of the Truth-in-Lending statutes noted in the accompanying report give us reason to fear that the Equal Credit Opportunity Act may not end credit discrimination based on sex or marital status. (The act doesn't even cover racial discrimination.)

The Federal Home Loan Bank Board, which regulates savings and loan associations, has adopted new regulations requiring every lender making Federally related mortgage loans to consider, *without prejudice,* the combined income of both husband and wife. The Board also views as discriminatory the practice of requiring creditworthy single women to obtain cosigners, if single men in the same situation are not so required.

If you are turned down because of adverse information a creditor has received from a credit bureau, the creditor must tell you the name and address of the bureau. You have the right to review the information in your credit files and challenge and correct any information you believe is false. If you suspect you have been rejected because of your race, age, or sex, rather than because of your financial condition, complain. Write a letter to the institution that turned you down and send copies of the letter to the Office of Saver and Consumer Affairs of the Federal Reserve Board.

Working wives should bear in mind the possibility that divorce or widowhood may one day make it necessary for them to obtain credit in their own names. Or they may simply wish to borrow in their own names now.

In order to qualify for credit, it's necessary to establish a financial identity. You establish a financial identity by maintaining your own checking and savings accounts and by obtaining credit cards in your own name. Since some banks do not feel that faithful payment of credit-card bills provides enough evidence of how a person will handle a mortgage, a woman might also consider taking out and repaying a small installment loan to create the necessary credit history. The borrowed money can be deposited in a savings account, where the interest it earns will help offset the cost of the loan.

SOLAR ENERGY LOW INTEREST LOAN PROGRAM

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, this country has committed itself to a goal of achieving energy independence by reducing imports of high-priced foreign oil. Many of the programs which have been proposed to achieve this goal unfortunately would have adverse impacts on both the Nation's economy and the environment. The development of solar energy; however, is one way this country can reduce its dependence on foreign oil without disrupting the economy or polluting the environment. The bill I am introducing today will further that development by creating low-interest loans to finance the construction of solar heating and cooling in private homes and in multifamily apartments. The attraction of this bill is that once the system is installed and the loan is paid for, the cost of solar energy to the individual homeowner is virtually nil.

Solar energy for heating and cooling should prove to be an important contribution to energy self-sufficiency in the short term and could supply a large fraction of new energy requirements in the long run. The Solar Energy Task Force Report, recently released as part of the Federal Energy Agency's Project Independence Study, maintains that solar heating and cooling is capable of producing the energy equivalent of 260,000 barrels of oil a day by 1985. At projected prices of $11 per barrel, a balance of payments saving of $1.04 billion per year would be realized. By 1990 this potential savings rises to 700,000 barrels per day and an annual balance of payments saving $2.8 billion per year. The FEA report maintains, however, that energy savings of this magnitude can be realized only if the United States adopts an "accelerated development effort" for solar energy.

Power for solar home and water heating is not a fictional energy source of the future. Solar power can be tapped with today's technology. As long ago as 1972, before the so-called energy crisis, a National Science Foundation panel on solar energy stated:

> There are no technical barriers to the wide application of solar energy to meet U.S. needs.

As the FEA Solar Task Force Report concludes:

> There appear to be no insurmountable technical barriers to the implementation of solar energy systems, and several systems show early promise to achieving cost competitiveness with conventional systems. Solar energy systems, moreover, would conserve domestic fossil fuels and reduce dependence on imports while creating new exportable technology products, thus improving the U.S. balance-of-trade. Sociological and environmental impacts resulting from the utilization of solar energy systems are expected to be relatively small. Development of solar energy systems will provide producers and users of energy with alternative choices of energy supplies.

Solar energy must now be taken from the demonstration stage and placed in American homes. The administration tion does not seem prepared to make that commitment. In fact, the President's entire energy package contains only one passing reference to solar energy. It alludes to the need for further research and development of technology for all forms of energy including fossil fuels, nuclear fission and fusion, solar and geothermal.

Obviously, it is now up to Congress to complete a wide-ranging solar energy program by passing legislation to promote the use and implementation of existing solar technology.

The last Congress initiated that effort by passing two major bills: the Solar Heating and Cooling Demonstration Act—Public Law 93-409; and the Solar Energy Research, Development and Demonstration Act—Public Law 93-473. Support for these solar energy measures cut across lines of party and political ideology.

At present, two barriers keep this country from realizing the potential of solar heating and cooling. First, current unsubsidized solar energy must compete with conventional energy sources which are subsidized by the Government. Second, although solar heating and cooling systems cost virtually nothing to operate, construction and installation of such systems involve significant amounts of front-end capital. A potential consumer, willing to buy and install a solar unit economically competitive with alternate technologies, most likely will have difficulty in obtaining sufficient front end capital in today's tight money market.

Today, I am introducing a bill which will eliminate these barriers by providing a short run boost to the development of solar power in the form of low-interest Government loans. The interest rates on these loans will be pegged to the rate at which the Federal Treasury can borrow money. Thus, the long-term effects on the U.S. economy and the national debt will be minimal. Such loans will be available to both individual homeowners and to persons engaged in building residential structures. Consequently, the loan program will have a broad impact on the home improvement, residential, and apartment construction industries.

Unlike incentive programs which use tax rebates or tax exemptions, this program will not benefit the rich at the expense of the poor. Use of the tax system to enhance demand by providing subsidies for various sectors of the economy have had an unpleasant history of destroying the progressive character of our tax system. As a result of tax loopholes that allow the rich to escape carrying their share of the tax burden, public confidence in our tax system has been eroded. Loan programs do not have this drawback. They produce equal incentives to a wider range of income groups.

I have calculated the expense that homeowners and builders will incur if they use the low-interest loan program to finance the purchase and installation of solar heating and hot water equipment for a single-family home. Using December 1974 energy prices, I have compared these expenses with the cost of oil and electricity replaced by solar equipment. The results of that comparison are indicated in the following table:

Region	Average energy costs per 10^6 Btu			Typical yearly energy bill for alternative systems			
						70 percent solar with 30 percent oil	
	Oil [1]	Electricity [1]	Solar [2]	100 percent oil [1]	100 percent electric [1]	1st 8 years [2]	After years [1]
North east	$4.13	$14.07	$5.95	$547	$1,647	$633	$144
Middle Atlantic	3.77	12.02	5.95	414	1,322	566	124
East north-central	3.61	9.91	5.95	542	1,238	684	163
South Atlantic	3.84	7.56	5.95	307	605	425	91
West north-central	3.74	8.47	5.95	411	932	682	123
East south-central	3.63	6.15	5.95	235	399	341	70
West south-central	3.63	7.85	5.95	106	228	152	31
Mountain	3.83	8.44	5.95	421	929	586	127
Pacific	4.19	8.50	5.95	159	323	205	4

[1] These numbers do not include the capital cost of conventional equipment. Fuel costs are based on a Bureau of Labor Statistics survey conducted in December 1974. Conversion efficiency rates of 0.7 and 1 were assumed for oil and electricity respectively.

[2] The dollar figure comprising the cost of solar energy represents purchase and installation costs of a solar energy system using the proposed low interest loan financing with an 8 year amortization. Expenses therefore cease after 8 years. The calculations also assume $7 per square foot solar costs and FEA solar task force thermal data.

These calculations demonstrate that solar heating, when amortized over 8 years, is considerably cheaper than electric heating and is only slightly more expensive than oil. Solar energy is actually more economical when one realizes that after 8 years when the loan has been paid off, solar energy expenses will be virtually zero. Furthermore, once the equipment has been purchased and installed, solar expenses will not rise. Oil and electricity prices, on the other hand, will inevitably be subject to dramatic increases in the next few years. For example, the administration's proposed cut in foreign oil imports will result in a 20 percent increase in heating oil and electricity prices over just a few months.

I am pleased to have been able to work with Senator GARY HART of Colorado on this bill, and I understand that he is introducing it in the Senate today.

A section-by-section analysis follows:

SOLAR ENERGY LOW INTEREST LOAN PROGRAM

SECTION-BY-SECTION ANALYSIS

Sec. 1. Findings and Purpose. The Congress finds that home heating and hot water heating affords significant opportunity for cuts in oil, gas, and electricity consumption through the installation of solar devices, and that solar heating technology has reached the point of commercial application. The purpose of the bill is to assist homeowners and builders in purchasing and installing such equipment.

Sec. 2. Loan Authorization. The Secretary of HUD is authorized to make loans to individuals and families owning and occupying one to four-family structures, and to persons engaged in building residential structures of any kind. The loans will be for the purchase and installation of qualified (see sec. 3) solar heating and cooling equipment.

The amount of a loan cannot exceed 75% of the purchase and installation costs of the equipment involved, and there is an overall ceiling on the amount of each loan, depending on the number of units involved. ($6000 for a one- to four-family structure, down to $4500 per unit for an apartment building or condominium of more than 200 units).

In addition, the loan must be for equipment suitable and appropriate to the structure in question and to the climate and geography of the structure's location.

The interest rate for the loans will be equal to the average market yield on all marketable interest bearing obligations of the U.S. forming a part of the public debt for the previous month, plus one-half of one per cent for administrative costs.

Loan maturities will be eight years in the case of one- to four-family structures, fifteen years in the case of multifamily structures, with the provision that if the loan is made to a builder for a structure which is then sold, the loan is due at the time of sale.

Loan applications must be accompanied by plans for purchase and installation and a cost estimate, and loans shall not be made unless the plans are appropriate and the costs not excessive.

Sec. 3. Qualified Equipment. Solar equipment is qualified if it is certified by the Secretary of HUD as being designed to meet more than 40% of the total heating needs of the structure for which it is intended or substantially all of the needs of that structure for hot water; and as meeting certain standards developed under the Solar Heating and Cooling Demonstration Act.

The Energy Research and Development Administration (ERDA) is charged with developing a procedure for the inspection and evaluation of solar equipment and for transmitting its findings to HUD for certification purposes. At least once every three years ERDA would have to review certified equipment to determine if it still meets the standards. Inspection would be limited to models, not to every unit produced.

Sec. 4. Dissemination of Information. HUD must provide on request information concerning recommended standards and types of solar equipment appropriate to different kinds of structures in different parts of the country.

Sec. 5. Administrative Provisions. In carrying out his duties under this act, the Secretary of HUD shall have the functions, powers, and duties set forth in section 402 of the Housing Act of 1950.

Sec. 6. Penalties. A person making a false statement or misrepresentation of fact in order to obtain a loan, or a person who violates any provision of the Act or of a loan contract entered into under the Act shall be fined not more than $1000 or imprisoned not more than one year or both.

Sec. 7. Revolving Fund. To pay for the program, a revolving fund is set up with an initial appropriation of $100,000,000.

Sec. 8. Effective Date. Loan making authority begins six months after the date of enactment and ends ten years later.

NATIONAL GRANGE OBJECTS TO EPA'S EXAMINATIONS FOR 2 MILLION FARM PESTICIDE USERS

(Mr. MELCHER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MELCHER. Mr. Speaker, early this week I included in the CONGRESSIONAL RECORD my protest against an EPA proposal to give 2 million American farmers a written examination to qualify for a pesticide applicator's license.

Farm organizations are also protesting this unauthorized proposal.

In its February 17 Legislative Newsletter, the Grange publishes a protest in which Grange Master John Scott protested directly to the EPA, points out:

> It is quite clear that Congress did not intend to require that all farmers be formally tested prior to EPA certification. The record of American farmers' use of pesticides stands on its own merit. The record is good—no serious accidents, no deaths, no serious illnesses. Based on this record, I feel that the imposition of a formal testing program to certify farmers to use restricted-use pesticides is undue harassment and is inconsistent with the intent of Congress.

I include in the RECORD the text of the Grange Legislative News article.

FORMAL TESTING TO CERTIFY PESTICIDE APPLICATORS

Farmers will be required to pass a formal written test in orer to be certified to use registered pesticides unless EPA can be convinced otherwise.

Public Law 92–516, the amended FIFRA, offers States the opportunity to certify applicators if they prepare a State plan and receive approval of the plan by the Administrator of EPA. The Administrator of EPA prescribes the standards under which private applicators can be certified and the individual States must comply with these standards in their State plans.

Section 4 of the amended FIFRA states that "the Administrator shall prescribe standards for the certification of applicators of pesticides. Such standards shall provide that to be certified, an individual must be determined to be competent with respect to the use and handling of pesticides, or to the use and handling of the pesticide or class of pesticides covered by such individual's certification."

John Scott, Master of the National Grange, made the following comments in a recent letter to EPA:

"The National Grange supported the passage of Public Law 92–516, the amended Federal Insecticide, Fungicide, and Rodenticide Act. Our support for the bill was based on concern for the environment and the welfare of the farmer who has a basic responsibility to himself and to the environment as a whole. No other segment of the American public has demonstrated its concern and responsibility for the environment as has the farmer. His record speaks for itself.

"Section 4 of the law is not clear as to what degree EPA is required to go in the process of certifying private applicators. The language in the reports of both the Senate Committee on Agriculture and Forestry and the Senate Committee on Commerce are very specific on the intent of Congress as to the degree of certification of private applicators:

"An extract from Report No. 92–838 of the Senate Committee on Agriculture and Forestry, on H.R. 10729, June 7, 1972, stated: "The bill makes provisions for certifying pesticide applicators as competent to safely and properly use the pesticides they will apply, and provisions are made for requiring restricted use pesticides to be applied only by such a certified applicator (or a person under his direct supervision) or subject to such other restrictions as the Administrator may determine necessary. The flexibility of these provisions will allow the Administrator, in accordance with the guidelines in the Act, to establish restrictions which are suited to the degree of hazard and adverse environmental effects that could be caused by the misuse of the pesticide. For example, in some cases only the signing of a poison or pesticide register would be required while in other cases the purchaser or user might be required to certify that he has read the instruction and will apply it in accordance with such instructions. In other cases general or seasonal licenses, permits, or other forms of approval may be required; but it is not intended that anything similar to the "permit only" type of restriction proposed in S. 745 is to be required.

"It is quite clear that the Congress did not intend to require that all farmers be formally tested prior to EPA certification. The record of American farmers' use of pesticides stands on its own merit. The record is good—no serious accidents, no deaths, no serious illnesses. Based on this record, I feel that the imposition of a formal testing program to certify farmers to use restricted use pesticides is undue harassment and is inconsistent with the intent of Congress.

"I strongly recommend EPA change its position in this regard when the permanent regulations are published."

A number of States have had pesticide applicator laws for some time and they are confident that these laws are not only doing the job but doing it better than if they were required to amend their laws to conform to EPA standards.

It is time that all interested parties became aware of the narrow and unilateral approach EPA is taking toward the certification of private applicators. State legislatures and lead agencies have a limited time in which to conform to Federal standards. Some State legislatures are meeting now to pass enabling legislation and if action is not taken now they will not meet again in time to pass legislation to meet Federal deadlines. They are being forced to conform to Federal standards which are not clear and the only place they can turn to for guidance is EPA. How can they write laws to control the use of registered pesticides when the list of pesticides that will require registration is not available?

What is needed is a concerted effort on the part of farmers, agribusiness, and State and national legislators to demonstrate that they will not accept EPA's approach to the certification of private applicators. This voice needs to be heard, and heard now!

ALL IN THE FAMILY—CUMMINGS, THAT IS

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, it is with a great deal of personal pride that I salute this year's West Virginia State Voice of Democracy winner—Pia Cummings, 17, from my hometown of Huntington, W. Va. The Cummings family has excelled in practically everything it has set out to do. Pia, following in the footsteps of her older sisters, Stassa, 19, and Katina, 18, sports a 4.0 scholastic average. Stassa was a regional Voice of Democracy winner while Katina, who served as a page under my appointment last year, is a former State Voice of Democracy winner from West Virginia.

Their mother, Mrs. Catherine M. Cummings, is a member of the faculty of Marshall University in Huntington, W. Va., where I once had the honor to teach.

The Cummings family has really captured the spirit of '76 as the following prize-winning entry by Pia Cummings in this year's Voice of Democracy Contest points up:

MY RESPONSIBIITY AS A CITIZEN

(By Pia Cummings)

I shall tell you not of the obvious responsibilities of a citizen, to be informed, to be interested, to vote, to be active. All these things are a part of a great heritage which is ours. I will ask you to consider with me the underlying attitude which must prevail for all these responsibilities and rights. The dissonant cries of negativism must be quelled. I am tired of the doomsday criers. I am tired of the wailers. I am tired of the despairers of our country. Therefore, I say that the responsibility of the citizen is to defeat cynicism and keep the faith.

Very shortly we will be celebrating America's bicentennial, the 200th birthday of our nation. We must seek anew the spirit of faith which conceived this nation 200 years ago. We sometimes forget that the present is intertwined with the past, while forming the future.

So, if I may fantasize for a moment, and write a letter in the present—to one of our great Americans in the past, Thomas Jefferson—a man who envisioned the future—I think it would go something like this:

Dear Mr. Jefferson:

You knew full well the responsibilities of the citizen. Your life, your works—were dedicated to the great American experiment. It worked Mr. Jefferson. But we need to be reminded of your faith during struggle.

You once questioned: Is the spirit of the people infallible? And you answered: The spirit of times may alter—will alter. Our rulers may become corrupt—our people careless.

Well sir, such truth is undeniable. We have recently experienced the dangers of which you speak. But, unlike the despaired ones, I believe we have become a stronger nation, a stronger people. When watching the House Judiciary Committee Hearings on television, what American could not feel pride in seeing our representatives fulfill their constitutional responsibilities? It was a sad hour, but a great one because the democratic process was in evidence. Despite all, we could not—we did not despair.

You also went on to say many times, and in many ways, that the people themselves are the only safe depositories of government. Well despite opposition and compromise, you held fast to your belief in the people. And it is this belief which sustains us even now. Another great historian, Arnold Toynbee, has said that "the greatest of all historical forces are set in motion when people decide to pit themselves against serious challenge."

You accepted challenge then as we accept it today. We will not despair.

Perhaps your most inspiring words Mr. Jefferson, come from the concluding phrases of the Declaration of Independence: We mutually pledge to each other our lives, our fortunes, and our sacred honor. This was the spirit of '76 which must be revitalized today. Our responsibilities today are many, but we are not locked into a grim inevitability. The voice of the land will not be the predictions of the cynical prophecy makers.

Our primary and basic responsibility then, is to refuse paralysis and intimidation of despair, and to reaffirm our belief, our hope, that we will and can respond to any given situation or crisis. We will not despair.

And so Mr. Jefferson, it is well that we renew the pledge of faith to you and the past, to the present, and to the future: We mutually pledge to each other our lives, our fortunes, and our sacred honor. This is our responsibility.

THE ENERGY INDUSTRY DE-CONCENTRATION ACT

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, enforcing competition in the energy industry is the best way to stimulate the production of new energy resources and to reduce the outrageous prices of gasoline, heating oil, and utilities. In the current energy crisis, the taxpayers and consumers have had to make all the sacrifices, while the oil companies have used the anticompetitive industry structure to exploit the crisis with the intent of making unprecedented profits.

To a very great degree, the energy shortage and resulting economic crisis have been caused by the anticompetitive structure and conduct of the oil companies and the rest of the energy industry. It is time for Congress to reshape that structure, and to restore vigorous competition in the energy field.

To these ends, I am today introducing the Energy Industry De-Concentration Act (H.R. 4013). The bill would prohibit any corporation and its affiliates from owning or controlling deposits of more than one of the major competing energy resources; namely, coal, petroleum and natural gas, and uranium. Next, the bill would prohibit any corporation from engaging in more than one of the major stages of the oil industry; namely, oil production refining, transportation, and marketing. Finally, the bill would prohibit any director, officer, or employee interlocks between energy companies.

Today the major oil companies are vertically integrated. They perform every phase from oil field exploration through retail marketing at the corner service station. The staff of the Federal Trade Commission has found that this vertical integration, coupled with tax and regulatory laws which favor the oil companies, permits the major oil companies to freeze out potential competition at the refinery stage. Likewise, ownership and control of the pipelines by the major oil companies is used to reduce competition at the production stage. On this latter point, I have today introduced another bill, the Oil and Gas Transportation Competition Act of 1975, which addresses itself specifically to anticompetitive problems associated with control of the pipelines. My remarks about that act appear elsewhere in today's Record.

The time has long since passed when anyone believed that the breakup of the old Standard Oil Co., into territorial oil companies solved the monopolistic tendencies of the oil industry. Those companies which were formed from Standard were permitted to conduct vertically integrated operations. Until Congress prohibits that type of structure within the oil companies, the Nation will not have the benefits of free and vigorous competition in the energy industry.

The time has also long since passed when the oil companies were only oil companies. They are now energy companies or energy conglomerates. Besides controlling oil reserves, the oil companies control over 30 percent of the Nation's privately-owned coal reserves, 50 percent of the uranium reserves, and 75 percent of the natural gas reserves. Without legislative action, oil company control of these resources is likely to increase. Such multiple ownership breeds higher prices, as it enables the oil companies to limit the supplies of coal, uranium, and natural gas, which are the chief competitors of oil.

When coal, natural gas, and uranium resources are controlled by the major oil companies, there is an end to independent decisionmaking, and free market forces no longer operate effectively.

A recent study of price increases in the coal industry, prepared for the American Public Power Association and others, has brought out the fact that control of coal output is concentrated, to a great extent, in a very few companies and that many of these companies are also engaged in the production of oil and natural gas, which are substitutes for coal. The report emphasizes that these anticompetitive conditions appear to have a distinct bearing on the enormous increases in the cost of coal, with resulting huge increases in the cost of electricity.

Legislation along the lines of my bill has broad support. The Joint Economic Committee has recommended legislation to limit ownership of multiple energy resources and to require the major oil producers to divest themselves of their pipeline facilities. And I am pleased to note that the AFL–CIO this week expressed support for legislation to prohibit multiple ownership and to prohibit oil companies from engaging in the retail marketing of petroleum.

Mr. Speaker, I offer the text of the proposed Energy Industry De-Concentration Act, along with portions of the American Public Power report and portions of a 1973 report by the staff of the Federal Trade Commission, for inclusion in the Record immediately following these remarks:

Preliminary Federal Trade Commission Staff Report on its Investigation of the Petroleum Industry, July 2, 1973

SUMMARY

The major oil firms have considerable market power.

The industry operates much like a cartel with 15 to 20 integrated firms being the beneficiaries of much federal and state policy. Thus, the federal and state governments with the force of law do for the major companies that which would be illegal for the companies to do themselves. Further, the tax laws induce the major companies to seek high crude prices, which tend to increase crude profits and squeeze refinery profits to the detriment of and exclusion of independent refiners. While the recent removal of the oil import quota may lessen the ability to obtain higher crude oil prices, it will do so only to the extent that the leading U.S. oil companies are not able to exert significant influence over the world oil market. At any rate, the uncertainty of prorationing reducing domestic crude output in response to imports, together with the uncertainty of the oil import quota being reinstituted at some point in time, both of which occurred in the 1950's, are quite likely to retard the entry and expansion of significant independent refining capacity, and hence may have a similar effect on independent gasoline marketing.

The major firms seek to consolidate market power by various exclusionary tactics. These firms basically attempt to sharply limit the supply of crude available to independent refiners and refined product available to independent wholesalers and retailers. This is accomplished by minimizing use of formal market sales and thus avoiding flows of product from within the majors' vertically integrated structure to the market. It is also accomplished through control of pipe lines, exchange agreements, processing agreements, and price protection coupled with price wars. An elaborate network of devices to deny independents access to product has been erected. The resulting system endangers existing independents, makes new entry difficult or impossible, and yields serious economic losses to American consumers. . . .

CONCLUSIONS

The survey data lead to certain tentative conclusions about the operation of the various markets of the petroleum industry:

1. The eight largest majors have effectively controlled the output of many of the independent crude producers.

2. A high degree of control over crude is matched by relatively few crude exchanges with independents, an exclusionary practice which denies a high degree of flexibility to the independent sector while reserving it to the majors.

3. Independent refiners are largely dependent on the majors for their crude supply, but independents sell very little of their gasoline output back to major oil companies. Independent refiners sell the largest amount of their output to independent gasoline marketers and to their own stations. Thus, the welfare of the independent marketing sector is largely dependent on the well-being of independent refiners.

4. The continued existence and viability of the independent refiner is necessary for the survival of the independent marketer. This is especially true since the eight largest majors rarely sell gasoline to the independent marketers.

5. The major oil companies in general and the eight largest majors in particular have engaged in conduct which exemplifies their market power and has served to squeeze independents at both the refining and marketing levels. Such conduct and associated market power has its origin in the structural peculiarities of the petroleum industry and has limited the independents' share of the market to approximately one-quarter of the total, especially in Districts 1 and 3, resulting in a threat to the continued viability of the independent sector in this market.

An Economic Analysis of Price Increases in the U.S. Coal Industry

(By Dr. James R. Barth, assistant professor of economics, George Washington University, and Dr. James T. Bennett, assistant professor of economics, George Washington University)

V. SUMMARY AND CONCLUSIONS

It is well-known that coal is relatively abundant in the United States. It is also well-known that coal, as a source of energy, is vital to the functioning of the economy, particularly in view of the scarcity of oil and natural gas. The price of coal is, therefore, extremely important, especially since electric utilities consume the majority of the coal output and increases in fuel costs to utilities are passed on to industry and consumers. Thus, rapid price increases in coal only worsen domestic inflation. Coal prices remained relatively stable during the period 1958–1968, but since that time enormous price increases have occurred. These price increases cannot be fully explained by increases in the cost of production, for unit labor cost, increases are of much smaller magnitude than price increases. Nor do available data indicate that the coal operators were attempting to rapidly expand output, for the evidence indicates that in recent years the industry has operated substantially below normal capacity. These findings are summarized in Chart V. 1.

From the chart, it is evident that employment and output since 1967 have remained relatively constant. Admittedly, average weekly earnings have increased, but prices have risen far more dramatically. On the basis of Chart V. 1, one finds that output in 1971, 1972, and 1973 was below the level of 1970. It therefore cannot be argued that these price increases can be explained entirely by shortages of coal or by excess demand. A review of the available data on profits of coal companies and coal operating companies reveal tremendous increases in profits. Thus, price increases have been translated into profits.

The findings outlined above are not consistent with competitive behavior in the market for coal. If the coal industry were competitive, one would expect price increases to be accompanied by substantial increases in output and an attempt to satisfy demand by full utilization of available capacity. Although it is virtually impossible to prove conclusively that coal companies have entered into a conspiracy to raise prices and limit output, it should be noted that the findings of this report are entirely consistent with such behavior.

There is no doubt whatsoever that control of the coal output in the U.S. is concentrated to a great extent in the hands of very few companies. Furthermore, many of these companies are also engaged in the production of oil and natural gas. Thus, the markets for the substitutes for coal are controlled by many of the same companies which control the market for coal. As discussed earlier, the concentration figures do not indicate the true extent of economic power wielded by coal companies, for long-term contracts tie up much of the coal produced and, because of prohibitive transportation costs, the number of sources available to an individual buyer is extremely limited. Whereas the market for coal is tightly controlled on the seller's side, the reverse is true of the purchasers who deal with coal companies individually. Even though there are a larger number of small operators, much of the coal produced by these small companies is sold by brokers or even other large companies. Thus, the marketing of coal is more concentrated than production itself. Because of these findings, one can conclude that an environment exists in the market for coal which makes collusion possible and desirable in order to increase profits.

H.R. 4013

A bill to amend the Clayton Act to prohibit undue concentration in the energy-producing industries, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Industry Deconcentration Act".

Sec. 2. The Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), is amended as follows—

(1) at the end of section 1, insert the following new paragraph—

"'Control", as used in sections 7A and 8, includes having or acquiring effective power or influence to deny to others the acquisition or use of a substantial portion of the materials or facility, whether such power or influence is actual or legal, and whether such power or influence may be exercised directly or indirectly, through ownership or control of stock or other securities, through affiliates, through representation on a board of directors or similar body, through interlocking directorates, through election of one or more officers, or through any stockholder, agency, trust, joint venture, lease or contractual agreement or arrangement, but the fact that a contractual arrangement provides for the supply of all or a portion of a corporation's or association's requirements for a material for a reasonable time period shall not, in itself, be deemed to constitute control. As used herein, the term 'affiliate' of a corporation or association means another corporation or association which controls, is controlled by, or is under common control with, such corporation or association.";

(2) after section 7, insert the following new section—

"Sec. 7A. (a) It shall be unlawful after December 31, 1979, for any corporation or association engaged in commerce to control mineral deposits in two or more of the following classes—

"(1) coal, including hydrocarbons associated with coal, but excluding coal found as a small fraction of a deposit containing coal and other marketable minerals;

"(2) petroleum and natural gas;

"(3) uranium and other fissionable minerals.

"(b) It shall be unlawful after December 31, 1979, for any corporation or association engaged in commerce to do two or more of the following—

"(1) own or control deposits of, or produce, petroleum or natural gas;

"(2) refine petroleum;

"(3) transport petroleum, products of petroleum refining, or natural gas;

"(4) market at retail petroleum, products of petroleum refining, or natural gas.

"(c) Each corporation or association which would be in violation of subsection (a) or (b) except for the effective date of such subsection shall, not later than December 31, 1977, submit to the Federal Trade Commission plans for compliance with such subsection. The Federal Trade Commission may conduct such hearings and require the submission of such information as it deems necessary to determine compliance with this section by any such corporation or association.";

(3) in section 8, after the fourth paragraph, insert the following new paragraph—

"No person at the same time shall be a director, officer, or employee of two or more corporations or associations engaged in commerce, which own or control deposits of, produce, refine, transport, or market at retail petroleum, products of petroleum refining, natural gas, coal, uranium, or other fissionable minerals. The Federal Trade Commission shall have exclusive authority to enforce compliance with this paragraph.";

(4) in section 11(a), after "2, 3, 7," insert "7A,";

(5) in section 11(b)—

(A) after "sections 2, 3, 7," insert "7A,"; and

(B) after "sections 1" insert ", 7A,"; and

(6) in section 16, strike "two, three, seven and eight" and insert in lieu thereof "2, 3, 7, 7A, and 8".

OIL AND GAS TRANSPORTATION COMPETITION ACT OF 1975

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, I have today introduced two bills to remedy serious antitrust problems in the energy industry. One is the Energy Industry Deconcentration Act, which is described in detail elsewhere in today's Record. That bill addresses the issue of ownership of multiple energy resources and the issue of vertical integration in the oil companies. These issues are complex and the problems will require exhaustive examination and attention, so the bill necessarily is broad in reach in dealing with these issues.

The second bill is the Oil and Gas Transportation Competition Act of 1975, H.R. 4012, which is a specific bill dealing with a specific antitrust problem in the energy picture, namely, the lack of competition in the transportation of petroleum and natural gas by pipelines. This problem has been recognized by the Joint Economic Committee, which has recommended that Congress enact legislation "to reduce vertical integration in the oil industry by requiring the major producers to divest themselves of pipeline facilities." H.R. 4012 would do just that.

Divestiture of these pipeline interests would result in competitive transportation costs for petroleum and gas, with consumers ultimately paying lower prices for energy. The reduction in costs would stimulate the development and production of new energy sources.

My bill is quite simple, and the key section is—

> It shall be unlawful after December 31, 1977, for any corporation or association engaged in commerce to transport by pipeline or related facility any petroleum, product of petroleum refining, or natural gas, which it, in whole or part, owns or controls or has owned, controlled, produced or refined.

The definition of "control" makes the provision applicable to parent and subsidiary corporations or associations.

Pipelines are common carrier monopolies, whose importance cannot be overstated. Roughly three-fourths of all crude oil reaches refineries by means of pipelines, and over one-fourth of all refined petroleum is transported by pipeline. A very great percentage of natural gas is, of course, transported through pipelines. Virtually every oil pipeline is owned and operated by individual oil companies or by joint ventures involving several oil companies. Gas companies similarly control gas pipelines, but gas company joint ventures are less common.

Frequently, there is only one pipeline from an area with oilfields to an area with refineries. When this situation exists, the company which controls the pipeline has an enormous economic advantage over any other company which might want to develop oilfields in the area. The Interstate Commerce Commission establishes and regulates pipeline charges, but these rates are often at an unjustifiably high level. This is because the rates may be set at a level which will guarantee that the pipeline company can pay dividends of 7 or 8 percent of the total valuation of the company's property. Because of the pipeline companies' capitalization arrangements, this 7 to 8 percent amounts to a return on investment of anywhere between 50 percent and 100 percent. With this, the companies are making enormous profits and the prices of oil and gas transportation far exceed the actual costs. Nonetheless, the ICC regulates pipeline construction and is able to restrict new entries.

For the company controlling the pipeline, and for its parent oil company, the exhorbitant rates permit a mere paper transaction. These companies end up paying only the actual transportation costs, rather than the charged prices. For any other companies which use the pipeline, however, the transportation costs are the rates charged. All of this means that the pipeline control is highly discriminatory. Even if the pipeline-user rate were such as to give the pipeline company an 8-percent return on investment, the prices would be discriminatory and there would be still other ways for the controlling company to interfere with its parent company's competitors as the staff of the Federal Trade Commission has found. What is needed is a wholly independent segment of the energy process which can provide transportation without discrimination. Abuses will occur whenever the regulatory arrangement allows only one company to provide a particular service for both it and its competitors.

Reducing the transportation costs for competitors would make their marginal operations profitable and worthy of investment, thus stimulating the development and production of new energy resources. As a nation, we must have new production of large quantities of oil and gas at low costs and without significant harm to ourselves or to our environment. My bill is intended to help achieve that goal.

To understand how control of the pipelines can serve to inhibit competition, one need look only at the Alyeska Pipeline Co., which is building and which will operate the Alaska Pipeline under exclusive permits granted by the U.S. Government. Alyeska is owned by seven major oil companies, which will share the profits from the pipeline operations and, thus, have lower transportation costs than any other companies which might have been interested in developing Alaskan oil resources. In this way, pipeline control creates artificial barriers to entry by potential competitors.

Lest anyone think that I am merely suggesting unlikely hypotheticals, I would point out that the Small Business Committee in 1972 found that the Colonial Pipeline Co.—which was owned by five of the seven companies which now own Alyeska—had discriminated against two outside shippers, burdening them with excessive transportation requirements which raised the costs of their shipments considerably.

Nor is the legislation I am proposing without precedent. The Interstate Commerce Act prohibits railroad companies from transporting commodities they own, except those commodities used in the companies' business as common carriers. We should apply this very sound principle to companies which own or operate oil or gas pipelines.

Divesting the oil and gas companies of their pipeline interests would eliminate one anticompetitive stage of the vertical integration which characterizes the oil industry. Right now, the transportation of oil and gas is done by regulated monopolies. The public interest would be better served if the regulation was not carried out in a manner which benefits the major oil and gas companies at the expense of the independents, and better yet if the monopolies were not the oil and gas companies themselves. We need real competition in the transportation phase of energy production and delivery, and my bill would stimulate that competition.

Mr. Speaker, a report by the staff of the Federal Trade Commission in 1973 recognizes the serious anticompetitive effects of oil company control of pipelines. Portions of that report, as well as the text of the proposed Oil and Gas Transportation Competition Act, are offered for inclusion in the RECORD immediately following these remarks:

FEDERAL TRADE COMMISSION STAFF REPORT ON THE PETROLEUM INDUSTRY

Because crude oil is low in value relative to its weight and the refinery process requires a relatively constant flow of crude and product, pipelines are generally the most economical form of bulk land transportation in this industry. Approximately 75 percent of crude and 27 percent of refinery product are carried by pipeline.[1]

Gathering pipelines collect crude from the wells and transport it to a main trunkline station. From the trunkline station, it flows through a larger diameter pipeline to the refinery. Product pipelines carry gasoline and other products from the refinery to local or regional storage facilities from which jobbers and ultimately retailers purchase their product.

These pipelines form a vast, complex intrastate and interstate transportation network. Because of the high construction costs, most of the pipelines are owned directly by individual major petroleum companies or by several of these companies through joint venture. However, the nature of the interstate lines causes them to come under the "common carrier" regulatory jurisdiction of the Interstate Commerce Commission.

Our investigation disclosed charges leveled against these pipeline owners by non-owners who claim that they have been excluded from using the common-carrier lines. The inherent technological nature of the pipeline system and the petroleum industry provides the basis for such exclusionary practices.

Through the pipeline system, crude oil is transported more or less on a constant flow-pressure basis. Trunkline stations can pump-in a batch of crude only when there is a slot in the flow for it and then line pressure must be increased or decreased to adjust for the desired flow speed. The scheduling of pipeline input is very complex and must be worked out in advance of the shipment. Because of this process, an independent crude producer may have great difficulty in securing a place in the flow, especially if he does not have storage tanks at the trunkline station and/or ships a relatively small amount of crude. The result of this pipeline system is to place the major firms who own the pipelines in an excellent position to discriminate against the independent producer. The opportunity to require the independent to enter into an agreement to sell his product at the well head in order to obtain regular sale and transportation of crude clearly exists for the majors. . . .

Since pipelines transporting crude oil across state lines are common carriers subject to Interstate Commerce Commission regulation, it might seem strange to classify pipeline control as a barrier to entry to new refinery capacity. However, there are two reasons to suppose that pipeline control does, in fact, constitute a legitimate barrier. First, the owners of pipelines seek approval from the ICC of rates that provide sufficient returns from their pipeline investment. However, the rate approved may be well above the competitive cost of transporting crude oil.

For the vertically integrated owners the excessive rate is no burden. Those firms simply transfer funds from the Refinery Department to the Pipeline Department; a bookkeeping transaction of no moment is made. Non-integrated independent refiners, though, must pay the excessive pipeline charge. For these firms a real cost is incurred. To the extent that major-firm owners of pipelines earn greater than competitive returns on investments, the independent refiners are put at a cost disadvantage relative to their major competitors, and a barrier to entry is imposed. To a lesser extent control of product pipelines can be used to erect a barrier to entry.

Second, pipelines can be employed as a barrier to entry if the owners can exclude or limit flows of crude oil to independents. In fact, this can be done by (1) requiring shipments of minimum size, (2) granting independents irregular shipping dates, (3) limiting available storage at the pipeline terminal, (4) imposing unreasonable product standards upon independent customers of pipelines, and (5) employing other harassing or delaying tactics.

H.R. 4012

A bill to amend the Clayton Act to prohibit restraints of trade in the transportation of petroleum, products of petroleum refining, and natural gas, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Oil and Gas Transportation Competition Act of 1975".

SEC. 2. The Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), is amended as follows—

(1) after section 7, insert the following new section—

"SEC. 7A. (a) It shall be unlawful after December 31, 1977, for any corporation or association engaged in commerce to transport by pipeline or related facility any petroleum, product of petroleum refining, or natural gas, which it, in whole or in part, owns or controls or has owned, controlled, produced, or refined.

"(b) Each corporation or association which transports by pipeline or related facility any petroleum, product of petroleum refining, or natural gas shall, not later than December 31, 1976, submit to the Federal Trade Commission plans for compliance with subsection (a). The Federal Trade Commission may conduct such hearings and require the submission of such information as it deems necessary to determine compliance with this section by any corporation or association.

"(c) For purposes of this section—

"(1) The term 'control' includes having or acquiring effective power or influence to deny to others the acquisition or use of a substantial portion of the materials or facility, whether such power or influence is actual or legal, and whether such power or influence may be exercised directly or indirectly, through ownership or control of stock or other securities, through affiliates, through representation on a board of directors or similar body, through interlocking directorates, through election of one or more officers, or through any stockholder, agency, trust, joint venture, lease or contractual agreement or arrangement, or otherwise.

"(2) The term 'affiliate' of a corporation or association means another corporation or association which controls, is controlled by, or is under common control with, such corporation or association."; (2) in section 11(a)—

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[1] According to Thomas G. Moore, "The Petroleum Industry" in *The Structure of American Industry*, Walter Adams, Ed., Fourth Edition, 1971, Macmillan Company, pp. 124–125, approximately 75 percent of crude flows to the refinery by pipeline, 17 percent by tanker. For refined petroleum approximately 27 percent is carried by pipeline, 30 percent by water carrier and 43 percent by truck.

(A) after "sections 2, 3, 7," insert "7A,"; and

(B) after "Interstate Commerce Act, as amended" insert ", except the Federal Trade Commission shall have exclusive authority to enforce compliance with section 7A";

(3) in section 11(b)—

(A) after "sections 2, 3, 7," insert "7A,"; and

(B) after "sections 7" insert ",7A,"; and

(4) in section 16, strike "two, three, seven and eight" and insert in lieu thereof "2, 3, 7, 7A, and 8".

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. McCloskey (at the request of Mr. Rhodes), from February 20, on account of official business.

Mrs. Fenwick (at the request of Mr. Rhodes), from February 25, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Grassley) to revise and extend their remarks and include extraneous material:)

Mr. Findley, for 5 minutes, today.

Mr. Edwards of Alabama, for 5 minutes, today.

Mrs. Heckler of Massachusetts, for 5 minutes, today.

Mr. Findley, for 30 minutes, on March 3, 1975.

Mr. Bauman, for 5 minutes, today.

Mr. McKinney, for 3 minutes, today.

Mr. Talcott, for 3 minutes, today.

Mr. Conable, for 20 minutes, on March 3, 1975.

(The following Members (at the request of Mr. Blouin) to revise and extend their remarks and include extraneous material:)

Mr. Eilberg, for 5 minutes, today.

Mr. Nowak, for 5 minutes, today.

Mr. Gonzalez, for 15 minutes, today.

Mr. Ford of Michigan, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Rodino, for 5 minutes, today.

Mrs. Sullivan, for 5 minutes, today.

Mr. Downey, for 60 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Burke of Massachusetts, for 5 minutes, today.

Mr. Meeds, for 5 minutes, today.

Mr. Moakley, for 20 minutes, today.

Mr. Drinan, for 5 minutes, today.

Mr. Bingham, for 5 minutes, today.

Mr. Rogers, for 5 minutes, today.

Mr. Danielson, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Patman, and to include extraneous matter notwithstanding the fact that it exceeds 5 pages of the Congressional Record and is estimated by the Public Printer to cost $1,529.

Mr. Zablocki in three instances.

(The following Members (at the request of Mr. Grassley) to revise and extend their remarks and to include extraneous material:)

Mr. Hastings.

Mr. Gilman.

Mr. Quie.

Mr. Jeffords in two instances.

Mr. Fish.

Mr. Bell.

Mr. O'Brien in two instances.

Mr. Derwinski in three instances.

Mr. Martin.

Mr. Johnson of Colorado.

Mr. Burgener.

Mr. Kasten.

Mr. Emery.

Mr. Latta.

Mr. Young of Florida in two instances.

Mr. Whitehurst in two instances.

Mr. McCollister in five instances.

Mr. Hillis.

Mr. Lujan in four instances.

Mr. Dickinson.

Mr. Frenzel in three instances.

Mr. Goldwater in two instances.

Mr. Ashbrook in two instances.

Mr. Spence.

Mr. Steiger of Wisconsin.

Mr. Wylie.

Mr. Bob Wilson.

Mr. Carter in five instances.

Mr. Collins of Texas in four instances.

Mr. Walsh.

Mr. Mosher.

Mr. Talcott in two instances.

Mr. Abdnor in two instances.

Mr. Esch.

Mr. Lent.

Mr. Gradison.

(The following Members (at the request of Blouin) and to include extraneous matter:)

Mr. Anderson of California in three instances.

Mr. Gonzalez.

Mr. Eilberg in two instances.

Mr. Breckinridge.

Mr. Harris in 10 instances.

Mr. Evans of Indiana in five instances.

Mr. Solarz in three instances.

Mr. Fisher in two instances.

Mr. Wolff in 10 instances.

Mr. Bergland.

Mr. Rees.

Mr. Minish.

Mr. Krueger.

Mr. Nedzi in five instances.

Mr. Fauntroy.

Mr. Lehman.

Mr. Ford of Michigan.

Mr. Nowak.

Mr. Obey.

Mr. Brinkley.

Mr. Van Deerlin.

Mr. Hicks.

Mr. Karth.

Mr. Dominick V. Daniels.

Mr. Nix.

Mr. Risenhoover.

Mr. Udall in five instances.

Mr. Hall in two instances.

Mr. Flowers in three instances.

Mr. Bingham.

Mr. Evins of Tennessee.

Mr. Macdonald of Massachusetts.

Mrs. Spellman.

Mr. Hawkins in two instances.

Mr. Reuss in five instances.

Mr. Downey in two instances.

Mr. Drinan in 10 instances.

Mr. Won Pat.

Mr. Rose.

Mr. Mikva in two instances.

Mr. Meeds.

Mr. Flood.

Mr. Early.

Mr. de la Garza.

Mr. Oberstar in two instances.

Mr. Mottl.

Mr. Burke of Massachusetts in two instances.

Mrs. Mink.

Mr. McDonald of Georgia in two instances.

Mr. John L. Burton.

Mr. Hughes.

Mr. Mineta in two instances.

Mr. Ichord in five instances.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 281. An act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

ADJOURNMENT

Mr. BROWN of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 58 minutes p.m.), under its previous order, the House adjourned until Monday, March 3, 1975, at 12 o'clock noon.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

December 31, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Permanent staff:		
John F. O'Neal	General counsel	$18, 000. 00
Hyde H. Murray	Associate counsel	17, 985. 72
John V. Rainbolt	do	14, 695. 89
Fowler C. West	Staff director	16, 149. 24
Louis T. Easley	Press assistant	14, 695. 89
Marjorie B. Johnson	do	9, 687. 45
Peggy L. Pecore	do	9, 687. 45
Betty M. Prezioso	do	9, 687. 45
Steven S. Allen	Staff consultant	9, 505. 32
Mary L. Ross	Printing editor	9, 248. 40
Investigative staff:		
Mildred P. Baxley	Staff assistant	9, 937. 45
Julia W. Kogut	do	9, 102. 21
Glenda L. Temple	do	9, 102. 21
Doris Lucile Farmarco	do	8, 128. 78
Mary P. Shaw	do	7, 878. 78
Diane M. Keyser	do	5, 394. 90
Anita R. Brown	do	7, 707. 00
Stephen J. Pringle	do	6, 459. 69
Linda J. Coomer	do	4, 367. 28
Lydia Vacin	do	1, 187. 91
Janet L. Jaenke (through Aug. 16, 1974)	do	715. 56
Emily K. Wulff (through Oct. 31, 1974)	do	2, 703. 48

Funds authorized or appropriated for committee expenditures	$150, 000. 00
Additional funds authorized	150, 000. 00
Total	300, 000. 00
Amount of expenditures previously reported (as reconciled by GAO audit)	179, 514. 33
Amount expended from July 1, to Dec. 31, 1974	74, 566. 54
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	254, 080. 87
Balance unexpended as of Dec. 31, 1974	45, 919. 13

W. R. POAGE, Chairman.

COMMITTEE ON APPROPRIATIONS

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974 inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Keith F. Mainland	Clerk and staff director	$18, 000. 00
Jay B. Howe	Reemployed annuitant (to July 15).	232. 00
G. Homer Skarin	Staff assistant	18, 000. 00
Eugene B. Wilhelm	Reemployed annuitant (to July 31).	537. 00
Samuel R. Preston	Staff Assistant	18, 000. 00
Hunter L. Spillan	do	18, 000. 00
Henry A. Neil, Jr	do	18, 000. 00
Aubrey A. Gunnels	do	18, 000. 00
George E. Evans	Reemployed annuitant	5, 262. 00
Earl C. Silsby	Staff assistant	18, 000. 00
Peter J. Murphy, Jr	do	18, 000. 00
John M. Garrity	do	16, 618. 08
Robert B. Foster	do	16, 205. 66
Milton B. Meredith	Staff assistant	17, 363. 49
Thomas J. Kingfield	do	14, 736. 05
Donald E. Richbourg	do	14, 777. 72
Robert C. Nicholas	do	14, 338. 53
George A. Urian	do	12, 583. 37
Dempsey B. Mizelle	do	14, 339. 43
Charles W. Snodgrass	do	13, 543. 01
John G. Plashal	do	9, 954. 62
Byron S. Nielson	do	10, 529. 96
J. David Willson	do	13, 802. 91
Americo S. Miconi	do	13, 015. 38
Derek J. Vanderschaaf	do	16, 581. 54
Robert L. Knisely	do	9, 036. 43
Richard N. Malow	do	14, 017. 03
Frederick F. Pfluger	do	17, 656. 56
John G. Osthaus	do	11, 479. 97
Paul E. Thomson	do	9, 979. 90
Charles G. Hardin	do	9, 273. 71
Edwin F. Powers	do	12, 556. 58
Edward E. Lombard	do	18, 000. 00
Gordon E. Casey	do	13, 897. 35
C. William Smith	do	13, 101. 90
Karen J. Schubeck	do	8, 250. 00
Nicholas G. Cavarocchi	do	17, 625. 00
Lawrence C. Miller	Editor	16, 176. 06
Paul V. Farmer	Assistant editor	11, 639. 92
Gerard J. Chouinard	Administrative assistant.	10, 338. 16
Austin G. Smith	Clerical assistant	9, 354. 20
Dale M. Shulaw	do	8, 163. 74
Gemma M. Weiblinger	Administrative assistant to Labor-HEW subcommittee.	6, 188. 20
Virginia M. Keyser	Clerical assistant	6, 827. 46
Jane A. Meredith	do	5, 720. 79
Eva K. Harris	do	5, 242. 74
Marcia L. Matts	do	6, 498. 23
Sandra A. Gilbert	do	7, 578. 00
Patricia A. Kemp	do	6, 576. 66
Betty Lou Taylor	do	6, 462. 71
Christine Stockman	do	5, 751. 82
Randolph Thomas	Office assistant	7, 040. 68
F. Michael Hugo	Minority clerk	16, 625. 01
B. Enid Morrison	Assistant to minority clerk.	14, 187. 51
Mary H. Smallwood	Clerical assistant (majority).	8, 359. 50
Samuel A. Mabry	do	8, 359. 50
Catherine M. Voytko	do	8, 022. 99
T. Robert Garretson	Clerk assistant (majority) to July 31.	1, 301. 25
Naomi A. Rich	Clerical assistant (majority).	8, 431. 51
Laura E. Lineberry	Clerk assistant (majority) to July 31.	1, 231. 93
Susan L. Shaw	do	8, 022. 99
George F. Allen	do	8, 359. 50
Nancy Sohl	Clerical assistant (majority) on Dec. 1.	1, 833. 33
Michael J. O'Neil	do	11, 842. 77
Freda J. Sheppard	Clerk assistant (majority) to Nov. 31.	7, 291. 65
Diane Rihely	do	5, 291. 67
Brenda Lou McPherson	Clerk assistant (majority) to Sept. 31.	2, 463. 86
Fisher Muldrow	Clerk assistant (majority) on Aug. 1.	6, 721. 74
Sarah J. Bova	Clerk assistant (majority) on Oct. 1.	3, 165. 60
Grace E. Warren	do	9, 248. 40
David K. Kehl	Clerical assistant (minority).	10, 935. 51
Patience S. Vaccaro	do	8, 989. 75
Lawrence E. Siegel	do	11, 560. 50
Charles M. Seeger	do	11, 842. 77
Stephen T. Adams	do	11, 666. 68
Karen S. Vagley	do	10, 875. 00
Beverly B. Vhierwechter	do	7, 749. 99
Dorothea Dickinson	do	10, 766. 19
Gordon A. Achilles	Clerical assistant (minority) to July 5.	277. 78
Thomas J. Josefiak	Clerical assistant (minority) to Nov. 31.	5, 586. 97
Robert F. Dugan	do	11, 560. 50
David D Clement	do	10, 404. 45
Jimmy R. Fairchild	do	10, 903. 95
Annmarie Parsnick	Clerical assistant (minority) on Sept. 23.	2, 450. 00

Almost expended from July to December 31, 1974	$879, 185. 30
Total amount expended from July to December 31, 1974	879, 185. 30

GEORGE MAHON, Chairman.

COMMITTEE ON APPROPRIATIONS (INVESTIGATIONS STAFF)

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the "Legislative Reorganization Act of 1946," Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Cornelius R. Anderson	Chief, surveys and investigations staff.	$18, 000. 00
David A. Schmidt	Director, surveys and investigations staff.	18, 000. 00
Dennis F. Creedon, Jr	1st assistant director, surveys and investigations staff.	17, 895. 00
Marion S. Ramey	2d assistant director, surveys and investigations staff.	17, 670. 00
Genevieve A. Mealy	Administrative assistant.	6, 840. 51
Frances May	Secretary	7, 891. 98
Ann M. Stull	do	4, 682. 73
Barbara L. Chambers	Secretary (from Oct. 21).	2, 216. 67
Army Audit Agency:		
Ray Hard	Investigator	1, 410. 45
General Services Administration:		
George H. Wakefield	do	6, 587. 70
Health, Education, and Welfare: Ronald G. Hansen	do	2, 911. 00
National Aeronautics and Space Administration:		
Bernard F. Carey	do	8, 986. 72
Francis Stepka	do	1, 522. 67
Naval Material Command Support Activity: Bernard Bodner	do	2, 920. 20
Naval Audit Service:		
Kenneth Honchak	do	3, 802. 80
Contract Employees:		
Robert M. Franklin	do	5, 000. 00
Maurice A. Herron	do	12, 500. 00
Mary Alice Sauer	Secretary	1, 800. 00
William B. Soyars, Jr	Investigator	10, 000. 00
Andrew J. Shannon	do	10, 000. 00
Leonard M. Walters	do	12, 500. 00
Eugene B. Wilhelm	Liaison staff	6, 000. 00
H. Branch Wood	Investigator	7, 500. 00
Federal Bureau of Investigation:		
Stuart W. Angevine	do	14, 997. 84
William M. Baker	do	12, 620. 24
George C. Baird	do	2, 927. 44
Carl L. Bennett	do	15, 708. 48
Willis Bennett, Jr	do	14, 997. 84
Ronald B. Carpenter	do	15, 176. 64
Gerard C. Carroll	do	554. 80
W. Dana Carson	do	15, 708. 48
Bernard E. Currigan	do	11, 618. 56
W. Lee Colwell	do	17, 407. 44
John F. Connaughton	do	12, 846. 24
James B. Denny	do	9, 995. 04
Lewis Earle Eisenwine	do	11, 053. 44
Donald J. Fitzgerald	do	10, 833. 84
Robert M. Franklin	do	4, 993. 20
John G. Goedtel	do	15, 350. 88
Eugene C. Gies	do	14, 997. 84
William P. Haynes, Jr	do	13, 561. 44
David W. Johnson, Jr	do	8, 567. 92
Russell N. Kamin	do	11, 441. 52
Edwin J. Kelly	do	8, 483. 60
John C. Layton	do	8, 047. 84
Joseph Malyniak, Jr	do	14, 640. 24
James P. Mansfield	do	15, 205. 68
Richard F. McEliece	do	15, 111. 20
Joseph E. Michalski	do	15, 350. 88
Earle J. Morris	do	14, 640. 24
John J. Radican	do	14, 984. 64
Thomas C. Renaghan	do	12, 620. 24
Warren L. Rowlands	do	7, 617. 84
James O. Stassinos	do	7, 474. 64
Charles E. Szoka	do	14, 997. 84
Raymond E. Talley	do	14, 190. 24
William H. Welch, Jr	do	15, 708. 48
Pamela Munro	Steno-typist	4, 187. 04
Rebecca F. Singleton	Clerk-typist	4, 267. 12
H. Branch Wood	Investigator	5, 463. 28

COMMITTEE ON APPROPRIATIONS (INVESTIGATIONS STAFF)—Continued

Name of employee	Profession	Total gross salary during 6-month period
Federal Bureau of Investigation—Continued		
Health benefits (FBI)		$4,950.43
Life insurance (FBI)		1,489.74
Retirement (FBI)		25,770.45
FICA (FBI)		494.54
Travel expenses		131,071.48
Miscellaneous expenses		5,947.11

Funds authorized or appropriated for committee expenditures	$1,875,000.00
Amount of expenditures previously reported	
Amount expended from July 1 to Dec. 31, 1974	784,712.34
Total amount expended from July 1 to Dec. 31, 1974	784,712.34
Balance unexpended as of Dec. 31 1974	1,090,287.66

GEORGE MAHON, Chairman.

COMMITTEE ON ARMED SERVICES

January 17, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Frank M. Slatinshek	Chief counsel	$5,507.00
William H. Cook	Counsel (through Aug. 20).	4,986.12
John J. Ford	Professional staff member.	17,962.50
Ralph Marshall	do	17,316.09
George Norris	Counsel	16,629.42
James F. Shumate, Jr	do	16,981.98
William H. Hogan, Jr	do	13,733.43
Anthony R. Battista	Professional staff member.	15,414.00
Anibal A. Tinajero	Professional staff member (through Dec. 31).	13,358.82
G. Kim Wincup	Counsel	9,512.19
Michael A. West	Executive secretary	7,707.00
Berniece Kalinowski	Secretary	10,897.20
L. Louise Ellis	do	10,897.20
Edna E. Johnson	Secretary (through Dec. 30).	10,897.20
Innis E. McDonald	Secretary	8,180.31
Ann R. Willet	do	6,807.00
Emma M. Brown	do	6,807.00
Nancy S. Jones	do	6,807.00
Mary Ann McKibben	Secretary (through Sept. 27).	2,779.35
Rita E. Argenta	Secretary	6,040.59
Jane E. Keating	Secretary (through Nov. 6).	4,266.24
Ilene B. Katz	Secretary (from Oct. 3)	2,683.32
Billie H. LaBarbera	Secretary (from Nov. 18 through Dec. 31).	1,433.33
William B. Short, Jr	Clerical staff assistant	8,956.59
James A. Deakins	do	8,240.07
Issiah Hardy	do	6,165.60

STAFF, ARMED SERVICES INVESTIGATING SUBCOMMITTEE

(Pursuant to H. Res. 185, 93rd Cong.)

Name of employee	Profession	Total gross salary during 6-month period
John F. Lally	Counsel	$17,316.09
William D. Price	Professional staff member (from Oct. 1).	6,249.99
Roce C. Beck	Secretary	8,180.33
Joyce C. Bova	do	6,217.47
Karen L. Snead	Secretary (from Oct. 7)	2,333.33

Funds authorized or appropriated for committee expenditures. H. Res. 264 & H. Res. 790	$375,000.00
Amount of expenditures previously reported	147,293.56
Amount expended from July 1 to Dec. 31	46,917.53
Total amount expended from Jan. 1 to Dec. 31	[1] 97,709.73
Balance unexpended as of Dec. 31, 1973	[1] 129,996.71

G. EDWARD HEBERT, Chairman.

BANKING AND CURRENCY

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Paul Nelson	Clerk and staff director.	$18,000.00
Orman S. Fink	Staff director, minority	18,000.00
Curtis A. Prins	Chief investigator	18,000.00
Charles B. Holstein	Professional staff member.	18,000.00
Benet D. Gellman	Counsel	18,000.00
Joseph C. Lewis	Professional staff member.	18,000.00
Graham T. Northup	do	18,000.00
Mary W. Layton	Secretary to minority	12,843.27
Donald G. Vaughan	Administrative assistant.	11,145.24
Total standing committee		149,988.51
Investigative staff:		
Joann Azarkhish	Secretary	6,315.77
Richard C. Barnes	Professional staff member.	11,942.13
Peter B. Bodenheimer	Assistant clerk	666.67
Martha Ellen S. Braddock.	Secretary	3,610.21
James P. Caldwell	Professional staff member.	12,919.41
L. Marie Chaillet	Minority secretary	8,612.91
Davis O'Connell Couch	Counsel	12,414.72
Ben W. Crain	Staff economist	8,567.94
Jane N. D'Arista	Professional staff member.	11,102.58
Michael P. Flaherty	Assistant counsel	11,319.54
Mary Ann Freer	Secretary	4,540.86
Helen Hitz	Administrative assistant.	12,350.21
Lorraine G. Inman	Secretary	6,884.94
Joseph J. Jasinski	Professional staff member.	17,491.80
Marvin H. Kahn	Staff economist	7,176.07
Richard M. Kay	Assistant clerk	4,306.47
Mary E. Kirk	do	7,346.94
Ellen Marie Larkin	Research assistant	6,282.48
Gladys F. G. Lebreton	Secretary	2,200.00
Robert Edward Loftus	Professional staff member.	12,381.09
Linda Lea Lord	Secretary	5,394.90
Mary-Helen McGrath	do	2,544.62
Kelsay Ray Meek	Professional staff member.	17,469.18
Michael A. Rattigan	Research assistant	4,732.48
Margaret L. Rayhawk	Research associate	10,903.34
Kathy Lee Rohrig	Secretary	6,576.66
Miriam Wolman Rakow.	Clerk	8,817.95
Yan Michael Ross	Minority counsel	17,619.69
James Charles Sivon	Research assistant	4,940.76
Jeanne Carolyn Smith	Secretary	6,687.57
Merrill Stevenson	Assistant clerk	9,055.65
Richard L. Still	Professional staff member.	17,495.01
Catherine M. Taber	Secretary	1,536.62
Thomas Wallin	Research assistant, minority.	750.00
David Irving Weil	Economic research assistant.	5,865.60
Robert E. Weintraub	Staff economist	18,000.00
Stephen M. Welch	Research assistant	1,746.16
Alicia F. Shoemaker	Minority staff secretary.	972.00
Total investigative staff.		309,540.93

Funds authorized or appropriated for committee expenditures	$1,342,800.00
Amount of expenditures previously reported	889,543.97
Amount expended from July 1 to Dec. 31, 1974	350,547.64
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	1,240,091.61
Balance unexpended as of Dec. 31, 1974	102,708.39

WRIGHT PATMAN, Chairman.

SUBCOMMITTEE ON HOUSING, HOUSE COMMITTEE ON BANKING AND CURRENCY

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Housing Subcommittee:		
Brent B. Barriere	Assistant clerk	$1,741.67
Marilyn A. Donahue	Minority secretary	6,459.69
David Glick	Counsel	18,000.00
George Gross	do	11,000.00
Emily Hightower	Executive secretary	10,088.55
Mercer L. Jackson	Minority staff member	17,643.54
Raymond K. James	Counsel	17,905.44
Bonnie V. Lockett	Secretary	5,908.68
Benjamin B. McKeever.	Counsel	17,905.44
Gerald R. McMurray	Staff director	18,000.00
Wanda Jean Raupach	Secretary	8,991.48
Dorothy J. Rayburn	Assistant clerk	7,765.33
Catherine M. Smith	Minority secretary	6,459.69
Mary Elizabeth Sullivan.	Assistant clerk	5,652.93
Anne Regina Sullivan	Assistant clerk	1,200.00
Anthony Valanzano	Minority counsel	17,643.54
Doris M. Young	Assistant clerk	11,309.73
Total		183,675.71

Funds authorized or appropriated for committee expenditures. (H. Res. 306, 93d Cong	$795,500.00
(Housing) and H. Res. 800, 93d Cong., 2d sess	550,136.24
Amount of expenditures previously reported	550,136.24
Amount expended from July 1 to Dec. 31, 1974	196,067.56
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	746,203.80
Balance unexpended as of Dec. 31, 1974	49,296.20

WRIGHT PATMAN, Chairman.

COMMITTEE ON THE DISTRICT OF COLUMBIA

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Robert B. Washington, Jr.	Chief counsel (P)	$18,000.00
Dorothy E. Quarker	Senior consultant (P) to Aug. 6, 1974.	3,600.00
James T. Clark	Legislative counsel (P).	17,263.20
Ruby G. Martin	Associate counsel (P) from Aug. 1, 1974.	14,400.00
Dale MacIver	Staff assistant (C) (4 months).	12,000.00
Daniel M. Freeman	do	12,000.00
Jacqueline E. Wells	do	11,824.72
Linda L. Smith	do	9,441.67
Maria L. Otero	Office Administrator (C) (4 months).	8,716.67
Alvin D. Loving, Sr	Staff assistant (C) to July 31, 1974.	3,000.00
Jane I. Parker	do	3,000.00
Theodore Richardson	Clerk (C) Aug. 1–31, 1974.	3,000.00
La Vonne Manley	Staff assistant (C) (2 months).	5,100.00
Wilbur G. Hughes	Investigator (C) (2 months).	5,350.00
Lorraine McDaniels	Staff assistant (C) Aug. 1–31, 1974.	3,000.00
Yvonne Chappelle	Research assistant (P) to July 31, 1974.	3,000.00

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[1] Per GAO Audit, Jan. 15, 1975.

COMMITTEE ON THE DISTRICT OF COLUMBIA—Con.

Name of employee	Profession	Total gross salary during 6-month period
Standing Committee—Continued		
Dale MacIver	Staff assistant (2 months).	$862.00
Daniel M. Freeman	do	548.58
Jacqueline E. Wells	do	200.00
Linda L. Smith	do	200.00
Maria L. Otero	do	200.00
Subcommittee on Business, Commerce and Taxation:		
Rebecca Moore	Subcommittee consultant to Nov. 31.	6,548.15
Carolyn Emigh	Subcommittee consultant from Dec. 1, 1974.	1,842.50
Margaret G. Hoffman	Subcommittee research assistant.	4,705.61
Subcommittee on Education:		
Joseph Clair	Subcommittee counsel to Aug. 6, 1974.	2,304.94
Michael J. Duberstein	Subcommittee research assistant.	1,536.66
Subcommittee on Government Operations:		
Jacque Depuy	Subcommittee counsel to July 31, 1974.	1,583.33
Joy D'Amore	Subcommittee research assistant to Aug. 16, 1974.	638.89
Donna DeLaittre	Subcommittee research assistant from Aug. 1-30, 1974.	1,000.00
Ira Lewis	Subcommittee consultant from Aug. 24, 1974.	4,233.33
Cathy Sarkowsky	Subcommittee research assistant from Dec. 1, 1974.	500.00
Subcommittee on Judiciary:		
Howard Lee	Subcommittee consultant.	7,058.76
Michael Beard	Subcommittee research assistant.	6,037.50
Subcommittee on Labor, Social Services, and the International Community:		
Karen Fleischer	Subcommittee consultant to Oct. 31.	5,333.32
Subcommittee on Revenue and Financial Affairs:		
Stephen Swaim	Subcommittee consultant to Sept. 30, 1974.	4,452.72
Margi H. Mosbaek	Subcommittee research assistant.	3,666.96
Total		107,654.27
Jean Stultz	Staff assistant (C) Aug. 1–Sept. 30, 1974.	6,000.00
Joan V. Middleton	Staff assistant (C) Oct. 1–31, 1974.	2,450.00
Grace M. DeMaio	Clerk (C) Oct 1–31, 1974.	2,033.33
Marguerite Gras	do	1,750.00
Joseph Clair	Subcommittee counsel, Education Subcommittee from Aug. , 1974 (P).	9,219.74
Stephen Swaim	Subcommittee, consultant, Subcommittee on Revenue and Financial Affairs, from Oct. 1 1974.	4,452.72
Minority:		
John Hogan	Minority chief counsel (P).	18,000.00
Leonard Hilder	Minority research assistant (P).	12,546.24
Total		189,148.29
Investigative:		
Ralph Ulmer	Minority professional staff member.	6,936.00
Wanda Worsham	Minority staff assistant.	7,333.92
Louise Winston	Clerk	5,250.30
Jane I. Parker	Staff assistant Aug. 1–Sept. 31, 1974.	607.40
Wilbur Hughes	Investigator 4 months	3,207.52
Jean Stultz	Staff assistant to July 31. 1974.	1,458.33
La Vonne Manley	Staff assistant (4 months).	2,828.31
Joan V. Middleton	Staff assistant (5 months).	4,989.28
Lorraine McDaniels	do	4,105.59
Yvonne Chappelle	Research assistant from Aug. 1, 1974.	4,850.00
Ruby Martin	Associate counsel to July 31, 1974.	100.00
Theodore Richardson	Clerk (5 months)	2,781.53
Marguerite Gras	do	3,600.00
Alvin D. Loving, Sr	Staff assistant Aug. 1–Oct. 31, 1974.	2,000.00
Grace DeMaio	Clerk (5 months)	4,152.85

Funds authorized or appropriated for committee expenditures	298,058.51
Amount of expenditures previously reported	179,237.05
Amount expended from July 1 to Dec. 31, 1974	115,208.31
Total amount expended from Jan. 1, to Dec. 31, 1974	294,445.6
Balance unexpended as of Dec. 31, 1974	3,613.15

CHARLES C. DIGGS Jr., Chairman.

COMMITTEE ON EDUCATION AND LABOR—STANDING COMMITTEE

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Donald M. Baker	Chief clerk and associate counsel (from July 1 to Dec. 31, 1975).	$18,000.00
Donald F. Berens	Administrative assistant (from July 1 to Dec. 31, 1975).	15,180.30
Louise Maxienne Dargans.	Research director (from July 1 to Dec. 31, 1975).	18,000.00
William F. Gaul	Associate general counsel (from July 1 to Dec. 31, 1975).	18,000.00
Hartwell D. Reed, Jr	General counsel (from July 1 to Dec. 31, 1975).	18,000.00
Benjamin F. Reeves	Assistant to chairman and assistant clerk (from July 1 to Dec. 31, 1975).	18,000.00
Austin P. Sullivan, Jr	Legislative director (from July 1 to Dec. 31, 1975)	18,000.00
Louise M. Wright	Administrative assistant (from July 1 to Dec. 31, 1975).	15,957.75
Marian R. Wyman	Special assistant to chairman (from July 1 to Dec. 31, 1975).	18,000.00
Minority staff:		
Robert Andringa	Minority staff director (from July 1 to Dec. 31, 1975).	18,000.00
Charles W. Radcliffe	Minority counsel (from July 1 to Dec. 31, 1975).	18,000.00
Dorothy L. Strunk	Minority legislative clerk (from July 1 to Dec. 31, 1975).	8,118.75

Funds authorized or appropriated for committee expenditures (contingent fund)	
Amount of expenditures previously reported	$599,293.06
Amount expended from July 1 to Dec. 31, 1974	201,256.80
Total amount expended from Jan. 1, to Dec. 31, 1974	800,549.86
Balance unexpended as of (contingent fund) Dec. 31, 1974	

CARL D. PERKINS, Chairman.

January 31, 1975.

COMMITTEE ON EDUCATION AND LABOR—FULL COMMITTEE INVESTIGATING STAFF

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 1, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, to Dec. 35, 1975, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Carole J. Ansheles	Secretary (from July 1 to Dec. 1, 1974).	$5,549.04
Patricia R. Bowley	Administrative assistant (from July 1 to Dec 31, 1974).	8,631.84
William H. Cable	Counsel (from July 1 to Dec. 31, 1974).	15,022.52
Gerard C. Cauley	Assistant clerk (temporary) (summer) (from July 1 to Aug. 9, 1974).	650.00
Katherine Kennedy Clark.	Research assistant (from July 1 to Dec. 31, 1974).	10,549.25
Elizabeth A. Cornett	Administrative assistant (from July 1 to Dec. 31, 1974).	10,456.53
Lelia T. Cornwell	do	9,778.65
A. Jefferson Dodds	Assistant clerk (temporary) (summer) (from July 1 to Sept. 13, 1974).	1,216.67
Edward J. Dunphy	Assistant clerk (temporary) (summer) (from July 1 to Aug. 31, 1974).	1,000.00
Douglas P. Katcher	Research assistant (from July 1 to Dec. 31, 1974).	4,527.84
Shirley R. Mills	Secretary (from July 1 to Dec. 31, 1974).	9,778.65
Lewis D. Morris, Jr	Assistant clerk (temporary) (summer) (from July 1 to July 21, 1974).	350.00
Barbara E. Morrison	Secretary (from July 1 to Dec. 31, 1974).	5,908.68
Michael Lee Moye	Assistant clerk (temporary) (from July 1 to Aug. 31 and from Dec. 9 to Dec. 31, 1974).	1,238.33
Thomas M. Pappas	Special assistant to chief clerk (from Nov. 1 to Dec. 31, 1974).	3,609.64
David E. Pinkard	Assistant clerk (temporary) (from Aug. 12 to Dec. 31, 1974).	2,399.47
Allen Prichard	Research assistant (temporary) (summer) (from July 1 to Aug. 31, 1974).	1,833.24
David S. Putman	Staff assistant (from July 1 to Dec. 31, 1974).	5,800.29
Timothy T. Reese	Assistant clerk (from July 1 to Dec. 31, 1974)	5,549.04
Peter Schott	Assistant clerk (from July 1 to Dec. 31, 1974).	4,729.08
Mary L. Shuler	Secretary (from July 1 to Dec. 31, 1974).	8,489.67
Maureen J. Smith	Assistant clerk (temporary) (Summer) (from July 1 to Aug. 9, 1974).	650.00
Thomas A. Stevenson	Assistant Clerk (temporary) (summer) (from July 1 to Sept. 30, 1974).	1,500.00
Jeanne E. Thomson	Legislative assistant (from July 1 to Dec. 31, 1974).	11,401.74
John Everett Warren	Research assistant (from July 1 to Dec. 31, 1974).	6,459.84
Barbara White	Assistant clerk (temporary)(summer) (from July 2 to Aug. 31, 1974).	650.00

COMMITTEE ON EDUCATION AND LABOR—FULL COMMITTEE INVESTIGATING STAFF—Continued

Name of employee	Profession	Total gross salary during 6-month period
Denise R. Wilson	Assistant clerk (temporary) (summer) (from July 1 to Sept. 30, 1974).	$1,500.00
Minority:		
Kim Allinger	Secretary (from July 1 to Dec. 31, 1974).	5,857.50
Edith Carter Baum	Minority counsel (from July 1 to Dec. 31, 1974).	17,625.00
Christopher T. Cross	Minority legislative associate (from July 1 to Dec. 31, 1974).	18,000.00
Susan C. DeMarr	Secretary (from July 1 to Dec. 31, 1974).	5,370.00
Vicki Fleming	Minority research assistant (from July 1 to Dec. 31, 1974).	4,367.49
Martin L. LaVor	Minority legislative associate (from July 1 to Dec. 31, 1974).	16,330.53
John B. Lee	Minority research assistant (from July 1 to Aug. 31, 1974).	2,208.34
Maureen A. Moroch	Secretary (from July 1 to Dec. 31, 1974).	6,422.52
Richard H. Mosse	Assistant minority counsel (from July 1 to Dec. 31, 1974).	14,387.49
Jo Anne Pierson	Secretary (from July 1 to Dec. 31, 1974).	6,422.52
Silvia J. Rodriguez	do	6,353.22
John Charles Sheerin	Minority counsel for Labor (from July 1 to Dec. 31, 1974).	18,000.00
Yvonne Franklin Smith.	Minority legislative associate (from July 1 to Dec. 31, 1974).	10,770.60
Patricia Ann Sullivan	Secretary (from July 1 to Dec. 31, 1974).	6,422.52

Funds authorized or appropriated for committee expenditures	$1,241,259.81
Amount of expenditures previously reported	736,126.41
Amount expended from July 1 to Dec. 31, 1974	298,159.69
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	1,034,286.10
Balance unexpended as of Dec. 31, 1974	206,973.71

CARL D. PERKINS, Chairman.

GENERAL SUBCOMMITTEE ON EDUCATION NO. 1

Representative Carl D. Perkins, Chairman

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Diane B. Adair	Staff assistant (from July 1 to Aug. 5, 1974).	$729.17
Eydie Gaskins	Special assistant (from July 1 to Oct. 31, 1974).	6,477.17
John F. Jennings	Counsel (from July 1 to Dec. 31, 1974).	18,000.00
Tonie E. Painter	Staff assistant (from July 1 to Dec. 31, 1974).	3,768.15
Ivan Swift	Legislative assistant (from July 1 to Dec. 31, 1974).	6,089.58
Joseph V. Vicidomino	Assistant clerk (from July 1 to Sept. 30, 1974).	1,500.00

Funds authorized or appropriated for committee expenditures	$174,824.24
Amount of expenditures previously reported	124,321.99
Amount expended from July 1 to Dec. 31, 1974	41,528.29
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	165,850.28
Balance unexpended as of Dec. 31, 1974	8,973.96

CARL D. PERKINS, Chairman.

SPECIAL SUBCOMMITTEE ON LABOR, NO. 2

January 31, 1975.

(Representative Frank Thompson, Jr., Chairman)

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, to December 3, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jeunesse M. Beaumont	Clerk (from July 1 to Dec. 31, 1974).	$9,616.41
Hugh G. Duffy	Special counsel (from Aug. 1–31, 1974).	2,200.00
Donald J. Kaniewski	Research assistant (from July 1 to Dec. 31, 1974).	5,508.37
Richard A. Millner	Assistant clerk (from Sept. 1 to Dec. 31, 1974).	619.99
Robert E. Moss	Counsel (from July 1 to Dec. 31, 1974).	15,946.33
Daniel H. Pollitt	Special counsel (from Sept. 1 to Dec. 31, 1974).	2,666.68
Susan H. Pollitt	Assistant clerk (from July 1 to Aug. 4, 1974).	368.33
Jan Lee Roller	Assistant clerk (from July 1-14, 1974).	252.78
Audrey Rugg	Assistant clerk (from July 1-14, 1974).	252.78
Richard Shaffer	Research assistant (from July 1 to Aug. 31, 1974).	1,083.34
James Weidow	Assistant clerk (from Aug. 1-31, 1974).	750.00

Funds authorized or appropriated for committee expenditures	$176,933.51
Amount of expenditures previously reported	121,212.37
Amount expended from July 1 to Dec. 31, 1974	42,758.13
Total amount expended from Jan. 3 to Dec. 31, 1974	163,970.50
Balance unexpended as of Dec. 31, 1974	12,963.01

CARL D. PERKINS, Chairman.

GENERAL SUBCOMMITTEE ON LABOR, NO. 3

January 31, 1975.

(Representative John H. Dent, Chairman)

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Julie Dominick	Research assistant (from July 1 to Dec. 31, 1974).	$7,819.00
Adrienne Fields	Clerk (from July 1 to Dec. 31, 1974).	10,181.06
Cynthia L. Fox	Secretary (from July 1 to Dec. 31, 1974).	4,398.74
Ernest J. Mannino	Research assistant (from July 1–31, 1974).	750.00
Robert E. Vagley	Director (from July 1 to Dec. 31, 1974).	18,000.00

Funds authorized or appropriated for committee expenditures	$164,183.08
Amount of expenditures previously reported	106,077.78
Amount expended from July 1 to Dec. 31, 1974	45,014.47
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	151,092.25
Balance unexpended as of Dec. 31, 1974	13,090.83

CARL D. PERKINS, Chairman.

SELECT SUBCOMMITTEE ON LABOR NO. 4

January 31, 1975.

(Representative Dominick V. Daniels, Chairman)

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Joseph D. Alviani	Associate counsel (from July 1 to Sept. 30, 1974).	$4,500.00
Alexandra J. Kisla	Research staff assistant (from July 1 to Dec. 31, 1974).	6,998.01
Daniel H. Krivit	Counsel (from July 1 to Dec. 31, 1974).	16,902.87
Denniese L. Medlin	Legislative assistant (from July 1 to Dec. 31, 1974).	5,240.76

Funds authorized or appropriated for committee expenditures	$167,282.82
Amount of expenditures previously reported	109,218.70
Amount expended from July 1 to Dec. 31, 1974	41,015.34
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	150,234.04
Balance unexpended as of Dec. 31, 1974	17,048.78

CARL D. PERKINS, Chairman.

SELECT SUBCOMMITTEE ON EDUCATION, NO. 5

(Representative John Brademas, Chairman)

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1974, to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Robert W. Agee	Research assistant (from Sept. 1 to Dec. 31, 1974).	$3,750.00
Jack G. Duncan	Counsel (from July 1 to Dec. 31, 1974).	17,625.00
Eleanor M. Finver	Secretary (from July 1 to Dec. 31, 1974).	4,624.20
James J. Harvey	Deputy assistant (from July 1 to Dec. 31, 1974).	9,937.20
Frederick V. Mulhauser	Research assistant (from July 1 to Aug. 17, 1974).	1,468.75
Christine M. Orth	Staff assistant (from July 1 to Dec. 31, 1974).	616.56
Gladys Marie Walker	Secretary (from July 1 to Dec. 31, 1974).	5,462.13

Funds authorized or appropriated for committee expenditures	$174,948.00
Amount of expenditures previously reported	128,453.80
Amount expended from July 1 to Dec. 31, 1974	45,910.15
Total amount expended from Jan. 3, 1973 to to Dec. 31, 1974	174,363.95
Balance unexpended as of Dec. 31, 1974	584.05

CARL D. PERKINS, Chairman.

SPECIAL SUBCOMMITTEE ON EDUCATION, NO. 6

(Representative James G. O'Hara, Chairman)

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Webster Buell	Counsel (from July 1 to Dec. 31, 1974).	$11, 303. 5
Mary Elizabeth Clark	Assistant clerk (from July 1 to Aug. 20, 1974).	833. 33
Alfred Carl Franklin	Counsel (from July 1 to Aug. 31, 1974).	3, 892. 16
James B. Harrison	Staff director (from July 1 to Dec. 31, 1974).	15, 903. 06
Bernard M. Murphy, Jr.	Research assistant (from July 1 to Aug. 31, 1974).	1, 213. 34
Bonnie L. Stricklin	Assistant clerk (from July 1 to Dec. 31, 1974).	4, 024. 99
Elnora H. Teets	Clerk (from July 1 to Dec. 31, 1974).	7, 131. 33

Funds authorized or appropriated for committee expenditures	$174, 819. 60
Amount of expenditures previously reported	121, 618. 65
Amount expended from July 1 to Dec. 31, 1974	48, 814. 94
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	170, 433. 59
Balance unexpended as of Dec. 31, 1974	4, 386. 01

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON EQUAL OPPORTUNITIES, NO. 7

(Representative Augustus F. Hawkins, Chairman)

Jannary 31 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Augustus A. Adair	Staff assistant (from Dec. 1 to 31, 1974).	$700. 00
Frances Hardin Brumburg.	do	1, 250. 00
Susan Durkee Grayson	Special assistant (from July 1 to Dec. 31, 1974).	9, 248. 40
Bertram M. Gross	Staff assistant (from July 1 to Dec. 31, 1974).	1, 200. 00
William L. Higgs	do	5, 533. 32
Lloyd (Al) Johnson	Staff director (from July 1 to Dec. 31, 1974).	16, 500. 00
Stanley Moses	Staff assistant (from Dec. 1 to 31, 1974).	1, 800. 00
Carole M. Schanzer	Clerk (from July 1 to Dec. 31, 1974).	7, 193. 22
John W. Smith	Staff assistant (from Aug. 1 to 31, and from Oct. 1 to Dec. 31, 1974).	846. 77
Mary L. Whitsett	Assistant clerk (from July 1 to Dec. 31, 1974).	5, 240. 76

Funds authorized or appropriated for committee expenditures	$168. 781. 56
Amount of expenditures previously reported	116, 036. 66
Amount expended from July 1 to Dec. 31, 1974.	51, 237. 66
Total amount expended from Jan. 3, 1973, to Dec. 31, 1974	167, 269. 32
Balance unexpended as of Dec. 31, 1974	1, 512. 24

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON AGRICULTURAL LABOR, NO. 8

(Representative William D. Ford, Chairman)

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Roy P. Dyson	Research aide (from July 1 to Dec. 31, 1974).	$5, 232. 82
Lanston E. Eldred	Research assistant (from July 1 to Sept. 17, 1974).	2, 253. 33
Michael J. Ferrell	Special assistant (from July 1 to Sept. 30, 1974).	3, 200. 00
Robert F. Hurley	Legislative assistant (from Dec. 1 to Dec. 31, 1974).	1, 355. 83
Thomas R. Jolly	Counsel (from July 1 to Dec. 31, 1974).	17, 166. 66
Charles James Kalil	Research assistant from (Sept. 3 to Dec. 31, 1974).	2, 051. 19
Roderick Kilbourn	Special counsel (from Aug. 5 to Oct. 19, 1974).	4, 166. 68
Patricia R. Morse	Clerk (from July 1 to Dec. 31, 1974).	9, 711. 58
Daniel H. Pollitt	Assistant clerk (from Oct. 1 to Dec. 31, 1974).	3, 548. 78
Heidi Schmidt	Staff assistant (from July 1 to Aug. 31, 1974).	1, 400. 00
Anne C. Williams	Secretary (from Oct. 1 to Dec. 31, 1974).	1, 825. 01

Funds authorized or appropriated for committee expenditures	$176, 967. 38
Amount of expenditures previously reported	121, 338. 98
Amount expended from July 1 to Dec. 31, 1974	54, 108. 03
Total amount expended from Jan. 3, 1973, to Dec. 31, 1974	175, 447. 01
Balance unexpended as of Dec. 31, 1974	1, 520. 37

CARL D. PERKINS, Chairman.

TASK FORCE ON WELFARE AND PENSION PLANS, NO. 9 (GENERAL SUBCOMMITTEE ON LABOR)

(Representative John H. Dent, Chairman)

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross 6-month salary during period
Vance J. Anderson	Counsel (from July 1 to Dec. 31, 1974).	$16, 441. 62
Kathleen Berish	Stenographer (from July 1 to Dec. 31, 1974).	4, 110. 42
Patrice C. Connerton	Clerk-typist (from July 22 to Sept. 30, 1974).	996. 66
Suzanne Hays	Staff assistant (from July 1 to Dec. 31, 1974).	5, 651. 82
S. Howard Kline	Assistant clerk (from July 1 to Dec. 31, 1974).	3, 216. 24
Richard E. McCormick, Jr.	Staff assistant (from July 1 to Oct. 31, 1974).	1, 622. 08
Minority:		
Russell J. Mueller	Actuary and minority legislative associate (from July 1 to Dec. 31, 1974).	15, 072. 63
Robin Reid	Minority secretary (from July 1 to Dec. 31, 1974).	5, 394. 90

Funds authorized or appropriated for committee expenditures	$220, 000. 00
Amount of expenditures previously reported	156, 778. 69
Amount expended from July 1 to Dec. 31, 1974	56, 322. 96
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	213, 101. 65
Balance unexpended as of Dec. 31, 1974	6, 898. 35

CARL D. PERKINS, Chairman.

COMMITTEE ON FOREIGN AFFAIRS

January 21, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Marian A. Czarnecki	Chief of Staff	$18, 000. 00
Albert C. F. Westphal	Staff consultant	18, 000. 00
Everett E. Bierman	do	16, 906. 86
John J. Brady, Jr	do	16, 038. 57
John H. Sullivan	do	16, 038. 57
John Chapman Chester	do	15, 524. 76
Robert K. Boyer	do	13, 457. 70
Peter A. Abbruzzese	do	14, 330. 52
Lewis Gulick	do	15, 048. 12
Charles Paolillo	do	16, 852. 62
George M. Ingram, IV	do	11, 304. 48
Robert W. Johnson	Staff consultant (effective July 15, 1974)	9, 973. 13
James T. Schollaert	Staff consultant (effective September 25, 1974)	7, 011. 66
John P. Salzberg	Special consultant	10, 276. 02
Frederick M. Kaiser	Special consultant (terminated August 9, 1974).	1, 300. 00
Ray Sparks	Editor	11, 534. 91
George R. Berdes	Subcommittee staff consultant.	14, 927. 67
Robert B. Boettcher	do	14, 927. 67
R. Michael Finley	do	13, 457. 70
Clifford P. Hackett	do	14, 927. 67
Michael H. Van Dusen	do	14, 927. 67
Thomas R. Kennedy	do	14, 413. 20
Leslie Ann Yates	do	8, 221. 33
Roland S. Homet, Jr	Subcommittee Staff Consultant (effective July 1, 1974).	12, 331. 20
Helen C. Mattas	Senior staff assistant	13, 978. 02
Mary Louise O'Brien	Staff assistant	12, 473. 88
Paula L. Peak	do	10, 767. 72
Thelma H. Shirkey	do	7, 158. 57
Arlene M. Atwater	do	6, 779. 01
Shirley A. McManus	do	7, 762. 38
Donna Gail Wynn	do	5, 800. 11
Jeanne M. Salvia	do	6, 211. 92
Karen Patterson Brennan	do	5, 894. 11
Josephine R. Weber	do	5, 691. 36
Diane Miesel Stoner	do	4, 722. 42
Nancy K. Stout	Staff assistant (terminated Sept. 30, 1974).	3, 012. 15
Joan G. Sullivan	Staff assistant	5, 992. 02
Jeraldine C. Nolan	Staff assistant (terminated July 30, 1974).	791. 67
Noel Daoust	Staff assistant	4, 757. 54
Nancy M. Carman	do	4, 367. 28
Sarah Yakubec	Staff assistant (effective July 22, 1974).	3, 416. 00
Martha H. Crouse	Staff assistant (effective Sept. 4, 1974).	3, 794. 55
Shelly A. Shelton	Staff assistant (effective Sept. 25, 1974).	2, 693. 57
Andrew B. Vanyo	Clerical assistant	5, 732. 22
Robert A. Stoner	Publications assistant	5, 302. 92
Dona Sims	Special assistant (terminated Aug. 16, 1974).	1, 086. 11
Eugene M. Principato	Clerical assistant (terminated Aug. 16, 1974).	766. 67
Theana C. Yatron	Clerical assistant (terminated Aug. 31, 1974).	1, 416. 66
Mark G. Hanna	Special assistant (effective Sept. 16, 1974).	1, 832. 80

COMMITTEE ON FOREIGN AFAIRS—Continued

Funds authorized or appropriated for committee expenditures	$1,168,735.00
Amount of expenditures previously reported	738,243.68
Amount expended from July 1 to Dec. 31, 1974	—329,686.23
Total amount expended from Jan. 1, 1973, to Dec. 31, 1974	1,067,929.91
Balance unexpended as of Dec. 31, 1974	100,805.09

THOMAS E. MORGAN, Chairman.

COMMITTEE ON GOVERNMENT OPERATIONS

January 20, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Expenses, July 1 through December 31, 1974:		
Full committee		$5,943.03
Special investigative staff		75,144.36
Legislation and Military Operations Subcommittee		47,586.09
Government Activities Subcommittee		60,751.15
Intergovernmental Relations Subcommittee		58,087.95
Conservation and Natural Resources Subcommittee		56,588.16
Foreign Operations and Government Information Subcommittee		75,032.57
Legal and Monetary Affairs Subcommittee		42,892.66
Special Studies Subcommittee		76,084.92
Total		498,110.89
Standing committee, Hon. Chet Holifield, chairman:		
Herbert Roback	Staff director	4,308.00
Elmer W. Henderson	General counsel	18,000.00
Miles Q. Romney	Counsel-administrator	18,000.00
Douglas G. Dahlin	Associate counsel	14,803.47
Dolores L. Fel'Dotto	Staff member	10,456.71
Ann E. McLachlan	do	10,135.26
Catherine S. Cash	do	9,113.43
Marilyn F. Jarvis	do	8,989.62
Lilian M. Phillips	do	8,263.86
John Philip Carlson	Minority counsel	18,000.00
Warren B. Buhler	Minority professional staff member.	13,457.70
Clara Katherine Armstrong.	Minority research assistant.	9,327.57
Total, standing committee		142,855.62
Standing committee, Hon. Chet Holifield, Chairman:		
Total expenses		5,943.03
Special investigstive staff, Hon. Chet Holifield, chairman:		
Stephen M. Daniels	Minority staff member	10,284.03
Richard L. Thompson	do	10,284.03
Lawrence T. Graham	do	10,284.03
James L. McInerney	do	10,227.87
Sheila G. Nathanson	Minority secretary	5,383.68
Karen L. Tauber	do	5,260.74
Eileen W. Theim	Staff member	7,074.72
Susan E. Early	do	5,651.82
Ralph T. Doty	Clerical staff	5,651.82
Paul N. Nelson	do	5,041.62
Total		75,144.36
Leigslation and military Operations Subcommittee, Hon. Chet Holifield, chairman:		
Adam J. Klein	Professional staff member (from Dec. 30, 1974).	90.28
Charles Goodwin	Subcommittee counsel	6,822.00
Michael T. McGinn	Defense analyst	10,789.80
Catherine L. Koeberlein.	Research assistant	10,019.10
Mary Etta Haga	Clerk-stenographer	6,422.52
Wanda C. Johnson	do	5,652.24
Michael A. Vorhaus	Clerical staff	4,040.52
Expenses		3,749.63
Total		47,586.09
Government Activities Subcommittee, Hon. Jack Brooks, chairman:		
William M. Jones	Subcommittee staff director.	15,847.38
William H. Copenhaver.	Counsel	15,072.63
C. Don Stephens	Research analyst	12,417.03
Thomas J. Payne	Investigator (from Sept. 12, 1974).	6,331.57
Lynne Higginbotham	Clerk-stenographer	8,305.95
Kathryn J. Lokos	Secretary (through Sept. 30, 1974).	2,226.36
Expenses		550.23
Total		60,751.15
Intergovernmental Relations Subcommittee, Hon. L. H. Fountain, chairman:		
James R. Naughton	Counsel	17,500.02
Delphis C. Goldberg	Professional staff member.	17,500.02
Gilbert S. Goldhammer.	Consultant	11,346.00
Pamela H. Welch	Clerk-stenographer	5,971.08
Margaret M. Goldhammer.	Secretary	5,011.89
Gary E. Bombardier	Professional staff member (through July 1, 1974).	52.39
Expenses		706.55
Total		58,087.95
Conservation and Natural Resources Subcommittee, Hon. Henry S. Reuss, chairman:		
Phineas Indritz	Counsel	4,422.00
David B. Finnegan	Associate counsel	15,844.53
Robert J. Hellman	Staff analyst	7,193.22
Josephine Scheiber	Research analyst	9,689.61
Ruth M. Wallick	Stenographer	7,707.46
Frances C. Clements	do	5,241.75
JoAnnalynn B. Fullerton	Stenographer (from November 25 1974).	1,002.44
Ardith R. Davis	Stenographer (through November 9, 1974).	3,460.99
Expenses		2,026.16
Total		56,588.16
Foreign Operations and Government Information Subcommittee, Hon. William S. Moorhead chairman:		
William G Phillips	Subcommittee staff director	17,500.02
Norman G. Cornish	Deputy subcommittee staff director.	17,500.02
Harold F. Whittington	Professional staff member.	14,549.04
L. James Kronfeld	Counsel	13,457.70
Martha M. Doty	Clerk	6,190.56
Nancy E. Wenzel	Secretary	4,675.56
Expenses		1,159.67
Total		75,032.57
Legal and Monetary Affairs Subcommittee, Hon. Wm. J. Randall, chairman:		
William G. Lawrence	Associate counsel	10,766.19
Wanda J. Reif	Professional staff member.	10,766.19
D. Faye Taylor	Clerk	6,190.56
Eleanor M. Vanyo	Secretary	5,857.32
Gerald J. Laporte	Research assistant (through Aug. 31, 1974).	2,166.66
Maura C. Craig	Secretary (through Aug. 23, 1974).	1,060.00
Expenses		6,085.74
Total		42,892.66
Special Studies Subcommittee, Hon. Floyd V. Hicks, chairman:		
Joseph C. Luman	Subcommittee staff director.	15,072.63
Jacob N. Wasserman	Counsel	17,049.30
Dean S. Kalivas	Professional staff member.	10,261.58
James L. Gyory	Investigator	9,689.55
Peter H. Hanley	Professional staff member (from Oct. 1, 1974).	2,637.99
Louise Chubb	Clerk	6,011.46
Geraldine A. Fitzgerald.	Secretary	5,060.10
Expenses		10,302.31
Total		76,084.92

Funds authorized or appropriated for committee expenditures H. Res. 247 and H. Res. 846	$2,111,000.00
Amount of expenditures previously reported	1,448,902.98
Amount expended from July 1, 1974 to Dec. 31, 1974	498,110.89
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	1,947,013.87
Balance unexpended as of Dec. 31, 1974	163,986.13

JACK BROOKS, Chairman.

COMMITTEE ON HOUSE ADMINISTRATION, HOUSE INFORMATION SYSTEMS

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Richard Bates	Communications terminal operator.	$4,233.05
Noah St. Clair (off Aug 23, 1974)	Senior systems programer.	10,871.45
Timothy E. Gunter	Programer	2,114.52
David L. Brazeal (off Aug. 13, 1974).	Computer systems analyst.	9,578.05
Diane C. Hitz	Communications terminal operator.	962.13
William R. Hill	Senior computer systems analyst.	11,312.85
Benjamin R. Candler	Programer analyst	8,699.10
Antoinette P. Gauthier	Communications control coordinator.	5,398.68
Robert J. Mumma	Senior computer operator.	6,246.82
Curtis L. Merrick	Section manager	12,979.58
Vernon John Walters	Programer analyst	8,534.95
Jasper T. Wagliardo (off Aug. 31, 1974).	Section manager	12,037.52
Charles E. Graham	Deputy director	6,404.97
Edmond S. Mesko	Information systems specialist.	11,319.33
Gerald L. Barnes	Junior programer	5,625.46
William E. Freeman, Jr.	Senior computer systems analyst.	11,572.17
Barbara A. Burda	Senior production control specialist.	5,092.78
Donald Robinson (off Oct. 12, 1974).	Junior system factors analyst.	4,477.42
Anne W. Wightman	Programer analyst	7,491.68
Norman D. Young	Senior section manager	13,835.12
Thomas Hawk	Communications control coordinator.	5,698.05
Robert Cohen (off Sept. 13, 1974).	Information systems specialist.	4,254.30
John T. Reed	Senior computer systems analyst.	11,438.28
Berthine Washington	Data preparation specialist.	4,059.51
Howard G. Ulep	Group manager	12,966.71
Robert Klukas (off July 2, 1974).	Section manager	343.58
K. Michael Frazier	Programer	7,140.28
Sheldon Grossberg	Management assistant	13,225.23
Stephen Stofko	Group manager	14,460.71
Patricia Ann Costlow	Senior communications control coordinator.	5,705.53
Marsha Madden	Junior system factors specialist.	6,266.28
Frank W. Byrd	Senior computer operations coordinator.	6,477.65
Deloris Gilliam	Junior computer operator.	3,856.68
Mary Ryan Conroy	Administrative control coordinator.	4,614.38
Martha Crouse (off Sept. 3, 1974).	Communications control coordinator.	1,746.87
Robert William Garrett	Section manager	12,400.18
Margaret Mary Hyland	Junior secretary	4,921.93
Steven B. Newman	Communications control coordinator.	5,122.08
Elmer M. Whiting	Computer operator	5,678.44
Dianne Oshetski	Secretary	4,827.01
Frances Pratt	do	5,073.24
Francine Cromwell	Executive secretary	6,044.88
Katherine Diamond	Senior data preparation specialist.	4,299.98
Ed Fairleigh	Junior computer operator.	4,757.32
Samuel M. Rogers	Senior computer operator.	5,872.74
Donald Charles Morris	Group manager	12,873.27
Louis E. Johannes	Administrative clerk	4,219.77
Lewis F. DuBusc, off. Nov. 28, 1974.	Section manager	10,272.77
Barbara Swart	Junior programer	4,985.52
Susan Bailey Starr	System factors analyst	10,188.15
David P. Underwood	Section manager	11,806.62

COMMITTEE ON HOUSE ADMINISTRATION, HOUSE INFORMATION SYSTEMS—Continued

Name of employee	Profession	Total gross salary during 6-month period
Marie Williams	Senior information systems specialist.	$10,623.84
Wilbur D. Smith, off. Oct. 31, 1974.	Senior communications terminal operator.	7,918.79
Kenndall R. Free	Computer systems analyst.	9,888.60
Gerald Murphy	Section manager	11,685.87
Katherine Bye, off. Oct. 31, 1974.	Technical research assistant.	5,606.04
Paul E. Pritchett	Production control coordinator.	3,261.07
Hettie Prater	Technical aide	7,561.62
Ruth Ann Wauters, off. July 5, 1974.	Junior systems programer.	9,289.53
Stuart W. Edwards, off. Aug. 30, 1974.	Computer systems analyst.	267.31
Jeremy Frey	Technical assistant	1,068.00
Thomas C. Brown	Section manager	9,888.60
Richard Maynard	Senior operations research analyst.	12,373.02
H. Gerald McGuire	Group manager	13,558.85
Gerald C. Morrone	Computer systems analyst.	9,684.67
Luis J. Amigo	Programer analyst	7,789.20
Sandra Burke	Technical writer	6,323.47
Lolita Werhan	Junior secretary	4,300.88
James C. Daley	Programer analyst	8,680.47
Mark L. Shriver, off. Aug. 23, 1974.	Computer operator	5,347.51
George C. Yatron, off. Oct. 31, 1974.	Technical assistant	1,236.67
Mary McNair	Junior data preparation specialist.	2,169.65
Walter E. Haggerty	Section manager	12,980.18
C. Wesley Jenkins	Computer systems analyst.	10,450.89
Susan Zweighaft, off. July 31, 1974.	programmer	7,255.95
Robert Silberski	Junior technical aide	1,115.36
Cletis G. Harper	Section manager	10,623.84
Dorothy Ellis	Data preparation specialist.	3,975.78
Amos Hilton	Production control coordinator.	3,975.78
Cheryl J. Trovato, off. Sept. 30, 1974.	Junior system factors specialist.	6,284.59
Barbara E. Seymour	Data preparation specialist.	1,862.55
Candace E. Butler, aff. Aug. 9, 1974.	Junior communications control coordinator.	4,612.38
Nancy L. Gordon	Junior system factors specialist.	1,318.20
James P. Howell, off. July 31, 1974.	Junior communications terminal operator.	4,186.75
Colleen Gorgon	Junior typis systems specialist.	534.00
Jeffrey Holcomb, off. Dec. 25, 1974.	Courier	3,198.53
Thomas C. Leonardo	Computer systems specialist.	9,682.18
Karen Burzinski	Clerk typist	3,292.44
Neil Armann	Information systems specialist.	11,933.87
Patricia Bell	Typist	3,821.64
Carl F. Schmidt	Systems programer	9,289.53
Henry F. Collins	Computer systems specialist.	12,039.87
Brian Connolly	Junior systems programer.	8,798.48
Terry G. Mahn	Programer	6,672.14
Lea Fowlie	Communications terminal operator.	4,138.65
Robert J. Reardon	Senior systems programer.	11,331.87
Michele Eastridge	Junior typist	3,582.15
Kathleen Mohajer	Junior system factors specialist.	6,464.49
Susan Groseclose	Junior secretary	4,551.75
Richard Fields, off. Aug. 30, 1974.	Manager	12,458.10
Ethlyn Brooks, off. Sept. 13, 1974.	Senior information systems specialist.	3,446.16
Helen Kenny, off. Oct. 31, 1974.	System factors analyst.	3,666.23
Nancy Robertson	Secretary	3,134.67
Karen Blake	Communications terminal operator.	4,138.65
Mary Ellen Yarrington	Senior production control specialist.	4,300.88
Shirley Samuels	Senior clerk	3,602.31
Sharon Davis	Junior communications terminal operator.	3,930.21
Patrick Cullen, off Sept. 30, 1974.	Junior communications terminal operator.	1,859.49
Patricia Dowling	Junior programer analyst.	7,574.82
Marian R. Lane, off Dec. 31, 1974.	Senior data preparation specialist.	4,419.21
Martin Collins	Computer systems specialist.	8,989.95
Michael Jones	Senior clerk	3,292.44
Janet Louise Conrad	Junior communications terminal operator.	$3,773.70
Sylestene T. Walker	do	3,773.70
Katherine Kim	Junior typist	3,668.15
James Haga	Information systems specialist.	9,289.53
Aaron Greenberg	System factors analyst.	10,188.15
Denise L. Asparagus	Junior data preparation specialist.	3,292.44
Elizabeth Scattergood	Junior communications terminal operator.	3,821.64
Marilyn Epstein	Programer	6,668.61
Kenneth L. Johnson	Senior computer operator.	6,147.31
Brenda Tereyla, off Nov. 30, 1974.	Clerk	2,419.78
Michael Dougherty	Senior information systems specialist.	10,977.84
Susan Earley, off Aug. 23, 1974.	Technical assistant	943.40
Jocelyn White, off Aug. 23, 1974.	do	943.40
Gregory Twitchell, off Aug. 23, 1974.	do	943.40
Marc Shafroth, off Aug. 30, 1974.	do	1,068.00
Michael Frankhuizen, off Aug. 23, 1974.	do	943.40
Marilyn Knox	Junior typist	3,402.36
Amanda Leech	do	3,664.29
Gloria Washington, on July 10, 1974.	Junior data preparation specialist.	3,366.87
Mary Bonanni, on July 15, 1974.	Senior clerk	1,561.60
Linda Russell, on July 8, 1974.	Junior data preparation specialist	3,405.14
Anthony Johnson, on July 29, 1974.	Section manager	10,517.74
Yara Romani, on Aug. 5, 1974.	Junion communication control coordinator.	3,889.94
Paul Markins, on Sept. 16, 1974.	Senior programer	4,495.57
John Kurpiel, on Sept. 16, 1974.	Junior communications terminal operator.	2,418.69
Mary Ann Mckibben, on October 15, 1974.	Senior communication control coordinator.	2,703.07
Christopher McMurray, on October 1, 1974.	Junior communication terminal operator.	1,962.24
Linda Molloy, on October 15, 1974.	Production control specialist.	2,025.51
Mary Coman, on October 15, 1974.	Secretary	2,200.00
Elizabeth Robinette, on October 21, 1974.	Senior data preparation specialist.	1,652.77
Steven Smith, on October 21, 1974.	System factors specialist.	2,744.98
Meridel Turch, on October 21, 1974.	Senior clerk-typist	1,477.00
James Short, on October 21, 1974.	Program analyst	3,110.52
Harlan Vinnedge, on October 21, 1974.	Computer systems analyst.	3,829.19
Janet Key, on October 29, 1974.	Junior data preparation specialist.	1,164.92
Helen Blankenship, on October 29, 1974.	Typist	1,308.20
Alexander Ben, on November 1, 1974.	Junior production control coordinator.	1,523.00
Bruce Kapff, on November 1, 1974.	Junior programer	1,753.34
Joel DiBona, on November 11, 1974.	Systems factors specialist.	1,960.70
Richard Tischhauser, on November 11, 1974.	Senior systems factors specialist.	2,150.13
Carol Czarsty, on November 1, 1974.	Junior information systems specialist.	2,924.16
James Sheffer, on December 3, 1974.	Computer systems analyst.	1,531.68
Charles Bunce, on December 9, 1974.	Information systems specialist.	1,241.04
Merritt Phillips, on December 11, 1974.	Courier and data handler.	400.78
Debora McDonald, on December 16, 1974.	Senior clerk	281.84
Jackie Gilli and, on December 30, 1974.	Junior Programer	26.31
Retroactive pay 1972 for following:		
Betty Lamb		169.47
Michael Tomanio		71.58
Mary Frye		154.20
Paula Weirather		96.38
Kathryn Smith		176.70
Betty Gill		109.20
Irene Morris		82.53
Charles Arrowsmith		257.58
Betty Sharp		108.48
Earl Watterson		257.58
Stuart Robinson		291.48
Florence Franklin		32.77
E. Jean Walker		200.46
James Gutherie, Jr		107.94
Nancy Jones		89.10
Edward Mills		269.85
Lynn Alcock		115.65
Harold Harding, Jr		221.67
Dianne Sisson		100.23
Cherie Barnes		109.23
Dwight Pfaehler		282.72
Don F. Anderson		205.62
Waites J. Ward		192.75
Daniel Cowgill		18.56
Jimmy Powell		$192.75
Ada Taylor		93.82
John Wunderlich, Jr		218.43
Frank Robertson		274.14
Barbara Pittman		28.17
Carol Meyer		30.84
John Stiegelmair		48.26
Diana Yudiskas		9.28

Funds authorized or appropriated for committee expenditures	$4,800,000.00
Amount of expenditures previously reported	2,885,913.54
Amount expended from July 1 to Dec. 31, 1974	1,251,327.97
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	4,137,241.51
Balance unexpended as of Dec. 31, 1974	662,758.49

WAYNE L. HAYS,
Chairman.

COMMITTEE ON HOUSE ADMINISTRATION

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John Walker	Staff director	$18,000.00
Frank Ryan	Director, information systems.	18,000.00
Robert Gray	Chief auditor	18,000.00
John McGarry	Staff attorney	18,000.00
Ralph Smith	Clerk (minority)	18,000.00
John G. Blair	Assistant to staff director.	15,524.76
Ralph Murphy	Assistant clerk (minority).	14,146.74
Mary Stolle	Assistant clerk: steno duties, general clerical.	8,991.48
Evelyn Wilson	Office manager	8,991.48
Robert Anton	Assistant legal counsel.	8,074.65
Johanna Lucas	Assistant clerk	6,791.73
Linda Nave	do	5,921.40
Sebastian Tom	Clerk, E & M Subcommittee.	11,741.97
Judith Simmons	Assistant clerk, Accounts Subcommittee.	5,028.84
Gurney Jaynes	Assistant clerk	9,051.57
Joseph Ventura	Clerk, Personnel Subcommittee.	10,420.62
John Boos	Clerk, L & M Subcommittee.	13,101,96
Cynthia Cortese	Assistant clerk	5,651.82
Barbara Giaimo	Assistant clerk, Elections Subcommittee.	6,466.18
William Sudow	Clerk, Printing Subcommittee.	13,188.04
Elizabeth Ray	Assistant clerk	5,651.82
Mark Maloney, off July 31, 1974.	do	655.33
Thomas Pappas, off Oct. 31, 1974.	Clerk, Accounts Subcommittee.	6,904.02
Ollievia Frasier	Assistant clerk	2,630.84
John Ford	Assistant clerk, Elections Subcommittee.	2,303.35
Andrew Ingram, off July 31, 1974.	Assistant clerk	650.00
John Maxwell, off Aug. 31, 1974.	Assistant clerk, Elections Subcommittee.	600.00
James Burnes, off Aug. 31, 1974.	Assistant clerk	1,666.66
Michael McWherter, off Aug. 2, 1974.	do	699.02
William Baranowski	do	4,540.87
Richard Oleszewski	Clerk, Elections Subcommittee.	5,212.66
Linda Rogers, off Dec. 31, 1974.	Assistant clerk, Police Subcommittee.	5,968.84
Grace Cohilas	Assistant clerk, Personnel Subcommittee.	4,457.54
Mary L. Hayes, off Sept. 30, 1974.	Assistant clerk	2,881.17
Candis Whitley	do	3,596.58
Sharon Kite	do	5,353.23
Nanc Brown	Assistant clerk, Electrical and Mechanical Subcommittee.	4,932.48
Michael Meth, off, Aug. 31, 1974.	Assistant clerk	866.66
James Hart, off Aug. 2, 1974.	do	640.00
Dovie Cherry, off Dec. 31, 1974.	Assistant clerk, Police Subcommittee.	4,881.12

COMMITTEE ON HOUSE ADMINISTRATION—Continued

Name of employee	Profession	Total gross salary during 6-month period
Rebecca Ransom, off Sept. 13, 1974.	Assistant clerk	$1,460.00
Brian Yochum, off Aug. 2, 1974.	do	699.02
Barbara Houston, off Aug. 31, 1974.	do	2,200.18
John D'Aurora, on July 8, 1974, off Aug. 22, 1974.	do	920.00
Edward Cheffy, on July 15, 1974, off Sept. 16, 1974.	do	1,240.00
Paul VanderVeen, on July 18, 1974, off Aug. 22, 1974.	do	764.55
James Gwin, on July 23, 1974, off Aug. 31, 1974.	do	760.00
Barbara DuMont	Assistant clerk (on Aug. 1, 1974).	4,304.65
Thomas Givens	Assistant clerk, contract subcontractor, (Aug. 1, 1974–Aug. 31, 1974).	550.00
Rodney Sprott	do	550.00
Karen Moore	Assistant clerk (Aug. 1, 1974–Aug. 22, 1974).	480.57
Mary-Ellen Candage	Assistant clerk, (on Sept. 10, 1974).	927.75
Martha Ford	Assistant clerk (on Sept. 23, 1974).	2,860.21
Bruce Wolpe	Assistant clerk (on Sept. 1, 1974; off Dec. 31, 1974).	4,582.52
Alice Jackson	Assistant clerk, printing subcontracts (on Oct. 1, 1974).	2,323.50
Susan Miller	Assistant clerk (on Oct. 8, 1974).	1,959.71
John Souder	Assistant clerk (on Nov. 15, 1974).	766.67
Charles Howell	Clerk, Accounts Subcommittee (on Dec. 1, 1974).	1,500.00
Retroactive 1972:		
V. Tomlinson Youngblood.		154.20
Thomas Latham		219.75
Gerald Wygoda		54.23
Thomas Foster		295.53
Lynn Pattridge		134.94
Rose Wooden		231.30
John P. Tolson		154.20
Pamela Bussen		94.89
Norman Jacknis		54.23
Johanna Lucas		154.20
Eugene Gleason		53.97
Vickie Moser		128.52
Cheryl Peck		96.39
Judith Rigby		102.78
Wyatt Overton		138.78
Linda Hoffman		37.05
Patricia Lutz		64.26
Mary McGee		99.88
Thomas Tangretti		$237.24

Funds authorized or appropriated for committee expenditures	770,000.00
Amount of expenditures previously reported	481,316.82
Amount expended from July 1, to December 31, 1974	195,129.17
Total amount expended from January 1, 1973 to December 31, 1974	676,445.99
Balance unexpended as of December 31, 1974	93,554.01

WAYNE L. HAYS, Chairman.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

January 17, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles Conklin	Staff director and chief clerk.	$18,000.00
Jack Daum	Staff consultant (minority).	12,331.20
Patricia J. Donohue	Secretary-clerk (minority).	6,075.09
James W. Henson	Clerk	6,165.60
Charles Leppert, Jr	Minority counsel	18,000.00
Lee McElvain	General counsel	18,000.00
Sandra Marie Metcalf	Secretary-clerk	$8,580.48
Patricia A. Murray	Full committee clerk	12,844.98
Marjorie J. Reynolds	Secretary-clerk (minority) (transfer to investigative staff as of Aug. 1, 1974).	1,041.67
William L. Shafer	Consultant on mines, mining, and public lands.	18,000.00
Miriam L. Waddell	Secretary-clerk	8,888.76
Alma Adams	Intern for the Mines and Mining Subcommittee (from July 1, 1974 to July 31, 1974).	500.00
Christine A. Allwine	Secretary-clerk (minority) (as of Sept. 9, 1974).	2,761.73
Marston L. Becker	Printing clerk	11,203.58
Evelyn R. Bertorello	Clerk for Subcommittee on National Parks and Recreation (as of Oct. 17, 1974).	2,672.21
David R. Brown	Staff assistant, Subcommittee on Public Lands.	7,450.08
Jim T. Casey	Consultant on water power resources.	18,000.00
Sharon P. CocKayne	Secretary, Subcommittee on Public Lands.	5,908.68
Nancy G. Drake	Clerk, Subcommittee on Public Lands.	7,265.98
Bruce Driver	Staff counsel (minority).	10,789.80
Bertha D. Drotos	Secretary-clerk (majority).	8,372.14
Franklin Ducheneaux	Consultant, Subcommittee on Indian Affairs.	13,872.60
Thomas S. Dunmire	Staff consultant (minority).	5,962.14
Mara R. Flaherty	As of Nov. 1, 1974, secretary, Subcommittee on Environment.	1,400.01
Edward Gaddis	Staff assistant	6,473.88
Mary Lee Gennari	Clerk, Subcommittee on Water and Power Resources.	7,193.22
Betty Jo Hunt	Staff assistant, Subcommittee on Indian Affairs.	8,074.65
Michael D. Jackson	Staff consultant (minority).	7,707.00
Nancy Lou Larson	Clerk, Subcommittee on Territorial and Insular Affairs.	10,276.02
Thomas L. Laughlin	Staff assistant, Subcommittee on Mines and Mining.	7,000.00
Kathryn C. Loeffler	Clerk-receptionist	6,165.60
Margaret Mahoney	Secretary, Subcommittee on Environment (from July 8, to Oct. 18, 1974.)	2,266.53
Elizabeth K. Mereiros	Clerk, Subcommittee on Mines and Mining.	4,916.66
Lewis Morris	Intern (minority) (July 22, to Aug. 9, 1974).	300.00
Betty Nevitt	Clerk, Subcommittee on National Parks and Recreation.	6,998.01
David Nix	Staff assistant, Subcommittee on Environment (as of Nov. 1, 1974).	2,666.66
Clay E. Peters	Staff consultant (minority).	11,560.50
Cleveland Pinnix	Consultant, Subcommittee on National Parks and Recreation.	11,817.42
Dale Pontius	Staff assistant, Subcommittee on Environment.	11,303.58
Marjorie J. Reynolds	Secretary-clerk (minority) (transfer from standing Aug. 1, 1974 and terminate Aug. 31, 1974).	1,041.67
James A. Rock	Staff consultant (minority).	11,560.50
Stanley E. Scoville	Staff counsel, subcommittee on Environment.	11,303.58
Rebecca D. Shapiro	Clerk, Subcommittee on Indian Affairs.	6,165.60
Maurice J. Shean	Consultant, Subcommittee on Territorial and Insular Affairs.	17,316.09
Pamela Warfield	Clerk, Subcommittee on Environment.	6,422.52
Gail Whitestone	Secretary-clerk (minority).	5,009.55
Norman R. Williams	Consultant, Subcommittee on Mines and Mining.	13,499.98
Adrian Winkel	Consultant, Subcommittee on Territorial and Insular Affairs.	17,316.09
Ann F. Zumwalt	Intern, Subcommittee on Indian Affairs (terminated Aug. 31, 1974).	1,000.00
Sidney McFarland	Consultant under contract.	$3,600.00
Lewis A. Sigler	Consultant under contract.	3,600.00

Funds authorized or appropriated for committee expenditures	$1,496,000.00
Amount of expenditures previously reported	859,995.34
Amount expended from July 1, 1974 to Dec. 31, 1974	336,338.09
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	1,196,333.43
Balance unexpended as of Dec. 31, 1974	299,666.57

JAMES A. HALEY, Chairman.

COMMITTEE ON INTERNAL SECURITY

January 10, 1975.

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee (majority):		
William H. Hecht (P)	Executive staff assistant.	$16,812.66
Alfred M. Nittle (P)	Legislative counsel	18,000.00
Robert A. Crandall (P)	Counsel	16,441.62
William G. Shaw (P)	Research director	11,796.00
John F. Lewis (C)	Professional staff assistant.	15,708.09
V. Bernice King (C)	Financial secretary	11,146.80
Mary M. Valente (C)	Administrative secretary.	10,908.18
Helen M. Gittings (C)	Editor (to Standing, July 1, 1974).	10,646.82
Albert H. Solomon, Jr. (C).	Investigator (to Standing, July 1, 1974).	10,182.00
Standing committee (minority):		
DeWitt White (P)	Legal counsel	17,749.98
Herbert Romerstein (C).	Chief investigator	16,527.69
James L. Gallagher (C)	Research analyst	13,505.25
Investigative committee (Majority):		
William H. Stapleton	Staff director	7,194.00
Margie D. Biggerstaff	Secretary	6,026.88
Andre H. Burner, Jr	Assistant documents clerk (summer help—resigned Aug. 9, 1974).	347.22
Daniel Butler	Documents clerk	6,250.05
S. Janice Coil	Secretary	7,358.88
Elizabeth S. Crawford	Clerk (summer help—resigned July 19, 1974).	263.89
Anniel Cunningham	Chief, files and reference section.	10,230.90
Florence Doyle	Secretary	5,718.12
Janie E. Horner	Information classifier (appointed July 15, 1974).	3,324.36
Robert M. Horner	Professional staff assistant (to investigative July 1, 1974).	4,473.00
Doris Jaeck	Information analyst	6,296.31
Mildred James	Clerk-typist	4,620.93
Neil C. Livingstone	Research analyst (appointed Aug. 8, 1974—resigned Dec. 31, 1974).	7,398.40
Tina V. Markey	Information classifier (resigned July 31).	596.67
Anita S. Maggio	Clerk	3,881.19
Terry M. Morgan	Information classifier	3,596.58
Virginia Masino	Receptionist	5,587.08
John E. Manning	Investigator (resigned July 14, 1974).	860.07
P. Lamar Payne	Assistant documents clerk (summer help—resigned July 19, 1974).	343.06
Alma T. Pfaff	Research analyst	7,707.00
Stuart Pott	Investigator	8,790.00
S. Louise Rees	Research analyst (resigned Sept. 21, 1974).	3,375.00
Lennard Register III	Assistant documents clerk (summer help—resigned Aug. 31, 1974).	704.17
Audrey Rollins	Secretary	5,930.46
Jane Y. Rumsey	Clerk-typist (summer help—resigned Aug. 31, 1974).	1,139.02

COMMITTEE ON INTERNAL SECURITY—Continued

Name of employee	Profession	Total gross salary during 6-month period
Investigative Committee (Majority)—Continued		
Mary Ellen Showalter	Information classifier (appointed July 15, 1974).	3,229.41
John N. Stratton	Investigator	9,497.61
S. Jane Strawser	Secretary	5,651.82
Barbara C. Sweeny	Editor	6,165.43
Susan K. Tonkinson	Information analyst	5,267.74
INVESTIGATIVE COMMITTEE (minority):		
George C. Armstrong	Investigator	9,518.98
Dennis Bechtel	Clerk-typist (summer help—Aug. 1 to Aug. 31, 1974.	750.00
Elizabeth Garrett	Clerk-typist (summer help—Aug. 1 to Aug. 31, 1974).	750.00
Donna Francisco	Research assistant	4,499.20
Richard Norusis	Investigator	9,900.82
Linda Spirt	Secretary	8,281.06
William T. Poole	Research analyst	8,865.67

Funds authorized or appropriated for committee expenditures	$950,000.00
Amount of expenditures previously reported	659,340.97
Amount expended from July 1, 1974 to Dec. 31, 1974	212,084.54
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	871,425.51
Balance unexpended as of Dec. 31, 1974	78,574.49

RICHARD H. ICHORD, Chairman.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Clerical staff		
W. E. Williamson	Clerk	$18,000.00
Kenneth J. Painter	First assistant clerk	17,737.62
Marcella F. Johnson	Assistant clerk	11,715.75
Frank W. Mahon	Printing editor	11,816.82
Eleanor A. Dinkins	Clerical assistant	9,395.22
Mary Ryan	do	9,395.22
Laura F. Elder	do	7,342.20
Edwin E. Thomas	Staff assistant	8,337.51
Lewis E. Berry (minority).	Minority Counsel	18,000.00
Professional staff:		
William J. Dixon	Professional staff member.	18,000.00
Robert F. Guthrie	do	18,000.00
Charles B. Curtis	do	18,000.00
Lee S. Hyde	do	18,000.00
John Gamble	do	16,441.62
Jeffrey H. Schwartz	do	15,414.00
Elizabeth Harrison	do	15,414.00
James M. Menger, Jr.	Professional staff member (from Oct. 21, 1974).	2,604.00
Additional temporary employees under H. Res. 182, 303, 916:		
William P. Adams	Professional staff member (from Dec. 1, 1974).	3,000.00
Henry Thomas Greene	Staff assistant (minority).	15,372.39
Barbara L. Bullard	Clerical assistant (minority).	9,042.90
Darlene G. McMullen	do	6,936.30
Jan B. Vlcek	Staff assistant (minority).	13,995.90
Bertram J. Levine	Staff assistant (minority) (to Oct. 15, 1974).	7,945.00
Thomas C. Sawyer	do	13,995.90
Joseph T. Kelley	Staff assistant (minority) (to Aug. 31, 1974).	$1,500.00
Pamela McDermott	Clerical assistant (minority) (Sept. 1–17, 1974).	448.61
Joanne E. Bell	Clerical assistant	6,165.50
Violet M. McCarthy	do	7,923.66
Ann P. Jordan	do	5,818.80
Barboura C. Flues	do	7,046.79
Clarence E. Martin III	Assistant counsel (to Nov. 30, 1974).	6,388.00
Jo Anne Glisson	Clerical assistant	5,794.11
John L. Duncan	do	8,074.65
Susan Tomasky	do	4,110.42
Walter J. Graham, Jr.	Staff assistant	15,372.51
Steve Lawton	do	15,372.51
Michael R. Lemov	do	15,372.51
Richard Krolick	do	15,372.51
Marilyn Barber	Clerical assistant (to Aug. 15, 1974).	874.99
Elizabeth Bailey	Clerical assistant (to Aug. 31, 1974).	1,583.34
Michael J. Russo	Clerical assistant (to July 31, 1974).	500.00
Douglas Stoddart	do	4,110.42
Michael J. Pucillo	Clerical assistant (to Aug. 31, 1974).	1,000.00
Thomas A. Mesereau, Jr.	Staff assistant (to Aug. 15, 1974).	1,250.00
Karen Anne Allen	Clerical assistant (from Dec. 2, 1974).	845.83
Special Subcommittee on Investigations:		
Daniel J. Manelli	Chief council	18,000.00
William T. Druhan	Staff assistant	16,826.97
James R. Connor	Special assistant	15,602.73
Benjamin J. Smethurst	do	16,826.97
Michael J. Parker	Staff attorney	13,136.31
Mark J. Raabe	do	16,121.88
Albert J. McGrath	Special assistant	9,065.10
Lynne D. Finney	Staff attorney	13,457.70
Raymond C. Cole	Special assistant	11,319.54
Elizabeth G. Paola	Clerical assistant	9,395.22
Russel D. Mosher	Staff assistant	6,256.29
Diane G. Kirchenbauer	Clerical assistant	6,866.73
Michael F. Barrett	Staff attorney	16,121.88
Elizabeth A. Eastman	Clerical assistant	7,918.71
Special Securities Study Group:		
Harvey Rowan	Staff attorney	15,372.39
Marion S. Ryan	Clerical assistant	5,725.19
Lisa A. Wiles	do	5,137.98
Kirk Callan Smith	Staff assistant (from Aug. 1, 1974).	2,841.08

Funds authorized or appropriated for committee expenditures	$1,819,000.00
Amount of expenditures previously reported	1,254,451.41
Amount expended from July 1, 1974 to Dec. 31, 1974	459,086.21
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	1,713,537.62
Balance unexpended as of Dec. 31, 1974	105,462.38

HARLEY O. STAGGERS, Chairman.

COMMITTEE ON THE JUDICIARY

January 2, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jerome M. Zeifman	General counsel	$18,000.00
Garner J. Cline	Associate general counsel	18,000.00
Herbert Fuchs	Counsel	18,000.00
William P. Shattuck	do	18,000.00
H. Christopher Nolde	do	17,905.44
Franklin G. Polk	Associate counsel	17,800.68
Alan A. Parker	Counsel	16,955.40
Thomas E. Mooney	Associate counsel	14,857.32
Alexander B. Cook	do	14,211.33
Frances F. Christy	Legislative analyst	12,381.09
Mary G. Sourwine	Clerical staff	10,717.26
Gertrude Burak	do	9,195.00
Pearl Chellman	do	8,067.69
Alma Haardt	do	8,016.33
Alice M. Smith	do	6,872.07

COMMITTEE ON THE JUDICIARY—INVESTIGATING STAFF

January 20, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Lynn Alcock	Clerical staff	$7,450.08
Deborah Alt	Clerical staff (through Oct. 6, 1974).	2,933.34
Veronica Amick	do	5,137.98
Maurice Barboza	Counsel	11,946.90
Michael Blommer	Associate counsel	15,414.00
Martha K. Brown	Clerical staff	5,137.98
Robert L. Brown	Assistant counsel	8,220.78
Alan F. Coffey, Jr.	Associate counsel	10,789.80
Daniel L. Cohen	Counsel	11,793.75
Lizzie M. Daniels	Clerical staff	4,983.84
Eva J. Denev	do	8,434.05
William P. Dixon	Counsel	13,677.87
Arthur P. Endres, Jr.	do	12,564.45
James F. Falco	do	13,433.31
James B. Farr	Messenger-clerk	5,541.33
Theresa M. Gallo	Clerical staff	6,679.38
Constantine J. Gekas	Associate counsel	10,789.80
Linda C. Gersten	Staff analyst (through Oct. 24, 1974).	5,996.10
Roberta Haeberle	Clerical staff (through Aug. 11, 1974).	911.12
Timothy J. Hart	Assistant counsel	7,450.08
James D. Hoard	Staff analyst	6,422.52
Sharon B. Hughes	Clerical staff	5,256.18
Thomas W. Hutchison	Counsel	12,074.28
Alice M. Jackson	Clerical staff (through Aug. 31, 1974) (from Sept. 5, 1974, through Oct. 2, 1974).	3,000.56
Susan Kapuza	Clerical staff	5,137.98
Jeffrey Kayden	do	2,310.84
Kenneth Klee	Associate counsel	7,198.40
Michael Kelemonick	Clerical staff	8,016.33
Olga Kirk	Clerical staff (through July 13, 1974).	958.33
Bruce Lehman	Counsel	10,276.02
Stephen P. Lynch	Research assistant	5,754.54
Florence T. McGrady	Clerical staff	8,016.33
Betty McKay	Clerical staff (through July 31, 1974).	1,475.17
Janet McNair	Assistant counsel (from Oct. 7, 1974).	5,133.32
Mary E. Manners	Clerical staff	3,853.50
Bernadette Maguire	Clerical staff (from Oct. 2, 1974).	2,719.46
Michael P. Murphy	do	4,808.01
Nancy Parke	do	5,681.61
Cheri Robinson	do	3,853.50
Ruth Robinson	Assistant counsel (through Oct. 18, 1974).	7,499.99
Dennis S. Rutkus	Staff analyst	7,536.33
Dawn Ruuspakka	Clerical staff	4,961.25
Arden Schell	Assistant counsel	9,255.06
Sara Shafer	Clerical staff	5,908.68
Judith Shellenberger	do	5,466.84
Jared Stamell	Assistant counsel	11,279.97
Joyce Straube	Clerical staff (from July 1, 1974).	5,194.90
Gail Sullivan	Clerical staff (from Sept. 9, 1974).	3,574.04
Robert Trainor	Counsel	11,793.75
Louis Vance	Messenger	5,825.94
Dorothy Wadley	Clerical staff	6,306.90
Karen Walsh	Clerical staff (through Sept. 30, 1974).	1,964.49
Marice Werth	do	4,110.42
Gary Weaver	do	3,596.58
Janice Zarro	Assistant counsel	8,220.78
Ann B. Butler	Clerical staff (from Oct. 4, 1974).	2,566.68
Virginia Allred	Clerical staff (through July 31, 1974).	1,166.67
Fred H. Altshuler	Counsel (through Sept. 13, 1974).	4,359.73
Barbara A. Bacon	Clerical staff (through July 15, 1974).	96.50
Ernest Banchero	Clerical staff (through Sept. 6, 1974).	2,108.33
Maureen Barden	Research assistant (through Nov. 18, 1974).	8,305.65
Thomas D. Bell	Counsel (through July 4, 1974).	216.67
David L. Bennet	Clerical staff (through Aug. 14, 1974).	1,100.00

COMMITTEE ON THE JUDICIARY—INVESTIGATING STAFF—Continued

Name of employee	Profession	Total gross salary during 6-month period
Elsie A. Biggs	Clerical staff (through Sept. 8, 1974).	$1,983.33
William P. Bishop	Counsel (through Sept. 6, 1974).	2,566.67
Philip Boone, Jr	Clerical staff (through Aug. 16, 1974).	1,150.00
Nancy H. Brooks	Clerical staff (through Sept. 16, 1974).	2,638.90
Cheryl R. Budd	Clerical staff (through July 15, 1974).	104.16
Julia Busalacchi	Clerical staff (through Sept. 6, 1974).	2,108.33
Susan Butler	Clerical staff (through July 15, 1975).	333.33
Barbara Campbell	Research assistant (through July 8, 1974).	2,550.00
Doris G. Cassidy	Clerical staff (through Sept. 13, 1974).	811.10
Richard L. Cates	Senior Association special counsel (through Sept 9, Sept. 5, 1974).	6,500.00
Robert H. Charles	Security assistant (through July 5, 1974).	208.33
Michael M. Conway	Counsel (through Sept. 20, 1974).	4,430.55
Donald R. Coppock	Information officer	5,034.00
Rufus Cormier	Special assistance (through Sept. 6, 1974).	3,850.00
Edward L. Dale	Counsel (through Sept. 13, 1974).	4,461.10
John Davidson	Counsel (through Sept. 6, 1974.	3,666.67
Evan A. Davis	Counsel (through Oct. 4, 1974).	8,355.57
Lance Davis	Clerical staff (through Aug. 2, 1974).	640.00
Susan Davis	Clerical staff (through Aug. 30, 1974).	1,666.66
Beatrice E. Dillard	Clerical staff (through Sept. 8, 1974).	2,172.21
John M. Doar	Special counsel (through Nov. 30, 1974).	15,000.00
Marie Drayer	Clerical staff (July 8 through November 1974).	138.89
Elizabeth Dunigan	Research assistant (through Nov. 18, 1974).	4,133.34
Valerie DuVal	Clerical staff (through Oct. 7, 1974).	3,368.07
Mary A. Fay	Clerical staff (Aug. 12 through Sept. 6, 1974).	833.33
Barbara Fletcher	Clerical staff (through Oct. 22, 1974).	4,666.67
Jonathan Flint	Research assistant (through Sept. 1, 1974).	1,694.44
Gayle D. Fralin	Clerical staff (through Sept. 13, 1974).	1,926.40
David C. Forrester	Clerical staff (through July 26, 1974).	650.00
Samuel A. Garrison	Counsel (through Sept. 13, 1974).	7,300.00
Gregory Gill	Clerical staff (through Sept. 6, 1974).	1,650.00
Richard Gill	Counsel (through Sept. 1, 1974).	5,422.23
Patricia Gray	Clerical staff (through Oct. 11, 1974).	3,226.38
James Haardt	Clerical staff (through July 5, from July 19 through Oct. 19, 1974).	2,172.77
Judy Haberek	Clerical staff (through Sept. 13, 1974).	2,027.77
Timothy Harr	Research assistant (through Aug. 31, 1974).	1,916.66
Kenneth S. Hays	Clerical staff (through Aug. 30, from Oct. 1 through Nov. 30, 1974).	1,866.66
Robert Hedrick, Jr	Clerical staff (through Dec. 16, 1974).	4,644.30
Janet Howard	Administration assistant (through Nov. 13, 1974).	6,204.62
Michael H. Hughes	Clerical staff (through Oct. 4, 1974).	2,611.10
Roberta Johansen	Research assistant (through July 4, from Aug. 13 through Aug. 20).	473.33
Yolanda Johnson	Clerical staff (through July 15, 1974).	187.50
Ilene Katz	Clerical staff (through Oct. 15, 1974).	3,645.84
John E. Kennahan	Counsel (through Oct. 31, 1974).	10,666.68
Lawrence Kieves	Research assistant (through Nov. 18, 1974).	$5,941.68
Terry Kirkpatrick	Counsel (through Aug. 30, 1974).	3,083.34
Kris M. Kononen	Clerical staff (through Sept. 8, 1974).	2,130.55
John Labovitz	Counsel (through Oct. 4, 1974).	7,180.57
Patsy Ann Leigh	Clerical staff (through Aug. 16, 1974).	1,405.56
Alyn H. Levin	Clerical staff (through Sept. 6, 1974).	1,558.33
Lawrence Lucchino	Counsel (through Sept. 6, 1974).	3,391.67
Phyllis MacKown	Clerical staff (through Nov. 10, 1974).	5,555.57
R. L. Smith McKeithen	Counsel (through Aug. 31, 1974).	4,000.00
Elizabeth J. Marra	Clerical staff (through Sept. 11, 1974).	2,268.05
Benjamin C. Marshall, Sr.	Security officer	9,666.68
Catherine Marshall	Research assistant (through Aug. 16, 1974).	920.00
Parthenia Monagan	Clerical staff (from July 26 through Sept. 5, 1974).	1,000.00
Michael J. Murphy	do	4,624.20
Robert J. Murphy	Staff assistant (through Nov. 20, 1974).	4,194.45
Ellen Metsky	Clerical staff (from Aug. 3 through Aug. 31, 1974).	560.00
Ricki Ninomiya	Clerical staff (through July 29, 1974).	805.55
Bernard W. Nussbaum	Senior associate special counsel (through Sept. 6, 1974).	6,600.00
James B. Oliphant	Counsel (through Sept. 6, 1974).	4,766.67
Jan Orloff	Research assistant (through Nov. 18, 1974).	5,558.32
Thomas J. Payne	Staff assistant (through Sept. 11, 1974).	4,354.67
John Peterson	Research assistant (through Nov. 18, 1974).	5,175.00
Elizabeth Pond	Clerical staff (through Sept. 6, 1974).	2,108.33
Richard H. Porter	Counsel (through Aug. 9, 1974).	2,329.17
Muriel Pugh	Research assistant (through Nov. 18, 1974).	5,175.00
George G. Rayborn, Jr	Counsel (thourgh Sept. 13, 1974).	5,373.60
Sally Regal	Research assistant (through Sept. 15, 1974).	2,270.82
James M. Reum	Counsel (through Aug. 30, 1974).	3,666.66
Jane Ricca	Clerical staff (thorugh Sept. 6, 1974).	2,750.00
Elise Ritter	Clerical staff (through Sept. 20, 1974).	1,850.00
Hillary Rodham	Counsel (through Sept. 4, 1974).	3,377.77
Linda Rogerson	Clerical staff (through Aug. 30, 1974).	2,000.00
Robert D. Sack	Associate special counsel (through Sept. 2, 1974).	5,855.55
Nancy R. Schaefer	Cleridal staff (through Aug. 2, 1974).	1,066.67
Alan E. Schwartz	Clerical staff (off July 31, 1974).	683.33
Stephen A. Sharp	Counsel (through Sept. 6, 1974).	3,520.00
Katherine R. Siddall	Clerical staff (from July 17 through 31).	291.67
Eileen Silverstein	Counsel (through Aug. 13, 1974).	2,388.89
Carl H. Simms	Security assistant	7,308.33
Barbara Simon	Clerical staff (through Aug. 14, 1974).	880.00
Doris G. Smith	Clerical staff (through Sept. 13, 1974).	2,331.94
Mary Ann Spaeth	Clerical staff (through July 15, 1974).	333.33
Roscoe B. Starek III	Counsel (through Sept. 13, 1974).	3,650.00
Gary W. Sutton	Counsel (through Aug. 31, 1974).	4,166.66
Nina Sweetwood	Clerical staff (through Sept. 10, 1974).	1,750.00
Edward S. Szukelewicz	Counsel (through Sept. 6, 1974).	3,227.40
Sue M. Trabosh	Clerical staff (through Nov. 11, 1974).	5,094.46
Nina J. Turitz	Clerical staff (through July 15, 1974).	375.00
James S. Walker	Counsel (through Aug. 22, 1974).	3,105.56
Ben A Wallis, Jr	Counsel (through Sept. 6, 1974).	4,766.67
Olga E. Watkins	Clerical staff (through Sept. 6, 1974).	2,566.67
William F. Weld	Counsel (through July 2, 1974).	$130.56
Nancy J. West	Clerical staff (from July 1 through Aug. 24, 1974).	1,679.99
William A. White	Associate Counsel (through Sept. 6, 1974).	4,308.33
John S. Whitman	Counsel (through Aug. 31, 1974).	3,333.34
Joanne Woods	Research assistant (through Aug. 8, 1974).	897.22
Yvonne Zecca	Clerical staff (through Sept. 13, 1974).	1,515.00

Funds authorized or appropriated for committee expenditures	$2,880,217.75
Amount of expenditures previously reported	1,866,708.12
Amount expended from July 1 to Dec. 31, 1974	984,617.34
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	2,851,235.66
Balance unexpended as of Dec. 31, 1974	28,892.29

PETER W. RODINO, Jr., Chairman.

FUNDS FOR PREPARATION OF UNITED STATES CODE, DISTRICT OF COLUMBIA CODE, AND REVISION OF THE LAWS

A. Preparation of new edition of United States Code (no year):	
Unexpended balance June 30, 1974	$104,498.30
Expended July 1–Dec. 31, 1974	11,355.51
Balance Dec. 31, 1974	93,142.79
B. Preparation of new edition of District of Columbia Code:	
Unexpended balance June 30, 1974	145,798.78
Legislative Appropriation Act, 1975	100,000.00
	245,798.78
Expended July 1-Dec. 31, 1974	380.91
Balance Dec. 31, 1974	245,417.87
C. Revision of the laws, 1975:	
Legislative Appropriation Act, 1975	39,980.00
Expended July 1–Dec. 31, 1974	15,966.82
Balance Dec. 31, 1974	24,013.18

COMMITTEE ON MERCHANT MARINE AND FISHERIES

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

To the Clerk of the House:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Ernest J. Corrado	Chief Counsel	$18,000.00
Ned P. Everett	Counsel	17,767.17
Francis D. Heyward	do	12,471.30
Leonard L. Sutter	do	15,847.38
Francis P. Still	Chief clerk	5,096.73
W. Bernard Winfield	Clerk	13,433.79
Vera A. Barker	Secretary	10,895.07
Richard N. Sharood	Minority counsel	16,979.31
Charles A Bedell	do	11,303.58
Virginia L. Noah	Minority clerk	10,753.56
Investigative committee staff		
Mary C. McDonnell	Counsel	11,885.55
Frank M. Potter, Jr	do	11,833.35
Carl L. Perian	Professional staff member	15,281.37
Donald A. Watt	Editor	11,547.07
Terrence W. Modglin	Clerk	6,904.63
Ruth I. Hoffman	Assistant clerk	7,923.66
Jacquelyn M. Westcott	Stenographer-clerk	7,530.18
Eleanor P. Mohler	Secretary	7,132.59
Mabel Duran	do	7,098.96
Marvadell Zeeb	Secretary (appointed May 1, 1974, terminated July 31, 1974)	5,962.62
Boyd T. Bashore	Clerk (Appointed Sept. 1, 1974, terminated Sept. 30, 1974)	3,500.00
Peter D. H. Stockton	Investigator (appointed Aug. 1, 1974, terminated Aug. 31, 1974)	1,666.67
Gwendolyn H. Lockhart	Assistant minority clerk.	7,357.71

COMMITTEE ON MERCHANT MARINE AND FISHERIES—Continued

Funds authorized or appropriated for committee expenditures	$494,500.00
Amount of expenditures previously reported	319,738.67
Amount expended from July 1, 1974 to Dec. 31, 1974	129,038.67
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	448,777.34
Balance unexpended as of Dec. 31, 1974	45,722.66

LEONOR K. SULLIVAN, Chairman.

COMMITTEE EMPLOYEES

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

January 20, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
John H. Martiny	Chief counsel	$4,230.00
Victor C. Smiroldo	Staff director and counsel.	18,000.00
Theodore J. Kazy	Assistant staff director	18,000.00
Roy C. Mesker	Staff assistant	18,000.00
Francis C. Fortune (through Nov. 30, 1974.)	Coordinator	12,645.85
Robert E. Lockhart	Assistant counsel	16,150.02
Maria Pendleton	Administrative clerk	9,604.98
Dorothy L. Peters	Executive secretary	8,940.00
Margaret Napier	Document clerk	7,045.02
Special fund staff:		
Francis Fortune (as of Dec. 1, 1974).	Coordinator	2,529.17
Jo Ann Ciaravella	Secretary	6,250.02
John Gabusi	Staff assistant	9,750.00
Alton Howard	Printing editor	11,350.02
Edward Hugler	Investigator	14,625.00
Patricia Perdue	Secretary	4,800.00
Diane Bakall	Clerk-typist	1,800.00
Edward Sibble	Research assistant	1,700.00
Andrew Sangeorge (through Aug. 31, 1974).	Summer intern	800.00
Kandy Kovaleski (as of Sept. 15, 1974).	Secretary	3,106.25
Marian Goodman (as of Nov. 11, 1974).	do	1,319.45
Molly Lyons (as of Dec. 30, 1974).	do	27.78
Manpower and Civil Service Subcommittee:		
Paul Newton	Investigator	12,000.00
Patricia Pankonin	Secretary	6,000.00
Evalena Carroll	Clerk-typist	3,808.33
Deborah Willey (through Aug. 16, 1974).	Intern	613.33
Postal Service Subcommittee:		
Richard A. Barton	Staff assistant	13,000.98
Cassandra Cox (through Nov. 8, 1974).	Secretary	3,377.79
Rosemary Storey	Associate staff assistant.	6,000.00
Robert Husson (through Aug. 16, 1974).	Intern	613.33
Joy Smucker (through Aug. 16, 1974).	do	613.33
Lydia Fox (as of Oct. 21, 1974).	Secretary	1,944.44
Postal Facilities, Mail and Labor Management Subcommittee:		
George Gould	Staff assistant	14,500.02
Michael Cavanagh	Associate staff assistant.	6,000.00
Paula Hemphill	Secretary	5,749.98
Karen Ingoldsby	Intern (through Aug. 31, 1974).	800.00
Stacy Rae Jones	Intern (through Aug. 11, 1974).	546.67
Retirement and Employee Benefits Subcommittee:		
Donald F. Terry	Assistant counsel	12,000.00
Mansel Bruce Gwinn	Staff assistant	5,266.65
Joseph Skillen	Staff assistant (through Dec. 15, 1974).	6,050.00
Wendy Weisheit	Secretary	$4,750.03
Katherine Schrup	Intern (through Aug. 30, 1974).	586.67
Denis Allen	Intern (through Aug. 15, 1974).	310.00
Census and Statistics Subcommittee:		
Richard D. Bullock	Staff assistant	13,999.98
Bettie LaMotte	Secretary	6,250.02
Richard Greenberg	Assistant counsel (as of July 8, 1974).	6,968.04
Kenneth Yelding	Staff assistant (July 8 to Aug. 2, 1974).	833.34
Minority staff:		
Anthony Raymond	Staff assistant	12,900.00
Ray Coultrap	do	7,900.02
Kathryn Bates	Secretary	6,925.02
Margaret Barry	do	5,749.98
Lawrence Portwood	Intern (through Aug. 24, 1974).	720.00

Funds authorized or appropriated for committee expenditures	$1,173,500.00
Amount of expenditures previously reported	755,712.47
Amount expended from July 1 to Dec. 31, 1974	293,461.30
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	1,049,173.77
Balance unexpended as of Dec. 31, 1974	124,326.23

DAVID N. HENDERSON, Chairman.

COMMITTEE ON PUBLIC WORKS

December 31 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Richard J. Sullivan	Chief counsel	$18,000.00
Lester Edelman	Counsel	18,000.00
Lloyd A. Rivard	Engineer consultant	18,000.00
Carl H. Schwartz, Jr	Consultant—Projects and programs (terminated November 30, 1974).	3,950.00
James L. Oberstar	Administrator (terminated July 11, 1974), professional staff assistant (effective December 11, 1974 to January 2, 1975).	3,100.00
Dorothy A. Beam	Executive staff assistant.	13,564.32
Meriam A. Buckley	Calendar clerk	10,980.18
Sterlyn B. Carroll	Staff assistant	10,430.16
Ruth Costello	do	10,513.49
Clifton W. Enfield	Minority counsel	18,000.00
Richard C Peet	Associate minority counsel (terminated September 30, 1974).	9,000.00
Erla S. Youmans	Minority executive staff assistant.	11,817.42
Investigating staff:		
Phyllis B. Stone	Staff assistant	5,754.54
Joan Marie Kovalic	do	9,505.32
Thomas L. Anderson	Staff assistant (terminated January 2, 1975).	6,807.06
Catherine A. Evans	Staff assistant	5,908.68
Roger B. Furey	do	3,484.33
Ann J. Joseph	Staff assistant (terminated July 21, 1974).	531.71
Machele Miller	Staff assistant	5,754.54
Shirley Ruhe	do	8,152.59
Robert F. Spence	do	10,305.30
Toby J. Stein	do	5,170.95
Cyde E. Woodle, Jr	do	10,442.68
Olga Wynnyk	do	4,549.48
Charilyn W. Cowan	do	4,156.95
Harry Lee Stout	do	7,193.22
Gail Ann Chase	Staff assistant (terminated July 26, 1974).	577.78
Douglas W. Marshall	Staff assistant (terminated Aug. 2, 1974).	1,240.00
Catherine Lawson Hagaman.	Staff assistant (terminated Aug. 31, 1974).	1,666.66
Kevin J. Jennier	Staff assistant	6,165.60
Elisabeth Forshay	do	5,908.68
Erin Eileen Feeney	Staff assistant (effective July 1, 1974; terminated Aug. 2, 1974).	1,291.67
Sallie Ann Bobo	Staff assistant (effective Aug. 12, 1974).	$3,639.18
Robert Kent Dawson	Administrator (effective Aug. 19, 1974).	12,174.95
Gordon E. Wood	Assistant minority counsel.	17,225.88
Sheldon S. Gilbert	do	16,979.31
Patricia A. Hill	Minority staff assistant	7,707.00
Richard C. Barnett	do	9,248.40
Jeffrey S. O'Neill	Minority staff assistant (effective Oct. 1, 1974).	7,122.17
Alexandra R. Sassoon.	Minority staff assistant (terminated Nov. 8, 1974).	4,253.46
Patricia Stone	Minority staff assistant (effective Nov. 8, 1974).	3,358.34
Joanne Morrone Frantzich.	Minority staff assistant	5,908.68
Cheryl Ann Meyers	do	5,754.54
Florence B. Edelen	do	5,908.68
James Walter Brown	Minority staff assistant (terminated Sept. 2, 1974).	2,066.67
Errol Lee Tyler	Associate counsel	16,149.24
Joseph A. Italiano	Editorial assistant	12,588.12
Marie M. Lynch	Clerk, Subcommittee on Water Resources.	8,272.18
Nancy B. Vitali	Clerk, Subcommittee on Public Buildings and Grounds.	9,032.61
Subcommittee on Economic Development:		
Robert Paul	Consultant, environment and economic development.	18,000.00
Carl J. Lorenz	Counsel	17,716.02
Anne Louise Howard	Staff assistant	6,550.95
Ann D. Clineburg	do	6,459.69
John Jeffery Carter	do	5,137.98
Nancy Denholm	do	4,367.28
Mary K. Trich	Staff assistant (effective July 8, 1974).	4,202.00
Subcommittee on Energy:		
Salvatore J. D'Amico	Counsel	17,968.32
Henry G. Edler	Technical adviser	18,000.00
Carol Dahlstedt	Clerk	8,612.91
Stephanie G. Negley	Staff assistant	6,459.69
Subcommittee on Investigations and Review:		
Walter R. May	Chief counsel	18,000.00
John P. O'Hara	Associate counsel	17,716.02
Robert G. Lawrence	do	16,170.00
George M. Kopecky	Chief investigator	18,000.00
William O. Nolen	Investigator	13,872.60
George P. Karseboom	Professional staff member.	16,121.88
Charles A. Krouse	do	16,121.88
B. Craig Raupe	do	16,095.42
Charles W. Prisk	Staff engineer	5,070.00
Walter L. Mazan	Professional staff member.	13,121.66
Kathryn M. Keeney	Chief clerk	11,319.54
Betty Hay Wright	Administrative assistant.	10,753.56
Agnes M. GaNun	Staff assistant	7,731.09
Shirley B. Novotny	do	7,463.82
Virginia Middledorf	do	7,707.00
John Brooks Harrington.	Staff assistant (terminated Sept. 15, 1974).	750.00
Jeffrey Simms	Staff assistant (effective Sept. 24, 1974).	1,019.6
Paul R. S. Yates	Minority staff director	17,812.41
Martha F. Downie	Minority staff assistant	8,991.48
Curtis E. Whalen	Minority counsel (effective July 6, 1974).	7,498.67
Consultants:		
Stephen Clapp	Consultant	400.00
F. Robert Edman	do	11,600.00
Peter Jutro	do	3 690.00
Richard C. Royce	do	6,500.00
Max Taher	do	7,600.00
Stan Jennings Publications.	do	900.00

Funds authorized or appropriated for committee expenditures:	
H. Res. 285	$1,519,700.00
H. Res. 987	1,394,480.00
	2,914,180.00
Amount of expenditures previously reported	1,700,052.73
Amount expended from July 1, to Dec. 31, 1974	738,116.17
Total amount expended from Jan. 3, 1973, to Dec. 31, 1974	2,438,168.90
Balance unexpended as of Dec. 31, 1974	476,011.10

JOHN A. BLATNIK, Chairman.

COMMITTEE ON RULES

January 27, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Dorothy Ballenger	Secretary	8,074.65
Laurie C. Battle	Counsel and staff director.	18,000.00
Margaret Bundick	Staff assistant	8,643.87
William D. Crosby, Jr	Minority counsel	14,806.02
Jonna Lynne Cullen	Assistant minority counsel.	10,490.94
Mary S. Forest	Assistant counsel	291.18
Donald Gregory Nicosia	Majority counsel	11,309.64
Nancy Smith	Secretary	1,000.00
Winifred L. Watts	Administrative assistant.	11,552.76
Linda L. Weaver	Secretary	6,459.69
Total		90,628.75

Funds authorized or appropriated for committee expenditures	$7,000.00
Amount of expenditures previously reported	3,571.81
Amount expended from July 1, 1974, to Dec. 31, 1974	1,958.30
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	5,530.11
Balance unexpended as of Dec. 31, 1974	1,469.89

RAY J. MADDEN, Chairman.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

January 22, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1974 to January 2, 1975, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing Committee:		
John L. Swigert, Jr	Executive director	$18,000.00
James E. Wilson	Deputy director	18,000.00
Philip B. Yeager	Counsel	18,000.00
Frank R. Hammill, Jr	do	18,000.00
Carl Swartz	Minority staff	14,486.34
Michael A. Superata	Minority counsel	11,084.30
Mary Ann Robert	Administrative specialist (to Aug. 31).	4,390.90
Carol F. Rodgers	Secretary	8,303.41
June C. Stafford	do	8,296.09
Patricia J. Schwartz	do	6,442.77
Rebecca S. Wheeler	Administrative specialist.	6,013.00
Leon F. Drozd, Jr	Chief clerk	8,019.00
Investigative staff (H. Res. 793):		
Harold A. Gould	Technical consultant	18,000.00
George W. Fisher	Special assistant to chairman.	18,000.00
J. Thomas Ratchford	Science consultant	17,927.08
William G. Wells, Jr	Technical consultant	17,900.75
John D. Holmfeld	Science policy consultant.	14,844.28
Leon F. Drozd, Jr	Assist to the chief clerk.	1,500.00
Thomas N. Tate	Technical consultant and counsel.	14,980.97
Frank J. Giroux	Printing clerk (to Aug. 31).	3,476.76
L. Kirk Hall	Technical specialist	8,525.68
Helen Lee Fletcher	Secretary	7,900.71
Judith A. Everett	Secretary (to July 7)	188.61
Peggy G. Welch	Secretary (to Aug. 15)	1,112.50
William G. Carter	Publications clerk	5,615.34
Mark D. Friedrichs	Research assistant (to Sept. 30).	1,550.00
Barbara Allen Sutton	Secretary	4,240.75
Thomas H. Tackaberry.	Research assistant	3,871.58
Ellen M. Barney	Clerical assistant	3,961.17
Mary-Margaret Harvey.	Secretary (from July 1).	4,487.19
Elizabeth F. Maxfield	Clerical assistant (July 1–31).	500.00
Robert A. Hemmes	Technical specialist (July 24–Nov. 22).	9,916.66
Lynn Graham	Secretary (from Aug. 7).	3,447.67
William S. Widnall	Technical specialist (from Sept. 1).	$1,666.68
Paula D. Cottrell	Clerical assistant (from Sept. 23).	1,978.60
Linda Marsha Huey	Minority secretary (from Sept. 23).	2,731.10
Suzanne M. Stamper	Secretary (from Nov. 25).	1,020.00
Ralph Read	Technical consultant (from Dec. 17).	1,400.00
Robert Ketcham	Technical consultant (from Dec. 30).	100.00

Funds authorized or appropriated for committee expenditures	$780,000.00
Amount of expenditures previously reported	328,981.92
Amount expended from Jan. 1, 1974 to Jan. 2, 1975	400,782.71
Total amount expended from Jan. 1, 1973 to Jan. 2 1975	729,764.63
Balance unexpended as of Jan. 2, 1975	50,235.37

OLIN E. TEAGUE, Chairman

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Swanner	Staff director	$18,000.00
William F. Arbogast	Assistant staff director.	15,414.00
Mariann R. Mackenzie	Secretary (includes 1972 retroactive salary).	13,190.75
Pamela Gray	Clerk	4,110.42
Nancy L. Nicholas	Assistant clerk to Aug. 23, 1974.	883.33
Lynn L. Graham	Assistant clerk to Aug. 6, 1974.	900.00
Robert G. Allett (retired)	Retroactive 1972 salary.	31.35
Bennett Wolfe (retired)	do	407.46
Tempie W. Whittington	do	125.57

Funds authorized or appropriated for committee expenditures. H. Res. 219 (Mar. 20, 1973)	$25,000.00
Amount of expenditures previously reported	8,436.30
Amount expended from July 1 to Dec. 31, 1974	497.72
Total amount expended from Mar. 20, 1973 to Dec. 31, 1974	8,934.02
Balance unexpended as of Dec. 31, 1974	16,065.98

MELVIN PRICE, Chairman.

COMMITTEE ON VETERANS' AFFAIRS

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Oliver E. Meadows	Staff director	$18,000.00
Donald C. Knapp	Counsel (through Nov. 30, 1974).	15,000.00
Mack G. Fleming	Assistant counsel	15,000.00
John R. Holden	Professional staff member (minority).	18,000.00
Billy E. Kirby	Professional aide	18,000.00
Arthur M. Gottschalk	Professional aide (minority).	12,539.22
Helen A. Biondi	Chief clerk	12,230.00
Marjorie J. Kidd	Clerk stenographer	8,305.95
Morvie Ann Colby	do	8,684.61
Candis L. Graves	Clerk stennographer	$5,921.40
Audrey P. Burnett	do	6,545.55
Barbara Lee Neff	Clerk stenographer (minority) (through Sept. 6, 1974).	2,083.34
Barbara P. Daniel	Clerk stenographer (minority) (from Sept. 16, 1974).	3,818.34
Investigative staff:		
Philip E. Howard	Investigator	17,944.44
Vance L. Gilliam	Records clerk	5,175.66
Alice V. Matthews	Clerk stenographer	3,768.15
Margaret Hulehan	do	5,921.40
Anne Steadman	Clerk stenographer (through Oct. 6, 1974).	3,600.00
Diana Sue Gaujot	Clerk stenographer (through Aug. 15, 1974).	1,309.38
Jill T. Cochran	Clerk stenographer (from Nov. 25, 1974).	1,220.00

Funds authorized or appropriated for committee expenditures	270,000.00
Amount of expenditures previously reported	164,160.93
Amount expended from July 1, to Dec. 31, 1974	50,143.31
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	214,304.24
Balance unexpended as of Dec. 31, 1974	55,695.76

WM. J. BRYAN DORN, Chairman

COMMITTEE ON WAYS AND MEANS

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Martin, Jr	Chief counsel (P)	$18,000.00
Richard C. Wilbur	Minority counsel (P) to July 9.	900.00
John Meagher	Minority counsel (P) from August 1.	15,424.05
John Patrick Baker	Assistant chief counsel (P).	17,749.98
William Fullerton	Professional staff (P)	17,927.82
Robert B. Hill	do	16,123.42
James W. Kelley	do	17,927.82
Harold Lamar	do	17,927.82
Arthur Singleton, Jr	do	18,145.02
William Kane	Retroactive amount, October 1972 to December 1972.	426.75
Florence Burkett	Staff assistant (C)	10,625.04
Virginia Butler	do	12,355.35
William C. Byrd	Staff assistant (C) to October 21.	4,982.88
Do	Staff assistant (C) from November 11.	2,032.10
Marie Crane	Staff assistant (C)	10,465.83
Connie Faulkner	do	5,498.33
Barbara Fry	Staff assistant (C) from October 1.	2,506.11
Hughlon Greene	Staff assistant (C)	12,240.02
Charles Hawkins	do	17,749.98
Grace Kagan	do	12,874.97
June Kendall	do	15,216.10
Marilyn Lee	Staff assistant (C) to Aug. 10.	1,277.77
Elizabeth Lieblich	Staff assistant (C)	6,528.27
Wlater B. Little	do	12,240.02
Doris Parker	do	6,373.04
Marsha Powell	do	6,027.75
Jean Ratliff	do	7,806.49
Danna Palmer	do	6,329.86
Karen Schwarz	do	7,400.64
Margo Shildkret	do	5,372.13
Gloria Shaver	do	11,917.73
Carole Vazis	do	8,914.57
Kay Anne Weinstein	Retroactive amount, October 1972 to December 1972.	151.41
Under H. Res. 945, 93d Congress:		
Joyce Calvin (from Aug. 1 to Sept. 11).		1,309.72
Mary Nell Lehnhard		7,707.00
Robert Leonard		11,560.50
Susan Liles (from Nov. 11).		1,736.12
John Meagher (to July 31).		2,958.33
Paul Rettig		17,625.00
David Rohr (from July 15).		15,672.07
Gloria Trimble (from Nov. 11).		1,527.78
Mary Jane Wignot		14,900.22

COMMITTEE ON WAYS AND MEANS—Continued

Funds authorized or appropriated for committee expenditures	$520,000.00
Amount of expenditures previously reported	107,777.06
Amount expended from July 1, 1974, to Dec. 31, 1974	87,864.11
Total amount expended from Jan. 1, 1973, to Dec. 31, 1974	195,641.17
Balance unexpended as of Dec. 31, 1974	324,358.83

W. D. MILLS, Chairman.

SELECT COMMITTEE ON COMMITTEES

January 27, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles S. Sheldon II	Chief of Staff	$18,000.00
Melvin M. Miller	Deputy Chief of Staff	18,000.00
Gerald J. Grady	Professonal staff member (terminated July 22, 1974).	2,050.27
Spencer M. Beresford	Counsel (Terminated July 15, 1974).	1,500.00
Linda H. Kamm	Counsel	16,955.40
Robert C. Ketcham	Special counsel (terminated Dec. 29, 1974).	16,858.67
Roger H. Davidson	Professional staff member (terminated July 15, 1974).	1,416.66
Terence T. Finn	Staff consultant (terminated July 15, 1974).	893.75
Mary E. Zalar	Professional staff member.	8,477.70
Joan Bannon Bachula	Research assistant (terminated Aug. 11, 1974).	1,467.60
Barbara K. Rodriguez	Chief clerk (terminated Dec. 22, 1974).	6,619.74
Lorren V. Roth	Secretary (to July 21, 1974; and from Sept. 1, 1974).	4,089.45
Ellen E. Leake	Secretary (to Sept. 2, 1974).	1,894.45
Helen L. Carlson	Secretary (to Dec. 22, 1974).	4,966.10
Nona G. Herndon	Secretary (from Sept. 12, 1974).	4,004.22

Funds authorized or appropriated for committee expenditures	$1,500,000.00
Amount of expenditures previously reported	562,802.11
Amount expended from July 1, 1974 to Dec. 31, 1974	124,442.09
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	687,224.20
Balance unexpended as of Dec. 31, 1974	812,755.80

RICHARD BOLLING, Chairman.

COMMITTEE ON THE HOUSE RESTAURANT, SELECT

January 17, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Thomas J. Campbell	Staff director	$11,401.77
Denise Ann Bell	Secretary (reported May 1, 1974, resigned Aug. 16, 1974).	856.11
Jane Moran	Secretary (reported Sept. 1, 1974, resigned Dec. 31, 1974).	$2.500.00
Total		14,757.88

Funds authorized or appropriated for committee expenditures	68,000.00
Amount of expenditures previously reported	44,783.37
Amount expended from July 1, to Dec. 31, 1974	14,807.12
Total amount expended from Jan. 3, to Dec. 31, 1974	59,590.49
Balance unexpended as of Dec. 31, 1974	8,409.51

JOHN C. KLUCZYNSKI, Chairman.

PERMANENT SELECT COMMITTEE ON SMALL BUSINESS

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Emilia E. Parrish	Secretary	$6,624.99
William A. Keel, Jr	Research Analyst	18,000.00
Myrtle Ruth Foutch	Clerk	13,375.02
Donna M. Watson	Secretary	5,874.99
Henry A. Robinson	General counsel	18,000.00
Lois Liberty	Printing editor	9,125.01
Thomas G. Powers	Counsel	10,125.01
Elizabeth Cingel	Secretary	4,500.00
Justinus Gould	Deputy general counsel	17,750.01
William F. Demarest	Counsel	9,249.99
Mary Eileen Hohman	Secretary	4,291.67
Lucille C. Hicls	do	6,875.01
Kenneth H. Davidson	Staff assistant	5,124.99
Michael J. Ward	Counsel	7,250.01
Linda Louise Hardin	Secretary	3,249.99
James R. Phalen	Minority counsel	14,374.98
Paul Kritzer	Assistant minority counsel.	12,324.99
Elmira R. Stewart	Secretary, minority	4,875.00
Willa C. Rawls	do	6,125.01
Carol Ann Ward	do	5,375.01

Funds authorized or appropriated for committee expenditures	$994,000.00
Amount of expenditures previously reported	687,960.25
Amount expended from July 1, 1974 to Dec. 31, 1974	192,524.29
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	880,484.54
Balance unexpended as of Dec. 31, 1974	113,515.46

JOE L. EVINS, Chairman.

JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

December 31, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Eugene F. Peters	Executive director	$18,000.00
Francis J. Keenan	Project director	17,315.04
Raymond L. Gooch	Staff counsel	16,418.40
Cynthia K. Watkins	Staff administrator	8,220.78
Donald G. Tacheron	Director of research	17,749.98
George Meader	Staff counsel	6,000.00
George Roger King	Staff assistant	9,887.13
Robert J. Kelley	do	11,560.50
James F. McAllister	Administrative officer	14,803.47
Gerard C. Snow	do	6,679.38
William B. Blacklow	Staff assistant	7,508.38
Grace Seckler	Placement assistant	4,411.52
Sybil Capps	do	200.00
Earl Francis Rieger	Staff counsel	$11,303.58
Samuel V. Merrick	Staff assistant	7,500.00
Patricia Neal Gray	do	3,082.80
Linda Jo Shelton	Stenographer	4,962.42
Mary C. Mundee	Placement assistant	377.75
David Robert Solomon	do	4,156.98
James Joseph Abrams	do	4,714.44
Nancy Louise Emery	Receptionist/typist	4,156.95
David W. Savercool	Clerk	1,758.19
Terrence John McCartin	Temporary clerk	750.00
Nina S. Davis	do	422.22
Richard W. Mark	do	1,065.28
Cindy Lee Carter	do	270.83
Gerald P. McCartin	Clerk	758.15
John W. Molloy	Placement assistant	2,871.38
Gayle D. Fralin	do	3,508.66
Victor D. Petaccio	Staff assistant	6,000.00
Cheryl Fleishman	Placement assistant	2,435.82
Karen Anne Glenn	do	3,429.73
Robert E. Downer	Temporary clerk	5,550.00
Janet E. Moore	Placement assistant	2,520.17
David Wesley Jones	do	1,652.77
William Calloway	Clerk	324.13
Eleanor M. Senf	Temporary clerk	805.55
Heather S. Entrekin	Stenographer	891.67

Funds authorized or appropriated for committee expenditures	$600,000.00
Amount expended from July 1 to Dec. 31 1974	219,449.63
Balance unexpended as of Dec. 31 1974	380,550.37

LEE METCALF, Chairman.

JOINT COMMITTEE ON DEFENSE PRODUCTION

January 17, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Cary H. Copeland	Assistant staff director	$13,887.93
Robert S. Riggs	Professional staff	7,882.77
Robert B. Geddie, Jr	Professional staff	7,888.03
Robert B. Geddie, Jr	Professional staff	9,058.03
J. Michael Hemphill	Professional staff	12,625.47
Ruth Baskerville	Secretary	5,417.52
Edward A. Sokol	Professional staff	10,137.25
B. Edward McMurphy	Clerk	660.36
William Kling, Jr	Clerk	459.38
Harold J. Warren	Contractor	6,999.96

Funds authorized or appropriated for committee expenditures	[1] $154,050.00
Amount of expenditures previously reported	0.00
Amount expended from July 1 to Dec. 31, 1974	69,087.48
Total amount expended from July 1 to Dec. 31, 1974	69,087.48
Balance unexpended as of Jan. 1, 1975	89,962.52

JOHN SPARKMAN, Chairman.

[1] Does not include supplemental appropriation for October 1974 5.52 percent cost-of-living pay increase.

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Laurence N. Woodworth	Chief of staff	$19,999.98
Lincoln Arnold	Deputy chief of staff	18,000.00
Herbert L. Chabot	Assistant chief of staff	18,000.00
Bernard M. Shapiro	do	18,000.00
Arthur S. Fefferman	Chief economist	18,000.00
Harrison B. McCawley	Refund counsel	17,750.01
James H. Symons	Statistical analyst	18,000.00
John Germanis	do	17,469.24
Mark L. McConaghy	Legislation counsel	16,366.65

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION—Continued

Name of employee	Profession	Total gross salary during 6-month period
Robert A. Blum	do	$16,184.76
Michael D. Bird	Economist	18,000.00
Albert Buckberg	do	18,000.00
Leon W. Klud	do	13,101.99
James W. Wetzler	do	10,687.23
Allan S. Rosenbaum	Accountant	15,050.00
Howard J. Silverstone	International tax counsel.	17,469.24
Robert A. Warden	Assistant legislation counsel.	17,469.24
Richard L. Bacon	Legislation attorney	16,441.77
James L. Billinger	do	14,335.26
Don L. Ricketts	do	14,250.00
Paul W. Oosterhuis	do	8,991.48
Joseph P. Spellman	Refund attorney	13,359.00
Carl E. Bates	do	13,204.77
Joseph E. Fink	Statistical clerk	10,890.00
Cynthia F. Wallace	do	7,707.00
Peter J. Davis	Econometrician	7,125.00
Marcia B. Rowzie	Administrative assistant.	7,850.01
Joanne B. McDermott	Executive assistant	10,841.25
Linda R. Savage	Secretary	8,477.76
Blance F. Nagro	do	7,912.74
Jamie L. Daley	do	7,707.00
Jacqueline S. Pfeiffer	do	7,501.50
June M. Matthews	do	6,885.00
Amelia Del Carmen	do	6,731.01
Alexa B. Gage	do	6,679.50
Maria L. Winter	do	6,474.00
Norma E. Kreshner	do	6,225.00
Elizabeth A. Dale	do	6,200.01
Frances Abelitis	do	6,124.98
Sharon F. Malcom	do	5,394.99
Michael Cook	Clerk	5,652.00
John Wendell	Clerk (as of Aug 19, 1974).	3,008.28
Tom Hart	Econometrician (as of Nov. 1, 1974).	2,250.00
Meade Emory	Legislation attorney (to Oct. 6, 1974).	8,800.00
Thomas R. White III	Legislation attorney (to Sep 7, 1974).	6,141.67
John J. King	Administrative assistant (to Oct. 6, 1974).	6,133.34
Ellen I. Woodriff	Secretary (to Oct. 11, 1974).	3,254.46
Guy Richard Eigenbrode	Clerk (to Aug. 16, 1974).	969.51
Herman Wommack	Clerk (to Aug. 1, 1974).	688.89

Funds authorized or appropriated for committee expenditures	1,106,165.00
Amount of expenditures previously reported	
Amount expended from July 1 to Dec. 31, 1974	629,794.04
Total amount expended from July 1 to Dec. 31, 1974	629,794.04
Balance unexpended as of Dec. 31, 1974	476,370.96

AL ULLMAN, Chairman

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

419. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that various appropriations have been apportioned on a basis which indicates the necessity for further supplemental estimates of appropriations for fiscal year 1975, pursuant to section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

420. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Domestic and International Business Administration for Operations and Administration for fiscal year 1975 has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

421. A letter from the Assistant Secretary of Defense (Installations and Logistics); transmitting a report on negotiated contracts for experimental, developmental, test or research work, or industrial mobilization in the interest of national defense, covering the period July–December, 1974, pursuant to 10 U.S.C. 2304(e); to the Committee on Armed Services.

422. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with the Korea Electric Company which exceeds $60 million, pursuant to section 2(b)(3) of the Export-Import Bank Act of 1945, as amended [12 U.S.C. 635(b)(3)]; to the Committee on Banking, Currency and Housing.

423. A letter from the Chairman, National Commission for Manpower Policy, transmitting the Commission's first interim report, entitled "The Challenge of Rising Unemployment"; to the Committee on Education and Labor.

424. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to sell certain defense articles to the Government of Switzerland, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

425. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report of the activities of the U.S.-U.S.S.R. Joint Committee on Cooperation in the Field of Environmental Protection during 1974, and the memorandum of implementation covering plans for 1975; to the Committee on Foreign Affairs.

426. A letter from the Clerk, U.S. House of Representatives, transmitting his semiannual report of receipts and expenditures of appropriations and other funds for the period July 1–December 31, 1974, pursuant to section 105(a) of Public Law 88–454 [2 U.S.C. 104a] (H. Doc. No. 94–63); to the Committee on House Administration and ordered to be printed.

427. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting an annual report on progress in implementing motor vehicle emission standards, covering fiscal year 1974, pursuant to section 202(b)(4) of the Clean Air Act, as amended; to the Committee on Interstate and Foreign Commerce.

428. A letter from the Chairman, United States Railway Association, transmitting the preliminary plan for Notheast rail services, pursuant to section 207(a) of Public Law 93–236; to the Committee on Interstate and Foreign Commerce.

429. A letter from the vice president for Government and Public Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of November 1974, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

430. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to improve and control the cost of the program of old-age, survivors, and disability insurance, the program of grants to States for aid to families with dependent children, and the program of health insurance for the aged and disabled; to the Committee on Ways and Means.

431. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to improve and control the cost of the maternal and child health and crippled children's services program and the program of grants to States for medical assistance programs; jointly, to the Committees on Ways and Means, and Interstate Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PRICE: Committee on Armed Services. House Resolution 72. Resolution directing the President to provide to the House the information contained in the report of William E. Colby delivered to the President on or about December 26, 1974, and relating to certain activities of the Central Intelligence Agency, (Rept. No. 94–22). Referred to the House Calendar.

Mr. PRICE: Committee on Armed Services. House Resolution 129. Resolution requesting certain information regarding U.S. involvement in Indochina from the Secretary of Defense. (Rept. No. 94–23). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 263, a resolution providing for the consideration of Concurrent Resolution 133. Concurrent resolution to lower interest rates. (Rept. No. 94–24). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR (for himself, and Mr. Pressler, Mr. Santini, and Mr. Roncalio):

H.R. 3821. A bill to amend the Emergency Livestock Credit Act of 1974 to provide additional temporary financial assistance to owners of livestock for the purpose of maintaining small farmers and ranchers and thereby preserving a competitive livestock production system; to the Committee on Agriculture.

By Mr. ADBNOR (for himself, and Mr. Bob Wilson):

H.R. 3822. A bill to provide for the establishment of the Jerry Pettis National Conservation Area of the California Desert and to provide for the immediate and future protection, development, and administration of such public lands; to the Committee on Interior and Insular Affairs.

By Mr. ADDABBO (for himself, Ms. Abzug, Mr. Baldus, Mr. Broomfield, Mrs. Burke of California, Mr. Carter, Mrs. Chisholm, Mr. Dellums, Mr. Dodd, Mr. Drinan, Mr. Evans of Indiana, Mr. Ford of Tennessee, Mr. Ford of Michigan, Miss Holtzman, Mr. Matsunaga, Mr. Mineta, Mr. Mitchell of New York, Mr. Mitchell of Maryland, Mr. Murtha, Mr. Rangel, Mr. Richmond, Mr. Rodino, Mr. Rosenthal, Mr. Roybal, and Mr. Sarbanes):

H.R. 3823. A bill to provide financial assistance to persons whose small businesses are displaced by Federal and federally assisted programs so they may lease, rent, or buy replacement quarters; to the Committee on Small Business.

By Mr. ADDABBO (for himself, Mr. Scheuer, Mr. Solarz, Mr. Stokes, Mr. Wolff, Mr. Yatron, Mr. Zeferetti, Mrs. Spellman, Mrs. Schroeder and Mr. Bingham):

H.R. 3824. A bill to provide financial assistance to persons whose small businesses are displaced by Federal and federally assisted programs so they may lease, rent, or buy replacement quarters; to the Committee on Small Business.

By Mr. ARCHER (for himself, Mr. Lent, Mr. Steiger of Arizona, Mr. Roe, Mr. Wolff, and Mr. Moore):

H.R. 3825. A bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. ARCHER (for himself, Mr. Lent, Mr. English, and Mr. Moore):

H.R. 3826. A bill to amend the Internal Revenue Code of 1954 to increase the corporate surtax exemption; to the Committee on Ways and Means.

By Mr. BAUCUS:

H.R. 3827. A bill to amend the Impoundment Control Act of 1974 to permit the Congress by concurrent resolution to disapprove any rescission proposed by the President, and thereby to make the funds involved immediately available without waiting for the expiration of the 45-day period during which such rescission otherwise would be effective; to the Committee on Rules.

By Mr. BINGHAM:

H.R. 3828. A bill to amend the Social Security Act, to provide that any cost-of-living increase authorized in 1975 be effective with the month of January 1975, and for other purposes; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 3829. A bill to amend section 103(c) of the Internal Revenue Code of 1954 to increase the exemption from the industrial development bond provisions for certain small issues; to the Committee on Ways and Means.

By Mr. BYRON:

H.R. 3830. A bill to amend the act entitled "An Act to establish a national military park at the battlefield of Monocacy, Md." (48 Stat. 1198), and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BYRON (for himself, Mr. Alexander, Mr. Aspin, Mr. Bafalis, Mr. Baldus, Mr. Bauman, Mr. Breaux, Mr. Brown of California, Mr. Conable, Mr. Cornell, Mr. Derwinski, Mr. Duncan of Oregon, Mr. Edgar, Mr. Frey, Mr. Fuqua, Mr. Hastings, Mrs. Holt, Mr. Horton, Mr. Jeffords, Mr. Kasten, Mr. Ketchum, Mr. LaFalce, Mr. Litton, Mr. McCloskey, and Mr. Mathis):

H.R. 3831. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances; to the Committee on Ways and Means.

By Mr. BYRON (for himself, Mr. Mazzoli, Mr. Mitchell of New York, Mr. Murtha, Mr. Peyser, Mr. Regula, Mr. Steiger of Arizona, Mr. Stuckey, Mr. Thone, Mr. Traxler, Mr. Treen, Mr. Udall, Mr. Vigorito, Mr. Weaver, Mr. Yatron, Mr. Fisher, Mrs. Spellman, and Mr. AuCoin):

H.R. 3832. A bill to prevent the estate tax from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances; to the Committee on Ways and Means.

By Mr. COHEN:

H.R. 3833. A bill to amend title II of the Social Security Act to increase to $4,000 the amount of outside earnings which (subject to further increases under the automobile adjustment provisions) is permitted any individual each year without deductions from benefits thereunder, and to revise the method for determining the amount of outside earnings so permitted in any specific case; to the Committee on Ways and Means.

By Mr. CORMAN (for himself and Mr. Carter):

H.R. 3834. A bill to amend the Social Security Act so as to provide, for a 1-year period, hospital insurance coverage under medicare for unemployed workers and their families; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. Frazer, and Mr. Drinan):

H.R. 3835. A bill to amend the Social Security Act so as to provide, for a 1-year period, hospital insurance coverage under medicare for unemployed workers and their families; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.R. 3836. A bill to establish university coal research laboratories and to establish energy resource fellowships, and for other purposes; to the Committee on Science and Technology.

By Mr. du PONT (for himself, Mr. Badillo, Mr. Stark, Mr. Tsongas, Mr. Steelman, Mr. Coughlin, Mr. Pattison of New York, Mr. Anderson of Illinois, Mrs. Chisholm, Mr. Dellums, Mr. Edwards of California, Miss Jordan, Mr. Moss, Mr. Seiberling, Mr. Thone, Mr. Won Pat, Mr. Frenzel, Mr. McClory, Mr. Buchanan, Mrs. Keys, Mr. Dent, Mr. Bell, Mr. Lent, Mrs. Spellman, and Mr. Rangel):

H.R. 3837. A bill to insure that each admission to the service academies shall be made without regard to a candidate's sex, race, color, or religious beliefs; to the Committee on Armed Services.

By Mr. du PONT (for himself, Mr. Winn, Mr. Mazzoli, Mr. Simon, Mr. Rosenthal, Mr. Duncan of Oregon, Mr. Pepper, Mr. Conyers, Mr. Fauntroy, Miss Holtzman, Mr. Biester, Mr. Rees, Mr. Koch, Mr. Don H. Clausen, Mr. Fraser, Mr. Brodhead, Mr. Mitchell of New York, Mr. Stratton, Mr. Whitehurst, Mr. Brown of California, Mr. Fascell, Mr. Solarz, Ms. Abzug, Mr. Mineta, and Mr. Harris):

H.R. 3838. A bill to insure that each admission to the service academies shall be made without regard to a candidate's sex, race, color, or religious beliefs; to the Committee on Armed Services.

By Mr. du PONT (for himself, Mr. Gilman, Mr. Wirth, and Mr. Corman):

H.R. 3839. A bill to insure that each admission to the service academies shall be made without regard to a candidate's sex, race, color, or religious beliefs; to the Committee on Armed Services.

By Mr. EVANS of Indiana:

H.R. 3840. A bill to direct the Secretary of the Treasury to study the increased tax burden on low and moderate income individuals resulting from the effect of inflation on the existing Federal income tax structure; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.R. 3841. A bill to reform and simplify the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself, Mr. Price, Mrs. Sullivan, and Mr. Hagedorn):

H.R. 3842. A bill relating to the construction of locks and dam No. 26, Mississippi River, Alton, Ill., and Mo.; to the Committee on Public Works and Transportation.

By Mr. GAYDOS:

H.R. 3843. A bill to amend the Public Health Service Act to establish an emergency health benefits program for the unemployed; to the Committee on Interstate and Foreign Commerce.

H.R. 3844. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

H.R. 3845. A bill to amend title 39, United States Code, to authorize the transmission, without cost to the sender, of letter mail to the President or Vice President of the United States or to Members of Congress, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3846. A bill to return Congress, through the implementation of procedural reforms, the ability to insure that rules and regulations promulgated through the administrative process shall reflect the intent of Congress; to the Committee on the Judiciary.

H.R. 3847. A bill to amend section 127 of title 23 of the United States Code to reduce certain weights permitted on the Interstate System; to the Committee on Public Works and Transportation.

H.R. 3848. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. GUDE:

H.R. 3849. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist homeowners and builders in purchasing and installing solar heating (or combined solar heating and cooling) equipment; to the Committee on Banking, Currency and Housing.

H.R. 3850. A bill to amend the Emergency Petroleum Allocation Act of 1973 to reduce foreign oil imports and reliance on such imports by directing the President to equitably allocate gasoline and to recommend to the Congress an increase in the Federal excise tax on gasoline purchases not subject to the program; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAMMERSCHMIDT:

H.R. 3851. A bill to repeal sections 102 and 202 of the Flood Disaster Protection Act of 1973 which make flood insurance coverage and community participation in the national flood insurance program prerequisites for approval of any financial assistance in a flood hazard area, and for other purposes; to the Committee on Banking, Currency and Housing.

H.R. 3852. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

H.R. 3853. A bill to provide for the purchase of animals and animal food products for use in foreign and domestic food relief programs, and other purposes; to the Committee on Agriculture.

H.R. 3854. A bill to provide for payments to compensate county governments for the tax immunity of Federal lands within their boundaries; to the Committee in Government Operations.

H.R. 3855. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of cetrain records, and for other purposes; to the Committee on the Judiciary.

H.R. 3856. A bill to amend title 5 of the United States Code with respect to the observance of Veterans Days; to the Committee on Post Office and Civil Service.

H.R. 3857. A bill to amend title 23, United States Code, to authorize a demonstration program for the purpose of eliminating highway railroad grade crossings; to the Committee on Public Works and Transportation.

H.R. 3858. A bill to expedite construction starts on approved public works projects, and to eliminate certain procedural requirements in order to reduce delays and accelerate certain public works programs and projects; to the Committee on Public Works and Transportation.

H.R. 3859. A bill to authorize the Administrator of the National Aeronautics and Space Administration to conduct research and development programs to increase knowledge of tornadoes, hurricanes, large thunderstorms, and other types of short-term weather phenomena, and to develop methods for predicting, detecting, and monitoring such atmospheric behavior; to the Committee on Science and Technology.

H.R. 3860. A bill to establish a National Energy and Conservation Corporation (AMPOWER), and for other purposes. jointly to the Committees on Interior and Insular Affairs, and Science and Technology.

By Mr. HELSTOSKI:

H.R. 3861. A bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems; to the Committee on Education and Labor.

By Mr. HYDE:

H.R. 3862. A bill to exclude from gross income the first $1,000 of interest received from savings account deposits in home lending institutions; to the Committee on Ways and Means.

By Mr. JOHNSON of Colorado:

H.R. 3863. A bill to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado; to the Committee on Interior and Insular Affairs.

H.R. 3864. A bill to designate the Flat Tops Wilderness, Routt and White River National Forests, in the State of Colorado; to the Committee on Interior and Insular Affairs.

By Mr. JONES of Alabama (for himself, Mr. Bevil, Mr. Flowers, Mr. Evins of Tennessee, Mr. Fulton, Mrs. Lloyd of Tennessee, Mr. Quillen, Mr. Duncan of Tennessee, Mr. Beard of Tennessee, Mr. Jones of Tennessee, Mr. Ford of Tennessee, Mr. Carter, Mr. Whitten, Mr. Bowen, Mr. Landrum, and Mr. Wampler):

H.R. 3865. A bill to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments; to the Committee on Public Works and Transportation.

By Mr. LANDRUM (for himself, Mr. Stephens, and Mr. Levitas):

H.R. 3866. A bill to encourage fuel conservation by the imposition of an excise tax on certain purchases of motor vehicle fuel; and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. LATTA:

H.R. 3867. A bill to amend the Internal Revenue Code of 1954 to increase the exempttion for purposes of the Federal estate tax from $60,000 to $200,000; to the Committee on Ways and Means.

By Mr. McCLORY:

H.R. 3868. A bill to provide for the issuance of a commemorative postage stamp in honor of the late Jack Benny; to the Committee on Post Office and Civil Service.

By Mr. McKINNEY:

H.R. 3869. A bill to amend section 402 of title 23, United States Code, relating to highway safety programs; to the Committee on Public Works and Transportation.

H.R. 3870. A bill to amend the Emergency petroleum Allocation Act of 1973 to direct the President to ration gasoline; to amend the Internal Revenue Code of 1954 to impose an energy conservation tax on gasoline; and for other purposes; jointly to the Committes on Interstate and Foreign Commerce, and Ways and Means.

By Mr. MADIGAN:

H.R. 3871. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. MADIGAN (for himself, Mr. Bergland and Mr. Poage):

H.R. 3872. A bill to amend the Consolidated Farmers Home Administration Act of 1961 to authorize and direct the Secretary of Agriculture to contract the construction and operation of pilot facilities for use in the production of fertilizer for agricultural commodities; to the Committee on Agriculture.

By Mr. MOLLOHAN (for himself, Mr. Anderson of Illinois, Mr. Bergland, Mr. Burgener, Mr. Dan Daniel, Mr. Ford of Michigan, Mr. Gilman, Mr. Hammerschmidt, Mr. Howard, Mr. Madden, Mr. Nichols, Mr. Ottinger, Mr. Slack, and Mr. Spence):

H.R. 3873. A bill to repeal sections 102 and 202 of the Flood Disaster Protection Act of 1973 which make flood insurance coverage and community participation in the national flood insurance program prerequisites for approval of any financial assistance in a flood hazard area, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. MOSHER (for himself, Mr. Hammerschmidt, Mrs. Keys, and Mr. Long of Maryland):

H.R. 3874. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of certain records, and for other purposes; to the Committee on the Judiciary.

By Mr. MOSS (for himself, Mr. Badillo, Mr. Brodhead, Mr. Brown of California, Mrs. Burke of California, Mr. Dingell, Mr. Dodd, Mr. Drinan, Mr. Eckhardt, Mr. Edwards of California, Mr. Fascell, Mr. Ford of Tennessee, Mr. Hannaford, Mr. Matsunaga, Mr. Ottinger, Mr. Rees, Mr. Richmond, and Mr. Scheuer):

H.R. 3875. A bill to amend the Federal Trade Commission Act and the Motor Vehicle Information and Cost Savings Act; to the Committee on Interstate and Foreign Commerce.

By Mr. MOSS (for himself, Ms. Abzug, Mr. Adams, Mr. Badillo, Mr. Brodhead, Mr. Brown of California, Mrs. Burke of California, Mr. Carney, Mr. Corman, Mr. Dingell, Mr. Drinan, Mr. Eckhardt, Mr. Eilberg, Mr. Edwards of California, Mr. Fascell, Mr. Ford of Tennessee, Mr. Harrington, Mr. Matsunaga, Mr. Ottinger, Mr. Rees, Mr. Reuss, Mr. Richmond, Mr. Rooney, Mr. Scheuer, and Mrs. Sullivan):

H.R. 3876. A bill to regulate commerce and amend the Natural Gas Act so as to provide increased supplies of natural gas, oil, and related products at reasonable prices to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. OBEY:

H.R. 3877. A bill to provide for the conservation of petroleum and other natural resources by imposing an excise tax on the sale of certain automobiles and granting a tax credit on the sale of certain automobiles according to the rate at which such automobiles consume fuel, and for other purposes; to the Committee on Ways and Means.

By Mr. PRITCHARD:

H.R. 3878. A bill to amend the National Trails System Act to authorize a feasibility study of a Pacific Coast Bike Trail; to the Committee on Interior and Insular Affairs.

By Mr. QUIE:

H.R. 3879. A bill to amend the Internal Revenue Code of 1954 to raise the estate tax exemption from $60,000 to $200,000; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 3880. A bill to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments; to the Committee on Public Works and Transportation.

By Mr. RIEGLE:

H.R. 3881. A bill to establish an emergency mortgage credit program to reduce unemployment and aid middle income home buyers; to the Committee on Banking, Currency and Housing.

By Mr. RISENHOOVER:

H.R. 3882. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. Brooks, Mr. Hungate, Mr. Eilberg, Mr. Flowers, Mr. Mann, Mr. Sarbanes, Mr. Seiberling, Mr. Danielson, Ms. Jordan, Mr. Mazzoli, Mr. Hughes, Mr. Hutchinson, Mr. McClory, Mr. Railsback, Mr. Wiggins, Mr. Fish, Mr. Cohen, Mr. Dingell, Mr. St Germain, Mr. Cleveland, Mr. Carr, Mr. Downey, Mrs. Meyner, and Mr. Zeferetti):

H.R. 3883. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. Flowers, Mr. Danielson, Miss Jordan, Mr. Mazzoli, Mr. Pattison of New York, and Mr. Fish):

H.R. 3884. A bill to terminate certain authorities with respect to national emergencies still in effect, and to provide for orderly implementation and termination of future national emergencies; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 3885. A bill to authorize appropriations for fiscal year 1976 for carrying out title VI of the Comprehensive Employment and Training Act of 1973; to the Committee on Education and Labor.

H.R. 3886. A bill to provide for emergency relief for small business concerns in connection with fixed price Government contracts; to the Committee on Small Business.

H.R. 3887. A bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the uniformed services to receive compensation concurrently with retired pay, without deduction from either; to the Committee on Veterans' Affairs.

By Mr. ROE (for himself and Mr. Drinan):

H.R. 3888. A bill to amend the Education of the Handicapped Act to provide tutorial and related instructional services for homebound children through the employment of college students, particularly veterans and other students who themselves are handicapped; to the Committee on Education and Labor.

By Mr. ROYBAL:

H.R. 3889. A bill to establish and protect the rights of day laborers; to the Committee on Education and Labor.

H.R. 3890. A bill to require contractors of departments and agencies of the United States engaged in the production of motion picture films to pay prevailing wages; to the Committee on Education and Labor.

H.R. 3891. A bill to restore the right to vote in Federal elections to certain disenfranchised citizens; to the Committee on House Administration.

H.R. 3892. A bill to amend the Federal Food, Drug, and Cosmetic Act in order to provide for the registration of manufacturers of cosmetics, the testing of cosmetics, and the labeling of cosmetics, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3893. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize design standards for schoolbuses, to require certain standards be established for schoolbuses, to require the investigation of certain schoolbus accidents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3894. A bill to amend the Public Health Service Act to provide assistance for research and development for improvement in delivery of health services to the critically ill; to the Committee on Interstate and Foreign Commerce.

H.R. 3895. A bill to provide for a study and evaluation of the ethical, social, and legal implications of advances in biomedical research and technology; to the Committee on Interstate and Foreign Commerce.

H.R. 3896. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for the development and operation of treatment programs for certain drug abusers who are confined to or released from correctional institutions and facilities; to the Committee on the Judiciary.

H.R. 3897. A bill to provide reimbursement to certain individuals for medical relief for physical injury suffered by them that is directly attributable to the explosions of the atomic bombs on Hiroshima and Nagasaki, Japan, in August 1945, and the radioactive fallout from those explosions; to the Committee on the Judiciary.

H.R. 3898. A bill to prohibit common carriers in interstate commerce from charging elderly people more than half fare for their transportation during nonpeak periods of travel, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 3899. A bill to provide relief to certain individuals 60 years of age and over who own or rent their homes, through income tax credits and refunds; to the Committee on Ways and Means.

By Mr. ST GERMAIN:

H.R. 3900. A bill to prohibit the military departments from using dogs in connection with any research or other activities relating to biological or chemical warfare agents; to the Committee on Armed Services.

By Mr. SISK:

H.R. 3901. A bill to amend the eligibility requirements for an emergency loan from the Farmers Home Administration; to the Committee on Agriculture.

By Mrs. SULLIVAN (for herself, Mr. Downing, Mr. Ruppe, and Mr. McCloskey):

H.R. 3902. A bill to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TAYLOR of Missouri:

H.R. 3903. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. THOMPSON:

H.R. 3904. A bill to amend the National Labor Relations Act to permit certain labor organizations to be certified by the National Labor Relations Board as representatives of individuals employed as guards; to the Committee on Education and Labor.

By Mr. UDALL:

H.R. 3905. A bill to provide equitable treatment for persons employed as technicians in the National Guard in crediting service for civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. VANIK (for himself, Ms. Abzug, Mr. Ambro, Mr. AuCoin, Mr. Badillo, Mr. Bennett, Mr. Boland, Mr. Brademas, Mrs. Burke of California, Mr. Conyers, Mr. Corman, Mr. Dominick V. Daniels, Mr. Danielson, Mr. Duncan of Oregon, Mr. Edwards of California, Mr. Fascell, Mr. Ford of Michigan, Mr. Ford of Tennessee, Mr. Fraser, Mr. Gilman, Mr. Gude, Mr. Harris, Mr. Hechler of West Virginia, Mr. Hicks, and Mr. Hughes):

H.R. 3906. A bill to amend the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of certain crude oil by more than $1 per barrel per year; to the Committee on Interstate and Foreign Commerce.

By Mr. WIGGINS:

H.R. 3907. A bill to codify, revise, and reform title 18 of the United States Code; to make appropriate amendments to the Federal Rules of Criminal Procedure; to make conforming amendments to the criminal provisions of other titles of the United States Code; and for other purposes; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON of California:

H.R. 3908. A bill to amend title 39, United States Code, to establish policies and procedures for the procurement of property and services by the Postal Service; to the Committee on Post Office and Civil Service.

By Mr. WOLFF (for himself, Ms. Burke of California, Mr. Roybal, Mr. Yates, Mr. Mitchell of Maryland, Mr. Harrington, Mr. Tsongas, Mr. Studds, Ms. Abzug, Mr. Addabbo, Mr. Badillo, Ms. Holtzman, Mr. Koch, Mr. Pattison of New York, Mr. Rangel, Mr. Scheuer, Mr. Solarz, Mr. Seiberling, Mr. Eilberg, and Mr. Ford of Tennessee):

H.R. 3909. A bill to prohibit commercial flights by supersonic aircraft into or over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and by the Secretary of Transportation, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. WON PAT:

H.R. 3910. A bill to amend the Organic Act of Guam to place certain lands within the jurisdiction of the government of Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WYLIE:

H.R. 3911. A bill to amend title II of the Social Security Act to increase to $4,560 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. YATES:

H.R. 3912. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3913. A bill to amend title II of the Social Security Act to increase to $7,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. ABDNOR:

H.R. 3914. A bill to provide for the compensation of innocent persons killed or injured or whose property was damaged in the course of the occupation of Wounded Knee, S. Dak., and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3915. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. ASPIN:

H.R. 3916. A bill to assure that the discharge of chlorinated fluorocarbon compounds into the atmosphere will not impair the stratospheric ozone layer increasing the risk of disease (including skin cancer) and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Science and Technology.

By Mr. BALDUS:

H.R. 3917. A bill to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. Charles Wilson of Texas, Mr. Walsh, Mr. Giaimo, Mr. Flood, Mr. Wydler, Mr. Fascell, Mr. Ford of Michigan, Mr. Mathis, Mr. Carter, Mrs. Schroeder, Mr. Talcott, Mr. Mitchell of New York, Mr. Melcher, Mr. Murphy of Illinois, Mr. Krueger, Mr. Johnson of California, Mr. O'Hara, Mr. John L. Burton, Mr. Wolff, Mr. Hays of Ohio, Mr. de Lugo, Mr. Lehman, Mr. Matsunaga, and Mr. Gilman):

H.R. 3918. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of assistance under such act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights; to the Committee on the Judiciary.

By Mr. BIAGGI (for himself, Mr. Roe, Mr. Yatron, Mr. Nix, Mr. Johnson of California, Mr. Koch, Mr. Roncalio, Mr. Fish, Mr. Addabbo, Mr. Rinaldo, Mr. Peyser, Mr. Beard of Rhode Island, Mr. Evans of Indiana, Mrs. Holt, Mr. Kemp, Mr. Winn, Mr. Jones of North Carolina, Mr. Zeferetti, Mr. Won Pat, Mr. Davis, Mr. St Germain, Mr. Byron, Mr. Harrington, Mr. Breaux, and Mr. McKinney):

H.R. 3919. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of assistance under such act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 3920. A bill to prohibit the introduction, or manufacture for introduction, into interstate commerce of tear gas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BOWEN:

H.R. 3921. A bill to amend the Consolidated Farm and Rural Development Act to assist young farmers to obtain real estate loans more easily under such act, and for other purposes; to the Committee on Agriculture.

By Mr. BRADEMAS (for himself, Mr. Perkins, Mr. Quie, Mr. Meeds, Mr. Bell, Mrs. Chisholm, Mr. Peyser, Mr. Lehman, Mr. Jeffords, Mr. Cornell, Mr. Pressler, Mr. Beard of Rhode Island, Mr. Erlenborn, Mr. Zeferetti, Mr. Esch, Mr. Miller of California, Mr. Eshleman, Mr. Hall, Mr. Sarasin, Mr. Thompson, Mr. Risenhoover, Mr. Dent, Mr. Goodling, Mr. Dominick V. Daniels, and Mr. Hawkins):

H.R. 3922. A bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations contained in such act, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mrs. Smith of Nebraska, Mr. O'Hara, Mr. Ford of Michigan, Mrs. Mink, Mr. Phillip Burton, Mr. Gaydos, Mr. Clay, Mr. Biaggi, Mr. Andrews of North Carolina, Mr. Benitez, Mr. Blouin, Mr. Buchanan, Mr. Simon, and Mr. Mottl):

H.R. 3923. A bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations contained in such act, and for other purposes; to the Committee on Education and Labor.

By Mrs. BURKE of California (for herself, Ms. Abzug, Mr. Anderson of California, Mr. Badillo, Mrs. Boggs, Mr. Brown of California, Mr. Cohen, Mrs. Collins of Illinois, Mr. Conyers, Mr. Drinan, Mr. Edgar, Mr. Edwards of California, Mr. Eilberg, Mr. Fauntroy, Mr. Finley, Mr. Flood, Mr. Ford of Michigan, Mr. Fraser, Mr. Gude, Mr. Hannaford, Mr. Harrington, Mrs. Holt, Ms. Holtzman, Mr. Koch, and Mr. Charles H. Wilson of California):

H.R. 3924. A bill to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. BURKE of California (for herself, Mr. Maguire, Mr. Mitchell of Maryland, Mr. Metcafe, Mr. Nix, Mr. Pattison of New York, Mr. Rangel, Mr. Rees, Mr. Regula, Mr. Roe, Mr. Scheuer, Ms. Schroder, Mr. Solarz, Mrs. Spellman, Mr. Stark, and Mr. Wirth):

H.R. 3925. A bill to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BURKE of Massachusetts:

H.R. 3926. A bill to amend title XVI of the Social Security Act to provide for an exclusion from resources of an amount deposited as prepayment of funeral and burial expenses; to the Committee on Ways and Means.

H.R. 3927. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 3928. A bill to amend the Internal Revenue Code of 1954 to allow an itemized deduction for motor vehicle insurance premiums; to the Committee on Ways and Means.

By BURLESON of Texas:

H.R. 3929. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. BURLESON of Texas (for himself, and Mr. Martin of North Carolina):

H.R. 3930. A bill to amend title IX of the Social Security Act (relating to Federal-State unemployment compensation) to create a temporary program, as an emergency measure during the current period of high unemployment, in order to assure continued health care for unemployed persons and their families, and for this purpose to provide for continuation of coverage under employer programs of health insurance for their employees, and Federal financing from general revenues to meet the cost of such continued coverage; to the Committee on Interstate and Foreign Commerce.

By Mr. BURLISON of Missouri:

H.R. 3931. A bill to repeal sections 102 and 202 of the Flood Disaster Protection Act of 1973 which make flood insurance coverage and community participation in the national flood insurance program prerequisites for approval of any financial assistance in a flood hazard area, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. CARTER:

H.R. 3932. A bill to amend the Social Security Act so as to provide, for a 1-year period, hospital insurance coverage under medicare for unemployed workers and their families; to the Committee on Ways and Means.

By Mr. CASEY (for himself, Mr. Andrews of North Dakota, Mr. Brown of California, Mr. Cleveland, Mr. Cornell, Mr. Davis, Mr. Eilberg, Mr. Evans of Indiana, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hinshaw, Mrs. Holt, Mr. Johnson of Pennsylvania, Mr. Murphy of Illinois, Mr. Murtha, Mr. Nix, Mr. Roberts, Mrs. Spellman, Mr. Thone, Mr. Treen, Mr. Walsh, Mr. Charles H. Wilson of California, Mr. Winn, and Mr. Yatron):

H.R. 3933. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for expenses paid by him for the education of any of his dependents at an institution of higher learning; to the Committee on Ways and Means.

By Mr. CLAY (for himself, Ms. Abzug, Mr. Badillo, Mr. Bedell, Mr. Bonker, Mr. Brinkley, Mrs. Burke of California, Mr. John L. Burton, Mr. Carr, Mrs. Chisholm, Mr. Conyers, Mr. Dominick V. Daniels, Mr. Davis, Mr. Dellums, Mr. Dent, Mr. Diggs, Mr. Fauntroy, Mr. Fisher, Mr. Ford of Tennessee, Mr. Ford of Michigan, Mr. Forsythe, Mr. Frenzel, Mr. Hanley, Mr. Hannaford, and Mr. Harris):

H.R. 3934. A bill to restore to Federal civilian employees their rights to participate as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CLAY (for himself, Mr. Hawkins, Miss Jordan, Mr. Koch, Mr. Lujan, Mr. Matsunaga, Mr. Melcher, Mr. Metcalfe, Mr. Miller of California, Mr. Mineta, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Murphy of Illinois, Mr. Nix, Mr. Oberstar, Mr. Ottinger, Mr. Rangel, Mr. Rees, Mr. Rooney, Mrs. Schroeder, Mr. Sikes, Mr. Solarz, Mrs. Spellman, Mr. Stark, and Mr. Stokes):

H.R. 3935. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CLAY (for himself, Mr. Whitehurst, Mr. Charles Wilson of Texas, Mr. Charles H. Wilson of California, Mr. Young of Georgia, and Mr. Zeferetti):

H.R. 3936. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DOWNEY (for himself, Mr. Baldus, Mr. Boland, Mr. Carr, Ms. Chisholm, Mr. Conte, Mr. Dominick V. Daniels, Mr. Devine, Mr. Edgar, Mr. Fascell, Mr. Gaydos, Mr. Helstoski, Ms. Holtzman, Mr. Lloyd of California, Mr. Maguire, Mr. Mollohan, Mr. Pattison of New York, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. Rosenthal, Mr. Scheuer, Mr. Seiberling, and Mr. Simon):

H.R. 3937. A bill to authorize the Secretary of Health, Education, and Welfare to establish a medical malpractice reinsurance program, and to conduct experiments and studies on medical malpractice; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWNEY (for himself, Mr. Cornell, Mr. Solarz, Mr. Wolff, and Mr. Won Pat):

H.R. 3938. A bill to authorize the Secretary of Health, Education, and Welfare to establish a medical malpractice reinsurance program, and to conduct experiments and studies on medical malpractice; to the Committee on Interstate and Foreign Commerce.

By Mr. ESCH:

H.R. 3939. A bill to provide for the payment by the Federal Government of health insurance premiums on behalf of unemployed individuals; to the Committee on Interstate and Foreign Commerce.

H.R. 3940. A bill to extend the program of emergency unemployment compensation under the Emergency Unemployment Compensation Act of 1974 for an additional 13 weeks and for other purposes; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself and Mr. Eilberg):

H.R. 3941. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mr. FORD of Michigan:

H.R. 3942. A bill to amend the Fair Labor Standards Act of 1938 to permit certain rates of compensation for rural letter carriers employed by the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. FORSYTHE:

H.R. 3943. A bill to amend the Internal Revenue Code of 1954 to permit the deduction without limitations of medical expenses paid for certain dependents suffering from physical or mental impairment or defect; to the Committee on Ways and Means.

By Mr. FRASER (for himself, Mr. Bingham, and Mr. Udall):

H.R. 3944. A bill to provide that all petroleum imported into the United States after September 1, 1975, shall not be available for purchase other than by the Government of the United States; to the Committee on Ways and Means.

By Mr. FREY:

H.R. 3945. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 3946. A bill to amend section 62 of the Internal Revenue Code of 1954 in order to permit penalties incurred because of premature withdrawal of funds from time savings accounts or deposit to be deducted from gross income in calculating adjusted gross income; to the Committee on Ways and Means.

H.R. 3947. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

H.R. 3948. A bill to amend section 511 of the Career Compensation Act of 1949, as amended, to equalize the retired pay of certain officers of the uniformed services retired prior to October 1, 1949, under the same law and with the same service, as those retired after September 30, 1949, but prior to June 1, 1958; to the Committee on Armed Services.

H.R. 3949. A bill to promote rail-highway safety by requiring light-reflecting markings on railroad locomotives and cars; to the Committee on Interstate and Foreign Commerce.

H.R. 3950. A bill to amend the Internal Revenue Code of 1954 to allow an income tax deduction for depreciation on capital expenditures incurred in connecting residential sewer lines to municipal sewage systems; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 3951. A bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974 so as to increase from 26 to 39 the maximum number of weeks for which an individual may receive unemployment assistance under the special unemployment assistance program established by title II of such act; to the Committee on Education and Labor.

H.R. 3952. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

H.R. 3953. A bill to amend the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits, to raise the contribution base, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GONZALES:

H.R. 3954. A bill to amend title 10 of the United States Code, to provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of active duty military personnel, and for other purposes; to the Committee on Armed Services.

By Mr. GUDE:

H.R. 3955. A bill to repeal that portion of section 1 of the act of September 1, 1916, authorizing the enforcement of traffic regulations for MacArthur Boulevard; to the Committee on Public Works and Transportation.

By Mr. GUDE (for himself and Mr. Hechler of West Virginia):

H.R. 3956. A bill to establish a commission to study and make recommendations with respect to proposed amendments to the Constitution and laws of the United States which would modify the institutions of the three branches of the Federal Government; to the Committee on the Judiciary.

By Mr. HASTINGS (for himself, Mr. Heinz, Mr. Preyer, Mr. Symington, Mr. Bolling, Mr. Van Deerlin, Mr. Harrington, Mr. Peyser, Mr. Florio, Mr. Rosenthal, Mr. Hechler of West Virginia, Mr. Thompson, Mr. Howard, Ms. Abzug, Mr. Coughlin, Mr. Flood, Mr. Solarz, Mr. Addabbo, Mrs. Burke of California, Mr. Yatron, Mr. Rinaldo, Mr. Cohen, Mr. Dodd, Mr. Roybal, and Mr. Aspin):

H.R. 3957. A bill to amend the Public Health Service Act to establish an emergency health benefits protection program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. HASTINGS (for himself, Mr. Heinz, Mr. Preyer, Mr. Symington, Mr. Hefner, and Mr. Mitchell of New York):

H.R. 3958. A bill to amend the Public Health Service Act to establish an emergency health benefits protection program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. HECHLER of West Virginia:

H.R. 3959. A bill to amend title II of the Social Security Act to eliminate the 5-month waiting period for disability benefits, to repeal the earnings test, to provide widow's and widower's benefits at age 50 without regard to disability, to permit adopted children to qualify for benefits without regard to time of adoption, to provide for the issuance of duplicate benefit checks where the initial checks are lost or delayed, to provide for expedited benefit payments to disability beneficiaries, and to eliminate the workmen's compensation offset, and to eliminate the 24-month waiting period for disability beneficiaries under the medicare program; to the Committee on Ways and Means.

By Mr. HOWARD (for himself, Mr. Hagedorn, Ms. Abzug, Mr. Wampler, Mr. Milford, Mr. Ginn, and Mr. Breaux):

H.R. 3960. A bill to authorize the increase of the Federal share of ceratin projects under title 23, United States Code; to the Committee on Public Works and Transportation.

By Mr. HOWARD (for himself, Mr. Hagedorn, Mr. Milford, Mr. Kemp, Mr. LaFalce, and Mr. Wampler):

H.R. 3961. A bill to amend section 109 of title 23, United States Code, relating to the preparation of certain statements on highway projects in the States of New York, Vermont, and Connecticut; to the Committee on Public Works and Transportation.

By Mr. ICHORD:

H.R. 3962. A bill to provide price support for milk at not less than 90 percent of the parity price, and to provide that such price support shall be adjusted quarterly; to the Committee on Agriculture.

H.R. 3963. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

By Mr. JACOBS:

H.R. 3964. A bill to extend post exchange privileges to veterans with service-connected disabilities rated at 50 percent or more; to the Committee on Armed Services.

By Mr. JEFFORDS (for himself, Mr. Moore, and Mr. Hagedorn):

H.R. 3965. A bill to provide price support for milk at not less than 85 percent of parity price therefor, and for other purposes; to the Committee on Agriculture.

By Mr. KEMP:

H.R. 3966. A bill to amend the Federal Railroad Safety Act of 1970 to direct the Secretary of Transportation to establish fire safety requirements for locomotives in order to minimize the danger of fires along railroad rights-of-way; to the Committee on Interstate and Foreign Commerce.

H.R. 3967. A bill to amend section 4945(g) of the Internal Revenue Code of 1954 to make it clear that nothing in that provision authorizes the limitation of the grants awarded by a private foundation to a fixed percentage of the number of applicants for such grants; to the Committee on Ways and Means.

By Mr. KEMP (for himself, Mr. LaFalce, Mr. Nowak, Mr. Hanley, Mr. Delaney, Mr. Horton, Mr. Koch, Mr. Lent, Mr. Rangel, Mr. Flood, Mr. Gilman, Mr. Richmond, Mr. McKinney, Mr. Mitchell of New York, Mr. McEwen, Mr. Pike, Mr. Pattison of New York, Mr. Peyser, Mr. Rosenthal, Mr. Jeffords, Mr. Fish, Mr. Addabbo, Mr. Zeferetti, and Mr. Hastings);

H.R. 3968. A bill to amend the National Environmental Policy Act of 1969 in order to clarify the procedures therein with respect to the preparation of environmental impact statements; to the Committee on Merchant Marine and Fisheries.

By Mr. KOCH:

H.R. 3969. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

H.R. 3970. A bill to amend part B of title XVIII of the Social Security Act to broaden the coverage of home health services under the supplementary medical insurance program and remove the 100-visit limitation presently applicable thereto, to amend part A of such title to liberalize the coverage of posthospital home health services thereunder, to amend title XIX of such act to require the inclusion of home health services in a State's medicaid program and to permit the payments of rent under such a program for elderly persons who would otherwise require nursing home care, to provide expanded Federal funding for congregate housing for the displaced and the elderly, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. LANDRUM:

H.R. 3971. A bill to amend the Internal Revenue Code of 1954 to allow individuals to elect either a tax credit for a certain portion of the interest received on deposits in certain savings institutions or an exclusion of a certain portion of such interest; to the Committee on Ways and Means.

By Mr. LEGGETT:

H.R. 3972. A bill to amend title 10, United States Code, to remove the restriction on the use of certain private institution under the dependents' medical care program, and for other purposes; to the Committee on Armed Services.

H.R. 3973. A bill to amend title 38, United States Code, in order to authorize the Administrator of Veterans' Affairs to contract for hospital care and medical services for veterans with service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. LEHMAN:

H.R. 3974. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on United States E savings bonds received by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. MARTIN:

H.R. 3975. A bill to amend title IX of the Social Security Act (relating to Federal-State unemployment compensation) to create a temporary program, as an emergency measure during the current period of high unemployment, in order to assure continued health care for unemployed persons and their families; and for this purpose to provide for continuation of coverage under employer programs of health insurance for their employees, and federal financing from general revenues to meet the cost of such continued coverage; to the Committee on Interstate and Foreign Commerce.

By Mr. MEEDS:

H.R. 3976. A bill to suspend until the close of June 30, 1977, the duties on calcined petroleum coke not commercially suitable for use as a fuel; to the Committee on Ways and Means.

By Mr. MEEDS (for himself, Mr. Adams, Mr. Bonker, Mr. Hicks, Mr. Pritchard, Mr. McCormack, and Mr. Foley):

H.R. 3977. A bill to preserve the wilderness character and public recreational values of the central Cascade Mountains of the State of Washington by establishing the Alpine Lakes National Recreation Area and designating the Alpine Lakes Wilderness therein for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MEEDS (for himself, Mr. Adams, Mr. Bonker, Mr. Hicks, Mr. McCormack, Mr. Pritchard, and Mr. Foley):

H.R. 3978. A bill to designate certain lands in the Snoqualmie and Wenatchee National Forests, Wash. as "Alpine Lake Wilderness" and "Enhantment Wilderness" for inclusion in the National Wilderness Preserva- fiscal year 1976 to the Committee on Interior and Insular Affairs.

By Mr. MEEDS (for himself and Mr. Young of Alaska):

H.R. 3979. A bill to authorize appropriations for the Indian Claims Commissions for fiscal year 1976; to the Committee on Interior and Insular Affairs.

By Mrs. MINK:

H.R. 3980. A bill to amend title XVIII of the Social Security Act to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program established by part B of such title; to the Committee on Ways and Means.

By Mr. MURPHY of New York:

H.R. 3981. A bill to amend the Coastal Zone Management Act of 1972 to authorize and assist the coastal States to study, plan for, manage, and control the impact of energy resource development and production which affects the coastal zone, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 3982. A bill to establish a policy for the management of oil and gas resources on the Outer Continental Shelf so as to protect the marine and coastal environment; to establish policies and procedures governing Outer Continental Shelf operations that are environmentally, socially, and economically compatible with the coastal zone management programs of affected States funded under Public Law 92-583, and for other purposes; jointly to the Committees on Merchant Marine and Fisheries, and Interior and Insular Affairs.

By Mr. OBERSTAR:

H.R. 3983. A bill to provide implementation of the Federal Trade Commission Act to give increased protection to consumers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3984. A bill to require that certain durable products be prominently labeled as to date of manufacture, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3985. A bill to require that durable consumer products be labeled as to durability and performance life; to the Committee on Interstate and Foreign Commerce.

H.R. 3986. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act and to otherwise require the labels on foods and food products to disclose all of their ingredients and any changes in their ingredients, their nutritional content, accurate weight data, storage information, their manufacturers, packers, and distributors, and their unit prices and to provide for uniform product grading and prohibit misleading brand names; to the Committee on Interstate and Foreign Commerce.

H.R. 3987. A bill to amend the Federal Food, Drug, and Cosmetic Act so as to require that in the labeling and advertising of drugs sold by prescription the "established name" of such drug must appear each time their proprietary name is used, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3988. A bill to amend title 35 of the United States Code to provide for compulsory licensing of prescription drug patents; to the Committee on the Judiciary.

H.R. 3989. A bill to amend the Intergovernmental Cooperation Act of 1968 to improve intergovernmental relationships between the United States and the States and municipalities, and the economy and efficiency of government, by providing Federal cooperation and assistance in the establishment and strengthening of State and local offices of consumer protection; jointly to the Committees on Government Operations, and Interstate and Foreign Commerce.

By Mr. PERKINS (for himself and Mr. Patman):

H.R. 3990. A bill to amend the Vocational Education Act of 1963; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. Quie, Mr. Bob Wilson, Mr. Ryan, Mr. Matsunga, Mr. Harris, Mr. Zeferetti, Mrs. Boggs, Mr. Roybal, Mr. Thone, and Mr. Patman):

H.R. 3991. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. Quie, Mr. Ryan, Mr. Matsunaga, Mr. Weaver, Mrs. Schroeder, Mr. Zeferetti, Mrs. Boggs, Mr. Roybal, Mr. Thone, and Mr. Harris):

H.R. 3992. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. Quie, Mr. Drinan, Mr. Harris, Mr. Hall, Mrs. Schroeder, Mr. Goodling, Mr. Thompson, Mr. Benitez, Mr. Koch, Mr. Clay, Mrs. Mink, Mr. Bevill, Mr. Lehman, Mr. Andrews of North Carolina, Mrs. Burke of California, Mr. Gilman, Mr. Zeferetti, and Mr. Melcher):

H.R. 3993. A bill to provide for career guidance and counseling plans and programs for States and local educational agencies; to the Committee on Education and Labor.

By Mr. PIKE (for himself, Mr. Downey, Mr. Ambro, and Mr. Solarz):

H.R. 3994. A bill to amend the act entitled "An act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (78 Stat. 928); to the Committee on Interior and Insular Affairs.

By Mr. PRICE (for himself, Mr. Anderson of Illinois, Mr. Hinshaw, Mr. Horton, and Mr. Lujan):

H.R. 3995. A bill to amend the Atomic Energy Act of 1954, as amended, to provide for approval of sites for production and utilization facilities, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. QUIE:

H.R. 3996. A bill to amend the Federal Unemployment Tax Act with respect to the definition of "employer"; to the Committee on Ways and Means.

H.R. 3997. A bill to amend the Internal Revenue Code of 1954 to exempt certain trust income from the earned income limitation on the low-income allowance; to the Committee on Ways and Means.

By Mr. REES:

H.R. 3998. A bill to establish an emergency mortgage credit program to reduce unemployment and aid middle-income home buyers; to the Committee on Banking, Currency and Housing.

H.R. 3999. A bill to amend the Internal Revenue Code of 1954 to provide an income tax deduction for individuals for purchases of contemporary American art; to the Committee on Ways and Means.

By Mr. RIEGLE:

H.R. 4000. A bill to amend Federal statutes regulating automobile emissions and automobile safety and to provide certain rules with respect to automobile fuel efficiency to permit the manufacture of safe, nonpolluting, fuel efficient automobiles, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RISENHOOVER:

H.R. 4001. A bill to amend the National School Lunch Act to provide that the Secretary of Agriculture shall buy beef and beef products for distribution among the States and schools and service institutions participating in food service programs during fiscal years 1975 and 1976; to the Committee on Education and Labor.

By Mr. RODINO (for himself, Mrs. Schroeder, Mr. Danielson, Mr. Diggs, Mr. Dominick V. Daniels, Mr. Frenzel, Mr. Bedell, Mr. Stokes, Mr. Patterson of California, Mr. Mr Gude, Mr. Dodd, Mr. Mitchell of New York, Mrs. Keys, Mr. Burke of Massachusetts, Mr. Benitez, Mr. Hannaford, and Mr. Adams):

H.R. 4002. A bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years and to make permanent the ban against certain prerequisites to voting; to the Committee on the Judiciary.

By Mr. ROGERS (by request):

H.R. 4003. A bill to amend title IX of the Social Security Act (relating to Federal-State unemployment compensation) to create a temporary program, as an emergency measure during the current period of high unemployment, in order to assure continued health care for unemployed persons and their families, and for this purpose to provide for continuation of coverage under employer programs of health insurance for their employees, and Federal financing from general revenues to meet the cost of such continued coverage; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. Preyer, Mr. Symington, Mr. Scheuer, Mr. Waxman, Mr. Hefner, Mr. Florio, Mr. Carney, Mr. Wirth, Mr. Carter, Mr. Hastings, and Mr. Heinz):

H.R. 4004. A bill to amend the Public Health Service Act to establish an emergency health benefits protection program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. Satterfield, Mr. Preyer, Mr. Symington, Mr. Scheuer, Mr. Waxman, Mr. Hefner, Mr. Florio, Mr. Carney, Mr. Wirth, Mr. Carter, Mr. Broyhill, Mr. Hastings, and Mr. Heinz):

H.R. 4005. A bill to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSE:

H.R. 4006. A bill to authorize the disposal of chemical-grade chromite from the national stockpile and the supplemental stockpile, in order to alleviate the critical shortage of chemical-grade chromite in the United States; to the Committee on Armed Services.

H.R. 4007. A bill to amend the act relating to the Lumbee Indians of North Carolina; to the Committee on Interior and Insular Affairs.

By Mr. ST GERMAIN (for himself and Mr. Reuss) (by request):

H.R. 4008. A bill to amend the Bank Holding Company Act of 1956, as amended, to provide special procedures for the acquisition of failing banks or bank holding companies and for the acquisition of banks or bank holding companies in emergencies and to provide for the acquisition by bank holding companies of banks outside their State of principal banking operations in emergency situations and situations involving a failing bank or bank holding company; to the Committee on Banking, Currency and Housing.

By Mr. SATTERFIELD (for himself and Mr. Hammerschmidt) (by request):

H.R. 4009. A bill to amend title 38 of the United States Code to require that certain veterans receiving hospital care from the Veterans' Administration for non-service-connected disabilities be charged for such care to the extent that they have health insurance or similar contracts with respect to such care; to prohibit the future exclusion of such coverage from insurance policies or contracts; and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. SCHROEDER:

H.R. 4010. A bill to establish an Office of Food Administration for a temporary period in order to develop coordinated national policies on domestic and foreign food assistance programs; jointly to the Committees on Agriculture and Foreign Affairs.

By Mr. SEBELIUS:

H.R. 4011. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.R. 4012. A bill to amend the Clayton Act to prohibit restraints of trade in the transportation of petroleum, products of petroleum refining, and natural gas, and for other purposes; to the Committee on the Judiciary.

H.R. 4013. A bill to amend the Clayton Act to prohibit undue concentration in the energy-producing industries, for other purposes; to the Committee on the Judiciary.

By Mr. SHRIVER:

H.R. 4014. A bill to amend the Uniform Time Act of 1966 in order to provide that daylight saving time shall be observed in the United States from the first Sunday following Memorial Day to the first Sunday following Labor Day; to the Committee on Interstate and Foreign Commerce.

By Mr. SKUBITZ:

H.R. 4015. A bill to amend the Federal Aviation Act of 1958 to permit the continuation of youth fares, to authorize reduced-rate transportation for the elderly, and for other purposes; to the Committees on Public Works and Transportation.

By Mr. STEED (for himself, Mr. English, Mr. Jarman, Mr. Jones of Oklahoma, and Mr. Risenhoover):

H.R. 4016. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians in Indian Claims Commission dockets Nos. 219, 153, and 135, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEIGER of Arizona:

H.R. 4017. A bill to authorize the Secretary of Agriculture to compensate employees for losses sustained in the value of personal housing due to closing the headquarters of the Sitgreaves National Forest in Holbrook, Ariz.; to the Committee on the Judiciary.

By Mr. STEPHENS (for himself and Mr. Brinkley):

H.R. 4018. A bill to authorize and direct the Secretary of the Army to convey to the Board of Regents of the University System of Georgia certain lands of the United States in Augusta, Ga.; to the Committee on Armed Services.

By Mr. STEPHENS:

H.R. 4019. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. VANDER VEEN:

H.R. 4020. A bill to amend the Internal Revenue Code of 1954 to include certain joint hospital laundry ventures among the cooperative hospital service organizations entitled to tax exemption thereunder; to the Committee on Ways and Means.

By Mr. VANIK (for himself, Mr. Karth, Mrs. Keys, Mr. Koch, Mr. Lehman, Mr. Meeds, Mr. Metcalfe, Mr. Mikva, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mottl, Mr. Nedzi, Mr. Nix, Mr. O'Hara, Mr. Pepper, Mr. Reuss, Mr. Richmond, Mr. Rodino, Mr. Rooney, Mr. Rosenthal, Mr. Ryan, Mr. Santini, Mr. Sarbanes, and Mr. Scheuer):

H.R. 4021. A bill to amend the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of certain crude oil by more than $1 per barrel per year; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK (for himself, Mr. Seiberling, Mrs. Spellman, Mr. James V. Stanton, Mr. Stokes, Mrs. Sullivan, Mr. Thompson, Mr. Udall, Mr. Vander Veen, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Won Pat, Mr. Yates, Mr. Yatron, and Mr. Young of Georgia):

H.R. 4022. A bill to amend the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of certain crude oil by more than $1 per barrel per year; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK (for himself, Mr. Brademas, Mr. Moorhead of Pennsylvania and Mr. Vigorito):

H.R. 4023. A bill to amend the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of certain crude oil by more than $1 per barrel per year; to the Committee on Interstate and Foreign Commerce.

By Mr. WALSH (for himself, Mr. Abdnor, Mr. Hammerschmidt, and Mr. Roe):

H.R. 4024. A bill to permit the States to prepare environmental impact statements on Federal-aid highway projects proposed by the States; to the Committee on Public Works and Transportation.

By Mr. WHALEN:

H.R. 4025. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. WHITE:

H.R. 4026. A bill to include inspectors of the U.S. Immigration and Naturalization Service, the U.S. Customs Service, and the Canal Zone Customs Service within the provisions of section 8336(c) of title 5, United States Code, relating to the retirement of certain employees engaged in hazardous occupations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST (for himself and Mr. Roe):

H.R. 4027. A bill to amend the Federal law relating to the care and treatment of animals to broaden the categories of persons regulated under such law, to assure that birds in pet stores and zoos are protected, and to increase protection for animals in transit; to the Committee on Agriculture.

By Mr. WHITEHURST (for himself, Mr. Badillo, Mr. Benitez, Mr. John L. Burton, Mr. Coughlin, Mr. Dominick V. Daniels, Mr. Eilberg, Mr. Emery, Mr. Forsythe, Mr. Frenzel, Mr. Gilman, Mr. Goldwater, Mr. Hechler of West Virginia, Mr. Horton, Mr. Howard, Mr. Johnson of Pennsylvania, Mr. Mazzoli, Mr. McEwen, Mr. Peyser, Mrs. Schroeder, Mr. Solarz, and Mr. Charles Wilson of Texas):

H.R. 4028. A bill to amend the Federal law relating to the care and treatment of animals to broaden the categories of persons regulated under such law, to assure that birds in pet stores and zoos are protected, and to increase protection for animals in transit; to the Committee on Agriculture.

By Mr. WHITEHURST (for himself, Mr. Bevill, Mr. Brinkley, Mr. John L. Burton, Mrs. Collins of Illinois, Mr. Davis, Mr. Eilberg, Mr. English, Mr. Fisher, Mr. Gilman, Mr. Hillis, Mrs. Holt, Mr. Lagomarsino, Mr. Miller of California, Mr. Thone, Mr. Winn, Mr. Won Pat, and Mr. Yatron):

H.R. 4029. A bill to direct the Secretary of Defense to continue to operate and maintain commissary stores of the agencies of the Department of Defense; to the Committee on Armed Services.

By Mr. WHITEHURST (for himself, Mr. Badillo, Mrs. Boggs, Mr. Dellums, Mr. Harrington, Miss Holtzman, Mr. Ketchum, and Mrs. Schroeder):

H.R. 4030. A bill to provide assistance to zoos and aquariums, to establish standards of accreditation for such facilities, and to establish a Federal Zoological and Aquarium Board, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WHITEHURST (for himself, Mr. Badillo, Mrs. Boggs, Mr. Brown of California, Mrs. Collins of Illinois, Mr. Derwinski, Mr. Edgar, Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Helstoski, Mrs. Holt, Mr. Horton, Mr. Jones of North Carolina, Mr. Ketchum, Mr. Miller of California, Mr. Solarz, Mr. Yatron, and Mr. Zeferetti):

H.R. 4031. A bill to amend title 38, United States Code, to provide that remarriage of the widow of a veteran after age 60 shall not result in termination of dependency and indemnity compensation; to the Committee on Veterans' Affairs.

By Mr. BOB WILSON:

H.R. 4032. A bill to amend the survivor benefit plan provided for under title 10 of the United States Code to make any surviving spouse eligible for an annuity thereunder if married to the retiree at least 1 year before the retiree's death; to the Committee on Armed Services.

H.R. 4033. A bill to amend title 10 of the United States Code to eliminate the reduction made to retired or retainer pay, for purposes of providing a surviving spouse with an annuity under the survivor benefit plan, during periods when the person entitled to such pay is unmarried; to the Committee on Armed Services.

By Mr. BOB WILSON (for himself, Mr. Bell, Mr. Del Clawson, Mr. Don H. Clausen, Mr. Goldwater, Mr. Hinshaw, Mr. Lagomarsino, Mr. Rousselot, Mr. Talcott, Mr. Moorhead of California, Mr. Wiggins, Mr. Burgener, and Mr. Ketchum):

H.R. 4034. A bill to designate the Veterans'

Administration hospital in Loma Linda, Calif., as the "Jerry L. Pettis Memorial Veterans' Hospital", and for other purposes; to the Committee on Veterans' Affairs.

By Mr. WIRTH (or himself, Mr. Sharp, Mr. Brodhead, Mr. Eckhardt, Mr. Moffett, Mr. Ottinger, Mr. Dingell, and Mr. Heinz):

H.R. 4035. A bill to provide for more effective congressional review of administrative actions which exempt petroleum products from the Emergency Petroleum Allocation Act of 1973, or which result in a major increase in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities; to the Committee on Interstate and Foreign Commerce.

By Mr. WRIGHT (for himself, Mr. Hammerschmidt, Mr. McCormack, Mr. Cleveland, Mr. Ambro, Mr. Anderson of California, Mr. Breaux, and Mr. Nowak):

H.R. 4036. A bill to expedite construction starts on approved public works projects, and to eliminate certain procedural requirements in order to reduce delays and accelerate certain public works programs and projects; to the Committee on Public Works and Transportation.

By Mr. WYDLER:

H.R. 4037. A bill to amend title 5, United States Code, to provide for the establishment of a special cost-of-living pay schedule containing increased pay rates for Federal employees in heavily populated cities and metropolitan areas to offset the increased cost of living, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Alabama:

H.J. Res. 253. Joint resolution proposing an amendment to the Constitution to permit the imposition and carrying out of the death penalty in certain cases; to the Committee on the Judiciary.

By Mr. FISHER:

H.J. Res. 254. Joint resolution restoring citizenship posthumously to Gen. Robert E. Lee; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.J. Res. 255. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

H.J. Res. 256. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. LATTA:

H.J. Res. 257. Joint resolution designating the composition known as "The Stars and Stripes Forever" as the national march of the United States; to the Committee on the Judiciary.

By Mr. LEHMAN (for himself, Mrs. Schroeder, Mr. Dominick V. Daniels, Mr. Nix, Mr. Hanley, Mr. Charles H. Wilson of California, Mr. Ford of Michigan, Mr. Clay, Mrs. Spellman, Mr. Neal, Mr. Brodhead, Mr. Mineta, Mr. Jenrette, Mr. Solarz, Mr. Johnson of Pennsylvania, and Mr. Gilman):

H.J. Res. 258. Joint resolution to designate March 21, 1975, as "Earth Day"; to the Committee on Post Office and Civil Service.

By Mr. ST GERMAIN:

H.J. Res. 259. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

By Mr. VANDER VEEN:

H.J. Res. 260. Joint resolution asking the President of the United States to declare the month of January as "National Polka Month"; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST (for himself, Mr. Breaux, Mr. Derwinski, Mr. Hechler of West Virginia, Mr. O'Hara, Mr. Robinson, Mr. Steiger of Arizona, and Mr. Treen):

H.J. Res. 261. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. DON H. CLAUSEN:

H.J. Res. 262. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day and the 30th day of May of each year as Memorial Day: to the Committee on Post Office and Civil Service.

By Mr. ROGERS:

H.J. Res. 263. Joint resolution to authorize and request the President to proclaim the second week in April of each year as "National Medical Laboratory Week"; to the Committee on Post Office and Civil Service.

By Mr. HELSTOSKI:

H. Con. Res. 156. Concurrent resolution expressing the sense of the Congress with respect to increases in costs of operating a national school lunch and school breakfast program; to the Committee on Education and Labor.

By Mr. NOWAK:

H. Con. Res. 157. Concurrent resolution expressing the sense of Congress that the Holy Crown of St. Stephen should remain in the safekeeping of the U.S. Government until Hungary once again functions as a constitutional government established by the Hungarian people through free choice; to the Committee on Foreign Affairs.

By Mrs. SPELLMAN:

H. Con. Res. 158. Concurrent resolution expressing the sense of the Congress with respect to increases in costs of operating a national school lunch and school breakfast program; to the Committee on Education and Labor.

By Mr. STRATTON (for himself and Mr. Delaney):

H. Con. Res. 159. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. CASEY:

H. Con. Res. 160. Concurrent resolution designating November 19 as "National Phi Theta Kappa Day"; to the Committee on Post Office and Civil Service.

By Mr. BURGENER:

H. Res. 260. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. GAYDOS:

H. Res. 261. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. HAMMERSCHMIDT:

H. Res. 262. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

H. Res. 263. Resolution expressing the sense of the House of Representatives with respect to the missing in action in Southeast Asia and the Paris Agreement; to the Committee on Foreign Affairs.

By Mr. JENRETTE:

H. Res. 264. Resolution to direct the Special Subcommittee on Investigations of the Committee on Interstate and Foreign Commerce to conduct an inquiry into certain activities of private industry and the Federal Government with respect to coal; to the Committee on Rules.

By Mr. McCormack (for himself, Mr. Teague, Mr. Mosher, and Mr. Symington):

H. Res. 265. Resolution disapproving the deferral of budget authority for solar and geothermal energy research and development programs of the National Science Foundation (deferral No. D75–129) which was proposed by the President in his special message of November 26, 1974, transmitted to the Congress under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. PRITCHARD (for himself, Mr. AuCoin, Mr. Meeds, Mr. Hicks, Mr. Treen, Mr. Ruppe, Mr. Studds, Mr. Emery, Mr. McCormack, and Mr. McCloskey):

H. Res. 266. Resolution expressing the disapproval of the House with respect to the President's proposed deferral of budget authority for State-Federal fisheries management grants; to the Committee on Appropriations.

By Mr. RODINO:

H. Res. 267. Resolution to provide funds for the Committee on the Judiciary; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

32. By the SPEAKER: A memorial of the Legislature of the State of Oklahoma, relative to the Rock Island Railroad; to the Committee on Interstate and Foreign Commerce.

33. Also, a memorial of the Legislature of the Commonwealth of Virginia, relative to amending the Clean Air Act of 1970; to the Committee on Interstate and Foreign Commerce.

34. Also, a memorial of the Legislature of the Commonwealth of Virginia, requesting Congress to call a convention for the purpose of proposing an amendment to the Constitution of the United States to prohibit further deficit spending; to the Committee on the Judiciary.

35. Also, a memorial of the Legislature of the Commonwealth of Virginia, relative to the allocation of materials necessary for the construction of ships involved in the transportation of energy; to the Committee on Merchant Marine and Fisheries.

36. Also, a memorial of the Legislature of the Commonwealth of Virginia, relative to insuring that Federal programs provide for payment of the fair share of hospital costs of patients covered by such programs; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JOHN L. BURTON:

H.R. 4038. A bill for the relief of Jennifer Anne Blum; to the Committee on the Judiciary.

By Mr. FLOOD:

H.R. 4039. A bill for the relief of Young Soon Choi; to the Committee on the Judiciary.

By Mr. GOLDWATER:

H.R. 4040. A bill for the relief of Mrs. Alice T. Beacon; to the Committee on the Judiciary.

H.R. 4041. A bill for the relief of Mrs. Veronica Ojeda de Calvo; to the Committee on the Judiciary.

H.R. 4042. A bill for the relief of Donald R. Manning; to the Committee on the Judiciary.

By Mr. GUDE:

H.R. 4043. A bill for the relief of James A. Horkan; to the Committee on the Judiciary.

By Mr. HECHLER of West Virginia:

H.R. 4044. A bill for the relief of John Howard Barbour; to the Committee on the Judiciary.

By Mr. ICHORD:

H.R. 4045. A bill for the relief of Faustiniano Avito Pereira-de-Andrade; to the Committee on the Judiciary.

By Mr. JACOBS:

H.R. 4046. A bill for the relief of Valerie Ann Phillips, nee Chambers; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 4047. A bill for the relief of Jack R. Misner; to the Committee on Ways and Means.

By Mr. MADIGAN:

H.R. 4048. A bill for the relief of the J. L. Simmons Co., Inc.; to the Committee on the Judiciary.

By Mr. MAZZOLI:

H.R. 4049. A bill for the relief of Clarence S. Lyons; to the Committee on the Judiciary.

By Mr. MELCHER:

H.R. 4050. A bill for the relief of the Mondakota Gas Co.; to the Committee on the Judiciary.

By Mr. MITCHELL of Maryland:

H.R. 4051. A bill for the relief of Elijah Stith; to the Committee on the Judiciary.

By Mr. O'HARA:

H.R. 4052. A bill for the relief of Alan Sturt; to the Committee on the Judiciary.

By Mr. ROGERS (by request):

H.R. 4053. A bill for the relief of Roderic Patrick Stafford; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 4054. A bill for the relief of Rodney E. Hoover; to the Committee on the Judiciary.

H.R. 4055. A bill for the relief of Benjamin Baxter; to the Committee on the Judiciary.

By Mr. TAYLOR of Missouri:

H.R. 4056. A bill for the relief of Tri-State Motor Transit Co.; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 4057. A bill to authorize the appointment of Alexander P. Butterfield to the retired list of the Regular Air Force, and for other purposes; to the Committee on Armed Services.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previously listing appeared in the CONGRESSIONAL RECORD of February 24, 1975 (page H1033):

H.R. 1300. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Establishes a Nursing Home Affairs Advisory Council to make recommendations to the Secretary of Health, Education, and Welfare concerning services provided by long-term care facilities which receive Federal funds under the Medicare and Medicaid provisions of the Social Security Act.

H.R. 1301. January 14, 1975. Agriculture. Authorizes the Secretary of Agriculture to make advances, from any appropriations for the Department of Agriculture, to chiefs of field parties.

H.R. 1302. January 14, 1975. Government Operations. Requires the Administrator of General Services, where a specified amount of land is Federal real property within a State or local governmental units, to pay to such unit amounts equivalent to the property taxes which would have been collected had the property been privately owned.

H.R. 1303. January 14, 1975. House Administration. Directs the Speaker of the House of Representatives to enter into agreements with Virginia, Maryland, and the District of Columbia to withhold State or District of Columbia income taxes from the pay of congressional Members and employees who are subject to such taxes, and who voluntarily agree to such withholding.

H.R. 1304. January 14, 1975. Judiciary. Eliminates the jurisdiction of any United States court to require that pupils be assigned to particular schools on the basis of their race, color, religion or national origin. Prohibits the withholding of Federal financial assistance to induce the assignment of pupils to a particular school on the basis of race, color, religion or national origin.

H.R. 1305. January 14, 1975. Judiciary. Establishes a Commission on Medical Malpractice Awards to conduct a comprehensive study and investigation of the feasibility and appropriateness of establishing maximum limits on the amount of damages that may be granted in any medical malpractice suit brought against a physician, dentist, or other medical practitioner.

H.R. 1306. January 14, 1975. Post Office and Civil Service. Prohibits, with certain exceptions, employees of executive agencies from requesting or receiving from Federal officials or employees anything of value for political purposes.

Permits employees of Federal executive agencies or the District of Columbia government to participate in political management or in political campaigns.

H.R. 1307. January 14, 1975. Ways and Means. Amends the Social Security Act by including postmastectomy breast prosthesis among the items and services covered under the Medicare supplementary medical insurance program.

H.R. 1308. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 1309. January 14, 1975. Agriculture. Prohibits increases in the portion of income to be paid for food coupons under the Food Stamp Act of 1964.

H.R. 1310. January 14, 1975. Interstate and Foreign Commerce. Prohibits discrimination solely on the basis of sex by the insurance business with respect to the availability and scope of insurance coverage.

H.R. 1312. January 14, 1975. Judiciary. Prohibits actions of United States citizens or agencies to influence political elections in foreign countries.

H.R. 1312. January 14, 1975. Judiciary. Prohibits the use of Federal funds for legal expenses of certain persons convicted or pardoned in Watergate-related cases.

H.R. 1313. January 14, 1975. Public Works and Transportation. Authorizes the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Rolla, Missouri, for airport purposes.

H.R. 1314. January 14, 1975. Agriculture. Changes the method of determining the amount of timber receipts from harvesting in national forests to be made available for public schools and public roads where more than one jurisdiction is involved.

H.R. 1315. January 14, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 1316. January 14, 1975. Ways and Means. Excludes from taxable income as defined in the Internal Revenue Code of 1954 the first $1,000 of interest earned on savings deposits in banking institutions with investments in residential real property.

H.R. 1317. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1318. January 14, 1975. Government Operations. Amends the State and Local Fiscal Assistance Act of 1972 by prohibiting general revenue sharing unless the Federal budget is in balance or shows a surplus.

H.R. 1319. January 14, 1975. Merchant Marine and Fisheries. Imposes a tax on component parts of ammunition for firearms to provide additional funds for State wildlife restoration programs.

Amends the Federal Aid in Wildlife Restoration Act to authorize Federal assistance for State hunter education programs.

H.R. 1320. January 14, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 1321. January 14, 1975. Agriculture. Directs the Secretary of Health, Education, and Welfare to establish minimum standards of sanitation for imported dairy products. Requires inspection and labeling of imported dairy products to certify compliance with sanitation standards.

H.R. 1322. January 14, 1975. Armed Services. Amends the Military Selective Service Act by: (1) revising the definition of conscientious objector; and (2) allowing individuals who have been inducted or who have refused induction to apply for conscientious objector status pursuant to the revised definition.

H.R. 1323. January 14, 1975. Armed Services. Redefines "conscientious objector" for the purposes of the Military Selective Service Act of 1967.

H.R. 1324. January 14, 1975. Banking, Currency and Housing. Amends the Consumer Credit Protection Act to (1) require disclosure to a consumer that an investigative consumer report may be made on him; (2) require agencies compiling such reports to notify consumers when such reports are being made about them; and (3) maintain strict procedures to insure that all information in such reports is accurate.

H.R. 1325. January 14, 1975. Interstate and Foreign Commerce. Amends the Social Security Act by imposing limitations on the selection of treatment facilities by Medicaid patients.

H.R. 1326. January 14, 1975. Post Office and Civil Service. Permits Government officials and employees to participate in political management and in political campaigns. Prohibits the use of official authority or influence for the purpose of affecting the result of an election.

H.R. 1327. January 14, 1975. Veterans' Affairs. Entitles any veteran who is an eligible veteran to transfer to his or her spouse, for the spouse's benefits, all or part of such veteran's entitlements to educational assistance. Allows the Administrator of Veterans' Affairs to authorize an educational assistance allowance for the enrollment of any eligible widow, widower, or spouse in a program of additional secondary school training to allow them to qualify for admission to an appropriate educational institution.

H.R. 1328. January 14, 1975. Veterans' Affairs. Limits the period of eligibility for educational benefits for veterans who served their active duty before August 4, 1964, to eight years after the date of their last discharge. Provides no delimiting period for purposes of educational assistance for those veterans who served on active duty after August 4, 1964.

H.R. 1329. January 14, 1975. Ways and Means, Interstate and Foreign Commerce. Authorizes payment of counsel fees to individuals who successfully challenge an administrative decision which denied or limits the benefits or assistance to which he is entitled under the Social Security Act. Directs the Secretary of Health, Education, and Welfare to pay such fees in the case of claims arising under the Old-Age, Survivors, and Disability Insurance and Medicare programs. Directs the appropriate State agency to pay such fees in the case of claims arising under any public assistance and medicaid programs.

H.R. 1330. January 14, 1975. Judiciary. Standards of Official Conduct. Requires Federal employees to file with the Office of the Federal Register a statement with respect to certain gifts made or received by such employees.

Directs the Office of the Federal Register to compile and publish annually such statements.

H.R. 1331. January 14, 1975. Government Operations. Requires the President to transmit to Congress copies of each Presidential proclamation and Executive order not later than two days after issuance.

H.R. 1332. January 14, 1975. Government Operations. Establishes an Agency of Economic and Natural Resources Planning in the executive branch. Transfers natural resources planning functions from the Departments of Agriculture, Commerce, and the Interior to the new agency.

H.R. 1333. January 14, 1975. Judiciary. Includes bodies politic in the category of persons who may be sued for depriving any citizen of rights secured under the Constitution and laws of the United States.

H.R. 1334. January 14, 1975. Banking, Currency and Housing. Amends the Export-Import Bank Act of 1945 to prohibit the extension of credit to Turkey until the President reports to the Congress that Turkey is cooperating with the United States in the curtailment of heroin traffic.

H.R. 1335. January 14, 1975. Banking, Currency and Housing. Establishes a presidentially-appointed National Landlord and Tenant Commission.

Directs the Commission to conduct a study of landlord-tenant problems, to review the implementation of the provisions of this Act, to grant funds to the States for the establishment and maintenance of housing courts, in accordance with standards established by the Commission, to develop model lease and rental agreements, and to appoint a body to develop and implement a national rent control plan.

Sets forth the rights and obligations of tenants and landlords.

H.R. 1336. January 14, 1975. Education and Labor. Directs the Bureau of Labor Statistics to prepare a monthly Consumer Price Index for the Elderly. Directs the Secretaries of Health, Education, and Welfare, Defense, and State; the Chairman of the Civil Service Commission, Board of Directors of the Tennessee Valley Authority, and Board of Governors of the Federal Reserve System; the Director of the Central Intelligence Agency; and the Commissioner of the District of Columbia to study and investigate any legislative and administrative action necessary for utilizing such an index in the administration of certain retirement programs.

H.R. 1337. January 14, 1975. Ways and Means. Amends the Social Security Act by increasing the Federal share of public assistance benefits provided by a State to Indians, Aleuts, native Hawaiians and other aboriginal persons.

H.R. 1338. January 14, 1975. Ways and Means. Amends the Social Security Act to extend medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 1339. January 14, 1975. Merchant Marine and Fisheries. Armed Services. Authorizes the Secretary of the Navy to appoint students at State maritime academies and colleges as Reserve midshipmen in the United States Navy.

H.R. 1340. January 14, 1975. Education and Labor. Amends the Federal Coal Mine Health and Safety Act of 1969 with respect to black lung benefits.

H.R. 1341. January 14, 1975. Judiciary. Establishes a place for the holding of Federal district court for the Western District of Pennsylvania.

H.R. 1342. January 14, 1975. Agriculture. Prohibits the importation of any dairy products into the United States unless it has been inspected and found to be wholesome and unless the foreign farms and plants in which such products were produced comply with all inspection, grading and other standards prescribed by the Secretary of Agriculture.

H.R. 1343. January 14, 1975. Government Operations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 1344. January 14, 1975. Ways and Means. Amends the Social Security Act to extend medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 1345. January 14, 1975. Agriculture. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment.

H.R. 1346. January 14, 1975. Education and Labor. Amends the Civil Rights Act of 1964, to make it unlawful for an employer, an employment agency, labor organization or organization controlling a training program to discriminate against individuals who are handicapped because of such handicap.

H.R. 1347. January 14, 1975. Interior and Insular Affairs. Enlarges the Land and Water Conservation Fund by establishing a "Save Outdoor America" program.

H.R. 1348. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to prohibit the denial of air transportation to any individual solely on the basis of such individual's physical handicap.

H.R. 1349. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

H.R. 1350. January 14, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants for child development and family service programs and cooperative programs with educational agencies. Authorizes Federal grants for training programs for personnel employed in child development programs.

Establishes an Office of Child Development within the Office of the Secretary to coordinate all efforts in the area of child development.

Requires the Secretary to promulgate program standards and a uniform minimum code for child development facilities with the assistance of specially-appointed policy committees.

Authorizes the Secretary to insure mortgages on facilities to be used for child development and family services.

H.R. 1351. January 14, 1975. Agriculture. Authorizes and directs the Secretary of Agriculture to make cost of production payments, not less than semiannually, to farmers, feeders, producers, and ranchers.

H.R. 1352. January 14, 1975. Ways and Means. Prohibits the importation of any fresh, chilled, frozen, or canned cattle meat during a 180-day period, and then allows it only if the Secretary of Agriculture determines that all such foreign meat production meets or exceeds the health and sanitary requirements of the United States.

H.R. 1353. January 14, 1975. Ways and Means. Prohibits the importation of dairy products for a twelve month period or until the market price of milk reaches 100 percent of parity, and then allows it only if the Secretary of Agriculture determines that such foreign dairy production meets or exceeds the health and sanitary requirements of the United States.

H.R. 1354. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by establishing a program of long-term care benefits under the Medicare supplementary medical insurance program. Authorizes Federal reimbursement to States for expenses incurred in planning and developing community long-term care centers. Entitles recipients of Supplemental Security Income benefits and individuals eligible for Medicare benefits to long-term care benefits under this Act.

H.R. 1355. January 14, 1975. Merchant Marine and Fisheries. Interstate and Foreign Commerce. Establishes a program, under the Secretary of Commerce, to insure the wholesomeness of fish and fishery products through inspection and certification of fish and fishery products processing plants in the United States and the inspection of imported fishery products.

H.R. 1356. January 14, 1975. Interstate and Foreign Commerce.

Establishes an Emergency Coal Office in the Federal Energy Administration under the direction of the Federal Energy Administrator. Authorizes the Administrator to take such action as necessary to facilitate the production, transportation, and conversion of coal as a source of energy.

H.R. 1357. January 14, 1975. Education and Labor. Science and Technology. Authorizes the Secretary of Health, Education, and Welfare to make grants to five institutions of higher education for the establishment of comprehensive centers for the education of persons for research dealing with coal as a major national energy resource. Establishes an Advisory Council on Coal Education, Training and Research to advise the Secretary with respect to the general administration of this Act.

Authorizes the Secretary to award fellowships for graduate study and research related to the production, conservation, and utilization of coal.

H.R. 1358. January 14, 1975. Interior and Insular Affairs. Science and Technology. Establishes a Mineral Gasification and Coal Liquefaction Administration to establish a program for development and use of coal and oil shale resources. Authorizes the Secretary of the Interior to lease Federal lands for the exploration or extraction of coal for use in a gasification or liquefaction facility.

Waives the requirement of environmental impact statements with respect to certain loans and agreements. Authorizes the waiver of certain pollution control requirements if cost is deemed unreasonable.

H.R. 1359. January 14, 1975. Judiciary. Authorizes and directs the Secretary of the Treasury to pay the principal and interest of all student loans obtained by students adversely affected by the insolvency of Riverside University, Riverside, California.

H.R. 1360. January 14, 1975. Agriculture. Authorizes the Secretary of Health, Education, and Welfare to make grants and enter into contracts with public and private nonprofit agencies and institutions for the development of programs to educate consumers on the nutritional and economic aspects of agricultural commodities.

H.R. 1361. January 14, 1975. Interstate and Foreign Commerce. Sets forth standards, to be incorporated in State plans, pertaining to the discharge or transfer of Medicaid recipients from skilled nursing or intermediate care facilities.

H.R. 1362. January 14, 1975. Interstate and Foreign Commerce. Ways and Means. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to reimburse long-term care facilities for the cost of establishing and maintaining inpatient rehabilitation therapy programs.

H.R. 1363. January 1, 1975. Merchant Marine and Fisheries. Interior and Insular Affairs. Establishes a National Marine Minerals Resources Trust comprised of all unleased mineral resources of the Outer Continental Shelf. Authorizes the Secretary of the Interior to develop a plan for management for lands in the Outer Continental Shelf which minimizes potential risks of environmental damage.

H.R. 1364. January 14, 1975. Public Works and Transportation. Interstate and Foreign Commerce. Amends the Hazardous Materials Transportation Control Act of 1970 to require that all vehicles transporting hazardous materials in interstate commerce display placards identifying the material carried, degree of hazard involved, and any special procedures to be followed in emergency situations.

H.R. 1365. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Establishes a Nursing Home Affairs Advisory Council to make recommendations to the Secretary of Health, Education, and Welfare concerning services provided by long-term care facilities which receive Federal funds under the Medicare and Medicaid provisions of the Social Security Act.

H.R. 1366. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by (1) directing the Secretary of Health, Education, and Welfare to publish certain data on long-term care facilities and to develop a system for rating such facilities; and (2) requiring States, as a condition for receiving Federal aid, to conduct in-service training for nonprofessional employees of long-term care facilities.

H.R. 1367. January 14, 1975. Agriculture. Requires the Secretary of Agriculture to promulgate by regulation a system of retail quality grade designations for consumer food products expressed in a uniform nomenclature and displayed and disseminated to the public.

H.R. 1368. January 14, 1975. Banking, Currency and Housing. Amends the Public Works and Economic Development Act of 1965 to establish a program to assist in urban industrial development. Authorizes the Secretary of Commerce to make grants and loans to central cities for the establishment of urban land banks. Authorizes industrial development loans to businesses to aid in financing projects within central cities.

H.R. 1369. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to establish a fuel stamp program to assist certain low-income elderly households to meet fuel costs.

H.R. 1370. January 14, 1975. Interstate and Foreign Commerce. Creates an Emergency Coal Administration in the Federal Energy Office of the President to increase the production, transportation, and conversion of coal as a source of energy.

H.R. 1371. January 14, 1975. Public Works and Transportation. Establishes a Federal economic assistance program to provide assistance to areas designated by the President, using certain specified economic and employment criteria, as economic disaster areas.

Creates within the Department of Commerce an Office of Aid to Economic Disaster Areas, to advise and assist the President on means of stimulating the economies of such areas.

H.R. 1372. January 14, 1975. Ways and Means. Amends the Social Security Act to include optometrists' services and eyeglasses under the medicare supplementary medical insurance benefits program.

H.R. 1373. January 14, 1975. Interstate and Foreign Commerce. Establishes a national health insurance program under the Social Security Act. Authorizes the Secretary of Health, Education, and Welfare to reinsure insurance carriers, participating in federally approved State health insurance plans. Directs the Secretary to establish standards for coverage and premiums. Directs the Secretary to establish and operate Federal plans in noncooperating States.

H.R. 1374. January 14, 1975. Ways and Means. Amends the Social Security Act to extend medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 1375. January 14, 1975. Government Operations. Prohibits the expenditure without Congressional approval of appropriated funds for private property used by an individual authorized to be protected by the Secret Service.

H.R. 1376. January 14, 1975. Public Works and Transportation. Establishes the Airport Noise Curfew Commission to study and make recommendations to the Congress regarding the establishment of curfews on nonmilitary aircraft operations over populated areas of the United States during normal sleeping hours.

H.R. 1377. January 14, 1975. Ways and Means. Repeals the statutory authority to impose quotas on the importation of meat and meat products.

H.R. 1378. January 14, 1975. Ways and Means. Science and Technology. Amends the Social Security Act to conform the timing of Medicare premium determinations with the timing of automatic increases in Old-Age, Survivors and Disability Insurance benefits.

Directs the Office of Technology Assessment to engage the National Academy of Sciences to study and propose solutions for problems of medical malpractice insurance. Specifies that proposed solutions shall be related to the Medicare provisions of the Social Security Act.

H.R. 1379. January 14, 1975. Interior and Insular. Removes the exception of electric utility systems constructed and operated as part of an irrigation system from contracting and bidding procedures for use by the Secretary of the Interior in administration of the Bureau of Indian Affairs.

H.R. 1380. January 14, 1975. Merchant Marine and Fisheries. Authorizes appropriations to the Department of Commerce for: (1) acquisition, construction, or reconstruction of ships; (2) payment of obligations incurred for ship operating-differential subsidy; (3) research and development; (4) reserve fleet; (5) training at the Merchant Marine Academy; (6) financial assistance to State Marine Schools, and (7) increases in employee salary and benefits. Revises the Merchant Marine Act to establish regional offices of the Maritime Administration.

H.R. 1381. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by allowing the Secretary of Health, Education, and Welfare to establish a State as one area for which a Professional Standards Review Organization may be designated.

H.R. 1382. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 1383. January 14, 1975. Interior and Insular Affairs. Quitclaims to a certain individual all interest of the United States in the coal and mineral rights of certain land in Arkansas.

H.R. 1384. January 14, 1975. Judiciary. Declares certain individuals eligible for naturalization under the Immigration and Nationality Act.

H.R. 1385. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1386. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to admit free of duty 33 carillon bells for the use of Smith College, Northampton, Mass.

H.R. 1387. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1388. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1389. January 14, 1975. Judiciary. Specifies the tax treatment of a certain individual under the Internal Revenue Code.

H.R. 1390. January 14, 1975. Judiciary. Declares a certain individual eligible for naturalization under the Immigration and Nationality Act.

H.R. 1391. January 14, 1975. Judiciary. Authorizes the admission to the United States for permanent residence a certain individual provided such individual is otherwise admissible under the Immigration and Nationality Act.

H.R. 1392. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay a certain sum to Ball State University and the American Association of Colleges for Teacher Education in full settlement of their claims against the United States for expenses incurred in the performance of a contract which established and operated a National Institute for the Preparation of Teachers for the Disadvantaged. Relieves the University and the Association from certain liability to the United States for cost reimbursement under such contract.

H.R. 1393. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1394. January 14, 1975. Judiciary. Authorizes classification of certain individuals as children for purpose of the Immigration and Nationality Act.

H.R. 1395. January 14, 1975. Judiciary. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1396. January 14, 1975. Judiciary Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1397. January 14, 1975. Judiciary. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1398. January 14, 1975. Judiciary. Declares a certain individual to have met the requirement of 20 quarters of coverage under the Social Security Act for purposes of entitlement to monthly disability insurance benefits.

H.R. 1399. January 14, 1975. Judiciary. Authorizes classification of certain individuals as a child for purposes of the Immigration and Nationality Act.

H.R. 1400. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to convey certain lands to the Greater Southeast Community Hospital Foundation, Inc., Washington, D.C.

H.R. 1401. January 14, 1975. Judicary. Requires that service performed by a certain individual as a member of the civilian faculty of the United States Naval Academy be included as creditable service for purposes of civil service retirement annuities.

H.R. 1402. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay to a specified individual a certain sum in settlement of all claims against the United States for losses sustained through travel and other expenses incurred as a result of changes in such individual's official station while employed by various agencies of the Department of Defense.

H.R. 1403. January 14, 1975. Judiciary. Directs the Secretary of the Interior to pay a certain individual a sum representing the difference between the value of the land on the date of the filing of such individuals small tract application and the date of insurance of a certain patent.

H.R. 1404. January 14, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to convey to a certain individual specified land in Madera County, California.

H.R. 1405. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to convey to a certain individual specified land in Tahoe National Forest, Placer County, California.

H.R. 1406. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1407. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1408. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1409. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay a certain sum to the eligible survivors of certain individuals in lieu of Servicemen's Group Life Insurance benefits.

H.R. 1410. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual for moving expenses sustained as a result of the purchase of such individual's real property in Moro County, New Mexico, by the Secretary of the Interior.

H.R. 1411. January 14, 1975. Judiciary. Deems a certain individual an immediate relative for purposes of the Immigration and Nationality Act.

H.R. 1412. January 14, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1413. January 14, 1975. Judiciary. Authorizes the naturalization of a certain individual, under the Immigration and Nationality Act.

H.R. 1414. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1415. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1416. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1417. January 14, 1975. Armed Services. Authorizes the President of the United States to present a Medal of Honor to a specified individual.

H.R. 1418. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1419. January 14, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1420. January 14, 1975. Judiciary. Specifies the tax treatment of a certain individual under the Internal Revenue Code.

H.R. 1421. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay to a certain individual specified veterans benefits.

H.R. 1422. January 14, 1975. Judiciary. Permits a certain individual to submit a claim to the Foreign Claims Settlement Commission notwithstanding the time limitation for such claims.

H.R. 1423. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1424. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to the widow of a certain individual as a result of the correction of the military records of such individual.

H.R. 1425. January 14, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1426. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1427. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1428. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1429. January 14, 1975. Judiciary. Specifies the tax treatment of a certain corporation under the Internal Revenue Code.

H.R. 1430. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1431. January 14, 1975. Judiciary. Stipulates the eligibility of certain individuals for old age or survivors benefits under the Social Security Act.

H.R. 1432. January 14, 1975. Judiciary. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1433. January 14, 1975. Foreign Affairs. Authorizes a certain individual to accept an office or position in a university maintained by the Government of Canada.

H.R. 1434. January 14, 1975. Interior and Insular Affairs. Eliminates the use restriction on certain public lands in Alaska authorized for sale to the Catholic Bishop of Northern Alaska.

H.R. 1435. January 15, 1975. Interstate and Foreign Commerce. Authorizes appropriations for the Federal Communications Commission for three years.

H.R. 1436. January 15, 1975. Interstate and Foreign Commerce. Authorizes appropriations for the Securities and Exchange Commission.

H.R. 1437. January 15, 1975. Interstate and Foreign Commerce. Authorizes appropriations for carrying out the functions, powers, and duties of the Food and Drug Administration for fiscal years 1976, 1977, and 1978.

H.R. 1438. January 15, 1975. Interstate and Foreign Commerce. Amends the Federal Power Act to provide additional authorizations for the Federal Power Commission.

H.R. 1439. January 15, 1975. Public Works and Transportation. Authorizes appropriations for the Federal Aviation Administration.

H.R. 1440. January 15, 1975. Public Works and Transportation. Authorizes appropriations for the Civil Aeronautics Board.

H.R. 1441. January 15, 1975. Interstate and Foreign Commerce. Public Works and Transportation. Authorizes appropriations for the Interstate Commerce Commission.

H.R. 1442. January 15, 1975. Interstate and Foreign Commerce. Public Works and Transportation. Authorizes appropriations for the Federal Communications Commission, Interstate Commerce Commission, Federal Aviation Administration, Federal Power Commission, Securities and Exchange Commission, and the Food and Drug Commission.

H.R. 1443. January 15, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to designate medically underserved populations and to assign National Health Service Corps personnel to provide health services for such populations. Revises the National Health Service Corps Scholarship Training Program by increasing appropriations therefor and by creating a formula for repayment of the scholarship and interest in the event that the recipient fails to fulfill his service obligation.

H.R. 1444. January 15, 1975. Post Office and Civil Service. Revises procedures for computation and payment of civil service retirement annuities to Federal employees and Members of Congress, and to the surviving spouses of such employees and Members.

H.R. 1445. January 15, 1975. Interstate and Foreign Commerce. Interior and Insular Affairs. Establishes a Bureau of Energy Information and a National Energy Information System within the Department of Commerce.

Requires major energy companies to file reports with the Bureau. Establishes standards for entry of information into public, confidential, and secret libraries to be maintained by the Bureau.

Directs the Secretary of the Interior to compile an annual inventory of energy resources in the public lands of the United States.

H.R. 1446. January 15, 1975. Interstate and Foreign Commerce. Establishes regulations with respect to certain independent regulatory commissions and agencies governing the following: (1) the appointment and tenure of chairmen; (2) the tenure of members; (3) the control of litigation; (4) appropriations requests; and (5) supplying information to Congressional Committees.

H.R. 1447. January 15, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to require consideration of total environmental, social, and economic impact. Includes provisions to allow individual sources to petition the Administrator of the Environmental Protection Agency for variances where environmental benefits do not justify economic and social costs imposed by environmental controls.

H.R. 1448. January 15, 1975. Armed Services. Revises the method of computing Armed Forces retainer and retired pay for certain individuals to reflect current active duty pay rates.

H.R. 1449. January 15, 1975. Judiciary. Authorizes the compensation of persons injured by certain violent criminal acts. Establishes within the Department of Justice the Violent Crimes Compensation Commission to carry out the purposes of this Act.

H.R. 1450. January 15, 1975. Government Operations. Ways and Means. Requires that five percent of the United States budget receipts for each fiscal year be set aside for the retirement of the public debt.

H.R. 1451. January 15, 1975. Post Office and Civil Service. Designates the birthday of Susan B. Anthony as a legal public holiday.

H.R. 1452. January 15, 1975. Merchant Marine and Fisheries. Extends the United States fishing zone from twelve to two hundred miles from the inner boundary of the territorial sea. Declares it the sense of Congress to review such extension of the fishery zone in the context of proposals and arrangements over high seas fishing rights which result from the Law of the Sea Conference.

H.R. 1453. January 15, 1975. Government Operations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 1454. January 15, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors, and Disability Insurance benefits under the Social Security Act from being considered income for the purpose of determining an individual's eligibility for veterans' pensions or dependency and indemnity compensation for parents of deceased veterans.

H.R. 1455. January 15, 1975. Judiciary. Directs the President to appoint with the advice and consent of the Senate, one additional district judge for the western district of Wisconsin.

H.R. 1456. January 15, 1975. Ways and Means. Amends the Social Security Act as it relates to Old-Age, Survivors and Disability Insurance by (1) eliminating the waiting period for disability benefits; (2) increasing the amount of outside income which an individual may earn while receiving benefits; (3) revising the eligibility requirements for adopted children; (4) revising the procedure for making administrative determinations of entitlement to benefits; (5) authorizing the replacement of lost, stolen or undelivered benefit checks; and (6) giving Disability Insurance beneficiaries the same right to expedited benefit payments as Old-Age and Survivors Insurance beneficiaries.

H.R. 1457. January 15, 1975. Agriculture. Revises eligibility requirements and the portion of income to be paid for food coupons under the Food Stamp Act of 1964. Authorizes the use of food coupons for the purchase of prepared meals which are delivered to disabled individuals by a public agency or nonprofit organization.

H.R. 1458. January 15, 1975. Appropriations. Appropriates additional funds to the Department of Health, Education, and Welfare for the expenses of the National Institute of Arthritis, Rheumatism, Metabolic Diseases, and Digestive Diseases in carrying out research on the cause and treatment of diabetes.

H.R. 1459. January 15, 1975. Judiciary. Extends benefits for compensation of death or injury in the line of duty to law enforcement officers and firemen not employed by the United States, or their survivors.

H.R. 1460. January 15, 1975. Judiciary. Establishes a Federal minimum death benefit to be paid to Federal, State, or local law enforcement, corrections and firefighting the surviving dependents of personnel.

H.R. 1461. January 15, 1975. Armed Services. Requires the Secretaries of the Army, Navy, and Air Force to take such action as may be necessary to insure that female individuals shall be eligible for appointment and admission to the service academies under the same academic and other relevant standards as male individuals.

H.R. 1462. January 15, 1975. Education and Labor. Redefines under the Higher Education Act of 1965 the term "institution of higher education" to include area vocational schools for the purpose of the Basic Educational Opportunity Grants.

Excludes basic grant payments from the household income and other financial resources to be used as a criteria of eligibility for participation by households in the food stamp program.

H.R. 1463. January 15, 1975. Armed Services. Revises the method of computing Armed Forces retired and retainer pay for certain individuals to reflect current active duty pay rates.

H.R. 1464. January 15, 1975. Government Operations. Prohibits Federal agencies from furnishing mailing lists to the public, with certain exceptions. Prohibits the use of mailing lists furnished in violation of this Act for commercial solicitations.

H.R. 1465. January 15, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to convey certain assets to the Twenty-Nine Palms Band on behalf of the Cabazon Band of Mission Indians in California.

H.R. 1466. January 15, 1975. Interior and Insular Affairs. Conveys certain federally-owned lands in California to the Twenty-nine Palms Park and Recreation District, for the purpose of establishing an Indian cemetery and historical museum site.

H.R. 1467. January 15, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman, law enforcement officer, or judicial officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 1468. January 15, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 by permitting reduced rates for air travel by members of the same family and by handicapped persons. Authorizes reduced air fares for elderly people and young people on a space available basis.

H.R. 1469. January 15, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to require the Secretary of Transportation to prescribe regulations governing the humane treatment of animals transported in air commerce.

H.R. 1470. January 15, 1975. Standards of Official Conduct. Requires each Member of Congress and certain employees of Congress to file certain financial information with the Comptroller General.

H.R. 1471. January 15, 1975. Veterans' Affairs. Excludes public or private retirement, annuity, or endowment payments in computing annual income for the purpose of determining eligibility for a pension from the Veterans' Administration for a non-service disability or death.

H.R. 1472. January 15, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors, and Disability Insurance benefits.

H.R. 1473. January 15, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to investigate methods of utilizing wastes resulting from the mining and processing of coal.

H.R. 1474. January 15, 1975. Ways and Means. Amends the Tariff Act of 1930 by defining the term "ultimate purchaser" to mean the purchaser of the finished product at wholesale or retail.

H.R. 1475. January 15, 1975. Interstate and Foreign Commerce. Creates an Emergency Coal Administration within the Federal Energy Office. Authorizes the Administrator of the Federal Energy Office to establish goals and take action to insure the maximum increase in the production, transportation, and conversion of coal as long as the present energy emergency exists.

H.R. 1476. January 15, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to prohibit the requirement of an indirect source emission review as part of an implementation plan under the Act.

H.R. 1477. January 15, 1975. Judiciary. Amends the Civil Rights Act of 1964 by prohibiting any department, agency, officer or employee of the United States from using the withholding of Federal funds to coerce changes in the racial distribution of teachers or students within a school system when a freedom of choice system, as defined by this Act, is used for the assignment of students.

Prohibits Federal courts from requiring school boards to make changes in the racial distribution of teachers or students when students are assigned in conformity with such a system.

H.R. 1478. January 15, 1975. Judiciary. Amends the Federal Criminal Code to increase the penalties for kidnaping and to require the death penalty in certain circumstances.

Establishes a rebuttable presumption that a person who voluntarily agrees to travel with another to a particular destination and does not arrive at that destination has been decoyed or inveigled.

H.R. 1479. January 15, 1975. Judiciary. Imposes penalties for the robbery or attempted robbery of any narcotic drug from any pharmacy.

H.R. 1480. January 15, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 1481. January 15, 1975. Post Office and Civil Service. Abolishes the United States Postal Service. Repeals the Postal Reorganization Act. Re-establishes the Post Office Department as an executive department of the Federal Government.

H.R. 1482. January 15, 1975. Post Office and Civil Service. Redesignates the date for observance of Veterans Day.

H.R. 1483. January 15, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 1484. January 15, 1975. Education and Labor. Prescribes uniform criteria for formulating judicial remedies for the elimination of dual school systems. Stipulates that the failure of an educational agency to attain a balance, on the basis of race, color, sex, national origin, or socioeconomic status, of students among its schools shall not constitute a denial of equal protection of the laws.

H.R. 1485. January 15, 1975. Public Works and Transportation. Directs the President to prepare a comprehensive program of public works projects for the purpose of reducing unemployment. Authorizes the President to make grants to States and localities suffering from unemployment or underemployment.

H.R. 1486. January 15, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicard programs.

H.R. 1487. January 1, 1975. Education and Labor. Amends the Civil Rights Act of 1964 to make unlawful discrimination in employment on the basis of age.

H.R. 1488. January 1, 1975. Education and Labor. Declares that employees of States and units of local government have the right to form and join labor organizations, and engage in collective bargaining. Enumerates certain unfair labor practices with respect to such employees.

Creates a National Public Employee Relations Commission to receive and adjudicate complaints of unfair labor practices, and to issue cease and desist orders regarding such practices, and to supervise certain labor organization elections.

H.R. 1489. January 15, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits. Requires the Administrator of Veterans' Affairs to restore to entitlement and repay any compensation that would have been payable to any veteran but for the increase in his benefits under the Social Security Act.

H.R. 1490. January 15, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1491. January 15, 1975. Interstate and Foreign Commerce. Amends the Natural Gas Act to establish a priority system for certain agricultural uses of natural gas.

H.R. 1492. January 15, 1975. Merchant Marine and Fisheries. Applies to the United States fishing industry the same protection from foreign control as is granted to the coastwise shipping trade under the Shipping Act, 1916.

H.R. 1493. January 15, 1975. Agriculture. Authorizes the Secretary of Agriculture to cooperate with States and subdivisions in administration of the national forest system.

H.R. 1494. January 15, 1975. Agriculture. Requires, under the Federal Meat Inspection Act, that imported meat and meat food products made in whole or in part of imported meat must be labeled "imported" or "imported in part" at all stages of distribution until reaching the ultimate consumer.

H.R. 1495. January 15, 1975. Agriculture. Requires that imported foodstuffs and foodstuff products be marked and labeled in accordance with the laws and regulations for imported articles. Prohibits their importation if such articles are adulterated or misbranded and unless they comply with all the standards and regulations applicable to the same or similar article in commerce within the United States.

H.R. 1496. January 15, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to make grants to States and localities or to certain persons to assist in the restoration of historical cemeteries or burial plots.

H.R. 1497. January 15, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to authorize the approval of a user charge system in connection with sewage treatment works construction.

H.R. 1498. January 15, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income of 50 percent of the wages paid by the taxpayer for household help.

H.R. 1499. January 15, 1975. Ways and Means. Amends the Internal Revenue Code to permit the reasonable and necessary expenses paid by the taxpayer in connection with an adoption to be deducted as a medical expense.

H.J. Res. 121. January 23, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 122. January 23, 1975. House Administration. Requests the President to designate the American rose as the national floral emblem of the United States.

H.J. Res. 123. January 23, 1975. Judiciary. Requires the Watergate Special Prosecution Force to publish a public report on all information it has concerning any involvement of Richard M. Nixon in offenses against the United States.

H.J. Res. 124. January 23, 1975. Judiciary. Proposes an amendment to the Constitution to repeal the Twenty-fifth Amendment to the Constitution (relating to removal from Office of the President or vacancies in the Office of the Vice President).

H.J. Res. 125. January 23, 1975. Government Operations. Declares it the policy of the United States to encourage, develop, and implement policies to stabilize the population of the United States.

H.J. Res. 126. January 23, 1975. Judiciary. Proposes an amendment to the Constitution creating four year terms for Members of the House of Representatives

H.J. Res. 127. January 23, 1975. Judiciary. Proposes an amendment to the Constitution making a foreign born citizen eligible for the office of President where such citizen has resided in the United States for fourteen years and has been a citizen for twelve.

H.J. Res. 128. January 23, 1975. Post Office and Civil Service. Authorizes the President to proclaim the last Friday in April of each year as "National Arbor Day."

H.J. Res. 129. January 23, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 130. January 23, 1975. Ways and Means. Prohibits tariffs, fees, or quotas on petroleum imports unless authorized by law or approved by Congress.

H.J. Res. 131. January 23, 1975. Ways and Means. Prohibits tariffs, fees, or quotas on petroleum imports unless authorized by law or approved by Congress.

H.J. Res. 132. January 23, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 133. January 23, 1975. Judiciary. Proposes an amendment to the Constitution with respect to attendance of Senators and Representatives at congressional sessions

H.J. Res. 134. January 23, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H.J. Res. 135. January 23, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

H.J Res. 136. January 23, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H.J. Res. 137. January 23, 1975. Judiciary. Designates the square dance as the National folk dance of the United States

H.J. Res. 138. January 23, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

HJ. Res. 139. January 23, 1975. Post Office and Civil Service. Requests the President to designate May 13 of each year as "American Business Day."

H.J. Res. 140. January 23, 1975. Judiciary. Proposes an amendment to the Constitution to permit Congress or the States to impose the death penalty in certain cases.

H.J. Res. 141. January 27, 1975. Ways and Means. Prohibits tariffs, fees, or quotas on petroleum imports unless authorized by law.

H.J. Res. 142. January 27, 1975. Foreign Affairs. Requests the President and Secretary of State to determine the fate of all United States servicemen and civilians missing in Southeast Asia.

H.J. Res. 143. January 27, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 144. January 27, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 145. January 28, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 146. January 28, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H.J. Res. 147. January 28, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 148. January 28, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 149. January 28, 1975. Judiciary. Proposes an amendment to the Constitution creating four year terms for Members of the House of Representatives.

H.J. Res. 150. January 28, 1975. Judiciary. Proposes an amendment to the Constitution (1) limiting the term of Office of the President and Vice President to 6 years, (2) stipulating that no person shall be eligible for more than a single term as President or Vice President, and (3) specifying a Vice President's eligibility for the Office of President.

H.J. Res. 151. January 28, 1975. Judiciary. Proposes an amendment to the Constitution specifying that the President and Vice-President shall (1) hold a single six year term, and (2) be elected by direct popular ballot. Stipulates certain nomination and election procedures.

H.J. Res. 152. January 28, 1975. Foreign Affairs. Declares it the sense of the House of Representatives to commend the Cuban "Declaration of Freedom".

H.J. Res. 153. January 29, 1975. Judiciary. Proposes an amendment to the Constitution limiting appropriations to the amount of revenues except during a national emergency.

H.J. Res. 154. January 29, 1975. Merchant Marine and Fisheries. Authorizes (1) the establishment of the Tule Elk National Wildlife Refuge and (2) the establishment of a Federal-State management program for the conservation, protection, and enhancement of tule elk and other species. Deems the tule elk to be a species threatened with extinction, for purposes of the Land and Water Conservation Fund Act of 1965.

H.J. Res. 155. January 29, 1975. Post Office and Civil Service. Designates June 2, 1975, to honor the Connecticut Bar Association.

H.J. Res. 156. January 29, 1975. Judiciary. Proposes an amendment to the Constitution limiting the pardoning power of the President with respect to those who held the Office of President or Vice-President.

H.J. Res. 157. January 29, 1975. Post Office and Civil Service. Designates February 17 to February 23 of each year as "Sertoma Freedom Week".

H.J. Res. 158. January 29, 1975. Post Office and Civil Service. Designates the first Tuesday in June of each year as "National Parliamentary Law Day".

H.J. Res. 159. January 29, 1975. Post Office and Civil Service. Authorizes the President to proclaim April 14 of each year as "John Hanson Day".

H.J. Res. 160. January 29, 1975. Judiciary. Proposes an amendment to the Constitution to permit Congress or the States to impose the death penalty in certain cases.

H.J. Res. 161. January 29, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 162. January 29, 1975. Judiciary. Proposes an amendment to the Constitution granting parents and local school boards the right to determine which public school children in that district will attend.

H.J. Res. 163. January 29, 1975. Judiciary. Proposes an amendment to the Constitution permitting voluntary prayer in public places. Allows reference to a Supreme Being in public or governmental activities.

H.J. Res. 164. January 29, 1975. Judiciary. Proposes an amendment to the Constitution to modify the terms of office of the Federal judiciary.

H.J. Res. 165. January 29, 1974. Judiciary.

Proposes an amendment to the Constitution to permit any State to apportion one house of its legislature on factors other than population.

H.J. Res. 166. January 29, 1975. Judiciary. Establishes a commission (1) to study the causes of riots and law violations, (2) to investigate the damage to the economy of States and political subdivisions due to riots and law violations, and (3) to recommend legal remedies for States and political subdivisions whose economic development has been damaged by such activities.

H.J. Res. 167. January 29, 1975. Judiciary. Establishes a commission: (1) to investigate the increase in law violation and its causes, and (2) to recommend corrective legislation.

H.J. Res. 168. January 29, 1975. Judiciary. Prohibits the United States from participation in any civil action except as a party to such action.

H.J. Res. 169. January 29, 1975. Judiciary. Establishes the Commission for Re-establishing Constitutional Principles to study the decisions of the United States Supreme Court to determine (1) the extent to which such decisions have hindered or prevented law enforcement agencies from performing their functions, and (2) the extent to which the Supreme Court has usurped the authority and powers of the legislative and executive branches of the Federal Government. Authorizes the Commission to recommend legislation to prevent such usurpation.

H.J. Res. 170. January 30, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 171. January 30, 1975. Post Office and Civil Service. Designates February 9 to 15, 1975, as "National Vocational Education and National Vocational Industrial Clubs of America Week".

H.J. Res. 172. January 30, 1975. Post Office and Civil Service. Authorizes the President to designate September 8 of each year as "National Cancer Day".

H.J. Res. 173. January 30, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 174. January 31, 1975. Post Office and Civil Service. Authorizes the President to designate March of each year as "Youth Art Month."

H.J. Res. 175. February 3, 1975. Judiciary. Proposes an amendment to the Constitution lowering the age requirements for Congressional membership.

H.J. Res. 176. February 3, 1975. Judiciary. Proposes an amendment to the Constitution lowering the age requirements for Congressional membership.

H.J. Res. 177. February 3, 1975. Post Office and Civil Service. Authorizes the President to proclaim February of each year "American History Month."

H.J. Res. 178. February 3, 1975. Post Office and Civil Service. Requests the President to designate March 30 to April 5, 1975, as "National Stamp Collecting Week."

H.J. Res. 179. February 3, 1975. Post Office and Civil Service. Designates February 9 through February 15, 1975, as "National Peanut Butter and Milk Week."

H.J. Res. 180. February 3, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to enact legislation respecting the life of an unborn child from the time of conception.

H.J. Res. 181. February 4, 1975. Judiciary. Directs the Commission on Civil Rights to study certain aspects of the local, State, and Federal criminal justice systems as they affect women.

H.J. Res. 182. February 4, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 183. February 4, 1975. Judiciary. Proposes an amendment to the Constitution to limit Congressional appropriations to 105 percent of the revenues of the previous fiscal period, except in times of national emergency.

H.J. Res. 184. February 4, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 185. February 4, 1975. Judiciary. Proposes an amendment to the Constitution to permit voluntary participation in prayer in public schools and public buildings.

H.J. Res. 186. February 4, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

H.J. Res. 187. February 4, 1975. Judiciary. Proposes an amendment to the Constitution: (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 188. February 4, 1975. Foreign Affairs. Repeals the Cuban Resolution, approved October 3, 1962.

H.J. Res. 189. February 4, 1975. Judiciary. Proposes an amendment to the Constitution: (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 190. February 4, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

H.J. Res. 191. February 4, 1975. Post Office and Civil Service. Authorizes the President to designate the 1st Sunday in June of each year as "American Youth Day."

H.J. Res. 192. February 4, 1975. Post Office and Civil Service. Authorizes the President to designate the fourth Wednesday in January as "National School Nurse Day."

H.J. Res. 193. February 4, 1975. Foreign Affairs. Directs the President to seek international agreements establishing a wildlife preserve for humpback whales in the West Indies.

H.J. Res. 194. February 5, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national pertroleum reserves on certain public lands of the United States.

H.J. Res. 195. February 5, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 196. February 5, 1975. Judiciary. Proposes an amendment to the Constitution which authorizes the President or the Speaker of the House to determine a surtax rate to be applied to the income tax at times when estimates of Federal expenditures exceed estimates of Federal receipts.

H.J. Res. 197. February 5, 1975. Judiciary. Proposes an amendment to the Constitution: (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 198. February 5, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish a memorial museum at Las Vegas, New Mexico, to commemorate the Rough Riders and related history of the Southwest.

H.J. Res. 199. February 5, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H. Con. Res. 100. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 101. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 102. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 103. February 5, 1975. Merchant Marine and Fisheries. Interior and Insular Affairs. Prohibits any Federal agency from conducting or supporting oil leasing activities directly or indirectly affecting the United States coastal zone prior to the development of an approved State management program under the Coastal Zone Management Act of 1972.

H. Con. Res. 104. February 5, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 105. February 5, 1975. Foreign Affairs. Declares it the sense of Congress that: (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 106, February 5, 1975. Interior and Insular Affairs. Declares it the sense of Congress to give serious consideration to the political status preference of the people of Guam.

H. Con. Res. 107. February 6, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 108. February 6, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 109. February 6, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 110. February 6, 1975. Post Office and Civil Service. Requests the President to designate May 1–8 1975, as "National Trauma Week."

H. Res. 100. January 27, 1975. House Administration. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 101. January 28, 1975. Announces the election of certain members to various standing committees of the House.

H. Res. 102. January 28, 1975. Rules. Creates a select committee of the House of Representatives to study the ramifications of the United States Supreme Court decisions on abortion.

H. Res. 103. January 28, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States Government should seek agreements with other nations prohibiting weather modification as a weapon.

H. Res. 104. January 28, 1975. House Administration. Authorizes payment from the contingent fund of the House of Representatives of certain expenses of the Committee on Post Office and Civil Service for studies and investigations.

H. Res. 105. January 28, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 106. January 28, 1975. Judiciary. Directs the President to provide to the House Committee on the Judiciary information relating to activities of the Central Intelligence Agency.

H. Res. 107. January 28, 1975. Interior and Insular Affairs. Disapproves the plan submitted by the Secretary of the Interior to distribute funds appropriated in satisfaction of an award of the Indian Claims Commission to the Cowlitz Tribe of Indians.

H. Res. 108. January 28, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 109. January 29, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 110. January 29, 1975. Rules. Authorizes and directs the Speaker of the House of Representatives to implement a plan for audio and video broadcasting of the proceedings of the House of Representatives.

H. Res. 111. January 29, 1975. Rules. Amends the Rules of the House of Representatives to prohibit a party caucus or conference from issuing binding instructions on a Member's committee or floor votes. Permits a Member so bound to raise a point of order.

H. Res. 112. January 29, 1975. Rules. Amends the Rules of the House of Representatives to require that the record of committee action be made available to the public, with certain exceptions.

H. Res. 113. January 29, 1975. Rules. Amends the Rules of the House of Representatives to prohibit the use of proxy voting in committees.

H. Res. 114. January 29, 1975. Rules. Amends the Rules of the House of Representatives to require that all committee meetings be open to the public, with certain exceptions.

H. Res. 115. January 29, 1975. Rules. Amends the Rules of the House of Representatives: (1) to allow any member in committee to demand a roll call vote on any matter, and (2) to require a roll call vote on any motion to report a bill or resolution of a public character from committee.

H. Res. 116. January 29, 1975. Rules. Amends the Rules of the House of Representatives to prohibit suspension of the rules for considering a matter reported from a committee unless the suspension is requested by the chair and ranking minority member of the committee, or a majority of the committee, in open session, with a quorum present, by roll call vote.

H. Res. 117. January 29, 1975. Rules. Amends the Rules of the House of Representatives to require (1) that all House-Senate conferences be open to the public and (2) that no conference report shall be in order for consideration unless all conference sessions are open.

H. Res. 118. January 29, 1975. Rules. Amends the Rules of the House of Representatives with respect to the length of terms which chairmen of standing committees may serve.

H. Res. 119. January 30, 1975. Appropriations. Expresses the disapproval of the House of Representatives of the deferral of budget authority represented by the failure of the President to apportion certain funds to the Departments of Labor and Health, Education, and Welfare under the Antideficiency Act.

H. Res. 120. January 30, 1975. Rules. Amends the Rules of the House of Representatives to establish a Select Committee on Energy to conduct studies on the development, application, use, and control of all forms of energy.

H. Res. 121. January 30, 1975. Rules. Creates a House of Representatives Select Committee to study the intelligence activities of Federal agencies.

H. Res. 122. January 30, 1975. Rules. Establishes a select committee of the House of Representatives to gather information regarding (1) the location of Americans missing in action in Southeast Asia, and (2) the actions taken by the military or Federal executive agencies to locate these persons.

H. Res. 123. January 30, 1975. Rules. Amends the Rules of the House of Representatives to establish a Select Committee on Energy to conduct studies on the development, application, use, and control of all forms of energy.

H. Res. 124. January 30, 1975. House Administration. Authorizes funds for the expenditures of the House Committee on Ways and Means.

H. Res. 125. January 31, 1975. Rules. Creates a House of Representatives select committee to study the intelligence activities of Federal agencies.

H. Res. 126. January 31, 1975. Foreign Affairs. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 127. January 31, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 128. January 31, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 129. February 3, 1975. Armed Services. Requests certain information to be furnished to the House of Representatives regarding United States involvement in Indochina from the Secretary of Defense.

H. Res. 130. February 3, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 131. February 3, 1975. Foreign Affairs. Declares it the sense of Congress that efforts be made to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to account for personnel captured, killed, or missing during the Indochina conflict.

Directs the President and the Secretary of State to reopen negotiations, if necessary, to determine the fate of those missing in action.

H. Res. 132. February 3, 1975. House Administration. Authorizes appropriations for the expenses of the House Committee on Armed Services for the first session of the 94th Congress.

H. Res. 133. February 3, 1975. House Administration. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 134. February 4, 1975. Armed Services. Requests certain information be furnished to the House of Representatives regarding United States involvement in Indochina from the Secretary of Defense.

H. Res. 135. February 4, 1975. Rules. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 136. February 4, 1975. House Administration. Authorizes the voluntary withholding of Maryland, Virginia, and the District of Columbia income taxes in the case of Members of the House of Representatives and certain legislative employees who are subject to such income tax.

H. Res. 137. February 4, 1975. Appropriations. Disapproves the deferral of budget authority relating to atomic energy, proposed by the President, transmitted under the Impoundment Control Act.

H. Res. 138. February 4, 1975. Rules. Establishes the House Select Committee on Intelligence to study the intelligence community of the Federal Government.

H. Res. 139. February 4, 1975. House Administration. Authorizes appropriations for the expenses of the House Committee on Education and Labor for investigations and studies.

H. Res. 140. February 4, 1975. Rules. Expresses the intention of the House of Representatives that each committee thereof base its decisions concerning locating and relocating of Federal facilities on considerations of management, fiscal planning, and the interests of Federal employees and their families.

H. Res. 141. February 4, 1975. Rules. Expresses the intention of the House of Representatives that each committee thereof base its decisions concerning locating and relocating of Federal facilities on considerations of management, fiscal planning, and the interests of Federal employees and their families.

H. Res. 142. February 4, 1975. Provides that consideration of H.R. 1767 shall be in order.

H. Res. 143. February 4, 1975. Provides that consideration of H.R. 2634 shall be in order.

H. Res. 144. February 5, 1975. Elects Representative John J. Flynt as chairman of the Committee on Standards of Official Conduct, and Representative Wright Patman to the Committee on Interior and Insular Affairs.

H. Res. 145. February 5, 1975. Elects majority Members to the House Committee on the Budget.

H. Res. 146. February 5, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 147. February 5, 1975. Rules. Creates a special committee of the House of Representatives to investigate the status of lands which were the subject of grants by the King of Spain and the Government of Mexico prior to their acquisition by the United States as a result of the Treaty of Guadalupe-Hidalgo, 1848.

H. Res. 148. February 5, 1975. Judiciary. Directs the President to provide to the House Committee on the Judiciary information relating to activities of the Central Intelligence Agency.

H. Res. 149. February 5, 1975. Rules. Creates a select committee of the House of Representatives to investigate the role of the oil and gas industry in contributing to the current energy crisis.

H. Res. 150. February 5, 1975. House Administration. Authorizes the House Committee on Rules to incur such expenses not in excess of $30,000 as it deems advisable for the first session of the 94th Congress.

H. Res. 151. February 5, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that efforts be made to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to account for personnel captured, killed, or missing during the Indochina conflict.

Directs the President and Secretary of State to reopen negotiations, if necessary, to determine the fate of those missing in action.

H. Res. 152. February 5, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that efforts be made to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to account for personnel captured, killed, or missing during the Indochina conflict.

Directs the President and Secretary of State to reopen negotiations, if necessary, to determine the fate of those missing in action.

H. Res. 153. February 5, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that efforts be made to persuade the Government of the Democratic Republic of Vietnam, and the Lao Patriotic

Front to account for personnel captured, killed, or missing during the Indochina conflict.

Directs the President and Secretary of State to reopen negotiations, if necessary, to determine the fate of those missing in action.

H. Res. 154. February 5, 1975. Judiciary. Refers H.R. 2953 to the Chief Commissioner of the Court of Claims.

H. Res. 155. February 6, 1975. Authorizes the Clerk of the House of Representatives to respond to a subpena.

H. Res. 156. February 6, 1975. Authorizes the Clerk of the House of Representatives to respond to a subpena duces tecum.

H. Res. 157. February 6, 1975. Rules. Establishes the House Committee on Internal Security to investigate (1) organizations which seek to overthrow the United States Government by unlawful means, (2) groups opposing by unlawful means the authority of the United States Government affecting internal security, and (3) any other question relating to internal security.

H. Res. 158. February 6, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 159. February 6, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 160. February 6, 1975. Foreign Affairs. Commends the Vladivostok agreement. Advises the President to attempt to complete negotiations resulting from this agreement with respect to (1) restraints on the development and deployment of strategic weapon systems by the United States and the Soviet Union, (2) mutual reductions in the total numbers of such weapons, and (3) continuation of negotiations regarding arms limitation.

H. Res. 161. February 6, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 162. February 6, 1975. House Administration. Authorizes funds for the expenditures of the House Committee on Standards of Official Conduct.

H. Res. 163. February 6, 1975. Rules. Amends the Rules of the House of Representatives to change the name of the Committee on Foreign Affairs to the Committee on International Relations.

H. Res. 164. February 6, 1975. House Administration. Authorizes expenditures by the House Committee on Veterans' Affairs to be paid out of the House contingent fund for studies and investigations.

H. Res. 165. February 6, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 166. February 6, 1975. Judiciary. Refers H.R. 3088 to the Chief Commissioner of the Court of Claims

H. Res. 167. February 10, 1975. Rules. Amends the Rules of the House of Representatives with respect to the length of terms which chairmen of standing committees may serve.

H. Res. 168. February 10, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 169. February 10, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 170. February 10, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

41. By the **SPEAKER:** Petition of the Mayor and Council of the City of Tucson, Ariz., relative to food stamps; to the Committee on Agriculture.

42. Also, petition of John Brill, Peoria, Ill., relative to redress of grievances; to the Committee on the Judiciary.

43. Also, petition of Delbert F. Downing and other Democratic members of the New Hampshire State Senate, Concord, relative to the state of the Union; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

WHY AID TO VIETNAM IS VITAL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. CRANE. Mr. Speaker, despite the rhetoric of détente which we have heard so often, the fact is that the Soviet Union continues to supply the North Vietnamese and to fuel the aggressive policy of that country.

At the present time, the South Vietnamese have approximately a 60-day stockpile of essential ammunition while the Communists have enough guns and ammunition to wage war for 18 to 20 months.

The situation is so critical at the present time that ammunition is being rationed to so much a man per day or weapon per day—even at outposts under concerted enemy attack.

Erich F. von Marbod, Deputy Assistant Secretary of Defense, reports that:

> The only reason the South Vietnamese have ammunition today is because they have decided to sacrifice military outposts, positions of control in the countryside, and absorb heavy civilian and military casualties.

Communist aggression continues in Vietnam in direct violation of the peace accords signed in Paris. Yet, at this very moment, many in the Congress would cut off all aid to South Vietnam and permit that aggression to succeed and overrun the country. It is essential that this not be permitted to happen.

Discussing the current situation in Vietnam, U.S. Ambassador Graham Martin, in an exclusive interview with Human Events, declared that—

> There were an estimated 210,000 North Vietnamese in South Vietnam, in January, 1973. Today the figure is approximately 300,000—they have established three new corps headquarters, the 968th North Vietnamese division which has been stationed in Laos—which was itself in violation of the agreement by being there—has now moved into the Central Highlands of South Vietnam.

To those who argue that South Vietnam is going to be an endless drain on U.S. funds and that there seems to be no way out, Ambassador Martin replies:

> It is my objective, dispassionate analysis that if we give the aid that we had promised on the military side, there is no way that South Vietnamese forces can be defeated by the North.

Discussing the new isolationism emerging in the United States, Ambassador Martin pointed out that—

> If this inward turning does take place, the first casualty quite obviously is going to be Israel. We should ask ourselves, could Israel possibly expect us to carry out any commitments if we failed to keep the commitments which we solemnly made to Vietnam at the time of the Paris peace agreements?

It is American honor and credibility which lies in the balance. This is why it is essential that we fulfill our commitments to South Vietnam. I wish to share with my colleagues the interview with Ambassador Graham Martin, which appeared in Human Events of February 22, 1975, with my colleagues, and insert it into the Record at this time:

[From Human Events, Feb. 22, 1975]

SAIGON AMBASSADOR: VIET AID CRITICAL

(Note.—While in Washington last week for consultation with the President, U.S. Ambassador to South Vietnam Graham Martin granted the following interview to Human Events.)

Q. What has happened in the past six months to force South Vietnam into a defensive posture within its own country?

A. At the time of the Paris agreements, it was contemplated that we would be able to replace things lost in combat on a one-to-one basis, and of course this applied, most of all, to munitions.

Now, North Vietnam on the other hand with a primitive logistics system to support their forces in South Vietnam and with that system primitive as it was, disrupted by the bombing attacks, had in Januuary 1973 more than 20 times the stock of munitions on hand, either in North Vietnam or on the way to South Vietnam, as the South Vietnamese did. Again, this would not have mattered if we had been able to give the one-for-one support in munitions which we could have done if the appropriations had been adequate. Now with the cut in appropriations, you now find the South Vietnamese at an extreme disadvantage, with much less munitions than the North Vietnamese actually have.

Q. What exactly do you mean by "one-for-one" replacement?

A. The Paris agreements provided that the level of armaments possessed by both North Vietnam and South Vietnam would be completely frozen and that neither side would introduce additional armament into South Vietnam except as they were expended in battle or worn out. We fought very hard to get that provision in the agreement. It is in the agreement; we are permitted to supply one-for-one replacements. We committed ourselves to do so. We have not been able to do so in any single category of weapons or munitions, since the agreement.

Q. At what sort of level are we re-supplying them?

A. At a level now less than that which will permit them to adequately defend themselves against a much superior level of munitions, shells and rockets possessed by North Vietnamese forces. The disparity is actually at the moment very great.

Q. Do you think the South Vietnamese will be militarily overrun if they do not get the extra $300-million supplemental aid?

A. I do not think that it is certain that they would be militarily overrun. However, the request last year was for $1.4 billion. The Congress authorized $1 billion. Both Armed Services committees passed it, but the appropriation was, however, only $700 million. This will result in ammunition shortages which will be acute.

I am certain of one thing: the South Vietnamese will continue to fight with everything they've got. I do not think they will be overrun, but we will have forced them to substitute bodies and blood and splintered bones for the ammunition we have denied them. And I do not think that the American people will be happy about that when they realize that we have forced the South Vietnamese soldier, fighting to preserve his freedom, to use one-tenth of the ammunition an American division would use on a relatively inactive front.

Q. What is the actual state of the North Vietnamese presence in South Vietnam and has it been changed since January 1973?

A. There were an estimated 210,000 North Vietnamese in South Vietnam in January 1973. Today that figure is approximately 300,000.

Q. Now isn't it true that replacements in both the North and the South are to be reported to the ICCS?

A. Yes, that was one of the functions of the International Commission on Control and Supervision which was set up under the agreements. One of the first things to be done was the designation of points of entry at which the ICCS would supervise all of the replacements that did come in. The South Vietnamese immediately designated the points at which the ICCS could inspect anything that came in. The North Vietnamese have consistently refused to do so. They have not done so to this day.

ICCS teams were supposed to be deployed, both in areas controlled by North Vietnam within the territory of South Vietnam at the time of the cease-fire and in areas controlled by South Vietnam. The North Vietnamese have not permitted the deployment of the teams to the areas they have controlled.

At the time of the cease-fire, as I pointed out previously, it was estimated that there were approximately 210,000 North Vietnamese combat troops in South Vietnam. The estimates as of last week placed this number at well above 300,000. They have established three new corps headquarters, the 968th North Vietnamese division which has been stationed in Laos—which was itself in violation of the agreement by being there—has now moved into the Central Highlands of South Vietnam. Intelligence indicates that elements of other divisions in the strategic reserve of North Vietnam are now moving into position in South Vietnam.

Q. Is the Provisional Revolutionary Government, the Vietcong, a viable organization or is it just a creation of North Vietnam?

A. It is totally a creation of North Vietnam. One of the greatest anomalies of the present campaign for the diplomatic recognition of the so-called "PRG" is the fact that at gatherings of the diplomatic corps in Hanoi, the representative of the so-called "PRG" always sits with the Politburo, never with the diplomatic corps. In other words, Hanoi has no intention of permitting the slightest feeling on the part of the so-called "PRG" that they are anything other than what they actually are, which is an extension of Hanoi's Lao Dong party in South Vietnam.

Q. How strong are the Vietcong militarily in South Vietnam?

A. For all practical purposes, their military capability no longer exists. The fighting forces in South Vietnam are almost wholly North Vietnamese.

Q. You've mentioned that the North Vietnamese have not lived up to this agreement in any way. Has South Vietnam done anything to implement these agreements at all or even in part?

A. I know that we often hear this charge that the South Vietnamese are intransigent about refusal to implement the agreements. It is simply untrue. It is important to remember what the agreements were.

The agreements call for first a cease-fire, then for the delimitation of the areas under the control of each side, then for the formation of a National Council of Reconciliation and National Concord whose sole duty was to prepare for elections which would be held in the areas under the control of both sides, elections to be held under an international, impartial supervision. Now, the South Vietnamese have always been willing to go completely through the sequence described by the agreements. The reason is very simple. The end result is elections which they know they cannot lose.

After the formation of the National Council and the agreement between the parties on the modalities of such an election, and the fixing of a date certain for the election, then Article II provided that at that time complete freedom would be given for circulation for complete civil liberties, complete liberty for both parties to campaign in that election.

Now, the North Vietnamese have never had any intention of letting the agreements be implemented to the point where the elections would take place for the very simple reason that they know that they could not possibly get more than 10 per cent of the vote in such an election. So you have had the attempt of the propaganda machinery of North Vietnam and the Hanoi lobby in the United States, to pick out selective parts of the agreements and charge South Vietnam with not implementing, for example, Article 12 which calls for immediate, totally free civil liberties, the ability to campaign, etc. It is completely obscured that the Article was never supposed to come into force until after the formation of the NCNRC and the fixation of a date certain for the elections.

Q. What other sort of liberties do they have in South Vietnam?

A. The average South Vietnamese is free to go, to come, to do what he chooses. He would have to, in transit into the large metropolitan centers, establish his identity, as we did here in Washington in the case of the complete curfew which existed for several days in 1968. This is simply again a protection to keep saboteurs from coming in with explosives and with ammunition to cause incidents to blow up buildings, to murder innocent children and civilians who have no part in the actual combat of the war. It is a precauation, I repeat, which any normal government would take and has always taken.

Now some may remember that in 1968 here in Washington during the riots which occurred after the death of Martin Luther King, this city was under total martial law and a complete curfew existed. In other words, when these kinds of disturbances take place, for the benefit of all the citizens there are certain curtailments of individual freedoms until the situation can be restored.

Now in South Vietnam, although the country is at war, the ability to move freely is best illustrated by a visit to one of the so-called "peace groups" from the United States which visited South Vietnam a little over a year ago. It moved freely within South Vietnam, as far north as Danang and Hué, and down into the delta.

Neither the government of South Vietnam nor the American Embassy even knew they were in the country until they approached the embassy two days before they were to leave, on the beginning of Tet. Then they asked to interview members of the government of Vietnam, knowing that the entire government was already on their holidays for Tet. The point is that they did move freely throughout South Vietnam.

Q. How many existing newspapers are there in South Vietnam today, and what is the general situation regarding freedom to assemble, freedom of religion and freedom of the press?

A. There is no restriction on the freedom to assemble except as it may disturb the public order. I think in most cities in the United States a permit is necessary before a demonstration or parade can take place. If people wish to gather, for example, in their churches, in their pogodas, in their homes, or in other places of this sort, and protest about the government, they are perfectly free to do so. There are certain restrictions about their ability to take to the streets, as there are here, or as they are in any other country in the world.

As far as the newspapers are concerned, there are about 22 newspapers published in Saigon, of every hue and complexion. Only about four of those could accurately be described as supporters of the government.

There are 10 Vietnamese language newspapers now being published in Saigon, of which five are classified as independent, two as opposition, and three as pro-government. There are also 10 Chinese language papers, mainly in the Cholon section of Saigon, as well as the English-language Saigon *Post* and the French language *Le Courrier d'Extreme-Orient*.

Q. What is the situation with the press in South Vietnam at this time?

A. The press in South Vietnam has been reasonably free to criticize, which it does repeatedly. One of the cartoonists has been described as an individual who would make Herblock's cartoons look like illustrations for Pollyanna. The recent happenings in Vietnam [where five newspapers were shut down] occurred since I have been away, but criticism of the Thieu government continues. I would think perhaps that the description by Mr. McComb in the Washington Post on why these papers were closed down would be useful. Mr. McComb wrote:

"The South Vietnamese government brought a Communist defector and an editor to a press conference today to back up its charges that Communists had subverted large sections of the Vietnamese press.

"The defector told the conference, which became rancorous at times, that he had 'bought off' Saigon newsmen and supplied them with anti-government articles. The editor said he had worked for the Communists and had 'distorted' the news for their benefit.

"High government officials said during the press conference that arrests of journalists and forced closures of newspapers early this week were aimed solely at combatting 'systematic and large-scale schemes of [Communist] subversion.'"

Q. What has the recent Communist offensive done to the general freedoms of the people of South Vietnam, especially with the elections that have been held and which are scheduled to be held on the provincial and local levels as well as the national level?

A. That's a curious anomaly of the image of Vietnam which has been so carefully inculcated into the American conventional wisdom. The fact is that the local hamlet elections go on as regularly scheduled even under conditions of war. The elections for the Assembly have gone on as scheduled, the elections for the Senate have gone on as scheduled. Elections are scheduled now for a re-election of the Assembly in July and they'll go on as scheduled.

What you have is a functioning parliamentary government with the parliament taking an active role. The President sends over, for example, the nomination of 12 ambassadors; the Senate rejects four. If this were to happen here there would be an enormous hue and cry about congressional domination of the executive, or something of the sort. This does go on. The President presents his budget; it is cut. He has to go back and argue for a supplemental. This is going on every day.

The elections that were called for in the agreements are something that the South Vietnamese would very much love to have, as soon as someone can persuade the other side to agree to them.

Q. Mr. Ambassador, a lot of criticism has still appeared in the press and by congressmen in regard to the so-called "political prisoner" situation. We discussed this with you before and the House Foreign Affairs Committee came out last year with a report stating that there could not possibly be 200,000 political prisoners. Has there been any change in the situation in regard to prisoners and prison conditions since we last talked with you?

A. There has been no change since my testimony before both the Senate Foreign Relations Committee and the House Foreign Affairs Committee.

I said at that time that painstaking investigation by the embassy had established that there were not more than 35,000 prisoners of all kinds with all charges. As far as "political" prisoners are concerned, it depends on how one defines them. I believe most Americans define the term "political prisoner" to mean a person who is in prison solely because of his open constitutional opposition to a regime, which has subsequently incarcerated him because of that opposition. If that is the definition, as I have testified before the Congress, I have not been able to establish the identity of a political prisoner in Vietnam.

Now if, as would Madame Ngo Ba Than, a noted oppositionist in South Vietnam, one terms Sirhan Sirhan as a political prisoner, one who because of his political beliefs has murdered Sen. Robert Kennedy, if you term him a political prisoner and that is your definition, then yes, there are "political prisoners" in Vietnam. But I don't think most Americans would agree with that kind of definition.

Q. Regarding the popularity of South Vietnam, what is the refugee situation there? Are there any instances of war refugees going north?

A. I don't know of any. There may have been some individual instances. I think if you take the figures which have been given by the Senate Subcommittee on Refugees, that 10 million people in South Vietnam have been refugees at one time or another, it is a marvelous attestation to the determination of those 10 million people not to live under Communist rule. They have all come south.

In the current hostilities, all the refugees are fleeing one way only, to the side of the government of South Vietnam. In the recent battles in the province of Phouc Long, it has been reliably reported that the Communist forces directed shellfire at the columns of the refugees, attempting to halt them so they could use them as impressed labor. Given a chance, anyone in South Vietnam apparently always opts to go to the government side, not the other way around.

Q. What argument do you have, for those who say that South Vietnam is going to be an endless sinkhole for American money, that, yes, it would be fine to save them, yes, we do believe there is more freedom in South Vietnam than North and something should be done, but that South Vietnam is in a defensive position, is surrounded on three sides by enemies, and there seems to be no way out?

A. Well, I would say that my assessment is exactly the opposite of that. As I testified in July before both the committees of the Senate and the House dealing with foreign relations and foreign affairs, it is my objective, dispassionate analysis that if we give the aid that we had promised on the military side, there is no way that South Vietnamese military forces can be defeated by the North.

If we give enough economic aid over the next two or three years, the progress could be very dramatic and I would think that in the case of both military and economic aid, if we have the wit and the intelligence to give the proper amounts now for the next three years, we could look forward to a diminution and perhaps total elimination of that aid. That, I think, is the reason for the violence of the opposition within the U.S. to the continuance of proper amounts of aid at this moment.

The violence of the opposition, of those who have been committed to a North Vietnamese victory, of those who because of their own previous estimates or their own self-serving prophecies do not now want to be proved wrong, this violence arises largely from their realization that we Americans are now at this final stage where we can complete the American involvement in Vietnam, leaving it as I believe most Americans want to leave it, economically viable, militarily capable of defending itself with its own manpower and free to chose its own government as its own people may themselves freely determine. It is within our grasp within the next three years. Of this I am certain.

What is frightening is a comparison of today with the 1930s when we had the Nye investigation of the "merchants of death," when we had such theatrical performances as a midget sitting on J. P. Morgan's knee in a congressional hearing, when we had increasingly restrictive legislation which was supposed to insulate us from the coming wars in Europe which could be so clearly seen.

These attempts to persuade ourselves that we could "legislate" ourselves out of the world power balance were not successful. The price we paid for that failure was involvement in an enormous war. I was a part of that war. Having participated in that war, I've been consistently interested in preserving the peace for my children and for my grandchildren, and I think that our failure to carry out this commitment would so change our own perception of ourselves that we would risk perpetuating the same kind of illusion that we saw in the '30s and would again validate Santayana's observation that those who will not learn from history are condemned to repeat it.

I very much hope this will not be the result of the failure of the American people and the Congress to receive the whole truth about the current realities in South Vietnam. If this inward turning does take place, the first casualty quite obviously is going to be Israel. Not in perhaps the American willingness to eventually support Israel, although that, too, is going to be seriously eroded. We should ask ourselves, could Israel possibly expect us to carry out any commitments if we failed to keep the commitments which we solemnly made to Vietnam at the time of the Paris agreements?

At that time I heard no one complain about continuing aid to Vietnam. We were very happy to get our prisoners back. South Vietnam accepted a treaty, an agreement, which did not demand the expulsion of North Vietnamese soldiers from South Vietnam. They did that on the basis of our promise that we would live up to our promises—our agreement to re-supply armaments one-for-one.

Now, we have lost 50,000 lives in South Vietnam; we've spent enormous amounts of money. If we would not, at the very end, carry out our agreements, if we would throw it away on the basis of a pervasive propaganda campaign that could persuade us that we have no moral responsibility, why would Israel or our NATO allies or anyone else believe that any commitment, which would be essential for their survival, would be kept?

I think that the American people are beginning to realize this. I think the American people have an instinctive ability to eventually cut through the kind of propaganda fog that we have seen. When the American people get the whole truth, they have an uncanny ability to make the right decisions. And they also have an uncanny ability, I think, to detect the phony.

Political careers in the past have been wrecked on the shoals of Vietnam, and on mistakes made about Vietnam, and I anticipate that other political figures today, who misread the real American feeling and determination about Vietnam can suffer catastrophes not differing from those of the past.

MULTINATIONAL CORPORATIONS—AN ECONOMIST'S VIEWPOINT

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HALL. Mr. Speaker, Prof. Ronald E. Muller, of American University, recently observed that global corporations operate as private economic systems which control 70 percent of our Nation's wealth and an increasing number of its jobs.

In a press conference held by the Institute for Policy Studies, Professor Muller said that two-thirds of the multinational corporations are U.S. based. While corporations contributed 40 percent of the taxes collected by the Federal Government in 1955, Professor Muller reports they contributed 14 percent of these taxes in 1973.

Mr. Speaker, I would like to share with my colleagues the Washington Star-News article on Professor Muller's view on the significant impact of multinational corporations. The article follows:

ECONOMIST ATTACKS GLOBAL FIRMS' RISE

(By Judith Randal)

Obsolete federal policies have bred inflation and unemployment by allowing global corporations to operate as "private economic systems" which now control 70 percent of the nation's wealth and an increasing number of its jobs, according to an American University economist.

Global corporations which operate in many countries and in many lines of business are not subject to the classic market forces of supply and demand, Prof. Ronald E. Muller told a news conference held here by the Institute for Policy Studies yesterday.

By shifting their enterprises to wherever they can maximize profits, they are able to buy labor and raw materials cheaply, escape many taxes and also avoid the costs purely domestic firms must pay to comply wtih U.S. pollution control studies.

Muller, co-author with Richard J. Barnet of "Global Reach: The Power of Multinational Corporations", said that the growth of multinationals—two-thirds of which are U.S.-based—has caused greater concentration of control in the hands of fewer and larger conglomerates largely untouched by either antitrust laws or taxes.

Despite the fact that there were 14,000 corporate mergers between 1953 and 1968, he reported, only 90 led to some form of prosecution by the Justice Department and only 48 of these to divestitures. And although corporations contributed 40 percent of the taxes collected by the federal government in 1955, they contributed only 14 percent of these taxes in 1973.

Besides enjoying advantages which smaller firms do not, the globals can often drive solely domestic single industry competitors out of business, Muller said. With more technology, fiscal expertise and greater credit and advertising resources at their disposal, they can afford to undersell even the most efficient competitors until they collapse.

With the competitors out of the way, they can then raise prices, Muller continued—one reason why the rate of return on investment is typically 22–24 percent for global corporations and only 15–16 percent for smaller domestic firms.

Indeed, he argued, the price hikes imposed by global corporations have generally been independent of any increased costs of their doing business and is one of the reasons inflation has been so hard to control.

Like small businesses—those in the $50 million a year or less category—organized labor is suffering, Muller said, and again because of its inability to compete. While strikes have been an effective weapon in the past, he explained, they are no match for a corporation's announcement that, if labor isn't satisfied with what is offered, the plant will be closed and relocated in Brazil or Hong Kong.

Furthermore, since foreign laborers will often work for as little as a dollar a day many firms have moved a large part of their operations overseas anyway. A great deal of clothing and electronic components and virtually all tape recorder cassettes, for example, are no longer made in the United States.

Because of such shifts, Muller said, 30 percent of total corporate U.S. profits are now earned abroad, far more than 20 years ago. Similarly, he reported, global corporations now control over 50 percent of the nation's bank assets, which are for the most part concentrated in the 20 or so U.S. banks which also operate internationally and so are largely independent of the Federal Reserve System and other federal agencies that set monetary policy.

Muller compared what has happened on an international scale since the 1950s with the years following the U.S. Civil War when regionally operated businesses gave way through mergers to nationwide firms.

Just as there was a lag then in introducing antitrust and other legislation to curb the power of big business, he said, present laws are now inadequate to deal with the changes global conglomerates have brought about.

PREVENTIVE EDUCATION

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BELL. Mr. Speaker, too often we in the Congress hear about the failures of innovative education programs. Consequently, I am pleased to bring the following editorial to the attention of my colleagues. On February 26, the New York Times praised a new and exciting early childhood education program in the State of California. As a Representative from California, I am proud of my State's many unique and worthwhile education programs, and I believe that this recent California effort deserves national recognition. The editorial follows:

PREVENTIVE EDUCATION

American education has devoted too much of its resources to massive remedial instruction, and not enough to the prevention of failure. Wasteful of manpower and funds, this policy is even more severely flawed in human terms. The frustrations suffered by children who cannot keep up with their peers are hard to erase, even with superficially remedial work.

Since the existing approach is so demonstrably unsatisfactory, the decision of California's education authorities to replace it with preventive pedagogy is a triumph of common sense. The new Early Childhood Education program in that state relies on the oldest recipe—intimate personal attention to every child.

Specifically, the program calls for the availability in each classroom of one adult for every ten children, to make sure day after day that no youngster is left behind in those early years, between ages 4 and 8. It is then, as all expert testing shows, that the foundations are laid for reading, numbers, the comprehension of new ideas and the responsibilities toward oneself and one's neighbors.

Precisely such strategies have long been applied to the most successful private schools and to a few recent programs for the disadvantaged. The crucial difference in the California plan, however, is that it is intended across the board rather than exclusively for either the rich or the poor. The program thus avoids the high risk of failure that confronts any approach that does not benefit most children.

The new plan must still skirt two graveyards of educational innovation: quick claims of easy victory and obsessive reliance on instant statistical feedback. Wilson Riles, California's unorthodox Superintendent of Public Instruction, has wisely allowed individual schools to draw their own pedagogical roadmaps.

That means time will be required to determine the best ways of conducting preventive education.

Since the program relies heavily on a combined force of teachers, paraprofessionals and volunteers, its success depends on each school's ingenuity in establishing cohesion in a staff of such disparate background and capacities. In addition, the experiment will represent a challenge to the teacher-training institutions to shift their focus to the actual classroom scene.

The California experiment gives new urgency to enactment of the Child and Family Services bill, the successor to the Child Development bill vetoed by former President Nixon. The combination, in home and school, of early diagnosis and preventive care in child rearing, nutrition and education places emphasis on joyous learning rather than on painful remedies for failure.

RHODESIA, YUGOSLAVIA, AND THE OLD DOUBLE STANDARD

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ASHBROOK. Mr. Speaker, many times in the past I have pointed out examples of our inconsistent foreign policy positions which stem from our lack of basic foreign policy standards to apply in this extremely complex field. For years we supplied massive economic aid to Yugoslavia which, under Tito, has never had free elections. Even the New York Times, in its editorial of February 25, concedes that—

> It is becoming increasingly difficult to distinguish between today's Belgrade Titoism and Yesterday's Moscow Stalinism.

In the case of Rhodesia, while voting rights do not yet apply to the entire population, civil liberties are respected and they are making genuine efforts toward rational representative government. Yet we apply economic sanctions against Rhodesia while Tito's dictatorship is a beneficiary of American assistance. Some prefer to buy chrome from the Soviet dictatorship rather than Rhodesia which is part of the free world.

This double standard is confusing not only to the free world, but to the people of all the nations living under Communist tyranny. Moreover, this policy is dangerous to our national interests. For example, in the past I have commented that various U.S. military and naval strategists are concerned that a post-Tito occupation of Yugoslavia by the Soviet Union would pose a grave threat to our NATO allies in the Mediterranean, Italy, Greece, and Turkey. As the Balkans, of which Yugoslavia is a part, is a historic powder keg in Europe, the situation in Yugoslavia deserves close attention by the United States.

Yugoslavia is a multinational State, and we must understand the aspirations of the diverse peoples of Yugoslavia for self-determination. The two largest nations within Yugoslavia today are predominantly Eastern Orthodox Serbia and predominantly Roman Catholic Croatia. It is important for Americans to understand that even after 30 years of Communist rule the religious feelings of Serbs and Croats have not been extirpated. Their deeply rooted religious feelings historically represent the fundamental characteristics of these nations, and the best hope for moderation and cooperation between Serbs and Croats, should they ultimately decide upon the retention of some form of Yugoslavia or an amicable separation.

Because the following items were not widely reported in the Western press when they happened in 1972, I would like to invite the attention of my colleagues in the Congress to them:

April 3—Vjesnik (Zagreb) makes a fierce attack on the Primate of the Roman Catholic Church in Croatia, Archbishop Kuharic, for criticizing the Yugoslav authorities' refusal to permit free religious education.

April 27—Serbian Orthodox Bishop Vasilije of Zica sentenced to 1 month's imprisonment for criticizing educational policies in Yugoslavia.

May 27—Orthodox priest Zivojin Todorovic sentenced to 3 years imprisonment for Serbian nationalist "propaganda."

August 17—On the occasion of the consecration of an Orthodox church in Banjaluka a large ecumenical manifestation is organized.

REDUCING THE FINANCIAL BURDEN UPON HOMEOWNERS RESULTING FROM THE CONSTRUCTION OF SEWAGE TREATMENT FACILITIES

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DOWNEY. Mr. Speaker, on February 25, I introduced legislation which would aid in the protection of our environment and would cure an inequity in our present tax laws. H.R. 3631 would allow taxpayers to deduct the cost of assessments made by local governments to finance the construction of sewage treatment works.

The Environmental Protection Agency estimates that almost 3,000 communities across the Nation are presently engaged in the planning or construction of sewage treatment facilities. These massive capital projects are frequently the only method available to communities to prevent the pollution of their rivers, lakes, ocean, and ground waters. In addition, such projects provide badly needed jobs to workers in the depressed construction industry.

The enormous expense of these projects has presented very serious problems to many communities in their attempts to comply with the water quality mandates of Federal law. Communities planning to construct sewage treatment facilities have not been able to depend upon the availability of Federal funding under the Water Pollution Control Act of 1972. At the same time, the financial burden on individual homeowners has risen steadily. In my own congressional district, where the average annual income for a family of four is about $13,000, sewer charges will average $200 to $250 yearly per household.

The costs ultimately borne by homeowners in connection with the construction of such projects may or may not be deductible, under present law, depending upon the method by which such construction is financed. The income, sales, and real property taxes which homeowners in some parts of the country pay to support sewer projects which are financed out of the general treasuries of State and county governments have always been deductible under section 164 of the Internal Revenue Code.

However, sewer system construction is not always funded out of the general revenues of State and local government. Frequently, environmental considerations dictate the establishment of special sewer districts which cut across the lines of existing political subdivisions and require the creation of special sewer districts. In such instances, where construction is financed through levies by special taxing districts, the sewer taxes paid by homeowners are not deductible. Such payments are catagorized, under section 164(c) of the Internal Revenue Code, as expenditures which increase the value of a homeowner's property and which further some "local benefit" rather than the general welfare of the community. Such classification ignores the fact that sewer districts may encompass 100,000 households or more and may finance sewer projects costing half a billion dollars.

The legislation which I have introduced today would end this disparity of treatment. The bill would amend section 164(c) of the Internal Revenue Code to permit the deduction of taxes which are properly allocable to the construction of sewage treatment works or to the retirement of indebtedness attributable to such construction. The effect of the bill will be to cut by about 25 percent the financial burden of sewer construction upon a homeowner earning about $15,000 who itemizes his or her deductions.

I urge my colleagues to support this legislation and seek their cosponsorship:

H.R. 3631

A bill to amend the Internal Revenue Code of 1954 to allow the deduction of the portion of certain taxes which is allocable to the construction of sewage treatment works

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(a) paragraph (1) of section 164(c) of the Internal Revenue Code of 1954 (relating to deduction denied in case of certain taxes) is amended to read as follows:

"(1) Taxes assessed against local benefits of a kind tending to increase the value of the property assessed; but this paragraph shall not prevent—

"(A) the deduction of so much of such taxes as is properly allocable to maintenance or interest charges; and

"(B) the deduction of so much of such taxes as is properly allocable to the construction, reconstruction or erection of treatment works (as defined in section 212 of the Federal Water Pollution Control Act) or to the retirement of indebtedness attributable to any such construction, reconstruction, or erection."

(b) The amendment made by subsection (a) shall apply to taxes levied on or after January 1, 1975.

EMERGENCY MEDICAL ASSISTANCE

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. VAN DEERLIN. Mr. Speaker, I am pleased to cosponsor the bill which our colleague, Mr. Sisk, has offered that would authorize Federal reimbursement to local agencies for the costs of providing emergency medical care to illegal aliens.

This aid would be particularly welcome in border areas such as San Diego County, a part of which I represent. Costs to the county of treating indigent illegal aliens now approach $600,000 a year.

A few years ago, the State Department professed itself unable to work out any arrangement with Mexican authorities for partial payment of these essential medical services.

No one wants to deny help to a person in need, whatever the nationalities involved. By the same token, it is hardly fair to ask local governments to bear this rapidly mounting financial burden without any aid from outside. Since the welfare of foreign nationals who are illegally in the country is at issue—and by extension foreign relations—this would seem clearly a responsibility of the Federal Government.

I understand Mr. Sisk's bill has been sent to the Committee on Interstate and Foreign Commerce. As a member of the committee, I shall work for its early enactment.

TRIBUTE TO MRS. JACKIE LEVINE, NOTED JEWISH LEADER

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. SOLARZ. Mr. Speaker, I rise this afternoon to pay a well-deserved tribute to a woman who has dedicated her entire adult life to the work of a number of major national Jewish organizations—Mrs. Jacqueline Levine of West Orange, N.J.

This Sunday Mrs. Levine will retire as the president of the women's division of the American Jewish Congress, a position she has very ably held for 4 years. She is also the immediate past chairwoman of the women's division of the Council of Jewish Federations and Welfare Funds and has served as the chairwoman of the Soviet Jewry Committee of the Leadership Conference of the National Jewish Women's Organization.

A graduate of Bryn Mawr College and the mother of three children, Jackie Levine has exemplified in her life and work the essence of what it means to be a Jew—to have compassion for your fellow person; to care for others, most particularly those in need; and to dedicate oneself to those basic principles and precepts upon which our religion is based. Through the various organizations of which she has been a member and officer, Jackie Levine has endeavored to correct inequities, to reorder and redirect distorted priorities, and to strive for the equality of all Americans. At times she has had to take unpopular positions. She was, for example, an early leader of the antiwar movement in Jewish organizations when such a position was neither acceptable nor fashionable. Mrs. Levine is presently at the forefront of the effort underway in Jewish groups to achieve equal rights for women and she is also actively working with me and others in the struggle to secure emigration rights for the oppressed Jewish community in Syria. She has, in essence, acted in the best tradition of the Talmudic aphorism which says: "If I am not for myself, who will be? But if I am only for myself, what am I?"

Mrs. Levine is to be honored for her effective service over the past years by the American Jewish Congress at a convention in Philadelphia this weekend. I can think of few others who so merit such recognition or who have given so much of themselves to the cause of peace abroad and justice at home. I am indeed proud to not only know Jackie Levine as one of the leaders of the American Jewish Community but also to have her as my sister-in-law. She has been a source of great encouragement to me throughout my political career and has been of considerable aid on a number of programs of mutual interest and concern. I know that she has left her mark on the presidency of the American Jewish Congress' women's division and that she has created a high level of service and accomplishment to which her successors can aspire.

I am pleased to join in honoring Jackie Levine's work and am delighted to bring her accomplishments to the attention of our colleagues.

ON THE NEED FOR A FAIR POLICY REGARDING CHINA

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BIAGGI. Mr. Speaker, the 1970's have marked a new era in the foreign policy of this Nation. Of particular significance have been our efforts to improve relations with the two major Communist powers of the world, the Soviet Union and the People's Republic of China.

After an initial period of euphoria and high optimism détente, as this policy is commonly referred, is now coming under closer scrutiny. The main objections registered is that this policy has not been an even ended one, as the United States on several occasions has found itself on the short end of the stick with respect to agreements with our adversaries.

The Chinese situation is a particularly controversial one. There are two governments on China, the Nationalists and the Communists. Our policies with respect to the latter have caused a great deal of consternation among Americans who are now concerned about this Nation's seeming abandonment of the Taiwan Government.

I feel it is time that we developed a clear cut policy with respect to China. This policy can contain provisions that recognition can be extended to both Chinas, but for Nationalist China it should be on a de jure basis because of the Taiwan Government's traditional adherence to the concepts of international law and justice for her people.

At this point in the RECORD I would like to insert two articles written by a renowned authority in this field of international relations, Dr. Henry Paolucci, president of the Walter Bagehot Research Council on National Sovereignty. Dr. Paolucci recently completed a 2-month tour of the Far East which included a visit to Taiwan. In these articles he cautions against the United States abandoning Nationalist China in pursuit of better relations with the People's Republic of China. His comments and observations bear the close consideration of all of my colleagues who are committed to a policy in China which is both fair to our allies and beneficial to the promotion of world peace.

The articles follow:

THE NATION-STATE SYSTEM IN ASIA—A RECOGNIZABLE CHINA?

(By Henry Paolucci)

What is our current China "policy"? Is it a spectacular reversal of past errors designed to secure the true interests of the United States in Asia? Or is it rather a surrender of traditional American interests, secretly negotiated, committing us to a piece-metal betrayal of a responsible ally of long standing in order to purchase a semblance of "peace in our time" from enemies more implacable and infinitely more resourceful than the enemy with which the British and French governments negotiated their Munich Pact in 1938?

It isn't easy to say briefly and convincingly precisely what our China policy is, because its base has been too deeply sunk in secrecy and its superstructure too generously veiled over with rhetorical ambiguities.

On the surface, we seem to be in the diplomatically anomolous position of "recognizing" two Chinas: one, *de jure* or legally; the other *de facto* or not quite legally. The legally-recognized China, with which we exchange ambassadors, is indeed an old ally. Its government, like that of Free France during the Nazi hegemony in Europe, has been forced by the communist hegemony in Asia to conduct its affairs in exile—with the difference that, whereas the Free French government had been constrained to retreat to an off-shore island inhabited and ruled by a foreign power, that of Free China succeeded in re-establishing itself on an off-shore island inhabited by Chinese, over which it had had recognized jurisditcion since the island's liberation from the Japanese in 1945.

The Free China government in exile is headed by Chiang Kai-shek, who also heads the Kuomingtang party, founded by Dr. Sun Yat-sen shortly after the Republic of China was established in 1912. In 1943, Chiang sat with President Roosevelt and Prime Minister Churchill in Cairo as the recognized spokesman of one of the three great powers of the free world. After his retreat to Taiwan to continue his defense of Chinese nationhood, his position was for a time in doubt. There was much talk of the "wisdom" of doing then what Henry Kissinger and Richard Nixon finally managed to do in 1971. Even General Eisenhower, prodded by liberal opponents of the Truman-Acheson policy of containment, was tempted on first assuming office to effect a "spectacular reversal."

But the realities of the Korean War, which had pitted hordes of Chinese communist soldiers against Americans fighting under the aegis of the U.N., led Eisenhower instead to adopt a policy of massive retaliation, assuring communist leaders in Peking as well as Moscow that he would use nuclear weapons if necessary, to restrain them from pursuing their aggressive designs for world hegemony. A direct consequence of the new Eisenhower realism was the U.S. security pact signed with Chian Kai-Shek's government in exile in 1954. Thereafter, the international status of that government was no longer in doubt. *Pacta sunt servanda*—treaties are to be kept—was then and remains today the fundamental rule of international relations upon which recognition must depend if it is not to be stripped of all civilized meaning. Since 1954, the government of Free China, then as now in exile, has faithfully kept all its commitments to us and has consistently behaved as a responsible member of the family of nations.

What of that other China ruled by revolutionary communists in Peking? Is it a "recognizable" China in the traditional sense? To insist that its size and military might automatically qualify it for full recognition is—diplomatically speaking—a patent barbarism that makes a shambles of the very notion of civilized international relations.

Kissinger, with his usual purposive ambiguity, has not quite pressed that barbaric argument. He has, however, encouraged a naive discussion of it by news commentators in order to facilitate eventual acceptance of his own more complex argument. He holds that "recognition" can no longer mean, in the nuclear age, what it meant in the pre-nuclear age. It serves today, in his usage, rather as a unilateral pledge on the part of our government to do all in its power to talk a potential war-maker out of initiating the kind of war that could conceivably escalate into a nuclear holocaust.

Whether or not a superpower respects the concept of a family of nations, the Kissinger doctrine calls for its recognition for the purpose of preserving peace through negotiation. If the price of peace is abandonment of an ally, the doctrine requires that it be deemed payable, regardless of the old liberal arguments against Munich-type appeasement. In justification of the new attitude, it is alleged that the nature of nuclear arms makes an absolute difference. According to Kissinger, the kind of war that could "stop Hitler" in the 40s was worth the risk; whereas the same cannot be said, in his view, about the war we might have to wage in pursuing the Truman-Eisenhower-Kennedy-Johnson policies of containment, massive retaliation, or assured destruction as responsible alternatives to appeasement of communist appetites for world hegemony.

The government of Free China on Taiwan has been an early victim of this nuclear-age new appeasement attitude. The status secured for it by Eisenhower's treaty of 1954 has been wrenched away during the Kissinger-Nixon tenure through maneuvers of Disraelian duplicity that vastly overshadow all the petty duplicities of the Watergate scandal. Eager to "dish" his old liberal critics by adopting their policies, President Nixon hastened to follow his Harvard mentor on a "new approach" to the China question. As aptly summed up in Douglas H. Mendel's "Selling Out Taiwan for Peace with Peking?" (Journal of International Affairs, Columbia University, 1972, XXVI, 2, pp. 216–220), Nixon launched the Disraelian maneuver first of all "by expressing a desire to go to China; then, by dismantling unproductive trade and travel restriction, and finally, by approving the seating of the Peoples Republic of China in the United Nations. The face-saving gesture of fighting for dual representation to appease the Nationalists was doomed from the outset by the President's previously-announced trip to China" and by Kissinger's presence in Peking at the time of the U.N. vote.

It was on April 6, 1971 that Peking, in contemptuous collusion with some of our own supranationalist intellectuals, invited a U.S. table-tennis team to visit Red China. This was followed by Kissinger's trip to Peking on July 9, to get Chou En-lai to extend a similar invitation to President Nixon. Nixon announced acceptance of the invitation on July 15, 1971, and the ground was thus prepared for expulsion of the Republic of China from the U.N., which took place on October 25, 1971. Immediately, member after member of the U.N. (reading Kissinger's design correctly) began withdrawing de jure recognition of the Free China government in order to extend it to the Red China government.

The United States is now the only major state maintaining full diplomatic relations with Free China. But, if Kissinger has his way, at a time agreed upon by him and his Peking negotiating partners, the Free China embassy people in Washington are apt to be ousted as unceremoniously as their colleagues in the U.N. were ousted. If that happens, Kissinger's crowd will no doubt hail it as another "Breakthrough for Peace." But it will mean in fact that a legitimate government which has lived up to all its obligations under international law will suddenly stand condemned by us as illegitimate. Irresponsibly we will have left an old ally totally isolated, while pretending to have "normalized" relations with a communist government in Peking which professes no recognizably Chinese aims and shows not the least ideological inclination ever to recognize the legitimacy of our government, or of the system of states which gives meaning to the concept of recognition in international relations.

THE MEANING OF RECOGNITION: MEMO TO AMERICAN LEGISLATORS

Recognition, says the Columbia Encyclopedia, is "acknowledgement of the admission of new states into the family of nations by political action of states which are already members. Its derivation is found in the policy of the older European powers, which after developing a system of binding diplomatic usage, refused to permit the admission of new states to the concert of nations unless the new power were properly qualified to assume its responsibilities under international law."

The United States was the first non-European power to be admitted to the family of nations with full recognition by the older nations. It didn't happen in 1776, nor even in 1783, when the revolutionary fighting ended. By the end of the War of 1812, fewer than a dozen foreign states were willing to exchange envoys with the new republic. The count had risen to 44 in the late 1890s. But by then the nation-state system was already on its way to becoming global.

Apart from the nation-state system, "recognition" is a juridically meaningless concept. Just as in inter-personal relations the principle of right is one of mutual recognition ("Be a person, and respect others as persons"), so is it also in inter-national relations ("Be a nation, and respect others as nations"). One person "recognizes" another in the measure that such recognition is respectfully reciprocated. So must it be among nations. The fact of ruling over an immense population can make a government sovereign without in the least entitling it to recognition. As the Columbia Encyclopedia article explains:

"In the accepted doctrine of national sovereignty it is admitted that the independence of a people is exclusive of recognition, which is, therefore, simply a method of facilitating international relations. Three kinds of recognition exist. Recognition of independence occurs when a new state is created, usually by a successful rebellion, and . . . after the new nation has demonstrated its ability to maintain itself. Recognition of belligerency . . . grants the belligerents the rights and duties of a state as they concern war and commerce, but it does not grant the right to enter into diplomatic relations. . . . When recognition is *de facto* [Latin, = in fact], it involves a provisional acknowledgment that the government in power is exercising the function of sovereignty. Such recognition is revocable and implies a lesser degree of recognition than the formal recognition accorded de jure [Latin, = as of right]. . . . The withholding of diplomatic recognition may be used to force changes of policy on a new government. [The U.S.] does not recognize territorial changes brought about by breach of international obligation."

With pre-Kissinger consistency the article concludes: "This principle is implied in the charter of the United Nations. The United States still does not recognize the Communist government in China."

Henry Kissinger, it needs to be stressed, maintains a vast semblance of practicing the traditional diplomacy of recognition. All that he explicitly rejects is its foundation in the nation-states system. His kind of "recognition" thus lacks any meaningful criterion. There is no need, in his vision of the future, for the communist governments to assume the responsibilities of membership in the nation-state system because that system is doomed—and, as he has repeatedly said, he is glad that it is doomed, so that we can begin seriously, in partnership with our so-called adversaries, to build a genuine World Community of enforceable peace on its ruins.

Consider the difference, in this respect, between Henry Kissinger's basic position on the matter of "normalizing" relations with the communist powers and that of one of his top aides in the State Department: Winston Lord, Director of the Policy Planning Staff. Mr. Lord's most notable recent statement on foreign policy is titled "America's Purposes in an Ambiguous Age." [What contributes most to the ambiguity of our age is, of course, precisely the Disraelian doubletalk and practice of Henry Kissinger.] In the course of his discussion, Mr. Lord highlights the themes of "Evolving Partnerships" and "The Decline of Ideology," both of which he develops in terms consistent with the Kissinger formulas for those subjects. Our partnerships with our allies are evolving to the point where our allies can look out for themselves (which means they can no longer look to us for ultimate protection); whereas our "partnerships with our adversaries" are evolving to the point where a common interest in avoiding a nuclear holocaust will facilitate our convergence on a new world order, beyond ideology, to be brought into being by "good will" on both sides. Winston Lord cannot quite bring himself to say such things with Kissinger's straightfaced solemnity, however; and so, when he gets to the diplomatic heart of the matter, for sanity's sake, perhaps, he quietly breaks with his cosmopolitan boss.

Of the apparent decline of the "ideological struggle" which was the basis of the Cold War mentality, Mr. Lord says that it "is an encouraging trend," but also that "it carries with it ambiguities and fresh problems. Are reports of the death of Communist doctrine greatly exaggerated? We cannot be sure that future leaders will embrace the more constructive approaches now being pursued in some Communist capitals." All that might well have been said by Kissinger. Kissinger too stresses again and again that there are ambiguities and problems, that new communist leaders might emerge who may not be willing to keep pace with him in pursuit of his cosmopolitan ideal: leaders who might fall back on the old nationalism that long ago precipitated the great split between Stalin and Trotsky. But he fears even more an American relapse, and is therefore concerned, as he recently told Bill Moyers, to leave the government only when he is assured that men who think like him will be so deeply entrenched in the State Department as to secure a continuance of his initiatives, through what will amount to institutionalized inertial force.

But Mr. Winston Lord cannot quite toe the Kissinger line here, no doubt because he respects the traditional diplomacy in which he was trained. And so, in the spirit of the *Columbia Encyclopedia* definition of the meaning of recognition, he concludes: "The Communist powers could once again act like revolutionary states out to disrupt the international system rather than nation-states willing to accept its legitimacy."

We say that the Kissinger-Nixon China policy is the most disruptive thing that has happened to the international system since Franklin Roosevelt's "recognition" of the Soviet Union in 1933, which required of that inveterate enemy only that it open up its markets to our otherwise unmarketable overproduction of consumer goods. After Hitler's break with Stalin, our unprincipled "recognition" of the USSR soon led us into an unprincipled alliance, on Soviet terms, to impose a supranationalist peace on Europe following the unconditional surrender of the Axis powers. That alliance meant that the United States had abandoned its recognized status as a responsible nation-state to become a partner and eventual rival of the Soviet Union in a bid to impose a supranationalist peace on the entire world.

Since the days of Woodrow Wilson, there has always been a large body of intellectuals in the United States eager to put an end to the system of nation-states. Rejecting the principle of traditional international relations, these supranationalist intellectuals have wanted to get the United States to vie with the Soviet Union for leadership in pursuit of an enforceable world peace. The communist governments, in their view, have a decided advantage in that their Marxist ideology has committed them from the outset to a one-world supranationalist ideal. The Western nations, on the contrary, including the United States, are for the most part committed constitutionally as well as by treaty agreements to the contrary ideal of preserving the concert of nations. For such supranationalists, therefore, it is the Western nations, rather than the communist powers, that require internal transformation to prepare themselves for an "inevitable" future.

For a long while American one-worlders tended to be extremely candid about their aspirations. They sought, by lecturing and writing books, to persuade their fellow citizens. Many of them rose to power under F.D.R. and then under President Truman. But for the most part, when they had to face up to the realities of international relations, the best of them very quickly learned for themselves the basic lessons of traditional diplomacy. Out of their ranks (though very early) came so able a statesman in the traditional sense as Dean Acheson. John Foster Dulles, a far less candid man, also learned for himself (despite fierce academic criticism) those same hard lessons.

The decisive top-level turn for the worse in America's conduct of foreign policy started in 1961, with the ascendancy in the office of Special Assistant to the President for National Security Affairs first of McGeorge Bundy, then of Walt Rostow, and finally of Henry Kissinger. What we have witnessed is a gradual ascendancy of secrecy, of purposive ambiguities, of Disraelian deceptions, and finally of an application of Machiavellian *realpolitic*, not to secure our national sovereignty, right or wrong, but to put an end to it. It is a *realpolitic* that has already dumped one President after the assassination of another, and forced a third to resign, while unilaterally disarming us, both militarily and morally, in the face of avowed enemies determined to bury us—preferably in the filth forced out of our bowels by cowardly fear.

The government of the Republic of China on Taiwan faces us today as a mirror of our national conscience. It has lived up to all its pacts with us and to all its responsibilities as a member of the family of nations. It has transformed Taiwan into a modern, thoroughly Chinese commonwealth, committed to the perfection, through education on an incredibly vast scale, of the individual talents of all its inhabitants. Taiwan is, as a consequence, so orderly and prosperous a province that even the severest critics of its government are ready to assume that, if and when we betray the island into the hands of the Peking communists, they will want to use it, temporarily, *as is*—to serve them either as a much larger Hong Kong or as a genuinely Chinese equivalent of prosperous Japan.

Beneath its economic prosperity (which Kissinger seems prepared to offer up to the communists as a "bribe for peace"), Taiwan boasts also of a cultural prosperity that makes it, uniquely, the world's sole adequate custodian of old China's immense cultural legacy. It is said that, without American support, the Free China government in Taiwan must soon cease to be free. American support is rapidly failing. Taiwan's security now seems to depend on the idea that the Chinese communists can wait till Chiang Kai-shek dies to negotiate a new arrangement that will indeed permit them to exploit the island's advanced development as a sort of private Chinese equivalent of Japan. But, while it is conceivable that a future ruling class on Taiwan will accept reunion with the mainland on such economic terms, what is not conceivable is a Free China acceptance of cultural submission to Marxist-atheist communism. As custodians of the true Chinese cultural legacy, the good people of Taiwan seemed to me, at least, as prepared as Solzhenitsyn's "maimed oak" to weather the storms of alien-minded materialism, suffering extreme martyrdom, if need be, to await a day when communist ideology and practice, imposed by force on the Chinese people of the mainland, will exhaust itself or be swept away.

Free China's perseverance today is exemplary. It has more to teach us about our constitutional pledge to perfect our national union than our entire educational establishment and communications media upon which we squander billions of tax-payers' dollars each year. It is a sobering experience to visit Taiwan and look into that mirror of our clouded conscience, and then come back to see how cynically Henry Kissinger exploits his special position and how even more cynically the masters of our communications media conspire to cover-up for him.

Let us be plain about what we are urging. We never supported the Nixon cold war rhetoric of the 50s, which was but an ambitious man's cover for his chronic non-ideological mindlessness and opportunism. The United States can and certainly should "deal" with the communist government in Peking. But our object in such dealings must be to get that government to cease to be a revolutionary government, and to prove itself to be the government of a genuine nation-state, willing, as Winston Lord expressed it, to accept the legitimacy of the international system of sovereignly independent states. Such a government on the Chinese mainland will have ceased to be Red; it will have assimilated itself to the government of Dr. Sun Yat-sen and Chiang Kai-shek, now in exile on Taiwan.

We have full diplomatic relations with the only legitimately "recognizable" Chinese government existing in the world today. To withdraw such recognition on terms laid down by Kissinger or Chou En-lai would be an act of international betrayal dwarfing the betrayal of the Munich Pact. But, worse than that, it would also be an American national self-betrayal, precipitating our country irreversibly (as Kissinger likes to say) toward an abyss of impotent and therefore suicidal irresponsibility.

LABOR STATESMANSHIP

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DERWINSKI. Mr. Speaker, the effectiveness of the administration and the Congress in combating our present economic questions is determined in large part on whether they are in confrontation or in cooperation.

Our present economic situation also requires the cooperation of management and labor as well as that of the producer and consumer in order for us to overcome present economic difficulties.

The positive emphasis placed on labor statesmanship in an editorial by Chicago's WGN Continental Broadcasting Co. on February 4, is an example of the cooperation to which I refer:

LABOR STATESMANSHIP

(WGN editorial, February 4, 1975)

The wage demands of organized labor have been popular targets in recent years when someone, expert or otherwise, tried to determine the principal cause of inflation. Certainly, labor costs had their role.

But, now that times are tough, we find some statesmanship in the ranks of labor, action taken deserving of comment. With the construction industry in a severe slump, with unemployment higher than it's been since 1961, a council representing twenty-four construction trade unions has agreed to a new contract with *no* pay increase, in the hope that building costs can be kept down and employment increased. Electricians in Chicagoland, although they received a wage increase in their current contract, agreed to work a thirty-two hour week, spreading smaller paychecks among more workers. The two biggest trucker-driver unions in the area have clamped a lid on overtime, also in an effort to spread around the work available. One employee group, the thousand or so drivers who work for Great Lakes Express, have voted to take a twenty percent pay cut to avoid layoffs and shut-downs.

Some economic indicators show that the worst of the slump is over. Better times, we hope, are ahead. There will be the temptation, as economic conditions improve, to make up and surpass what has been lost in recent months. However, a lack of restraint in the future will push us back into a position where our economy will be forced out of kilter again. The nation cannot tolerate another trip on the wage-price merry-go-round.

THE NEED TO PROMOTE COMPETITION IN THE AUTOMOTIVE AFTERMARKET INDUSTRY

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. McCOLLISTER. Mr. Speaker, recently I introduced H.R. 3598, along with Messrs. EVINS of Tennessee, CONTE, COCHRAN, ADDABBO, and KEMP. If adopted, this legislation would guarantee consumers the right of choice over automotive parts and service for their vehicles and prevent a monopoly in the sale of aftermarket parts and service. This would be accomplished by amending the Clean Air Act of 1970 to provide that the manufacturers' performance warranty for the motor vehicle emission system be reduced to 12 months or 12,000 miles, whichever occurs first.

Extensive hearings on this subject were held last year by the House Select Committee on Small Business, on which I served. After carefully reviewing provisions of the Clean Air Act, the subcommittee found the performance warranty is unnecessary, anticompetitive, and anticonsumer. All 19 members of the Small Business Committee unanimously recommended in the committee report of December 18, 1974, that the performance warranty be reduced to 12 months or 12,000 miles, whichever occurs first.

This is an extremely complicated issue, one which merits some explanation lest it be misinterpreted as a reduction in requirements placed on vehicle manufacturers to produce nonpolluting vehicles, or be considered as not in the best interest of the car owning public. This legislation will in no way reduce clean air standards!

Under the Clean Air Act of 1970, vehicle manufacturers are mandated to warrant for 5 years or 50,000 miles, under both a production warranty and a performance warranty to the ultimate consumer, that the emission control system installed by that manufacturer will remain effective for that length of time.

The production warranty is already effective. The performance warranty, which is conditioned upon the proper maintenance and operation of the vehicle by the owner, is mandated to become effective once the Administrator of the Environmental Protection Agency determines that adequate testing facilities are available. It is this performance warranty that poses a very serious threat to the existence of the independent automotive aftermarket, and strong anticonsumer problems.

It is important to note that the Clean Air Act contains sufficient protection under its design requirements and production warranties to maintain the quality of our air, as the manufacturer would still be required to test and certify his engine in accordance with EPA test standards on emissions and durability prior to sale.

The production warranty requirements force the vehicle manufacturer to warrant that the emission control system is designed, built, and equipped in a manner that will enable it to comply with emission regulations which exist at the time the vehicle was first sold, and that it is free from defects in materials and workmanship that would cause the system to fail to conform with applicable regulations for its useful life, which is defined in the act as 5 years or 50,000 miles, whichever first occurs. Production warranty enforcement is through a recall order by EPA, after finding a substantial number of vehicles subjected to its testing procedures that fail to comply with those applicable standards. This is similar to actions taken currently on safety-related devices by the Department of Transportation, and effectively controls the durability and reliability of vehicle safety-related components.

The performance warranty will only go into effect when EPA develops a quick, reliable test for precisely measuring emissions. This is likely to be somewhat in the future. Under this performance warranty, the vehicle manufacturer is then liable for the repair, at his cost, of every vehicle on the road that fails an *emission* inspection, so long as the vehicle owner has complied with the maintenance and operation instructions mandated by the vehicle manufacturer. These maintenance and operation instructions are the critical points insofar as the independent automotive aftermarket and the consumer are concerned. The cost of the performance warranty has been built into the price of the vehicle.

The owner is not going to jeopardize his position with respect to that warranty, and will go to the franchised dealer of the vehicle manufacturer, not only for warranty work, but also for nonwarranty work performed at the same time, thus effectively shutting off the independent aftermarket from those they now serve. The consumer no longer will have the freedom of choice to use the parts and services he wishes, and the law will create a monopoly for the vehicle manufacturers and their franchised dealers in parts and service. The vehicle manufacturers stated that, faced with a tremendous liability under the performance warranty, they will be forced to insist on the use of their parts and service to maintain the validity of that warranty.

The Small Business Subcommittee found that:

> It is also questionable that the consumer will ever truly benefit from the performance warranty as it now stands, because the vehicle manufacturer can reap windfall profits from this warranty, for every voided warranty results in an unearned profit of approximately $300. Thus, the vehicle manufacturer has a strong financial incentive to void these warranties, which might in part account for the present burdensome and restrictive care and maintenance instructions which contain innumerable opportunities for avoiding liability. These same escape clauses will exist in a warranty of any length, the longer the warranty, the greater the cost, which thereby provides a stronger incentive to escape liability. Every time a warranty is voided, it is the consumer, and only the consumer, who loses. The consumer not only forfeits the money paid to the manufacturer to have this repair work performed, but must then pay again to have the same work performed.

Thus, the subcommittee found the performance warranty to be anticonsumer, anticompetitive, and unnecessary to the protection of clean air. It must be noted that neither of the legislative committees that developed the Clean Air Act of 1970 had the opportunity to hold hearings on the warranty provisions of the act, which might have highlighted the monopolistic and anticonsumer aspects of the law.

It is a popular misconception that the emission control system on a vehicle consists of only the catalytic converter. This is not so. Presently, EPA and the automotive industry have found no area of universal agreement on the parts or processes of an engine essential to the effective operation of the emission control system, but the Small Business Subcommitee found that, at the very least, the following items would be included:

LIST OF ITEMS

1. Spark plugs.
2. Air cleaners.
3. Oil filters.
4. Drive belts.
5. Motor oil.
6. Carburetors
7. Distributors
8. Hoses.
9. Manifolds.
10. PCV valves.
11. Chokes.
12. Exhaust recirculation systems.
13. Engine coolants.
14. Vacuum fittings.
15. Intake and exhaust valves.
16. Ignition timing and advance systems.
17. Wiring.
18. Fuel pump.

Notably, the committee report indicates that:

> Various manufacturers include a number of additional parts which extend and include almost everything from the cap on the gas tank to the exhaust pipe itself.

The vehicle manufacturers maintenance instructions, which will be required to be followed to prevent voiding the warranty, will have a major impact on the car-owning public. The vehicle owner is obligated under these circumstances to have stipulated parts replaced or serviced at the vehicle manufacturers' designated intervals, at his or her own expense. Should the vehicle fail to comply with an applicable emission standard under the performance warranty, it is not the obligation of the vehicle manufacturer to repair the emission control system until the vehicle owner has proven that the described maintenance in his owners' manual has been performed at the established time, and that the work was done with parts acceptable to the manufacturer, and by a qualified service outlet.

The vehicle manufacturers contended during our hearings that they would only accept parts produced by them, and service performed by their franchised dealers. This performance warranty will force the vehicle owner to maintain records which will not only document when the work was done, but that it was done properly. If the vehicle manufacturer decides that either parts or service used by the car owner to comply with the instructions contained in his owners' manual do not meet their criteria, the vehicle manufacturer would deny warranty liability, and the vehicle owner would have to pay for the repairs, even though the cost of this work was included in the purchase price of the new vehicle.

Of course, the antitrust laws prevent vehicle manufacturers from requiring that only their parts be used to replace those they know will wear out prior to the expiration of the 5 year, 50,000 mile warranty, or that the servicing of these parts be performed only by a franchised dealer. Consequently, because of the potential liability the vehicle manufacturer would face when the quick tailpipe test of EPA is approved, they must protect themselves, so they condition the validity of these warranties on recommended use of original equipment manufacturers—OEM—parts or their "equivalent", and the use of franchised dealers or a "qualified service outlet", and then reserve the exclusive right for themselves to determine what is an "equivalent" part and a "qualified service outlet". The owners' manual instructions create a strong psychological restraint on the consumer to force him to return his vehicle to the franchised dealer for all work for 5 years or 50,000 miles, through fear of voiding his warranty.

This forcing of the consuming public to return their vehicles to a franchised dealer for all parts and service for 5 years or 50,000 miles to ensure that the warranty is not invalidated will occur when the performance warranty is triggered by EPA. According to our subcommittee report,

> The Subcommittee is of the opinion that there are serious anti-consumer aspects to both the proposed certification program (by EPA) and the 5 year, 50,000 mile warranty requirements of the Clean Air Act.

The restrictive maintenance instructions will cause many cautious car owners to have all servicing—whether related to the warranty or not—performed by their franchised dealer, which is a serious inconvenience, and poses a serious problem for both the car-owning public, and the independent automotive aftermarket. Those who continue to use their neighborhood service or garage outlets will undoubtedly void their warranties, which they have already paid for when the car was originally purchased, thereby being forced to pay again to have that system repaired at his or her expense should the system ever fail an emissions inspection in the future.

It has been proposed by the Environmental Protection Agency that a voluntary parts certification program would solve the monopolistic problems inherent in the warranty provisions of the act. I do not believe the certification program will solve the problem, as long as the performance warranty of the Clean Air Act is on the books. The vehicle owner would not have the freedom of choice he needs and the competitive situation the aftermarket requires. The owner pays for the warranty as part of the price of the vehicle. If he does not use it, the vehicle manufacturer realizes a big windfall. The voluntary program would not require the vehicle manufacturer to accept any aftermarket parts, and even if it did, why would a vehicle owner pay for an item he could receive supposedly "free"?

The consumer cannot afford to risk a dispute with the vehicle manufacturer over the use of parts and services which might later be claimed to be not proper maintenance and operation. Therefore, the consumer is forced to go to dealers of the vehicle manufacturer for all his work during the life of the warranty, regardless of the existence of a parts certification program.

In introducing this legislation, I am firmly of the belief that reduction of the performance warranty provisions of the Clean Air Act of 1970 will have no, and I repeat that, no adverse effect on the maintenance of clean air, and will relieve the automotive aftermarket industry from the possibility of a monopolistic takeover by the vehicle manufacturers, and will retain the rights of the auto owner to have a choice over the parts and services used to maintain his vehicle.

This monopolistic situation was first brought to the attention of the Small Business Committee by the Automotive Service Industry Association. The committee also received testimony from representatives of vehicle manufacturers, repair garages, service stations, EPA, the Federal Trade Commission, and the Antitrust Division of the Department of Justice. All their testimony and the documentation compiled convinced the House Small Business Committee that the performance warranty of the Clean Air Act serves no meaningful purpose.

I would urge Members join me in cosponsorship of the bill, and in urging hearings and speedy action by the House Interstate and Foreign Commerce Committee. I believe that this is a sound and just piece of legislation which will benefit vast numbers of vehicle owners and prevent a monopoly in the parts and service industry.

ST. PETERSBURG'S UNIQUE INFLATION FIGHTING IDEA

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. YOUNG of Florida. Mr. Speaker, the largest city in my congressional district, St. Petersburg, Fla., has developed a unique idea to help its citizens in the battle against inflation. At the same time, the activity, which was described in the January 1975 issue of Florida Municipal Record, provides nourishing food and healthful exercise. I am pleased to share this interesting experiment with my colleagues in the Congress.

The magazine article follows:

St. Petersburg Has Gardens for Rent

St. Petersburg.—High food prices have inspired officials in the "Sunshine City" to offer vacant municipal land for use to residents as vegetable gardens. Many of the gardeners, both novice and experienced, have already sampled their own fresh produce—eating some and preserving the balance.

Ninety one garden plots measuring 20′ x 30′ renting at $5 each for the eight-month period, October through May, became available in three separate neighborhoods in the city.

Planting on 82 plots began October 8, and the owner of Akers and Herbron Hardware and Garden Store offered a 20% discount to the new gardeners.

Two gardeners, Mr. and Mrs. William Wood, retirees from the Panama Canal Zone, rented their plot as much for the outdoor exercise they would get as for the fresh vegetables they could eat. Wood says, "You can't beat the sheer pleasure we've found in working the soil, caring for the plants, and watching them grow." The Woods won't be canning, they may freeze some of the surplus, but the rest they will share with friends in the condominium where they live.

Young families also are into the act. Mr. and Mrs. Earl Sawyer had never gardened before, but this project seemed like a good opportunity to save on their grocery bills, so they rented one lot for themselves and one for their two young sons, 7 and 9 years old.

On the two plots the four gardeners have planted wax beans, carrots, beets, collard greens, cabbage, peas, turnips, tomatoes, onions and strawberries.

"We rented the plots thinking we would save money on the grocery bill, but the actual saving may come in another season, because we bought a rake and a hoe, a pressure canner, and a supply of jars. The tools and canner we found at a garage sale, but the jars are new. The experience is worth more than the money, we learned so much about growing things, and it developed into a healthy family activity."

Most of the vegetable gardens are planted by families, but teachers from two elementary schools rented plots for their youngsters to work in, and a biology student is working on one plot as a class project.

The whole thing started June 5, 1974, when Mayor C. R. Wedding asked Jack Puryear, Director of Parks and Recreation, whether city-owned, resident-leased community gardens would be feasible, and by September 20, the community garden project was in full swing.

After the Mayor's initial inquiry a list of several possible sites was prepared, and meetings were held with Dick Bir and Gil Whitton, Pinellas County agriculture agents, to get their advice on preparation of the soil, selection of seeds, planting procedures, care of the growing plants, and finally the harvesting.

Soil samples from each proposed area were tested and the final choice of sites for the pilot project was narrowed to three locations.

Shallow wells with pitcher pumps were installed, and area residents were asked to send in their applications. "If you and your family can spend five hours a week during growing season and would like a garden plot, please fill in the attached sheet and mail it promptly." "First come, first served" was the rule applied.

Publicity about the gardening opportunity was generated through newspapers and radio stations.

The Parks and Recreation Department assumed the task of clearing the lots of debris, and enlisted the aid of other departments in getting tractors for mowing, tilling and cultivation. The plots were then marked and numbered.

Already growing in the gardens are beets, cabbage, carrots, cucumbers, eggplant, kale, lettuce, onions, peppers, summer squash, tomatoes, and turnips. Some were planted from seed, others were transplanted from flats started at home or in local nurseries.

Other sites are being tested and prepared for more eager gardeners to enjoy.

NUCLEAR PROLIFERATION: THE SERIOUS BUT DIFFICULT PROBLEM OF CONTROL

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ZABLOCKI. Mr. Speaker, one of the most complex and challenging problems facing the United States and the world community is the issue of nuclear proliferation.

However, as Stephen Rosenfeld noted in his Washington Post article of February 7, it is a tough topic not easily understood and one too often ignored. In contrast to the seemingly more glamorous issue of SALT, for example, the spread of nuclear weapons and technology has not generated adequate attention or concern among Government officials and the press.

One who is helping to draw the issue onto center stage is Dr. Fred Ikle, director of the Arms Control and Disarmament Agency. It is, in fact, Dr. Ikle's recent and repeated public statements on the question with which Mr. Rosenfeld's article deals.

In an effort to extend this enlightened understanding of the issue I am, therefore, inserting Mr. Rosenfeld's article in the Record and recommend it to the immediate and careful reading of my colleagues and other concerned citizens.

Further, I plan over the next several days to also place in the Record Dr. Ikle's public statements and speeches on the nuclear proliferation issue.

Finally, it is my hope that the newly organized House Foreign Affairs Subcommittee on Internationl Security and Scientific Developments which it is my privilege to chair will hold hearings on the matter in an attempt to help seek a lasting and meaningful solution.

The article follows:

Checking Nuclear Spread

(By Stephen S. Rosenfeld)

Fred Ikle, director of the Arms Control and Disarmament Agency, is plugging hard these days to get people in and out of government to worry more about the spread of nuclear bombs, and every sane citizen among us ought to be urging him on.

It's a tough topic—nuclear proliferation—to get hold of. It has a kind of 1960s ring: too many people think, wrongly, the matter was disposed of by the nuclear non-proliferation treaty (NPT). It does not enjoy consistently high political, bureaucratic or journalistic glamor ratings, as SALT does. Requiring the cooperation of smaller countries which tend to ask if non-proliferation is not a great-power plot to keep them down, it is in a sense harder than talking SALT with the Russians. To cope with proliferation, moreover, takes a certain imaginative leap, since the countries or cabals which might acquire bombs don't have them yet.

But it's scary.

In his public statements, Ikle now regularly points out that by its Atoms for Peace program initiated in 1954, the United States unwittingly but unwisely facilitated the prospect for nuclear proliferation by spreading peaceful nuclear technology abroad:

"There is no question that nuclear technology would have spread in any event—the question is how fast. In the 1950s this rather practical question was being confused with more philosophic issues of science and secrecy: whether scientific discoveries could be kept secret and, indeed, whether it was morally right to keep them secret, would that be possible. This was not the policy question. Instead, we ought to have asked ourselves whether or not the need for nuclear power, then a distant prospect, justified the spread of these building blocks for making nuclear bombs."

Such is the pace of the nuclear power industry in these energy-anxious times, however, that Ikle figures that in 20 years just the amount of fissionable material in foreign transit each year will be enough to make 20,000 bombs. That is to say, the world's appetite for power in the next generation may compound the problem—the problem of all that nuclear stuff out there vulnerable to military diversion by governments and theft by fanatical individuals—to which the United States inadvertently contributed by its carelessness in the last generation.

In return for our Atoms for Peace aid, we induced recipients to set up an organization (International Atomic Energy Agency) and establish certain physical controls ("safeguards") to prevent countries from building bombs. But the IAEA is not only an international agency, one in which American influence is marginal, but a users' agency, one largely run by countries which want help but not intervention from the nuclear powers.

So though the United States wants the IAEA to tighten safeguards, increasingly it seeks alternative ways—especially agreements among the *suppliers* of nuclear peaceful aid—to balk military diversion. Since the suppliers are also each other's commercial competitors (a reactor can cost $500 million) and, one way or another, each other's political rivals, this is not so simple. At Martinique last December, however, the communique hopefully recorded that the presidents of France (not an NPT signatory) and the United States "explored how, as exporters of nuclear materials and technology, their two countries could coordinate their efforts to assure improved safeguards of nuclear materials."

Meanwhile the United States acting on its own, both in proposing new nuclear power agreements as with Egypt and Israel (these are now politically stalled) and in renewing old ones, is trying to tighten controls, to close perceived loopholes and in general to set new and higher safeguard standards both for other suppliers and for the IAEA.

Washington will also be pressing non-nuclear countries, at a conference to be held in Geneva next May, to review the non-proliferation treaty, to sign up. India's example, however, is discouraging here. Its status as a "non-aligned" and less-developed country kept many Third World states from deploring its "peaceful" explosion last May. The desire not to chill political relations muted both the Soviet and American responses.

Closer to home, Ikle notes that American strategic doctrine and weaponry are designed to deter nuclear attacks from one or two *known* and *rational* countries. But "in a world of widespread nuclear proliferation, certainly one and perhaps both of these premises would be shattered." We'd know what hit us but perhaps not from what country or from what terrorist band it came.

"Ten years from now," Ikle said in a recent speech, "the Secretary of Defense will have to cope with the danger that devastating destruction could reach the United States from a great many countries all over the world."

Or, as Libya's President Qaddafi put it the other day: "Soon the atom will have no secrets for anybody. Some years ago we could hardly procure a fighter squadron. Tomorrow we will be able to buy an atom bomb and all its parts. The nuclear monopoly is about to be broken."

Scared?

U.S. CHAMBER OF COMMERCE REPORTS ON CAREER EDUCATION

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HALL. Mr. Speaker, the Chamber of Commerce of the United States has performed a notable public service in gathering together over 20 national organizations concerned with career education and then issuing a report stressing the concept of career education.

Mr. Speaker, as a member of the Education and Labor Committee, which is now holding hearings on the Vocational Education Act, I found the chamber's publication to be most informative. As the chamber explains, 76 percent of secondary school students are enrolled in a course of study, that has, as its major emphasis, preparation for college—even though only 2 out of 10 jobs between now and 1980 will require a college degree. Thus, almost 8 of 10 students are receiving an education that will primarily benefit only 2 out of 10 students.

Mr. Speaker, in order that other Members have an opportunity to read the chamber's report, I am placing it in the RECORD. Mr. Hilton Davis, legislative action general manager for the chamber, and Mr. Tom Walsh, the chamber's education specialist and all those who contributed to the report are to be commended for their fine work. The report follows:

WHAT IT IS AND WHY WE NEED IT FROM LEADERS OF INDUSTRY, EDUCATION, LABOR AND THE PROFESSIONS

ACKNOWLEDGMENT

The preparation of this booklet has been truly a cooperative effort. Representatives of almost all major education associations and of several other national organizations with interests in education spent many hours in work-sleeve sessions over a period of six months reviewing and commenting on successive drafts. Several of these organizations provided substantive material for incorporation in the text. This message of support for career education is therefore a collective one representing the commitment of all the . . .

ORGANIZATIONS COOPERATING IN THE PREPARATION OF THIS BOOKLET

The American Association of School Administrators—National Academy for School Executives, 1801 North Moore Street, Arlington, Virginia.

American Personnel and Guidance Association, 1607 New Hampshire Avenue, N.W., Washington, D.C.

American Vocational Association, Inc., 1510 H Street, N.W., Washington, D.C.

Association of Community College Trustees, 955 L'Enfant Plaza, S.W., Washington, D.C.

Bricklayers, Masons & Plasters International Union of America, 815—15th Street, N.W., Washington, D.C.

Council of Chief State School Officers, 1201—16th Street, N.W., Washington, D.C.

Distributive Education Clubs of America, 200 Park Avenue, Falls Church, Virginia.

General Federation of Women's Clubs, 1734 N Street, N.W., Washington, D.C.

National Alliance of Businessmen, 1730 K Street, N.W., Washington, D.C.

National Association for the Advancement of Colored People, 1790 Broadway, New York, New York.

National Association of Elementary School Principals, 1801 N. Moore Street, Arlington, Virginia.

National Association for Industry-Education Cooperation, 235 Hendricks Boulevard, Buffalo, New York.

National Association of Manufacturers, 1776 F Street, N.W., Washington, D.C.

National Association of Secondary School Principals, 1904 Association Drive, Reston, Virginia.

National Congress of Parents and Teachers, 700 N. Rush Street, Chicago, Illinois.

National Federation of Business and Professional Women's Clubs, Inc.; Business and Professional Women's Foundation, 2012 Massachusetts Ave., N.W., Washington, D.C.

National Institute of Education, U.S. Department of Health, Education, and Welfare, 1200—19th Street, N.W., Washington, D.C.

National Manpower Institute, 1211 Connecticut Avenue, N.W., Washington, D.C.

National Organization for Women, 5 S. Wabash Avenue, Chicago, Illinois.

National School Boards Association, State National Bank Plaza, Evanston, Illinois.

National Urban League, 55 East 52nd Street, New York, New York.

Office of Education, U.S. Department of Health, Education, and Welfare, 7th & D Streets, S.W., Washington, D.C.

Vocational Industrial Clubs of America, 105 N. Virginia Avenue, Falls Church, Virginia.

Consultant: National Education Association, 1201—16th Street, N.W., Washington, D.C.

The National Chamber also acknowledges the valuable assistance provided by members of its Education and Manpower Development Committee.

ABOUT THIS BOOKLET

Rarely has a concept held more promise for exciting learning than has career education. Thousands of persons have participated in hundreds of workshops, conferences, and seminars. Teachers and curricula specialists are designing new learning arrangements. And demonstration models are developing innovative school-community relationships. In many ways progress has exceeded expectations.

But despite the near-universal expressions of support and some outstanding successes, only a good beginning has been made. Relatively few of the nation's 60 million students are touched by the career education concept. Clearly, a more effective effort is necessary, and such an effort is possible only through the collaborative leadership of the many organizations and individuals having a direct interest in our schools.

This recognition prompted the organizations listed here to join in this expression of support for career education. We urge our respective members to coordinate their activities at the state and local levels in support of the common purpose of stimulating the wide and prompt introduction of the career education concept among the nation's school systems.

We ask school leaders to invite business, labor, professional and community leaders, including women's organizations and minority groups, to work with them in helping our young people to recognize and utilize relationships between education and work.

Business, labor, professional, and community leaders should also take the initiative. These informed lay persons, working with professional educators, can reinforce each other's efforts in getting career education underway and in sustaining progress. This booklet will highlight some of the things to do.

We wish you much success as you form new relationships for improving the educational experience of our youth.

OUR CONCEPT OF CAREER EDUCATION

At the outset let us affirm that the highest aim of education is the development of the qualities of character. For in teaching honesty, justice, integrity, and respect for person and property lies the hope of domestic tranquility and good will in our society—the basis for progress.

Another basis for tranquility and progress is a citizenry using fully its talents at work—that is, in those activities, paid and non-paid, whch provide satisfaction for the individual and benefit to society.

Career education complements the primary aim of education by pulling back the curtain that isolates much of education from one of the largest dimensions of life—a man's or woman's work. Education and work are artificially separated today, but they were not so divided in the past and should not be so in the future. A linking of education and work is even more important in a dynamic industrial-service economy than in a less complex economy.

Career education, therefore, seeks to remove the barriers between education and work by emphasizing preparation for work as a major goal of American education at all levels—from the elementary schools through the secondary schools and the universities, colleges, and technical institutions.

Career education benefits all students because they will commence work—begin a "career"—at some point in their lives, whether they leave school at age 16 or graduate from the nation's most prestigious medical or law school at age 30. It therefore applies to the student who will seek a graduate degree as well as the potential dropout. It especially benefits indifferent students by making their learning experience relate to the many ways people spend their lives. And it also helps the young woman who needs to be made aware that even though she gets married and has a family she may spend 25 years or more in full-time employment outside the home—and she will spend 40 years or more in the workforce if she does not marry.

Career education expands educational and career opportunities by stimulating interest in the studies necessary to pursue various lines of work, and by giving students preliminary skills to enter any one of a cluster of different carrers. It encourages boys and girls and men and women to consider nontraditional, as well as traditional, careers. And it reminds us that in a changing society, education must be a continuing experience throughout our lives, requiring an "open door" access between school and work.

Career education seeks to enable all persons to make personal, informed career choices as they proceed through life. To do this, they must learn to identify their strengths, weaknesses, interests and aversions. They must then relate these to requirements of the world of work and of the various levels and types of education. This process is vital to a fully useful life, since career decisions are often required several times, and include decisions about promotions and changes in assignments as well as the selection of an occupation or profession. Youth and adults who learn career decision-making skills will have greater career satisfaction regardless of changes in the job market.

Career education believes that learning occurs in a variety of settings, and therefore requires relationships with the business-industry-labor-professional community to provide learning experiences not available to students in a conventional classroom environment.

Career education urges that society reappraise its value system to help ensure the respect due all types of work, and to help make unsatisfying jobs more meaningful. It calls for recognition that some technical skills provide services just as useful as some managerial/professional skills.

Though career education emphasizes the preparation of all people for their life's work, as mentioned earlier it also recognizes that there are other important and proper objectives for our education system. These include education for integrity in human relationships, for effective home and family life, for leisure, for citizenship, for culture, and for mental and physical health. The school experience must always aim to provide for every child and adult the opportunity to cultivate the quality of intellect, as well as the artistic and moral sensibility, that will lead to useful and satisfying lives.

Finally, career education does not mean education without rigor. Indeed, by stimulating interest in learning and thereby in evoking improved student effort, career education offers an important potential for raising the level of student performance in all school subjects.

In summary, career education is the total effort of education and the community to help all individuals become familiar with the values of a work-oriented society, to integrate such values into their personal value systems, and to implement those values in their lives in such a way that work becomes possible, meaningful, and satisfying to each individual.

WHY WE NEED CAREER EDUCATION

In many respects the schools are doing a better job of educating our youth than ever before.

However, society demands more of our schools, just as it does of government, religion, and business. The school performance that was judged satisfactory 20 years ago may no longer be suitable for every individual. While there are complex reasons for this change, one is related to the world of work. There are relatively fewer unskilled jobs to fill at a time when more parents are properly demanding full equality of opportunity for their children. There is general recognition that as we move further into a still more compex economy, the relationship between education and work becomes closer each year, and young people need more assistance in deciding on a career.

Career education offers a promising response to this call for education reform by addressing these problems:

For too many youths, career exploration begins after leaving school instead of during the early learning years when there is ample time to develop areas of work interest and competence.

Youth unemployment is consistently four times greater than adult unemployment, and turnover is high. Most college graduates stay with their first employer less than three years, and high school graduates often have several jobs their first year.

Many students are not provided with the skill and knowledge to help them adjust to changes in job opportunities. The individual normally changes occupational emphasis no less than 3 to 5 times during his work life. For education, the lesson is clear: it must increase the individual's "cope-ability"—the speed and economy with which he or she can adjust to these changes.

There has steadily developed an increased emphasis on "school for schooling's sake." The third grade teacher seems intent on readying students for the fourth grade, the eighth grade teacher on readying students for the ninth grade, and the high school teacher on readying students for college. Instead of preparation for something, education has become, for many students, simply preparation for more education.

In some schools, much of what happens in the classroom has too little to do with what is happening outside the classroom. They seem to attempt to prepare our young people to take their place in the community by isolating them from the community.

Seventy-six percent of secondary school students are enrolled in a course of study that has, as its major emphasis, preparation for college—even though only 2 out of 10 jobs between now and 1980 will require a college degree. Thus, almost 8 of 10 students are receiving an education that will primarily benefit only 2 out of 10 students.

The dropout-failure rate among college students remains among the most stable of all statistics in American education. Forty percent of all who enter college this fall will not make it to their junior year, and 50 percent will never obtain a baccalaureate degree. These adjustments are extremely costly to students and their parents in terms of money, psychological damage, and inability to plan a meaningful future.

CAREER EDUCATION AND VOCATIONAL EDUCATION

Vocational education offers training in a wide variety of specific technical and subprofessional skills, and is therefore an essential component of career education. Vocational education should continue for life—as should be true of all education—but it is initially completed at the high school level or in a post high school technical institution or community college.

Examples of jobs for which one qualifies through vocational education include those in the health services, distribution and sales, agriculture, building trades, computer operations, transportation, mechanical and printing trades, and numerous other occupations which typically do not require a baccalaureate degree.

Career education, on the other hand, links learning activities with jobs along the entire range of skills—from the subtechnical to the professional career—and in addition, emphasizes decision-making skills to improve individual choices concerning work and education or training. Career education is therefore all-inclusive in that it encompasses vocational education, academic education, and managerial/professional education, as well as career exploration and career selection. By way of contrast, vocational education has a more limited mission of specific skill training.

Though the vocational and baccalaureate fields of study are delineated, students may shift from one field to another, and often do. The vocational student learning to be a medical technician may, after a period of work, return to college as a baccalaureate student seeking training as a dentist or other advanced level of the medical professions. And the electrician may later decide to obtain a degree in electrical engineering. Though both students may first have to complete prerequisite subjects, their vocational training nevertheless provides entry into a work experience or career field that stimulates further specialization or advancement. Indeed, many colleges are granting credit for work experience that was obtained as a result of earlier vocational training.

THE CAREER EDUCATION TEAM

Career education will never be implemented by individuals acting alone, but by persons acting in concert with those whom they share a common interest or responsibility. Existing organizations—committees, study groups, service clubs, unions, trade and professional associations, chambers of commerce—might appoint an interested and knowledgeable member to act as their representative. Here is a description of persons comprising "the career education team" and what they do:

School administrators and school boards

Obtain support and commitment for career education programs from teacher organizations based on good will and agreement on the need for better education.

Provide leadership in gaining the support of students, counselors, parents, and community for career education.

Develop a plan for implementation and evaluation for a curriculum integrated with career education.

Explain credit eligibility for non-traditional learning experiences.

Bring together and coordinate the personnel, resources, facilities, and activities of the subsystems that exist within the district.

Offer inservice programs designed to provide staff with career education concepts, procedures, and materials.

Develop and support an atmosphere conducive to the utilization of teaching methods designed to meet individual needs.

Equalize career placement effort with college placement effort.

Classroom teachers

Help students develop positive attitudes toward themselves, others, work, and those who work.

Relate what students learn in a particular subject area to future educational and occupational alternatives and how knowledge and skill offered by that particular subject area relate to work and living.

Reinforce steps in decision making and the importance of students being responsible for their own decisions.

Industry-education-labor-professional community

Provides stations for observation and for actual work-study experience.

Participates in designing realistic curricula for various career clusters.

Helps develop and administer job placement programs.

Volunteers as resources in the school.

Helps develop support for career education.

Counseling and guidance personnel

Serve as a resource consultant to teachers, students, administrators, parents and others seeking information.

Invite technical and vocational school representatives to college night or career day programs, along with other representatives and employers.

Provide information related to a wide variety of career options.

Serve with other education personnel as liaison between the school and the business-industry-labor-professional community.

Assist in placement of graduating students with employers in addition to providing guidance to others going on to technical schools or colleges.

PTA's, ethnic and cultural groups, civil rights agencies, and other service organization

Examine and understand the career education concept.

Stimulate support for career education among parents and the community generally.

Make available to schools the talents of their members as a resource in implementing career education.

The Family—

Helps their children in developing positive attitudes toward work and in acquiring good work habits.

Helps acquaint their children with the career considerations of different kinds of work.

Volunteers as resource for the school.

Student Groups—

Serve as advisers to the policy making board for career education.

Ask teachers to emphasize career implications of subject matter.

Encourage all students to understand relationships between education and work.

While the foregoing descriptions are somewhat arbitrary, the important point is that a broadscale introduction of career education requires, in the words of former Commissioner of Education Sidney P. Marland, "bringing the school into the community and the community into the school." This requires a coordinated effort by a career education team that includes many persons not normally associated with the traditional learning process. It therefore also involves new relationships and activities for education professionals.

ESTONIAN INDEPENDENCE DAY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HYDE. Mr. Speaker, on February 24, 57 years ago, Estonia asserted its right to national independence. This brave people seized the opportunity presented by the turmoil of World War I to lay claim to its birthright. Today, it is indeed fitting to pay tribute to the brave Estonian people who continue to struggle for freedom.

This proclamation of independence inspired the Estonians to fight against subsequent encroachments on their national territory. Invaders were driven from the country and its first anniversary found Estonia at peace, sovereign over its own affairs.

In 1920, the Soviet Union signed a peace treaty with Estonia. The valiant Estonians had successfully cast off the Russian yoke. Many countries, including the United States, welcomed Estonia as a full member of the community of nations. This brave step toward freedom had resulted in victory for the Estonian people.

Two decades of uninterrupted peace and national development followed. A truly democratic and progressive instrument, the Estonian Constitution formulated during this period merits special attention. A republican form of government was established. Human rights were emphasized. The Constitution protected the rights of national minority groups. The democratic process which we Americans cherish had been set in motion.

Yet, all too soon, this process came to an abrupt end. World War II unleashed the forces of tyranny. Hitler and Stalin devised plans to swallow up those countries unable to resist their formidable power. Once again, the democratic republic of Estonia was overrun by Soviet military forces. An even greater tragic fate awaited. Under pressure, a puppet pro-Soviet regime was established. Shortly thereafter, this once independent nation was formally incorporated into the Soviet Union. It was a dark day indeed for the Estonian people and for freedom-loving peoples everywhere. There exists no justification for this flagrant violation of the fundamental right to national self-determination.

Today, the spirit of Estonian nationalism remains alive in the hearts and minds of Estonians both at home and abroad. I applaud the efforts of those Estonians in the United States who continue to remind us of the plight of their homeland. We Americans must never accord recognition to this unconscionable deprivation of Estonia's right to national sovereignty. Let not the heady atmosphere of détente obscure this denial of liberty. I look forward with hope to the day when Estonia will again take its rightful place as a sovereign state in the community of nations.

INTRODUCTION OF MILITARY LAND REVIEW AND TRANSFER BILL

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. WON PAT. Mr. Speaker, in previous statements before this body, I have spoken about Guam's unique land situation. At present, one-third of our entire acreage is owned by the U.S. military; one-third is owned by the Government of Guam; and the remainder is in private hands. Since Guam's total land area is only 215 square miles, there is a constant demand for undeveloped property to fill the requirements of the local population for business, homes, schools, and related uses.

Of particular interest is that portion of Guam owned by the U.S. Navy and Air Force. Much of the military's current total was acquired in the days following World War II, and is currently used to house the military's facilities at the various naval installations around the island and the huge Andersen Air Force Base. The military is not using all of its land, however. Current estimates of the unused total are about one-fifth of their land holdings—a sizable percentage for a small island such as ours.

Although I can honestly state that our people would never question the military's legitimate need for land, we do and must question the Department of Defense's need to hold onto large portions of land in Guam they obviously do not need, nor appear to ever need if 30 years of past experience can serve as an accurate guide.

Several years ago, I tried, without success, to find out what the military had in mind for Guam in the future. The Navy had only then just completed a thorough study of their requirements in the Pacific, known as the Project Gateway, and I asked to no avail for a copy so the civilian population on Guam could have at least some direction for future planning.

When it became evident that the military was not inclined to cooperate with the people of Guam on this most crucial issue, I then sponsored H.R. 11573 which simply asked that the President of the United States convey to the government of Guam all Federal property on the island not needed or actively used and specifically reserved 1 year after enactment of my bill. H.R. 11573 passed the House of Representatives but was held up by the Senate Interior Committee pending additional discussions with naval officials.

Now it is 2 years later and the need on Guam for room to expand is still with us. The people of Guam want the military to stay and we are justly proud of our role in the defense of this great Nation. But something must be done to resolve the land-use question. I believe that the people of Guam have a right to know what the military is planning for the future. I further believe that the adoption of a policy of openness and sound planning could benefit all parties on the island, and not just the civilian segment. After all, the construction by the civilian portion of the island of structures which could hinder future military plans is no more in the best interests of either party than is the present situation.

Something must be done in the best interest of all. For this reason, I am again introducing legislation identical to H.R. 11573. Should it meet with more fortune in the 94th Congress, I am hopefull that the President will order a thorough review of all federally owned lands on Guam and make known the results and his determination so that we, the civilian and military populations of the island, can get down to the business of planning together—for the well-being of Guam. Thank you.

GEN. ROBERT E. LEE

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. FISHER. Mr. Speaker, I have the great pleasure of introducing a resolution to restore posthumously to Gen. Robert E. Lee full rights of citizenship. General Lee applied for the return of his citizenship in 1865, but it was not granted because his oath of allegiance was misplaced. A few years ago the oath was found in the National Archives, and now the general's application for citizenship is complete.

General Lee epitomized the southern gentleman. He was an able man, gracious in defeat, and conciliatory in his behavior later in life. It is fitting that we pass this resolution as a means of honoring this fine man, whose onetime home, Arlington House, graces a lovely hillside in my district.

ADMINISTRATION STUDIES WAYS TO "BAIL OUT" PRIVATE UTILITIES

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. EVINS of Tennessee. Mr. Speaker, this administration, as we all know, is a big business administration and it is interesting to note press reports that the President is considering ways and means of assisting private utilities to secure funds for expansions.

According to the Wall Street Journal, the administration is even considering plans to reimburse utilities for the higher costs of fuel—guarantee loans—make loans—and even buy power at profitable rates, anything to help.

Now isn't that something?

It was just last December 21 that the President vetoed a bill which would have provided Tennessee Valley Authority with the statutory authority to write off against its repayments to the Treasury the costs of a most expensive antipollution program and—as the veto message put it—"thereby enable TVA to postpone some rate increases otherwise required."

The veto message took the position that it just wouldn't be fair to assist TVA in this manner and further stated:

> (This bill) violates the fundamental principle that electricity should be priced to reflect its cost of production.

The fact that TVA pays tremendous sums into the U.S. Treasury as repayments on appropriations investment was not mentioned—nor was the fact mentioned that the big utilities can write off on their income tax returns substantial costs for their antipollution equipment which reduces the cost of power production by private utilities.

Now, according to the Wall Street Journal, the administration is considering plans to "bail out" the utilities in one way or another, although some private utilities pay little if any taxes and many show substantial profits and earnings.

There are obviously two sets of principles involved—one for private power and one for public power.

It was not too many weeks ago that top administration officials called members of State regulatory bodies to Washington to urge that they short-circuit the normal ratemaking process and provide private utilities with substantial rate increases.

Not only is there no reference in the article to any plans to assist TVA and the people of the Tennessee Valley who have suffered by 10 power rate increases in 8 years—the President vetoed a bill which would have provided some financial relief for TVA similar to that which utilities are already receiving in the form of tax writeoffs from the U.S. Government.

It is a matter of principle—big business principles.

Because of the interest of my colleagues and the American people in this matter, I place the article from the Wall Street Journal in the RECORD herewith.

The article follows:

[From the Wall Street Journal, Feb. 18, 1975]

A FRIEND IN NEED? UTILITIES' FINANCIAL ILLS STIR WHITE HOUSE TALK OF GOING TO THE RESCUE

(By James P. Gannon)

WASHINGTON.—The White House is urgently studying a batch of far-reaching schemes to bail troubled electrical utilities out of their financial problems.

The search is on for a plan that would help financially ailing power companies obtain the vast amounts of money needed to get their plant-building programs back on track again. The Ford administration is alarmed that widespread cancellations and postponements of utility plant projects not only are worsening the recession but threaten to undermine President Ford's long-range energy plans and could mean power shortages and blackouts in years ahead.

The utility-bailout ideas, which are bubbling up through the bureaucracy toward the President's desk, range from the mundane to the exotic. They include:

Loan guarantees for utility bond issues intended to reassure investors who have grown wary of such securities, and thus enable financially strapped power companies to sell bonds at reasonable interest rates to provide money for plant expansion.

A Utility Finance Corp., patterned after the Depression-era Reconstruction Finance Corp., that would make direct loans or even buy utility stock issues with money from the U.S. Treasury.

A novel scheme under which Uncle Sam would promise to buy, at profitable rates, all the electricity generated by nuclear and coal-fired plants that have been delayed or scrapped due to lack of financing. The government would hope to resell the power to actual users, but the profitable-sales guarantee would enable the utility to borrow the money to finance the now-stalled construction, according to backers of this scheme, which has captured the fancy of White House economic adviser L. William Seidman.

A rebate plan under which the Treasury would reimburse utilities for the higher costs of fuel arising from President Ford's package of oil tariffs, taxes and price increases. This less-ambitious step wouldn't solve the industry's broader financing troubles, but it would offset a cost burden that some utilities claim could be "crippling."

A NEVER-ENDING LINE

A presidentially ordered study of such utility-aid plans is nearing completion within two weeks, officials say. Mr. Ford's top energy and economic advisers will draw up a final list of options for the President, who will have to decide the issue himself. The decision could be difficult, because both Mr. Ford's key advisers and utility-industry leaders appear divided over the wisdom of any new federal intervention in the power industry.

"If we go down this road, it's a never-ending line," frets one Ford Cabinet member in on the planning. "Maybe we'd have to do the same thing for the airlines or other industries," he worries. But he's not sure whether his philosophical opposition to federal bailouts or the urging of other officials to do something to shore up the shaky utilities will prove more persuasive to Mr. Ford.

Ironically, the President's own energy policy may tip the scales toward some sort of utility-aid measure. Some officials say the decision may hinge on whether Mr. Ford or Congress wins the struggle over energy policy. If Congress succeeds in blocking the White House oil tariff and tax measures, the utilities' immediate financial bind would be less difficult. But if Mr. Ford wins, oil-burning power companies will be hit with added fuel costs that could prove devastating unless the White House rushes to the rescue.

Utilities are relative newcomers to the federal welfare window. For years, they had little trouble raising all the money they needed. Investors considered them profitable monopolies whose regulated earnings and handsome dividends made their stocks and bonds secure and attractive, even to widows and orphans. Then came the 1970s.

THE MOST CAPITAL-HUNGRY

A succession of problems staggered the industry: soaring costs for coal, oil and other fuels; escalating plant-construction costs; record-high interest rates on borrowed money; safety and mechanical delays and foul-ups with new nuclear plants; heavy new outlays for air and water pollution controls. Though electric utilities have raised rates substantially (22%, on average, during 1974 alone), the slowness of the state rate-approval processes and the growing consumer and political backlash against rising electricity bills have many of them in a bind.

Their deteriorating financial condition has made it hard for many utilities to sell bonds or stock to raise money. Unfortunately for them, utilities are the most capital-hungry industry in the U.S. economy. Their capital needs for plant expansion are estimated in an Edison Electric Institute study at $140 billion for the year 1974 through 1980. About two-thirds of this would have to come from sources outside of the companies' own profits.

Because of their new money woes, utilities have been cutting their plans—expansion plans left and right lately. According to one tally, projects representing more than 60% of the planned nuclear generating capacity and 30% of the non-nuclear capacity were either postponed or canceled by utilities in 1974. Much of the stalled capacity eventually will be built, government specialists say, but the delays in getting such plants in operation could cause power shortages eventually in some areas. Worse yet, they contend the slowdown in nuclear power projects undermines the U.S. drive to reduce imports of costly foreign oil, used to fire boilers in the old plants that the nuclear ones would replace.

Ford administration officials clearly are worried, not only about the long-term repercussions but about more immediate dangers arising from the industry's troubles. All those plant-construction cutbacks are worsening the severe recession in the construction industry and depressing sales of power-plant machinery and supplies. Officials also are closely watching a secret list of the industry's potential Titanics: companies so financially strapped that they're candidates for bankruptcy.

"We have a list of 20 or so companies in varying degrees of financial stress that we're watching," confides the keeper of the list. He won't reveal the companies' names, but the utilities under scrutiny generally are those whose earnings are failing to cover, or are barely covering, interest payments on their debt and preferred dividend requirements. The monitoring is intended to give advance warning of any looming financial crisis that might trigger bankruptcy. Officials fear that kind of confidence-shattering event could send severe shock waves all through today's troubled economy.

The Titanic-list watcher notes that many electric utilities are in sound financial condition. "The problems appear to be somewhat regional," he says. This complicates the decision on whether any federal aid plan is needed. "Why in the world should we develop a policy for the entire industry in order to bail out this or that company?" asks one skeptical Treasury official. Some critics contend the troubled utilities suffer from bad management or poor state regulatory policies—problems that can be solved without federal aid.

Another complicating factor is that the industry itself is divided on whether it wants emergency federal help. Support for the bailout schemes is "fragmented," says one industry source. "There is great concern among the elder statesmen on the industry" he adds, "that they shouldn't let the nose of the government camel under the tent."

But those whose tents are nearly collapsing have abandoned philosophical reflection on the proper federal role in utility affairs. Executives of such concerns as Ohio Edison Co. in Akron and Consumers Power Co. in Jackson, Mich., have openly appealed for a federal bailout.

New federal aid is needed right now "or the nation may soon find itself grappling with these problems while freezing in the dark," contends one of the most outspoken aid-seekers, William G. Rosenberg, chairman of the Michigan Public Service Commission; he wants federal loan guarantees for utilities. The electric companies that Mr. Rosenberg's commission regulates are among the most troubled in the nation. The SOS from Michigan clearly is being heard in the White House by such Michiganders as economic adviser Seidman, not to mention the President.

Mr. Seidman, who seems to favor some utility-aid plan, has been calling attention to the industry's troubles lately. "Most private utilities aren't in good financial shape," he told a Teamsters union conference in Washington last week. More than one-third of them, he said, "aren't in a position to build new plants."

But other officials appear wary. Officials at the Treasury and Council of Economic Advisers aren't eager to launch any bailout scheme. Federal energy officials don't sound enthusiastic but concede some further steps to aid the industry may be needed.

President Ford already has submitted to Congress a number of proposals to improve the long-range health of the utility industry. These include new tax benefits such as an enlarged credit for power-plant outlays and a federally mandated overhaul of state utility regulation, intended to help utilities recover increased costs more fully and more speedily in rate hikes.

But even if Congress passes these long-range measures, some more immediate help may be needed for at least a while, officials concede. "We are looking very hard at additional alternatives" to ease the industry's financing problems, says Eric Zausner, acting deputy director of the Federal Energy Administration. Similarly, a White House economist declares that higher rates are the basic solution to the industry's problems, but "political pressures" won't permit a fast-enough increase. "The question then is what can be done in the interim to get financing in motion and get construction in motion," he says.

Probably the most novel idea under study is a power-purchase guarantee plan. This idea was suggested to the White House recently by former Congressman Craig Hosmer, long a champion of the nuclear power industry. White House adviser Seidman is attracted to the Hosmer scheme because it would both stimulate the sagging economy and support administration energy objectives by spurring immediate construction of stalled nuclear and coal-fired generating plants.

Under the Hosmer plan, the government would contract to buy all the electricity produced by any presently delayed or canceled power plant that a utility puts back on its construction schedule. The theory is that the government's commitment to purchase the power at profitable rates would make it easier for the utility to raise the money for construction. Uncle Sam would resell the power, at cost, to users of utilities depending on oil-fired plants. The scheme is promoted as one that would generate jobs, help cut oil importants and avert power shortages.

Another idea is to establish an RFC-type agency that would become a lender to or stockholder in private utilities. Such a Utility Finance Corp. has been proposed by some industry executives having trouble selling stocks and bonds to ordinary investors. Officials say any such agency would lend or buy stock only under certain conditions, perhaps including promises of future rate hikes that would permit the utility to retire the debt or repurchase the stock held by Uncle Sam. But some officials fear any such plan would smack of government takeover. Furthermore, if an RFC were proposed for utilities, other shaky businesses probably would demand to get equal treatment.

Another plan under study would have the government guarantee utility bonds, which presumably would make them easier to sell and at a lower interest rate. Uncle Sam has guaranteed loans to troubled companies before, as in the case of Lockheed Aircraft Corp. But Treasury officials are opposed to the spread of this practice, which they feel doesn't really solve the industry's basic problems and may make it harder for other borrowers, lacking guarantees, to obtain funds.

The least ambitious step would be for the government to compensate the utilities for higher fuel costs stemming from Mr. Ford's energy proposals. Those costs would be high for many power companies.

Ten New England utilities that have sued to block the Ford-proclaimed oil tariff contend the import fees will cost them an extra $125 million in 1975. The utilities claim in their suit that this will cause "an immediate and critical cash shortage." The effect could be "crippling" because of lags in raising rates, they assert.

The President may be sympathetic to such problems. Just last week, in his trip to Kansas, he disclosed that he's ordered his energy advisers to draft a plan to compensate farmers for their extra fuel costs arising from his program. Some officials worry, though, that this could be a never-ending process because everyone from airline executives to school administrators can make a case for fuel-cost compensation.

FIRE-SAFETY INSPECTION

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BURGENER. Mr. Speaker, the Fallbrook Fire Protection District in San Diego County of my State is launching a program which should result in fewer fires with consequent reductions in losses of life, money, and natural resources. In these days when every effort to combat waste is of importance, I believe that this fight against terrible waste of avoidable fire is to be commended.

The intention of the Fallbrook Fire Protection District is to launch a comprehensive company inspection program that would call for a fire-safety inspection of every structure in their district. This would include every home, every school, every business and every church. Surely, a massive project.

The spirit of determination with which the men and women of north San Diego County have undertaken this project deserves the highest commendation.

THE RECORD OF ARAB TERRORISM—III

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. NIX. Mr. Speaker, today I offer for the RECORD the third and final installment of a listing of terrorist incidents perpetrated by Arab terrorist groups since the Six Day War in 1967. This installment includes the years 1973, 1974, and the beginning of 1975.

I have entered this chronology of terror into the RECORD so that we may not forget the tragedy and bloodshed that are the work of the PLO and its associated gangs. We must not let our fervent hopes for peace in the Middle East delude us into believing that men who have dedicated themselves for years to the destruction of Israel through violence and terror will be transformed overnight into responsible leaders seeking peaceful accommodation.

CHRONOLOGY OF TERROR

1973

Jan. 3—Cigarette bomb from Black September injures man in Fukuoka, Japan.

Jan. 9—Bomb explosion in front of Jewish Agency building in Paris.

Jan. 12—Terrorist group disembarked from SS Messapia in Cyprus, planning to carry out sabotage acts in Haifa. The terrorists flew from Cyprus to Beirut.

Jan. 14—Israeli woman in Kiryat Gat injured by letter bomb. Three other letter bombs discovered and defused in Hadera, Tel Aviv and Beersheva.

Jan.—Three terrorists detained in Vienna on January 20 and three others arrested at the Austro-Italian border on January 30. All six had travelled from Beirut planning to attack Jewish immigrants from the U.S.S.R. at a Vienna transit camp.

Jan. 25—Letter bomb in Santiago, Chile, explodes; police bomb expert loses both hands. Two other bombs discovered and defused in Sydney, Australia and Montreal, Canada.

Jan. 26—Israeli citizen murdered in a street in Madrid.

Jan. 29—Tel Aviv post office discovers and defuses eight letter bombs postmarked Istanbul.

Feb. 12—Deeb Ismail el-Harditi, Gaza refugee camp committee chairman, is assassinated by PFLP.

Feb. 26—Catholic priest murdered in Gaza by PFLP.

Mar. 3—Seven terrorists seized Saudi Arabian Embassy in Khartoum and murdered three diplomats, the U.S. Ambassador Cleo Noel, the U.S. Charge d'Affaires George Moore, and the Belgian Charge d'Affaires Guy Eid.

Mar. 3—The Cypriot ship "Sanya" en route to Haifa with 250 Christian pilgrims on board sabotaged in Beirut harbor.

Mar. 6—Attempts to bomb the El Al office at Kennedy Airport and two Israeli banks in New York (3 cars loaded with explosives were discovered).

Mar. 8—Israel soldier ambushed and killed in Gaza by PFLP.

Mar. 12—Murder of an Israeli businessman in Cyprus.

Mar. 15—Dr. Dianne Campbell Lefevre, an English doctor, and her Palestinian partner, Jamil Abdel Hakim, detained in Paris after a planned bombing of the Israel Embassy in Paris had been foiled. A Mercedes car loaded with explosives and driven by Sakar Mahmoud El Khalil and Mohammed Tabib. Tabib seized by the French police at the French-Italian border, this leading to the arrest of the doctor and her accomplice.

Mar. 19—Four suitcases containing weapons and explosives discovered in passenger lounge, Rome airport (presumed to be meant for attack on transit passengers).

Apr. 4—Two Arabs arrested at Rome International airport after police found two pistols and six hand grenades on them. The Arabs carried Iranian passports, which the police said, were almost certainly forged. It is believed that they were planning to hijack an aircraft.

Apr. 4—Gaza refugee camp leader and his family shot and seriously injured by two Fatah terrorists.

Apr. 9—Bomb thrown at Israel Ambassador's home and attack on El Al plane in Nicosia, Cyprus.

Apr. 27—Italian employee of El Al in Rome murdered by member of Black September.

Apr. 27—Three men carrying 10 kg. of explosives arrested at Beiut airport while boarding plane for Nice.

May–June—More than a dozen Jewish businessmen receive extortion and death threats from the "Palestine Peoples Fighting Fund."

June 30—Col. Yosef Alon, air and naval attache of Israel embassy, is shot to death outside his home in Chevy Chase, Maryland.

July 20—Palestinian terrorist unsuccessfully attempts armed takeover of El Al office in Athens, then takes 40 hostages at Amelia Hotel before being allowed to fly to Kuwait.

July 20—Five persons injured by bomb explosion at the Jerusalem market, Mahane Yehuda. Similar devices discovered and defused in Haifa and Tiberias.

July 21—Japan Air Lines 747 with 141 passengers hijacked from Amsterdam. Passengers released three days later and the hijackers blow up the plane in Benghazi, Libya.

Aug. 4—Two Black September members hurl grenades and fire machine guns into crowded Athens airport passenger lounge, killing five and injuring 55.

Sept. 5—Italian police arrest five Arabs who were planning to fire SA–7 *Strela* missiles at El Al flights incoming to Rome's Fiumicino airport.

Sept. 5—Terrorists seize Saudi embassy in Paris, holding twelve captives. Later, the guerrillas are allowed to fly to Kuwait.

Sept. 5—Amsterdam airport officials defuse bomb attached to the wheel of KLM jetliner. Four Palestinians charged.

Sept. 28—Two Black Septembrists seize five Jewish emigres from the U.S.S.R. at the Czechoslovakia-Austria border, causing Austria to close Schoenau transit camp for Soviet Jewish refugees.

Oct. 21—Two Black September members invade Moscow home of Soviet physicist Andrei Sakharov and threaten his life for two hours.

Nov. 25—KLM 747 hijacked with 247 passengers. Plane is finally released in South Yemen after the Netherlands agrees not to aid Soviet Jews or volunteers for Israel.

Nov. 26—Two Frankfurt postal workers are injured by letter bombs. A total of eight letter bombs are discovered and defused in Israel and Europe.

Dec. 4—Grenade thrown on Old Jerusalem injures four.

Dec. 5—Bomb explodes on bus near Tel Aviv, injuring 15.

Dec. 5—Grenade is lobbed at military governor of Nablus, injuring him.

Dec. 18—Thirty-one people are machine-gunned or incinerated by Palestinians hurling phosphorous bombs into a Pan American 707 in Rome. The Arab Nationalist Youth Organization for the Liberation of Palestine takes credit. *The London Times* of January 4, 1974, proves that the group is under the direct control of Libyan President Maummer Qaddafi.

1974

Jan. 1—Joseph Sieff, President of Marks and Spencer, is severely wounded by a Palestinian assailant in his bedroom.

Jan. 24—Woman injured by grenade thrown into Bank Hapoalim office in London.

Mar. 3—British airways VC–10 hijacked from Beirut by Arab Nationalist Youth Organization. The plane is flown to Amsterdam where it is burned.

Apr. 15—PFLP General Command terrorists enter an apartment building in Kiryat Shemona and machinegun to death 18 Israelis, mostly women and children. 16 are wounded.

May 15—26 Israelis, including 20 schoolchildren, are machinegunned to death at Ma'alot by Popular Democratic Front terrorists. 80 others, mostly schoolchildren, are wounded.

June 2—Two terrorists are killed by an Israel army patrol hours before a scheduled attack on an Israel bus station.

June 13—PFLP General Command guerrillas attack Kibbutz Shamir, killing three women workers.

June 25—Three Palestinians toss grenades and fire machine guns into an apartment house in Nahariya, killing a mother, her two children and an Israeli soldier.

Aug. 2—Paris offices of French Jewish Social Fund, *L'Aurore* and *Minute* are bombed by the PFLP.

Aug. 19—Greek Catholic Archbishop Hilarion Capucci arrested in Jerusalem and charged with smuggling arms, including Katyusha rockets, to Palestinian guerrillas in the West Bank.

Aug. 20-28—Lifeguards at Netanya arrest four terrorists carrying shopping bags full of explosives.

Bomb explodes in Kfar Saba, injuring two.

Explosive charge dismantled in Jerusalem's Mahane Yehuda market.

Bomb explodes in Israel Government Tourist office in Frankfurt, West Germany, causing $40,000 damage.

Sept. 3—Two terrorists are killed by an Israel patrol as they cross from Lebanon.

Sept. 10—TWA flight from Tel Aviv by way of Athens explodes the Aegean, killing all 88 aboard. Arab Nationalist Youth Organization takes credit for this incident which was confirmed to be sabotage three months later.

Nov. 14-18—Rocket attacks on Kiryat Shemona and Safed.

Nov. 19—PDFLP terrorists machine gun three Israelis to death in Beit She'an. A fourth is killed leaping for his life from a third-story window. 23 others are injured.

Nov. 22—Hijackers from Mohammed Ghafour group seize British Airways VC–10 jet in Dubai, fly it to Tunis and murder a West German banker before surrendering after the release of the Rome airport killers.

Nov. 30—PLO terrorists raid the Circassian Moselm village of Rihaniya in nothern Israel, killing one man and injuring his wife.

Dec. 6—Terrorists shoot and wound two Israelis at Kibbutz Rosh Ha-Niqra.

Dec. 7—Palestinian guerrilla hurls grenades into the crowded Chen Theater in Tel Aviv, killing two patrons, himself and injuring dozens.

Dec. 20—Two policemen and a dozen passersby are injured by bomb in Jerusalem.

Dec. 22—Terrorist hurls grenade at a bus of 18 Christian pilgrims. 16-year-old Dejean Replogle of Jacksonville, Florida, loses a leg in the attack.

1975

Jan. 13—Gunmen fire bazooka shells at a taxiing El Al airliner carrying 138 passengers at Orly airport near Paris. The shells hit an empty Yugoslavian airliner, injuring a steward and a French policeman.

Jan. 19—Twenty bystanders are injured when "Mohammed Boudia Group" terrorists hurl grenades at an El Al 747 at Orly. Ten persons, including a pregnant woman, are held hostage until the French government grants the Palestinians a plane in which to leave.

LITHUANIAN INDEPENDENCE DAY

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MINISH. Mr. Speaker, this month marks the 57th anniversary of the establishment of the Republic of Lithuania.

Lithuania was founded as an independent state on February 16, 1918, when the Council of Lithuanian Independence met in Vilnius and declared their nation to be free and independent without allegiance to any outside power.

Tragically, Lithuania lost her freedom in June 1940 when the Russian Army marched in and overthrew the government. Lithuania thus became a Soviet republic, a Communist satellite.

Despite living under the tyrannical Soviet rule, the people of Lithuania have not lost their desire to return to their free and independent state. The Russians have been unable to crush the spirit of these determined, freedom-loving people.

Mr. Speaker, at this point in the RECORD, I submit a resolution by the New Jersey United Committee of Lithuanian-Americans:

RESOLUTION

We, Lithuanian-Americans of New Jersey at a meeting held on February 16, 1975, commemorating the 57th anniversary of the establishment of the Republic of Lithuania in 1918, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatore of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940 invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the Communist regime in seeking political and religious freedom; and

Whereas the 89th U.S. Congress unanimously passed House Concurring Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the peoples of Estonia, Latvia, and Lithuania, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved, That we, Lithuanian-Americans urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially those concerned with the new Detente policy; and further

Resolved, To request the President of the United States to vigorously implement House Concurring Resolution 416 to the fullest extent; and further

Resolved, That copies of this resolution be forwarded this day to appropriate government officials.

HOLY CROWN OF ST. STEPHEN

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. NOWAK. Mr. Speaker, I am joining several distinguished colleagues in cosponsoring House Concurrent Resolution 30, which provides, "that the Holy Crown of Saint Stephen should remain in the safekeeping of the U.S. Government until Hungary once again functions as a constitutional government established by the Hungarian people through free choice."

The Holy Crown was given to King Stephen I—now known in Hungary and the Catholic Church as Saint Stephen—in 1000 A.D. by Pope Sylvester II, in tribute for his successful conversion to Christianity of a political order based on tribalism.

No ruler of Hungary since has been recognized as legitimate unless he has been crowned with the Holy Crown of St. Stephen. In the past, it has been customary to move the crown to safety when the sovereignty of the nation has been threatened. Each time the crown has been returned only after the danger has ended. It has been in U.S. Government custody since 1945.

The crown is symbolic of the inherent right of the Hungarian people to rule themselves without foreign intervention. The crown also is a symbol of their hope that freedom will once again return to their land. Allowing the present government to regain the possession of this symbol of liberty would indicate to the people of central Europe that our government has conceded to indefinite domination and enslavement of their nations.

The Holy Crown should remain in the hands of the United States until Hungary has a constitutional government and free elections.

ALLEVIATING THE FORCED SALE ASPECT OF OUR FEDERAL ESTATE TAXES

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. KASTEN. Mr. Speaker, all of us are acutely aware of the manner in which real estate values have increased during recent years. Most of us are also aware of the way farmland, woodland, and other open spaces are gradually disappearing and being replaced by the asphalt and concrete of housing developments, shopping centers, highways, and other so-called signs of progress. Whether we agree or disagree about the merits of these changes in land use, I wonder how many of us are aware of the impact of the Federal estate tax on patterns of land use.

Under present law each estate is permitted an exemption of $60,000 for purposes of the Federal estate tax. The amount of the exemption was set in 1942 and at that time was adequate to protect most family farms and similar parcels of land from being subjected to too burdensome an estate tax. Today, however, $60,000 is far from being an adequate exemption when sizable parcels of real estate are concerned.

Another significant feature of present law which contributes to the burden of Federal estate taxes on real property, is the fact that all property included in an estate is valued at "fair market value." In the case of farming and similar land use, fair market value of the land may be very different from the value of the land as it is actually used.

Consider, for example, the case of a small family farm located near a growing city. As farmland the property may be worth only $600 or $800 an acre but the demand for land to be used as housing sites or for shopping facilities may mean that "fair market value" of each acre is well over $2,500. The difference the latter type of land valuation can make in the amount of estate tax liability which results is obvious.

In a significant number of cases, the high estate tax liability arising from holdings of land forces the sale of all or a portion of that land. This happens because of the nonliquid nature of assets associated with farming and similar operations. A Department of Agriculture study showed that in 1970 about 78 percent of the total value of all U.S. farm assets was in real estate and machinery. When such assets must be sold for the payment of taxes, the entire farming operation may be disrupted. Unlike the individual whose estate is composed of stocks and bonds, the farmer may be unable to dispose of a portion of his assets without destroying the income producing capacity of the entire estate.

Each month of inflation and population growth pushes up the value of land and thus the burden of the Federal estate tax on parcels of land is increasing. More and more estate property is being subjected to forced sales in order to obtain the capital with which to pay Federal estate taxes. Green spaces which provide relief from congestion in suburban areas are disappearing. Heirs which would have continued to farm productively are being forced to seek jobs elsewhere and food production capabilities are being reduced. These are serious consequences of present estate tax law and consequences I do not believe reflect the intent of Congress.

The farming industry is one of this country's most valuable assets. Not only does farming provide us with an essential product but farming, particularly family farming, represents a way of life which I believe should be preserved and supported. However, in the last several years we have begun to witness the disappearance of the family farm and there is evidence that a major reason for the breaking up of family farms has been the impact of the Federal estate tax. Unless we wish to witness the disappearance of family farms and green spaces at an ever increasing rate, we must provide relief from the Federal estate tax for certain kinds of property.

Today I am sponsoring a bill designed to provide Federal estate tax relief for land used for farming, as woodland, and as open space. In addition, relief is provided for property listed on the National Register of Historic Places. This bill provides that the executor of an estate could elect to have the value of such property for Federal estate tax purposes be its value for the use under which it qualifies; either for farming, woodland, open space, or as listed on the National Register of Historic Places. To prevent this special election from being misused, the bill requires that the property would have had to be devoted to those qualifying uses for the 60 months preceding the death of the decedent. Also, in the case that such property is subsequently sold, converted to a nonqualifying use, rezoned at the request of the owner to prohibit such use, or removed from the National Register of Historic Places, the election would be revoked and the full amount of estate taxes based on fair market value would become due.

I believe this proposal provides long overdue estate tax relief for farms and similar land parcels. I urge the Ways and Means Committee to carefully consider this proposal as a part of its tax reform efforts during this 94th Congress.

CANCER DEATHS COST $18 BILLION ANNUALLY

HON. JAMES F. HASTINGS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HASTINGS. Mr. Speaker, nearly $18 billion is being lost every year because of cancer deaths in this country. There are other costs of cancer, including hospital care, drugs, doctor bills, and business losses suffered by reason of incapacity of key personnel. This is especially true in small businesses.

The tremendous losses suffered from the diseases of cancer have never been fully measured.

In 1964 Dr. Dorothy Rice estimated the annual cost of cancer in this country at about $15 billion. Obviously the cost has gone up since then.

I would like for the RECORD to reflect a new calculation by the epidemiology section of the National Cancer Institute of the several calculable economic costs of cancer. I pass along information relating to the age group incidence of cancer deaths. Assuming a 45-year work period for the typical person in the United States the age group death data allows a computation of "work years lost due to deaths by cancer."

It is simple arithmetic to multiply these work years by the median annual income of persons in the United States.

The following table shows that the total loss from work years lost is at least $17,911 million annually.

Obviously the United States needs a continuing large investment in cancer research and control programs in order to restrain this tremendous cost, which is only one of several costs of cancer.

The table follows:

MONETARY COST OF CANCER IN THE UNITED STATES, IN TERMS OF WORK YEARS LOST[1] (1973)

Age group (1)	Number of deaths (2)	Work years lost due to deaths (3)	Monetary loss (2) × (3)[2] (in millions) (4)
Men:			
0 to 4	733	32, 985	$339
5 to 9	823	37, 035	381
10 to 14	619	27, 855	286
15 to 19	842	37, 890	390
20 to 24	795	33, 788	347
25 to 29	878	32, 925	339
30 to 34	1, 131	36, 758	378
35 to 39	2, 051	56, 403	580
40 to 44	4, 110	92, 475	951
45 to 49	7, 573	32, 528	1, 362
50 to 54	12, 548	56, 850	1, 612
55 to 59	18, 633	39, 748	1, 436
60 to 64[3]	24, 122	60, 305	620
Subtotal	74, 858	877, 545	9, 021
Women:			
0 to 4	602	27, 090	279
5 to 9	645	29, 025	279
10 to 14	502	22, 590	232
14 to 19	510	22, 950	236
20 to 24	584	24, 820	255
25 to 29	728	27, 300	281
30 to 34	1, 359	44, 167	453
35 to 39	2, 818	77, 495	797
40 to 44	5, 417	121, 883	1, 253
45 to 49	9, 059	158, 533	1, 630
50 to 54	12, 413	155, 163	1, 595
55 to 59	15, 107	113, 303	1, 165
60 to 64[3]	16, 930	42, 325	435
Subtotal	66, 674	866, 644	8, 890
Total	141, 532	1, 744, 189	17, 911

[1] For fuller calculation of losses see "Impact of Cancer: Years of Life Lost Due to Cancer Mortality," "Journal of National Cancer Institute," Jan. 1, 1974.

[2] U.S. Department of Commerce; 1973 median personal annual income used in these calculations was $10,285.

[3] Cost figures assume age 65 is last year worked.

Source: 1968 data. National Cancer Institute reports age-group break-down in the year 1973 was not significantly different from 1968. National Center for Health Statistics, 1968.

SUPPLEMENTAL FUNDS FOR VIETNAM

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. YOUNG of Georgia. Mr. Speaker, once again the Congress is faced with a request for supplemental funds for Vietnam and Cambodia. Each time additional funding is requested, we are assaulted with rhetoric which would make us believe that these funds, and only these funds, are essential for the preservation of our honor and commitment to our friends.

I cannot believe that we have not learned anything from the past and that we continue to allow ourselves to be beguiled by the empty promises for victory. The following article by Dino J. Caterini, reprinted from the May 1974 issue of The Progressive, is still relevant and I recommend it to my colleagues for their reading as this matter is once again brought to the Congress.

OLD WARS IN NEW RHETORIC

(By Dino J. Caterini)

(NOTE.—Dino J. Caterini is a Foreign Service officer with the U.S. Information Agency, which he has served in Vietnam and elsewhere in Asia, Europe, and Africa. He is presently stationed in Washington, D.C.)

It was the *in* thing of the early Sixties. Anyone who was anyone was talking about it. America was embarked on a great new adventure: to prove that revolutionary warfare could not succeed. Mao Tse-tung and Ho Chi Minh had developed a diabolical form of warfare that they dubbed "revolutionary warfare," and America was out to prove that it wouldn't work. The type of warfare being employed by the Communists wasn't exactly guerrilla warfare as we had known it in the past; it was a new strain of deadly virus, and counter-insurgency was the newly emerging antibody that would, soon gain enough strength to destroy it.

The prevailing American attitude was that there was no need to look to the past for examples of this type of warfare because we were dealing with something new. While the two prime official exponents of counter-insurgency in the early Sixties—Walt Rostow and Roger Hilsman—tried to put the record straight by putting revolutionary warfare into some kind of historical perspective, nobody was really listening, the operators least of all. Rostow, in his speech in 1961 at the Army Special Warfare School at Fort Bragg, said—in reference to Mao, Ho, General Giap, and others—that "it is historically inaccurate and psychologically dangerous to think that these men created the study and tactics of guerrilla warfare to which we are now responding."

Such admonitions fell on deaf ears. Joseph Kraft, writing on counter-insurgency in *Harper's* in 1964, was much more reflective of the mood of the times when he wrote: "The point of departure for the doctrine [of counter-insurgency] lies in the theory that the Communists have developed a new kind of warfare—revolutionary warfare."

There was something exciting about doing something new to combat something new. It was a challenge—the kind America likes. But now read this:

"We were in a very hostile country. That was evident enough. You had only to go out a mile to observe it. The first time I went out with a small reconnoitring [sic] party we saw about half a mile off in the main road the body of a man fastened to a tree. There was an inscription on the corpse to the effect that he had been a traitor and so was killed. I found he was the headman of a neighboring village who before I came had rendered some service to the troops. . . .

"We thought reprisals necessary, and we tried. But to retaliate you must have some one to retaliate on; to hit, you must be able to see; you must know where to strike; you must get at your enemy.

"And we saw nothing. Day after day we marched out through these barren hills to the villages beyond and looked for foes. We found only villagers. They tilled their fields and looked upon us curiously. When we inquired where the enemy was, they shook their heads and said they knew of none . . .

"Organized enemy there was none. The leaders were villagers, the rank and file were villagers. They would collect for some attack and then disperse. When you went out to look you found nothing. You could not attack, because there was nothing to attack. It was like thrusting a spear through water that closed behind it and left no sign of its passage . . . Their object was never to meet us in open fight, but to harass us on the march, to attack us at night, to boycott us and make our rule impossible. For they hoped against hope that some time we would go away."

Anyone reading the above will probably stop at this point to wonder where this remarkable passage comes from. Is this a personal account of an American soldier's experiences in Vietnam? Or is this something out of the French Indochina war, the memoirs of a French soldier fighting the Viet Minh?

No. The account comes from a little-known book, long out of print, covering an insurgency war which very few people, even so-called experts on counterinsurgency, have ever heard of: the British pacification of Burma in the eighth decade of the Nineteenth Century. The book is *A People at School*, written by a British civil servant, H. Fielding Hall, and first published in 1906. Hall's book is worth quoting because it illustrates the ageless quality of revolutionary warfare. Before quoting from it again, however, it is important to recall the historical background of this period.

The British gobbled up Burma in three stages. They first chopped off pieces at the edge of the Burmese Empire—the maritime provinces of Arakan and Tenasserim in 1825 and so-called Lower Burma, including Pegu and Rangoon, in 1852. Then in 1885, the British—in an effort to forestall French expansion of their Indochina empire—invaded, conquered, and annexed Upper Burma, the cultural and historical heartland of the Burmese people. The British conquest was swift, and within four weeks of the initial invasion the British were in full possession of the capital at Mandalay. King Thibaw, the last of the Burmese kings, was dethroned and sent into exile. On the surface, Upper Burma appeared to be captured.

The occupation of the capital and the removal of the king, however, did not mean that the Burmese were through. Upper Burma was a nation in a way that Lower Burma was not. The Burmese there had deep feelings of identity because Upper Burma represented a compact nationality with a glorious past going back nearly a thousand years, a past understood through legends and songs by even the humblest of peasants in the fields. Upper Burma had never seriously been conquered before, and though the British now held the major cities, their power did not extend much beyond them. The mass of

Burmese were still free to rebel and fight. And this they did.

It took the British five years to "pacify" Burma after their initial conquest, and it is this period that Hall covers in his book. The period hardly rates a footnote in most history books, and in the overall history of man, perhaps that is justified. But the Vietnam war and the theories of insurgency and counter-insurgency which it spawned make a study of the pacification of Burma by the British an instructive venture.

When the United States first began to develop theories of insurgency and counter-insurgency in the early 1960s, most experts, as I have noted, tended to pooh-pooh the experiences of the past; they claimed that mere guerrilla warfare—which indeed had a long history—was not to be confused with modern "revolutionary warfare" as espoused by Mao and exported abroad as "wars of national liberation."

Mao had written tracts in which he advanced the theory that the moment a war of resistance dissociates itself from the masses of the people, it dissociates itself from the hope of ultimate victory.

Mao referred to his tactics as guerrilla warfare, but he added an element that gave the warfare its revolutionary character: he linked guerrilla warfare to finite political goals. "Military action," he wrote, "is a method used to attain a political goal." He said it was vital that "simple-minded militarists be made to realize the relationship that exists between politics and military affairs."

It was basically these theories of insurgency and revolutionary warfare that the counter-insurgents were attempting to counteract in the early 1960s. Most experts on the subject were willing to rely on the British experience in Malaya in the 1950s and the French experience against the Viet Minh in Vietnam during the same period. Magsaysay's suppression of the Huk uprising in the Philippines in the early 1950s was also cited. But there was little reliance on earlier historical experience. The politicians, their advisers, and the operators in the field that wars of national liberation, and especially the Vietnam war, represented a "new ball of wax" and that there was not much to be learned by examining older forms of guerrilla warfare.

Yet our own country had been founded as a result of one of the classic insurgencies of history. The American War of Independence was not only the first great revolution of the modern era—most people forget that it preceded the French Revolution by more than a decade—but it was also the direct progenitor of what the Communists like to call "wars of national liberation." Semantics aside, the tactics used by George Washington's guerrilla harassment of the British, coupled with the use of military force to attain popular political goals, form the basis of modern revolutionary warfare.

It is ironical that while American counter-insurgency experts were ignoring the past—even our own American Revolution—the Communists were studying it to advantage. Mao, for example, in expounding his theory that revolutionary warfare should proceed from a war of movement to a war of position used George Washington's campaigns as precedent.

In the Philippines after the end of the Spanish-American War of 1898, America became involved in a model insurgency-counter-insurgency situation that paralleled Vietnam, in that America was a foreigner trying to counter a native insurgency with popular support.

It was only after the Americans had driven the Spaniards from the Philippines that a full-scale insurgency developed against American rule. Disillusioned by the American refusal to grant them independence, the Filipinos fought a revolutionary war against America from 1899 to 1906. America's well-trained army was pitted against Filipino guerrilla bands, and, just as in the Vietnam war sixty years later, America in the Philippines faced all the problems of a foreign counter-insurgent trying to pacify a nationalist uprising: a shadow insurgent government working side-by-side with the established authority; the inability to separate and distinguish the enemy insurgent; the ease with which the insurgent could hide his arms and take on the appearance of a peaceful cultivator; the excellent intelligence of the insurgent native; the advantage of the insurgent in being able to arouse hostility against foreign rulers.

In the end, the United States, as the counter-insurgent, succeeded in pacifying the Philippines, largely through an overwhelming superiority in modern weaponry and soldiery, though the struggle was admittedly long, brutal, and domestically divisive. As the war dragged on, an Anti-Imperialist League developed, dissent became rampant, and the war became embroiled in American politics.

The point is this: by the early 1960s, when the United States began to develop its theories on counter-insurgency, there was already a body of historical precedents upon which it could rely. Yet our policymakers preferred to approach the insurgency and counter-insurgency of the Sixties as something new and to ignore the past as irrelevant. Was this approach valid? I believe not.

Unfortunately, the definitive work on insurgency has yet to be written—a book that would trace revolutionary warfare from the earliest beginnings in Greek and Roman times, and even before, up to the present. There is little doubt that there are still many historical precedents in the field of insurgency that have yet to be brought to light. As I have indicated, Hall's book illuminates one such precedent, the insurrection in Burma in the late 1800s and the "pacification" years, a precedent uncannily similar to Vietnam in the 1960s.

Critics of the Vietnam war have often mentioned the difficulties of getting good, hard factual reports on exactly what happened and why. They claimed that this "credibility gap" was inherent in bureaucratic structures, that reports from lower to higher echelons are bound to be rosy, because those in command want to hear good news and because reports of failures reflect adversely.

In commenting on field reports in Burma in the 1880s, Hall noted that the troops "were split into innumerable little columns that marched about on their own account and sent in reports of their doings to the general. The civilian of course also reported to his superior. And it was very difficult to make their reports interesting." So they turned dull events into colorful reports: "Some men never came within ten miles of an insurgent leader but 'they very nearly captured' " him. "They never found a pot of rice cooking in a jungle but they 'had rushed a dacoit camp'; they never made a movement but what they were 'scouring the country.'

"One gallant officer so distinguished himself with his pen that he obtained the name of Fitz Bulletin; and one civil officer rose into fame by capturing or killing the famous leader, Hla-U, once a week for a whole open season."

While Hall and the British counter-insurgents waited for the day when they could "have a fight and get a little nearer the end," the Burmese insurgents became popular heroes to the peasantry. They were native to the area and tended to remain in place. The British, as counter-insurgents, moved on without roots in the soil.

Hall's Burmese experience mirrors the "search and destroy" operations in the Vietnam war. The British learned the hard way in Burma, as we were to learn in Vietnam, that search and destroy operations were not successful in pacifying a country. As Hall noted, the "lesson to be learned was that columns moving through a country did not pacify it."

A companion book on that Burmese period is *The Pacification of Burma*, by Sir Charles Crosthwaite, the chief commissioner of Burma from 1887 to 1890 who had the overall responsibility for the British pacification effort. Unlike Hall, who only had to worry about the war in the field, Crosthwaite had to worry about the home front as well. The pacification experts in Burma were faced with many problems that remind us of Vietnam: disputes in Parliament, hostility in the press, opposition from the public, and even a "credibility gap."

No doubt there are those who believe that there is no significance whatever to the fact that America ignored other examples of insurgency in making the plunge into Vietnam, especially remote examples like the pacification of Burma. In the end, they argue, nothing would have changed in any case, even had we studied the past.

But that is exactly my point. It *could* have made a difference. Vietnam was a tragic mistake that could have been avoided had we understood the past. Vietnam was an unwinnable war, and the disastrous political and military consequences to America abroad coupled with the demoralizing effect of the war on our domestic social fabric, were predictable results, based on a study of the past.

Certainly the Philippine insurrection alone offered proof of the agonies inflicted on the American psyche by an insurgency war abroad which many people felt was being fought to achieve goals contrary to America's anti-colonial tradition. Had we understood that past examples of insurgency showed clearly that there were never any easy solutions, that well-developed insurgencies are always long and involved affairs, and that a counter-insurgency operation by a foreigner in a foreign country is seldom popular either at home or abroad—had we understood all that, we might never have become involved at all.

In retrospect, it is easy to see that there was nothing preordained in the stance that we took. We could have downplayed the so-called newness of revolutionary warfare and placed it in some sort of historical context. The fact that we preferred to approach revolutionary warfare as something *new* and *different*—and publicized it as such—meant the chances of avoiding the war altogether were considerably diminished. Revolutionary warfare, we preached, required new techniques in the art of war, and we were taken in by our own propaganda.

If you accept the theory that there are really no lessons to be learned from history, the rest follows easily. You begin from scratch and approach each problem in isolation. You conveniently forget Santayana's dictum that he who does not learn from the past is condemned to repeat it. You forge ahead with the great adventure because the past is dull and highly irrelevant. The credo becomes: There are no parallels in the past, and there is nothing to be learned.

But now read this: "I want to express as emphatically as I can my disapproval of the policy of this country in lending our armed forces toward enforcing the domestic affairs of other countries. It is a sordid chapter in American history. It is not to the credit of the United States that we ever undertook such a thing in the past and will be less to our credit if we repeat it here today."

Those are the words of Senator Bratton of New Mexico spoken in 1932—forty-two years ago—in support of the Senate resolution to prohibit the sending of more American troops to Nicaragua—a six-year "revolutionary war" in which American troops acted as counter-insurgents and which most Americans have conveniently forgotten.

Americans are a *now* people—we believe in the present, not the past. Americans believe in direct experience, and each generation tends to over-learn what it experiences directly. The World War I generation over-learned the agonies of involvement in world affairs and became isolationists in the Twenties and Thirties. The World War II generation over-learned the lessons of Munich and misapplied them to Vietnam. Perhaps the present generation will, in turn, over-learn the lessons of Vietnam with unforeseen consequences for the future of the world.

How do we break through the narrow confines of direct generational experience to something broader and more realistic? Only through an understanding of the past as an integral link with the present, as something that adds depth to direct generational experience.

As I view the contemporary scene, however, I see little evidence that America has changed its ways. Not only are we ready to forget historical precedent; even the immediate past is shunted aside with indecent haste. Yesterday's news is already a long time ago. We failed to learn from the past in our approach to revolutionary warfare in Vietnam because it was easier to forget the past than to remember it. The American Revolution, the Philippine Insurrection, Nicaragua, Vietnam—the past is a drag, the average American believes.

And yet, I am convinced that man cannot so easily ignore the past. What is past is prologue, and as I reflect on the Vietnam war and the alacrity with which we plunged into it—and as I compare the way we approached counter-insurgency as something existing and new with the sober musings of Hall in *A People at School* and Crosthwaite in *The Pacification of Burma*, I am reminded of the old French phrase that the more things change, the more they remain the same, and of the American slang, "So what else is new?"

LITHUANIAN INDEPENDENCE

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MIKVA. Mr. Speaker, February 16 marked the 57th anniversary of Lithuanian Independence Day and the date designated as a commemoration of the 724th anniversary of the founding of the Lithuanian State. This day has held a special place in the hearts of all people who cherish human freedom and dignity because it highlights the struggle for freedom engaged in by Lithuanians throughout much of its history.

As the United States approaches her own Bicentennial, Americans should recognize and congratulate those nations—such as Lithuania—who are celebrating anniversaries of their own independence.

Although since 1940 Lithuania has had no distinct national boundaries—having been annexed in that year by the Soviet Union, its people are still a viable, independent, and free-thinking nation unto themselves. While many of the basic freedoms of the Ltihuanians have been limited by the Soviet Union, their national spirit and determination to achieve full sovereignty have not been diminished or dampened.

I wish to extend my congratulations, Mr. Speaker, to all Lithuanians and their descendants for being ever vigilant in the struggle for human freedom. Let us hope that as we Americans celebrate the 200th anniversary of our independence, the Lithuanians can again gain their freedom.

PROTECTION FOR MILITARY DOCTORS

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GONZALEZ. Mr. Speaker, I am introducing a bill today that would grant the active duty military medical personnel the same immunity from suit and civil liability for acts performed while in the scope of their employment with the Federal Government as the personnel of the Veterans' Administration and Public Health Service have had for several years.

My bill would authorize the Attorney General to defend civil actions against military doctors. It would make medical malpractice claims applicable against the United States rather than the individual.

At the present time military personnel of the Department of Defense face the possibility of being sued as individuals and held individually liable for incidents which occur while they are performing duties on behalf of the Government. As a result this has had an effect on the efficiency and morale of medical people in the military.

I have had a number of letters from military doctors who say they are forced to have unnecessary and costly X-rays and lab tests done in order to protect themselves from individual suits. This results in increased costs for health care that could be avoided if these medical people were granted the same immunity now granted to Government doctors in the Public Health Service and Veterans' Administration.

Some military doctors may feel particularly anxious about the possibility of suit against them personally and feel impelled to take private professional liability insurance to protect them in their work. However, private malpractice insurance fees have increased exorbitantly, if such insurance is even available, and it is not fair for these doctors, who are serving their country, to be expected to pay for private insurance.

If our goal is to achieve an all-volunteer health force then we must offer these doctors equal protection under the law.

The military doctors are providing a great service to our country and they should not be in a position where they have to worry about a catastrophic claim being filed against them that would result in serious personal financial consequences.

I believe legislation was considered in the last Congress to provide military doctors with the same immunity status as other Government doctors, and I am hopeful that we can have it enacted into law in this Congress.

BANKS "BUY FOREIGN" TO LURE AMERICAN SAVINGS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GAYDOS. Mr. Speaker, several years ago a Federal agency was linked with a television commercial promoting the sales of foreign-made autos in America. The gimmick was if you test drove the foreign car, the agency would plant a tree on your behalf, all in the name of ecology. I strongly resented the U.S. Government being part and parcel of a scheme which, depending on its success, could have cost thousands of American auto and steelworkers their jobs. I was most gratified when the commercial was discontinued.

I have lately received disturbing complaints about a radio commercial which also pushes the sale of a foreign-made car while in the background the listener can hear the strains of one of America's popular patriotic songs. I resent this, too, but since it does not involve a Federal agency there is little I can do about it except suffer in silence, refuse to buy the automobile, or turn off the radio station. I do all three.

Therefore, I was pleased to see a recent letter to the editor of the Standard-Observer, a newspaper published in Irwin, Pa., in which a resident of that area also objected to such advertising gimmicks. Mr. John W. Oliver of Ligonier was highly indignant about certain banks using foreign-made dinnerware to lure new depositors with their "American" savings.

Mr. Oliver astutely noted the banks could have done themselves and the American worker a great service by purchasing the dinnerware from any of several firms in the area, such as the Lenox Co. of Mount Pleasant, Mayflower Glass Works of Latrobe, the Jeannette Glass Works, or the Pottern Co. of Ligonier.

Mr. Oliver candidly observed that if the banks want the American workingman's savings deposited into their company to help their business then they should buy American dinnerware to help the American worker become a bank depositor.

Until the bankers adopt such a policy of "buy American" to seek American savings, Mr. Oliver said he is withdrawing his account from these banks and depositing his savings in a bank which does show concern for American workers.

Mr. Speaker, I do not know Mr. Oliver, but I publicly commend him on his stand, and I intend to follow his example and check my own account. Furthermore, I am inserting his letter to the editor into the RECORD for the attention of my colleagues and hope they will do likewise:

LETTERS TO EDITOR

DEAR EDITOR: Would you please publish the following letter as a public service? Thank you. . . .

The strange happenings that are going on today are hard to believe. I refer to the full page newspaper ads and the highly paid television advertisements offering the gift of free dinnerware to any savings depositor at certain banks.

A big deal, for a deposit of $50.00 savings made in one of two well known banks promoting this sales gimmick, you can receive four pieces of dinnerware free that has been produced by workers in a foreign nation. . . . Such a project may be acceptable if America was prospering, but when our nation is experiencing a recession and depression creating a high percentage of unemployment in all industries, the action is not in the best interest of the American working man.

This big order of dinnerware is great for the foreign worker, but what about the American worker who is unemployed in the dinnerware industries of America? Mr. banker, what about these unemployed American working men and women? Their plant could have used this fine big sale order of foreign imports at a time when the American working man needs all the help he can get, is indeed a shock to those who already have savings in these banks . . . It is surprising the union leaders of these workers have not come forward to protest this loss of business to foreign imports.

Surely, these highly paid bankers, who pride themselves on being good Americans, must realize that our nation is suffering under a siege of unemployment as a result of the loss of business.

You would think these bankers would want to help the American working man whose savings they solicit; they should be helping to build America's economy by purchasing dinnerware products that are American-made.

The Lenox Company of Mount Pleasant, Mayflower Glass Works of Latrobe, the Jeannette Glass Works, the Pottery Company of Ligonier, The Corning ware and Pyrex Company of New York State and many other fine American industries could use new orders from American customers including the American Banking institutions.

If these bankers want the American working man's savings deposited into their banks to help their business, then they should buy American dinnerware products to help the American worker become a bank depositor. . . . Such purchases would help America's economy and provide the American dinnerware worker a job . . . How asinine it is, these bankers "Buy Foreign" but request "American Savings".

Such unusual business tactics is either poor management, a heritage project, an insult to a person's intelligence or the complete lack of concern for the American working man or woman's . . . welfare and livelihood.

Whatever the real reason for such questionable conduct, until these banks reverse this policy of purchasing foreign dinnerware imports, and adopt the needed policy of "Buy American", I am withdrawing what savings I have from their bank and depositing in a bank that has concern for the American working man.

These bankers, and all other American financial opportunists, should "Buy American Product" if they expect the American working man to patronize their American business establishment.

Mr. or Mrs. Editor, I realize banking ads do help finance your newspapers, that is why in closing, I state that these are my opinions and not necessarily the views of your newspaper.

JOHN W. OLIVER.

FEDERAL JUDGE MAC SWINFORD: PLUMED KNIGHT OF THE KENTUCKY BAR

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BRECKINRIDGE. Mr. Speaker, Kentuckians and students of jurisprudence throughout the Nation experienced a singular loss on February 3 with the unexpected death of Judge Mac Swinford, who served for nearly half his 75 years on the Federal bench.

Discussing the exceptional gifts of the human mind to pursue the truth, he once wrote:

> This idea is our pearl of great price. Those bearing the name of lawyer are by their profession, like plumed knights, committed to its preservation and defense in the finest sense.

Those words are both the product and illustrative of a distinguished career which carried the battle for law and for order by a continuing search for truth and compassion at every turn; which distinguished between the down-and-outer and the hardened criminal; and which now, having run its full course, shall serve as exemplar to younger men.

A graduate of the school of law of the University of Virginia, Mac Swinford was elected to Kentucky's House of Representatives at the age of 25. After reelection he declined to run for a third term, but in 1933 was appointed U.S. Attorney for the Eastern District of Kentucky.

In 1937 President Franklin Delano Roosevelt appointed Mac Swinford to the Federal bench and, for a while, he divided his time between the Eastern and Western Districts of Kentucky. In 1963 he became Chief Judge of the Eastern District, and in 1969 stepped down at the age of 70, but not to set aside his duties. In fact, even on the day of his death, he had been presiding over a civil case which was to go to the jury the next day; and was later handled by another judge.

Judge Swinford had just about the busiest caseload of any Federal judge in the Nation. But no case was too large, or too small, to receive his attention to truth, detail, precedent, as well as the need for change; and those who knew him best know that no matter, public or private, was allowed by Judge Mac to stand between him, his duty as judge and his court calendar.

Not only did he constantly meet these high standards in individual cases, but he established precedents in a variety of cases ranging from the crackdown on gambling and vice in northern Kentucky, to complex and far-reaching civil rights decisions, to a noted obscenity trial, and to some of the most progressive consumer protection and antitrust litigation tried in the United States.

I saw him on many occasions, knew him well, marveled at his wisdom and dedication to duty, and admired his fairness and steadfastness. He was a profoundly deep man who was equally at home in Kentucky's woods or the world of books. He has indelibly imbedded himself in the memory and hearts of his family and friends, the bench and the bar, as a great American.

Mac Swinford was, perhaps above all, a man of heritage and tradition, who grew up, lived, and died near the radius of his home in Cynthiana; a man who received, refined, strengthened and passed on all of the best that was given to him to know; there are few in our part of the country who did not know him, and none who knew him but recognized that they stood in his shadow.

I include at this time in the RECORD a tribute to Judge Swinford which appeared in the February 5 Kentucky Enquirer, but one of many appearing throughout the press of the Commonwealth:

"SUCKER" FOR THE COUNTRY BOY, BUT LET HIM RETURN: DON'T MAKE MEN OR JUDGES LIKE THAT ANYMORE

(By Bob Rankin)

A veteran sportsman from Cynthiana was relieved of his earthly duties this week and is now free to roam the bottom-land of the Licking Valley and follow his rabbit-chasing and coon-treeing hound dogs every day.

Many residents of the tri-state will grieve, many others will give a sigh of relief at his passing. They only knew him as a hard man to reckon with.

He was probably the most stern-looking individual to ever pass through the local scene. His craggy eyebrows, piercing eyes and square, bulldog jaw would strike fear in the hearts of criminals and attorneys alike. Of course, I am talking about Judge Mac Swinford of the U.S. District Court for the Eastern District of Kentucky, who died suddenly here.

He was a veteran of three decades on the federal bench.

I have sat through boring, six-day, civil suits watching the Judge as he seemed to doze on the bench. Not so: if the attorney for either side made a mistake in law he was quick to lash out at the man. You never slipped a word, point of law or illegal speech by him.

In the past, attorneys for "the good guys" always thought they had it made in front of Judge Swinford for he was a real stickler for law and order in Northern Kentucky when local officials only gave it lip-service. But if the prosecution made a misstatement that was not under the letter of the law, they soon found out that the Judge might just as easily rule for the defendant and dismiss the case.

One of the top criminal attorneys in the tri-state who always seemed to win the city, county or state courts, had this to say on one tough case. "I like to practice before Judge Swinford if I have a good case. I know he will properly interpret the law and not just grant me a favor on a minor case and rule against me on a major one. I know I will win if I am right on the law in the case."

Judge Swinford was a "sucker" for a country boy or anyone dressed in shabby clothes, or a black man in trouble. He always gave them the benefit of the doubt and he usually appointed one of the top attorneys to represent them—much to the chagrin of an already busy barrister. But if that same "poor man" appeared again, even if it were five years later, he could count on getting the limit of the law and go up for "at least five years."

One of the very first World War II conscientious objecter cases in the nation was tried in Judge Swinford's court in the early 1940s and that like many other precedent setting cases, grew out of his court. It was he who ruled in favor of a reporter and photographer when a Newport police official arrested them for covering a raid. He set a further precedent on the right to the news over the right of privacy, that will long live in the minds of local newsmen and those of the nation. (US vs. George Gugel et al, in which the chief was convicted.)

A big treat was to go with the judge to Pikeville for a term of court. People followed him around on the streets for he attracted attention with his stern look, his ramrod straight back and full stride. We sought out a Greek restaurant where the judge always presided over a table and made a special salad for us.

In Pikeville Judge Swinford knew how to deal with the moonshine stills, the car thefts, the tobacco farmers who illegally might "nest" their tobacco baskets. He seemed to know, instinctively who was really guilty or was uneducated and uninformed and did not really know the laws of the land. He meted out sentences accordingly: probation for most, full terms for real criminals.

For all his judicial ways, Judge Swinford was a very simple man with simple tastes. He usually ate in a Covington cafeteria or the Frontier Room at the Netherland or old Thompson's short order restaurant on Vine Street.

At the opening session of court when he saw me or some other veteran of the beat at the press table, he would send a bailiff to fetch us to his quarters. We always worried for fear we had misquoted him or had mangled the law. Usually he just wanted to talk football, basketball or baseball. He was a keen fan of the Reds and once, when I obtained box seats for him and his son for a game, he vowed it was the best time of his life. He ordered soft drinks all around, although some would have preferred beer or hard liquor but not in front of the judge.

Oh, they will replace him. There will be a mighty scramble among local jurists for the job. But no one will ever look that much like a judge, or act that much like a judge, or combine all those characteristics of a hounddog man, farmer and good friend that Judge Swinford had—they don't make men or judges like that anymore.

JOHN DAVIDSON NAMED AS HONORARY CHAIRMAN OF AMERICAN HEART ASSOCIATION

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. REES. Mr. Speaker, it is not unusual for an entertainer to be named as honorary national chairman of a charity organization. But much of the time the title is in name only. John Davidson, wellknown to television viewers for his singing and acting, and to theater goers for his work in musical comedies, has changed that.

As honorary national chairman for the American Heart Association, Mr. Davidson is helping in the fight to reduce the toll of premature death and disability from heart disease and stroke. Mr. Davidson is not just a name on a poster or brochure. He is assisting in bringing heart-helping information to the American public through radio messages and televsion spot films that stress changes in living habits to reduce the risk of heart attack and stroke.

Mr. Davidson is also calling attention to heart association goals in research and public education during his personal appearances on talk shows, and in interviews with the news media while on tour. Additionally, Mr. Davidson is contributing to the support of the association by donating proceeds of souvenir program books published in connection with his entertainment activities.

And even though the bulk of the association's income is contributed by the American public during the February drive for the Heart Fund, Mr. Davidson feels it should be a year-long fight. He will lead the campaign via his varied career.

I feel safe in saying that not too many people in the world can be as comfortable in as many situations as John Davidson is. And, in all of this, he projects a warm pleasing charm that has carried him to the top of his profession. As an actor, singer—and as a personality—John Davidson is an entertainer with a big heart in every sense of the word.

I am proud to have John Davidson as a citizen of my State of California, and I believe that the example that he has set, in view of the heavy professional demands he must meet as a major star of the legitimate stage and television, should be an inspiration to his fellow Americans and most deserving of the highest commendation of this legislative body.

CONGRATULATIONS SAR

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BIAGGI. Mr. Speaker, an important milestone in Jewish day school education took place recently with the dedication of the SAR Academy in the northwest Bronx, SAR, the result of a merger of the Salanter, Akiva, and Riverdale Yeshiva schools, enrolling nearly 400 students is the largest Jewish day school in the Bronx. Its student body not only comes from all sections of the Bronx, but also from upper Manhattan and Westchester County.

The founders of SAR conceived it to be not only a Yeshiva serving the needs of students in its area, but also as a model of progressive Jewish education—a model that could have some effect on the general field of Jewish education. The SAR was also intended to serve as a place where people seeking to enter Jewish education as a profession would be able to train in some of these new methods and approaches.

Architectually and conceptually, the SAR was built on the open classroom model. There are no walls in the modern school building overlooking the Hudson River. The aim of this design is to encourage a closer student-teacher relationship than is the case in traditional school settings. Each student learns at his own pace, and teachers encourage emphasis in areas where students show greatest interest.

Although the SAR first moved into its new quarters in September 1974 Jewish day school educators from all parts of the Nation have visited it and studied the school in operation. Student teachers from Yeshiva University also are exposed to the open education setting of SAR. A graduate student from Teachers College at Columbia University is also doing her masters internship in guidance at the SAR.

I am confident that in the future the SAR experiment will take its place as one of the major undertakings in Jewish education in the country. I wish the students, parents, teachers, and administrators of SAR "hatzlacha" or success in their exciting program.

MY RESPONSIBILITY AS A CITIZEN

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. UDALL. Mr. Speaker, Patricia Brogdon, 16-year-old Arizonan, has a nicely balanced message for us on our responsibility as citizens.

Pat, who lives in Cochise County's Sierra Vista, is Arizona's winner in the Voice of Democracy Contest sponsored by the Veterans of Foreign Wars of the United States and its ladies auxiliaries.

She will be coming to Washington next month to vie with winners from other States for a $10,000 first prize scholarship and four other generous scholarships.

In her winning broadcast script, Pat reminds us that if we are to speak we have to listen, if we are to carry out our responsibilities as citizens, we have to try to learn the facts. America is a great place, but it can be better.

Here is her message:

MY RESPONSIBILITY AS A CITIZEN

(By Pat Brogdon)

My mother was born and raised in another country. Eleven years ago she became a United States Citizen. When I asked her, "What in your opinion is a responsible citizen Mom?" She answered, "Someone who loves his country, takes care of it and looks out for fellow citizens in all aspects." "The citizen makes the country."

My father was born and raised in the United States and served under its flag in three wars, 35 years. When I asked him the same question, he replied, "One who takes interest in community affairs, supports the laws and most important cooperates in all defense projects." Webster's New World Dictionary defines a responsible citizen as: *Responsible*: Supposed or expected to take care of something, that must get the credit or blame; having to do with important duties; that can be trusted or depended upon; reliable. *Citizen:* A person who is a member of a country or state either because he was born there or because he has been made a member by law. Citizens have certain duties to their country and are entitled to certain rights.

Viewing my parent's and Webster's definition leads me to feel this way.

To be free is a privilege. It is also a responsibility. In order to say what I want, to be what I wish and do as I like, I must allow others to do the same. To be able to have a say about our government, I must allow others to have their say too. Not everyone will agree about everything, therefore, I will have to make some choices. To be a good citizen, wise choices must be made. This means I have to know something about the choices to make, I must be informed.

I need to know about the organization of my city, my country, my state and my national government. I will vote for the officials and it is important to know what kind of work will be done by the people I choose. I need to learn about taxes and the cost of operating a government, because I will pay the taxes as my parents do now.

While studying formal government organization, I can learn a great deal about governing myself by participating in young people's groups. Student body associations, church groups, Scouts, 4-H, YMCA and YWCA groups all offer opportunities to practice self-government.

As a young citizen I can say that American ideals have not been fully carried out, which is merely saying that Americans are human. Past events of the United States have been that of a bold and exciting experiment, an attempt to found a society on faith, human intelligence, human freedom, and human brotherhood. So far this experiment has been a success.

There is no room, however, for complacency or self congratulation. Too much cries for improvement! Our cities are ugly, and our suburbs often not much better. We despoil our countryside. Our crime rate is among the highest in the world: And yet there is still immense vitality, optimism and a belief that America can be made a better place. The way to better America is simply to practice what my mother, a naturalized citizen has said; my father, a career officer emphasizes; the responsibilities Webster defines; and what I have learned.

LITHUANIAN INDEPENDENCE DAY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HYDE. Mr. Speaker, February 16 marked the 57th anniversary of the establishment of the Republic of Lithuania as a free and independent nation. Today, many maps do not show even the vestiges of this small but important nation because its freedom lasted but 22 years. In 1940, the Lithuanian borders were overrun by the military forces of the Soviet Union and, along with Estonia and Latvia, its people and lands were forcibly annexed.

Many naturalized American citizens fled the Soviet invasion of the Baltic States. They, and their children, still have friends and relatives who are now living under Soviet domination. They remain proud of their heritage and they harbor a determined and fervent hope that freedom will one day return to their homelands.

The United States has never accorded diplomatic recognition to the Baltic takeover and we should continue to avoid actions which might indicate any acceptance of that outrageous act. This is why I have joined in support of the sense of the Congress resolution opposing any official recognition of the Soviet takeover of Estonia, Latvia, or Lithuania. The United States is concerned about the territorial integrity of many nations. It should be no less concerned with the integrity of the Baltic States.

As we mark the anniversary of Lithuania's now dimmed freedom, let us rededicate U.S. policies toward the protection of world freedoms and toward a continuing effort to return freedom to the brave people of Lithuania and captive nations everywhere.

SELECTIVE OUTRAGE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. WOLFF. Mr. Speaker, many of my colleagues have expressed their concern over recent actions of the United Nations, a concern that I share. I would like to call to the attention of all a recent article in America written by Thomas Patrick Melady, a former senior adviser to the 1970 delegation to the U.N. and former Ambassador to two African States. His article is a well reasoned discussion of one of my deep concerns, the tendency for the U.N. to select one nation for criticism of its human rights standards while ignoring similar or worse actions in others.

I commend the following article to my colleagues:

SELECTIVE OUTRAGE

(By Thomas Patrick Melady)

In the past two decades, the United Nations has constructed a firm foundation for carrying out its mandate to protect the rights of all members of the human family. It was a major force in the 1950's and in the 1960's in guiding many of the Afro-Asian colonies to independence. Hundreds of millions of the Third World peoples, who had been dominated by outside forces for so long, obtained their human right of independence in these two decades. The UN played a major role in this historic accomplishment.

This acquisition of the human right of freedom from foreign domination was followed by the UN's launching of the decade of development. Both by highlighting the dehumanizing effects of the triple curse of poverty, illiteracy and disease and by establishing the UN Development Program, this international organization played another pioneering role in the struggle for the rights of all men.

These magnificent accomplishments of the 1950's and the 1960's were rooted in the very being of the United Nations. The late Secretary General U Thant said: "The promotion and protection of human rights form the very essence and provide the deepest meaning and motivation of the United Nations as an international organization."

The Charter of the United Nations refers to human rights in its Preamble and in six different articles. The Preamble eloquently states that the peoples of the United Nations express their determination "to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small." The UN Charter, adopted at the San Francisco Conference in 1945, was reinforced in its mandate to be concerned about the rights of all the members of the family of man by the Universal Declaration of Human Rights. On Dec. 10, 1948, the General Assembly thoroughly committed the United Nations to "a common standard of achievement for all peoples and all nations" in the area of human rights.

One focus of UN concern for human rights has been the Republic of South Africa. The apartheid policies and practices of the South African government run counter to the human rights commitment of both the Charter and the Universal Declaration of Human Rights. South Africa's apartheid system—a system of racial inequality incorporated into its constitution—is an affront to all human beings.

In the past decade the United Nations has taken various positions to indicate its deep concern about the racial inequities in South Africa. Such action is in keeping with the UN mandate to speak up whenever clear human rights violations are committed by any country. The South African government, by its insistence on maintaining the apartheid system, places itself outside the community of law-abiding nations and has made itself something of an "outlaw." In its recently completed 29th session, the UN General Assembly refused to recognize the credentials of the South African delegation and, in effect, threw them out of this session of the world body. As a result, the United Nations—man's one universal institution with a mandate to protect the rights of all men—declared that the apartheid laws and policies of South Africa are a gross violation of human rights and that, consequently, the presence of South Africa in the General Assembly could not be tolerated.

I have seen the clear moral injustices of South African apartheid from personal experience and have condemned it in two books. These two publications were evidently the cause of South Africa refusing me a visa to visit the country again. South African apartheid is a major violation of human rights, and, as such, should be censured. But every political action has several effects. The action by the United Nations also gives the clear appearance that its outrage was selective rather than universal. At the same time that South Africa was, through apartheid, violating the human rights charter of the United Nations, two other countries not far from South Africa were also guilty of gross violations of human rights.

In 1972 and 1973, at least 90,000 Hutus were killed in Burundi. All responsible authorities recognize that this was selective genocide. I was present for part of the bloodbath and can attest to its brutality.

At least the Burundi horror can be discussed in the past tense, which is not true of Uganda, where President Idi Amin is liquidating people almost daily. Since he took over the Uganda government on Jan. 25, 1971, over 50,000 Ugandans have been killed. In all probability, while the UN was debating the South African issue last fall, Ugandans were being tortured in the notorious Malindye prison. I hesitate to describe how General Amin's men torture their victims before killing them, because it is so revolting. Those who wish to obtain the details can find them in the report of the International Commission of Jurists and in David Martin's recently published book, *General Amin* (Faber).

While I served in Uganda, I met several of the widows of prominent Ugandan civilians slain by Gen. Amin's men. Once, one widow, whose name I cannot reveal as she still lives in Kampala, asked me if "Africans in South Africa suffer more than we do in Uganda?"

One of the general's former ministers has submitted a memorandum to African leaders placing the death toll of Ugandans killed at around 90,000. While there are varying opinions on the numbers, there is general agreement that Gen. Amin's reign constitutes a gross violation of the human rights of the Ugandan people. His propensity to liquidate people is similar to Hitler's. Perhaps this should not come as too great a surprise, because in September, 1972, in a now infamous telegram to UN Secretary General Waldheim, he indicated his approval of Hitler's genocide against the Jews.

In August, 1972, the general announced that all Asian noncitizens would be ousted within 90 days. Later this was changed to include Asian citizens of Uganda, because Gen. Amin doubted the "legality" of their citizenship. I lived through the horror of seeing close to 50,000 people brutalized and expelled from Uganda because they were of another ethnic origin. Neighboring African Presidents Julius K. Nyerere of Tanzania and Kenneth D. Kaunda of Zambia condemned the racism and human rights violations involved.

Was this not racism at its worst? The record, however, of the treatment of the Ugandan-Asian issues by UN machinery will remain a cause of embarrassment. In this case, the United Nations did not seem outraged.

The 1972 absence of outrage at the brutalization of Uganda's Asians followed the 1971 situation in which almost a quarter of a million East Pakistanis were massacred. Again the United Nations displayed little anger over these gross violations of human rights. While I was not present in Bangladesh during these atrocities, as I was in Burundi and Uganda, the evidence leads me to believe that the atrocities committed against the people in East Pakistan in 1971 were crimes against humanity that recalled Hitler's genocide against the Jews.

Universality is the essence of the United Nations. In the matter of human rights, nation states in the past have been selective in their indignation over violations of people's rights. The United States would not hesitate to express its outrage about violations of human rights in the Soviet Union and in Socialist countries, while ignoring violations of human rights in "free world" countries. The Soviet Union, for its part, has totally ignored its own violations of the human rights of Soviet Jewry and of the peoples of Poland, Hungary and Czechoslovakia. Selective indignation has been the characteristic of many and perhaps most sovereign states. Nation states will continue to be primarily influenced by their particular interests. But the United Nations is the only international body where the 138 member states in adhering to the charter are pledged to support fundamental human rights everywhere.

In the past few years the cause of human rights has suffered because the United Nations has practiced selective outrage. South African apartheid is clearly a gross violation of human rights. No one concerned about the family of man could say otherwise. But while expressing its justified outrage against South Africa, why did the United Nations refuse to express outrage against the gross human rights violations in Burundi, Uganda and in East Pakistan? Indeed, some could conclude that many UN members believe that only the South African aspects of human rights merit UN discussion.

Modern communication means instant knowledge on a worldwide basis when gross violations of human rights occur. This is one immediate benefit of modern communications in the struggle to reduce man's inhumanity to man. It was only in 1916–1917 that over 800,000 Armenians could be slaughtered in a planned genocide against them, and it would be several years before the international community was aware of the horror that had taken place.

Now, as Idi Amin was throwing thousands of Asians out of Uganda, the daily accounts of this racist brutality were reported on TV, radio and in the press. TV cameras transmitted the East Pakistan/Bangladesh horror to millions of viewers. Against the worldwide knowledge of this inhumanity, the UN machinery seemed paralyzed. The blood was still being shed, and, as was the case in the expulsion of Ugandan Asians, the United Nations spent most of its time on procedural matters.

This stark contrast between the treatment of the South African situation and the Burundi, Uganda and East Pakistan problems makes it appear that a double standard is in operation rather than a universal ethic. How sad it will be for the family of man if, for the first time in human history, the only universal institution with a mandate to protect the human rights of all peoples regardless of race, color or creed, loses its credibility with large segments of the world's population.

In 1970, the U.S. President's Commission for the Observance of the 25th Anniversary of the UN took note of the decline in public support for the United Nations among Americans. While about 80 percent of Americans believed that the United Nations was the last hope for peace in the early days of the institution, this support had dropped to only 50 percent in 1970. Recent surveys indicate that support has now dropped significantly below the 50 percent of 1970. This decline in support is also true among other nationals. I find that many of my former colleagues of the various missions to the United Nations are embarrassed by the hypocrisy of selective outrage but feel helpless about changing this trend. It is common knowledge that, among devoted high administrators of the UN Secretariat, there is a crisis of conscience because of the implications of this selective outrage. The pattern of selective outrage at the United Nations regarding major violations of human rights coincides with other examples of selective indignation that are jeopardizing the universality of the UN mission and its specialized agencies.

The UN Educational, Scientific and Cultural Organization has brought together nations representing the mosaic of the world's political, social and religious values. In November, 1974, for the first time, UNESCO took a drastic political step. Condemning Israel for "altering the historical features of Jerusalem," it excluded Israel from UNESCO's European grouping. This drastic action against Israel has no precedent in UNESCO's history and is another example of selective outrage.

The trend of the past year to use the UN machinery that should be dedicated to the protection of human rights everywhere and such institutions as UNESCO for selective outrage presents a clear and present danger to the continued ability of the United Nations to carry out its noble mission.

In the face of these developments, some are increasing their attacks on the United Nations and urging such drastic action as U.S. withdrawal. These are emotional reactions that will only push back the progress already made to evolve a universal institution to serve all men.

Man's long journey now enters the last quarter of this century. It presents an ideal time for us to marshal our energies to correct the imperfections that have developed in the past few years in the United Nations. We can do this by returning to the UN Charter and the Universal Declaration of Human Rights. In a few months, the community of nations will mark the 30th anniversary of the founding of the United Nations. Let us devote these months to correcting the serious deviation of selective outrage on human rights issues that has evolved at the United Nations in the past several years.

The need for an institution like the United Nations has emerged from the painful lessons learned from man's arduous journey. No nation, no group should be so inconsiderate as to place in jeopardy the credibility of this institution. The task for us now is to correct the dangerous deviations from the spirit of the UN Charter. Let us not pursue the easy task of destroying the institution, but rather let us have the courage to engage in reform.

We do not have too much time.

HEARINGS ON INTERNATIONAL TRADE AGREEMENTS

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. OBEY. Mr. Speaker, because of my sincere interest and concern about the economic future of Wisconsin citizens and citzens of other States, I am genuinely pleased to notice that Commissioner Will Leonard, Jr., of the International Trade Commission, has taken an active role in attempting to gather information at a grassroots level, concerning the impact the Trade Act of 1974 will have on the American people.

Commissioner Leonard, Jr., is the chairman-designate, for the hearing scheduled to be held in New Orleans on March 4 and 5. He has indicated his intention to hold open the hearings until all citizens, desiring to speak, have been heard.

It is gratifying to know that some agencies here in Washington recognize the need for looking outside of Washington in order to accurately determine the needs of the people.

Consumers and farmers whose views have in the past been neglected, will now have an opportunity to participate in the governmental process which has an enormous impact on their lives.

It is my hope that Commissioner Leonard will consider having satellite hearings that will include Wisconsin.

I bring to my colleagues' attention the announcement of the hearings as well as three newspaper articles about the same subject:

INTERNATIONAL TRADE COMMISSION ANNOUNCES NATIONWIDE HEARINGS ON IMPACT OF FUTURE INTERNATIONAL TRADE AGREEMENTS

The U.S. International Trade Commission (formerly the U.S. Tariff Commission) today announced nationwide hearings for the purpose of seeking the views of all segments of agriculture, business, labor, consumers, and the general public concerning the economic impact of future tariff reductions which the President can make through international trade agreements under the Trade Act of 1974.

Public hearings will be held in Washington, D.C., and 13 other cities beginning on February 25 and continuing through March and April in accordance with the following schedule:

CITIES AND DATES (1975)

Washington, D.C., February 25–27.
New Orleans, La., March 4–5.
Atlanta, Ga., March 6–7.
Phoenix, Ariz., March 11–12.
San Francisco, Calif., March 13–14.
Minneapolis, Minn., March 18–19.
Portland, Oreg., March 20–21.
New York, N.Y., April 1–2.
Boston, Mass., April 3–4.
Chicago, Ill., April 8–9.
Cleveland, Ohio, April 10–11.
Denver, Colo., April 14–15.
Omaha, Nebr., April 16–17.

Kansas City, Mo., April 18–19.

Washington, D.C., April 8 until completed.

The Trade Act of 1974 authorizes the President to enter into trade-agreement negotiations and, within limits, to change U.S. import duties to carry out concessions made in such agreements. The President may eliminate duties that are not over 5 percent ad valorem (or the equivalent) and reduce higher duties by as much as 60 percent.

The Commission seeks the views of interested parties, either in writing or at its public hearings. It is interested in developing factual information on trends in domestic production, investment, capacity, profits, and employment; the availability and costs of raw materials; trends in imports and in the price relationships between domestic and imported articles; relative technologies of domestic and foreign industries producing like or directly competitive products; the extent to which duty reductions may be reflected in market prices both of the domestic and imported products; the market outlook for both domestic and imported products as a result of duty reductions of the magnitude authorized by the act; and the effect of market changes on consumer interests.

On January 14, 1975, the President published and furnished the International Trade Commission a list of articles on which he will consider granting concessions in international trade negotiations. This list, copies of which may be obtained from the Secretary of the Commission, includes all importable articles except certain bearings, certain ceramic tableware, and certain petroleum products, which the Trade Act of 1974 excludes from consideration for trade-agreement concessions.

The Commission is to assist the President in judging the probable economic impact of the proposed duty changes on U.S. manufacturing, agriculture, mining, fishing, labor, and consumers. As part of its advice, the Commission may recommend that reductions in duties should be staged over longer periods of time than specified in the Trade Act, in order to give domestic producing interests additional time to adjust to a possible increase in imports. The International Trade Commission is required to give its views to the President on or before July 14, 1975.

As indicated above, the first public hearing will be held February 25–27, 1975, in the hearing room of the U.S. International Trade Commission, 8th and E Sts., N.W., Washington, D.C. It will resume in Washington on April 8, 1975. Hearings will be held in cities outside Washington, D.C., during March and April. The hearings in cities other than Washington, and in Washington beginning on April 8, will continue until all interested parties have been heard. Notice will be furnished as to the locations of hearing rooms in cities other than Washington.

Requests to appear at the public hearings shall be filed in writing with the Secretary of the Commission at least 2 weeks prior to the commencing date of the hearing in the city at which the appearance is to be made. Questions respecting the hearings should be directed to the Secretary. Parties wishing to testify at one of the hearings should obtain from the Commission a copy of the public notice issued January 1975.

[From the Christian Science Monitor, Feb. 13, 1975]

U.S. TRADE COMMISSION COCKS EAR TO VOICE OF CONSUMER

(By Lucia Mouat)

WASHINGTON.—Americans who want to buy cheaper imports soon will have the opportunity to say so—loudly—at government hearings in 13 cities around the country. All are welcome, officials say.

For the first time millions of consumers—often paying higher prices because of higher tariffs on imports—will have an opportunity to influence directly U.S. trade policy.

Traditionally, when the domestic economic impact of any tariff change is assessed, it is labor, manufacturers, and other generally protectionist segments of the economy that are questioned. Now, for the first time Congress's new trade bill also specifically mentions a need to listen to "consumers."

TRADE LAW BREAKTHROUGH

"In my view, this is one of the biggest breakthroughs that U.S. trade statutes have ever had," said Will E. Leonard Jr., chairman-elect of the U.S. International Trade Commission, an agency created by Congress in 1916 to gather just such economic impact data.

"After all," he says, "trade is a pocketbook issue—it affects the price of everything we buy. . . ."

While the average tariff on imports now is less than 10 percent, there are many fields in which it is significantly higher. In imported clothing, for instance, it averages close to 40 percent of the value of the item.

Tariffs on imported jewelry and watch movements are close to 30 percent while that on concentrated citrus fruit juice is a high 88.4 percent.

TALKS RESUMED

Although the Geneva trade talks were resumed this week, any serious negotiation on the part of the President who was given a wide tariff reduction mandate under the new trade legislation, is not expected to get under way until late summer or fall.

He is to receive a report in midsummer from the U.S. International Trade Commission on the economic impact of any changes he might recommend.

Instead of gathering its data on this point in Washington hearings as it did in the 1960s for the so-called Kennedy round of trade negotiations, the commission has decided to hold a series of hearings in 13 cities around the country over the next few months on the theory that it will be easier for many to testify closer to home. As far as Mr. Leonard is concerned, anybody is welcome to speak his piece.

JUST LISTEN

"I'd like to post a 'Wanted' poster in every city," he says. "We're not going to turn anybody down, and we're going to stay until everybody's been heard. . . . We're not going to be giving any lectures. We're just going to listen. These hearings finally give the U.S. Government the ability to look at the effect of tariff changes on the consumer."

The first hearings will be held in Washington, D.C., on Feb. 25. In March there will be more hearings in New Orleans, Atlanta, Phoenix, Ariz., San Francisco, Minneapolis, and Portland, Ore. In April New York, Boston, Chicago, Cleveland, Denver, Washington, Omaha, Neb., and Kansas City, Mo., will host the meetings.

READY TO TESTIFY

One consumer-oriented group that is prepared to testify in several cities is the League of Women Voters, which has intensively studied the need for change in U.S. trade policy. A league spokesman says the organization did not participate during the last impact hearings in the 1960s because the "consumer" invitation was not extended.

Mr Leonard says he hopes individuals and other consumer groups will follow the league's lead.

"We tend to think only of manufacturers pitted against importers of merchandise," he says. "But I think there's a 'third world' of retailers and consumers who are caught in the middle."

Under the new trade bill, President Ford has the authority to eliminate entirely any tariff of 5 percent or less and to reduce higher tariffs by as much as 60 percent on roughly 6,000 items.

Specifically eliminated are ball bearings, certain ceramic tableware (tariffs in that category average over 50 percent), and certain petroleum products.

[From the Christian Science Monitor, Feb. 14, 1975]

"BREAKTHROUGH" FOR U.S. CONSUMERS

The American consumer this month begins to have a voice in United States trade policy through "one of the biggest breakthroughs that U.S. trade statutes have ever had." The quotation is from Will E. Leonard Jr., chairman-elect of the U.S. International Trade Commission. He was describing the new trade bill's provision for including consumers among the groups to be heard before the U.S. concludes Geneva tariff negotiations that could raise or lower the prices of imported goods on American shelves.

As trade commission hearings start in Washington Feb. 25 and continue across the country, the test will be whether consumers are seriously listened to or merely allowed to talk. In seeking to determine the domestic economic impact of tariff policy, the commission needs the testimony of the individual pocketbook as well as the industrial ledger. Voices to protect American manufacturing and labor have always been heard loud and clear. Protection of the consumer has to be considered, too, if a proper balance is to be struck.

The newly opened door to consumers is in line with efforts to bring the people into governmental decisionmaking on energy, environment, and other matters at an early point rather than after it's all over. The trend will be useful to the degree the people take responsible advantage of it—and the government responsibly responds.

[From the Christian Science Monitor, Feb. 19, 1975]

CONSUMERS—COME ON IN

(By Roscoe Drummond)

WASHINGTON.—I venture to invite readers not to look the other way just because I am writing about the United States International Trade Commission.

Something is happening within the commission. It's exciting and significant—even radical.

The commission is beginning to take the process of decisionmaking to the people. It is going to the country, not to brief the public on what it should be thinking, but to brief itself on what the public is thinking.

And this is a crucial area of policy—how the U.S. can trade better with other nations, a subject which the experts have hugged so closely to themselves that they shut the average person out of their own government unless there is a high-powered lobbyist at his elbow.

Already there is some horrified eyebrow raising among the bureaucrats, but this is not deterring Will E. Leonard Jr., who is soon to become chairman of the commission, nor his colleagues who are intent upon giving more people—and people who cannot easily come to Washington—an opportunity to be heard and heeded on trade policies which have usually been left almost exclusively to specialists and the pressure groups.

To do this the commission is scheduling a series of public hearings in 14 cities across the country, beginning Feb. 25 and continuing through March and April.

Three of the commissioners will be present at each hearing and, while they will be willing to answer questions, they mostly want to listen to the views of all segments of agriculture, business, labor, and, preeminently, the general public, which has not often been heard in the past.

For the first time, the trade legislation, passed last year, directs the commission to take the views of consumers into account in reaching its decisions, and consumers—organized or unorganized—are encouraged to participate in the hearings.

This is not a theoretical exercise. Vital decisions are to be made which can affect the cost of living, the prosperity, and the family budget of all Americans.

President Ford is now authorized by Congress to enter into trade-agreement negotiations with all our trading partners, and he can change U.S. import duties to carry out concessions made to us by other nations.

Those who may be disposed to show up at these listening-post hearings should not be put off by a feeling that they will be talking to faceless economists who are only going through the motions.

You will be talking to the President's direct and personal advisers; their role is established by act of Congress. And the President has already directed them to seek the views of all interested parties, and then to appraise for him the differing effects of possible trade and tariff changes, touching nearly every product Americans buy from abroad and sell to other countries.

The end result could mean raising prices or lowering them, expanding trade or reducing it. These are decisions which affect everybody, but which have often in the past been influenced by the few.

The U.S. Trade Commission wants them to be influenced by the many.

In conversation a few days ago Commissioner Leonard remarked: "We are not looking for witnesses to give us technical details. We want to know what people think is happening and what they would like to have happen—or at least what they want us to be stewing about."

All in all, pretty radical and pretty good: Washington reaching out to the country. This is a good beginning—and there ought to be more to come.

P.S. The cities where the hearings will be held are New Orleans, Atlanta, Phoenix, San Francisco, Minneapolis, Portland, New York, Boston, Chicago, Cleveland, Denver, Omaha, Kansas City, Washington, D.C. Dates can be obtained from Commissioner Leonard, the U.S. International Trade Commission, Washington, D.C. 20436. All you need to do is to show up.

UNEMPLOYMENT AND SOCIAL UNREST

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, the specter of soaring unemployment rates, particularly in the Nation's urban centers, has many ramifications that go far beyond the compilation of statistics.

Joblessness not only means a significant loss of income—despite any supplement through unemployment insurance—it denotes a reduction in living standards; it means a family cannot meet its payments for rent or mortgage; and equally important, it signifies that millions of today's out-of-work Americans simply have nothing to do. Idleness is frequently a source of frustration and anger, especially for young people anxious to play a meaningful role in the work place.

An article in the February 26, 1975, issue of the Washington Post describes the fears of social unrest expressed by several mayors from some of the cities hardest hit by unemployment. I call my colleagues' attention to this article.

The Subcommittee on Manpower, Compensation and Health and Safety, which I chair, is currently holding hearings on H.R. 2584, to authorize appropriations of $5 billion for fiscal year 1976 for public service employment. This is an urgently needed measure—a vital part of an overall attack by this Congress on the ills of the economy and the ever increasing ranks of the jobless.

I pledge swift action by the Manpower Subcommittee to help alleviate the scourge of unemployment that saps the energy and will of the multitude of jobless Americans.

Text of the article follows:

[From the Washington Post, Feb. 26, 1975]

URBAN UNEMPLOYMENT DATA SPARK SOCIAL UNREST FEARS

(By John Reistrup)

More than one of every five workers in Detroit is now jobless, the city estimates.

From 17.9 per cent in December, Detroit's estimated unemployment rate rose to 21 per cent last month.

Buffalo now reports 17 per cent out of work.

And spot checks around the nation indicate that the national joblessness figures mask other pockets of higher unemployment, particularly in industrial cities.

These and other urban unemployment figures are causing new concern among civic officials and civil rights groups.

Herbert Hill, New York-based national labor director of the NAACP, said in a telephone interview:

"We now have all the historical preconditions for large-scale social unrest."

Detroit Mayor Coleman A. Young has said he doesn't believe people in the 1970s "are going to stand quietly in line for unemployment checks or peacefully sell apples on street corners."

Los Angeles Mayor Tom Bradley voiced a common view among urban experts that unemployment is bringing a rising level of frustration at what is seen as government inaction. He stopped short of predicting disorders, but said:

"I am concerned that we do everything we can to deal with the problem because we don't want that kind of buildup of frustration and anger."

He added that it would be "catastrophic" if the federal government fails to provide funds for summer youth programs.

Young and Bradley are among a number of the nation's mayors who are actively pressing for increased federal aid through stepped-up public service programs.

Not all mayors are so concerned, and at least one—San Diego Mayor Pete Wilson—suggested that some of his colleagues are talking the way they do in order to open the federal spigot.

In any event, January's overall figure of 8.2 per cent unemployment, reported earlier this month by the Department of Labor, overshadowed some key indicators on who is being hardest hit:

The department last Friday added 12 new areas to its list of major labor regions with "substantial unemployment"—6 per cent or more. That brought the total to 67, nearly 45 per cent of the 150 major labor districts of the country. And some hard-hit cities don't even show up in these statistics, because they are lumped in with surrounding areas with lower levels of joblessness.

Five states—Connecticut, Vermont, Rhode Island, New Jersey and Washington—have had to apply for federal loans to cover the increased cost of paying unemployment benefits, until they can make it back from the states' employers through higher unemployment insurance premiums. One official expects as many as 30 states to go to that well before the end of 1976.

The January jobless rates for black men, nationwide, was 10.5 per cent; for black women, it was 11 per cent; for black teenagers, it was an all-time high of 41.1 per cent.

"The disastrously high rate of unemployment among black youth is the single most explosive factor in causing potential urban unrest," the NAACP's Hill told a reporter. "And it has dangerous implications for every city and suburb in the United States."

Hill is among those who argued that the Labor Department's Bureau of Labor Statistics doesn't adequately account for teenagers who've never been in the labor force and therefore can't claim unemployment compensation, or for people who've exhausted their benefits. BLS spokesmen countered that they have designed a formula to include these unemployed, and one official added that the formula may account for more than actually exist.

But James Wetzel, assistant BLS commissioner for current employment statistics, was quick to agree that the national unemployment surveys are an inadequate tool by which to gauge spot unemployment. And he raised the prospect of social unrest such as in the 1960s.

"My personal feeling is that we're in a much worse situation than we were in the 1960s, and part of the reason is we're not documenting true conditions" in areas hard-hit by employment, Wetzel said.

Wetzel said he would like to see the BLS get into the business of finding out what the numbers of unemployed in the cities actually are from month to month. Until then, about the best cities like Detroit and Buffalo can do is take what the national surveys show about their areas, then multiply them by a factor based on what experience shows is the relationship between joblessness in the area and inside the city.

"I think a hell of a lot of these mayors don't know what unemployment is in their own areas," said Milwaukee Mayor Henry Maier.

Maier said his own projections for a 15-square-mile development area inside the city turned up an employment rate of 16.1 per cent—although the rate for the Milwaukee area as a whole is only 6.7 per cent.

"A number of our most optimistic opinion leaders are confessing in private that they're scared," Maier said.

"There just might be a hell of a reaction."

THE INTERNMENT OF SOVIET DISSIDENTS IN PSYCHIATRIC ASYLUMS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. CRANE. Mr. Speaker, in its rhetoric to the Western World, the Soviet Union speaks the language of détente. At home, the Soviet Union continues to practice the rigorous repression which has characterized its government since the days of the Russian Revolution. The forms may have changed, and men and women may not be subjected to the mass murders of the Stalin era, but the totalitarian essence of the Soviet Government remains very much the same.

This becomes apparent in the case of

those Soviet dissidents who have been confined to psychiatric institutions because of their dissenting points of view.

A French language "White Book" on phychiatric misuse in the Soviet Union has just been published in Brussels by the International Committee for the Defense of Human Rights in the U.S.S.R.

Discussing this "White Book," an article in the January 1975 issue of East-West Digest, a journal published in Great Britain, notes that—

> As prisons, the "special hospitals" are administered by the Soviet Minister of the Interior (MVD), and not by the public health services. They are integrated into, and directly controlled by, the repressive system. It is to these establishments that the political prisoners are most frequently committed, and it is in these that the conditions of internment are the most harsh.

The "White Book" urges the need for a psychiatric institute to serve as an international commission of appeals against the misuse of psychiatry, of which the essentially humanitarian objectives may be outlined as follows:

First. To receive and investigate complaints from individuals or groups relative to alleged psychiatric misuse;

Second. To protect society in general against the use of psychiatric facilities as instruments of political domination.

Those who urge increased trade with the Soviet Union, particularly most favored nation status and extension of long-term credits, should consider the oppressive nature of the government they seek to assist.

I wish to share with my colleagues the article, "The Internment of Soviet Dissidents in Psychiatric Asylums in the U.S.S.R.," which appeared in the January 1975 issue of East-West Digest, and insert it into the RECORD at this time:

THE INTERNMENT OF SOVIET DISSIDENTS IN PSYCHIATRIC ASYLUMS IN THE USSR

A French-language White Book[1] on psychiatric misuse in the Soviet Union has just been published in Brussels by the International Committee for the Defense of Human Rights in the USSR.

The author is Mr. Anthony de Meeus, a founding member of the Committee, editor of the Samizdat bulletin in French Les Cahiers du Samizdat. Mr. de Meeus has collected a large documentation on the subject, and has been the author of a number of papers on psychiatric misuse in recent years.

Contrary to widespread opinion, the internment of political opponents in psychiatric institutions is not a practice inherited by the USSR from the previous regime. This practice appeared under Stalin.

The author refers in this connection to a memorandum by S. Pisarev, a Party official, submitted in 1970 to the Presidium of the Soviet Academy of Medicine, and which has reference to a Commission of enquiry appointed by the Central Committee of CP of the USSR in 1955–56. As a result of its investigations, the Commission reported that "the hospitals of the country, and particularly the two special asylums (prison hospitals) in Kazan and Leningrad . . . were each year systematically receiving healthy persons for commitment, of which three-quarters had already at that time been declared the innocent victims of unlawful repressions . . ."

However, Pisarev reports, the memorandum was simply shelved and all who had taken part in its drafting were quietly removed.

Today, in 1974, the situation described by Pisarev is practically unchanged. It has admittedly become more difficult to commit dissidents to the general psychiatric hospitals in the major cities, because of the reticence of doctors and the increasing sensitivity of public opinion. However, instead of two "special" (prison) hospitals reported to exist in 1956, the "White Book" now identifies seven.

HOSPITALS RUN BY SECRET POLICE

As prisons, the "special hospitals" are administered by the Soviet Minister of the Interior (MVD), and not by the public health services. They are thus integrated into, and directly controlled by, the repressive system. It is to these establishments that the political prisoners are most frequently committed, and it is in these that the conditions of interment are the most harsh.

For what motives are Soviet dissidents interned, and what offences are they accused of?

In the first place, it must be noted that the White Book is not concerned with persons who have committed acts of violence (bombings, bodily injury etc.) which could obviously be politically inspired as much in the Soviet Union as in any other country. It is concerned on the contrary only with the commitment of non-violent persons whose opinions "are regarded both as the consequence and the proof of a mental illness", as the Moscow Human Rights Committee of Sakharov has expressed it. It is the psychiatric establishments, amongst which the Serbsky Institute of Forensic Psychiatry holds a predominant position, deliver pseudo-medical certificates of mental illness, presented jointly with the conclusions of "ideological experts" before courts sitting almost invariably in camera, which pronounces sentences of internment and compulsory psychiatric treatment on this basis.

The offenses which are invoked in the great majority of cases to justify the internment of dissidents are those which are described as "anti-Soviet propaganda and agitation" (Art. 70) and the "slandering of the Soviet regime" (Art. 190–1). "Unlawful attempts to leave the country" recur relatively frequently, as do religious practices.

MARXISTS INCARCERATED

It should not, however, be thought that only opponents or persons living to some extent "outside" Soviet society can be sent to mental institutions. It is shown on the contrary that convinced Marxists can also be interned, solely for criticising certain official decisions or some aspects of Soviet internal or foreign policy. The cases of Marxists such as Yakimovitch, Grigorenko, Plioushtch and others are quoted as examples.

In other chapters, the White Book examines the attitude of the spokesman of official Soviet psychiatry, in replying to the accusations brought against its representatives. Statements by such spokesmen, in particular by Professor Snejnevsky, Director of the psychiatric research institute of the USSR Academy of Medicine, show that the doctors responsible for Soviet political misuse of psychiatry solicit the endorsement of foreign psychiatrists as a means both of clearing themselves and of discrediting Western protests. At the same time, Soviet citizens (Bukovsky, the psychiatrist Gluzman and others) who have exposed the practice are savagely sentenced and persecuted.

The White Book emphasises that any attitude on the part of the medical profession other than a very firm condemnation of the political misuse of psychiatry wherever it may occur, and in particular in the Soviet Union at this moment, will cause an immense prejudice to psychiatry as a whole. At the same time, Western doctors would betray their obligation of solidarity towards the thousands of Soviet doctors who, as many reports indicate is the case, desire nothing more than to be able to practice psychiatry according to ethical standards as high as those to which psychiatrists aspire anywhere in the world.

ABUSES IN THE WEST

What is the situation in regard to improper internments in countries other than the Soviet Union? Do cases of unjustified commitments occur for instance in the West? The author believes this question should be answered affirmatively. It is not a question of political opponents, or religious preachers or persons having criticised the economic or social order in force, being interned, but of cases which occur through negligence, or with the complicity of relatives, or through malicious intent, or for example, on the mere presumption of a mental illness, insufficiently proven. It must also be emphasized how difficult it may be for some people, particularly if alone, or in conflict with members of their families, or for any other reasons according to the country, to obtain a discharge from mental institutions once they have been committed.

The White Book goes on to give a short history of some of the principal interventions made in the West to condemn the political internments in the USSR in recent years. A list of some of the Working Groups which have been formed to combat them, with particular reference to France, Britain and Switzerland, is given, with name and address of secretary where available.

The White Book contains a list of certain political prisoners being held in Soviet mental institutions, on whose behalf the International Committee for the Defence of Human Rights in the USSR requests the urgent intervention of the medical profession. They include the prisoners: A. Chinnov, B. Evdokimov, V. Gershuni, E. Ivanov, V. Kuzetsov, Z. Krasivsky, A. Lupynos, I. Ogurtsov, L. Pliushtch, P. Starchik.

INTERNATIONAL COMMISSION NEEDED

In the last part of the White Book, the International Committee for the Defence of Human Rights in the USSR raises the grave moral issue which psychiatric misuse involves in its principle. It considers it is a matter which greatly exceeds the scope of any one country, and that the use of psychiatry for repressive purposes presents an ominous threat for the whole future of human society. It is likely to be increased in the future by new developments in drugs and psychiatric techniques.

The White Book therefore urges the need for a Psychiatric Institute to serve as an international commission of appeals against the misuse of psychiatry, of which the essentially humanitarian objectives may be outlined as follows:

1. to receive and investigate complaints from individuals or groups relative to alleged psychiatric misuse;

2. to protect society in general against the use of psychiatric facilities as instruments of political domination.

Such an Institute should also envisage the development of an international code on the rights of the mentally ill; on the rights of prisoners undergoing psychiatric examination; on the conditions of compulsory treatment of offenders committed to mental institutions, or in prison hospitals or similar establishments; on the protection of doctors in the fulfilment of their humanitarian obligations, for instance when exposing unjustified internments, inhuman treatments etc.;

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[1] Livre Blanc sur L'Internement Psychiatrique de Dissidents sains D'Esprit en URSS. By Anthony de Meeus. International Committee for the Defence of Human Rights in the USSR, 28 Place Flagey, 1050, Brussels, Belgium. 145 pp, index bibliography. 300 Belgian francs, $7.50. Available in French only at the moment.

it could also promote consideration of certain ethical problems which may be raised, and which will probably present themselves with increasing frequency in the future, in the psychiatric profession; and finally, by devising a system of independent inspections of psychiatric establishments, it could assist very greatly in the prevention of psychiatric malpractice.

THE INDECENT INTERVAL

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DRINAN. Mr. Speaker, a very moving article from the Washington Star of February 19 relates the sentiments of Garry Wills, the noted national columnist, on the request of the administration for some $500 million for South Vietnam and Cambodia.

Mr. Wills states that this vast sum would simply perpetuate the conflict in Indochina. Mr. Wills sums up what he feels Mr. Kissinger did when he arranged the Paris peace treaty for Southeast Asia. Mr. Wills states that Mr. Kissinger "added a longer fuse to the explosive situation so that we would have time to get out from the scene of the crime".

Mr. Wills' article follows:

THE INDECENT INTERVAL

(By Garry Wills)

James Burnham is still talking sense on Vietnam.

His was the strongest voice on the right, two years ago, telling us that it was all over in Saigon and that we should stop fooling ourselves about that. He proved that ideology was not the only reason for disapproval of the war, just sanity. (Not that sanity is very common now).

He makes an even stronger case against any further support for the Thieu regime at present. He admits there was a case for staying in Vietnam, though that is a case one cannot make any longer. There was also a case for withdrawal. What there is no case for is the midway muddle that neither stays nor goes, wins nor loses.

He puts it simply, with unanswerable logic: "What happens in practice is that we grudgingly provide Saigon and Phnom Penh enough support for them to keep hanging on a while longer but not to settle things. This no-policy has the weakness of both genuine policies, and can accomplish nothing for the longer run. It would seem to make more sense to get out altogether."

Then why don't we? Because Henry Kissinger is not sure the "decent interval" has extended long enough. But Bernard Kalb, who is an expert on Kissinger's thought, thinks even the author of that policy may believe it is reaching its fulfillment. The interval may be almost over—yet Kissinger will prolong it to make sure.

The full moral horror of our participation in Vietnam is contained in that gentlemanly phrase, "a decent interval." What does it mean? The very phrase recognizes that Saigon cannot be propped up forever.

An interval comes between our time of commitment and—what? Obviously, collapse. If the Saigon regime were sustainable, then the present situation would not be an interval, but the terminus.

Kissinger never thought of the settlement as final, or as settling anything. He added a longer fuse to the explosive situation, so we would have time to get away from the scene of the crime. He was buying time, to make America look good.

But this was time bought with lives, every minute of it, drop by drop in a waterclock of blood. In that sense, the "interval" is a more calculated affront to basic morality than the earlier period of full military commitment ever was. This kind of "peace" is more sinful than war itself—the most indecent interval in our history.

H.R. 2935

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. WHITEHURST. Mr. Speaker, on February 5, 1975, I introduced H.R. 2935, to aid the Department of the Interior in achieving a proper balance among native and feral wildlife in our Western States. At this point in the RECORD, I would like to insert a portion of a letter which I have received from the Department of the Interior which emphasizes the need for such legislation:

PORTION OF LETTER RECEIVED FROM THE DEPARTMENT OF THE INTERIOR

With the passage of the Wild Free-Roaming Horse and Burro Act of 1971, Public Law 92-195, the Secretary of the Interior, through the Bureau of Land Management, was charged with the responsibility for the protection, management, and control of all unbranded and unclaimed horses and burros inhabiting national resource lands. Further, the Act recognizes these animals as an integral part of the natural system of the public lands and charges the Secretary with the responsibility of maintaining these animals in a thriving ecological balance.

Movies, magazines, and other periodicals have dramatized the wild horses and burros of the West. However, little in-depth knowledge is available concerning these animals and their role and relationship in the various ecosystems they inhabit. Section 10 of the Act authorizes and directs the Secretary to undertake studies that are deemed necessary in order to carry out the provisions of the Act.

Our initial research effort under the authority of Public Law 92-195 was to issue a contract to the Denver Conservation Library, Denver, Colorado, to prepare an annotated bibliography on research and studies pertaining to wild horses and burros. Subsequently, we have issued two contracts with Arizona State University aimed at finding out the impact the feral burro has on the desert and riparian vegetation along the Colorado River. In addition to studies initiated by the Bureau, we plan to use all available research data as a basis for the management of these animals.

As funds permit, the Bureau will continue to conduct research on these animals including their interrelationships with indigenous wildlife species. However, without additional appropriations the Bureau's research program will be very limited. The major portion of the available funding for the wild horse and burro program is directed toward inventory and controlling excess animals.

Since the passage of the Act wild horse and burro numbers have increased. Present estimates place the number of these animals in excess of 40,000 on national resource lands. The figures used are based on a combination of actual counts and estimates made by field personnel. The number of colts observed for the past several years has been recorded in the Susanville, California, Salmon, Idaho, Vale, Oregon, and Billings, Montana, Districts. The number of colts produced each year in those herds monitored reveal an increase in total population of 20 to 25 percent. At this rate the population will double within 4 years unless control measures are imposed.

The existing law provides three methods of controlling excess animals: (1) The animals may be relocated; however, the Act limits relocation to those areas inhabited by wild horses and burros on the date the Act was passed, December 15, 1971. Most of the areas inhabited by these animals are already near or above the optimum stocking rate. (2) They may be placed in the custody of private persons, organizations, or other government agencies. This provision has its limitations since many individuals are reluctant to care for an animal which they cannot own. Also, capture for the purpose of relocation or placing these animals in custodial care without the aid of aircraft, a method not permissible under a 1959 Act, is extremely difficult in the rough, mountainous terrain inhabited by these animals. (3) When it is impractical to use one of the above control methods, the excess animals may be destroyed in the most humane manner possible. The above control methods have not proven to be effective and after consideration of recommendations made by the National Wild Free-Roaming Horse and Burro Advisory Board, the Secretaries of the Interior and Agriculture subsequently proposed the following amendments to the 1971 Act:

1. Authorize the Secretary of the Interior and the Secretary of Agriculture to sell or donate, without restriction, excess horses or burros to individuals or organizations.
2. Authorize the Secretary of the Interior and Secretary of Agriculture to use aircraft and motorized vehicles to provide for the protection, management, and control of wild free-roaming horses and burros, such use to be in accordance with humane procedures prescribed by the Secretaries.

These proposed changes in the existing wild horse and burro legislation are not intended to negate Public Law 92-195 but rather to provide the authority needed to properly manage wild horses and burros in harmony with wildlife and other uses of the national resource land.

MRS. ELLA CURRY NAMED SUPERINTENDENT OF MANTENO STATE HOSPITAL

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. O'BRIEN. Mr. Speaker, thanks to the work of dedicated professionals, the importance of proper mental health care to our society is finally gaining the recognition it deserves. I am proud to say that my own State of Illinois is fortunate to have many such individuals working to improve our mental health services, among them Mrs. Ella Curry, of Park Forest in my district. The recent appointment of Mrs. Curry, an experienced psychiatric nurse and administrator, to head the Manteno State Hospital is indicative of Illinois' progressive attitude toward mental health.

Mrs. Curry, is believed to be the first black woman to be named top administrator at a major mental health facility in the United States. She brings to her new job great skill and commitment.

Whether working with community health groups, or State and local facilities, she has amply demonstrated both sensitivity to the needs of the mentally ill and ability as an administrator.

I want to congratulate her on her appointment as superintendent and to wish her the best of luck in a difficult and most important job. The following are two articles, published in the Chicago Tribune and the Kankakee Journal, discussing her appointment:

PARK FOREST WOMAN APPOINTED SUPERINTENDENT AT MANTENO STATE

Mrs. Ella Curry of Park Forest has been named superintendent of Manteno State hospital, effective immediately.

According to the announcement by Dr. Leroy P. Levitt, director of the Department of Mental Health and Developmental Disabilities, it is believed that Mrs. Curry is the first black woman professional to head a major mental health facility in the United States.

Mrs. Curry will fill the vacancy created in September, 1974, when John R. Collier was named a deputy regional administrator for Region 2 (Chicago Metropolitan area). Jon Steinmetz, assistant superintendent, has been acting superintendent since then.

Dr. Levitt said: "I am very pleased to make this announcement. Mrs. Curry has done an outstanding job for the department and we are confident that her sensitivity to the needs of the mentally ill and her demonstrated ability as a psychiatric nurse and a mental health administrator uniquely qualify her for this new responsibility.

"Her selection to be superintendent of Manteno State hospital came after careful consideration of a number of candidates.

"The mission of mental health services in Illinois has moved forward with this appointment."

Mrs. Curry is a registered psychiatric nurse with a masters degree in health care administration from Governors State university and a bachelors degree from DePaul university in Chicago. She also attended Lamar School of Nursing at the University of Georgia.

Since July 1, 1972, Mrs. Curry has been director of Subregion 12 at Tinley Park Mental Health center. In that position, she was responsible for program planning, staffing and budgeting for the delivery of mental health services for a subregion encompassing a service population of 800,000 residents primarily of an inner city high risk casualty area.

Mrs. Curry was actively engaged with community groups concerned with mental health in her subregion and served as the principal liaison between those groups and the department on matters involving grants in aid and purchase of care contracts.

The new superintendent previously served as acting director of Subregion 12 and as director of in-patient services for the subregion. She administered a staff of 82 professional and non-professional personnel engaged in the treatment, development and rehabilitation of the mentally ill. Her responsibilities included intake and evaluation services for those in need of mental health services in Subregion 12.

Mrs. Curry was a psychiatric nursing supervisor for the Veterans Administration Research hospital in Chicago from 1968–69 and worked in the Illinois drug abuse program from 1967–68. She also served as a first lieutenant in the U.S. Army Nurse Corps.

Mrs. Curry, her husband Will and their four children reside at 106 Willow.

PARK FOREST WOMAN TO HEAD MENTAL STATE HOSPITAL

Mrs. Ella Curry of Park Forest, a subregional director for the Illinois Department of Mental Health in the Tinley Park area, will become superintendent of Manteno State Hospital, effective immediately.

Dr. LeRoy P. Levitt, DMH director, announced Thursday that Mrs. Curry will fill the vacancy created in September 1974 when John R. Collier was reassigned from his position as MSH superintendent to the post of deputy regional administrator for management services for DMH Region 2, the Chicago metropolitan region.

Jon Steinmetz, deputy superintendent at MSH, has been serving as acting superintendent since Collier's reassignment. Levitt said Steinmetz would remain at MSH as deputy superintendent.

Levitt said "I'm very pleased to make this announcement. Mrs. Curry has done an outstanding job for the department and we are confident that her sensitivity to the needs of the mentally ill and her demonstrated ability as a psychiatric nurse and a mental health administrator uniquely qualify her for this new responsibility. Her selection to be superintendent of Manteno State Hospital came after careful consideration of a number of candidates. The mission of mental health services in Illinois has moved forward with this appointment."

Levitt said he made the decision after consultation with appropriate professionals and persons in the community.

Mrs. Curry has been director of Subregion 12, Region 2, DMH, since July 1972, working out of the Tinley Park Mental Health Center. In that position, she was responsible for program planning, staffing and budgeting the delivery of mental health services for the subregion. DMH reports the subregion has a service population of 800,000 residents, primarily from the inner city area.

According to a department spokesman, Mrs. Curry was actively involved with community groups in her subregion, and served as a liaison for these groups in matters of grants in aid and purchase of care contracts.

Mrs. Curry has previously served as acting director of subregion 12 and as director of inpatient services for the subregion. Her responsibilities included all intake and evaluation services for those in need of mental health services in Subregion 12.

She also served as a psychiatric nursing supervisor for the Veterans Administration Research Hospital in Chicago from 1968 to 1969.

GIRL SCOUTS HELP COMBAT INFLATION

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ESCH. Mr. Speaker, easily the most serious problem in the United States today is the state of the economy, and the problems all of us are having coping with rampant inflation. Our many distinguished economic advisers have met on numerous occasions to determine policies which might alleviate these ills, and many consumer groups and private individuals have taken upon themselves the burden of seeking solutions to our economic woes. I would like to take a moment to share with you the text of a letter which I recently presented to members of the Huron Valley Girl Scout Council of Michigan for their efforts in combating inflation in a most unique fashion:

HURON VALLEY GIRL SCOUT COUNCIL.

DEAR FRIENDS: I wish to take this opportunity to commend the members of the Huron Valley Girl Scout Council for their initiative in maintaining the 1974 price of Girl Scout cookies in the face of a 1975 price rise. While other Councils throughout the United States have bowed to a 25¢ increase in price, the Scouts in our area have decided to do their part in fighting inflation by setting the goal of selling 25% more cookies than last year at last year's price.

While the chief topic of conversations in Washington and throughout the country has been the state of the economy, our local Girl Scouts have decided to do something besides just talk. I am proud to be able to commend them for their determination and drive to not only help themselves and their organization by selling cookies, but to do so in a manner that is an inspiration to us all.

Sincerely,

MARVIN L. ESCH,
Member of Congress.

AMERICAN LEGION ENDORSES PROPOSED ACDA LEGISLATION

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ZABLOCKI. Mr. Speaker, I have been reassured and personally encouraged by the American Legion's recent endorsement of H.R. 1550, my bill to amend the Arms Control and Disarmament Act and for other purposes.

In a letter dated February 10, 1975, Mr. Mylio S. Kraja, Director of the National Legislative Commission, registered the American Legion's support of the bill's various provisions aimed at upgrading the Arms Control and Disarmament Agency.

In an effort to share the Legion's views on this measure with my colleagues and other interested persons I am pleased to place Mr. Kraja's letter in the RECORD and recommend it to their reading and consideration:

THE AMERICAN LEGION,
Washington, D.C., February 10, 1975.

Hon. CLEMENT J. ZABLOCKI,
Chairman, Subcommittee on National Security, Policy and Scientific Developments, House Committee on Foreign Affairs, Washington, D.C.

DEAR CONGRESSMAN ZABLOCKI: Thank you for writing us on January 29 concerning H.R. 1550, your bill to amend the Arms Control and Disarmament Act, and for other purposes.

My delay in responding promptly was due to the necessity of referring the measure to our National Security and Foreign Relations Division for its study and recommendation. I am glad to reply that our specialists are in agreement with the provisions of your legislation.

The American Legion supports the provision to upgrade the Arms Control and Disarmament Agency and to provide for closer Congressional oversight of its activities by placing two Members on its Board of Directors. It is also believed that the authority contained in Section 104 of your proposal to give the ACDA an opportunity to comment upon the arms control and disarmament policies of major new research or arms procurement programs is both logical and useful.

Our National Security and Foreign Relations Division also supports that provision in your measure that would require munition export licenses and foreign military sales and military aid to be coordinated with the Director of the Arms Control and Disarmament Agency.

Your courtesy in giving us an opportunity to comment on H.R. 1550 is appreciated.

Sincerely,

MYLIO S. KRAJA,
Director, National Legislative Commission.

SYMPOSIUM HELD ON SOVIET MARITIME CHALLENGE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ASHBROOK. Mr. Speaker, on February 13 the Columbus, Ohio, Council of the Navy League of the United States sponsored a symposium on the Soviet maritime challenge. Speaking at the symposium were such distinguished individuals as the Honorable J. William Middendorf II, Secretary of the Navy; Rear Admiral B. R. Inman, Director of Naval Intelligence; Vice Admiral D. J. Murphy, Director of Antisubmarine Warfare Ocean Surveillance programs, and Mr. Norman Polmar, U.S. editor of Jane's Fighting Ships.

I want to bring to the attention of my colleagues the address by Secretary of the Navy Middendorf. Middendorf expressed his concern over the rapid expansion of Soviet naval capabilities vis-a-vis the United States. He pointed out the Soviet Navy now has twice the number of major surface combatants and submarines as the U.S. Navy.

In Middendorf's view, this trend of expanding Soviet naval capabilities is "one of the most significant strategic developments since the end of World War II." No longer can Americans automatically assume that our Navy will be the world's finest. "If we are to keep a Navy second to none," Middendorf states, "we must continue to develop our shipbuilding efforts."

Following is the text of Secretary of the Navy Middendorf's address to the Columbus Council:

ADDRESS BY J. WILLIAM MIDDENDORF II

There are two questions which I feel must be answered at the very outset of this Symposium:

Why should we have a symposium on the Soviet maritime challenge, in the first place?

And why is this symposium being held in Columbus, Ohio?

I would first of all answer the second hypothetical question—why in Columbus, Ohio? I would state at the very outset my firm belief as Secretary of the Navy that the United States, the State of Ohio, and the citizens of Columbus are more dependent on seapower than at any time in our 200 year history.

The State of Ohio is the second largest exporting state in the country. Transportation and road building equipment, mining equipment, machine tools, and heavy machinery—all manufactured in Ohio—are exported throughout the world. And these Ohio exports in addition to machine tools from Cleveland, rubber from Akron, glass from Toledo, and ball bearings from Canton—must go to the nations of the world by sea.

Last year, 176 merchant ships from 25 nations called at the Ohio port of Cleveland. And 142 merchant ships from 20 nations called at the Ohio port of Toledo. In 1973, these two Ohio ports imported more than 1,080,000 tons of cargo from overseas, and more than 6 million tons of cargo, primarily iron ore, from Canada.

Furthermore, even though we today have the full technical and industrial capacity to manufacture the goods necessary to support our present population level, we as a nation are significantly and even critically dependent upon the import of raw materials and energy.

Right here in Columbus, mica is used to manufacture electrical coils, and magnets and insulators. This mica is imported by sea from India. Mica is just one of the 68 strategic minerals and metals which the United States must import all or in part by sea.

With regard to energy, some of the petroleum products used by Ohio based chemical companies and refineries are imported. In 1974 the United States imported two billion two hundred million barrels of crude oil and refined products accounting for 36% of our domestic consumption.

These imports and exports come to us by sea. And it is the mission of your United States Navy to protect the sea lines of communication to insure the unimpeded flow of these imports and exports.

Secondly, the rapid growth of wealth in the oil producing nations of the world, particularly, in the Middle East, affects each and every one of us.

In February, 1971, one barrel of Saudi Arabian crude oil cost $2.18. Today, that same barrel of oil costs more than $11.00. This 500 percent increase in the price of oil has caused the international monetary reserves of the oil producing nations to soar to $43.2 billion at the end of 1974—or 20 percent of the world total. It will *soon* be equal to all of the free world reserves at the end of last year.

Saudi Arabia—with reserves of $14 billion—now ranks third behind the United States ($16B) and West Germany ($32.7B). A year ago Saudi Arabia ranked 13th.

Iran's reserves of $8.4 billion now rank seventh largest in the world. A year ago Iran ranked 29th.

Treasury Secretary William Simon recently stated and I quote:

"If we are to retain control over our own economic destinies, we must achieve independence. We can do it. And when it is clear that we intend to do it, we will regain a great deal of control over the situation. We will control very little from our knees."

From a naval point of view, U.S. seapower continues to play a major role in the stability of the strategic Middle East, wherein are concentrated more than 50% of the world's proven oil reserves. Secondly, U.S. seapower renders an unobstrusive political and diplomatic presence in the world today in support of our national policy.

Therefore, we as a nation are clearly dependent on U.S. seapower—seapower to protect the sea lines of communication and seapower to project our political and diplomatic presence.

To answer my first question, then, why have a symposium of the Soviet Maritime Challenge? I view with concern any trend which would pose a threat to U.S. strategic interests—military, political or economic. And I view the trend of expanding Soviet naval capabilities as one of the most significant strategic developments since the end of World War II.

We are *not* here today to portray the Soviet Navy to be ten feet tall or intimate the unimpeded arrival of Soviet cruisers in Lake Erie. Yet it is a disturbing fact that today the Soviet Navy has twice the number of major surface combatants and submarines as the U.S. Navy. I feel it most important for the American people to be fully aware of the challenge represented by the trend of these Soviet naval developments.

For my part, I would like to answer another hypothetical question to which each of you as Americans must demand an answer:

"How capable is U.S. seapower, specifically the U.S. Navy and Marine Corps, in meeting this challenge and in carrying out our missions?"

As each of you well know, since 1968 we have cut the size of the fleet in half. Today our fleet of 501 ships is the smallest fleet since 1939—two years before Pearl Harbor.

One of the ships we decommissioned just last month was the U.S.S. *Columbus*—named after this city. The *Columbus* provided the Navy more than 30 years of service.

And your Navy is going to become even smaller. In order to achieve a more modern fleet within available resources, the Navy is planning to reduce the size of the active fleet to 490 ships by June 30, 1976. Included in these reductions are the aircraft carriers *Hancock* and *Oriskany*. The average age of the ships to be retired is 24 years.

Your Navy of today has some tremendous assets. Our aircraft carriers and their embarked air groups are extremely effective weapons systems. Our nuclear powered submarines and nuclear surface ships are unquestionably the world's finest. The United States Marine Corps is unrivalled in the world as an effective combat force, which represents the ultimate projection of American seapower.

And your Navy-Marine Corps team has something which cannot be appropriated in defense budgets: combat proven strength, dynamic leadership, and a new professionalism in its young men and women which cannot be rivaled.

I am therefore certain that the new professionals of your Navy and Marine Corps—the enthusiastic Seamen and Lance Corporals, the bright young Ensigns and Second Lieutenants, and the combat tested veterans—can carry out its missions today if asked by the President.

Yet the Navy and Marine Corps of today is the result of decisions made five to ten years ago. In this regard, as Secretary of the Navy, I am the beneficiary of the foresight of my predecessors.

It is therefore the Navy Department five years from now that draws my major concern and attention. And that is why Navy shipbuilding has to be one of the greatest concerns of a Secretary of the Navy.

With regard to shipbuilding, I would submit the following facts for your consideration:

Between FY 62 and FY 67, the Navy undertook the construction of some 244 new ships of all classes—or about 40 ships per year.

Between FY 68 and FY 75, the Navy undertook the construction of 96 ships—or 12 ships per year.

The expected service life of a warship is 25–30 years. Consequently, we face the reality that we must plan to retire about 4% of the active fleet on an annual basis.

My greatest concern is the *long lead time* required to build our ships.

And, while I am not a harbinger of doom, I would compare U.S. shipbuilding during World War II with what it is today.

In 1933, eight years before the outbreak of the war, as a corollary to President Roosevelt's National Industrial Act to relieve unemployment. Congress authorized the construction of the aircraft carriers *Enterprise* and *Yorktown*, four submarines, *Brooklyn*-class light cruisers, and *Craven*-class destroyers.

The following year (1934) the Vinson-Trammel Act authorized an eight-year replacement program amounting to 102 ships. The second Vinson Act of 1938 authorized a warship tonnage increase of 20 percent over the former treaty limits.

At the time of the Pearl Harbor attack in

1941, the U.S. Navy's combatant ship strength was:

Ship type	In commission 1941	Under construction 1941	In commission Feb. 1, 1975
Carriers	7	11	14
Battleships	17	15	0
Cruisers	37	54	5
Destroyers	171	191	155
Submarines	111	73	117
Total	343	344	291

These ships, either already in commission or under construction when the war began, enabled United States seapower to prevail.

For example, the Battle of Midway was fought seven months after Pearl Harbor. That battle was won by U.S. aircraft carriers, and it was a decisive turning point in the war in the Pacific. Yet this battle was won with aircraft carriers completed *before the outbreak* of World War II.

Furthermore, even with U.S. shipyards working around-the-clock on a full wartime footing, it took *three years* before a carrier would be ready for combat. And it was well into 1943 and early 1944 before the U.S. Navy began receiving even a few of those capital ships ordered after the outbreak of the war.

Today our warships are much more sophisticated and much more capable than the World War II counterparts and they take longer to build. Whereas in WWII engineering plants were diesel or 600 psi steam turbine, today's plants are complex 1200 psi steam turbine, nuclear, or gas turbine. Whereas the WWII warship bristled with sophisticated electronic-countermeasures anti-aircraft artillery, today we rely on equipment and sensor systems to enable us to find the enemy before he can attack.

Specifically:

During WWII, the construction time for an attack aircraft carrier averaged three years. By contrast, the nuclear-powered aircraft carrier *Nimitz* (named after architect of the U.S. victory at Midway) will be commissioned this spring—*seven* years after her keel was laid, and ten after the appropriation of the lead money for her construction.

During WWII, the light cruiser *Little Rock* was built in a little over 2 years (keel laying to commissioning). By contrast, the nuclear-powered frigate *South Carolina* was commissioned last month, more than *four* years after her keel was laid, and seven years after funding.

Fundamentally, in WWII we had a 3000 mile buffer on our East Coast, and a 10,000 mile buffer on our West Coast. We had a valiant Britain and a valiant France to whom we could look as a buffer. During that war Britain and France gave us two years lead time to gear up our great military production capabilities.

Soviet naval units have now circumnavigated the state of Hawaii and have operated within 100 miles of our coast in the Caribbean. Today there are no 3000 mile buffers. Our lead time requirements to build ships are longer than ever. As proven by the 1973 Middle East crisis and again during the Cyprus crisis, it is forces at the scene, *in being* which may well determine the outcome of any future confrontation.

Unfortunately, the effects of the two-edged sword of inflation and recession, the "oil-dollar" drain, and other priorities are occurring at precisely the same time the need for more ships is being recognized.

With regard to the defense budget, in the next fiscal year, as a consequence of reductions and inflation, DOD expenditures will represent about 5% of GNP—the lowest point since the pre-Korean demobilization. The DOD has been cut almost in half since the Vietnam high; it has been cut by 30% as compared to the pre-Vietnam period. As a percentage of total government spending, including state and local, defense expenditures come to 16%, the lowest point since before Pearl Harbor. The United States now has under arms about 1% of the nation's population, a prcentage no higher than that reached in the pellmell demobilization in the Louise Johnson years after World War II. Military manpower has been reduced by 600,000 men as compared to pre-Vietnam.

The President has submitted to Congress a budget requesting $3.1 billion to build 23 new ships and $2.26 billion in addition to be allocated to restore full funding to our shipbuilding account of prior years.

In direct contrast to the real-dollar decreases in U.S. defense spending, it is estimated that the USSR has increased its real expenditures in constant rubles by 3 to 5%. And the Soviets continue to state quite categorically that peaceful coexistence is a consequence of the expansion of military power. And, Defense Secretary Schlesinger recently pointed out that the USSR is estimated to be outspending the U.S. on defense by at least 20%.

There are certain things which we as Americans have historically taken for granted—the sun is going to come up, taxes, the Texas Rangers will get there on time, and, since the days of Teddy Roosevelt's Great White Fleet, our Navy will be the world's finest.

Yet today we cannot make that assumption; and today's Navy and more importantly, the position of the U.S. Navy of 1980, cannot be taken for granted.

I have yet to meet an American who wants *your* Navy to be the second best. But in a word, if we are to keep a Navy second to none, we must continue to develop our shipbuilding efforts.

The Navy shipbuilding account has the longest lead times in any portion of the DOD budget. Unfortuately, a ship coming into service today after, say, a six year construction period has borne the full brunt of inflation. We must lick inflation in weapons systems costs. We must come up with new initiatives, new management approaches, and new ideas in research and development.

If we are wrong in our assessment that the United States needs a strong Navy now more than ever before, then we will only have expended funds for capital assets in ships that will last into the next century.

If on the other hand those with the opposite view prevail, and they turn out to be wrong, then God help us.

LITHUANIAN INDEPENDENCE DAY

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. YOUNG of Florida. Mr. Speaker, on February 16, 1975, Americans of Lithuanian origin and descent joined throughout the Nation to commemorate the 57th anniversary of the establishment of the Republic of Lithuania.

I join with many other Members of Congress in expressing my concern for the oppressed people of Lithuania with the knowledge that these sentiments are echoed by those who enjoy freedom in other nations as well as the United States.

Mr. Speaker, 57 years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. Lithuania had enjoyed her independence for only 22 years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia—forcibly annexing these Baltic States into the Communist Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity—newer ones display her territory as part of the Communist Soviet Union. However, the United States of America and other great non-Communist powers have steadfastly maintained a policy of nonrecognition of the forcible annnexation of Lithuania into the Soviet Union. Such a policy gives hope to the Lithuanian people—reinforcing their determination to await national independence—while discouraging the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

It is heartening, Mr. Speaker, to know that the determined spirit of the Lithuanian people is still unbroken—although their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world in these times.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

Mr. Speaker, these last violations of human rights by the Soviet Union are directly opposed to the spirit of détente, which should foster a relaxation of the iron fist of Communist regimes—providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than that created by the present spirit of détente in which to give visible support to the Lithuanian people.

The Congress of the United States should again urge President Ford to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted. Lithuania and her people should no longer be forgotten and ignored.

PROPOSED POSTAL RATE INCREASE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. EILBERG. Mr. Speaker, I do not know anyone outside of the U.S. Postal Service who believes the price of mailing a letter should go up or that the service rendered to the people of the United States by the Post Office even merits an increase.

The fact is the U.S. Postal Service operates inefficiently at best and most of the people are no longer surprised when mail is delivered days late or not at all.

The situation has gotten so bad that even with a Republican administration in control of the Postal Service the Republican Caucus of the Pennsylvania State Senate has decided it is necessary to condemn this move in advance and to cite the problems of waste and extravagance in the Postal Service in an official resolution.

At this time I enter this resolution in the RECORD:

RESOLUTION OF THE SENATE REPUBLICAN CAUCUS

Whereas, our constituents and neighbors are being financially squeezed by high inflation generally, and high food and energy costs specifically; and

Whereas, Pennsylvanians have been told by the President of the United States, Gerald R. Ford, to tighten their belts and economize; and

Whereas, the news media have reported stories of extravagancies and wasteful practices in the operation of the U.S. Postal Service; and

Whereas, from the earliest days of our Republic, the Post Office Department and its successor, the U.S. Postal Service, has been operated on a non-profit basis; and

Whereas, the U.S. Postal Service has publicly announced its intention to increase the rate for first class mail to thirteen cents; and

Whereas, the U.S. Postal Service increased the rate for first class mail from eight cents to ten cents in the spring of 1974; and

Whereas, such proposed further increase would result in a five-cent total increase in one year, which would be a 62.5% overall in one year; now therefore be it

Resolved, in Caucus assembled at Harrisburg, Pennsylvania, February 24, 1975, that the Republican Senators of the Commonwealth of Pennsylvania openly express their great concern that a further first class postal rate increase will work to the great detriment of their constituents and neighbors, and that they do condemn the proposed first class postal rate increase to thirteen cents; and be it further

Resolved, that a copy of this resolution be sent to the President of the United States, Gerald R. Ford, to our two U.S. Senators, and all Pennsylvania Congressmen.

Adopted, this 24th day of February A.D. 1975.

I certify that this resolution was adopted with a quorum of the Caucus present.

CLARENCE D. BELL,
Republican Caucus Secretary.

REENACTMENT OF THE GENERAL REVENUE SHARING PROGRAM

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. EMERY. Mr. Speaker, the 94th Congress will be dealing with the authorization to extend the State and Local Fiscal Assistance Act of 1972, better known as revenue sharing, which is due to expire December 31, 1976.

On February 12 of this year, the 107th Maine Legislature passed and forwarded to my office a joint resolution memorializing Congress and the Maine congressional delegation to support the reenactment of the general revenue sharing program.

This fiscal program has been a great success both in the State of Maine and the rest of the United States. To avoid any lapse in authorizations I urge the 94th Congress to approve the continuation of the general revenue sharing program so our State and local governments will have the assurances necessary to good planning.

The Maine memorialization follows:

STATE OF MAINE—JOINT RESOLUTION

Joint resolution memorializing the Congress of the United States to support the reenactment of the general revenue sharing program

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Seventh Legislative Session assembled, most respectfully present and petition your Honorable Body, as follows:

Whereas, the State of Maine, her 16 counties and her 496 municipalities have received $124,000,000 of vitally needed fiscal assistance through the allocation of federal dollars under the General Revenue Sharing Program; and

Whereas, these Revenue Sharing dollars are received directly from the Federal Government by the State, the counties and the municipalities with a minimum of federal paperwork, enabling the citizens to use the funds to meet their self-determined priorities; and

Whereas, the citizens of Maine view state, county and local officials as being accountable for the expenditure of Revenue Sharing funds, and citizens as having ultimate control of their priorities through the governmental processes; and

Whereas, the taxpayers of Maine are being severely affected by the spiraling and unprecedented rate of inflation in costs of government as well as in their private lives; and

Whereas, the current inflationary rate is undermining the ability of government to provide essential services to their citizens within reasonable levels of taxation; and

Whereas, the General Revenue Sharing Program, which began in 1972, will terminate in 1976 unless the 94th Congress authorizes an extension of the State and Local Fiscal Assistance Act of 1972; and

Whereas, the 107th Maine Legislature endorses the continuation of the General Revenue Sharing Program in order to insure that vitally needed federal assistance will be provided to Maine; now, therefore, be it

Resolved: That we, your Memorialists, respectfully request and urge that each Member of the United States Congress from the State of Maine publicly state his support for the reenactment of the General Revenue Sharing Program in order that citizens of Maine may be informed of their commitment to continuing their flow of resources back to the People of the State of Maine; and be it further

Resolved: That a copy of this Resolution, duly authenticated by the Secretary of State, be forthwith forwarded to each Member of the United States Congress from the State of Maine.

House of Representatives, Read and adopted, February 11, 1975. Sent up for concurrence.

EDWIN H. PERT,
Clerk.

In Senate Chamber, read and adopted. In concurrence, February 12, 1975.

HARRY N. STARBRANCH,
Secretary.

GLENVIEW, ILL. HIGH SCHOOL STUDENT WINS VOICE OF DEMOCRACY CONTEST IN ILLINOIS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MIKVA. Mr. Speaker, it is my great pleasure to announce to the House of Representatives that Mr. Dean Phelus, 500 Elm Street, Glenview, Ill., has submitted the winning speech from Illinois in the Voice of Democracy Contest. This contest is sponsored by the Veterans of Foreign Wars and its Ladies Auxiliary and is a part of the Voice of Democracy scholarship program. This program is conducted annually in our Nation's secondary schools during the fall term. This year, the theme for the VFW's 28th annual program is "My Responsibility as a Citizen."

The winner of the contest from Illinois, Mr. Dean Phelus, is a junior from Maine Township High School North, Des Plaines, Ill. Dean is 16, has served as the treasurer of the Spanish Club and vice president of the speech team, has been awarded a number of speech awards including a speech scholarship, is a varsity member of the track team, is a member of the district concert choir, and belongs to the Modern Music Masters and Thespians.

As the State of Illinois winner, Dean Phelus is eligible for one of five national scholarships awarded as the top prizes. Final judging is to be held here in Washington, D.C., during the week of March 7–12, 1975. The best wishes of the people of the State of Illinois go to Dean as he competes with the contest winners from other states.

Mr. Speaker, this speech by a high school junior has an important message for all Americans. It is that America needs listeners, optimists, and believers—those who will offer "a cheer, a word of encouragement, a suggestion, a vote of confidence." Dean Phelus writes:

> Every American, should be involved enough to vote, to honor his country, to feel grateful for the great gift of freedom . . . (and to march) forward together to a future which offers uncertainty and challenge.

Mr. Speaker, at this point I would like to insert the winning speech of Mr. Dean Phelus of Glenview, Ill., to congratulate him on his fine speech, and to commend the Veterans of Foreign Wars for their worthy efforts:

MY RESPONSIBILITY AS A CITIZEN

(By Dean Phelus)

For there have always been voices. In any American library we can find voices. George Washington, Nathan Hale, Franklin Roosevelt, John Kennedy—all the great speakers of our past are speaking still, speaking to anyone who will listen. They will tell you that America is greater than any adversary, stronger than any opponent. They will tell you that a few determined men can build a reality. They will tell you that no problem is beyond solution. They will tell you that we have had trouble before, but no trouble that Americans, working together, cannot handle. They will speak for America. Listen, and join them.

It is a privilege to have a responsibility to America, a privilege that needs careful attention. We can choose to despair, or we can choose to fight. We can choose to destroy or to build. I have made my choice. My country does not need another disparaging voice. It needs a cheer, a word of encouragement, a suggestion, a vote of confidence. Every American should be involved enough to vote, to honor his country, to feel grateful for the great gift of freedom. But quiet gratitude is not enough. We Americans are marching forward together to a future which offers uncertainty and challenge. Silent soldiers have room for doubt. Raise your voice in support of the country that has nurtured you, in defense of the system that has kept you free, in praise of the spirit that keeps a battered flag waving.

It is my responsibility as a citizen, my privilege as an American to join the voices of democracy. We will come together in a cry of determination that will carry us forward against any opposition. We have something good; acknowledge it. We have strength and tradition on our side; remember it. Listen to the cheering American voices—those of the past, those of the present, yours, mine, American voices all—listen!

LISTEN!

Listen! All those of you who are lucky enough to be citizens of America, listen! What do you hear? The voice of democracy? What is it? Is it the voice of one man? Does he sit in an oval office, or at the wheel of a truck, or on the bench in a football stadium? Is it the voice of one woman who stands in a classroom or a department store or a kitchen? No. The voice of democracy is an American chorus, a patriotic cheer, a chant by a million separate voices. And my responsibility as an American citizen is to . . . listen!

What are Americans saying these days? We can't afford the groceries; the automobiles aren't as sturdy as they could be; where will we get enough fuel?; what do we do about the young people?; how will we make it through difficult times? Questions. The voices are asking a hundred thousand hard questions. Answers. What the voices want are answers. And all they need to do is . . . listen.

No great organization operates without problems. A great country is no different. Each one of us can see the questions all around us. What we need are voices with answers. We need optimists, workers who know what determination can do. We need believers, people who know what ideals and values can produce. We need voices, voices to shout the encouragement to fight problems, to overcome obstacles.

Where will these voices come from? They can come from you and from me. I cannot speak for you, but one voice is already coming from me. I am willing to speak for America, for the ability of Americans to weather any crisis. I am willing to speak for involvement, for the necessary concern of each citizen in order to have a successful government. If officials are corrupt, say so. If you disagree with policies or programs, speak up. I will care enough to speak for America. But I will never speak so loudly that I forget to listen.

TIME FOR REGULATORY REFORM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ASHBROOK. Mr. Speaker, it seems that the various regulatory agencies are getting hit from every side. They are no longer the sacred cows that they have been previously. Conservatives and liberals both criticize the shortcomings. The President has urged a commission to study and recommend regulatory reform.

Regulatory agencies are costing consumers money through inefficiency, waste and unneeded and unwise restrictions. It has been estimated that in 1975, $264 will be the cost of regulations to an American family of four.

Recently the Conservative Political Action Conference, cosponsored by the American Conservative Union and Young Americans for Freedom, passed a resolution which, in part, urged "the abolition of regulatory agencies—which add costs to production, restrain trade, and/or take powers that belong to the States or to citizens individually." As the Conservative Political Action Conference pointed out, it is time for action.

Consumers are being hit with higher prices, businessmen are forced to be inefficient—all for goals which have become confused and even contradictory.

Two recent editorials also point out the problems that exist. The Mount Vernon, Ohio, News comments on a number of regulations that have resulted in wasting energy and in higher costs. The Galion, Ohio, Inquirer writes:

> The problem is that regulations, once established, even those put into effect for very good reasons, become more rigid with time. They're not eliminated when the cost to the public becomes prohibitive or when the regulations themselves begin to encourage the very evils they were written to prevent.

Action must be taken. The Congress which originally passed the laws mandating these agencies has a clear responsibility. That responsibility must be exercised.

At this point, I include the full text of the two editorials from the Mount Vernon News and the Galion Inquirer:

[From the Mount Vernon (Ohio) News, Feb. 20, 1975]

SOME FEDERAL AGENCIES NEED REFORM

When the first U.S. regulatory commission—the Interstate Commerce Commission—was established in 1887 to regulate railroads, Congress was optimistic about its value to the growing nation. It believed that an independent regulatory agency would provide an important transportation industry with continuity, expert advice, impartiality and isolation from political whirlwinds.

Today, nearly a century later, it does not take an expert to realize that the ICC has failed to achieve its goal. Dr. Paul McCracken, former chairman of the President's Council of Economic Advisers, says that federal regulation has produced "sick and arthritic" industries, and that ICC in particular is guilty of "social irresponsibility of cosmic proportions." He is not overstating the case.

The National Council on Productivity estimates, as one example, that ICC regulations which force trucks to return home empty cost consumers $250 million a year. Eliminating the regulation also could save a quarter of a billion gallons of truck fuel. Because of ICC regulations, citizens also pay $400 million in excessive railway freight rates, according to the President's Council of Economic Advisers.

ICC is not by any means the only culprit. For example, partly because of Civil Aeronautics Board regulations U.S. airline fares across the North Atlantic are three times those offered by a British airway. A buyer of a 1975 automobile pays $500 extra because of federal pollution regulations of dubious usefulness. Government requirements for pollution controls in industry cost American consumers the staggering sum of $10.4 billion last year, and not all of the controls are necessary. Moreover, the Bureau of Domestic Commerce says that unnecessary National Labor Relations Board regulations that lead to featherbedding are costing Americans up to $3 billion in railway shipping costs, $400 million more at the supermarket and more than $275 million in truck shipping costs.

Even these mammoth sums are insignificant to the economic damage that federal regulations do by interfering with the free competitive American marketplace—by interfering with the laws of supply and demand.

President Ford has asked Congress for the authority to establish a commission to study the Consumer Products Safety Commission, the ICC, the CAB, the Federal Trade Commission, Federal Power Commission, Civil Aeronautics Board and the Federal Maritime Commission—federal regulatory agencies that may be doing more harm than good as they age.

The study, if followed by dynamic action, could very well be one of the most important tools that the nation has in its fight against inflation and the energy problem.

[From the Galion (Ohio) Inquirer, Feb. 19, 1975]

THE HIGH COST OF REGULATION

President Ford's economic advisers are known to believe government regulations may cost consumers $15 billion a year.

That's $264 for 1975 for a family of four.

Less efficient producers are protected. Efficient firms make undue profits. The public pays higher prices. Wasteful practices are encouraged. Some regions and users are favored over others.

Mr. Ford's Council of Economic Advisers has come up with these glaring examples:

Local experience in California and Texas with minimal controls suggest that as a result of excessive federal regulation, interstate air passengers may be paying as much as 65 per cent more than necessary in some cases. The overall national excess cost to the public may add up to around $300 million a year.

Unnecessary numbers of flights and aircraft operating on some routes, again a direct result of greater-than-needed regulations, costs us dearly in imported fuel.

Regulations force railroads and truckers to favor some regions, penalize others, give special rates to some users, charge more to others to make up for the loss. Machinery, for example, is regularly charged far more than the actual cost of transport by rail, while crude ores get by with rates that don't enable the lines to meet expenses. Because the railroads have been forced to keep unprofitable routes in operation far longer than necesary, they've had to charge customers more on other runs.

Regulations which force freight car rental charges well below fair cost encourage inefficient use. For one, railbox cars, on the average, move only one hour in eight. Shippers hold them as warehouses; other lines take their sweet time in returning this equipment to the proper owners. These practices discourage well-managed roads from investing capital in modern cars which quickly slip out of their control for long periods.

Anti-trust exemptions allow truckers to agree on rates in secret. Interstate Commerce Commission routing procedures force absurd inefficiencies. Government control over entry of new trucking firms into interstate business discourages rivalry.

The abuses are not all in transportation or in the federal agencies.

Many state, city and county governments agree to price fixing in real estate settlement and other legal fees. State laws regularly prevent competition in a variety of professional services. Fair trade laws in many states prevent retailers from selling goods below the suggested retail prices set by manufactures.

Higher than necessary markups are not the only price we pay for over-regulating industry.

ICC regulations have probably contributed significantly toward the bankruptcy of several rail carriers in the northeastern part of the country.

Arbitrary ceilings on what interest banks and savings and loan associations may pay depositors has tended to shrivel the funds available for home mortgages and industry in recent years, thus has helped bring on the current recession.

Regulation of gas has created chronic and growing shortages in the regulated interstate market. This shortage, in turn has led to increased imports of oil.

The problem is that regulations, once established, even those put into effect for very good reasons, become more rigid with time. They're not eliminated when the cost to the public becomes prohibitive or when the regulations themselves begin to encourage the very evils they were written to prevent.

BAN THE HANDGUN—NO. 1

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BINGHAM. Mr. Speaker, today I am inaugurating my "ban the handgun" series of Record inserts in the 94th Congress. Last year I put in 55 of these articles, columns, and editorials. This year as Congress finally begins the consideration of serious gun control legislation, I am again attempting to draw the attention of my colleagues to the compelling need for a prohibition on the private possession of handguns.

It is sheer folly to keep pistols around the home in the face of overwhelming evidence that they are practically useless for defensive purposes, and in fact are far more likely to be involved in a tragic episode than to be of assistance in repelling an intruder. There is every likelihood that incidents such as the one described below could be averted if handguns were not so easily available.

The attached article appeared in the February 8 edition of the New York Daily News:

Shoots Self in Head Over School: Cops

(By Nat Kanter and Mel Greene)

A 16-year-old Mineola youth was in "very critical condition" in Nassau County Medical Center, East Meadow, yesterday after he reportedly shot himself in the head when told of his poor school-attendance record.

William Gund, of 196 Andrews Road, allegedly fired a bullet from a Smith & Wesson snub-nosed 38-caliber revolver into his brain during an interview with Mrs. Celia Vitale, who serves as both nurse and attendance clerk at the BOCES Northwest Area Occupational Education Center at Jericho Turnpike and Andrews Road, Mineola.

Gund, a sophomore at Mineola High School, also takes an afternoon course in refrigeration and air conditioning at the Board of Cooperative Educational Services' school. When Gund did not show up for class at 12:10 p.m., Mrs. Vitale, following school policy, waited twenty minutes before calling the youth at his home, police said.

Gund reportedly told Mrs. Vitale over the phone: "I thought I was going to take the afternoon off, but I will come in." The school is two blocks from Gund's home.

Arriving at the center, Gund went to Mrs. Vitale's office to get a late pass in order to attend his class. Mrs. Vitale told police that she asked him to sit down, and they discussed his poor attendance record both at the center and at Mineola High.

"I guess I'm in trouble again," Gund said, according to Mrs. Vitale, then, without giving her a chance to reply, he reportedly drew a revolver from his pocket and shot himself.

The revolver, police said, reportedly fits the description of one of four guns by Gund's father, Henry, a pipefitter and a member of a gun club.

JOBS GO BEGGING DURING RECESSION—A PARADOX?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the Wall Street Journal, on February 11 reported a seeming contradiction in our economy—the fact that in some cases it is more profitable to remain unemployed rather than go to work. This is not just a fantasy as I have had at least one firm contact me to say that he has employees asking to be let go so they can commence drawing unemployment benefits. This situation, in my view, is a sad commentary on the United States of America. The article follows:

[From the Wall Street Journal, Feb. 11, 1975]

Labor Letter: A Special News Report on People and Their Jobs in Offices, Fields and Factories

Low-status jobs remain hard to fill, despite surging unemployment.

An employment agency in New York complains it recently had a tough time finding takers for a job cutting up and weighing chickens. Jobs as elevator operators and watchmen also go begging, despite the city's high jobless rate. The Cook County jail in Chicago reports no increase in applications for its $831-a-month prison guard posts. In Pittsburgh, workers are still selective, and the unemployed aren't "jumping at the $2.50-an-hour job just to get a job," a state official says.

One key reason for the situation: unemployment insurance, food stamps and welfare. A Chicago taxi company official gripes "my biggest competition is Uncle Sam." Bids for hard-to-fill cabbie jobs dropped drastically as soon as President Ford announced new unemployment benefits.

But hard times do change some attitudes. In Ohio, fewer employers list menial work with state employment offices, apparently due to a pick up in applicants "off the streets."

WHAT VLADIVOSTOK ACCOMPLISHED

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ZABLOCKI. Mr. Speaker, an incisive analysis of the Vladivostok agreement by the Honorable Gerard Smith, former Director of the Arms Control and Disarmament Agency, was published in Tuesday, February 25 edition of the Wall Street Journal.

In order to bring Mr. Smith's valuable appraisal of this important matter to the attention of my colleagues I am pleased to insert it in the Record and recommend it to their full and careful reading:

What Vladivostok Accomplished

(By Gerard C. Smith)

Some have criticized the Vladivostok strategic arms accord for being too permissive in its limitations on launcher levels for ICBMs, SLBMs and heavy bombers, for not being verifiable in part and for not including qualitative limitations such as throw-weight control.

The signal accomplishments at Vladivostok were to get the Soviets to drop their condition which called for their having more strategic launchers than the U.S. because the U.S. deploys certain other "forward based" nuclear systems in Europe and the Far East (FBS)—and to agree to an equal number of strategic launchers for both sides. The Soviets probably reasoned that at the high (2,400) launcher level there would not be much strategic significance in the large number of U.S. tactical nuclear weapons deployed in Europe and the Far East. They may also have calculated that, from a psychological viewpoint, they would get de facto compensation for the U.S. forward based systems since it would be less painful for them to stay at the 2,400 level by phasing out obsolete launchers as new launchers become operational than for the United States to increase to that level by new construction.

The prospect must have seemed good to them that during the rather short eight-year life of the agreement the U.S. would not build up to the treaty level thus leaving the Soviet numerical advantage intact. These surmises will be confirmed if the Soviets in the future link any further reductions with a revived FBS compensation claim. Whatever the Soviet motivation, their acceptance of the principle of equivalence for strategic launchers is significant.

THE QUESTION OF "ACCEPTABILITY"

As for launcher levels, it may be worth noting that the 2,400 level is about the size of U.S. strategic forces some 10 years ago. It is a number close enough to that which the United States proposed in the SALT I negotiations to suggest that if the Soviets had proposed it in SALT I it would have been acceptable. It would require Soviet reductions from levels allowed in the SALT I interim agreement—these would be the first reductions ever negotiated with the U.S.S.R. Finally, it is reported to be substantially lower than that projected for U.S.S.R. forces in 1985 by U.S. intelligence estimates which were not of "a worst case" type.

The main advantage of the agreement in my judgment is that it would give the United States good assurances of the maximum number of Soviet launchers over the next decade. The number though high will be known. This will permit less reliance on U.S. defense programming based on "greater than expected threats" and should introduce a stabilizing factor in the American-Soviet strategic relationship.

As for the MIRV launcher level (1,320) it should be recalled that in the SALT I negotiations the United States proposed a comprehensive and permanent offensive systems agreement with no MIRV limit at all!

Although the agreed MIRV launcher level leaves the ICBM vulnerability problem no nearer solution, fortunately U.S. officials now think the problem is not as imminent as formerly believed. Anxieties on this score however will persist and solutions for the ICBM vulnerability problem should be a matter of priority in SALT III. In the meantime U.S. policy, as spelled out by Secretary Schlesinger in his recent posture statement, seems to be to offer the Soviets a tacit bargain that if they will exercise restraint in not deploying as many large MIRVed ICBMs as is permitted under the Vladivostok formula the United States will hold off deploying a new generation of ICBMs.

A common question about SALT agreements is "can one trust the Soviets to keep their commitments?" These agreements should in general not be based on trust but on continual verification to confirm that commitments are being kept. As SALT commitments become more extensive this question of verification will warrant close consideration.

The degree of verification precision needed varies with the limitation agreed upon. A margin of possible error of 100 units might be tolerable at the 2,400 limit but intolerable at a 500 limit. In some cases even an unverifiable commitment may be better than no agreement at all. For example, in the recently negotiated biological warfare agreement although some commitments are not precisely verifiable it was reasoned that aggression by biological warfare would be deterred or retaliated against by nuclear weapons so a small risk of one-sided maintenance of the commitments was tolerable.

In putting flesh on the Vladivostok skeleton agreement new verification judgments may have to be made. For example, if submarine-based cruise missile launchers such as the U.S. is now developing are subject to limitation how does one establish the number which are in fact deployed? If surface ship launchers for ballistic missiles are banned how can the ban be policed? If land mobile ICBMs are to be permitted but limited can their numbers be verified? In the last analysis this type of issue may come down to a question of whether or not U.S. security will be better served with some limit that does not admit of very precise verification than with no limit at all.

In verification matters there is a major asymmetry favoring the U.S.S.R. Because the U.S. is an open society with weapons systems subject to constant public scrutiny from their R&D phase to actual deployment, the U.S.S.R. can have high confidence of American compliance with limitation agreements. As a result, in negotiating, the U.S. carries the burden of pressing for agreement on verification issues. This gives the U.S.S.R. somewhat greater leverage on other aspects of the agreement which are of especial interest to it. This fact of Soviet-American life suggests that the U.S. should in the future avoid the Vladivostok technique of first reaching what the British would call a "Heads of Agreement" which deeply commits American leadership to reaching a subsequent final agreement. With the negotiation thus structured there may be a tendency on the U.S. part to be less sticky on verification points that do not appear central. Put another way the Soviets might be more disposed to work out common verification accounting techniques if they were needed to reach the final agreements as to limits than if the agreement as to limits had already been reached in principle.

From time to time during the nuclear age the U.S. has been concerned lest it fall behind in the strategic arms competition—recall the bomber and missile gaps. Such anxiety is understandable as the stakes are as high as the nation's security. But public debate about alleged deficiencies in the U.S. strategic arsenal generates perceptions among friends and rivals abroad which bear on the credibility of the nuclear deterrent. And so there is the curious result that American rhetoric at times tends to degrade the value of its own strategic forces. In general terms the process might prejudice our confidence that the U.S. will not be coercible in a crisis and that we need not prematurely resort to nuclear force.

Some have expressed concern about a "throw-weight gap" and have criticized the Vladivostok accord for its failure to narrow or eliminate this gap. Although the payload deliverable by the three components of the American strategic force, ICBMs, SLBMs and heavy bombers, is at least on a par with the Soviet force, the U.S.S.R.'s missile forces have a much larger throw-weight than the U.S. missile forces. This fact resulted not from a mistake in U.S. programming but from a deliberate choice made about 15 years ago not to deploy additional large volume missiles such as the Atlas and Titans which were our first generation ICBMs. Instead it was decided to deploy missiles which because they contain miniaturized components could be of much lesser volume.

INFORMATIONAL EFFORT NEEDED

Throw-weight concerns appear to rest for the most part not on judgments that more missile throw-weight is needed for military reasons but on a belief that perceptions will incorrectly develop abroad that the U.S. force is somehow inferior to the U.S.S.R. And perhaps more importantly there is anxiety that in a crisis some future American leadership will "chicken out" because of loss of confidence induced by a throw-weight deficiency. Such worries should not be dismissed lightly if only because they may be self-fulfilling. The immediate solution should be a major informational effort to demonstrate to all concerned that the military and psychological power of the U.S. strategic forces is more than ample and will be so maintained. If in the years to come a throw-weight inferiority complex does develop and become dangerous the U.S. missile force throw-weight can be sharply increased within the constraints of the Vladivostok accord.

In conclusion the Vladivostok accord seems to mark progress in the long process of controlling strategic arms. It does not match the ABM Treaty either in the "bite" of its restraints or its duration. It looks more like another "interim" agreement extending the 1972 freeze. But it may well lay the groundwork for subsequent negotiations for qualitative limitations and reductions. That in itself is no small accomplishment.

TAXES, TAXES, TAXES

HON. DELBERT L. LATTA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. LATTA. Mr. Speaker, Mr. Cass Cullis, the editor of the Bryan, Ohio, Times in my congressional district tallied up everything we are being taxed for and concluded that there still are a few things—very few—that remain tax free. But as he mournfully reflected, that probably will not last for long.

I am pleased to include his amusing, but pointed, commentary in the Record at this point:

TAXES, TAXES, TAXES

Years ago there was a song, "Horses, Horses, Horses, Crazy Over Horses." Now the subject is Taxes. The season starts on Jan. 1 and ends on Dec. 31. The income tax is the first to arrive, but it doesn't have to be paid until April. Then come real estate taxes, then personal or intangible taxes, then license plates, or taxes on automobiles. Telephone long distance and pay a tax. Go to a moving picture show and be taxed. Buy some gasoline for your car and it will be heavily taxed now, and still more later. Eat a meal at a restaurant and pay the taxes. Nearly everything is taxed, and look for more.

Eventually when a couple get engaged they will be taxed for it. Then when they marry there will be another tax. If there is a reception there will be a tax for that, a small tax for a small reception and a big tax for a big reception.

Another tax, which might be beneficial, is on being out at night later than midnight, especially in a car, for that is when most of the crime takes place.

There are many bridge clubs, and eventually they may be taxed, say 25 cents each for a bridge party. When a boy or man goes down the street and looks at a pretty girl he should be taxed; extra if he turns around to look a second time. If she goes to a beauty parlor the customer should be taxed.

There is a tendency to let criminals off quite lightly, but if they are taxed, they won't get that pleasant treatment, for taxing is a serious business.

Even a dog is taxed, but of course it is not the dog that has to pay the tax, but the owner. For some strange reason cats are not taxed, nor are parrots, canaries or other birds, but it is likely that a tax will be proposed.

We pay taxes on our homes and the land they occupy, and for an addition if one is built, and taxes of an airplane ride. There is no tax on riding a merry-go-round, or listening to radio or television, but it is quite likely that radio and television will be taxed, with a meter attached to each and viewers paying one cent an hour for television viewing and half a cent for listening to radio. (There will be something of a problem when a person has a radio that is battery operated.)

Catch a person out after midnight and unles he, or she, can show good reason for being out there should be a rather stiff tax, and if that person is loaded with parts of some value, which have been stolen, he should be taxed several times over.

Kissing in public should be taxed, by all means. If it is a husband and wife, the tax should be light; unmarried couples, a bit more taxes and married persons, but not married to each other, should pay at least a tax of one dollar.

We must support the schools, the police and fire departments, the building of streets, and sewers, and the operation of parks and playgrounds, and swimming pools, and of course the public libraries need support, from tax money, and when a divorce takes place, each party should be taxed, with consideration of their wealth.

Probably many things that should be taxed have been overlooked, but don't be disappointed; they will be eventually.

TOM STEED: HE GETS THINGS DONE

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. RISENHOOVER. Mr. Speaker, Oklahoma has a long history of providing great leadership for our Nation. Towering in this Congress is our colleague, and personal friend, Tom Steed who was honored last week in Oklahoma City by Oklahoma's rural electric cooperatives and the general manager, Czar Langston.

In this article headlined "Tom Steed: He Gets Things Done," John Gillie, of the Oklahoma Journal, wrote about our colleague from the Fourth District of Oklahoma:

Tom Steed: He Gets Things Done

(By John Gillie)

Washington, D.C.—"Tom Steed is not the kind of congressman who likes the glare of publicity, but those who know him at home and in Washington know he gets things done."

Those were the words of a veteran congressional staffer who had observed Oklahoma's Fourth District congressman at work for many years and knew of his reputation for effectiveness.

Steed, a former Shawnee newspaper man serving his 14th term in Congress as a Democrat, has earned widespread respect and power from both Democrats and Republicans in the capital city.

As chairman of the Treasury-Post Office-Executive Office Subcommittee on Appropriations, Steed reviews the budgets of agencies that include more than 900,000 of the 2 million federal empolyees.

Steed's subcommittee holds the purse strings for the Bureau of Roads, the Executive office of the president, the Secret Service, the Internal Revenue Service, the Bureau of Budgets, the Bureau of Customs and the nation's vast Postal Service.

As perhaps House Speaker Carl Albert's closest Capitol Hill friend, Steed enjoys the respect and confidence of the nation's third highest official.

The Oklahoma congressman was campaign manager for Albert's 1962 House leadership race and the 1970 speaker's contest.

"He holds more leverage at the top of the federal bureaucracy than anyone in Washington," Albert said Monday of Steed.

"He is the most steadfast, courageous and dedicated man I have known in office," Albert said.

"He speaks with not one drop of political cowardice in his words," the speaker said.

"He has to be measured among the greatest representatives the people of Oklahoma and the U.S. have ever had."

Steed's reputation as a straight shooter and a dedicated worker extends even to the opposition party.

"His 26 years of service in the House of Representatives have served the people of Oklahoma well," Oklahoma's senior senator, Henry Bellmon, said Tuesday.

Bellmon, a Republican, said he frequently consults with Steed on budgetary matters because of the congressman's well-known expertise in federal finance. Bellmon is a member of the newly-formed Senate Budget Committee.

Steed's seniority and position place him among an inner circle of congressional powerhouses whose word carries great weight with congressional insiders.

"Congressman Steed is a tower of strength on appropriations," said House Appropriations Committee Chairman George Mahon, D.-Tex., Tuesday.

"He has done a great job for Oklahoma and the nation and I believe Oklahomans should be grateful for his service," the powerful committee chairman said.

Steed's diligence in committee work has repeatedly shown itself. As a member of the Transportation Appropriation Subcommittee Steed was greatly responsible for the Federal Aviation Administration locating large administrative and testing facilities at Oklahoma City's Will Rogers World Airport.

His work in guiding the Postal Service is credited with helping Oklahoma gain the Oklahoma Postal Training Center in Norman.

His scrutiny of the Treasury Department and advocacy of automatic data processing reportedly has reduced employment in that department by more than 20,000 persons.

Steeds careful championing of Tinker Air Force Base has meant not only retention of the facility in Oklahoma when it was threatened, but also its continued expansion.

In recent months the Texas-born Steed has been active in energy affairs attempting to limit foreign oil imports.

Freshmen congressmen have come to rely upon Steed for guidance in their first sessions.

Newly-elected Second District Congressman Ted Risenhoover Tuesday said Steed is often accompanied on his Saturday morning walks around the capitol by freshman representatives eager to learn from a senior member of Congress.

"Tom Steed is the best guy in the world for a new congressman to know," Risenhoover said.

"No one in Washington knows the nuts and bolts of government and appropriations like he does," the Tahlequah Democrat said.

Sixth District Congressman Glen English, also a freshman, said Oklahoma's congressional delegation has profited greatly because of Steeds' willingness to take new members under his wing and teach them the ropes.

"As dean of the Oklahoma delegation we consult him whenever we can," English said.

"As a neighboring congressman I find that I can accomplish much more for the Sixth District with the help of Tom Steed."

George Hill, publisher of the Coalgate Register, also wrote a revealing article about Mr. Steed which I also include in the Record:

An Editor Looks at Steed

(By George B. Hill)

Thomas Jefferson Steed, who would have given his junior high school valedictory address in his overalls unless a group of friends hadn't helped finance a pair of "store-bought" dress pants, may be one of the most underrated members of congress. It isn't that Tom is underrated by his colleagues. It's that he isn't the type who makes flamboyant speeches that attract national attention.

But he is so highly respected that even in the "rebellious" atmosphere of the current congress only eight members of the party caucus voted against him to retain his appropriations subcommittee chairmanship. Many chairmen were kicked out. His subcommittee handles keen appropriations for executive branches, including the President.

Other congressmen say that he understands the problems of all branches of government so well that he is seldom stumped by a problem and is the type so trusted that others gravitate for briefings. It goes without saying that this is especially true of other members of the Oklahoma delegation.

This respect gives him a reputation as "the most effective cloak-room congressman." What they mean is that Steed has a knack of working with individual congressmen on a one-for-one basis so closely that many members are well informed on subjects that come before the house of representatives. This gives Steed a strong base of support when a question arises on which he needs help for his district and for Oklahoma.

He works with other congressmen much as he works with constituents of his district; laying his cards on the table and bluntly explaining his position. Some politicians say that he's a "political accident." Whoever heard of a successful politician telling it like it is, if it takes the hide?

But that is Tom Steed and apparently his friends in Congress like that style of his as much as the citizens of the Fourth District have liked it for many years. His legislative influence keeps growing and his constituents keep sending him back to use his increasing respect and influence. As speaker Carl Albert once said in his introduction of his long-time friend, "This nation wouldn't have nearly as many problems if all members of congress were as dependable and competent as Tom Steed."

A CITY COUNCIL ACTS TO STOP THE GIVEAWAYS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GAYDOS. Mr. Speaker, evidence is mounting that, down at the grass roots, Americans are beginning to realize that the draining of this Nation's resources for foreign giveaways and costly overseas miiltary adventures is responsible in large part for our present economic plight.

In my home community of McKeesport, the city council is in the process of launching a movement against further handouts to Southeast Asia and has ordered a resolution to this effect drafted for presentation to State and National leagues of cities.

Our country is in serious financial circumstances. The Federal debt is running wild. President Ford proposes record peacetime deficits in the years ahead. Joblessness is at the crisis level. And still, in obedience to old notions of our free world leadership, we continue to sap what strength we have left for giveaways which we lack the courage, let alone good sense, to stop.

The McKeesport Council, I feel, reflects the thinking of most of my constituents and I believe, too, that these constituents are of a mind on foreign aid no different from millions of others across this country. If a vote were taken tomorrow on the giveaways, I am sure they would be defeated out of hand in every State of the Union.

Another manifestation of the anti-giveway consensus came to attention the other night when David Susskind had a panel of elderly ladies on his TV program to discuss their troubles in getting along in these upset times. Without prompting, the ladies agreed that, in their judgment, Uncle Sam appeared more interested in the problems of people overseas than he did in those of money-strapped aged persons here.

This, of course, can be disputed. But the fact remains, as one panelist said, that only a portion of the billions we have sent abroad could have spared thousands of American "golden-agers" worries over the source of their next meal or rent payment.

Strange it is that it has taken so long for a fundamental economic truth to catch up with us—the truth that no nation, not even one as capable as our own, can keep on, year after year, subsidizing and showering its wealth on others without in due time bringing disaster upon itself. If a true figure on our total giveaways could be obtained from the maze of our aid programs and United Nations commitments, I am sure it would come close to the total of our national debt. Thus, in substance, we have been borrowing the money we have been giving away—and still are—and this is money which this generation and future generations must sacrifice severely to pay back. Indeed, we are doing that now.

President Ford wants us to give an additional half billion dollars to South Vietnam and to Cambodia. This could be the place to start the cutoff. I, for one, shall never vote to give one more dime to Southeast Asia when, our money is so badly needed at home.

I endorse the action being taken by the McKeesport City Council. And, I applaud the protests voiced not only by the elderly ladies on David Suskind's program, but by increasing numbers of Americans everywhere—Americans who believe we have our hands full in caring for our own.

PEOPLE STILL CARE

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BRINKLEY. Mr. Speaker, among the many impressions that arise out of a period of tragedy in a community is the one that lets us know in no uncertain terms that people still care.

This was evidenced very vividly recently in my district when a devastating tornado struck Fort Valley, Ga. A lot of caring people went into action to make the aftermath of this terrible tragedy much less terrible than it could have been.

Among the groups who deserve special tribute are the fine medical personnel at the Peach County Hospital, whose disaster plan went into effect 5 minutes after the twister hit. The first patients were arriving in the emergency room scarcely 11 minutes after the plan went into effect. An article in the Macon (Ga.) Telegraph of February 20 gave details of what happened, and I ask, Mr. Speaker, that it be printed in the RECORD.

And then there was the commendable and unselfish effort put forth by members of the 421st Quartermaster Company, Army Reserve, who led the community in a massive clean-up operation in the tornado's wake. I offer for the RECORD, Mr. Speaker, a report filed with me by my district research assistant describing the dedicated services of these reservists.

The material follows:

[From the Macon (Ga.) Telegraph, Feb. 20, 1975]

FOUR TORNADO VICTIMS IN SERIOUS CONDITION

(By Nancy Solomon)

FT. VALLEY.—Four victims of Tuesday's Fort Valley tornado were listed in serious or critical condition by Peach County Hospital officials Wednesday.

Assistant Hospital Administrator Vernon Bowden estimated that 38 people came to the hospital for treatment Tuesday night.

According to hospital records, four patients were transfererd to other hospitals and eleven were admitted for treatment at Peach County Hospital. Two were discharged from Peach County Hospital on Wednesday.

The tornado killed at least one person. Joe Mullis, 85, was crushed by falling debris in his home on Ga. 96.

Another man, Fred Murphy, suffered a heart attack while taking his cows to shelter on his farm located on U.S. 341, south of Ft. Valley. It was undetermined whether he had the attack before or during the tornado.

Listed in critical condition in Peach County Hospital Wednesday was Carolyn T. Harris. Listed in serious condition were Martha R. Curtis, D. Cecil Phinazee and Evelyn M. Statham.

Mrs. Harris was being treated in the intensive care coronary unit. She suffered a heart attack while visiting at the hospital when she saw the tornado through the lobby windows.

Bowden said two patients were transferred to Macon.

He said that one of the patients, Lucinda Inman, was transferred to the Medical Center of Central Georgia because "doctors felt she needed extensive x-rays. Because of the power failure, we were unable to do the necessary x-rays."

The Medical Center listed her in fair condition.

Flossie Mae Smith was examined by a doctor in the ambulance and taken directly to the Medical Center. She had a severe laceration across her forehead and several broken bones.

Peach County Hospital records indicate 16 were treated on an out-patient basis, but Bowden said the hospital list was incomplete.

The hospital's disaster plan went into effect at 4:14 p.m. five minutes after the tornado struck the downtown area. People started coming in for treatment at 4:25.

Bowden said by 5 p.m., ambulances were "in and out unloading" patients.

Every employe that was available was called back to work. Bowden said, "If they didn't come back, they weren't able to get through or their own sickness kept them away. They were great."

The entire medical staff of the hospital came in and some of the doctors brought their own staff and nurses with them. Other doctors from the area also helped.

ARMY RESERVISTS GIVE VOLUNTEER HELP TO TORNADO HIT FORT VALLEY

At exactly 4:08 p.m. on Tuesday, February 18, 1975, a savage tornado hit the middle Georgia city of Fort Valley. Damage from the disaster totaled 2 killed, 150 injured, dozens hospitalized, and over $7 million in property losses. However, before the black day had ended, men of the 421st QM Co. Army Reserve unit located in the city were out in force leading their neighbors in a massive cleanup mission.

The Reserve center was authorized to open and use all its facilities in helping the disaster relief program. Sergeant Walter K. Kramp, "King" of the 421st motor pool, was almost immediately on the scene to coordinate the use of the unit's many military vehicles in the crisis-ridden town. Forklifts cleared debris covered streets and army transports rolled the rubble and wreckage out of town to expedite the clean up. Meanwhile, the unit's portable generators were moved out from the armory and hooked up to provide lights for the hard hit downtown area of the city which had lost all normal electricity sources.

On and on these goodwill ambassadors for the Army Reserve worked, from Tuesday afternoon to Thursday morning. And what makes it most incredible is that they gave their time and energy spontaneously and on a strictly volunteer basis, since no financial compensation or equivalent duty training credit was authorized by First Army. Therefore, these men truly gave of themselves in an hour of community need—thus exemplifying the true ideal around which the Army Reserve is built.

Some of the men of the 421st who gave so unselfishly of themselves are:

Major Malcolm G. McPhaul, Warrant Officer James Rowe, Unit Advisor Hugh D. Stripling, Unit Advisor Pete St. John, Unit Advisor Benny Law, SSG John W. Bennett, SSG Walter K. Kramp, SSG Andrew K. Dennis, SGT Daniel Dixon, SGT Hosie White, SGT Wallace Freshwater, SP5 George Yeomans, SP5 J. D. McCrary, SP5 William Davies, SP5 Frank Wade, SP5 Clarence Breedlove, SP4 Ronnie Bowden, SP4 J. D. McGee, SP4 David Dennard, PFC Frederick Way, PVT Willie Plant.

SOCIAL SECURITY SYSTEM

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HILLIS. Mr. Speaker, I am deeply concerned over the deteriorating financial status of the Social Security System. I would like to share with my colleagues the following article which appeared in the Wall Street Journal of February 27, 1975:

EBBING RESOURCES: SOCIAL SECURITY SYSTEM IS ON WAY TO GOING BROKE, ANALYSTS WARN

(By Jonathan Spivak)

WASHINGTON.—New financial shock waves are surging through the already-troubled Social Security system.

Recent cost estimates are revealing worsening short- and long-range problems for the nation's massive retirement program. At the current rate of spending and income, the system will run out of money by 1980 or soon afterward, actuarial experts warn.

Buffeted by the recession, the system's retirement and disability trust funds totaling $45 billion will begin dwindling this year for the first time in a decade. Outgo will exceed income by as much as $2.5 billion this year; on the basis of current economic assumptions, the deficit is expected to leap to $6.1 billion next year and $8.3 billion the following year.

These figures have been presented to the House Ways and Means Committee, which writes the Social Security laws. Some committee members, notably Republican William Archer of Texas, are aghast. "The situation has changed radically," laments a Social Security expert.

WAITING IN CONGRESS

To honor commitments to the system's 30 million beneficiaries, sizable infusions of revenue will soon be required, actuaries say. In the short range, many figure, the funds need at least a $7 billion-a-year—or 10% —increase in revenue. Some actuaries contend the sum should be $10 billion.

The experts estimate that Social Security payroll taxes will have to be raised at least one percentage point and perhaps one and a half points from the present total of 11.7% of wages levied on employer and employee. They say action can't wait long. But Congress may have until next year to meet the issue. The Ford administration will probably push for an increase effective in 1977, when the economy will presumably be picking up.

Adverse economic trends and a declining birth rate are also worsening the threat of a long-term Social Security deficit, extending far into the 21st Century. Recently this deficit was expected to require a three-percentage-point increase in the total Social Security tax, now the added revenue need is projected at about six percentage points. "The longer we delay, the more severe the (tax) increase has to be," warns Jerome

Van Gorkom, a member of an advisory committee that has been studying Social Security financing for the past year.

UNPALATABLE CHOICES

The new cost calculations, which are still being completed, will be in the 1975 report of the Social Security trustees, due out in April. They are sure to alarm the public and force politicians to face unpalatable choices of increasing payroll taxes, finding other sources of revenue or curtailing future benefits—or perhaps a combination of all three. "The time has come when the country has to face the hard facts of life; you can't go on ever expanding the program," says Robert Myers, former chief Social Security actuary and now professor of actuarial science at Temple University.

Congress already is showing concern about Social Security's difficulties and about public fears for the system's solvency. The Ways and Means Committee has established a series of investigating task forces and will hold public hearings later this year. The Senate Finance Committee also plans to examine the financing problem.

The main issue now is whether to place the burden on all 100 million workers who pay into Social Security by simply raising the tax rate or whether to exact the price just from upper-income workers by raising the amount of earnings subject to the Social Security tax. The 11.7% tax now is levied on a maximum of $14,000 annual earnings with employers and employees evenly splitting the cost. The average worker pays $476.21 a year; the maximum annual contribution is $824.85.

DARKENING OUTLOOK

For the long run, administration officials and many others want to revise the way Social Security benefits are calculated so as to curtail the substantial benefit increases that the present machinery produces under automatic cost-of-living adjustments. (If prices continue to escalate, some workers will actually receive more in retirement than they earned on the job.)

The proposed change would let already-retired persons continue to receive benefit boosts based on increases in the consumer price index. But future payments for those who are now working would rise only through increases in their earnings. While such an arrangement would make little difference in Social Security's immediate cost, it could save substantial sums in the future. After the turn of the century, benefit increases might be held to only half the heights they would otherwise reach if sizable inflation continues.

The Social Security system actually consists of three separate programs providing retirement and survivor benefits, payments to disabled workers and health insurance for the aged—best known as Medicare. They're financed by separate trust funds, fed by some general government revenue but mainly by the 11.7% payroll tax, which includes a special Medicare levy. The funds can be used only for their designated purposes. The system's trustees are the Secretaries of the Treasury, Labor and Health, Education and Welfare departments, but the HEW Department's Social Security Administration manages the operation.

The retirement and survivors program, the biggest part of Social Security, aids 26.5 million aged widows of deceased workers and their surviving dependent children. Benefits vary with the amount of money a worker has paid in taxes; a worker retiring at age 65 this year would receive a maximum benefit of $316.20 a month if he paid taxes on the maximum Social Security earnings for the past 19 years. But a generous minimum benefit of $93.80 gives a low-income workers proportionately more for their contributions. A retiree's wife automatically receives half of her husband's benefits, a deceased worker's surviving children get 75%, and widows receive up to 100%.

Serious concern about Social Security financing arose last year, but the outlook for the system has darkened drastically in the past few months as the economy has foundered. Unemployment erodes payroll-tax revenues and it speeds the drain on the funds as more workers seek retirement or disability payments. At the same time, inflation increases Social Security outlays. Because benefits are tied to the cost of living, there will be an automatic increase of more than 8% in July; last year this boost was projected at only 4.4%. Though President Ford has proposed limiting the increase to 5%, there isn't a chance that Congress will agree.

The 1974 trustees report, issued last June, predicted that the retirement and disability funds would continue to increase to the year 1980 and it foresaw no need for a payroll tax increase for five to 10 years to come. But the latest forecasts project an immediate decrease the trust funds leading toward their exhaustion by the end of 1980.

Here are the contrasting projections for changes in the funds during each of the years just ahead:

New projection and 1974 projection

1975, down $2.5 billion, up $210 million.
1976, down $6.1 billion, up $389 million.
1977, down $8.3 billion, up $797 million.
1978, down $9.5 billion, up $154 million.

The latest estimates are based on the economic assumptions in the President's new budget, which some seers find too pessimistic. In any case, some authorities insist the current shrinkage in Social Security trust funds is nothing so terrible; they say the funds are providing a needed cushion against the recession.

"Social Security beneficiaries get more money than is being deducted from workers' earnings as Social Security contributions, and today this is good for the economy," insists former Social Security Commissioner Robert Ball. As business picks up, the system's difficulties will diminish, he and others argue.

Payroll-tax increases to make up the projected deficits will be pushed anyway, and they will draw fire from both labor and business groups.

Unions will fight one approach—a boost in the tax rate—because it would hit particularly hard at low-income workers. A family of four earning $4,300 a year, while too poor to pay federal income taxes, puts out $251.55 in Social Security contributions. Thus "we certainly would not want to increase the payroll tax from its current levels," says Bert Seidman, director of the AFL–CIO's department of Social Security. As one alternative, the federation urges a gradual increase in the taxable wage base to $28,000 a year.

But businessmen, notably in the insurance industry, balk at further wage-base increases. Unlike the tax-rate boosts, such increases automatically yield bigger retirement benefits and thus enable the system to encroach on private pension plans. Already the wage base is expected to rise to $15,300 next January. This will mean a $72.20 increase in the maximum Social Security contribution to $895.05—but also higher benefits for the 15% of the work force that earns above the current $14,100 ceiling; this group receives the maximum benefits but also is the ripest target for insurance men selling private pension plans. "Our industry thinks the wage base is already too high," declares J. Henry Smith, chairman of Equitable Life Assurance Society of New York City.

The only other alternative is infusion of general tax revenues, a remedy long sought by labor, liberals and certain Social Security experts to help liberalize benefits and ease the tax burden on lower-income workers. So far the retirement and disability pensions have been financed almost entirely by levies on employers and employees. With opposition to payroll tax increases mounting, general revenue financing appears essential to some.

Democratic Rep. James Burke of Massachusetts, who heads a new Ways and Means subcommittee on Social Security, wants to pour $16.4 billion of general revenues into the program and lower the 11.7% total payroll tax is 9.5%. "The Social Security tax should never be above 10%," Mr. Burke argues. He has more than 100 House sponsors for his bill.

The Social Security Advisory Council offers a different approach: it would finance Medicare out of general revenues instead of from the special 1.8% health-insurance tax that's part of the Social Security payroll tax. The 1.8% tax would be used to meet the deficit in the retirement and disability funds. At first, $7 billion a year in general revenues would be required; more would be needed later.

But Social Security financing out of general revenues will be rigorously resisted by the administration and many Social Security experts. They fear it would weaken workers' willingness to contribute to their own retirement, the source of much of the program's political acceptance. Conservatives contend that general revenue financing is a step toward converting Social Security from an insurance plan into a welfare program. "I think we should go very cautiously and carefully towards general-revenue funds," says James B. Cardwell, Social Security commissioner.

Like the short-term threat, Social Security's long-term problems spring partly from inflation. Higher prices force payment of bigger benefits but don't adequately increase revenues to the trust funds. Beyond that, a lower birth rate indicates there may be fewer workers in the future contributing to the funds to help support the aged. These two forces may take their greatest toll on Social Security funds after the turn of the century.

Though it may seem rather arbitrary to make forecasts extending to the middle of the 21st Century, the Social Security trustees last year projected a 75-year deficit equal to 3% of the nation's total payroll for those 75 years; their new report is expected to double this deficit. An independent group of actuaries has produced the same estimate for the Senate Finance Committee. The change results from altered long-range assumptions. Births are now predicted to decline to 1.6 or 1.7 children per woman of child-bearing age from the current 1.9 rate, before rising toward a stable-population level of 2.1. Last year the experts assumed a steady increase from 1.9 to 2.1.

In the new long-range projections, prices will be assumed to rise at a rate of 4% or 5% a year and wages to increase by 6% or 7%; in 1972 the assumptions were only 2% for prices and 4% for wages. The present financing system produces enough revenue to pay for rising benefits only if wages climb twice as fast as prices. The more prices increase relative to wages, the worse Social Security's financial plight becomes.

PERSONAL EXPLANATION

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mrs. SPELLMAN. Mr. Speaker, I was working with the other members of the Commission on the Review of the National Policy Toward Gambling during our public hearings, February 19, and was, therefore, inadvertently out of the House Chamber at the time of rollcall vote No. 16 on final passage of the Regional Rail Reorganization Amendments, H.R. 2051. Had I been present, I would have voted in favor of that bill.

FEDERAL ID CARDS?

HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. KARTH. Mr. Speaker, in recent days the specter of the police state has been raised in our country. I refer to the proposal made by Miss Frances Knight of the State Department which would require all Americans to carry identity cards.

The St. Paul Dispatch of February 25, 1975, carries an editorial which lambastes this liberty-limiting idea. I heartily commend the editor for his attack on this bureaucratic zealotry. The editorial follows:

[From the St. Paul Dispatch, Feb. 25, 1975]

FEDERAL ID CARDS?

What's gotten into the federal government, with all its zealousness to protect us? First it was the Justice Department, and now the director of the State Department's passport office; they want all Americans to carry government-issued identification cards. For our own good, of course.

Early this month Justice proposed we all be required to carry IDs so that illegal aliens couldn't take our jobs, and this week Frances Knight, the passport biggie, says we all need IDs—complete with fingerprints (and who knows what else?)—to protect us from "criminal impersonations."

Last year alone, says Miss Knight, there were 791 passport frauds. Think of that! To prevent the issuance of seven or eight hundred phony passports, 200 million Americans should have their fingers inked, their photos taken and, likely, a few other pertinent and impertinent personal data recorded and filed. A trifling price to pay for keeping the passport office happy, or preventing a wetback from getting a job weeding lettuce.

There are some other dandy uses to which national IDs have been put. In the Soviet Union they are used to keep citizens from moving about the country without official permission. That includes 40 or 50 million collective farmers who for years have been denied even the simple right to leave their villages. In South Africa the national identification card is the government's chief weapon for enforcing the harsh apartheid laws.

Identity cards—whether issued by governments or the neighborhood bank or department store—are not just cards any more. They are keys to coded data banks, with much of the information in their scanner-read numbers privy only to the issuing agency. Moreover, only a coded card can be made reasonably counterfeit-proof, and one can count on the government's taking precaution against counterfeiting. So what's to prevent our friendly bureaucratic protectors from adding a blip or a series of dots and dashes to indicate, say, one's credit rating? Or "standing in the community" (as determined by the kind of unevaluated gossip that chokes the FBI's current files)? Or one's "loyalty"? (A fellow in Texas found out the other day that his opposition to a nuclear power plant got him branded as "subversive" in a state dossier.)

Miss Knight says, "I predict that national registration eventually will come to this country," and that is the most chilling remark of all because it probably is true. It will not come, however, for the reasons adduced by Miss Knight, i.e., that "it will be demanded by citizens who are sick and tired of supporting non-taxpaying criminals and illegal aliens" (note the illegal aliens: has she been talking it over with the Justice Department?) It will come, if it does, because bureaucratic power is never sated. That power feasts on control over the citizen for control's sake—and justifies the demands of its appetite with sanctimonious avowals that it only wants to "protect."

That kind of protection is the murderer of liberty.

THE VARIABLE-RATE MORTGAGE

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DRINAN. Mr. Speaker, it appears to be more and more likely that the Members of Congress might have to make some decision with respect to the variable mortgage rate.

With this in mind, I make available a very balanced presentation of the issues involved in this topic. This editorial is taken from the Worcester, Mass., daily Telegram of February 18, 1975.

The editorial follows:

THE VARIABLE-RATE MORTGAGE

The several painful mortgage-money crunches of recent years are responsible for the revival of an old but controversial idea for preventing credit starvation of the housing market—the variable-rate mortgage.

Under this type of home mortgage, the interest rate, and therefore the homeowner's monthly payments, rise and fall with other interest rates in the economy instead of remaining fixed at the market level current when the mortgage was negotiated.

Mortgages with modestly variable rates were commonly written by First Federal Savings & Loan Association before 1969. A clause allowed the association to raise its rate a total of 1 per cent during the life of the mortgage if the rate it had to pay on savings to compete for deposits rose. But when the savings rate reached 5 per cent in 1969 and First Federal raised its mortgage rate .5 per cent on old mortgages that were paying less than 5 per cent, there was such a public uproar that First Federal never raised the rate further and stopped writing variable-rate mortgages.

Today's revival of variable rates is already widespread in California and Florida. At least one savings bank in Worcester is starting to write such mortgages. Others expect to follow suit, although they are worried about public acceptance.

And now the Federal Home Loan Bank, which governs federal savings and loan associations, has proposed regulations that could drastically expand use of variable-rate mortgages. It proposes that rates vary upward and downward as much as 2.5 per cent with the economy.

The Home Loan Bank does not need Congressional consent to authorize its member associations to start writing such mortgages, but its chairman, Thomas R. Bomar, says that as a practical matter his board isn't likely to defy "the will of Congress." So the House and Senate banking committees are expected to hold hearings on the proposal. These hearings are likely to be heated. Two similar previous proposals met with almost universal opposition from congressmen, consumer groups and labor leaders.

Opponents say variable-rate mortgages merely switch the cost of rising interest rates from banks to homeowners. They say the effect would be inflationary. "Homeowners would have to demand higher wages and salaries to keep up," AFL President George Meany warns.

Mortgage bankers, who generally favor variable-rate mortgages, think the opposition may have softened now, however. Interest rates are now headed down instead of up, so borrowers would tend to benefit.

The bankers blame fixed rates for the mortgage-money famines of 1966, 1969 and 1973–74. And they point out that holders of old mortgages have benefited vastly at the expense of savers and new borrowers.

The banks' problem is that they are locked into a lot of long-term home loans going back to 1950 at rates as low as 4 per cent, and they often can't afford to pay their savings depositors rates as high as those paid by Treasury notes and commercial paper. When short-term interest rates rise as they did over the last few years, the banks suffer severe losses of deposits. Consequently, they don't have money to lend in new mortgages, even at rates twice as high as holders of old mortgages are paying. This, in turn, hurts the construction industry.

A general trend to variable-rate mortgages would remedy this situation over a period of years, the bankers say. Only new mortgages would have variable clauses. The banks could not alter the fixed-rate terms of old mortgages.

One Worcester savings bank estimates that if it had been writing variable-rate mortgages over the past generation, it could now offer home loans at 8 to 8.25 per cent instead of 9.5 to 10 per cent, and banking regulations could permit higher ceilings on rates paid savers. Bankers point out that they have a responsibility to savers as well as borrowers. A typical savings bank has five times as many depositors as it has home loan borrowers.

In fairness to savers, then, and in order to stabilize the industry so that one generation of home buyers does not again profit at the expense of the next generation, the variable-rate mortgage is a must, the bankers say.

The bankers make a good case. Yet what they propose flies in the face of conventional thinking that bank payments on a house should not rise over the years. It will take a lot of selling to get public acceptance of variable-rate mortgages. The selling job, evidently, will start shortly, at those upcoming Congressional hearings.

REMARKS TO ACCOMPANY INTRODUCTION OF BILL TO SUSPEND UNTIL JUNE 30, 1977 THE DUTIES ON CALCINED PETROLEUM COKE NOT COMMERCIALLY SUITABLE FOR USE AS A FUEL

HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MEEDS. Mr. Speaker, I am today introducing a bill into the House aimed at abating one of the problems caused by the petroleum shortage. This bill, if passed into law, would temporarily suspend the duties on calcined petroleum coke not commercially suitable for use as a fuel. Specifically, it would suspend until June 30, 1977 the 7.5 percent duty on importation of calcined petroleum coke.

The whole aluminum industry depends

on the use of calcined petroleum coke in the reduction of aluminum. The jobs of thousands of workers in aluminum reduction plants are involved, as is the financial health of independent aluminum producers across the Nation.

Allow me to explain. Calcined petroleum coke is used in large quantities to form the electrical anodes which pass the electric currents to melt aluminum ore and reduce it to molten aluminum. Between 40 and 45 pounds of coke are consumed in the production of 100 pounds of aluminum. Just one plant [illegible] my district, for example, consumes 110,000 tons of calcined petroleum coke a year to produce 260,000 tons of aluminum.

Due to the petroleum shortage, however, calcined petroleum coke is getting scarce. Independent aluminum producers are finding it more and more difficult to buy the grades of coke they need. Suspension of the 7.5-percent duty on imported coke would alleviate the shortage and allow independent producers of aluminum, particularly, to maintain and expand operations.

In human terms, that means jobs saved and new jobs created, vital to our economy in this time of severe recession.

Mr. Speaker, the general oil shortage has had a domino effect on the pet coke industry, and consequently, on the independent producers of aluminum. The shortage has caused:

First. A severe domestic shortage of residual refinery "green" coke which is used in the calcining process. Domestic producers are using their residual oil for other products, such as heavy fuel oil, asphalt, or other alternates.

Second. Unstable and varying "green" coke specifications, leading to poor and sometimes unusable feed stock for metallurgical cokes.

So, considering the shortages of petroleum coke in the United States, I feel that the 7.5-percent duty on imports is a burden on the independent aluminum producers and contrary to the national interest.

Because the largest producers of aluminum also produce their own calcined petroleum coke, they are not materially affected by the coke shortage. Only the smaller independents are. Therefore, I feel that they are unfairly penalized by the 7.5-percent duty when they are forced by shortages to go into the international market to purchase pet coke.

There no longer is a need to protect a fledgling domestic industry in calcined petroleum coke. Domestic producers are booked up full for years to come, and are turning away business.

And finally, because increased imports of pet cokes will free up petroleum for other uses in this country, the suspension of the duty will help alleviate the oil shortage.

MY RESPONSIBILITY AS A CITIZEN

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. FISHER. Mr. Speaker, the Voice of Democracy Contest, conducted annually by the Veterans of Foreign Wars, this year chose as its theme "My Responsibility as a Citizen." Students participating in the contest are required to submit a broadcast script which is judged on the basis of content, originality, and delivery.

Mr. Marcus Webb, an Alexandria resident of my district, has been chosen as a winning contestant for his speech. Marcus attends Gonzaga High School in Washington, D.C., and his essay is a fine example of the speeches which have been selected by the Veterans of Foreign Wars for a final judging in March.

Because of his accomplishment, Marcus will have the opportunity to participate further in the voice of Democracy program and compete for one of five national scholarships provided by the VFW.

The following is the text of Marcus Webb's speech on "My Responsibility as a Citizen":

MY RESPONSIBILITY AS A CITIZEN

The United States demands very little from its citizens: pay your taxes, obey the laws, register for military service. But a good American knows that he owes America more than meeting legal obligations. An American citizen has a moral obligation to America.

Now all this about Americans being cynical and disillusioned is ridiculous. Americans are the most idealistic people in the world. Americans believe in freedom; democracy; equality.

Good citizens have always worked to make those ideals into realities. All real Americans have always fought to keep those ideals alive and secure. During the American War for Independence, Patrick Henry spoke out for American liberty. Thomas Jefferson worked for American democracy. George Washington fought for American freedom.

These men showed what it's like to be a real American: patriotism in service of American ideals. Following their example is my most important responsibility as an American citizen.

Now a lot of people think that opportunities for one person to help his country are like miracles in the Bible: it may have been possible a long time ago, but not today. Now that's not true.

A patriotic citizen today can start by knowing and respecting our history, our traditions. He must respect our flag, our National Anthem, and the beliefs they stand for. Ridicule of patriotism is disloyal. The pseudo-sophisticates who think that patriotism is corney and passe might as well be citizens of the moon.

Now another thing: active patriotism also includes political activity. The Democratic System lets citizens take sides and decide issues. When citizens vote in elections, they take the American dream of government by the people and make it work.

Now a real citizen must be an active patriot in smaller ways, too. Citizens can keep American ideals alive every day in their homes and where they work. Honesty, Fairness. Integrity. A good citizen helps America most by trying to live up to those ideals in his daily life.

Now there's something which all good citizens must always be ready to do: defend America. If a foreign power threatens our safety, defend America. If apathy and subversion at home threatens our strength, defend America. If dishonesty and disloyalty threatens our democracy, defend America! Our military protects us from foreign threats, but a good citizen is America's only defense against defeat from within.

No real American ever did his duty grudgingly. A real American is willing to sacrifice . . . and eager to serve. Fighting for America's freedom-living for America's ideals: this is a citizen's greatest service.

America's future is in the hands of her citizens. We will protect her. Tomorrow and tomorrow, Americans will work to keep America strong; fight to keep America free; strive to keep America great. American ideals will live on.

As an American, I feel proud to face the challenge of American citizenship. I'll give my best effort. America deserves it.

MEDICAL MALPRACTICE INSURANCE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DOWNEY. Mr. Speaker, on February 5 I introduced H.R. 2804, a bill to establish a medical malpractice reinsurance program, and to conduct experiments and studies on medical malpractice. This bill will take the first step of surveying this most important issue. It will begin the work that has to be done if we are to avoid a massive dislocation in the delivery of health services to a significant proportion of our population. I insert the bill in the RECORD at the conclusion of my remarks.

The crisis in health care created by the recent dramatic increases in the cost of medical malpractice insurance is one that public officials on both the State and Federal levels must soon address. The cry for action is being heard from throughout the Nation, and the residents of my own State of New York have been particularly articulate on this issue. It is my feeling that we, as representatives of the people, must listen closely to the current series of editorials, commission reports, and letters that comprise the public debate. Numerous letters, calls, and visits from my constituents, both lay persons and medical practitioners, have persuaded me to view the problem of inflated malpractice insurance rates with a new sense of urgency. I hope my colleagues in the House of Representatives will do the same.

The effects of this dramatic increase in premiums are comprehensive, and not as yet entirely predictable. Members of the Medical Society of New York, for example, have been confronted in 1969, 1970, and 1971, with premium increases of 55, 65, and 45 percent. One effect of such rates is increased costs to the patient during a time when the cost of good medical care is already prohibitive for many families. Hospitals, for example, are estimated to charge an additional $2 per day per bed for malpractice protection, with an increase of that estimate to $4 per day for 1975. The patient pays additionally in the form of defensive medical procedures that physicians practice to lessen the likelihood of a suit against them later on. One authority estimates, for example, that 70 percent of the X-rays of emergency room patients are taken to protect the doctor and the hospital.

If the current costs continue, there is the real possibility that patients will bear the additional burden of fewer specialists from which to choose. Anesthesiologists, orthopedists, plastic surgeons, and nurosurgeons can expect their insurance costs to triple. This is especially true in such States as New York, California, and Florida where there is a greater tendency among citizens to bring suit. There is probably no speedier way to discourage talented men and women from entering a high-risk specialty in a high-risk State than to compel them to incur premium costs of around $10,000 to $20,000 and more. Besides limiting the number of specialists, such a trend could easily persuade them to locate outside of the high-risk areas which tend also to be the most populous, thereby denying full medical protection where it is most needed.

There is the added possibility that physicians, whether specialists or not, will be driven out of practice altogether. There are already indications suggesting that capable practitioners are finding research and teaching preferable to the expense of maintaining a practice. Much of the added expense is caused by high premiums.

The plight of the medical students just entering practice is also a matter of concern. Consider the young person who has more likely than not incurred a debt to finance his several years of education, and who will very likely assume further debts to esatblish a practice. I think that as a matter of public policy, we as a nation should take care not to saddle new doctors with additional starting costs. This is no time to in any way discourage new physicians.

Retired doctors are also affected by the dizzying costs of insurance. These retirees form a manpower pool from which practicing physicians draw when they need coverage for their practice while on sabatical, on vacation, or attending conventions. This pool will simply dry up because retired doctors on limited income can not afford such high premiums for the few weeks of the year they would be working.

The relentless march toward burdensome insurance rates shows no sign of slowing. Already the trend has reached crisis proportions in Maryland where one insurance carrier was intending to stop coverage for over 3,000 State doctors, and was prevented from doing so only by order of the State insurance commissioner. The doctors of Hawaii and Utah did actually lose their coverage temporarily a few years ago. Many doctors in New York who are insured by the Argonaut Insurance Co., have learned that the company intends to terminate their malpractice insurance on July 1. Clearly, there is a role government will play in this matter.

We have many directions in which to move and we must look at each one of them carefully. We have to decide what role the Federal Government should, or could play. We may have to choose between provisions for contingency insurance or for reinsurance at the Federal level. We may choose to devise mechanisms that would encourage out-of-court solutions such as local no-fault systems, arbitration, screening panels, peer reviews, or others. We should also urge our colleagues in our respective State legislatures to address themselves to this insurance issue which has traditionally come under the purview of the States.

The time to begin the work is now. It is with a new sense of urgency that I speak on this issue that affects all doctors and the millions of their patients. I urge my colleagues today to come to the aid of our beleaguered health care system, and begin the legislative work that will solve the medical malpractice mess.

The legislation which I am reintroducing today with 27 cosponsors is a first step toward reducing the costs of medical malpractice insurance and ultimately of health care. The bill establishes a national medical malpractice development fund, patterned after the Federal riot and flood reinsurance program, to protect primary insurance companies against catastrophic malpractice claims losses. Insurance companies could voluntarily pay into the reinsurance pool, which would be supported by such payments. The legislation also calls for evaluation of alternative methods of providing insurance to physicians and of settling of malpractice claims, including demonstrations of no-fault insurance and compensation, prelitigation screening, arbitration, and mediation.

The cosponsors of H.R. 2804 are, as follows: Mr. Rosenthal of New York, Mr. Pattison of New York, Mr. Wolff of New York, Mr. Mollohan of West Virginia, Mr. Gaydos of Pennsylvania, Mr. Won Pat of Guam, Mr. Devine of Ohio, Mr. Helstoski of New Jersey, Mr. Conte of Massachusetts, Mr. Richmond of New York, Mr. Fascell of Florida, Ms. Chisholm of New York, Mr. Lloyd of California, Mr. Scheuer of New York, Mr. Carr of Michigan, Mr. Seiberling of Ohio, Mr. Edgar of Pennsylvania, Mr. Cornell of Wisconsin, Mr. Daniels of New Jersey, Mr. Simon of Illinois, Mr. Baldus of Wisconsin, Mr. Maguire of New Jersey, Mr. Rodino of New Jersey, Ms. Holtzman of New York, Mr. Solarz of New York, Mr. Roe of New Jersey and Mr. Boland of Massachusetts.

The bill follows:

H.R. 2804

A bill to authorize the Secretary of Health, Education, and Welfare to establish a medical malpractice reinsurance program, and to conduct experiments and studies on medical malpractice

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Medical Malpractice Insurance Act".

AUTHORITY

Sec. 2. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") is authorized to offer to any insurer or pool, subject to such rules and regulations as he may prescribe, reinsurance against liability for damages resulting from acts of medical malpractice.

(b) In carrying out the medical malpractice reinsurance program authorized by subsection (a) of this section, the Secretary shall arrange for—

(1) appropriate financial participation and risk sharing in the reinsurance program by insurance companies or other insurers, and

(2) other appropriate participation on other than a risk-sharing basis by insurance companies or other insurers, insurance agents and brokers, and insurance adjustment organizations.

(c) The Secretary shall make reinsurance available in such amounts as he determines to be necessary, based upon actuarial studies, but shall make available initially such insurance in amounts in excess of $25,000.

CLAIMS AND JUDICIAL REVIEW

Sec. 3. (a) All reinsurance claims for losses under this Act shall be submitted by insurers in accordance with such terms and conditions as may be established by the Secretary.

(b) (1) Upon disallowance of any claim under color of reinsurance made available under this Act, or upon refusal of the claimant to accept the amount allowed upon any such claim, the claimant may institute an action against the Secretary on such claim in the United States district court for the district in which a major portion (in terms of value) of the claim arose.

(2) Any action under paragraph (1) must be begun within one year after the date upon which the claimant received written notice of disallowance or partial disallowance of the claim.

(3) The district courts of the United States have exclusive jurisdiction to hear and determine actions brought under this subsection without regard to the amount in controversy.

USE OF EXISTING FACILITIES AND SERVICES

Sec. 4. In carrying out his responsibilities under this Act, the Secretary may utilize—

(1) insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, as fiscal agents of the United States, or

(2) officers and employees of any executive agency (as defined in section 105 of title 5, United States Code) as the Secretary and the head of any such agency may from time to time agree upon, on a reimbursement or other basis.

ESTABLISHMENT OF AFFORDABLE RATES

Sec. 5. (a) In establishing the rates for various reinsurance coverages offered from time to time under this Act, the Secretary shall consult with appropriate State insurance authorities and other knowledgeable persons and is authorized to take into consideration the nature and degree of the risks involved, the extent of anticipated losses, the prevailing rates for similar coverage in adjacent or comparable areas and territories, the economic importance of the various types of coverage, and the relative abilities of the particular classes and types of insurers to pay the full estimated costs of such coverage. Nothing in this section shall be construed to prohibit or require either the adoption of uniform national rates or the periodic modification of currently estimated affordable rates for any particular line or subline of coverage, class, State, territory, or risk on the basis of additional information or actual loss experience.

(b) For purposes of this section, the term "rate" means such premium rate as the Secretary determines would permit the purchase of a specific type of insurance coverage by a reasonably prudent person in similar circumstances with due regard for the costs and benefits involved.

REPORTS AND STUDIES

Sec. 6. (a) The Secretary shall—

(1) conduct a comprehensive study to determine the direct and indirect costs of medical malpractice claims, including litigation arsing out of such claims, in all federally supported health care programs;

(2) explore alternative methods of classifying in dividual medical practitioners and institutions for medical malpractice insurance ratemaking purposes;

(3) study recommend methods of minimizing the cost of litigation, including the contingency fee system;

(4) develop a contingency plan to provide

medical malpractice insurance if such insurance were to become unavailable through private insurance companies.

(b) (1) In carrying out his functions under this Act, the Secretary is authorized to provide financial assistance to persons for the purpose of studying and evaluating new and alternative methods of settling medical malpractice claims, including but not limited to studies and demonstration projects of no-fault insurance and compensation plans, prelitigation screening programs, arbitration programs, and mediation of disputes.

(2) Assistance may be provided under paragraph (1) under such terms and conditions as the Secretary may by regulations prescribe.

(c) The Secretary shall annually report to the President and the Congress on his operations and activities under this Act together with such recommendations as may be appropriate.

RECORDS, ANNUAL STATEMENT, AND AUDITS

SEC. 7. (a) Any insurer, or pool, acquiring reinsurance under this Act shall furnish the Secretary with such summaries and analyses of information in its records as may be necessary to carry out the provisions of this Act, in such form as the Secretary in cooperation with the State insurance authority, shall, by regulation, prescribe. The Secretary shall make use of State insurance authority examination reports and facilities to the maximum extent feasible.

(b) Any insurer or pool acquiring reinsurance under this Act shall file with the Secretary a true and correct copy of any annual statement, or amendment thereof, filed with the State insurance authority of its domiciliary State, at the time it files such statement or amendment with such State insurance authority. In addition, any such insurer or pool shall file any information pertaining to medical malpractice insurance as the Secretary may determine is necessary for carrying out the provisions of this Act.

(c) Any insurer or other person executing any contract, agreement, or other appropriate arrangement with the Secretary under this Act shall keep reasonable records which fully disclose the total costs of the programs undertaken or the services being rendered, and such other records as will facilitate an effective audit of liability for reinsurance payments by the Secretary.

(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of investigation, audit, and examination to any books, documents, papers, and records of any insurer or other person that are pertinent to the costs of any program undertaken for, or services rendered to, the Secretary. Such audits shall be conducted to the maximum extent feasible in cooperation with the State insurance authorities and through the use of their examining facilities.

ADVANCE PAYMENTS

SEC. 8. Any payments which are made under the authority of this Act may be made, after necessary adjustments on account of previously made underpayments or overpayments in advance or by way of reimbursement. Payments may be made in such installments and on such conditions as the Secretary may determine.

RECOVERY OF PREMIUMS; STATUTE OF LIMITATIONS

SEC. 9. (a) The Secretary in a suit brought in the appropriate United States district court, shall be entitled to recover from any insurer the amount of any unpaid premiums lawfully payable by such insurer to the Secretary.

(b) No action or proceeding shall be brought for the recovery of any premium due to the Secretary for reinsurance or for the recovery of any premium paid to the Secretary in excess of the amount due to it, unless such action or proceeding shall have been brought within five years after the right accrued for which the claim is made, except that, where the insurer has made or filed with the Secretary a false or fraudulent annual statement or other document with the intent to evade, in whole or in part, the payment of premiums, the claim shall not be deemed to have accrued until its discovery by the Secretary.

PAYMENT OF CLAIMS

SEC. 10. The Secretary is authorized to issue orders establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any liability which is covered by medical malpractice reinsurance made available under the provisions of this Act.

NATIONAL INSURANCE DEVELOPMENT FUND

SEC. 11. (a) To carry out the programs authorized under this Act, the Secretary is authorized to establish a National Medical Malpractice Reinsurance Development Fund (hereinafter referred to as the "fund") which shall be available without fiscal year limitations—

(1) to make such payments as may, from time to time, be required under reinsurance or direct insurance contacts under this Act;

(2) to pay such administrative expenses as may be necessary or appropriate to carry out the purposes of this Act; and

(3) to repay to the Secretary of the Treasury such sums, including interest thereon, as may be borrowed from him for purposes of such programs under this Act.

(b) The fund shall be credited with—

(1) reinsurance premiums, fees, and other charges which may be paid or collected in connection with reinsurance;

(2) interest which may be earned on investments of the fund;

(3) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

(4) such amounts which are hereby authorized to be appropriated as may be necessary from time to time to reimburse the fund for losses and expenses (including administrative expenses) incurred in carrying out the program;

(5) receipts from any other source which may, from time to time, be credited to the fund; and

(6) funds borrowed by the Secretary and deposited in the fund.

(c) If, after any amounts which may have been advanced to the fund from appropriations have been credited to the appropriation from which advanced, the Secretary determines that the moneys of the fund are in excess of current needs, he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

SEC. 12. (a) (1) There is established a Federal Medical Malpractice Reinsurance Advisory Board (hereinafter called the "Board") consisting of nineteen members appointed by the Secretary. Members of the Board shall be selected from among representatives of the general public, medical practitioners and other providers of health care services, the legal profession, the insurance industry, State and local governments including State insurance authorities, and the Federal Government. Not more than two members of the Board shall be regular full-time employees of the Federal Government; not more than three shall be representatives of the general public; not less than four shall be representatives of health care providers; not less than four shall be representatives of the legal profession; not less than four shall be representatives of the insurance industry; and not less than two shall be representatives of State insurance authorities.

(2) The Secretary shall designate a Chairman and a Vice Chairman of the Board.

(3) Each member shall serve for a term of two years or until his successor has been appointed, except that no individual who is appointed while a full-time employee of a State or the Federal Government shall serve in such position after he ceases to be so employed, unless he is reappointed.

(4) Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of that term.

(b) The Chairman shall preside at all meetings, and the Vice Chairman shall preside in the absence or disability of the Chairman. In the absence of both the Chairman and Vice Chairman, the Board may appoint any member to act as Chairman pro tempore. The Board shall meet at such times and places as it may fix and determine, but shall hold at least four regularly scheduled meetings a year. Special meetings may be held at the call of the Chairman or any three members of the Board.

(c) The Board shall review general policies and shall advise the Secretary and perform such other functions as he may require.

(d) The members of the Board shall not, by reason of such membership, be deemed to be employees of the United States, and such members, except those who are regular full-time employees of the Government, shall receive for their services, as members, the per diem equivalent to the rate for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, when engaged in the performance of their duties, and each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title for persons in the Government employed intermittently.

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

ROTARY MARKS 70TH ANNIVERSARY

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. O'BRIEN. Mr. Speaker, this month marks the 70th anniversary of the founding of Rotary International.

Practically all of us are familiar with this outstanding service organization and with the good work it performs in our communities. In my own district, the Rotary Club, of Kankakee, has sponsored numerous student foreign exchanges, raised funds, and organized a meals on wheels program for needy elderly, and given generously of their time and themselves to make the "Big Brother" program they organized for youngsters a success.

These are just a few of the projects Rotarians have become involved in since the group was founded in February 1905 by a Chicago lawyer named Paul Harris. Today there are some 750,000 Rotarians living and working in 151 countries to improve their communities and foster greater understanding between differing societies.

I want to congratulate the Rotary for having achieved the ripe old age of 70

and wish the organization many more years of growth and activity.

The following is an article published in the Kankakee Journal noting the club's anniversary:

ROTARY OBSERVES 70TH ANNIVERSARY

The Rotary Club of Kankakee will join more than 16,100 other Rotary clubs today in observing the 70th anniversary of the founding of the service organization.

According to Don McCann, local president, the club was first organized by Paul Harris, a Chicago lawyer, on Feb. 23, 1905. Harris was lonely in the big city and was eager to make friends through business relations.

Six months later the club had 21 members and had been named "Rotary" to convey the original plan of members to meet "in rotation" at their various places of business. An emblem had also been approved. Designed by Montague M. Bear, an engraver, it was a plain wagon wheel which symbolized rotation. A form of the cog-wheel emblem is still being used.

In 1910 there were 16 Rotary clubs with 1,500 members. They met in Chicago to organize the National Association of Rotary Clubs with all clubs as members. That same year the first club outside the United States was formed in Winnipeg, Canada, and in 1911 clubs were organized in Ireland and England.

In 1912 the association's name was changed to the International Association of Rotary Clubs, and in 1922 the name Rotary International was adopted. Today there are 750,000 members in 151 countries, all involved in service projects which range from sponsoring scout troops to building hospitals and schools, McCann said.

The local club sponsors student foreign exchanges and provides funds for the physical necessities of needy students. It has also organized a "Meals on Wheels" program to distribute warm meals to those unable to cook for themselves, and has aided in organizing a Big Brother program.

The Rotary Foundation, supported by individual Rotarians and others, sponsors a program of educational awards for overseas study by college students, technicians and teachers of the handicapped. Last year 700 awards totaling $3,400,000 were given. A group study exchange program also enables teams of young business and professional men to study business and social customs in other countries.

"MY RESPONSIBILITY AS A CITIZEN"—28TH ANNUAL VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM, 1974–75

HON. CHARLES ROSE III

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ROSE. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conducts a Voice of Democracy Contest. This year nearly 500,000 secondary school students participated in the contest competing for the five national scholarships which are awarded as the top prizes. The contest theme was "My Responsibility as a Citizen." Winner of the contest from my State of North Carolina is Laurie Anne Nicholson, 133 Whiteoak Drive, Wilmington, N.C.

Mr. Speaker, at this time I would like to insert in the RECORD the text of Ms. Nicholson's speech:

MY RESPONSIBILITY AS A CITIZEN

(By Laurie Anne Nicholson)

I am an American, an inhabitant of the Land of the Free and the Home of the Brave. I am an heir to a priceless gift—democracy.

I have grown up in an era when war was not a household word, when I was not expected to proudly display stars in my window for a brother in service. I was never asked to contribute scrap metal to the cause, and I never knit any socks for soldiers. I have grown up through a decade of Viet Nam. The enemy we fought was not in our backyard and consequently I heard little of dictatorship, or loss of freedom, or of being persecuted for my religious persuasion. I did hear about those who wished to fill my mind with lies, but it all seemed so terribly far away that I never worried about it—until I thought about it all.

As a knowing first grader I found my first realization of national terror. The President had been shot, and eleven years later I can still remember every detail. It was this same year that I stood every morning hand over heart and recited the Pledge of Allegiance, and every Friday afternoon sang in a lilting first grade voice The National Anthem. But how much did I realize then? Freedom and all its symbolic terms in the pledge and the anthem were not striking throughts that caused me to bow my head in thanks. Freedom was omnipresent, and I, like any other product of a world of band aids and Barbie dolls, accepted it.

Today I realize that the rights and responsibilities of my citizenship are not so casual as I once assumed. As an American citizen, I am both the ruler and the ruled. I directly affect myself with my choice of candidates and issues in public affairs. I must choose well qualified, capable public officials in order to insure a high standard of American government. These officials will hold my very life in their hands, and I want the hands to be sure and steady. If I am pleased with a statesman's work, I must commend him, and if dissatisfied, let him know why. Representation can work for the public only if the public works with the representation.

Most Americans feel that their voice will go unheard, so they ignore the right to express their views by direct vote or by contact with their representatives. All views count. America was not created for the rich or the poor, the socially oppressed or uplifted. America was created for equal opportunity and representation, but it cannot happen without my work and that of my fellow citizens. Every member of the magnitude is an integral part of our nation.

Patriotism is a trait instilled from birth, but it takes living examples of patriotism to truly teach it. I feel responsible to be one of these living examples. I must show my reverence to our flag and all the other symbols of our country, not because it is the thing to do, but because I believe in all these things and what they stand for.

I care for my country and all its proud pageantry, and if I am an anachronism I am a happy one. I shall show reverence for my country and all her symbols as long as I live.

I will someday be responsible for the civic training of my children, and I hope that I can guide them to the right decisions. Pride and dedication to our country are essential to her continued success as a more perfect union. My responsibility is to make it a *most* perfect Union!

ENDING EMPLOYMENT DISCRIMINATION BASED ON AGE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. EILBERG. Mr. Speaker, on the threshold of our Nation's 200th year, I am proud to say that we have outlawed discrimination based on national origin, religion, race, and sex. But one of the most insidious forms of discrimination, one which will eventually affect us all, still remains; that is, discrimination against age.

Reaching a 65th birthday has forced many capable and ambitious men and women to leave their occupations or has prohibited them from securing a new job or productive employment in their mature years.

I believe this age discrimination is an injustice to millions of people in the United States. For this reason, I plan to cosponsor legislation which would make discrimination in employment based solely on advancing years illegal. This measure would outlaw mandatory retirement at a predetermined age.

What would happen if a mandatory retired age of 65 was suddenly imposed on Capitol Hill? First of all, six of our Supreme Court Justices would have to retire. Many of our dedicated and extremely knowledgeable colleagues in the House and Senate would be forced to dismissal by the end of the year. Congress does not have a mandatory retirement age because we know that there are several other factors which determine fitness for public office. Why do not we apply this same rationale to all other Americans as they approach age 65?

For too long we have disregarded the needs of our older citizens. We easily forget that these men and women have been the backbone of our society, and it is their contributions which have made this Nation foremost in the world.

Life does not end at 65. For many it is the prime of life. Today the average life expectancy is 71.3 years of age which means that many Americans may live productive, fruitful lives beyond this point. Why, then, should we dismiss them from employment with lame excuses such as physical or mental incompetence?

Thousands of men and women have made most of their important contributions to mankind in their post-65 years due to experience, expertise and hindsight. They are not ready to be put to pasture.

Many of our older citizens dread the thought of reaching their 65th birthday. Who can blame them when all there is to look forward to is a fixed income barely covering necessities or a gloomy nursing home where they are doomed to die. The American Medical Society has charged that forced retirement often leads to "physical and emotional illness and premature death." The forced retiree often suffers a shortened life span, depression, low morale, wasted talent and productivity, and loss of income.

Mr. Speaker, on the eve of this country's Bicentennial, let us turn a new leaf and extend a hand to our older Americans. Tell them that their skill and experience is sorely needed at a time when we are learning to conserve our limited resources. We will all know a richer America for it.

H.R. 2589

A bill to terminate age discrimination in employment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 12 of the Age Discrimination in Employment Act of 1967 is amended by striking everything after the word "age" and inserting a period.

SNITZ 'N PIG

HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. FLOWERS. Mr. Speaker, I would like to take this opportunity to congratulate two of my good friends and constituents from Bessemer, Ala., on their recent induction into the Alabama Sports Hall of Fame.

One of them—Frank "Pig" House—is known to baseball fans across the country. For many years he was an outstanding catcher for the Detroit Tigers.

The other is Euil "Snitz" Snider. He was a member of the 1928 Olympic track team and coached football many years at Bessemer High School.

Both of these gentlemen have time and time again proven themselves worthy citizens of their community and State and have made outstanding contributions to our sports life. They richly deserve their latest honors.

I would like to share with you an editorial about them which appeared in the Bessemer News, edited by Roger Thames:

SNITZ 'N PIG

Citizens of Bessemer might well feel pride in the fact that two of the eight inductees into the Alabama Sports Hall of Fame in Birmingham Friday night were Bessemer men.

Solid citizens, both, both still serving the city and state they love.

Euil (Snitz) Snider, who put Bessemer on the map back in 1928 when he was on the United States Olympic track team, and Frank (Pig) House, who put the city on sports pages across the nation when the Detroit Tigers signed him to a baseball contract, for a bonus of $67,500 (then unheard-of) as soon as Pig graduated from Bessemer High School.

It is sort of fitting that Snider and House enter the august company of the Hall of Fame together, for Snider was House's coach and, according to Pig, had a tremendous influence on his subsequent life and career.

As a coach who brought five state championship trophies to Bessemer High School's case, Snider was a strict disciplinarian and strong believer in physical fitness of the boys who played on his teams.

One Snider alumnus of our acquaintance told us that "if Coach Snider told me to get on my hands and knees and eat grass of the ground, I'da done it."

House not only was the outstanding baseball player Detroit paid for, he also was an all-state half-back on the football team.

And therein lies a tale House likes to tell.

One spring, House was invited to some gathering of outstanding high school baseball players in Pennsylvania. Snider told him to stay here and report for spring football practice,

"I figured I was too valuable to the football team to have to make spring practice," House says, "so I went to Pennsylvania.

"And I sat that next football season out. I wasn't allowed on the practice field. That gentleman (Snider) made me watch all of the next season's football games from the stands—and I had to pay my way in, on top of that."

Snitz Snider became legendary as Bessemer's Tiger football coach, and many of his teams won against those representing much larger schools.

"You may have better material than Snider has," the coach of one Birmingham high school once told us, "but he'll beat you on conditioning."

The accomplishments of both Coach Snider and House have been pretty thoroughly related in the daily press—and few in Bessemer need reminding of those of either.

We think the citizens of Bessemer are proud of both these fine men, and were proud of them before this latest honor—perhaps the highest for each—came their way.

And we think we speak for the citizens of our city when we add our most hearty congratulations to both.

ESTONIAN INDEPENDENCE DAY—1975

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BIAGGI. Mr. Speaker, it is again my privilege and honor to participate in the annual celebration of Estonian Independence Day. Yet while this may be the 57th anniversary of this date, it is sad to note that for more than one-half of these years, independence has been but a dream for the people of Estonia, for they remain under the arbitrary rule of the Soviet Union.

The pill of Russian rule has been a particularly hard one for the freedom-loving people of Estonia to swallow. During their days of freedom the nation and people of Estonia had flourished enjoying economic prosperity and social tranquillity. Yet in the years since they were overrun by the Russians their life have ben characterized by economic regression as well as social, religious, and political oppression and the future looks none too bright.

We must look to the Soviet Union for the blame in the shameless state of Estonia today. Despite their seeming desire to better relations with the United States through détente, it is apparent that our two nations are still miles apart in our concepts about the rights of all men to be free. The Soviets control millions of people even today. Most of them look to détent as their first real hope for emancipation. However, unless the United States asserts to the Soviets our belief in the right of self-determination for all men, détente will be a tragic failure to the people of Estonia.

I extend to the people of Estonia as well as the Estonian-American community in the United States my best wishes on this day and my fervent pledge to continue my work in the Congress to insure that freedom and dignity may be returned to Estonia.

AVIATION TREATED UNFAIRLY IN PRESIDENT'S BUDGET

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GOLDWATER. Mr. Speaker, my initial review of the administration's budget, as it pertains to the Nation's airport/airway system, has dismayed me.

The Office of Management and Budget has again forwarded some of the same ill-conceived and misinformed ideas that were presented last year for dunding the airport/airway system. While I certainly support the concept and practice that users of the system should pay part of the cost, I also believe a share of the cost should be borne publicly, because all people benefit from the national air transportation system.

The House Committee on Public Works and Transportation, as well as other committees will be taking a critical look at the President's proposals for restructuring the airport system. It must be remembered that this system is an integral part of our overall national transportation system. Although I do support an overall reduction of Federal spending, we must be certain we continue to have a safe, efficient airport/airway system.

Specifically, the proposal to levy $88 million in departure fees on general aviation at control tower airports makes no sense. General aviation is currently contributing to the aviation trust fund through fuel taxes and annual registration and user fees. This tax is working well and is generally accepted. The departure fee at FAA control towers proposal will not only add an unfair burden to general aviation operations, but introduces some questions regarding safety. Also, the tax itself will be costly to collect, and I understand it will be the responsibility of the airport operator to collect this fee.

The indisputable fact that this departure fee will hurt general aviation has been recognized by the administration, as current fuel taxes will be reduced by $4 million due to a reduction in flying. It makes no sense to levy a new tax which will, in effect, deal a crippling blow to a now-viable industry.

Many questions concerning the use of the trust fund must be answered, and soon: What will be done with uncommitted funds? Are trust fund moneys being spent wisely and has aviation safety benefited in comparison with amounts spent on safety? How efficiently has the FAA fulfilled the Airport and Airway Development Act of 1970?

We may not like all the answers to these questions, but the Congress must act as principal guardian to the law it enacted. In my view, the program has no clear direction at the present time. Spending authority must be renewed before it expires in mid-1975, and I hope Congress will schedule necessary hearings as soon as possible. There issues are much too complex for cursory or hasty examination.

General aviation plays a vital part in our entire transportation system. The industry employs 250,000 people in manufacturing, sales service, flight instruction, agricultural operations, and business flight departments. Approximately 90 million people a year are transported in intercity travel.

I am confident the Congress will not enact charges which are detrimental to the vitality or safety of industry, or the people who use it.

FOREIGN AID PROGRAM

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. SPENCE. Mr. Speaker, debates concerning the extent and nature of our foreign aid program have constantly engendered extensive controversies in the Congress. In recent months the United States has suffered from sometimes abusive assaults by the so-called developing nations for not increasing substantially the extent of our aid. Rather than becoming self-reliant through the billions of dollars we have already granted, many countries have simply regarded our asistance as a seemingly permanent prop for their own inefficient economic systems.

Nonetheless, our foreign aid program has been the most generous in the world. A comparison of our program and those of other Western nations, with those of the Communist bloc nations, is especially revealing. A recent statement issued by Dr. J. G. Todenhofer, the spokesman for the Christian Democratic Union and Christian Social Union parties, revealed quite graphically the contrast between aid programs of the Communist and Western nations. He finds that:

> Commitments by the Western industrial nations amounted to nearly 13 billion U.S. dollars in 1973, i.e., 8½ times as much as the Communist sum.

The figures do not relate directly to ability to pay either. Dr. Todenhofer points out that the Soviet Union, for example, devotes only .15 percent of their GNP to aid. This is just half of the .3 percent which Western industrial nations contribute. Also, he noted that Communist bloc aid has dropped from $1.8 billion in 1971 to $1.5 billion in 1973.

Moreover, Dr. Todenhofer finds that the Communist aid program has grown in recent years only in obviously politically motivated areas that serve Soviet geopolitical interests quite directly. The Communist nations now have 44,000 "experts" working in other countries with over half of them from Red China. Similarly, they have increased by 30 percent the number of foreign students studying at Soviet and East European universities.

Finally, Dr. Todenhofer observes that:

> Communist miltiary aid to the developing countries continues to play a major part. Soviet military aid alone given to the Third World amounted to $1.240 billion U.S. dollars in 1973, that is more than 1½ times as much as Soviet development aid, as American statistics have shown.

The statement by this spokesman for the CDU/CSU coalition in Germany presents an excellent overview of the comparative status of the aid programs of the Communist and Western worlds, and thereby provides a valuable perspective from which to judge the nature of our own program. I therefore request unanimous consent that the following excerpts from the statement of Dr. Todenhofer be placed in the RECORD at this point:

EXCERPTS FROM A STATEMENT BY DR. J. G. TODENHOFER

Largely unnoticed by the world public, the Communist nations gradually reduced their never more than modest contributions to the developing world in the course of the past few years. The Soviet Union and the East European nations in particular have decreased their development aid, curbing their budgets for the Third and Fourth World from year to year.

According to American statistics—for good reason Communist governments do not publish figures on their development aid—the development funds by the Soviet Union, the East European countries, and the People's Republic of China together amounted to only 1.5 billion U.S. dollars in 1973 compared to 1.7 billion dollars in 1972 and 1.8 billion in 1971. Commitments by the Western industrial nations amounted to nearly 13 billion U.S. dollars in 1973, i.e. 8½ times as much as the Communist sum.

Similar proportions result from a comparison of the effective development payments if measured against the economic productivity, i.e. the various GNP's. The effective contributions by the Soviet Union (i.e. actual payments minus repayments) dropped from 870 million U.S. dollars to 700 million in the years 1970–1973 in spite of world-wide currency devaluation. That is 6.15% of the Soviet GNP in 1973, i.e. half of the average effective development bid from the Western industrial nations in 1973 (0.5% of their GNP).

Communist development aid continues to be dominated by political considerations. Only the Western industrial nations take the demand seriously that development aid should not be used either for foreign policy or for foreign economic objectives. The development policy of the Communist nations follows a different concept which differs from that of the Western nations on the following main counts:

a. Main emphasis of Communist development aid continues to be on "training support". The dispatching of Communist "experts" into the developing nations was stepped up by a surprising 12 percent rate in 1973 as compared to 1972, in spite of overall reductions in development contributions. 44,000 "experts" of various kinds from the Communist nations were active in the developing nations in 1973, more than half of them from Red China. The number of students from the developing countries studying at universities of the Communist states also increased. 26,300 young people received scholarships in 1973. The universities of the Soviet Union and the East European states admitted 30% more students in 1973 than they had the year before.

b. The Communist countries support only government-owned enterprises. By subsidizing public economic operations and consistently neglecting private enterprises, they aim at influencing the economic constitution of the developing countries and establishing a state-controlled economy shaped after the socialist system—even in those areas where economic failures by the public authorities are already weighing heavily on the efficacy of the national economic system.

c. Communist credit aid overtly follows selfish economic interests. It is strictly tied to goods deliveries. The developing countries are obliged to buy goods from the Communist states. They cannot side-step them by purchasing goods more cheaply on the world market. Frequently, the developing countries, instead of repaying these credits in terms of currency, have to commit themselves to deliver goods that the Communist nations are interested in. The development aid programs thus become an important instrument for meeting domestic needs.

d. The development aid by the East bloc nations continues to be based on tough conditions. The proportion of free aid is but small. Their credit conditions are stricter than those of the Western industrial countries. Soviet development credits are usually limited to 12 years at 2.5 to 3 percent interest rates and provide for just one free year after a project has been put into operation. German standard conditions for capital loans provide for 30 year periods, 10 free years and 2 percent interest.

e. Communist military aid to the developing countries continues to play a major part. Soviet military aid alone given to the Third World amounted to 1.240 billion U.S. dollars in 1973, that is more than 1½ times as much as Soviet development aid, as American statistics have shown.

These particularities of Communist development policy should be borne in mind in connection with considerations of a closer development-political cooperation with the Communist states. Experience shows that such cooperation is closely restricted due to the difference in concepts. It also shows that the main interest of the Communist states regarding such projects of cooperation is in having their development projects financed by the Federal Republic of Germany and their balance of payments situation improved. They are less interested in a genuine and permanent cooperation in the setup and management of individual projects in the developing nations as is the custom in joint projects of the Western industrial countries.

German development policy should therefore be guided by the following principles in regard to a cooperation with Communist states:

1. The German government should impress upon the Communist nations the need to step up their financial aid and see to it that the development burdens are more equitably shared between East and West. The Soviet Union in particular has to make a greater contribution to international detente by increasing its development aid. It is not right for the Western countries to provide the funds while the Eastern nations provide development theories.

2. The question whether a development-political cooperation with Communist countries for a certain project is sensible or not, should be based exclusively on its benefit for the developing country concerned. There is no justification for the Federal Republic of Germany to finance cooperative projects which only serve to let the Communist nations benefit from convertible currency. The Federal Republic must not assume the role of banker for Soviet development projects. Cooperation projects that are financed exclusively by the Federal Republic of Germany do not deserve that label.

EVANS INTRODUCES BILL TO STUDY IMPACT OF INFLATION ON INDIVIDUALS' TAX BILLS

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. EVANS of Indiana. Mr. Speaker, the Joint Economic Committee recently released a most significant report which concluded that higher tax payments outstripped all other price increases in the consumer's budget.

The committee also concluded that an increase in the tax burden of 1 percentage point in 1974 reinforced the decline in economic activity.

From our present vantage point of hindsight, 1974 is turning out to have been a very odd year. While the previous year, 1973, saw sharp food price increases which were especially felt by low-income families, in 1974 transportation and housing costs, which account for a large share of the incomes of middle- and high-income families, increased more than the average of all price increases.

According to the committee's report, the cost of living rose about 14 percent for the low-income family, and 14.5 percent for the middle-income family. The average family with an income of $12,626 in 1973 needed an additional $1,804, or $14,466 in 1974 just to maintain its 1973 living standards.

The report contained another interesting statistic. For the family with an income of $14,466 last year, social security taxes rose 21.6 percent, and personal income taxes increased by 26.5 percent.

These increases in taxes compare with 11.9 percent for food, 13.5 percent for housing, and 14.3 percent for transportation.

Incomes were also on the rise, though not at as fast a pace. Consequently, some taxpayers were pushed into higher tax brackets with greater tax liabilities. Those who were not so affected were the very wealthy. For example, a family earning $50,000 could add an additional 12 percent to its income, without moving into a higher bracket. But for the majority of taxpayers, this break was not available.

The rising income trend is being countered by increased unemployment. Three-fourths of the decrease in total employment of 640,000 occurred in jobs last held by adult men. Most of these men were presumably prime earners in their households. This group alone had an unemployment rate of 6 percent.

Average weekly work hours also dedecreased. The average work week dropped from 46.4 hours to 36.1 hours in jobs outside of government and agriculture.

Blue-collar workers were hit hardest of all. Their unemployment rate went from 9.3 percent in December to 11 percent in January 1975. Even the White House wizards were taken by surprise, although the severity of the unemployment statistics does not seem to have sunk in yet.

Inflation has reduced the spending power of those who are employed and simultaneously is pushing them into higher tax brackets, and the unemployed are also, for obvious reasons, are facing severe cash problems.

Only the very wealthy are able to win this one.

As the percentage of income paid in taxes climbs due to inflation, low- and middle-income families are being squeezed harder to make ends meet. A one-time tax rebate is not going to help anyone over the long term. Therefore, I am introducing today legislation to direct the Secretary of the Treasury to conduct a study of the impact of inflation on the tax liabilities of low- and moderate-income families. A substantive tax reform measure is what we need, and such reform must include provisions for including an inflation factor in the income tax system. I am hopeful that the information provided by the study I am proposing will provide the necessary background information.

I am inserting below an article on this which appeared in the Indianapolis Star on February 2, 1975, as well as the text of the bill:

H.R. 3840

A bill to direct the Secretary of the Treasury to study the increased tax burden on low and moderate income individuals resulting from the effect of inflation on the existing Federal income tax structure

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury, in consultation with the Secretary of Labor, shall conduct a study of how inflation, as measured by increases in the Consumer Price Index prepared by the Department of Labor, has increased the Federal income tax liabilities of certain individuals even though the real incomes of such individuals, when measured in terms of the power to purchase goods and services, have not increased. Such study shall include an examination of legislative proposals designed to offset the increased Federal income tax liabilities of certain individuals which are attributable to the impact of inflation.

(b) Not later than January 1, 1976, the Secretary of the Treasury shall submit to Congress a detailed statement of the results of the study conducted under subsection (a), together with recommendations for such legislation as he deems advisable.

TAX COLLECTOR HAS A SILENT PARTNER ON HIS WAY UP

(By John H. Lyst)

As some amount of inflation is virtually inevitable no matter what the future holds, eventual pressure will hopefully build for an adjustment of taxes for inflation.

The pressure will come from the people, not the government. Politicians have always liked more inflation than their unsuspecting public would think simply because it is a wonderful device for raising new money without the political risks of raising taxes.

But as increasing attention is focused on fiscal responsibility, a growing number of people are going to learn why inflation has been called such things as "the cruelest tax" and the "taxman's favorite pickpocket."

Inflation works strange magic on both personal and business income taxes.

For many individuals it is a chief hidden contributor to that puzzle of earning more but having less.

The cost of taxes never has been figured in the Cost of Living Index, yet it can be argued that it should be a major component.

With an income tax system where the rates become progressively higher with rising income, inflation does more than just raise the price of goods and services. It raises taxes, too. And it also changes the way the tax system is supposed to work.

"All this goes largely unnoticed," observes First National City Bank in its January Monthly Economic Letter, "because it happens without any explicit changes in the tax laws."

"The progressive structure of the individual income tax assures that as incomes rise during a time of inflation, the average rate of tax paid by most taxpayers goes up," notes the bank. "In other words tax bills don't just rise as fast as inflation—they actually rise faster."

"The size of the personal exemptions, the standard deduction and the low-income allowance all are fixed in amount. So, as money incomes increase because of inflation, there's a concurrent rise in the taxable percentage of an individual's income.

"Moreover, the widths of the tax-rate brackets are fixed, so that inflationary increases in income push taxpayers into new tax brackets where higher tax rates apply.

"Finally, inflation increases the monetary value of property even if it does not increase its real value. If this property is sold, capital-gains taxes are based on the increase in money value, not the smaller increase in real value."

The last effect on property may not be felt by everybody, the bank points out, but the first two effects are universal.

"Not only does inflation increase the tax burden, but it tends to do so in a way that violates the standards of equity espoused by most tax reformers," the bank continues.

"Percentage increases in taxes are greatest for taxpayers with low incomes who began the period of inflation with no tax bills or very small ones. Even though much or all of their increases in money incomes represents inflation, it is taxed because the exemption and standard deduction don't increase.

"So the percentage of income paid in tax would climb even if purchasing power does not."

The total effect of the way inflation distorts income tax is that the tax, intended to be progressive, becomes regressive.

The present hidden effect of inflation on taxes also makes it difficult for the public to figure out where to apply pressure to stop inflation.

Says First National City:

"Few people appreciate how inflation acts as a silent partner to the tax collector. Instead, they tend to place the blame for inflation on the merchants who must raise prices when inflation pushes up their costs.

"If the public were better informed of just how much taxes are rising because of inflation, they might direct more of their righteous wrath at the government officials who control the sources of inflation."

First National City suggests that a government agency be directed to compute and announce just how inflation and the progressive individual income tax combine each year to increase average effective tax rates for typical taxpayers in various tax brackets.

"The procedures," says the bank, "just might provide additional incentives to policymakers to make sure that inflation does not again reach the dismaying proportions of 1973–74."

NURSING HOMES OF ALABAMA DESERVE PRAISE

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DICKINSON. Mr. Speaker, Mr. G. Dale Sasser, administrator of the

Luverne Geriatric Center, Inc., in Luverne, Ala., has written a letter to John Chancellor in reference to a feature on the NBC Nightly News on February 19, 1975, concerning nursing homes.

Mr. Sasser points out that the program put all nursing home facilities in a bad light and did not bother to focus attention on any of the facilities which deserve praise for their excellent services. Alabama senior citizen care has always enjoyed a very good reputation, and I believe it would be appropriate to include Mr. Sasser's letter in the Record at this time in order to rebut some of the ill effects of this news show. Mr. Sasser has made his case eloquently:

Luverne Geriatric Center, Inc.,
Luverne, Ala., February 20, 1975.

John Chancellor,
NBC Nightly News,
New York, N.Y.

Dear Sir: On your nightly news program of February 19, 1975, you and your correspondents did a feature on Nursing Homes which was in very bad taste. What we have tried to build as a health care facility and a place for our senior citizens to live with dignity and respect took a dramatic back slide.

Senior citizens already have a horror of what nursing home life will be without you adding fuel to the fire. I don't know what nursing homes are like in the great state of New York, but I do know that the Luverne Geriatric Center is a fantastic place for our older population. As a former hospital supply sales representative, I visited almost every nursing care facility in Alabama and the picture of desolate and under cared for people that your program reviewed last night is not the true picture in Alabama. We have a minimum of four inspections per year from various departments of the State of Alabama which insure excellent care and physical wellbeing of our residents. Maybe the great State of New York's facilities are owned and operated by "crooks" but you should have given the whole picture of the situation. You examplified one state and twisted the facts to include every State and facility in our nation. Maybe our guidelines are much stiffer in Alabama, but we do care for our aged and crippled in a way that they are as mentally happy as possible.

At this facility and I suppose every facility in Alabama—you will find more than adequate personnel to care for our residents. You will find an Activity Director who works full time including every resident in some meaningful activity which he/she will enjoy. Our Doctors are human and would not stand for the gross neglect that you pictured on the Nightly News. You will find all personnel in my facility and most every facility in Alabama with an attitude different from the one you portrayed—They care and we care. We also, as do most facilities in Alabama, employe a Social Services Consultant, an Activities Director Consultant, a Dietary Consultant, Administrative Consultant, and the State of Alabama has numerous other personnel to whom we may turn with specific and general problems of any nature.

I certainly wish you and your people at NBC would not lump all problems into one and come out with one solution to all. The only problem that we do have is money—not enough to meet the State of Alabama's guidelines for a safe and secure physical facility and as well as to employe adequate nursing personnel and medical directors.

We have come a long way in Alabama, but our years of progress can be thrown back to the Dark Ages with reports as you presented last night. Please research the problem areas more thoroughly before classifying our great humane facilities to the one represented in one State namely New York.

Thank you for your patience and understanding. We look forward to hearing some Good News about nursing care facilities on NBC's Nightly News in the very near future.

Sincerely,

G. Dale Sasser,
Administrator.

WOMEN IN COMMUNITY SERVICE SUPPORT EXPANDED JOB CORPS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HAWKINS. Mr. Speaker, I would like to share with my colleagues my appreciation for a dynamic national organization called WICS or Women in Community Service.

Women in Community Service, a coalition of volunteers representing the many faiths, races, and ethnic groups in our Nation, has worked for the past 10 years on programs of community welfare to combat poverty in the United States.

Incorporated in December 1964 by members of four of the largest women's groups in the country, including Church Women United and the National Councils of the Catholic, Jewish and Negro women, the coalition was later joined by the American GI Forum Auxiliary and the League of United Latin American Citizens. Together these organizations represent more than 27 million women.

WICS volunteers have given over 7.5 million hours of work without compensation to help young women from the poverty areas of the country. They have recruited and screened more than 53,500 acceptable applicants for the Job Corps and they have interviewed, referred to other programs or provided needed assistance for more than 242,500 others. They have organized literacy classes, taught homemaking and child care, and tutored girls in basic school subjects. They have introduced young women to the world of work and helped them find suitable low-cost housing. They have placed many in jobs and have provided advice, encouragement, and friendship during periods of anxiety, financial stress, or personal misfortunes. More than all this—working across racial, religious, and cultural lines, they have helped to eliminate these artificial barriers.

Last month the board of directors of Women in Community Service met in Kansas City. Having considered the Nation's unemployment and inflation rates which had spiraled to new heights, and the unemployment rate for youth which is higher than that for any other segment of the population, the board expressed grave concern for young women in poverty in this period of national crisis, and noted the following:

> The phenomenon of rising unemployment and galloping inflation foreshadows great hardships for all segments in our population, but particularly for those already economically deprived.
>
> Some measures under consideration, such as severe reductions in our federal budget and "belt tightening" by individual citizens, offer no relief to the poor but rather victimize them even more severely.
>
> To alleviate the plight of the poor and reduce the economic crisis facing our Nation today, emphasis must be placed on the development of employment opportunities. The Comprehensive Employment and Training Act program, signed into law by President Ford recently, is not sufficient to reduce unemployment which is now reaching alarming proportions. The funds appropriated are insufficient to provide employment for our younger workers, especially young women, among whom the rate of unemployment is the highest.
>
> In order to conserve and develop our human resources, the greatest asset this country possesses, the Nation must provide effective and adequate programs. The Job Corps is among the more creative in constructive programs for young people.
>
> We urge our Government to increase greatly the Job Corps program as a means of giving hope to the young people to develop their potential.

Mr. Speaker, I support the views of W.I.C. on the issue of expanding the Job Corps. I hope that my colleagues will also support such an effort when they study the issues in this matter.

U.D.C.'S FINANCIAL WOES SIGNAL PROBLEMS FOR AMERICA'S SECURITY MARKET

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. SOLARZ. Mr. Speaker, in recent days the Nation's financial world has been severely shaken by the revelation that the New York State Urban Development Corp.—UDC—is headed for bankruptcy, sparked by its inability to meet $104.5 million in payments due earlier in the week. This multimillion dollar housing and community development agency—which has some 65 projects currently underway, employing approximately 8,000 workers—is also faced with other equally severe difficulties. Its other financial commitments include $30 million in short-term notes which will fall due within the near future, $370 million required to complete programs already in progress, and an annual debt-service payment of $80 million on its $1.1 billion in outstanding bonds.

What is particularly troubling, however, is that the bonds on which the UDC has defaulted were not guaranteed, that is, they are not backed by New York State's "full faith and credit" but simply on the basis of some vague "moral obligation" of the State to support them. As a consequence, major New York banks have failed to aid the agency and the Federal Reserve System refused Governor Careys request to provide emergency aid. Late last night the New York State legislature enacted legislation to implement the Governor's proposal to create a new project finance agency to bail out the UDC. However, this body does not yet have the necessary wherewithall to effectively aid the rapidly-sinking UDC.

When viewed in the broader perspective, Mr. Speaker, it is important to realize that the UDC's failure is not just a New York State problem but one which has nationwide ramifications. The Library of Congress has informed me, for example, that at the end of fiscal year 1973 the total outstanding debt of State and local government throughout the country amounted to almost $60 billion. Of this amount, just about half—approximately $28 billion—is in long-term obligations which are not guaranteed. They are, in other words, in the same basic form as those notes on which the UDC had defaulted. What is especially troubling to me, therefore, is that what happened in New York could very well happen elsewhere. I am most fearful that a crisis of confidence in bond markets throughout the nation could ensue, with catastrophic consequences, not only for Americans who hold such notes but for State and local governments around the country which may no longer be able to sell revenue-raising bonds.

Because of this critical situation, I have called upon the very able chairman of the House Banking, Currency, and Housing Committee to undertake an immediate and thorough investigation of this whole situation with a view toward finding out exactly what happened and what steps can be taken to prevent similar problems in the future. Clearly, some action must be taken at the Federal level to prevent future failures similar to those experienced by the UDC. I am hopeful the House banking panel will take prompt action on this difficult and complex problem and that it will come up with some workable solutions.

Mr. Speaker, I present herewith, for inclusion in the Record, a copy of a letter I addressed to Chairman Reuss and a very timely and perceptive editorial on the UDC failure which appeared in this morning's New York Times:

House of Representatives,
February 27, 1975.

Hon. Henry S. Reuss,
Chairman, Committee on Banking, Currency and Housing, Rayburn House Office Building, Washington, D.C.

Dear Mr. Chairman: As you may know, it has been revealed that the New York State Urban Development Corporation (UDC) faces the very distinct possibility of going into bankruptcy because of its inability to pay $104.5 million in bond anticipation notes. As a consequence, this multi-million dollar state agency is on the verge of financial collapse.

Although Governor Carey proposed the creation of another agency to assist the UDC in meeting its financial obligations, and the New York State Legislature, last night, passed a measure establishing the Project Finance Agency, I fear irreparable damage has already been done. Clearly, the very foundation of the UDC has been severely undermined. This situation is exacerbated by the fact that the agency's other commitments include $30 million in short-term notes which are due shortly, $370 million required to finish construction already in progress and $80 million in annual debt-service payments on its $1.1 billion of outstanding bonds. Indeed, some contractors have already pulled their workers off UDC projects for fear they will not be paid.

Not only will this most unfortunate situation drastically affect the State of New York but I fear that it may very well have nationwide repercussions as well. This is particularly true when you consider that the total outstanding debt of the state and local governments throughout the country is almost $60 billion, of which almost half is in non-guaranteed long-term notes similar to those on which the UDC has defaulted. I believe that the failure of a major state agency to meet its financial obligations—reportedly the first statewide agency in New York in modern history to default on its payments—could very well engender a collapse of confidence in bond markets throughout the country.

In light of the potential ramifications of this development on the nation's economy and securities structure, I urge that your committee undertake an immediate and penetrating investigation into the causes underlying the UDC's collapse with a view toward determining what can be done on the Federal level to prevent such failures in the future. In my view, the collapse of the UDC raises serious questions as to the value and viability of the billions of dollars worth of other non-guaranteed debts owed by state and local governments throughout the country. Accordingly, we should ascertain what safeguards can and should be developed to protect not only the holders of such notes but the capacity of state and local governments to issue revenue-raising bonds in the future.

I believe the gravity of this situation warrants a complete and exhaustive study by the Banking, Currency and Housing Committee and the development of appropriate legislative remedies. I am hopeful, therefore, that you will give my request your fullest and most careful consideration.

Sincerely,

Stephen J. Solarz,
Member of Congress.

[From the New York Times, Feb. 27, 1975]

A "Moral Obligation"

In establishing a new state funding agency to bail out the overextended Urban Development Corporation, but without providing new state funds for either the U.D.C. or the new agency, Governor Carey and the Legislature have circumvented the basic issue raised by the U.D.C.'s threatened bankruptcy. That is the question of the state's readiness to back up with hard cash the "moral obligation" which was the basis of the public's acceptance of $1.1 billion in U.D.C. bonds, to say nothing of $9 billion in similar bonding by other New York State agencies.

The new Project Finance Agency is a complex and ingenious fiscal device which could prove helpful in solving the U.D.C.'s long-term funding problems. The Governor argues that the new agency can issue bonds that will be more attractive to investors because they will be secured in part by income from specific U.D.C. projects, presumably those with the most revenue-producing potential.

Nevertheless, the saleability of the new bonds, like those of U.D.C., depends on public confidence in the reliability of the state's "moral obligation" backing. Unfortunately, the integrity of that commitment has been thrown into some question by the failure of U.D.C. to meet $104.5 million in notes which fell due Tuesday. It is not enhanced by the Governor's refusal to ask the Legislature immediately to fund the state's share in the new Project Finance Agency, which he estimated at approximately $260 million over the next two years.

Governor Carey insists that he will meet this commitment, but only after the banks show a willingness to buy some $370 million in bonds of the new agency. The banks so far have refused to go along, unwilling to risk additional funds on "moral obligation" bonds until it has been clearly demonstrated that the state is prepared to meet its obligations when they are put to the test. The "moral obligation" pledge, initiated by former Governor Rockefeller at the suggestion of former Attorney General John Mitchell (then a private lawyer and bond expert) to circumvent a constitutional ban on state borrowing without voter approval, is a dubious device in any case. But a commitment has been made in the name of the State of New York by both Governor and Legislature and that commitment must be honored.

Bailing out U.D.C. will be costly and painful, especially in light of current budgetary problems. But failing to pay the price would be even more costly in terms of lost housing, lost jobs and, above all, compromised credibility of the State of New York.

THE WRONG ROAD TO REALITY

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. NEDZI. Mr. Speaker, in the course of the long, steady slide in our Nation's economy one thing seems to have remained consistent—the inaccuracy of the administration's economic forecast.

Under leave to extend my remarks in the Record I set forth below an account of what was predicted and what actually happened, as printed in the Washington Star on February 24, 1975:

The Misforecasting of the Economy—The Wrong Road to Reality

(By R. Gregory Nokes)

Administration economic forecasts during the past two years were off the mark at virtually every turn on the tortuous downhill path taken by the nation's economy.

Inflation would come down, unemployment would stay down and a recession would be avoided—these were the almost-unanimous predictions of the Nixon and Ford administrations for many months.

They saw lights at the end of the tunnel, soft landings and sideways waffling. But only in the last few months has any progress been made against still-serious inflation, while unemployment and recession continue to worsen.

"With all of our sophisticated techniques, and they are very sophisticated, the extent of our current decline was not projected as recently as a few months ago," Chairman Alan Greenspan of the President's Council of Economic Advisers said recently.

Most advisers readily admit their past mistakes. They also don't promise they'll do any better in the future.

"The uncertainties are so great at the present time that the projections ... are subject to an unusually wide margin of error," said President Ford's Feb. 4 economic report to Congress.

The errors of past forecasts have caused Sen. Hubert H. Humphrey, D-Minn., for one, to question whether they may have led to wrong economic policies that only made economic conditions worse.

Treasury Secretary William E. Simon and other administration advisers counter that economic policy remained constantly flexible and subject to change to meet changing circumstances.

Here is an account of what was predicted, how the predictions changed, and what actually happened:

RECESSION

Jan. 30, 1974—"There will be no recession in the United States of America," former President Richard M. Nixon said in his State of the Union address to Congress.

May 10—"We expect a good recovery of the economy in the second half of 1974 . . .," Herbert Stein, former chairman of the Council of Economic Advisers, told a congressional committee.

July 18—"I consider the term recession too severe to describe the energy crisis spasm through which we just passed," Secretary of Commerce Frederick Dent told newsmen.

Oct. 9—"I do not think the United States is in a recession. We do have economic problems, but it is a very mixed situation," Ford said at a news conference.

Oct. 23—"Let's call a spade a spade. I think we are probably in the early stages of what could turn out to be a V-type recession," economist Paul McCracken, a part-time Treasury adviser, told reporters.

Oct. 29—"Whether it's a recession or not a recession, we have problems," Ford said.

Nov. 13—"We are not now in a recession, but new figures will probably indicate we are moving into a recession," Ford's press secretary, Ronald Nessen, told newsmen.

Nov. 25—"It might be longer than any of the recessions we've experienced since World War II, but it's way too early to tell whether it will be more severe," Simon said in an interview with The Associated Press.

Dec. 11—"The economy is in difficult straits: We are in a recession," Ford said in a nationwide address.

UNEMPLOYMENT

Aug. 1, 1973—Unemployment should decline from 4.8 to 4.5 percent by the end of 1973 and "about level out" through 1974, Stein told the Joint Economic Committee of Congress.

Feb. 1, 1974—Unemployment in 1974 will average "a little above 5.5 percent," Nixon said in his economic report to Congress.

June 27—Although the economy is slowing down, unemployment likely will not rise over 6 percent by the end of the year, Stein said.

Sept. 10—The poor economic outlook "implies an increasing unemployment rate and little outlook for recovery until we get into 1975, said Stein's successor, Alan Greenspan.

Oct. 28—Unemployment may reach 6.5 percent by mid 1975, Greenspan said in a magazine interview. It was 6 percent in October.

Nov. 13—Unemployment could rise to 7 percent. Sidney L. Jones, a top aide to Simon, said in an interview.

Dec. 4—Unemployment may hit "something over 7 percent" by mid-1975, the Council of Economic Advisers said. It was 7.2 percent in December.

Jan. 7, 1975—Unemployment will be between 7.5 and 8 percent through 1975, said James L. Pate, an assistant secretary of commerce for economic affairs.

Feb. 1—Unemployment will not reach 8.5 percent, Budget Director Roy Ash said.

Feb. 6—Unemployment might reach 8.5 percent, Greenspan told the Joint Economic Committee.

Feb. 11—"We don't foresee a figure as high as" the 10 percent rate forecast by AFL–CIO President George Meany, Ford said at a news conference.

Feb. 13—"It is possible it will go above 8.5 percent," Greenspan told a Senate committee.

INFLATION

May 23—A decline in the steep rise in consumer prices in April indicates "the wave of inflation . . . is receding" Stein told reporters.

Aug. 1—"No, I don't expect that any more," Stein said of the administration's earlier forecast of a 2.5 percent inflation rate by the end of 1973.

Aug. 23—Agriculture Secretary Earl L. Butz said food prices may increase in months ahead at only a 5 percent rate.

Aug. 23—Inflation in 1974 will be "substantially below" the 8 percent rate so far in 1973, Stein said.

Oct. 25—"I'm telling the housewife that food prices will rise less rapidly and one year from now they will not be her No. 1 concern," Stein said.

Feb. 1, 1974—Nixon's annual economic report to Congress said over-all inflation was 7 percent in 1973, with food prices up 19.4 percent and consumer prices up 9 percent. It forecast an over-all 7 percent inflation rate for 1974.

April 19—"It could be worse or about the same, but I see no real reason for it to be down," Jones predicted for the second quarter of 1974 after prices rose at a 10.8 percent rate in the first three months.

May 10—A slowdown in food prices should offset increases in other goods and result "in a rate of inflation substantially below recent rates." Stein told a congressional subcommittee.

May 14—Administration forecasts of a 6 to 8 percent inflation rate by the fourth quarter are too low "by a percentage point or two," Cost of Living Council Director John T. Dunlop said.

June 26—Inflation will be about 7.5 percent by the end of the year, Simon told the Joint Economic Committee.

Aug. 14—"It is going to be a long time before we get inflation down to an acceptable level," Simon told a Senate subcommittee and predicted high inflation for from two to five years.

Sept. 6—"We are going after . . . what I term public enemy No. 1, inflation, in 1974, and we will lick it by July 4, 1976," Ford said in a Philadelphia speech.

Sept. 13—"At the end of this year . . . our price level will probably still be rising by something in the neighborhood of 9 percent per year, perhaps more," Simon said in Phoenix, Ariz.

Dec. 5—Inflation should ease to a 6 to 7 percent rate by spring, Greenspan said.

Consumer prices rose 12.2 percent in 1974, food prices increased 12.2 percent and overall inflation was 10.2 percent.

FIRE ISLAND IN NEED OF MONEY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DOWNEY. Mr. Speaker, on September 11, 1964 the Fire Island National Seashore was authorized by Public Law 88–587 with the stated purpose of preserving the section of barrier beach off the south shore of Long Island and of providing natural open space and recreational facilities for the enjoyment of all.

Since the National Seashore Act became law in 1964 nearly all of the $16 million originally appropriated by the act for acquisition of property has been spent for seashore lands. There has been no new money provided for Fire Island since the original act was passed and the National Park Service has estimated that it would require at least $7 million to complete acquisitions and condemnations in the seashore. Presently, less than $300,000 remains of the original $16 million and this has been reserved for pending condemnation suits.

Fire Island has become a very popular recreation area not only for the residents of Long Island but for the New York area in general. However, since the establishment of the seashore there has been great concern over whether the spirit of the National Seashore Act has been implemented. There have been numerous complaints regarding improper development of private property and insufficient regulation of land uses within the seashore.

In 1972, 17 individual property owners on the seashore brought an action against the Secretary of the Interior, National Park Service officials, and the local governments on behalf of themselves and 12 civic associations on the seashore. This action sought to enjoin any further development inconsistent with the act until such time as the Secretary prepared, issued, and implemented an environmental impact statement as required by the National Environmental Policy Act, NEPA. (42 U.S.C. Sec. 4321 et seq.) After a hearing on plaintiffs' motion the court denied the preliminary injunction on the ground that it lacked jurisdiction.

This decision was affirmed by the U.S. Court of Appeals for the Second Circuit. *Biderman* v. *Morton*, 487 F. 2d 1141 (2d Cir. 1974).

Similarly, despite the fact that the Seashore Act was passed in 1964, no master plan to govern development nor any environmental impact statement as required by NEPA has yet been prepared and released. They have not yet been approved by the Secretary. When and if they are, they will then be subject to public hearings after which they may or may not become final. Thus, a final master plan and a final impact statement are more than a year away.

Moreover, in the draft master plan the National Park Service suggests that the western part of Fire Island be excluded from the seashore to avoid the problems to save money. This is not an acceptable way to deal with the protection of this valuable land resource.

In light of these problems, I believe that Congress should move ahead by enacting legislation to increase the authorization for acquisition on Fire Island, and to provide the Secretary of the Interior a means by which he may adequately control the development within this vital area. The bill that Representatives Pike, Ambro, Solarz, and I are introducing today will do these two things.

The legislation will increase the authorization figure for the Fire Island National Seashore by $10 million. The bill will also give the Secretary the power to go to the appropriate U.S. district court to seek injunctive relief against any action covered by the National Seashore Act which is inconsistent with the purposes of the act or which is considered adverse to the promotion and development of the national seashore.

On the east coast of the United States, so few undeveloped and natural areas remain. The question of the future of Fire Island as a protected area is a matter of concern not only to its own residents and those of New York State, but to all Americans. The Federal Government must retain its role in protecting this vital resource.

I include the text of the bill in the Record:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That section 10 of the Act entitled "An Act to establish the Fire Island National Seashore, and for other purposes," approved September 11, 1964 (78 Stat. 928), is amended by deleting "$16,000,000" and inserting in lieu thereof "$26,000,000".

(b) Section 7(c) of such Act is amended by adding immediately after the first sentence thereof the following new sentence: "In addition to any other statutory authority available to him under this Act or any other law, the Secretary, in carrying out his duties under this Act to administer, protect, and develop Fire Island National Seashore, is authorized to petition an appropriate United States district court for injunctive relief concerning any action covered by the provisions of this Act which the Secretary determines is inconsistent with the purposes of this Act, or which he considers adverse to the protection and development, in accordance with the purposes of this Act, of the area comprising the national seashore, and the United States district courts shall have jurisdiction to receive, consider, and act upon any such petition."

URGENT NECESSITY TO CONTINUE OUR NATIONAL SCHOOL LUNCH PROGRAM

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MOTTL. Mr. Speaker, I would like to call the attention of this House to a subject which has vital importance to the future of this country.

It is a subject which will have major impact on the personal lives of millions of young children.

I refer to the school lunch program.

President Ford and his administration have proposed a drastic cutback in this program. While presenting a budget which proposes a $50 billion deficit, they advise us to "economize" by taking food out of the bellies of children.

To my way of thinking, this is very false "economy." In effect, it is denying the coming generation some of the strength it will need to earn the money required to pay off the interest, to say nothing of the principal, of the debt load of the enormous deficit which the administration proposes.

It defies reason for an administration which sends spokesmen to Capitol Hill to plead that we pour hundreds of millions of additional dollars into the quicksand of Southeast Asia to also argue that we are so impoverished that we must curtail a modest investment in the future of our Nation's children.

Since the proposed cutback was made public, I have received numerous outraged protests from school administrators and members of parent-teacher organizations in my district protesting the plan. These people who have seen first hand the benefits of providing proper nutrition for youngsters cannot understand the sense of priorities of an administration which puts Asian bombs ahead of food for the bellies of American children.

I would like this House to know that several members of the House Committee on Education and Labor, under the leadership of Chairman CARL PERKINS, have introduced H.R. 3736, which proposes to extend the school lunch program in its present form for another 3 years. I am proud to be one of the sponsors of this bill.

I urge each and every Member of this House to support H.R. 3736, and assure its early adoption, so that no child anywhere in this great country will be denied a nutritious meal because of our failure to act.

To give you a glimpse of the importance of this measure, I would like to place in the RECORD two articles from the Cleveland Plain Dealer, a leading morning newspaper in northeast Ohio:

[From the Cleveland Plain Dealer, Feb. 13, 1975]

TWENTY-TWO THOUSAND CLEVELAND CHILDREN FACE LOSS OF BREAKFASTS

(By Thomas H. Gaumer)

About 22,000 Cleveland youngsters, most of them from low-income families, would lose breakfasts served in school under a Ford administration proposal.

The public schools provide breakfast daily for children in 57 elementary schools in areas where the poverty level is the highest.

If the proposal to reduce aid to children's nutritional programs is adopted by Congress, school officials fear children would come to school hungry because their families cannot afford breakfast at home.

Dr. George E. Theobald, deputy superintendent of Cleveland schools, estimated that about 80% of the 22,000 breakfasts served daily are free because parents of the children have low incomes.

For a family of four, an annual income of $5,640 qualifies youngsters for free breakfasts. A family income of $7,900 qualifies them for a reduced price of 10 cents. Higher incomes mean the youngster pays the full price of 15 cents.

Theobald said he feared that eliminating breakfasts will make it more difficult for youngsters to learn. He said he doubts a child who is hungry can concentrate on lessons.

Typical breakfasts served in classrooms include fruit juice, a half-pint of milk and cereal or other food made from bread, Theobald said.

The federal government pays the school system about $600,000 annually for breakfasts. Theobald said the school budget would probably not have enough money to continue the program.

The reduction in spending for food programs is part of the Agriculture Department's budget for the fiscal year beginning July 1.

Another part of the budget would eliminate subsidy of the school lunch program for lower- and middle-income families. Poor children would continue to receive free lunches.

Cleveland schools serve about 85,000 lunches daily.

[From the Cleveland Plain Dealer, Feb. 12, 1975]

LUNCH COSTS TO LEAP FOR 710,000 OHIO PUPILS

(By George P. Rasanen)

WASHINGTON.—Middle- and lower-income parents of 710,000 Ohio schoolchildren would be called upon to pay between $18 million and $28 million a year more for school lunches under a Ford administration proposal to reduce aid to children's nutrition programs. Poor children would still be fed free.

The administration's budget slashing proposal, being readied for Congress, would shift at least $500 million in subsidized lunch costs to the parents of 16 million U.S. pupils.

Ohio's schools would lose more than $18 million a year. Families of four with annual incomes of more than $5,600 would have to pay higher school lunch costs.

The Plain Dealer obtained its estimates for Ohio from the Senate Select Committee on Nutrition and Human Needs and committee aides.

The shift in school lunch subsidies could cost Cleveland's schoolchildren $800,000 a year, and possibly more, by raising lunch costs to more than 32,000 pupils.

"The pressures would be on everybody, on parents and on the school board at a time of recession and high unemployment," said Dr. George E. Theobald, deputy superintendent of Cleveland schools.

The administration's plan would end federal food subsidies and commodity buying for school lunches for children of middle- and lower-income families. The U.S. Department of Agriculture plans to use $4,510 a year as the poverty income limit for a family of four.

Initially, the administration's proposal showed up in the Agriculture Department's budget for the new fiscal year beginning July 1.

It drew little attention then because of the furor over President Ford's plan to raise the cost of food stamps, a proposal Congress defeated last week.

Agriculture officials estimated the costs of school lunches for middle- and lower-income families would go up by 22 cents per lunch. But, other sources said higher food costs could drive up the price by 40 cents to 50 cents.

In Ohio the average cost runs between 40 cents and 50 cents for elementary pupils. The cost for high school pupils runs between 50 cents and 60 cents.

An Agriculture Department memorandum stated the shift in federal subsidies would not require the states to stop support of "nonneedy children" if state officials felt the aid to middle- and lower-income families was necessary.

James Springfield, the Agriculture Department's deputy administrator of food nutrition, said the elimination of the food subsidy for the nonpoor "represents a feeling that federal support ought to be directed just to the needy child.

"It represents a feeling that state and local governments ought to develop programs locally if they want to provide more assistance."

Ohio's Department of Education gets about $40.2 million in federal food subsidies which is distributed to the state's public schools. Of that nearly $22 million goes to feed the poor free.

UNITED STATES SHOULD HELP SAIGON FIGHT THE HANOI STRANGLER

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GOLDWATER. Mr. Speaker, a recent article by United Features Syndicate columnist John Lofton addresses itself to the question of military aid to South Vietnam. I present it to my colleagues for their interest:

UNITED STATES SHOULD HELP SAIGON FIGHT THE HANOI STRANGLER

(By John D. Lofton, Jr.)

WASHINGTON.—Because President Ford believes it when he says, as he did in his press conference last week, that a country being choked to death has a right to defend itself, he will soon be asking Congress for $300 million in military aid to help South Vietnam continue to fight off the Hanoi Strangler. As the President quite correctly noted:

"The South Vietnamese are fighting skillfully and with firmness against this attack by the North Vietnamese. I think it's essential for their morale as well as for their security that we proceed with the supplemental plan that I am recommending . . ."

Although the outlook for approval of the aid is extremely gloomy, a compelling case can be made for it:

First, the military assistance is entirely legal under the cease-fire agreement where we are allowed to keep the South Vietnamese supplied at the same level of arms they had at the time of the agreement.

Even liberal Sen. Jacob Javits, R-N.Y., has made this point observing that the aid is perfectly proper because two years ago, when U.S. forces left Vietnam, we did make a major commitment to aid Saigon for three years. This is the beginning of the third year. Secondly, the request from South Vietnam for vitally needed minimum assistance just to survive, comes at a time when the North Vietnamese appear to be preparing for an all-out offensive.

They also are receiving massive aid from Russia and Communist China. The North Vietnamese have repeatedly violated the 1973 cease-fire, introducing more than 40,000 armored vehicles and more than 60,000 troops into the South since the agreement was signed.

Since the end of the U.S. bombing, the Communists have also been able to supply their troops in the South much quicker.

As for aid to North Vietnam, according to recent estimates, military and economic help from the Soviet Union and Red China, which was running at a level of about $715 million in 1973, rose to about $1.2 billion last year.

In contrast, the administration's previous budget request for 1.4 billion in military aid to South Vietnam was slashed in half by Congress last year.

Besides, $300 million is not that much money really when what is at stake is the survival of an American ally. More money than this is wasted every year by the Department of Agriculture in food stamps going to non-needy people.

Third, the idea expressed by Senate Majority Leader Mike Mansfield that if we cut off all aid this will somehow stop the killing and fighting, is simply not true.

In an interview, Douglas Pike, a U.S. government expert who has studied the North Vietnamese and Viet Cong for 15 years, told me that if American aid to South Vietnam were cut off entirely there would be "considerable blood-letting." A lot of lives would be lost, he says, if the Communists won decisively.

Pike says: "If we pulled out completely and abandoned South Vietnam altogether, there would be such catastrophic results that, in a psychological sense, we would be very deeply involved in Vietnam. It would be back on the front pages, there would be mutual recriminations about who is responsible, and there would be all sorts of involvement in a psychological sense which we do not want and I think do not need."

Pike also feels that if the U.S. demonstrates to Hanoi that it is prepared to help South Vietnam help itself, that there will eventually be less blood-letting with the Communists becoming less militant militarily and more active in a peaceful, political way in their attempts to achieve victory in the South.

Fourth, there is the credibility factor, what the consequences would be of the U.S. letting an ally go down the drain. In his book, "Peace Is Not at Hand," British Vietnam expert Sir Robert Thompson warns against letting South Vietnam fall because of a failure of American will.

The question whether the United States will remain a great power, capable of holding the West together and of safeguarding Western civilization," says Sir Robert, "will depend less on the military, political and economic factors and more on the psychological factor which affects men's minds in every corner of the world.

"Unless the people of the United States understand that their credibility is at stake, and learn that the greater their credibility the less is the cost and the less the risk, it is going to be very dark indeed at the end of the tunnel."

Very wise words, But I am pessimistic about whether the Congress will heed them. But it certainly should. Because South Vietnam, at the very least, deserves to survive. And we should do what we can to help.

CELEBRATING THE BICENTENNIAL

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, the following are additional articles expressing the enthusiasm of the people of Quincy, Mass., in celebrating the Bicentennial:

Quincy Heritage Cited in 'Bicentennial Times'

The vision, spirit and plans of Quincy Heritage were hailed in the September edition of "Bicentennial Times", a paper published monthly by the American Revolution Bicentennial Administration.

Saluting Quincy's then-new status as a Bicentennial community, the article described Quincy Heritage:

"An alert and active citizenry implemented its Bicentennial blueprint by first establishing Quincy Heritage, an organization charged with the responsibility of coordinating not only the city's Bicentennial plans but also plans for its own 350th anniversary in 1975".

Calling Quincy Heritage programs "key Bicentennial undertakings," the article described improvements made at the two saltbox homes of Presidents John Adams and John Quincy Adams.

"These landmark houses were in need of inside temperature controls to protect them from the destructive ravages of the winter-summer-freeze-thaw cycles that were taking their toll of the buildings and furnishings," the article explained.

Also cited in the article were Quincy Heritage plans to preserve the excavated remains of the first productive iron furnace at Furnace Brook as well as the remains of the country's first commercial railway which carried Quincy granite for construction of the Bunker Hill Monument.

The article told, too, of the tourmobile service to be offered to visitors and residents of the city, the proposed information center to be equipped with maps, brochures and calendars of events, the development of new traffic and information signs to better direct the visitor to city services, the planning of exhibits, audio-visuals and displays portraying Quincy's civic, industrial and economic developments, and two patriotic musical programs involving choral and instrumental groups throughout the city.

The "Bicentennial Times" is printed in Washington, D.C. in the interest of maintaining a high level of public awareness in the American Bicentennial observance. It also encourages participation in the Bicentennial by Americans everywhere.

Heritage Seeks $30,000 for Visitors' Center

Quincy Heritage is seeking a $30,000 grant in cooperation with the MBTA and the U.S. Department of Transportation to open a visitors' center in the heart of McIntyre Mall.

Manned by Quincy Heritage volunteers and stocked with maps, brochures, food and lodging information and other literature, this center will be a launching point for many visitors and residents.

In addition, the civic, industrial and economic development of our nation will be portrayed in a series of exhibits, displays and audio-visual presentations. Commemorative items will also be for sale at the center.

"Quincy's Pride" Slide Show Available

"Quincy's Pride", an 11-minute Quincy Heritage slide show, captures Quincy's unique history and tells of Quincy Heritage plans to commemorate that history.

The audio-visual presentation, created and produced by John R. Graham, executive director of Quincy Heritage, contains 140 slides of the city. The show is narrated by Win Bettinson of WJDA.

Since Aug. 1, 1974, a total of 5,000 people representing 50 organizations have seen the slide show.

The show has been presented not only in Quincy but in Scituate, Lynn and Durham, N.H. at the Conference of the New England Historical Society.

Clubs and organizations wishing to view the slide show are asked to make a contribution to the Quincy Heritage tree-planting project which honors the memory of John Quincy Adams and his personal motto, "Plant Trees for the Future".

A total of 500 trees will be planted throughout the city over the next two years, symbolizing the birth of Quincy babies.

Abigail Adams: Woman of Special Honors

Abigail (Smith) Adams was the only woman to be the wife of one President and mother of another.

She died in 1818, however, and did not see her son John Quincy elected our sixth President. John Adams did live to see his son named President in 1825.

Thirty Schools Developing 350th Projects

The 30 schools throughout Quincy are in the process of developing anniversary and bicentennial projects which will live beyond the two-year celebrations as permanent contributions to the city.

Each of the city's 21 elementary schools, five junior high schools, two high schools, the Vocational Technical School and Quincy Junior College, are planning unique projects of their own choice—projects which will make a major impact in their school area.

Ideas for potential projects are limited only to ingenuity and imagination. Students could initiate a clean-up project, become involved in restoration of historic sites, or paint historic murals.

Students at Mass Fields School, for instances, are re-creating the trunk of Abigail Adams by knitting and sewing colonial clothing of the day.

Through the efforts of Quincy's students, the celebration of the city's history and heritage will continue far into the future.

Abp. Fulton Sheen To Speak at Concelebrated Mass

Archbishop Fulton J. Sheen will deliver the sermon at a concelebrated 5 p.m. Mass Saturday, Feb. 15 at St. Mary's Church, West Quincy.

The Mass is being sponsored by the 350th Anniversary Religious Committee.

Many can recall how Abp. Sheen battled "Uncle Milty Berle" for prime-time television. Berle referred to the archbishop as "Uncle Fulty" and recommended listening to Abp. Sheen. The two have been good friends ever since.

The principal celebrant at the Mass will be Msgr. John Mullarkey, of Quincy, retired pastor of St. Pius V parish in Lynn.

He will be assisted by auxiliary bishops Lawrence Riley and Joseph Maguire and by the pastors of Quincy parishes: Msgr. Richard Hawko of Sacred Heart Church, North Quincy, Msgr. Mark Keohane of Star of the Sea Church, Squantum, Msgr. James Scally of St. Ann's, Wollaston, Father Thomas Croke of Our Lady of Good Counsel, Merrymount, Father John Tierney of St. John's Church, Quincy, Father James Hart of Blessed Sacrament, Houghs Neck, Father John McMahon of St. Mary's Church, West Quincy, Father Joseph Downey of St. Joseph's Church, Quincy Point, and Father John Dacey of St. Boniface Church, Germantown.

Msgr. Mullarkey was born in Quincy Jan. 16, 1900. This year he is celebrating his 75th birthday and his 50th year as a priest.

The monsignor was baptised, received his first communion and was confirmed at St. Mary's Church. He is the son of the late Bernard and Delia McHugh Mullarkey of Quincy. Four years ago he retired as pastor of St. Pius V parish and is now living at the family home on Crescent St., West Quincy, with his two sisters.

U.S. Navy Band in Two Concerts Here March 10

Under the sponsorship of Quincy Heritage, the famed and versatile U.S. Navy Band will visit Quincy, performing two special concerts Monday, March 10.

A total of 1,600 Quincy students will hear the Navy Band's two-hour afternoon concert held at the Vocational Technical School gymnasium. Two-hundred fifty of those students will be members of the Quincy and North Quincy High School Bands. The concert will begin at 1 p.m.

An evening concert for the public—a maximum of 1,600 can attend—will be performed from 8–10 p.m.

During the concerts, members of the Air Force Junior ROTC will serve as ushers as well as color guards for the Band.

The 52-member concert band will play a medley of songs focusing on the country's history. Tickets are $4 per person and will be on sale in advance at the offices of the Quincy and North Quincy High School Band directors, the U.S. Naval Reserve Training Center, 85 Sea St., Quincy, the Air Force Junior ROTC office, and the South Weymouth Naval Air Station.

Total cost of the event is $3,500. Quincy School System has donated $500 to help Quincy Heritage sponsor the band.

Proceeds from the concerts will benefit Bicentennial and 350th anniversary activities of Quincy Heritage.

The U.S. Navy Band was born March 4, 1925 when President Calvin Coolidge, on the day of his inauguration, signed into law a special act of the 68th Congress, recognizing this band as a permanent, representative band of the United States Navy.

Under every president since Harding, the Navy Band has performed throughout the entire continental United States, Canada, Alaska, South America, Europe, the Mediterranean countries, Panama and the Caribbean Islands.

In 1937 the Navy Band was honored by the famed Canadian Exhibition in Toronto when it was the featured musical attraction. In 1964, with over three million people in attendance, the Navy Band made its sixth appearance at the Exhibition—more than any other foreign band.

The Navy Band was the first military band to broadcast over radio and to boast regular programming. In the late 1920's it was "The Hour of Memories" and, through the 1960's, it was the famous "Navy Hour".

Presently the Band consists of 175 enlisted men and women musicians and four officers. The Ceremonial Band performs at White House ceremonies in honor of American and foreign dignitaries and at Arlington National Cemetery for wreath-laying ceremonies and funerals.

The Concert Band performs regular concert series in Washington and tours throughout the country every year.

Leading the band is Lt. Cmdr. Ned Muffley who assumed command of the Band June 29, 1973. A young and energetic conductor, he brought with him the experience of more than 20 years' service in Navy music.

Lt. Cmdr. Muffley, who conducts all performances without a musical score, was honored by a personal invitation from Arthur Fiedler to guest-conduct The Boston Pops.

SALEM, N.J.'S, HISTORIC MARKET STREET DISTRICT

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HUGHES. Mr. Speaker, Market Street district in Salem, N.J., recently has been nominated by Environmental Commissioner David J. Bardin to the National Register of Historic Places.

The Market Street district richly deserves this national historical recognition. This street was a vital artery years before the American Revolution. Restoration plans, which would be aided by such a designation, were formulated by the late Gerald R. W. Watland, famous restoration architect.

Commissioner David J. Bardin aptly describes Market Street's historical value and beauty in the following:

The special character of Market Street derives in part from its architectural distinction. The street conveys a sense of architectural integrity and unity emerging from diversity. There are notable Georgian, Federal, Greek and Gothic Revival, and Victorian structures, with a minimum of 20th century instrusions. However, almost all the houses have been somewhat altered over the years, either to conform with prevailing architectural styles or to provide additional living space. For example, the house at 41–43 Market Street was originally Georgian, but was remodeled in the 1820's in Greek Revival style and in the 1880's in the Victorian manner.

The older and more elegant houses are on the westerly side of Market Street. The better Federal and Greek Revival styles are seen here. Almost all of these are large brick townhouses. The houses on the easterly side are generally less formal frame buildings. The most notable Victorian houses are on the easterly side of Market Street.

Many of the houses have long, narrow backyards with gardens. Some of the houses are separated by alleys or lanes, one of which was the original driveway to the home of John Fenwick, leader of the colony that established Salem in 1675. Throughout much of the 19th century, these alleys provided access to livery stables behind Market Street and to the wharves at the lower end of the street.

While some of the houses in the Market Street district retain their private residential character, others have been subdivided into apartments and office space. A few structures in the district were originally built for commercial purposes.

Most of the buildings along upper Market Street are in good to excellent condition, some having been painstakingly restored to their original distinction by their present occupants. Many of the buildings at the lower end of the street, now owned by absentee landlords, have been allowed to deteriorate. A restoration project is currently underway in this area. It will benefit from the district's National Register nomination and the eligibility for federal funding which it confers.

The Market Street district is the heart of John Fenwick's original colony. Market Street residents have been prime movers in all phases of the history of Salem city and county; the district has been the setting for the events of this history. From its inception, the district was a terminus of land and water transportation into and out of the area. This is only made for a diversified economy in the town, but also brought the whole region into the mainstream of life in the colonies and the emerging states, and facilitated overseas contracts as well.

VOICE OF DEMOCRACY

HON. FLOYD V. HICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HICKS. Mr. Speaker, as you know, each year the Veterans of Foreign Wars and its Ladies Auxiliary conducts a Voice of Democracy contest which provides young people the opportunity to deliberate upon the privileges and responsibilities we all share as citizens of this country.

Each State has a winner in this contest and I am proud of the fact that this year the winner in Washington State is Brent Joel Frerichs, a young man from Bremerton, in my district. Brent, the son of the Rev. and Mrs. Frerichs, is now a junior at Central Kitsap High School, is news editor for his school newspaper and plans to attend Whitworth College in Spokane after graduation.

Because I feel that Brent's entry typifies the feelings of a good many of today's young people, I would like to share his thoughts with my colleagues at this time. The speech follows:

My Responsibility as a Citizen

(By Brent Frerichs)

I consider my responsibility as a citizen one of excitement and challenge. This is a challenging age, and as a citizen, this challenge is passed on to me. The challenge is to never waiver from my basic belief in America and my determination to make it better.

It is exciting to me to think that I can support my country in a constant effort to make it stronger and an even better place to live. In this support, I should always be quicker to help than to criticize; to be enthusiastic yet sincere; and interested and active rather than apathetic.

I must regard all things not whether or not they will benefit me, but whether or not they will benefit my country and all of the individuals within my country. As a recent song puts it, "Maybe we should stop thinking of ourselves as individuals, and start thinking of ourselves as Americans."

In this same spirit of unselfishness, I should always be willing to help the needy in any way I can. It is my responsibility to see that they have adequate care, proper housing, and nourishing meals. For this country can only be content when its citizenry is content.

To enable me to be a responsible citizen and voter, I must make it my duty to be informed in two basic areas. To study for the future, I must look back to the past. I should delve into the rights and responsibilities granted the citizen and the values of life, liberty, and justice for all out of which our forefathers built the foundation of this country. After this, I am prepared to study current events, ideas, and issues that affect our country. I should utilize the means of publications, radio, and television to inform myself. The old tale that "ignorance is bliss" does not ring true for the citizen. This must be done so that when I have to make evaluations on these ideas and issues, to see if they will indeed fit upon the foundations our founding fathers built; I can do so with intelligence.

After being properly informed, I must give of my time, resources, and abilities to make our system of government function. Initiatives, referendums, petitions, letters to congressmen and officials, campaigning for responsible candidates are all mediums I should use to make my voice heard in local, state, and national government.

Another way, and perhaps the strongest way, that the people of this nation can make their will known is at the ballot box. It is imperative that the people know their vote counts. It is my responsibility to encourage people to exercise their responsibility at the ballot box. I firmly believe that it is not just the right, but the responsibility of registered voters to vote.

One of my responsibilities as a citizen is to rouse my fellow citizens from their coma of apathy. The old, but ever refreshing news that everyone's voice and vote still counts must be told over and over.

All too often the citizens of this country believe that our system is one of predestination; that whatever happens will happen regardless of their opinion or their vote. It is my duty to tell them that this is not true. My point can be proven by a recent election in New Hampshire where a United States Senator was elected by a margin of only ten votes; or Alaska where the new governor was elected by a little over two hundred votes.

I must work in a constant effort to destroy the corrosive rust of apathy. I must tell all people that they need only to speak and their voice will be heard.

My ultimate goal as a citizen is to be at my best. For it would be pure hypocrisy for me to expect my country to be at its best if I refuse to be at my best. To be at my best I must work, and become actively involved, to make our system work.

Only a few people working to make our country function is like a great, branchy tree with only a few leaves on it. That is a depressing sight indeed. This can be changed, however. With each person who is an active citizen, a green leaf is added to the tree. At long last there is a great, lush, green tree of liberty that the whole world can admire. That is my dream, my hope, my confident expectancy for America.

THE NEED TO REFORM REGULATORY AGENCIES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. CRANE. Mr. Speaker, it is unfortunate, but true, that governmental regulatory agencies, initially created to help the public, have, in the end, served only the interests of the various industries being regulated.

This is true in the case of almost every one of these agencies. Consider, for example, the Civil Aeronautics Board. If you are flying between Los Angeles and San Francisco your plane ticket will cost you $23 if you purchase it in New York—subject to Federal control—but only $16.50 in California—not subject to Federal control.

Profs. Peter Passell and Leonard Ross of Columbia University write that—

> Economic estimates suggest that, without the Civil Aeronautics Board, you could fly from New York to Los Angeles for $95, from Washington, D.C. to Chicago for $33. Current fares on the two runs are $168 and $52 respectively. In general, it seems clear that without the CAB, air fares could be considerably lower throughout the United States and abroad.

Just as the CAB serves the airlines, not the public, so the Interstate Commerce Commission serves the trucking industry and the Teamsters Union, not the public, and the Federal Communications Commission serves the major networks, not the public. It is high time that we either eliminate or reform these agencies.

Discussing the current role played by regulatory agencies, the Richmond News Leader notes that—

> There can be no doubt that the hidden costs of regulatory ruling have contributed to consumer price increases. The seven independent regulatory agencies, responsible only to Congress, have a stranglehold on most of the nation's interstate utilities, transportation, electronic communications, and consumer goods. These agencies long have been called the fourth branch of government. Their capricious rulings often result in restraint of trade and competition; if their regulations were subject to anti-trust action, the courts would be embroiled in suits for years.

The News Leader concludes that, "Regulatory reform could save billions of dollars."

I wish to share with my colleagues this important editorial from the Richmond News Leader of February 19, 1975 and insert it into the RECORD at this time:

EDITORIAL URGES REFORM OF REGULATORY AGENCIES

Last fall, President Ford proposed that Congress approve a special study commission to look into the ways in which powerful federal regulatory agencies add to consumer costs. His proposal died—and so did much of the interest in regulatory agencies.

Now, however, the President's Council of Economic Advisers has issued a report that cites numerous instances in which regulatory agencies abuse their powers. The CEA suggests that the economy would benefit from a reduction in regulatory authority. In the Senate, two committees plan to hold hearings on regulatory policies, and the House Commerce Committee may undertake similar hearings. These are promising signs, because the regulatory agencies are long overdue for reform.

There can be no doubt that the hidden costs of regulatory rulings have contributed to consumer price increases. The seven independent regulatory agencies, responsible only to Congress, have a stranglehold on most of the nation's interstate utilities, transportation, electronic communications, and consumer goods. These agencies long have been called the fourth branch of government. Their capricious rulings often result in restraint of trade and competition; if their regulations were subject to anti-trust action, the courts would be embroiled in suits for years.

It hasn't always been that way. Some of the agencies were founded to protect the consumer's interest. The Interstate Commerce Commission was established in 1887 to crack down on the robber barons running the railroads. The Federal Trade Commission was founded in 1914 to prevent unfair competition and deceptive marketing practices. The Federal Power Commission was set up in 1920 to serve the consumer's interest in regulating utility monopolies.

Around 1920, the purpose of regulatory agencies changed, and they began to favor the industries they regulated. In that year, Congress altered the authority of the ICC from setting maximum rates for railroads to setting minimum rates for railroads. Since then, regulatory practices have stifled free competition. The Civil Aeronautics Board, for instance, has not authorized a new trunk airline since 1938.

It doesn't require a Ralph Nader to discern that regulation is costing consumers more money than it should. It has been estimated that the total waste from unnecessary federal regulations costs consumers up to $24 billion a year. The ICC permits 148 rate bureaus, composed of truckers, to set trucking fees. When frozen vegetables were deregulated in the 1950s, shipping costs dropped by 20 per cent.

After the Supreme Court ruled that the shipment of chickens is not subject to ICC regulation, shipping costs fell by one-third. The ICC also establishes "gateway routes" for truckers that take shipments miles out of their way; ICC regulations also "protect" the trucking industry by forbidding truckers to return from their destinations with new shipments.

Obviously, regulatory reform could save billions of dollars—if Congress were amenable to reform. The prospects are not encouraging. Congress itself has authorized numerous regulations that add billions to consumer prices. Many regulated industries, such as the trucking industry, maintain powerful lobbies on Capitol Hill. The regulators have been busy building empires for generations, and they have abandoned their adversary role toward the industries they oversee.

Regulatory protection of restricted competition costs the consumer in more ways than he realizes. Perhaps Alfred E. Kahn, New York State Public Service Commission Chairman, said it best in testimony before a Senate judiciary subcommittee: "Regulation and competition are inherently antithetic," he said. "Regulation cannot supply the dynamic stimulus that in other industries is supplied by competition." Indeed it cannot. The sooner that Congress gets on with regulatory reform, the better.

OIL SHALE PROGRESS REPORT

HON. JAMES P. (JIM) JOHNSON

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. JOHNSON of Colorado. Mr. Speaker, little more than a year ago, bids on the first of six leases offered on federally owned oil shale tracts in Colorado, Utah, and Wyoming were opened in Denver. That first lease brought a record cash bonus bid of $210 million. Subsequent lease sales in Colorado and Utah also brought startling bids, even more so when the bid amounts were divided by the barrels of recoverable oil thought to be in place. Since the initial flurry of publicity, activity in the oil shale country of the three-State area has made comparatively few headlines but fieldwork, particularly the gathering of environmental baseline data, which, under the lease terms, must proceed for 2 full years before development of the tracts, is going ahead. Two articles in a new magazine, Shale Country, by Ms. Alys Novak, are a particularly professional assessment of the status of oil shale fieldwork in Colorado and Utah. I would like to share these articles, "Progress Report: The Federal Shale Lease Program—What's Happening?" and "The Environment: What's the Scene at the Site?" with my colleagues:

PROGRESS REPORT: THE FEDERAL SHALE LEASE PROGRAM—WHAT'S HAPPENING?

(By Alys Novak)

(Still in the "cocoon" stage, the shale prototype program goes forward—step by specific step.)

If you live in New York or Wisconsin, you might well believe such popular misconceptions as "Pike's Peak is in the middle of Denver" and "Every man in Utah has six wives". And you also might believe that shale country is a whirlpool of industrial activity with people and plants swirling everywhere.

But, if you live in shale country, you know that in actuality, it would be virtually impossible to put your finger on even a small shale whirlwind. Reason: private shale development programs have geared down because of economics, and the federal prototype shale leasing program is still very much in its "cocoon" planning/studying stage.

And that's where it's supposed to be. Remember, the goal of the federal prototype program is to generate essential information about shale's environmental impacts and commercial viability. Thus the rules of the game, as spelled out by the lease, are that the lessees must take a specific number of specific steps—in a certain time period—between Start and before Go.

Specifically, each step of the proposed environmental and development plans must be approved by the Federal Area Oil Shale Supervisor before initiation. This official, as specified in the lease, is empowered to regulate prospecting, exploration, testing, development, mining, and processing operations on the lease sites.

And, prior to the Shale Supervisor's approval, the preliminary and final development plans must be reviewed by the Oil Shale Environmental Advisory Panel. This panel, composed of federal, state and local government officials and environmental representatives, was established by the Interior Dept. to advise the federal officials involved in the prototype oil-shale leasing program. The Supervisor and the Panel, however, are only two components of the governmental structure related to the shale industry; this vast, complex structure will be detailed in upcoming issues.

The next big step: each lessee must file a detailed development plan with the Shale Supervisor on or before the third anniversary date of the lease. It is monetarily to the advantage of the companies to submit these plans before the due date, because it moves them closer, sooner, to actual operation and permits taking advantage of the financial incentives built into the leasing program. But it is not expected that the plans will be submitted far in advance since there is little way to speed through all the necessary steps and still meet all the criteria, just note what the development plan must include:

(1) a schedule of the planning, exploratory, development, production, processing, and reclamation operations and all other activities to be conducted under the lease;

(2) a detailed description of the procedures to be followed to assure the development plan and lease operations will meet and conform to the environmental criteria and controls of the lease;

(3) a description of how the lessee will use all due diligence in the orderly development of the leased deposits to attain, at as early a time as possible, production at a rate at least equal to the rate on which minimum royalty is computed.

That's a pretty big order. Nevertheless, each company has made considerable progress toward these objectives, which will be detailed later. But first, let's review who won the federal shale leases and when, by going back in time once again—to November 1973. At that time, Interior Secretary Rogers Morton announced the oil-shale prototype leasing program by opening six 5,000-acre oil-shale tracts, two in each of the three shale states (Colorado, Utah, Wyoming) for competitive bidding by private companies, for 20+-year rights to these tracts. No one bid for the Wyoming tracts—these deposits are small in comparison with those of the other two states. The four other tracts were bid for and awarded as follows:

Colorado Tract C-a: Location: 5,089 acres on the western flank of the Piceance Creek Basin, about 5 miles from Cathedral Bluffs, 17 miles off Piceance Creek Rd. in Rio Blanco county, about 50 miles from Rangely and Meeker by existing roads.

Expected yield: 4:07 billion barrels of oil.

Project title: Rio Blanco Oil Shale Project.

Project headquarters: Denver.

Lessees: Gulf Oil Corp. and Standard Oil of Indiana.

Bid price: $210 million.

Effective date of lease: March 1974.

Colorado Tract C-b: Location: 5,094 acres in Rio Blanco county, 1 mile off Piceance Creek Rd., 20 miles southwest of Meeker.

Expected yield: 723 million barrels of oil.

Project title: The C-b Shale Oil Project.

Project headquarters: Denver.

Lessees: Atlantic Richfield (operator), Ashland Oil Co., Shell Oil Co., The Oil Shale Corp.

Bid price: $117 million.

Effective date of lease: March 1974.

Utah Tract U-a: Location: in Uintah county, about 40 miles south of Vernal, Utah.

Expected yield: 244 million barrels of oil.

Project title: White River Shale Oil Development.*

Project headquarters: Salt Lake City.

Lessees: Phillips Petroleum Co., and Sun Oil Co.

Bid price: $75 million.

Effective date of lease: May 1974.

Utah Tract U-b: Location: adjoining tract U-a.

Expected yield: 266 million barrels of oil.

Project title: White River Shale Oil Development.*

Project headquarters: Salt Lake City.

Lessees: White River Shale Oil Corp. (Phillips Petroleum, Sun Oil, Sohio Petroleum).

Bid price: $45 million.

Effective date of lease: June 1974.

THE TIMEFRAME AND THE STEPS IN TIME

Although each lessee has a slightly different calendar to follow because of the different effective dates of their leases, all are concentrating on similar tasks in 1975. They are:

Continuing some very basic programs begun last year, such as project planning, coordinating, organizing and scheduling, as well as economic analysis and public information.

Making detailed geological, engineering and environmental investigations of the tract and surrounding area.

Analyzing direct and indirect social and economic effects of oil-shale development on the region.

Conceiving, coordinating and executing engineering studies of mining and processing methods and equipment.

Each lessee is deeply involved in programs related to each of these tasks. For example, they are all very much involved in their 2-year baseline/monitoring studies (see more detail in "The Environment".) And there are many other specific lease-related activities going on in 1975.

White River Shale Oil Development: This group is working with a contractor for a new community development that would house and sustain the Utah development. The contractor will be responsible for performing feasibility studies, including socioeconomic impact studies. White River is also involved with a major engineering construction organization, which will serve as the general contractor for the Utah project. And water rights are being finalized.

In addition, White River is in the process of preparing exploration and development plans for the joint commercialization of the two tracts. Four important related factors: One, the ownership of U-a and U-b is the center of a dispute between the State of Utah and the federal government. However, White River's project is not expected to be jeopardized. Two, Sohio holds certain fee lands adjacent to the federal Utah leases, which gives the venture group additional flexibility in its planning. Three, White River would be the first major installation to use under license the Paraho technology, thus its planning will be expedited by the successful demonstration of this technology. Four, White River would like to begin construction of an oil-from-shale refinery complex and underground mine development in the last quarter of 1976. This, of course, is contingent on whether the U-a/U-b development plan wins federal approval—and if economics cooperate. This complex would be due west of Rangely, Colo., near the Colorado/Utah border, located in eastern Utah along the White River. It would be a joint venture of Sohio, Phillips and Sun and is expected to cost more than $1 billion.

White River expects byproducts from these on-site upgrading facilities will include semirefined shale oil, ammonia, coke and sulfur, plus low-BTU gas, which will be used as fuel for retorting and power generation.

Rio Blanco Oil Shale Project: Rio Blanco is also very much involved in working out the details of its development plan, with the assistance of Cameron Engineers, Inc. And it is working with a number of other contractors and consultants on various studies. In addition, Rio Blanco has already completed drilling 17 of the 24 holes that are contemplated in conjunction with exploratory work on its tract C-a. The completed holes, which were cleared for ecological and archeological impact before drilling began, were drilled for both geological and hydrological purposes. Data from the wells are currently being analyzed; and hydrology monitoring also has begun. And aquatic and terrestrial studies are under way.

Also, a 200-foot meteorological tower, three 30-foot meteorological towers and four air-quality monitoring stations have been completed on the C-a tract. Data collected at the measuring sites are telemetered to the southernmost station where the information is recorded and stored. The data go into a computer that computes averages for air quality and meteorology on hourly, daily and quarterly schedules.

As noted previously, numerous environmental studies are in the works on each site. In addition, archeological studies, extensive photography of the tracts and vicinity, and general surveying work are progressing. For instance, on tract C-b, extensive hydrologic work is being done to learn about the subsurface water makeup. C-b's preliminary plan indicated that significant amounts of underground water are anticipated on the site and that wells to pump water out of these underground aquifers will be necessary so that mining can be done. Then, this water probably will be used in the processing of the tract's shale oil. Also, C-b planners, like those involved with the other sites, are working with the appropriate utilities and government agencies to plan for road, pipeline, and powerline corridors. And all are working closely with the various government agencies involved with socioeconomic planning related to shale.

Before concluding this progress report, it must be noted that in addition to the companies involved in the federal shale program, and the private shale ventures already mentioned—Colony, Paraho, Union, Superior and Garrett—there are many other participants in the shale industry. These range from companies such as the Cleveland-Cliffs Iron Co., which has long-time involvement in shale ventures, including present funding participation in the Paraho project, to companies with a variety of shale land and other interests, including Webb Resources, Gary Operating Co., Skyline Oil Co., Getty, Mobil and Texaco. Reviews of these private activities will appear in later issues.

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*U-a and U-b planning is being done on a cooperative basis; there will be one development for the two tracts. The expectation is that the U-a/U-b project will become a three-company equal ownership situation.

In conclusion, progress on the federal tracts will be at a pace and in a mannner compatible with the spirit and requirements of the prototype oil-shale leasing program—and national energy goals. Ultimate commercial production from these leases and private tracts, however, is contingent upon national—and international—policies and politics, as well as future crude prices and retort development/mining technology that achieves maximum resource recovery and incorporates environmental safeguards within a reasonable cost framework.

THE ENVIRONMENT: WHAT'S THE SCENE AT THE SITE?

Adjectives ranging from aesthitically ugly to starkly beautiful have been used to describe the Colorado-Utah-Wyoming oil-shale, lands. But subjective semantics aside, a description of the environmental setting can be simply stated: it reflects the climate and geology of this region. The federal shale sites, thus, are semi-arid areas defined by ridges and valleys with steep cliffs of rock, scattered with clumps of sagebrush and woody shrubs and populated by mule-deer, jack rabbits, assorted other wildlife . . . and a few human beings.

And the second environmental fact related to the sites can also be stated simply—and is, in the lease: "The Lessee shall conduct all operations under this lease in compliance with all applicable Federal, State, and local water pollution control, water quality, air pollution control, air quality, noise control, and land reclamation statutes, regulations and standards."

To repeat, the lessees must meet demanding environmental requirements throughout the entire span of their involvement with the tracts. In particular, before they can begin actual development of their leased deposits they must compile comprehensive baseline data on all environmental indices in their leased area to determine the conditions existing prior to any development operations under the leases. And they must also conduct a monitoring program before, during, and subsequent to development operations as a continuing check on compliance with the provisions of the lease.

So, as noted in "Progress Report," the environmental scene at the federal sites in 1975 will be the collection of baseline data, since these data must be collected for a period of at least two consecutive full years. And one full year of these must be made before the submission of the detailed development plan.

What are the key environmental indices involved in the baseline and monitoring programs on the sites? Basically, there are four: water (surface and ground), air (quality), flora and fauna, and soil (survey and productivity). In turn, the key environmental challenges presented by the site relate to these four factors.

Water, for example, not only must be considered by the lessees in terms of availability—the Rocky Mountain region has a "tight" water supply—but also from the point of salinity. Vast quantities of underground waters underlie much of the oil-shale area. While the water at the top of these aquifers is generally fresh, it deteriorates rapidly. And since the Colorado River already has a heavy salinity content from natural causes and agricultural practices, water quality is being carefully tested by the shale companies.

And air quality is also being monitored closely. For the Colorado tracts, in particular, air quality is a major consideration for two reasons. One, Colorado air pollution standards are extremely strict—in fact, they are more stringent than any place else in the United States, except Clark County, Nev., the home of Las Vegas. Two, the air quality in the sparsely-populated oil-shale region already violates some air standards because of natural dust, air inversions and vegetation-related pollution.

Also of considerable environmental interest are the fauna of the sites. The oil-shale region, for instance, has one particularly distinctive species—the mule deer herd that winters in Colorado's shale-rich Piceance Creek Basin. Thus, as the deer migrate through shale country this spring and then again in the fall, they will be studied closely for clues about their patterns of behavior.

Another factor being surveyed intently on the federal sites relates to archeology. Scientific and professional investigations are being conducted to discover whether any objects of antiquity, or of historic and prehistoric interest exist on the tracts.

Soil and flora also are tops on the study list because of reclamation considerations. Although revegetation of spent shale still includes some unknowns, years of research have already been conducted by Colony and others with results that give the lessees confidence long-term revegetation efforts will be successful. The case of revegetation, however, raises an interesting philosophical question: should the area be maintained in its present condition of vegetation—considering that it is not now in a "native" state? Ecologists point out that the vegetation presently on the sites is not what originally existed there. It reflects a change caused by a recent use of the land—grazing of livestock.

Other philosophical questions may arise in terms of the question: to reclaim the environment to its present condition—or to a "better" but different one? But one philosophical question will not arise. That is, whether or not to make a sincere effort to insure that shale activities are as free from environmental damage as is practicable. Corporate acceptance of environmental protection as a proper objective and cost of doing business is made clear in the lease and by each lessee's commitment of effort and dollars (about $6 million per project—just for the first 2 years of environmental studies).

THE STATUS OF THE ARMY

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BEARD of Rhode Island. Mr. Speaker, recently I learned of some of the major acomplishments of our Army in 1974, Mr. Howard "Bo" Callaway, the Secretary of the Army, presented a briefing on "The Status of the Army." I was impressed with his presentation and some of the facts are truly worth noting.

I was aware that our Army is an all-volunteer force, but I did not know just how successful the Army's leaders have been in exceeding, rather than just meeting their goals. I suppose there are many responsible persons, both within and outside government, who had misgivings about the chances for a volunteer force to work. I think the figures tell quite a story. Last year, enlistments totalled 218,000. That is 60,000 more than the entire population of the capital city of Providence, R.I. But even more impressive were the reenlistment figures. Over 74,000 men and women reenlisted; that is 124 percent of the Army's objective.

Another important factor that impressed me was the Army's ability to attract the achiever, not the dropout; 85 percent of the new recruits are already in the top three mental categories and the Army hopes to reduce the content of the lowest category to less than 13 percent this year. It was surprising and encouraging to learn that over 74 percent of the enlisted force are now high school graduates and the Army hopes to have 80-percent high school qualified within 2 years.

Another factor of great interest was the evidence of equal opportunity. The black content of the enlisted force is just over 22 percent now and 4.4 percent of commissioned officers are black. Obviously, women see opportunity in the Army with over 90 percent of the jobs open to them. Last year, more than 20,000 women joined the Army's ranks.

Mr. Callaway pointed out how the Army's combat readiness has significantly improved. Two years ago, I learned, less than half our 13 active divisions were considered combat ready. Today, all our active divisions are ready.

At this point, I might comment that the Members of Congress received deep appreciation from the Secretary for their help in building today's Army.

Economy of operation has been unusually effective in the Army's internal efforts to improve fighting efficiency. Seven major management headquarters were eliminated and over 1,500 spaces removed from the Army Staff at the Pentagon. The Army has eliminated the so-called "nice to haves" and concentrated on the "need to haves." These are all indicative of the operation of a truly professional force.

EARTH DAY

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. LEHMAN. Mr. Speaker, today I am introducing along with 15 of my colleagues from the Post Office and Civil Service Committee, a joint resolution that would designate March 21 as Earth Day. I trust it will receive early consideration by the Post Office Committee which now has jurisdiction over commemorative days.

Mr. Speaker, admittedly, this is not one of our most pressing or immediate legislative priorities. Nonetheless, this resolution should not be shelved in some committee files never again to see the light of day. The first day of spring has long symbolized the rebirth and continuity of life as the magnificence of nature unfolds and reappears once again.

Mr. Speaker, we can take our cue from

nature. Earth Day, the first day of spring, would serve to remind all Americans of their never ending commitment to preserve, protect, and improve the environment. A special Earth Day would serve as a focal point for persons of all ages to participate in activities which promote a greater awareness of the environment that surrounds us, and the challenges it faces. Above all else, Earth Day would serve an educational function. It would draw attention to the fragile balance between man and his environment.

Mr. Speaker, Earth Day transcends our immediate concerns. While our current economic crises demand an immediate response, we cannot lose sight of the fact that a healthy environment is an ongoing and long-term struggle. This resolution is not so much a call for action, but reflection. It does not subscribe nor propose any miraculous solutions, only questions. It is a small attempt to encourage all Americans to rededicate their efforts to preserve, protect, and improve the quality of our environment. It must not get lost in the legislative shuffle.

Mr. Speaker, at this point I ask that the text of the resolution appear as follows:

H.J. RES. 258

Joint resolution to designate March 21, 1975 as "Earth Day"

Whereas environmental issues rank very high on the scale of general public concern, and are of importance to a broad spectrum of Americans of all ages, interests, and political persuasions;

Whereas there is a need and desire for continuing environmental education, and for a continuing nationwide review and assessment of environmental progress and of further steps to be taken;

Whereas Earth Day would promote a greater understanding of the serious environmental problems facing our Nation, and encourage a persistent search for solutions;

Whereas Earth Day would serve as the focus of special environmental education projects of hundreds of thousands of grade school, high school, and college students; and

Whereas Earth Day would provide a base for a continuing commitment by all interests, including education, agriculture, business, labor, government, civic and private organizations, and individuals, in a cooperative effort to improve and protect the quality of our environment: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 21, 1975 is hereby designated as "Earth Day", a time to draw attention to the need to continue the nationwide effort of education concerning environmental problems, to review and assess environmental progress and to determine the further steps that need to be taken, and to renew the commitment and dedication of each American to improve and protect the quality of the environment. The President is authorized and requested to issue a proclamation calling for the observance of such day with appropriate ceremonies and activities.

ON THE DEPLETION ALLOWANCE

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. KRUEGER. Mr. Speaker, increasingly, perhaps inevitably, the Federal Government pervades our economy. Many of the decisions we now face are primarily policy decisions: policies concerning the plight of the underprivileged, the maintenance of certain employment levels, provisions for insuring equal rights, et cetera. These decisions are, and should be, essentially normative in nature; we must weigh the human considerations involved and respond to the democratic imperatives. These are questions of ends, not means, and the weighing process must proceed accordingly.

Other decisions we face involve means to the accomplishment of such ends. These are essentially managerial decisions and in these instances we must make our decisions with a clear picture of the goals to be accomplished. In achieving these goals we must consider all of the complicated managerial questions addressed by decisionmakers in private enterprises: cost/benefit analysis of various alternatives, the problems of administration, and the timing of implementation, optimization techniques, et cetera.

Tuesday's Democratic Caucus action on the oil and gas depletion allowance represents confusion of our normative and managerial responsibilities. Where rationality might have predominated, emotion carried the day. The abolition of the depletion allowance for the oil and gas industry, while this allowance is retained for almost every other mineral extractive industry from coal to sand and gravel, indicates inconsistency and emotional rather than rational motives behind this move. If depletion allowances serve as incentives for other extractive industries, why should we remove the incentives in the area where they are currently needed most? Consider the following implications of our actions.

RETARDED PRODUCTION

Many sound economists will testify that the depletion allowance does not result in "windfalls"; rather, it extends the margin of production. No drilling firm receives profits from the allowance per se. Instead, the increased value of leasing and drilling has pushed the margins of production further than those economically attainable minus the depletion allowance. This new production costs more, but is vital to our economy.

The depletion allowance is not a "bonus" without a positive supply effect. It enhances the income from production, thereby allowing production from marginal prospects—including secondary and tertiary recovery—to proceed where otherwise this might not be likely. A typical criticism of the depletion allowance in times past was that it caused too much oil and gas to be produced. Today we cannot afford the luxury of this view.

Risk aversion. Oil and gas operators live in an extremely uncertain and sophisticated production environment. Of course, it is true that uncertainties can be rationally incorporated into decisionmaking—one simply multiplies each possibility by its probability and maximizes the results. But this simple calculation does not guarantee economically efficient decisions when the stakes are very high because of a high risk factor.

For example, suppose you were offered a coin flip: if it lands on "heads" you win $510,000 and if it lands on "tails" you lose $500,000. Logic says that you should play the game. You stand to win more than you stand to lose. But how many of us would be willing to accept this risk? Similarly, the oil operator must face drilling decisions, and if we are to produce as much as economic efficiency dictates—where the real cost and benefits are equal—we must somehow offset this risk factor. The depletion allowance helps to serve this purpose.

Note that this risk effect is inversely correlated with the size of the firm. Smaller firms may not be able to compensate for their possible losses, and cannot engage in the scale of operations to an extent that will statistically "match" probabilities and ex post facto results—one coin flip instead of many.

Decreased competition. The above is simply one adverse effect on the small, independent companies that would result from a removal of the depletion allowance. An often neglected fact is the fundamental specialization within the oil and gas industry. The major oil companies specialize in geological and geophysical research, foreign operations, lease acquisition, and new technologies. The small oil companies specialize in drilling and manpower. Major oil companies consequently incur large fixed costs and usually use cost depreciation instead of percentage depletion. Elimination of the percentage depletion allowance therefore scarcely affects capital intensive majors while severely curtailing the activities of small firms with minimal fixed investments. Independent firms drilled more than 80 percent of new wells last year and smaller companies contribute the bulk of production and exploration manhours. The removal of the depletion allowance endangers this independent, intensely competitive margin of the industry.

A huge international oil company, Arco, suggested the elimination of the depletion allowance over a year ago. Smaller, independent firms, whose number has almost halved in the past two decades, are apprehensive of this move. Chief Justice Marshall's dictum "the power to tax is the power to destroy" can unfortunately be recalled in this action, and the destruction of the most competitive element of the oil industry might well be entailed in an action to repeal the depletion allowance.

Macro economic repercussions. As the potential margin of production recedes with the elimination of the depletion allowance, potential reserves will not be developed and prices must rise over what they otherwise would be. This rise in prices will hurt all consumers and especially those with low incomes and inelastic demands. The recessionary impact of lessened energy supplies will result in a loss in Federal revenue that mitigates revenue gains from the elimination of the allowance. To eliminate this shortfall, we will be pressed to expend Federal moneys to develop alternative supplies, once again offsetting the benefits achieved from revenue gains, as well as delegating to the Federal sector a role traditionally reserved to the more efficient private sector.

Other economic repercussions. The

United States spends almost a hundred million dollars a day on foreign petroleum imports. This massive export of dollars has a destabilizing effect on the international monetary system, leaves our economy vulnerable to sudden import termination and foreign pressure, and transfers American buying power and equity abroad.

Thus, the social benefit of each added barrel of domestic production involves more than simply the price to the consumer. The social benefit includes both the price benefits and the more comprehensive economic benefits of substituting domestic for imported oil. The greater the extent to which the industry can perceive both the intrinsic and extrinsic value of additional production, the greater the resources that can be economically developed and the better the economic consequences for this country. Tax incentives, such as the depletion allowance, can help facilitate the needed symmetry between the private gains to producers and the social gains to us all.

The elimination of the allowance for the natural gas industry is most disturbing. Natural gas is our cheapest, cleanest, most efficient, fuel. Production should be encouraged by every available means. While moving to impede development of this low-cost resource by removing the depletion allowance, we protest its shortage and contemplate spending billions on coal gasification, a process which costs twice as much per Btu. This action appears paradoxical and counterproductive to obtaining our energy goals.

Unless we are willing to examine the underlying economic factors of energy policy, we will continue to move in confusion. Unless we abandon the emotional for the thoughtful, the energy dialog becomes apropos of a Will Rogers monolog. West Germany has been able to deal successfully with both inflation and recession by pragmatically employing the kind of useful tax tool some are trying to repudiate—accelerated depreciation allowances for investments that reduce foreign energy dependency. The West Germans are succeeding where we may well fail because they have appreciated the difference between political and managerial considerations.

Finally, to allow the depletion question to be subsumed by the other provisions in H.R. 2166 would be for the Congress to renounce the spirit of reform. This maneuver undermines the right of each individual to express his or her views on the merits of a particular issue. Now, Members sharing my views are relegated to an untenable "all or nothing" position. Is it too naive to ask that we make as much effort to distinguish the responsible from the expedient as we do to distinguish the popular from the unpopular?

FEDERAL ENFORCEMENT OF AFFIRMATIVE ACTION LAWS IS WEAK

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HAWKINS. Mr. Speaker, the Congress in 1964 passed the Civil Rights Act which embodied in title VI of that act, the declaration that our Government would no longer countenance racial or ethnic discrimination in the providing of benefits or services to persons participating in any federally funded program. The Congress then successively enacted additional equal opportunity and civil rights legislation which strengthened its ban on discrimination in all programs receiving Federal support and/or Federal resources.

The compliance agencies responsible for enforcing the various civil rights statutes assume their tasks with varying degrees of commitment. Some agencies perform admirably; some agencies perform quite inadequately and actually cause more problems than they solve.

An agency that I believe has performed in a manner inappropriate to the magnitude of its enforcement task is the U.S. Department of Health, Education, and Welfare. In this regard, I recently had cause to respond to a position taken by HEW's Office of Civil Rights, and its stand on affirmative action regarding higher education institutions. Excerpts of my position were quoted in a recent edition of the Washington Post.

Mr. Speaker, since this is such an important issue I would like to share with my colleagues the complete text of my position. It is as follows:

There is developing in this country a diminution of effort by certain federal agencies mandated to enforce laws designed to prevent employment discrimination against minorities and women.

Federal laws forbidding discrimination in employment are clear and definitive; they amply state the intent of the Congress in this matter and contain the necessary enforcement powers, penalties and sanctions available to federal equal employment monitors in handling cases where non-compliance with the law becomes an issue.

Of significant importance is the way in which some federal equal employment monitoring agencies are meeting this mandate. A major case in point is HEW's Office of Civil Rights, directed by Peter Holmes, which has as one of its major responsibilities the enforcement of equal employment opportunity laws in institutions of higher education.

Mr. Holmes, in a recent Washington Post column concerning equal employment opportunities for minorities and women seeking faculty positions in higher education institutions, defensively responded to columnist William Raspberry's charge that HEW–OCR intends to "clarify" the affirmative action federal mandates out of existence.

These mandates embodied in a number of civil rights statutes and monitored by HEW–OCR, include Title VI of the Civil Rights Act of 1964, Titles VII and VIII of the Public Health Service Act, and Executive Order 11246, as amended by Executive Order 11375.

Because of HEW–OCR's December, 1974, "re-clarification" memo of Executive Order 11246 (as amended) and because this new policy precipitously moves towards an even further reneging of HEW–COR's lawful duty to require legal compliance in this situation, the question of HEW-OCR's abrogating its responsibility under the law must be examined.

Executive Order 11246 (as amended) requires all government contractors and subcontractors to ban employment discrimination in their hiring policies on the basis of race, color, sex, religion or national origin, and to take affirmative action to insure that the contractor's employment practices are not discriminatory. A contractor's failure to adhere to the Order can result in contract suspension, contract cancellation and disbarment from future government contracts.

HEW–OCR is responsible under the Executive Order to enforce the Order's provisions in all higher educational institutions (approximately 1,000) having contracts with the federal government. In light of this December, 1974, memo, a major concern being expressed by growing numbers of minorities and women seeking college faculty employment, by minority contract compliance officers, by civil and human rights advocates, and by some Members of Congress, is the question of HEW–OCR's equal employment enforcement inadequacies.

An even greater concern now is whether any significant equal employment enforcement action will be pursued by HEW–OCR, since its obvious interests are in the supposed preferential treatment being granted to minorities and women. HEW–OCR's obsession is with preferential treatment (or reverse discrimination) which is clearly not the primary equal employment issue. The real issue—in fact the only issue—is the systematic, consistent, deliberate denial of equal employment opportunities to minorities and women by institutions of higher education, and the encouragement HEW–OCR has given these institutions to continue their policy of discriminatory hiring of faculty.

A careful study of HEW–OCR's affirmative action contract compliance investigations and recommendations reveals that the equal employment opportunity rights of minorities and women are being whittled away by this agency's ineffectiveness. The matter of the denial of these rights must be accompanied by questions relating to HEW's deliberate obfuscation of equal employment issues, and by their ignoring of their responsibility to require higher education institutions to conform to the law.

In a substantial way, the latest report of the United States Commission on Civil Rights, dealing with the Federal government's ensuring of equal educational opportunity in educational institutions, pinpoints HEW–OCR's insufficiencies.

The Commission's Report on OCR's Higher Education Division charges that HEW:

a. Has not issued guidelines and regulations for Title VI (enacted 10 years ago), Titles VII and VIII (enacted almost 4 years ago) and Title IX (enacted in 1972). These various Titles cover under-representation and under-utilization of minorities and women, requirements for affirmative action plans, conducting of compliance reviews, and the development of employment goals and timetables.

b. Has failed to consistently and regularly conduct in-depth compliance reviews.

c. Has repeatedly failed to impose sanctions on non-complying colleges and universities, thus abetting civil rights violations.

d. Has inadequately handled complaints, on the grounds that regulations are nonexistent.

There are other charges, which seriously raises the issue of HEW–OCR's continued defiance of congressional intent: weak requirements for affirmative action and their review; failure to provide rules on non-discriminatory standards for employee selection; failure to conduct adequate numbers of compliance reviews; failure to require colleges and universities to collect and analyze pertinent statistics for HEW–OCR review; no routine requirement that institutions submit progress reports; acceptance of affirmative action plans which do not comply with requirements and standards of Executive Order regulations; approval of the compliance status of certain colleges and universities clearly in non-compliance.

The record is quite clear on HEW–OCR's foot-dragging in response to its federally mandated obligation to enforce civil rights laws concerning equal opportunity. No greater condemnation of this deliberate policy of willfully ignoring the law can be manifested in other than an examination of the results of HEW policy, as these results relate to the numbers of minorities and women hired in institutions of higher education in the wake of equal employment opportunity legislation.

Certainly one would expect that the numbers of minorities and women in teaching positions in higher education institutions would show a significant increase after 1965. This is unfortunately not the case.

To quote from the Civil Rights Commission (January, 1975) Report:

"Further, data show that colleges and universities are quite similar to other employers with respect to their under-utilization of women and minorities. Severe problems continue to exist for these groups in securing teaching positions on college and university faculties. The proportion of Blacks, for example, rose only slightly between 1968 and 1973, from 2.2 percent to 2.9 percent. During the same period, the percentage of women on college faculties increased by less than 1 percent from 19.1 percent to 20 percent. One study indicates that women have actually lost ground as a percentage of faculty at 4-year institutions. Clearly, the promise of equal employment opportunity has not been achieved in institutions of higher education, HEW's failure to enforce the Executive orders has played no small role in frustrating this objective."

Mr. Holmes claims that "The truth is that this office has consistently endeavored to clarify and re-affirm the legal requirements of affirmative action, with particular emphasis on those areas most likely to be abused to the detriment of the program". This statement is pure rhetoric; the equal opportunity laws were established to protect the rights of minorities and women to nondiscriminatory employment. The areas of abuse involved the recruitment and selection employment policies of higher education institutions, and the uses to which these policies were utilized to prevent minorities and women from attaining faculty positions.

Mr. Holmes now wants to make a major case for so-called reverse discrimination; if reverse discrimination truly exists, it must be operating in a vacuum, since those persons supposedly experiencing this kind of discrimination (white, Anglo-Saxon Protestant males) still overwhelmingly control all of our nation's colleges and universities. They have not suffered any meaningful employment problems; the continued low numbers of minorities and women in college and university faculty positions attest to this fact.

At the moment, HEW-OCR has no realistic affirmative action policy which addresses itself to the providing of equal employment opportunities for minorities and women. Obviously they need some assistance in this matter.

That assistance is forthcoming.

WHY ZOOS?

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. STEIGER of Wisconsin. Mr. Speaker, our zoos have served for generations as a source of pleasure and enjoyment for children of all ages. For many, a trip to the zoo triggers a new environmental awareness. And the opportunity to observe at close range the behavior of various animal species is apt to do more to stimulate a respect for all forms of life in one afternoon than all the textbooks ever written could do in a year.

In an increasingly crowded world, our zoos serve a valuable educational function. They serve an equally important conservation role. In the case of species threatened by extinction, the zoo represents the last hope for continued survival in a world of man. Research into better methods of animal care and "survival centers" for the breeding and perpetuation of endangered species are among the most important services provided by the modern zoo.

Recently, zoo conditions have come in for some sharp criticism. One needs only spend a day at the zoo with a child observing the uniqueness of animals otherwise doomed to extinction, however, to appreciate the contribution of zoos to not only our generation but generations to come. The New York Times Magazine last week carried an excellent article on this subject by Emily Hahn. I commend it to the attention of my colleagues:

"WHY ZOOS?"

(Emily Hahn) *

The scene: a filling-station at the side of a busy highway.

A cage 6-feet-by-5 stands in the parking lot to one side of the pumps, showered by miniature dust storms that arise in the wake of passing cars. Inside the cage, a bear, his coat dull and worn, pads back and forth over the filthy ground as far as space permits—plod, plod, plod in one direction; halt; wheel with head uplifted to avoid bumping his nose against the bars; plod, plod, plod back again to the starting place; then the whole routine all over again.

Swerving off the road, a car pauses by the pump and the driver tells the attendant, "Fill 'er up." His two little boys scramble out and trot toward the cage, stopping on the way to pick up sticks from the littered yard.

"I dare you to poke that old bear" says the older boy. "Go, on, I dare you!"

The father shouts, "Hey, you kids, get out of that now. Come on!"

Secretly relieved, the boys turn around and come back, but pause on the way to throw stones at the cage and its inhabitant. The bear ignores them to continue padding back and forth, back and forth.

An exaggerated picture? Once upon a time it was accurate enough. There used to be plenty of such shabby, cruel cages in our fathers' time, but fortunately, in America at least, they have nearly all vanished. Directors of today's zoos have done their best to eradicate the roadside menagerie, but news of its demise has evidently not reached the ears of a growing vociferous group of Americans who are crusading to abolish zoos. In Washington, D.C., at least 20 organizations want Congress to enact laws to do away with zoological gardens altogether. Central Park in Manhattan was recently the scene of an anti-zoo demonstration, and in the zoo at Brooklyn's Prospect Park a young keeper, claiming to have been maddened by the cruelty and neglect all around him, locked himself in with the monkeys and harangued the crowd through a window about the conditions inside. Though the authorities later denied his allegations and said he had not been a very satisfactory keeper anyway, his action was gratifying to enemies of the zoo all over the city.

An opening salvo against the institution of the zoological garden was fired in The Washington Post of Feb. 7, 1974, by Bernard Fensterwald, counsel to the Committee for Humane Legislation, one of the aforementioned organizations, and it was picked up and reprinted in The Los Angeles Times a couple of weeks later, on Feb. 24. In his attack Mr. Fensterwald declared that the time had come to get rid of zoos, "phase them out." He said that they were dying institutions, in deep trouble financially—and a good thing too, he implied. The Chicago Tribune chimed in with an ill-informed article, stating that one disgraceful reason animals never breed in zoos (a surprising statement to anyone in the zoo world) is that the beasts are so rarely kept in pairs. Soon after there appeared another article, in The Chicago Sun-Times, by Robert Vanderpool, a long, impassioned piece with the headlines: The Case for Eliminating Zoos—Caging Animals is a Medieval Concept That Has No Place in Chicago, or Anywhere Else.

With the old roadside zoo all too evidently haunting his mind, Mr. Vanderpool will accept no arguments in favor of zoological gardens. "An honest examination can only conclude that zoo life does such violence to the captive animal's nature that the zoo simply cannot justify its existence," he wrote, adding that man has slaughtered, tortured, abused, crowded and confined his fellow creatures long enough.

Now this is not complete nonsense, for we must plead guilty to one of the impeachments. Certainly man has crowded out other animals, but in most cases this has not been done deliberately, out of cruel impulse: it is the result of ignorance. Man has simply flourished too well, straining the capability of his planet to support all the life that teems on it. We have crowded animals of the wild so harshly that some species have been pushed off the face of the earth, and others have survived only—mark this—through the agency of those zoos that so offend Mr. Vanderpool. The guilt is not with the zoos.

Zoo haters make a lot of noise, and repeated misstatements like theirs are too often accepted. Almost anyone can get into the papers with protests against zoos. Animals, like rape, can always win publicity, especially when a controversial point of view like Mr. Vanderpool's is maintained. Also, the zoo haters are organized and vocal, whereas zoo buffs have never, until lately, found it necessary to speak up on behalf of their beloved haunts. They had better begin doing it now, though. There are more of them than there are zoo haters, but unless they stand up to be counted, some day soon they will find that there isn't anywhere to go on Sunday except the pool hall.

It comes as a relief to find that at least some zoo lovers, in the midst of all the hullabaloo, are beginning to make themselves heard. John Chamberlain, the journalist, is one such. Recently he declared that the animal lovers who have been agitating so much against zoos no doubt mean well but don't know what they are talking about. Zoos, he observed—and it was time someone said it—have played a large part in conservation, especially with their breeding programs. In making war on all zoological gardens, good and bad together, the antis might well be condemning the Bengal tiger and the Indian disgruntled, well-known importer of animals, survive only because zoos have saved them. In the more lavish days of the past, conservation could be aided in this manner by lone, powerful, rich men: the Duke of Bedford in England, who turned his ancestral acres into an animal farm, and Frederick von Falz-Fein, a wealthy Russian with a huge estate in the southern Ukraine, were two who preserved threatened species. But that sort of thing is complicated and expensive, beyond the reach today of any individual. Unfortunately bodies that have the power, as for instance the Government of the United

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*Emily Hahn, a regular contributor to The New Yorker, is the author of many books, including "Animal Gardens," which is about zoos, and, most recently, "Once Upon a Pedestal."

States, are sometimes clumsy and misguided in their efforts to aid conservation.

"A lot of the legislation is good," said a disgruntled, well-known importer of animals, "but it is twisted by bureaucrats, and used in a way that was never intended. Some of the interpretations of parts of these acts, made by people who are administrating them, are a real headache."

An old law known as the Lacey Act, formulated slowly through several years about three decades ago, has recently been unearthed. One of its sections states that "injurious wild life" must be kept out of the country, and in the hands of the anti-zoo lobby (known among zoo people as "humaniacs") it has considerable nuisance value. No animal, bird or plant that might be injurious to another animal, bird or plant, say the antis, can be imported. The nonhumaniacs say that this kind of thing does not apply to zoos, where animals are put in with their own species and kept away from others, but the point is at least arguable. Compared with this, the Endangered Species Act of 1973, by which traffic in such species is highly restricted and limited, is preferable, even though it has occasionally been applied in an unreasonable way, hindering the movement of animals within the United States though they are needed for breeding in other districts. One hopes that the misapplication of such rules is only temporary, since, if they are carried to extremes, a number of already rare animals are doomed to celibacy, thus advancing the extinction of the species by a number of years.

"Power-hungry, that's all," snorted my friend, the importer. "What do those administrators really know about animals? What do they care? Heaven preserve me from ignorance like that."

Small wonder that strong men shudder and turn pale at the prospect, in the not impossible future, of an act providing for the Federal accreditation of all zoos in the country.

An awkward result of this wealth of legislation can be seen, for instance, in the case of the dolphin, or, as it is known in America, the porpoise. Every year, 200,000 dolphins are slaughtered inadvertently—strangled in the fishing gear of tuna fishing fleets. Simple, you may say: tell the fishing companies to work out a system that will save the creatures. But the Government is responsible to all American interests, of which the fishing industry is one, so they have given the fishermen two years more to find a way to catch their tuna without also killing dolphins. This two years' leeway means that at least 400,000 more dolphins will be killed. That is bad enough, but what is really insane is that, in spite of this slaughter, it is practically impossible for an American aquarium to cut through the legislation and acquire a living dolphin from outside the country for show purposes. It looks like protection gone mad.

"Since the capture of a dolphin for an aquarium might save his life from the tuna fishermen," says Mr. Chamberlain, "the aquarium owners, who are perfectly willing to give a dolphin plenty of water in which to disport himself, wonder why the Department of Commerce and the Department of the Interior should interpose such mountains of red tape between the decision to buy a dolphin and the actual delivery of this most intelligent of sea creatures."

With all due respect to Mr. Chamberlain, aquarium owners cannot really be so mystified by red tape, because they have seen it before. It is an inevitable symptom of bureaucracy, which in other contexts presents an excellent argument, to my mind, why zoos ought to be in the hands of private organizations. I am not arguing, of course, that we shouldn't have protection laws, only that the ones we have need streamlining. Animals do need protection from man's cruelty, greed and exploitation generally, but this does not mean, as the anti-zoo lobby holds, that all zoos are bad.

The American Association of Zoological Parks and Aquariums, along with similar bodies in Europe, is doing its earnest best to get rid of unsatisfactory zoos everywhere. Nor does it object to the idea of protective legislation except when that interferes with praiseworthy projects. As Mr. Chamberlain says, zoo directors would be satisfied with permission to import enough (and no more) of cheetahs, leopards, jaguars and ocelots—to name a few of the endangered species—to establish breeding banks; but as things are, this is impossible. Meantime, people are busy killing cheetahs, leopards, jaguars and ocelots for the fur trade. In the circumstances, there is hardly time for the would-be breeders to cope with red tape. The end is in sight. Look at the figures: a few years ago the tigers of India numbered, in the wild, 40,000; today there are 1,800. There are more registered Siberian tigers in zoos at the present time than there are in all of Siberia—naturally enough, since in zoos they have a chance to breed, whereas in the wild, their numbers sadly reduced and their human enemies all too many, they have not. In 1968–1969 a total of 3,168 cheetahs, 17,490 leopards, 23,347 jaguars and 262,032 ocelots were killed for their pelts, and this killing cannot be stopped because the economic interests of too many countries are involved. To be sure, our own country has passed laws against the sale of such pelts, but the U.S. is not the world, and none of these animals live in this country.

In urban centers we are shielded from the sight of the extinction of many forms of wildlife. Therefore it need not bother us—or is this true? Can we really contemplate without pain the idea of a world from which all wildlife has been pressed out of existence? Tacitly, such furtherance of extinction is what the anti-zoo brigade is advocating. It is often said by such people that our children need not see actual living exotic animals because we have so many paintings and photos and statues of them. Give the children picture books if the matter seems so important to you, they say. But such records are not enough. William Conway, general director of the New York Zoological Society, has a good story about that. A little girl was standing in the Bronx zoo, staring and staring at an elephant, so absorbed that she ignored her mother's calls. At last the mother said, in exasperation,

"Oh, come on, Cynthia, you've seen hundreds of elephants on TV."

"But not so big," said Cynthia.

No, there is no substitute for the real, living animal, and if zoos have one overpoweringly important function it is to bring this real animal, through conservation and breeding, to city people, to educate us in zoology. As we know, education is not achieved only by signs and labels and books. Seeing the animals, feeling, as one looks at them, how much life is interwoven between species, learning to understand how these creatures live and why they behave as they do—this all helps us to appreciate what our world, our life, is all about; and the general public, with the exception of the kooks and vandals who menace all our institutions, is aware of this. People love zoos; this is true of adults as well as children. A count of visitors to the Bronx zoo, broken down into age groups, shows that for every child who goes to look at the animals, there are three adults. A recent survey of the crowds at the San Diego Zoo, made by Dr. Neil H. Cheek, Jr., indicates that the visitors themselves consider the experience not only entertaining but valuable. Says Dr. Cheek:

"Going to the zoo apparently means more to people than seeing animals. A day at the zoo seems to strengthen ties between humans and mother nature. Two-thirds of the zoogoers in the survey said they felt closer to nature at the zoo, and another 40 per cent went even farther: they said the zoo helped them feel how beautiful life is."

William Conway believes that the zoo has, or can have, a strong effect on the development of children, whose instincts during the period of adolescence, as many of us know, tend to be destructive and cruel.

"During that period, young people want to kill things," he said. "We should divert these impulses and turn them into a spirit of inquiry as to what other animals really are—not just something to destroy. To my mind, this is one of the most important parts zoos can play in education."

To carry out their aims, zoos need help. The financial requirements of the really good, modern, desirable zoo are many, and grow with each season. Small wonder that a zoo director's mind tends to be preoccupied with the day-to-day running costs of the establishment, however much he may prefer to think of extra efforts in the cause of conservation. Food, medical care, plant, maintenance, salaries—worry about these expenses leaves him little leisure in which to ponder improvements. Yet even the best zoo cannot rest on its laurels. In International Wild-Life for February, 1974, the journalist and broadcaster Roger Caras provides a few statistics that are calculated to give directors financial headaches. Animal keepers in the three smaller zoos operated by the Parks Department of the City of New York (Central Park, Prospect Park and Flushing) earn in basic pay $2,000 a year less than a common laborer. None of these zoos can afford a full-time veterinarian. It might be remembered that it was in Prospect Park that the young keeper ran amuck in the monkey house. He complained of, among other things, lack of medical care for the animals.

At the best of times, zoos are hardly moneyspinners, and recently inflation has hit them hard. A few examples given by Caras: in 1968 the Indianapolis Zoo was able to buy three giraffes, with transportation and insurance included in the purchase price, for $21,000. If that seems high, consider that in 1974 the same zoo had to pay for one single giraffe $22,000. The Cincinnati Zoo used to get a ton of alfalfa hay for $30; now the same amount costs—when they can find it—$100. As for new projects, the bills are astronomical. The New York Zoological Society's World of Birds at its Bronx zoo cost its donor $3.7-million; even this sum, as Caras says, looks like peanuts when we consider that the estimate for updating Boston's zoo, which badly needs updating, will be $27-million, and Toronto's new zoo will cost at least $20-million.

How are zoos funded? There is no one reply, for they all have their own methods. Some depend heavily on the take at the gate; some get aid from their local municipalities, but with most of them it is a combination of these resources, and many are helped out by Friends of the Zoo societies. The National Zoo in Washington, D.C., is under the aegis of the Smithsonian Institution as well as a Friends of the Zoo society and is in a comparatively cozy state as a result. The San Diego Zoo, one of the best known in America, has been very much helped by the fact that in its early days, part of the city's taxes were earmarked for its use. It also charges a fairly hefty entrance fee, as does its offshoot, the Wild Animal Park at San Pasqual, 30 miles away. Without such sources of revenue, a zoo can deteriorate with terrifying swiftness. The crummiest zoological garden I ever saw in America—I will not name it—was in such a bad state that I asked indignantly who was responsible for it financially, and nobody could tell me. That was the truth—nobody knew. In the end I found that it depended for funding on the city government, which explained a lot. I am glad to say that it has now been much improved. That zoo, in its former state, had no excuse for being, since it contributed in no way to conservation, it was an offense to the environment and in education its results were wholly bad.

Good zoos can and should be conservation centers. As William Conway said in an address he gave a year or so ago: "What a desperately compelling promotional theater zoo collections have become. Any number of their animals are rarer than Rembrandts; Przhevalski's horses [a rare Mongolian species], Siberian tigers, Pére David's deer, sacred cranes, Indian rhinos and many more—all number less than the 750 known Rembrandts." Though the world does have animal refuges and parks, they are not enough for conservation, and none are ecologically independent: their survival depends on the maintenance of stable governments, which is a large order nowadays.

Nobody who has read George Schaller's "Year of the Gorilla" can easily forget the end of the book, where he tells of the encroachment of Watusi tribesmen with their cattle on what is left of mountain-gorilla territory at the border of Zaire. Schaller furiously and helplessly tried to hold back the cattle, but there was no aid forthcoming from the Government; that could hardly, in the circumstances, be expected. Similar problems can be seen in many parts of the world.

"Even an optimistic evaluation suggests that most major Asian faunal communities will have reached the point of near extinction within two decades," said Conway, and his prognostications for Latin American wildlife are even gloomier. The only glimmer of light in the picture, one feels, is man himself, for he can, when he tries, reverse to some degree the harm he has done. He did it with the American bison, which at the beginning of our century was apparently doomed. It was saved by determined action on the part of the New York Zoological Society. The few remaining animals were gathered together in a herd: they bred successfully and increased until, in 1907 and 1908, some specimens were actually reintroduced to their native haunts, where they survive today. There is a similar history of the European bison, or wisent; it too was almost wiped out, and it too has been preserved. A number of these animals live today in the Polish forests.

In the San Diego Wild Animal Park, the authorities are constructing a giant reserve of 1,800 acres into which a great variety of animals from different parts of the world have already been introduced, and their excellent health and breeding records show that they can live perfectly well in that alien land. The park, with the Phoenix Zoo and the Los Angeles Zoo, are joint custodians of the Arabian oryx, an animal that was nearly wiped out in its native land before a salvation project was mounted. Now the survivors are breeding well.

All this is excellent, but it brings us back to that ever-present problem, financing, and that in its turn brings us to the subject of the public's willingness to stump up. To do them justice, people often show a remarkable and imaginative understanding of what zoos need. The inhabitants of Oklahoma City, for example, are rightly proud of their zoo for successfully breeding the extremely rare golden lion marmoset, though one does not expect the ordinary citizen to know or care much about marmosets. The zoo at Central Park was very lucky not long ago when a quiet little female Lowlands gorilla who lived there, unhonored and unsung until then, surprised everybody by giving birth to an infant. (She did the same thing again even more recently, but the new baby, alas, did not survive.) It is through public relations that people hear of such triumphs as Patty Cake, and public relations cost money, but there it is: zoos must keep the public informed, otherwise they give up their moral right to exist. Most zoo men agree with the precept expressed by Conway, which is: If you can't afford a good zoo, don't have one at all. In these parlous times, it is not impossible that a number of zoos will have to close down, or at least combine forces. At the moment the New York authorities are considering the expedient of putting their small city zoos—Prospect Park, Flushing and Central Park—under the management of the Bronx zoo, even though, strictly speaking, that is not a City of New York zoo at all. The idea seems to be that it would be more economical that way, and it is true that municipally supported zoos are often treated like the runts of a litter—the other children get the best of the meal. Central Park's zoo, beloved of thousands, was a very good garden in its time. The trouble is, it was an early zoo, and a lot of its features are antiquated now. Like Prospect Park, it should be kept going but with far fewer species.

It is not a tactful time, what with the recession and all that, to speculate on what the ideal zoo would be like. All the same, I agree with Conway that a certain semantic change is necessary: the ideal zoo would in fact be a park, so that there would be room for carefully structured displays. Years ago, the founder of the Hagenbeck Zoo at Hamburg was the first to use trenches instead of bars or fences to keep the animals in, and constructed islands on which the beasts could move about in apparent freedom. This is a fine concept except that the illusory freedom was in the last analysis as constricted as cage space would be. If I could build my own zoo I would use the trenches, of course, but I would enlarge the territory between them to such an extent that most animals—which in any case are not really free-ranging for mile on mile, but maintain certain limits to their territory—would be able to move about more. They would still be reasonably visible to the public. Even today some zoos do the same thing with their wolves, in "wolf woods."

But, you might reasonably object, you would soon run out of space, something few zoos have enough of already. It is a reasonable point and the objection leads us to the next reform: zoos should cut down on their varieties of species. There is no reason why they should not, and something of the sort is already happening. A really thoughtful zoo director will not immediately rush into the scuffle to get hold of a particular rare specimen simply because it is rare. We now find a number of zoos where the staff is actually proud of having fewer, rather than more, items on their list, because they know that the animals they do display are getting better care. In one zoo that I visited, the director decided to get rid of his white rhinos, which occupied half a paddock of which the other half contained black rhinos. His assistant was dubious, saying that the public wouldn't stand for it, but he carried out his idea, sent away the white rhinos, and opened up the whole field to the black. They promptly improved in health and bred successfully, and the public, he assured me, never noticed.

Trying to decrease rather than increase the inventory also does away with the urge of some directors to outdo their colleagues, a practice that has been called "postage-stamp collecting." It is a wasteful pastime. Today there is far less of a rush to get hold of, say, maned wolves or Komodo dragons than there used to be. In the Arizona-Sonora Desert Museum at Tucson, no animal is on display that isn't local, that is, from the Arizona-Sonora territory. Some visitors cannot understand why they don't offer elephants and giraffes and such, but that is not the name of the game. Another pleasant novelty is Gould's Monkey Jungle near Miami, where visitors are confined to a caged walkway and it is the monkeys—a troop of Javanese macaques—that are free to romp around and dive into their own swimming pool. Admittedly such a display is possible only with animals which, like these macaques, do not normally wander off the range, but it is a charming experience for the visitor.

Fair is fair, and in my zoo I want to satisfy the visitors by providing them with beauty. The animals don't care what the zoo looks like, at least outside their own enclosures, but we do, and I remember with keen pleasure the zoo at Chester in the west of England, not only for its masses of flowers but for a moat that cuts off the public from enclosures where great apes can lie stretched out sunning themselves, each on his own bit of lawn. Nothing could be prettier.

Caras, in his ideal zoo, would have a multimedia theater in which the public learns, through audio-visual techniques, the concepts of the exhibits in the zoo and the biology and behavior of the animals. These things are fine, and I would also adopt his suggestion of behavioral exhibits, an orientation complex (there is an excellent one at Tucson), and a free-flight aviary, of which Oklahoma City has a beauty, called the Condor Cage. Then, of course, one wants, as he says, an open wildlife area. "The ideal zoo," says Caras, "is an educational institution, a recreational facility, a wildlife research center and a breeding station. Few zoos anywhere in the world, however, even begin to approach the ideal."

But some directors try. The last time I visited the Bronx, Bill Conway took me out to see what has lately been done. He stopped the electric car at a point in the road from where, as he said, we could see the three species, each in its own area, that everyone invariably mentions when talking of conservation—the bison, the Pere David's deer and the Przhevalski's horse.

"We can't see the Formosan deer from here," he said; "they're further along. On Sept. 13, 1873, the Formosan deer was officially pronounced extinct in the wild. That's a terrible thing to hear. Fortunately, we had 13 of them here in the Bronx, and they bred, and now we have 54. It's time to disperse them; we plan to distribute them soon among other zoos."

It was a cold, dark day, but the zoo was full of visitors, nevertheless, and the groups got bigger as we approached the World of Birds. Conway said they were probably on their way, most of them, to see the thunderstorm that takes place every afternoon in the Rain Forest exhibit.

"Anyone over 65 can come in free, any day of the week," he explained, "and we get a lot of people over 65. One old man told me that he hasn't missed a day since we opened this hall."

Back at the office he looked thoughtful. "You know," he said, "we're taking over an island off the coast of Georgia where we hope to establish breeding colonies of various birds and animals. Not just the New York Society, that is, but the National Zoo and some of the others. It'll be a joint project and it should be rewarding."

Here was one zoo, I reflected, that was not going to fall before the enemy's attack.

SOUTH AMERICAN CITIZEN HONORED FOR WILDLIFE CONSERVATION EFFORTS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DE LA GARZA. Mr. Speaker, I had the privilege recently of hearing an eloquent plea for the conservation of endangered species of wildlife throughout the world. The speaker was Sr. Felipe Benavides of Lima, Peru, and the occasion was a dinner at the Pan American Union at which Sr. Benavides was presented with the J. Paul Getty Wildlife Conservation Award. Sr. Benavides, known for his work in conservation on an international scale, was one of more than 500 nominees for the prize.

It was a gala affair, with Vice President NELSON ROCKEFELLER, many of our leading Ambassadors to Washington and the OAS, along with prominent government and civic leaders from our country interested in conservation in attendance.

In order that my colleagues may share the knowledge I gained from Sr. Benavides' address in accepting the award, I am inserting the text of his address in the RECORD:

LADIES AND GENTLEMEN: The most advanced nation in the world has sent MAN to the moon, while the poorer nations are barely able to survive on EARTH, and it is even less likely that the animal kingdom persecuted by man will be able to do so for much longer. It sometimes seems that man is incorrigibly self-destructive—he is destroying his own livelihood while destroying his own planet. Most countries are concerned only with their own immediate problems instead of looking forward at the whole of our planet's future. The extinction of animal life will undoubtedly be followed by the eventual extinction of human life.

The "Persecuted Majority," by which I mean the members of the Animal Kingdom which have neither voice nor vote, has been in the past a source of enlightenment for the masses, and food, medical and scientific wealth to mankind. The "Persecuted Majority" has served man, the most destructive creature in the world, and it continues to serve him.

In former days nations conquered vast areas of the world, subjugated people without the slightest qualm, and wrought sometimes irreparable destruction to animal life which in many instances provided food for its people. I am thinking of the Buffalo. Today, a similar process is taking place, despite the efforts of World Conservationists: the wholesale slaughter of a "would-be" source of survival to future generations when properly managed. I am thinking of the Whale.

The nations of the Third World join together in voicing their protest against the unfair distribution of Wealth, and we are right in doing so. Yet, it is true that most of the wealth in the world in the form of rain forest is to be found within the confines of the very nations which make up the developing countries, and more specifically anywhere from one-third to one-half of all the fauna and flora of the world is found in the Tropical Countries. I repeat, the wealth that was once a source of aggrandisement for the industrialised nations is now in the custody of the developing countries. Here we have a superb flora and fauna which should be the pride of the world and put to the service of its people.

This Sacred Heritage stands in danger of extinction precisely because of the lack of understanding of, and the application of methods already rejected by the industrialised nations who considered them dangerous to the environment. Yet these same are often applied indiscriminately in the developing countries.

We, the members of the Third World, must be honest with ourselves and face the fact that much of our misfortune is the result of our own inactivity. As regards the protection of those of our natural resources that are capable of being renewed or restored, it can be said that the vast majority of the public is just not interested and that the responsible authorities within Governments are indifferent, while also there is a minority of people concerned for *nothing* other than its own interests. It is the greed of this small number of individuals that is largely to blame for the extermination of the Animal Kingdom, the great Persecuted Majority, the Fourth World, or should we call it again the First World because they were here first! I say this because the Fourth World is that which is yet unborn—the world ahead in the time-scale. Today we are daily making decisions which affect the Fourth World and it may look back in anger and revile us for not taking it into consideration.

The indiscriminate slaughter of animals is almost always executed for the profit of the highly industrialised nations which use the skins, wool, ivory, oil, etc. for the luxury consumer trade. The pressure on the hunter or poacher comes from the demand for the luxury of the few. But we cannot throw all the blame on foreign dealers and consumers. A considerable share of the responsibility for the persecution and destruction of wildlife lies within the authorities of the Third World.

The fact that much indiscriminate slaughter should have been accepted in the past, might almost be considered excusable, since, in the face of force of arms and subjugation of the weak by the strong, little could be done against the abuses of those in power. Today, however, when one is master of his own house, it is unforgivable that we should be a party to the endless exploitation of wildlife. This is a state of affairs which, beyond any shadow of doubt, will be utterly deplored and condemned by future generations.

I feel able to state, in all truthfulness, that a considerable proportion of our poverty has been due to our own inability to defend what is ours, and to our preoccupation with self, which makes us forget that the World is a perfectly balanced creation of the Almighty, and that if man gravely interferes with it, it will he he who suffers most.

I wonder how long those in positions of power in the Third World are going to allow this situation to continue. How long are the authorities going to tolerate a smuggling trade that pours wealth into the hands of those who are already wealthy, while making poorer still any chance of betterment for all those who live in our jungle, mountain or coastal areas? With proper management our wildlife can be made to yield incalculable benefit to the Third World countries, always provided that those in office adopt a truly responsible attitude to their high office and enforce the laws, regulations and controls as they should be. Scientists cannot any longer be isolated and they must be incorporated in the decisions to be taken to safeguard the renewable resources of the world. Most governments seem to listen only to those who can offer immediate returns and not to those scientists who are concerned for the welfare of the future. Caveman cared only for his Daily Bread. Civilized man must care not only for the bread of today, but for the bread of tomorrow, and tomorrow and tomorrow.

It is the moral duty of the industrialized countries of the World to contribute towards the poorer nations by banning all imports of endangered wildlife species. It is vital that all Nations ratify the Convention on International Trade in Endangered Species of Wild Fauna and Flora.

A nation unable to care for both its wildlife and its people, is already partly beyond repair, socially, emotionally, and morally. As a conservationist, I will say that the Wildlife of Latin America has been neglected for too long and only in the last five or six years has there been world interest in our fauna and flora. Problems facing us are enormous. Some results are being shown but more studies are needed to justify the establishment of reserves and sanctuaries for Wildlife, and this work must be one of the top priorities at the present, as Latin American governments have been heavily depending on the revenue from the exports of their natural resources. The demands of the local economies will encourage the use of such resources on an even greater scale and will inevitably lead to total exploitation and consequent degradation of our rain forests, lakes, rivers and coastal waters. Due to considerable discovery of oil resources in the Amazon Basin, the danger of pollution of rivers is critical, and control by efficacious legislation is essential. Aid and cooperation by the governments of the advanced countries of the world will give encouragement to conservationists and leaders of public opinion on our continent.

By protecting ecological diversity, we are guaranteeing our own survival. If we destroy the genetic reserve, a bank of precious assets that exists in nature, agriculture will fail to produce the great quantity of food needed by mankind to survive. Rain forest demands extra care due to its delicate composition, no doubt the world's richest expression of life. Although its penetration by road construction is justified in many realms, and validly so, none the less we have to understand the very real dangers such projects pose.

Today, more than ever, our political leaders have a great responsibility when making decisions that will affect future generations. This responsibility is very heavy when one hasty move could lead to irreversible changes.

To safeguard our hemisphere, we must work as one. Our Organization of American States must have the authority to insist on stringent adherence to conditions. Must coordinate legislation and regulations to safeguard our rivers, lakes and seas. Must alert the world to the impending catastrophes of oil carriers—specifically the possibility of a sinkage and spillage of such a carrier in the neighbourhood of Galapagos. Must intervene in those areas where the combined authorities of two or more countries (1) render legislation too elusive, and (2) adherence to Law too minimal and incidence of contraband too maximal. I am thinking of the Amazon-Leticia. Must insist upon the banning of certain imports whose origins have established them as contraband and whose destination have neither established them, defined them, nor respected the requests of the country of origin. I am thinking of the Vicuna.

The smallest and wildest member of the cameloid family has the misfortune of carrying upon her the world's finest wool. She was strictly protected by the Empire of the Incas, through a ruthless enforcement of legislation: capital punishment to the violators. By the turn of this century, there were as many as 400,000 of these precious creatures. Gradually over the years, her number grew smaller and smaller, as the demand for her wool grew greater and greater. Man was unable to cope with her high-strung character. Unlike the sheep, the only way to capture her was to kill her, and so it was. By 1965 her population was estimated to be between 5 and 8 thousand in Peru, 1,500 in Bolivia, Argentina 2,000 if that, about 700 in Chile and total extinction in Ecuador. We had to work fast and the first reserve was set up in Pampas Galeras, Peru, and in 1967 this reserve held no more than 600 animals. Guards were stationed there, but to little avail. It was important to coordinate legislation among the countries where the Vicuna occurred.

By 1970, the La Paz agreement was signed and later ratified by Argentina and Chile. According to this agreement Argentina, Bolivia and Chile have also set aside reserves. Unfortunately, due to continuous demand for this luxury commodity, the poaching continued—poaching of a most vicious nature—employing automatic and precision instruments. The raw material, eventually found its way to American and European industry.

Through the help of the World Wildlife Fund, the International Union for Conservation of Nature, Fauna Preservation Society and many other conservation organisations, Governments were requested to ban the imports of wools and furs. The U.S. and Great Britain were the first to do so. Alas, although the Peruvian and Bolivian Governments have requested France to follow the example, the contraband continues and at astronomical prices.

The incentive for such benefits resulted last year in the death of an innocent Peruvian guide and the wounding of two guards.

Today, due to efficient Peruvian-German managements, the reserve of Pampas Galeras numbers nearly 13,000 and in the whole of Peru we can estimate approximately 23,000. Favourable increase is being manifested in all the established reserves and it is our hope that the Vicuna will be reintroduced in Ecuador. The day is drawing near when a system of humane capture and wool-shearing will be devised and some form of Vicuna wool will share honours with Cashmere, and both producers and consumers alike will reap the benefits of her introduction into industry. This is a good example of how a renewable natural resource can proliferate for the benefit of the many.

In considering this and other problems of World Wildlife conservation we should remember the observation of that great American humorist Mark Twain—"Man is the only animal that blushes—or needs to."

BILLS TO IMPROVE SURVIVOR BENEFIT PROGRAM

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. **BOB WILSON**. Mr. Speaker, I am today introducing the second installment of a package of bills to improve the survivor benefit program for military retirees.

As enacted in September of 1972, the survivor benefit plan was a major improvement in the survivor protection available to military families and was closely modeled on the survivor annuity program in effect for civilian employees of the Federal Government.

Last year two major improvements were made in the civilian survivor annuity program. First, the lock-in provision was eliminated. Previously, an election to take a reduced annuity in order to provide for a surviving spouse was irrevocable. In some cases the designated spouse predeceased the annuitant by several decades, but the reduction to provide for the long-departed partner could not be canceled. Public Law 93–474, enacted October 26, 1974, eliminates the survivor reduction during periods of nonmarriage. I am sponsoring legislation to include this same provision in the military survivor benefit plan.

In addition, Public Law 93–260, signed April 4, 1974, reduces from 2 years to 1 year the marriage requirement for a widow or widower to be entitled to a survivor annuity under the civil service retirement provisions. I am sponsoring counterpart legislation for the military program.

These two bills are the second step in legislation I am introducing dealing with the survivor benefit plan. On the first day of the session, I reintroduced several measures from the last Congress to assist the widows of career military retirees who died before SBP was enacted. The previous survivor program for military retirees, the retired serviceman's family protection plan, established in the early 1950's, was high in cost and low in benefits in comparison to the plan available to civilian employees. Because of the substantial reduction in retired pay required to pay for participation in RSFPP, many retirees found it impossible financially. During committee hearings to establish an improved survivor annuity plan, participation in RSFPP was determined to be less than 10 percent because of the exorbitant cost of providing RSFPP coverage. As a result, many pre-SBP widows are destitute.

Finally, in the near future, I will be introducing several bills to change the present social security offset. Under the survivor benefit plan, the widow's SBP benefit is offset dollar-for-dollar at age 62 for all social security to which she is entitled based on her late husband's military service, even though she may not actually be in receipt of such social security benefits. I am in the process of drafting several pieces of corrective legislation relative to the offset and will address the House further on this subject as soon as these bills are ready for introduction.

INCREASE PRICE SUPPORT FOR MILK

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. **ICHORD**. Mr. Speaker, I am today introducing legislation which would provide for a temporary increase in the price support of milk at not less than 90 percent of the parity price. The bill also would direct the Secretary of Agriculture to adjust the price support at the beginning of each quarter of each calendar year to reflect any change during the immediately preceding quarter in the index of prices paid by farmers for production items, interest, taxes, and wage rates.

Mr. Speaker, today dairy farmers everywhere are caught in a serious cost-price squeeze with many thousands of dairymen facing forced liquidations if some relief is not immediately forthcoming. Agriculture economists in Missouri have predicted that 40 percent of Missouri's dairy farms will be shut down in the near future due to the drastic circumstances of high feed costs and low milk prices. As several Missouri State representatives pointed out in a recent letter to USDA Secretary Earl Butz: How can these businesses "long continue to pay $7.80 per cwt for dairy ration and $65.20 per ton for alfalfa hay and then receive in return therefor $7.49 per cwt for grade A milk?" The answer from the dairymen is that they simply cannot. One previously successful Missouri dairyman said in late September:

> I am working for nothing. I can hold out for awhile, but if this goes on for six months, a year, I don't know. It's going to be tough. Pretty soon we won't have any net worth left to borrow on. . . . To survive we've got to see a 1.6 milk-feed ratio.

I would point out, Mr. Speaker, that in August the official USDA figures for the milk-feed ratio ranged from 1 to 1.1—a situation in which a dairyman cannot even expect to break even.

Missouri ranks 10th among all States in milk production. However, in 1973 1,600 Missouri dairy operations shut down out of a State total of 10,000 dairy farms. More specifically, since May 1974, 3,700 small dairy farmers in the State of Missouri have ended milking operations. The Joint Interim Committee on Agriculture of the Missouri General Assembly conducted a probe into the problems of Missouri's dairymen and came up with a series of complaints which are valid nationwide. On the one hand, dairymen are faced by a flood of foreign dairy imports which, unbelievably, are not even required to meet the same minimum standards for quality and wholesomeness as domestic dairy products. On the other, milk producers are confronted by astronomical rises in feed costs with the price of dairy ration increasing 300 percent in 2 years and the price of hay increasing 200 percent in 2 years.

At the same time dairy farmers' income has lacked the proportional increases which would have allowed them to weather out these inflationary rises.

Unfortunately, Mr. Speaker, conditions for the dairy farmer are only going to get worse. Feed grain production is 15 percent below 1973 levels with corn production 26 percent below the April estimate of 6.7 bushels, the soybean crop off 16 percent of last year's production, wheat 4 percent below the July forecast, and even the incurably optimistic USDA conceding that "total use may exceed output" for all feed grains. The result is that the dairymen can only expect further feed cost hikes.

In the face of this very real concern, dairy farmers have requested help from their Government, and yet little action has been forthcoming. In setting price supports and in establishing milk marketing orders, the Department of Agriculture is directed by public law to employ levels which would "meet current needs, reflect changes in the costs of production, and assure a level of farm income adequate to maintain productive capacity to meet anticipated future needs." Yet the only USDA response to date has been to temporarily increase the minimum floor price for computing fluid milk—class I—prices paid to farmers under Federal marketing orders and to slightly increase milk price supports on a temporary basis.

Mr. Speaker, I firmly believe that if we are to insure the future of milk producing in this Nation and prevent a disastrous milk shortage in the months ahead, firm action is going to have to be taken immediately. We must not allow the small dairy farmers of this Nation to all but fade away; victims of not only inflation but also the benign neglect of an administration and Congress reluctant to become involved in any problems even associated with milk. It is high time that we start living up to the obligations that the Federal Government has to the dairymen of the United States, and I sincerely hope that Congress will act in the near future to enact legislation raising milk price supports to 90 percent of parity.

ONE GOOD GIANT DESERVES ANOTHER

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ASPIN. Mr. Speaker, Mr. Gus Tyler in his article entitled "One Good Giant Deserves Another" which appeared in the Long Island Press of Saturday, February 8, crystallizes the feelings and emotions of many of my colleagues about the distinguished chairman of the Committee on Banking and Currency (Mr. Reuss) and the former chairman and distinguished chairman from Texas (Mr. Patman). As Mr. Tyler points out, both men have made great contributions to our Nation.

I think all of my colleagues will be interested in reading Mr. Tyler's piece.

The article follows:

One Good Giant Deserves Another

(By Gus Tyler)

When I read that Henry Reuss had replaced Wright Patman as chairman of the House Banking and Currency Committee, I did not know whether to cheer or to cry.

I'm trying to find a way to do both. Here's why:

Henry Reuss is a brilliant, articulate, hardworking, dedicated Democrat with a deep commitment to the causes of common man.

In this respect, he is a worthy carrier of a tradition that characterizes the city from which he is elected.

If Milwaukee is known as the "Beer City," it is due, in no small measure, to the fact that more than a century ago the city was settled by German refugees, fleeing the oppression of the old country after the unsuccessful revolution of 1848.

The secular religion they brought with them, along with the formula for beer, was socialism.

To these people, socialism was, in part, a form of economic organization, but, in greater part, a belief in the rights of working people that, in turn, derived from a belief in human dignity. Through the years, this credo found political expression.

Milwaukee was one of the two places in America that ever elected a socialist to Congress. Victor Berger came from that city. His sole socialist companion was Meyer London, elected from New York's East Side.

For several terms, Milwaukee was represented by Andrew Biemiller, the present head of the AFL–CIO legislative staff in the nation's capital.

Year after year, Milwaukee would re-elect its socialist mayor, Dan Hoan. And when he stepped down, the city continued in its old ways by electing Socialist Frank Zeidler.

So, while Reuss is a Democrat, he is a major party man who has been exposed to a minority view that has historically favored people over profits, men over money.

So cheers. And yet, the very thought that Wright Patman will no longer be chairman of the banking and currency committee is an occasion for tears.

No man in our times, perhaps no man in our history, has stood up for the common man—worker, consumer, farmer, small businessman—against the crushing power of the banks with the courage, conviction and competence of Patman.

The hearings he conducted over the years on the strangulation of the American economy by the tentacles of financial octupi have not only exposed hidden truths to the people but have served to hold the moneychangers in check. His bills, especially his recent legislation to curb bank holding companies from buying up the industry, farms and stores of our nation, stand as a tribute to the tenacity and tactical skill of this grand old man.

But he is an "old man" in his 80s. He has been displaced by a younger man in his 60s.

That younger man now assumes the chairmanship of this key committee with a double load on his back: The traditions of the district from which he comes and the traditions of that powerful populist giant from Texas, Wright Patman.

CLINICAL PSYCHOLOGISTS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mrs. MINK. Mr. Speaker, I am introducing legislation today to change provisions of the Social Security Act to recognize the clinical psychologist as an independent provider of health care services and to authorize payments for services by clinical psychologists under the act. Legislation to accomplish these changes is under consideration in the Senate in a proposal introduced by my colleague from the State of Hawaii, Senator Inouye.

This bill, Mr. Speaker, recognizes a basic responsibility of the Congress to broaden the availability of health care services to our citizens. We find that in 49 of the 50 States, psychologists are licensed or certified to provide their services independent of medical supervision. In my own State, psychologists have served as expert witnesses in court, maintain hospital affiliations, render services to outpatients and hospital patients of all types and ages, and maintain an amicable and cooperative relationship with psychiatrists and medical professionals with the result that the public benefits from these two independent but cooperative disciplines. For the past 3 years, clinical psychologists have provided services and have been compensated under the largest medical insurance plans in the State, the Hawaii Medical Services Association program and the Champus program, which together cover the majority of the population of Hawaii.

While the value of the services of the clinical psychologist have thus been recognized virtually all across the Nation, we find that there are certain glaring omissions in our laws at the national level which tend to restrict the freedom of choice among those who might benefit from such services. Favorable consideration of the legislation which I have introduced will amend title XVIII of the Social Security Act's supplementary medical insurance benefits program to allow the citizens eligible for those benefits to seek counseling and treatment from the certified or licensed clinical psychologist and to have those services covered under the benefits program.

I strongly support the adoption of this legislation, and hope that we may have early and favorable action on it.

INCREASING THE ESTATE TAX EXEMPTION

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ABDNOR. Mr. Speaker, I am introducing today a bill which will bring existing estate tax provisions into line with the financial realities of 1975. I speak today unashamedly for the American farmer and small businessman. In 1939, an estate valued at $60,000 would today average $180,000. Yet, there has been no change in the Federal estate tax exemption structure since 1939.

Every day across this country the survivors of a deceased farmer face the difficult problems of complying with Federal estate tax provisions that has not changed in 35 years. Many times a farmer's son must secure a mortgage—often a second or third mortgage—to pay for the estate tax levied on the farm inherited from his father. All too many farm widows are forced off their home, selling it just to pay inheritance taxes. The estate tax was instituted with no intention to cripple the economic welfare of any sector. It should not do so today.

The bill I am introducing today carries three provisions. First, it would raise the exemption level from the Federal estate tax from its present level of $60,000 to $200,000. As noted above, this is done merely to adjust the exemption level for 1975 in order that the impact is similar to what the $60,000 exemption impact was in 1939.

Second, this legislation would change current provisions for marital deduction. At present the maximum marital deduction available when a married person dies and leaves property to a surviving spouse shall not exceed 50 percent of the value of the adjusted gross estate. This bill will raise the maximum marital deduction to $100,000 over the 50 percent adjusted value of the estate. No longer will a widow be forced to leave the farm home she built and operated with her husband because of his death and the need to pay estate taxes.

The third provision would provide for an alternative method for valuing farms and woodland for estate tax purposes. Presently farms are valued at an assessment which may include a potential alternate land use which may raise the value of the property beyond its current use value. Because speculative demand for farm land may raise the value of the property at time of valuation, the survivors who wish to continue farming are forced to sell the land because the valuation of the property was increased due to other speculative factors influencing land values. A son will be able to continue to operate his father's farm even though market pressures would formerly have forced sale of the property.

This alternate valuation procedure would, however, allow for the collection of additional estate taxes of higher value should the property be sold or converted to a higher value use within the following 5 years.

While this third provision is directed most directly to the American farmer, the provisions do not preclude additional consideration for all Americans, be they farmers or not.

Though I speak for farmers, I represent all of my constituents directly and all Americans indirectly. This alteration in existing estate tax provisions would merely make the existing estate tax provisions reflective of the economic realities of 1975 for all Americans.

Revenue estimate of change in personal exemption level on Federal estate tax if changed from present $60,000 to $100,000 equals revenue loss of $1 billion; from present $60,000 to $150,000 equals revenue loss of $1.7 billion; and from present $60,000 to $200,000 equals revenue loss of $2.1 billion.

This is based on 1974 figures and comes from the Treasury Department. In 1973 revenue from estate taxes amounted to $5 billion.

The text of the bill is as follows:

H.R. 3915

To amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2052 of the Internal Revenue Code of 1954 (relating to exemption for purposes of the Federal estate tax) is amended by striking out "$60,000" and inserting in lieu thereof "$200,000".

(b) Section 6018(a)(1) of such Code (relating to estate tax returns) is amended by striking out "$60,000" and inserting in lieu thereof "$200,000".

SEC. 2. The amendments made by the first section of this Act shall apply to the estates of decedents dying after the date of enactment of this Act.

SEC. 3. INCREASE IN ESTATE TAX MARITAL DEDUCTION.—

(a) Section 2056(c) of the Internal Revenue Code of 1954 (relating to limitation of aggregate marital deduction) is amended by inserting after "shall not exceed" in paragraph (1) "the sum of $100,000, plus".

(b) The amendment made by subsection (a) shall apply with respect to decedents dying after the date of enactment of this Act.

SEC. 4. ALTERNATE VALUATION OF CERTAIN REAL PROPERTY.—

(a) Section 2031 of the Internal Revenue Code of 1954 (relating to definition of gross estate) is amended by adding at the end thereof the following new subsection:

"(c) ALTERNATE VALUATION OF CERTAIN REAL PROPERTY.—

"(1) IN GENERAL.—If the executor of an estate so elects, the value of any qualified real property included in the estate shall be determined by its value for the use under which it qualifies, under paragraph (2), as qualified real property.

"(2) DEFINITION OF QUALIFIED REAL PROPERTY.—For purposes of this subsection, the term 'qualified real property' means real property substantially all of which is, and, for the 60 months preceding the date of death of the decedent, has been, devoted to—

"(A) farming (including the production of agricultural commodities and the raising of livestock),

"(B) woodland (including land use for the commercial production of trees and land used for scenic and recreational purposes), or

"(C) scenic open space.

"(3) ELECTION REQUIREMENTS.—An election under this subsection shall be filed with the Secretary or his delegate at such time and in such form and manner as he may prescribe and shall contain, in addition to any other matter, the name, address, and taxpayer identification number of the person to whom the property passes under the terms of the decedent's will or by operation of law.

"(4) REVOCATION OF ELECTION.—If property valued under paragraph (1)—

"(A) is sold or transferred, by or on behalf of the person to whom the property passed, within 5 years after the date on which the return of the tax imposed under this chapter was filed, or

"(B) is converted substantially to a use not described in paragraph (2) within that 5-year period by that person, the election made under this subsection shall be revoked and the difference between the tax actually paid under this chapter on the transfer of the estate and the tax which would have been payable on that transfer had the property not been valued under paragraph (1) shall be a deficiency in the payment of the tax assessed under this chapter on that estate.".

(b) Section 1014(a) of such Code (relating to basis of property acquired from a decedent) is amended by inserting before the period at the end thereof a comma and the following: "or, in the case of an election under section 2131(c) (relating to alternative valuation of certain real property), the value thereof as determined under such action for the applicable valuation date.".

SEC. 5. The amendments made by section 4 of this Act shall apply with respect to the estates of decedents dying after the date of enactment of this Act.

LITHUANIAN INDEPENDENCE DAY

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ICHORD. Mr. Speaker, on February 16, 1975, Americans of Lithuanian origin and descent celebrated the 57th anniversary of the establishment of the Republic of Lithuania. For 35 years the Lithuanian people have maintained a profound hope that one day they might again enjoy the basic human rights of self-determination and religious freedom which were lost to them when the Soviet Union annexed the Baltic States in 1940. Their efforts to regain these freedoms have been an inspiration to the world and have played a major determining role in the continued refusal of the Western nations to recognize the forcible annexation of their homelands. Indeed, I doubt that any of us will ever forget the tragic difficulties of Simas Kudirka, the Lithuanian seaman, who endured enormous hardships to obtain the freedom he wanted for himself and his family.

Mr. Speaker, in 1922 the United States recognized Lithuania's independence and today still maintains diplomatic relations with the representatives of that formerly independent Republic in Washington, D.C. I am sincerely pleased to have this opportunity today to join with many other Members of Congress in paying tribute to these proud people and to offer praise of their distinct contributions to the cause of freedom.

CONSTITUTIONAL LID ASKED

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. WYLIE. Mr. Speaker, on February 20, there appeared in the St. Louis Globe Democrat an editorial calling for a constitutional amendment to control Federal spending. I, too, would like to see such a constitutional amendment. But, there is little chance for passage of a constitutional amendment.

On February 5, I introduced H.R. 2800 which "provides that Federal expenditures shall not exceed Federal revenues, except in time of war or economic necessity declared by the Congress." I hasten to add the chances that the 94th Congress will pass H.R. 2800 are probably slim and none.

The St. Louis Globe Democrat editorial succinctly targets in on the problem of Federal spending, and I recommend the editorial for reading by my colleagues in the 94th Congress in connection with my bill, H.R. 2800, which has been referred to the Government Operations Committee, Subcommittee on Legislation and National Security:

CONSTITUTIONAL LID ASKED

If federal spending, and spending at all levels of government, continue at the present mad pace, the United States free enterprise system will self-destruct within 15 years.

Thre is no way to continue spending at this accelerating rate on the federal, state and local levels without bringing on (1) an inflation rate of more than 20 per cent; (2) a depression and (3) socialism.

The nation already is faced with deficits totaling more than $80 billion in just two years. The national debt will go over $570 billion. And Treasury Secretary William Simon says the nation will have to borrow so much money that private business may be crowded out of the capital market by the "federal hog."

The alarming prospect is that federal, state and local borrowings will take 80 per cent of the debt capital in the coming year. This will leave business only 20 per cent of the financial debt market.

To get some idea of the tremendous squeeze that business faces, consider that as recently as 1955 through 1959 the federal government took only 20 per cent of the funds raised in the debt capital markets. Now it will take a gluttonous 66 per cent. No wonder Simon is protesting this impending crucifixion of the business community and the American public, both of which could be put through the inflation-tight money wringer again.

There is one way the issue of reckless squandering of public money could be given the full national spotlight it deserves. This could be accomplished by means of an amendment to the Constitution which would flatly prohibit Congress from spending more money than the Treasury takes in—except in time of war.

Obviously Congress would not approve such an amendment.

But under Article V of the Constitution there is another method open. Article V says that Congress "on the application of the Legislatures of two-thirds of the several states, shall call a convention for proposing amendments" which shall become part of the Constitution "when ratified by the Legislatures of three-fourths of the several states, or by the conventions in three-fourths thereof . . ."

This alternate method would seem to be the best way to put a lid on ruinous congressional spending. If the Legislatures of 33 states called for such an amendment, even the reckless spenders in the 94th Congress would have to take notice.

Passage of an amendment requiring Congress to be fiscally responsible for all time could prove to be the only way that the tidal wave of federal spending can be stopped.

MEDICAL CARE FOR UNEMPLOYED

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. CARTER. Mr. Speaker, I am today introducing a bill to provide, on an emergency basis, for continued medical care coverage for those Americans who have lost their jobs and are receiving unemployment compensation.

Loss of a job brings about severe economic difficulties for workers and their families, but it also usually results in the end of private health insurance coverage that was contingent upon their employment.

Approximately 7.5 million people currently are out of work, and 3.8 million of those have been laid off. Those figures amount to an 8.2 percent unemployment rate for the first month of this year, which is the highest jobless rate since before World War II.

The U.S. Department of Labor estimates that as many as 75 percent of the unemployed formerly had private health insurance coverage through their place of work.

Workers laid off and facing the prospects of continuing to meet mortgage or rent payments, providing food and clothing for themselves and their families and making payments on previous purchases would be hard-pressed to convert their former group policy to a personal health insurance policy. In fact, it is unlikely that any but a very few would do so.

That leaves the rest of the unemployed and their families with the anxiety about what could happen to them financially if they were involved in an accident or if they became seriously ill. That anxiety is compounded by the high cost of medical care. Hospitalization on the average across the Nation cost $130 a day during 1974.

The emergency legislation I am supporting seeks to provide a temporary, stopgap solution for the millions of Americans facing these problems.

Very basically, it provides that workers receiving weekly unemployment compensation benefits under a Federal or State plan would be entitled to enrollment in the part A program of medicare. As proposed, their dependent spouse or children also would be entitled to the basic medical coverage provided by the part A program, as well as a maternal and child health-benefit package to be devised by the Secretary of Health, Education, and Welfare.

Under this bill, all the deductibles and copayments now in effect for the part A program would apply to these newly covered individuals.

The advantages of this approach include the fact that administration of its provisions would be relatively uncomplicated. The worker would not have to pre-enroll in the medicare program. The provisions of the bill would go into operation only if the eligible worker or other eligible member of his or her family were hospitalized. In that case, it would be up to the hospital involved to determine whether insufficient health insurance coverage existed and whether the worker was receiving weekly unemployment benefits making the worker and his or her family eligible. If these prerequisites were met, the hospital then would treat the charges for medical services the same way it does bills for other patients payable under medicare.

Other advantages include the fact that this is emergency legislation. Its provisions would go into effect immediately upon enactment, and it would be effective only for 12 months after that date.

Hearings by the Ways and Means Committee on identical legislation are scheduled to begin next Monday, March 3, and continue for another 3 days.

I commend that committee for recognizing the urgent nature of this problem for our unemployed and for beginning active consideration of this, least expensive way of solving it. I am very hopeful that these hearings will be fruitful in that they will elicit specific data on the exact number of individuals who would be effected, the most precise cost estimate possible and the plan's effect on our regular medicare program.

We shall have to wait and see what the committee members determine about these questions and whether they recommend changes in the bill as it presently is written. However, the need for providing health protection for unemployed workers and their dependents who lose their medical insurance coverage is indisputable.

Many of the same problems with securing adequate health protection face many millions of employed workers as well. However, this legislation is strictly emergency in nature. It is not a national health insurance plan as has been proposed and as will be considered separately at a later date. While the debate over national health insurance goes on, our unemployed cannot afford to wait 2 years or more before final action is taken. They need help now, and this bill would provide that help.

I support this legislation as the most equitable and least expensive way of addressing this critical national problem, and I commend it to my colleagues for their consideration and support.

HIGHWAY CONSTRUCTION FREEZE

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. WALSH. Mr. Speaker, I have introduced an amendment to the Federal Aid Highway Act to rectify a serious problem brought about by a recent court decision. It would permit the States to prepare environmental impact statements on Federal aid highway projects proposed by the State, subject to evaluation and approval by the Federal Highway Administration.

On December 11, 1974, the U.S. Court of Appeals, 2d Circuit in Conservation Society of Southern Vermont, Inc. against Volpe, ruled that environmental impact statements required under the National Environmental Policy Act must be prepared by the Federal Highway Administration and not by State transportation agencies.

The court affirmed an injunction against further Federal participation in Route 7 in Vermont for this reason, even though the court found that the substance of the impact statement as prepared by the State was in full compliance with NEPA.

In January of this year, the Federal Highway Administration imposed a freeze on project approvals for the Federal aid highway program in New York, Vermont, and Connecticut, except for minor projects such as safety improvements. These three States comprise the jurisdiction of the second circuit court.

The highway administration specified it will not act on requests for approval of preliminary engineering authorizations or plans, specifications, or estimates of right-of-way acquisitions, nor any other step in the process of developing a highway project.

In the three States involved, the freeze affects 147 Federal aid highway projects on which construction would begin in 1975 and 1976. In addition, the freeze halts the development of hundreds of projects on which construction would commence in the period 1977–80.

The dollar value of the projects affected is in the billions and every type of Federal highway is on the list—interstate urban extensions, city arterials, rural primary, and rural secondary.

Although the court decision does not enjoin any construction other than the one route in Vermont, it did serve notice that any Federal highway project in the three States might be enjoined if someone wants to bring suit because the impact statement was not prepared by the highway administration. The freeze was imposed by the FHWA because it presumably does not want to risk wide scale interruption of projects by law suits based on the decision.

An appeal of the decision will undoubtedly be filed, but it could take as much as two terms for the Supreme Court to decide it. In the meantime, without some other solution the highway systems in the affected States would suffer enormous deterioration since much of the work involves the reconstruction of existing roads.

Mr. Speaker, my amendment offers a solution to this problem by providing that the impact statements, in any instance, can be prepared by the State agency, subject to approval by the Federal Administrator. The amendment in no way changes the substantive requirements of Federal law.

I sincerely urge the support of all my colleagues in this most serious matter. The construction of these arterials is essential to upgrading the safety factor, to save money by starting as early as possible, and even to provide jobs for the construction industry which will be severely affected by the freeze on construction.

VOICE OF DEMOCRACY CONTEST

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. LUJAN. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts a Voice of Democracy Contest.

This year's winner from New Mexico is Debra Ann Hollingsworth from Raton, N. Mex. I would like at this time to submit the text of her essay on the topic of "My Responsibility as a Citizen" for reprint:

Will you go on a voyage of discovery with me? Will you go on a great adventure? I am looking for you who face life courageously, you intrepid ones, behind whom the world moves forward. To you, I am going to unfold a secret power—the secret power of daring and sharing, which carries with it tremendous responsibilities. Once you have it, you can never be the same again. Once it is yours, you can never rest until you have given it to others. Deep down in the very fiber of your being, you must light a fire that can never be put out. It will light up unknown reserves and discover new capacities for living and growing—and to its blazing glory enhance a thousand other lives for light, warmth, and power.

But what is my responsibility as a citizen, you ask? That is coming. First, it is necessary to agree that living aggressively changes the whole complexion of life. So many are victims of fear. You fear losing your job, sickness, hard times, or failure. But remember, courage is the conquest of fear. Not until you strive to attack will you master your fears. I have found opportunities do not come to those who wait. They are captured by those who attack.

In our treasure chest are many reliable possessions, but one of the greatest of value is democracy. Democracy is not only a technique of government based upon freely elected representative institutions, and upon an executive responsible to the people; it presupposes also, the belief in the dignity of every individual and his rights to freedom of thought and expression. It rejects certain forms of government, emerges in the interplay of several parties, in the free discussion of various view points.

Democracy is concerned with fundamental principles of human conduct by which men judge what is good and what is evil. What is new is not the principles. What is new is their applications in our day to day living in the twentieth century We must keep pace with a world that science and technology have made new. Our most valuable possession is not doctrine, but intelligence, not authority, but reason, and faith in man, in every living thing, and especially in God. Our strength lies in the fearless and untiring pursuit of truth by the minds of men who are free.

What can I do to safeguard and to nourish this great American inheritance? I can demonstrate four qualities which will help secure democracy. The four qualities, dependability, service, leadership, and patriotism, if practiced, will spread the secret power and prove to make our voyage worthwhile.

Being a person others can rely on is adventuresome. If I demonstrate this and if people learn that I am dependable I will be bringing a quality back that has been missing. People will see what I am demonstrating and they will want to follow my example. Soon our leaders will be dependable and will give us faith in our government.

Realizing my duty as a citizen, I must keep myself well informed and up to date in what I must do for my country. To always be available to render assistance unto others who are in need of help to improve their citizenship. Years ago in New York, a young, poorly dressed black man was hurrying to catch a train back to his home in the South. As he struggled along 42nd Street with two heavy suitcases, a friendly voice said, "Here, let me carry one of those for you." The owner of the voice carried the suitcase all the way to Grand Central Station. The black man, Booker T. Washington, went on to become a great educator and a leader of his race. His helper, Teddy Roosevelt, later became President of the United States. The capacity to treat all people alike, regardless of status or importance, is truly a demonstration of service.

I must always recognize my ability and capacity to be a leader to the extent that I am qualified. Since we are the leaders of tomorrow we need to be the ones who initiate projects today to secure a democracy for tomorrow. As Dwight D. Eisenhower said, "Freedom from fear and injustice and oppression will be ours only in the measure that men who value such freedom are ready to sustain its possession to defend it against every thrust from within and without."

Patriotism is another quality I need to use and demonstrate. Patriotism is loving one's country above all other material things and being willing to go to all means to support it. If democracy is to survive for future generations, we all have a responsibility to demonstrate patriotism.

It is difficult to put a challenge into words. In my mind I am encouraging you to make something of your democracy. I am looking across the room and asking, "Will you dare to be a Thomas Jefferson?" Only if you are adventuresome.

I encourage all of you to start a fighting life for democracy. I encourage you who are weak to build and be strong; you who are dull I challenge you with vision; you who are slaves—set yourselves free and rule—be kings.

If we face life courageously and continue our voyage of discovery by demonstrating the four qualities of dependability, service, leadership, and patriotism, our democracy will remain for future generations. As Eisenhower said, "Whatever America hopes to bring to pass in the world must first come to pass in the heart of America."

COMPENSATING INNOCENT VICTIMS OF WOUNDED KNEE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ABDNOR. Mr. Speaker, to mark the second anniversary of the takeover at Wounded Knee in 1973, I am today reintroducing legislation to compensate the innocent victims of the 71-day siege.

It is a tragic commentary that those who did nothing more wrong than select Wounded Knee as their home are still deprived of their possessions, and in some cases of their homes and their livelihood.

It is even more tragic that we have apparently learned no lessons from Wounded Knee. We still have repeated incidents, even today, where bands of dissident outsiders invade and occupy property, taking hostage the livelihood of innocent people.

Federal law enforcement officials at Wounded Knee prevented tribal officials from enforcing the law and protecting the rights and property of the residents of that area during the infamous siege.

Because of the bizarre manner in which that lethal farce was handled, those who were wronged find the lawbreakers most responsible for the losses are in almost all cases judgment-proof. Had the role of the Federal Government been different this might not now be so, this legislation would not be necessary, and the continued assaults against law and order might have been stemmed.

Most of these people who have lost, and continue to lose so much, are the same people the Federal Government has tried to induce to become economically self-sufficient. If ever respect for law and order is to be restored in this connection those who innocently suffered at Wounded Knee must be compensated by the Federal Government whose action or inaction contributed to their loss, and laws protecting lives and property must be firmly and fairly enforced.

Mr. Speaker, the text of this bill follows:

H.R. 3914

Be it enacted by the Senate and House of Representatives of the United States of America assembled,

DECLARATION OF PURPOSES

SECTION 1. It is the declared purpose of the Congress in this Act to compensate innocent victims of the lawless occupation of Wounded Knee, South Dakota, between February 27, 1973, and May 8, 1973, for loss of life, personal injuries, and damages to their real and personal property.

DEFINITIONS

SEC. 2. As used in this Act—

(1) "Board" means the Wounded Knee Compensation Board established by this Act;

(2) "Secretary" means the Secretary of the Interior;

(3) "victim" means a person who was killed, who suffered personal injury, or whose real or personal property was damaged without his fault in the course of the occupation of Wounded Knee, South Dakota, between February 27, 1973, and May 8, 1973, or any other entity whose property was damaged during that occupation;

(4) "dependent" shall be defined by the law of the State of South Dakota;

(5) "claim" means a written request to the Board for compensation made by or on behalf of a victim or his surviving dependent or dependents;

(6) "claimant" means a victim or his surviving dependent or dependents;

(7) "compensation" means payment by the Board for net losses to or on behalf of a victim or his surviving dependent or dependents;

(8) "financial stress" means the undue financial strain experienced by a victim or his surviving dependent or dependents as the result of pecuniary loss from an act, omission, or possession giving rise to a claim under this Act;

(9) "minor" shall be defined by the law of the State of South Dakota;

(10) "net losses" means gross losses, excluding pain and suffering, that are not otherwise recovered or recoverable—

(A) under insurance programs mandated by law;

(B) from the United States, a State, or unit of general local government for personal injury, death, or damage to property otherwise compensable under this Act; or

(C) under contract or insurance wherein the claimant is the insured or beneficiary.

(11) "personal injury" means actual bodily harm;

(12) "damage to property" means physical harm to or the loss of personal property and effects and physical harm to real property; and

(13) "guardian" means a person who is entitled by common law or legal appointment to care for and manage the person or property, or both, of a minor or incompetent victim or his surviving dependent or dependents;

(14) "fault" means any illegal, unlawful, or tortious act, or consent to or concurrence in any such act, which proximately caused or contributed to the injury or damage complained of.

BOARD

SEC. 3. (a) There is hereby established a Board in the Department of the Interior to be known as the Wounded Knee Compensation Board. The Board shall be composed of three members to be appointed by the Secretary, who shall also designate one of the members of the Board to serve as Chairman. None of the following persons shall be eligible for appointment to the Board:

(1) persons involved, directly or indirectly, in the occupation of Wounded Knee, South Dakota, from February 27, 1973, to May 8, 1973, or in the negotiations which led to the lifting of that occupation;

(2) members of the Oglala Sioux Tribe;

(3) members of the American Indian Movement;

(4) residents of the Pine Ridge Indian Reservation.

(b) The Board shall carry out its functions to completion within two and one-half years from the date of the enactment of this Act, and the terms of members of the Board shall be of the same length as the life of the Board;

(c) Any member of the Board may be removed by the Secretary for inefficiency, neglect of duty, or malfeasance in office. Vacancies on the Board for any reason may be filled by the Secretary.

(d) The principal office of the Board shall be in or near Aberdeen, South Dakota, but the Board or any duly authorized representative thereof may exercise any or all of its powers in any place.

SEC. 4. The Board is authorized in carrying out its functions to—

(1) appoint and fix the compensation of a General Counsel and such other personnel as the Board deems necessary in accordance with the provisions of title 5 of the United States Code;

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5 of the United States Code, but at rates not to exceed $100 a day for individuals;

(3) promulgate such rules and regulations as may be required to carry out the provisions of this Act;

(4) request and use the services, personnel, facilities and information (including suggestions, estimates, and statistics) of Federal agencies and those of State and local public agencies and private institutions, with or without reimbursement therefor;

(5) enter into and perform, without regard to section 529 of title 31 of the United States Code, such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of its functions, with any public agency, or with any person, firm, association, corporation, or educational institution;

(6) arrange with the heads of other Federal agencies for the performance of any of its functions under this Act with or without reimbursement and, with the approval of the Secretary, delegate and authorize the redelegation of any of its powers under this Act;

(7) pay all expenses of the Board, including all necessary travel and subsistence expenses of the Board outside Aberdeen, South Dakota, incurred by the members or employees of the Board under its orders on the presentation of itemized vouchers therefor approved by the Chairman or his designate; and

(8) establish a program to assure extensive and continuing publicity for the provisions relating to compensation under this Act, including information on the right to file a claim and procedures to be utilized incident thereto.

COMPENSATION

SEC. 5. (a) The Board shall order the payment of compensation—

(1) in the case of the personal injury of a victim or damage to property of a victim, to or on behalf of that person; and

(2) in the case of the death of a victim, to the person or persons designated by the law of the State of South Dakota.

(b) The Board shall determine the amount of compensation under this section by computing the net losses of the claimant, including loss of future earnings or loss of support of the victim for ninety days or more, or child care payments.

(c) The Board may order the payment of compensation under this Act for anticipated loss of future earnings or loss of support of the victim for ninety days or more, or child care payments, in the form of periodic payments during the protracted period of such loss of earnings, support of payments, or during a period of ten years, whichever is less.

(d)(1) Whenever the Board determines, prior to taking final action upon a claim, that such claim is one with respect to which an order of compensation will probably be made, the Board may order emergency compensation not to exceed $1,500 pending final action on the claim.

(2) The amount of any emergency compensation ordered under paragraph (1) of this subsection shall be deducted from the amount of any final order for compensation.

(3) Where the amount of any emergency compensation ordered under paragraph (1) of this subsection exceeds the amount of the final order for compensation, or if there is no order for compensation made, the recipient of any such emergency compensation shall be liable for the repayment of such compensation. The Board may waive all or part of such repayment.

(e) No order for compensation under this Act shall be subject to execution or attachment.

(f) The availability or payment of compensation under this Act shall not affect the right of any person to recover damages from any other person by a civil action for the injury, death, or damage to property, subject to the limitations of this Act—

(1) in the event that a victim or his surviving dependent or dependents who have a right to file a claim under this part should first recover damages from any other source based upon an act, omission, or possession giving rise to a claim under this Act, such damages shall be first used to offset net losses; and

(2) in the event that a victim or his surviving dependent or dependents receive compensation under this Act and subsequently recover damage from any other source based upon an act, omission, or possession that gave rise to compensation under this Act, the Board shall be reimbursed for compensation previously paid to the same extent compensation would have been reduced had recovery preceded compensation under paragraph (1) of this subsection.

(g) The Board may reconsider a claim at any time before the Board's expiration date and modify or rescind previous orders for compensation based upon a change in circumstances of the claimant.

LIMITATIONS

SEC. 6. (a) No order for compensation under this Act shall be allowed to or on behalf of a victim or his surviving dependent or dependents unless the Board finds that such a claimant has suffered a net loss for which an act or omission, occurring without the fault of the victim in the course of the occupation of Wounded Knee, South Dakota, between February 27, 1973 and May 8, 1973, was the proximate cause.

(b) No order for compensation under this Act shall be made unless the claim has been made within six months after the date of enactment of this Act.

(c) No order for compensation under this Act shall be made to or on behalf of a victim or his surviving dependent or dependents unless a minimum loss of $100 or an amount equal to a week's earnings or support, whichever is less, has been incurred.

(d) No order for compensation under this Act to or on behalf of a victim, his surviving dependent or dependents, as the result of any one act, omission, or possession, giving rise to a claim, shall be in excess of $950,000.

PROCEDURES

SEC. 7. (a) The Board is authorized to receive claims for compensation under this Act filed by a victim or his surviving dependent or dependents or a guardian acting on behalf of such a person.

(b) The Board—

(1) may subpena and require production of documents in the manner of the Securities and Exchange Commission as provided in subsection (c) of section (18) of the Act of August 26, 1935, except that such subpena shall only be issued under the signature of the Chairman, and application to any court for aid in enforcing such subpena shall be made only by the Chairman, but a subpena may be served by any person designated by the Chairman;

(2) may administer oaths, or affirmations to witnesses appearing before the Board, receive in evidence any statement, document,

information, or matter that may, in the opinion of the Chairman, contribute to its functions under this part, whether or not such statement, document, information, or matter would be admissible in a court of law, provided it is relevant and not privileged;

(3) shall, if hearings are held, conduct such hearings open to the public;

(4) may, at the discretion of the Chairman, appoint an impartial licensed physician to examine any claimant under this part and order the payment of reasonable fees for such examination.

(c) The provisions of chapter 5 of title 5 of the United States Code shall not apply to adjudicatory procedures to be utilized before the Board.

(d)(1) A claim for compensation under this part may be acted upon by a member designated by the Chairman to act on behalf of the Board.

(2) In the event the disposition by a member as authorized by paragraph (1) of this subsection is unsatisfactory to the claimant, the claimant shall be entitled to a de novo hearing of record on his claim by the full Board.

(e)(1) Decisions of the full Board shall be in accord with the will of a majority of the members and shall be based upon substantial evidence.

(2) All questions as to the relevancy or privileged nature of evidence at such times as the full Board shall sit shall be decided by the Chairman.

(3) A claimant at such times as the full Board shall sit shall have the right to produce evidence and to cross-examine such witnesses as may appear.

(f)(1) The Board shall publish regulations providing that an attorney may, at the conclusion of proceedings under this part, file with the Board an appropriate statement for a fee in connection with services rendered in such proceedings.

(2) After the fee statement is filed by an attorney under paragraph (1) of this subsection, the Board shall award a fee to such attorney on substantially similar terms and conditions as is provided for the payment of representation under section 3006A of title 18 of the United States Code.

(3) Any attorney who charges or collects for services rendered in connection with any proceedings under this Act any fee in any amount in excess of that allowed under this subsection shall be fined not more than $1,000 or imprisoned not more than one year, or both.

(g) Decisions of the full Board shall constitute final agency action, from which no appeal may be taken to the Secretary of the Interior. The appropriate Federal district court shall have jurisdiction to review all decisions of the full Board. No finding of fact supported by substantial evidence shall be set aside.

SUBROGATION

SEC. 8. (a) Whenever an order for compensation under this Act has been made for loss resulting from an act, omission, or possession of a person, the Attorney General may, within three years from the date on which the order for compensation was made, institute an action against such person or other entity for the recovery of the whole or any specified part of such compensation in the district court of the United Sates for any judicial district in which such person resides or is found. Such court shall have jurisdiction to hear, determine, and render judgment in any such action. Any amounts recovered under this subsection shall be deposited in the Wounded Knee Compensation Fund established by section 9 of this Act.

(b) The Board shall provide to the Attorney General such information, data, and reports as the Attorney General may require to prosecute actions in accordance with this section.

FUND

SEC. 9. (a) There is hereby created in the Treasury of the United States a fund known as the Wounded Knee Compensation Fund, which shall be utilized only for the purposes of this Act.

(b) There is hereby authorized to be appropriated $2,000,000 for the purpose of constituting the Wounded Knee Compensation Fund and such other sums as may be necessary to enable the Board to carry out its functions under this Act.

REPORT

SEC. 10. Upon completion of its functions, the Board shall transmit to the Congress a report of its activities under this Act.

COMPENSATION OF BOARD MEMBERS

SEC. 11. (a) Section 5314 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"( ) Chairman, Wounded Knee Compensation Board."

(b) Section 5315 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"( ) Members, Wounded Knee Compensation Board."

MISCELLANEOUS PROVISIONS

SEC. 12. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any persons or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 13. This Act shall become effective upon the date of enactment.

CONTROLLING CHLOROFLUOROMETHANE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ASPIN. Mr. Speaker, today I am introducing legislation to deal with the potential threat to the environment posed by the use of chlorofluoromethane.

This substance, better known by one of its trade names, Freon, is used as the propellant in aerosol cans, as the coolant in refrigerators and air conditioners, and in a variety of specialty uses.

Until recently, it has been considered environmentally harmless. But last year, some scientists began to warn that chlorofluoromethane could do serious longrun damage to the environment.

The two chlorofluoromethanes in most widespread use, called R–11 and P–12, have similar chemical structures, containing only carbon, fluorine, and chlorine. Both are highly unreactive, and this contributed both to their usefulness and their reputation for being environmentally innocuous. But exposure to strong ultraviolet radiation, these molecules will photolyze, releasing chlorine.

Conditions of strong ultraviolet radiation exist high in the stratosphere, above the ozone layer which filters out most of the Sun's hard radiation before it reaches the surface. Since the chlorofluoromethanes are nonreactive and nonwater-soluble, they remain in the atmosphere and slowly diffuse up, through the ozone layer, to the regions of intense ultraviolet. There they break down and release chlorine.

A series of reactions has been hypothesized whereby a chlorine atom Cl, reacts with an ozone molecule, O_3, to form a molecule of chlorine oxide, ClO, and a molecule of ordinary oxygen, O_2. The chlorine oxide then reacts with a single oxygen atom to form another molecule of ordinary oxygen and a free chlorine atom, which is available to start the chain again. One chlorine atom can thus destroy many ozone molecules before it participates in some other reaction which results in its removal from the stratosphere.

Since ozone filters out the ultraviolet radiation of the sun, any reduction in ozone concentration means that more of this damaging radiation reaches the surface. A report by the National Academy of Sciences and the National Academy of Engineering—"Biological Impacts of Increased Intensities of Solar Ultraviolet Radiation," February 1973, distributed by the National Technical Information Service—concluded that more ultraviolet radiation would mean, in addition to unknown possible substantial damage to plants and animals, increased incidence of skin cancers in humans.

Since the increase in incident ultraviolet radiation is an exponential function of the decrease in ozone concentration, relatively small increases in ozone cover can cause large increases in radiation levels—the NAS–NAE report calculates that a 20-percent ozone reduction would more than double incident ultraviolet.

That 20 percent number is significant because, by one calculation, the current world production of 1 million tons of chlorofluoromethane per year would, if continued indefinitely, produce a 20 percent reduction. Clearly, unless someone has miscalculated, the situation is very serious.

The danger of chlorofluoromethane is particularly insidious because the effects do not show up for more than a decade after the activity which produced them. It takes that long for chlorofluoromethane to diffuse through the troposphere into the stratosphere. The effects are also longlasting, measured in decades. In other words, by the time a significant decrease in ozone is noticed, a bigger one is on the way, and the ozone level will be a long time getting back to normal.

The problem is further compounded by the fact that there is great natural variability in ozone cover, both seasonally and, it would appear, over a cycle of years. It has been estimated that, with present measuring techniques, it would take 10 years to be certain that a 5 percent reduction in the average level had occurred if, indeed, it had.

These lags and measurement difficulties, and our general ignorance of the chemistry of the stratosphere, make it easy for those with an economic stake in the continued production and use of chlorofluoromethane to argue that there is no certainty that the real results of that continuation will be as severe as the calculated results. But they also mean that the option of waiting until an effect is noticed before we act is foreclosed.

As if to remind us that we toy with unknown atmospheric processes at our peril, the National Oceanographic and Atmospheric Administration has recently reported that an apparent 8-year upswing in ozone cover seems to have been reversed, and a decrease of between 1 and 2 percent has occurred in the last 3 years. NOAA was quick to point out that these results did not necessarily confirm the hypothesis that chlorofluoromethane will reduce ozone cover, but the uncertainty about the meaning of the results is frightening enough.

We are thus faced with a double task: to assure the rapid resolution of the scientific uncertainties, and to put regulatory mechanisms in place to deal with the problem, if it is real, before serious damage has been done.

Of the 1 million tons annual production, about one-half is American. Of this, about 60 percent is used as propellants in spray cans, about 25 percent as refrigerants, and the balance in a variety of specialized uses.

The propellant uses would seem to be easiest to replace. Aerosols can be propelled by compressed air or by a pump valve—as in the familiar Windex bottle—as well as by chlorofluoromethane. For many applications, they can be dispensed with entirely. An easy answer to part of the problem would, therefore, seem to be the elimination of chlorofluoromethane propellants for aerosols.

But even a flat ban would account for at most 60 percent of the current production. The remaining 40 percent, used in refrigeration and various industrial processes, would still be a substantial amount, and the use of these products has been growing at a rapid clip: 22 percent per year compounded for the last 12 years, with a continued 10-percent growth rate predicted by the industry. At 10-percent growth rates, it would take less than a decade for nonpropellant uses alone to match today's total use. Clearly, banning propellant uses is not enough.

There are a number of possibilities for reducing the impact of refrigerant uses of chlorofluoromethane on the environment.

First of all, while the release of chlorofluoromethane from spray cans is part of their normal functioning, release from cooling systems is an aberration. It occurs only when there is a break in the containment system or when a unit is discarded. Reductions in the likelihood of leaks and the recycling of chlorofluoromethane from discarded units could mean that these compounds could be used in refrigeration without any damage to the ozone layer. Alternatively, substitutes could be developed: either other fluorocarbons, less likely to penetrate the stratosphere, or new compounds entirely. Indeed, about one-third of the total coolant market is now taken by fluorocarbon-22, which is believed to have much less effect on ozone than fluorocarbons 11 and 12, the chlorofluoromethanes.

What is needed is a set of economic incentives which will encourage the minimum release of chlorofluoromethane while creating the least possible inconvenience and cost.

In this case, I believe that simplest is best. Instead of a complex of rules and regulations, lawsuits and evasions, I propose a simple quantitative limit on the production or import of chlorofluoromethanes. Licenses for this limited amount would be sold at auction, thus creating an artificially high price on these substances, so cheap to make but potentially so expensive to the environment. If chlorofluoromethanes were expensive, they would not be sprayed away in aerosols; other users would look for substitutes; losses through leaks would be expensive enough to insure preventive action; and recycling would take place of a suddenly valuable resource.

If a quantitative limit on annual production is the best regulatory measure, how should the limit be determined? The legislation I propose works back from the effects predicted to the amount of production permitted. The Environmental Protection Agency, with the advice of the National Academy of Sciences and the National Aeronautics and Space Administration, would determine how much ozone reduction was consistent with sound environmental policy. With help from the same advisers, he would also determine how much chlorofluoromethane could be released each year in the United States without causing more than that amount of reduction in the long run. That figure would determine the annual licensure of production and import.

If, after new scientific evidence was in, the EPA decided that there was no real threat, the limits would never take effect. Since licensing need not go into effect for 2 years after the bill became law, there would be time to learn more about the problem before any drastic action was taken.

The bill establishes temporary limits of 50,000 tons a year or 10 percent of current rates, pending final determination of administrative regulations.

It also provides that the EPA can waive requirements as much as necessary to assure adequate food refrigeration if no substitutes are developed for that purpose, but not beyond 1982.

It is my conviction that this legislation, if enacted, would deal most effectively with the effects of U.S. production and use of these compounds, and serve as a model for other consuming nations to regulate their use.

Clearly, this is a world problem, not a national one. But just as clearly, it must be handled, at least at first, at the national level.

The text of the bill follows:

H.R. 3916

A bill to assure that the discharge of chlorinated fluorocarbon compounds into the atmosphere will not impair the stratospheric ozone layer increasing the risk of disease (including skin cancer) and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Ozone Protection Act of 1975".

FINDINGS

SEC. 2. The Congress finds, on the basis of presently avialable information that—

(1) discharge of chlorofluoromethane into the atmosphere threatens to reduce the concentration of ozone in the stratosphere,

(2) ozone reduction is likely to lead to increased incidence of solar ultraviolet radiation at the surface of the Earth,

(3) increased incidence of solar ultraviolet radiation may cause increased rates of disease in humans (including increased rates of skin cancer), theaten important food crops, and otherwise damage the natural environment, and

(4) the release of chlorofluoromethane may pose a danger to the public health, safety, and welfare and requires prompt study and regulatory authority.

DEFINITIONS

SEC. 3. For purposes of this part—

(1) the term "chlorofluoromethane" means the chemical compounds $CFCl_3$ and CF_2Cl_2 and such other chlorinated fluorocarbon compounds as the Administrator determines by rule may threaten to contribute to reductions in the concentration of ozone in the stratosphere.

(2) The term "ozone concentration" means the mean concentration of ozone (O_3) in the stratosphere.

(3) The term "ozone reduction" means reduction in ozone concentration.

(4) The term "ozone reduction due to chlorofluoromethane" means ozone reduction caused (or contributed to) by chlorofluoromethane manufactured or released in the United States or manufactured by corporations incorporated in the United States or by subsidiaries of such corporations, regardless of the location of manufacture.

(5) The term "steady-state ozone reduction due to chlorofluoromethane" means the ozone reduction due to chlorofluoromethane which would result from any given annual rate of chlorofluoromethane release if that rate were continued indefinitely.

(6) The term "target level" means the maximum steady-state ozone reduction due to chlorofluoromethane which is consistent with protection of the public health, safety, and welfare, as prescribed under section 5.

(7) The term "control level" means the maximum annual rate of chlorofluoromethane release which is consistent with the target level, as prescribed under section 5.

(8) The term "Administrator" means the Administrator of the Environmental Protection Agency.

STUDIES AND REPORTS

SEC. 4. (a) STUDY.—The Administrator shall undertake to contract with the National Academy of Sciences to study, and prepare a report, concerning the nature and likelihood of potential effects (direct and indirect) on public health and the environment of the discharge of chlorofluoromethane into the ambient air. Such report shall include estimates, based on available information of the control level and target level which should be prescribed under this Act. Such report shall also include information on the availability of safe substitutes for chlorofluoromethane used for refrigeration and other purposes and on the availability of methods to recover chlorofluoromethanes already in use. Such report shall be transmitted to Congress not later than one year after the date of enactment of this subtitle.

(b) NASA REPORT.—Within twelve months of the date of the enactment of this subtitle, the Administrator of the National Aeronautics and Space Administration shall report to the Congress and to the Administrator estimates, based on the evidence then available of the control level and target level which should be prescribed under this part.

(c) WAIVER OF REQUIREMENTS.—If the Administrator finds, after—

(1) consideration of the reports under this section,

(2) consultation with appropriate Federal agencies and scientific entities, and

(3) opportunity for public hearing

that no significant risk to the public health, safety, or environment is or may be posed by the discharge of chlorofluoromethane compounds (or any class thereof) into the ambient air, regardless of the rate of such discharge, that he or she may, by rule, waive the requirements and prohibitions of sections 5–7 in whole or part. If, after such procedures, the Administrator finds that no substance can be substituted for chlorofluoromethane for the purpose of food refrigeration without posing a greater threat to public health, safety, or the environment than is posed by chlorofluoromethane, he or she may waive the requirements and prohibitions of section 5–7 to the extent necessary to assure the availability of chlorofluoromethane for this purpose. No waiver under the preceding sentence shall remain in effect after January 1, 1982.

STANDARD SETTING

Sec. 5. (a) Regulations.—The Administrator may, after public hearing, consultation with appropriate Federal agencies and scientific entities, and consideration of any reports under section 4 which may have been completed, promulgate (and from time to time revise) regulations prescribing a target level or control level.

(b) Absence of Regulations.—

(1) If at any time after 2 years after the date of enactment of this subtitle, there is no target level regulation in effect under subsection (a), the target level shall be one per centum.

(2) If at any time after 2 years after the date of enactment of this subtitle, there is no control level regulation in effect under subsection (a), the control level shall be 50,000 tons per year.

LICENSURE

Sec. 6. Licensures.—

(a) Not later than six months after the date required for submittal of the reports under section 4, and every twelve months thereafter, the Administrator shall arrange for the issuance by sale, at public auction, of annual licenses to manufacture or import a quantity of chlorofluoromethane equivalent to the control level in effect for such annual period under section 5.

(b) Not later than six months after date of enactment of this subtitle, the Administrator shall promulgate regulations prescribing criteria and procedures for the conduct of license auctions under this section. Such regulations shall contain provisions to assure adequate public notice and opportunity to participate in the auction and to assure that such auctions will not have an anti-competitive effect.

(c) Such licenses shall be transferable.

ENFORCEMENT

Sec. 7. (a) Prohibitions.—Except as provided in section 4(c), it shall be unlawful for any person to—

(1) manufacture or import chlorofluoromethane more than two years after the date of enactment of this subtitle, except pursuant to a license issued by the Administrator under section 6.

(2) violate the terms or conditions of any license issued under section 6(b),

(3) manufacture, sell, deliver for sale, or offer for sale any aerosol spray container which in normal operation discharges chlorofluoromethane into the ambient air, more than 2 years after the date of enactment of this subtitle, or

(4) engage in unreasonable stockpiling of chlorofluoromethane so as to circumvent the intent of this subtitle.

(b) Sanctions.—

(1) The Administrator may apply to any United States District Court in the judicial district in which the person alleged to be engaged in conduct prohibited by subsection (a) is located or conducts business to obtain a temporary restraining order, a preliminary or permanent injunction, and other appropriate equitable relief to restrain any act prohibited by subsection (a).

(2) Any person engaged in conduct prohibited by subsection (a) (1), (2) or (3) or knowingly engaged in conduct prohibited by section (a)(4) may be subject to a civil penalty or not more than $10,000 per day of violation in the discretion of the district court.

AUTHORIZATIONS OF APPROPRIATIONS

Sec. 8. (a) NAS Study.—For the purpose of section 4(a), there are authorized to be appropriated to the Administrator, $500,000 for the fiscal year ending June 30, 1975, $1,500,000 for the fiscal year ending June 30, 1976, $250,000 for the fiscal period ending September 30, 1976, and $500,000 for the fiscal year ending September 30, 1977.

(b) NASA Study.—For the purpose of section 4(b), there are authorized to be appropriated to the Administrator of the National Aeronautics and Space Administration, $1,000,000 for the fiscal year ending June 30, 1975, $1,000,000 for the fiscal year ending June 30, 1976, $250,000 for the fiscal period ending September 30, 1976 and $750,000 for the fiscal year ending September 30, 1977.

(c) For the purpose of carrying out other provisions of this subtitle, there are authorized to be appropriated to the Administrator such sums as may be necessary for the fiscal years ending June 30, 1975, June 30, 1976, September 30, 1977, and for the fiscal period ending September 30, 1976.

COMMONSENSE FROM THE COMMON MAN

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. TALCOTT. Mr. Speaker, for many years we have been wasting our resources at an alarming rate. It was only a matter of time before these neglectful practices became habits and produced shortages of the materials squandered. Currently, the shortfall is in energy and only now are we waking up to the fact that priorities and lifestyles must be changed and more realistic patterns of consumption adopted.

Residents of the 16th District of California are articulating their concern over the energy crisis and confirming beliefs I have held and espoused for years. I commend the following letters—representative of many I have received—to my colleagues. The thoughtful, but alarmed nature of these messages indicates that the people demand rational action from this Congress and we are responsible for providing such action.

We should remember that today our immediate crisis and prospective shortage is oil and energy.

We also have perhaps more serious prospective shortages of food and water. Actually, we probably waste more water and food than energy. It is no excuse to say they are replenishable because even that is only partially true.

I include two letters from the congressional district which I am privileged to represent:

Salinas, Calif.

Dear Sir: It is with great concern that I write this letter. And with much thought.

I'm sorry to say I feel we have become a selfish and wasteful Nation. Because of this, we find ourselves in a very difficult position. One that could have been foreseen and avoided, yet true to our lifestyle it became acute before we gave heed.

I must admit we have rough water ahead. I also admit we brought it on ourselves. However, placing blame is of little importance. Getting on a constructive course is of top priority.

I've listened and studied the President's proposals. I've read and listened to arguments against it . . . and I've listened to peoples' reactions around me. One thing that has really worried me is it seems a person can only think for a short length of time and then only concerning himself and his immediate family! . . . What is for a short time indirectly, and directly, effects the future . . . and what effects your family in some way feeds into a larger area!

I have come to the conclusion that the President may very well be right about his plan being the best . . . here are the basic reasons.

1. People in general don't realize what rationing means, or that it could go on for a very long time! They feel that with rationing they could somehow get more gas if they needed it! This may sound unrealistic but it is true! And they will use illegal means or whatever it takes.

2. Now with higher prices they will . . . have to cut back. . . . It will be a strain on our pocketbooks. . . . Though it will be very hard, I feel the end result will be much healthier for the country.

Plus I've taken into consideration the way the average and poor have voluntarily cut back on fuel. Or better said, how they have not. I actually know of cases of lower middle class people who own at least three cars. . . . I've known them to take a trip to a relative 55 miles away and each of them goes in separate cars—leaving within minutes of one another and returning no more than an hour different. . . . And they are continuously going and coming separately with no thought of combining their trips! I'm sure this goes on all over.

I don't see how rationing is going to really help this type of thing, but I do see higher prices helping. And believe me I don't like to think of higher prices. I readily admit it's going to hurt. I'm just middle class and the check hardly reaches as it is, but I don't think we can look at this on a small scale. We've got to face the fact things don't change overnight.

I still believe this total plan (President Ford's), at least on energy, is the best for the long haul. It would only be worse for the country to have revisions and temporary programs for a year or two and then face disaster.

There is so little faith and so much unemployment, poor housing, etc. Just how can rationing stimulate and overcome this? You've got to do what's best for the country now. This may take some large changes in our thinking, but we've got to do it! This country has run on an emotional key too long. Pure logic and reality cannot be forever overlooked without the price being a horrible one.

We need strong leadership. People oriented, not political bound. Experience is a hard teacher, but a lesson well learned is not soon forgotten. This is a great country, but it must be taken care of properly.

Sincerely,

Jo Downs.

Los Osos, Calif.

Dear Sir: Whatever path is selected to conserve gas and oil will hurt. Gas rationing may well cost 2.5 billion dollars and develop another bureaucracy of 15,000 employees. It will also put the brakes to a 55 billion dollar recreation business. It will effect everything in this country, for the Nation operates on 90% gas and oil, and 85% of everything we use is made from gas and oil. This should be of concern to these who DEMAND fuel for their wasteful needs; those who still believe we are a land of plenty.

"We are a nation of wasters. We will continue to waste and lay waste to all our resources; unconcerned of the consequences. We will not learn to be prudent. We live with the fallacy that there is always more. Remember this—there is no such thing as an unlimited supply of anything!"—Prof. Sidney Casner, Economics. Chicago 1921.

Our highways are filled with campers and mobile homes—"elephant" on wheels—consuming gasoline at 4 to 6 gallons per mile. We continue drag races, our speedways and needless other excuses to amuse ourselves. We have speed laws at 55 miles per hour with only a few abiding by it. Discipline doesn't enter into it. We won't learn because we Don't Want to Learn!

Seven years ago the Arabs warned, "Keep burning your oil. When it's gone, there will be no more." Ten years ago we warned of today's crisis. There is always someone about to warn us, but few heed.

"God and doctor we both adore
 On the brink of danger and not before;
The danger once passed, all is requited
 God is forgotten and the doctor is slighted."
  Physician's Proverb—Author unknown.

We relaxed our restrictions of a short year ago permitting the unlimited use of gas and gas cutting prices. Why?

We have a Congress who thought juggling holidays to give three day weekends would delight—whom—those who race out to kill themselves on highways? To satisfy the whims of some Congressmen? Return holidays to their rightful position. This will conserve some gas!

In World War I we had gasless Sundays and they were gasless. No cars in the street. Do that today and you'd have a riot. World War II gave us gas rationing and those who could afford it could buy all the coupons needed. We have gas allocation to service stations with loud cries of going broke. . . . We think only of OUR needs. . . . What is learned? What's the answer? What is the reply? "Waste today—Gone tomorrow?"

So, here we stand! Back to the problem of conserving! Is anyone really listening . . .? We are truly living within a Tower of Babel—everyone talking and no one listening.

Perhaps we might rephrase the Physician's Proverb and say:

"Panic in energy we all deplore
 On the brink of danger and not before;
The danger once passed, all is requited
 Gas savings forgotten, and lights relighted."

But the danger has not passed!

Respectfully yours,
LOUAN K. CARTER,
P.O. Box 6118, Los Osos, California.

ESTONIAN INDEPENDENCE DAY

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ICHORD. Mr. Speaker, February 24 marked the 57th anniversary of the Declaration of the Republic of Estonia. I would like to take this opportunity to extend my best wishes to the people of Estonia and to pay tribute to these freedom-loving people who for the past 35 years have maintained a concerted effort to restore their basic human rights of self-determination and religious freedom. The United States has long supported the people of Estonia in their resolve to be free and has refused to recognize the Soviet Union's forcible annexation of this proud Baltic Nation. Hopefully, our joint efforts will ultimately be successful in realizing Estonia's ambition for self-determination, and I am pleased at this time to offer praise of the Estonian people's great contributions to the cause of freedom.

TAX REDUCTION NEEDED NOW

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GRADISON. Mr. Speaker, I am disappointed that in a period of economic crisis when urgent action is needed, the majority of this House has taken the politically expedient way out.

The people of this country need immediate relief from the recession which confronts them. We are all agreed that a rebate is needed now in order to spur economic activity and help bring us out of this recession. The bill reported from the Ways and Means Committee, however, reduces the maximum rebate available this year and compensates by revising the tax code for next year's taxes. This adjustment has several disadvantages:

First. By limiting the maximum individual rebate to $200 consumers will be more likely to pay off debts and increase savings rather than purchase "big-ticket" items such as automobiles and hardware appliances instrumental in spurring economic activity to increase employment;

Second. The rebate formula penalizes all those who itemize their deductions by excluding them from the tax relief provision; 46.2 percent of the group with incomes between $10,000 and $20,000 would receive no benefit. It is unfair to deny relief to the middle-income taxpayers who bear the major portion of the tax burden;

Third. The income tax revisions of the bill will most likely become permanent thereby adding to our already massive deficit and eroding the tax base for future years, a dangerously inflationary effect. The working men and women of this country will be sorely disappointed when they learn that they will receive little or no tax relief and also pay the price of another surge of inflation in the future;

Fourth. H.R. 2166 includes a hasty attempt at income distribution, a matter which is inappropriate in an emergency tax relief bill. Parts of this bill which alter the tax structure to direct benefits to particular income groups should be extensively considered in a tax reform bill. The earned income tax credit is a good example of a concept which merits extensive consideration in a general tax reform bill; and

Fifth. Because of the urgency of providing needed tax relief I voted against measures to repeal the percentage oil depletion allowance. While I believe such provisions should be phased out as part of a comprehensive energy program, I fear that including such a provision in this bill may delay unduly the final passage of this vital tax relief for the working men and women of our Nation.

I believe this bill should be designed to increase production now, therefore, I support the business tax reductions which will promote investment and lessen the tax burden especially on small businesses.

Finally, Mr. Speaker, I would like to note that many groups, including the AFL-CIO, believe that additional cuts are needed for the middle income brackets, since these taxpayers receive no 1975 tax reduction if they itemize deductions. For this reason I supported the substitute offered by Mr. CONABLE which would increase the rebate for individuals based on 1974 returns to $12.2 billion with the maximum rebate $430; 71 percent of the money rebated under this plan would go to people with incomes under $20,000. The Conable substitute would fulfill the sole function of this bill—to turn around a badly lagging economy and do it now. As Representatives, that should be our first concern.

EDUCATIONAL NEGLECT OF PUERTO RICANS, MEXICAN AMERICANS, AND SPANISH AMERICANS

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MINETA. Mr. Speaker, this year's theme for the National Education Association's annual Conference on Civil and Human Rights in Education was educational neglect. Unfortunately, the disregard for education has run rampant in both urban and rural areas and has affected programs for children, adults, the physically and mentally handicapped, and bilingual persons.

I had the honor of participating in one of the seminars at the conference entitled, "The Four Faces of Neglect," and was most fortunate to have shared the podium with individuals such as Ms. Carmen L. Delgado of the National Urban Coalition.

Ms. Delgado, who is the urban education associate, the adviser to the deputy president on Right To Read, and the adviser on Spanish-American affairs at the National Urban Coalition, spoke on educational neglect of Puerto Rican, Mexican Americans, and other Spanish-speaking persons.

Mr. Speaker, I would like to include Ms. Delgado's remarks in the RECORD:

EDUCATIONAL NEGLECT OF PUERTO RICANS, MEXICAN-AMERICANS, AND SPANISH-AMERICANS

Back in the seventeenth and eighteenth centuries, when the major European powers were trading, conniving and fighting over the colonies and claims, which were eventually to be joined, into what is now the United States of North America—the ultimate goal of each of the adversaries was, obviously, the territory and nothing else. It is futile to speculate on how greater or lesser the problems confronting the people in this room would have been, had the French or the Spanish beaten the English. Great portions of Africa and South America, as they exist today, offer no comfort to that speculation. But the fact is, the English won and the language and culture of what was to become the U.S., has been uncompromisingly English, even to a greater degree, than in England itself. There is no second or third language and the sub-cultures which have existed or still survive are only transitional ingredients in the great "gobbled-up melting pot" which ultimately, even in this day, results in a rigidly Anglo mold.

Ironically, as the world of détente increasingly interfaces in trade, thought and culture the Anglo mold becomes the obvious minority which, while upheld by the existing economic power and institutional structures in this country, is hardly allowing for the change in cultural and growth patterns so evident within our people. On the contrary, this Anglo rigidity is fostering increasingly unequipped, unemployable or frustrated and, thereby, counter-productive citizens who will reduce significantly the influence of our society upon the rest of the world. Of greater concern is the fact, that the creativity and flexibility of our standards and style of life are being diminished and withered.

While you may not be unfamiliar with the facts and statistics I am about to briefly review to illustrate the plight and unequal opportunity of the Spanish-speaking minorities, they are relevant to the ultimate national catastrophies, be they cultural, economic or political, which will happen, if we cannot drastically alter the Anglo mold, or societal structure if you prefer, which so inhibits our entire population, to say nothing of the socio-economic disadvantaged.

Spanish-Americans comprise approximately 6.9 percent of the U.S. population. With the undercount admitted by the census, independent surveys and other research findings this 6.9% figure accounts for 14.4 million Spanish-Americans. This total does include the 2.8 million Puerto Ricans who are American citizens living on the Caribbean Island, which is also part of the U.S.A. It does not include the Immigration Naturalization estimate of five (5) million immigrants, migrants and illegal aliens, who represent a substantial segment of the economic force.

There are eighty-seven (87) members of Congress who have Spanish-speaking constituencies of ten percent (10%) or more in the states of Arizona, California, Colorado, Florida, Illinois, New Mexico, New Jersey, New York, Texas and the Commonwealth of Puerto Rico.

Thirteen (13) of these have districts which consist of thirty percent (30%) or more Spanish-speaking constituents. Highest concentration areas are found in California, New Mexico, New York, Texas, Florida and Puerto Rico. Spanish-Americans, in their quest for jobs and a better life, are also very mobile and in varied proportions they can be found in all states of the Union, including Hawaii and Alaska.

Mexican-Americans make up more than half of the Spanish group with 8.7 million, Puerto Ricans comprise the next largest segment with 4.8 million, Cubans account for 877,000 and other Latin Americans total 123,000. Contrary to popular belief, the Spanish-speaking are not concentrated in rural areas—eighty-eight percent (88%) live or migrate for socio-economic reasons to urban metropolitan areas.

It is worthwhile noting that Spanish-Americans have, and continue to have, larger families than the rest of the population. The average Spanish-American family consists of six (6) persons. While student enrollment in our public school system is decreasing, there continues to be an actual increase in the number of Spanish children in public schools.

An especially large proportion of Puerto Rican families are headed by "Boricua" women. One family of every eight (8) in the United States is headed by a woman, but almost one-fourth (¼) of all Puerto Rican families in the U.S. are headed by women. About fifty-four percent (54%) Spanish women have incomes of less than $3,500.00.

The average family income of Spanish-Americans (prior to this recessionary period) was barely above the poverty level—the Orshanksy Index set $3,743.00 for an urban family of four (4).

The Spanish-speaking population is a "young population"—fourteen percent (14%) is under five (5) years of age as against six percent (6%) for the total population.

The percentage of the Spanish-speaking who are sixty-five (65) years old or over is four percent (4%) versus ten percent (10%) for the total population.

The median age for Spanish-Americans in the U.S. is 20.1 years while that of the total U.S. population is 28.5 years.

We, Spanish-Americans, are tenaciously proud of our culture. Our culture is rich beyond words for it encompasses and integrates our Indian (Taino, Caribe, Azteca), Spanish, White and African heritage. This multicultural richness allows for flexibility. We, Spanish-Americans, are as tenaciously proud of our language, as is indicated by the fact, that despite efforts for assimilation and acculturation, seventy-five percent (75%) of the Puerto Ricans, eighty-five percent (85%) of the Cubans and forty-eight percent (48%) of the Mexican-Americans living here continue to choose to speak Spanish at home. Witness the fact that Madison Avenue has undertaken a major Latino advertising campaign in Spanish.

The two (2) most pressing problems confronting the Spanish-Americans are unemployment/underemployment and educational neglect:

1. *Unemployment* has reached an unbearable, destabilizing effect among Spanish-Americans. At present, the unemployment rate for the Spanish-speaking population is estimated at seventeen percent (17%)—in contrast to the national rate of eight and one-half percent (8.5%). The AFL–CIO projection of ten percent (10%) unemployment by July, could well mean a thirty percent (30%) jobless rate for Hispanics. These atrocious figures apply to blue and white collar workers, Hispanic men and women and young adults. Already there is a fifty-five percent (55%) jobless rate among young Spanish-Americans.

The meager gains in business ownership and profits earned by Spanish-Americans in the mainland during the late sixties and up to 1971 have all but vanished. The Spanish-speaking small owned firms (with an average of five (5) employees and $200,000 in gross receipts) have dwindled to near extinction.

2. *Educational Neglect*—In 1972 the student enrollment of the nation's public schools was 44.6 million. The total teaching population was 1.96 million, broken down as follows:

1,741,100 are Anglo/White Teachers.
186,000 are Black Teachers.
22,800 are Spanish-speaking Teachers.
7,300 are Asian Teachers.
2,800 are Native American Teachers.

The Teacher/Student ratio is:

1 Anglo/White teacher for every 22.5 Anglo children.

1 Asian teacher for every 31 Asian children.

1 Black teacher for every 36 Black children.

1 American Indian teacher for every 86 Indian children.

1 Spanish-speaking teacher for every 107 Spanish-speaking children.

As of August 1974, there were approximately 7.7 million school age children who had limited English-speaking ability or who could not speak English. Ninety percent (90%) of the 7.7 million children come from Spanish-speaking population. Less than five percent (5%) of the children are actually beneficiaries of bilingual education.

The attrition rate (both drop-out and push-out) for Spanish-speaking is higher than for other groups. The nationwide attrition rate for Anglo/Whites is twenty percent (20%); for Blacks—forty percent (40%); and fifty-five percent (55%) for Spanish-speaking—with as high as eighty-five percent (85%) for migrant children.

While 61.2% of the total U.S. population completes grade twelve (12) and the educational aspirations and expectations for the majority of Americans today is a college degree, the average number of school years completed by Spanish-Americans is 7.1 years. No more than five percent (5%) to seven percent (7%) of Puerto Rican and Chicano college age youths are moving on to higher education. Puerto Ricans and Mexican-Americans are either miseducated or vastly undereducated.

For Spanish-Americans, minority groups and the socio-economic disadvantaged, equality of education and access to college continues to be systematically denied by many barriers—the most crucial being inadequate preparation.

In *Crisis* (November 1974) the following figures were published as to higher education enrollment and minority access to college:

Ethnic groups:

	Number and percentage	
Blacks	470,000	5.839
Mexican-Americans	50,000	0.621
Puerto Ricans	20,000	0.248
American Indians	4,000	0.049
Anglo/Whites	7,506,000	93.243

We already are painfully aware by countless public studies, commissions and task forces that the reading, mathematical/computional, decision-making and salable skills of the vast majority of our children and young adults in our public educational system bear little relation to the number of years completed in school.

I am sickened that the few changes and reforms which have been brought about for improvement of education for Spanish-Americans and the socio-economic disadvantaged have been and are being brought about primarily by civil rights lawyers and court-imposed mandates. (Witness Lau/Serrano/Rodriguez/Brown).

For decades, the American educational system has been geared to the melting pot theory and has catered to the Wasp—White-Anglo-Saxon-Protestant syndrome. Blacks, Puerto Ricans, Chicanos, Spanish-Americans, American Indians, *Asians, Orientals* and those whose race, sex, language and national origin by their "differentness" have not adapted to the norm, have been repeatedly shunted, pushed-out—their needs and aspirations stifled and neglected.

Because of the long history of neglect be it orchestrated, or systematically benign, Spanish-Americans—children and adults—are being consistently denied an equal, thorough and efficient education and few have received—at best—a token miseducation.

We have never had "Days of Wine and Roses" or "Good Times". We have always had "Days of Pitorro and Espinas" (moonshine and thorns).

The problems indicated by these numbers are obvious. The solutions may also be obvious, but not easy. They are revolutionary and that is never easy, any more than it was when this country began. It is one huge undertaking to alter the entire educational emphasis in this country; to make it culturally pluralistic—for the benefit of all—not just the presently disadvantaged. I know that means that over ninety percent (90%) [it may be ninety-nine percent (99%)] of the teachers and administrators in the nation today are unequipped to contribute to such an educational overhaul. But that does not mean that it should not be done or that educators should not become equipped—those that still can!

The bigger job though, that which overwhelms and staggers, exists at both ends. The knot, if I may, the constipation, is at the top as well as the bottom.

I am speaking to you from the perspective of a professional educator, a Puerto Rican and as a woman activist in America. From all these perspectives, I am damned indignant at the lack of genuine commitment to what education's priorities are all about.

Surely, the upward mobility of the socioeconomic disadvantaged will begin to relieve the overall problem but both prior to this, and ongoing simultaneously with this, the male dominated power distribution and institutional structures of this society must be altered to allow every minority educational access, cultural and entrepreneurial equality and thereby the opportunity to contribute, create, and sustain and, finally, improve our society. If the structures of power do not realign and recognize this, or if they cannot be changed to do so, then the spiral can only continue downwards and "le débacle"—the demise—is inevitable. There must be a better option!

NOTE.—Prepared by Carmen L. Delgado, the National Urban Coalition, the National Education Association Conference on "Educational Neglect," General Opening Plenary Session, Washington, D.C., February 16, 1975.

GILMAN PRESENTS APPEALS TO SOVIETS ON IMPRISONED JEWS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GILMAN. Mr. Speaker, in the closing days of the 93d Congress, I solicited the support of my colleagues in a joint letter to Soviet Party Chairman Leonid Brezhnev, asking him to take swift action to release 30 imprisoned Soviet Jewish intellectuals. These men have been imprisoned in Russia on trumped-up charges which mask the real reason for their incarceration: they all wanted to emigrate to Israel.

Ninety-three of my colleagues joined in signing that letter to Chairman Brezhnev, which my colleague, the gentleman from New York (Mr. FISH) proposed to present personally to Mr. Brezhnev during a planned trip to Moscow in January, 1975.

Unfortunately, that rip was canceled. I then began an effort to personally present this letter to Soviet Ambassador Dobrynin—an effort which has proved to be educational, shedding light on the real Soviet attitudes toward international responsibility, toward human freedom, and the American people.

My repeated requests to the Soviet Embassy for an appointment for presenting this letter to Mr. Dobrynin, all went unanswered. In the months since this letter was circulated, the Soviets have backed out of their agreement with the United States to relax their repressive policies against Jewish emigration.

Finally, after weeks of waiting, I have this week received belated word from the Soviet authorities that it is not the policy of the Soviet Embassy to accept petitions on what the authorties described as "that subject."

Accordingly, Mr. Speaker, I have been forced to send our joint letter by registered mail to the Soviet Embassy. While I can be fairly certain that they will receive it, I have no assurance that they will consider it, or even read it.

The sad story surrounding this letter illustrates the Soviet attitude toward our Nation—the unique attitude of seeking and accepting all manner of trade preferences and concessions while at the same time turning a deaf ear on all of our persistent pleas for recognition, by the Soviet Union, of basic human rights and duties.

The Soviets, in their callous attitude, want the world to think that what they do to their Jewish citizens is an internal, private affairs and nobody else's business.

But, Mr. Speaker, the rights and freedom of human beings everywhere is the first order of business for all freedom-loving nations. We have fought wars to secure and preserve those freedoms for ourselves and for others. We must not now, in our haste to achieve détente with the Soviet Union, allow those all-important principles to be forgotten.

Mr. Speaker, I insert the full text of out joint letter to Secretary Brezhnev, along with the names of my colleagues who have joined in this letter, to be reprinted in this portion of the RECORD.

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 18, 1974.

Hon. LEONID BREZHNEV,
Chairman, Union of Soviet Socialist Republics, Moscow, Soviet Union.

DEAR CHAIRMAN BREZHNEV: We, the undersigned members of the United States House of Representatives, view with growing alarm and concern the continuation of the policy of harassment and oppression against Jewish citizens of the Soviet Union.

More than 30 Soviet Jews are now imprisoned primarily because they sought to emigrate to Israel. They are living in the most barbarous, inhumane conditions; in many cases at great peril to their health, welfare, and even their lives.

In the past year substantial progress has been made towards improving relations between the United States and the Soviet Union. Indeed, your government promised, in an exchange of correspondence with Secretary of State Kissinger, to give 'sympathetic consideration' to the plight of these imprisoned citizens.

The cause of Soviet-American relations would be greatly enhanced by the gesture of releasing these prisoners and permitting them to emigrate to Israel. In the interest of pursuing a new era of relations for our two nations, we urge you to undertake this humanitarian course of action.

To do so would not only strike a blow for human freedom and dignity, but for peace and understanding among all the nations of the world.

Thank you for your kind attention.

Sincerely yours,

Benjamin A. Gilman, Burt L. Talcott, Peter Peyser, Norman F. Lent, Henry P. Smith III, L. A. "Skip" Bafalis, Jonathan Bingham, Larry Winn, Jr., LaMar Baker, Joseph Addabbo, William Broomfield, Charles W. Whalen, Jr., Vernon W. Thompson, Margaret M. Heckler.

Alan Steelman, Jack Kemp, George M. O'Brien, Hamilton Fish, Jr., James F. Hastings, Albert Quie, John B. Anderson, Don Young, Stewart B. McKinney, James R. Jones, Floyd Spence.

Matthew Rinaldo, Peter Freylinghuysen, James Hanley, Mario Biaggi, William M. Ketchum, Elizabeth Holtzman, Charles B. Rangel, Joel Pritchard, John Murphy.

Ben Blackburn, Barbara Jordan, Joe Skubitz, Joseph McDade, Del Clawson, Edwin B. Forsythe, Dante Fascell, Benjamin Rosenthal, Peter Rodino, William Steiger, Delbert Latta.

Edward R. Madigan, Frank Horton, Wilmer J. Mizell, Bud Shuster, Angelo Roncallo, Les Arends, Robert H. Steele, Gene Taylor, John J. Duncan, Sidney R. Yates, William Armstrong, James Abdnor.

Shirley Chisholm, Pete McCloskey, Barry M. Goldwater, Jr., M. Caldwell Butler, Robert P. Hanrahan, Sam Steiger, Robert C. McEwen, Thomas F. Morgan, Robert Lagomarsino, Marjorie Holt, Patsy T. Mink, Donald J. Mitchell, Tennyson Guyer.

Ed Young, John Culver, Edward I. Koch, Paul W. Cronin, Richard W. Mallary, William F. Walsh, Harold Froehlich, Edward Mezvinsky, Stan Parris, Bella S. Abzug, Lester Wolff, William Clay.

STATEMENT OF THE HONORABLE JOHN M. MURPHY: INTRODUCTION OF TWO BILLS

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MURPHY of New York. Mr. Speaker, today I am introducing two companion bills which will help resolve some of the dilemma this country faces in meeting its energy needs:

First, the Coastal Zone Environment Act of 1975; and

Second, a bill to establish a policy for the management of oil and gas resources on the Outer Continental Shelf so as to protect the marine and coastal environment; to establish policies and procedures governing OCS operations that are environmentally, socially, and economically compatible with the coastal zone management programs of affected States funded under Public Law 92-583, and for other purposes.

Everyone can agree on the desirability of producing additional domestic oil and gas and thus cutting down expensive imports. The best prospect appears to lie off our coasts, as in the Gulf of Mexico where most offshore oil and gas now is extracted, and from new areas such as the Atlantic coast and the Alaskan coasts.

It is natural that citizens in these new, frontier areas, as far as offshore oil is concerned, are anxious. They see a Federal program about which they and their elected State and local officials have had little to say moving ahead at a rapid rate. They know that their coastal regions, which are valuable ecologically and economically, will be heavily impacted when offshore oil operations move in.

Yet as it stands now, these coastal taxpayers do not have information on the extent of the oil and gas fields off their coasts, do not have detailed information on what offshore production will require in the way of industrial and public facility support, they likewise know that environmental information gathering offshore is in its early stages and they know also that introduction of a major new heavy industry into rural or lightly developed areas will produce social and economic stress and probably cost the local taxpayers more than the new tax revenues. And finally, they know that offshore operations do not last forever, that the industrial support base that it provides with perhaps irretrievable damage to coastal lands and waters, eventually withers away. This is the classic "boom-bust" cycle.

For all of these reasons and more, we need to alter the way this country goes about using its precious offshore oil and gas reserves.

The two bills I introduce today, Mr. Speaker, provide the following improvements in the best interests of the Nation as well as the coastal areas: First, we want to provide that detailed baseline information is gathered on any marine area where offshore leasing is contemplated. Subsequent to such leasing, the National Oceanic and Atmospheric Administration is to take careful measurements to insure that no permanent damage is being done. This is a simple precaution to protect our marine resources.

The first of my two bills will establish a policy for the management of oil and gas resources on the Outer Continental Shelf so as to protect the marine and coastal environment and establish policies and procedures governing OCS operations that are environmentally, socially, and economically compatible with the coastal zone management programs of affected States funded under Public Law 92-583. The bill also provides that the Department of the Interior proceed with its own exploratory drilling program off the coasts. Until now, only industry has acquired detailed information of offshore resources. This has meant it is only industry which knows in detail the likely value of individual tracts. The information in the hands of the Government, some of it supplied by industry, is inadequate to protect the public interest. My bill directs the Secretary of the Interior to make available to the public the results of such exploratory work.

The bill also provides that the Interior Department file a detailed development plan with the Governors of the affected States and with the coastal zone management authorities of those States. This is a major improvement on the present situation where the development plan of industry is given the Interior Department in a somewhat informal fashion and without the specificity that the states and local governments need to gauge the impact the development will have on coastal communities.

In order for local communities to have sufficient time to prepare, my legislation provides that either the House or the Senate can veto an offshore leasing program and that the Governor of an affected State can call for a 3-year delay. these safeguards are necessary to prevent offshore activity to take place in precipitous fashion. At the same time, there is nothing in either of the bills I introduce today which will cause unnecessary delay or undue burdens on the petroleum industry.

My second measure is the Coastal Zone Environment Act of 1975 which has as its major provision the establishment of a coastal impact fund of $200 million annually to help compensate States and local governments for major energy facilities of various types.

We know new powerplants and new or expanded refineries are needed to provide the Nation with the energy it needs. At the same time, these facilities mean permanent commitment of land, the danger of pollution, and perhaps upsetting the social and economic fabric of rural communities.

The coastal impact fund will provide funds to help alleviate the impact of such major new facilities and will enable local governments to build the necessary facilities for the families which will suddenly appear to operate the new plants, the taxes on which may well be insufficient to provide the needed services.

This legislation also has other significant improvements to the Coastal Zone Management Act, namely, the provision of matching aid for the acquisition of lands for beach access and island protection, provision of funds for needed short term coastal zone research and funds to encourage States to get together on a regional basis to prepare comprehensive plans in the coasts.

Mr. Speaker, the Oceanography Subcommittee of the House Merchant Marine and Fisheries Committee, plans to give early consideration to these measures improving the Coastal Zone Management Act and similar suggestions of my colleagues.

UPS AGAINST THE WALL

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ICHORD. Mr. Speaker, in 1970 the U.S. postal system was completely reorganized into an independent Government agency and provided a broad mandate under the Postal Reorganization Act—Public Law 91-375—to employ modern business practices in order to transform itself into an efficient national mail carrier free from Federal subsidy by 1984. The new U.S. Postal Service was permitted to sell bonds to raise additional revenues, control its own funds, determine its own administrative and postal rate policies, and granted basic exemption from most Federal laws pertaining to procurement and contracting. An 11-member Board of Governors was selected to run the reorganized Postal Service, and the Service was virtually freed from responsibility to or control by Congress or the executive branch.

I can remember back in 1969-70 that everyone, while optimistic, expected some transition difficulties in changing the Post Office Department to the U.S. Postal Service. But I can confidently say that no one expected the abuses of power—for example, extensive personal patronage, baronial offices, pension abuses, prolific use of noncompetitive bidding—the inefficiency—for example, huge contract cost overruns, slower service, increased damage, procurement of expensive and inefficient machinery—the catastrophic deficits—for example, $2 billion in fiscal year 1974 which includes both Federal appropriations plus actual deficit of $438 million—and the astronomical cost increases—for example, nearly 70 percent price increase in first-class mail since 1969, 40 percent increase in compensation to postal employees since 1968—which have been the result of basically sound postal reforms being increasibly mismanaged and misused by the Postal Service.

Indeed, if a private business has employed the same "modern business practices" as utilized by the Postal Service, it would have gone out of business long ago. The only thing that has saved the Postal Service from a hasty demise is that one small added advantage of having a basic monopoly of mail service in this Nation.

The Postal Service's efforts to maintain their monopolistic advantage have become one of their most efficient operations—a thing to be jealously guarded and preserved at all times. Two years ago at Christmas time two enterprising 11-year-olds in Pennsylvania started delivering Christmas cards in their neighborhood cheaper and quicker than the Postal Service. The Postal Service threatened legal action and scared their young competitors out of business. After all, one needs to nip this type of independence in the bud.

More recently, the Postal Service has taken action under the guise of public service advertisements to undermine their major legal parcel post delivery competitor, the United Parcel Service—UPS. I personally found the Postal Service's advertisements against UPS an unethical practice on the part of a Federal agency and an overt effort on the part of a federally subsidized agency to undermine the competition of the legally sanctioned, more efficient, and less costly UPS. The Postal Service had jumped into the advertising business to take advantage of UPS employee strikes which had temporarily cut off UPS services. An example of such an ad appearing in the New York Daily News follows:

[From the New York Daily News, Nov. 15, 1974]

UNITED PARCEL ON STRIKE: OTHERS MAY COME AND GO—THE POST OFFICE IS HERE TO STAY

UNITED PARCEL THREATENS TO LEAVE NEW YORK

Ever since United Parcel struck the New York area last August, the Post Office has delivered about a million extra packages every week for New Yorkers. Important packages, from back-to-school clothes to vital medicines. Now the UPS company says it might leave New York for good.

You probably couldn't think of anything more unthinkable than the Post Office leaving New York. That's because you know that we know important packages can't wait out a strike to be delivered. It's our job to bring you your mail—and we know it.

YOU CAN COUNT ON US

There's a big difference between the Post Office and other companies that deliver letters or packages. We say you have an absolute right to get your mail—packages included.

No matter how tough things get, and no matter who leaves New York. You can count on us now, as you always could.

A million extra packages every week have slowed our service down some, but few packages have been delayed more than two or three days.

Christmas is coming closer, and that means millions of more packages. That's why we're asking you to mail Christmas packages earlier than ever—before December if you can.

MILLIONS OF DOLLARS TO KEEP YOUR PACKAGES GOING

To keep your packages coming and going, we've opened new buildings and put tons of machinery to work. We've brought in hundreds of new delivery trucks to bring packages to people all over New York. And we're working around the clock, seven days a week. With all this, we think postal service will be pretty much back to normal—after the Christmas rush.

We're proud of that. We're proud of our New York postal people who are making it happen. And, good times or bad—we're not about to leave New York.

John Strachan,
Postmaster, Manhattan and Bronx.

I wrote to former Postmaster General E. T. Klassen objecting to the full page ads against the UPS and requested his explanation as to why a Federal agency was involved in advertising against a private competitor. In response I received another plug for the Postal Service which in praising the Postal Service overlooked my specific request. A copy of Mr. Klassen's response follows:

The Postmaster General,
Washington, D.C., January 15, 1975.

Hon. Richard Ichord,
House of Representatives,
Washington, D.C.

Dear Congressman Ichord: Thank you for your letter of January 2, concerning an advertisement run in New York City newspapers on November 15 concerning the United Parcel Service strike which had begun in the area on August 28 and still was in progress at that time.

As a result of the strike, the Postal Service was processing a quarter of a million more parcels than usual every day in the New York metropolitan area. Many special steps had to be taken to meet this extraordinary situation. These steps included the following:

Additional temporary personnel were hired as needed

Additional processing space was activated

More detailed sorting of outgoing parcels was required at all New York facilities

More detailed sorting was required for all parcels destined for the New York metropolitan area

Special trailers were located in the garment district to accept parcels and make a primary sort.

Very likely, no other organization could have been thrust without notice into a similar situation and continued to perform at all. In fact, the reaction of our people was typical of the commitment characteristic of the mail system to provide service despite all obstacles. I might add that it was a classic illustration of why a national mail system, sufficiently flexible to cope with any unanticipated demand, is a necessity for the country.

The advertisements were run because it was essential to enlist public support to the maximum extent possible. This was especially true at that time because on November 15 we had no idea whether or not the strike would continue through the Christmas season. If it had, it would have been imperative to encourage the earliest possible Christmas mailing. The advertisements cost a total of $15,000.00. This was one of the many additional costs which the emergency situation required.

Because of the steps taken, by mid-November parcels on an average were taking only 24 to 48 hours longer for delivery than anticipated by service standards based on a normal volume situation.

Sincerely,

E. T. Klassen.

Mr. Klassen's response raised some further questions in mind. Why for instance in an ad that only purports to "enlist public support" and "encourage the earliest possible Christmas mailing" is the majority of the advertisement relegated to subtle and not so subtle jabs at United Parcel? Why indeed must a federally subsidized monopoly have to advertise at all against one of its few competitors? After all, the American public in most instances is forced to use the Postal Service whether they want to or not.

I again wrote to Mr. Klassen and in the second response I received the information that the advertisements were "a good opportunity to remind the public how much it depends on mail service being always available." The full text of Mr. Klassen's letter follows:

The Postmaster General,
Washington, D.C., February 5, 1975.

Hon. Richard H. Ichord,
House of Representatives,
Washington, D.C.

Dear Congressman Ichord: Thank you for your letter of January 23, with additional reference to the November 15 advertisement placed in New York City papers with respect to the United Parcel strike then in progress.

There is very little I can add to my earlier letter. The advertisement was placed to draw attention to the fact that the Postal Service was having to pick up a great deal of overflow parcel handling because of the United Parcel strike. In this context, it was difficult to avoid naming United Parcel Service directly.

The fact is that the Postal Service must retain a capacity to handle any and all mail that is tendered. I frankly believe that this aspect of the Postal Service is taken too much for granted. The situation in New York last fall presented a good opportunity to remind the public how much it depends on mail service being always available.

Sincerely,

E. T. Klassen.

As I am not one to keep beating dead horses, I have decided against writing a third letter to Mr. Klassen. However, these recent anti-competitive ads of the Postal Service only again reinforce the fact that it is high time that Congress reappraise the monster it wrought in enacting the Postal Reorganization Act of 1970. It is time that the appropriate committees of Congress undertake serious study of either redrafting the free mandate given the Postal Service in 1970 or consider ending the Federal Government's postal monopoly.

Whatever reforms are taken, Congress must certainly act to prohibit the Postal Service from directly competing with private enterprise through the use of such ads as recently appeared against the UPS. The Federal Government is not and should not be in the business of putting private business out of business—particularly when that private business is offering the American public better service. The recent advertisements of the Postal Service perhaps illustrate that the Government needs to do some old-fashioned trust-busting in its own backyard.

At this point, Mr. Speaker, I would like to share several items with my fellow Members which I believe will be of interest:

Advertising Budget of the U.S. Postal Service

According to the U.S. Postal Service, advertising is used by the Postal Service to generate postal revenues (e.g. expand the philately program, increase the use of the Postal Service), decrease postal operating costs (e.g. promotion of ZIP Code use, promotion of Christmas Mail Early Program), improve postal service (e.g. publicize hours of operation, hints on packaging, how to avoid mail delays), and test marketing of new advertising programs. One would imagine that advertising against the UPS falls loosely in the "generation of postal revenues" category. It should also be noted that the Postal Service's ZIP Code and "Christmas Mail Early" campaigns are carried as public service announcements and involve no media costs.

The advertising budget of the Postal Service in past years is as follows:

Fiscal year 1973: $2.5 million (first year of operation).

Fiscal year 1974: $7 million.

Fiscal year 1975: $13.6 million.

Fiscal year 1976: Each year the Postal Service internally allocates its own funds from both self-generated funds and the permanent allocation provided by Congress through the Postal Reorganization Act. According to the Postal Service, no determination has yet been made as to how much they plan to allocate to advertising in fiscal year 1976.

[From Barron's, Nov. 25, 1974]

Break Up the Post Office—The Trust Busters Should Attack a Real Monopoly

Full-page advertisements, even those carried in some other publication, rarely fail to catch our eye. We were particularly struck by one which appeared in The New York Times on November 15. "Others may come and go," proclaimed the message in big type. "The Post Office is here to stay." Curious kind of institutional ad, we mused, and perhaps a pacesetter for other government agencies. "Patronize the local branch of your friendly Internal Revenue Service"; "Tune in, turn on with the Federal Communications Commission"; "Don't be half-safe—go FDIC!"—all these and others perhaps less suitable for a family publication swiftly came to mind. On closer scrutiny, however, we saw that the ad was strictly hard sell.

"Ever since United Parcel struck the New York area last August," ran the copy, "the Post Office has delivered about a million extra packages every week for New Yorkers. Important packages from back-to-school clothes to vital medicines. Now the UPS company says it might leave New York for good. . . . There's a big difference between the Post Office and other companies that deliver letters or packages. We say you have an absolute right to get your mail—packages included. No matter how tough things get, and no matter who leaves New York. You can count on us now, as you always could."

To be sure, the ad—signed by John Strachen, Postmaster, Manhattan and Bronx—candidly admitted that replacing United Parcel was no easy task. "A million extra packages every week have slowed our service down some, but few packages have been delayed more than two or three days." And for the long haul, the Post Office has big plans. "To keep your packages coming and going, we've opened new buildings and put tons of machinery to work. We've brought in hundreds of new delivery trucks. . . . And we're working round the clock, seven days a week." After hitting his stride, the copywriter somehow then proceeded to stumble. He should have risen to the glorious heights of "Neither snow nor rain nor heat (nor strike) nor gloom of night stays these couriers from the swift completion of their appointed rounds." Instead, the ad lamely wound up: "With all this, we think postal service will be pretty much back to normal—after the Christmas rush."

So it will—and by today, rather than a month hence. For at the eleventh hour last week, United Parcel Service of America Inc., the country's largest commercial trucker, and Local 804 of the Teamsters Union, signed a three-year contract which effectively removed the threat of UPS pulling up stakes in New York. While hailed by the Teamsters as a triumph—the union did win paychecks slightly fatter than originally offered, as well as formalized job security—the pact gave UPS roughly what it had sought all along: the right to replace workers lost through attrition (death, retirement or quitting) with part-time help, plus as many new part-timers as management deems fit. After a three-month dispute, the last-minute settlement brought sighs of relief from Gotham's merchants and shippers, who dispatch over 250,000 packages per day via UPS. As a spokesman for Abe Schrader (ladies coats and suits) told Women's Wear Daily: "Great. We're back in business."

All hands, in short, have reason to be pleased by the agreement save the Post Office, which now must write off the cost of its ill-timed venture into public relations and decide where to park all those new delivery trucks. The fiasco should come as no surprise either to John Strachan, his opposite numbers in Brooklyn, Queens and Staten Island or their superiors in Washington, D.C., all of whom have been running a poor second to United Parcel Service for a half century or more. Starting from scratch, handling packages of 50 pounds or less—often billed as the "freight nobody wants"—and paying corporate taxes every step of the way, UPS has built up a business of a billion-dollars-plus, operated and owned by employes. Today it handles more packages in its category than the Postal Service, which, since reorganization along allegedly more business-like lines a few years ago, has been aggressively—some might say unfairly—seeking to vie with its unsubsidized rival. Full-page ads aside, it has sought to prevent UPS from expanding its service area, failed to allocate costs properly and kept parcel post rates artificially low. All of which in our book comes under the heading of restraint of trade. When the Department of Justice finishes stamping out the "monopolies" in the private sector, it might do well to look in its own backyard.

What it will find is a competitive struggle against a government monopoly waged without fanfare and with remarkable success by one of the most unusual ventures in the annals of American capitalism. "In August 1907," reads a bronze plaque in Seattle, "in a 6 by 17 foot office under the original sidewalk here, a few messenger boys began the business which their many thousand successors extended throughout the vast regions of our country covered by United Parcel Service today. Exemplifying the opportunities open to private citizens under the Constitution . . ." Since then UPS has gone a long way. Pick-up and delivery service is available in 40 states (and an application to cover 48 is pending with the Interstate Commerce Commission, which regulates its affairs.)

In 1973, United Parcel handled 798 million packages, compared with 514 million half a decade earlier; gross income totaled $1.2 billion, up nearly 15% from the previous year. After paying $45 million in federal income taxes, UPS last year netted $57 million, or $1.34 per share on some 42.7 million shares outstanding (all held by supervisors and managers currently active in the business and their families, or by former employees, their estates and heirs). From $16.50 per share at the turn of the year, book value at latest reckoning had risen to $17.

Such figures make a striking contrast to the huge deficits (put at $1.5 billion, including subsidies, for the current fiscal year) perennially rolled up by the Post Office. They reflect standards of reliability and service, and a customer acceptance, which leave its giant federal rival trailing far behind. Unlike the latter, UPS offers shippers regular pick-up service for packages at a modest weekly charge, automatic $100 insurance coverage and three attempts to deliver parcels. UPS is faster—frequently by 24 hours or more. Though it pays taxes and receives no subsidy, it's cheaper—by over 15%, so Avon Products once estimated. Its packages arrive in better shape—according to one Postmaster General. "We damage five for every one United Parcel does." And it boasts an expertise which the Post Office can't begin to match. The latter, for example, has sunk nearly $1 billion into a highly mechanized bulk mail system which, so the General Accounting Office claims in a recent report, will slow rather than speed parcel delivery.

If you can't win by fighting fair, runs a time-tested bit of political lore, fight foul. The U.S. Postal Service is doing just that. Thus, it not only has petitioned to intervene in the pending ICC case involving the UPS request to serve 48 states, but it also has asked the ICC to reopen the issue. The aim, charges UPS, is to create "an opportunity to show that adequate service is being provided by parcel post." Similarly, according to UPS testimony, in allocating costs to parcel post, the federal agency charges nothing for movement of packages between its offices by its own employees, for window service, motor vehicle costs or maintenance of buildings and equipment (UPS annual depreciation tops $40 million). Hence, while the Post Office since 1969 has increased first, second and third class mail rates by huge percentages, it has raised 4th class (parcel post) by precisely 6%. At current levels, says UPS, and contrary to law, "we estimate that parcel post is operating with a subsidy of more than 25%."

In a carefully documented study, "Postal Monopoly," published by the American Enterprise Institute for Public Policy Research, the authors conclude as follows: "The Post Office has behaved like any profit-maximizing monopolist. . . . Apparently other public policy considerations—service, convenience, speed of delivery, needs of business and commerce—have been heavily discounted by the Post Office in interpreting and enforcing its monopoly." In mid-September, the U.S. Postal Service, in an abrupt about-face, ruled that private concerns no longer may deliver intra-company mail, and, as its relentless campaign against UPS suggests, it continues to dream of recapturing at any cost the delivery of parcels. IBM and AT&T make great headlines for the trust-busters, but if the latter really mean business, they will break up the Post Offices.

ROBERT M. BLEIBERG.

[From the Washington Post, Feb. 19, 1975]

POSTAL UNIONS SET PACT DEMANDS

(By Mike Causey)

Unions will demand a pay-fringe benefit package costing at least $2 billion when they open contract talks April 21 with managers of the semi-independent U.S. Postal Service. The USPS now spends 80 to 85 cents of every revenue dollar on its almost 700,000 workers. And it is already running into the red with a $12 billion budget.

Outcome of the negotiations, for a contract that expires in July, will affect nearly every American and business and determine what they will pay, and how much service they will get, this time next year for the first-class stamp, which now costs 10 cents.

In addition to a substantial salary increase—well over the 5 per cent lid Mr. Ford has asked for other federal and military personnel—the postal employees will be shooting for fully financed retirement, and free medical and dental insurance for them and their 2 million-plus dependents.

Unlike other government workers who are less well organized either by unions or common interests, the postal employees appear willing to strike even though such action is against federal law. Postal workers—more than 200,000 in the Northeast—walked off the job about six years ago and the government was afraid to fire, fine or imprison any of the workers as the law provides.

The five exclusive unions—four of them AFL–CIO craft affiliates, and another representing rural mail carriers—will present a generally united front demanding, among other things:

Inclusion of cost-of-living raises—which will go over $1,200 by this May—as part of basic salary for retirement purposes. Employees' pensions now are based on their average highest salary over a three-year period, but cost-of-living raises that exceeded the $1,100 contractual boosts in this contract, are not now counted as part of basic pay, although workers still get the money.

A pay raise of "undetermined amount" which will be "well over" the 5 per cent limit Mr. Ford has said he will ask for 1.2 million white-collar government workers, more than a half-million wage board (blue-collar) employees and all uniformed military personnel.

Fully paid health insurance. The postal service now pays between 67 and 75 per cent of the biweekly employee health premium, depending upon the plan involved.

Fully paid dental insurance, a first for government and a rarity in private industry.

Fully paid retirement benefits. Postal workers, like other federal employees, now split the 14 per cent per employee annual pension plan contribution on a 50–50 basis.

At least one new holiday, in addition to the nine postal and federal employees now get.

A guarantee from the Postal Service that it will continue its "no layoff" agreement with the unions.

Full-time status, and pay, for some 50,000 so-called "flexibles," workers who put in between 28 and 30 hours a week.

A 35-hour workweek.

More time off. Postal employees, like other government workers, now get from 13 to 26 days of annual leave, depending on length of service.

An increase in the 13 days a year paid sick leave.

Normally such wage-pay demands from what, in the private sector, could be considered a near-bankrupt corporation, would be so much pie-in-the-sky. But the postal service situation is different, for several reasons.

In the first place, it simply cannot fold and go out of business like the A&Z Widget Company. Congress—which is being asked to increase the annual subsidy this year to $20 million—will have to bail it out, or sit by while Postal rates continue to climb.

Secondly, the union's rank-and-file membership is relatively militant and the fact that some people would think it unwise to call a strike during a period of severe economic recession either has not occurred to many employees, or doesn't worry them.

The fact that the postal service itself has traditionally protected its mail-moving monopoly means that its workers run the only national delivery network now capable of moving 80 billion pieces of mail.

Finally, there is the feeling—right or wrong—from the postal people that their salary, which now averages around $12,000 per year, isn't enough for what they do.

SENATE—*Friday, February 28, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by Hon. John C. Culver, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, to whom in all ages men have lifted up their hearts in prayer, guide all who bear the responsibilities of government, that they may be guided by Thy higher wisdom. Make us duly sensitive to the needs of all the people and the special role of each branch of Government in serving those needs. In this place make and keep us aware of Thy perpetual presence that we do only those things which serve the people, protect the Nation, promote peace, and advance Thy kingdom, for Thine is the kingdom and the power and the glory forever. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., February 28, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. John C. Culver, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. CULVER thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

Mr. ALLEN. Mr. President, would it be in order for messages to be read?

The ACTING PRESIDENT pro tempore. If the Senator will suspend for a moment, the Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the enrolled joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The enrolled joint resolution was subsequently signed by the Acting President pro tempore (Mr. Culver).

ORDER OF BUSINESS

Mr. ALLEN. Mr. President, I ask that the President's message be read.

The ACTING PRESIDENT pro tempore. The Senator from Alabama.

Mr. ALLEN. I ask that the President's message be read, for the information of the Senate.

Mr. ROBERT C. BYRD. Mr. President, what is the regular order?

The ACTING PRESIDENT pro tempore. A message from the President having been received, a demand for its reading has been made.

The clerk will read the message from the President of the United States.

Mr. ROBERT C. BYRD. Does the reading have to wait until the majority leader is recognized under the standing order, or does it have to be read now?

Mr. ALLEN. I would have no objection to having it read after the majority leader has been recognized.

The ACTING PRESIDENT pro tempore. The majority leader.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, February 27, 1975, be approved.

Mr. ALLEN. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the distinguished acting Republican leader and the Senator from Montana, now speaking, are recognized, there be a morning hour, for the conduct of morning business, with a time limitation of 5 minutes on statements therein, and the time not to extend beyond 1 hour.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

AUTHORITY FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO FILE REPORTS UNTIL MIDNIGHT TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order for the Committee on Interior and Insular Affairs to file reports from the close of business today until midnight tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I wonder whether I could use part of my time to ask the distinguished Senator from Alabama if it would be possible to bring up today the continuing resolution on foreign aid and related matters, which was reported by the Committee on Appropriations this morning and which I understand will expire tonight or tomorrow night. I do so at the request of the distinguished Senator from Arkansas (Mr. McClellan).

Mr. ALLEN. Has the matter lain over for a day?

Mr. MANSFIELD. No. It was just reported this morning, about a half hour ago.

Mr. ALLEN. When does it expire?

Mr. MANSFIELD. It is my understanding that it will expire at midnight tonight.

Mr. ALLEN. I reserve an objection, for the time being. Possibly later on.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, on the time allocated to me under the special orders.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NEITHER A VENDETTA NOR A WHITEWASH

Mr. MANSFIELD. Mr. President, the distinguished Senator from Idaho (Mr. Church) has delivered an address concerning the value of conducting a review of the Nation's intelligence community with a view to strengthening its role in the Nation.

I commend this address to the attention of my colleagues, and I ask unanimous consent that the statement of Senator Church be printed at this point in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Neither a Vendetta Nor a Whitewash

(By Senator Frank Church)

On January 27, when the Senate voted to establish the Select Committee on government intelligence activities, Majority Leader Mansfield outlined the balance that the Senate expects the Committee to maintain: "There can be no whitewash in this inquiry," he said, nor is there room for a vendetta.

As Chairman of the Committee, I intend to follow these guidelines. I am determined there will be neither a whitewash nor a vendetta, but a judicious and responsible attempt to uncover the truth. This investigation begins only with questions. The answers will come in due course.

All the members of the Committee recognize that the United States must maintain an efficient intelligence system. Our government must keep itself fully and currently informed on developments abroad; it must also take those security measures necessary to counteract espionage within this country.

As for myself, not only do I recognize the value of legitimate intelligence-gathering operations, but I engaged in this work during World War II. As a young Army officer, I served in Military Intelligence in the CBI Theater. I know full well, from firsthand experience, the necessity in war of ascertaining the strength and disposition of enemy forces. I especially recognize the importance of discerning the enemy's intent.

But intelligence activities are equally essential in peacetime. Without an intelligence network, the United States would be left groping in a dangerous world.

Without our satellite surveillance system, the SALT agreements with the Soviet Union could never have been sealed. And hopes for future progress in arms control would quickly die.

Without an efficient day-to-day intelligence operation, our government could not possibly conduct an informed foreign policy.

Therefore, it will not be the Commtitee's purpose to undermine or dismantle the CIA—or other intelligence agencies associated with it—nor jeopardize their sources, nor endanger their agents, nor embarrass the United States with revelations which could injure our relations with foreign governments.

Rather, I would hope that the investigation might strengthen the legitimate functions of these agencies by more precisely delineating their respective jurisdictions through clarifying the gray areas of the law, by ending costly duplications of effort, and by terminating unnecessary operations.

The Committee is taking every possible precaution to insure both a secure and judicious investigation:

First, the inquiry will be muted and restrained. I do not intend to preside over a legislative carnival, an investigative sideshow or a television extravaganza.

That does not mean a blackout on information. As much information as possible will be furnished as we move along. Our rule of thumb will be to hold public hearings whenever we can and closed hearings whenever we must.

Second, the inquiry will follow the responsible example of the House Judiciary Committee in its recent impeachment investigation. The Senate's Select Committee has already patterned many of its rules after the House Committee's dignified and constructive examination of an equally serious subject.

Third, we will function in a bipartisan manner with a unified, rather than divided staff. The majority and minority members of the Committee voted unanimously that the staff—though nominated from both sides—will cooperate rather than collide. A unified staff is necessary if the Committee is to follow wherever the evidence may lead, without concern for the party label of the Administration in which excesses may have occurred.

Finally, the Committee will be staffed by individuals of good reputation and proven professional competence, skilled in investigative techniques and in the law. It will consist of individuals of unquestioned loyalty, who are also committed to the purposes the Committee seeks to serve.

However, I recognize that competence and loyalty are not enough. Caution is also necessary. So I propose to take every feasible precaution to prevent the facts, as they are assembled, from being prematurely revealed. Thus, any member of the staff who discloses unauthorized information will be fired on the spot. Every member of the staff is being given to understand, at the outset, these stringent security rules.

Some very serious charges, indeed, have been raised against the CIA, the FBI, and the other Federal agencies, charges that they have gone beyond the bounds of the law; that they have been used for improper political purposes, and that they have, at times, directed their techniques inward, not upon the enemy, but upon the American people.

So we will determine the extent of any such transgressions. If unlawful conduct has occurred, we will disclose it. From the findings, the Committee will recommend changes in the law to shield the American people against such misdeeds in the future. In like manner, the Committee may recommend reforms to eliminate wasteful duplication and to obtain a better accounting to the Congress of the actions and expenses of the intelligence-gathering community.

So, I am confident that this investigation is not only in the public interest, but that it is essential. This is an inquiry whose time is overdue. It has been half a century since the Federal Bureau of Investigation came into being. It has been nearly 30 years since the CIA was created. Both agencies operate on the fulcrum of that uneasy balance between individual liberty and collective order. If that equality ever tips too far toward the former, the result is anarchy; if it tips too far toward the latter, the result is tyranny.

Consequently, our police and intelligence agencies function in the most delicate and dangerous of all realms: mandated to maintain order without impairing freedom. Yet these agencies have not been subjected during all these years to an examination half as thorough as that routinely accorded the often, non-secretive bureaucracies far removed from the frontiers of our freedom. It is unfortunately true that agencies which, on the face of it, should require the most scrutiny by the elected representatives of the people have received the least.

The recent allegations of misconduct are so numerous and so disquieting, that the time has surely ripened for a serious investigation. However, our very ignorance of those who mind our safety and our liberties—the costs still undisclosed—should have impelled this much-belated inquiry, even in the absence of any cause for alarm.

Indeed, this is not the opinion of the Senate alone, nor of the House which has also created a committee to investigate these matters. Before either committee was established, the Ford Administration instigated an investigation of its own which it entrusted to the Vice President. Thus, both the Executive and Legislative Branches have felt it necessary to inquire into these serious charges. I must add, however, that the obligation is not one which can be well handled by the Administration. The Executive Branch cannot, with sufficient credibility, investigate itself. I would hope that the Rockefeller Commission, now engaged in a far more limited review, might complete its work soon and make its records available, as a starting point, for the more comprehensive Congressional investigations to come.

The task of reviewing the activities of the Executive agencies falls, properly, upon the Legislative Branch. The Constitution assigns the Congress that role.

Properly done, a Congressional inquiry into the activities of these agencies can result in a strengthening of our law-enforcement and intelligence systems. Properly done, the investigation can stiffen the law against future misdeeds.

If those who argue that there is nothing much amiss should prove correct, then the Committees will help to clear the air. Nothing could better serve to restore public confidence.

But if the charges are borne out by the facts unearthed, then reforms will have to be enacted before public confidence can be regained.

Either way, the investigation is imperative.

I understand the dismay of many citizens who are weary of Watergate and wonder if they can endure being pummeled once again by disclosures of wrong-doing in their government. These citizens would dearly prefer to believe that if the CIA or the FBI have erred, their mistakes were aberrations just as well ignored.

To those citizens, I say that I hope that our investigation bears out this optimistic view. Nothing would satisfy me more than to conclude, after a thorough inquiry, that the Federal police and intelligence-gathering agencies have stayed well within the law, and that any excesses have been few and far between. But though we can hope that no significant portion of the charges are true, we cannot afford to assume that this is the case. After all, these are charges far more crucial to the preservation of our freedom than the customary complaints about malfeasance in some ordinary bureaucracy. The charges involve the first steps toward something Americans of all philosophical views have resolved should never emerge in this land—the beginnings of a secret police.

So this is not a casual matter that can be safely swept under the rug. If these charges should prove true, then it is urgent that we learn in time. If they should prove to be false, then the investigation will serve the purpose of redeeming the reputation of prestigious agencies which find their honor in upholding the law.

As we approach our 200th birthday, let us jealously safeguard our fortunate status as a free people. Freedom comes so hard and to so few, its preservation is the first responsibility of our government, and since it is upon the law that freedom must rely, it is the duty of a watchful government to certify to the people, periodically, that the keepers of the law are themselves obeying it. The issue before the committee is not merely whether the people need the shield of stronger law, but whether the Federal police and intelligence agencies have—as repeatedly charged—been lawless.

Forty-five years ago—shortly after the birth of the Federal Bureau of Investigation and two decades before there would be something called a Central Intelligence Agency—Justice Louis Brandeis wrote what could be the watchwords of the investigation about to begin:

"Decency, security and liberty alike," he said, "demand that government officials shall be subjected to the same rules of conduct that are commands to the citizen. In a government of laws, existence of the government will be imperiled if it fails to observe the law scrupulously. Our government is the potent, the omnipresent teacher, for good or ill, it teaches the whole people by its example."

We have entered the final decade on the way to 1984. Weary of scandal or not, we must never become weary of being vigilant. We dare not shirk from another redemptive investigation. Learning where we stand can spell the difference between arriving nine years hence at the doorstep of the Orwellian nightmare or awakening with sublime relief in the knowledge that we have, through perseverance today, confounded that dark dream of tomorrow.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, is it correct that there is a period for morniing business?

The ACTING PRESIDENT pro tempore. After the special orders.

Mr. GRIFFIN. I yield back the 15 minutes.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. There will now be a period of 1 hour for the transaction of morning business, with statements therein limited to 5 minutes.

First, the message from the President will be read.

MESSAGES FROM THE PRESIDENT

The legislative clerk read the following messages from the President of the United States:

To the Senate of the United States:

I nominate:

The following-named captains of the Navy for temporary promotion to the grade of rear admiral in the staff corps indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

Walter M. Lonergan
Joseph T. Horgan

SUPPLY CORPS

Leroy E. Hopkins
Ralph F. Murphy, Jr.
Edward M. Kocher

CHAPLAIN CORPS

Withers M. Moore

CIVIL ENGINEER CORPS

Charles C. Heid, Jr.

DENTAL CORPS

William L. Darnall, Jr.

GERALD R. FORD.

FEBRUARY 28, 1975.

To the Congress of the United States:

I am pleased to submit to the Congress the Twenty-Fourth Annual Report of the National Science Foundation, covering fiscal year 1974.

One of the clear lessons of the past few years is that our society, as well as that of the rest of the world, is intimately tied to technology and the science that produces it. Certainly our own approaches to problems in energy, environment, food production, and the well-being of the national economy will include substantial contributions from science and technology. As a Nation we are fortunate to have an extraordinarily strong science and technology base to draw on in dealing with these and other important national problems.

The National Science Foundation has a key role in ensuring that the Nation maintains leadership in all fields of basic sciences from which our technological advances of the future will be derived.

The National Science Foundation programs in basic research range over fundamental studies of the structure and behavior of matter, the process of living things, the dynamics of the Earth and universe, energy and materials and many other areas described in this report. In addition, as this report shows, the Foundation is continuing, through its programs in science educaiton, to assist in the development of the scientific manpower needed to meet tomorrow's technological challenges.

The research results contained in this report remind us of the changes that we have seen in our lives as a result of our investments in science. It is, I believe, a preview of many beneficial developments that will occur in coming years. I commend this report to you.

GERALD R. FORD.

THE WHITE HOUSE, *February 28, 1975.*

MESSAGE FROM THE PRESIDENT REFERRED

The ACTING PRESIDENT pro tempore (Mr. CULVER) laid before the Senate a message from the President of the United States submitting the annual report of the National Science Foundation for the fiscal year 1974, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. CULVER) laid before the Senate a message from the President of the United States submitting sundry nominations in the Navy which was referred to the Committee on Armed Services.

SENATE RESOLUTION 93—SUBMISSION OF A RESOLUTION TO AMEND RULE XXII OF THE STANDING RULES OF THE SENATE AND NOTICE OF MOTION TO AMEND RULE XXII

Mr. ROBERT C. BYRD. Mr. President, I submit a resolution to amend rule XXII of the Standing Rules of the Senate and, in accordance with rule XL of the Standing Rules, I send to the desk a notice in writing. I ask unanimous consent for the immediate consideration of the resolution.

Mr. CURTIS. Reserving the right to object, do I understand correctly that this is something for determination at this time?

Mr. ROBERT C. BYRD. I have sent to the desk a resolution in behalf of myself, Mr. GRIFFIN, Mr. MANSFIELD, and Mr. HUGH SCOTT to amend rule XXII of the Standing Rules of the Senate. I have also submitted, in accordance with rule XL, a statement, which constitutes a notice to the Senate, concerning this resolution to amend Senate rule XXII.

I have also asked unanimous consent for immediate consideration of the resolution. If the Senator would like to have the resolution read, he may.

Mr. CURTIS. You mean the immediate consideration of the change in the rule?

Mr. ROBERT C. BYRD. The immediate consideration of the resolution which I have sent to the desk, which does provide for a change in Senate rule XXII.

Mr. ALLEN. Reserving the right to object, if this amendment of the Senate rules is allowed to be considered at this time, since it would be up for consideration, a cloture motion could be filed with respect to it, could it not? Then it would be subject to amendment and this matter would come up, then, on next Tuesday.

Is that correct?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. ALLEN. That being the case, I shall have to interpose an objection. Otherwise, this leapfrogs the necessity of making a motion to proceed to consideration of the resolution. I shall have to object.

The ACTING PRESIDENT pro tempore. The objection is heard.

Mr. ROBERT C. BYRD. I thank the Senator and I understand his reasons for objecting.

The ACTING PRESIDENT pro tempore. The resolution will go over under the rule.

The resolution (S. Res. 93) amending rule XXII of the Standing Rules of the Senate with respect to limitation of debate, and notice of motions to amend rules XXII are as follows:

S. RES. 93

Resolved,

That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, except one to amend the Senate rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"3. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter to amend the Senate Rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by two-thirds of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"4. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate."

NOTICE OF MOTION TO AMEND RULE XXII

Mr. ROBERT C. BYRD submitted the following notice in writing:

In accordance with the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to amend rule XXII of the standing rules in the following particulars:

Resolved,

That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, except one to amend the Senate Rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

3. "Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter to amend the Senate Rules is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by two-thirds of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

4. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate."

Mr. GRIFFIN. Mr. President, if I may be recognized—

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Mr. GRIFFIN. Although my name does not appear at this point as a cosponsor of the resolution, I have indicated to a number of my colleagues in private and I am willing to say publicly now that this is a very constructive development. I commend the distinguished Senator from West Virginia (Mr. Robert C. Byrd), and I hope his resolution will be a compromise package arrangement that can lift the Senate out of its dilemma.

I applaud this effort because the Senator from West Virginia is proceeding in accordance with our established rules; he is not taking a "backdoor route."

As I understand the proposal of the Senator from West Virginia, it would provide that, any further change in the rules—after this change—could be accomplished only by observing a two-thirds cloture requirement.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. GRIFFIN. I am glad to yield.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Michigan is correct. I state at this point that I have expressed opposition on a previous occasion, and so has the distinguished majority leader, to proceeding to amend the rules other than under the procedures that are permitted by the existing rules. Therefore, I opposed the motion which was introduced by Mr. Mondale. I respect his viewpoint and the viewpoints of all the Senators who have supported that motion.

I also respect the viewpoints of the distinguished Senator from Alabama and all Senators who have supported Senator Allen in his efforts to proceed as he has chosen.

I personally think that we have arrived at the point where the Senate is looking bad, and we are in a parliamentary morass. I realize that there is a determined effort on the part of some Senators to change the rules so as to provide for the invoking of cloture by less than two-thirds of those present and voting. It seems to me that the resolution which has now been introduced, and which would provide for the invoking of cloture by a constitutional three-fifths on all matters other than a change in the rules, is the proper way to proceed. It also provides that any change in the rules, however, would require cloture by two-thirds of those Senators present and voting—which is the present requirement.

As the distinguished majority leader has stated on a previous occasion, a three-fifths constitutional majority is equitable, it is fair, and it is a balanced way of proceeding. It protects the minority and at the same time it gives the Senate majority some more reasonable way, I think, of finally exercising its will. So my resolution, which has been introduced on behalf of myself and the distinguished majority leader and the distinguished Republican leader (Mr. Hugh Scott) would proceed under the present rule to accomplish what we think would be an equitable resolution of this whole question.

I do not think there is any question but that, if we continue as we have been going in the past few days, the matter will be prolonged, and I am afraid that the Senate is going to look worse, and I am afraid that much valuable time will be consumed. I just think that this is the best way to proceed at this time to settle this matter.

Mr. GRIFFIN. Mr. President, frankly, I have come reluctantly to the position of expressing some support for this compromise proposal. When you are in the minority—like I am—and your numbers are dwindling, it is not a time to throw away the only tools you have. And one of the important tools the minority can employ is the right to debate.

But I see the handwriting on the wall. If we do not settle for this compromise solution, we could end up with a result much worse. In an important part of the compromise route, however, it will be to overturn the vote that was taken here the other day—the vote by which the majority leader's point of order was tabled. I think it is important that the principle established by that vote be rescinded so that it will not stand as a precedent.

Mr. STENNIS. Mr. President, will the Senator from West Virginia yield to me for a question?

Mr. ROBERT C. BYRD. My time is up. The Senator from Mississippi may wish to get the floor in his own right.

Mr. STENNIS. Mr. President, may I address the Chair and ask for the floor?

The ACTING PRESIDENT pro tempore. The time of the Senator from West Virginia has expired. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I just want to ask this question: I know the fine motives and the good intentions of the Senator from West Virginia and those other Senators who have signed the resolution, but does the Senator from West Virginia think the provisions of this resolution, if adopted, would preclude, in a situation with the Chair ruling as the Vice President has ruled, and a majority voting as they have been voting to change the rules, an amendment to the rules under the process that has been employed the last few days?

Mr. ROBERT C. BYRD. Mr. President, I think that the adoption of this resolution would go a long, long way toward inhibiting any effort of this kind in the foreseeable future.

That is not to say that a Senator in the future could not or would not attempt to go that route again.

Mr. STENNIS. The route that S. Res. 4 has been traveling?

Mr. ROBERT C. BYRD. Yes; but I believe that there is a growing realization on both sides of the aisle and on both sides of this question that we ought to resolve this now, if we can resolve it. I do not think there is any question but that, if this resolution is not adopted, the fight along the lines we have seen develop will continue at least for a time in this Congress, and it will be renewed in the next Congress, and possibly in the next, the next, and the next.

But I am hoping, and I think I have good reason to believe, that if this resolution is adopted it will go a long way toward preventing a determined, organized effort, for the foreseeable future, to come in at the beginning of a new Congress, attempt to amend the rules to provide for cloture by less than a constitutional three-fifths or even by a majority. It is in an effort to strike the equitable balance that the distinguished majority leader has talked about from time to time that this resolution has been introduced by myself and others.

It will not please everyone. I would understand the opposition of any Senator to any change in this rule, but I am afraid that if we do not go about it under the orderly procedure that is provided by the rules, it will be done anyhow, either in this Congress or in the next or at some future time, and when it is done, we have no assurance that it will be a three-fifths constitutional majority that will be written into the rules. It may be provided by way of a bare majority at such time.

Mr. STENNIS. I appreciate the Senator's explanation. Frankly, what I am afraid of is that under precedents already established here, it would be possible by a mere majority, a temporary majority vote, to sustain a friendly occupant of the Chair's ruling for that being sufficient within itself to change the rule with reference to cutting off debate, to where a mere majority could cut it off.

Mr. ROBERT C. BYRD. The distinguished majority leader made his point of order against that motion on that very basis.

Mr. STENNIS. Yes. I think we are that close to oblivion of the Senate as a distinctive body, and whatever fighting or time or contest is necessary to prevent that situation from happening, if it has not already happened, would be a very good investment, in the opinion of the Senator from Mississippi.

I know that the Senator from West Virginia is really a student of the rules, and if he can write a rule that will carry out the objectives that he has stated, if he wishes to, and believes that this would perhaps settle the matter for a while, I wish he would write a little harder, and maybe he could satisfy his own mind a little further on that point.

But I certainly commend the Senator from Alabama for objecting to the immediate consideration of such a far-reaching resolution, because if he had not, I would have, on that very basis.

Mr. ROBERT C. BYRD. Yes. I commend the Senator from Alabama for his opposition, and I thank the distinguished Senator from Mississippi.

Mr. ALLEN. Mr. President, will the distinguished Senator from West Virginia answer a question or two for the Senator from Alabama?

Mr. ROBERT C. BYRD. I will attempt to.

Mr. ALLEN. Is this effort now, as embodied in this resolution, to be offered in lieu of the effort under Senate Resolution No. 4? Because the Senator spoke of having reason to believe that others would support this effort.

Mr. ROBERT C. BYRD. As far as I am concerned it is being offered in lieu thereof.

Mr. ALLEN. I see. Is it, then, necessary to abandon Senate Resolution 4 on account of the real bad odor that has become attached to that resolution, and start off with something fresh?

Mr. ROBERT C. BYRD. The Senator knows that I have opposed the motion offered by the Senator from Minnesota and others, and the distinguished majority leader offered a point of order against the Senator from Minnesota's motion.

The effort here is to develop a way that will result in an equitable solution to the problem.

Mr. ALLEN. Could not the same provisions here be added to Senate Resolution 4, and does not the question still recur on whether or not, in abandoning Senate Resolution 4 and going this separate route, that is not done because of the bad odor that has been attached to Senate Resolution 4, in the proceedings that have taken place with respect to that resolution?

Mr. ROBERT C. BYRD. The reason why this procedure is being resorted to, Mr. President, I say in answer to the question by the distinguished Senator from Alabama, is that it is the cleanest way to go.

Mr. ALLEN. Well, is the Senator using that word to answer my question?

Mr. ROBERT C. BYRD. No; I have not fully answered the Senator's question. If the Senator will allow me to proceed, I will put my own connotation on it. The Senator may put whatever connotation he wishes.

Mr. ALLEN. And I have.

Mr. ROBERT C. BYRD. And he has. But I am saying that either way we go, a Senator, any one Senator, can utilize the rules of this body and prevent action for a while.

But this is the simpler way to go, the better way to go, in that perhaps fewer problems can arise in connection with the ultimate adoption of this resolution than would be the case if we attempted to go the route of Senate Resolution 4, with all of the pending motions that are before the Senate in connection with that resolution, and attempt to amend that resolution or substitute another resolution for it.

So, it is a good faith effort, may I say to the distinguished Senator, on the part of the Senator from West Virginia, on the part of the distinguished majority leader, the distinguished Republican leader, and those on both sides of the aisle with whom we have discussed it. It is a good faith effort to reach a conclusion that will get this matter out of the way not only in this Congress, but hopefully, also for all time, and we want to proceed under the present rules to change the rules as a majority of the Senate would want to decide.

Mr. ALLEN. I thank the distinguished Senator from West Virginia. I certainly understand his purpose here, and certainly commend him for his efforts to bring about a reasonable compromise of this issue. But he has answered the thought that was in the mind of the Senator from Alabama about the reason for abandoning Senate Resolution No. 4.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. PERCY. Mr. President, I have been absent on official business for the past 6 days, and so have returned with the objectivity of not having engaged in the day-by-day debate on this highly emotional issue.

The Senator from Illinois would like to give his commendation to the leadership in its attempt now to resolve in an equitable and fair manner a question that has obviously high emotional impact, but also has a very definite impact upon the efficient operation of the Senate.

From what I have heard this morning I think that a good body of support can be obtained for the direction in which this is now moving.

ARAB BOYCOTT OF AMERICAN FIRMS

Mr. PERCY. Mr. President, I should like to comment on the boycott that has been extended by certain Arab countries to companies doing business with the State of Israel.

The Senator from Illinois has long opposed the Arab boycott, both as a matter of moral principle and as a matter of economics. As early as 1960 he resisted all attempts to boycott the industrial firm with which he was connected for so many years, and he continued to do business with Israel.

I should at this time indicate that, in discussions with King Hussein day before yesterday, and in discussions with President Sadat on January 16 in Egypt, I emphasized the importance to the Arab world of lifting this boycott because it is adding to the inflationary pressures being experienced in Arab countries.

It is certainly contrary to the principles of the international flow of product and trade. To arbitrarily restrict from the Arab countries some of the 1,200 most highly efficient and effective business organizations and firms in the world—commercial, industrial, and banking—adds tremendously to the burden of inflation in those countries by eliminating necessary competition. It is self-defeating.

In addition, if the Arabs want greater sympathy and credibility abroad, they should abandon the boycott and announce that they are doing so. Intensification of the boycott is a move in the wrong direction at a time when conciliation is needed to bring peace in the Middle East.

DEMOCRATS SET ENERGY PLAN

Mr. PERCY. Lastly, Mr. President, I would like to make comment on the article that appeared in this morning's Washington Post under the headline "Democrats Set Energy Plan."

In doing so, I should like very much—if the Senator from Illinois could have the attention for a moment of the distinguished acting majority leader, Senator BYRD——

Mr. ROBERT C. BYRD. I am sorry.

Mr. PERCY. The Senator from Illinois is just directing attention to the article in the Washington Post entitled, "Democrats Set Energy Plan." I have noticed that a meeting has been established with the majority leadership and with the President this afternoon at 3 o'clock. I presume that the acting majority leader, the assistant majority leader, will be present at that meeting?

Mr. ROBERT C. BYRD. The distinguished majority leader has indicated to me that I would be present.

Mr. PERCY. I should like very much to commend the Democrats on a policy that they have adopted. As I see it, from this article, they say:

> Under their plan the Federal Government would set a rising gasoline mileage standard each year, and the average mileage of all cars made by each automaker—small cars and large ones together—could not fall below that standard.
>
> In addition, the Democrats would give graduated tax rebates of unspecified size to people who bought new cars with above-average mileage, while adding a new and graduated excise tax to the price of cars that guzzle gas.

I believe this is a commendable policy. It is a policy that this Republican has discussed with the President of the United States on several occasions, so that I think the Democrats can assure the President he would have bipartisan support.

The President of the United States comes from Michigan and is quite knowledgeable of how the automotive industry operates and works, and the Senator from Illinois has known the Chief Executive and most of the managements of those great companies over a period of years.

Their constant response back to the Senator from Illinois over a period of 3 years as to why they continue to build these gas-guzzling, highly inefficient cars, when we know that the national interest would move us in the other direction, is that that is what the public wants. Yet they continue to emphasize speed and power in their advertising, and put 140 and 150 miles an hour on the speedometers, emphasizing speed when the national law is 55 miles per hour.

I would simply like to draw the attention of the assistant majority leader to the fact that last year, and again this year, the Senator from Illinois introduced a bill, S. 635, identical to the principle adopted by the Democrats in their meeting yesterday, and although the Democrats have not yet indicated any specificity with respect to mileage, I would like to point out, without any pride of authorship whatsoever, that in working with the Federal Energy Administration, I have worked out a schedule that would cost the Federal Government nothing. It is designed to tax gas-inefficient cars enough to pay a bonus to people who buy a car that is gas efficient and thus serves the national interest.

The tax, which is on a graduated scale, increases to $1,000 for an automobile that gives less than 9 miles per gallon. The credit, in the form of a cash payment to the purchaser, goes up to $300 for a car that gives over 23 miles per gallon, the income from one side to pay for the expense on the other. The net cost to the Government is nothing, but a tremendous incentive is provided to Detroit and the consumer to move us in the proper direction. This incentive is continued year after year, because the entire scale of taxes and cash payments would increase at the rate of one mile per gallon per year until 1983.

It is the judgment of the Senator from Illinois that this could be a stimulus to the automobile industry. We have 100 million automobiles, a large number of which are inefficient. The tax incentives are a way of motivating people to purchase cars that will save them money in the long run. I commend the Senator and the Democrats for unanimously having adopted this in principle, and I would like to indicate my wholehearted support for such a principle.

Mr. ROBERT C. BYRD. I thank the Senator.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Is there further morning business?

Mr. GRIFFIN. Well, Mr. President, I do not particularly want to debate the Senator from Illinois. However, I do not want to sit here and allow my silence to suggest agreement with what he has suggested.

I am very concerned right now that so many auto workers are laid off. To impose an excise tax on automobiles—any size automobiles—would only make the situation worse.

I think it is important to keep in mind that important and expensive tooling changes are required when a plant switches from one model to another model. The engineering and tooling also take time—more time than most Members of Congress seem to realize.

So if there were to be any kind of a tax imposed on larger automobiles, I would plead with those who do favor such approach to at least consider the leadtime that would be necessary.

Otherwise, to depress by Government action the volume of sales of larger cars is bound to cause the layoff of more autoworkers. That is hardly a way to solve our current economic problem.

I would indicate agreement to the extent that some tax recognition might be given for the purchase of smaller, more fuel-efficient automobiles. This would stimulate sales and would be a positive move in the right direction.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am glad to yield to the Senator.

Mr. PERCY. I think the Senator from Michigan's comments are extraordinarily well taken, and by my own comments I would not want him to believe that I had not fully taken into account the problems being faced in Michigan.

The Senator from Illinois might point out that a great many subcontractors in Illinois, as well as manufacturers of auto parts, depend to a tremendous extent on the automobile industry.

The Senator from Illinois has discussed in open public testimony with Leonard Woodcock the legislation to provide an incentive for efficient cars and a penalty for inefficient cars. I received from him no commitment because it was an idea he had not thoroughly studied, but certainly no immediate opposition.

I am delighted to see the chairman of the Committee on Finance, the Senator from Louisiana (Mr. LONG), in the Chamber this morning. In hearings on the effective date of this program, which has now been adopted unanimously by the Democrats, I would think the chairman would fully take into account the need for imposing it gradually so that both labor and management in the automobile industry could adjust to it.

But it is the Senator from Illinois judgment that there could be no greater stimulant to the automobile business than to start moving people, customers, and therefore, production lines massively toward the production of cars that are gasoline efficient and away from cars that are gasoline inefficient.

Let us leave to the oil-producing countries, the OPEC countries, all of these gas-guzzling dinosaurs. I saw many of them in the Arab world.

They seem to have the gasoline we do not have back here, and we should do what Europe and Japan have done over a period of 30 or 40 years: move toward much more efficient cars.

I think that can be a replacement industry for American automobile companies that will provide employment for years to come, but as the Senator from Michigan wisely points up, we must do it on a gradual basis, worked out carefully with the manufacturers as well as the UAW.

The ACTING PRESIDENT pro tempore. The Senator from Michigan's time has expired.

Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business?

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE—SENATE RESOLUTION 4

MOTION TO RECONSIDER VOTE NO. 30

Mr. HRUSKA. Mr. President, I enter a motion to reconsider vote No. 30, which occurred on Wednesday, February 26, 1975, and by which the point of order by the Senator from Montana against the motion by the Senator from Minnesota was tabled.

The PRESIDING OFFICER. The motion will be entered on the calendar. Will the Senator please send his motion to the desk?

Mr. HRUSKA's motion is as follows:

> Mr. President, I enter a motion to reconsider vote No. 30 which occurred on Wednesday, February 26, 1975, and by which the point of order by the Senator from Montana against the motion by the Senator from Minnesota was tabled.

Mr. MONDALE. Mr. President, reserving the right to object, did I understand from the leadership that a unanimous-consent agreement was to be propounded on a time certain to vote on the proposed motion to reconsider?

Mr. MANSFIELD. The suggestion was made that 4 o'clock Monday afternoon might be a propitious time.

Mr. MONDALE. Could that be propounded?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the resolution as to the motion made by the distinguished Senator from Nebraska occur at the hour of 4 o'clock on Monday afternoon next.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays.

Mr. ROBERT C. BYRD. I ask unanimous consent that it be in order to order the yeas and nays at this time.

The PRESIDING OFFICER. Is there objection to ordering the yeas and nays at this time? Without objection, the yeas may be ordered. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MONDALE. Mr. President, in my judgment we could have objected to this motion——

The PRESIDING OFFICER. Will the Senator use his microphone, please?

Mr. MONDALE. We may be better off without it.

Mr. MANSFIELD. Mr. President, if the Senator will yield, I ask unanimous consent that the time for consideration of routine morning business be extended for not to exceed 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, in my judgment we could have objected to this motion. We decided not to because we think it will help expedite the work of the Senate toward what I think is the real business and the real matter at hand.

At 4 o'clock on Monday, we will vote on the issue of reconsidering the vote to table the point of order made by the Senator from Montana. I shall oppose the motion to reconsider, and I would hope that the Senate would reject it.

But in any event, it is my hope that what I consider to be a significant concession on the part of those of us who wanted a rule change, now proposed by the distinguished Senator from West Virginia and by the joint leadership, could be made the pending business, and that all sides could give some, in order to invoke cloture on a compromise which I think is eminently sound and substantially less than we wanted and hoped for.

We forego what we think would have been a favorable result on our theory, which we think has been established, of majority cloture; but with that understanding we will not object to this motion being brought up on next Monday.

Mr. ALLEN. Mr. President, the distinguished Senator from Minnesota spoke of a compromise that was working.

I want him and all other Senators to understand that the Senator from Alabama has entered into no negotiations with regard to a compromise. The Senator from Alabama understands from observation that apparently Senate Resolution 4 is to be abandoned, and the procedure now would be for those who seek to amend the rules to combine behind the resolution offered this morning by the distinguished Senator from West Virginia.

The Senator from Alabama this morning inquired of the distinguished Senator from West Virginia here on the floor if the reason for abandoning Senate Resolution No. 4 was because of the bad odor that it had acquired in the proceedings before the Senate, and the response of the distinguished Senator from West Virginia was that the new method was the cleanest way of handling the matter.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. Which certainly indicated the Senator from Alabama was right in his surmise.

I am glad to yield.

Mr. ROBERT C. BYRD. The Senator will agree that was not my total response.

Mr. ALLEN. The Senator went on to amplify what he means by the cleanest way, but I believe the Senator from Alabama got the proper connotation at the start. [Laughter.]

The Senator from Alabama is going to be just as diligent in seeking to defeat the new attempted rules change as he has been to defeat this bad-odored Senate Resolution 4.

Now, the reason the Senator from Alabama is not willing to enter into any compromise in this matter is that he does not feel that it is right in principle, because it would be, in a sense, legitimizing this illegitimate offspring that has resulted from this assault on the Senate rules.

The Senator would not, by giving that stamp of legitimacy on this effort, want to agree by any stretch of the imagination that a constitutional question is involved and that at the so-called beginning of a session the majority can change the Senate rules.

So, Mr. President, the Senator from Alabama realizes that those who are seeking to apply this gag rule can come back 2 years hence and say they want to proceed now under the Constitution again, and they want to get this cloture requirement down to 40 percent, and if they put in a resolution of that sort and make a point of order and get it tabled, well, under the rulings of the Presiding Officer—not now sitting, I might say, in defense of the distinguished Senator from Florida (Mr. STONE) who does not adopt that view—that would prove that the Senate thought that was a constitutional approach.

The Senator from Alabama would point out that back at the time when World War II was getting ready to be started, while Hitler, when he took over the Sudetenland, said:

> This was the last territorial acquisition I am going to seek to make.

So the gag-rule Senators will be back again, I give warning, if this new approach is adopted.

So I want no part of compromise and I urge Senators to take the same position.

Mr. GRIFFIN subsequently said: Mr. President, I merely want to state that although when the Senator from West Virginia first submitted his resolution I withheld my name, it was withheld in part because I wanted to be sure——

Mr. STENNIS. Mr. President, will the Senator use his microphone? We are unable to hear back here.

Mr. GRIFFIN. Now that the motion has been entered, I wanted to be sure the Senate would have an opportunity to reconsider its vote whereby the Senate tabled the point of order made by the majority leader. The Senate has agreed to vote on Monday at 4 o'clock. I think it will be important that a majority of the Senate does vote to reconsider.

I am confident in my own mind that a number of Senators really do not believe that was a proper procedure, but who went along with it because they do favor the three-fifths cloture vote. Perhaps they thought that at the time that was the only way their objective could be achieved.

I think it is becoming clear now that there is another way to achieve an acceptable result. If a majority is willing to vote that the majority leader's point of order was valid, then I think that the opportunity later to get cloture which will be necessary in this procedure will be much better.

So I want to indicate that I have had my name added as a cosponsor of the Byrd resolution, and that I will now urge my colleagues to vote on Monday for the Hruska motion to reconsider.

APPOINTMENT BY THE CHAIRMAN OF THE COMMITTEE ON COMMERCE

The PRESIDING OFFICER. The Chair, on behalf of the chairman of the Committee on Commerce (Mr. MAGNUSON), pursuant to 46 U.S.C. 1126(c), appoints the Senator from New York (Mr. BUCKLEY) to the Board of Visitors to the U.S. Merchant Marine Academy, in lieu of the Senator from Maryland (Mr. BEALL), resigned.

ORDER OF BUSINESS

The PRESIDING OFFICER. Is there any further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. CULVER) laid before the Senate the following letters, which were referred as indicated:

LOAN BY THE RURAL ELECTRIFICATION ADMINISTRATION

A letter from the Administrator, Rural Electrification Administration, U.S. Department of Agriculture, transmitting, pursuant to law, information relating to an approved loan to Central Power Electric Cooperative, Minot, N. Dak., in the amount of $4,121,000 for the financing of transmission facilities, a warehouse, and operating equipment (with accompanying letters); to the Committee on Appropriations.

EXTENSION OF CREDIT TO KOREA ELECTRIC CO.

A letter from the President and Chairman, Export-Import Bank of the United States, reporting, pursuant to law, a statement with respect to extension of direct credit of $78,900,000 to Korea Electric Co. (KECO), a public company which is the sole electric utility in the Republic of Korea, and to guarantee loans by private financial institutions to KECO in the amount of $105,200,000 to the Committee on Banking, Housing and Urban Affairs.

REPORT OF DEFENSE PROCUREMENT FROM SMALL AND OTHER SMALL BUSINESS FIRMS

A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report of Defense procurement from small and other business firms for July–December 1974 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

PRELIMINARY SYSTEM PLAN OF THE U.S. RAILWAY ASSOCIATION

A letter from the Chairman, U.S. Railway Association, transmitting, pursuant to law, a preliminary system plan of the U.S. Railway Association (with accompanying papers); to the Committee on Commerce.

INTERNATIONAL AGREEMENTS ENTERED INTO BY THE UNITED STATES

A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the United States within 60 days after the execution thereof (with accompanying papers); to the Committee on Foreign Relations.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on Federal agencies administering programs related to marine science activities and oceanic affairs, multiagency (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law. a report on the financial status of major civil acquisitions, December 31, 1973 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the critical need for a better system for adjusting top executive, legislative, and judicial salaries (with an accompanying report); to the Committee on Government Operations.

REPORT OF NEGOTIATED SALES CONTRACTS FOR DISPOSAL OF MATERIALS

A letter from the Director, Bureau of Land Mangement, U.S. Department of the Interior, transmitting, pursuant to law, a report of negotiated sales contracts made under Public Law 87–689 (79 Stat. 587) for disposal of materials during the period July 1 through December 1974 (with an accompanying report); to the Committee on Interior and Insular Affairs.

ADJUSTMENT OF CONTRACT BY NASA

A letter from the Administrator, National Aeronautics and Space Administration, reporting, pursuant to law, actions taken through its Contract Adjustment Board; to the Committee on the Judiciary.

REPORT OF THE FARM CREDIT ADMINISTRATION

A letter from the Governor, Farm Credit Administration, transmitting, pursuant to law, a report of the Farm Credit Administration covering calendar 1974 (with an accompanying report); to the Committee on the Judiciary.

PROPOSED REGULATIONS FOR BILINGUAL VOCATIONAL TRAINING

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, proposed regulations for bilingual vocational training under the Vocational Education Act of 1963, as amended (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT ON CONTROL OF SULFUR OXIDES

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting, pursuant to law, a report on control of sulfur oxides (with an accompanying report); to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. CULVER):

A concurrent resolution of the Legislature of the State of Hawaii; to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION 47

"(Requesting the Congress of the United States to aid in the implementation of chapter 516 of the Hawaii Revised Statutes by establishing capital gain and charitable organization tax status for sale of residential properties to the lessees thereof.)

"Whereas, the State of Hawaii is suffering from a serious problem of monopolistic control of its real property resources; and

"Whereas, this control has been determined by the Legislature of the State of Hawaii to be seriously damaging to the public welfare of the State and its citizens; and

"Whereas, the Legislature accordingly has seen fit to initiate legislation to alleviate this inequitable situation, which legislation is contained in Chapter 516 of the Hawaii Revised Statutes; and

"Whereas, implementation of this legislation has been impeded because of the fear on the part of the large landowners of prohibitive taxation should they be deemed to be dealing in real estate; and

"Whereas, it is the intent of the Legislature to force the sale of residential lands to the public by means of this legislation for the public good; now, therefore,

"Be it resolved by the Senate of the Eighth Legislature of the State of Hawaii, Regular Session of 1975, the House of Representatives concurring, that the Congress of the United States be and is hereby requested to enact such legislation as it deems necessary in order to assure that any landowner in the State of Hawaii selling lands to a lessee thereof pursuant to the provisions of Chapter 516 of the Revised Laws of the State of Hawaii and without contesting such terms or the compensation to be paid pursuant thereto, shall be taxed on the profits of such sale at the capital gains rate unless qualified as a charitable organization in which case such landowner shall not be taxed on the profits of such sale; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to the presiding officers of the United States Senate and the United States House of Representatives, and to each member of Hawaii's delegation to the United States Congress."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Committee on Appropriations, with an amendment:

H.J. Res. 219. A joint resolution making further continuing appropriations for the fiscal year 1975, and for other purposes (Rept. No. 94–25).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HARRY F. BYRD, JR.:

S. 885. A bill to designate certain lands in the Shenandoah National Park, Va., as wilderness. Referred to the Committee on Interior and Insular Affairs.

By Mr. GRAVEL (for himself and Mr. STEVENS):

S. 886. A bill to amend Section 107 of the River and Harbor Act of 1960. Referred to the Committee on Public Works.

By Mr. SCHWEIKER:

S. 887. A bill to reduce interest rates and make additional credit available for essential economic activities. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HARTKE:

S. 888. A bill to amend the Trade Act of 1974. Referred to the Committee on Finance.

S. 889. A bill to amend the Internal Revenue Code of 1954 to provide for an increase in the amount of the personal exemptions for taxable years beginning after December 31, 1974. Referred to the Committee on Finance.

By Mr. PROXMIRE (for himself and Mr. MCINTYRE) (by request):

S. 890. A bill to amend the Banking Holding Company Act of 1956, as amended, to provide special procedures for the acquisition of failing banks or bank holding companies and for the acquisition of banks or bank holding companies in emergencies and to provide for the acquisition by bank holding companies of banks outside their State of principal banking operations in emergency situations and situations involving a failing bank or bank holding company. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HARTKE:

S. 891. A bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 for the purpose of authorizing additional appropriations for programs authorized by those Acts. Referred to the Committee on Agriculture and Forestry.

By Mr. PROXMIRE:

S. 892. A bill for the relief of Mercedes Estrella Tiomico. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself, Mr. PASTORE, Mr. PEARSON, and Mr. GRIFFIN) (by request):

S. 893. A bill to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting and for other purposes. Referred to the Committee on Commerce.

By Mr. HUMPHREY:

S. 894. A bill to establish a universal food service program for children. Referred to the Committee on Agriculture and Forestry.

By Mr. McINTYRE (for himself, Mr. TAFT, and Mr. BAYH):

S. 895. A bill to provide for legal assistance to members of the Armed Forces and their dependents, and for other purposes. Referred to the Committee on Armed Services.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 896. A bill to increase the appropriation authorization relating to the Volunteers in the Parks program, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MATHIAS:

S. 897. A bill to amend the Internal Revenue Code of 1954 to provide incentives for energy conservation, and for other purposes. Referred to the Committee on Finance.

By Mr. FANNIN:

S. 898. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from requiring an indirect source emission review as a part of any applicable implementation plan. Referred to the Committee on Public Works.

S. 899. A bill for the relief of Frederick Po-Shing Chu. Referred to the Committee on the Judiciary.

S. 900. A bill for the relief of Grace Wing-Ping Chu. Refererd to the Committee on the Judiciary.

S. 901. A bill for the relief of Evaristo Laborin, his wife, Amparo Laborin, and their children. Evaristo Laborin, Junior, Francisco Laborin, Cathorin, Jesus Laborin, and Benito Laborin. Referred to the Committee on the Judiciary.

By Mr. DOLE:

S.J. Res. 39. A joint resolution to designate the week of March 17 to 23, 1975, as "National Lead Poisoning Prevention Week". Referred to the Committee on the Judiciary.

By Mr. WILLIAM L. SCOTT:

S.J. Res. 40. A joint resolution proposing an amendment to the Constitution of the United States relative to freedom from forced assignment to schools or jobs because of race, creed, or color. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARRY F. BYRD, JR.:

S. 885. A bill to designate certain lands in the Shenandoah National Park, Virginia, as wilderness. Referred to the Committee on Interior and Insular Affairs.

Mr. HARRY F. BYRD, JR. Mr. President, I introduce today a bill to designate portions of the Shenandoah National Park as wilderness area.

I sponsored similar legislation in the 93d Congress. Identical legislation to that I am introducing today was considered by the Parks and Recreation Subcommittee of the Committee on Interior and Insular Affairs. It was favorably reported by the full committee and was passed by the Senate on September 20, 1973. The House of Representatives, however, did not take final action on the bill.

The Shenandoah National Park has the kind of incomparable beauty which nourishes the soul through enjoyment of the natural bounties bestowed upon Virginia. It has sustained me in this way—it certainly sustained my father, who returned to the Blue Ridge Mountains time after time to be restored in mind and body by the solitude of these ancient mountains and valleys.

There is a superabundance of inspiration here for even the most casual observer—whether he stands astride the crest of the Blue Ridge Mountains and looks eastwardly across Virginia's rolling Piedmont and westwardly over the Shenandoah Valley to the striking chain of Massanutten Mountains and the formidable Alleghenies rising beyond, or whether he descends into the verdant, silent hollows which plunge from those ancient hills to listen to the watery music of rushing streams and sparkling cascades.

Many outstanding individuals and groups interested in the preservation of our natural heritage are to be commended for inspiring this legislation. Without the devoted support of these individuals, many of whom are young Americans just beginning to make their voices heard, we in Congress could never have achieved the successes of recent years in the environmental field.

The concept of wilderness areas is an important one in the last third of the 20th century. As our population increases and becomes more dense throughout the country, it is imperative that we set aside some of our most beautiful countryside in its natural state.

Under the statute authorizing the establishment of wilderness areas, a wilderness is defined as "an area where the earth and its community of life are untrammeled by man, where man himself is a visitor who does not remain."

We need such areas. We must not permit the headlong expansion of population, settlement, and mechanization to destroy our natural heritage.

We must remember that we are, all of us, only visitors on this Earth.

It is not ours to destroy.

This wilderness would be preserved in nine different areas within the park. These units would encompass 79,699 acres or 41.2 percent of the park's 193,539 acres.

These figures are based on the findings of the Committee on Interior and Insular Affairs, contained in its report on S. 988, in the last Congress (S. Rept. 93–393) They are supported by testimony given by the Department of the Interior on July 24, 1973.

In closing, Mr. President, I must say that, as a Virginian and a native of the splendid Shenandoah Valley, I believe that no finer piece of legislation could be passed than to insure that a reasonable acreage within the Shenandoah National Park be preserved in its natural state.

By Mr. GRAVEL (for himself and Mr. STEVENS):

S. 886. A bill to amend section 107 of the River and Harbor Act of 1960. Referred to the Committee on Public Works.

Mr. GRAVEL. Mr. President, today I am introducing legislation to raise from $1 million to $2 million the per project limitation on small river and harbor improvement projects initiated by the Corps of Engineers.

Under section 107 of the River and Harbor Act of 1960, the Corps of Engineers is authorized to allot $25,000,000 in any one fiscal year for small navigation projects not specifically authorized by Congress. These projects must result in substantial benefit to navigation and they must, in the opinion of the Chief of Engineers, show a favorable cost-benefit ratio.

In addition to the overall $25,000,000 limit, there is at present $1 million limit for any single project. It is this figure which I propose to raise to $2 million. The present $1 million limit was set in 1970 and has now become unrealistic in light of normal cost increases and the inflationary effects of the recent past. Periodic increases of the sort I propose have been necessary since the River and Harbor Act became law in 1960. The original project limitation was $200,000, and the overall limitation was $2 million. These figures were increased twice, at 5-year intervals, to $500,000 per project and $10,000,000 overall and

$1,000,000 per project and $25,000,000 overall.

Another 5 years has now elapsed, and the Corps of Engineers agrees with me that the individual project limit should again be raised if the original purpose of this section of the River and Harbor Act is to be served. In order to avoid contributing to inflationary pressures, however, I am not proposing that the overall limit be increased, as has been customary in past amendments. By increasing only the per project limitation, no more Federal dollars will be required.

By Mr. SCHWEIKER:

S. 887. A bill to reduce interest rates and make additional credit available for essential economic activities. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. SCHWEIKER. Mr. President, I introduce today the Interest Reduction and Credit Priority Act of 1975, a bill which will establish a two-tier credit system.

This legislation is similar to S. 4049, which I introduced in the 93d Congress. The purpose of this measure is to insure that tight money and high interest does not continue to choke off vital economic activity, making economic recovery virtually impossible. At present, borrowers seeking funds for priority purposes such as industrial expansion and housing must compete with those seeking funds for second homes and swimming pools. This does not make sense to me, and my bill will insure that priority national needs also get priority credit status.

My bill will not, however, have any impact on Fed policies concerning the money supply. The money supply controversy has been in full swing recently; the House Banking Committee voted last week to reject H.R. 3160, which would have mandated an expanded money supply, and Federal Reserve Board Chairman Arthur Burns testified before the Senate Banking Committee this week that the Fed is moving to a quicker pace of money expansion.

Although economists—and public officials—do not agree at this point as to the desirability of accelerating monetary expansion, there is broad agreement that money supply is a tool which has a major role in economic recovery. My bill will insure that the tool of money supply is used as a scapel, encouraging priority activities while requiring nonessential borrowing to pay its own way, instead of operating as a meat ax, stifling all economic activity. In short, regardless of the ultimate outcome of the money supply controversy, this country needs a two-tier credit system now.

This is not simply a credit allocation proposal, Mr. President. Others have proposed allocating credit by means of subsidies or tax incentives, and various voluntary guidelines have been adopted to encourage credit allocation.

However, I would emphasize that the legislation I introduce today goes one step beyond credit allocation—my bill creates an entirely new two-tier credit system. Thus, it not only has a mandatory allocation feature, insuring that money will be available for priority purposes; it also mandates a 7 percent interest ceiling on priority loans, to insure that money for priority needs is available at reasonable rates.

My two-tier credit proposal has the following basic provisions:

First, the President shall authorize the Federal Reserve Board to issue rules and regulations, as provided by the Credit Control Act, Public Law 91–151 et seq., to provide for the allocation of credit in a manner consistent with my bill.

Second, the regulations issued by the Federal Reserve Board shall require at least 30 percent of all credit extensions to be for defined essential economic activities, specifically housing and industrial expansion required to prevent scarcities, high prices or unemployment. With unemployment now over 8 percent, these priority activities must be fully funded.

Third, the Federal Reserve Board must prescribe maximum interest rates, not to exceed 7 percent, for lending for such essential economic purposes.

Fourth, it should be emphasized that under the authority of the Credit Control Act, the regulations established by my bill may be applicable to all classes of creditors, so the impact will be equitably spread throughout our economy.

I ask unanimous consent that the full text of my bill be reprinted at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 887

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Interest Reduction and Credit Priority Act of 1975."

PRESIDENTIAL AUTHORITY

SEC. 2. The President shall exercise the authority conferred by the Credit Control Act to authorize the Board of Governors of the Federal Reserve System (hereinafter referred to as the "Board") to issue rules and regulations in accordance with the provisions of this Act, and the Board shall not later than 30 days thereafter issue such rules and regulations.

ALLOCATION OF CREDIT

SEC. 3. Rules and regulations issued hereunder shall require that not less than one-third of the principal amount involved in extensions of credit after the date of enactment of this Act by any creditor or class of creditors shall be made for any of the following purposes:

(1) The production of housing and related facilities for families of low and moderate income.

(2) The provision of capital for investment in plant and equipment where necessary to assure adequate supplies of essential goods or commodities.

(3) The provision of capital for investment necessary to create new jobs, prevent unemployment or inflationary prices.

(4) Such additional purposes as the Board determines to be appropriate in order to assure stable and balanced economic growth by the most efficient use of available credit.

MAXIMUM INTEREST RATES

SEC. 4. The Board shall prescribe one or more maximum rates of interest for transactions subject to section 3, but in no case shall interest be charged in connection with any such transaction at a rate in excess of 7 per centum per annum.

By Mr. HARTKE:

S. 888. A bill to amend the Trade Act of 1974. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, I am offering an amendment to clarify congressional intent regarding section 502 of the Trade Act of 1974.

As the section is now worded, it leaves the impression that the President is prohibited from extending preferential tariff treatment to any nation that belongs to any organization, formal or informal, of commodity producers. This was not the intent of Congress. The purpose of the section was to prevent the President from extending preferential treatment to those nations that actively participate—and I stress those last two words, Mr. President—in embargos and other similar activities which result either in the withholding of essential commodities from trade or in disruptively high prices.

By adding paragraph (2)—the amended paragraph—to the general paragraph that confers upon the President the power to include for preferential treatment some nations otherwise excluded if he deems that it is in the national economic interest to do so, a further element of flexibility is added. This leaves the President with two grounds for extending preferential tariff treatment to a country that is a member of OPEC or a similar organization. First, the President can determine that while the country is formally connected with the group, it did not "actively participate" in the policies that lend to the undesirable results. Second, the President can determine that notwithstanding the country's participation in OPEC or a similar organization, it is in the economic national interest of the United States to extend preferential tariff treatment. Naturally, the President must justify this action to Congress as provided in section 502(c).

It was not the intention of the Finance Committee or the Congress to attempt to impinge upon the freedom of nations to participate in formal or informal organizations designed to promote their interests. We accept the validity of such actions. What we reject are disruptive practices which have a negative effect not only on our economy, but on the world economy.

It is, furthermore, necessary to differentiate in the law between nations that are associated with an organization like OPEC but which do not participate actively in its schemes. Even during the height of the oil embargo, not every member of OPEC was a participant. I do not believe, and I do not think the Congress meant, that these nations should be penalized. In fact, we ought to do what we can to encourage this sort of responsible behavior.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 888

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502(b)(2) of the Trade Act of 1974 is amended to read as follows:

"(2) if such country is a member of the

Organization of Petroleum Exporting Countries or any other arrangement of foreign countries and actively participates in such organizations or arrangements in such a manner as to withhold supplies of vital commodity resources from international trade or to raise the price of such commodities to an unreasonable level and to thereby cause serious disruption of the world economy;".

Sec. 2. Section 502 is amended further by striking the words "Paragraphs (4), (5), and (6) shall not prevent" and inserting in lieu thereof "Paragraphs (2), (4), (5), and (6) shall not prevent".

By Mr. HARTKE:

S. 889. A bill to amend the Internal Revenue Code of 1954 to provide for an increase in the amount of the personal exemptions for taxable years beginning after December 31, 1974. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, today I am introducing legislation to increase the personal exemption on the Federal individual income tax from $750 to $1,000. There are at least four reasons why this is a desirable change in our tax laws: first, it is an effective and easily understood method of cutting individual income taxes and stimulating the economy; second, it introduces additional progressivity into the individual income tax structure; third, it eliminates the necessity for a large number of people to file annual income tax returns; and fourth, it is an appropriate tax response to the recent high inflation our country has experienced.

Surely the necessity for stimulating the economy is now universally recognized. Unemployment is higher than at any other time during the past 33 years. Over 7.5 million people are unemployed and the number is rising rapidly. Unemployment increased a full percentage point last month to 8.2 percent, and has increased 2.2 percent in only 3 months. Some observers are predicting the unemployment rate will rise to 10 percent this year. We are obviously in the midst of a recession of frightening proportions, one that will be the longest and most severe recession since the Great Depression of the 1930's. Gross national product declined every quarter last year, and the fourth quarter decline was the most severe in nearly 16 years. The decline in total production now exceeds 5 percent, and it is continuing. The index of leading economic indicators has dropped 11 percent in the last 5 months, the steepest decline on record. This is despite the fact that the index is biased upward by the 12-plus percent inflation last year, the worst inflation in 28 years.

One of the primary reasons for the precipitious decline in sales and output is the decrease in real personal income. In 1974, real personal income, ignoring Government transfer payments, decreased by 6.5 percent. A reduction of the Federal individual income tax is now widely recognized as a desirable method of replacing part of this loss of real personal income and, thereby, stimulating the economy. Increasing the personal exemption to $1,000 would provide $8.6 billion in tax relief, with most of the relief concentrated in the middle- and lower-income brackets. Sixty-two percent of the tax cut would accrue to taxpayers below the $15,000 adjusted gross income level, and 80 percent of the benefits would be concentrated below the $20,000 AGI level.

Mr. President, I have prepared a table which details the total tax reduction received by income class from increasing the personal exemption to $1,000. I ask unanimous consent that this table be inserted in the Record at this point as exhibit 1.

There being no objection, the table was ordered to be printed in the Record, as follows:

EXHIBIT 1

ESTIMATED DECREASE IN FEDERAL INDIVIDUAL INCOME TAX LIABILITY RESULTING FROM INCREASING THE PERSONAL EXEMPTION FROM $750 TO $1,000 BY ADJUSTED GROSS INCOME CLASS

[1972 income levels]

Adjusted gross income (thousands)	Total number returns with tax decrease (thousands)	Decrease in tax liability (millions)	Distribution of tax decrease: Percent	Distribution of tax decrease: Cum. percent
0 to $3	3,221	$96	1.1	1.1
$3 to $5	7,746	421	4.9	6.0
$5 to $7	8,737	719	8.4	14.4
$7 to $10	12,229	1,489	17.3	31.7
$10 to $15	15,595	2,611	30.4	62.1
$15 to $20	7,557	1,542	17.9	80.0
$20 to $50	5,305	1,442	16.8	96.8
$50 to $100	449	220	2.6	99.4
$100 and over	102	56	0.6	100.0
Total	60,940	8,595	100.0	100.0

Mr. HARTKE. The second effect of increasing the personal exemption to $1,000 is to increase the progressivity of the Federal individual income tax. This is because the exemption increase causes a larger percentage reduction in tax liabilities in the lower income brackets than at the higher income levels. For example, the tax reduction for a family of four with $7,500 of adjusted gross income amounts to 2.16 percent of income; the tax reduction for a similar family with a $20,000 AGI is 1.25 percent of income, and for a $50,000 family the tax reduction is 1 percent of income. The progression is even more dramatic if the tax reduction is measured as a percent of present tax liability. For example, the percentage reduction in tax liability for a four-person family with $5,000 adjusted gross income would be 100 percent; for a family with $7,500 AGI the reduction is 33.5 percent; for a family with $20,000 AGI the reduction is 8.31 percent, and for a $50,000 family the tax reduction would be 3.4 percent. Mr. President, I have prepared a table which indicates the reduction in tax liability from an increase in the personal exemption to $1,000, as a percent of income and as a percent of tax liability, for four-person families with representative incomes. I ask unanimous consent that this table be printed in the Record at this point as exhibit 2.

There being no objection, the table was ordered to be printed in the Record, as follows:

EXHIBIT 2

FEDERAL TAX LIABILITY FOR FAMILY OF 4 FILING JOINT RETURN RESULTING FROM INCREASING THE PERSONAL EXEMPTION DEDUCTION FROM $750 TO $1,000 BY ADJUSTED GROSS INCOME LEVELS—COMPARED WITH PRESENT TAX LIABILITY

Adjusted gross income	Present tax	New tax	Dollar savings	Percent of AGI	Percent of tax
$1,000	0	0	0	0	
$3,000	0	0	0	0	
$5,000	98	0	98	1.96	100.00
$7,500	484	322	162	2.16	33.47
$10,000	905	715	190	1.90	20.99
$15,000	1,820	1,600	220	1.47	12.09
$20,000	3,010	2,760	250	1.25	8.31
$30,000	6,020	5,660	360	1.20	5.98
$40,000	9,920	9,500	420	1.05	4.23
$50,000	14,560	14,060	500	1.00	3.43
$75,000	27,720	27,170	550	.73	1.98
$100,000	42,180	41,580	600	.6	1.42
$200,000	110,980	110,280	700	.35	.63

Mr. HARTKE. The third effect of increasing the personal exemption to $1,000 is to eliminate the necessity of filing annual income tax returns for a large number of people. This is because increasing the personal exemption, combined with the standard deduction, will render the entire income of these people nontaxable. Naturally the vast bulk of these people are in the lower income brackets. Not only will this change save these people from the drudgery of completing and filing income tax returns, which, by the way, for the most part produce only small amounts of revenue, but it also would reduce the administrative burden on the Internal Revenue Service by reducing the number of returns which must be processed.

Mr. President, I have prepared a table which shows that nearly 4 million returns, which is 6.4 percent of total returns filed in 1972, would be rendered nontaxable; 62 percent of these returns are below the $5,000 adjusted gross income tax level and 86 percent are below the $7,000 level. I ask unanimous consent that this table be printed in the Record at this point as exhibit 3.

There being no objection, the table was ordered to be printed in the Record, as follows:

EXHIBIT 3

ESTIMATED NUMBER OF RETURNS RENDERED NONTAXABLE RESULTING FROM INCREASING THE PERSONAL EXEMPTION DEDUCTION FROM $750 TO $1,000 BY ADJUSTED GROSS INCOME CLASS (1972 INCOME LEVELS)

Adjusted gross income (thousands)	Number of returns made nontaxable (thousands)	Percent	Cumulative percent
0 to $3,000	1,221	31.3	31.3
$3,000 to $5,000	1,200	30.8	62.0
$5,000 to $7,000	938	24.0	86.1
$7,000 to $10,000	452	11.6	97.7
$10,000 to $15,000	83	2.1	99.8
$15,000 to $20,000	5	0.1	99.9
$20,000 to $50,000	2	0.05	100.0
Total	3,902	300.0	100.0

Mr. HARTKE. The fourth beneficial effect of increasing the personal exemption to $1,000 is that it provides an appropriate tax response to the recent high inflation our country has experienced. Since 1972, when the personal exemption was increased to its present level of $750, the Consumer Price Index has increased

24.6 percent. The lowest estimate I have seen for the increase in the CPI this year is an additional 7 percent; the President's budget message anticipates an 11.3-percent increase. Even the lowest of these projected rates would lead to a 33-percent increase over 1972 by the end of this year. And 33 percent is, of course, the amount of increase involved in raising the personal exemption from $750 to $1,000.

Mr. President, I ask unanimous consent that the full text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 889

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective with respect to taxable years beginning after December 31, 1974—

(1) section 151 of the Internal Revenue Code of 1954 (relating to allowance of personal exemptions) is amended by striking out "$750" wherever it appears therein and inserting in lieu thereof "$1,000";

(2) section 6012(a)(1) of such Code (relating to persons required to make returns of income) is amended by—

(A) striking out "750" wherever it appears therein and inserting in lieu thereof "$1,000";

(B) striking out "$2,050" wherever it appears therein and inserting in lieu thereof "$3,300"; and

(C) striking out "$2,800" wherever it appears therein and inserting in lieu thereof "$3,300"; and

(3) section 6013(b)(3)(A) of such Code (relating to assessment and collection in case of certain returns of husband and wife) is amended by striking out "$750" wherever it appears therein and inserting in lieu thereof "$1,000", and by striking out "$1,500" wherever it appears therein and inserting in lieu thereof "$2,000".

SEC. 2. Effective with respect to wages paid after December 31, 1974, the table contained in section 3402(b)(1) of such Code is amended to read as follows:

"Percentage Method Withholding Table

"Payroll period	Amount of one withholding exemption
Weekly	$19.20
Biweekly	38.50
Semimonthly	41.70
Monthly	83.30
Quarterly	250.00
Semiannually	500.00
Annually	1,000.00
Daily or miscellaneous (per day of such period)	2.70".

By Mr. PROXMIRE (for himself and Mr. MCINTYRE) (by request):

S. 890. A bill to amend the Bank Holding Company Act of 1956, as amended, to provide special procedures for the acquisition of failing banks or bank holding companies and for the acquisition of banks or bank holding companies in emergencies and to provide for the acquisition by bank holding companies of banks outside their State of principal banking operations in emergency situations and situations involving a failing bank or bank holding company. Referred to the Committee on Banking, Housing and Urban Affairs.

BANK HOLDING COMPANY AMENDMENTS

Mr. PROXMIRE. Mr. President, at the request of the Board of Governors of the Federal Reserve System, I am introducing a bill to amend the Bank Holding Company Act. The bill would allow the Board to approve promptly an acquisition, consolidation or merger under section 3 of the Bank Holding Company Act when the bank or bank holding company to be acquired is in severe financial difficulty. This proposal would permit the Board to waive the 30-day notice of the Justice Department which is required under the present Bank Holding Company Act. The Board expects this waiver would be made only in cases of severe financial difficulty.

The bill would also permit the Board to approve an acquisition of a bank across State lines whenever the Board determines that a large bank—that is with assets exceeding $500 million—or a bank holding company controlling a large bank is in severe financial difficulty. This provision involves a substantial departure from our present banking policy which prohibits bank holding companies to own banks across State lines unless the laws of the particular States involved permit such ownership. I have some reservation about this provision, particularly if it would lead to a nationwide concentration of banking resources.

On the other hand, I can see the advantage in being able to merge a failing large bank with an out of State bank holding company in order to avoid an undue concentration of banking assets in the State in which the failing bank is located. It may be that appropriate safeguards will be worked out to insure that the legislation does not unduly concentrate banking resources in a few large institutions.

Mr. President, I ask unanimous consent that the text of the bill, together with a letter from the Chairman of the Board of Governors of the Federal Reserve System, be printed in the RECORD at the end of my remarks.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended—

(1) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) Upon receiving from a company any application for approval under this section, the Board shall give notice to the Comptroller of the Currency, if the applicant company or any bank the voting shares or assets of which are sought to be acquired is a national banking association or a District bank, or to the appropriate supervisory authority of the interested State, if the applicant company or any bank the voting shares or assets of which are sought to be acquired is a State bank, in order to provide for the submission of the views and recommendations of the Comptroller of the Currency or the State supervisory authority, as the case may be. The views and recommendations shall be submitted within thirty calendar days of the date on which notice is given, or within ten calendar days of such date if the Board advises the Comptroller of the Currency or the State supervisory authority that an emergency exists requiring expeditious action. If the Comptroller of the Currency or the State supervisory authority so notified by the Board disapproves the application in writing within this period, the Board shall forthwith give written notice of that fact to the applicant. Within three days after giving such notice to the applicant, the Board shall notify in writing the applicant and the disapproving authority of the date for commencement of a hearing by it on such application. Any such hearing shall be commenced not less than ten nor more than thirty days after the Board has given written notice to the applicant of the action of the disapproving authority. The length of any such hearing shall be determined by the Board, but it shall afford all interested parties a reasonable opportunity to testify at such hearing. At the conclusion thereof, the Board shall by order grant or deny the application on the basis of the record made at such hearing. In the event of the failure of the Board to act on any application for approval under this section within the ninety-one-day period which begins on the date of submission to the Board of the complete record on that application, the application shall be deemed to have been granted. Notwithstanding any other provision of this subsection, if the Board finds that it must act immediately on any application for approval under this section in order to prevent the probable failure of a bank or bank holding company involved in a proposed acquisition, merger, or consolidation transaction, the Board may dispense with the notice requirements of this subsection, and if notice is given, the Board may request that the views and recommendations of the Comptroller of the Currency or the State supervisory authority, as the case may be, be submitted immediately in any form or by any means acceptable to the Board, and, notwithstanding the receipt of any such views and recommendations or any recommended disapproval by the appropriate authority, the Board may grant or deny immediately any such application.";

(2) by striking out "Notwithstanding any other provision of this section," in subsection (d) and inserting in lieu thereof "Except as provided in subsection (f) of this section,; and,

(3) by adding at the end thereof the following new subsection:

"(f) Notwithstanding any other provision of this section, the Board may approve any application under this section which will permit any bank holding company or any subsidiary thereof to acquire, directly or indirectly, any voting shares of, interest in, or all or a substantial part of the assets of any additional bank located outside of the State in which the operations of such bank holding company's banking subsidiaries are principally conducted, as determined under subsection (d) of this section, if the Board finds that an emergency requiring expeditious action exists with respect to a bank having assets in excess of $500,000,000 or a bank holding company controlling a bank having assets in excess of $500,000,000 or the Board finds that immediate action is necessary to prevent the probable failure of a bank having assets in excess of $500,000,000 or a bank holding company controlling a bank having assets in excess of $500,000,000, and, in weighing the competitive, financial and other factors under subsection (c) of this section, the Board finds that the public interest would best be served if the bank or banks involved in such application were acquired by an out-of-State bank holding company."

SEC. 2. Section 7 of the Bank Holding Company Act of 1956 (12 U.S.C. 1846) is amended by striking out the period at the end thereof and inserting in lieu thereof the following new proviso:

": *Provided, however,* That in any case in which the Board has approved an application under the immediate or expeditious action provisions of section 3 of this Act, the holding company involved may acquire and operate the bank involved as a subsidiary notwithstanding the provisions of this section or any provision of State law which would otherwise prevent the acquisition or restrict the operations of said holding company, unless the law involved is one which prohibits multibank holding companies and consummation of the proposal would result in the applicant having more than one banking subsidiary in that State."

SEC. 3. Subsection (b) of section 11 of the Bank Holding Company Act of 1956 (12 U.S.C. 1849) is amended to read as follows:

"(b) The Board shall immediately notify the Attorney General of any approval by it pursuant to section 3 of a proposed acquisition, merger, or consolidation transaction. If the Board has found that it must act immediately in order to prevent the probable failure of a bank or bank holding company involved in any such transaction, the transaction may be consummated immediately upon approval by the Board. If the Board has advised the Comptroller of the Currency or the State supervisory authority, as the case may be, of the existence of an emergency requiring expeditious action and has required the submission of views and recommendations within ten days, the transaction may not be consummated before the fifth calendar day after the date of approval by the Board. In all other cases, the transaction may not be consummated before the thirtieth calendar day after the date of approval by the Board. Any action brought under the antitrust laws arising out of an acquisition, merger, or consolidation transaction approved under section 3 shall be commenced prior to the earliest time under this subsection at which a transaction approved under section 3 might be consummated. The commencement of such an action shall stay the effectiveness of the Board's approval unless the court shall otherwise specifically order. In any such action, the court shall review *de novo* the issues presented. In any judicial proceeding attacking any acquisition, merger, or consolidation transaction approved pursuant to section 3 on the ground that such transaction alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), the standards applied by the court shall be identical with those that the Board is directed to apply under section 3 of this Act. Upon the consummation of an acquisition, merger, or consolidation transaction approved under section 3 in compliance with this Act and after the termination of any antitrust litigation commenced within the period prescribed in this section, or upon the termination of such period if no such litigation is commenced therein, the transaction may not thereafter be attacked in any judicial proceeding on the ground that it alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), but nothing in this Act shall exempt any bank holding company involved in such a transaction from complying with the antitrust laws after the consummation of such transaction."

FEDERAL RESERVE SYSTEM,
Washington, D.C., February 19, 1975.
Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Accompanying this letter is a draft bill encompassing two recommendations by the Board of Governors.

The first recommendation would allow the Board to approve promptly an acquisition, consolidation or merger under section 3 of the Bank Holding Company Act when the bank or bank holding company to be acquired is in severe financial difficulty. This proposal parallels existing authority in the Bank Merger Act, and has been a part of the Board's legislative program for some time.

The second recommendation would amend the Bank Holding Company Act to grant the Board authority to approve an acquisition of a bank across State lines when the Board determines that a large bank, or a bank holding company controlling a large bank, is in severe financial difficulty.

The resolution of the case of Franklin National Bank provides evidence for the usefulness of these recommendations. It is true that the final firm bidders for Franklin's assets were banks in New York State, and that approval by the Board under the Bank Holding Company Act was not required; however, this outcome was simply fortuitous. At various stages in the process of working out a solution, several banking organizations showed an interest in acquiring Franklin and, because of their corporate structures, they would have been required to receive approval under the Act.

As it presently reads, the Act requires: (a) that the Board submit any application it receives to acquire a bank or bank holding company to the primary supervisor of the bank involved and wait up to 30 days for his reply; and (b) that, following a decision of approval, the consummation of the transaction be delayed for 30 days pending possible action by the Justice Department. Unlike the Bank Merger Act, no provision is made for waiving these requirements in emergencies or failing bank situations.

The Board recommends that provisions similar to those in the Bank Merger Act (12 U.S.C. 1828(c)) be added to the Bank Holding Company Act so that (1) comments by a bank supervisory agency on a proposed acquisition of a bank or bank holding company in an emergency situation may be requested to be submitted in 10, rather than 30, days and in such situations the time delay for consummation would be 5 days instead of 30 days; and (2) the Board be authorized to waive the waiting periods and notice provisions entirely and to act immediately when it determines that this action is necessary to prevent the probable failure of a bank or bank holding company.

There is no apparent public policy consideration which argues for permitting, in certain situations, immediate consummation of bank mergers while prohibiting, in similar situations, the immediate consummation of a transaction under the Bank Holding Company Act. Consequently, the Board recommends that Congress extend the regulatory flexibility embodied in the Bank Merger Act to the Bank Holding Company Act.

The second recommendation deals with a related problem also caused by statutory inflexibility. Section 3(d) of the Bank Holding Company Act now prohibits the acquisition by a bank holding company of a bank located outside the State where the holding company's business is principally conducted, unless the acquisition is specifically sanctioned by the laws of the State in which the bank to be acquired is located. Except for Iowa, which has an extremely limited exception, no State has enacted a law specifically permitting such an acquisition. The net result is that section 3(d) effectively prohibits out-of-State acquisitions by a bank holding company *under any circumstances*.

We believe the Act should be modified to allow an acquisition by a bank holding company across State lines in certain emergency and failing bank situations where few or no purchasers can be found within the State. Again the case of Franklin National Bank is apposite.

The body of potential buyers of Franklin was limited by a number of legal constraints, the most significant being section 3(d) of the Act. Only banks or bank holding companies whose principal operations were within New York State were eligible to bid on Franklin. As it turned out, a small number of large banking institutions with appropriate financial and managerial resource were able to bid for Franklin, and the operation of section 3(d) did not prove to be a fateful constraint. As you know, European-American Bank and Trust Company emerged as high bidder.

If, however, the Board's current recommendation had been part of the law last summer, the number of potential bidders would have been significantly larger, and the process of finding a resolution to Franklin's problems could have been shortened considerably. Also, should a situation similar to Franklin arise in the future, one involving a large bank whose failure would have serious nationwide and international repercussions, then the restrictions of section 3(d) might well act to limit severely the ability of the supervisory agencies to find another banking institution capable of acquiring the problem bank. This would be particularly true if the problem bank were located in a State where a substantial number of potential acquirers were not already present. Moreover, the authority of the Board to approve applications for out-of-State acquisitions could permit the banking agencies to avoid resort to a highly anticompetitive acquisition within a State.

The proposed new section 3(f) would give the Board the authority to make exceptions to the multi-State prohibitions of section 3 (d) whenever the Board finds that an emergency requiring expeditious action exists with respect to a bank or bank holding company, or that it must act immediately in order to prevent the probable failure of a bank or bank holding company. However, the authority would be limited to cases involving a bank having assets in excess of $500,000,000 or a bank holding company controlling a bank having assets in excess of $500,000,000. There are three basic reasons for limiting this authority to situations where a large bank or a bank holding company controlling a large bank is involved: first, the failure of such a bank or bank holding company can have serious repercussions in national or international financial markets; secondly, there may be few, if any, prospective acquirers of such a bank or bank holding company within any State; and thirdly, the most likely in-State acquirer of such a bank or bank holding company may be another large bank or bank holding company, thus raising problems under the antitrust laws.

The Board would plan to use this authority only in cases where in its judgment the size or other special characteristics of a problem bank or bank holding company and the probable widespread effects of its failure warrant invoking an exception to the general policy set out in the present statute. In such a situation, it may be anticipated that the authority of the Board to approve applications for out-of-State acquisitions could increase substantially the number of potential acquirers, thus inducing a more competitive atmosphere by giving out-of-State institutions an unusual opportunity to enter a banking market otherwise foreclosed to them. As a result, it may be expected that the process of resolving emergency problems, such as Franklin, could be accelerated.

For example, under the proposed amendments, the Board could have approved the acquisition of Franklin by an out-of-State bank holding company, or even the acquisition of a part of Franklin's assets by an out-of-State holding company; for example, an out-of-State holding company could have organized a *de novo* bank to acquire some of Franklin's assets and to assume some of Franklin's liabilities. The proposed legislation thus gives the Federal banking authorities a good deal of flexibility in resolving problem bank situations in the public interest.

The proposed legislation also includes an amendment to section 7 of the Bank Holding Company Act. This amendment provides that once the Board approves a multi-State acquisition under the emergency or failing bank provisions, the State is required to allow the acquisition and the operation of the bank by the bank holding company regardless of any provisions of State law that would otherwise restrict the operations of the bank or bank holding company involved, unless the State law involved is one which prohibits multibank holding companies and consummation of the proposal would result in the applicant having more than one banking subsidiary in that State. This provision is necessary to deal with cases where a State statute might effectively prohibit an acquisition by an out-of-State bank holding company.

The draft bill embodying the Board's recommendations is attached, along with an enclosure showing the changes in existing law which our proposals would make.

In the Board's view, prompt enactment of these recommendations will provide the Board with desirable regulatory flexibility in dealing with the kinds of problems described above.

Sincerely yours,

ARTHUR F. BURNS.

By Mr. HARTKE:

S. 891. A bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 for the purpose of authorizing additional appropriations for programs authorized by those acts. Referred to the Committee on Agriculture and Forestry.

Mr. HARTKE. Mr. President, I am today introducing legislation extending the school breakfast, special food services and supplemental feeding for women, infants and children programs of the Department of Agriculture until September 30, 1977.

This legislation has been introduced in the House of Representatives by Congressman FRED RICHMOND of New York. I am very pleased to join him in this worthwhile proposal to help persons who so desperately need a basic nutritional diet.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 891

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 13(a)(1) of the National School Lunch Act (42 U.S.C. 1761(a)(1)) is amended by striking out "and June 30, 1975," and inserting in lieu thereof "June 30, 1975, June 30, 1976, and September 30, 1977,".

SEC. 2. Section 4(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(a)) is amended by striking out "and June 30, 1975," in the first sentence and inserting in lieu thereof "June 30, 1975, June 30, 1976, and September 30, 1977,".

SEC. 3. Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended—

(1) by striking out "and June 30, 1975," in the first sentence of subsection (a) and inserting in lieu thereof "June 30, 1975, June 30, 1976, and September 30, 1977,";

(2) by striking out "three-year" in the second sentence of subsection (a) and inserting in lieu thereof "five-year"; and

(3) by striking out the third sentence in subsection (b) and inserting in lieu thereof the following: "In order to carry out such program during the fiscal years ending June 30, 1975, June 30, 1976, and September 30, 1977, there is authorized to be appropriated the sum of $100,000,000 for each such fiscal year, but in the event that such sum has not been appropriated for such purpose by August 1, 1974, August 1, 1975, or August 1, 1976, respectively, the Secretary shall use $100,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose during the fiscal year concerned and $100,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c).".

By Mr. MAGNUSON (for himself, Mr. PASTORE, Mr. PEARSON, and Mr. GRIFFIN) (By request):

S. 893. A bill to amend certain provisions of the Communications Act of 1934 to provide long term financing for the Corporation for Public Broadcasting and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, since the enactment of the Public Broadcasting Act of 1967 the Senate Commerce Committee has awaited the submission of the long-range funding legislation that was to give the necessary stability to developing the full potential of public broadcasting. In spite of study after study and recommendation after recommendation, long-range legislation has been slow in being submitted to Congress. Early last year there appeared to be signs that such legislation would be forthcoming.

In June 1974 various reports were circulating in the general press that such a plan would be rejected by the President. I wrote to the President on June 25, 1974, and asked him if he was going to submit the legislation. If he was not to notify me within 30 days, so I could take appropriate steps.

In July the President submitted the long-range funding proposal. Hearings were held by the Senate Commerce Committee and the bill, S. 3825, was favorably reported and referred to the Senate Appropriation Committee. Unfortunately, in view of the lateness of the session there was not sufficient time to complete action.

I am therefore pleased, along with my colleagues Senator PASTORE, Senator PEARSON, and Senator GRIFFIN, to reintroduce the long-range funding legislation submitted by the President last week. It is my hope that the Congress will move expeditiously so that the legislation will be enacted in this session.

I ask unanimous consent that the various explanations submitted with the legislation be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT

The Administration today sent a bill to the Congress that will appropriate Federal funds for the Corporation for Public Broadcasting over a five-year period, starting with $70 million in fiscal 1976 and reaching $100 million by 1980. To assure that Federal support does not dominate public broadcasting and to encourage continued non-Federal contributions, the Federal funds would be provided on a matching basis—with one Federal dollar for every $2.50 in non-Federal revenues up to the annual ceiling.

Since enactment of the Public Broadcasting Act of 1967, the Federal Government has supported the growth and development of non-commercial educational radio and television through annual appropriations. During this time, public broadcasting has developed and matured into a far-reaching, effective medium for bringing high quality education and cultural programming to millions of Americans.

A recurring question in public broadcasting has been how to reconcile Government funding with the possibility of Government control. On the one hand, if Federal funds are used to support public broadcasting, the Government must be able to evaluate how the funds are spent. To do otherwise would be irresponsible. On the other hand, strict accountability by public broadcasting to the Government can lead to Government direction of programming, which is contrary to the principles of free expression on which our Nation was founded. It is this issue alone which requires that the Congress consider a five-year appropriation for public broadcasting.

This bill is a constructive approach to the sensitive relationship between Federal funding and freedom of expression. It would eliminate the scrutiny of programming that could be associated with the normal budgetary and appropriations processes of the Government. At the same time, it would still permit periodic review of public broadcasting by the Congress. I believe that it will assure the independence of non-commercial radio and television programming for our Nation; and, long-term Federal funding will add stability to the financing of public broadcasting which may enhance the quality of its programming I urge the Congress to enact it promptly.

OFFICE OF TELECOMMUNICATIONS POLICY,
Washington, D.C., February 13, 1975.
The VICE PRESIDENT,
U.S. Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: In enacting the the Public Broadcasting Act of 1967, the Congress declared that the development of educational broadcasting was an important and appropriate concern of the Federal Government. The Act authorized the creation of the Corporation for Public Broadcasting as a private, non-profit corporation for the purpose of facilitating the development of a system of non-commercial educational broadcasting that would be characterized by programming of diversity and excellence and to insulate programming from any extraneous interference or control that might derive from Federal financing. In addition, the Act stressed the preeminent role of local stations not only in serving the educational needs of their communities, but also in the nationwide structure of a public broadcast system built upon the principle of localism.

In order to strengthen that structure and enhance the concept of localism, I am submitting herewith for the consideration of the Congress a proposed revision of Section 396 and 397 of the Communications Act of 1934 pertaining to the Federal financing of the Corporation for Public Broadcasting and the entire educational broadcast system. The bill would create a five-year Federal financing plan for the Corporation, and would assure that a reasonable portion of Federal funds is distributed directly to local stations. Finally, the bill would expand the scope of the Public Broadcasting Act of 1967 to include the development and use of non-broadcast communications technologies for dissemination of educational radio and television programming. This draft bill is similar to the legislation which the Administration proposed to the 93rd Congress, except for provisions concerning the transition period between fiscal year 1976 and fiscal year 1977.

Enclosed are copies of the draft bill, a section-by-section analysis of the bill, a comparison with existing law, and a statement from the President urging prompt and careful consideration of this legislation by the Congress.

BACKGROUND

The establishment of a source of funding to provide long-term, insulated financing has long been seen as an essential goal if public broadcasting is to fulfill its potential of offering diverse and excellent educational radio and television programming, free of governmental influences. Even before the enactment of the Public Broadcasting Act of 1967, the Carnegie Commission on Educational Television, in recognition of the uniquely sensitive relationship between program content and Federal funding, recommended a plan of permanent financing that would insulate the Corporation and public broadcasting from possible pressures that might naturally result from the annual budgeting and appropriation process.

Since 1967, however, the Congress has quite properly chosen not to institute a long-range funding plan, in view of questions regarding the structure of the public broadcasting system and the policies of the Corporation and the Public Broadcasting Services (PBS). Now, many of these questions have been resolved. Public broadcasting is making important contributions to the nation's life by providing educational and cultural programs of diversity and excellence. The important role of local stations in the heirarchy of the system has been acknowledged in principles and policies adopted by the Corporation and the other national entities that represent local stations.

The time has come, therefore, to affirm the Federal commitment to the principle of public broadcasting with a long-term financing plan that acknowledges its progress and recognizes its potential. The bill the Administration submits today provides for a five-year authorization and appropriation covering fiscal years 1976 through 1980, building upon the current year authorization and appropriation, which continue the increases in funding for the Corporation over the past five years. This multi-year appropriation provision will minimize the possibility of any government scrutiny of or influence on programming that might occur in the course of the usual annual budgetary, authorization and appropriation process. In addition, it will enable the Corporation and local stations to undertake advance program planning with assurance as to the level of Federal funding available in the foreseeable future.

The authorization and appropriation of funds for the Corporation would be based upon matching fund principles that have worked successfully in providing both private foundation and government funds to public broadcasting in the past. There would be a 40 percent Federal match of the entire public broadcasting system's non-Federal income, so that $1.00 in Federal funds would be appropriated for every $2.50 received by the Corporation, stations and other public broadcasting entities in the form of private contributions and State and local government support. The matching formula would establish a Federal commitment to provide substantial suppport to the public broadcasting system while providing an incentive for encouraging continued and increased non-Federal support. The matching principle also assures that Federal assistance does not become a dominant force in the system; a risk that no one in public broadcasting or government is prepared to take. As an additional safeguard in this regard, the bill imposes ceilings on the permissible appropriation for each fiscal year, beginning at $70 million in fiscal year 1976 and reaching $100 million in fiscal year 1980. In view of the system's growth and development in recent years, these ceilings are sufficiently high to permit continued growth and still offer the system a meaningful incentive to increase non-Federal financial support in view of the record of non-Federal contributions in recent years. At the same time, the ceiling comports with sound fiscal policy in light of the fact that this would be the Congress' first venture into multi-year appropriations for public broadcasting.

Moreover, the Corporation would remain fully accountable to the public and to the Congress for its use of public funds, in that the bill requires that officials of the Corporation make themselves available for annual oversight hearings before appropriate congressional committees. Several existing provisions in the Public Broadcasting Act also assure continued public accountability. For example, the General Accounting Office is authorized to audit the books of the Corporation, as well as the records of any recipient of a grant from the confirmation by the Senate; and the ultimate safeguard, of course, is the congressional prerogative to amend the funding provisions of the Act at any time.

LOCAL STATION SUPPORT

The Public Broadcasting Act of 1967 emphasized the autonomy and independence of local non-commercial educational broadcast stations. This bill enhances that commitment to localism by assuring that a reasonable portion of each annual Federal appropriation to the Corporation would be earmarked for distribution to local educational broadcast stations. At an appropriation level of $70 million, the Corporation would be required to distribute no less than 40 percent of the total amount paid in any fiscal year of the Public Broadcasting Fund to the Corporation. The amount to be distributed to stations would increase to 50 percent at the $100 million appropriation level. It should be noted that the Corporation has already committed itself, in agreement with representatives of local television stations, to distribute greater amounts of its appropriations to local television stations, up to the $80 million level of appropriations.

The bill provides that all licensees and permittees of on-the-air non-commercial educational television stations would share equally in a basic grant, the amount of which would be determined by the Corporation in consultation with stations. A somewhat different distribution mechanism would be established for non-commercial educational radio stations. Many such stations are licensed to educational institutions for purposes of training students in broadcasting, and do not render a service to the general public. Accordingly, the bill provides that only those radio stations that are eligible under public interest criteria established by the Corporation would receive financial assistance, although each such eligible station would receive a basic grant.

Grants in excess of the basic amount would be distributed among television stations, and all grants would be distributed among radio stations, under eligibility criteria established by the Corporation in consultation with stations. At present, the Corporation determines local station eligibility to receive similar grants on the basis of factors such as hours of operation, staffing levels and opertaing budgets. We contemplate that such eligibility standards would continue to be used.

The additional grants would be apportioned among eligible recipients according to a formula designed to (a) stimulate non-Federal financial support and (b) provide for the financial needs of stations in relation to the communities and audiences they undertake to serve. The bill does not prescribe a precise formula, but rather sets forth the two objectives that the formula is to achieve. The precise details of the formula, as well as the respective weights assigned to the two objectives, would also be determined by the Corporation in consultation with stations in much the same way that the Corporation presently administers the formula used for distribution of operating funds grants, known as Community Service Grants, to local radio and TV stations.

In accordance with the first objective, the formula would provide incentives for stations to increase their non-Federal income. Matching grants might be awarded for increases in non-Federal support, or grants might be distributed on the basis of each station's proportionate share of the non-Federal income of all stations. Stations might also be rewarded for increasing the proportion of viewers or listeners subscribing to the stations, in relation to total potential viewership or listenership.

The second factor in the formula is intended to assure that the distribution of public funds to stations bears a direct relationship to the public service rendered by stations. It is intended to encompass both actual and potential service. Thus, the fact that stations in larger markets are generally capable of providing service to more members of the public than a station in a smaller market should be reflected in the formula. Similarly, the extent to which a station's program service actually reaches the public over the course of a year should also be taken into account.

It should be apparent from this discussion that the bill assures that licensees and permittees of local stations would play a substantial role in the decision-making processes regarding the distribution of Federal funds to stations. The Corporation would be required to consult with licensees and permittees, including their authorized representatives, in apportioning the funds between radio and television, determining the amount of the basic grant to stations, establishing eligibility criteria for radio stations and for distribution of grants to television stations in excess of basic grants, and establishing the formula for apportioning funds among stations.

Licensees and permittees may use these funds for any educational radio or television programming purpose (including payment of dues or assessments to membership organizations who represent the interests of stations), the purchase, acquisition or maintenance of broadcast facilities and real property used with such facilities, and the procurement of regional or national program distribution services, that make programs available for broadcast at times chosen by the stations. Existing provisions of the Public Broadcasting Act of 1967 would require stations to keep records regarding the application of these funds, and would permit the Corporation and the General Accounting Office to audit and examine such records.

NEW TECHNOLOGY

In addition to providing for the long-term financing of the Corporation and the entire public broadcast system, the bill would update the Public Broadcasting Act of 1967 by including within its scope new technologies, such as cable and communications satellites, which may provide additional methods for disseminating educational radio and television programming to the public. The bill would permit stations to use the Federal funds distributed to them by the Corporation for the development of non-broadcast technologies and would also authorize the Corporation to conduct research, demonstrations or training in the use of such technologies for disseminating educational programming.

The Office of Management and Budget advises that the enactment of the proposed legislation would be in accord with the program of the President.

A similar letter is being sent to the President of the Senate.

Sincerely,

JOHN EGER,
Acting Director.

"PUBLIC BROADCASTING FINANCING ACT OF 1975"

SUMMARY AND SECTIONAL ANALYSIS

This bill has three principal purposes relating to the Corporation for Public Broadcasting and the system of non-commercial educational radio and television stations:

(1) to provide long-term Federal financing for the Corporation for Public Broadcasting by means of a five-year authorization and appropriation;

(2) to assure that a reasonable portion of Federal funds is distributed directly to local non-commercial educational broadcast stations; and

(3) to expand the scope of the Public Broadcasting Act of 1967 to include the development and use of non-broadcast communications technologies for the distribution and dissemination of educational radio and television programming.

SECTION-BY-SECTION ANALYSIS

Section 1. Subsection 396(k) is amended to establish a five-year Federal financing plan for the Corporation for Public Broadcasting and to assure that a reasonable portion of the funds appropriated to the Corporation is distributed directly to local stations.

Paragraph (3) of Subsection 396(k) would establish a "Public Broadcasting Fund" in the Treasury, to which there would be authorized for appropriation, for fiscal years 1976–1980, amounts equal to 40 percent of the total non-Federal financial support received by public broadcasting entities during each second-preceding fiscal year. A one-year time lag is necessary to accumulate the information for determining the amount on which the 40 percent match would be based. The three-month period between July 1, 1976 and September 30, 1976, which is the transition period between the July 1 Federal fiscal year and the new October 1 fiscal year, is treated as a separate authorization period pursuant to section 502(a) of P.L. 93–344. The basis for the 40 percent match for this three-month period is one-fourth of the non-Federal contributions to public broadcasting during fiscal year 1975. The appropriation for each fiscal year could not exceed the following ceilings: $70 million in fiscal year 1976; $80 million in fiscal year 1977; $90 million in fiscal year 1978; $95 million in fiscal year 1979; and $100 million in fiscal year 1980. Finally, the appropriation for the three-month transition period could not exceed $17.5 million.

Paragraph (4) would appropriate to the Public Broadcasting Fund the amounts authorized by paragraph (3). Amounts appropriated to the Fund would remain available until expended and would be used solely for the expenses of the Corporation. This paragraph also sets forth the procedure whereby the amounts appropriated each year would be disbursed from the Public Broadcasting Fund to the Corporation. The Corporation would be required to determine the amount of non-Federal financial support received by public broadcasting entities during each second preceding year, and to certify that amount to the Treasurer of the United States. The Treasurer, upon receipt of such certification, would pay from the Fund to the Corporation the amount of the appropriation, *i.e.*, 40 percent of the certified non-Federal income or the statutory ceiling, whichever is less.

Paragraph (5) would require the Corporation to set aside a specified percentage of the appropriated funds for distribution to on-the-air non-commercial educational broadcast stations. The statutory percentage for distribution to stations would be 40 percent for the fifteen month period from July 1, 1975 to September 30, 1976 and in any fiscal year in which the appropriation was $70 million or more but less than $90 million; 45 percent at an appropriation level of $90 million or more but less than $100 million; and 50 percent at an appropriation level of $100 million. The statutory percentage is expressed as a minimum, so that the Corporation could reserve a greater amount than that specified in the bill.

Paragraph (6) sets forth the method for distributing the funds reserved pursuant to paragraph (5). The Corporation would be required to establish, and review annually, after consultation with the licensees and permittees of on-the-air educational stations, criteria and conditions for the distribution of these funds. In each fiscal year, the Corporation would be required to divide the funds into two portions, one to be distributed to television stations and one to be distributed to radio stations. Each licensee or permittee of an on-the-air educational television station would receive a basic grant from the portion reserved for television.

The amount of this basic grant would be the same for each station, and would be determined annually by the Corporation in consultation with stations. The balance of the amount reserved for television stations would be distributed among licensees and permittees of such stations as are eligible to receive additional grants under criteria established by the Corporation in consultation with stations. These additional grants would be apportioned among eligible stations on the basis of a formula designed to (a) provide for the financial needs of stations in relation to the communities and audiences they undertake to serve and (b) stimulate non-Federal financial support for station activities. The bill does not prescribe a precise formula for the distribution of additional grants, but rather states these two objectives that the formula is to achieve. The details of the formula, as well as the weight assigned to each factor, would be determined by the Corporation in consultation with stations.

A somewhat different distribution mechanism is established for non-commercial educational radio stations. Many such stations are licensed to educational institutions for purposes of training students in broadcasting and do not render a direct service to the general public. Accordingly, only those stations that are eligible according to public interest criteria established by the Corporation would receive grants from the portion of funds reserved for distribution to radio stations. The bill does provide, however, that each such eligible radio station would receive a basic grant. As with television stations, funds in addition to the basic grant would be distributed to eligible radio stations according to a formula that would stimulate non-Federal income and reflect the needs of stations in relation to the audiences they serve.

The bill assures that licensees and permittees of stations would play a significant role in the decision-making processes relating to distribution of funds to stations. The Corporation would be required to consult with licensees and permittees (including their authorized representatives) in (a) apportioning the funds between radio and television, (b) determining the amount of the basic grant to stations, (c) establishing eligibility criteria for radio stations and for additional grants to televsion stations, and (d) establishing the formula for apportioning additional grants among stations, including the right to be assigned to the statutory objectives of stimulating non-Federal income and reflecting the needs of stations in relation to the audiences they serve.

In order to assure that Federal funds do not become a dominant factor in the financing of stations, this paragraph also provides that the funds distributed according to this subsection may not exceed, in any fiscal year, one-half of a licensee's total non-Federal financial support during the fiscal year second preceding the fiscal year in which the distribution is made. This limitation would apply to grants made by the Corporation under developmental programs designed to meet special needs of particular stations.

Paragraph (7) provides that the funds distributed to stations may be used at their discretion for purposes related to the provision of non-commercial educational television and radio programming. Several examples of such purposes are set forth, including: producing, broadcasting or otherwise disseminating educational television or radio programs; procuring national or regional program distribution services that make educational television or radio programs available for broadcast or other dissemination at times chosen by stations; acquiring, replacing, and maintaining facilites, and real property used with facilities, for the production, broadcast or other dissemination of educational television and radio programs; developing and using non-broadcast communications technologies (such as cable television and communications satellites) for educational television or radio programming purposes.

This list of purposes for which funds may be used by stations is not meant to be exhaustive. For example, although not specifically mentioned, it is intended that these funds could be used for the payment of dues or assessments to organizations which represent the interests of stations. One purpose for listing several typical uses of the funds is to make it clear that stations may undertake the development and use of non-broadcast methods of transmitting programs to the public. In this regard, the term "dissemination" is intended to mean delivery of programs to viewers and listeners by means of non-broadcast technologies.

Section 2. Subsection 396(g)(2)(H) is amended to permit the Corporation to conduct research, demonstrations, or training in the use of non-broadcast communications technologies, as discussed above, for the dissemination of educational television or radio programs.

Section 3. A provision is added to subsection 396(i) of the Act, which pertains to the annual report of the Corporation. The new provision states that the officers and directors of the Corporation shall be available to testify annually before appropriate committees of the Congress with respect to the annual report of the Corporation and with respect to the report of any audit made by the Comptroller General pursuant to subsection 396(*l*) of the Act. Even with long-term Federal financing, the Corporation remains fully accountable to the public and to the Congress for its use of public funds. In view of the multi-year appropriation provision of the bill, this addition will provide the opportunity for annual Congressional review of the Corporation and its activities.

Section 4. The provision in the bill for appropriations amounting to 40 percent of the non-Federal income of public broadcasting entities and the limitation on the amount of funds that may be distributed to a station, expressed as a percentage of non-Federal income, necessitate the inclusion of two new definitions in the Act.

The term "public broadcasting entity" is defined to mean the Corporation for Public Broadcasting, any licensee or permittee of a noncommercial educational broadcast station, and any nonprofit institution engaged primarily in the production, acquisition, distribution or dissemination of educational television or radio programs. Examples of the latter category include program production organizations, such as the Children's Television Workshop, and organizations providing program distribution services to stations such as the Public Broadcasting Service and National Public Radio.

The term "non-Federal financial support" is defined to mean the total value of cash and fair market value of property and services (except for personal services of volunteers) received as gifts, grants, bequests, donations, or other contributions for the construction or operation of non-commercial educational broadcast stations, or for the production, acquisition, distribution or dissemination of educational television or radio programs and related activities. The definition includes such funds received from any source other than (1) the Federal Government or (2) any public broadcasting entity. The latter exception is intended to eliminate the double counting of funds circulated within the public broadcasting system. Thus, for example, income from a non-Federal source received in the first instance by a national public broadcasting organization and then distributed to stations or other public broadcasting entities would be counted only once.

In addition, the term is defined to include income received for public broadcasting purposes from State and local governments and educational institutions, as well as contract payments from such entities in exchange for services or materials relating to the provision of educational or instructional television or radio programs. Excluded from the definition are contract payments for such services from sources other than State and local governments and educational institutions, as well as contract payments in exchange for commercial services which might be provided by public broadcasting entities.

Public Broadcasting Financing Act of 1975 Comparison With Existing Law

Subpart B—Corporation for Public Broadcasting

Sec. 396. Corporation for Public Broadcasting—Congressional Declaration Policy

(a) The Congress hereby finds and declares—

(1) that it is in the public interest to encourage the growth and development of noncommercial educational radio and television broadcasting, including the use of such media for instructional purposes;

(2) that expansion and development of noncommercial educational radio and television broadcasting and of diversity of its programming depend on freedom, imagination, and initiative on both the local and national levels;

(3) that the encouragement and support of noncommercial educational radio and television broadcasting, while matters of importance for private and local development, are also of appropriate and important concern to the Federal Government;

(4) that it furthers the general welfare to encourage noncommercial educational radio and television broadcast programming which will be responsive to the interests of people both in particular localities and throughout the United States, and which will constitute an expression of diversity and excellence;

(5) that it is necessary and appropriate for the Federal Government to complement, assist, and support a national policy that will most effectively make noncommercial educational radio and television service available to all the citizens of the United States;

(6) that a private corporation should be created to facilitate the development of educational radio and television broadcasting and to afford maximum protection to such broadcasting from extraneous interference and control.

(b) There is authorized to be established a nonprofit corporation, to be known as the "Corporation for Public Broadcasting," which will not be an agency or establishment of the United States Government. The Corporation shall be subject to the provisions of this section, and, to the extent consistent with this section, to the District of Columbia of Columbia Nonprofit Corporation Act.

(c) (1) The Corporation shall have a Board of Directors (hereinafter in this section referred to as the "Board"), consisting of fifteen members appointed by the President, by and with the advice and consent of the Senate. Not more than eight members of the Board may be members of the same political party.

(2) The members of the Board (A) shall be selected from among citizens of the United States (not regular fulltime employees of the United States) who are eminent in such fields as education, cultural and civic affairs, or the arts, including radio and television; (B) shall be selected so as to provide as nearly as practicable a broad representation of various regions of the country, various professions and occupations, and various kinds of talent and experience appropriate to the functions and responsibilities of the Corporation.

(3) The members of the initial Board of Directors shall serve as incorporators and shall take whatever actions are necessary to establish the Corporation under the District of Columbia Nonprofit Corporation Act.

(4) The term of office of each member of the Board shall be six years; except that (A) any member appointed to fill a vacancy occuring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (B) the terms of office of members first taking office shall begin on the date of incorporation and shall expire, as designated at the time of their appointment, five at the end of two years, five at the end of four years, and five at the end of six years. No member shall be eligible to serve in excess of two consecutive terms of six years each. Notwithstanding the preceding provisions of this paragraph, a member whose term has expired may serve until his successor has qualified.

(5) Any vacancy in the Board shall not affect its power, but shall be filled in the manner in which the original appointments were made.

(d) (1) The President shall designate one of the members first appointed to the Board as Chairman; thereafter the members of the Board shall annually elect one of their number as Chairman. The members of the Board shall also elect one or more of them as a Vice Chairman or Vice Chairmen.

(2) The members of the Board shall not, by reason of such membership, be deemed to be employees of the United States. They shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Board pursuant to this subpart be entitled to receive compensation at the rate of $100 per day including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized by law (section 5703 of Title 5) for persons in the Government service employed intermittently.

(e) (1) The Corporation shall have a President, and such other officers as may be named and appointed by the Board for terms and at rates of compensation fixed by the Board. No individual other than a citizen of the United States may be an officer of the Corporation. No officer of the Corporation, other than the Chairman and any Vice Chairman, may receive any salary or other compensation from any source other than the Corporation during the period of his employment by the Corporation. All officers shall serve at the pleasure of the Board.

(2) Except as provided in the second sentence of subsection (c)(1) of this section, no political test or qualification shall be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, and employees of the Corporation.

(f) (1) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

(3) The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

(g) (1) In order to achieve the objectives and to carry out the purposes of this subpart, as set out in subsection (a) of this section, the Corporation is authorized to—

(A) facilitate the full development of educational broadcasting in which programs of high quality, obtained from diverse sources, will be made available to noncommercial educational television or radio broadcast stations, with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature;

(B) assist in the establishment and development of one or more systems of interconnection to be used for the distribution of educational television or radio programs so that all noncommercial educational television or radio broadcast stations that wish to may broadcast the programs at times chosen by the stations;

(C) assist in the establishment and development of one or more systems of noncommercial education television or radio broadcast stations throughout the United States;

(D) carry out its purposes and functions and engage in its activities in ways that will most effectively assure the maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities.

(2) Included in the activities of the Corporation authorized for accomplishment of the purposes set forth in subsection (a) of this section, are, among others not specifically named—

(A) to obtain grants from and to make contracts with individuals and with private, State, and Federal agencies, organizations, and institutions;

(B) to contract with or make grants to program production entities, individuals, and selected noncommercial educational broadcast stations for the production of, and otherwise to procure, educational television or radio programs for national or regional distribution to noncommercial educational broadcast stations;

(C) to make payments to existing and new noncommercial educational broadcast stations to aid in financing local educational television or radio programming costs of such stations, particularly innovative approaches thereto, and other costs of operation of such stations;

(D) to establish and maintain a library and archives of noncommercial educational television or radio programs and related materials and develop public awareness of and disseminate information about noncommercial educational television or radio broadcasting by various means, including the publication of a journal;

(E) to arrange, by grant or contract with appropriate public or private agencies, organizations, or institutions, for interconnection facilities suitable for distribution and transmission of educational television or radio programs to noncommercial educational broadcast stations;

(F) to hire or accept the voluntary services of consultants, experts, advisory boards, and panels to aid the Corporation in carrying out the purposes of this section;

(G) to encourage the creation of new noncommercial educational broadcast stations in order to enhance such service on a local, State, regional, and national basis;

(H) conduct (directly or through grants or contracts) research, demonstrations, or training in matters related to noncommercial educational television or radio broadcasting [.] *and the use of nonbroadcast com-*

munications technologies for the dissemination of educational television or radio programs.

(3) To carry out the foregoing purposes and engage in the foregoing activities, the Corporation shall have the usual powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act, except that the Corporation may not own or operate any television or radio broadcast station, system, or network, community antenna television system, or interconnection or program production facility.

(h) Nothing in this chapter or in any other provision of law shall be construed to prevent United States communications common carriers from rendering free or reduced rate communications interconnection services for noncommercial educational television or radio services, subject to such rules and regulations as the Federal Communications Commission may prescribe.

(i) The Corporation shall submit an annual report for the preceding fiscal year ending June 30 to the President for transmittal to the Congress on or before the 31st day of December of each year. The report shall include a comprehensive and detailed report of the Corporation's operations, activities, financial condition, and accomplishments under this section and may include such recommendations as the Corporation deems appropriate. *The officers and directors of the Corporation shall be available to testify annually before appropriate committees of the Congress with respect to such report and with respect to the report of any audit made by the Comptroller General pursuant to subsection 396(l)*

(j) The right to repeal, alter, or amend this section at any time is expressly reserved.

(k) (1) There are authorized to be appropriated for expenses of the Corporation $50,000,000 for the fiscal year ending June 30, 1974, and $60,000,000 for the fiscal year ending June 30, 1975.

(2) In addition to the sums authorized to be appropriated by paragraph (1) of this subsection, there are authorized to be appropriated for payment to the Corporation for each fiscal year during the period July 1, 1970, to June 30, 1975, amounts equal to the amount of total grants, donations, bequests, or other contributions (including money and the fair market value of any property from non-Federal sources received by the Corporation under subsection (g) (2) (A) of this section during such fiscal year; except that the amount appropriated pursuant to this paragraph for any fiscal year may not exceed $5,000,000.

(3) There is hereby established in the Treasury a fund which shall be known as the 'Public Broadcasting Fund,' administered by the Secretary of the Treasury. There are authorized to be appropriated to said Fund for each of the fiscal years during the period beginning July 1, 1975, and ending September 30, 1980, an amount equal to forty (40) percent of the total amount of non-Federal financial support received by public broadcasting entities during the fiscal year second preceding each such fiscal year, and for the period July 1, 1976 through September 30, 1976 an amount equal to ten (10) percent of the total amount of non-Federal financial support received by public broadcasting entities during the fiscal year ending June 30, 1974; Provided, however, that the amount so appropriated shall not exceed $70,000,000 for the fiscal year ending June 30, 1976; $17,500,000 for the period July 1, 1976 through September 30, 1976; $80,000,000 for the fiscal year ending September 30, 1977; $90,000,000 for the fiscal year ending September 30, 1978; $95,000,000 for the fiscal year ending September 30, 1979; and $100,000,000 for the fiscal year ending September 30, 1980.

(4) There are hereby appropriated to the Public Broadcasting Fund, out of any moneys in the Treasury not otherwise appropriated, for each of the fiscal years during the period beginning July 1, 1975, and ending September 30, 1980, and for the period July 1, 1976 through September 30, 1976, such amounts as are authorized to be appropriated by paragraph (3) of this subsection, which shall remain available until expended. Such funds shall be used solely for the expenses of the Corporation. The Corporation shall determine the amount of non-Federal financial support received by public broadcasting entities during each of the fiscal years indicated in paragraph (3) of this subsection for the purpose of determining the amount of each authorization, and shall certify such amount to the Secretary of the Treasury. Upon receipt of such certification, the Secretary of the Treasury shall disburse from the Public Broadcasting Fund the amount appropriated to the Fund for each of the fiscal years and for the period July 1, 1976 through September 30, 1976 pursuant to the provisions of this subsection.

(5) The Corporation shall reserve for distribution among the licensees and permittees of non-commercial educational broadcast stations that are on-the-air an amount equal to not less than forty (40) percent of the funds disbursed to the Corporation from the Public Broadcasting Fund during the period July 1, 1975 through September 30, 1976 and in each fiscal year in which the amount disbursed is $70,000,000 or more but less than $90,000,000; not less than forty-five (45) percent in each fiscal year in which the amount disbursed is $90,000,000 or more but less than $100,000,000; and not less than fifty (50) percent in each fiscal year in which the amount disbursed is $100,000,000.

(6) The Corporation shall, after consultation with the licensees and permittees of non-commercial educational broadcast stations that are on-the-air, establish, and review annually, criteria and conditions regarding the distribution of funds reserved pursuant to paragraph (5) of this subsection, as set forth below:

(A) The total amount of funds shall be divided into two portions, one to be distributed among radio stations, and one to be distributed among television stations. The Corporation shall make a basic grant from the portion reserved for television stations to each licensee and permittee of a non-commercial educational television station that is on-the-air. The balance of the portion reserved for radio stations shall be distributed to licensees and permittees of such stations in accordance with eligibility criteria that promote the public interest in non-commercial educational broadcasting, and on the basis of a formula designed to:

(i) provide for the financial needs and requirements of stations in relation to the communities and audiences such stations undertake to serve;

(ii) maintain existing, and stimulate new, sources of non-Federal financial support for stations by providing incentives for increases in such support; and

(iii) assure that each eligible licensee and permittee of a non-commercial educational radio station receives a basic grant.

(B) No distribution of funds pursuant to this subsection shall exceed, in any fiscal year, one-half of a licensee's or permittee's total non-Federal financial support during the fiscal year second preceding the fiscal year in which such distribution is made.

(7) Funds distributed pursuant to this subsection may be used at the discretion of stations for purposes related to the provision of educational television and radio programming, including but not limited to: producing, acquiring, broadcasting or otherwise disseminating educational television or radio programs; procuring national or regional program distribution services that make educational television or radio programs available for broadcast or other dissemination at times chosen by stations; acquiring, replacing, and maintaining facilities, and real property used with facilities, for the production, broadcast or other dissemination of educational television and radio programs; developing and using non-broadcast communications technologies for educational television or radio programming purposes.

(1) (1) (A) The accounts of the Corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents and custodians shall be afforded to such person or persons.

(B) The report of each such independent audit shall be included in the annual report required by subsection (i) of this section. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Corporation's assets and liabilities, surplus or deficit, with an analysis of the changes therein during the year, supplemented reasonable detail by a statement of the Corporation's income and expenses during the year, and a statement of the sources and application of funds, together with the independent auditor's opinion of those statements.

(2) (A) The financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. Any such audit shall be conducted at the place or places where accounts of the Corporation are normally kept. The representative of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation pertaining to its financial transactions and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers and property of the Corporation shall remain in possession and custody of the Corporation.

(B) A report of each such audit shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform Congress of the financial operations and condition of the Corporation, together with such recommendations with respect thereto as he may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President, to the Secretary, and to the Corporation at the time submitted to the Congress.

(3) (A) Each recipient of assistance by grant or contract, other than a fixed price contract awarded pursuant to competitive bidding procedures, under this section shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and

the amount and nature of that portion of the costs of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(B) The Corporation or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this section. The Comptroller General of the United States or any of his duly authorized representatives shall also have access thereto for such purpose during any fiscal year for which Federal funds are available to the Corporation.

SEC. 397. DEFINITIONS

For the purposes of sections 390–399 of this title—

(1) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(2) The term "construction," as applied to educational television broadcasting facilities, or educational radio broadcasting facilities means the acquisition and installation of transmission apparatus (including towers, microwave equipment, boosters, translators, repeaters, mobile equipment, and video-recording equipment, as the case may be, including apparatus which may incidentally be used for transmitting closed circuit television programs, but does not include the construction or repair of structures to house such apparatus. In the case of apparatus the acquisition and installation of which is so included, such term also includes planning therefor.

(3) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(4) The terms "State educational television agency" and "State educational radio agency" mean, with respect to television broadcasting and radio broadcasting, respectively, (A) a board or commission established by State law for the purpose of promoting such broadcasting within a State, (B) a board or commission appointed by the Governor of a State for such purpose if such appointment is not inconsistent with State law, or (C) a State officer or agency responsible for the supervision of public elementary or secondary education or public higher education within the State which has been designated by the Governor to assume responsibility for the promotion of such broadcasting; and, in the case of the District of Columbia, the term "Governor" means the Board of Commissioners of the District of Columbia and, in the case of the Trust Territory of the Pacific Islands, means the High Commissioner thereof.

(5) The term "nonprofit" as applied to any foundation, corporation, or association, means a foundation, corporation, or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(6) The term "Corporation" means the Corporation authorized to be established by subpart B of this part.

(7) The term "noncommercial educational broadcast station" means a television or radio broadcast station, which (A) under the rules and regulations of the Federal Communications Commission in effect on the date of enactment of the Public Broadcasting Act of 1967, is eligible to be licensed or is licensed by the Commission as a noncommercial educational radio or television broadcast station and which is owned and operated by a public agency or nonprofit private foundation, corporation, or association or (B) is owned and operated by a municipality and which transmits only noncommercial programs for educational purposes.

(8) The term "interconnection" means the use of microwave equipment, boosters, translators, repeaters, communication space satellites, or other apparatus, or equipment for the transmission and distribution of television or radio programs to noncommercial educational television or radio broadcast stations.

(9) The term "educational television or radio programs" means programs which are primarily designed for educational or cultural purposes.

(10) The term "non-Federal financial support" means the total value of cash and the fair market value of property and services (except for personal service of volunteers) received—

(A) as gifts, grants, bequests, donations, or other contributions for the construction or operation of non-commercial educational broadcast stations, or for the production, acquisition, distribution or dissemination of educational television or radio programs, and related activities, from any source other than (i) the United States or any agency or establishment thereof, or (ii) any public broadcasting entity; or

(B) as gifts, grants, donations, contributions or payments from any State, any agency or political subdivision of a State, or any educational institution for the construction or operation of non-commercial educational broadcast stations or for the production, acquisition, distribution or dissemination of educational television or radio programs, or payments in exchange for services or materials respecting the provision of educational or instructional television or radio programs.

(11) The term "public broadcasting entity" means the Corporation, any licensee or permittee of a non-commercial educational broadcast station, or any nonprofit institution engaged primarily in the production, acquisition, distribution or dissemination of public television and radio programs.

By Mr. HUMPHREY:

S. 894. A bill to establish a universal food service program for children. Referred to the Committee on Agriculture and Forestry.

A UNIVERSAL CHILD NUTRITION PROGRAM

Mr. HUMPHREY. Mr. President, I am today introducing the Child Nutrition Act of 1975, a bill to establish a universal food service and nutrition education program for children.

This is a truly comprehensive bill. It would provide that every child attending a school or child care program would receive at least one nutritious meal a day without cost. The same child who is now entitled to free transportation to school, free textbooks, and free instruction in all manner of subjects would be likewise entitled to a free lunch at school.

At this time, the President is proposing a program of block grants for financing school and child feeding programs for only those children whose family incomes are below the poverty level. This, of course, means the Federal financial assistance for school lunches now purchased by those children whose families have incomes above the poverty level would be completely terminated. It is estimated that this alone would probably result in 7 to 10 million paying students dropping out of the school lunch program.

In addition, in my judgment, the President's proposal would further—not lessen—economic segregation and discrimination in our Nation's schools.

For these reasons, I have described Mr. Ford's program as the "anti" Child Food Assistance Act of 1975.

While I am the first to admit that our Nation's school and child nutrition programs need improvement, the President's proposal does not provide for such improvement. The President proposes to abandon nearly 30 years of general progress that we have made in these national child nutrition programs. And it even poses a threat to the nutritional standards now established for poor children. Under the President's proposal, each State could set its nutritional standards, with a maximum not to exceed one-third of a child's recommended daily allowance—RDA.

Existing standards under the National School Lunch and Child Nutrition Acts provide that one-fourth of a child's RDA be met through the school breakfast program and one-third be met through the school lunch.

Furthermore, the importance of good nutrition can be seen in the impact it has on the ability of students to learn, to maintain better health, to reduce absenteeism, and lower the dropout rate.

There is little question that the teaching of the principles of good nutrition has been largely neglected in the Nation's educational system. We find poor diets or less than adequate diets prevalent in all segments of the population, regardless of income. To correct the situation, there is an urgent need to incorporate nutrition education in various phases of the educational system. It need not be a separate course of instruction but can be given appropriate attention in hygiene class, the home economics class, geography class, or physical education.

Clearly, it is time that Congress should express national leadership in stimulating and encouraging a positive program to eliminate one major cause of poor nutrition—simple ignorance of the basic principles of good nutrition and its importance to good health.

The bill I am introducing today takes the long-overdue full stride to establish a truly universal school food and nutrition education program.

Among its chief provisions, this bill would—

Provide for pilot programs in at least 10 school systems during the first year the act was in effect.

Establish a National Advisory Council on Child Nutrition, composed of 19 members from all phases of the school nutrition field, including State and local program administrators, parents and students, and representatives of the Department of Agriculture.

Provide $200 million per year for agricultural commodity purchases to be distributed through the program, and $100 million for school food service equipment and facilities.

Provide for establishment of child nutrition education services within each State education agency, as part of a full-scale nationwide program to teach our children about proper food and nutrition.

Provide the mechanics for the universal free school lunch program itself, in all public schools and to the greatest extent possible in the private, nonprofit schools as well.

I intend to make sure that we do not accept the administration's proposed full retreat from responsibility.

Beyond preventing the administration from wrecking the school lunch program I plan to press again for consideration of my universal Child Nutrition Act in this session of Congress. If President Ford wants to streamline some of these programs, he can do so by joining with me in urging prompt enactment of my universal program.

Passage of my bill would eliminate once and for all the degrading procedure of singling out certain children as being eligible for a free lunch, and certain other children as eligible for a reduced price lunch, while still others, because of higher family incomes, are required to pay the full price.

In this procedure we are, in effect, requiring school officials to perform a welfare function when their real business is education. And the paperwork and administrative costs of sending out application forms to all parents, and processing and evaluating the applications, has become enormously time-consuming and expensive.

The first major purpose of the bill, therefore, is to provide that all children have access to the food they need for good nutrition and good health.

The second purpose of the bill, and equally important, is to provide for the establishment of a sound nutrition education program in all of our schools across the country.

It has been well established by health and nutritional experts from throughout this country, based upon scientific studies and surveys, that income alone is no guarantee of good child nutrition.

Many schoolchildren from middle-class families, who would benefit from the program, look down on it because it is sometimes described as being for the poor.

The Administration's "block grant" proposal would encourage looking at this program as one strictly for children from poverty circumstances.

However, in a vast majority of schools, the poverty program alone would not support a viable school food-service operation. With meal prices soaring to 80 cents and higher, pupil participation would be forced down dramatically.

The unit cost of production would rise as the volume of meals declined. Consequently, many school food-service programs would close completely, depriving even the poverty child of school meals.

It is tragic that just at the time of the Nation's dawning comprehension of the relationship between nutrition and health; just at the time of documented proof of the relationship between nutrition and learning; just at the time of growing public acceptance of food and nutrition as a contributing factor to the quality of life, the administration proposes to turn its back on 30 years of progress in child nutrition.

The proposal also imposes additional hardship on middle-income America. It makes the poverty child more aware of his poverty, and deprives many other children of enough to eat.

At a time when the middle-class taxpayer is struggling to pay his own bills, fight inflation and recession, and struggling to help pay the bill for less fortunate Americans, this modest assistance with school meals is taken away.

At a time when the President proposes a tax rebate to help middle-income America, it is ironic that he recommends what is in effect a head tax of $54 per child per year.

These proposals are a calamity. How mixed up the Nation's priorities appear to be when the proposed national budget calls for expenditures of $1 billion per day and denies 60 percent of the Nation's children a few pennies a day for food—an essential part of an equal educational opportunity.

What better time than now to reaffirm the Nation's dedication to an improved educational opportunity for all children? What better time than now to establish a universal school food service program?

It is time the Nation once and for all accepted responsibility for the nutritional well-being for children while they are at school.

The Nation has an opportunity to meet with compassion and vision the needs of our children, and lend a helping hand to them while strengthening a faltering economy.

Mr. President, I ask unanimous consent that the text of my bill to establish a universal food service program for children be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 894

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Nutrition Act of 1975".

FINDING AND DECLARATION OF POLICY

SEC. 2. (a) The Congress hereby finds that (1) the proper nutrition of the Nation's children is a matter of highest priority, (2) there is a demonstrated relationship between the intake of food and good nutrition and the capacity of children to develop and learn, (3) the teaching of the principles of good nutrition in schools has been seriously inadequate, as evidenced by the existence of poor or less than adequate diets at all levels of family income, (4) any procedure or "means test" to determine the eligibility of a child for a free or reduced-price meal is degrading and injurious both to the child and his parents, and (5) the National school lunch and related child nutrition programs, while making significant contributions in the field of applied nutrition research, are not, as presently constituted, capable of achieving the goal of good nutrition for all children.

(b) It is hereby declared to be the policy of Congress to assure adequate nutrition offerings for the Nation's children, to encourage the teaching of the principles of good nutrition as an integral part of food service programs for children, and to strengthen State and local administration of food service programs for children. It is further declared to be the policy of Congress that food service programs conducted under this Act be available to all children on the same basis without singling out or identifying certain children as different from their classmates.

ESTABLISHMENT OF THE UNIVERSAL FOOD SERVICE PROGRAM FOR CHILDREN

SEC. 3. The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to formulate and administer cooperatively with the State educational agencies, a universal food service program for children in schools of high school grade and under and in service institutions conducting programs for the benefit of all children. Such a program shall be conducted as an integral part of over all educational efforts to improve the knowledge of the principles of good nutrition among participating children. To the fullest extent practicable, the Secretary shall utilize the available services and expertise of other Federal departments, State educational agencies, and private organizations concerned with nutrition and nutrition education in the formulation of program requirements and regulations. The program shall be so designed as to provide each child an equal opportunity to participate on the same basis as all other children with no discrimination as to time or place of serving or types and amounts of foods offered.

APPROPRIATIONS AUTHORIZED

SEC. 4. For each fiscal year there are hereby authorized to be appropriated, such sums as may be necessary to enable the Secretary to carry out the provisions of this Act. Such appropriations for any fiscal year are authorized to be made a year in advance of the fiscal year in which the funds will become available for disbursement to the States. Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of this Act shall remain available for the purposes of the Act until expended.

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

SEC. 5. (a) Meals and additional food services provided by schools and service institutions participating in programs under this Act shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research.

(b) Food service programs operated under this Act shall be operated on a nonprofit basis under the supervision of the governing authorities of participating schools or service institutions. Participating schools and service institutions shall offer at least one meal a day without charge to all children in attendance; such meal shall consist of a combination of foods meeting a minimum of one-third of the child's daily nutritional requirements. Additional meals and/or food services before, during, or after the schoolday may be offered to all children in attendance based on economic and/or nutritional needs.

(c) No affidavit or certification shall be required of any parent or guardian in order that a child take part in the food service program operated by the school or service institution.

(d) Additional foods which make a nutritional contribution may be offered for sale to children during the periods of food service conducted under programs authorized under this Act to the extent such offerings are necessary to meet nutritional needs of pupils in participating schools: *Provided, however,* That the sale of such additional foods shall be under the management and control of the food service department of the school and proceeds from such sales shall accrue to said department.

The sale of such additional foods offered on a regular basis during the regular school day shall be restricted to those items recognized as making a contribution to, or permitted by the school to be served as a part of, a meal meeting the nutritional requirements prescribed by the Secretary.

(e) State agencies shall determine the eligibility of applicant schools and service institutions to participate in programs authorized under this Act and shall determine their need for assistance to carry out the purposes of this Act and shall establish controls to insure effective use of funds.

DIRECT FOOD ASSISTANCE

SEC. 6. (a) Each school or service institution participating in programs authorized under this Act shall, insofar as practicable, utilize in its program foods donated by the Secretary. Foods available under section 416 of the Agricultural Act of 1949 (63 Stat. 1058), as amended, or purchased under section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, or section 709 of the Food and Agriculture Act of 1965 (79 Stat. 1212), may be donated by the Secretary for schools and service institutions for utilization in their feeding programs under this Act (42 U.S.C. 1777).

(b) The Secretary is authorized to utilize annually not to exceed $200,000,000 of funds available pursuant to section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, for the purchase and distribution of especially nutritious agricultural commodities and other food to assist participating schools and service institutions in meeting the nutritional requirements under this Act. Any funds unexpended from funds made available under this section may be used by the Secretary to assist in carrying out the purposes of this Act.

(c) The distribution of funds under this section shall be based on the ratio of the number of meals served in each State in the preceding fiscal year to the total number of meals served in all States in the preceding fiscal year: *Provided*, That in any State in which the Secretary directly administers school food service programs in the nonprofit private schools of such State, the Secretary shall withhold from the funds to be paid to such State under the provisions of this subsection an amount that bears the same ratio to the total of such payment as the number of meals served in nonprofit private schools in the preceding fiscal year bears to the total of such meals served in all schools served in the State during the preceding year under this Act or under the School Lunch and Child Nutrition Act while such Acts were in effect.

APPORTIONMENTS AND PAYMENTS TO STATES

SEC. 7. (a) The apportionment to each State shall be determined on the basis of two factors: (1) the number of children in average daily attendance during the preceding year in schools and service institutions eligible under the provisions of this Act, and (2) the rate of Federal assistance per child per year. The rate of Federal assistance per child per year shall be $—— per child for all States. The amount of apportionment to any State for any fiscal year shall be determined by multiplying factors (1) and (2).

(b) Funds made available to each State under this apportionment shall be paid to such State by the Secretary on the basis of the level of program participation achieved by the State.

(c) The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under the provisions of this Act and the time or times such amounts are to be paid, and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

(d) The rate of Federal assistance under subsection (a)(2) of this section shall be adjusted annually to reflect changes in the cost of operating the program under this Act as indicated by the change in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor.

USE OF FUNDS

SEC. 8. (a) Funds paid to any State for any fiscal year shall be disbursed to schools and service institutions to assist them in financing the operating costs of their food service program including the costs of obtaining, preparing, and serving food.

(b) Such disbursements may be made by State educational agencies at least monthly and may be made not to exceed ten days prior to the beginning of each month of operations. Periodic adjustments in the amounts of funds so disbursed shall be made to conform with the provisions of section 9 of this Act.

STATE MATCHING

SEC. 9. (a) Expenditures from State or local tax funds, other than for the purchase or acquisition of land or for the cost of construction or alteration of buildings, shall constitute at least 15 per centum of total operating costs of the program.

(b) The assurance of proper nutrition for our children is a public concern. The Congress urges that, whenever possible, assistance be provided from all available State and local sources to children in nonprofit private schools and to children in nonpublic, nonprofit service institutions so that they may receive the full benefits of the programs authorized under this Act. Nevertheless, in situations where such assistance is not forthcoming in adequate amounts, such schools and institutions may require of parents a registration fee to help finance the operation of food service programs.

NONFOOD ASSISTANCE AUTHORIZATION

SEC. 10. (a) There is hereby authorized to be appropriated for the first fiscal year of operations under this Act and for any subsequent fiscal year not to exceed $100,000,000 to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools and service institutions with equipment, other than land or buildings, for the storage, preparation, and transportation, and serving of food to enable such schools to establish or expand food service programs for children.

(b)(1) The Secretary shall apportion 50 per centum of funds appropriated for the purposes of this section among the States on the basis of the ratio between the number of children enrolled in schools without a food service in each State and the number of children enrolled in schools without a food service in all States.

(2) The remainder of the funds shall be apportioned among the States on the basis of the ratio between the number of children enrolled in schools in each State and the number of children enrolled in schools in all States.

(c) For the sixth and each subsequent year of operation under this Act, all of the funds appropriated for the purposes of this section shall be apportioned in accordance with the provisions of subsection (b)(2) above.

NUTRITIONAL TRAINING AND EDUCATION

SEC. 11. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to formulate the basic elements of a program to provide for (1) the nutritional training of food service supervisors and employees; and (2) the conduct of nutrition education activities as an integral part of food service operations. Such a program is to be coordinated, at the State level, with other nutrition education measures conducted by education and health agencies.

(b) For the fiscal year 1977, the Secretary is authorized to use not to exceed $2,000,000 out of funds made available for the conduct of school lunch and child nutrition programs for the purpose of developing a nutritional training and education program as outlined under (a) above. From the funds made available under this subsection, the Secretary shall advance to each State educational agency an amount not to exceed $25,000 for the fiscal year 1976. The amounts so advanced shall be for the purpose of the employment of a nutrition education specialist in each State educational agency in order to provide for the planning and development of the nutritional training and education program authorized under this Act.

(c) For the fiscal year 1978 and each subsequent fiscal year, grants to the States for the conduct of a nutritional training and education program for children shall be based on a rate of 50 cents for each child enrolled in schools or service institutions within the State. Enrollment data so used will be the latest available as certified by the Office of Education of the Department of Health, Education, and Welfare.

(d) The funds made available under subsection (c) of this section may be used for (1) the planning and conduct of nutritional training programs for food service supervisors of employees; (2) coordinating and promoting nutrition educational activities in local school districts during and as a part of food service operations; (3) grants to public and private educational institutions for the conduct of national training courses for food service supervisors and employees; and (4) related purposes including the preparation of visual aids and other informational materials.

There is hereby authorized to be appropriated the funds necessary to carry out the purpose of this section.

CENTRALIZATION OF FUNDING AND ADMINISTRATION

SEC. 12. Authority for the conduct and supervision of Federal programs to assist schools and service institutions in providing food service and nutrition education programs for children is assigned to the Department of Agriculture. Other Federal agencies administering programs under which funds are to be provided to schools and service institutions for such assistance shall transfer such funds to the Department of Agriculture for distribution through the administrative channels and in accordance with the standards established under this Act.

FEDERAL ADMINISTRATIVE EXPENSES

SEC. 13. There are hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expenses under this Act.

AGREEMENTS WITH STATES

SEC. 14. The Secretary shall incorporate, in his agreements with the State educational agencies, the express requirements under this Act insofar as they may be applicable and such other provisions as in his opinion are reasonably necessary or appropriate to effectuate the purposes of this Act.

STATE PLANS OF OPERATION

SEC. 15. State educational agencies shall submit to the Secretary plans of operation at least three months prior to the first fiscal year of operations under this Act. Such plans shall include, but not be limited to, the following:

(1) Proposed State and local funding;

(2) Plans to extend food service to all eligible schools;

(3) Plans for a nutritional training and education program to be conducted as a part of food service operations;

(4) The types and kinds of food service to be offered to children attending participating schools and service institutions, and procedures and methods to be employed to assure high quality, nutritious, and appetizing meals for participating children;

(5) Plans for supervision and audit of program operations. Such plans of operation must be approved by the Secretary prior to advance of funds to State educational agencies;

(6) Plans for conducting training programs for food service personnel;

(7) Plans for the conducting of experimental or demonstration projects.

STATE ADMINISTRATIVE EXPENSES

SEC. 16. For each fiscal year beginning with the fiscal year 1975, an amount not to exceed 1 per centum of aggregated payments made to such agencies by the Secretary under this Act is authorized to be appropriated to assist in the administration and supervision of the programs authorized under this Act: *Provided,* That not less than 60 per centum of any funds used under this authority shall be directed to the employment of field nutrition supervisors and auditors who have a certificate of training in the subject areas or the equivalent in field supervisory or auditing experience: *Provided, further,* That the funds expended under this section shall be used to supplement the existing level of administrative support services and expenditures therefor for the child nutrition programs in each State.

LOCAL COSTS OF SUPERVISION

Sec. 17. The Secretary is authorized to make grants to State educational agencies, out of amounts appropriated by Congress for the purposes of this section, to assist in the supervisions of local program operations. The grant to each State is to be determined on the basis of $350 for each school attendance unit or service institution participating in the program. Any person employed from funds made available under this section shall be required to have an appropriate certificate of training.

ASSISTANCE TO NONPROFIT PRIVATE SCHOOLS

Sec. 18. (a) Federal assistance for food service to nonprofit private schools shall be provided by the State educational agency either in the form of direct payments or by payments made through the public school system in which the nonprofit private school is geographically located.

(b) In the event that the State educational agency is precluded by law, based on a formal opinion of the attorney general of the State, from making direct or indirect payments to such schools, the Secretary is authorized to withhold funds from the apportionments to such States for the purpose of making direct payments to such schools. Such withholding shall be based on the rate of Federal assistance per child per year for such States as determined under section 7 of this Act and the number of children attending nonprofit private schools in such State.

PILOT OPERATIONS

Sec. 19. In the first full fiscal year following the passage of this Act, the Secretary is directed to begin pilot operations in at least ten school systems, using authorities and funds available under Public Law 91–248, to test and develop the most effective techniques and procedures for effectuating the provisions of this Act and for the purpose of developing appropriate estimates of participation and costs.

ACCOUNTS, RECORDS, AND REPORTS

Sec. 20. (a) States, State educational agencies, schools, and service institutions participating in programs under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance under this Act and the regulations thereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines to be necessary.

(b) State educational agencies shall provide periodic reports on expenditures of Federal funds, program participation, program costs, and so forth, in such form as the Secretary may prescribe.

EVALUATION

Sec. 21. The Secretary shall provide for the careful and systematic evaluation of the programs conducted under this Act, directly or by contracting for independent evaluations, with a view to measuring specific benefits, as far as practicable, and providing information needed to assess the effectiveness of program procedures, policies, and methods of operation.

NATIONAL ADVISORY COUNCIL

Sec. 22. (a) There is hereby established a council to be known as the National Advisory Council on Child Nutrition (hereinafter in this section referred to as the "Council") which shall be composed of nineteen members appointed by the Secretary. One member shall be a school administrator, one member shall be a person engaged in child welfare work, one member shall be a person engaged in vocational education work, one member shall be a nutrition expert, one member shall be a school food service management expert, one member shall be a State superintendent of schools (or the equivalent thereof), one member shall be a State school food service director (or the equivalent thereof), one member shall be a person serving on a school board, one member shall be a classroom teacher, one member shall be a supervisor of a school lunch program in a school system in an urban area (or the equivalent thereof), one member shall be a supervisor of a school lunch program in a rural area, two members shall be parents of school age children, two members shall be secondary school students participating in the school lunch program, and four members shall be officers or employees of the Department of Agriculture specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to child food programs.

(b) The fifteen members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that such members first appointed to the Council shall be appointed as follows: Five members shall be appointed for terms of three years, five members shall be appointed for terms of two years, and five members shall be appointed for terms of one year; thereafter all appointments shall be for a term of three years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

(c) The Secretary shall designate one of the members to serve as chairman, and one to serve as vice chairman of the Council.

(d) The Council shall meet at the call of the chairman but shall meet at least once a year.

(e) Ten members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

(f) It shall be the function of the Council to make a continuing study of the operation of programs carried out under this Act with a view to determining how such programs may be improved. The Council shall submit to the President and Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate. For the purpose of obtaining information incident to making the aforesaid recommendations, the Council, by vote of its members present may request the appearance, at any of its meetings, of representatives from governmental or nongovernmental agencies or organizations concerned with the nutrition and welfare of children.

(g) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

(h) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council.

DEFINITIONS FOR THE PURPOSES OF THIS ACT

Sec. 23. (a) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(b) "State educational agency" means the State Board of Education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(c) "Nonprofit private school" means any private school exempt from income tax under section 501(e)(3) of the Internal Revenue Code of 1954.

(d) "Service institution" means private, nonprofit institutions which provide day care or other children services. Children services includes public and private nonprofit institutions providing day care or other child care services for handicapped children.

(e) "Operating costs" means the cost of food and nutrition services administration and supervision, labor, supplies, acquisition, storage, preparation, and service of food used in the food service program, utilities, maintenance, repair, and replacement of equipment. This term does *not* include the cost or value of land or acquisition, construction, or alteration of buildings. The term does not include any part of the general administrative and maintenance expenses for the total school program.

(f) "Universal food service program" means a program designed and operated to offer all children in group situations away from home at least one meal a day which meets at least one-third of the child's daily nutritional requirements. Additional meals and/or supplemental food services may be offered to all children in attendance based on economic and/or nutritional needs. All food service programs conducted under this Act would operate without charge to the child. The children to be covered under this Act include those attending schools of high school grade and under and children in service institutions as defined in this Act. The term also includes a program of nutrition education as an integral part of food service operations to teach all children the basic principles of good nutrition and the importance of good nutrition to health.

EFFECTIVE DATE

Sec. 24. The effective date of this Act, other than section 19, which is effective with the passage of this Act, is one year subsequent to the fiscal year in which it is passed. Beginning with the first year of operation of this Act, the National School Lunch Act of 1946, as amended, and the Child Nutrition Act of 1966, as amended, are hereby superseded.

By Mr. McINTYRE (for himself, Mr. Taft, and Mr. Bayh):

S. 895. A bill to provide for legal assistance to members of the Armed Forces and their dependents, and for other purposes. Referred to the Committee on Armed Services.

Mr. McINTYRE. Mr. President, I send to the desk for appropriate reference a bill to insure that our Armed Forces personnel have access to legal assistance in connection with their personal, nonmilitary legal affairs.

At present, each service provides such aid under the expanded legal assistance program, or ELAP. This program was established in 1970 by directive of the Sectary of Defense, Melvin Laird. Since ELAP has no statutory basis, it has become a primary target for budget cutters.

The bill I introduce today is simple and straightforward—it declares that Armed Forces personnel and their dependents are entitled to legal assistance in connection with their personal legal affairs under such regulations as may be prescribed by the service Secretaries. Thus, the Congress will go on record as supporting ELAP and its underlying concept.

I have not attempted to outline specific areas of legal assistance, or limiting guidelines. The bill would essentially continue the program as it is currently conducted. Its aim is to assist the low-ranking, low-income servicemen and women who because of their service connection may not have adequate access to private legal assistance.

Mr. President, the January 1975 issue of the American Bar News published by the American Bar Association, gives the following example:

> An Army enlisted man, abruptly transferred hundreds of miles to a new duty station, finds that his landlord arbitrarily refuses to return a $50 deposit on the apartment he and his wife rent in town, even though the rental agreement would seem to require it. Few local lawyers would be able to spend time on such a petty claim, particularly for an absentee client. Must the GI lose his money.

This is the type of case ELAP handles. Without ELAP, the serviceman may be cut off from legal assistance.

The House of Delegates of the American Bar Association supports legislation to insure the survival of ELAP. The ABA Standing Committee on Legal Assistance for Servicemen has reviewed the ELAP program and found it to be in the public interest.

Mr. President, I ask unanimous consent that the text of the bill, a sectional analysis prepared by the ABA, and the article from the American Bar News entitled, "Committee Goes To Bat for Military Legal Aid," be inserted in the Record at this point.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 895

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby declared to be the intent of the Congress that members of the Armed Forces and their dependents have legal assistance made available to them in connection with their personal legal affairs.

Sec. 2. Armed Forces personnel and their dependents are entitled to legal assistance in connection with their personal legal affairs under such regulations as may be prescribed by the Secretary concerned.

Sec. 3. The Judge Advocates General, as defined in Section 801 of Title 10, United States Code, or their designees, are responsible for the establishment and supervision of legal assistance programs under such regulations as may be prescribed by the Secretary concerned.

Sec. 4. Nothing contained herein shall be construed as authority for the representation in court of Armed Forces personnel or their dependents who can otherwise afford legal fees for such representation without undue hardship.

S. 895

SECTIONAL ANALYSIS

Section 2 is designed to insure the continuation and permanancy of the providing of legal services to servicemen and their dependents and is expressed in terms of an entitlement to such legal services. This is subject to such regulations as the Secretary concerned may prescribe. By utilizing the term "entitlement", the fulfillment of this entitlement is left to the Secretary of the Department concerned—i.e. by utilizing military attorneys, by utilizing contracted services of civilian attorneys, by utilizing civilian attorneys who are civil service employees, etc. The choice of the method of fulfilling this statutory entitlement is left to the Secretary.

Section 3 clearly places upon the Judge Advocates General the responsibility for the creation and operaiton of the legal assistance programs. The reference to 10 U.S.C. 801 is necessary so as to include the Coast Guard. The Coast Guard has no "Judge Advocate General" and the only place in the law where the term "Judge Advocate General" is made applicable to the Coast Guard is in the definitional section of the USMJ wherein it is stated that the term "Judge Advocate General" shall include the General Counsel of the Department in which the Coast Guard is operating. The language "or his designee" is also necessary in order that the General Counsel of the Department of Transportation can delegate to the Chief Counsel of the Coast Guard the responsibility for the creation and operation of the legal assistance program for the Coast Guard.

Section 4 is designed specifically to indicate that this legislation is not authority for the expansion of the legal assistance program to include representation in court to those presently able to pay legal fees—i.e. to continue the present expanded legal assistance program to the military indigent, but not provide any requirement or authority for expansion to others than the military indigent. If the client can afford legal fees without undue hardship or if the case is one in which the attorney can recover a reasonable fees out of the judgment, then the legal assistance program, insofar as representation in court is concerned, may not be expanded under the authority of this legislation.

Committee Goes To Bat for Military Legal Aid

An Army enlisted man, abruptly transferred hundreds of miles to a new duty station, finds that his landlord arbitrarily refuses to return a $50 deposit on the apartment he and his wife rent in town, even though the rental agreement would seem to require it. Few local lawyers would be able to spend time on such a petty claim, particularly for an absentee client. Must the GI lose his money?

Under ELAP, he might not.

ELAP is the Expanded Legal Assistance Program, conducted by military lawyers in each service branch. The program puts Judge Advocate General Corps lawyers at the disposal of low-ranking, low-income enlisted men for countless non-military legal matters that the private bar cannot or will not handle.

Today, ELAP is in trouble, a victim of budget cuts and lack of understanding, and the Standing Committee on Legal Assistance for Servicemen, chaired by Jack W. Ledbetter of Austin, Tex., is mapping strategy to keep the program from being eliminated.

Until now, it has operated solely on the basis of a Defense Department directive issued by former Secretary Melvin Laird in 1970. Because it lacks authorization in law, ELAP has been subject to budget-cutting pressures and has been reduced sharply in the past year. How sharply is anyone's guess, but Ledbetter says a Navy Times article of last May estimated that a 50% slash was contemplated in that service branch alone.

A bill expected to be introduced in Congress would put ELAP on a statutory basis for the first time. The objective is simple: to declare that armed forces personnel and their dependents are entitled to legal assistance in connection with personal legal affairs.

The basic language of the proposed bill was drafted by the committee, and Ledbetter says the group plans to ask the House of Delegates to endorse it in principle during the midyear meeting next month in Chicago.

Ledbetter points out that "The enlisted man or woman at the rank of less than E-4 or its equivalent would normally qualify for federally-financed attorney services if he or she were a civilian making the same salary. If we say that JAG lawyers can no longer help them, we are saying that they are to be cut off from virtually all meaningful legal assistance."

He says, "Like many low-income persons, low-income service personnel are often subjected to abuses not tolerated for or by others in the civilian community. To rectify these abuses, the transient service person has a greater, not lesser, need for legal help."

ELAP poses no threat to the private attorney, in Ledbetter's view: "Every-day legal problems of enlisted personnel are things that lawyers in the local bars can't handle economically—or, because of the transient nature of the client, can't perform effectively. If the services are unable or unwilling to provide the needed legal assistance, a substantial portion of our population is denied even minimal legal rights."

He also points out that "The military lawyer is not just the only lawyer willing to help—he is frequently the only lawyer even available to help. Service personnel on ships, in isolated outposts and in foreign countries have no civilian lawyers to turn to in time of need. Frequently, family and business problems back home require quick action by the service person, and sometimes even representation in the local community. The military lawyers familiar with the service person's situation and with the network of military legal assistance facilities throughout the world can provide (or obtain) qualified professional advice and representation in a manner virtually impossible for the civilian bar, even with the best intentions."

Perhaps most important, says Ledbetter, is the morale factor—both for the needy service person and for the JAG officers involved. "Through legal assistance, the service person knows that his country and the military services are concerned and willing to help him with the difficult civilian problems that have been compounded by the nature and scope of military service. And at the same time, the participating JAG officers have an opportunity to work and develop professionally in a variety of legal fields comparable to their civilian counterparts—so that the JAG career becomes more meaningful and attractive."

By Mr. JACKSON (for himself and Mr. Fannin) (by request):

S. 896. A bill to increase the appropriation authorization relating to the Volunteers in the Parks Program, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. Fannin) a bill to increase the appropriation authorization relating to the Volunteers in the Parks program, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the Record at this point in my remarks.

There being no objection, the letter

was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., February 13, 1975.
Hon. NELSON ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill "To increase the appropriation authorization relating to the Volunteers in the Parks Program, and for other purposes."

We recommend that the bill be referred to the appropriate Committee for consideration, and that it be enacted.

The Volunteers in the Parks Program, authorized pursuant to the Act of July 29, 1970 (84 Stat. 472; 16 U.S.C. 18g–j), was established to facilitate the recruitment, training, and service of volunteers in conjunction with interpretation and other visitor services within the National Park System. Examples of the diverse services donated by participants in the program include interpretation of tidal pool ecology for visitors to Cabrillo National Monument, making contact with visitors using cross-country ski and snowshoe trails in Mount Rainier National Park, conducting children's programs at Yellowstone National Park, assisting with the arts and crafts program at Gateway National Recreation Area, and historical research and living history interpretation of a Rocky Mountain homestead in Rocky Mountain National Park.

The program has been highly successful as a means of enriching the experience of visitors to the National Park System, and as a method of affording meaningful public participation in the operation of that System. During fiscal year 1974, we estimate that 5,000 volunteers participated in the program. Moreover, the average daily cost to the National Park Service for each volunteer, consisting of incidental expenses such as transportation, uniforms, lodging, and subsistence, was only $2.60.

The program's success has resulted in rapid expansion in the number of volunteers since its inception in 1970. During fiscal year 1975, 5,810 volunteers are expected to participate in 145 areas of the National Park System, and requests for funding their incidental expenses total approximately $192,000. These data do not cover Bicentennial activities proposed for that System during the same period, which could involve more than 2,000 additional volunteers and require incremental funding of at least $50,000.

However, Section 4 of the 1970 Act imposed an annual appropriation authorization ceiling of $100,000 for the Volunteers in the Parks Program. Thus, if this ceiling is not increased substantially, the growing requests for such funding by Park System areas would further spread already scarce funds, diluting the program's effectiveness and denying service opportunities therein to many persons who require minimal reimbursement for their out-of-pocket expenses.

Enactment of the draft bill would increase that ceiling to $250,000, thereby accommodating expansion of this unusually successful program that offers volunteers the opportunity to contribute, in a meaningful and much appreciated manner, to their fellow citizens' enjoyment of our Nation's unique cultural, historical, and natural heritage.

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the Administration's program.

Sincerely yours,
CURTIS BOHLEN,
Acting Assistant Secretary of the Interior.

By Mr. MATHIAS:

S. 897. A bill to amend the Internal Revenue Code of 1954 to provide incentives for energy conservation, and for other purposes. Referred to the Committee on Finance.

ENERGY CONSERVATION TAX ACT

Mr. MATHIAS. Mr. President, Congress and the administration are now stalled in the eye of a hurricane, created by congressional reaction to the President's proposal to raise import fees for imported crude oil and refined product. Congress awaits the President's certain veto of H.R. 1767, which prohibits the President from raising import fees, as he proposes, for a period of 90 days.

Prior to final passage of H.R. 1767, I offered with Senator JAVITS, an amendment to that legislation in an attempt to head off a confrontation over petroleum import tariffs between the White House and the Congress. I share the concern of many in Congress that the $3 per barrel fee would have unfortunate inflationary effects without necessarily conserving enough imported petroleum. Administeration officials, in testifying before congressional committees, have emphasized the necessity of carefully aiming the economic stimuli that are applied to the economy so that inflationary pressures are not encouraged. But this is exactly what is missing from the President's energy proposal. The across-the-board nature of the import fee would spread its schrapnel throughout the economy. We need to take better aim and at this particular point in time our aim must be on motor gasoline.

This is why I so deeply regret the Senate's rejection of the Javits/Mathias amendment, which would have allowed import fees to rise on only gasoline product and on crude oil which is refined into gasoline. That compromise could have advanced the Nation toward an energy policy without penalizing utility customers, homeowners, and all others who are now dependent upon fuel oil or residual oil and without the market flexibility to conserve in the face of increased cost. It would have sent a signal to the White House as to how Congress believes energy conservation should be accomplished.

But even in defeat our amendment clearly indicates that the best way the President can sustain his veto of H.R. 1767 is to assure Congress, through promulgation of a regulation, that the import fee program will place disproportionate cost upon gasoline relative to other petroleum derivatives. A compromise should be sought so that our national effort to conserve energy can begin; so that the administration can continue to exert leadership in international efforts to conserve energy; but all in a way that will not exacerbate present inflationary or recessionary tendencies in the economy. Very few would consider the import fee system as it is presently structured as a long-term solution, but it will serve for a number of months until a more comprehensive formula is enacted. The fee system with a decided tilt to gasoline would also express the great need for concentrating in the longrun on motor gasoline in conserving petroleum.

The possibility of compromise is important, but it is not my primary purpose in addressing the Senate today. Whether the President's veto is sustained or overridden does not resolve in any way this country's great need for a national energy policy; a policy which puts principal reliance in the short term on energy conservation and in the longer term on augmenting supply. I am proposing comprehensive legislation in the tax field that will build a conservation ethic in this country. And just as I today address the demand side of the equation, I expect in the days and months ahead to introduce legislation which will focus on this country's great need for additional supply.

The President's proposal to increase the import fees on home heating oil and residual fuel highlight the great need for energy conservation in our homes. Whether there will be increased taxes on home heating oil or residual fuel, is not the question, because regardless of whether new taxes are actually implemented, there is a crying need for energy conservation. Our petroleum resources are finite and thus conservation is the national interest. There is also the human side and all Senators know how difficult this last year has been for low- and middle-income homeowners. Energy costs in the home have skyrocketed far beyond what we have experienced with motor gasoline.

Heat for the home can, however, only be cut back so far. There is clearly a point when this sort of energy becomes an essential for life. There are millions of homeowners who work desperately to conserve energy, both because of the national interest in protecting a finite supply and protecting our balance of payments, but also because their pocketbook hurts. Clearly, it is in their interest to purchase and install devices which will reduce that monthly fuel bill, but can they when the economy is in its present state. This is a hard time to contemplate additional capital expenditures. Consequently, I propose tax relief for people who must make such purchases.

My legislation would provide an individual with a credit of up to 50 percent of the amount of any energy conserving residential improvements that are incurred during the taxable year with a limit to the credit of $500. Over the last year we have developed an increasingly clear view of how such a program can be administered and I believe that the Internal Revenue Service can publish regulations which will define what sorts of energy conservation devices will qualify. I think we can also rely on other agencies of the Federal Government, particularly the Department of Housing and Urban Development, to supply standards. My legislation will permit a taxpayer to choose between taking this credit or a deduction and should he or she choose a deduction then that deduction may not exceed $2,000.

There are, of course, many homeowners who are outside the tax system or who are only affected in a small way by credits or deductions. They face the same, or even greater, burdens through increased fuel costs. For those people my legislation will establish an energy conservation residential improvement loan program to be administered by the Secretary of the Treasury. I provide that any person who has an adjusted gross income, as defined in section 662 of the Internal Revenue Code of 1954, not in excess of $12,000 per taxable year and is eligible to receive a tax credit for energy-conserving residential improvements, shall also be eligible to receive a loan. This loan is limited by the amount of the tax credit which such person can receive for energy-conserving residential improvements.

The Secretary of the Treasury sets the interest rates on loans, taking into account the current average market yield on outstanding marketable obligations of the United States with maturity rates comparable to the energy-conservation loan and an amount adequate to cover the administrative costs and probable losses under the program. This rate will hopefully balance the need to provide meaningful relief to homeowners and also protect the Treasury from loss.

I have spoken of the great need to concentrate on motor gasoline as we conserve petroleum generally. Last year, at the height of the oil embargo, the national Petroleum Allocation System was structured to make most severe cuts in gasoline supply and while this certainly created unfortunate burdens on the American people, it clearly minimized the impact of the oil embargo. We all waited in long gasoline lines, but no one froze and very few were laid off because industry could not obtain the fuel needed to keep factories going. Putting people out of work is simply the wrong way to save fuel. The emphasis was correct, then, and it should not be altered now, particularly as every indicator points to a deepening recession. But the administration has changed its thinking from a year ago when there was a concentration on gasoline conservation to a policy which lumps gasoline with all other petroleum derivatives, including home heating oil, residual fuel and jet fuel. The New York Times, in an editorial, comments:

> The fatal flaw in the Administration's arguments against a gasoline tax is the assumption that all uses of petroleum are equal—equally necessary or equally wasteful, equally desirable for social or economic health.

I propose a gasoline tax at the pump because I believe this to be a necessary step in establishing a long-term conservation ethic for this country. It will signal a willingness in the Congress and the administration to take the tough, but correct, stand; the one that most economists would recommend. I have read the public opinion polls and I realize that most Americans would prefer some system of rationing instead of a gas tax. If I believed that energy was a passing difficulty and that a system of demand-restraint was only needed for a short period of time, then I might also favor a system of rationing. But I am convinced that we are looking not at a short term problem, but one that will be influencing our lives for the rest of this century. We have been on an energy binge and we will pay the cost for many years to come. Under these circumstances it would be folly to rely on rationing to meet our need for energy conservation. The Washington Post recently analyzed various proposals for rationing gasoline and I quote a paragraph from their editorial:

> You are beginning to discover the great truth that simple rules are never fair, and the fairer the system gets, the more complicated it has to become. Even in World War II, when there where only one-third as many cars and the national dependence upon them was less pronounced, it was necessary to set up boards of citizens in every community to rule on a flood of special requests, hardships, greivances, and challenges. It is a method that requires, unfortunately, massive invasion of personal privacy. Americans accepted it then as a temporary war-time expedient, but the present emergency is not temporary.

I will ask that the full editorial be reprinted in the RECORD following my remarks.

Many have suggested that a gas tax at the present time would deepen the now virtual depression of the American automobile industry. While I intend to discuss the relationship of the automobile industry to our national energy/economic problem in much greater detail later in my remarks, I would like to touch upon this particular criticism of the gasoline tax.

Critics of a gas tax state that since gasoline accounts for less than 40 percent of all petroleum consumption in the United States, it would take quite a deep cut in the use of gasoline to bring about a substantial reduction in the overall use of petroleum. Such a deep cut, they argue, if it is to be accomplished through a price mechanism, would mean a very substantial increase in the gasoline tax and that this would hit the already battered auto industry in an unacceptably harsh fashion.

But I would say that the main factor in low new car sales is the steady erosion of consumer purchasing power and confidence. If a tax on crude oil has the predicted effects of fueling inflation and pinching real income, it will worsen the plight of consumers and so work against a recovery in auto sales. An increase in the gasoline tax, on the other hand, would tend to strengthen demand for cars with good fuel economy. It appears to me that in favoring a tax on crude over a higher tax on gasoline, auto industry executives and others may have misjudged where their best interests lie.

I have great confidence in American technology. I saw the automakers convert in a matter of months from automobile production to tanks and other vehicles of war at the outbreak of World War II. Certainly, that type of complete mobilization is not needed here, but it does serve to indicate what can be done when people resolve to do it. The question then is how do we provide that resolve. I believe that candor is the first step. One way to succeed is to put the energy conservation tax right on the pump where everyone can see it; gasoline consumers must be aware each time they fill up of where the national interest lies and what restraints are being imposed on them to conserve energy.

I believe this would have a most beneficial effect on the automobile industry. Any business concern which is capital-intensive can be most productive if there is long-term market stability. The Federal Government has fallen far short of its responsibility to supply this stability. If Detroit knew with considerable certainty that gasoline was going to be taxed at a substantial rate in the interest of conservation, then in a very short time auto factories would be retooled to produce an energy-efficient automobile and research and development could proceed at greatly increased levels to find new technologies for further energy efficiency. We do no one a favor by drifting on, failing to address the need for conservation, but yet continually pointing the finger at the automobile industry or other industries who are hesitant to commit capital in uncertain times.

I propose a gasoline tax of 15 cents a gallon beginning on December 31, 1975, with that tax increasing by 5 cents at 3-month intervals until it reaches on September 30, 1976, the 30-cent level. There are a number of advantages for using a gas tax as the principal vehicle for energy conservation. From an administrative standpoint, it is clearly the simplest mechanism for accomplishing our purposes. This is particularly evident when one considers the complexities of the President's proposed tariff plan, which will require a great number of detailed regulations to police the marketplace and do equity.

Enacting a gasoline tax cannot be the whole answer. Certainly, there will be individuals who are disadvantaged by such a tax. A measure of relief must be provided to them. Furthermore, our economy is now deep in a recession and a further loss of consumer buying power would not be in the best interest of the Nation. For these reasons, revenues generated by the gas tax must be rebated to various sectors of the economy lest we lose momentum in fighting recession.

My legislation will rebate most of the tax revenue to the economy with the remainder to go into general revenue fund of the Treasury. I am proposing that taxpayers be given an additional credit beginning in calendar year 1976. The amount of the credit shall be $158, which is the tax in effect under my legislation for calendar year 1976 on 700 gallons of gasoline; an amount of gasoline considered to be reasonable for one year. The credit would increase in 1977, and thereafter, to $210, which is again determined by the tax in effect on 700 gallons.

In my opinion, the burden of this tax should be shared in a progressive manner. The way this can be most simply accomplished is to structure the rebate provisions so that more of a credit is given to lower income groups than to higher income groups. This will be accomplished in the following manner. The amount of the credit shall be reduced—but not in an amount less than 0—by an amount that bears the same ratio to the full credit as the amount by which the adjusted gross income of the taxpayer—the sum of the adjusted gross incomes of the husband and wife that file a joint return of tax—for the calendar year exceeds $10,000 bears to $40,000. More simply stated, the credit will be reduced by an amount to be determined by the following formula: X/Credit for Year =Adjusted Gross Income—10,000/40,000.

I recognize that there are many people whose tax liabilities make such a credit of little meaning. It is not my intention to provide any less relief to those people.

I have structured my legislation so that to the extent an individual's tax liability is less than the credit any difference shall become a cash payment to the individual. For those that have no tax liability, then the full credit will be available as a cash payment.

I have used the tax system as a means of providing rebates because through the tax withholding system money can be returned on a regular basis without creating new machinery. Obviously, those who are not covered require other methods to insure that they receive their rebate on a regular basis over the course of the year. On this subject I seek the advice and counsel of other Members of Congress and the administration.

It is my intention to extend a measure of tax relief to all individuals regardless of whether they drive or not. I have chosen this broad approach on the theory that those who do not drive also conserve and because I believe that the amount one drives should not have to be rigorously proven, nor should the amount of credit decrease as people conserve. I am, however, concerned that there will be individuals who have traditionally been claimed as dependents who will now file separate returns in order to receive this tax credit. I do not believe that this is an insurmountable hurdle and I trust that regulations can be drafted which will place a reasonable limit on who should be a recipient of this credit.

Of course, ideally, we would provide relief to all individuals for their essential driving. But my experience in government indicates such an effort would cost millions of tax dollars in administrative costs and would in all likelihood bring us no closer to that goal. It is simply beyond the scope of government to make the millions of individual judgments as to what driving is essential.

I believe the Senate recognizes the importance of changing the mix of automobiles we now have on our Nation's highways in order to increase energy efficiency. There is some hesitancy in the Congress to undertake stringent measures so as to bring this new efficiency to our highways because of the concern that the automobile industry is now in severe financial straits. To me this is a bit like a doctor only agreeing to treat healthy patients. The need for remedial measures in the automobile industry is greater now than it has ever been in the past. This is not to say that remedial measures should not be undertaken with some sensitivity to present conditions. The medicine should be tailored to bring Detroit out of its current slump and to provide it with the incentives and the long-term market stability that is necessary to produce energy-efficient automobiles.

Other Senators and Representatives have introduced measures designed to favor energy-efficiency. Most of these proposals have involved the levying of a tax after a date certain on inefficient new cars with the tax being lessened as cars are more efficient. The Administration has also expressed some willingness to move in this direction, but has most recently announced an agreement with the automobile industry for a 40 percent improvement in automobile efficiency by 1980 in return for a relaxation of Clean Air standards.

I oppose this agreement with the automobile industries principally because I think we can do better. If it is agreed, as between the Federal Government and the automobile industry, that a 40-percent increase in fuel efficiency shall be attained by 1980, then we can expect the automobile industry to do just that and no more. We will not have created the market conditions to stimulate auto efficiency beyond the 40-percent increase. As it now stands, such an increase will mean that in 1980, the American automobile will achieve approximately 20 miles per gallon. We can only expect the automobile makers to meet the bare minimum without additional stimulus to the market. There simply will be no incentive to produce the car which can get 50 miles per gallon.

In effect, we are mandating the convoy system. Our efforts will proceed at the pace of the slowest runner. I favor creating by a system of tax and rebates a market which will reward the efficient and penalize the inefficient. In short, a market that will encourage automobile makers, whether domestic or foreign, to do the very best possible. The stakes are simply too high to stifle creativity and not reward excellence.

The proposal I make today differs from measures introduced earlier by other Senators and Representatives in that in the near term, 1 to 3 years, a system of rebates is provided. I believe a change to smaller, more efficient automobiles is so much in the national interest that we cannot afford to wait the 3 or 4 years it will take for auto makers to retool their facilities to produce a more efficient car. We must begin this year to restructure American buying habits so that new car sales of the most efficient models are promoted. Consequently, my legislation will provide a rebate program during calendar year 1975 and 1976 and 1977 for fuel efficient automobiles.

In 1975 a rebate of $100 will be given for the purchase of any new car which has a fuel consumption rate of 17 miles per gallon as determined by the median range of rates published by the Administrator of the Environmental Protection Agency. To this rebate, $25 will be added as the automobile mileage improves so that a car with a median range of over 40 will receive a rebate of $675. In order that the automobile industry be stimulated in as rapid fashion as possible, I have built into this schedule an inducement for early purchase and the consequent retirement of the older and inefficient automobile. In 1976 cars rated at 19 miles per gallon will be eligible for the $100 rebate with the rebate increasing by $25 with each mile per gallon so that cars over 42 miles per gallon receive $675 of rebate. In 1977 the schedule is changed again to provide a $100 rebate for cars rated over 21 miles per gallon with the schedule increasing in the same fashion until cars receiving over 44 miles to the gallon would receive a rebate of $675.

I do not pretend that there is magic in these numbers. It is entirely likely that Congress, upon careful consideration of the schedule I have outlined will consider the inducement either too great or too small. I do, however, firmly believe that a rebate schedule along the lines I have outlined is necessary in the near term to begin Americans down the road to energy conservation and to stimulate the sale of efficient cars over the next couple of years. This kind of rebate will clearly establish Federal priorities that can govern capital investment in the auto industry.

When the capital investment has been made, the retooling accomplished, the system of rebates which I propose would be phased out. At that point, I would propose a new system to penalize the least efficient and reward the most efficient. Section 5 of my bill sets out a schedule whereby cars receiving 10 miles per gallon or less would be taxed at a rate of $1,000. I do not favor a Government mandate which would eliminate such cars. There may well be people who for good reasons desire to have this kind of car. I reject the notion that the Government should deny this right. I do, however, feel that they should pay the social cost involved with having this type of automobile. My tax schedule would reduce the tax by $50 with each additional mile per gallon the car received so that cars rated at over 29 miles per gallon would receive a credit of $25. This credit would increase by $25 with each additional mile per gallon so that a car that is rated at 50 miles per gallon or better would be eligible for a credit of $500. Again, I woud emphasize that strict adherence to the level of taxes and payments that I propose is not necessarily the optimum policy. The concept is what is critically important. Simply stated, we must penalize inefficiency and reward efficiency in an impersonal manner, imposing as few Government restrictions and standards as possible. If business is sure of what is expected of them they can respond effectively, but if they instead must gamble heavily on the political winds in Washington, their effectiveness is greatly reduced. In the final analysis business will prefer to invest where the gamble is on market rather than political conditions.

Let me briefly summarize what data is available on my proposals. Using 1970 figures for gasoline consumption, which are, of course, on the conservative side, we can expect revenues in 1976 to be $14.8 billion and thereafter to be approximately $19.8 billion—these figures assume a fairly constant volume of gasoline usage. Under my rebate plan approximately $10.5 billion would be returned in 1976 and $14.7 thereafter. This would leave surpluses of $4 and $5 billion respectively. These figures must be adjusted for a declining gas market. I assume a short-term price elasticity of 0.1 and therefore expect a 3-percent reduction in gas consumption with a 15 cents gas tax and a 6 cents reduction when the tax goes to the full 30 cents. In the longer term, price elasticity should increase to at least 0.4, which will mean a 25-percent reduction in gas consumption. Obviously as gas consumption declines, revenues will also fall and the rebate will cut deeper into surpluses. This will only cause difficulty to financing rebates out of revenues when long-term elasticity tapes hold—within 3 to 5 years. At that time, Congress and the administration may consider it appropriate to reduce the rebate.

As to the auto efficiency tax, I have examined current mile-per-gallon ratings and find that 12 percent of all domestic cars could be eligible for a rebate and 62 percent of all foreign cars. In both cases, most rebates would be on the low end of the scale. Because domestic car sales substantially outnumber foreign cars sales, rebates for domestic and foreign car purchases would be roughly equal, $250 million apiece.

There are many facets to energy policy and I only seek to address several in my legislation today. It is unlikely that anyone Senator can address in a comprehensive fashion every facet of this vast, complex field, but I do intend to introduce further legislation on these and related subjects. By way of putting this legislation in context, it would be fair to say that it represents my view that stringent conservation is required and that much of this conservation must take place in the home. None of these programs deal with priorities we must set as between domestic and foreign sources. I recognize that a comprehensive program must be enacted in this area as well. I intend to introduce legislation shortly which will establish a system of priorities so that when the gas tax, the residential energy conserving credit, and the automobile efficiency tax create less of a demand in this country for petroleum, we can reduce oil imports with a particular emphasis on refined, imported products.

I have had occasion to outline my tax proposals to the editors of the Baltimore Sun and I ask unanimous consent that two editorials appearing in the Sun on February 8 and 21 respectively appear at this point in the Record; followed by editorials from the Washington Post, and the New York Times, both of which I quoted from earlier. I also ask unanimous consent that an editorial from the February 1975 Fortune magazine appear in the Record, to be immediately followed by the full text of the bill.

There being no objection, the material and bill were ordered to be printed in the Record, as follows:

[From the Baltimore Sun, Feb. 8, 1975]

Mathias and the Gas Tax

There are 535 members of Congress, and therefore nearly 535 pet schemes for dealing with the nation's energy problems. As legislators prepare to shoot down President Ford's comprehensive program, we can expect to hear of proposals ranging from rationing to stripping the State of Colorado. One of the more interesting approaches of recent weeks has come from Maryland's senior senator, Charles McC. Mathias, who has foresworn his earlier flirtation with rationing to focus on a gasoline tax and an income-tax rebate.

The Mathias plan, which may require refinements and more precise calculations, would place a tax of perhaps as much as 30 cents a gallon on gasoline. The senator would use the $32 billion thus collected to cut or rebate withholding taxes, which he feels are excessive in any case. Most taxpayers in lower and medium income brackets would receive rebates of about $250 a year, more than enough to compensate an average driver consuming 700 gallons a year and hence paying about $210 in added gasoline taxes. Rebates would be cut down on a sliding scale to zero for taxpayers in higher income brackets. Citizens who do not drive would, in effect, get a substantial tax break, which is the senator's intention. Those too poor to pay taxes would get increases in Social Security or food-stamp allotments.

As with all other energy plans that have surfaced thus far, there are some built-in inequities in the Mathias idea. A Baltimorean from the inner city having to drive to work in Sparrows Point or an Allegany county farmer who must drive frequently to Cumberland obviously would need more gasoline than a Ruxton suburbanite who could take a bus down Charles street.

Nevertheless, the Mathias plan has some overriding advantages that commend its close consideration. Foremost is its concentration on gasoline consumption, which is the most wasteful and polluting and reduceable use of petroleum. The senator would forcefully cut driving without sharply increasing the cost of heating homes, drying crops and making fertilizer. And he would pump back into the economy huge sums that presumably would be spent largely on products other than gasoline. Compared to President Ford's program, the Mathias plan thus could be more effective in fighting the recession and produce a much less inflationary economy.

[From the Sun, Baltimore, Feb. 21, 1975]

Concessions To Sustain the Veto

Because energy policy is foreign policy as well as domestic policy, President Ford should make concessions to safeguard his veto of a bill that would delay his oil import levy for 90 days—and perhaps forever. This country cannot expect to do well in coming negotiations between oil exporting and importing nations if Washington's first genuine effort to curtail fuel consumption becomes a non-starter. It would be taken as a sign that the United States is willing to increase its dependence on foreign sources of supply while its wealth drains away to the oil powers. This is an intolerable prospect—one that heavily obligates both the President and the Congress to compromise their differences and to come up with bipartisan economic and energy policies.

At this stage, conciliation must come first from the White House. Mr. Ford could probably pick up the five or six Republican votes needed to sustain his veto in the Senate if he will take steps to make his import levy more palatable. First, he should keep the levy at $1 a barrel instead of stepping it up to $3 by April. This would moderate the inflationary impact of higher petroleum prices. Second, he should issue a government regulation stipulating that, say 80 percent of all levies paid on imported crude must be applied to gasoline rather than to heating oil, kerosene and other essential fuels. This would hit oil consumption where it is most wasteful and most damaging to the environment. Third, Mr. Ford should state as clearly as possible that these are only temporary, highly imperfect first steps toward an energy policy that, by definition, is bound to reflect considerable congressional input. Democratic leaders in both Houses are putting the finishing touches on their first real alternative to Mr. Ford's controversial package.

If a consensus is to develop, we hope it will be in the form of a gasoline tax combined with a tax rebate favorable to lower and middle income groups. This is preferable to rationing, in our view, and sounder than an import levy that would send new inflationary waves rippling through the economy. While the President has been stubborn in resisting a gasoline tax, the reshaping of his import levy to apply mostly to fuel for automobile use would be pretty close to such a tax. For longer-range purposes, a strong case could be made for a tax on new cars designed to encourage the manufacture and sale of autos with high fuel efficiency ratings. This might be better than a straight horsepower tax because it would encourage various kinds of fuel-saving developments.

In drawing their alternative energy program, Democrats seem to be leaning toward a gasoline tax that would be applied heavily only if the unemployment rate comes down. This presupposes that there is a definite correlation between gasoline taxes and unemployment, a notion that has yet to be proven convincingly. It also presupposes that higher gas prices would be more adverse to the overall unemployment picture than the continuing yearly loss of perhaps $30 billion in oil payments to the exporting nations. Democrats are properly concerned that too harsh a cutback in energy consumption could aggravate the recession, but in shaping their proposals they should not ignore the foreign policy aspects that influence the President's approach.

Taxing Gasoline

The fatal flaw in the Administration's arguments against a gasoline tax is the assumption that all uses of petroleum are equal—equally necessary or equally wasteful, equally desirable for social or economic health. Thus, President Ford insists on a tariff on all crude oil imports rather than a higher excise tax on gasoline alone.

Yet, essential though automobile transport has become in most parts of the country, many American families have already found that the gasoline to power inefficient cars, one driver at a time, over short urban and suburban distances is far easier to spare in their energy budget than, say, the fuel to provide basic 68-degree heat in the home.

On average, American motorists drove about 300 miles less per car last year as a result of the higher cost of gasoline forced by foreign oil producers' price increases. This is an indication of the elasticity in gasoline—optional consumption that falls off as the price rises.

Nor is it necessarily fairer, as the Administration contends, to spread out the costs of conserving energy across all petroleum users—which, one way or another, means everyone. It is surely fairer to let each American motorist make the decision for himself how much to drive, rather than to force every consumer to pay the higher costs passed along by utilities, industries and everyone else who uses petroleum in the production process.

The fourfold price increase that has already occurred in crude oil has forced gasoline prices up about 37 per cent, but far higher percentage increases hit other fuel prices: diesel fuel went up 49 per cent, home heating oil 66 per cent, aviation fuel 100 per cent and residual fuel oil, used in industry and electric utilities, a staggering 143 per cent.

Where is the equity, therefore, in "sparing" motorists the burdens of a sizable increase in the cost of a gallon of gasoline in order to spread out the burden among all petroleum products when these other products have already risen so much more?

Undoubtedly, adjustment to higher gasoline prices would create hardships, particularly at the start and in localities where there may now be no practical alternative to the car for employment and communication. But designing a system of rebates and allowances for essential automobile uses would be far less complicated than any attempt to compensate for the gross inflationary damage from across-the-board petroleum price increases.

AND AUTOS

The social and economic judgment that underlies President Ford's abhorrence of a gasoline tax centers on an exaggerated pride of place which he assigns to the automobile industry. However, the unpalatable fact is that the directions pursued in car design and marketing over the past decade and the infrastructure of highways and community development that this trend has promoted have distorted the economic growth and social well-being of the nation.

One current example is the impact on employment and energy consumption from highway construction, so long the symbol of this country's auto-based economy. In a recent issue of Science magazine, two researchers calculated the difference between spending $5 billion on construction of new highways or investing the same amount in railroads and other mass transit facilities. The energy consumed in the construction work alone would be 62 per cent less for railroads than for highways; such a shift in priorities, moreover, would provide more than 8,000 additional jobs.

Leaders of the automobile industry recognize the need for new directions. Chrysler has begun a long-term restructuring that cuts capital overhead by one-third and projects sales in the range of 6 million cars every year instead of 8.8 million sold in 1974. General Motors has announced a four-year research program, costing $3 billion, to make its models smaller and lighter.

Such steps are but a beginning. Dr. Edward Teller, who knows something about advanced technology, believes that "except for the mental inertia in Detroit, we could have a fifty-mile-per-gallon car in perhaps as short a time as three years." Another critic of the automobile industry, Donald E. Weeden, president of the City Club of New York, has even proposed "massive government aid to Detroit to produce twenty million compact cars a year in order to get us out from under our existing inefficient fleet." A tax on horsepower or automobile weight would be a logical complement to a tax on gasoline; the goal is not to penalize motorists, but to reward efficient design and use of cars.

No energy policy that aims to protect the status quo of the automobile industry by preserving the relative cheapness of gasoline can make more than a dent in the profligacy of this country's energy consumption.

The undoubted hardships of a gasoline tax can only be measured against the alternative hardships foreshadowed by President Ford's tariff plan; these are becoming more extensive with each new economic analysis by the government itself. For the longer term, automobile and gasoline taxes would promote the necessary trend of American life away from the extravagances of the unfettered automobile economy.

Exhibit 1

How To Ration Gasoline

Let us suppose, for a moment, that you are the person to whom President Ford assigns the job of designing a system to ration gasoline. The President thinks that rationing is a terrible idea and wants to cut consumption by raising prices and taxes instead. But a great many well-intentioned senators and congressmen think that rationing is much fairer. We are now going to suppose that they win the coming fight, a rationing law is enacted, and you are appointed to set up the operation. The basic program is clear. There remain only a few minor issues of policy that a sensible person like yourself should have no difficulty resolving quickly and—to repeat the key word—fairly.

The first question is to whom to give ration books, and your first inclination is to give them to every licensed driver. That brings you to the family in which both parents and all three teen-aged children have licenses. If they have five ration books, the kids can continue to drive to school. You think that they ought to take the schoolbus, and you revoke the kids' coupons. But then you learn that they all have part-time jobs—one of them plays the xylophone in a rock band—and they will be unemployed if they can't drive. You get a call from the White House telling you not to contribute to unemployment, which is rising. You give in, and return the kids' ration books. That gives the family five times as much gas as the widow across the street whose three children are all under 16.

Continuing the crusade for fairness, you take up the case of Family A, whose harassed father has to commute 30 miles to work every day, and Family B next door, whose father runs a mail order business out of his basement. Family B goes to the beach every weekend—very inexpensively because, as the congressmen made clear, the point of rationing is to avoid raising prices. Score another point for fairness and turn to the case of two suburban communities, a mile apart, one of which has bus service to and from central city and the other which does not. Reasonably enough, you give less gas to people in the community with buses—until you discover that none of them works in the central city. They all seem to work in other suburbs, most of which have no public transportation. Your response, obviously, is to make everyone in the United States fill out a form showing where he works. Then you hire a computer firm to identify those who can get to their jobs by public transit in less than 90 minutes with no more than three transfers; they will get fewer coupons. There are certain difficulties in enforcing these rules, as you concede to several congressional committees, but you expect to be able to handle them with the expanded appropriations that you have requested to hire more federal gas investigators.

Now that you are beginning to get the hang of the thing, you will want to proceed to the case of the salesman who flies to an airport and rents a car. If you issue gas to the rent-a-car companies, the salesman might be tempted to use one of their cars to take his family on a vacation. But the salesman's personal coupons won't cover company trips. Now you have to decide how much gasoline to give to companies, and which business trips are essential. You might turn that over to the staff that you set up to decide which delivery services are essential and how to prevent delivery trucks from being used for personal business.

By the way, you have to consider the rural poor—for example, the laborer who lives far out in the country. Some weeks he's employed far from home and commutes hundreds of miles. Some weeks he finds work nearby. Some weeks he's unemployed, particularly when the weather's bad. You post a prize for the formula to cover that one.

You are beginning to discover the great truth that simple rules are never fair, and the fairer the system gets the more complicated it has to become. Even in World War II, when there were only one-third as many cars and the national dependence on them was far less pronounced, it was necessary to set up boards of citizens in every community to rule on a flood of special requests, hardships, grievances, and challenges. It is a method that requires, unfortunately, a massive invasion of personal privacy. Americans accepted it then as a temporary wartime expedient. But the present emergency is not temporary.

A year ago, when the Nixon administration was considering rationing, the planners suggested simply giving everyone the same number of coupons and letting people buy and sell them legally on a "white market," as they called it. But in a white market the laborer with the long trip to work would have to bid against the family that wants to drive its station wagon to Yosemite for its vacation. Under President Ford's price scheme, at least the country would know roughly what the increased price of fuel would be. In a white market, no one could say how high the bidding might go, or how widely it might fluctuate from one season to another.

Congress, and specifically the Democratic leadership, is behaving rather badly. Its committees have been exploring the economics and technology of energy with considerable skill for more than two years, and they understand the choices as well as the administration does. The Democratic leadership's cries for further delay now are hardly more than a plea merely to postpone unpleasant but urgent decisions. A year ago, when President Nixon asked for rationing authority, Congress said that rationing was unpopular; the law never passed. Now that President Ford proposes the other alternative, higher prices, congressmen cite polls to show that people would prefer rationing.

In the present state of general indecision, the most widely popular position is probably the one represented by Gov. Meldrim Thomson of New Hampshire. Gov. Thomson opposes both rationing and higher prices. He would prefer, evidently, simply returning to the halcyon days of 1972 before the energy squeeze took hold of us. It is a pleasant idea. But it is not, unfortunately, one of the real choices—not even for New Hampshire.

[From Fortune Magazine, Feb., 1975]

A Dubious Maneuver in the Three-Front War

While there was plenty to find fault with in President Ford's economic proposals, some of the commentary on them indicated serious misconceptions in the minds of the commentators. One is the notion that the current economic mess is largely attributable to mistakes committed last summer and fall by the President, his economic counselors, and the Federal Reserve Board. In truth, the mess was in the making for ten years under Lyndon Johnson and Richard Nixon.

Partly as a result of economic blunders and evasions of responsibility during that span, Ford inherited an economy afflicted with (among other things) double-digit inflation, burdensome debt, inadequate profits, overtaxation, extensive transfer of income from people who work to people who don't, deeply eroded consumer morale, widespread pessimism about the future, and the pervasive strains of adjusting to a sudden quadrupling of oil prices.

In the face of all this, to be sure, Ford did not show great skill in either prognosis or prescription, but neither did most of the numerous economists whom he invited to give him the benefit of their wisdom. As for the Fed, it apparently tightened the screws too much during the late summer and the early fall, but it did so in a valiant effort to restrain inflation that was running at a pace generally agreed to be intolerable.

Another misconception is the notion that, given enough goodwill, it is possible to devise a program that will rapidy restore the economy to robust health. Anybody who believes this is not yet even at square one.

DON'T THROW AWAY THE GAINS

Also mistaken is the view that with a recession on, we shouldn't let concern about inflation cramp our efforts to bring the unemployment rate down. This is a disturbing, even dangerous notion. At a painful cost in unemployment and lost production, we have in the last few months gained some ground against inflation. Recession is indeed having the classic effect on prices. Inflation has been decelerating and here and there prices have actually retreated. To give up prematurely and go for full-sail reflation would be to throw away the gains, and to assure that the people who lost their jobs in recent months have suffered in vain.

What's more, we don't have the option of trading a little more inflation for low unemployment and rapid growth. Inflation has been, and still is, a depressing influence on the economy, impairing consumer morale, eroding real profits, keeping interest rates high.

As President Ford recognized, economic policymaking is now in an unprecedented bind. In his words, "We must wage a simultaneous three-front campaign against recession, inflation, and energy dependence." The requirements pull in different directions. A course of action that seems appropriate on one front may have adverse effects on one or both of the other two fronts.

BAD MEDICINE FOR SLUMPFLATION

The President's own program provides a case in point. While it is desirable to cut petroleum consumption, trying to do that by imposing a levy on crude oil is the wrong approach in the present economic circumstances. It will have pervasive price-jacking effects, raising costs for many manufacturers, utilities, and commercial businesses, as well as for motorists, homeowners, and transportation companies. The combined, cumulative impact on consumer prices might amount to several times the revenues from the new levy.

So even if the revenues are returned to the private economy, the President's petroleum impost may result in a serious pinch on real personal income. And uncertainties about the effects of the measure will impose an additional inhibition on business investment. Thus an impost on crude oil will be both inflationary and depressant—bad medicine for slumpflation.

What's more, it is far from clear that, aside from gasoline. a levy on crude will reduce consumption of petroleum very much in the short run. There are pretty tight limits to how much petroleum can be saved in home heating, manufacturing, and power generation through simple economizing. Significant gains will have to come from more and better insulation, changes in manufacturing processes, and conversions from oil to coal. These alterations take time and entail capital costs.

In the present economic context, a large increase in the federal gasoline tax (20 cents a gallon, say) would be a much better way of curtailing dependence on imports. Effects on other prices would be less pervasive. And there are possibilities for quick and significant reductions in gasoline consumption through car pooling, increased use of public transportation, cutbacks in miles covered on weekend and vacation trips, etc.

We are familiar with arguments against putting heavy reliance on an increase in the gasoline tax. For one thing, gasoline accounts for less than 30 percent of all petroleum consumption in the U.S., so it would take quite a deep cut in the use of gasoline to bring about a substantial reduction in the overall use of petroleum. Moreover, a large increase in the gasoline tax would hit the already battered auto industry, whose troubles are exerting a serious drag on the whole economy.

What is mainly hurting new-car sales, however, is the sad erosion of consumer purchasing power and confidence. If a tax on crude has the predicted effects of fueling inflation and pinching real income, it will worsen the plight of consumers and so work against a recovery in auto sales. An increase in the gasoline tax, on the other hand, would tend to strengthen demand for cars with good fuel economy. It appears, then, that in favoring a tax on crude over a higher tax on gasoline, auto-industry executives may have misjudged where their best interests lie.

THE SCATTERGOOD APPROACH

To avoid depressing effects on demand, revenues from an added tax on gasoline (or a levy on crude) should be recycled into the economy. There is no obviously right way to do this, but it is clear that distributing the revenues to consumers in proportion to the petroleum tax they pay would defeat the purpose of the tax. President Ford's scattergood approach of giving out a bowlful here and a bowlful there in the form of income-tax reductions of cash payments is not so obviously wrong, but it does not seem the best approach either.

David Gordon Wilson, professor of mechanical engineering at M.I.T., has put forward a radically simple idea that at least merits consideration as an alternative approach for any tax to discourage petroleum consumption: distribute the revenues to all adults equally. Professor Wilson himself applies the concept more broadly, but it is applicable to a gasoline tax (or to revenues from a levy on crude oil).

If each adult got an equal share in the distribution of gasoline-tax revenues, the net cost of the tax to each would depend entirely on his or her (or the family unit's) direct and indirect consumption of gasoline. There would be income redistribution from heavy users to light users—which is the kind of redistribution appropriate to the case. The allocation of revenues from a tax designed to cut consumption of petroleum should not get tangled up with questions of social justice.

S. 897

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Conservation Act of 1975".

SEC. 2. TAX CREDITS AND DEDUCTION TO ENCOURAGE ENERGY CONSERVATION IN HOUSING.

(a) IN GENERAL.—

(1) Tax credits.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 42 as 44 and by inserting after section 41 the following new sections:

"SEC. 42. ENERGY-CONSERVING RESIDENTIAL IMPROVEMENTS.

"(a) GENERAL RULE.—In the case of an individual, there is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 50 percent of the amount of energy-conserving residential improvement expenses paid or incurred by the taxpayer during the taxable year.

"(b) LIMITATIONS.—

"(1) DOLLAR AMOUNT.—The credit allowed under subsection (a) for the taxable year may not exceed $500.

"(c) MARRIED INDIVIDUALS.—In the case of a husband and wife who file a joint return of tax under section 6013, the amount specified under paragraph (1) applies to the sum of the tax liabilities of such husband and wife. In the case of a married individual filing a separate return of tax, the amount in paragraph (1) shall be $250 in lieu of $500.

"(c) DEFINITION.—For purposes of this section, the term 'energy-conserving residential improvement expenses' means the sum of all expenditures paid or incurred by the taxpayer during the taxable year for repairs or improvements to the portion of any property owned by the taxpayer which is his principal residence (within the meaning of section 1034) if such repairs or improvements are designed to reduce heat loss in cold weather and heat gain in hot weather or to use energy more efficiently for space heating or cooling, including the repair or installation of insulation, storm windows, caulking, or any device or system using solar energy for space heating or cooling which meets the criteria prescribed by the Secretary of Housing and Urban Development under section 8 of the Solar Heating and Cooling Demonstration Act of 1974.

"(d) ELECTION TO TAKE DEDUCTION IN LIEU OF CREDIT.—This section does not apply in case of a taxpayer who elects to take the deduction provided by section 220 (relating to deduction for energy-conserving residential improvements) for the taxable year. The election shall be made in such form and manner, and at such time, as the Secretary or his delegate prescribes by regulations.

"(e) ADJUSTMENT TO BASIS.—Notwithstanding the provisions of section 1016 (relating to adjustments to basis), no adjustment to the basis of any property shall be made for any expenditure with respect to such property which is taken into account in computing the amount of the credit allowed under subsection (a).

"SEC. 43. MINIMUM GASOLINE REQUIREMENTS.

"(a) General Rule.—There is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the amount of the gasoline conservation tax imposed under section 4084 on gasoline purchased by the taxpayer during the calendar year.

"(b) LIMITATIONS.—

"(1) DOLLAR AMOUNT—

"(A) CALENDAR YEAR 1976.—The amount of the credit allowed to a taxayer for the taxable year ending with or within calendar year 1976 with respect to gasoline purchased after December 31, 1975, may not exceed $158.

"(B) 1977 AND THEREAFTER.—The amount of the credit allowed to a taxpayer for any taxable year wtih respect to gasoline purchased after December 31, 1976, may not exceed $210.

"(2) MARRIED INDIVIDUALS.—In the case of a husband and wife who file a joint return of tax under section 6013, the amounts specified under paragraph (1) apply to the sum of the tax liabilities of such husband and wife. In the case of a married individual filing a separate return of tax, the amounts specified in paragraph (1) shall be $79 in lieu of $158 and $105 in lieu of $210, respectively.

"(c) REDUCTION OF CREDIT.—The amount of the credit allowed under subsection (a), after the application of subsection (b), shall be reduced (but not to an amount less than zero) by an amount which bears the same ratio to—

"(1) $158, with respect to gasoline purchased during calendar year 1976, and

"(2) $210, with respect to gasoline purchased after December 31, 1976,

as the amount by which the adjusted gross income of the taxpayer (the sum of the adjusted gross incomes of a husband and wife who file a joint return of tax under section 6013) for the calendar year exceeds $10,000 bears to $40,000.".

(2) TAX DEDUCTION.—Part VII of subchapter B of chapter 1 of such Code (relating to additional itemized deductions for individuals) is amended by renumbering section 220 and 221 and by inserting after section 219 the following new section:

"SEC. 220. ENERGY-CONSERVING RESIDENTIAL IMPROVEMENTS.

"(a) GENERAL RULE.—In the case of an individual, there is allowed as a deduction an amount equal to the amount of energy-conserving residential improvement expenses (as defined in section 42 (c)).

"(b) LIMITATIONS.—

"(1) DOLLAR AMOUNT.—The deduction allowed under subsection (a) for a taxable year may not exceed $2,000.

"(2) MARRIED INDIVIDUALS.—In the case of a husband and wife who file a joint return of tax under section 6013, the amount specified under paragraph (1) applies to the sum of the gross incomes of such husband and wife. In the case of a married individual filing a separate return of tax, the amount in paragraph (1) shall be $1,000 in lieu of $2,000.

"(c) DEFINITION.—For purposes of this section, the term 'energy-conserving residential improvement expenses' has the meaning given such term by section 42 (c).

"(d) Election to Take Credit in Lieu of Deduction.—This section does not apply in the case of a taxpayer who elects to take the credit provided by section 42 (relating to energy-conserving residential improvements) for the taxable year. The election shall be made in such form and manner, and at such time, as the Secretary or his delegate prescribes by regulations.

"(e) Adjustment to Basis.—Notwithstanding the provisions of section 1016 (relating to adjustments to basis), no adjustment to the basis of any property shall be made for any expenditure with respect to such property which is taken into account in computing the amount of the deduction allowed under subsection (a)."

(3) Definition of Adjusted Gross Income.—Section 62 of such Code (relating to definition of adjusted gross income) as amended by—

(A) renumbering the second paragraph (11) as paragraph (12), and

(B) adding at the end thereof the following new paragraph:

"(13) Energy-conserving residential improvement expenses.—The deduction allowed by section 220."

(b) Refund of Excess Minimum Gasoline Requirements Credit.—

(i) Section 6201(a)(4) (relating to assessment authority) of such Code is amended—

(A) by inserting "or 43" immediately after "section 39" in the caption of such section, and

(B) by striking out "oil)," and inserting in lieu thereof "oil) or section 43 (relating to minimum gasoline requirements,".

(2) Section 6401(b) of such Code (relating to excessive credits) is amended—

(A) by inserting immediately after "lubricating oil)" the following: "43 (relating to minimum gasoline requirements)," and

(B) by striking out "sections 31 and 39" and inserting in lieu thereof "sections 31, 39 and 43".

(c) Clerical Amendments.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by striking out the item relating to section 42 and inserting in lieu thereof the following:

"Sec. 42. Energy-conserving residential improvements.
"Sec. 43. Minimum gasoline requirements.
"Sec. 44. Overpayments of tax."

(2) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 220 and inserting in lieu thereof the following:

"Sec. 220. Energy-conserving residential improvements.
"Sec. 221. Cross references.".

(d) Effective Date.—The amendments made by this section with respect to the tax credit and deduction for energy-conserving residential improvements, apply with respect to energy-conserving residential improvement expenses paid or incurred after December 31, 1974. The amendments made by this section with respect to the tax credit for minimum gasoline requirements apply with respect to taxable years beginning after December 31, 1975.

Sec. 3. Gasoline Conservation Tax Incentive.

(a) Imposition of Tax.—Subpart A of part III of subchapter A of chapter 32 of such Code (relating to manufacturer's excise taxes) is amended by redesignating section 4084 as 4085 and by inserting after section 4083 the following new section:

"Sec. 4084. Gasoline Conservation Tax.

"There is imposed on gasoline sold by the producer or importer thereof, in addition to the tax imposed under section 4081, a tax of—

"(1) 15 cents a gallon with respect to gasoline sold after December 31, 1975, and before April 1, 1976,

"(2) 20 cents a gallon with respect to gasoline sold after March 31, 1976, and before July 1, 1976,

"(3) 25 cents a gallon with respect to gasoline sold after June 30, 1976, and before October 1, 1976, and

"(4) 30 cents a gallon with respect to gasoline sold after September 30, 1976."

(b) Conforming Amendments.—

(1) Section 4082(d) of such Code (relating to definition of wholesale distributor) is amended by inserting "or section 4084" after "section 4081" where it appears in paragraph (2).

(2) Section 4083 of such Code (relating to exemption of sales to producer) is amended by inserting "or section 4084" after "section 4081".

(3) Section 4101 of such Code (relating to registration) is amended by striking out "section 4081 or section 4091" and inserting in lieu thereof "section 4081, section 4084, or scetion 4091".

(4) Section 4221(d)(6)(C) of such Code (relating to certain tax-free sales) is amended by inserting "or section 4084" after "section 4081".

(5) Section 4226(a) of such Code (relating to floor stocks taxes) is amended by adding at the end thereof the following:

"(8) 1976 tax on gasoline.—On gasoline subject to tax under section 4084 which on the dates specified under this paragraph is held by a dealer for sale, there is imposed a floor stocks tax at the following rates—

"(A) 15 cents a gallon, with respect to gasoline held on January 1, 1976,

"(B) 20 cents a gallon, with respect to gasoline held on April 1, 1976,

"(C) 25 cents a gallon, with respect to gasoline held on July 1, 1976, and

"(D) 30 cents a gallon, with respect to gasoline held on October 1, 1976.

The tax imposed by this paragraph does not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor to gasoline held for sale by a producer or importer of gasoline."

(c) The table of sections for such subpart A is amended by striking out the item relating to section 4084 and inserting in lieu thereof the following:

"Sec. 4084. Gasoline conservation tax.
"Sec. 4085. Cross references."

Sec. 4. Payments to Individuals Who Purchase Automobiles With Good Fuel Economy

(a) The Secretary of the Treasury shall establish a program for the payment of money to individuals who are the first purchasers of new automobiles for purposes other than resale. The amount of the payment with respect to a new automobile shall be determined in accordance with the following table:

If the fuel consumption rate (in miles per gallon) of the new automobile is:	The amount of the payment is:
17 or more, but not over 18	$100
Over 18 but not over 19	125
Over 19 but not over 20	150
Over 20 but not over 21	175
Over 21 but not over 22	200
Over 22 but not over 23	225
Over 23 but not over 24	250
Over 24 but not over 25	275
Over 25 but not over 26	300
Over 26 but not over 27	325
Over 27 but not over 28	350
Over 28 but not over 29	375
Over 29 but not over 30	400
Over 30 but not over 31	425
Over 31 but not over 32	450
Over 32 but not over 33	475
Over 33 but not over 34	500
Over 34 but not over 35	525
Over 35 but not over 36	550
Over 36 but not over 37	575
Over 37 but not over 38	600
Over 38 but not over 39	625
Over 39 but not over 40	650
over 40	675

(b) Change in Payment Schedule.—

(1) 1976.—Effective January 1, 1976, each fuel consumption rate listed in the table under subsections (b) and (c) shall be increased by 2 and, as increased, shall apply to automobiles sold during calendar year 1976.

(2) 1977.—Effective January 1, 1977, each such rate shall be increased by 4 and, as increased, shall apply to automobiles sold during calendar year 1977.

(c) The Secretary shall not make more than one payment under this section to the same individual for the purchase of a new automobile during a single calendar year. In order to receive a payment under this section, an individual who is the first purchaser (other than a dealer or a distributor) of a new automobile shall file an application with the Secretary at such time and containing such information as the Secretary may require.

(d) For the purposes of this section, the term—

(1) "fuel consumption rate" means a rate reflecting average driving conditions determined by the Secretary of Transportation for each make and model of new automobile sold in the United States, and, until such determinations have been made by the Secretary of Transportation, the fuel consumption rate of an automobile shall be the median of the range of rates determined by the Administrator of the Environmental Protection Agency for such automobile, and

(2) "new automobile" means an internal combustion engine vehicle, other than a truck or bus, which is a highway motor vehicle as defined in section 4482(a) of the Internal Reevnue Code of 1954.

(e) The Secretary of the Treasury or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section, except that, with respect to the determination of the fuel consumption rate of a new automobile, the Secretary of Transportation or his delegate shall make such regulations.

(f) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

(g) The provisions of this subsection apply to automobiles purchased during calendar year 1975, 1976, and 1977.

Sec. 5. Automobile Energy Conservation.

(a) In General.—Part I of subchapter A of chapter 32 of the Internal Revenue Code of 1954 (relating to excise tax on motor vehicles) is amended by inserting at the end thereof the following new section:

"Sec. 4064. Automobile Energy Consumption Tax

"(a) General Rule.—There is imposed on each new automobile sold to a final purchaser a tax in the amount determined under subsection (b). The tax imposed by this subsection shall be paid by the final purchaser.

"(b) Amount of Tax.—The amount of tax referred to in subsection (a) is determined in accordance with the following table:

If the fuel consumption rate (in miles per gallon) of the new automobile is:	The tax is
Over 29	0
Over 28 but not over 29	50
Over 27 but not over 28	100
Over 26 but not over 27	150
Over 25 but not over 26	200
Over 24 but not over 25	250
Over 23 but not over 24	300
Over 22 but not over 23	350

Over 21 but not over 22	400
Over 20 but not over 21	450
Over 19 but not over 20	500
Over 18 but not over 19	550
Over 17 but not over 18	600
Over 16 but not over 17	650
Over 15 but not over 16	700
Over 14 but not over 15	750
Over 13 but not over 14	800
Over 12 but not over 13	850
Over 11 but not over 12	900
Over 10 but not over 11	950
Over 10 or less	1,000

"(c) Credit Against Tax.—There shall be allowed as a credit against the tax imposed by this section an amount determined in accordance with the following table:

If the fuel consumption rate (in miles per gallon) of the new automobile is:	The credit is:
Not over 31	$0
Over 31 but not over 32	25
Over 32 but not over 33	50
Over 33 but not over 34	75
Over 34 but not over 35	100
Over 35 but not over 36	125
Over 36 but not over 37	150
Over 37 but not over 38	175
Over 38 but not over 39	200
Over 39 but not over 40	225
Over 40 but not over 41	250
Over 41 but not over 42	275
Over 42 but not over 43	300
Over 43 but not over 44	325
Over 44 but not over 45	350
Over 45 but not over 46	375
Over 46 but not over 47	400
Over 47 but not over 48	425
Over 48 but not over 49	450
Over 49 but not over 50	475
Over 50	500

"(e) Collection of Tax and Refunds.—

"(1) Collection.—Every person who receives payment for a new automobile on which a tax is imposed under this section shall collect the amount of the tax from the final purchaser making such payment.

"(2) Refunds.—Each person who sells a new automobile to a final purchaser shall report to the Secretary or his delegate the amount of credit, if any, to which such purchaser is entitled under subsection (c).

"(f) Definitions.—For purposes of this section—

"(1) Final purchaser.—The term 'final purchaser' means the first person who in good faith purchases a new automobile for purposes other than resale.

"(2) Fuel consumption rate.—The term 'fuel consumption rate' means the fuel consumption rate as determined under rules prescribed by the Administrator of the Environmental Protection Agency.

"(3) New automobile.—The term 'new automobile' means an internal combustion engine vehicle, other than a truck or bus, which is a highway motor vehicle as defined in section 4482(a)."

(b) Conforming Amendments.—

(1) Section 6201(a) of such Code (relating to assessment authority) is amended by adding at the end thereof the following new paragraph:

"(5) Erroneous credit under section 4064.—If on any claim for a refund of excise taxes under chapter 32 there is an overstatement of the credit allowable by section 4064 (relating to automobile energy consumption tax), the amount so overstated which is allowed as a refund may be assessed by the Secretary or his delegate in the same manner as in the case of a mathematical error."

(2) Section 6401 of such Code (relating to amounts treated as overpayments) is amended by—

(A) redesignating subsection (c) as subsection (d), and

(B) inserting after subsection (b) the following new subsection:

"(c) Excessive Credit Under Section 4064.—If the amount allowable as a credit under section 4064 (relating to automobile energy consumption tax) exceeds the tax imposed by chapter 32 of subtitle D of chapter 1, the amount of such excess shall be considered an overpayment."

(c) Clerical Amendment.—The table of sections for part I of subchapter A of chapter 32 of such Code is amended by inserting at the end thereof the following new item:

Sec. 4064. Automobile energy consumption tax."

(d) Effective Date.—The amendments made by this section apply with respect to new automobiles sold after December 31, 1977.

Sec. . Energy-Conserving Residential Improvement Loans.

(a) Establishment.—There is established an Energy Conservation Residential Improvement Loan Program to be administered by the Secretary of the Treasury.

(b) Eligibility.—Any person who has an adjusted gross income, as defined in section 62 of the Internal Revenue Code of 1954, not in excess of $12,000 for a taxable year, as determined under such Code, and who receives a tax credit under section 42 (relating to energy conserving residential improvements) of such Code for such year shall be eligible to receive a loan under the Energy Conservation Residential Improvement Loan Program from the Secretary of the Treasury.

(c) Limitation.—No person may receive a loan under the provisions of this section in an amount which exceeds the amount of the tax credit which such person receives under section 42 of the Internal Revenue Code of 1954.

(d) Rate of Interest.—The rate of interest on direct loan made under this chapter shall be—

(1) a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with the remaining periods of maturity that are comparable to the average maturity for such loans, adjusted to the nearest one-eighth of one percent, plus

(2) an amount adequate in the judgment of the Secretary to cover administrative costs and probable losses under the program.

(e) Regulations.—The Secretary of the Treasury shall prescribe such regulations as are necessary to carry out the provisions of this section.

(f) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

By Mr. FANNIN:

S. 898. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from requiring an indirect source emission review as a part of any applicable implementation plan. Referred to the Committee on Public Works.

Mr. FANNIN. Mr. President, there are very few matters on which the entire Congress agrees but the goal of clean air and water seems to be shared by all of us. To accomplish part of this goal, the Clean Air Act of 1963 and many subsequent amendments have been enacted, and the Environmental Protection Agency was created by the executive branch. The problem now lies in the fact that this independent agency, the EPA has assumed powers never intended by the Congress. In the name of clean air, this agency assumes anything is possible, including Federal land use regulation under the guise of indirect source review. The EPA also is attempting to usurp State tax authority, beginning with parking surcharges.

My sincere feeling is that the Congress must further define its intent on environmental legislation before the EPA's arbitrary and over zealous approach begins seriously blocking construction, drastically increasing unemployment and further distorting our pollution control laws.

Today I am introducing legislation which prohibits the EPA from requiring the review of indirect sources to meet the goals of the Clean Air Act. I do not agree that such regulation will accomplish emission control or significantly improve air quality. Instead, the delays caused on construction permits for such vital facilities as airports, schools, hospitals, and highways would cost taxpayers millions of dollars and allow for EPA control of important State and local decisions. Approval could be held up or denied by this agency for construction of apartment projects, shopping centers, office buildings, and other public and private projects. These facilities do not pollute, and it has not been adequately shown by EPA or anyone else that preconstruction reviews of these facilities will reduce exhaust emissions. These regulations could, in fact, increase pollution by spreading out these facilities, thus creating the need for more driving and further frustrating our ability to use mass transit.

It is hard for me to understand why we are letting the Environmental Protection Agency dictate such far-reaching regulations and distort so completely our clean air goal. Consequently, I am hopeful that this legislation to prohibit the indirect source review will receive early consideration by the Senate. Congressman Bob Casey of Texas has been a prime sponsor in the House of this legislation, so hopefully we in Congress can put an early end to these back door approaches to pollution control and redirect the EPA toward the real sources of air pollution.

By Mr. DOLE:

S.J. Res. 39. A joint resolution to designate the week of March 17 to 23, 1975, as "National Lead Poisoning Prevention Week." Referred to the Committee on the Judiciary.

NATIONAL LEAD POISONING PREVENTION WEEK

Mr. DOLE. Mr. President, each year, over 200 children are reported to die from lead poisoning; and it is quite possible that this figure is lower than the actual number, due to unidentifiable cases.

An additional 2,000 children annually suffer some sort of brain damage and mental retardation from this poisoning.

I find these statistics alarming and feel that it is still more alarming to note that so few parents and health professionals are even aware that lead poisoning is still a significant problem in our Nation.

PROBLEM CONTINUES

The problem largely stems from the fact that lead-based paints were frequently used in homes built before World War II. Much of this paint is now deteriorating, causing a very real danger to children, who often do not realize that paint chips should not be eaten.

Elevated levels of lead in children often goes unnoticed because this form of poisoning does not present obvious symptoms even in its more advanced stages.

Making all this even more tragic is the fact that there is absolutely no reason for lead poisoning to reach a critical stage in any child, as the cause, cure, and prevention of the disease is known.

CORRECTIVE ACTION BEING MADE

Fortunately, awareness of this situation is growing. There are now 77 lead poisoning prevention programs across the United States.

In my own State of Kansas, one of these programs began active operation in the Kansas City metropolitan area early last October. At that time, program workers started going door to door in order to explain the hazards of lead poisoning, to discuss the services offered by the program, and to take blood samples from the children's fingers. In addition, they began presenting community programs for these same purposes.

The blood samples are then analyzed in order to determine whether or not elevated lead levels exist. In cases where the level of lead is high, the child involved will either be treated or carefully observed in order to insure that the lead level does not rise.

Funding for the Kansas City program has been made available through an HEW matching-fund grant.

I comment the efforts of this and other lead poisoning prevention programs and hope our actions in Congress will be supportive of those efforts.

In the interests of making the public aware not only of the dangers presented by lead poisoning but also of the services available to detect and thereby prevent it, I am asking that Congress declare March 17–23 as "National Lead Poisoning Prevention Week."

I ask unanimous consent to have the joint resolution printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 39

Whereas lead-based paints were used extensively in homes built before World War II, and much of this older paint is now deteriorating and presents a serious health hazard to approximately 2.9 million children;

Whereas many parents and health care professionals are not aware that lead poisoning is still a problem in our environment;

Whereas elevated lead levels often go undetected because of the non-existence or subtlety of symptoms;

Whereas elevated lead levels extended over a period of time can cause learning impairment and possible other brain degeneration in children;

Whereas there is no logical reason for this malady since the cause, detection, cure and prevention of lead poisoning and elevated lead levels are known; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating the week of March 17 to 23, 1975, "National Lead Poisoning Prevention Week", in order to encourage all citizens of this nation to take precautions to insure children against this health hazard.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 63

At the request of Mr. BEALL, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of the bill (S. 63) to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for certain income of condominium housing associations, homeowner associations, and cooperative housing corporations.

S. 80

At the request of Mr. MATHIAS, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of the bill (S. 80) to prevent the estate tax law from operating to encourage or to acquire the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land—rather than at its fair market value—and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes at its value for its existing use, and to provide for the revocation of such lower valuation and recapture of unpaid taxes with interest in appropriate circumstances.

S. 276

At the request of Mr. FANNIN, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of the bill (S. 276) to repeal the Davis-Bacon Act and related provisions of law.

S. 306

At the request of Mr. GRAVEL, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of the bill (S. 306) to terminate the Airlines Mutual Aid Agreement.

S. 388

At the request of Mr. CHURCH, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 388, a bill to amend titles II, VII, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes.

S. 504

At the request of Mr. HELMS, the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of the bill (S. 504) the Natural Gas Emergency Purchase Act of 1975.

S. 747

At the request of Mr. MANSFIELD, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of the bill (S. 747) to eliminate the disability waiting period for individuals with terminal illnesses.

S. 842

At the request of Mr. MANSFIELD, the Senator from Montana (Mr. METCALF) was added as a cosponsor of the bill (S. 842) for the relief of the Mondakota Gas Co.

S. 862

At the request of Mr. CHURCH, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 862, a bill to extend medicare coverage to include out-of-hospital prescription drugs.

SENATE JOINT RESOLUTION 23

At the request of Mr. HARRY F. BYRD, JR., the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of the joint resolution (S.J. Res. 23) to restore posthumously full rights of citizenship to Gen. R. E. Lee.

SENATE JOINT RESOLUTION 38

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. McGOVERN) was added as a cosponsor of the joint resolution (S.J. Res. 38) to bestow U.S. citizenship upon Leif Ericson.

SENATE CONCURRENT RESOLUTION 7

At the request of Mr. BEALL, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of the concurrent resolution (S. Con. Res. 7) which states that if economic controls are imposed, it is the desire of Congress that those business concerns who lowered prices on or after January 1, 1975, shall not be penalized in the establishment of any base price pursuant to those controls.

CORRECTION OF HEARING NOTICE

Mr. SPARKMAN. Mr. President, on February 26, I announced that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs, would hold 4 days of hearings—March 17 through March 20—on emergency housing and housing/energy legislation. The bills included S. 587, S. 591, S. 655, S. 660, S. 748, S. 751, S. 773, and titles X and XI of S. 594. Due to an oversight, bill, S. 577, was not included in the above-mentioned bills, I am, therefore, amending my original announcement to include S. 577.

I should also like to add that, should additional bills dealing with emergency housing be introduced prior to the start of the hearings on March 17, these will also be considered during the hearings.

NOTICE OF HEARING

Mr. JACKSON. Mr. President, I would like to announce for the information of my colleagues in the Senate and the public that the Senate Interior and Insular Affairs Committee and members of the National Fuels and Energy Policy Study will hold a hearing on Wednesday, March 5, at 3 p.m. in room 3110, Dirksen Senate Office Building, on S. 861, a bill to amend section 4 of the Emergency Petroleum Allocation Act of 1973, to hear representatives of the Federal Energy Administration.

ADDITIONAL STATEMENTS

MINNESOTA PIONEERS

Mr. HUMPHREY. Mr. President, in these difficult times it is easy for us to lose sight of the traditions and ideals for which we constantly struggle. In light of this fact, I would like to share with my colleagues a truly inspirational cultural event which effectively captures the historic frontier spirit and determination of the many Minnesota pioneers.

It has come to my attention that Washington's Ford Theater is currently presenting a musical entitled "The Portable Pioneer and Prairie Show." Several of my staff members have referred to the play as a stimulating experience and informed me of its cultural value.

The play relates the frontier experiences of a Scandanavian family, the Anderssons, who seek a new life in Minnesota. Their struggle to build a home typifies the efforts of the thousands of pioneer families who traversed the upper Midwest throughout the 19th century. We must never forget the great virtues of hard work, persistence, and religious reverence which characterized these immigrants.

The family's experiences as a musical troupe also communicate the flavor of that bygone era. The rollicking show numbers which these travelers presented were the major form of cultural entertainment for the settlers as well as a source of inspiration.

It is noteworthy that this production was developed and originally presented by the Tyrone Guthrie Theater of Minneapolis. The Guthrie sent two authors, David Chambers and Mel Marvin, on a research tour to uncover the remnants of the period. The fine quality of this scrip is characteristic of Minnesota's Guthrie Theater which is one of the most renowned theater companies in the country.

I would like to point out to this body the importance of retaining the cultural values which form our national heritage. There is a wealth of history, tradition, and theatricality that we are slowly allowing to disappear to the detriment of the Nation. The preservation of these materials is necessary in order to insure that productions like "The Portable Pioneer and Prairie Show" remain possible.

INVITATION TO SENATORS TO MEET WITH THE HONORABLE HOUSHANG ANSARY, MINISTER OF ECONOMY AND FINANCE—IRAN

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Texas (Mr. TOWER), I ask unanimous consent that a statement by him may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR TOWER

I would like to extend an invitation to all Senators to participate in a meeting with the Honorable Houshang Ansary, Minister of Economy and Finance for Iran, on Tuesday morning, March 4, at 9:30 here in the Capitol. This meeting will provide an opportunity for an informal discussion of various matters of interest between our country and Iran.

THE ECONOMY AND ENERGY

Mr. CLARK. Mr. President, the recession and inflation facing this country today add up to our most difficult economic crisis since the great depression 40 years ago. Close to 8 million people are out of work—the highest national unemployment rate since 1941. The unemployment rate in Iowa is at its highest level since 1950 when State estimates were first made. It takes $1.20 a day to buy what a dollar would buy 2 years ago. Industrial productivity, farm income, and corporate earnings are falling. And with all of this, there is a lack of confidence in the ability of the administration to respond to the problems—despite the President's proposals and and his efforts to convince people they will work.

But it is Congress that has the authority to lower taxes to stimulate the economy, Congress that must approve or disapprove the President's economic and energy programs, and Congress that has the authority to help the unemployed and those people, like the elderly, who have been hardest hit by inflation.

So what about Congress—what should it be doing, what is it doing?

Getting the economy moving again must come first. Nothing else, including the need to reduce dependence on foreign oil and the need to reduce the Federal deficit, can be as important right now. In this effort to revive the economy, Congress and the administration must work closely together, and the beneficial effect of cooperation is apparent in the tax cut and tax rebate program.

The initial proposal was President Ford's. In the last few weeks, it has been shaped and modified by the Ways and Means Committee, and yesterday the House of Representatives gave its final approval to a 10 percent tax rebate for 1974 and a tax cut for 1975. It adds up to a $21.8 billion shot in the arm for the economy, an urgently needed boost that the Senate may decide to make even more substantial in the next few weeks.

Whatever its final form though, the congressional tax relief program will benefit everyone. It could take effect almost immediately after the President approves it, resulting in increased take home pay this year and 1974 tax rebates which would range from a minimum of $100 to a maximum of $200. The rebate checks would be in the mail in May or June. Unlike the President's proposal, however, the congressional plan is designed to help low- and moderate-income families the most. Those are the families that have been hurt most by inflation, especially the higher tax payments it has caused, taxes that last year rose twice as fast as the prices of food, transportation, and clothing.

While the tax relief becomes law and begins to counteract recession, Congress should move on interim legislation to get people working again and to help those still out of work. Late last year, a limited public service job program and improved unemployment insurance benefits went into effect. As unemployment has continued to increase, however, so has the need for a direct response to it. And the Senate already is considering legislation to establish a million public service jobs to provide health insurance for the unemployed.

Whatever action is taken, it is essential not to jeopardize or mortgage economic stability for short term gain. The most effective answer to unemployment is not more Federal programs but a healthy and prosperous economy. If the unemployment rate were cut in half, the $50 billion deficit facing the Federal Government and the American taxpayer next year would become a $15 billion surplus. That is just one more reason to attack recession first.

A tax cut and rebate, an expanded unemployment program, a cooperative Federal Reserve Board that eases credit and lowers interest rates—all of these will increase consumer demand, create more jobs, and encourage investment in new plants and equipment. This investment and expansion are vital to economic growth and price stability. Without it, there can be no guarantee of economic security.

BALANCE

Economic recovery need not mean increasing inflation or forcing the Federal Government to borrow into bankruptcy. But the balance is a precarious one that can be upset all too easily, leaving the country with an even deeper recession or even more inflation. It is on this point that the concerted action by the Congress and the administration ends and the disagreement and controversy begin.

Spokesmen for the administration have expressed great concern that too large a tax cut, too much Government spending, or too much easing of credit will lay the foundation for even greater inflation. But there is strong evidence that the tax cuts the administration is proposing are far too small to turn around a $1.5 trillion economy already deep in recession especially when the administration wants reductions in social welfare programs to go with the tax cuts. And an overly restrictive monetary policy can only aggravate the recession, making recovery in the housing industry, the automobile industry, and in business investment extremely difficult.

We cannot allow these differences in emphasis on the problems of inflation and recession to paralyze Government in the face of severe economic problems. Both the concerns of the administration over adding to inflation and those of Congress over the deepening recession are legitimate, and so we must work together to develop imaginative policies of economic "fine tuning" that will enable the country to combat recession without adding to the problems of inflation.

ENERGY

As an essential part of his program, the President has proposed a $30 billion increase in taxes for domestic and imported oil to reduce consumption. The tax increase, of course, would be passed along to the American consumer—who will have to pay more for gasoline, heating oil, fertilizer, electricity, and natural gas just for starters. By the administration's own admission, it would add at least three percentage points to the rate of inflation and take an additional $30 billion in spending power out of the economy, driving the country deeper into recession. There is a rebate program to return some of the money to the economy, but the economic impact of the total package would be devastating.

Everyone recognizes the importance of reducing U.S. dependence on foreign oil which is a substantial factor in inflation and the balance of trade deficit. But it must not take precedence over the effort to set the economy straight. The President's energy tax proposal runs head on into that goal, and that is why both the House and the Senate have voted to suspend the President's authority to impose an energy import tax. The legislation will be vetoed, and it will be necessary to override the veto to protect the economy from the shock that it might not be able to withstand.

Congress has turned down the President's energy plan, not for the sake of opposing him, but because there are better ways to reduce energy consumption without destroying the prospects for economic recovery or establishing another bureaucracy to administer a rationing plan. The American economy has been able to adjust to higher oil prices better than most people had expected. The oil-producing nations are not accumulating vast financial reserves as fast as had been anticipated. Because of higher prices, people are using less oil, and the price of oil may soon begin to decline with the development of new energy resources, new oil discoveries, and a growing international oil surplus. The United States still needs a new energy program to ensure long-range economic and political security, but it need not be as abrupt, as dramatic, or as disruptive as the President's proposal.

What are the alternatives then?

Voluntary conservation by itself can never be totally successful, so Congress should provide mandatory allocation and import quotas to further reduce consumption and avoid the need for rationing. But even these restrictions should be tailored to the Nation's economic health. The economy simply cannot stand the 1 million barrel a day decrease in imports that the President has suggested. The reduction must be more gradual and sustained.

A tax credit from home insulation, as the President proposed, and a "luxury" tax on cars with low gasoline mileage would also reduce consumption and, with it, the dependence on foreign oil. If these conservation measures are not adequate, there could be an energy tax increase to reduce consumption and provide funds for mass transit and energy research. Instead of being applied across-the-board though, it should be limited to gasoline, and any tax should be imposed gradually so it does not derail economic recovery.

And it is economic recovery that is paramount. In light of that, the allocation-conservation program being developed by Congress is far preferable to the President's proposal or the prospect of gasoline rationing with the recessionary effect they would have on the economy. The congressional program would be far less disruptive and, in the the long run, no less effective.

ULSTER DEFENSE ASSOCIATION: TERRORISTS IN IRELAND

Mr. BUCKLEY. Mr. President, the tragedy of Northern Ireland continues; and the Irish people, the vast majority of whom long for peace, prosperity and unity, are still victims of the terrorism that has marked events in Northern Ireland in recent years. In a colloquy with Senator Brooke in February of 1972, I stated that:

> The peaceful reunification of Ireland was a goal that should and must be pursued not only by the Irish but by the English as well.

There have been times during the 3 years that have passed since then when it appeared that such a unification was at least in the process of beginning. But the facts compel me to say that the people of Northern Ireland are still suffering and that the dream of a peaceful, prosperous, united and free Ireland is still that—a dream.

Yes, Mr. President, it is a dream. But it is not an impossible dream. It is shared by so many in Ireland that I believe it will someday become a reality. But in the meantime, there remain the problems of terrorist attacks, bombings, murder and torture. There has been much written about the real and alleged terrorist activity of the Irish Republican Army. There has been much written about torture techniques used against Catholic prisoners in British prison camps. But not so much has been written about the fanaticism, murder and terror of the Ulster Defense Association—UDA, Northern Ireland's "largest Protestant private army"—to use the Washington Star-News' description of that organization. It was therefore noteworthy that the Star-News, February 19, 1975, carried a story headlined Woman Informer Tells of "Ruthless" Irish Gang. Terrorism, sadism, violence, corruption, extortion—these are the stock in trade of the vicious and unconscionable men and women of the UDA who seek to frighten, intimidate or kill anyone who gets in their way.

The Provisional Irish Republican Army has called a cease-fire and since then no attacks on the Protestant community have been made. But the Ulster Defense Association continues its bloody outrages. I therefore request unanimous consent to print the full text of the Star-News article in the Record in order to show precisely what the Catholic population has to deal with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUCKLEY. Mr. President, let me say a final word: The labels Catholic and Protestant are necessary to use in describing the struggle in Northern Ireland, because they best fit the nature of the divisions in the community. But the fact is that the Irish people, Protestants and Catholics, are now and have been for too long victims of terrorism. The Ulster Defense Association must follow the lead of the Provisional Irish Republican Army and call a cease-fire. Then and only then will the road to peace and unification open to all the people of Ireland.

EXHIBIT 1

[From the Washington Star-News
Feb. 19, 1975]

WOMAN INFORMER TELLS OF "RUTHLESS" IRISH GANG

(By Mark Hosenball)

LONDON.—Racketeering, assault and murder are a stock-in-trade of the Ulster Defense Association, Northern Ireland's largest Protestant private army, according to a former woman "captain" in the organization.

Brittania Louise Davey, a 49-year-old English woman, claims to have been in the UDA for nearly two years, during which time she ran a rest-home at her cottage in the west of England for UDA men on the run.

In return for this service, and her participation in rifle training and gun smuggling, Mrs. Davey claims UDA gave her the rank of captain. But Mrs. Davey says she became disenchanted with the UDA when she found out its true nature was that of a ruthless sectarian gang After hearing how UDA murdered and punished its own members—as well as innocent Catholics from across Ulster's sectarian divide—she said she decided to become an informer for British intelligence.

Her evidence already has jailed three English UDA men for periods ranging up to 10 years. Currently imprisoned on a minor charge, which her family believes was designed for her own protection, Mrs. Davey is expected to testify soon at the trial of a man believed to be UDA's "Supreme Commander" in England. Mrs. Davey says he stayed at her cottage a year ago.

From this man, from other UDA men who visited the cottage, and from the brief period in which she and her 17-year-old daughter lived in Belfast's Protestant section, Mrs. Davey said in an interview before her arrest, she learned the brutal truth about the association.

The organization had been set up as vigilante group to protest Protestant areas against attacks by the Provisional wing of the Catholic Irish Republican Army. But Mrs. Davey says she found UDA to be much more than defensive organization.

She says UDA waged an offensive war of bombing and murder against the Catholic community. Among its own Protestant supporters, UDA operated a giant web of corruption, which it protected with intimidation and violence.

UDA, says Mrs. Davey, was responsible for bombings last May in the Irish Republic which killed 30 people. She says she learned this from a top UDA commander who is still at large.

UDA, she says, was responsible for grotesque murders for several Catholics. In the case of a Catholic who was severely beaten, branded with a cross on his back, and finally killed by having a red-hot poker rammed down his throat, Mrs. Davey says she was told by one of the murderers himself that UDA sanctioned killing.

In the Protestant community, says Mrs. Davey, UDA operated a large "protection ring." Local businesses were forced to give a weekly percentage of their take to the UDA. If they refused, their businesses were burned down or they were terrorized.

Other routine UDA activities in the Protestant community included robbery, car theft and mugging UDA members—and even ordinary residents—had to pay weekly sums to UDA. If they didn't they risked tar-and-feathering, or severe beating. Another popular punishment was "kneecapping," where the victim's kneecap was blown off with a pistol or mutilated with an electric drill.

Mrs. Davey says she learned how the UDA

murdered one of its own leaders—Tommy Herron—in September 1973. As UDA spokesman and vice chairman, Herron had become a familiar face to the British public through wide media exposure. When he was found, shot through the head by the side of a country road, UDA claimed the Provisional IRA had embarked on a new assassination campaign.

In fact, claims Mrs. Davey, Herron was killed by the UDA itself because he had a private gang which took too much for itself.

Another killing Mrs. Davey says she learned about was that of Thomas Niedermayer, German businessman and honorary German consul in Northern Ireland. Niedermayer disappeared from outside his Belfast home in December 1973. Nothing has been heard of him since.

At first it was thought that the IRA had kidnaped him for ransom. But Mrs. Davey says the IRA had nothing to do with that case either.

She says UDA's English "supreme commander" told her Niedermayer had found out too much about the ways the UDA smuggled guns into Northern Ireland. For this reason, the UDA leadership decided he had to die. He reportedly was kidnaped, interrogated and beaten, and his body cremated in a Belfast cemetary.

Although there is little independent evidence to support Mrs. Davey's account of this particular incident, the rest of her story was confirmed in most parts by several sources in Belfast's Protestant community. There is some doubt that she actually held rank in the UDA. But there is no question that she was close to the late Tommy Herron, and that the English UDA leader did visit her cottage.

Several weeks ago, Mrs. Davey predicted that the top UDA commander, Charles Harding Smith, was on his way out of the organization. Although her prediction was discounted at the time by most observers, UDA announced Monday that Harding Smith—known in Belfast as "Godfather" because of the immense power he wielded in the past—has indeed been expelled.

Since the Provisional IRA declared a ceasefire last week, there have been virtually no attacks on the Protestant community characteristic of its style. However, several Catholics have been killed or injured in shooting incidents, and Protestant gangs are widely regarded to have been responsible.

THE PENTAGON WANTS ANOTHER $900 MILLION TO FIX THE DEFECTS IN THE C-5A

Mr. PROXMIRE. Mr. President, those of us who thought we had heard the last of the cost overrun on the C-5A have something new to think about.

The Pentagon has recently admitted that the structural deficiencies in the C-5A cargo plane built by Lockheed will cost $900 million to repair.

Defense Secretary James Schlesinger reveals in his annual posture statement that the service life of the C-5A will not meet is design goal of 30,000 hours.

Instead, the service life will be closer to 9,500 to 13,000 hours. Until recently, the Pentagon had estimated the service life at 17,000 to 20,000 hours.

The main problem is the weakness of the wings which first cracked during tests in 1969 and served notice to the Air Force years ago that it had a defective plane on its hands.

AIR FORCE ACCEPTED DEFECTIVE PLANES

Instead of taking steps to correct the defects, the Air Force accepted delivery of the 81 planes it agreed to buy from Lockheed, knowing they were defective.

The Air Force should have insisted that Lockheed correct the deficiency before assuming the responsibility for future repairs.

Now the Pentagon is asking the taxpayer to pay for its mistakes and the mistakes of Lockheed.

The Pentagon spent $4,445 million, or about $55 million each for 81 C-5A's. The cost overrun was close to $2 billion according to official figures.

Repairing the defects will increase the overrun to about $3 billion, and push the unit costs to $66.4 million each.

THREE C-5A'S DESTROYED

There are now 78 C-5A's in existence, three having crashed or been destroyed since they were delivered.

Congress must decide whether we should spend an extra $900 million to extend the service life of all 78 planes.

The Air Force estimated in 1970 that it would cost $185,000 each to fix the defective wings. The new estimate is $11.5 million each.

AIR FORCE DOES NOT NEED 78 C-5A'S

There is considerable evidence that the Air Force did not need 81 C-5A's and it does not need the 78 that are left.

It will be recalled that the Air Force originally planned to buy 120 of these planes. This number was reduced to 81 after the huge cost overruns began eating into the Air Force's budget.

The Air Force needed far fewer than 120 or 81 or 78 C-5A's in the first place, as the Pentagon's own system analysis studies show.

I will oppose spending any additional funds for the C-5A and if the proposal is approved by the Armed Services Committee, I will submit an amendment to knock it out on the floor.

WHY SPEND $900 MILLION FOR A DEFECTIVE PLANE?

The key question is, Should we spend another $900 million for a defective plane in view of the tremendous cargo capabilities that we have with our other cargo aircraft? In my judgment, the answer is "No."

MINORITY CONTRACTORS TAX ASSISTANCE

Mr. PERCY. Mr. President, the Chicago District of the Internal Revenue Service, the United Builders Association of Chicago, the Office of Minority Business Enterprise, and Chicago Model Cities recently joined in a unique project in Chicago which I believe worthy of special note.

At the suggestion of United Builders, an association of minority contractors in the Chicago area, the Chicago office of the Internal Revenue Service agreed to assist in sponsoring a Minority Contractors Tax Assistance Clinic at the University of Illinois last summer. Funding from Chicago Model Cities and the Office of Minority Business Enterprise of the Department of Commerce helped finance the clinic.

Following the clinic, a six-person task force was appointed by the IRS to provide counseling assistance on a continuing basis. This program has enabled many minority contractors to stay in business while meeting their legal obligations. It has been of benefit to the Internal Revenue Service in developing a helping rather than adversary relationship with business people in the Chicago area.

The success of this program was reported in the November/December 1974 issue of Access, which is published by OMBE. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHICAGO BUILDERS GET TAX HELP

In Chicago the Internal Revenue Service and United Builders Association (UBA) have teamed up to help small minority building contractors meet the IRS requirements on filing withholding taxes.

Partly because of the nature of the building industry where payment for jobs already completed is often slow in coming, many contractors find themselves caught in a squeeze when salaries and other expenses are due.

Often they will use money set aside for withholding taxes to meet these expenses. Many even neglect to set aside these funds when making out their payrolls.

Problems develop when the contractors fail to make the required periodic deposits of collected payroll taxes or to advise IRS of their situation.

Paul King, executive director of the 115-member United Builders Association, estimates that over the past year the IRS has placed liens on 50 percent of UBA member companies.

Last spring he approached IRS to see if something couldn't be done to help set up a line of communication between the contractors and IRS representatives.

IRS officials agreed to work with UBA on a plan for dealing with the contractors' situation. The result was a Minority Contractors Tax Assistance Clinic held last summer at the University of Illinois.

Some 125 contractors showed up to share their tax headaches with IRS representatives. IRS developed a 14-page handout containing information on filing requirements for different types of taxes and on collection procedures.

The contractors were also provided a Mr. Businessman's Kit containing applicable publications and forms. Revenue officers were on hand to answer specific questions from individuals.

Among the facts brought out at the clinic was the need for the contractors to at least file with IRS even if they were unable to make the tax depoists in order to avoid paying even higher penalties.

UBA and IRS officials are in agreement that the new program has done a lot to remove some of the confusion the contractors had about IRS regulations and has gone a long way toward promoting better understanding.

"It showed tnat there's some place in IRS where a guy can go with a problem," UBA director King noted.

He stressed that United Builders is looking for ways to assist minority business people during the actual job production stage and not just in the startup period.

"If we don't stress stability and look for ways to set up processes for ongoing assistance," King noted, "a $2 million contract could turn out to be $2 million worth of headaches and frustration."

Chicago IRS spokesman John Demme agreed that the tax clinic and the personal contacts it opened up could help eliminate some of the fear small businessmen have of the IRS.

"People are usually surprised to find the IRS isn't all machinery," he said. "We have a speakers cadre composed of specialists in different areas who respond to requests from groups like UBA," Demme explained.

He noted that the contractors' program marked the first time a concentrated effort including followup was undertaken.

"Programs like the one with UBA should encourage business people to come forward for tax help before the problem becomes acute," Demme said.

SUPPRESSION BY THE SOVIET UNION OF THE PEOPLE OF LITHUANIA

Mr. FANNIN. Mr. President, on February 5, I expressed my concern over the continued suppression by the Soviet Union of the people of Lithuania. At that time I also asked to have printed in the RECORD a resolution adopted in December by the Lithuanian Americans of southern California.

Mr. President, today I received an additional resolution from the Lithuanian-American community of Phoenix, Ariz. This resolution, adopted on February 16, the 57th anniversary of the Declaration of Independence for the people of Lithuania, states the facts clearly and concisely. I ask unanimous consent to have this excellent resolution printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

We, Lithuanian-Americans of Phoenix, Arizona, at a meeting held on February 16, 1975, commemorating the 57th anniversary of the reestablishment of the Independent State of Lithuania in 1918 and the 724th anniversary of the formation of the Lithuanian Kingdom in 1251, unanimously adopt the following resolution:

Whereas in 1918 the Independent State of Lithuania was reestablished by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920, Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas until 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations and a signatory of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940, invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the unlawful occupation of Lithuania and forced incorporation of this freedom-loving country into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the Soviet regime in seeking political and religious freedom, as demonstrated by the Lithuanian sailor, Simas Kudirka, the self-immolation of Romas Kalanta, and the subsequent demonstration of thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to Kurt Waldheim of the United Nations, and most recently untold numbers of Lithuanians arrested and imprisoned for the publication and distribution of "The Chronicle of the Lithuanian Catholic Church"; and

Whereas the 89th U.S. Congress unanimously passed House Concurrent Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the peoples of Lithuania, Latvia and Estonia, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore, be it

Resolved, that we, Lithuanian-Americans will urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Détente policy; and further

Resolved, to request the President of the United States to vigorously implement House Concurrent Resolution 416 to the fullest extent; and further

Resolved, that copies of this resolution be forwarded this day to the President of the United States; the United States Secretary of State; the United States Ambassador to the United Nations; the United States Senators from Arizona; Republican and Democratic leaders in the United States Congress; the Lithuanian Minister in Washington, D.C., and the Lithuanian Consuls in New York City, Chicago, Los Angeles, and the press.

ANOTHER YEAR OF HIGHER FOOD PRICES AND LOWER FARM INCOME

Mr. HUMPHREY. Mr. President, we are facing another year of rising retail food prices and declining farm incomes. The administration is cautious about predicting the rate of expected rise in food prices, but it does admit that an increase close to 1974's rate of 12.2 percent is probable. That is bad news for housewives.

But they could receive even worse news if the administration resists efforts by congressional Democrats to quickly raise target prices and loan levels to more realistic levels. If we in the Congress do not act to make these increases to take into account the rapid rise in farm production costs since 1973, farmers may well trim their planting plans. And that could mean another spiral of rising food prices.

Farmers are considering reducing acreage as farm prices continue to decline. They simply cannot afford a repeat of 1974's soaring production costs and falling farm prices. I have summarized these cost and price changes in an attached table.

Unfortunately, there are several clear signs that farm prices in 1975 will fall. First, preliminary soundings by the Department of Agriculture indicate a record planting this year, with wheat, 10 percent over 1974; soybeans, 8 percent; and feed grains, 1 percent, all up. But these estimates are very early, and we cannot tell what will be planted.

Second, the great recession here and abroad will cripple demand for food and fiber. Both factors point to lower farm prices. And farmers know it. In fact, the Wall Street Journal has reached similar conclusions as noted in two articles I will append to these remarks.

I will not review in detail the familiar rationale for farm price supports. We are all aware of the need for stability in farm prices in order to preserve a competitive farming industry and relatively stable retail prices. Let me point out, however, that the number and magnitude of destabilizing influences in agriculture have increased markedly in the past several years. Significant new destabilizing influences now include:

First, the massive capital requirements of farming. In the past, poor crop years just meant tighter belts around the farm dinner table. That is not true anymore. There is now much less ability to absorb poor years due to natural or market forces because farm debt must be repaid or refinanced annually regardless of income. And there is now an enormous amount of such debt totaling $82 billion in 1974, up from $38 billion in 1965.

Second, the lengthening leadtime necessary to expand farm production. It is now much more expensive and difficult than in the past to bring new land under cultivation here or abroad. This inflexibility has reemphasized the age-old problem of inadaptability of land to more than just a few profitable crops in any specific area.

Third, input shortages. Agriculture production has always been subject to the vagaries of weather. To that uncertainty must now be added input shortages as varied as baling twine and fertilizer.

Fourth, foreign state trading. There is an increased willingness by foreign nations which only occasionally purchase farm commodities here to suddenly jump into and out of our markets—causing needlessly sharp fluctuations in farm prices. I point with particular concern in this regard to the Soviet Union.

Fifth, foreign sales. Three-quarters of our wheat production is exported. One-half of our soybean output is sold abroad. And over one-third of our corn is exported. Farmers in America now truly feed the world. We benefit from these foreign sales, but we also bear the brunt of changes in world demand or supplies for agriculture goods. In effect, American farmers bear the full and massive burden of adjusting to any fluctuation in agriculture demand or supply anywhere in the world. And this problem is magnified by the disappearance of the surplus world agriculture capacity of the 1950's and 1960's.

Sixth, flexible exchange rates. The demand and supply of foreign customers and agriculture products is markedly influenced by currency exchange rates. These rates have floated since 1971, but the imposition of petrodollars and the oil crisis has severely tested the stability of floating rates—to the detriment of stable foreign agriculture demand and supply.

Realistic farm price support levels cannot alone carry the burden of stabilizing farm prices. We must also move rapidly later this year to establish a commodity reserve or stockpile program.

Turning to retail farm prices, I was

most disheartened to see the farm-retail price spread widen by 18 percent in 1974 despite falling farm prices. The Joint Economic Committee is investigating this sharp increase in the spread. Preliminary findings by the JEC are that the increased spread was in part due to possibly excessive profits by retail food chains. As a result, the operation of these chains is being rigorously reviewed now by the JEC. A reduction in this spread is the quickest way I know to keep retail prices down this year.

Mr. President, I ask unanimous consent that the attached table on farm commodity and production prices and two articles from the Wall Street Journal entitled, "Farm Prices Had Third Fall in Row in Jan. 15 Month," and "Recession and Inflation Cause Decline in Prices of Farm Commodities," be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

FARM COMMODITY AND PRODUCTION PRICES

Commodities [1]	Price index 1967	Price index 1974	Price index 1975	Price change—1974–75 (percent)
All farm products	254	504	441	−12.5
All crops	226	470	462	−1.7
Food grains	177	620	471	−24.0
Feed grains and hay [2]	174	376	450	+19.7
Cotton	191	429	355	−17.3
Oil bearing crops	276	586	638	+9.0
Livestock and products	277	534	423	−20.8
Dairy products [3]	306	508	474	−6.7
Meat animals	336	680	487	−68.4
Inputs: [4]				
All production items		156	184	+18.0
Fertilizer		117	212	+81.0
Seed		197	236	+20.0
Taxes [5]		146	150	+2.7
Wage rates [6]		161	180	+11.8
Interest [7]		189	222	+17.5
Feed		184	207	+12.5
Farm machinery		150	185	+23.3

[1] 1967 average; Jan. 15 reporting dates for 1974 and 1975. 1910-54=100.

[2] Includes corn, sorghum, oats, barley.

[3] Seasonally adjusted.

[4] 1974 price index based on Dec. 15, 1973 prices. 1975 price index based on Dec. 15, 1974 prices. 1967=100.

[5] Farm real estate taxes payable per acre.

[6] Seasonally adjusted.

[7] Interest payable per acre on farm real estate debt.

Source: U.S. Department of Agriculture. "Agriculture Prices" Jan. 31, 1975.

[From the Wall Street Journal, Feb. 3, 1975]

Farm Prices Had Third Fall in Row in Jan. 15 Month

Washington.—Prices farmers received for their crops and livestock dropped for the third month in a row.

Agriculture Department officials said a big reason for the farm-commodity price drops continued to be weakened demand in the U.S. and abroad, much of it due to the recession.

Exports of grains have been declining, with cancellations of some expected trades recently by both the Soviet Union and China. In addition, there is wide expectation in the grain industry that there will be record crops this year if the adverse weather of last summer isn't repeated. All of these factors have contributed to declining farm prices recently, experts in and out of government have been saying.

Because of the declines and the worry of future sharp drops in farm prices, Congress is gearing up to improve federal farm price-protection programs. The Senate Agriculture Committee begins hearings today on whether to boost the levels of "target" prices, which trigger price-support programs, and to improve farm loan programs. Many Senators and farm groups have been saying that target prices set in the 1973 farm bill now are below the cost of production and need to be raised to reduce financial risks to farmers and to encourage them to produce at capacity.

REVIEW EXPECTED

Sen. Herman E. Talmadge (D., Ga.), chairman of the Senate Agriculture Committee, recently called for significant boosts in the target price levels. The House Agriculture Committee is expected to review the matter soon.

For the latest month, ended Jan. 15, farm prices dropped 1.5%, the Agriculture Department reported. For the month ended Dec. 15 they fell 3% and in the previous month they dropped 1.5% after having fluctuated since last spring.

The mid-January reading for the agency's farm-price index was 441, down from a revised figure of 450 a month earlier. Contributing most to the latest decrease were lower prices for wheat, soybeans, corn, eggs and flaxseed. Prices were up for lettuce, tomatoes and broilers.

Among the price declines, wheat averaging $4.11 a bushel, was down 54 cents from mid-December and $1.18 below a year earlier. Corn, at $3.07 a bushel, was down 20 cents from mid-December, but was 48 cents above a year before. Soybeans averaged $6.30 a bushel, down 73 cents from mid-December but 43 cents above January 1974. Flaxseed declined $1.87 during the month to $8.63 a bushel.

GROCERIES TO COST MORE

The dropping fram prices, however, don't necessarily mean significantly lower food prices for consumers. Agriculture Department officials are still sticking with their forecast of a food-price rise in the first six months of this year at a 15% annual rate.

Officials said about 80% of the rise has been coming after products leave the farm, and said that costs in the transportation, distribution and retailing of food are expected to continue to rise this year at high rates. President Ford's energy tariff and tax proposals also are expected to add higher fuel costs throughout the food industry that would be passed on to consumers in the form of higher prices, officials say.

The Agriculture Department also reported that prices paid by farmers for commodities and services, interest, taxes and wages was unchanged in the latest month.

The parity ratio dropped in the latest month to 72 from a revised figure of 74 at mid-December. The ratio is a favorite indicator of how farmers are faring in relation to the rest of the economy and is derived from a formula that equates the indexes of prices paid and those received and compares them with a 1911–14 base period. According to the parity theory, farmers currently have 73% of their 1911–14 purchasing power.

Prices received by farmers for their principal crops compare as follows:

	Jan. 15, 1975	Dec. 15, 1974	Jan. 15, 1974
Wheat, per bushel	$4.11	$4.65	$5.29
Rye, per bushel	2.50	2.66	2.74
Rice, rough, per hundredweight	10.30	10.50	15.80
Oats, per bushel	1.62	1.70	1.32
Corn, per bushel	3.07	3.27	2.59
Barley, per bushel	3.17	3.30	2.32
Sorghum grain, per hundredweight	4.96	5.33	4.03
Hay, baled, per ton	50.10	50.70	47.10
Cotton, per pound	.421	.437	.507
Cottonseed, per ton	128.50	130.00	100.00
Soybeans, per bushel	6.30	7.03	5.87
Peanuts, per pound	.175	.186	.166
Flaxseed, per bushel	8.63	10.50	9.36
Potatoes, per hundredweight	3.32	3.45	4.88
Hogs, per hundredweight	38.20	38.30	40.10
Beef cattle, per hundredweight	27.60	27.60	44.40
Calves, per hundredweight	23.90	24.80	53.90
Sheep, per hundredweight	9.60	8.70	14.20
Lambs, per hundredweight	36.90	36.10	39.20
Butterfat, per pound	.616	.633	.648
Milk, wholesale, per hundredweight	8.29	8.23	8.89
Chickens, live, per pound	.242	.219	.209
Turkeys, live, per pound	.318	.313	.354
Eggs, per dozen	.510	.518	.589
Wool, per pound	.405	.434	.749

[From the Wall Street Journal, Jan. 21, 1975]

Recession and Inflation Cause Decline in Prices of Farm Commodities

(By Joseph M. Winski)

Chicago—It may have started with a stubborn little old lady carrying an umbrella.

Or it may be more closely related to a secret vote in a massive meeting room of the Federal Reserve Board.

Whatever the cause, the unexpected is happening to farm commodity prices: They're going down. A bushel of wheat that sold in Chicago for $4.88 on Dec. 3 was quoted at $3.73½ yesterday. Corn prices in the same period slipped to $3.00¼ a bushel from $3.65. The recent declines in grain and other commodity prices follow an almost steady year-long decline in cattle prices.

Last week, the Labor Department, in reporting the first decline in wholesale prices in 14 months, said that farm prices dropped 4.1% in December. In addition to grains, numerous other commodities such as soybeans, cocoa, sugar and coffee are selling for less now than they were one or two months ago. Futures prices have declined too (corn, wheat and soybeans futures for summer and fall delivery closed yesterday at the lowest prices since trading in those contracts began. See story on page 30.)

There is traditionally some post-harvest weakness in commodity prices. But prices usually rise in the dead of winter. "The first quarter is supposed to be strong," one observer says. "When the market is moving counter to that pattern, you've got to say a break is in progress."

A PUZZLE OR GOOD OMEN?

This isn't supposed to be happening. The U.S. has just had one of its most disappointing crop years, and world-wide demand for food is growing. Commenting earlier this month on the decline, Dan Paarlberg, director of agricultural economics for the Agriculture Department, admitted he was puzzled. "We're scraping the bottom of the bin" for food and feed grains, he noted.

Though some are cheering the development as a good omen for slower food-price increases, the drop in commodity prices seems for the most part to be playing to a great hush.

"I'm not ready to pin the adjective 'good' on this," Mr. Paarlberg says. "Nor are we (the Agriculture Department) planning to change our food-price outlook." In December, the department predicted that food prices would rise by about 15% at least through midyear—the same rate of gain that was posted in 1974.

Even those commodity analysts who say that food-price inflation might slow down aren't exactly delighted. They say that the decline in commodity prices at a time of tight supplies indicates just how serious the country's recession has become. Further, they say, the commodity-price decline underscores the notion that when the Ford administration as recently as September was staging summit conferences to meet inflation head-on, the U.S. was being mugged from behind by the recession.

"A TUG OF WAR"

Since about August, "there's been a tug of war between two sets of factors" that help determine commodity prices, says Daniel G. Amstutz, president of Cargill Investors Service Inc., a Chicago-based commodity brokerage firm and a unit of Cargill Inc.

On the one hand are the supply-and-demand considerations, which should be causing prices to rise. On the other hand are general economic factors, including government actions and pronouncements.

Mr. Amstutz and others believe that these economic factors clearly began to get the upper hand last September when the Federal Reserve Board's Open Market Committee voted a 3% to 6% increase in the money supply—thus maintaining what economists regard as an anti-inflation, tight-money stance. (The Fed recently disclosed that at its October meeting, the committee adopted a money-supply growth target of 4.75% to 7.25%; the votes aren't revealed until 90 days after the meeting.)

"Tight money forces commodities onto the market," Mr. Amstutz says. A farmer who needs money for next year's operations, for example, is forced to sell a crop that he may have been holding in hopes of higher prices. The country elevator to which he sells, unable to borrow operating funds, sells the corn instead of storing it.

CURBING DEMAND

At the same time, tight money effectively curbs demand from users of the commodities. "Livestock producers had no money, and they couldn't get any from the banks," says Walter Myers, economist for Connell Rice & Sugar Co. of Westfield, N.J. "People just weren't in there buying corn the way they usually do." Among the inactive were investors in commercial feedlots who normally buy a lot of feed grains at year-end for tax advantages, Mr. Myers says.

There are those who believe the falloff in demand for feed grains had its origins almost a year ago, when consumers first balked at paying high beef prices. "The little old lady with an umbrella who said she wasn't going to pay these prices is now having her effect," says Mary Elberty, an analyst with Drexel Burnham & Co., a Chicago brokerage firm.

Thus, while grain prices only recently have shown marked declines, cattle and hog prices peaked in the first quarter of last year (as did a number of industrial commodities such as copper and plywood). That was the beginning of the much-publicized woes that have plagued cattle ranchers and feeders ever since low prices for their animals and rapidly climbing prices for the grains they feed them.

Among farm commodities, animal prices are perhaps the most sensitive to reactions of the ultimate consumer; there is a longer lag between production and "consumption" by the ultimate consumer of other commodities such as feed grains. So grain prices didn't nosedive immediately as animal prices did. In fact, grain prices were driven up by news of bad weather.

This run-up was aggravated by the increasingly shaky currencies of the U.S. and other countries and the consequent "worldwide rush to hoard things," with "demand bordering on insanity," Miss Elberty says. "Demand and consumption didn't mean the same thing anymore—the world overbought in anticipation of shortages."

The unloading that followed the buying binge contributed to the earlier price collapse in industrial commodities—a prime example is the copper that was feverishly accumulated and then allegedly dumped by the Japanese—and now may be accounting for some of the weakness in grains and other storable farm commodities, analysts believe.

If this is happening, it's coming at a time when the crippled livestock industry isn't all that interested in buying and might not be able to borrow the money to buy even if it wanted to. Cattlemen have stepped up their slaughter rates and are putting many animals on grass; dairy farmers have switched to silage and fodder, and hog producers simply are cutting back as they perhaps never have before. It's now estimated that next year's per-capita hog production may be the lowest in 40 years.

"The sharp downward adjustment in feed-grain livestock units has to be one of the important factors" in the grain-price decline, Mr. Paarlberg of the Agriculture Department says.

CUTTING BACK ON FOOD

Now comes the recession, and people are being forced to cut back. The first things to go were the luxuries—the new car or the new color-television set. But the inflation that preceded the recession wasn't of the textbook variety, Mr. Amstutz contends. There wasn't a lot of unnecessary demand in those "too many dollars chasing too few goods (The classic definition of the type of inflation that the U.S. has). The demand was for the basics—for food and energy," he says.

So, people aren't getting through this recession by shunning luxuries alone. To the surprise of some observers, the cutbacks are spreading to food. "People aren't going to do without food, but they'll do without certain foods," says Miss Elberty of Drexel Burnham. She thinks that's what caused the drop in November and December in the prices of sugar, coffee and cocoa. She calls it the "chocolate cake is topping out" phenomenon.

"Nor are people willing to support soybean-oil prices of 50 cents and 60 cents a pound," says Mr. Myers of Connell Rice and Sugar. "I think we may have overestimated the inelasticity of food demand," he says.

D. Gale Johnson, head of the economics department at the University of Chicago, says simply that "the world has adjusted to shorter supplies." Supply and demand are now "sort of" in balance, he adds. Mr. Johnson was warning of an agricultural recession even before the general recession became evident.

The psychological aspect of the recession also has had an effect. "The average U.S. farmer is 55 years old," Mr. Amstutz says. "He's old enough to remember the Depression of the '30s, so he figures, 'Well, I was hoping for $4.50 corn, but by God I remember how low corn got in 1935,' and he sells."

WARINESS SPREADS

This psychological effect seems especially evident in pork production. With corn prices down and a pork shortage looming, "hog farmers should be out there producing," one observer says. "But they're not—they're too wary."

The wariness apparently is spreading. "Some major food companies are just scared to death to build inventories," says Mr. Meyers of Connell Rice & Sugar. "Flour millers are living a hand-to-mouth existence."

There are political depressants also. In early October, the U.S. government canceled and then only partially reinstated a grain sale to Russia. The Rome food conference was expected by many to produce commitments from either the U.S. or oil-producing nations to supply food to needy nations; it didn't. "Every utterance about monitoring exports and the like adds another brick to the pile of psychological factors," Mr. Amstutz says.

"The trade is interpreting this (the increased monitoring) as meaning that export commitments are being scaled back," says Mr. Paarlberg of the Agriculture Department. In the last week of December, exports of wheat, corn and soybeans were indeed smaller than year-earlier levels.

WILL FOOD PRICES FALL?

For all this, only a few people expect a break in food prices to follow the commodity-price decline. For instance, Mr. Myers of Connell Rice & Sugar has scaled back his 1975 food-price prediction to an 8%–10% increase from a 15%–20% gain. Mr. Amstutz of Cargill Investors believes that food prices "may level off for a while."

But the Agriculture Department's Mr. Paarlberg notes that 80% of last year's increase in food prices occurred beyond the farm level. Among other inflationary pressures, "it now looks like energy costs will increase throughout the food-marketing system," he says.

Even the University of Chicago's Mr. Johnson, who firmly believes that farm prices can stabilize at pre-1972 levels, isn't very optimistic about the chances for less inflation at the supermarket. "The distribution system may be so loused up with inflation" that a significant slowdown in retail price rises is impossible, he says.

Some analysts think that the general economic conditions will exert the greatest influence over commodity prices in the next two months. But in early spring, when planting of this year's key crops begins and weather conditions again become very important, basic supply-and-demand factors may reassert themselves on market movement, they say, and commodity prices could start climbing.

All this hot-stove speculation is ultimately concerned with how U.S. farmers react to the sudden fall in grain prices as they plan and then plant their 1975 crops. The National Corn Growers Association already is urging its members to reduce plantings by 20% this year in an effort to boost prices. If grain prices are low at planting time, farmers may be inclined to hold back on acreage; but if prices start up in spring before the planting season reaches the Corn Belt, farmers may decide to go all-out on seeding instead.

To help take some of the uncertainty out of planting decisions, some Farm Belt Congressmen are beginning to push for raising government support prices for some crops. The idea is that if the market continues to fall, taxpayers would provide the incentive for farmers to produce adequate crops this year.

POLITICAL PARTIES MUST ADDRESS THE NEEDS AND CONCERNS OF THE PEOPLE

Mr. PERCY. Mr. President, to a great extent the health and vibrance of our democracy depend on a strong two-party system. As the foundation of our political system, the Republican and Democratic parties are the basis for debate and dialog on the issues before the Nation.

This is a time of soul searching for both parties. With each election, we see evidence that more and more voters are independents. Leaders of both parties are asking themselves why they are failing to inspire allegiance among the voters.

As a Republican, I am deeply concerned about the minority status of my party. I believe Republicans have failed to draw voters to our party because we have failed to address the basic economic and social needs of the American people. To put it bluntly, Republicans are simply not speaking the language of the people.

In a recent speech to a young Republican conference here in Washington, my distinguished colleague from Tennessee (Mr. BROCK) said the Republican party is a party without a purpose or philosophy. He suggested that Republicans try thinking like the average American citizen instead of urging citizens to think like Republicans. This is wise and sound advice. I believe that both conservative and moderate Republicans are beginning to realize that the future of our party may depend on our ability to act on the needs of average citizens.

Mr. President, both parties must do a better job of listening to the American people. Our two-party system will survive and thrive only if our two great parties address the needs and concerns of the people.

Mr. President, I ask unanimous consent that an account of Senator Brock's comments, which appeared in the Washington Star of February 27, 1975, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

GOP Needs New Image, Brock Says

(By Jack W. Germond)

A leading Republican conservative suggested today that his party has become one "without purpose or philosophy" and that voters now associate it with "Watergate, big business and hard times."

To build a new image, said Sen. William E. Brock of Tennessee, the Republicans may have to change their traditional conservative position on such things as defense spending and crime.

"If you ask me what the Republican party stands for today, I'd have to say I honestly don't know," he said.

"If you listen to some of our people, all they want to talk about is how can we get the average citizen to think our way. Maybe we have things reversed. Why don't we try thinking their way? Why not ask what he is concerned about? Why not go out and listen a little bit?"

In a speech to a Young Republican conference at the Shoreham, Brock said the Republicans suffered in the elections last fall because too often they presented themselves as no more than an imitation of the Democrats.

"In particular, last year, if you had a choice between a Democrat of any persuasion and a Republican who had the same platform, they would go for the Democrat every time," Brock said. "Why? Because valid or not, Democrats have become identified as young, working class and minorities. Republicans are perceived as old, middle-class, upper-income—they've got it made."

"I do know one thing," the Tennessee conservative said, "we have to change some things pretty soon. Until we do, the word Republican will be associated with Watergate, big business and hard times. If we want people to be associated with us, we had best associate with them, their needs and their values."

Brock's outburst was similar in some respects to others that have come from Republican conservative spokesmen in the agonizing aftermath of Watergate and the 1974 elections.

Like many of his colleagues on the right, Brock was outspokenly scornful of both Congress and the Ford administration on their handling of the economic situation and specifically the prospective budget deficits and tax reduction schemes.

"As a capper," he said, "we talk about rebating taxes to the American people. We've already taken their taxes, spent all they gave us and then spent $20 billion on top of that and we come around and say, 'Hey, look, we are going to rebate your taxes.' What a charade. You can't rebate something you haven't got."

But, although Brock followed the conservative line on economic issues, he veered sharply from it on other traditional elements of conservative dogma.

Arguing for budget cuts, for example, Brock said that the defense budget no longer should be sacrosanct.

"Ask yourself as a strong advocate of national security," he asked the Young Republicans, "is it better to stay rock-hard behind everything the Pentagon wants or to insist that it carry some of the cuts too? Because if we don't get our economy in shape, we're not going to be able to defend anything."

At another point, Brock took a similar off-the-reservation line on a social issue.

"Let's get off this old garbage of calling people names and judging their ideas by what label they carry," he said. "Look at law and order. Maybe it's about time the conservatives admitted that we have got to deal with some of the roots of the crime problem if we are going to stop it, just like it's time the liberals admitted that you cannot put the rights of criminals above the rights of citizens."

RULES OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. WILLIAMS. Mr. President, in accordance with section 133B of the Legislative Reorganization Act of 1946, as amended, I send to the desk a copy of the rules of the Committee on Labor and Public Welfare, as adopted unanimously by the committee on January 28, 1975, and ask unanimous consent that it be printed in the Record.

There being no objection, the rules were ordered to be printed in the Record, as follows:

Rules of Procedure: Senate Committee on Labor and Public Welfare

Rule 1. Unless the Senate is meeting at the time, or it is otherwise ordered, the Committee shall meet regularly at 10:30 a.m. on the fourth Thursday of each month in Room 4232, New Senate Office Building. The Chairman may, upon proper notice, call such additional meetings as he may deem necessary.

Rule 2. The Chairman of the Committee or of a subcommittee, or if the Chairman is not present, the ranking Majority member present, shall preside at all meetings.

Rule 3. Meetings of the Committee or a subcommittee shall be open to the public, except executive sessions for the consideration of bills or resolutions, or for voting, or when the Committee or subcommittee by majority vote of those present orders an executive session.

Rule 4. (a) Subject to paragraphs (b) and (c), one-third of the membership of the Committee or a subcommittee, actually present, shall constitute a quorum for the purpose of transacting business. Any quorum of the Committee or a subcommittee which is composed of less than a majority of the members of the Committee or subcommittee shall include at least one member of the Majority and one member of the Minority.

(b) No measure or matter shall be ordered reported from the Committee unless a majority of the Committee is actually present at the time such action is taken.

(c) A quorum as defined in paragraph (a) will be sufficient for ordering reported a measure or matter from a subcommittee; provided, that if any member present objects to so proceeding, the measure or matter shall not be ordered reported at such meeting unless a majority of the subcommittee is actually present at the time such action is taken. If, at any subcommittee meeting, a measure or matter fails to be ordered reported because of an objection to taking such action without a majority of the subcommittee actually present, the chairman of the subcommittee may, by giving notice of at least two calendar days during which the Senate is in session, call a subsequent meeting for the purpose of reporting such measure or matter, and at such subsequent meeting the subcommittee may proceed on the basis of a quorum as defined in paragraph (a).

Rule 5. With the approval of the Chairman of the Committee or subcommittee, one member thereof may conduct public hearings, other than taking sworn testimony.

Rule 6. Proxy voting shall be allowed on all measures and matters before the Committee or a subcommittee if the absent member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. While proxies may be voted on a motion to report a measure or matter from the Committee, such a motion shall also require the concurrence of a majority of the members who are actually present at the time such action is taken.

Rule 7. There shall be kept a complete record of all Committee or subcommittee action. Such records shall contain the vote cast by each member of the Committee or subcommittee on any question on which a "yea and nay" vote is demanded, and shall be available for inspection by any Committee member. The Clerk of the Committee, or his assistant, shall act as recording secretary of all proceedings before the Committee or a subcommittee.

Rule 8. The Committee, and each subcommittee, shall undertake, consistent with the provisions of section 133A of the Legislative Reorganization Act of 1946, as amended, to issue public announcement of any hearing it intends to hold at least one week prior to the commencement of such hearing.

Rule 9. The Committee or a subcommittee shall, so far as practicable, require all witnesses heard before it to file written statements of their proposed testimony at least 24 hours before a hearing, unless the Chairman and the ranking Minority member determine that there is good cause for failure to so file, and to limit their oral presentation to brief summaries of their arguments. The presiding officer at any hearing is authorized to limit the time of each witness appearing before the Committee or a subcommittee. The Committee or a subcommittee shall, as far as practicable, utilize testimony previously taken on bills and measures similar to those before it for consideration.

Rule 10. Should a subcommittee fail to report back to the full Committee on any measure within a reasonable time, the Chairman may withdraw the measure from such subcommittee and report that fact to the full Committee for further disposition.

Rule 11. No subcommittee may schedule a meeting or hearing at a time designated for a hearing or meeting of the full Committee. No more than one subcommittee executive meeting may be held at the same time.

Rule 12. It shall be the duty of the Chairman in accordance with section 133(c) of the Legislative Reorganization Act of 1946, as amended, to report or cause to be reported to the Senate, any measure or recommendation approved by the Committee and to take or cause to be taken, necessary steps to bring the matter to a vote in the Senate.

Rule 13. No person other than members of the Committee, members of the staff of the Committee, or designated assistants to members of the Committee, shall be permitted to attend the executive sessions of the Committee or a subcommittee, except by special dispensation of the Committee or subcommittee, or the Chairman thereof.

Rule 14. The Chairman of the Committee or a subcommittee shall be empowered to adjourn any meeting of the Committee or a subcommittee if a quorum is not present within fifteen minutes of the time scheduled for such meeting.

Rule 15. Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be before the Committee or a subcommittee for final consideration, the Clerk shall place before each member of the Committee or subcommittee a print of the statute or the part or section thereof to be amended or repealed showing by stricken-through type, the part or parts to be omitted, and in italics, the matter proposed to be added.

Rule 16. An appropriate opportunity shall be given the Minority to examine the proposed text of Committee reports prior to their filing or publication. In the event there are Minority or Individual views, an appropriate opportunity shall be given the Majority to examine the proposed text prior to filing or publication.

Rule 17. Investigation Procedures.

a. The Committee, or any subcommittee, may issue subpoenas, or hold hearings to take sworn testimony or hear subpoenaed witnesses, only if such investigative activity has been authorized by majority vote of the Committee.

b. For the purpose of holding a hearing to take sworn testimony or hear subpoenaed witnesses, three members of the Committee or subcommittee shall constitute a quorum: Provided, however, that with the concurrence of the Chairman and ranking Minority member of the Committee or subcommittee, a single member may hear subpoenaed witnesses or take sworn testimony.

c. The Committee may, by majority vote, delegate the authority to issue subpoenas to the Chairman of the Committee or a subcommittee, or to any member designated by such Chairman. Prior to the issuance of each subpoena, the ranking minority member of the Committee or subcommittee, and any other member so requesting, shall be notified regarding the identity of the person to whom it will be issued and the nature of the information sought and its relationship to the authorized investigative activity, except where the Chairman of the Committee or subcommittee, in consultation with the ranking minority member determines that such notice would unduly impede the investigation. All information obtained pursuant to such investigative activity shall be made available as promptly as possible to each member of the Committee requesting same, or to any assistant to a member of the Committee designated by such member in writing, but the use of any such information is subject to restrictions imposed by the Rules of the Senate. Such information, to the extent that it is relevant to the investigation, shall, if requested by a member, be summarized in writing as soon as practicable. Upon the request of any member, the Chairman of the Committee or subcommittee shall call an executive session to discuss such investigative activity or the issuance of any subpoena in connection therewith.

d. Any witness summoned to testify at a hearing, or any witness giving sworn testimony, may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

e. No confidential testimony taken or confidential material presented in an executive hearing, or any report of the proceedings of such an executive hearing, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the members of the Committee or subcommittee.

Rule 18. Subject to statutory requirements imposed on the Committee with respect to procedure, the rules of the Committee may be changed, modified, amended or suspended at any time, provided, however, that not less than a majority of the entire membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.

Rule 19. In addition to the foregoing, the proceedings of the Committee shall be governed by the Standing Rules of the Senate and the provisions of the Legislative Reorganization Act of 1946, as amended.

PITFALLS FOR PASTORS IN THE SOCIAL SECURITY MEANS TEST

Mr. GOLDWATER. Mr. President, in the September 1, 1974, issue of Focus on Public Affairs, appears an excellent discussion of the social security means test which points out a number of pitfalls in the earnings penalty for the clergy. This carefully researched article is written by Mr. Robert E. Van Deusen, who is director of the office of public affairs and government relations at the Lutheran Council, and is based upon actual experiences which friends of Mr. Van Deuson in the clergy have had when they come to the point of retirement.

For example, the article reveals that even though a minister's housing allowance or free parsonage is not counted as income for Federal income tax purposes, this tax exempt treatment does not apply to social security retirement purposes. Thus, the Social Security Administration considers a housing allowance or a free parsonage as earned income in retirement which is taken into account in the application of the means test. This addition to the retirement earnings of a clergyman can prevent his receiving social security benefits under the existing law.

Mr. President, in order that my colleagues may read of an aspect of the means test which has not received sufficient public notice, I ask unanimous consent that the article by Mr. Robert E. Van Deusen, on "Pitfalls for Pastors," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY'S EARNINGS TEST

[From Focus on Public Affairs, vol. 8, No. 14, Sept. 1, 1974]

(By Robert E. Van Deusen)

In the August 1974 Reader's Digest Senator Barry Goldwater proposed that the Social Security law be amended to permit those receiving retirement benefits to continue working for pay without having their benefits reduced. The Arizona Republican argued that the present penalization of workers past 65 is unwise and morally wrong.

The idea is not new. In almost every Congress some members introduce legislation calling for repeal of Social Security's "earnings test." Senator Goldwater did so in 1972, but his bill was decisively defeated. As his latest proposal gains exposure through the Digest article, it is sure to stir lively debate.

ELIMINATE IT

Those who favor eliminating the earnings test contend that Social Security benefits should be paid as a matter of right at the minimum retirement age. They view Social Security as an insurance system with the benefits due related to the earlier contributions required of the retiree and his employers.

The reasons which justified the income restrictions when Social Security was established in 1935 are not valid today, repeal proponents feel. The policy of forcing people past 65 to withdraw from the work force originated during the Depression, when unemployment was high and younger workers needed to find jobs. Today's economy, they say, despite some unemployment, does not require such drastic measures.

Proponents of a change indicate that to discourage older persons from working means a loss of valuable skills and needed productivity. Gerontologists encourage the retention of older workers for the sake of their health as well as that of the economy.

One of the most persuasive arguments against the earnings test is the difficulty many older people have in meeting basic living expenses. To withhold part or all of their Social Security benefits because they try to supplement their income seems insensitive to the pressures of poverty among the retired.

The fact that unearned income does not reduce the amount paid by Social Security intensifies the problem. A retired person may receive money from investments, stocks and bonds, real estate rentals, pensions and annuities, and still receive full Social Security. Only *earned income* is penalized by reduction of benefits.

KEEP IT

Those who favor retaining the earnings test point to its consistency with the basic nature of Social Security. The system was designed to provide protection against one specific risk: *loss of earnings* caused by the death or retirement of the head of the family. It was not to provide annuities at a fixed age as in private insurance but rather was *social insurance* for alleviating the impact on the family of the wage-worker's death and the economic pressures of retirement from work.

For an individual reaching retirement age to be able to draw full benefits even though substantially employed would violate the basic principle of the system, say supporters of the status quo. The money should go instead to the aging who cannot work or whose income from working is minimal.

In the view of those favoring the earnings test, the great majority of older people would not be helped by its elimination since they either cannot work for health reasons, earn less than the current limit on earnings without loss of benefits—$2,400 a year [now $2,520]—or are 72 or over and therefore exempt from the test. Its repeal would pay a premium to the comparatively few people who are fortunate enough to keep working.

The exclusion of unearned income from the test is defended as an incentive to thrift and savings. Since Social Security provides only a limited income for retirement, people are encouraged to build up supplementary reserves such as annuities, pensions and bank accounts.

The factor most effectively inhibiting repeal of the earnings test is cost. Estimates set the cost of changing the rule at $4 billion in the first year. Senator Goldwater disputes this, saying that by counting the income taxes and Social Security taxes paid by older workers the true cost would be less than $2 billion. To finance elimination of the test would require a boost in Social Security tax rates. This would be resisted by labor unions and individual workers.

LIBERALIZE IT

Political realities make quite certain that the earnings test will remain as part of the Social Security system, unless the amount of pressure is greatly increased. But the terms of the test may continue to be modified.

In 1940 benefits were reduced if a retired worker earned more than $14.99 a month. In 1950 the earnings limitation was raised to $50 a month. From there its limitation was increased in successive stages to the present level of $200 a month.

The 1960 amendments to the Social Security Act introduced a new principle, instead of losing a month's benefit for each month in which the limit was exceeded, the computation was shifted to an annual basis. For every $2 earned between $1,200 and $1,500 a year, $1 of benefits was forfeited. Above $1,500 the loss of benefits equaled the additional amount earned. In subsequent years the figures for the $1-for-$2 reduction were gradually increased.

The 1972 Social Security amendments carried the liberalizing trend still further. The upper limit of the $1-for-$2 range was removed so that *any* earned income above the minimum resulted in the deduction of only half of the excess from Social Security benefits. To some degree this took away the work *disincentive* since the retired worker's combined income from Social Security and working would always be increased by earning more income. Because of a new provision automatically increasing benefits and permissible earned income with each annual cost-of-living index, the maximum earned income without loss of benefits is likely to increase to $220 a month on January 1, 1975.

PITFALLS FOR PASTORS

In order to avoid problems when approaching retirement age, pastors in particular should be aware of a number of pitfalls. If they plan partial employment after retiring, their safest retirement date is January 1. That way the year starts with a clean slate and no earned income enters into the computation of Social Security benefits.

If a person retires in the middle of the year, the total income earned the previous months is taken into account in the earnings test. In most cases these wages would preclude or substantially reduce retirement benefits for the balance of the year.

The local Social Security office should explain this basic fact during the conference which usually takes place in person, by phone or by letter shortly before retirement. But in many instances the information is not made clear until after the person retires, when often the damage cannot be undone.

An "escape clause" can solve the problem for those whose work income after retirement is minimal. For any month in which retired persons earn no more than $200, they receive full benefits. Many pastors who retire in midyear take advantage of this provision by serving as a supply or vice pastor in a small congregation or as a visitation pastor in a larger congregation at a salary of $2,400 a year.

Another important fact is that Social Security considers a housing allowance or free parsonage as earned income and reduces retirement benefits by half the amount of the housing allowance or half of the fair rental value of the parsonage. Where retirement is in midyear, this addition to a $2,400 salary can exclude benefits for the rest of the year.

Social Security's rationale in counting a housing allowance or a free parsonage as earned income in retirement is that before retirement they are computed in the salary base on which the Social Security tax is paid. This is an advantage, of course, since it builds a larger equity and results in higher benefits. An official's comment is to the point: "You can't have your cake and eat it too!"

Some misunderstanding and confusion arises from the fact that *for income tax purposes* a minister's housing allowance or free parsonage is *not* counted as income. This special favor to the clergy *does not apply* to Social Security, either in paying taxes or receiving benefits.

Another complication is that for Social Security purposes ministers are classified as "self-employed." When the Social Security system was opened to ministers on an optional basis, some church bodies objected strongly to having the employer's share of the tax levied on churches. They felt this was contrary to the principle of the separation of church and state. As a result, ministers have to pay a substantially larger tax than those in covered employment.

In order to receive single-month benefits in the final months of the year of retirement and full benefits thereafter, self-employed persons must establish that they are not engaged in "substantial self-employment." The criterion is whether they spend more than 45 hours a month in self-employment activity, or in the case of highly specialized administrative skills, more than 20 hours a month.

Some retired pastors find it difficult to limit themselves to 45 hours for $200 in salary a month or to prove to the satisfaction of the local Social Security office that they have done so. A little-known Social Security ruling, No. 5136.1, provides some relief. It gives a minister as an example in a situation where a self-employed person receives a regular monthly income. The $200 monthly income ceiling becomes the test of substantially in self-employment.

Any system as large and complex as Social Security is sure to have problems arising from differences in interpretation of the law, especially at regional and local levels. Where differences occur between retired persons and local Social Security offices, to seek a review of the decisions made is quite proper. The local Social Security staff has information on how this may be done.

STAFF REPORT ON MANAGEMENT OF PUBLIC WORKS PROGRAMS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. JACKSON. Mr. President, I would like to announce, for the benefit of the Members, the publication of a staff report on management of public works programs in the Trust Territory of the Pacific Islands.

The report is the product of an extensive staff investigation and is the initial step in a committee oversight study of the management, status, and objectives of the public works programs in Micronesia. The report addresses the capital improvement program and the operation and maintenance of the physical facilities to provide transportation, communication, health and education services, water supplies, energy, and other vital utilities and services to the people of Micronesia.

Copies of the report can be obtained by writing to the Committee on Interior and Insular Affairs, 3106 Dirksen Senate Office Building, Washington, D.C. 20510.

FUTURE FARMERS OF AMERICA: PROUD PAST—BRIGHT FUTURE

Mr. SPARKMAN. Mr. President, recently there appeared in the Hartselle, Ala., Enquirer a brief editorial entitled "Proud Past—Bright Future." Reference was to the Future Farmers of America, or the FFA, as the organization is generally known. It is a very fine tribute to the young men of this country who are members of this great organization.

I take pride in claiming some connection with this organization. It had not been founded when I was a boy but I was a member of the Boys Corn Clubs which I believe later became one of the clubs that united to form the FFA.

It is a great organization and this editorial is a proper recognition of its past and its prediction for the future.

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Hartselle (Ala.) Enquirer]

PROUD PAST—BRIGHT FUTURE

One of the best examples of youth in action on the American scene today is the FFA, the national organization for students studying vocational agriculture in the public high schools. It is an organization run by the student members under adult guidance.

Soon after vocational agriculture became a subject in many of the nation's high schools in 1917, instructors became aware of the need to provide practical training beyond the traditional classroom approach. Their idea was to make the instruction more interesting by making practical work experience, competitive livestock judging, and agricultural leadership development activities part of the instruction. Vocational agriculture instructors and students eagerly accepted the learn by doing principal.

The FFA was founded nationally in 1928 after similar organizations had started in several states. Right from the beginning, the FFA has stressed leadership, cooperation and citizenship—all vital to success in modern agriculture.

Today the organization has a membership of over 450,000 with chapters in approximately 8,000 high schools throughout the country.

FFA members have full opportunity to practice the principles of democracy in conducting the affairs of their organization by exercising their privilege to vote at chapter meetings, serve on committees, and otherwise assist in carrying on the work of their organization. Elected delegates to the state and national convention, held each year, are asked to decide on major issues facing the organization.

Competition is a key element of the FFA from the chapter to the national level. Each year the FFA recognizes more than 80,000 members at local, state and national levels for outstanding achievement in activities related to agriculture career and leadership development.

Recent food shortages in this country have reaffirmed the need for continuing a strong program of vocational agriculture and the FFA. Thus there is a bright future for trained agriculturists ready to serve America.

As FFA members everywhere observe National FFA Week, we take pride in saluting an organization which provides an opportunity for youth in agriculture to learn, to do, to earn and to serve.

THE UPWARD CLIMB OF UNITY BANK

Mr. BROOKE. Mr. President, the last several months have been very difficult ones for the financial structure of this country. Many banks have had to sharply curtail lending activities and spend much of their time assisting troubled clients in curing problem loans. The impact of these banking difficulties has been felt by minority businesses and minority banks, in particular. The Unity Bank & Trust Co. of Boston has known its share of hard times. It has been to the brink and returned. The manner in which it has accomplished its upward climb should be both instructive and inspirational for all American businessmen. Accordingly, I ask unanimous consent that the recent article from the January 1975, issue of the New Englander concerning the Unity Bank be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New Englander, January 1975]

Unity Banks on Roxbury's Growth

"Of all the sections of Boston, Roxbury has the best potential for growth. We have the people willing to work at it, and we have the space," states Cora Davis, young installment loan manager at Unity Bank & Trust Co., New England's only multi-racial, state-chartered commercial bank.

Mrs. Davis grew up in Roxbury, and she has grown with Unity Bank, which turned a profit in 1973, for the first time, and reported net income of $84,608 for the first six months of 1974 (compared with a net loss of $1,952 for the same period a year ago). She has been with Unity for more than seven years and worked for the organizational team which directed the bank's original capitalization.

Unity Bank, which started operations in mid-1968, was founded with the express purpose of strengthening the economic base of the city's black community and improving the immediate Roxbury neighborhood. As a new enterprise, it was welcomed with enthusiasm and expanded rapidly. After six months, the bank had more than 5,000 checking and savings accounts and deposits of $6.6-million. By the end of 1969, its deposits had jumped to $11-million and the number of savings and checking accounts to more than 9,000.

Grew too fast, at first. The lightning-like growth, however, proved to be more than the little, inner city bank was equipped to handle. Its aggressiveness in trying to help local black businesses resulted in a number of "bad loans;" its staff expansion—the number of employees leaped from a projected dozen or so to a high of 63—led to operating losses, and for the year 1970, Unity Bank suffered a net loss of over $1-million.

In July, 1971, Unity was placed under a conservatorship by the State Banking Dept. and first aid was administered to the struggling symbol of black enterprise. Commissioner of Banks Freyda P. Koplow swung a $1.5-million loan from the Federal Deposit Insurance Corp., and an additional $500,000 was lent by a group of 69 eastern Massachusetts commercial banks, most of it by Boston's banking giants—the First National Bank of Boston, New England Merchants National Bank, State Street Bank & Trust, and National Shawmut Bank.

The turnaround since then has not been easy, but Melvin B. Miller, conservator since early 1973, is confident that progress will continue. Profits for the first half of 1974 were almost double those earned during all of 1973, following losses of $156,000 in 1972, and $517,000 in 1971.

Miller, also publisher of Roxbury's weekly *Bay State Banner* and a former U.S. attorney, acknowledges that Unity's aggressiveness in assisting black businessmen created problems in the past, but states that "we still make more business loans as a percentage of total assets than any of the other 49 black-owned banks in the country.

"However," he adds, "we've corrected the errors that led to the loss problems of '69 and '70." Miller attributes Unity's turnaround to an improved return on the bank's investments, better internal management, and economics resulting from a pared staff.

Experienced, pared staff pays off. Unity Bank now has a trimmed-down staff of 27, headed by Arthur B. Dimmitt, chief operations officer, who was called out of retirement three years ago to help direct the bank's recovery. Dimmitt brought with him 42 years of banking experience, including 15 years with the First National Bank of Mansfield (Mass.), five of them as president.

Other officers include Marvin J. Peck, treasurer since 1970, who left a bank vice presidency in Lawrence, Mass., to come to Unity; Gordon T. Gildersleeve, assistant treasurer, an original staff member who joined United after three years' experience at major Boston banks; H. William Koster, Jr., appointed senior loan officer a year ago after substantial experience as credit and loan officer at commercial banks in Worcester and Providence; and Odessa W. Bowden, assistant operations officer, who joined Unity in 1969, after more than 20 years with the U.S. Navy Finance Center in Cleveland.

Unity Bank operates from modest quarters on Roxbury's historic Warren Street. Cora Davis remembers the June day in 1968, when the bank opened for business—without a door. She can smile about it now, but it wasn't funny then.

"The door just hadn't arrived from the manufacturer, but we opened anyway," she says. "We posted a police dog and an armed guard at the entrance 24 hours a day until the door arrived. We didn't even have passbooks for the first several weeks—we simply handed out receipts for deposits."

Mrs. Davis has experienced all of Unity's ups and downs, but she is accustomed to change, having seen her section of Roxbury go through a full racial cycle within a decade. "When we moved into the Blue Hill Avenue area, we were the first black family on our street. Most our neighbors were Jewish. I saw our street gradually become all black, but lately it's changing again. Four white families have moved in. It may take a long time, but Roxbury will be truly bi-racial again someday. To make it happen, though, we need new businesses and better police protection, as well as better housing."

Beating community instability. Roxbury, in terms of physical structures (except for recent urban renewal projects), is what was built 75 to 100 years ago to house Boston's poor Irish immigrants then pouring into the recently annexed section. As the twentieth century began, many manufacturers were moving out of the area seeking land for expansion; and skilled industrial workers—most of them British, Canadian, and German, with some Irish and Jews—went with them. Unskilled workers replaced them as residents of lower Roxbury, while the southern half—although it was passed on to the incoming blacks later—remained a middle and upper income area, mostly Jewish. As the steady exodus of skilled workers to the suburbs continued unabated, Roxbury became more and more a haven for untrained, low-paid workers, many of them Southern blacks.

A survey taken coincidentally at about the time Unity Bank opened showed that the inner city (Roxbury and adjacent areas) had become 60% black and that 62% of its male working people were unskilled or semi-skilled. Indicating the area's instability, the survey revealed that 65% of the inner city's blacks had come to Boston from the South, that almost half had been in Massachusetts less than ten years, and that almost half of them had lived in their current residences for less than a year.

First hurdles: riots and I-95. The report easily justified Unity Bank's founding philosophy that an instrument was needed to help strengthen the community's economic base. On this score, however, several factors contributed to making a bad situation worse.

First, the bank opened just after a period of serious racial turbulence had frightened many of Roxbury's white businessmen to the point that they closed up shop and moved away. "Clothing shops, liquor stores, food markets, bakeries, delicatessens—they all quit and left Roxbury," recalls Cora Davis. "Boston didn't have it as bad as some other cities, but it was bad enough. The worst troubles occurred not long before we opened, and I can remember having to bring home some of our organizational records for safekeeping."

New black-owned businesses were formed quickly to replace those that had left, but most folded after a few months for a variety of reasons including the fact that it was a period of "tight money." Many of the new businesses that failed had been financed by Unity Bank and account for some of the bad loans still on its books.

"Another thing that hurt," Cora says, "was the demolition and clearance of homes and businesses to make way for the southwest expressway (a proposed section of I-95 that now apparently will not be built at all). An area where nearly 1,000 people had lived and worked was turned into a wasteland." Only somewhat consoling is the suggestion that this area can now be used for redevelopment.

"When Unity opened for business," she continues, "Roxbury was hurting so much that we had to work in all directions at once, and mistakes were inevitable."

Follow E-schooler's plan. Credit for founding Unity Bank is given to John T. Hayden, a young New Yorker who studied at Harvard Business School and advanced the idea of a multi-racial bank for Roxbury in his master's thesis. Using Hayden's blueprint, Donald E. Sneed, Jr., a local realtor who became the bank's first president and board chairman, Marvin E. Gilmore, Jr., another realtor who became first vice president, and Roy G. Guittarr, former executive vice president of Wilmington Bank & Trust who was to fill the same function at Unity for almost two years, and others raised more than the $1-million needed to get the bank started.

Athough the bank's organizers aimed for the widest possible distribution of stock, they gave priority in the allotment of shares to prospective stockholders living or doing business in Roxbury. Of the bank's 20 original directors, 17 lived in Greater Boston and seven were Roxbury residents.

The stock offering consisted of 120,000 shares at $10.00 per share and, although no underwriter or broker was utilized and no sales commissions were paid, more than 3,000 people bought shares, thus making Unity the first state-chartered bank to over-capitalize before it opened. The sales campaign included soliciting door-to-door at homes, businesses, clubs and churches. Besides generating publicity in Boston's newspapers and the *Bay State Banner*, Sneed and Guittarr told their story in talk-show interviews on radio station WEEI. Help came even from the area's religious community as ministers promoted the stock offering from their pulpits.

It was a happy day in Roxbury when the remodelling of Unity's headquarters began. Traffic had to be re-routed to assure the safety of the hundreds of people who attended special ceremonies for the event. Taking on the job of converting the auto dealership and repair shop to appropriate facilities for a community bank was black architect Donald L. Stull, one of Unity's original directors.

Expansion of the bank came quickly, not only in deposits and number of employees but also in amount of space occupied in the building. "We just had to have more room," says Mrs. Davis. "Before we expanded in 1970, our loan department was located in a trailer adjacent to the bank."

Seeding black businesses. Although Unity Bank still bears the scars from some of its bad loans of the past, it has had successes in shoring up the community's economy and in fueling new businesses with seed money—new black businesses that other banks might have considered risky.

A classic example of a promising business is reflected in a rubbish removal contract awarded by the City of Boston in July, to

Ghetto Masters, Inc., headed by black businessman Paul Moody of Cambridge. In conjunction with the federal government's Small Business Administration, Unity provided the major portion of Moody's financing.

Another example is Unity's financing, again with SBA, of Archibald-Shepherd Builders, Inc. The local minority contractor was qualified to rehabilitate 119 Roxbury housing units but did not have sufficient working capital for a job of such scope. Unity's efforts gave a needed boost to the building firm and helped provide the new housing—and the debt to the bank was fully repaid within a year.

Interim financing for small general contractors has been one of the most important segments of Unity's lending program. "It's very satisfying," says Cora Davis. "It not only enables new black businesses to get started but, since most of them are involved with rehabilitation and reconstruction in our community, we're helping to provide needed housing and jobs, too."

Also important is interim financing for many non-profit community groups providing essential social services. "They're now self-sustaining, but they couldn't have gotten off the ground without us," she says.

Other successful beneficiaries of Unity Bank financing include a variety shop, liquor store, new manufacturer of greeting cards, dry cleaner, pharmacy, and three taxicab businesses.

"We're all proud of the contributions Unity Bank has made so far," concludes Mrs. Davis, "and we're optimistic that we can continue to help Roxbury grow. We have the capital now—and we've learned to use discretion."

While other banks throughout the U.S. are uneasy and face uncertain times, Unity Bank, New England's only black-owned commercial bank, seems to have found itself. Its future is bright, a good omen also for the Roxbury community it serves and seeks to enhance.

ECONOMIC PLANNING

Mr. HUMPHREY. Mr. President, I want to call the Senate's attention to two recent articles urging more national planning. This is an issue in which I have long had an interest and I am pleased to see that interest now coming from other quarters. Another Member of the Senate who has a great interest in this topic, and who has done pioneering work already in the area, is the distinguished senior Senator from New York, Mr. JAVITS. I believe my remarks today reflect his views as well as my own.

To me, it has been clear for a long time that we need to get organized to handle the formulation and execution of our national economic policies. No one is looking ahead beyond the next 3 months. There is little coordination among the many agencies responsible for economic policy and, in fact, in many cases there is harmful conflict between these different groups. As a result, the Government affects the economy and the Nation in an uncoordinated and shortsighted way.

To deal with these deficiencies, I introduced the Balanced National Growth and Development Act of 1973. I have had many useful comments on that legislative proposal, from Members of the Congress, and outside groups. I have also received supplementary proposals for planning from outside groups. It is my intention, in cooperation with Senator JAVITS, to pull all of these comments and proposals together, to study them carefully, and concentrate the best ideas in a new legislative proposal on national economic planning. I expect to conduct studies and hold hearings before the Joint Economic Committee in support of this objective.

The need to do all this is clear from the articles I mentioned earlier. Clearly, the time for a greater national economic planning effort has arrived.

I believe one of the reasons we need additional national economic planning is to anticipate future economic problems and shortages. This is the point that Henry Ford II, chairman of the board of the Ford Motor Co., emphasized in an interview that was reported on in the New York Times on February 16. Mr. Ford is frankly quite concerned about the availability of resources and materials that he will need to manufacture automobiles in the future. The problems he is concerned about in the automobile industry, of course, are the same problems we face in food, energy, housing, and a host of other resource and production areas.

Another reason we need planning in this country is to help in the formulation of national goals. The fact is that we have not really decided in this country what our objectives are, and that is why we stumble along with a series of ad hoc, crash programs to deal with the latest crisis. We need to establish goals in the areas of housing, urban development, transportation, and health and then design integrated programs that will achieve those goals efficiently.

Still another reason we need economic planning in this country is to organize what the Government is presently doing. The issue with respect to economic planning is not whether the United States should have its Government more involved in the economy or less involved. The Government now is deeply involved in every aspect of economic life, through its budget, its regulatory activities, its tax policies, and its purchasing operations. The issue is whether or not we will continue to be involved in a disorganized way, or will we begin coordinating the many things that the Government now does.

These are just a few of the reasons why we need additional economic planning in this country. Exactly what kind of planning, what institutions must be created to do the planning, how this relates to our existing economic and social institutions, are major questions still to be resolved. In resolving these questions, I believe we want to avoid planning schemes that substitute direct government control for the private market, unless the market has failed. We do not need more government, as much as we need a better organized government. In this area of planning, in my opinion, there are dangers on the side of doing nothing, and dangers of doing too much. But we must move ahead with a greater planning effort. As the New York Times concluded in the February 23, 1974, editorial:

> Planning may have its flaws and dangers, but the traditionally planless approach has already proved its capacity for producing disasters.

Mr. President, I ask unanimous consent that the articles I have mentioned be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 23, 1974]

THE NEED TO PLAN FOR ECONOMIC POLICY

Why is planning considered a good thing for individuals and businesses but a bad thing for the national economy?

The traditional (and ideological) answer is that individuals and businesses, with limited resources, should have long-range goals to which they can relate their day-to-day decisions, but at the national level planning is bound to be inefficient and an unwarranted interference with the freedom of individuals and businesses to make those decisions in accordance with their own best judgments.

Whatever validity that anti-government planning view may have had historically, it is becoming increasingly impractical and costly—as a small but growing number of businessmen, labor leaders, politicians, economists and scientists now recognize. Henry Ford 2d, more outspoken than most of his business colleagues, has said the auto industry and others need to learn to live with dwindling supplies of oil and other materials, and hence there is a concomitant need for national planning in order to match scarce resources with consumption in an equitable and efficient manner.

But the importance of planning ahead goes beyond the problem of preserving economic health in the face of diminishing energy and other resources; it also relates to long-range tax and budget policies to avoid inflation. There is a need for integrated programs to ensure that critical national goals are met in such areas as housing and urban development, transportation, health, education, protection of the environment and to provide full employment for the nation's continuously expanding labor force.

The day-by-day operation of private markets cannot deal with all those objectives; all of them involve the participation of government through taxation, public expenditures, regulation, subsidies, and foreign economic policy. Government is involved, in fact, in virtually all aspects of the economy in this country—as in all other modern industrial economies. The more than $300 billion the United States Government currently spends each year only partly measures its total weight in the economic system.

Given the present and prospective role of government in the United States economy, the issue is no longer whether government planning would interfere with private business but whether the Federal Government should act in so uncoordinated and shortsighted a way as it now does.

Efforts by government to look farther ahead and to gather, analyze and publish the information on which it is basing its policy decisions would help private industry to make its own planning decisions—without governmental coercion of the private sector. Industries would still be free to make their own investment decisions, but they would do so on the basis of more complete information about long-term trends as affected by government policies. Not only the Administration but Congress, private industry, labor, and other groups in the society would participate in the ongoing national debate over planning and in the establishment of national goals.

There are different routes that could be followed toward a more rational approach to economic policy in the United States. One is that proposed by Senator Hubert Humphrey in his Balanced National Growth and Development Bill, which would establish a planning agency within the Executive Office of the President this would bring together scattered existing Federal planning bodies, including the Office of Management and Budget and the Council of Economic Advisers. Other possible designs would be to model the new agency on the National Resources Planning Board of the Roosevelt Administration, on the system of indicative planning followed in France, or to create a new body that would be responsible jointly to Congress and the White House.

Whatever the ultimate administrative and political design—and this could emerge only from full Congressional hearings and debate—greater order and perspective are needed in the American governmental process and in the economy and society. Planning may have its flaws and dangers, but the traditional planless approach has already proved its capacity for producing disasters.

[From the New York Times, Feb. 16, 1975]

HENRY FORD, SEEING SHORTAGES, URGES MORE NATIONAL PLANNING

(By Agis Salpukis)

DETROIT, February 16.—Henry Ford 2d, chairman of the Ford Motor Company, predicts that the auto industry will have to learn to live with continuing shortages of key materials and that more national planning will be needed to match resources with consumption.

The days when the industry could always assume that there would be enough oil are over, he feels, and he believes that it will take at least until 1980 for the auto industry to again reach the record sales and profit levels of 1973. In that year the industry sold 11.4 million cars.

In a wide-ranging interview Wednesday on the state of the auto industry and the national and world economy, Mr. Ford, who has headed one of the largest industrial corporations for 30 years, often conceded that he does not have the answers to many big questions and problems facing his company and the nation.

SMALLER VEHICLES

But he is certain that cars will continue to get smaller, that there will have to be more planning and Government intervention in the economy and that the present crisis is one of the most serious that the auto industry has ever faced.

Mr. Ford, who became president of the Ford Motor Company in 1945, was asked to compare the present crisis with his past experiences.

"We've been through short recessions, deep recessions and not very important recessions, but you always thought, 'This is going to turn around some day,' " he said in his office at the top of the Ford world headquarters building here. "You did something. And I guess you didn't worry as much as you do now. I think the whole industrial world is worried. Everybody is in the same boat."

One of his major concerns is whether there will be enough raw material in the future to enable the auto industry to keep producing as it has in the past.

At one point he picked up a copy of the New York Times, put on his reading glasses and read part of the headline of a front-page article: "Scientists Report the World Faces Future of Dwindling Oil and Mineral Supplies."

"This is one of the problems that I'm worried about," he said. "I can't find very many people in the industry who even want to talk about it.

"What that says is either we're going to have to find substitute materials, which may be more expensive or less expensive, depending on what they are, or if we can't then some day, and I'm not predicting it in the period that I'm going to be alive, but some day we just may not have the materials to do what we're doing today. And that isn't necessarily oil. It could be anything—you know, bauxite."

To better prepare his company for the future, Mr. Ford disclosed, it has ordered two think tanks to consider the external pressures the company would have to face in the future.

The report, which will be completed in about three months, he said, will deal "with all kinds of forces, energy, materials, the whole gamut." He added that it would be the first time that Ford, the second largest company in the auto industry (after General Motors), had looked so deeply and broadly into the kind of future environment it would have to operate in.

But even without the report, which he said would enable him to give better answers soon, Mr. Ford said that forthcoming changes were already obvious.

He agreed with the interviewer's statement that the auto industry could no longer continue on the assumption that there would always be enough oil.

"A lot of people think that's a crazy statement, but I happen to agree with you," he said.

One consequence for the future, he predicted, is that there will be a much greater need for national planning to match resources with consumption.

"I'm thinking about a planning group in Washington with stature so that it looms important in the total scheme of things," he said. "That would plan certain gross national product, certain gross population and the usage required, the amount of food to feed that number of people." Mr. Ford emphasized that such a planning group would not have any power except to do research and to provide information for the nation so that priorities could be debated and set more rationally. He said it would explore such issues as:

"What are those people going to use in the way of consumer goods? Where are we going to get those consumer goods from? And what are we going to make? What kind of materials are going to be required? And where are those materials coming from?

"We're just living in a fool's paradise in this country," he continued. "We will just have one hell of a time making ourselves self-sufficient. And you know we just have to rely on the rest of the world. We can't become isolationist and hope that everything is just going to turn out fine for us."

While there must be more planning, however, Mr. Ford cautioned that the planning agencies should not have the power to allocate materials. Throughout the interview he argued that the free enterprise system must be preserved as much as possible.

He said he agreed with a recent suggestion made by Paul W. McCracken, a former chairman of the Council of Economic Advisers, that the Federal Government would have to guarantee loans made to utilities.

When asked whether market forces, such as increasing the cost of fuel, are effective in causing people to conserve energy he said:

"If you make them pay more they will. I don't know what you do, but I'm conserving a lot of electricity at my house. More than I've ever done before. I'm going around turning my own lights out."

What about Congress setting standards requiring cars to be of a certain weight or horsepower to improve fuel economy?

"I think it would be a disaster," he said. "They're telling the consumers what they've got to have."

HIGHER FUEL PRICES

What about relief for the poor who would have to pay higher fuel prices under President Ford's program of taxing oil imports?

"If they are considering some way of reimbursing the farmer for running his farm machinery, a subsidization for the farmer," Mr. Ford said, "I guess you could do it for other areas."

Mr. Ford recalled that last fall, when he proposed an increase in the gasoline tax and the use of such added funds to aid the unemployed and poor people hit by the recession, he read in the Detroit papers that there were people going through garbage cans trying to find scraps of food.

"If that's the situation," he said, "we're not facing up to our problems now. Without getting into the rights and wrongs of giving $200-million to $300-million to South Vietnam—because I don't know anything about it—but if we've got a situation like that, we've got problems at home that we've got to be worried about rather than worrying about what the hell we're doing over there."

Has the recession bottomed out?

"I don't know," Mr. Ford said. "Public confidence is the big worry that I've got. If public confidence turns around, this thing will start moving again. You know public confidence has come up a little bit in the indicators that I've been watching, but it hasn't come up much and it's not going up. It just came up and stopped."

Mr. Ford doubts that the auto industry will surpass its 1973 sales record of 11.3-million cars before 1980.

He said that the breakeven point of the Ford Motor Company had been brought "way down" in the last four months, but he did not have a specific figure.

"We've trimmed the fat," he said, "and we want to keep that fat off."

He said that all future Ford cars were going to be smaller but that the company was unable to move very fast in trimming down its car lines because "we don't have as much money to spend as we used to have."

Mr. Ford expects no big shift to mass transit, people movers or buses in the near future.

"We're kind of locked in into an automotive transportation system, whether we like it or not," he said. "We can't push a button and change it."

REV. JAMES P. WESBERRY, SR., RETIRES

Mr. TALMADGE. Mr. President, a warm personal friend of mine and also a friend of many Members of the Senate, Rev. James P. Wesberry, Sr., of Atlanta, is retiring after 31 years as pastor of Morningside Baptist Church in Atlanta.

Reverend Wesberry has opened the Senate with prayer on several occasions and served as Acting Chaplain of the U.S. House of Representatives from July 27 to August 25, 1949. I am scheduled to speak tonight at a dinner honoring Reverend Wesberry on his retirement, and I ask unanimous consent to have printed as an extension of my remarks, the address I plan to deliver. I also ask unanimous consent to have printed in the RECORD an article from the Atlanta Constitution on Dr. Wesberry's retirement.

There being no objection, the address and article were ordered to be printed in the RECORD, as follows:

TRIBUTE TO REV. JAMES P. WESBERRY

I have known Jim Wesberry for 25 years. It has been an association I have cherished over a quarter of a century. We have hunted together, fished together, and worshipped together in Georgia and in the Nation's Capital, and I am proud to count him among my finest friends.

Jim Wesberry is a man of God. Ever since his ordination almost 50 years ago in Columbia, South Carolina, Reverend Wesberry has given all of his life and talents to the Church, to helping people, and to making our State and Nation a better place in which to live.

Before coming to Morningside Baptist Church 31 years ago and beginning to build it into the great church it is today, Reverend Wesberry held many other pastorates in Georgia and South Carolina.

He is well known and widely respected throughout our State. He was president of the Georgia Baptist Convention, president of the Southern Baptist Pastors Conference, president of the Atlanta Baptist Ministers Conference, and president of the Atlanta Christian Council.

In addition, Reverend Wesberry has held a variety of state and civic positions of leadership, including chairman of the State Literature Commission, having been appointed by me during my administration as governor.

He served as Acting Chaplain of the United States House of Representatives in 1949. He has traveled all over the world on various preaching missions. He is an educator serving as trustee of his alma mater, Mercer University—also as trustee of Truett-McConnel College. He is an author and newspaper columnist.

Now, he has chosen to retire—but if I know Jim Wesberry he is not going to quit. All his life he has been a man of quiet conviction and high ideals. He has demonstrated characteristics of greatness, humanitarianism, love of God and fellow man—and I am confident that Reverend Wesberry will continue as an inspiring leader in the Church and throughout Georgia.

Jim, I congratulate you for all your good works. I am proud you are my friend, and I wish you every happiness and God's richest blessing in your retirement.

[From the Atlanta Constitution, Feb. 22, 1975]

Retiring, Not Quitting—Dr. Wesberry Steps Down

(By Alice Murray)

After 31 years as pastor of Morningside Baptist Church, Dr. James P. Wesberry will retire Friday to become pastor emeritus of the large gothic church on Piedmont Road.

Dr. Wesberry, who became well known throughout Georgia in the 1950s and 1960s as chairman of the state literature commission and who is a former president of the Georgia Baptist Convention, says he will be a "pastor at large" after his retirement from Morningside.

"There's no quitting for me, I'll never stop," said the stately, gray-haired, 68-year-old minister, who plans to preach, write, and accept a couple of jobs "on a limited basis."

Members of Morningside Baptist have published a biography of Dr. Wesberry, and plan to present a leather bound copy to him Friday at a special reception in his honor at 7:30 p.m. at the church.

The book, entitled, "The Morningside Man," was written by Dr. James C. Bryant, chairman of the division of humanities at Mercer University in Atlanta.

When Dr. Wesberry came to Atlanta in 1944 from an 11-year pastorate in Bamberg, S.C., the congregation was meeting on Highland Avenue in a small white frame building with a red-brick Sunday School annex. Seven years later the church purchased a 14-acre plot on Piedmont Road and built the 800-seat French gothic structure.

Dr. Wesberry was appointed chairman of the State Literature Commission in 1953 by Gov. Herman Talmadge, and although the commission is now inactive, he is still its legal chairman until the General Assembly names a successor. The commission received widespread publicity through the mid-1960s as a censorship body of the state.

He said the purpose of the commission was to fight "extreme pornography" and to be a literature commission without being a censorship board.

"For 21 years I served on the commission to try to stem the tide of obscenity in Georgia," Dr. Wesberry said of his often controversial stand.

Dr. Wesberry has served in many capacities in his 31 years in Georgia, but to him the most memorable was his time as Acting Chaplain of the United States House of Representatives. He served as Acting Chaplain from July 27 until Aug. 26, 1949 under Speaker of the House Sam Rayburn.

The pastor of the 1,300-member congregation in northeast Atlanta also served as the president of the Georgia Baptist Convention in 1956 and 1957, as president of the Southern Baptist Pastors' Conference in 1957, and as president of the Atlanta Christian Council in 1952.

His tenure as president of the largest religious organization in Georgia came at what he called "one of the stormiest times in its history."

During the years 1956 and 1957, the convention was faced with long and heated debate over the Supreme Court's decision to integrate the schools. He said of those years, "I just tried to love everybody and keep as much peace as I could."

In spite of Dr. Wesberry's civic and denominational activities, he considers his congregation his most important work, and said, "I've been an old fashioned pastor to them and ministered to them. I love them all."

INDEXING OF ABORTION

Mr. BUCKLEY. Mr. President, in a series of votes over a period of years, both Houses of Congress have voted to prohibit the use of taxpayer funds for abortion. Congress has made a clear distinction between traditional forms of birth control and abortion. The former has always been funded, while funds for abortion have been denied.

I was accordingly surprised to find the following in the Congressional Record Index, No. XXI, volume 120: "Abortion: see Birth Control." While some Americans may believe that abortion is an acceptable form of birth control, I find it disturbing that the Congressional Record Index should implicitly accept such a position.

Abortion is the deliberate taking of human life. The listing of abortion under the general title of "Birth Control" lends to the practice a kind of respectability which it neither deserves nor should be expected to receive in an official publication of the Congress.

Thus, I was gratified when the distinguished chairman of the Senate Rules Committee Mr. Cannon, agreed, at my request, to give the subject of abortion its own listing. This correction is important. We are not dealing with a trivial semantic distinction, but a fundamental conceptual error that would be all the worse if it appeared to have the Government's official seal of approval.

A BILL TO REMOVE AGE 65 LIMITATION FOR APPLICATION OF THE AGE DISCRIMINATION IN EMPLOYMENT ACT

Mr. CHURCH. Mr. President, I am pleased to join Senator Fong, the ranking minority member of the Senate Committee on Aging, in sponsoring S. 871 to remove the age 65 limitation for application of the Age Discrimination in Employment Act.

As things now stand, the act applies only to persons aged 40 to 64.

Persons 64 and above have no protection at all under the Federal law. And protection is almost nonexistent at the State level, since only two States have enacted antiage bias laws to apply to persons 65 and above.

The Committee on Aging has received very disturbing reports that the existing age 65 limitation for application of the Federal Act may ironically have the effect of reinforcing discrimination against anyone over this age. This point was made very convincingly in a committee working paper to strengthen the Age Discrimination in Employment Act.

This is intolerable and certainly does not reflect congressional intent.

As chairman of the Senate Committee on Aging, I have been deeply committed to removing employment barriers—whether they be overt or covert—for older workers.

Today there is a growing feeling in our society that age 65 signals the end of job opportunities, even though a person may want or need to continue working.

This attitude is not only shortsighted; it also ignores the great potential of older Americans.

To my way of thinking, one's year of birth should be irrelevant in determining whether that person is hired, fired, promoted, or demoted.

Functional capacity, not chonological age, should be the determining factor.

"Age-ism" is just as pernicious as other forms of discrimination. It not only robs our Nation of the talents and skills of productive workers, but it also destroys the spirit of those who want to remain active participants in our society.

Last year the Congress enacted three measures which I sponsored to improve the Age Discrimination in Employment Act:

First. Extension of coverage to Federal, State, and local governmental employees;

Second. Broadening of the application of the act to include private employers with 20 or more employees; and

Third. Increasing the authorized funding level to strengthen enforcement activities.

The next logical step, it seems to me, is to remove the upper age limitation for application of the law.

Several studies have demonstrated beyond any doubt that older workers perform as well on the job as their younger counterparts, and in many cases noticeably better.

What they need, though, is a chance to prove it.

Older Americans are not seeking preferential treatment. All they want is the opportunity to compete on equal terms with others in our labor market. Above all else, they want to be judged on their merits and ability to perform well on the job.

And, that is precisely what this bill is designed to achieve.

ERDA POSITIONS MUST BE FILLED

Mr. JACKSON. Mr. President, I wish to call to the attention of my colleagues that the legislation creating the Energy Research and Development Administration was signed into law by President Ford on October 11, 1974. The law requires Senate confirmation of nominations for eight top ERDA administrative positions. To date the White House has submitted only the nomination for the ERDA Administrator Dr. Robert C. Seamans who was quickly confirmed.

The seven key positions for Deputy and Assistant Administrators are still awaiting White House action nearly 5 months after creation of the agency.

I feel that it is vitally important to the mission of ERDA that these administrative positions be filled quickly with the ablest people available. Policy decisions are already being formulated without the administrators who will have to implement them. For example, a comprehensive energy plan must be submitted to the Congress by June 30 of this year as required by the Federal Nonnuclear Energy Research and Development Act. This plan will set the priorities and time scales for achieving the commercial demonstration of the multitude of important alternative energy sources.

In a recent letter to President Ford, I urged him to expedite the submission of the nominations for the seven remaining key administrators. I ask my colleagues to express their concern as well to the President. The important task of ERDA must not be needlessly delayed.

Mr. President, I ask unanimous consent that my letter to the President be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

February 20, 1975.

Mr. President,
The White House,
Washington, D.C.

My Dear Mr. President: Since the Energy Reorganization Act of 1974 was signed into law on October 11, 1974, more than four months have elapsed in which to conduct a search for individuals to fill the top administrative roles of the Energy Research and Development Administration. To date only the nomination for the Administrator has been sent to the Senate for confirmation, and the Senate acted expeditiously to confirm Dr. Seamans. The Senate still awaits the submission of nominations for the other key positions.

My concern is that ERDA is now an operational entity making policy decisions without the presence of some of the individuals who should be participating in these decisions. The comprehensive energy plan is an important report to be sent to the Congress by June 30, 1975. In my view, it is important for the Deputy and six Assistant Administrators to be able to contribute their views to this plan to the maximum extent.

I urge you to submit your nominations for Senate confirmation at the earliest possible time. The mission of ERDA is too important to be hampered in the formative stages by the absence of permanent administrators.

Sincerely yours,
Henry M. Jackson,
Chairman.

AIR SAFETY

Mr. DOLE. Mr. President, in recent weeks there has been a deluge of charges and countercharges regarding the tragic TWA flight 514 accident on the approach to Dulles Airport. The National Transportation Safety Board has now completed the longest hearing in its history regarding this accident. Pilots and air traffic controllers alike have severely criticized the Federal Aviation Administration for inadequate regulations and inept administration. There has also been criticism, or suggestions at least, that pilots and controllers are not exercising good judgment even within the constraints of existing FAA regulations. Presumably, the National Transportation Safety Board will soon make some judgment on the mass of evidence and testimony presented. But this is not the matter that causes me concern. Rather, I am concerned that once the Safety Board has reached and publicized its findings and decisions that we may experience some knee-jerk reactions aimed at correcting apparent, but almost superficial, deficiencies without due regard for the more basic issue that is involved here.

That issue is the question of what is the best system to utilize in improving air safety.

EXPANDED BUREAUCRACY

It seems to me that the preponderance of opinion and coverage has leaned toward indictment of the FAA. Of course, it is always popular to blame and attack the Federal bureaucracy, and it may well be that they are seriously delinquent in this instance. It is not my objective to support or defend the FAA but rather to question where it will lead us to lay the problems of air safety, and of the air transport industry in general, on the FAA doorstep.

The typical reaction of any bureaucracy to such indictment and challenge is to respond with additional regulations, requirements, and services. It is really the only defense and response that an agency such as FAA can have. It must expand its control and authority and services it provides to cover these "loopholes" or deficiences that are identified. The regulated then become more regulated still. The requirements to be met by those providing public service are expanded—and correspondingly the supervision and inspection by those establishing the requirements are expanded. So the empire grows and the bureaucracy continues to expand.

But does the solution to improved air safety really lie with a larger, more powerful Federal bureaucracy to regulate and restrict the industry? Is this really the goal of pilots who blame accidents on poorly written Federal regulations? Is it the objective of aircraft manufacturers who must continuously increase costs to adapt their aircraft to the newest Federal specifications and requirements? I think not. Rather, I believe the time has come for the air transport industry to more ably demonstrate the competence and professionalism it has, and to bring them to bear on realistic solutions or alternatives.

RESPONSIBLE INDUSTRY INVOLVEMENT

The aviation industry is of great importance in my State of Kansas. Four of the Nation's leading aircraft manufacturers—Beechcraft, Boeing, Cessna, and Lear—are headquartered there. With them, their employees and their customers, air safety is of continuing, paramount importance. I find that, on the whole, aircraft manufacturers have been working diligently for years to build safer, higher performance aircraft. They have sponsored countless studies and research/development efforts to promote these goals. For example, in Kansas, Beechcraft and Boeing are working now to develop a stability augmentation system which could improve safety and also extend the life of airframes. It is time we include an analysis of these many and varied efforts in our deliberations on how to best structure or restructure the air transport industry.

Even more important than these many efforts of aircraft manufacturers is the competence of flight personnel. It is clear that American pilots and flight engineers are unsurpassed the world over. This is no happenstance. It is the result of high-quality, intensive training provided at a number of outstanding flight training centers in the United States. These training centers are of such quality and competence that many other nations send their pilots here for training. And the interesting point and impressive example of the ability of our American system is that these flight training centers are primarily a private enterprise effort—designed, built and operated by America's principal air carriers. Now I hope that we are not starting to think that this should be a Federal function. But I fear that one of the knee-jerk type reactions that may result from the publicity and exposure on the safety board hearings will be the suggestion that only the Federal bureaucracy can be trusted to train the pilots that are to transport the American public.

Again, we need to analyze the resourcefulness and competence of industry as we consider the methods to be used to improve air safety. I hope we will not turn automatically to the simple but stultifying solution of expanding the bureaucracy. It is time to reverse this trend and to look to, and even challenge, the industry to provide more creative and productive alternatives, before the bureaucracy destroys its initiative and ability to do so.

Nor is destruction of initiative an idle threat or "chicken-little" philosophy. We are already witnessing the changing philosophy in pilots, as illustrated at the safety board hearings, to rely more and more on electronic aids and Federal personnel and less and less on their own good judgment and personal knowledge. Certainly the flight 514 disaster seems to be a case in point. We must not destroy or suppress the professionalism of our pilots through crushing bureaucratic "assistance'" or undue reliance on electronic gadgets. Rather, we must offer incentives to exercise professionalism and depend on personal ability and judgment.

Recently, Jenkin Lloyd Jones spoke to this point with a somewhat tongue-in-cheek article in the Washington Star which he titled "The Lay of the Land." Although written in a humorous style, it clearly identifies this extremely serious problem facing pilots and thereby air travelers.

Mr. President, I commend this article to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE LAY OF THE LAND

(By Jenkin Lloyd Jones)

In the lengthy hearings before the National Transportation Safety Board as to why TWA 514 plowed into 1,764-foot Mt. Weather on Dec. 1, I've been waiting for someone to point out that if Stonewall Jackson had been in the cockpit 92 people would have been saved.

For if it had been explained to Stonewall just where in Virginia Dulles Airport is and how far west and how high the airplane was, he would have yelled bloody murder, for he knew those hills like his saddlebags. They were, as a matter of fact, part of his trade, which consisted of pouring down from hidden gaps and chasing Yankees back up the Shenandoah Valley.

This is a marvelous electronic age. The VOR tells you in which direction your next checkpoint is and the DME how many miles to it. So the old business of groping around for cross-bearings is as obsolete as the astrolabe.

They've got terrain altimeters that measure the distance down to the treetops, and a new gizmo, which the ill-fated plane didn't have, that sets up a fuss if there's a wall ahead. But is there any perfect substitute for a pilot's understanding of the land below?

Last month a Turkish airliner was on a final approach into the Istanbul airport when there was a power failure on the ground and all the runway lights went out. The captain wisely aborted his landing but wound up in the Bosporus with the loss of all aboard. He couldn't figure out where he was.

In contrast, some years ago a New England commuter plane, buffeted by a night thunderstorm, was struck by a lightning bolt that magnetized the compass and took out all the lights and radios. In spite of a stinking ceiling the pilot got his frightened charges home because he knew Connecticut.

In his book, "Flying Circus," Ernest K. Gann says:

"In recent times seat-of-the-pants flying has been almost totally rejected and often held in ridicule. This is a tragedy because such rejection is based upon the premise that there is greater safety in flying by the numbers, which is in itself a very shady conception. We need more airmen in the sky and fewer drivers, a goal which can best be achieved by individuals acquiring the skills to employ all the wondrous electronic aids and basing such abilities on a sound foundation—which should be the seat of the pants."

There's a caveat here. Instruments save you from the illusion of straight-and-level which comforted old seat-of-the-pants men just before they died in spirals. But the reason why transport pilots who are glider hobbyists are among the best pilots is because you can't drive a glider with ham hands.

The old airmail pilots knew that Zanesville, Ohio, had the only Y-bridge in the world and that Medicine Bow Peak fishes for pilots who cut corners to Salt Lake. Those of us amateurs who tried to fly the unreliable old A and N radio ranges were stuffed with the lore of the land, and we needed it.

Once over the trackless Ozarks a wind shift drifted me far off my checkpoints. There was not too much ceiling, nor gas, either, and I was sweating buckets until, like Archimedes, I cried, "Eureka!" For no other town on earth looks like Eureka Springs, Ark.

One learned to fly to Kansas City by the smoke of the cement plants. The path to Denver was marked by tall grain elevators, standing like white-sailed ships in a sea of wheat. In the airport beaneries we talked wisely of radio "legs," but in truth most of us went to Amarillo courtesy of the Rock Island railroad.

Electronics are supposed to have eliminated the need for the hard look. Unless, of course, you're flying into Dulles on instruments, and nobody ever pointed out the last ridge of the Blue Ridge.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the question has been raised that ratification of the Genocide Convention might result in charges against the American people for our conduct in the Vietnam war and our treatment of the American black community throughout the Nation's history.

This is simply not true.

In the first place, the treaty is not retroactive. It cannot be used as an instrument for harassing our citizens for past tragedies associated with Vietnam, racial discrimination or the fate of the American Indian. These cases do not fall within the scope of the treaty.

Second, as Arthur Goldberg pointed out in testimony before the Senate Foreign Relations Subcommittee examing the Genocide Convention, the operative word in the treaty is "intent." Unless intent can be clearly established—and I am referring to future events—the crime of genocide has not been committed, under the terms of the convention.

Mr. Goldberg's explanation of this point is important:

> If anything, ratification would improve our position, because the Convention requires an "intent to destroy, in part or in whole, a national, ethical, racial or religious group as such." The tragic events in the Viet Nam and the terrible loss of life, both military and civilian, that occurred there do not meet the treaty definition. Charges of Genocide in relation to the treatment of the Negro Community in the United States, which admittedly has suffered widespread discrimination for many years, also are not within the scope of the Treaty. Ratification would if anything help us rebut such charges by subjecting our behavior to a precise legal definition of Genocide.

Ratification would not leave the U.S. Government or its citizens vulnerable to charges of genocide. I again express support and urge ratification.

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES

Mr. BUCKLEY. Mr. President, the Special Committee on Aging has once again performed a valuable service by publishing a checklist of itemized deductions which are particularly applicable to older Americans. The committee has found that many older Americans unnecessarily overpay their taxes because they are not aware of the various money-saving deductions which are open to them. This checklist will help prevent such overpayments and can reveal past overpayments which our senior citizens may be able to claim by filing an amended return, form 1040X. In this time of rampant inflation, the money saved by these deductions is all the more important for older Americans living on fixed incomes.

I commend the committee and its distinguished chairman and members for making this useful publication available, and I ask unanimous consent that the committee print be printed in the RECORD.

There being no objection, the committee print was ordered to be printed in the RECORD, as follows:

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES—(A CHECKLIST OF ITEMIZED DEDUCTIONS)

(Prepared by the Special Committee on Aging, United States Senate)

PREFACE

Over the years the Internal Revenue Service has repeatedly stressed that it wants no taxpayer to pay more taxes than are legally due.

Each taxpayer should claim all exemptions, deductions, and credits to which he or she is entitled under the tax law.

The U.S. Supreme Court has also addressed itself to this issue and said in *Gregory* v. *Helvering:*

"The legal right of a taxpayer to decrease the amount of what otherwise would be his taxes, or altogether avoid them, by means which the law permits, cannot be doubted." [1]

Yet, many older Americans needlessly overpay their taxes each year because they are unaware of helpful deductions which can save them precious dollars—especially during this period of rampant inflation.

To help provide protection against this serious problem the Committee on Aging has published a checklist of itemized deductions for elderly persons and, of course, other age groups as well.

Once again, the Committee has updated this summary to make it available for taxpayers in a timely manner for the forthcoming tax season.

A checklist of this nature cannot, of course, be an exhaustive summary of every available deduction for all conceivable circumstances. But, it can be helpful for persons who itemize their allowable deductions. And, it can assist taxpayers in determining whether it would be advantageous to itemize their expenses, claim the standard deduction, or use the tax tables. Such decisions are crucial—especially for older Americans living on limited incomes—and can produce substantial tax savings.

This checklist can also be valuable for elderly persons who may have failed to deduct certain permissible expenses on previous returns. These taxpayers, for example, may prepare an amended return—Form 1040X—to claim allowable expenditures initially overlooked. To obtain a refund (plus interest) for these items, Form 1040X must be filed within three years after the original return was due or filed or within two years from the time the tax was paid, whichever is later.

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[1] *Gregory* v. *Helvering,* 293 U.S. 465, 469 (1935).

Finally, the Committee wants to express heartfelt thanks to the dedicated Internal Revenue Service personnel who reviewed this publication for accuracy and clarity.

FRANK CHURCH,
Chairman.
HIRAM L. FONG,
Ranking Minority Member.

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

MEDICAL AND DENTAL EXPENSES

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3% of a taxpayer's adjusted gross income (line 15, Form 1040).

INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3% rule.

DRUGS AND MEDICINES

Included in medical expenses (subject to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 15, Form 1040).

OTHER MEDICAL EXPENSES

Other allowable medical and dental expenses (subject to 3% limitation):

Abdominal supports, acupuncture services, ambulance hire, anesthetist, arch supports, artificial limbs and teeth, back supports, braces.

Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.

Cardiographs, chiropodist, chiropractor, Christian Science practitioner (authorized), convalescent home (for medical treatment only), crutches, dental services (e.g., cleaning, X-ray, filling teeth), dentures, dermatologist, eyeglasses.

Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed), gynecologist, hearing aids and batteries, home health services, hospital expenses, insulin treatment, invalid chair, lab tests.

Lip reading lessons (designed to overcome a handicap), neurologist, nursing services (for medical care, including nurse's board paid by you), occupational therapist, ophthalmologist, optician, optometrist, oral surgery, osteopath (licensed), pediatrician, physical examinations, physician.

Physical therapist, podiatrist, psychiatrist, psychoanalyst, psychologist, psychotherapy, radium therapy, sacroiliac belt, seeing-eye dog and maintenance, speech therapist, splints, supplementary medical insurance (Part B) under Medicare, surgeon.

Telephone/teletype special communications equipment for the deaf, transportation expenses for medical purposes (7¢ per mile plus parking and tolls or actual fares for taxi, buses, etc.), vaccines, vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health), wheelchairs, whirlpool baths for medical purposes, X-rays.

TAXES

Real estate, State and local gasoline, general sales, State and local income, personal property.

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pension or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, recovery of pension costs, dividends exclusion, unemployment compensation and public assistance payments).

CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20% of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7¢ per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization deduction is limited to $50 per month).

INTEREST

Home mortgage.

Auto loan.

Installment purchases (television, washer, dryer, etc.).

Bank credit card—can deduct the finance charge as interest if no part is for service charges or loan fees, credit investigation reports. If classified as service charge, may still deduct 6% of the average monthly balance (average monthly balance equals the total of the unpaid balance for all 12 months, divided by 12) limited to the portion of the total fee or service charge allocable to the year.

Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).

Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

CASUALTY OR THEFT LOSSES

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

CHILD AND DISABLED DEPENDENT CARE EXPENSES

The deduction for child dependent care expenses for employment-related purposes has been expanded substantially. Now a taxpayer who maintains a household may claim a deduction for employment-related expenses incurred in obtaining care for a (1) dependent who is under 15, (2) physically or mentally disabled dependent, or (3) disabled spouse. The maximum allowable deduction is $400 a month ($4,800 a year). As a general rule, employment-related expenses are deductible only if incurred for services for a qualifying individual in the taxpayer's household. However, an exception exists for child care expenses (as distinguished from a disabled dependent or a disabled spouse). In this case, expenses outside the household (e.g., day care expenditures) are deductible, but the maximum deduction is $200 per month for one child, $300 per month for two children, and $400 per month for three or more children.

When a taxpayer's adjusted gross income (line 15, Form 1040) exceeds $18,000, his deduction is reduced by $1 for each $2 of income above this amount. For further information about child and dependent care deductions, see Publication 503, Child Care and Disabled Dependent Care, available free at Internal Revenue offices.

MISCELLANEOUS

Alimony and separate maintenance (periodic payments).

Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.

Union dues.

Cost of preparation of income tax return.

Cost of tools for employee (depreciated over the useful life of the tools.

Dues for Chamber of Commerce (if a business expense).

Rental cost of a safe-deposit box for income-producing property.

Fees paid to investment counselors.

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees for securing employment.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if employment requires it.

Payments made by a teacher to a substitute.

Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—Taxpayers may now claim either a deduction (line 33, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general or special election. The deduction or credit is also applicable for any, (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $50 ($100 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $12.50 ceiling ($25 for couples filing jointly).

Presidential Election Campaign Fund.—Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) to help defray the costs of the 1976 Presidential election campaign.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

OTHER TAX RELIEF MEASURES FOR OLDER AMERICANS

Filing status	*Required to file a tax return if gross income is at least—*
Single (under age 65)	$2,050
Single (age 65 or older)	2,800
Married couple (both spouses under 65) filing jointly	2,800
Married couple (1 spouse 65 or older) filing jointly	3,550
Married couple (both spouses 65 or older) filing jointly	4,300
Married filing separately	750

Additional Personal Exemption for Age.—In addition to the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1975, you will be entitled to the additional $750 personal exemption because of age for your 1974 Federal income tax return.

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met. (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10% of the mutual dependent's support, *but only one of them* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers.—A taxpayer may elect to exclude from gross income part, or under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000, an election may be made to exclude part of the gain based on a ratio of $20,000 over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 1 year before or 1 year after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Retirement Income Credit.—To qualify for the retirement income credit, you must (a) be a U.S. citizen or resident, (b) have received earned income in excess of $600 in each of any 10 calendar years before 1974, and (c) have certain types of qualifying "retirement income". Five types of income—pensions, annuities, interests, and dividends included on line 15, Form 1040, and gross rents from Schedule E, Part II, column (b)—qualify for the retirement income credit.

The credit is 15% of the lesser of:

1. A taxpayer's qualifying retirement income, or

2. $1,524 ($2,286 for a joint return where both taxpayers are 65 or older) minus the total of nontaxable pensions (such as Social Security benefits or Railroad Retirement annuities) and earned income (depending upon the taxpayer's age and the amount of any earnings he may have).

If the taxpayer is under 62, he must reduce the $1,524 figure by the amount of earned income in excess of $900. For persons at least 62 years old but less than 72, this amount is reduced by one-half of the earned income in excess of $1,200 up to $1,700, plus the total amount over $1,700. Persons 72 and over are not subject to the earned income limitation.

Schedule R is used for taxpayers who claim the retirement income credit.

The Internal Revenue Service will also compute the retirement income credit for a taxpayer if he has requested that IRS compute his tax and he answers the questions for columns A and B and completes lines 2 and 5 on Schedule R—relating to the amount of his Social Security benefits, Railroad Retirement annuities, earned income, and qualifying retirement income (pensions, annuities, interest, dividends, and rents). The taxpayer should also write "RIC" on line 17, Form 1040.

INCREASE DELAYED RETIREMENT CREDIT FOR SOCIAL SECURITY BENEFICIARIES

Mr. CHURCH. Mr. President, I am pleased to join the ranking minority member of the Senate Committee on Aging in cosponsoring S. 829 to increase the delayed retirement credit from 1 to 6⅔ percent per year for persons who continue working after age 65 until 72.

As the chairman of the Senate Committee on Aging, I have had a longstanding commitment to remove employment disincentives for older persons who want or need to work.

Unfortunately, many barriers exist today for older Americans who want to remain active during their later years.

Today, only about 14 percent of all aged Americans—or one out of every 7 persons 65 or older—is in the labor force. The trend is clearly downward. In fact, the labor force participation rate for men in the 65-plus age category has declined from 41 percent in 1950 to less than 23 percent in 1974.

Moreover, pressures for earlier retirement have continued to mount steadily—to the point where many people now believe that this trend is not only inevitable but also desirable.

Our Nation is the big loser when the varied talents and experience of the aged are overlooked or ignored.

Much more can be gained, I maintain, by developing a comprehensive effort to maximize job opportunities for all age groups, the young as well as the old.

Ideally speaking, older workers want greater freedom of choice. This point was made very forcefully at the White House Conference on Aging. At a bare minimum, it seems to me that these choices should include:

To work or to retire in dignity;
To work full-time or part-time; or
To work for pay or as a volunteer.

S. 829 is designed to build upon these alternatives.

Briefly stated, this measure would increase the credit under social security from 1 percent to 6⅔ percent for each full year after age 65 and before 72 that an individual delayed his or her retirement.

In 1972 the Congress enacted the delayed retirement credit in recognition that a person who continues working beyond 65 pays contributions on his earnings and oftentimes foregoes benefits.

This measure—although a welcome improvement for the social security program—still represented a modest advance.

And now, it seems to me, that the credit should be raised to 6⅔ percent, particularly since inflation has greatly eroded the purchasing power of the aged.

Such a proposal would also provide parallel treatment with the reduction in social security benefits for earlier retirement. Workers who now claim payments before age 65 have their benefits actuarially reduced by 6⅔ percent for each full year.

Finally, this bill would provide a much greater incentive for elderly persons who want to continue as active participants in our society. Above all, it would make it crystal clear that older Americans who want or need to work should be encouraged, not discouraged.

Mr. President, I urge prompt and favorable Senate consideration of this bill.

RULES OF THE COMMITTEE ON PUBLIC WORKS

Mr. RANDOLPH. Mr. President, pursuant to the provisions of the Legislative Reorganization Act of 1946, as amended, I submit the Rules of the Committee on Public Works, and ask unanimous consent that these rules be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

U.S. SENATE COMMITTEE ON PUBLIC WORKS

RULES OF PROCEDURE

Rule 1. Regular meeting days.

The regular meeting day of the Committee shall be the first and third Thursday of each month at 10:00 A.M., except that if there be no business before the Committee, the regular meeting shall be omitted.

Rule 2. Committee meetings.

Subject to section 133(a) of the Legislative Reorganization Act of 1946, as amended, Committee meetings for the conduct of business, for the purpose of holding hearings, or for any other purpose, shall be called by the Chairman, after consultation with the ranking Minority Member. Subcommittee meetings shall be called by the Chairman of the respective subcommittee, after consultation with the ranking Minority Member. Notice of a meeting and the agenda of business to be discussed by the Committee will be provided to all Members not less than twenty-four hours in advance of such meeting. Additions to the agenda after that time may be made with the concurrence of the ranking Minority Member. Such 24-hour notice may be waived in an emergency by the Chairman, with the concurrence of the ranking Minority Member.

Rule 3. Open committee meetings and legislative mark-up sessions.

Meetings of the Committee, including hearings and legislative mark-ups, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the Committee determines by record vote of a majority of the members of the Committee present that the matters to be discussed or the testimony to be taken at such portion of portions—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States; (2) will relate solely to matters of committee staff personnel or internal staff management or procedure; or (3) constitute any other grounds for closure under paragraph 7(b) of rule XXV of the Standing Rules of the Senate (as amended by Senate Resolution 9, 94th Congress).

Rule 4. Presiding officer.

(a) The Chairman shall preside at all meetings and hearings of the Committee except that in his absence the ranking Majority Member who is present at the meeting shall preside;

(b) Subcommittee Chairmen shall preside at all meetings and hearings of their respective Subcommittees, except that in the absence of the Subcommittee Chairman, the ranking Majority Member of the Subcommittee who is present at the meeting shall preside;

(c) Notwithstanding the rule prescribed by subsections (a) and (b), any Member of the Committee may preside over the conduct of a hearing.

Rule 5. Quorums.

(a) Except as provided in subsections (b) and (d), five Members, two of whom shall be Members of the Minority party, shall constitute a quorum for the conduct of business, except for the purpose of reporting any measure or matter.

(b) Quorums for the conduct of business by the Subcommittees shall be a simple majority of the Membership of the Subcommittees with at least one Minority Member present.

(c) Once a quorum as prescribed in subsections (a) and (b) has been established for the conduct of business, the Committee may continue to conduct business.

(d) Notwithstanding the rule prescribed in subsection (a) one Member shall constitute a quorum for the purpose of conducting a hearing.

Rule 6. Proxy voting; polling.

(a) Proxy voting shall be allowed on all measures, amendments, resolutions, or any other issue before the Committee or any Subcommittees. Any Member who is unable to attend the meeting may submit his vote on any such issue, in writing or through personal instructions; however, proxies shall not be voted for the purpose of reporting any measure or matter except when the absent Committee Member has been informed of the matter on which he is being recorded and has affimatively requested that he be so recorded. A proxy given in writing shall be valid until revoked, while a proxy given orally or by personal instructions is valid only on the day given.

(b) At the discretion of the Chairman, after consultation with the ranking Minority Member, Members who are unable to be present and whose vote has not been cast by proxy, may later have their position recorded on any vote.

Rule 7. Public announcement of vote.

Whenever the Committee by rollcall vote reports any measure or matter, or acts upon any measure or amendments thereto, the report of the Committee on such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each Member of the Committee.

Rule 8. Announcement of hearing.

The Committee, or any Subcommittee thereof, shall make public announcement and provide notice to Members of the date, place, time and subject matter of any hearing to be conducted on any measure or matter, at least one week in advance of such hearing, unless the Committee Chairman, or Subcommittee Chairman, with the concurrence of the ranking Minority Member, determines that there is good cause to begin such hearing at an earlier date, in which event not less than twenty-four hours notice shall be given.

Rule 9. Statements of witnesses at hearings.

(a) Each witness who is scheduled to testify at any hearing of the Committee, or any Subcommittee thereof, shall file a written statement of his proposed testimony not later than noon of the last business day preceding the day on which he is scheduled to appear. At the time of his appearance, he shall supply for the use of the Committee or Subcommittee, 25 copies of his prepared testimony or such greater number as may be requested in the letter of invitation. Except for witnesses from the Federal Government, this rule may be waived with regard to field hearings.

(b) The presiding officer at a hearing may have a witness not read his written testimony and to confine his oral presentation to a summary of his statement.

Rule 10. Regularly established subcommittees.

The Committee shall have six regularly established Subcommittees as follows:

Subcommittee on Water Resources;

Subcommittee on Environmental Pollution;

Subcommittee on Economic Development;

Subcommittee on Transportation;

Subcommittee on Buildings and Grounds; and

Subcommittee on Disaster Relief.

Rule 11. Special subcommittees.

With the concurrence of the ranking Minority Member, the Chairman shall, from time to time, establish such special Subcommittees as he deems necessary to expedite Committee business.

Rule 12. Subcommittee membership.

Following consultation with the Majority Members and the ranking Minority Member of the Committee, the Chairman shall announce selections for membership of the Subcommittees referred to in Rules 10 and 11.

Rule 13. Environmental impact statements.

No project or legislation proposed by the Administration shall be approved or other action taken on such project or legislation unless the Committee has received an environmental impact statement relative to it, in accordance with section 102(2)(C) of the National Environmental Policy Act of 1970, and the written comments of the Administrator of the Environmental Protection Agency, in accordance with section 309 of the Clean Air Act.

Rule 14. Naming of public facilities.

No building, structure or facility authorized by the Committee, shall be named for any living person, except former Presidents of the United States, or former Members of Congress over 70 years of age.

Rule 15. Committee resolutions.

(a) The Chairman, after consultation with the ranking Minority Member, is authorized to certify and pass on Committee resolutions for review of flood control and river and harbor reports and resolutions for studies of public building projects, and forward the resolutions to the appropriate Federal agency.

(b) Proponents of Committee resolutions shall submit appropriate evidence showing need for review or reports on river and harbor and flood control projects.

Rule 16. Broadcasting of hearings.

Public hearings of the Committee, or any Subcommittee thereof, may be televised or broadcast, or recorded for television or broadcast, upon notification in advance to the Chairman through the Chief Clerk. During public hearings, photographers and other reporters using mechanical recording or filming devices shall position and use their equipment in such fashion as will not interfere with the seating, vision, or hearing of Committee Members or Staff on the dais, nor with the orderly process of the hearing.

Rule 17. Amendment of rules.

The rules may be added to, modified, amended or suspended by a majority of the Committee Membership.

HISTORIC BRIDGE AT WHEELING, W. VA.

Mr. ROBERT C. BYRD. Mr. President, at an appropriate time I shall send to the desk for referral, a bill to designate the Wheeling Suspension Bridge at Wheeling, W. Va., a national historic site and to assimilate the bridge into the National Park System.

As I noted last fall when I originally introduced this bill, this bridge has a long and colorful history and has played a significant role in the development of our Nation. It was the first bridge built across the Ohio River and linked the National Road to the emerging territories of the West. It also established Wheeling as the early gateway to the West, much to the dismay of her neighbor to the northeast, the city of Pittsburgh. In fact, the city of Pittsburgh went to court in an effort to prevent the bridge from being erected, and only special legislation pushed through Congress by the delegation from Virginia permitted construction to go forward.

When the Wheeling Suspension Bridge was completed in 1849, it constituted a remarkable engineering feat. At 1,010 feet in length, it was the longest bridge in the world and was the most outstanding example of suspension bridge engineering, which in those days was a revolutionary new way to build bridges.

Five years after its completion, a storm swept through the Ohio Valley and the Wheeling Suspension Bridge crumbled into the Ohio River. Wheeling, and the Nation, were shocked. But, local residents and the Wheeling & Belmont Bridge Co., owners of the span, were undaunted. They hired John A. Roebling of Pittsburgh to rebuild it. He did, and the bridge was opened to traffic again in 1856 at a cost of $42,000.

For nearly 120 years the Wheeling Suspension Bridge has played a vital role in the course of American history. During the Civil War, it was an indispensable passageway across the Ohio River. During World War I, it carried heavy and continuous loads of war transport trains, which bore the materials of victory to our Nation's seaports. This was a role the bridge played again during World War II.

Millions of American travelers have crossed the Wheeling Suspension Bridge as they moved back and forth across this vast Nation. Yet it still stands, sturdy and strong, and rich with history. Although a modern, new four-lane bridge was built parallel to it in the late 1960's to carry Interstate 70 across the Ohio River, the Wheeling Suspension Bridge still carries local traffic across the mighty Ohio.

Mr. President, I firmly believe that the Wheeling Suspension Bridge richly deserves to be preserved as a national historic site under the guidance and supervision of the National Park Service and I urge my colleagues on the Interior Committee to favorably consider this bill. I stand ready to work with the committee in any way that may be helpful to achieve this objective.

PRIVILEGES OF THE FLOOR—SENATE RESOLUTION 4

Mr. THURMOND. Mr. President, I ask unanimous consent that a member of my staff, Mr. Bill Coates, be allowed the privileges of the floor during the discussion and debate on the rules change.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR NO ACTION ON MONDAY ON SENATE RESOLUTION 4 PRIOR TO 4 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday there be no action in relation to Senate Resolution 4 prior to the vote on the motion to reconsider at 4 p.m. on Monday.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I yield to the majority leader.

UNANIMOUS-CONSENT AGREEMENT—HOUSE JOINT RESOLUTION 219

Mr. MANSFIELD. Mr. President, I wonder if it would be possible at this time to get unanimous consent to consider the continuing resolution which expires at midnight.

I ask unanimous consent that at the conclusion of the remarks of the distinguished acting Republican leader the continuing resolution (H.J. Res. 219) reported by the Committee on Appropriations be laid before the Senate for consideration.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(The remarks made by Mr. GRIFFIN at this point appear earlier in today's RECORD.)

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

FURTHER CONTINUING APPROPRIATIONS, 1975

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of House Joint Resolution 219, which the clerk will state by title.

The assistant legislative clerk read as follows:

A resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes.

The Senate proceeded to consider the joint resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes, with an amendment on page 1, in line 7, to strike out—

and that clause (d) of section 101 of said joint resolution is amended by striking out "titles VI and IX, and" through March 31, 1975 on page 2, line 5.

and insert in lieu thereof:

: *Provided*, That, notwithstanding any other provision of this joint resolution or any other law, no funds appropriated or made available or authority granted pursuant to the fourth unnumbered clause of section 101(b) and sections 112 and 114 of such joint resolution, as amended, relating to foreign assistance and related programs shall be available for obligation after February 28, 1975.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum pending the arrival of the distinguished Senator from North Dakota (Mr. YOUNG) and the distinguished Senator from Hawaii (Mr. INOUYE).

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session for not to exceed 1 minute for the consideration of the nomination of Mr. Wilmer D. Mizell, Sr.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

DEPARTMENT OF COMMERCE

The assistant legislative clerk read the nomination of Wilmer D. Mizell, Sr., of North Carolina, to be an Assistant Secretary of Commerce.

Mr. BAKER. Mr. President, I urge that the Senate confirm Wilmer D. Mizell, Sr., of North Carolina, as Assistant Secretary of Commerce for Economic Development.

Many of my colleagues in the Senate are close personal frienls of Mr. Mizell. They know him as a man who gave effective and productive service to the House of Representatives for three terms, representing the citizens of North Carolina's Fifth District, the Winston-Salem area.

During his term, he was a member of the House Public Works Committee and its Economic Development Subcommittee. I know he brings a keen interest in as well as a working knowledge of the development program.

For nearly 10 years the Economic Development Administration has provided long range assistance to distressed communities to help build public facilities necessary to long-range development and to encourage private enterprise to expand and create new jobs. Many communities across the country have been aided by this effort.

The program has evolved overtime to meet changing economic conditions and development needs. Last year, in the 1974 amendments, the Congress attempted to address some of these changes. There is still more to be done. Mr. Mizell enters the program at a very exicting and innovative time and I look forward to working with him on implementation of the new program and future legislation which may be considered.

Mr. McCLURE. Mr. President, I recommend that the Senate confirm the nomination of Wilmer D. Mizell, Sr., of North Carolina, as Assistant Secretary of Commerce for Economic Development.

I served in the House of Representatives with Mr. Mizell and have high regard for him.

As a Member of the House of Representatives for 6 years, he served with great distinction, and as a member of the Committee on Public Works, he became intimately familiar with the programs of the Economic Development Administration.

This background means that we can anticipate knowledge as well as enthusiastic leadership in the years ahead.

The Senate Committee on Public Works, I know, was most impressed with Mr. Mizell's presentation earlier this week at his confirmation hearing before the Committee. His openness and his willingness to work with the Congress to make this program work was most evident.

I am pleased and honored, as ranking member of the Subcommittee on Economic Development, to recommend Mr. Mizell to the Senate.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, the record will show that no nominations under new reports are being considered at this time.

Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination of Mr. Mizell.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FURTHER CONTINUING APPROPRIATIONS, 1975

The Senate continued with the consideration of the joint resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes.

Mr. INOUYE. Mr. President, the President of the United States duly budgeted his foreign assistance package for fiscal year 1975 and forwarded it to the Congress on February 4, 1974—over a year ago. The Subcommittee on Foreign Operations began its hearings on this measure, better known as the foreign assistance bill, on February 25, 1974. We spent many hours and many weeks listening to witnesses, and concluded our hearings on July 24. In the meantime, we had our first continuing resolution, which extended from June 30, 1974, to September 30. This was understandable because at that point the legislative or authorizing committees had not completed their consideration of the authorization bill.

Then on September 30, when we found that we still did not have an authorization bill, and these programs were continued for the second time into December. On December 19 we once again found it necessary to pass still another continuing resolution—the third one—which continued these programs until today—February 28.

On December 30, the authorizing committees of the Congress finally completed their deliberations and an authorization bill was enacted, so there has now been two months to consider an appropriation bill.

All hearings have been concluded. The House has been advising that they are ready for markup. But this has not been done.

On the other hand, the Subcommittee on Foreign Operations, after completing its hearings, has for many months, had pending a draft committee report. We are ready to report this measure. Today we complete the eighth month of the fiscal year and are asked to extend this further for still another month!

It appears likely that in about three weeks another request will come forward to extend this same continuing resolution for still another month and then another month, and before we know it the fiscal year will be at end.

The committee amendment to the House joint resolution would delete that portion which extends Foreign Assistance and Related Agencies appropriations through March 31. This will mean that beginning tomorrow, funds for obligation by the Agency for International Development and related agencies under the jurisdiction of the Subcommittee on Foreign Operations will no longer be available.

To put it more specifically, on March 11, the next payday, certain employees of AID will find themselves inconvenienced. They will not receive pay for time worked after February 28. I know that this will be difficult for these individuals, but we simply cannot continue this endlessly.

I think it is not in the best interests of Congress, the people, or the programs themselves to carry on such an important matter under the temporary authority of a continuing resolution. As I have indicated to the full committee, it is about time we either fish or cut bait.

I hope that the Senate will support the step taken by the Appropriations Committee and amend House Joint Resolution 219, to delete that portion which will extend the operations of AID and other related agencies until March 31. With this, we will be able to go into conference with the House Appropriations Committee and at that time make known to our colleagues on the other side our concern over these endless delays and our determination to have this matter concluded in the proper legislative fashion.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. INOUYE. I am happy to yield.

Mr. STEVENS. The bill, as reported by the Senator for the full committee, does contain the amendment I have offered, to delete the floor amendment in the House which dealt with the Hill-Burton funds and the regional medical programs. Is that correct?

Mr. INOUYE. The Senator is correct. This will put it into conference, also.

Mr. STEVENS. That is what I want to make certain everyone understands, that it also will be a matter that will be subject to conference.

In view of the fact that our new medical program has not really taken life and we have no funds for it, I do not see the reason for denying the 53 projects that have ongoing regional medical programs the funds they need; nor do I understand the deletion of the $187 million for Hill-Burton funds which affect all 50 States, in view of the recent action taken by the court in releasing those moneys for prior years.

I think this is a matter to be discussed in conference, rather than here. It will be fully in conference.

Mr. INOUYE. The Senator is correct.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Hawaii yield?

Mr. INOUYE. I am happy to yield.

Mr. HARRY F. BYRD, JR. Is it the proposal, then, that the foreign aid will not be continued beyond February?

Mr. INOUYE. It will not be continued beyond February 28, which is today. However, the agencies which come within the jurisdiction of this subcommittee will be able to continue their activities until about the 20th of March.

Admittedly, some in those agencies will have to suffer inconveniences—primarily, not being able to issue some paychecks. On the other hand, if we give in to the House, it will mean forever dealing with this measure on a continuing resolution, thereby denying those of us in the Senate an opportunity to work our will on these programs.

Mr. HARRY F. BYRD, JR. If the Senator will yield at that point, this is the third continuing resolution we have had?

Mr. INOUYE. This is the fourth. We have had three already. This is the one they are requesting.

Mr. HARRY F. BYRD, JR. So the Senator from Hawaii is making the point that the Senate should meet the issue—fish or cut bait, I believe the Senator from Hawaii said a little earlier.

Mr. INOUYE. The Senator is correct. I think that is a favorite phrase in Virginia—fish or cut bait.

Mr. HARRY F. BYRD, JR. So, under the proposal recommended by the distinguished Senator from Hawaii, the House would be put in a position to fish or cut bait.

Mr. INOUYE. The Senator is absolutely correct.

Mr. HARRY F. BYRD, JR. I feel as the Senator from Hawaii does about foreign aid spending. I realize that all of it is not covered by this particular bill. But the U.S. taxpayers are paying for $8 billion of foreign aid in one way or another. We are shoving money out all over the world to 100 different countries. I think it is an outrageous way to handle the tax funds of our country, at a time when we are running smashing deficits in this country, at a time when we have high inflation, to be throwing money all over the world to 100 different countries. The only place the American Government can get that money is out of the pockets of the wage earners.

I think the whole foreign aid program—and I am taking not just this bill before us but the entire program of roughly $8 billion—that ought to be cut 75 percent. As I understand the proposal of the Senator from Hawaii, if his recommendation is accepted by the Senate, it would put the Senate in a position to act forthrightly on the foreign aid program and, hopefully, so far as the Senator from Virginia is concerned, reduce the amount that we are pumping into that program.

Mr. INOUYE. All we are asking is to permit us to exercise our will. There is little opportunity to exercise our will by passing a continuing resolution.

Mr. HARRY F. BYRD, JR. All that does is permit the agencies to keep spending tax funds.

Mr. INOUYE. Essentially, what they were able to spend in the last fiscal year.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. YOUNG. Mr. President, the Senate now has before it the fourth continuing resolution of fiscal year 1975. The necessity of having a continuing resolution so late in the fiscal year is regrettable. It is indicative of the continuing difficulty the Congress has in acting on various matters in a timely fashion.

The continuing resolution, as passed by the House, included obligating authority for both foreign assistance programs and certain programs funded under the Department of Health, Education, and Welfare. The committee's recommendation includes two major changes from the House action. First, the committee recommends that obligating authority for foreign assistance not be included under the continuing resolution. We could find no valid rationale for the Congress not moving immediately to consider action on a fiscal year 1975 foreign assistance appropriations bill.

The Appropriations Subcommittee on Foreign Operations has worked diligently on the bill and has been prepared since last September to submit its recommendations to the full committee. The full committee, for its part, is ready and anxious to prepare its recommendations on the matter. The committee believes that its action on the continuing resolution regarding foreign assistance will encourage immediate consideration of a bill by all concerned parties.

Mr. President, the ranking minority member of the Subcommittee on Foreign Operations, the distinguished Senator from Massachusetts (Mr. BROOKE) could not be here because the bill came up sooner than expected. I ask unanimous consent to have a statement by him printed in the RECORD.

The PRESIDING OFFICER (Mr. PEARSON). Without objection, it is so ordered.

STATEMENT BY SENATOR BROOKE

It was with great reluctance that my colleagues and I decided to remove the foreign assistance programs from the funding authority under the Continuing Resolution. The distinguished Chairman of the Foreign Operations Subcommittee of the Senate Committee on Appropriations has outlined the basic reasons for doing so. I will not take the Senate's time in restating what he has already said.

It is important to understand that unless an appropriations measure is rapidly passed by the Congress for the foreign assistance programs, several disruptive negative events may occur. I would like to point out some of these possibilities:

Programming.—Without obligating authority, certain agencies cannot obligate funds for on-going and new programs. For perhaps a week to two weeks, this does not pose grave problems. However, if the lapse in authority continues until early Spring, it could put the U.S. Government in the position of being unable to go forward with foreign assistance activities in the fashion that governments throughout the world expect.

Personnel Pay and Allowances.—If no authority exists by March 13, the Agency for International Development cannot pay foreign nationals who are paid by A.I.D./W. This would affect about 700 A.I.D. mission employees, mainly in Africa and Latin America. If the affected missions have to institute emergency pay procedures, such procedures not only disrupt administrative functions, but also could create morale problems in those missions.

If no authority exists by March 21, certain agencies would be unable to pay U.S. personnel in Washington and overesas.

If no authority exists by March 26, the Agency for International Development could not pay about 700 foreign nations. This means that local employees in the affected missions would miss a whole month's pay, resulting in a severe disruption of mission operations.

If no authority exists by April 4, the Agency would again be unable to pay all U.S. personnel—causing all U.S. employees to miss a full month's pay with the attendant difficulties of paying the recent bills, buying food, etc.

Travel.—Without obliging authority, all travel (RIF, TDY, change of station, etc.) for which expenses had not been incurred or tickets purchased by midnight, February 28, would cease. This would immediately disrupt operations, cause endless rescheduling, etc.

In addition, inability to fund any new obligations could be extremely serious in regards to the occurrence of disasters, natural or manmade. Until obligating authority exists, the United States will be precluded from being able to react quickly to any unforeseen disaster or other contingency in the world. I do not believe that anyone in either of the House of Congress wishes such a condition to continue indefinitely. Therefore, it is my hope, as I know it is the hope of the Senator from Hawaii, that the Congress will move immediately to consider and pass a Foreign Assistance Appropriations Bill for Fiscal Year 1975.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFICER. The resolution is open to further amendment. If there be no further amendment to be proposed, the question is on engrossment of the amendment and third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 219) was read the third time and passed.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House has passed the following bill in which it requests the concurrence of the Senate:

H.R. 2166. An act to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit and the surtax exemption, and for other purposes.

HOUSE BILL REFERRED

The bill (H.R. 2166) to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit and the surtax exemption, and for other purposes, was read twice by its title and referred to the Committee on Finance.

NAVAL AND MARITIME MUSEUM, CHARLESTON, S.C.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed, for not more than 2 minutes, to the consideration of Senate Concurrent Resolution 9.

The PRESIDING OFFICER (Mr. PEARSON). The concurrent resolution will be stated.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 9) relating to the establishment of the Naval and Maritime Museum in Charleston, S.C.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. THURMOND. Mr. President, this is a concurrent resolution submitted by the junior Senator from South Carolina (Mr. HOLLINGS) and myself, simply asking encouragement and endorsement for the establishment of a naval and maritime museum at Charleston, S.C. It involves no funds. It has been approved by the Committee on Armed Services. A similar concurrent resolution was passed by the Senate last ycar, but was caught in the adjournment rush without a chance for House action before Congress adjourned. The Armed Services Committee has approved it again this year, and I ask for its immediate consideration.

The concurrent resolution (S. Con. Res. 9) was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

Whereas the State of South Carolina has an old and historic naval and maritime heritage; and

Whereas the State of South Carolina has created the Patriot's Point Development Authority for the purpose of establishing a naval and maritime museum in the city of Charleston, South Carolina; and

Whereas the Patriot's Point Development Authority has been advised by the Department of the Navy that the Navy will donate the aircraft carrier United States ship Yorktown to the authority for use in the naval and maritime museum; and

Whereas the establishment of this special museum is a timely project in view of the increasing importance of the seas to the economy and security of the United States; and

Whereas the museum will stimulate and further the knowledge of naval and maritime history, customs, and traditions, and increase the appreciation of the importance of naval air and sea power to the security and economy of the United States; and

Whereas this museum will serve to generate or increase the patriotism in the youth of this Nation, and stimulate in some of them the desire for a career in public service, and particularly the naval and maritime service; and

Whereas the naval and maritime museum can make a significant contribution toward the efforts to achieve an all-volunteer military service, through the promotion of pride and interest in the naval and maritime heritage of this country; and

Whereas this museum, in addition to preserving our naval and maritime heritage, will make a major contribution to the Nation's bicentennial anniversary in 1976: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval and encouragement with respect to the establishment, by the State of South Carolina, of the naval and maritime museum in the city of Charleston, South Carolina, and recognizes the historical importance of such museum and the patriotic purpose it is intended to serve.

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. PEARSON). The Chair, on behalf of the Vice President, appoints the following Senators to participate in the United States-U.S.S.R. parliamentary visit, March 21 through April 6, 1975: the Senator from Alabama (Mr. SPARKMAN), the Senator from Wisconsin (Mr. NELSON), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Iowa (Mr. CULVER), the Senator from North Carolina (Mr. MORGAN), the Senator from Vermont (Mr. LEAHY), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from New Jersey (Mr. CASE), the Senator from New York (Mr. JAVITS), the Senator from Kansas (Mr. PEARSON), the Senator from Maryland (Mr. MATHIAS), and the Senator from Virginia (Mr. WILLIAM L. SCOTT).

AUTHORIZATION FOR THE SECRETARY OF THE SENATE, THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE OR THE ACTING PRESIDENT PRO TEMPORE TO TAKE CERTAIN ACTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the recess of the Senate over until 12 noon on Monday next, the Secretary of the Senate be authorized to receive messages from the President of the United States and from the House of Representatives, and that the Vice President, the President pro tempore, or the Acting President pro tempore be authorized to sign duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO MONDAY, MARCH 3, 1975

Mr. ROBERT C. BYRD. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 o'clock noon on Monday.

The motion was agreed to; and at 2:32 p.m. the Senate recessed until Monday, March 3, 1975, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate February 28, 1975:

IN THE NAVY

The following-named captains of the Navy for temporary promotion to the grade of rear admiral in the staff corps indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

Walter M. Lonergan
Joseph T. Horgan

SUPPLY CORPS

Leroy E. Hopkins
Ralph F. Murphy, Jr.
Edward M. Kocher

CHAPLAIN CORPS

Withers M. Moore

CIVIL ENGINEER CORPS

Charles C. Heid, Jr.

DENTAL CORPS

William L. Darnall, Jr.

CONFIRMATION

Executive nomination confirmed by the Senate February 28, 1975:

DEPARTMENT OF COMMERCE

Wilmer D. Mizell, Sr., of North Carolina, to be an Assistant Secretary of Commerce.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

COURT TYRANNY UNDER SIEGE

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, February 28, 1975

Mr. HARRY F. BYRD, JR. Mr. President, the widespread public dissatisfaction with the lack of accountability of our Federal judiciary—who now enjoy life tenure—has again been acknowledged by another keen observer in the press.

On February 7, 1975, an editorial entitled "Court Tyranny Under Siege," by Robert E. Baskin, was carried in the Dallas, Tex., Morning News.

In the 94th Congress, I have been joined by the distinguished Senators from Alabama (Mr. ALLEN), from North Carolina (Mr. HELMS), from South Carolina (Mr. THURMOND), from Georgia (Mr. TALMADGE and Mr. NUNN), and from Utah (Mr. GARN) in proposing Senate Joint Resolution 16. This resolution would require periodic reconfirmation of Federal judges and would restore a degree of accountability now lacking in our system.

Why should any public official in a democracy have life tenure? I submit that such a notion is wholly inconsistent with our form of government.

I ask unanimous consent that Mr. Baskin's article be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COURT TYRANNY UNDER SIEGE

(By Robert E. Baskin)

"In the modern world," said Sen. Harry F. Byrd Jr. the other day, "only kings, queens, emperors, maharajas—and U.S. federal judges—hold office for life."

The Virginia Independent senator was speaking in the U.S. Senate as he proposed a constitutional amendment which would require reconfirmation of federal judges every eight years. In this he was joined by six other senators, and the measure has been scheduled for Senate consideration.

Byrd's amendment would provide for automatic renomination of federal judges at the end of eight years of tenure but would give the Senate an opportunity to assess their qualifications anew and confirm or refuse to confirm them every eight years.

Byrd noted that "there has been widespread dissatisfaction with the existing system, under which some judges are exercising dictatorial powers."

"For well over a century," he told the Senate, "after the creation of this nation, the unwritten canon of judicial restraint, as expressed by such eminent justices as Holmes, Brandeis, Stone, Hughes and Frankfurter, was one of our most hallowed legal principles.

"But in this century, and particularly since the 1950s, first the Supreme Court and later the lower federal courts have cast aside much of the doctrine of restraint. In all too many instances the federal courts have gone well beyond the sphere of interpreting the law, and into the domain of making the law."

Byrd asserted that his proposed amendment would not affect the independence of the judicial branch but would place upon it some accountability.

"Judicial independence," he said, "should not be regarded as a fortress for the members of the judiciary, whether or not one believes that some judges are actual or potential oligarchs; on the contrary, it is supposed to be a shelter for the true rights of the people.

"There is no need to provide any official in a democracy with the prerogatives of a medieval baron in order to safeguard his independence of judgment. Indeed, to insulate a judge—or any other public official—from all accountability for his actions is to invite arbitrary action contrary to the will and welfare of the people of the United States."

VIRGINIA AN EXAMPLE

Byrd reported that his home state of Virginia, since 1870, has had the General Assembly (of the legislature) name state judges for specific terms, and there have been no complaints from the judiciary about restriction of its independence. The Virginia Supreme Court, for example, has not hestitated to strike down legislative enactments, he said.

The Virginia senator said there is already much support across the nation for such an amendment as he is offering. He quoted Gov. Meldrim Thomson, Jr. of New Hampshire as saying such legislation "is essential if we are not to have a nation run by judicial dictatorship."

Under existing law, it was pointed out, there is no curb that can be placed on a judge short of impeachment. And impeachment is employed so rarely and is such a cumbersome process that it is ineffective for holding judges accountable.

In Texas, there is widespread sentiment that appears from time to time against the dictatorial decisions of federal judges.

Last year, Dallas Criminal Dist. Court Judge Ed Gossett, writing in the Texas Bar Journal, assailed the tyranny which he said was being imposed upon state political and judicial institutions by the federal courts.

"Federal courts," Gossett wrote, "have nullified numerous provisions of state constitutions, held hundreds of laws, both state and federal, to be unconstitutional, and have dictated to all state courts and all state political organizations."

Gossett's article aroused much comment over the state, particularly in the legal and political communities. His views coincide substantially with the thrust of the arguments Senator Byrd used in proposing his amendment.

HOUSE OF REPRESENTATIVES—*Monday, March 3, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let us hear the conclusion of the whole matter; fear God and keep His Commandments; for this is the whole duty of Man.—Ecclesiastes 12: 13.

O Thou who hast given us the day for work and the night for rest, grant that we may so work and so rest that we may have health of body, harmony of mind, and happiness of spirit. Enable us this day and every day to do our work with insight and integrity, to relate ourselves to one another with faith and forgiveness and to humbly walk with Thee as we keep in mind the highest good of our Nation.

Bless our Members of Congress and help them to lead our Republic in the paths of peace, freedom, and good will. Bless our citizens that following wise leadership they may not shrink from the disciplines which accompany life, liberty, and the pursuit of happiness for all.

May we now and always keep ourselves dedicated to Thee and to the best interests of our beloved land.

In the spirit of Him who came to bring life to all we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on February 28, 1975, the President approved and signed a joint resolution of the House of the following title:

H.J. Res. 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

OIL DEPLETION ALLOWANCE WITHIN TAX REDUCTION MEASURE

(Mr. HANLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANLEY. Mr. Speaker, I voted against the effort to deal with the oil depletion allowance within the framework of this important tax reduction measure.

It is absolutely vital that the House and Senate speedily send to the President this measure which will greatly stimulate the purchasing power of American citizens and the ability of American business to expand and improve production. All of us are banking on the assumption that these tax rebates and reductions will take the steam out of the economic nosedive the country is in. This bill is one of the essential building blocks in a program to restore and revitalize the American economy.

The matter of the oil depletion allowance is also of great importance. It will be dealt with in either an energy or a tax reform package early this year.

It is absolutely essential that the House send this tax reduction bill to the Senate unfettered by other matters. I hope that a majority of my colleagues can appreciate the prudential nature of this approach.

RESOLUTIONS OF INQUIRY REQUESTING EXECUTIVE BRANCH TO FURNISH CERTAIN INFORMATION ON U.S. POLICY TOWARD CHILE

(Mr. MORGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MORGAN. Mr. Speaker, on February 27, 1975, the Committee on Foreign Affairs met in open session to consider House Resolution 206 and House Resolution 207 which were introduced by the Honorable MICHAEL HARRINGTON.

The committee voted 19 to 9 in favor of a motion to lay the resolutions on the table.

House Resolution 206 directs the Secretary of State to furnish to the Committee on Foreign Affairs certain information on U.S. policy toward Chile from 1964 through 1973:

H. RES. 206

Resolved, That the Secretary of State is hereby directed to furnish to the Committee on Foreign Affairs of the House of Representatives, within ten days, the following information:

1964 ELECTIONS

1. Did the Forty Committee authorize funds for payment to opponents of Salvador Allende, prior to the Chilean national elections of 1964? If so, what were the specific dates of the authorization(s), to what individuals or organizations were payments made, and what was the amount of each of these payments? In what currency or currencies were the payments made? Describe the method through which each such payment was made.

1970 ELECTIONS

2. Did the Forty Committee authorize the expenditure of approximately $1,000,000 in 1969 and 1970 to attempt to prevent the election of Salvador Allende as President of Chile? If so, what were the specific dates of the authorization(s)? What was the exact amount of the funds distributed? To what individuals and organizations were payments made, and in what amounts? In what currency or currencies were payments made? Describe the method through which each such payment was made.

SCHEME TO BRIBE CHILEAN CONGRESS

3. Did the Forty Committee, on September 18, 1970, authorize a plan to spend $350,000 for the purpose of bribing members of the Chilean Congress so as to prevent the ratification of the election of Salvador Allende as President of Chile? If so, were the funds expended? What was the disposition of this plan?

1970: ANTI-ALLENDE MEDIA CAMPAIGN

4. Did the Forty Committee authorize the expenditure of approximately $500,000 in the summer of 1970 to finance anti-Allende media? If so, what were the specific dates of the authorization(s)? What was the exact amount of the funds distributed? To what individuals or organizations were payments made, and in what amounts? In what currency or currencies were the payments made? Describe the method through which each such payment was made.

POST-1970: $5,000,000

5. Did the Forty Committee, subsequent to the Chilean national elections in September 1970, authorize the expenditure of

approximately $5,000,000 for the purpose of assisting groups and individuals, including political parties, organizations, and news media, opposed to the government of President Allende? If so, what was the exact amount of funds expended? To what individuals or organizations were payments made, and in what amounts? In what currency or currencies were the payments made? Describe the method through which these payments were made.

1973: Municipal Elections

6. Did the Forty Committee authorize the expenditure of approximately $1,500,000 for payments to and support of candidates in the 1973 municipal elections who were opposed to the government of President Allende? If so, what was the exact amount of the payments made? To whom were payments made, and in what amounts? In what currencies were the payments made? Describe the method through which each payment was made.

1973: $1,000,000

7. Did the Forty Committee, in or about August 1973, authorize the expenditure of $1,000,000 for the purpose of assisting groups, individuals, political parties, organizations, and news media opposed to the government of President Allende? If so, what was the exact amount of funds expended? To what individuals or organizations were payments made, and in what amounts? In what currency or currencies were the payments made? Describe the method through which each payment was made.

Notice to Members of Congress

8. What Members of the United States Congress, if any, were informed of each operation authorized by the Forty Committee to provide funds or assistance to opponents of Salvador Allende, before such operations were carried out? On what dates were Members of Congress so informed? How were Members of Congress so informed?

State Department Participation

9. What were the names and positions of members of the Department of State who were informed before September 11, 1973, of covert operations of American agencies, as authorized by the Forty Committee, to provide funds or other assistance to opponents of the government of President Allende, from 1963 to September 11, 1973?

(a) Which members of the staff of the American Embassy in Chile were informed of these operations during their tenure in Chile, and were these staff members informed of the operations before or after they were carried out?

(b) Was Assistant Secretary of State Charles Meyers informed of any such operations, prior to March 27, 1973?

(c) Was former Ambassador to Chile Edward Korry informed of any such operations, prior to March 27, 1973?

(d) Was Deputy Chief of Mission Harry Shlaudeman informed of any such operations, prior to June 12, 1974?

(e) Was Nathaniel Davis, Ambassador to Chile from 1971 to 1973, informed of any such operations, prior to November 9, 1973?

Economic Sanctions

10. Did the Government of the United States adopt a policy of economic sanctions against the Government of Chile after the election of Salvador Allende as President of Chile in 1970? Did the United States Government seek to deny loans and other forms of economic assistance to Chile from the Export-Import Bank, the Inter-American Development Bank, the International Bank for Reconstruction and Development, or the International Monetary Fund? If so, when was such a policy of economic sanctions implemented? If estimates were made by State Department officials as to how much such sanctions would cost the Government and economy of Chile, please supply these estimates. Did any United States representative to the aforementioned financial institutions receive any instructions, memorandums or other documents or communications concerning economic assistance to Chile, and if so, list and provide copies of such documents or communications.

Interagency Economic Policy Group

11. Was there an interagency group, in which a representative of the Department of State participated, established in or after November 1970, to consider, evaluate, and formulate American economic policy toward Chile? If so, what was the membership of this group? List and provide copies of any documents or memorandums prepared or issued by this group in which economic policy toward Chile is discussed.

Chile's Credit

12. Did the Government of the United States seek and receive the cooperation of American banks and other financial institutions in reducing the line of credit available to Chile from American banks and other financial institutions, and in preventing the renegotiation of the Chilean foreign debt? If so, with which banks or financial institutions did representatives of the Government of the United States discuss private as well as public economic policy toward Chile? Which banks or financial institutions actually cooperated and participated in the policy? What officials in the executive branch participated in such discussions? When were such actions authorized, and by what agency?

State Department Objections

13. Did officials of the Department of State, between 1963 and September 11, 1973, object in writing to plans of the Forty Committee and/or the Central Intelligence Agency to provide funds or other assistance to anti-Allende organizations or individuals? Provide copies of all such objections, including those memorandums or documents dated August 30, 1970, September 4, 1970, and July 25, 1973. To which specific plans did the State Department object, and what were the reasons cited in the objections?

Statement of Henry Kissinger

14. On what facts did you base your statement of September 17, 1973:

"The Central Intelligence Agency had nothing to do with the coup, to the best of my knowledge and belief, and I only put in that qualification in case a madman appears down there who, without instructions, talked to somebody. I have absolutely no reason to suppose it.".

House Resolution 207 directs the President of the United States to provide the committee similar information:

H. Res. 207

Resolved, That the President of the United States is hereby directed to furnish to the Committee on Foreign Affairs of the House of Representatives, within ten days, the following information:

TITLE I—UNITED STATES POLICY TOWARD CHILE

Total Aid to Allende Opponents

1. What was the total value, in then-year dollars, of assistance authorized by the Forty Committee, and expended, for purposes of assisting individuals, groups, or organizations opposed to the candidacy, or subsequent government, of Salvador Allende, during the period beginning in 1962 and ending with the overthrow of the Allende government on September 11, 1973? Provide an itemized accounting for these expenditures on an annual basis. In addition, provide an itemized annual accounting of the "value" of such assistance, such value to be computed by comparing the annual expenditures, in United States dollars, with the official as well as prevailing unofficial (black market) rates of exchange for United States currency and Chilean currency.

Interagency Policy Group

2. Was there an interagency group, chaired by Doctor Henry Kissinger, then the National Security Advisor to the President, established in or shortly after November 1970, to consider, evaluate, and formulate American economic policy toward Chile? If so, what was the membership of this group? List and provide copies of any documents or memorandums prepared or issued by this group, in which economic policy toward Chile is examined, reviewed, analyzed, or discussed.

Economic Sanctions

3. Did the executive branch of the Government of the United States adopt a policy of economic sanctions against the Government of Chile after the election of Salvador Allende as President of Chile in 1970? Was the goal of that policy to destabilize the Chilean economy and the government of President Allende? Did the executive branch of the United States Government, in pursuance of that policy, seek to—

(a) deny loans or delay the consideration of loans to Chile;

(b) limit or deny credit to Chile;

(c) prevent or hinder the renegotiation of the Chilean national debt;

(d) restrict the availability of export or credit insurance so as to restrict foreign and United States investment in Chile;

(e) cause a worsening of Chile's foreign exchange position;

(f) limit trading with Chile by American or America-based corporations;

(g) limit the availability of credit to Chile, for the purchase of agricultural commodities? When was such a policy implemented? How were these policies implemented? How were the specific objectives achieved? If estimates were made as to how much such sanctions would cost the Government and economy of Chile, supply copies of these estimates. Who participated in the development of this policy? Who participated in attempts to accomplish the specific objectives? Under what authority of law were these activities carried out?

United States Banks

4. Did representatives of the executive branch of the United States Government, including but not limited to Federal bank examiners, discuss private as well as pubic American policies toward Chile, pursuant to the plan to impose economic sanctions on Chile, and seek the cooperation of these banks in the plan, with any or all of the following banks. Chase Manhattan, Manufacturers Hanover Trust, Bank of America, First National Bank of (New York), or Morgan Guaranty Trust? If so, which banks were contacted? When were the contacts initiated, and how often were such contacts made? Who ordered the contacts, and under what authority of law? Who actually made the contacts?

Multilateral Financial Institutions

5. Did representatives of the executive branch of the United States Government, pursuant to the plan to impose economic sanctions on Chile, seek the cooperation of American officials of or delegates to the following multilateral financial institutions, in carrying out the plan: the Export-Import Bank, the Inter-American Development Bank, the International Bank for Reconstruction and Development, or the International Monetary Fund? If so, which institutions were contacted? When were the contacts initiated and how often were such contacts made? Who ordered the contacts, and under what authority of law? Who actually made the contacts? What were the results of the contacts?

Economic Policy Documents

6. Provide copies of all memorandums, studies, instructions, cables, or other docu-

ments which pertain to the policy of economic sanctions referred to in questions 3, 4, and 5 of this title.

ASSISTANCE OF UNITED STATES CORPORATIONS

7. Did the United States Government seek or receive the cooperation of any domestic corporations, or foreign subsidiaries of domestic corporations, to act as conduits for providing financial assistance to anti-Allende groups, organizations, or individuals? If so, provide a list of the names of such corporations and their place of incorporation or, in the case of foreign subsidiaries, the name of the subsidiary as well as that of the domestic parent corporation. Describe the type and method of assistance provided by such corporations or subsidiaries.

(a) Did such corporations or subsidiaries assist in converting United States currency into foreign currencies? If so, list those corporations providing such assistance together with the amount of United States currency supplied.

(b) Were such corporations or subsidiaries solicited by officials or agents of the executive branch of the United States Government? If so, list those corporations or subsidiaries, solicited, as well as the name and position of those officials or agents of the United States Government who solicited such assistance.

(c) List any corporation or subsidiaries which, without prior solicitation by an official or agent of the Government of the United States, volunteered to assist efforts opposing the Allende Government in Chile.

ASSISTANCE OF FOREIGN CORPORATIONS

8. Did the United States Government use any foreign corporations as conduits for providing financial assistance or other aid to anti-Allende groups, individuals, or organizations in Chile? If so, what are the names and places of incorporation of these foreign corporations, and what type of assistance did these corporations provide? Did such corporations assist in the conversion of United States currency into Chilean or other foreign currency? If so, what was the total amount of funds converted? On what dates were payments of United States currency made to such corporations, and in what amounts? Describe the method through which these transactions were made. Was the assistance of such corporations solicited by officials or agents of the executive branch of the Government of the United States? If so, list the names and positions of those officials or agents.

NSC–FORTY COMMITTEE DECISIONS

9. Did the Forty Committee after January 1, 1969, authorize expenditures to assist opponents of Salvador Allende, candidate for and later President of Chile? Who participated in these decisions? List and provide copies of any and all National Security Study Memorandum (NSSM), National Security Decision Memorandum (NSDM), National Security Council Intelligence Decision (NSCID) memorandum, and Director Central Intelligence Decision (DCID) memorandum, in which American policy toward the candidacy and subsequent government of Salvador Allende are examined, including:

(a) NSSM–97, prepared in July 1970, studying United States policy options in the event Salvador Allende was elected President of Chile;

(b) NSSM–131, prepared in or about February 1971, examining, among other issues, termination of economic assistance to the Government of Chile;

(c) NDSM–136, issued in October 1971, relating to termination of economic assistance to Chile, among other issues.

TITLE II—UNITED STATES ANTI-ALLENDE OPERATIONS

AID TO THE NATIONAL PARTY

10. Did the Forty Committee authorize payments of funds intending that the recipients, through direct or indirect means, be members of the National Party of Chile? If so, what was the total amount of such payments? On what dates were such payments made, and what was the amount of each such payment? To whom were payments made, and in what currencies? Describe the method through which each payment was made.

AID TO PATRIA Y. LIBERTAD

11. Did the Forty Committee authorize payments of funds intending that the recipients, through direct or indirect means, be members of the Patria y. Libertad in Chile? If so, what was the total amount of such payments? On what dates were such payments made, and what was the amount of each such payment? To whom were the payments made, and in what currencies? Describe the method through which each payment was made.

AID TO CHRISTIAN DEMOCRATIC PARTY

12. Did the Forty Committee authorize payments of funds intending that the recipients, through direct or indirect means, be members of the Christian Democratic Party in Chile? If so, what was the total amount of such payments?

On what dates were such payments made, and what was the amount of each such payment? To whom were the payments made, and in what currencies? Describe the method through which each payment was made.

AID TO STRIKING SHOPKEEPERS AND PROFESSIONALS

13. Did the Forty Committee authorize payments of funds intending that the payments, through direct or indirect means, be used to support truckers, shopkeepers, and professionals on strike in October 1972, in Chile? If so, what was the total amount of such payments? On what dates were such payments made, and what was the amount of each such payment? To whom were the payments made, and in what currencies? Describe the method through which each payment was made.

1973 TRUCKERS STRIKE

14. Did the Forty Committee authorize payments of funds intending that the payments, through direct or indirect means, be used to support the trucker's strike in July, August, and September of 1973, in Chile? To what individuals, groups, or organizations were such payments made? What was the total amount of such payments? On what dates were such payments made, and what was the amount of each such payment? In what currencies were the payments made? Describe the method through which each payment was made.

CHILEAN INDUSTRIAL ASSOCIATION

15. Did the Forty Committee authorize the Central Intelligence Agency, or any of its employees or agents, to make payments to SOFOFA, an industrial association in Chile, for the purpose of assisting opposition to the government of Salvador Allende? If so, what was the total amount of such payments? On what dates were such payments made, and what was the amount of each such payment? In what currencies were the payments made? Describe the method through which each payment was made.

PAYMENTS TO PROTEXA/GRUPO MENDOZA

16. Did the Forty Committee authorize, or did the Central Intelligence Agency arrange, for payments to be made to Protexa, a company based on Monterey, Mexico, for purposes of providing assistance to anti-Allende individuals, groups, or organizations in Chile? Were payments made to Grupo Mendoza, a company based in Caracas, Venezuela, for such purposes? If so, what was the amount of these payments, and when were the payments made to each company?

AMERICAN INSTITUTE FOR FREE LABOR DEVELOPMENT

17. Did the Central Intelligence Agency, between the years 1962 and 1973, provide financial or organizational assistance to trade union groups in Chile opposed to the government of Salvador Allende through the assistance or use of the American Institute for Free Labor Development (AIFLD)? If so, describe the nature of assistance provided through the use of AIFLD. Did the Forty Committee authorize the expenditure of funds to be used to provide financial assistance and otherwise support individuals, groups, or organizations opposed to the government of Salvador Allende, with the expectation that AIFLD would be used as a conduit for this assistance and support? If so, what was the total amount of payments authorized, and what was the actual amount of payments made to or through the use of AIFLD? Provide a list of the separate dates and amounts of payments to or through the use of AIFLD.

PAYMENTS TO EL MERCURIO

18. Between 1962 and 1973, what was the total amount of financial assistance provided the Chilean newspaper El Mercurio by or through the direction of the Central Intelligence Agency? Describe the method through which such assistance was provided. In what currency was such assistance provided? Was such assistance requested or solicited, and if so, by whom?

CENTRAL INTELLIGENCE AGENCY PERSONNEL IN COUP

19. Were any American civilian personnel, including personnel attached to or in the employ of the Central Intelligence Agency, serving as advisors to Chilean military units, or commanders, during the two months prior to, and/or two months subsequent to, the overthrow of the Chilean Government of Salvador Allende on September 11, 1973? How many such personnel were assigned as advisors? Did any participate in the fighting that followed the coup of September 11, 1973? Were any killed or wounded? If so, how many? Provide copies of all documents, including NSCID's, DCID's, or other orders which authorized the American civilian and/or Central Intelligence Agency personnel to serve as advisors.

STATEMENT OF PRESIDENT FORD

20. On what facts did you base your statement of September 16, 1974:

"In a period of time, three or four years, there was an effort being made by the Allende government to destroy opposition news media, both the writing press as well as the electronic press. And to destroy opposition political parties.

"And the effort that was made in this case was to help assist the preservation of opposition newspapers and electronic media and to preserve opposition political parties.".

On February 20, the day when the resolutions were referred to the committee, the Chair forwarded them to the President and to the Secretary of State requesting their prompt replies. Those replies were received on February 26, 1975. The correspondence follows:

COMMITTEE ON FOREIGN AFFAIRS,
Washington, D.C., February 20, 1975.

Hon. GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing to request your comments on a Resolution of Inquiry which was introduced in the House on February 19, 1975, and referred to the Committee on Foreign Affairs.

Enclosed are two copies of the resolution, H. Res. 207, directing the President of the United States to provide information, and to answer certain questions, relating to American policy toward Chile between 1964 and 1973. Also enclosed are two copies of H. Res. 206, directing the Secretary of State to provide similar information.

As you know, the Committee must act on

this resolution within seven (7) legislative days beginning today. We will appreciate receiving your comments as soon as possible, but no later than Tuesday, February 25, 1975.

I am attaching for your information a copy of my request for comments on H. Res. 206, which I am sending to the Secretary of State.

Sincerely,

THOMAS E. MORGAN,
Chairman.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, D.C., February 20, 1975.

Hon. HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: I am writing to request your comments on a Resolution of Inquiry which was introduced in the House on February 19, 1975, and referred to the Committee on Foreign Affairs.

Enclosed are two copies of the resolution, H. Res. 206, directing the Secretary of State to provide information, and to answer certain questions, relating to American policy toward Chile between 1964 and 1973. Also enclosed are two copies of H. Res. 207, directing the President of the United States to provide similar information.

As you know, the Committee must act on this resolution within seven (7) legislative days beginning today. We will appreciate receiving your comments as soon as possible, but no later than Tuesday, February 25, 1975.

I am attaching for your information a copy of my request for comments on H. Res. 207, which I am sending to the President of the United States.

Sincerely,

THOMAS E. MORGAN,
Chairman.

THE WHITE HOUSE,
Washington, February 26, 1975.

Hon. THOMAS E. MORGAN,
Chairman, Committee on Foreign Affairs,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The President has asked me to respond to your letter of the twentieth, and to tell you how much he appreciates the opportunity to comment on H. Res. 207.

A considerable portion of the information requested by this Resolution was previously supplied to the Foreign Affairs Committee and to other committees of the Congress by the Executive Branch. To assemble the appropriate information from the relevant agencies and individuals, moreover, would require substantial time. An important additional fact that might be considered is the establishment by the House of a Select Committee on Intelligence which may choose to consider some of the matters raised by H. Res. 207.

The Committee may also wish to consider whether such a resolution is an appropriate instrument for exploring any United States activities that might have affected Chile or any other country, for considering the extent to which names of particular persons or companies ought to be disclosed, or for considering the degree to which advice exchanged within the Executive Branch should wisely be spread on the record.

The President hopes that H. Res. 207 will not be approved.

Sincerely,

PHILLIP AREEDA,
Counsel to the President.

DEPARTMENT OF STATE,
AMBASSADOR AT LARGE,
Washington, February 26, 1975.

Hon. THOMAS E. MORGAN,
Chairman, Committee on Foreign Affairs,
House of Representatives.

DEAR MR. CHAIRMAN: I am writing in response to your letter of February 20, 1975 to the Secretary, requesting our comments on House Res. 206, a resolution of inquiry introduced in the House on February 19, 1975. The Honorable Phillip Areeda, Counsel to the President, has recently forwarded to you the views of the White House on a similar resolution (House Res. 207) directed to the President.

The Department of State hopes that the Foreign Affairs Committee and the House of Representatives will not approve House Res. 207 for the reasons set forth in Mr. Areeda's letter, as they are equally applicable with respect to this resolution.

Sincerely,

ROBERT J. MCCLOSKEY.

At the outset of the meeting, the committee heard a statement by the sponsor of the resolutions (Mr. HARRINGTON) in which he recounted his past efforts to obtain information such as that set forth in the two resolutions.

In the course of debate, the following points were made in the committee's consideration of the resolutions:

The 94th Congress has created special mechanisms for the purpose of obtaining the type of information sought in House Resolutions 206 and 107 in a logical and orderly manner:

On February 19, 1975, the same day the resolutions of inquiry were introduced, the full House approved House Resolution 138, establishing a Select Committee on Intelligence to conduct an inquiry into the organization, operations, and oversight of the intelligence community of the U.S. Government. The select committee can investigate past and present intelligence activities, including all allegations relating to U.S. involvement in Chile. In the process, the select committee is empowered to—

> Require by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary.

All agencies of the executive branch involved with intelligence activities may be investigated by the select committee.

A similarly empowered select committee was established by the Senate on January 27, 1975.

The Committee on Foreign Affairs is in the process of instituting procedures for the exercise of its new, special responsibility for the oversight of foreign intelligence.

On January 14, 1975, the House of Representatives adopted rules which assign to the Committee on Foreign Affairs special oversight of U.S. Government foreign intelligence activities in accordance with the Bolling-Hansen committee reform measures agreed to by the full House on October 8, 1974. This special oversight function was enlarged by section 32 of the Foreign Assistance Act of 1974 (Public Law 93–559, 93d Congress, S. 3394, Dec. 30, 1974) which states:

> No funds appropriated under the authority of this or any other Act may be expended by or on behalf of the Central Intelligence Agency for operations in foreign countries, other than activities intended solely for obtaining necessary intelligence, unless and until the President finds that each such operation is important to the national security of the United States and reports, in a timely fashion, a description and scope of such operation to the appropriate committees of the Congress, including the Committee on Foreign Relations of the United States Senate and the Committee on Foreign Affairs of the United States House of Representatives.

In the adoption of its rules on February 20, 1975, the Committee on Foreign Affairs vested oversight of foreign intelligence activities in its Subcommittee on Oversight. In the course of the full committee's consideration of House Resolutions 206 and 207, assurances were given by the chairman of the Subcommittee on Oversight that the question of U.S. Government involvement in Chile during the period cited in the resolutions would be brought up before the Oversight Subcommittee.

House Resolution 206 and House Resolution 207 are drafted in such a manner as to cast doubt on their standing as bona fide "privileged resolutions of inquiry" under House rules and precedents.

According to "Deschler's Procedure" (15/1;24/3), a resolution of inquiry directing a head of an executive agency to furnish information to a committee rather than directly to the House may not be entitled to privileged status. House Resolutions 206 and 207 direct the Secretary of State and the President, respectively, to furnish certain information to the Committee on Foreign Affairs, not to the full House.

According to the Rules of the House of Representatives (para. 857), a resolution of inquiry may not be accorded privileged status if it requires investigations. Both House Resolution 206 and 207 request information covering a period between 1962 and 1973 and involving the activities of four Presidents, three Secretaries of State, numerous Government agencies, international organizations, and foreign and domestic bodies. The accumulation of such material will require investigative procedures on the part of the executive branch. Moreover, the large volume of information in question would require much longer to produce than the 10 days called for in the resolutions.

The sponsor of House Resolution 206 and House Resolution 207 is currently the plaintiff in a civil suit against the Director of the Central Intelligence Agency et al., charging that certain activities of that Agency are illegal and beyond its statutory authority. United States involvement in Chile is specifically referred to in the plaintiff's petition. A question was raised whether the use of a resolution of inquiry to obtain information which is also involved in pending litigation, would be appropriate.

Mr. Speaker, I am making this statement in order to apprise the House of what has transpired in the Committee on Foreign Affairs on February 27, and to draw attention to those major issues which motivated the committee to table House Resolution 206 and House Resolution 207.

At this point, I ask leave to include in the record the texts of the two resolutions and the exchange of correspondence with the President of the United States and the Secretary of State.

MAIL SERVICE

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, it is hardly a secret to any Member of this body that Americans generally are deeply unhappy about the poor quality of our mail service.

It is bad. It is getting worse. It has grown steadily more costly.

On any given day I can be sure of receiving letters from my south Texas district—arriving a week after they were mailed—complaining about the deterioration of what used to be as good a postal system as could be found anywhere in the world. The complaints come not only from business and individual users of the mails but from postal employees as well.

Yes, from postal employees—although as a postmaster in south Texas wrote me recently—

> Of course you know we are not supposed to contact you—and are threatened with adverse action if we do.

He went ahead to give details about personnel reduction in his office and low morale among the employees. A letter carrier had to resort to a letter to editor to explain why the mail was delivered late.

Of course most of the letters I receive about poor mail service do not come from postal workers. They come from bewildered men and women who are unable to understand why a letter is received in the Rio Grande Valley 2 weeks after it was mailed in St. Joseph, Mo. They come from people in south Texas who have received parcel post packages almost a month after they were sent from New York City. They come from pensioners whose monthly checks are unconscionably delayed. They come from businessmen who must depend on the mails to stay in business.

I have found, as I am sure other Members have found, that there is little point in forwarding such complaints to the U.S. Postal Service. The response is almost without exception a nonresponse, unsatisfactory in every sense of the word.

Mr. Speaker, the transformation in 1970 of the old Post Office Department into a publicly controlled corporation, the U.S. Postal Service, simply has not worked. The change was supposed, as we were told, to improve service magnificently by "taking politics out of postal service." But it has not worked out that way. Instead, the service has been taken out of our mail system. There is no way today that you can mail a letter from here to there with any assurance that it will be delivered within a reasonable time. There is not much assurance that it will be delivered at all.

This nonservice, ironically, is proving hideously expensive. Postage rates have climbed as service declined. Congress has been asked repeatedly to increase the Federal appropriation for the postal system. So far as we can tell, the money has gone down the drain with no benefit to the average user of the mails, and this was one of the reasons we were asked to "take the politics out" now the very same people complain bitterly about the "poor service."

Nearly all Americans have a stake in adequate mail service. They are not receiving it at this time. It is my feeling that Congress has a clear responsibility to take steps to remedy this situation.

I believe it is time to admit that a mistake was made in creating the U.S. Postal Service. I believe it is time to correct that mistake. What we have now is far inferior to what we used to have—and much more costly as well.

Accordingly, I have introduced a bill to abolish the Postal Service as now constituted and to reestablish the Post Office as an executive department of the Government. I respectfully urge my colleagues to consider this proposal on its merits. We owe it to the people we represent to answer their cries for help in restoring decent mail service.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
February 28, 1975.

Hon. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 11:45 A.M. on Friday, February 28, 1975, and said to contain a message from the President of the United States in which he transmits the Twenty-Fourth Annual Report of the National Science Foundation.

With kind regards, I am,
Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

24TH ANNUAL REPORT OF THE NATIONAL SCIENCE FOUNDATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–65)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Science and Technology and ordered to be printed with illustrations:

To the Congress of the United States:

I am pleased to submit to the Congress the Twenty-Fourth Annual Report of the National Science Foundation, covering fiscal year 1974.

One of the clear lessons of the past few years is that our society, as well as that of the rest of the world, is intimately tied to technology and the science that produces it. Certainly our own approaches to problems in energy, environment, food production, and the well-being of the national economy will include substantial contributions from science and technology. As a Nation we are fortunate to have an extraordinarily strong science and technology base to draw on in dealing with these and other important national problems.

The National Science Foundation has a key role in ensuring that the Nation maintains leadership in all fields of basic science from which our technological advances of the future will be derived.

The National Science Foundation programs in basic research range over fundamental studies of the structure and behavior of matter, the process of living things, the dynamics of the Earth and universe, energy and materials and many other areas described in this report. In addition, as this report shows, the Foundation is continuing, through its programs in science education, to assist in the development of the scientific manpower needed to meet tomorrow's technological challenges.

The research results contained in this report remind us of the changes that we have seen in our lives as a result of our investments in science. It is, I believe, a preview of many beneficial developments that will occur in coming years. I commend this report to you.

GERALD R. FORD.

THE WHITE HOUSE, *February 28, 1975.*

14TH ANNUAL REPORT OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–64)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

America's traditional optimism about the manageability of human affairs is being challenged, as never before, by a host of problems. In the field of national security, arms control offers a potential solution to many of the problems we currently face. The genius of the American people may be said to lie in their ability to search for and find practical solutions, even to the most difficult of problems; and it is no accident that this country has helped lead the world in the quest for international arms control agreements.

Safeguarding our national security requires a dual effort. On the one hand, we must maintain an adequate defense against potential great-power adversaries; for although we are pursuing a positive policy of détente with the Communist world, ideological differences and conflicting interests can be expected to continue. On the other hand, we share with them, as with the rest of the world, a common interest in a stable international community.

Over the past year, we have made considerable progress in our arms control negotiations with the Soviet Union. The Vladivostok accord which I reached with Chairman Brezhnev will enable our two countries to establish significant limits on the strategic arms race and will set the stage for negotiations on reductions at a later phase. The United States and United Socialist Soviet Republic have, over the past year, also reached agreement on the Threshold Test Ban Treaty and on a limitation on ABM deployments to one complex for each country.

The negotiations being held at Vienna on mutual and balanced force reductions in Europe (MBFR), while they have not yet produced conclusive results, are also an important endeavor to limit and reduce armaments safely through mutual agreement. For our part, we shall make every effort to achieve such an outcome.

Even as we see some encouraging progress in our relations with the Soviet Union, we still face a growing danger in the potential proliferation of nuclear weapons to more countries. The U.S. will constinue to seek practical steps to avert this danger, while providing the benefits of nuclear energy for peaceful purposes.

The fourteenth annual report of the U.S. Arms Control and Disarmament Agency, which I herewith transmit to the Congress, sets forth the steps which have been taken over the past year to meet these and other national security problems through arms control.

GERALD R. FORD.

THE WHITE HOUSE, *March 3, 1975.*

APPOINTMENT AS MEMBERS OF THE PRIVACY PROTECTION STUDY COMMISSION

The SPEAKER. Pursuant to the provisions of section 5(a)(1), Public Law 93-579, the Chair appoints as members of the Privacy Protection Study Commission the following Members on the part of the House: the gentleman from New York, Mr. KOCH, and the gentleman from California, Mr. GOLDWATER.

A BETTER ORDERING OF THE PUBLIC'S BUSINESS

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 30 minutes.

Mr. FINDLEY. Mr. Speaker, the subject of my special order is the need for a better ordering of the public's business by this Chamber. I was inspired to ask for this time after reading a very exceptional statement prepared by the minority clerk of the House of Representatives, Mr. Joe Bartlett, whom we all know and admire. Mr. Bartlett came to the statement after a lifelong dedication to this institution which began in high school days as a Page in the House, and with the exception of two brief periods of military service with the U.S. Marine Corps, Mr. Bartlett has devoted his entire working life to this institution. He now occupies the senior professional staff position on the Republican side. Prior to being elected clerk to the minority in 1970, Joe Bartlett served for many years as the highly skilled reading clerk of the House.

So, his examination of the way in which this body conducts the public's business is that of an affectionate friend. I know of no one who is more jealous of the institutions of the House of Representatives than Joe Bartlett, nor one more eager than is he to see the House enhanced as an effective instrument of democracy. The title of his commentary is "Everybody's Business," and I hope it will become just that. Since the text of Mr. Bartlett's treatise was inserted in the RECORD by our minority leader, Mr. RHODES, last week, I have heard a number of my colleagues, as well as several people beyond this Chamber, comment favorably on it. My purpose in taking this time is to direct attention of others who might have missed it, because I believe it deserves the thoughtful, earnest and prompt consideration of all who prize this institution.

The points Mr. Bartlett makes are, in my view, eminently sound. His recommendations have nothing to do with his position as a professional aide to the minority. His perspective is free of all petty, personal or partisan considerations. His proposals should be equally appealing to all Members of Congress, and to all concerned citizens.

In it he makes some very challenging suggestions on how we can better serve the people that we are called to represent. He, first of all, recommends that the Congress go back to the original date contemplated by the Constitution for the convening of Congress. Congress would meet on the first Monday in December, and at that time they would carry forward with the organization of the House, the election of officers, the adoption of rules, the selection of committees, and the receiving of the President's budget message. After that business is done, Mr. Bartlett suggests that this body adjourn, as a body, until early in February.

This period would permit the committees of the House to immediately get down to work without the distractions and interruptions of sessions of the House. It would also be the time for congressional budgeteers to conduct a broad appraisal of the President's budget, and to publish a statement of overall exceptions and limitations for the general guidance of the authorizing committees. So that when the Congress resumed in February there would be well-considered grist ready for the legislative mill.

This would be a period exclusively for authorizing legislation, establishing programs, enunciating policy. Mr. Bartlett has proposed some incentives which would surely work to encourage the timely reporting of measures, and perhaps prevent some of the ill-considered measures that find their way into the final rush of a session, and which ought to be postponed for the more deliberate attention of the next session.

One of the most attractive features of his recommendations is the "breather" between the authorizing and funding sessions, to permit an exchange of views between the people and their representatives about the programs authorized before we commit their tax moneys. This period of 6 weeks or so might prove to be the best investment in time in the whole legislative calendar year.

At least, when the Congress came back for its appropriating session in June, it could claim some guidance from the people, and it ought to be able to complete all funding measures in less than 2 months of orderly work.

By this means the House, I believe, would be ordering its time much more efficiently than under the present procedure. We have the spectacle this year of still having not authorized certain bills for the fiscal year which is nearly three-fourths completed.

It is impossible for this institution to function efficiently when it does not even complete the authorizing process, despite the fact that three-fourths of the fiscal year for which the authority is requested has been consumed.

In any event, I think our good friend, Joe Bartlett, has rendered us all a great service in putting down in precise language the recommendations that he feels would make for a much more efficient handling of the public business, and I commend the text of the presentation to the attention of the Members of the House.

Mr. Speaker, the presentation follows:

"EVERYBODY'S BUSINESS"—THE WORK OF CONGRESS

(By Joe Bartlett)

"That which is everybody's business, is nobody's business," or so Izaak Walton quoted the wisdom of a friend. He probably did not have in mind the people's business as performed by their representatives in Congress assembled, but it bears some comparison.

In our own special, ingenious, brand of democracy—our elected, representative, republican form of government—the responsibility for the fundamental conduct of the people's business is so broadly shared as to lose identity and to escape attention.

To describe our representative system as merely "ingenious" is to vastly understate the tremendous respect and admiration that a third of a century of working within that system has engendered. It is brilliant; it is beautiful; and I am thoroughly convinced that such a visionary plan of self-government could only have been the inspiration of Divine collaboration. Still, I stop short of declaring it sacred. After all, it was devised as an arrangement among fallible and mortal men. And it is to be respected and appreciated not so much as a venerable national institution, but rather for its effectiveness and usefulness as an instrument serving our citizens so very well for such a long time.

However, even the finest instrument is no better than the hands that guide it, and while I can find precious little fault with our basic system of government, I must admit we have not always used that system as wisely nor as well as we might have.

Even some who are not as prejudiced as I, regard the House of Representatives, or at least, the Congress, as the heart of the American body politic. It is to this vital organ of government that I would invite your examination.

Many have a cursory concern for the Congress, and many—so very many—have diagnosed its ills and prescribed its cures, more often with detachment, if not disdain.

We will try to treat it differently. We will regard it not only with acute awareness from years of close association, but with unabashed affection. We want it to survive, but even more, we want it to prosper and perpetuate. We claim uncommon cause: we love this Republic!

If I have persuaded you of my profound admiration for our magnificent framework of government, as well as of my devotion to the collective heartbeat of our democracy in the assembled Congress, perhaps you will grant my deep sincerity and objectivity when I observe that the ordering of the procedures for performing the people's business is, in my opinion, altogether archaic and abysmal.

ONE STANDARD

Before we commence our analysis, permit me to establish one standard, against which we will test every suggestion, every comparison, and every criticism. That standard will be: *Does it serve the ends of democracy?* For those of us who still believe in democracy—and this 200-year-old grand experiment of entrusting free men with the deciding of their civil destinies—we believe that that which truly *"serves the ends of democracy,"* will surely best serve each of us within that democracy.

One ventures into this "nobody's land" of discussion at the certain risk of provoking somebody. We have heard others accused of self-serving and subterfuge behind a gossamer concern for congressional rehabilitation. Some have seen in every prescription for the improvement of Congress a power ploy on the part of the prescriber. It has been charged that maneuverings for advantage and favor have been the passion behind the myriad jurisdictional disputes. The specter of special interest has been sighted. And it has been alleged that most of the "cures" have been little more than cosmetic.

It is not our purpose to dismiss such subjective and temporal considerations as unimportant or unproductive. On the contrary, the exhaustive deliberations on such subjects in recent months have surely served many noteworthy purposes. We simply feel we can add little to these considerations.

Instead, we will try to deal in fundamentals—the basic procedures for the performing of the public business which have been almost totally ignored in spite of the super scrutiny of recent congressional reform movements.

Just for a starter: Can you imagine any business that would open its doors at twelve o'clock noon, and immediately send the bulk of its personnel off to lunch? How long do you think they could continue to open their doors at all? Yet, that is exactly what we in the Congress do every day! And does anyone really think that *"best serves the ends of democracy?"*

In the minds of some I am sure I am already being challenged for comparing the business of Congress to any other kind of business. I fully recognize the difference. Democracy, by its very nature, is not expected to be highly efficient or economical. There are transcending standards by which it should be judged. But that must not be used as an excuse for ignoring good, sensible practices. In fact, it is incumbent upon public officials to use the most efficient and economical methods they can devise, so long as they do not compromise the ultimate test: *"Does it best serve the ends of democracy?"*

MAXIMUM PARTICIPATION

During the Second Session of the 93rd Congress just concluded in December, the House met 159 days, for some 813 hours, or about five hours per day.

With our elaborate new computerized voting system we recorded 727 Roll Calls during 1974, which required over 205 hours—or about 41 full work days!

Most of these Calls, and most of this time, are directly attributable to the fact that a quorum of the House was not in attendance to do business. Pray tell, how could this *serve the ends of democracy?*

(Parenthetically, let me say there are some tremendous advantages to the new electronic voting procedure, but saving time has not, predictably, proven to be one of them.)

The 41 days we cite above does not include a great deal of time spent on a new "quickie quorum" whereby the bells are rung to summon the Members, and as soon as 100 register their presence, they quitclaim the Call, and the Committee continues, even as the attendance again drains away. The same faithful 100 provide the necessary number for the Call almost every time (although there is no record kept to show it) while the other 335 Members need no longer concern themselves at all about interrupting whatever they may be doing. This undoubtedly provides a convenience for some, but does it *serve the ends of democracy?*

Whenever *one* Member is absent, some half a million constituents are without representation in the House, just as surely as if they had been disenfranchised by any other means. How anyone can rationalize a dereliction of this high trust of representation is beyond me. Even if you can find some excuse for congressmen in general, you may be a lot less tolerant when the absentee proves to be *your own* congressman, in particular!

Through the years Congress itself has created and compounded more conflicts with the primary legislative duties of the congressmen than you could imagine. That certainly does not *serve the ends of democracy,* and it ought not to be countenanced.

It is to sorting out and rearranging and remedying these conflicts that I would bid you to reason along.

If we accept the premise that a maximum participation in the primary functions of the Congress—the enactment of laws—is desirable—nay, *essential!*—how do we achieve it?

A NEW START

It seems to me it is going to take some pretty courageous and comprehensive departures from a lot of bad work habits we have allowed to develop over the decades.

For a long time I have been advocating a re-ordering of the business of the whole session of Congress, and I was gratified to see the December organizational meeting adopted by the recent House reforms. But these are just Party caucuses, and if this year is any indication, they really do not give Congress the "running start" for which we had hoped. I would like to see Congress resume the original Constitutional requirement to meet the first Monday in December (Article I, Section 4) and formally organize . . . elect officers, adopt rules, select committees, receive the President's budget message (the second Monday in December), and adjourn to the second Tuesday in February.

This would commence a legislative year divided into four parts. This first period would be for overall budget determinations, with a preliminary Congressional budget statement being published one month later, on the second Monday in January, specifying exceptions to the President's budget message (notwithstanding the proposed timetable of the new Congressional budget program). These exceptions would be in terms of general outside limitations, not categorical specifications.

This first period would also be for the intensive and un-interrupted activities of the authorizing committees. So that when Congress came back on the second Tuesday in February, it could launch forth on authorizing legislation exclusively.

One of the most urgent needs of the legislative calendar is to reverse the incentive for the tardy reporting of measures by committees. Everyone is aware that controversial measures are regularly held back to arrive on the House Floor for consideration when the rush for adjournment distracts scrutiny and dissuades controversy. It is no secret that this bad habit has resulted in a lot of inferior legislation, and it certainly does not *serve the ends of democracy.*

INSPIRE INCENTIVES

The surest incentive for the early reporting of legislation would be a penalty for late reporting. Bills reported after April 1st would require a two-thirds vote for passage; bills reported after April 15th, a three-fourths vote for passage.

And aim to adjourn the authorizing session no later than May 1st.

Then send the Congress home for six weeks to consult their constituents on the programs that have been authorized, before they meet again to fund the programs. During this period the final, detailed Congressional budget would be published.

The Congress would reconvene the second Tuesday in June to commence a session devoted to "Appropriations and Budget Implementation." All other subject measures would be out of order unless the Speaker declared them essential, not merely convenient, and even then they would require a two-thirds vote for adoption.

The same incentives we cited above should apply to this session, with the penalty of a two-thirds vote required on bills reported after August 1st, and stepped up to a three-fourths penalty after August 15th. This session should target adjournment by no later than the end of August.

If this rearranging of the Congressional session should cause the Country to want to establish a general election day a month earlier, in October, that might prove to be one of the best byproducts of the whole reform.

Now that we have considered revolutionizing the legislative year, let us look at some proposals for improving the legislative week and day.

If Congress organized its daily work more efficiently—and if it is going to obtain the diligent attendance of its Members, this efficiency will be obligatory—I contend that the public business can readily be accomplished in three legislative days a week. This would leave Mondays and Fridays completely free for committee work or other activities.

However, on Tuesdays, Wednesdays, and Thursdays, the House would convene at 9:30 A.M. for a morning session lasting for two hours. Then a mid-day break for two hours. The session would resume at 1:30 P.M., and aim to conclude by 4:30. Such an arrangement makes so much sense it hardly seems worth taking time to enumerate the virtues.

If this were to achieve the ends of democracy we seek, the Congress would have to take the most stringent measures to prohibit *any* other activities during the actual sessions of the House. And the attendance of a full House would be the greatest possible inducement, I assure you, to the expeditious consideration of the legislative business!

INCENTIVE TO INSPIRATION

To register attendance and avoid a time-consuming quorum call, I would propose that the electronic system be activated at the time the bells are rung 15 minutes before the convening of both the morning and afternoon sessions, and the Members be instructed to record their presence at that time. The system would close when the gavel fell to call the House to order, and the Roll at that time would constitute the official attendance at that session.

A preacher once told me that the surest way to increase the size of your congregation is to estimate it, but I expect the above procedure would cause a substantial improvement in attendance in the House, at least for the Chaplain's inspiring, opening prayers, and if there is one thing we really need above all else it is the continued grace of Him whom we earlier acknowledged as the co-author of our framework of freedom.

Now, if all of these measures have failed to achieve that "essential maximum participation" in the primary responsibilities of representatives, Congress could use the Rolls obtained above to enforce a statute that has been the law of the land since 1856 requiring the Secretary of the Senate and the Sergeant at Arms of the House to withhold the pay of any Member not in attendance at any session (other than for illness). It might be a very effective measure to encourage diligence in the duties of democracy.

Methinks we have ventured about as far abroad as we dare on this first voyage into unchartered waters. I trust the experience has been thought provoking, if not too boggling, and that you will continue to give it your earnest reflection and abiding concern. *Making Congress work the very best we can is our most promising hope of preserving this beloved Republic!*

In Summary

So, let us now summarize this unusual examination of the congressional conduct of the people's business—everybody's business—*your* business, and mine! First, we established the singular, supreme standard that all our endeavors should "*best serve the ends of democracy.*" Secondly, we have adopted certain goals, such as *maximum participation,* as essential to that standard. Third, we have considered reorganizations that might contribute to our goals. We have proposed revolutionary restructuring of the congressional work day, the work week, and the legislative work year. And lastly, but most importantly, we have suggested incentives which might make these high aspirations attainable.

Would it all *serve the better ends of democracy?*

I believe it would.

Mr. BROOMFIELD. Mr. Speaker, I want to join in complimenting Joe Bartlett on this study of the work of Congress. "Everybody's Business" is the most comprehensive, imaginative, and constructive overview of the legislative branch of Government and its problems that I have seen during my service in the Congress. I commend it to the earnest consideration of all those concerned about representative republican government.

It does not surprise me at all that such a perceptive study should come forth from our own Joe Bartlett. I have enjoyed an especially close working association with Joe during my years as president and as chairman of the Capitol Hill Club, and I have found him to have remarkable insight into complex problems and their solutions. He brings the same objectivity and high purpose into his perspective in dealing with this most challenging of subjects, the legislative labyrinth.

It would be very easy for anyone to fault some detail or other of the study. I am sure Joe makes no pretense of perfection. But anyone who gets caught up in nitpicking is going to be deprived of a most stimulating exposure to some new, bold, and exciting ideas.

Likewise, I am sure that no one, including Joe, expects to see such far reaching reforms adopted posthaste. But the process to that end, if it is ever to be, has to start with ideas, and we are indebted to Joe for a magnificent beginning.

As Joe tried hard to impress in his treatise, these are the thoughts of one utterly dedicated to this House and to this system. Joe has served over a third of a century in this Hall. It has been his life. And his life has been a credit to the House of Representatives. The public generally is much more familiar with other former pages and employees who have risen to notoriety in different pursuits. I am proud of the kind of image Joe has brought to the congressional career service and to the Congress.

It has not, I am glad to say, been without some recognition. He has been awarded two degrees of doctor of laws by Salem College and Atlanta Law School which chose to honor him for his distinguished public service. The U.S. Jaycees gave him their Distinguished Service Award for his help to that fine organization. He has the George Washington Honor Medal of the Freedom's Foundation of Valley Forge for an earlier patriotic essay. And I do not know how many other honors.

In any event, this is the kind of a man who brings us this penetrating study, and I urge you to make "Everybody's Business" your enjoyable business at an early opportunity.

Mr. BROWN of Ohio. Mr. Speaker, it is a pleasure for me to join in this discussion of the paper recently prepared by the distinguished minority clerk, Joe Bartlett, in which he was asked to give some of his reflections on the workings of the House as a result of his 33 years of observations which began when he came to the House as a page before World War II.

Joe has seen a great deal of the history of the House. Indeed, Joe has been a part of that history. That is why his views of how the House might be made more effective in the process of representative government are so valuable.

In the note that came from Joe with a copy of his treatise, he mentioned that he was able to complete the project "thanks to Abraham Lincoln's mother," and his own "long-suffering wife." I assume that means that Joe spent the days and nights of the Lincoln Day legislative recess working on this idea which he has mentioned to me many times in recent months.

This is typical of the dedication Joe brings to his work. Few people are aware of the endless hours Joe devotes to the Congress, and fewer still could match them. It is fitting he should acknowledge his "long-suffering" wife. I, too, commend his lovely wife, Jinny, for being so patient and inspiring as a helpmate in a calling that is uniquely demanding of those who fall within its addiction. Fortunately, Jinny was no stranger to public service when she met and married Joe, for her father was one of the most colorful and enthusiastic Members ever to be elected to the Congress, the late Congressman and Senator George H. Bender of Ohio. He and my late father served the Ohio Senate together, when Dad was lieutenant governor of Ohio and George Bender was a boy-senator from Cuyahoga County back in 1920.

I want to say here in my comments that I admire Joe's willingness to undertake such a chore, inasmuch as commenting critically on the way the House carries out its responsibilities and making suggestions for improvements has often proved to be unpopular—whether such comment has come from within the ranks of the House membership, from the public or from the press. As the methods by which the House conducts its business have become ingrained in established practice, many have also become time-honored regardless of their sometimes negative and inefficient impact on the legislative process. Almost every suggestion for change is met with a defensive outcry of fear that modern reform stems from some sinister desire to put personal interest ahead of the public interest. It is usually felt that public interest is best served by the tradition-bound status quo. The recent history of the Bolling committee's reform efforts, followed by the reorganization of the 94th Congress by the Democratic caucus, give ample proof of the trials and tribulations of such struggle. Few of the Members of this body agree with all of the changes that have taken place during this most recent "reform" effort. We should continue to search for flaws that are detrimental to our best service to the Nation and the citizens we represent.

But reform was needed, and will continue to be needed if those responsibilities are to be met. Every suggestion toward that end should be considered on its own merits—not on the basis of historical tradition or preservation of personal interest only .

Joe Bartlett has limited his own observations and suggestions to the schedule under which the House conducts its business—the congressional workday, the workweek, and the legislative work year. The goal, carefully outlined, is not, as is the common misreading of reform suggestions, to put more shackles on an already overburdened Congress. It is to "free" Congress from the muddled schedule that too often leaves the membership as confused as the public in trying to determine its own direction and ultimate accomplishments.

If I may cite just one example, it is the annual delay with which we have come to meet the appropriations obligations for the executive branch. In an effort to come to grips with the problem of annually completing the necessary legislation months after the start of the fiscal year, Congress has changed the beginning of the Federal accounting period to October 1 from the current July 1 date. True, it also established needed budget committees and a series of deadlines for deciding appropriations questions and limits on spending. That should upgrade and grealty modernize Congress ability to meet this obligation. Or did it just push back the day of reckoning to October from July with which Congress has been unable to come to grips during the past few years? Would it not have been better to streamline the process in some manner to insure meeting the July 1 start of the fiscal year under a work schedule that would promote greater productivity?

As Joe Bartlett points out, a schedule that would promote "maximum participation" in the work of the House by the membership would not only better serve the democratic process—and thus the public—but would also better serve the responsibilities of every Member to his or her constituency by freeing the Member from the hit-and-miss schedules he must now try to keep. Everyone would benefit by providing Members a predictable and orderly schedule or participation in committees, on the floor, and to the problems of the public they represent.

I do not agree with each of the suggestions that Joe Bartlett has made. Nor would I expect that others in this body would. But I do hope there is a widespread appreciation of the need for continued reform that will someday enable the House to do all of its work and meet its responsibilities in a manner that can be pointed to with pride, instead of defended by excuse and promise to try harder. I believe the recommendations of Joe Bartlett offer one of numerous positive vehicles that can promote that goal.

I commend Joe for taking the time and effort to provoke this particular discussion. I am hopeful there will be other suggestions that will result in our oft-stated common goal of a House that "best serves the ends of democracy"—a goal held no higher by anyone than by Joe Bartlett in his own dedication as a servant of this Nation.

Mr. Speaker, in conclusion, I have probably known Joe Bartlett as long as well as I have known any Member of this House. We each learned much as the feet of the same great man who we both admired. I was his son; Joe was his friend and apprentice here in the House. My father was very fond of Joe and Joe traveled with my parents to distant speaking engagements. Joe and I have served together at every Republican National Convention I can remember, from Philadelphia to San Francisco to Miami.

Some of the men who served with my father here in the Congress are only now gaining the deserved stature of giants which time also seems permitted to bestow. They were household names in our household, I can assure you, and they were the same familiar names in Joe's house, this House, and we both remember them with tremendous esteem and affection.

They included men like Dan Reed of New York and Joe Martin of Massachusetts; the wise men from Michigan like Earl Michener, and George Dondero, and Jesse Wolcott; the powerful Pennsylvanians such as Jim Wolfenden and Dick Simpson; the lovable and respected Louis Graham of Beaver Falls, Pa.

The roll can never be complete. Some here today are taking their place on such a roll of memory. It has been said that there is no history—just biographies.

Through the contributions of men such as these just named, all who have contributed to Joe Bartlett's knowledge, love and dedication to the House of Representatives and his interest in making it work better, history is assured of being more than a collection of biographies.

GENERAL LEAVE

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RADIO AND TELEVISION COVERAGE ON HOUSE FLOOR PROCEEDINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Brooks) is recognized for 5 minutes.

Mr. BROOKS. Mr. Speaker, it is a matter of the deepest concern to every Member of this body that recent surveys and public opinion polls indicate that the regard in which the American people hold the Congress of the United States—their Congress—has declined significantly.

There are obviously many reasons for this apparent lack of confidence—some within our ability to control, and correct; some arising from the very nature of this broadly democratic institution in which power is shared among 535 Members. But, surely as these same surveys reveal, a major cause of discontent with the Congress has been a general lack of knowledge of its role and functions, its procedures, and its day-to-day operations. And this unawareness, ironically, has been maintained by a Congress reluctant—despite substantial recent gains—to open its proceedings fully to the view of the people we represent.

At the same time, Congress has handicapped itself, internally, by failing to utilize readily available communications technology to keep its Members informed of what is taking place at the very core of this institution, the Chambers of the House and Senate. No matter how urgent is our business, Mr. Speaker, once we leave the floor—whether to return to our offices, to attend committee meetings, or to discuss matters with visiting constituents in a nearby reception room—we are effectively cut off from what is happening here. When we return, it is often with only a superficial awareness of the legislative or parliamentary situation which requires our immediate attention.

Fortunately, Mr. Speaker, we have the means at hand to deal positively with both problems: To improve the public's access to and understanding of the Congress, and to increase our own ability to do the job for which we were elected. The means exist in the radio and TV media which the Congress has never adequately utilized.

For these reasons, seven of our colleagues, on both sides of the aisle, have joined with me today in introducing a House resolution to authorize a test program of radio and television coverage of House proceedings during the balance of the first session of the 94th Congress. They are: Mr. Giaimo, Mr. O'Hara, Mr. Fuqua, Ms. Holtzman, Mr. Cleveland, Mr. Ashbrook, and Mr. Whalen.

The resolution is a direct outgrowth of the 2-year study of Congress and mass communications conducted during the 93d Congress by the Joint Committee on Congressional Operations, of which I have the honor to be chairman during the present Congress. As part of its study, the committee held extensive hearings last year during which we received testimony from numerous informed and expert witnesses, including colleagues from both Houses, media representatives, industry officials from both public and commercial broadcasting, State legislators, with direct experience in the broadcasting of legislative proceedings, and persons familiar with the legal, economic, and political aspects of the subject.

The interim report of the joint committee—S. Rept. 93-1275—concluded that existing communications technology is adequate to permit gavel-to-gavel coverage of floor proceedings without unduly intruding upon the business in the Chamber and without disturbing Members on the floor.

We found that the experience of State legislatures which permit the broadcasting of their floor activities, specifically those of Florida and Connecticut, has been favorable.

We found that in such situations, Members, after a brief transition, quickly became accustomed to the presence of "live" cameras and microphones and the presence of such equipment did not significantly prolong debate on the floor.

We also found evidence that viewers of the televised State legislative proceedings considered the opportunity a valuable one, and that their understanding of legislative issues and familiarity with legislative procedures improved substantially.

On the basis of these and other findings of the study, Mr. Speaker, the joint committee recommended that both Houses undertake a 1-year test program of broadcasting, by radio and television, of their full floor proceedings and that such coverage, following a trial period, be made available to public and commercial broadcasters both as live feeds and as taped recordings. The committee also recommended that a running summary of floor debate be transmitted by teletype to Members' offices and to news galleries.

The resolution we have introduced today is designed to implement the joint committee's recommendations. A similar, though not identical, resolution is pending in the other body.

The principal features of our resolution—the text of which will be printed for the information of our colleagues at the conclusion of my remarks—follow:

First, a continuous video feed would be provided, initially serving monitors in a number of House and Senate offices. After a trial period of no longer than 6 months, this feed would be made available to public and commercial broadcasters for use live or recorded on videotapes for delayed use in news and public affairs programs.

Second, a continuous audio feed would also be provided, first to congressional offices and, following a similar trial period, made available to broadcasters both live and in recorded form.

Third, a daily written summary of floor debate and other legislative activities would be transmitted to offices and news galleries on teletype printers for the use of Members and media representatives.

Fourth, no limitation or restriction would be exercised over the selection of materials for broadcast use.

Fifth, the test program would be conducted by the House Commission on Information and Facilities under rules and regulations and subject to terms and conditions prescribed by the Commission.

The decision to assign responsibility for the test program to the Commission was made after consultation with the Speaker and in accordance with the Commission's jurisdiction under section

204 of House Resolution 988, 93d Congress.

Mr. Speaker, as our colleagues will note from an examination of our resolution, it proposes to carry out this test program carefully and cautiously, proceeding one step at a time. We are under no illusion that such an important experiment can proceed without some difficulty. Change of this magnitude inevitably raises questions or controversy, however, we shall do our utmost to answer satisfactorily the former and reduce to a minimum the latter.

We are confident that the proposal's merits far outweigh the risks, and that the potential benefits accruing to the Congress and to the American people will be substantial.

We urge our colleagues to join us in sponsoring our resolution and to work with us in taking a major step forward toward a more open and a better informed Congress.

Under leave to extend my remarks, I include the text of our resolution:

H. RES. 269

Resolution directing the House Commission on Information and Facilities to provide for radio and television coverage of proceedings in the House Chamber during the first session of the Ninety-fourth Congress

Resolved, That pursuant to Sec. 204, H. Res. 988, 93d Congress (a) beginning as soon as possible during the first session of the Ninety-fourth Congress and continuing for the remainder of that session, the House Commission on Information and Facilities (hereinafter referred to as the "Commission") is authorized and directed to provide for radio and television coverage of the proceedings in the House Chamber. Such coverage shall be provided for continuously at all times while the House is in session.

(b) The Commission shall maintain videotapes of such coverage and shall maintain separately recordings of the audio portion of such coverage. Copies of such videotapes and recordings shall be made available to public and commercial broadcasting stations as provided in section 4 of this resolution. Copies of such videotapes and recordings shall be made available to educational institutions, libraries, and other organizations under rules and regulation prescribed by the Commission.

SEC. 2. (a) The Commission shall initially provide for monitors with which to receive the television coverage of the proceedings in the House Chamber to be located in such offices in the Capitol and the House and Senate office buildings as the Commission, after consultation with the Speaker of the House of Representatives, considers desirable. No later than six months after the beginning of television coverage of the proceedings, the Commission shall make such television coverage, and the videotapes thereof, available to public and commercial television broadcasting stations in accordance with the provisions of section 4.

(b) The Commission shall initially provide for transmission of the audio portion of the coverage of such proceedings into the office of such Member or officer of the House or the Senate, committee of the House or the Senate, or joint committee of the Congress as the Commission, after consultation with the Speaker and such Member, officer, committee, or joint committee, considers desirable. No later than six months after the beginning of the audio portion of such coverage, the Commission shall make such audio portion, and recordings thereof, available to public and commercial radio broadcasting stations in accordance with the provisions of section 4.

SEC. 3. The Commission shall also provide a daily written summary of the proceedings of the House and other information pertaining to legislative activity. Under rules and regulations prescribed by the Commission after consultation with the Speaker and such Members and officers of the House and Senate as may be directly concerned, such information shall be made available, by means of teletype printers or other written means, to such Members, officers, and committees of the House and Senate, joint committees of the Congress, and news media as the Commission considers desirable. The Commission is authorized to delegate responsibility for implementing this section as it may deem appropriate.

SEC. 4. (a) The radio and television coverage of the proceedings in the House Chamber, videotapes of such coverage, and recordings of the audio portion of such coverage, shall be made available to public and commercial broadcasting stations under rules and regulations and subject to such terms and conditions as the Commission considers desirable, including, but not limited to, the following:

(1) Such coverage, videotapes, and recordings shall be broadcast solely for the education, enlightenment, and information of the general public.

(2) No part of such coverage, videotapes, or recordings may be used in any commercial advertisement.

(3) No part of such coverage, videotapes, or recordings may be broadcast with commercial sponsorship, except as part of bona fide news programs and public affairs documentary programs.

(4) No part of such coverage, videotapes, or recordings may be used to promote or oppose the candidacy of any person for elective public office, whether in a paid political broadcast or otherwise.

(b) It is the intent of this section that in making available to public and commercial broadcasting stations the radio and television coverage of the proceedings in the House Chamber, videotapes of such coverage, and recordings of the audio portion of such coverage, no limitation or restriction shall be exercised over the selection of materials for broadcast use.

SEC. 5. (a) The Commission is authorized to employ such professional, technical, and other personnel as may be necessary to carry out the provisions of this resolution. The Commission is also authorized to enter into contracts with individuals, corporations, and organizations to carry out the functions and duties specified in this resolution.

(b) The expenses of the Commission under this resolution shall be paid from the contingent fund of the House.

SEC. 6. As soon as possible after the conclusion of the first session of the Ninety-fourth Congress, the Commission shall evaluate and report to the House with respect to the radio and television coverage of proceedings in the House Chamber and other activities carried out under this resolution, together with recommendations thereon, including recommendations for continuing such coverage and other activities. In its evaluation and report to the House, the Commission shall consider, but not be limited to, the following:

(1) the effectiveness of audio and video systems as a means of monitoring activities in the House Chamber,

(2) the effect of radio and television coverage on proceedings in the House Chamber, and the attitude of Members of the House toward such coverage,

(3) the extent and nature of the use of the radio and television coverage, and videotapes and recordings thereof, by public and commercial broadcasting stations in accordance with this resolution,

(4) the response of the general public to broadcasts of such coverage, videotapes, and recordings, and

(5) the effectiveness of the information provided and made available under section 3 from the viewpoint of the news media and Members, officers, and committees of the House.

INSURING THE RISK OF MEDICAL MALPRACTICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 15 minutes.

Mr. HASTINGS. Mr. Speaker, on February 19, in a statement issued to my colleagues in the House, I noted that the cost of medical malpractice insurance had risen from $60 million in 1960 to a figure estimated by some experts to be as high as $1 billion or more today. I also noted that the number of insurers offering medical malpractice insurance has diminished to the point where today there are less than 10 companies writing the vast majority of the medical malpractice insurance in this country. Reports from individual States show insurance premiums increasing by extraordinary amounts and insurers either no longer writing medical malpractice insurance or threatening to withdraw coverage at some future date. Employers' Insurance of Wausau, after covering members of the New York State Medical Society for 25 years, withdrew coverage in 1974.

During the period from 1949 until 1974, the company received $212 million in premium income and investments earned from premiums, according to testimony before the New York Legislature by the American Mutual Insurance Alliance in January of this year. During the same period, the company incurred losses of $332 million, for a net loss of $120 million, according to the same testimony. After Employers withdrew, their place was taken by Argonaut Insurance Co. which received an increase of 93.5 percent when they assumed coverage of some 21,000 New York physicians. Less than 1 year later, Argonaut asked for a premium increase of 196.8 percent.

According to the New York Times, Argonaut withdrew their rate increase request on the eve of a hearing called by the State Insurance Commissioner, but announced it was terminating coverage of New York physicians effective July 1 of this year. St. Paul Companies recently announced that it was terminating professional liability coverage of hospitals in 14 States, and has also announced that it planned to terminate coverage of physicians' coverage under a medical society sponsored group plan in Maryland. The St. Paul Companies has been insuring Maryland physicians for 14 years.

MEDICAL MALPRACTICE INSURANCE COVERAGE

Medical malpractice or professional liability insurance protects the income and assets of health care providers and indemnifies the injured patient.

The Secretary's Medical Malpractice Commission estimated that 98 percent of all physicians have medical malpractice insurance. Hospitals, and several other health professionals besides physicians, consider professional liability insurance essential to protect them against medical malpractice claims.

Professional liability policies are normally written with a dollar limit on each occurrence and an aggregate limit on all occurrences for a policy year. According to Kendall and Haldi, who prepared an extensive report on the medical malpractice insurance market for the Secretary's Medical Malpractice Commission.

> The vast majority of physicians carry liability indemnity limits of $100,000/$300,000 or higher. For those specialists subject to high exposure (e.g., anestehsiologists, neurosurgeons, and orthopedic surgeons), adequate limits are considered to be at least $1 million. Those who want to cover virtually every contingency are generally advised to buy limits of $3–5 million.

As I said earlier, most policies provide coverage of $100,000/$300,000. Additional coverage can be obtained by simply increasing the size of both the individual claims and policy year figures. More commonly, excess coverage is an umbrella policy that covers professional, personal, and premises liability. An example of coverage of physicians is the Florida Medical Society endorsed plan which is written by Argonaut. Under that plan in 1972, the minimum basic limits were $100,000/$300,000. Umbrella coverage was available from primary limits of $1,000,000 up to a maximum of $5,000,000.

The larger companies in the property and liability field can provide coverage of $10,000,000 or more. In cases where the individual underwriter is unwilling or unable to provide coverage beyond a certain limit, the agent of the physician may obtain excess coverage through an additional underwriter.

Hospitals most commonly obtain policies which cover professional liability, general liability, and workmen's compensation and employees' liability. Kendall and Haldi, in the study mentioned earlier, noted that a—

> Large number of hospital policies are written for the same amounts as individual physicians usually buy. The limit of $100,000 on each occurrence may be reasonable for a hospital. However, if an aggregate limit of $300,000 is appropriate for practitioners, then $300,000 for hospitals seems out of proportion to the potential risk.

Although no extensive evidence is available on the levels of coverage for hospitals today, reports I have received show hospitals are increasing their coverage limits. Arthur H. Bernstein, a legal consultant to the Journal of the American Hospital Association, noted in an article in the Journal last August that:

> The maximum coverage of malpractice insurance now considered realistic for practitioners and institutions is much higher than it was a year or two ago.

Supporting this statement, the American Hospital Association, in announcing a plan to assure hospitals of professional liability coverage, stated that their plan would offer liability limits up to $15,000,000.

ESTABLISHING MEDICAL MALPRACTICE RATES

When medical malpractice insurance premiums rise, the outcry by physicians and other providers frequently results in public examinations of the rates by insurance commissioners, to determine if the rates are reasonable. Such examinations have frequently resulted in disputes between insurers and State insurance commissioners, over what is a reasonable rate, as has been the case recently in Maryland and North Carolina. According to published reports, St. Paul Cos. requested a rate increase of 82 percent in North Carolina, while the insurance commissioner contended they were entitled to an increase of 5.6 percent. The increase of 82 percent was granted. In Maryland, a recent rate increase was denied St. Paul Cos. because the insurance commissioner disagreed with the rate increase justification provided by the insurer.

How are rates established in the medical malpractice insurance industry? Rates are established by the type of provider, the medical malpractice experience of the particular provider being rated, and the area of the country where the provider delivers services. In addition, certain additional charges are assessed. For example, physicians in partnerships and professional corporations are normally assessed an additional 20 percent. Other additional assessments depend upon the number of employees, the types of services performed, for example there is an additional charge if the physician performs X-ray therapy.

The differences that result because of the type and location of practice are striking. A neurosurgeon in California pays approximately $12,500 for $100,000/$300,000 coverage, while a neurosurgeon in New Hampshire pays about 600! The rate for physicians who do not do surgery in California is about $1,500 while the rate for the same type of physician in New Hampshire is about $120. As can be seen by these examples, there is a dramatic difference between neurosurgeons and physicians who do not do surgery within each State and a dramatic difference between States. In addition to the differences by type of practice and location, the experience of the practitioner himself is a factor in determining rates. In Florida, which I mentioned earlier, surcharge is added to the physician's premium for claims against him. Kendall and Haldi describe the surcharge procedure in Florida as follows:

> If a doctor incurs one claim which results in a payment exceeding $1,000, he will not be surcharged for that claim. However, on the second claim paid over $1,000 for that doctor, his rate will be surcharged 50 percent. The surcharge is 500 percent on the fifth claim amount exceeding $1,000. The physician can elect to accept a deductible in lieu of the total surcharge, provided he posts a bond in the amount of the deductible.

A frequently raised question regarding the wide disparities in rates among types of physicians and between areas is whether these disparities will cause a shifting in the specialty mix of physicians and where they locate for practice. Although this issue has not been examined in depth, there appears to be no measurable effect. The specialties who pay the highest insurance premiums are also the highest earners, and heavily doctored areas where the malpractice premiums appear to be the highest continue to have the highest concentrations of physicians.

Although the differential rates described above are important, the principal issue regarding rates is the difficulty of predicting medical malpractice experience. Insurers, according to their own reports, have consistently underestimated the increases in the number and dollar amounts of medical malpractice claims.

Along with underestimating in the past, insurers are extremely concerned about the number and size of future claims. They cite as evidence the increases in medical malpractice claim awards exceeding $1,000,000 in California, and the fact that since 1964, the number of awards in New York has more than doubled and the average size of the awards has increased almost four times. To add to the complexity of rating, all medical malpractice incidents which occur in any 1 year take about 10 years to settle. The problem was described by Gene Cudworth, secretary of Hartford Insurance, in an article in Medical World News last November:

> In automobile liability, we at least know the total number of accidents that occurred in any given year. But only ten percent of the malpractice claims are filed in the first year.

The problems in predicting the costs that will be incurred is also related to the nature of the coverage. A physician who purchases medical malpractice insurance is covered for all medical malpractice incidents that occur during the period of the policy, generally a year. This means that his insurance covers him up to the limits of the policy regardless of when the claim is submitted, if the medical malpractice incident occurred during the policy year. This type of policy has been cited by some insurers as the cause for some of the difficulties encountered in rating, and insurers have suggested that policies be shifted to cover doctors for claims made rather than when the medical malpractice incident occurred.

This would mean that the rate would be based on the number of claims that might be initiated in the policy year, or for a limited period of years, thereby making rate more predictable. This method of covering physicians has been criticized by physicians who cite their vulnerability if they ceased to purchase medical malpractice insurance, because, for some reason, they no longer practiced medicine. If a claim were made after a physician discontinued his practice and his insurance, but which occurred while still in practice, he would be unprotected under the claims made approach. Problems arise as well, according to physicians, if they switch the type of coverage from claims made to the more prevalent occurrence basis—since they would be unprotected for those incidents which had occurred under the earlier coverage, but for which claims had not been made.

Some insurers are aware of the physician's concerns regarding the claims made insurance approach and are attempting to devise ways to deal with the problems cited by physicians.

CHARACTERISTICS OF MEDICAL INSURANCE INDUSTRY

In reviewing medical malpractice insurance, it is useful to consider some characteristics of the medical malpractice insurance industry. As noted earlier, there are relatively few insurers offering medical malpractice insurance, and it is frequently stated that the number of insurers offering medical malpractice insurance is rapidly decreasing. Although the medical malpractice insurance problem is of great concern to some insurers as well as other interests, it is not a large segment of property and liability insurance. In 1970, it comprised 1.1 percent of the total premium volume for property and liability insurance. Its rate of growth was rapid, however, increasing from .4 percent in 1963 to 1.1 percent in 1970. Data is not available since 1970. It is frequently claimed that medical malpractice insurance is the most inefficient form of insurance in terms of getting dollars to injured patients. A major reason is the high cost of settling claims.

One insurer estimates, for example, that defense costs are 29 cents of every premium dollar. As I noted in my earlier discussions on medical malpractice, the plaintiff's attorney may charge 30, 40, or 50 percent of the amount awarded to the claimant. In addition to the costs associated with settling claims, referred to as "pure premium," there are other substantial costs that make up the medical malpractice insurance premium. These are referred to as the insurer's retention. These costs include selling and general servicing of policies, taxes, overhead, underwriting policies, and other miscellaneous costs.

The range of these costs can be as high as 45 cents of each premium dollar to as low as 10 to 15 cents on each premium dollar. Based on the limited data available, it would appear professional society endorsed group policies have the lowest nonsettlement costs for physicians while individual policies have the highest. Factors contributing to differences are the number of parties involved, for example, whether there is one or more underwriters, whether the insurer's agents are salaried on a commission and their number, and the services provided by the professional associations themselves.

Probably as a result of cost, as well as other considerations, medical malpractice insurance is increasingly group business with hospital associations and medical societies sponsoring plans offered by a single insurer. Argonaut, for example, offers coverage to physicians in New York with the endorsement of the State medical society. The State medical societies frequently refer to such policies as "their" policies, offered as a service to medical society members. Such policies offer advantages to the insured through opportunities to engage in risk prevention programs, access to the experience of their group, which enables them to negotiate more realistic rates, participation in establishing underwriting rules, and lower administrative costs.

In 1972, there were more than 40 State and county physician group plans as well as eight programs sponsored by national professional societies. In 1972, 35 State hospital associations had group professional liability programs. Under these plans the association usually performs some of the selling and administrative duties. They also appoint an insurance committee which reviews underwriting practices, claims, rate changes, and competing proposals from other carriers.

THE FINANCIAL CONDITION OF MEDICAL MALPRACTICE INSURERS

Are insurers losing money in the medical malpractice business? The one conclusive recent piece of information relating to the experience of Employers of Wausau, showed that company to have lost $120 million over a period of 25 years, even when taking into account income earned from their reserves. According to an article in the Journal of Commerce on January 29,

> At least two insurers—California Insurance Exchange and the Casualty Insurance Company of California went broke offering this type of coverage.

The basis for the extraordinarily large increases in premiums of insurers is based on their own statements that they are losing money at the present medical malpractice insurance rates. The California insurance commissioner was recently quoted as saying that no insurer has made money on medical malpractice insurance in the past 20 years.

Although I have no reason to doubt the statements of the insurers that they are losing money, the financial picture regarding medical malpractice insurance is an area which needs to be examined far more closely than it has to date. For example, statements that medical malpractice insurance has never been profitable is surprising in view of the data compiled by the Medical Malpractice Commission on loss ratios for the period 1960 to 1970. Loss ratios are ratios of losses to premiums.

Losses refer to claims associated with medical malpractice incidents occurring during the year for which the premium is calculated. Henry T. Kramer, director and president of the North American Reinsurance Corp., and a member of the Medical Malpractice Commission reviewed the profitability question for the commission as it relates to loss ratios. He stated that:

> The conclusion of his company is that loss payments equal to 98 percent of premium . . . will produce a profit equal to five percent of premium.

The reason that insurers can incur such high loss ratios and still make a profit is because of returns on the investment of their reserves. In only 4 of the years examined by the commission did the loss ratio exceed 98 percent. The loss ratio in 1969 was 69 percent and it was 54 percent in 1970. For the Congress to have an adequate picture of the financial performance of medical malpractice insurance, loss ratios need to be updated.

The recent condition of fire and casualty insurers, which write medical malpractice insurance, was reported in the January 20 issue of the Wall Street Journal. According to the article by Tom Herman, fire and casualty insurers were hurt by losses on stocks, as well as by large claim amounts. Experts "expect sharply higher premium rates and more exclusions in policies; lower coverages, and increased reluctance among insurers to write certain kinds of policies at any price—especially medical malpractice and product liability insurance."

The Wall Street Journal article adds an important dimension to our understanding of the medical malpractice insurance market. Because medical malpractice is a marginal line of insurance, with great increases in cost and rating difficulties, it is vulnerable when insurance leaders decide on future lines of insurance.

The pressures for insurers to either raise medical malpractice insurance rates astronomically to protect their financial status or to get out of the business altogether should be of great concern to the Congress. Assurance of availability of medical malpractice insurance for both health care providers and insurers is essential to the effective operation of our health services system.

LIVE BY THE RULES OR REPEAL THEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 10 minutes.

Mr. BAUMAN. Mr. Speaker, the present 94th Congress, the so-called reform Congress, has made many substantial changes in the procedure of the House of Representatives. But it was the 93d Congress, last October, that devoted itself to debating our House rules at great length in an attempt to bring them up to modern standards.

During the debate on the Hansen and Bolling reform measures, last October, our former colleague from Wisconsin, Mr. Froehlich, offered an amendment to the rules which was unanimously adopted. It now appears as part of the House Rules in rule XI(1)(4). The rule reads as follows:

> Each report of a committee on each bill or joint resolution of a public character reported by such committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

At the time Mr. Froehlich offered this amendment, he gave a perfectly rational explanation for its need, and I quote his remarks on October 8, 1974:

> The amendment is modest. It is also profound. It is grounded on two premises—first, that legislative actions including, but not limited to spending, can have an important impact on inflation in our economy—and, second, that informed lawmakers ought to be able to weigh this impact along with all other considerations that go into the passage of a bill.
>
> This amendment will force us to focus on inflation. It will make the House of Representative more accountable for the impact of its actions on the economy of our Nation. One theme that runs through these reforms is the desire to create an informed Congress. This amendment may bring us out of the darkness on economic matters.
>
> This amendment offers one concrete way that we can demonstrate that we are truly interested in combating inflation. There is no rational reason why we should know much, much more about the impact of some small public works project on its immediate environment than we know about the impact of a major bill upon our entire economy.

Mr. Speaker, it has been said that rules are made to be broken, but of course in the House we have the right to a point of order when such infractions occur. I therefore call to the attention of the House, House Report No. 94–16, which accompanied House Joint Resolution 219, providing for further continuing appropriations. This bill and report were considered by the House on Tuesday, February 25.

In the report under the heading, "Inflationary Impact Statement", the authors, presumably the staff of the House Appropriations Committee, purport to comply with clause 2(1)(4) of rule XI in a most curious manner. I will quote only one paragraph of this report:

> It is a matter of conjection whether or not any appropriation of money or many other legislative actions may be inflationary. Considering the levels of funding continued by the accompanying resolution, it is the judgment of the Committee that its enactment will not have an additional inflationary impact on prices and costs in the operation of the national economy beyond that which may already be caused in areas of the economy affected by the government program covered under this resolution.

Mr. Speaker, in my opinion, the language of the Appropriations Committee report is ludicrous. It certainly does not comply with either the letter or the spirit of the Froehlich amendment to the rules. In fact, it completely avoids compliance with the rule, by using circuitous logic somewhat akin to a snake eating its own tail. What in essence the report states is that the Appropriations Committee believes that a bill containing many billions of dollars in deficit spending will have no additional inflationary impact on the national economy, except the impact which the bill will have. But that impact is never described. If this sounds illogical, it is. It is also a complete evasion of our congressional responsibility.

Mr. Speaker, yet another example of the violation of this rule, in fact an even more blatant violation, appeared in House Report No. 94–19, the Tax Reduction Act of 1975, H.R. 2166, reported out by the Ways and Means Committee. I quote in full the committee's attempt to comply with this rule:

> In compliance with clause 2(1)(4) of rule XI, the committee states that the Tax Reduction Act of 1975 is not expected to have a significant inflationary impact on prices or on costs of the operation of the national economy. Any inflationary impact that might arise from decreased funds being available for borrowing by others is conjectural at the present time and can be offset by appropriate monetary policy. In a recession of the current seriousness the inflationary impact is not the major consideration.

Bear in mind that this bill reduced taxes by an amount in excess of $21 billion, adding an enormous sum to the national deficit and thereby greatly increasing inflation in this country. Yet all the Ways and Means Committee could think to say was that the inflation impact would be "conjectural."

Mr. Speaker, if the rules are not to be applied in the House, then they should be repealed. I cannot think of a more important rule than one which deals directly with the tremendous inflationary damage being done to our national economy by the irresponsible spending habits of the Congress.

I assume that in the future the Chair will be prepared to rule on points of order on this matter.

A CITY BETRAYED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, San Antonio today faces the urgent necessity of resolving its energy crisis. Standing at the crossroads, the city is in the midst of unprecedented crisis. Its leadership on the municipal level is shattered; public confidence has never been lower; and yet complex problems must be addressed and solved. The tasks before the city would be difficult with the best of political conditions, and the existing scene must dishearten even the most persistent optimist. Yet there is no choice but for San Antonio to go ahead and resolve its problems.

The speeches I have made over these last several occasions trace part of the development of this tragedy.

Today San Antonio has the opportunity, through its city election, of overcoming its problems. But if public confidence in the municipal government is going to be restored, the kind of corruption that marked the last campaign must end.

The last campaign for city council in San Antonio was marked by tremendous infusions of money, much of it of dugious origin. Candidates like Charles Becker, who is leaving the mayor's post, filed contribution reports that are wholly incredible. Not only are the amounts staggering—Becker spent more than every other candidate combined—but the donors so often seem odd.

If the reports make any one thing clear, it is that Charles Becker was determined to buy his way into office. But to do that, he had to bend and wink at the law. This required a certain degree of cynicism and plain dishonesty—and these are the essential ingredients of political corruption. The kind of ill-concealed contempt for legal niceties, the cynicism of Becker's campaign and campaign expense accounting, indicated his inability to understand or appreciate basic political honesty. San Antonio cannot afford to have another city election bought, as Charles Becker bought his 2 years ago.

Charles Becker reported spending far more than $200,000 to be elected to the city council. This, as I have said, was more than all other candidates combined spent.

Becker's reports included contributions from mysterious, "anonymous" sources. They also included large gifts from people who gave extraordinary amounts, considering their probable incomes. An apartment manager was reported as giving $2,000. Would such an individual really be capable of that? A secretary had $1,500 attributed to her. Whose secretary could afford that? Employees of Becker's grocery company gave a total of $2,535. Did they really contribute, or were they simply asked to allow their names to be listed as contributors to Becker? If they were asked, who among them would have turned their boss down—whether it was being asked to give, or merely allow their name to be used? Many suppliers to Becker's grocery company were listed. Some undoubtedly gave because they liked Becker; but is it possible that some also gave because they were afraid of losing a valued customer?

The name Morris Jaffe is not listed as a Becker contributor. Yet the two are the closest of freinds; they own an airplane jointly; and they have been deeply committed to political togetherness, to the point of jointly promising lavish support to a would-be candidate in the current election campaign. Could it be that Jaffe is the mysterious "anonymous" who gave thousands to the Becker campaign? It is almost certain that Jaffe was involved in the financing effort, for associates of his are listed as giving $5,100.

Jim Dement, who was Becker's biggest reported contributor, also had associates who gave large amounts of money. In going over these reports, the question occurs again and again: Could this person really have given that much?

Almost everything on the Becker report raises questions. The report seems intended to conceal as much as it reveals, and so it becomes a symbol of the essential corruption of that campaign—the corruption that carried within it the seeds for the later corruption of the city government, and the public disenchantment that went with it.

Becker might think that corruption consists only of bribery, and that he is not corrupt if he has never been bribed. But in politics, corruption begins with contempt for the law and ordinary decency. The Becker campaign was an open attempt to buy public office, and because of its cynical disregard for either decency or honest reporting, resulted in the election of a man who was corrupted. Political corruption does not require the acceptance of bribes; it only requires that the office holder have no understanding or basic regard for honesty. Becker's campaign and subsequent political fate are a perfect example of this.

Today, Becker has said that he is leaving politics. His associates have left, or plan to. Neither he nor they gained real public confidence, and what little they enjoyed collapsed. Little wonder; public confidence is something earned, not bought.

If San Antonio is going to regain confidence in its city government, the kind of corruption symbolized by the Becker campaign must be eliminated. City offices should not be bought, any more than they should be sold.

Becker wanted to get into office, because he wanted to take things over from people he thought were standing in the way of his ambition, and the ambitions of his friends. Perhaps that is why he was willing to spend so much to get elected. Perhaps that is why Oscar Wyatt and his executives at Coastal States Gas talked about political expenditures for the 1971 San Antonio campaign. Perhaps that is why, too, that Becker, almost 2 years later to the day, took time out from his expensive reelection bid to call Norman Davis, the Coastal corporate secretary, to say that he, Becker, wanted to lay the city's energy crisis at the door of the ill-starred Alamo Gas Co. deal; how the city public service board was so bad, and they—the board—"have always called OSW—Wyatt—a crooked SOB." Becker went on to say that he was trying to get editorial support for his version of the truth, and how it was a "tragedy that the city is in court when it should be making cost plus deals." Davis noted, deals that would be along the lines of Wyatt's legislative bills. Davis replied with words that Becker surely wanted to hear: "We can get gas for the city at cost plus 10 cents—today about 35 cents." Thus assured, Becker charged on. But I wonder: why was it so important for Becker to tell the Coastal people all these things? Did he have some kind of doubts? Did he not realize that Coastal was the very company that had broken its contracts? Why, in fact, did Davis mark his notes of this conversation "confidential"?

A couple of weeks after that conversation, Becker was reelected to the city council, and made mayor, after some complex maneuvering.

That campaign was marked by the seeds of corruption—its lavish costs; its vicious nature; and its very questionable reporting of contributions. With that corruption, the city government became infected.

San Antonio today faces the task of overcoming that corruption. Becker and those like him would like once again to buy influence and position. The question is whether this city election campaign will be any more honest than the last one. If it is, San Antonio has a good chance of overcoming its serious problems. If not, there is every chance that the corruption of office will continue unabated, and San Antonio continue to suffer betrayal at the hands of little men.

CONSTITUTIONAL AMENDMENT LOWERING THE AGE REQUIREMENTS FOR MEMBERSHIP IN THE CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 40 minutes.

Mr. DRINAN. Mr. Speaker, for almost 200 years, the American people have accepted the constitutionally mandated minimum ages for service in the U.S. Congress. The minimum ages of 25 for Representatives and 30 for Senators have been viewed as a reasonable guarantee that maturity, wisdom, and good judgment would prevail in both Houses of Congress.

However, responsible citizens have begun to question the wisdom and justice of imposing 18th century minimum age requirements on today's young men and women who are better educated than any previous generation in our Nation's history.

The adoption of the 26th amendment in 1971, giving 18-year-olds the right to vote, was a strong vote of confidence in the political sophistication and maturity of our younger citizens. As a direct consequence of that amendment, many other statutory minimum age requirements have been reviewed and lowered.

In December 1973, testimony before the Senate Subcommittee on Constitutional Amendments supported the contention that the sociological realities of the 1970's make the present minimum age requirements for congressional service antiquated, unreasonable, and contrary to our system of representative democracy.

Mr. Speaker, the present minimum age requirements have helped produce a Congress that vastly underrepresents the ideas and ideals of millions of young Americans. Therefore, I have proposed a constitutional amendment to lower the minimum age of eligibility for both Houses of Congress by 3 years. The new eligibility ages of 22 for Representatives and 27 for Senators would help make Congress more open and responsive to our younger citizens. At the same time, the amendment would preserve the Founding Fathers' intention that a reasonable level of maturity and experience beyond the minimum voting age would exist in the national legislature.

Mr. Speaker, the proposed "22-27 amendment" reads as follows:

H.J. RES. 107

Joint resolution proposing an amendment to the Constitution of the United States lowering the age requirements for membership in the Houses of Congress

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the Several States within seven years from the date of its submission by the Congress:

"ARTICLE—

"SECTION 1. No person who shall have attained to the age of twenty-two years shall be disqualified to be a Representative on account of age.

"SEC. 2. No person who shall have attained to the age of twenty-seven years shall be disqualified to be a Senator on account of age.".

I am pleased to announce, Mr. Speaker, that 44 of my colleagues have already joined me in cosponsoring this important revitalization of our American political process. They include:

Ms. Abzug, Mr. Anderson of California, Mr. Bingham, Mr. Boland, Mr. Carr, Ms. Chisholm, Mr. Conyers, Mr. Cornell, Mr. Edgar, Mr. Eilberg, Mr. Flood, Mr. Ford of Tennessee, Mr. Fraser, Mr. Frenzel, Mr. Gude.

Mr. Hannaford, Mr. Heinz, Mr. Howard, Mr. Jacobs, Mr. Jeffords, Mr. Jenrette, Mr. Krebs, Mr. Mann, Mr. Matsunaga, Mr. Miller, Mr. Mitchell, Mr. Pattison of New York, Mr. Pepper, Mr. Quie, Mr. Rangel.

Mr. Richmond, Mr. Rosenthal, Mr. Santini, Ms. Schroeder, Mr. Seiberling, Mr. Solarz, Ms. Spellman, Mr. Stark, Mr. Steelman, Mr. Stokes, Mr. Tsongas, Mr. Udall, Mr. Wirth, Mr. Wolff.

Members who have not yet joined me in this worthy undertaking are still welcome to cosponsor the resolution, and may do so by calling my office.

Before continuing, I would like to bring to the attention of the House a statement made by Robert Luce, in his standard work entitled, "Legislative Assemblies." Mr. Luce wrote that of all the specific disqualifications for service in any legislature, "the most natural and clearly the most proper is that on the score of age." The proposed constitutional amendment does not challenge such reasoning. I am not advocating "child-legislators." Some minimum age requirements may be reasonable and justified. However, the present minimum age requirements are not, and they should be lowered.

BRIEF SURVEY OF BRITISH AND EARLY STATE AGE REQUIREMENTS FOR LEGISLATIVE SERVICE PRIOR TO 1787 CONSTITUTIONAL CONVENTION

According to Robert Luce, when most of the original States drew up their constitutions, they followed the British common law principle to determine eligibility for the lower branch of their legislatures. That principle held that a man was of full age at 21, and as such was qualified to sit in Parliament:

> Our English ancestors decided that at the age of twelve a male might take the oath of allegiance, at fourteen might choose a guardian, at seventeen might be an executor, and at twenty-one, with complete power to alienate his lands, goods, and chattels, to dispose his property and himself, was of 'full-age.' This inevitably became a test of his fitness to serve in Parliament.

Only a few of the early State constitutions required that Senators, as the name implies, be older men. South Carolina's minimum senatorial age was 30. Both Virginia and Maryland required that their Senators be at least 25. The Congressional Research Service has reported that, prior to the decade of the Constitutional Convention, the minimum age requirements for members in both houses in most of the State legislatures was under 25.

Luce explains the generally low age requirements in the original State constitutions by pointing out that—

> The Revolution was the work of young men, and those who achieved it were not eager to deprive themselves of its fruits in the way of opportunity for important public service.

However, as these young revolutionaries got older, "some of them came to attach more importance to maturity." As an example, Luce cites the revised New Hampshire constitution. In 1784 New Hampshire raised the minimum age for State senators to 30.

Thus, when the 55 delegates assembled in Philadelphia in 1787 for the Constitutional Convention, they all had had considerable exposure to the concept of minimum age requirements for legislators. It is certain that many of them viewed service in the proposed "National Legislature" as a greater responsibility than service in any of the State legislatures. Additionally, it is not unreasonable to speculate that many of the delegates had a cautious attitude about youthful participation in the new Federal Government.

PROCEEDINGS OF THE 1787 CONSTITUTIONAL CONVENTION REGARDING THE MIMIMUM AGE REQUIREMENT FOR REPRESENTATIVES

TUESDAY, MAY 29, 1787

Mr. Randolf of Virginia submitted the Virginia plan containing 15 resolutions for preliminary consideration by the

Committee of the Whole. Resolution No. 4 introduced the idea of a minimum age for Members of the first branch of the National Legislature, but omitted any reference to a specific age:

> Resolved that the members of the first branch of the National Legislature ought to be elected by the people of the several states every —— years for the term of ——; to be of the age of —— years at least.

On the same day Mr. Pinckney submitted a six article plan which also included a reference to a minimum age qualification for what he termed the "House of Delegates." Although some controversey exists as to when the so-called Pinckney plan was introduced, there is no dispute that the plan called for a minimum age for members of the most numerous branch of the Federal Legislature:

> The members of the House of Delegates shall be chosen every —— year by the people of the several states and the qualification of the electors shall be the same as those of the Electors in the several state legislatures—each member shall have been a citizen of the United States for —— years—shall be of —— years of age and a resident in the State he is chosen for.

Both Randolf and Pinckney left the decision about the specific minimum age to the Committee of the Whole for final action. The most important point is that from the beginning of the Convention the idea of some minimum age for legislative service was actively considered.

TUESDAY, JUNE 12, 1787

Without debate or recorded explanation:

> The word requiring members of ye 1st branch to be of the age of —— years were struck out. . .

The vote was 10 to 1, Maryland being the sole dissenter. Perhaps, the delegates wanted to delay any consideration of a minimum age for members of the first branch, until a decision on the age of Senators was made. In fact, the senatorial age minimum was decided later in this day's proceedings. However, the Convention records give no evidence that the delegates planned that the senatorial age should be chosen first.

FRIDAY, JUNE 22, 1787

The Convention proceedings on this day are the most important and revealing regarding the question of a minimum age for Representatives. On this day the minimum age of 25 was first proposed, and the only known debate on minimum age took place.

The so-called debate was brief, but it did contain elements of the two classic positions on the question of youth versus age. Colonel Mason of Virginia argued that wisdom was a necessary byproduct of the aging process. He thought that an extra measure of maturity beyond the age of full citizenship should be required to serve in the first branch of the National Legislature. Mr. Wilson of Pennsylvania disagreed. He contended that factors other than age should determine a candidates eligibility. According to Wilson, no one of ability should be disqualified because of his age.

The entire Mason-Wilson exchange appears below. What they said is important, but equaly noteworthy is the fact that this is the only important discussion on minimum ages during the entire Constitutional Convention.

> Col. Mason moved to insert "twenty-five years of age as a qualification for members of the 1st branch." He thought it absurd that a man today should be permitted by law to make a bargain for himself, and tomorrow should be authorized to manage the affairs of a great nation. It was the more extraordinary as every man carried with him in his own experience a scale for measuring the deficiency of young politicians; since he would if interrogated be obliged to declare that his political opinions at the age of twenty-one were too crude and erroneous to merit an influence on public measures. It had been said that Congress had proved a good school for our young men. It might be so for anything he knew but if it were, he chose that they should bear the expense of their own education.
>
> Mr. Wilson was against abridging the rights of election in any shape. It was the same thing whether this were done by disqualifying the objects of choice, or of the persons choosing. The motion tended to damp the efforts genius, and of laudable ambition. There was no more reason for incapacitating youth than age, where the requisite qualifications were found. Many instances might be mentioned where signal services rendered in high stations to the public before the age of twenty-five: The present Mr. Pitt and Lord Bolingbroke were striking instances.
>
> On the question of inserting "25 years of age" Connecticut, New Jersey, Delaware, Maryland, Virginia, North Carolina, South Carolina, South Carolina, aye—7; Massachusetts, Georgia, Pennsylvania, no—3; New York, divided.

THURSDAY, JULY 26, 1787

The delegates sent 23 resolutions to the Committee of Detail. Resolution III, as amended, read in part:

> Resolved that the members of the first branch of the legislature ought . . . to be of the age of twenty-five years at least.

The Committee of Detail, created on July 24, consisted of John Rutledge of South Carolina, chairman, Edmund Randolf of Virginia, Nathaniel Gorham of Massachusetts, Oliver Ellsworth of Connecticut, and James Wilson of Pennsylvania. They were responsible to draft a detailed scheme of a constitution, and to submit their report when the Convention reconvened on August 6.

MONDAY, AUGUST 6, 1787

Mr. Rutledge presented his committee's report to the Convention. This draft of a constitution contained 23 articles which amplified and revised the 23 resolutions referred to Rutledge's Committee of Detail on July 26. Article IV, section 2 of the draft read:

> Every member of the House of Representatives shall be of the age of twenty-five years at least.

WEDNESDAY, AUGUST 8, 1787

Although two other clauses in article IV, section 2—on citizenship and residency—prompted considerable debate and amendment, the article was passed unanimously without the slightest discussion or change in the minimum age requirement of 25 for Representatives.

WEDNESDAY, SEPTEMBER 12, 1787

The five man Committee of Style and Arrangement, which was responsible to put the Convention's decisions into a fluid and final draft, submitted what essentially became the adopted Constitution.

The committee's draft and the final Constitution both contained seven articles, and the provisions in each document relative to an age minimum for Representatives were identical—except for capitalization—in wording and location within the constitutional outline. Article I, section 2, clause 2—listed as clause "a" in the draft—read:

> No person shall be a representative who shall not have attained to the age of twenty-five years, . . .

MONDAY, SEPTEMBER 17, 1787

The minimum age provision in the engrossed Constitution as signed on this date differed from the September 12 draft only in its relentless emphasis of nouns, and in the absence of a hyphen between "twenty" and "five."

> No person shall be a Representative who shall not have attained to the age of twenty-five years, . . .

PROCEEDINGS OF THE 1787 CONSTITUTIONAL CONVENTION REGARDING THE MINIMUM AGE REQUIREMENT FOR SENATORS

TUESDAY, MAY 29, 1787

Resolution V of Mr. Randolf's Virginia Plan contained the first mention of a minimum age for Senators:

> Resolved that the members of the second branch of the National Legislature ought to be . . . the age of —— years at least. . . .

On the same day, Mr. Pinckney's proposal included the following:

> Each Senator shall be —— years of age at least. . . .

In both cases the number of years to be inserted in the blank was left for the future consideration of the Convention.

TUESDAY, JUNE 12, 1787

On a vote of three for, six against, and two divided, a motion to strike out from resolution V "the words requiring Members of the senatorial branch to be of the age of —— years at least" failed.

On the question to fill the blank with "30 years" as the minimum senatorial age, it was agreed to by a vote of seven to four.

WEDNESDAY, JUNE 13, 1787

The Committee of the Whole reported out 19 resolutions on Randolf's May 29 Virginia Plan. This report constituted both a revision and an endorsement of that plan, but no reference was made to a minimum age for Representatives. However, resolution IV did include the decision made the day earlier regarding the minimum age for Senators:

> Resolved that members of the second branch of the National Legislature ought to be chosen by the individual Legislatures, to be of the age of 30 years at least. . . .

TUESDAY, JUNE 19, 1787

Mr. Randolf's resolutions as "altered, amended, and agreed to" are included in the record of this day's proceedings. Resolution IV remained unchanged from June 13.

MONDAY, JUNE 25, 1787

The Convention agreed unanimously, without debate, on the question requiring Senators to be at least 30 years old.

THURSDAY, JULY 26, 1787

Provisions related to the Senate, along with all other resolutions and plans, were referred to the Committee of Detail. Resolution IV now read, in part:

> Resolved that the members of the second

> branch of the legislature of the United States ought to be chosen by the individual legislatures; to be of the age of thirty years at least. . . .

MONDAY, AUGUST 6, 1787

The Committee of Detail reported to the Convention a draft constitution. Article V, section 3, began with these words:

> Every member of the Senate shall be of the age of thirty years at least. . . .

THURSDAY, AUGUST 9, 1787

The Convention considered article V, section 3. An extended debate took place on the citizenship and residency requirements as contained in that article. The delegates raised the citizenship minimum from 4 to 9 years, and changed the term "resident" to read "inhabitant", but not a single word is recorded regarding the minimum age requirement. Section 3, as amended, was approved unanimously. It read:

> Every member of the Senate shall be of the age of thirty years at least; shall have been a citizen in the United States for at least nine years before his election; and shall be, at the time of his election, an inhabitant of the state for which he shall be chosen.

WEDNESDAY, SEPTEMBER 12, 1787

The Committee of Style and Arrangement further amended the wording, but not the meaning, of what was now article I, section 3:

> No person shall be a senator who shall not have attained to the age of thirty years, and been nine years a citizen of the United States, and who shall not, when elected, be an inhabitant of that state for which he shall be chosen.

MONDAY, SEPTEMBER 17, 1787

The completed Constitution was approved with article I, section 3 reading exactly as it did on September 12. The only difference was in capitalization. In the September 12 version only the words "United States" were capitalized. In the final version nearly every noun in the engrossed document was capitalized.

THE MINIMUM AGE REQUIREMENTS: QUESTIONS AND THEORIES

By themselves, the records of the 1787 Constitutional Convention are inconclusive regarding the question of minimum age requirements for legislative service. The decisions of the delegates on minimum ages were accurately recorded; their motives remain subject to speculation.

Why did the Convention choose the ages of 25 and 30? Why did the delegates think Senators should be older than Representatives? Why was any minimum age above the common law age of majority—21—considered necessary for service in the new National Legislature?

The brief exchange between Mason and Wilson at the Convention cannot provide a satisfactory answer to the above questions. Since the Convention, a number of writers, including several Convention delegates, have offered explanations for the minimum age requirements. Below, I have grouped these explanations into four main theories:

I. THE CLASSICAL EDUCATION THEORY

At least 31 of the 55 active delegates at the Convention were college graduates, and thus, had been exposed to 18th century classical education. It is not unreasonable to assume that many of the university trained delegates knew something about ancient history. Admiral Morison, in the "Oxford History of the American People," wrote:

> The political literature of Greece and Rome was a positive and quickening influence on the Convention delegates.

Proponents of the "Classical Education Theory" contend that the college trained delegates were aware of historical facts such as the following: First, in ancient Greece, Athenians could vote at age 19, but could not hold public office until age 30; second, Sparta withheld both personal and political independence until the age of 30; and third, a citizen in ancient Rome was not considered of full age until he was 25, and had to wait until he was 30 to be eligible for the Roman Senate.

Such ancient historical facts might seem excessively remote to have been influential on the delegates. Yet, in 1787 very few recorded legislative examples existed other than the British Parliament and the governmental bodies of ancient Greece and Rome.

Noah Webster, in an October 10, 1781, pamphlet wrote:

> It is worth our while to institute a brief comparison between our American forms of government and the two best constitutions that ever existed in Europe, the Roman and the British.

Webster then explained that the Convention delegates had incorporated the best of both the Roman and the British constitutions into the U.S. Constitution. As part of his analysis he pointed out that—

> A man must be thirty years of age before he can be admitted into the senate—which was likewise a requisite in the Roman government.

The possibility that many of the delegates were influenced by their classical educations when they chose the ages of 25 and 30 must be acknowledged. Nevertheless, the only recorded opposition to minimum ages came from James Wilson, who had received a "fine classical education" in Scotland at the University of Edinburgh. Certainly, Wilson's opposition casts doubt on any necessary correlation between the delegates' educational backgrounds and their choice of minimum ages for congressional services.

II. THE NEW HAMPSHIRE CONSTITUTION THEORY

Luce believes that, after New Hampshire revised its constitution in 1784 to include a 30-year age requirement for State senators:

> The advisability of this (new age requirement) won enough recognition to secure its insertion in the Federal Constitution by unanimous vote.

Perhaps some of the Convention delegates were influenced by New Hampshire's constitutional revision. The records of the 1787 Convention do not reveal any effort by the New Hampshire delegation to promote the senatorial age of 30. In fact, the day that the age of 30 was first proposed and accepted, June 12, 1787, New Hampshire's delegates did not vote, and were presumably not even present. Furthermore, the June 12, 1787, vote on the senatorial age minimum was not unanimous; it was split seven in favor, four opposed. On June 25, the age was accepted unanimously, but without debate or reference to the 1784 New Hampshire constitution.

I have not seen any evidence to substantiate Luce's assertion that the revised New Hampshire constitution was so singularly influential. South Carolina also required that her senators be at least 30 years old. In addition, several other States had senatorial age minimum above the minimum voting age.

III. THE AGE OF THE DELEGATES THEORY

The majority of the delegates at the 1787 Convention were not young men by 18th century standards. In the late 1700's "a youth of 16 had less than an even chance of surviving to age 30". Thirty-four of the fifty-five delegates were 40 years old or older, and only five were under 30.

Considering the age of the participants, it is not surprising that the topic of minimum ages was accepted without significant opposition. As older men, many of the delegates had an understandable, perhaps inordinate, respect for wisdom born of age.

It is also conceivable that some of the older delegates were self-serving politicians who were attempting to preserve the most attractive positions in the new Federal Government for themselves by excluding as many younger candidates as possible.

The statistics prove that youth was not well represented at the Constitutional Convention. At least partially, the minimum ages of 25 and 30 reflect that meager representation.

IV. THE REASONABLE AND PROPER THEORY

This theory holds that it is both reasonable and proper that congressional responsibilities be entrusted to older, more experienced men. This theory encompasses almost all of the general statements made in defense of the minimum age requirements for congressional service. In its various forms, the "reasonable and proper theory" has been the most common explanation and justification of the minimum age requirements.

No selfish generational prejudice is attributed to the Founding Fathers. The "reasonable and proper theory" holds that the delegates, regardless of the fact that they were older men, sincerely believed that congressional responsibilities were not within the purview of younger men. They believed that only older men had the necessary maturity and wisdom to be Representatives and Senators.

Writing in the Federalist 357 Madison stressed that—

> The aim of every political constitution is, or ought to be, first to obtain for rulers men who possess most wisdom to discern and most virtue to pursue the common good of the society.

This apparent invitation to all men of quality to participate in the Federal Government was subject, also according to Madison, to certain "reasonable limitations." In Federalist No. 52, after mentioning the age, citizenship, and residency requirements for Representatives, he wrote:

> Under these reasonable limitations, the door of this part of the federal government is open to merit of every description, whether native or adoptive, whether young or old, and

> without regard to poverty or wealth, or to any particular profession or religious faith.

In the Federalist No. 62—the authorship of which is uncertain—the "reasonable and proper theory" is used to justify the higher minimum age requirement for Senators:

> The qualifications proposed for senators, as distinguished from those of representatives, consist in a more advanced age and a longer period of citizenship. A senator must be thirty years of age at least; as a representative must be twenty-five. And the former a citizen for nine years; as seven years are required of the latter. The propriety of these distinctions is explained by the nature of the senatorial trust, which, requiring greater extent of information and stability of character, requires at the same time that the senator should have reached a period of life most likely to supply these advantages; and which, participating immediately in transactions with foreign nations, ought to be exercised by none who are not thoroughly weaned from the prepossessions and habits incident to foreign birth and education.

Writing in a 1788 pamphlet in defense of the new Constitution, Tench Coxe made this point about the senatorial age requirement:

> No ambitious, undeserving or inexperienced youth can acquire a seat in this house by means of the most enormous wealth, or the most powerful connections, till thirty years have ripened his abilities, and full discovered his merits to his country—a more rational ground of preference surely than mere property.

Coxe then defends the fact that Senators "must be older and more experienced men" in order to "restrain the profusion or errors of the house of representatives."

Coxe felt that the Convention's decision about the minimum age for Representatives made sense:

> Here again lest wealth, powerful connections, or even the unwariness of the people should place in this important trust an undeserving, unqualified or inexperienced youth, the wisdom of the Convention has proposed an absolute incapacity till age twenty-five. At twenty-five a young man is made the guardian of his own interest, but he cannot, for a few years more be intrusted with the affairs of the nation.

Evidently, Coxe dismissed the possibility of the election of an "undeserving, unqualified, or inexperienced" older candidate.

Joseph Story, in his three volume study of the U.S. Constitution, enthusiastically supported the minimum age requirements for Representatives and Senators. I am including two quotations from Mr. Story since they contain most of the standard arguments used by those who viewed the present minimum age requirements as reasonable and proper.

On the House of Representatives, Story wrote:

> The representative must have attained twenty-five years. And certainly to this no reasonable objection can be made. If experience, or wisdom, or knowledge be of value in the national councils, it can scarcely be pretended, that an earlier age could afford a certain guarantee for either. That some qualification of age is proper, no one will dispute. No one will contend, that persons, who are minors, ought to be eligible; or, those, who have not attained manhood, so as to be entitled by the common law to dispose of their persons, or estates, at their own will, would be fit depositaries of the authority to dispose of the rights, persons, and property of others. Would the mere attainment of twenty-one years of age be a more proper qualification? All just reasoning would be against it. The characters and passions of young men can scarcely be understood at the moment of their majority. They are then new to the rights of self-government; warm in their passions; ardent in their expectations; and, just escaping from pupilage, are strongly tempted to discard the lessons of caution, which riper years inculcate. What they will become, remains to be seen; and four years beyond that period is but a very short space, in which to try their virtue, develop their talents, enlarge their resources, and give them a practical insight into the business of life adequate to their own immediate wants and duties. Can the interests of others be safely confided to those who have yet to take care of their own?

On the senatorial age requirement, Story wrote:

> As the nature of the duties of a senator require more experience, knowledge, and stability of character, than those of a representative, the qualification in point of age is raised. A person may be a representative at twenty-five; but he cannot be a senator until thirty. A similar qualification of age was required of the members of the Roman senate. It would have been a somewhat singular anomaly in the history of free governments, to have found persons actually exercising the highest functions of government, who, in some enlightened and polished countries would not be deemed to have arrived at an age sufficiently mature to be entitled to all the private and municipal privileges of manhood.
>
> If councils are to be wise, the ardour, and impetuosity, and confidence of youth must be chastised by the sober lessons of experience; and if knowledge, and solid judgment, and tried integrity, are to be deemed indispensable qualifications for senatorial service, it would be rash to affirm, that thirty years is too long a period for a due maturity and probation.

One of the most succinct comments in defense of the minimum age requirements was made by James McHenry, a delegate from Maryland who had signed the Constitution. In November 29, 1787, while speaking in defense of the new Constitution before the Maryland House of Delegates, McHenry said that the minimum age of 25 was: "deemed a necessary age to mature the judgment and form the mind by habits of reflection and experience." McHenry then told the house of delegates that so little was said on the topic of minimum ages at the Constitutional Convention, and that the opposition to minimum ages was so inconsiderable that he "was not at pains to note any other particulars."

It is clear that the majority of the delegates thought the ages of 25 and 30 to be reasonable and proper requirements for congressional service. However, it is equally clear that the choice of those two ages was determined by the prevailing minimum voting age of 21. Now that the minimum voting age has been lowered to 18, it is certainly reasonable and proper to question whether age standards established 200 years ago should continue to exclude millions of talented young citizens from serving in the U.S. Congress.

GUIDELINES FOR LOWERING THE MINIMUM AGE REQUIREMENTS FOR REPRESENTATIVES AND SENATORS

The preceding historical analysis of the 1787 Convention reveals several guidelines for lowering the congressional eligibility ages.

Lowering the minimum ages for congressional service will not violate any principles expressed or implied during the Constitutional Convention if:

The minimum age for Representtaives remains higher than the minimum voting age.

The minimum age for Senators remains higher than the minimum age for Representatives.

The historical evidence will not support an elimination of minimum ages for congressional service, nor will it support making both ages the same.

Although the choice of the specific ages of 25 and 30 was largely arbitrary, there is no doubt that delegates wanted both ages to be higher than the voting age to insure a reasonable level of maturity and experience.

The fact that so little was said about minimum ages at the 1787 Convention does not mean that the delegates viewed the two minimum ages as unimportant. The unanimous votes on July 26 and August 8, 1787, and post-Convention writings indicate that the two ages were accepted as necessary and wise.

The minimum ages of 25, 30, 35—for Representatives, Senators, and President—give only the appearance of an internal logic or necessary symmetry. Actually, the three ages were adopted weeks apart and in an inexplicable order—(first Senator, then Representative, then President. The 5-year gradations were as arbitrary as the ages. It seems reasonable to conclude that what the Convention adopted separately can be amended separately. Thus, there is no need to include the possibly more controversial Presidential minimum age in an amendment to lower the congressional minimum ages.

Cautious supporters of the "22–27 amendment" may find some reassurance in the fact that lowering the two congressional ages by 3 years will maintain all of the original symmetry between the two ages and the voting age:

There will still be a 4-year difference between the voting age and the minimum eligibility age for Representatives.

Senators will continue to be required to be at least 9 years older than the minimum voting age.

There will still be a 5-year difference between the minimum ages for Representatives and Senators.

YOUTH IN MODERN AMERICA: ARGUMENTS IN FAVOR OF LOWERING THE ELIGIBILITY AGES FOR CONGRESSIONAL SERVICES

Our younger citizens are well qualified to serve as Members of Congress. Indeed, most are better educated today. In 1940, 43 percent of the younger citizens were high school graduates and 16 percent went on to college. In 1970, 75 to 80 percent of younger citizens were high school graduates, and a full 40 percent went on to college. In 1970, among persons 20 to 24 years old who had completed high school, 52 percent of men and 42 percent of women had completed some college as compared with 42 percent of men and 33 percent of women in the same age group in 1960. Students enrolled in college in 1970 were getting a higher education than their parents.

Among dependent whites in college, 61 percent were from families whose head had not attended college. Among dependent Negroes in college 71 percent were from families whose head had no college and a full 50 percent whose head had not finished high school. It is estimated that in 1974, 1,011,000 had graduated from college, compared with 187,000 in 1940. Of those not in college, many are involved in serious vocational training; that is males 20 to 24 years old: 15.4 percent; females 20 to 24 years old: 24.8 percent. As of 1970, youth in this same age group comprised some 95 percent of men and 77 percent of women who were earning an income.

Today's younger citizens are generally better informed and more politically aware than in the past. Mass media, TV, news and interpretative magazines, the abundance of newspapers and an unprecedented number of books dealing with national and world affairs have surrounded today's youth. They have a greater knowledge of events and a broader perspective which increases their sensitivity to the political arena and the issues therein. The Cox Commission which studied the Columbia University disorders stated:

> The present generation of young people in our universities is the best informed, the most intelligent and the most idealistic this country has ever known . . . the most sensitive to public issues . . . the most sophisticated in political tactics . . . (with) a high level of social conscience than preceding generations.

Mr. Theodore E. Sorensen, former special counsel to President Kennedy stated while testifying before the Senate in favor of the 18-year-old vote that "as one who visits with college students frequently," he could, "testify first hand to their analytical minds, skeptical outlooks and invulnerability to phony appeals."

Youth today want desperately to be involved. They work tirelessly in the campaigns of congressional and Presidential candidates, and each of us can certainly give personal proof of such efforts. They work as volunteers in neighborhoods and communities all over the country to help improve their environments and the environments of others. They have made up the major proportion of VISTA, ACTION, and Peace Corps workers. They are deeply involved in worthy social causes like the civil rights movement.

Acknowledgment of this ability and potential of our youth comes from those of conservative as well as liberal persuasion. Kentucky Governor Louis B. Nunn feels that—

> Today's youth is endowed with knowledge and maturity entitling them to a constructive part in helping shape the future of the nation.

The National Businessman's Council has found youth invaluable. Stephen L. Bogardo, a representative of this council tells us that corporate management finds today's generation is 10 years ahead of any previous generation in terms of assuming responsibility. Senator BARRY GOLDWATER testifying before Senator BAYH's committee in favor of the 18-year-old vote states that—

> Their grasp of national issues is downright amazing. They see through phony promises and fake crises. They are without doubt equally mature, both mentally and physically, as the average citizen who had reached 25 when I was growing up. We need more citizens who are concerned enough to pose higher social and moral goals for the nation . . . I am constantly impressed by their wisdom and interest and concern with vital matters.

Younger citizens are mature and responsible members of society. By age 18, Americans are now recognized as fully adult members of society, carrying all of the rights and responsibilities involved. They can vote, drive cars, serve in the armed forces, including entering officer candidate school for preparation to become an officer in the U.S. Army. They pay taxes, are members of the work force, can be prosecuted as adults, may marry, raise children, buy insurance, get credit and make legal contracts.

Although the 26th amendment to the Constitution lowered the voting age in all elections, both Federal and State, it did not alter the generally recognized authority of each State to establish its own age of majority for all other civic and social activities. However, since the voting age was so lowered, 43 State have lowered their statutory ages of majority so that the age of majority is 18 in 40 States, 19 in 3 States, and 21 in 7 States plus the District of Columbia. Several of the jurisdictions that still maintain the 21-year-old age of majority are considering proposals to lower the age; among those are South Carolina, whose legislature has adopted a resolution to amend the State constitution, which was approved by the people of South Carolina in November 1974; and the District of Columbia, through the House District of Columbia Committee, which is currently considering a bill that would lower the age of majority to 18 in the District.

Even in those States that continue to adhere to the 21-year-old majority law, several have specific statutory exemptions for minors who wish to execute agreements or contracts pursuant to the receipt of educational loans.

Dr. Margaret Mead, noted anthropologist, believes that the age of maturity has dropped by at least 3 years in the past century. Dr. S. I. Hayakawa, president of San Francisco State University, believes biologic maturity is now reached at 14 to 15 years of age. Today psychologists tend to agree that by age 18 years, emotional and intellectual growth is largely completed.

Young people are now eligible to serve in the majority of State legislatures. In 20 States, citizens under age 22 serve in both houses of the State legislature. In 43 States the age of eligibility for the lower house of the State legislature is under 22. In 41 States the age of eligibility for State senate is under 25 years.

In other parts of the world, younger citizens are eligible to serve in their governmental processes. One sees an unmistakable pattern internationally of lowering eligibility ages. Many nations have in recent times reduced the age of eligibility for election to national assembly at the same time, or soon after, reducing voting ages. Citizens below the age of 22 are now eligible to serve in the parliaments of Great Britain, New Zealand, Albania, Australia, Finland, Denmark, Honduras, Sweden, Indonesia, Iceland, Costa Rica, Peoples Republic of China, Singapore, Canada, Germany, Norway, Israel, Northern Ireland, North Vietnam, and Venezuela. Citizens between the ages of 23 and 25 can serve in the representative bodies of their government in France, Italy, Belgium, Luxembourg, Netherlands, Switzerland, Lebanon, Ecuador, Cameroon, Burundi, the Central African Republic, Chad, the Congo, Dahomey, Gabon, and many other African nations.

The Congress was intended to be the people's choice in our freely chosen and fiercely defended method of self-government. When our Nation was young, so were many of the people who helped conduct its affairs. In the first Congress, the average age of a Senator was 46 years; in contrast, in the 93d Congress only 13 out of 100 Senators were younger than 45 years; at least 24 were over 65 years, and 17 were over 70 years. As our country has aged, we seem to have believed that our Government's representatives must age as well.

As of 1970, one-half of our entire population was under 25 years of age. Our Government cannot be called truly democratic when there exists such a large group of citizens who must carry the consequences of democratic decision-making, but who are not given a full and equal chance of participating in that very process.

An infusion of youthful citizens can offer positive effects for Congress. The new vitality, ideas, and idealism of youth would enliven a political system which often seems encrusted with worn-out traditions. Also, they would add a vital sense of equity to the legislative process. We ought to be trying to include, not keep out, people who are deeply affected by our Nation's problems. We need to make our Government truly a government of the people again, and this amendment is a step in that direction.

Current eligibility ages prevent our numerous younger citizens from fully feeling a part of the governmental system we all share. Giving youth a responsible role in our representative, political process may help to alter the sense of frustration and defeat that quite possibly may have contributed to the irresponsible behavior of some young Americans. Greater participation could provide them with a direct, constructive and democratic channel of access, and give them a truly responsible stake in America's future.

There is a definite moral aspect of this issue as well. This entire debate really revolves around a basic question of fairness. Pvt. Gerald Springer of the U.S. Army Reserve, in testimony supporting the 18-year-old vote, made some points quite relevant to the amendment proposed here:

> If someone has an interest in our society, we give him a right to express his voice. What hope do we have for the future if we turn off the very people who are the future? We ask them to be responsible while we deny them responsibility. We ask them not to drop out, but we won't let them all the way in! Is this the American tradition?

The lowering of eligibility ages for service in the U.S. House of Representatives and Senate is the next logical step after the overwhelming passage of the 26th amendment. America's youth have been doing their fair share. A 22-member task force, headed by Representative BROCK of Tennessee, which studied the situation on American college campuses, strongly recommended lowering voting ages to permit, "active involvement in the political process which can constructively focus youthful idealism on the most effective means of change in a free society." To be truly valid, this active involvement in the political process must also include the right to run for Federal elective office.

Dr. Margaret Mead believes young people can "bring something to us in questioning the past and in establishing a partnership between young people and old people." Perhaps with such encouraged reflection and reevaluation, we can develop some positive future alternatives. Dr. Roy Menninger, president of the Menninger Foundation, says that—

> Giving 18 year olds the vote is one step toward building more responsible citizens . . . but only one step. Others, not the least of which is giving youth the opportunity also to be a part of government at all levels . . . should be engaged. Not only can they profit from the participation as a means of learning, but they can also contribute a perspective, a vigor, an idealism which are all too often lacking.

The immense problems our country faces cannot possibly be solved by any one group. We can only hope for solutions when all groups are working together. We must meet the critical challenges of today by fully utilizing all of our great and vast resources. Isn't our youth power much too precious to waste?

CONCLUSION

Mr. Speaker, lowering the eligibility ages for congressional service will simply, but importantly, create the possibility for younger men and women to be elected Representatives and Senators. Congress will not be inundated with immature members of untried ability and untested skill. Lowering the eligibility ages is not in any way a lowering of congressional standards. The same measure of competence, integrity, and general fitness for office will prevail and continue to apply equally to all congressional office seekers. The voters will still choose whom they think will best serve their and the Nation's interests. If, in their *wisdoms*, the voters decide that a citizen of 22—or 27—is the best candidate, they will have exercised their franchise as legitimately and freely as if they had chosen someone older.

Lowering the minimum age requirements by three years will eliminate unreasonable and anachronistic age levels founded in 18th century traditions and prejudicies that increasingly conflict with 20th century realities. Mr. Speaker, I firmly believe that the earlier maturity, educational attainments, and extensive political involvement of our younger citizens are compelling arguments in favor of lowering the congressional eligibility ages. In the face of such overwhelming statistical evidence, our society must assume the burden of proof to show why our young men and women should continue to be excluded from election to Congress.

Mr. Speaker, the proposed amendment's major benefits are threefold:

First. The Nation: Madison pointed out in the Federalist that—

> The electors (under the new U.S. Constitution) are free to choose those whom they deem most fit to represent them.

The proposed amendment is an important expansion of that basic freedom. If the amendment is adopted millions of young Americans would become eligible to serve as Representatives and Senators. A Nation founded on democratic principles can only be strengthened when more of its citizens are eligible for full participation in its government.

Second. The Congress: Congress potential to be truly representative of all of the people will be markedly and dramatically increased by the "22–27 amendment." An adequately diverse Congress must display a wide rather than narrow distribution of ages among its Members. Citizens under 30 are indisputably underrepresented in Congress. The proposed amendment will create the genuine possibility for such a disparity to be rectified. In addition, I am convinced that younger citizens in Congress would bring new vitality, ideas, and idealism into the national legislative process.

Third. Younger citizens: One of the chief causes of youthful alienation—a feeling of being locked out of the system—would be significantly diminished if the possibility existed for more meaningful participation in government at an earlier age. The "22–27 amendment" would have the dynamic effect of promoting a deeper sense of responsibility among our younger citizens. By recognizing their maturity to participate, we also will give them the disquieting responsibility to participate maturely.

In conclusion, Mr. Speaker, we must ask ourselves if there exists any truly valid reason why younger people should not be allowed to fully participate in government. The very essence of democracy demands that its basis be as broad as can be reasonably and logically expected. The nonproperty holders of Richmond in a historic petition to the Virginia Constitutional Convention of 1829 wrote:

> They alone deserve to be called free who participate in the formation of their political institutions.

The real issue in a free society is not why should they participate, but why should they not participate? As Mr. Theodore E. Sorensen, former counsel to President Kennedy and a noted legal authority, so succinctly said in regard to lowering the voting age—and this philosophy can apply equally well to lowering eligibility ages for Congress:

> We should do it because there is no longer any legitimate reason not to do it . . . because arbitrary and unfair distinctions are repugnant to a democracy, and above all, because it is right.

I include the following supporting material:

A SUMMARY OF THE CURRENT AGE REQUIREMENTS SET BY THE SEVERAL STATES FOR SERVICE IN THEIR STATE LEGISLATIVE BODIES

13 States specify no age requirement for service in either House of the state legislature (California, Idaho, Kansas, Massachusetts, Minnesota, Montana, Nebraska, Nevada, New York, Ohio, Rhode Island, Washington, Wisconsin);

5 states specify no age requirement for service in the state House of Representatives (Louisiana, New Hampshire, North Carolina, Vermont, West Virginia);

Hawaii requires that a member of either House in the state legislature be of the "age of majority" (Hawaii Constitution, Article III, Section 7);

24 states require members of the state House of Representatives to be 21 years of age (Alabama, Alaska, Arkansas, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Maine, Maryland, Michigan, Mississippi, New Jersey, New Mexico, North Dakota, Oklahoma, Oregon, Pennsylvania , South Carolina, Tennessee, Texas, Virginia, Wyoming);

3 states require members of the state House of Representatives to be 24 years of age (Delaware, Kentucky, Missouri);

4 states require members of the state House of Representatives to be 25 years of age (Arizona, Colorado, South Dakota, Utah);

Utah specifies no age requirement for service in the state Senate;

21 states require members of the state Senate to be 25 years of age (Alabama, Alaska, Arizona, Arkansas, Colorado, Georgia, Indiana, Iowa, Louisiana, Maine, Maryland, Minnesota, New Mexico, North Carolina, North Dakota, Oklahoma, Pennsylvania, South Carolina, South Dakota, Washington, Wyoming);

6 states require members of the state Senate to be 21 years of age (Connecticut, Florida, Illinois, Michigan, Oregon, Virginia);

6 states require members of the state Senate to be 30 years of age (Kentucky, Missouri, New Hampshire, New Jersey, Tennessee, Vermont);

Delaware requires that a member of the state Senate be 27 years of age; and

Texas requires that a member of the state Senate be 26 years of age.

With respect to the age of majority listed for South Carolina (21), it should be noted that the proposed constitutional amendment approved by the South Carolina legislature lowering the age of majority in that state to 18 was voted upon favorably by the people of North Carolina in November 1974, the provision must still, however, be ratified by the state legislature.

NOTES

1. No specific age mentioned in State Constitution, and therefore the age of majority is assumed to also be the minimum eligibility age for election.

2. Age of majority is implied to be twenty-one by certain wording in the State Constitution, e.g., "of full age", "fit person", "reputable freeholder", or "freeholder." Twenty-one was always the age of majority in any of the early States Constitutions that specified an age.

3. Since the Governor was chosen by the Council from among its own members, the minimum age is assumed to be the same as for the Council.

4. This Maryland Constitution had the word "above" in front of each of the specified minimum ages. Therefore, it is possible that the ages should actually read 22, 26, and 26 respectively.

5. Since Council members were elected from among the members of the lower house, the minimum age is assumed to be the sames as for the lower house.

6. The President could be elected from among the members of the Council (See Note 5) or from among the "people at large."

7. Age is not stated or implied.

POPULATION STATISTICAL ABSTRACT OF THE UNITED STATES, 1974–75

(National Data Book and Guide to Sources, U.S. Department of Commerce, Bureau of the Census)

Population by age and sex, 1970 and 1973:

1970: 18–20 years, 11.2 million; 21–24 years, 13.5 million; 25–34 years, 25.3 million.

1973: 18–20 years, 12.0 million; 21–24 years, 14.4 million; 25–34 years, 28.6 million.

Marital status of population by age and sex, 1973:

Males: 18–19 years, 349,000 or 9.5%; 20–24 years, 3,510,000 or 41.3%; 25–29 years, 5,639,000 or 75.4%.

Females: 18–19 years, 923,000 or 23.8%; 20–24 years, 5,366,000 or 58.9%; 25–29 years, 6,378,000 or 82.4%.

High School and College Graduates 1900–1974: 1974, approximately 1,011,000 graduated from college; 1940, approximately 187,000 graduated from college.

Labor Force: Percentage of Distribution by age and sex; 1950–73:

1973: Males, 20–24 years, 14.2%; 25–34 years, 23.8%.

1973: Females, 20–24 years, 16.3%; 25–34 years, 20.8%.

Percentage enrolled in school by level, sex and age, 1973:

College: Males, 18–24 years, 27.7%; 25–29 years, 11.6%.

Females, 18–24 years, 20.5%; 25–29 years, 5.2%.

From 1960 to 1970 shows a 107.6% increase in the number of students in college.

School enrollment and labor force status of persons 16–24 years, 1973:

	Percent
Armed Forces	3.8
In school	40.8
Labor force	18.1
In school	55.4
Labor force	42.6

APPENDIX C.—MINIMUM ELIGIBILITY AGES IN EARLY STATE CONSTITUTIONS

Note: All ages in parentheses are implied in the various State constitutions.

State	Age of majority	Lower house	Upper house	Governor
Connecticut: Constitution of 1818, (I could not locate an earlier Connecticut Constitution)	21	(21)	[1] (21)	30
Delaware:				
Constitution of 1776	(21)	(21)	[1] 25	(25)
Constitution of 1792	(21)	24	27	30
Constitution of 1831	(2)	(2)	(2)	(2)
Georgia:				
Constitution of 1777	21	21	[1] (21)	(21)
Constitution of 1789	21	21	21	30
Constitution of 1798	21	21	25	30
Maryland:				
Constitution of 1776	21	21	25	25
Constitution of 1851	21	21	25	30
Massachusetts: Constitution of 1780	21	(21)	(21)	(21)
New Hampshire:				
Constitution of 1776	(21)	(21)	[1] (21)	[3] (21)
Constitution of 1784	(21)	(21)	30	30
Constitution of 1792	(2)	(2)	(1)	(2)
New Jersey:				
Constitution of 1776	[2] (21)	(21)	(21)	(21)
Constitution of 1844	(21)	21	30	30
New York:				
Constitution of 1777	(21)	(21)	(21)	(21)
Constitution of 1821	(21)	(21)	(21)	30
North Carolina:				
Constitution of 1776	(21)	(21)	(21)	30
Constitution of 1868	(21)	(21)	25	30
Pennsylvania:				
Constitution of 1776	21	(21)	[1] (21)	(21)
Constitution of 1790	21	21	25	30
Constitution of 1838	(2)	(2)	(2)	(2)
South Carolina:				
Constitution of 1776	(21)	21	[1] (21)	[3] (21)
Constitution of 1778	21	21	30	30
Virginia				
Constitution of 1776	(21)	(21)	25	(?)
Constitution of 1830	(21)	25	30	30
Rhode Island: (No delegate from Rhode Island signed the Constitution. Rhode Island apparently did not participate in the 1787 Constitutional Convention.) Constitution of 1842	21	(21)	(21)	(21)

[1] "Council."

[2] No change from previous Constitution.

[3] "President."

Source: "The Federal and State Constitutions, Colonial Charters and other Organic Laws of the States, Territories, and Colonies Now or Heretofore Forming the United States of America," Francis Newton Thorpe, editor, Washington, D.C., Government Printing Office, 1909, 7 vols.

ANNOUNCEMENT OF HEARINGS ON MARCH 5 BY GOVERNMENT INFORMATION AND INDIVIDUAL RIGHTS SUBCOMMITTEE—SECRET SERVICE AND CENTRAL INTELLIGENCE AGENCY EXEMPTIONS IN THE PRIVACY ACT OF 1974—PUBLIC LAW 93-579

Ms. ABZUG. Mr. Speaker, for the information of our colleagues I would like to announce forthcoming public hearings by the Government Information and Individual Rights Subcommittee of the Government Operations Committee on matters relating to the exemptions contained in subsections (j) (1) and (k) (3) of Public Law 93-579, the Privacy Act of 1974 enacted last year. These provisions apply to the Central Intelligence Agency and the U.S. Secret Service and exempt those agencies from access and disclosure requirements permitting individual Americans to examine their own records maintained by Federal agencies, the right to correct inaccuracies, and imposing restrictions on agencies' use or disclosure of personal information contained in such records without the consent of the individual. This landmark law becomes effective on September 27, 1975.

The initial hearings will be held on Wednesday, March 5, 1975, beginning at 10 a.m. in room 2203, Rayburn House Office Building.

Mr. Speaker, these hearings stem from assurances given the House last November 21 in a colloquy between the then chairman of the Foreign Operations and Government Information Subcommittee, the gentleman from Pennsylvania (Mr. MOORHEAD), acting as floor manager of the privacy bill (H.R. 16373) and the ranking minority member of the subcommittee, the gentleman from Illinois (Mr. ERLENBORN) (RECORD, p. 36966).

During the debate on my amendment to eliminate the so-called Secret Service exemption in the privacy bill, there was considerable discussion over the collection, maintenance, and use of a computerized protective intelligence list of individuals by the Secret Service under authority of section 3056 of title 18, United States Code. Our studies of such list indicated evidence of abuse in including the names and personal information on individuals because of their anti-war activities or other political beliefs, not because they posed any threat to the safety of the President or other governmental officials. In conceding the likelihood of such abuses, the then chairman of the subcommittee promised to hold hearings early in the new Congress to fully pursue the matter. The ranking minority member of the subcommittee concurred with this procedure and my amendment was subsequently defeated.

Although neither of these gentlemen is currently a member of the reorganized Government Information and Individual Rights Subcommittee, which I now chair in the 94th Congress, our subcommittee decided at our recent organizational meeting to schedule these hearings in order to fulfill the commitment made last November so that the need for amendments to the Privacy Act of 1974 could be put into proper focus.

Likewise, Mr. Speaker, I offered an amendment last November 21 to eliminate from the privacy bill the general exemption for the Central Intelligence Agency. (RECORD, p. 36960). At that time I argued that such exemption was too broad and that sensitive CIA records could be protected under the specific exemption provisions of subsection (k) of the bill. I further commented that "there is much information . . . that the CIA collects about individuals that is totally unrelated to the national security functions of the CIA." Since passage of the privacy bill, there has, of course, been the public disclosures of CIA's "domestic operations" allegedly involving some 10,000 Americans. Several different executive and congressional investigations have been authorized to probe various intelligence gathering operations, including the CIA. However, our subcommittee's hearings will concentrate on the Privacy Act implications of such CIA domestic intelligence operations as they affect the privacy rights of Americans and how they impact upon the general exemption provided the CIA in subsection (j) (1) of the act.

Similar revelations have surfaced concerning the Internal Revenue Service's Special Services Staff, which targeted thousands of organizations and countless individuals between 1969 and 1973 that were considered by the White House to be a "political activist" or "leftist" nature. We understand that Commissioner Alexander has since disbanded the political intelligence gathering operations of IRS. The subcommittee is anxious to further explore the limited amount of information now available on the IRS operation to ascertain whether or not additional amendments may be necessary to the Privacy Act of 1974 to protect the American public against such types of abuses in the future.

The leadoff witness on March 5, 1975, will be Assistant Secretary of the Treasury David R. Macdonald, who will discuss the Privacy Act's exemption of the Secret Service Protective Intelligence record system and other similar systems of personal information collected and maintained pursuant to section 3056 of title 18, United States Code.

Also testifying that day will be CIA Director William E. Colby, who will discuss the exemption of the agency's personal records system, its domestic intelligence activities, and related matters.

Mr. Donald C. Alexander, Commissioner of the Internal Revenue Service, will also testify concerning the activities of the IRS Special Services Staff, as well as other intelligence gathering and research activities affecting individuals that are or have been carried on by IRS. The relationship of such activities to provisions of the Privacy Act of 1974 relating to investigatory material compiled for law enforcement purposes will also be addressed by Mr. Alexander. The date of Commissioner Alexander's appearance will be announced.

Mr. Speaker, we trust that these investigative hearings by our subcommittee will be of interest to our colleagues of the Congress and to all Americans whose right to privacy is involved.

IMPLEMENTATION OF NEW CONGRESSIONAL BUDGET PROCEDURES FOR FISCAL YEAR 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, I am submitting today on behalf of the Committee on the Budget a report on implementation of the new congressional budget process in 1975.

As Members know, the Congressional Budget and Impoundment Control Act of 1974—Public Law 93-344—established a new congressional budget process beginning in 1976 with respect to the fiscal year 1977 budget. However, section 906 of the act provided for implementation of the new process earlier—that is, with respect to fiscal year 1976—if the Senate and House Budget Committees agreed to do so and to the extent required by them in reports to their respective Houses.

This report is filed pursuant to section 906. A similar report is being filed today in the Senate setting out identical procedures. The provisions of the act being implemented are effective immediately.

In brief, the implementation plan agreed to by the two Budget Committees calls for the adoption by the Congress of two concurrent resolutions on the budget: The first, to be adopted by May 15; the second, by September 15; and completion of a reconciliation process, if practicable. In addition, new backdoor contract and loan authorities would be effective only to the extent provided for in appropriations acts.

A more detailed summary of the implementation plan is set forth at the end of my remarks.

Mr. Speaker, I urge all Members of the House to study very carefully the report being filed today. This first effort to implement the new congressional budget process is a most important one. The budget and economic issues to be dealt with—the size of the Federal budget, the amount of the deficit, and so on—are overriding issues this year. The new budget process cannot succeed without the full cooperation of all House Members. The summary follows:

BRIEF SUMMARY OF THE FISCAL YEAR 1976 BUDGET PROCESS IMPLEMENTATION PLAN

During 1975 the House and Senate Budget Committees would implement the new budget process in the following manner:

(1) Both Committees would hold hearings on the FY 1976 budget and the economic situation.

(2) All standing committees and joint committees would submit their views and recommendations on budget matters within their jurisdiction to the Budget Committees by March 15.

(3) Both Committees would report and complete action on a first concurrent resolution on the budget by May 15. This resolution would include the following five items, often referred to as "macro-economic" items:

(a) recommended level of total budget authority for FY 1976,

(b) recommended level of total outlays for FY 1976,

(c) recommended level of total revenues for FY 1976,

(d) recommended amount of deficit for FY 1976, and

(e) recommended changes, if any, in the public debt.

The figures contained in this first budget resolution are "targets" only, which serve to guide Congress' spending actions for FY 1976. The report accompanying this first resolution would, to the extent practicable, allocate the budget authority and outlay targets by functional categories, so that House committees could have relatively specific guidelines to work with.

(4) Both committees would, if practicable, report and complete action on a second concurrent resolution on the budget by September 15. This resolution would take into account Congress' summer spending actions and then current economic needs.

The figures adopted in this second resolution are "ceilings" in the following sense: once adopted, neither House may consider revenue or spending legislation that would breach the ceilings in the second resolution. Of course, a revised resolution may be adopted any time during the fiscal year to accommodate new spending or revenue measures.

The second resolution may require certain *reconciliation actions* to be undertaken. If, for example, Congress's total spending actions exceed the amounts provided for in the second resolution, the House may direct comittees with budget authority jurisdiction to rescind a portion of the budget authority made available in a particular spending bill. Similarly, if estimated revenues are below the amount called for in the resolution, the House may direct the Ways and Means Committee to increase revenues by the necessary amount. Such reconciliation actions must be completed by September 25.

(5) Effective immediately upon submission of the implementation plan to the House and Senate, *new contract and borrowing authority* would be effective only to the extent approved in appropriations etc; and *new entitlement authority* may not take effect until July 1, the beginning of the fiscal year.

SO-CALLED DEMOCRATIC ALTERNATIVE TO ADMINISTRATION'S ENERGY PROGRAM RAISES MORE QUESTIONS THAN IT ANSWERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, we now have a so-called Democratic alternative to the administration's energy program in the form of a policy statement that raises more questions than it answers.

In the first place, I understand Mr. ULLMAN, who was not included when the Democratic leadership unveiled their proposal, will be holding hearings soon on his own energy tax program. It appears to be substantially different and I am wondering how the two proposals fit together.

Second. There appears to be no way that the Democratic leadership proposals will save more than 1 million barrels per day by 1977. This means we will be importing up to 2 million barrels more per day from insecure sources. Isn't this dangerous?

Third. The Democratic proposal suggests a gas tax of 5 cents per gallon, which will go into a trust fund. Since it will take some time for this money to get back into the economy, isn't it dangerous to take $5 billion out of the economy right now?

Fourth. The Democratic proposal also calls for more conversion of powerplants from oil to coal, but fails to mention any amendments to the Clean Air Act. How can one be done without the other?

Fifth. The Democratic leadership proposal would require a 50-percent improvement in automobile fuel efficiency by 1980 and 100 percent by 1985, but no extension of current emission standards is mentioned. Is this technologically possible? What would be the estimate of increased costs to the consumer of these standards?

Mr. Speaker, these are just a few of the questions I consider important and tomorrow I will have several other questions to pose.

TRIBUTE TO LATE NICHOLAS FERRANTE

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, the year of 1971 took from our midst one of the great leaders within the American labor movement, Nicholas Ferrante, a resident of my home city, Syracuse, N.Y. His 50 years of service to the labor movement earned for him recognition as one of the best informed labor relations representatives in our Nation. He served as assistant industrial commissioner for the State of New York and for many years served as executive secretary of the Greater Syracuse Labor Council, AFL-CIO.

As I think of him frequently, I am reminded of the vacuum his passing provides, in recognition of his constant availability for counsel on labor-related matters. Recently, the Catholic Sun, the Syracuse diocesan newspaper, printed an article authored by another great in the field of industrial relations, Rev. Richard M. McKeon, S.J., of the faculty of LeMoyne College. I commend its reading to anyone who is interested in industrial and labor relations:

NICHOLAS FERRANTE

(By Rev. Richard M. McKeon, S.J.)

Last December, Onondaga Community College dedicated a magnificent building to the memory of a great labor leader, Nicholas Ferrante. It was a singular tribute to a man who was devoted not only to advancing industrial peace but also to the promotion of the common good within the community. The eulogy of Mr. Ferrante given by David M. Mawhinney Jr. touched both the minds and the hearts of the large audience. I doubt if any other labor leader has had a college building costing over $8 million dedicated to him.

Nicholas Ferrante, one of the original members of Onondaga Community College's board of trustees, was active in the labor movement for nearly 50 years before his death in 1971. He served as executive secretary of the Greater Syracuse Labor Council, AFL-CIO, from 1960 until the time of his death and was considered by the State Labor Department as one of the "best informed men on labor relations in Syracuse."

Mr. Ferrante began his career as a bricklayer in 1933 and his first union office was as business agent for Local 28, Bricklayers Union. He was elected secretary for the former Syracuse Federation of Labor, AFL, in 1945, and held that post until 1955 when he was named by Governor Harriman to be assistant industrial Commissioner in charge of the Syracuse district office of the State Labor Department. He served subsequently as supervisor of apprentice training until he became executive secretary in 1960.

He lent his labor relations expertise to the community in many ways, serving as president of the Le Moyne College Industrial Relations Council and as a member of the Labor-Management Committee of the Syracuse Community Chest, the dedication program reports. During World War II, Mr. Ferrante was a panel member of the War Labor Board and a member of the OPA Labor Advisory Committee of Syracuse.

Mr. Ferrante was a member of the Urban League, a director of both the Syracuse Boys Club and Blue Cross-Blue Shield Corp., the Citizens Housing Committee, the Syracuse Housing Development Corporation, the Onondaga Charter Commission and the Educational Television Council of Central New York.

"Because of his interest in both Onondaga Community College and Le Moyne College, the Syracuse Basic Building Trades Council has established a scholarship to either school. Nicholas Ferrante Hall will serve as a lasting monument to the man who made a great contribution to his community and to his profession as well as to this college," the program said.

As a labor leader, Mr. Ferrante accepted the high duty to promote industrial peace while at the same time protecting the rights and improving the conditions of the workingman. Such a task is really without limit for "it is one which challenges all that is noble in the human heart."

Mr. Ferrante possessed the qualities which signify the mature labor leader. There never was question about his integrity and he knew his associates as human beings and not as statistics. By hard effort and experience he had become proficient in the field of collective bargaining.

Nick had patience—the exercise of sustained endurance and perseverance—to a high degree. He overlooked the faults of others. He took unpleasant situations as a challenge. At times he expected misunderstandings, suspicion and outright opposition. On the other hand, he hated double-dealing, subterfuge and all falsehood great and small. He had an intuitive sense of recognizing the phony and acted accordingly.

As noted, he gave long years of service to the labor movement and to the community of Onondaga County. Due to his efforts there has been a fine record of cooperation between labor and management. His constructive leadership should not be forgotten. To him we apply the biblical tribute: "Well done, good and faithful servant."

DEEP CONCERN OVER THE AMERICAN ECONOMY

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, it is fair to say that all of us are deeply concerned about the American economy. This, of course, is evidenced in our everyday activity here in the Congress as we search for means which, hopefully, will alleviate the problem. As I travel my congressional district, this subject is, of course, No. 1 on the minds of all the people.

I am deeply heartened by a very generous effort which was undertaken by one of my area radio stations, Station WHEN, in Syracuse, N.Y. This station instituted a program whereby it would grant a $50 bonus to any employee who purchased a new car during the month of February. The employee simply had to present his receipt and pick up the $50 check.

We will all agree that this was indeed a positive act on the part of this radio station, which, incidentally, provides an excellent public service in our community.

I feel certain that my colleagues would be interested in knowing of this generous initiative.

CANCER PREVENTION

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, it has often been said that an ounce of prevention is worth a pound of cure. One area in which that adage certainly appears applicable today is in the battle aginst cancer.

Consider in this light the thoughtful and timely article written by Peter Bernstein of the Newhouse News Service which appeared in the February 16, 1975, issue of the Washington Post. Mr. Bernstein points out that recent findings in cancer research indicate that from 60 to 90 percent of all human cancers are caused by environmental factors.

This is not a statistic to be taken lightly—not in these days of air and water pollution, of on-the-job exposure of carcinogens, of chemical additives in foods, and of pesticide residues in the food chain. It is a statistic which should cause alarm and spur this Congress and this administration into action to prevent cancer. One obvious method of prevention is to curtail job-related exposures to toxic chemicals and industrial byproducts which are known causes of malignancies.

I have long advocated enforcement of standards to protect the health of workers who daily place their lives in jeopardy because of exposure to dangerous substances. The Occupational Safety and Health Act of 1970 is aimed at protecting this Nation's work force, and enforcement of its provisions and establishments of appropriate safety standards and exposure levels are major methods of eliminating on-the-job exposure to daily carcinogens.

The Subcommittee on Manpower, Compensation and Health and Safety which I chair last year held 16 days of oversight hearings to monitor the administration of OSHA, and we will continue these hearings during the 94th Congress.

I commend Mr. Bernstein's article to my colleagues. It is a clear and cogent call for continued congressional oversight in the area of workers' health and safety. The article follows:

Cancer Pollution Link Is Seen

(By Peter J. Bernstein)

Painstaking detective work by medical researchers is producing mounting evidence that environmental impurities in man's habitat are the primary cause of most cancer.

Based on recent findings at a number of laboratories across the country, researchers at the National Cancer Institute estimate that 60 to 90 per cent of all human cancers are caused by environmental factors—from ultraviolet rays to plastics and pesticides.

The results show that while researchers have made some progress in developing a cure for certain forms of cancer, the most promising advances have been in prevention and early detection.

Using computers to analyze mortality data, NCI researchers have pinpointed cancer "hotspots" in industrial areas of the northeast from Boston to Washington and certain riverfront cities in the Midwest and South from Chicago to New Orleans. They are pressing the Environmental Protection Agency to place tight limits on the use of chemicals thought to cause cancer.

Most of the discoveries center on human exposure to these chemicals. Tests in different parts of the country reveal that man-made carcinogens escape into the air Americans breathe, the water they drink and the food they eat.

Last year an estimated 355,000 Americans died of some form of cancer, compared to 350,000 in 1973.

Researchers at NCI headquarters in Bethesda increasingly are turning to modern technology in an effort to unlock the secrets of cancer. Analyzing death certificates for a 20-year period from 1950 to 1969 with computers, they found that the most prevalent forms of cancer tend to occur in regions of the country where carcinogenic chemicals seem most pervasive—the so-called "hotspots."

Computed according to age, race, and sex, cancer rates turned out to be highest among adult white males. The incidence during those years was highest among white men, cancer specialists believe, because they tended to have factory jobs during the 1930s and 1940s when their first exposure to cancer-causing chemicals may have occurred.

Dr. Martin Schneiderman, associate director for field studies and statistics at NCI, organized the computer work. Schneiderman said there usually is a latency period of 20 to 30 years between the first exposure to a carcinogenic chemical and appearance of malignancies.

"We strongly suspect there is an interaction between industrial exposure and smoking," he said. "Certain groups of workers are contracting cancer at a rate many times that of the population at large."

"Society has largely ignored the problem of delayed, irreversible effects of chemicals—swept it under the rug," said David Rall, director of the National Institute of Environmental Health Sciences. "We are still terribly uncertain about the risk these chemicals entail for the population in general and for individual members of the population. There is still no clear way of determining this risk."

Umberto Saffioti, associate director for carcinogenesis at NCI, estimates that of the nearly 2 million chemicals known, no more than 6,000 have been tested to determine whether they cause cancer. Of those, he believes, only half have been tested adequately. About 1,000 have shown some sign of being carcinogenic.

The NCI, working mainly through outside laboratories, manages to screen about 200 chemicals a year, but there is no way to screen new chemicals before they become part of industrial processes and escape into the environment. In fact, federal regulators have no way of knowing which new substances created each year will be used in industry.

Cancer specialists point out with considerable concern that the long latency period between the first exposure to a dangerous chemical and the occurrence of irreversible disease means that it may be several decades before the nation has a true understanding of what some new chemicals have done to public health.

"I don't think we should wait for absolute proof that some of these chemicals cause cancer before restricting their use," said Dr. John R. Goldsmith, an environmental cancer specialist in the California Health Department. "It may be years before we know what these chemicals will do. We should minimize their use now."

Goldsmith, who is on loan this year to NCI, believes that some carcinogens should be banned.

"There is no evidence of any so-called 'safe levels' for carcinogens," Goldsmith said. "But for practical purposes, the number of major carcinogens is not infinite—there are about 20 or 25—and there ought to be tight regulations on their use. People should not be exposed to cancer-causing chemicals like asbestos, benidine, arsenic, heavy metals such as chromates, and the radiation emitters."

Already, biologists have found two possible cancer-causing agents in the blood of New Orleans residents who drink Mississippi River water. That has raised concern among some scientists that chlorination of a city's water supply chemically alters organic pollutants in the water, changing them into carcinogens. However, Environmental Protection Agency officials taking part in the study are known to be less concerned about the effects of chlorination than chemical contamination from sources such as oil spills and industry.

Their concern over the impact of the petrochemical industry would appear to be borne out by a recent NCI survey of bladder cancer. According to Schneiderman, the 1950-1969 mortality rates showed abnormally high incidence of bladder cancer in heavily-industrialized areas, particularly such refinery centers as Newark, Chicago, St. Louis and New Orleans.

The highest bladder cancer rate turned up in Salem County, N.J., which is across the Delaware River from the giant petrochemical complex in Wilmington, one of the nation's oldest.

This spring NCI hopes to provide state health authorities with maps showing hotspots for different types of cancer on a county-by-county basis.

"We hope to stimulate people in local areas to investigative just what's going on," Schneiderman said. "They may be able to discover chemicals or other sources of cancer that we don't know about."

Meanwhile, NCI researchers are examining the case histories of people who have died from different types of cancer to find out where they lived and worked, their smoking and nutrition habits.

But it's a laborious job, even with the help of computers. Right now, there is only a staff of three professionals—a statistician, a physician and a computer expert—doing the work.

The shortage of money for cancer prevention at NCI and other major research institutions dismays researchers, who point out that after 25 years and several billion dollars spent on laboratory research for cures, survival rates for the most common types of cancer—those accounting for some 80 percent of all cases—are almost unchanged.

Critics of the national cancer program blame the administration for failing to come to grips with problems caused by cancer-causing chemicals. Rather than increase the staff of the National Institute for Occupational Health and Safety, the administration trimmed it from an authorized level of 1,100 people to 660. Research funds also have been cut back at EPA and the National Institute for Environmental Health Sciences.

Cancer researchers are urging lawmakes to pass a toxic substances bill that would empower EPA to set up a system of pre-market screening of new chemicals.

INTRODUCTION OF LEGISLATION TO DENY PERCENTAGE DEPLETION IN CASE OF FOREIGN OIL AND GAS WELLS

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am today introducing legislation to deny percentage depletion in the case of foreign oil and gas wells, to deny the deduction for intangible drilling and development costs in the case of such wells, and to deny the foreign tax credit for taxes paid to foreign countries which are attributable to foreign oil related income.

My bill would correct a tax policy that has favored foreign rather than domestic oil production by U.S. oil companies and which has also deprived the Treasury of revenues that might have been otherwise used to fund essential energy-related projects here in the United States.

For example, the foreign tax credit system enabled the U.S. oil industry to reduce its total 1973 tax liability from $2,305,854,000 to $613,327,000. In the case of the Aramco consortium, U.S. tax liability of $1,539,920,000 was reduced by $1,392,714,000 in foreign tax credits.

Oil companies operating solely within the United States are allowed to treat State and local taxes and royalties paid as deductible expenses only, reducing before-tax income and saving 48 cents in Federal taxes for each $1 of taxes on royalties. For foreign operations, royalties have been classified as "income taxes," and may be credited dollar for dollar against U.S. income tax. The oil companies engaged in foreign operations may then include these amounts—actually royalties—nominally foreign taxes—in gross income for the purpose of computing percentage depletion. If they were considered royalties, percentage depletion could not be taken on the Government's share of the gross income.

Mr. Speaker, I maintain that the large income taxes paid by American companies to the governments of petroleum exporting countries are royalties—and that treating them as income taxes results in preferential treatment for producing oil in foreign countries.

In addition to acting as an incentive to foreign investment, the present tax treatment of foreign operations deprives the Treasury of considerable revenues. In the 5 years from 1968 to 1972, five of the seven major U.S. oil companies paid between 1.32 and 5.56 percent of their net income in U.S. income taxes while paying between 24.87 and 31.44 percent to foreign governments in payments designated as "income taxes."

In 1972, the pretax net income of the seven companies combined totaled approximately $10.2 billion. They paid approximately $2.9 billion in foreign "income taxes" and only approximately $450 million in U.S. income taxes. The effective U.S. tax rate for the group was 4.41 percent, and the effective foreign income tax rate was 28.70 percent. Effective U.S. income tax rates from 1968 through 1971 for the group ranged from 2.55 to 5.36 percent, while effective foreign "income tax" rates ranged from 19.49 to 26.67 percent.

Mr. Speaker, the relatively high rate of foreign taxation has not discouraged foreign investments by U.S. oil companies, because these tax liabilities have been passed along to the American consumer for recoupment, and have also been applied to substantially reduce U.S. income tax liabilities. This favorable combination of policies certainly explains why oil industry investment in the foreign sector rose by 22 percent in 1973 to reach $19.4 billion, while capital investment in the United States rose to $10.6 billion.

Mr. Speaker, it would seem only logical that this Congress examine very carefully the tax treatment extended to foreign operations of U.S. oil companies. I believe that these tax policies are definitely not working to the advantage of the United States, and may, in fact, be running at cross purposes with our national energy goals. The legislation I am introducing today should help to concentrate the oil industry's activities in the United States, where it properly belongs.

THE HOME IMPROVEMENT INCENTIVE ACT OF 1975

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am today introducing legislation that will help to resolve a critical unemployment problem as well as conserving and upgrading America's private housing stock.

I am convinced that the time for this legislation is now. The combination of growing unemployment especially in the construction trades; the extreme shortage of housing; the decline in housing starts; and the critical need to induce a higher level of productive consumer spending to stem our current recession are compelling reasons for prompt action on this legislation.

Unlike the "trickle down theory" to which the administration has subscribed since 1969 and which has been a dismal failure, this bill is built on the premise that economic incentive must be consumer based and percolate upward. We have seen the effect of trickle down theory as the major portion of economic incentives since 1969 have been granted to big business, letting smaller enterprises and consumers scramble to compete for the trickle which escaped from the callers of fortunes 500.

The rise in the cost of homebuilding due to the recent spiral in construction and mortgage costs has quickly put homeownership beyond the reach of many consumers. Many would-be buyers have been forced out of the market in the past 3 years as the median price of a new home soared 40 percent to $37,000. Housing starts in December fell to an annual national rate of 868,000 units—the second lowest figure since the Government began keeping records.

It is unlikely that we will see a sharp upturn in new construction. Building permits have declined to unprecedented low levels. Only 802,000 permits were issued nationally in December 1974 as suburban areas have run out of room and resources for new residents. In addition, costs have soared faster than any other component in housing construction—up 59 percent in the past 5 years.

With a growing number of job layoffs, business downturns, slacking economic growth, and increasing prices, I believe we will see more Americans either keeping their homes or looking for other existing homes to renovate and restore.

The Home Improvement Tax Incentive Act allows a tax deduction incentive to make capital improvements for taxpayers who buy or own single-family homes. It also provides homeowners with an incentive to make necessary improvements to conserve energy. Homeowners would have 5 years to make their homes modern, safe, and energy efficient. These tax incentives will encourage improvement and conservation of existing housing and contribute greatly to our national goals of urban, suburban, and rural restoration and renovation.

Mr. Speaker, the Home Improvement Incentive Act of 1975 will also help to resolve the complex and growing problem of urban blight by reducing the costs of renovating existing housing. It would give substance to empty proclamations of national purpose that we conserve energy, neighborhoods, and housing and resources. We can and must end the wasteful practice of treating older and structurally sound homes and neighborhoods as if they were disposable trash.

Moreover, with unemployment among construction workers running at more than 15 percent, twice the national rate, the incentive mechanism embodied in this legislation will give a needed boost to the construction industry. As author of the Comprehensive Employment and Training Act and legislation providing for public service employment, I am all too aware that the private sector must be given a boost at the consumer level in order to provide the most substantial supply of jobs.

With high costs and consumer caution clouding the home-buying market, Americans are expected to spend between $25 billion and $30 billion this year on home remodeling. The sum could be increased substantially if this legislation is enacted. The ripple effects of such spending would be substantial, generating jobs in construction material production, distribution, wholesale, and retail sales, as well as employment in the construction and allied trades. Tax revenues lost to the Treasury as a result of a home improvement tax deduction would be offset not only by revenues from increased activity in the construction sector but by revenues created by new economic activity in redeveloping neighborhoods and communities.

The tax deduction allowed by my bill for home improvements on principal residences would have a classic pump-priming effect. By increasing disposable income through tax incentives, which must be spent on economically productive home improvement, consumer spending would create employment in the construction and materials industry, providing jobs for workers from lumberjacks to construction workers as well as markets for manufacturers of building supplies, the salesmen who sell them and the truckers who haul them.

Mr. Speaker, my bill is not designed to be the full and complete answer to our housing problem, our unemployment problem, our economic problems or our energy problems. It is a modest 5-year emergency plan based on economic common sense and the recognition of the key role that housing plays in our national economy.

The text of the bill follows:

H.R. 4062

A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction for amounts paid or incurred for repairs or improvements of, or additions to, their principal residences

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 220 as section 221 and by inserting after section 219 the following new section:

"SEC. 220. IMPROVEMENT OF PRINCIPAL RESIDENCE.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction the sum of—

"(1) the home improvement expenses paid or incurred by the individual during the taxable year, and

"(2) the residential addition amortization for the taxable year.

"(b) HOME IMPROVEMENT EXPENSES.—

"(1) IN GENERAL.—For purposes of this section, the term 'home improvement expenses' means amounts paid or incurred by the taxpayer in a taxable year beginning before January 1, 1980, for the permanent improvement or the betterment of the property—

"(A) which is used by the taxpayer as his principal residence, and

"(B) which is held by the taxpayer at the close of the taxable year.

Such term includes but is not limited to amounts paid or incurred for painting, carpentry, plumbing, electrical, or masonry work, or the installation of insulation and does not include any amount paid or incurred for a residential addition (as defined in subsection (c) (2)).

"(2) LIMITATION.—A deduction shall be allowed under subsection (a) (1) for capital home improvement expenses paid or incurred by the taxpayer during any taxable year only if such expenses exceed $500; $250 in the case of a separate return by a married individual).

"(c) RESIDENTIAL ADDITION AMORTIZATION.—

"(1) IN GENERAL.—The residential addition amortization for any taxable year shall be an amount which bears the same proportion to the amount paid or incurred by the taxpayer in a taxable year beginning before January 1, 1980, for a residential addition with respect to the property used by him as his principal residence as the number of months in the taxable year—

"(A) which are in the 36-month period which begins with the first month following the month in which such addition is completed; and

"(B) during which the taxpayer uses such property as his principal residence,

bears to 36.

"(2) RESIDENTIAL ADDITION.—For purposes of paragraph (1), the term 'residential addition' means the construction, reconstruction, or erection of an addition to, or improvement of, the building or other structure used by the taxpayer as his principal residence, if such addition or improvement increases the size of such building or structure and if the taxpayer elects, in such manner and at such time as the Secretary or his delegate shall by regulation prescribe, to have this subsection apply to such addition or improvement.

"(3) LIMITATION.—The aggregation amount paid or incurred by the taxpayer and his spouse for any residential improvement with respect to any building or other structure used by the taxpayer or his spouse as a principal residence which may be taken into account under paragraph (1) shall not exceed $5,000.

"(d) DEFINITION AND SPECIAL RULES.—

"(1) PRINCIPAL RESIDENCE.—For purposes of this section, the term 'principal residence' has the same meaning as such term has when used in section 1034.

"(2) Not treated as capital expenditures.—Any amount which is allowable as a deduction under subsection (a) (1) or with respect to which an election under subsection (c) (2) applies shall not be treated as an item which is properly chargeable to a capital account.

"(3) EARLY DISPOSITION.—If—

"(A) any property used by the taxpayer as his principal residence is disposed of, or ceases to be used as his principal residence, and

"(B) such property was not used by the taxpayer as his principal residence for a period in excess of 2 years,

the gross income of the taxpayer for the taxable year in which such disposition or cessation occurs shall be increased by the amount (if any) of the deduction allowed under subsection (a) for the preceding taxable year with respect to such property.

"(4) MARITAL STATUS.—The determination of marital status shall be made under section 143."

(b) Section 62 of such Code (defining adjusted gross income) is amended by inserting after the second paragraph designated as paragraph (11) the following new paragraph:

"(13) REPAIR OR IMPROVEMENT OF PRINCIPAL RESIDENCE.—The deduction allowed by section 220."

(c) Paragraph (1) of section 263(a) of such Code (relating to capital expenditures not deductible) is amended by striking out "or" at the end of subparagraph (D), by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", or", and by adding after subparagraph (E) the following new subparagraph:

"(F) expenditures for improvements to the principal residence of the taxpayer, deductible under section 220."

(d) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the last item and inserting in lieu thereof the following:

"SEC. 220. IMPROVEMENT OF PRINCIPAL RESIDENCE.

"SEC. 221. CROSS REFERENCES."

(e) The amendments made by this section shall apply to taxable years beginning after December 31, 1974.

THE NATIONAL PRIMARY ELECTIONS ACT OF 1975

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, a year from now the 1976 Presidential primary season begins in New Hampshire—the beginning of a primary trail, and trial, that will meander through two dozen States before ending in California in June. The Presidential primary is a unique and valuable American institution which evolved, at least in part, as a healthy reaction to the days when nominees were picked in smoke-filled rooms. Yet the proliferation of exhausting and often inconclusive primaries has led many to suggest that it is time for some major reforms.

While I believe that aspirants to our Nation's higher office should subject themselves to the scrutiny of their party's voters—a belief I am now putting into practice—the existing system is fraught with problems.

First, the primary system is too long—and is getting longer as additional States consider instituting primaries and vie for the honor and attention of being first. It is a costly endurance contest which has taken its toll of worthy contenders. Candidates who wish to build early support and to demonstrate their appeal to the electorate must be prepared at a minimum for a 5-month gauntlet of speeches, travel, fundraising, banquets, and barbecues; those who are not well known nationally must extend that period by a year or more.

Second, lacking any kind of uniformity, the primaries are not a reasonable yardstick of a candidate's support. The results are sometimes meaningless, sometimes indecipherable. With stakes so high, and mass media scrutiny so intense, candidates carefully pick and choose the States they will enter, selecting only those where they expect to win or make a strong showing. This really negates the basic purpose of the primary system: To allow the party rank-and-file to express a preference among all prospective nominees.

A few primaries end up as important contests between major contenders, but others are hollow victories for the winner; still others are psychological victories for the losers. In some, there is no guarantee that a significant vote will result in comparable delegate strength come the convention. Such local idiosyncrasies as cross-over voting rules further cloud the picture.

Victory no longer necessarily depends on who wins the most votes, but rather on who is most adept at playing the numbers game—and sometimes on how the press decides to interpret the results.

Thus, I think it is time the Congress gave some serious consideration to reforming our primary system. We can preserve its most appealing aspects while shortening the time period and providing uniform rules to make primaries more meaningful.

Today I am introducing H.R. 4110, the National Primary Elections Act of 1975. This bill is similar in most respects to legislation I introduced in the 92d and 93d Congresses, but with some important changes. While it may not be the ultimate answer, I think it is a valuable starting point for discussion. I urge the 94th Congress to undertake such a dialogue and to legislate some improvements.

The details of my proposal which would take effect in 1980, are as follows:

States holding presidential primary elections would be required to schedule them on the first Tuesday after the first Monday in April, the third Tuesday in May, or the last Tuesday in June. This would cut nearly a month off the present schedule, and would stop the dizzying succession of weekly, widely scattered primaries.

Candidates who qualified would have to run in every State holding a primary on the same day.

The Federal Elections Commission would select those persons who meet the constitutional qualifications for the presidency and are generally recognized as candidates for their party's nomination. The process of selection would favor inclusion of all potential candidates. Any candidate entitled to receive payments under the new presidential primary matching fund system would be included on the list automatically.

Persons selected by the Commission could withdraw their names from the Commission's list. Any person who withdrew before the first round of primaries could not run in any of the primaries held in that round, but an alternate petition filing requirement would permit him or her to jump in for later rounds.

Persons not designated by the Commission, and those who withdraw from earlier rounds, could qualify for placement on primary ballots by filing with the appropriate authority in each State holding a primary in the same round petitions signed by qualified voters of their party in a number equal to at least 1 percent of the votes cast in that State for President 4 years before.

States holding primaries must include on each party's ballot the names of all of that party's candidates who qualify by either method. No other names could be included. States could require candidates to pay primary fees of up to $500.

Each voter could vote only in the primary of the party of his registered affiliation. Independent voters could vote in the primary of only one political party.

Candidates who received 10 percent or more of the vote in a primary would receive a proportional representation of the delegates on the first ballot at the convention. Delegate selection rules would be established by the parties and delegates chosen according to such rules within 20 days of the primary. Delegates would be required to be bona fide supporters of the candidate and would be bound for the first ballot. A candidate receiving less than 10 percent would receive no convention delegates.

To summarize, this bill would achieve three major objectives: a substantially shortened primary trail; contests involving all major contenders; and fair, uniform rules which make the effort worth the risks.

No one really wants to return to the selection of Presidential candidates by party or congressional bosses. But the efficacy of the primaries in bringing public sentiment to bear has been uneven, and present dissatisfaction threatens to bring changes which may be unwarranted. Indeed, some will view this proposal as merely a partial reform, but I believe it would be a reasonable, valuable step toward some order in our chaotic system of choosing Presidential candidates.

I reject for now the idea of a single national primary. Both the present system and my proposal allow for some flexibility and dissent within our parties, and provide healthy roles for local and State party organizations. One national primary would eliminate the possibility of a late blooming candidate, one whose qualities emerge gradually through the primary process. A national primary would put all the eggs in one basket, when our political history teaches us that American political opinion evolves slowly, that the voters like time for reflection on the relative virtues of candidates. Moreover, the national primary route would necessitate an expensive national media campaign, something only a few could afford from the outset, and one which would inevitably focus on the most populous States.

Last fall, we adopted an historic package of reforms in the financing of our Presidential elections. We need some time to see how that system will work before we undertake so fundamental a change as a single national primary. The bill I introduce today would retain the federalistic notion of State primaries, while remedying the most damaging drawbacks.

THE GASOLINE CONSERVATION ACT

(Mr. ADAMS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ADAMS. Mr. Speaker, I am introducing today the Gasoline Conservation Act of 1975. This legislation provides for a two-tier allocation program utilizing transferable entitlement stamps with a penalty fee on the gasoline used in excess of the amount allocated by stamps.

This bill will assure every driver of a fair share of gasoline at a fair price, with the option to purchase additional gasoline by paying a penalty "user fee" of up to 50 cents per gallon. It establishes a conservation goal of a 5.5-percent decrease over 1974 gas consumption by the end of 1975 and a 16-percent decrease by the end of 1977. Such a decrease in gasoline consumption would cut overall U.S. consumption of crude oil by approximately 350,000 barrels per day by the end of 1975 and 1,050,000 by the end of 1977. Both the size of the allotment and the amount of the user fee are adjustable and could be varied to meet these conservation goals.

There are several advantages to the plan I am suggesting. It guarantees every driver a certain minimum amount of gasoline at a fair price. It minimizes interference with individual action because the "white market" in coupons would allow all drivers to both buy and sell entitlement stamps according to their own driving needs. It allows the user to decide how to use his allotted amount of gasoline, and if and when additional consumption is worth the additional cost. Most importantly, this bill both imposes a penalty gradually, and it is imposed on the area of consumption—gasoline—most easily cut without damaging our economy.

This legislation is far preferable to the program advanced by the President, in which a free market is assumed, but where none exists. By proposing arbitrary increases in the price of crude oil, the President is adding a regressive tax to the already inflated prices fixed by the international oil companies and the oil producing nations. In the process, he is threatening to further depress the economy and to work a serious hardship on low- and middle-income groups. The President's plan, if implemented, would increase the cost of such essentials as home heating fuel, electricity, transportation and fertilizer. These increased costs would in turn be reflected by increased costs for all goods and services available. For example, the impact of the President's energy program on transportation will be severe. If the price of diesel fuel goes up 10 cents a gallon, it will cost the class I railroad $405 million in fue charges annually. This increase would cost the truck owners nearly $980 million a year for diesel fuel alone. The airlines would have to pay nearly $900 million more for their jet fuel. It makes no sense to me to increase the cost of public transportation, when we are trying to encourage people to use their cars less.

Our Nation has become needlessly dependent on the automobile, and it is here that our economies must start. What was once a luxury item has now become a necessity—a necessity that we must learn again to live without. Excessive use of the private automobile has almost destroyed our mass transit systems, which we must rebuild and expand. It uses 35 percent of our petroleum products in an inefficient way. It has become an economic millstone around our necks.

We cannot do away with the automobile, as our present transit system is unable to handle the 85 percent of our transportation requirements now met by the car. We must, however, make a beginning.

My two-tier allocation plan is just a beginning. Its adoption will only be one step in the overall effort to solve our energy problems equitably, and without unfairly penalizing people by increasing the disastrous rate of inflation. This plan must be coupled with intensive short- and long-term programs to make permanent reductions in our use of fossil fuels; to find new energy sources that we, ourselves, control; and then to make the necessary adjustments in our business and private lives to accept the realities of our limited energy supplies of the future.

I am attaching a copy of my letter to the President dated January 3, 1975, in which I outlined this plan to him.

January 3, 1975.

The President,
The White House,
Washington, D.C.

Dear Mr. President: It is my understanding from the press reports that you intend to submit to Congress both an economic program and proposals for dealing with the energy crisis. As a member of the House Budget Committee and the House Commerce Committee, I have spent a great deal of time in the last year dealing with both problems of the economy and the energy crisis.

I am certain you remember the struggle last year, first in the Interstate and Foreign Commerce Committee, and later on the floors of both the House and Senate, to pass an energy bill. Without trying to place the blame on any side, it is enough to say that conflicting forces in the Congress and Administration prevented any meaningful energy allocation and conservation program from being enacted.

As a member of the Interstate and Foreign Commerce Committee, I was present at hearings and mark-up sessions on these bills, and when matters were finally reaching an impasse, I discussed possible compromise positions with Senator Henry Jackson, Chairman of the Interior Committee, Representative Torbert Macdonald, Chairman of the Communications and Power Subcommittee, and many other members of Congress, in an effort to resolve the situation. This was unsuccessful, and as a result, it was finally decided that all that could be accomplished was an extension of the Emergency Petroleum Allocation Act to August 31, 1975.

In light of this experience, I have been very disappointed that the various proposals for dealing with the energy crisis, as reported in the public press, have taken the same conflicting positions: either rationing gas or increasing taxes on it, or doing nothing. These are the same positions which basically caused the energy bills to fail in the last Session.

In an effort to break this deadlock, I am sending a copy of this letter which outlines my compromise proposal to Representative Jim Wright of Texas, who heads the House Democratic Steering and Policy Committee Legislative Task Force, and to Representative Torbert Macdonald and Senator Henry Jackson.

A primary advantage of my proposal is that it creates a process rather than a rigid system of rationing or taxation.

Another key element is that this proposal would provide an overall national policy with the flexibility to meet future contingencies and at the same time would move the United States away from outdated, ineffective voluntary conservation programs.

I am proposing that the Federal Government, using the State Motor Vehicle Departments, issue to each registered driver the already printed ration books. The Federal Government would then establish on a nationwide basis, the average consumption rate of gasoline and allocate a percentage of this national average to the ration bookholders. I would suggest 90 percent of present usage, but the percentage should be flexible and left to the discretion of the Executive Branch based on importation levels and other factors. The coupon books would authorize each driver to obtain the allocated amount of gasoline at the market price. (I would not contemplate at this time trying to fix a price at the pump, but this could be an option in the future). The remaining percentage of gasoline stocks would be available for use by vehicle owners, but this would be subject to a Federal penalty tax to dampen consumption. I believe that again the amount of tax should be left to the discretion of the Executive Branch, but I would suggest a tax of approximately 10 cents per gallon in the initial stages of the program. Any driver who had used his allocation of ration coupons would be required to pay to the retail outlet the additional Federal penalty tax above the market price.

The ration stamps could be given away by the individual motorist or sold without penalty (the so-called "white market"), but in gaining control over national gasoline consumption. The price of these ration stamps would be limited by the amount of tax paid per gallon since there would be no incentive to buy another motorist's stamps if they were more expensive than the market price plus the tax.

The result of this process is to leave untouched the basic marketing system in the United States and to give all motorists an assured supply of gasoline at equitable prices. The system also penalizes cars that guzzle gasoline or those motorists who wish to engage in frivolous driving. Over a period of time, long-distance commuters will begin to use public transportation and carpools to stretch their coupons, and the goal of modifying driving habits will have been accomplished with minimal hardship.

On the national level, the Federal Government will be equipped to influence overall consumption of gasoline by raising or lowering the penalty tax or the number of gallons allocated to the ration holders. It is only logical that controlled domestic oil costs should be divided equally among all users first and that those who are requiring the importation of higher priced foreign oil should pay a higher price for it.

I am well aware that the American economy is inextricably intertwined with the automobile industry, and its suppliers ranging all the way from petroleum products to steel. However, this proposal will allow us to control our consumption of petroleum products as a matter of national policy and give the auto industry a chance to reorganize itself, with the least disruption to our national economy.

If you are interested in this proposal, I would be happy to work with members of the Administration in drafting appropriate legislation.

Respectfully yours,
Brock Adams,
Member of Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. SYMMS (at the request of Mr. Rhodes), for March 3, 1975, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BROOKS, for 5 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. Michel, for 5 minutes, today.

Mr. Adams, for 5 minutes, today.

(The following Members (at the request of Mr. Hagedorn) to revise and extend their remarks and include extraneous material:)

Mr. Hastings, for 15 minutes, today.

Mr. Bauman, for 10 minutes, today.

(The following Members (at the request of Mr. Beard of Rhode Island), to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 15 minutes today.

Mr. Drinan, for 40 minutes, today.

Ms. Abzug, for 5 minutes, today.

Mr. Montgomery, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Hagedorn) and to include extraneous matter:)

Mr. Young of Florida in five instances.

Mr. Heinz.

Mr. Rhodes.

Mr. Anderson of Illinois in three instances.

Mr. Carter in two instances.

Mr. Hastings.

Mr. CRANE in two instances.

Mr. MCCLORY.

(The following Members (at the request of Mr. BEARD of Rhode Island) and to include extraneous matter:)

Mr. DODD.

Mr. NATCHER.

Mr. HAMILTON in two instances.

Mr. GONZALEZ in three instances.

Mr. ANNUNZIO in six instances.

Mr. SISK.

Mr. ANDERSON of California in four instances.

Mrs. LLOYD of Tennessee in five instances.

Mr. STOKES.

Mr. RANGEL in 10 instances.

Mr. HOLLAND in two instances.

Mr. LONG of Maryland in 10 instances.

Mr. BAUCUS.

Mr. EILBERG in 10 instances.

Mr. CONYERS in 10 instances.

Ms. ABZUG in 10 instances.

Mr. BOLLING.

Mr. FRASER in three instances.

Mr. DE LA GARZA in 10 instances.

Mr. STARK in 10 instances.

Mr. DOMINICK V. DANIELS.

Mr. MCDONALD of Georgia.

Mr. ULLMAN.

Mr. FAUNTROY.

Mr. BURKE of Massachusetts.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on February 28, 1975, present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

ADJOURNMENT

Mr. BEARD of Rhode Island. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 20 minutes p.m.) the House adjourned until Tuesday, March 4, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

432. A letter from the President of the United States, transmitting a proposed appropriation language change for fiscal year 1975 to increase the limitation on the amount of purchase contracts used to finance building construction administered by the General Services Administration (H. Doc. 94–66); to the Committee on Appropriations and ordered to be printed.

433. A letter from the President of the United States, transmitting an amendment to the request for appropriations transmitted in the budget for fiscal year 1976 for the Judiciary (H. Doc. No. 94–67); to the Committee on Appropriations and ordered to be printed.

434. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for support of military family housing including operating expenses and maintenance of real property; to the Committee on Armed Services.

435. A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs), transmitting a report for calendar year 1974 on special pay for subject to hostile fire, pursuant to 37 U.S.C. 310(d); to the Committee on Armed Services.

436. A letter from the Deputy Assistant Secretary of Defense (Military Personnel Policy), transmitting a supplemental report on former military and civilian officials and current Department of Defense employees who have filed reports pertaining to employment by defense contractors, covering fiscal year 1974, pursuant to section 410(b) of Public Law 91–121; to the Committee on Armed Services.

437. A letter from the Administrator of General Services, transmitting drafts of proposed legislation to authorize the disposal of tin and lead from the national stockpile and the supplemental stockpile, and the disposal of silver from the national stockpile; to the Committee on Armed Services.

438. A letter from the Secretary of Health, Education, and Welfare, transmitting the fourth annual report on administration of the black lung benefits program, pursuant to section 426(b) of the Federal Coal Mine Health and Safety Act of 1969, as amended [30 U.S.C. 936(b)]; to the Committee on Education and Labor.

439. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed regulations to coordinate the Office of Education student financial aid programs and the Bureau of Indian Affairs programs for providing grant-in-aid assistance for higher education for Native Americans, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

440. A letter from the Assistant Secretary of State for Congressional Relations, transmitting the semiannual report on international narcotics control program activities for the period ended December 31, 1974, pursuant to section 481(b)(2) of the Foreign Assistance Act of 1961, as amended [22 U.S.C. 2291(b)(2)]; to the Committee on Foreign Affairs.

441. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on deliveries of excess defense articles during the second quarter of fiscal year 1975, pursuant to section 8(d) of the Foreign Military Sales Act Amendments of 1971, as amended [22 U.S.C. 2321b(d)]; to the Committee on Foreign Affairs.

442. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations; to the Committee on Foreign Affairs.

443. A letter from the Secretary of the Treasury, transmitting the second annual report on the operation and status of the State and Local Government Fiscal Assistance Trust Fund, pursuant to section 105(a)(2) of Public Law 92–512; to the Committee on Government Operations.

444. A letter from the Administrator for Federal Procurement Policy, Office of Management and Budget, Executive Office of the President, transmitting the first annual report of the activities of the Office of Federal Procurement Policy, pursuant to section 8(a) of Public Law 93–400; to the Committee on Government Operations.

445. A letter from the Executive Officer, U.S. Arms Control and Disarmament Agency transmitting a report on the Agency's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

446. A letter from the Chairman, Equal Opportunity Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

447. A letter from the Executive Director, Federal Labor Relations Council, transmitting a report on the activities of the Council and of the Federal Service Impasses Panel under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

448. A letter from the Chairman, Federal Maritime Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

449. A letter from the Chairman, Federal Power Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

450. A letter from the Secretary, Board of Governors, Federal Reserve System, transmitting reports on the activities of the Board of Governors and of the Federal Open Market Committee under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

451. A letter from the General Counsel, Foreign Claims Settlement Commission of the United States, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

452. A letter from the Administrator of General Services, transmitting a report on the activities of the General Services Administration under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

453. A letter from the Chairman, U.S. International Trade Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

454. A letter from the Director, Office of Administration, U.S. Nuclear Regulatory Commission, transmitting a report on the activities of the U.S. Atomic Energy Commission under the Freedom of Information Act during 1974, as those activities related to the Commission's licensing and regualtory functions, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

455. A letter from the Postmaster General, transmitting a report on the activities of the U.S. Postal Service under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

456. A letter from the Acting Chairman, Postal Rate Commission, transmitting a report on the Commission's administration of the Freedom of Information Act during the calendar year 1974, pursuant to 5 U.S.C. 552 (d); to the Committee on Government Operations.

457. A letter from the Director of Selective Service, transmitting a report on the activities of the Selective Service System under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

458. A letter from the Director, U.S. Water Resources Council, transmitting a report on the Council's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

459. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

460. A letter from the Deputy Under Secretary of the Interior, transmitting a report on the activities of the Geological Survey carried on outside the national domain during the first half of fiscal year 1975, pursuant to section 2 of the act of September 5, 1962 [43 U.S.C. 31(c)]; to the Committee on Interior and Insular Affairs.

461. A letter from the Secretary of Commerce, transmitting an evaluation and commentary on the final report of the Commission on American Shipbuilding; to the Committee on Merchant Marine and Fisheries.

462. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend the Intergovernmental Personnel Act of 1970 to provide more effective means to improve personnel administration in State and local governments; to correct certain inequities in the law; and to extend coverage under the law to the Trust Territory of the Pacific Islands; to the Committee on Post Office and Civil Service.

463. A letter from the Administrator, Energy Research and Development Administration, transmitting the first interim report by the Solar Energy Coordination and Management project on the development of a solar program definition, pursuant to section 15(b) of Public Law 93–473; to the Committee on Science and Technology.

464. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Higher Education Act of 1965 to decrease the amount of defaults under the guaranteed student loan program, to amend the Bankruptcy Act to limit the dischargeability in bankruptcy of educational debts, and for other purposes; jointly to the Committees on Education and Labor, and the Judiciary.

465. A letter from the Secretary of Health, Education, and Welfare, transmitting, a draft of proposed legislation to amend the Public Health Service Act, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, the Drug Abuse Office and Treatment Act of 1972, and the Social Security Act, to revise and extend programs of health services, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

466. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting notice of a reorganization underway in the Agency's Office of Research and Development; jointly, to the Committees on Merchant Marine and Fisheries, and Science and Technology.

RECEIVED FROM THE COMPTROLLER GENERAL

467. A letter from the Comptroller General of the United States, transmitting a report on the use of solid waste to conserve resources and to create energy; jointly, to the Committees on Government Operations, and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ADAMS: Committee on the Budget. Report on the implementation of new congressional budget procedures for fiscal year 1976 (Rept. No. 94–25). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS:

H.R. 4058. A bill to amend title 10, United States Code, with respect to crediting certain service of females sworn in as members of telephone operating units, Signal Corps; to the Committee on Armed Services.

H.R. 4059. A bill to amend the Emergency Petroleum Allocation Act of 1973 to establish a program for the creation and distribution of gasoline entitlements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BREAUX:

H.R. 4060. A bill to amend the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949 with regard to the rice programs established in those acts; to the Committee on Agriculture.

By Mr. DOMINICK V. DANIELS:

H.R. 4061. A bill to amend the Internal Revenue Code of 1954 to deny percentage depletion in the case of foreign oil and gas wells to deny the deduction for intangible drilling and development costs in the case of such wells and to deny the foreign tax credit for taxes paid to foreign countries which are attributable to foreign oil related income; to the Committee on Ways and Means.

H.R. 4062. A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction for amounts paid or incurred for repairs or improvements of or additions to their principal residences; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 4063. A bill to abolish the U.S. Postal Service, to repeal the Postal Reorganization Act, to reenact the former provisions of title 39, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY (for himself, Mr. Andrews of North Dakota, and Mr. Grassley):

H.R. 4064. A bill to amend the Agriculture and Consumer Protection Act of 1973, as amended, for the purpose of terminating the requirement for the prior approval of the export sales of agricultural commodities; to the Committee on Agriculture.

By Mr. FORD of Michigan (for himself, Mr. Fascell, Mr. Gilman, Mr. Matsunaga, Mr. Perkins, Mr. Wirth, Mr. Roncalio, and Mr. Young of Alaska):

H.R. 4065. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates; to the Committee on Post Office and Civil Service.

By Mr. FRASER:

H.R. 4066. A bill to amend section 1661 of title 38 of the United States Code in order to entitle veterans to 2½ months of educational assistance for each month of service on active duty and to extend the maximum entitlement to such assistance to 45 months; to the Committee on Veterans' Affairs.

By Mr. FREY:

H.R. 4067. A bill to amend the Internal Revenue Code of 1954 to allow any individual employed on a part-time basis to deduct under section 214 expenses for household and dependent care services necessary for gainful employment, and for other purposes; to the Committee on Ways and Means.

H.R. 4068. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. FREY (for himself and Mrs. Spellman):

H.R. 4069. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. GRASSLEY:

H.R. 4070. A bill to clarify the authority of the Secretary of Agriculture to require reasonable bonds from packers in connection with their livestock purchasing operations and for other purposes, to the Committee on Agriculture.

By Mr. HEINZ:

H.R. 4071. A bill to provide for more effective congressional review of administrative actions which exempt petroleum products from the Emergency Petroleum Allocations Act of 1973, or which result in a major increase in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities; to the Committee on Interstate and Foreign Commerce.

Mr. HOWARD (for himself, Mr. Ambro and Mr. McHugh):

H.R. 4072. A bill to amend section 109 of title 23, United States Code, relating to the preparation of certain statements on highway projects in the States of New York, Verment, and Connecticut; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. Harsha, Mr. Wright, Mr. Don H. Clausen, Mr. Johnson of California, Mr. Shuster, Mr. Henderson, Mr. Walsh, Mr. Roberts, Mr. Howard, Mr. Anderson of California, Mr. Roe, Mr. McCormack, Mr. James V. Stanton, Mr. Breaux, Mr. Studds, Mr. Ginn, Mr. Mineta, Mr. Holland, Mr. Howe, Mr. Oberstar, Mr. Nowak, and Mrs. Lloyd of Tennessee):

H.R. 4073. A bill to extend the Appalachian Regional Development Act of 1965 for an additional 2-fiscal-year period; to the Committee on Public Works and Transportation.

By Mr. MACDONALD of Massachusetts:

H.R. 4074. A bill to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or whose incomes have been significantly reduced as the result of adverse economic conditions; to the Committee on Banking, Currency and Housing.

By Mr. MAHON:

H.R. 4075. A bill to rescind certain budget authority recommended in the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communications of the Comptroller General of February 7, 1975 (H. Doc. 94–46) and of February 14, 1975 (H. Doc. 94–50), transmitted pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. MONTGOMERY:

H.R. 4076. A bill to amend the Occupational Safety and Health Act of 1970 to exempt any nonmanufacturing business, or any business having 25 or fewer employees in States having laws regulating safety in such business, from the Federal standards created under such act; to the Committee on Education and Labor.

H.R. 4077. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 4078. A bill to amend title 38 of the United States Code to assist veterans with a permanent and total service-connected disability due to the loss or loss of use of one upper and one lower extremity to acquire specially adapted housing; to the Committee on Veterans' Affairs.

H.R. 4079. A bill to amend title 38 of the United States Code to provide that hypertension developing a 10 percent or more degree of disability within 2 years after separation from active service during a period of war shall be presumed to be service-connected; to the Committee on Veterans' Affairs.

H.R. 4080. A bill to amend title 38, United States Code, to provide that amyotrophic lateral sclerosis developing a 10 percent or more degree of disability within 3 years after separation from active service during a period of war shall be presumed to be service-connected; to the Comimttee on Veterans' Affairs.

H.R. 4081. A bill to amend chapter 11 of title 38, United States Code, to provide full wartime benefits for extra-hazardous duty; to the Committee on Veterans' Affairs.

H.R. 4082. A bill to amend title 38 of the United States Code to provide that certain veterans who were prisoners of war shall be deemed to have a service-connected disability of 50 percent; to the Committee on Veterans' Affairs.

H.R. 4083. A bill to amend title 38, United States Code, to extend eligibility for automobile adaptive equipment to certain additional veterans; to the Committee on Veterans' Affairs.

H.R. 4084. A bill to amend title 38, United States Code, to provide an annual clothing allowance to certain veterans who, because of a service-connected disability, wear a prosthetic appliance or appliances which tend to wear out or tear their clothing; to the Committee on Veterans' Affairs.

H.R. 4085. A bill to amend section 312 of title 38, United States Code, by providing a 2-year presumptive period of service connection for the psychoses which develop within 2 years from the date of separation from active service; to the Committee on Veterans' Affairs.

H.R. 4086. A bill to amend title 38, United States Code, to provide that veterans with disabilities rated 10 through 100 percent shall receive additional compensation for dependents; to the Committee on Veterans' Affairs.

H.R. 4087. A bill to amend section 410(a) of title 38, United States Code, to provide for the payment of dependency and indemnity compensation to certain survivors of deceased veterans who were rated 100 percent disabled by reason of service-connected disabilities for 20 or more years; to the Committee on Veterans' Affairs.

H.R. 4088. A bill to amend title 38, United States Code, to extend the 20-year protection to ratings for children permanently incapable of self-support; to the Committee on Veterans' Affairs.

H.R. 4089. A bill to amend title 38, United States Code, to authorize increased benefits for veterans requiring regularly scheduled hemodialysis; to the Committee on Veterans' Affairs.

H.R. 4090. A bill to amend section 312 of title 38, United States Code, by providing a 10-year presumptive period of service connection for chronic diseases of certain prisoners of war; to the Committee on Veterans' Affairs.

By Mr. RANGEL:

H.R. 4091. A bill to create a National Landlord and Tenant Commission, to establish housing courts, and to define or to provide therefor the rights, obligations, and liabilities of landlords and tenants so as to regulate the activities of the commercial rental housing operations which affect the stability of the economy, the amount of a person's real income, the travel of goods and people in commerce, and the general welfare of all citizens of this Nation; to the Committee on Banking, Currency and Housing.

H.R. 4092. A bill to authorize grants to States for the establishment of vision screening programs for public school students; to the Committee on Education and Labor.

H.R. 4093. A bill to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service; to the Committee on House Administration.

H.R. 4094. A bill to provide the Secretary of Health, Education, and Welfare with the authority to make grants to States and local communities to pay for the costs of eye examination programs to detect glaucoma for the elderly; to the Committee on Interstate and Foreign Commerce.

H.R. 4095. A bill to amend the Public Health Service Act to provide for the establishment of a National Sickle Cell Anemia Institute; to the Committee on Interstate and Foreign Commerce.

H.R. 4096. A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in certain district courts of the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 4097. A bill to establish minimum prisoner treatment standards for prisons in the United States, and to create an agency to hear complaints arising from alleged infractions of such standards; to the Committee on the Judiciary.

H.R. 4098. A bill to provide new and improved transportation programs for older persons; to the Committee on Public Works and Transportation.

H.R. 4099. A bill to amend title XVI of the Social Security Act to authorize the prompt issuance of duplicate supplemental security income benefit checks to individuals whose original benefit checks are lost or delayed and who are faced with financial hardship as a result; to the Committee on Ways and Means.

H.R. 4100. A bill to amend the Internal Revenue Code of 1954 to permit the full deduction of medical expenses incurred for the care of individuals of 65 years of age and over, without regard to the 3-percent and 1-percent floors; to the Committee on Ways and Means.

H.R. 4101. A bill to allow a credit against Federal income taxes or payments from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. RICHMOND (for himself, Mr. Rangel, Mr. Gilman, Mr. Ottinger, Ms. Holtzman, Mr. McHugh, Mr. Peyser, Mr. Zeferetti, Mr. Harrington, Mr. Conyers, Mrs. Mink, Mr. Metcalfe, Mr. Miller of California, Mr. Roe, Mr. Sarbanes, Mr. Brown of California, Mr. Melcher, Mr. Fascell, Mr. Vigorito, Mr. Edgar, Mr. Hicks, Mr. Burke of Massachusetts, Mr. Whitehurst, Mr. Solarz, Mr. Corman, and Mr. Baldus):

H.R. 4102. A bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 for the purpose of authorizing additional appropriations for programs authorized by those acts; to the Committee on Education and Labor.

By Mr. RICHMOND (for himself, Mr. Stark, Mr. Koch, Mr. Mineta, Mr. Gilman, Mr. Rangel, Mr. Mitchell of Maryland, Ms. Holtzman, Mr. Harrington, and Mr. Fraser):

H.R. 4103. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children, the special supplemental food program, and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs; to the Committee on Education and Labor.

By Mr. SISK:

H.R. 4104. A bill to amend title 10, United States Code, to make certain persons eligible for retired pay for nonregular service; to the Committee on Armed Services.

H.R. 4105. A bill to amend section 1402(a) of title 10, United States Code, to revise the rule for computation of retired or retainer pay to reflect later active duty; to the Committee on Armed Services.

H.R. 4106. A bill to amend title 38, United States Code, in order to entitle veterans to 45 months of educational assistance for all educational programs under chapter 34 of this title, to the Committee on Veterans' Affairs.

By Mr. SOLARZ:

H.R. 4107. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. SYMINGTON (for himself, Mr. Mosher, Mr. Flowers, Mr. Emery, Mr. Brown of California, Mr. Scheuer, Mr. Harkin, Mr. Lloyd of California, Mr. Dodd, and Mr. Krueger):

H.R. 4108. A bill authorizing appropriations to the National Science Foundation for fiscal year 1976; to the Committee on Science and Technology.

By Mr. TAYLOR of North Carolina:

H.R. 4109. A bill to amend the Grand Canyon National Park Enlargement Act (88 Stat. 2089); to the Committee on Interior and Insular Affairs.

By Mr. UDALL:

H.R. 4110. A bill to provide for the regulation of State Presidential primary elections; to the Committee on House Administration.

By Mr. VAN DEERLIN (for himself, Mr. Staggers, Mr. Macdonald of Massachusetts, Mr. Moss, Mr. Dingell, Mr. Rooney, Mr. Stuckey, Mr. Eckhardt, Mr. Carney, Mr. Metcalfe, Mr. Krueger, Mr. Wirth, Mr. Moffett, Mr. Eilberg, Mr. Broyhill, Mr. McCollister, and Mr. Moorhead of California):

H.R. 4111. A bill to amend the Securities Exchange Act of 1934 to remove barriers to competition, to foster the development of a national securities market system and a national clearance and settlement system, to make uniform the Securities and Exchange Commission's authority over securities industry regulatory organizations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. YATES:

H.R. 4112. A bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes; jointly to the Committees on the Judiciary, Merchant Marine and Fisheries, Interior and Insular Affairs, and Science and Technology.

By Mr. ADAMS:

H.J. Res. 264. Joint resolution to designate the 9th day of October of each year as Leif Ericson Day, and to authorize the President to call for the appropriate celebration of such day; to the Committee on Post Office and Civil Service.

By Mr. BELL (for himself, Mrs. Heckler of Massachusetts, Mr. Oberstar, and Mr. Tsongas):

H.J. Res. 265. Joint resolution to authorize the Secretary of the Interior to establish on certain public lands of the U.S. national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROOKS (for himself, Mr. Giaimo, Mr. O'Hara, Mr. Fuqua, Ms.

Holtzman, Mr. Cleveland, Mr. Ashbrook, and Mr. Whalen):

H. Res. 269. Resolution directing the House Commission on Information and Facilities to provide for radio and television coverage of proceedings in the House Chamber during the first session of the 94th Congress; to the Committee on Rules.

By Mr. EDGAR (for himself, Mr. Andrews of North Dakota, Mr. Hubbard, and Mr. Tsongas):

H. Res. 270. Resolution to request that the House of Representatives proceed without delay in its consideration of legislation with respect to the Nation's economic and energy problems; to the Committee on Rules.

By Mr. RANGEL:

H. Res. 271. Resolution creating a select committee to conduct an investigation and study of the health effects of the current energy crisis on the poor; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

37. By the SPEAKER: Memorial of the Legislature of the Territory of Guam, relative to making maximum use of the U.S. Naval Ship Repair Facility, Guam; to the Committee on Armed Services.

38. Also, memorial of the House of Representatives of the State of Arkansas, relative to the suspension of aid to South Vietnam and Cambodia; to the Committee on Foreign Affairs.

39. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to American servicemen and civilians missing in action in Indochina; to the Committee on Foreign Affairs.

40. Also, memorial of the House of Representatives of the State of Arkansas, relative to revenue stabilization; to the Committee on Government Operations.

41. Also, memorial of the Legislature of the Territory of Guam, relative to rescinding the suspension of airline operations to Guam; to the Committee on Public Works and Transportation.

42. Also, memorial of the Legislature of the State of Hawaii, relative to taxes on land sales; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. SLACK introduced a bill (H.R. 4113) for the relief of Mitsue Karimata Stone, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

44. Mr. HUTCHINSON presented a petition of Ralph H. Tuttle, Niles, Mich., and others, relative to a national economic and energy policy for gasoline, which was referred to the Committee on Ways and Means.

SENATE—*Monday, March 3, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by Hon. Richard Stone, a Senator from the State of Florida.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

We thank Thee, O God, for Thy mercies which are new every morning. Grant to Thy servants here and their colleagues elsewhere in the Government, the gift of Thy higher wisdom to devise the means for using the natural resources and the human resources of the Nation that poverty and ignorance may be banished, and justice and righteousness firmly established. Show us again the invincibility of goodness, the strength of human brotherhood, and the conquering power of love. Unite us in heart and mind and soul to do Thy will.

And to Thee shall be the glory. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., March 3, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Richard Stone, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. STONE thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

Mr. ALLEN. Mr. President, I would like the message read, for the information of the Senate.

The ACTING PRESIDENT pro tempore. The message will be read.

The legislative clerk read the following messages from the President of the United States:

To the Congress of the United States:

America's traditional optimism about the manageability of human affairs is being challenged, as never before, by a host of problems. In the field of national security, arms control offers a potential solution to many of the problems we currently face. The genius of the American people may be said to lie in their ability to search for and find practical solutions, even to the most difficult of problems; and it is no accident that this country has helped lead the world in the quest for international arms control agreements.

Safeguarding our national security requires a dual effort. On the one hand, we must maintain an adequate defense against potential great-power adversaries; for although we are pursuing a positive policy of détente with the Communist world, ideological differences and conflicting interests can be expected to continue. On the other hand, we share with them, as with the rest of the world, a common interest in a stable international community.

Over the past year, we have made considerable progress in our arms control negotiations with the Soviet Union. The Vladivostok accord which I reached with Chairman Brezhnev will enable our two countries to establish significant limits on the strategic arms race and will set the stage for negotiations on reductions at a later phase. The U.S. and U.S.S.R. have, over the past year, also reached agreement on the Threshold Test Ban Treaty and on a limitation on ABM deployments to one complex for each country.

The negotiations being held at Vienna on mutual and balanced force reductions in Europe (MBFR), while they have not yet produced conclusive results, are also an important endeavor to limit and reduce armaments safely through mutual agreement. For our part, we shall make every effort to achieve such an outcome.

Even as we see some encouraging progress in our relations with the Soviet Union, we still face a growing danger in the potential proliferation of nuclear weapons to more countries. The U.S. will continue to seek practical steps to avert this danger, while providing the benefits of nuclear energy for peaceful purposes.

The fourteenth annual report of the U.S. Arms Control and Disarmament Agency, which I herewith transmit to the Congress, sets forth the steps which have been taken over the past year to meet these and other national security problems through arms control.

Gerald R. Ford.

The White House, *March 3, 1975.*

PRESIDENTIAL APPROVAL

The President has approved the following:

February 28, 1975: S. 281, an act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

MESSAGES FROM THE PRESIDENT REFERRED

The ACTING PRESIDENT pro tempore (Mr. Stone) laid before the Senate a message from the President of the United States submitting the 14th annual report of the U.S. Arms Control and Disarmament Agency, which, with the accompanying report, was referred to the Committee on Foreign Relations.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. Stone) laid before the Senate a message from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are

printed at the end of the Senate proceedings.)

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, February 28, 1975, be approved.

Mr. ALLEN. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the executive calendar will be stated.

DEPARTMENT OF TRANSPORTATION

The second assistant legislative clerk read the nomination of William T. Coleman, Jr., of Pennsylvania, to be Secretary of Transportation.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

INTERSTATE COMMERCE COMMISSION

The second assistant legislative clerk read the nomination of Robert J. Corber, of Virginia, to be a Commissioner.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. COAST GUARD

The second assistant legislative clerk proceeded to read sundry nominations in the Coast Guard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, if I am allowed to do so, I would be willing to allow my 5 minutes to the distinguished Senator from Oregon (Mr. HATFIELD).

The ACTING PRESIDENT pro tempore. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. ALLEN. Mr. President, I object, for a moment.

The ACTING PRESIDENT pro tempore. Objection is heard.

The second assistant legislative clerk continued with the call of the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE RESOLUTION 94—SUBMISSION OF A RESOLUTION RELATING TO FOOD ASSISTANCE FOR CAMBODIA

(Ordered to lie over under the rule.)

Mr. HATFIELD. Mr. President, I have this morning a story from the UPI alleging that U.S. food aid to Phnom Penh is not going to the hungry and I should like to read part of it at this point:

> The Cambodian Government is giving all of America's airlift food to the military despite a rise in starvation deaths among the capital's hungry civilians.
>
> A senior government official said Sunday President Lon Nol has ordered the government to stockpile the airlifted rice for the sole use of soldiers and their families.
>
> Social workers said even penniless refugees in Phnom Penh are being denied the rice. They said deaths resulting from starvation are increasing daily.
>
> The shortage of supplies in the besieged capital has sent the price of food soaring. The cost of a 110-pound bag of rice on the black market has doubled to $30 in the past week alone.
>
> "And the only way you can even buy black market rice is to know someone," a frustrated resident of the beleaguered city said today.
>
> The senior government official said Lon Nol ordered the restriction of rice supplies last Thursday at the start of America's massive, Berlin-style airlift of food to Phnom Penh.
>
> U.S. commercial jets piloted by civilians have been flying in about 600 tons of rice a day, more than enough to feed all of the capital's 2 million residents.
>
> But most of the estimated 60,000 destitute refugees in government-run camps have had to depend on their own wits to obtain food.
>
> "Only the children here get food," the director of one camp said. "They receive a bowl of vegetable soup six days a week."

Mr. President, Senator CLARK, Senator BROOKE, Senator HUMPHREY, and I submit a resolution—which I send to the desk—to express the sense of the Senate that 50 percent of Public Law 480 shipments to Cambodia between now and June 30, 1975, be delivered as title II commodities, as grants for humanitarian purposes, rather than as title I shipments.

Economic aid to Cambodia is limited to $177 million under the ceiling imposed in the foreign aid authorization bill passed last December. Of this, $89 million has been designated for Public Law 480 "food for peace" shipments consisting mostly of rice. Much of this—between one-half and two-thirds—has already been shipped to Cambodia. The remainder, however, is in Saigon, waiting, probably in vain, to go up the Mekong River, or is on ship en route from the United States to Southeast Asia.

The airlift which has just begun delivers 545 tons of rice to Phnom Penh per day. This is close to the daily consumption level. However, all the rice being delivered is under the title I program, and thereby is given directly to the government. Its first priority is distributing rice to its troops. In the past few weeks, about 200 of the daily tons have been going directly to the army. The remaining 345 tons have been distributed primarily through the government's "market system," while some has been made available to voluntary agencies. The ineffectiveness of the government's means of distribution, combined with the general economic deterioration, have pushed the market price of rice astronomically high, so that only the well-to-do can afford to pay market prices.

This has been the pattern of distribution, with hungry civilians at the end of the line and troops being fed first. Just yesterday, however, the UPI reported that all future food shipments will be given over entirely to feeding the army. Starving civilians will simply be ignored.

The war has forced thousands from the land into the city. Only about 20,000 of these are officially classified as "refugees," and their fate is generally better than the thousands of others who have no such classification and wander through the streets, searching for money and food.

The voluntary agencies are distributing between 30,000 and 35,000 tons of food per year. But all agree that they have significantly greater capacity. The U.S. Aid mission, in fact, has recently requested a title II program of 100,000 tons a year, to be distributed primarily through the voluntary agencies.

State Department officials here have not approved the request. They say there would be administrative difficulties in administering such a title II program, and prefer to simply give the food directly to the Government, giving them the control.

The specter of malnourished and starving Cambodians being turned away from refugee centers, and the pictures of babies dying in their mothers' arms from the lack of food make clear the inadequacies of the Government's present distribution system. If they do indeed begin to give all food shipments to the army, the plight of the civilian population can only grow worse. Meanwhile, the public impression is being generated that this is somehow the fault of Congress, supposedly because we refuse to give Cambodia more aid.

Raising the $177 million ceiling on economic aid would have no immediate effect on this whole problem, however. Administration officials admit that there is enough rice in the pipeline for present needs. The problem is getting it into Phnom Penh, and then, getting it to those who need it most. Further, because of the strains on the airport from all the shipments of ammunition, plus the rice/fuel airlift that has begun, it is doubtful that much more than 545 tons of rice can get in each day, unless flights carrying food are substituted for some carrying ammunition. That is what we should be doing, but there is little likelihood of its happening.

Thus, the course for us is to stipulate that half of the remaining rice going into Phnom Penh be distributed directly through the voluntary agencies as a title II program. That gives us some greater hope that the food will be distributed to those who need it most. It means that we will establish a humanitarian priority on the distribution of rice, rather than be bound by the priorities of the Lon Nol government. And this still would allow half the amount—273 tons—to go as a title I program to the government.

Since the United States became deeply involved in Cambodia in 1970, we have heard two administrations say time and time again that our aid to Cambodia does not in any way constitute a commitment to any particular government in that country. We were involved, it has been said, to protect our troops in South Vietnam, to facilitate their withdrawal, and/or to gain a cease-fire in South Vietnam and Cambodia. Now we hear that we have a "moral" commitment to Cambodia.

If we do have such a commitment, it is to the people of Cambodia, and not to the government of Lon Nol. Our moral commitment is to feed those who are starving. It is not to aid the troops of Lon Nol so they can continue the fighting while the civilian population they are supposedly defending goes hungry. We must do all we can to see that the aid we do supply will be used for humanitarian purposes, and not to perpetuate war. The resolution we submit today is one step in that direction.

Mr. President, I ask immediate consideration of the resolution.

Mr. ALLEN. Reserving the right to object, I have no objection to the resolution; I might say, I have no objection to its not going to a committee. But under the rules, if objection is made, it can come up on the next legislative day. At that time, the Senator from Alabama will be delighted to give his full support to the resolution. Right now, the Senator from Alabama is concerned that this legislative day, which started Friday a week ago, has not yet come to a close. The Senator from Alabama feels that 10 calendar days are just about long enough for a legislative day to extend. So the Senator from Alabama will object to the immediate consideration of the resolution in the hope that tomorrow we shall start a new legislative day and the matter can proceed to passage.

I object.

Mr. HATFIELD. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The objection is heard. The resolution will go over under the rule.

The resolution (S. Res. 94) is as follows:

S. Res. 94

Whereas rice is being airlifted by the United States into Cambodia, a country ravaged by war; and

Whereas such rice is being made available to Cambodia from commodities previously allocated under the Food for Peace program; and

Whereas the allocation is currently being made under title I of the Agricultural Trade Development and Assistance Act of 1954 and is being purchased on a concessional basis by the Cambodian government for its military personnel and for sale on the open market; and

Whereas the people who will benefit by the airlift of such rice, other than military personnel, are the few who have the financial means to purchase food in the marketplace; and

Whereas it is the poor in Cambodia who are starving and suffering from malnutrition; and

Whereas it is the moral obligation and humanitarian responsibility of the United States to alleviate hunger and suffering whenever it can do so: Now, therefore, be it

Resolved, That it is the sense of the Senate that not less than 50 per centum of the food commodities which the President has budgeted for Cambodia under title I of the Agricultural Trade Development and Assistance Act of 1954 and which are delivered after the date on which this resolution is agreed to and prior to July 1, 1975, shall be made available in Cambodia for humanitarian purposes under title II of such Act.

Sec. 2. It is further declared to be the sense of the Senate that any such food made available to Cambodia under title II of the Agricultural Trade Development and Assistance Act of 1954 be administered by voluntary agencies already established in Cambodia.

Sec. 3. The Secretary of the Senate shall transmit a copy of this resolution to the President.

The Senator from Oregon was recognized.

Mr. HATFIELD. Mr. President, may I ask for clarification of the status of the resolution under this particular procedure?

Mr. ALLEN. Will the Senator speak into his microphone? I cannot hear him.

Mr. HATFIELD. I ask, Mr. President, that there be a clarification on the status of the resolution under this particular proceeding.

The ACTING PRESIDENT pro tempore. The resolution, under rule XIV, paragraph 6, has gone over, under the rule, to the next legislative day at the end of the morning business; if time permits, the Chair will automatically lay it before the Senate.

Mr. ALLEN. And at that time, the Senator from Alabama will give it his full support.

Mr. HATFIELD. Thank you very much, Mr. President. I thank the Senator from Alabama.

Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. CURTIS. In behalf of the minority leader, I yield him 5 minutes.

Mr. HATFIELD. I thank the Senator from Nebraska. I yield to the Senator from Iowa 3 minutes.

Mr. CLARK. I thank the Senator for yielding.

Mr. President, there is great controversy about Cambodia and U.S. response to that war-torn nation. One fact, however, does not need debate. People, mostly children, are starving and suffering from malnutrition, because they cannot find nor afford food.

Since Thursday, rice has been airlifted into Cambodia. Each day throughout the month, 545 tons of rice are expected to reach Phnom Penh as part of our food for peace program. But what happens to the rice once it reaches Cambodia? There are two ways of distributing commodities under our food for peace program—most is sold on the open market while the rest is given to the hungriest people in overcrowded cities and rural areas.

Currently, the rice being airlifted into Cambodia comes under title I of food for peace—the rice is sold on the open market. The only people who get that food are soldiers in the field and those few with enough money to buy it in the market. According to recent news reports, President Lon Nol is ordering all rice to go the battlefield—to soldiers and their families. No denial has been heard from AID. My telephone calls to them have been ignored.

Under title II, rice would be given to voluntary agencies for distribution to those suffering most from food deficiencies. Today, Senators HATFIELD, BROOKE, HUMPHREY, and myself are submitting a sense of the Senate resolution which would transfer the rice being airlifted into Cambodia from title I to title II programing.

The voluntary agencies which administer title II food in Cambodia have the capacity and the willingness to do the job. The U.S. AID mission has requested a threefold increase for its yearly programing. The sense of purpose, the ability, and the need are all there. We can get the food to the hungry.

With a simple switch of programing we can get the food to those most in need. Now that the Senate has agreed to consider this resolution on the next legislative day, we ask that the Senate endorse this measure calling for one-half of food for peace commodities sent to Cambodia to be title II humanitarian food assistance.

I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond 30 minutes, with statements therein limited to 10 minutes each, and that at the end of that time I may be recognized.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. CURTIS. Mr. President, reserving the right to object, has all of the time reserved to the assistant minority leader (Mr. GRIFFIN) expired?

The ACTING PRESIDENT pro tempore. The time reserved to the leaders has expired.

Without objection, it is so ordered.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

Mr. LONG. Mr. President, what could be a very bad precedent, denying every Member of this body the rights of a U.S. Senator, was in the process of taking place a few days ago when the Senator from Louisiana spoke against that matter, and insisted that the Senate should act in an orderly fashion.

Mr. President, the Vice President on that occasion was in the process of putting a motion, and did in fact put a motion to a vote before the Senate while the Senator from Alabama was on his feet, shouting for recognition. The Senator shouted several times for recognition, and the Vice President declined to recognize the Senator and proceeded to put the motion.

When I challenged him about the matter, Mr. President, the Vice President said that the book "Parliamentary Procedure" contained a statement which supported his position.

"Parliamentary Procedure," as I understand, is a compilation by the Parliamentarian of precedents that have occurred before the Senate down through the years. I have checked that, Mr. President, and there is no support whatever for what the Vice President did on that occasion.

For example, while it is true that the Presiding Officer is not required to advise a Senator of his parliamentary rights when he makes a parliamentary inquiry, that does not relieve him of the burden of recognizing that Senator and according him the opportunity of at least inquiring what his rights are, or of recognizing him, for that matter, for any purpose whatsoever.

I ask unanimous consent that, at the conclusion of my statement, the precedent referred to in the book "Parliamentary Procedure" by the Vice President, which would be the precedent of February 2, 1965, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LONG. Mr. President, let me read how this matter started:

> Mr. MILLER. Mr. President, a parliamentary inquiry.
>
> The PRESIDING OFFICER (Mr. BURDICK in the chair). The Senator will state it.

Then the Senator goes ahead and states his parliamentary inquiry, and there is some discussion back and forth, the Senator makes a point of order, and eventually it is decided that in view of the fact that this matter is not presently before the Senate, the Senator will have to wait and make his point of order when the matter under discussion is before the Senate.

The Chair did not refuse to recognize the Senator, as the Vice President did on this occasion. And, Mr. President, I say with confidence that the Vice President, or anybody he wants to designate, can search from now back to the first day of the U.S. Senate, and he will not find any case that will support the Presiding Officer riding roughshod over the U.S. Senate and refusing to recognize any Senator who sought to be recognized.

In "Senate Procedure," the Senate book referred to by the Vice President, on page 674, it states:

> Every Senator, in due time, has a right to recognition before the Senate acts on an issue unless by unanimous consent a limitation of debate is entered into which precludes him from such right.

No unanimous consent had been given, Mr. President. No cloture had been invoked. As a matter of fact, the Vice President at that point was telling the Senator something to the effect that he was not going entirely by the rules of the Senate, he was going by the Constitution. I do not know what he was going by. By his own imagination, perhaps.

All I know, Mr. President, is that any Senator had the right to inquire, at that point, what his rights were; and at that point, had there been 100 Senators standing demanding recognition, the Vice President would have been under the burden of recognizing every last one of those 100 Senators before he put that question. It may be that the motion might not be debatable; the Vice President may wish to offer that as an excuse for his conduct. But, Mr. President, if that motion was not debatable, there were still many other bases upon which a Senator could be asking for recognition, if only to suggest the absence of a quorum. A Senator might want to move to recess, to adjourn—there were other motions that would take precedence over the motion the Vice President was putting.

Mr. President, as I said on that occasion, I have never seen a time in the history of this Republic, and I never expect to see a time, when a majority would be justified in completely denying to a minority its rights stated under the rules of the Senate. For that reason, I felt that some of us, in the spirit of compromise and goodwill toward one another, ought to take the attitude—and I do—that if those seeking to change the rules feel that the situation is so desperate and that change is so necessary that any Members take the attitude that the end justifies the means, and that the circumstances are such that they are justified in doing that sort of thing, I for one, Mr. President, would be willing to agree to some sort of reasonable compromise to meet the situation that exists.

An editorial in Saturday's issue of the New York Times entitled "Dubious Compromise" was totally in error. I tried to call them and explain it to them, but there was no one except some gentleman named Schwartz available on Saturday afternoon to explain the matter to. He listened very politely, but no one in authority was available for me to explain to them that they were badly in error.

They suggested, in their editorial, that this proposed compromise should be voted down, on the theory that their side could do better. Mr. President, I can tell those people in my judgment, for a certainty, that if the Senate does not agree to the reasonable proposal now being advanced by the majority leader, the assistant majority leader, and the leadership on the Republican side of the aisle as well, if that is not entered into because some people are as unreasonable on the right as the New York Times appears to be on its side—having been offered a fair and reasonable compromise and proceeded to turn it down; how do they know how Senators would react?

Their reaction will be whichever side, in a situation like this, is going to be completely unreasonable will be the side that loses support, and so if they turn this compromise down the probabilities are there would be no change in the rule whatsoever.

So far as I am concerned that is all right with me if it works out that they are so foolhardy as to turn down a reasonable compromise when offered that opportunity.

I do not think that will be the attitude of the majority of those who seek to change the rules. I do not think they are taking the attitude that they are either going to have to have everything their own way or else they are going to take the attitude that might makes right, and completely deny everybody his rights under the rules, and try to bulldoze this Senate into making a precedent that the Senate will long regret.

Mr. President, I hope the Vice President of the United States will review this record that I have made here and, at an appropriate time, will state for the Senate what the Parliamentarian had advised him when he asked the Parliamentarian for advice. I say because I discussed the matter with the Parliamentarian, that any Senator had a right to be recognized at a point. A Senator could have made a number of motions or he could have suggested the absence of a quorum or done, perhaps, various, and sundry other things that I am not aware of at this moment. But I have no doubt that out of a hundred Senators here, every last one of them had a right to be recognized, and it is not for the Vice President to decide whom he is going to recognize.

As long as he presides over this Senate, it is his duty to recognize every Senator, every last one of the hundred of them, if a hundred want to be recognized, and for more times than once, if need be, until those Senators have had a chance to say what they had to say or make whatever motion or point of order they wished to make until the Senate had concluded its business.

I have discussed this matter with those who work on the editorial staffs of our major newspapers in Washington, as well as endeavoring to discuss this matter with those who have the responsibility with respect to the New York Times, and I hope this matter will be laid to rest once and for all; that unless by unanimous consent the Senate has agreed otherwise, the Chair, whomsoever he may be, the Vice President or any Senator, is under the burden of recognizing every Member of this body and according them the rights that are theirs under the rules before he insists to order that clerk to call that roll with that man standing there seeking recognition.

Now, Mr. President, it is fine for some

to decline to abide by the rules or to sit here and witness a man being denied his rights when it is the other fellow who is being denied his rights. But it has been my experience in this body during 26 years that when a Senator engages in a course of conduct that denies others the rights that are theirs, if he has the privilege of serving here very long, he will live to see the day when the same thing turns around that could reach him.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. ROBERT C. BYRD. Mr. President, if the Chair will recognize me——

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROBERT C. BYRD (continuing). I yield my time to the Senator, and I ask unanimous consent that his statement not show an interruption in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LONG. Mr. President, it is all right with me if the RECORD does show my time has expired, and I would be pleased that it would show that, and I ask unanimous consent that it be that way.

Mr. ROBERT C. BYRD. Mr. President, I ask that that request be vitiated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LONG. The distinguished acting majority leader is always most considerate and kind to all of us, and he respects all of our rights. I am sure he never would have been a party to any such thing as that about which the Senator from Louisiana is protesting, and I see he is nodding his head in agreement.

Mr. ROBERT C. BYRD. Mr. President, may I say, while the Chair was under no obligation to respond to the parliamentary inquiry, I think the Chair is always under an obligation to recognize a Senator who is seeking recognition.

Mr. LONG. That is exactly correct, and if the Chair does not want to respond to a parliamentary inquiry, he still is under the duty of letting the Senator state it and, having stated the parliamentary inquiry, he would then be privileged to say that the Chair does not have to respond to that parliamentary inquiry. Sometimes the nature of the inquiry is such that the whole thing is said facetiously anyway. Sometimes a Senator might say that he has a parliamentary inquiry to make and, having been accorded the opportunity to state it, will say, "Well, where did the Senator from New York disappear to? He was here yesterday," or some such thing as that, which the Chair would then say is not a parliamentary inquiry at all, and the Chair is not under a duty to respond to it.

But I think we can all agree that the Chair is not required under the rules to give an opinion about parliamentary procedure to a Senator unless it is a matter of a point of order. But there is no doubt whatever that he is under a duty to recognize a Senator who had a right to be recognized. A Senator does have a right to be recognized to address a parliamentary inquiry to the Chair.

The parliamentary situation that existed at that particular time when the Senator from Alabama was denied his rights was such that had the Chair stated to him that the Chair was not going to respond to the parliamentary inquiry, that the Chair was not going to advise the Senator of his right, the Senator would have nevertheless been entitled to recognition, to protect his rights in other respects. He could have suggested the absence of a quorum; he could have moved to adjourn, and he had other motions available to him which he had every right to make under any precedent that the Senate might have.

I do not know what precedents the Vice President might be planning to dream up under his interpretation of the Constitution. That is something we will have to deal with when the time comes. But I have no doubt, Mr. President, that there is no rule and no precedent to support what the Vice President did on that occasion, and I hope we will never see that tried again.

I hope the Vice President will review this record, and I will seek to inquire of him on my own time on some occasion at a parliamentary inquiry which, I hope, he will respond to, whether in his judgment he still has the right to refuse to recognize any one of these 100 Senators for any reason whatsoever.

EXHIBIT 1

[From the CONGRESSIONAL RECORD, Feb. 2, 1965

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. (Mr. BURDICK in the chair). The Senator will state it.

Mr. MILLER. What is the pending business?

The PRESIDING OFFICER. The pending business is House Joint Resolution 234, providing supplemental appropriations for certain activities of the Department of Agriculture for 1965.

Mr. MILLER. Mr. President, I note from the print of House Joint Resolution 234 which I have that a committee amendment has been proposed. Is that correct?

The PRESIDING OFFICER. There are several committee amendments.

Mr. MILLER. The print that I have which is shown as Roman numeral No. II, has what appears to be only one amendment. On page 3, from line 4 through the word "Act" on line 7, is deleted. And there is a proposed addition in italic representing, I believe, the committee amendment. It goes from line 7 down through line 14. Do I correctly understand the Chair to say that there are other amendments than this?

The PRESIDING OFFICER. Page 2, line 3, continuing through line 18.

Mr. MILLER. Then I request that the Chair direct his attention to the amendment to which I have referred on page 3. My question is whether the Chair is of the opinion that this amendment to which I have referred violates paragraph 4 of rule XVI.

The PRESIDING OFFICER. Will the Senator state whether he is referring to the amendment in lines 4 to 7, or the amendment in lines 7 to 14?

Mr. MILLER. What I refer to is what appears to be the proposed committee amendment, which constitutes the committee language, starting on line 7 and running through the end of line 14, all appearing in italics.

The PRESIDING OFFICER. The Chair will refrain from rendering an advisory opinion at this time, but will be ready to rule if a point of order is raised.

Mr. MILLER. Mr. President, that being the position of the Chair, I respectfully raise the point of order.

The PRESIDING OFFICER. A point of order against a committee amendment at this time is not in order. No committee amendment has yet been reported by the clerk for Senate action.

Mr. MILLER. Mr. President, I do not want to prejudice the situation as far as the majority leader is concerned.

I would like to obtain an opinion from the Chair. If the language to which I have referred does not contravene paragraph (4) of rule XVI, then, would an amendment to this amendment of the committee automatically be held not to contravene paragraph 4 of article XVI?

The PRESIDING OFFICER. The matter that the Senator has referred to on page 3 of the joint resolution is open to amendment when it is before the Senate. But, this matter has not yet been called up or presented to the Senate for action.

Mr. MILLER. The Senator understands that. However, what the Senator is trying to determine is whether or not an amendment which he intends to offer to the amendment proposed by the committee, which is not yet before the Senate, would fall within the same ruling as the committee amendment itself with respect to paragraph 4 of rule XVI.

In other words, if the committee amendment satisfies the requirement that it is not legislation on an appropriation bill, would an amendment to the committee amendment automatically be cleansed of any violation of the rule, also?

The PRESIDING OFFICER. It would depend upon the nature of the amendment offered. It would have to comply with rule XVI.

Mr. MILLER. Does the Chair advise that the mere fact that the committee amendment might be held by the Chair not to violate paragraph 4 of rule XVI does not carry with it an automatic ruling that an amendment to that amendment automatically is cleansed of the violation of the rule?

The PRESIDING OFFICER. The Chair advises the Senator that an answer to the question would depend entirely on the language of the amendment.

Mr. MILLER. Then, only for the purpose of protecting my rights, and in view of the fact that I do not wish to press it to the point of making a point of order at this time, I must also say that, in accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the resolution (H.J. Res. 234) making appropriations for the fiscal year ending June 30, 1965, and for other purposes, an amendment, with the understanding that if the point of order is made and the Chair rules that the committee amendment is not in violation of said rule, it would not be necessary for me to serve such notice, because my amendment would not fall within the prohibition of the rule.

My amendment would strike lines 13 and 14 on page 3 of the joint resolution which states:

"And if the President determines that the financing of such exports is in the national interest."

My language would replace that language with the following:

"Or are necessary to carry out any other agreement with the United Arab Republic which has been approved by the Congress."

I send my amendment to the desk and ask that it be printed.

I want to make clear that the purpose of my amendment is to leave—

The PRESIDING OFFICER. Does the Senator wish to file a notice to suspend the rules?

Mr. MILLER. The Senator from Iowa does file notice, as previously stated.

The PRESIDING OFFICER. Notice is filed.

Mr. MILLER. The purpose is to require approval by the Congress of any future agreement with the United Arab Republic. It is not necessary to say that there will be no approval, but to leave it to the Congress to make that determination.

EXPERTS SKEPTICAL ON FORD'S ENERGY PLAN

Mr. LONG. Mr. President, on a different subject, it seems to me that a thoughtful article and a good, careful analytical job was done in the same edition of the New York Times to which I have previously made reference on the subject of energy. It seems to me that if we are going to solve the energy crisis before us we must analyze point for point first, what our purpose is; second, what it will cost to do it; third, how we propose to raise the funds to bring it about, from whom we expect to raise that money, and in each aspect of that problem with regard to natural gas, oil, coal, nuclear power, conservation, as well as the potential of geothermal power and solar power, the potential of those various sources, and the cost in order to bring about the result that I think will have to be achieved in the event that we ever come up with a logical adequate answer to the energy crisis.

I congratulate Mr. Victor K. McElheny for the very cogent, logical article he wrote about this matter, and I would suggest that the Senate make use of it in approaching logically this very perplexing problem on which we have had all together too much confusion and not enough organized thought.

I ask that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 1, 1975]

EXPERTS SKEPTICAL ON FORD'S ENERGY PLAN

(By Victor K. McElheny)

President Ford's program to free the United States by 1985 from the threat of an oil embargo has aroused serious doubts among leading energy experts as to its costs, relevance and achievability.

The Administration plan, envisioning the construction of scores of oil refineries, synthetic coal plants and nuclear power plants, relies on such devices as import tariffs and tax incentives both to reduce energy consumption and develop new energy sources.

In the month and a half since it was first outlined, the Ford program has been bitterly criticized by many members of Congress and Governors as placing too heavy an economic burden on low-income groups.

The technical critics take a different stance, however. They hold that the program puts too much emphasis on purely economic incentives, then fails to "plow back" such revenues as it generates into energy investment.

They say that current discussions overemphasizes conservation and fail to emphasize the urgency of getting new energy supplies quickly, particularly because of new, pessimistic estimates of oil and gas supplies.

They say that the nation's need for new energy supplies in the next 10 years is being grossly understated and that its ability to achieve conservation without severe, short-term dislocations is being grossly overstated.

And they say that White House planners are using excessively optimistic estimates of the nation's reserves of oil and gas and that, because of a still-ignored natural gas crisis, the nation needs immediate, crash efforts to gasify coal and to increase direct industrial use of low-sulphur coal.

In interviews and public meetings since the President announced his program, these scientists and engineers have criticized it as a "business-as-usual" effort to manage a problem that threatens both short-term and long-term economic decline.

The specialists suspect that the Ford program, despite its economic orientation, does not provide for enough money, material or manpower to achieve the huge increases in production of World War II cited by Mr. Ford when he said, "They did it then. We can do it now."

The huge construction effort called for by President Ford would require investment of more than $400-billion. It would involve between 140 million and 160 million tons of steel, fabricated into hundreds of large steam turbine generators for electricity and draglines for the surface mining of coal, thousands of coal-cutting machines for underground mining, dozens of tankers for Alaskan oil and gas, between 8,000 and 10,000 locomotives and up to 260,000 hopper cars for coal trains, and thousands of miles of well-linings and refinery tubing and pipelines for oil and gas.

The size and speed of the effort has excited much skepticism. As John O'Leary of the Mitre Corporation, a former director of the Bureau of Mines, said in New York in January, "I think there's a very real chance that we won't take the appropriate action even in a crisis environment. The appropriate action is very painful and entails quite long lead times."

NATURAL GAS

The President proposed that prices on new supplies be decontrolled, that an excise tax be imposed, and that new exploration be encouraged.

The experts expressed particular urgency about natural gas. The supply is dwindling, particularly for interstate shipments, and in their view attention to the immediate crisis is being diverted by Mr. Ford's focus on a date 10 years in the future.

The decline in the nation's over-all gas supplies is estimated at about 5 per cent a year, with interstate shipments going down at twice that rate. Because of this, according to Dr. Philip H. Abelson, editor of Science magazine, the East and West Coasts and Middle West all face sharply increasing difficulty in allocating gas between homes and industry.

According to an estimate by the Columbia Gas Company, printed in the Nov. 4, 1974, issue of Oil and Gas Journal, if the current practice of giving top priority for gas supplies to home heating persists, the nation could virtually run out of all industrial gas by 1980.

At the annual meeting of the American Association for the Advancement of Science last month in New York City, Dr. Henry Linden, director of the Institute of Gas Technology in Chicago, said the decline in gas supplies, amounting to nearly 1 trillion cubic feet annually out of a total of 23 trillion, is adding 500,000 barrels of oil a day to the nation's oil demand.

To moderate the effects of the gas crisis, observers like Drs. Abelson and Linden urge a massive, immediate drive to use existing technology to make synthetic gas from strip-mined western coal, along with rapid conversion of many industrial furnaces and boilers to coal.

OIL

The President proposed tariff increases to achieve reductions in imports of 1 million barrels of oil daily by the end of this year and a further million by the end of 1977; civilian and military stockpiles to reduce vulnerability to an embargo; decontrol of domestic crude oil prices; a "windfall" profits tax; the construction of 30 new refineries, and the drilling of thousands of offshore and Alaskan wells.

The energy experts, while regarding President Ford's program as more realistic than former President Nixon's call for an end to all oil imports by 1980, doubt that even the scaled-down aims can be achieved through the operations of the market place, the main reliance of the Administration's program.

They think that the United States reserves of oil and gas are not only much lower than the official estimates of the Geological Survey but that such reserves as do exist will take longer than many realize—five to eight years—to bring into production.

Recently, the National Academy of Sciences endorsed such a pessimistic view of the resources, a view close to that frequently expressed by M. King Hubbert, an employe of the Geological Survey.

By Mr. Hubbert's projections, the total United States resource is about 170 billion barrels, compared to the Geological Survey projection of 600 billion. Of the 170 billion, 100 have already been found. Of the remaining 70, about 65 might be used by 1985 if Federal projections are correct.

At the University of Washington, Dr. Abelson said, "Almost all the undiscovered recoverable oil is located in regions where exploitation will be controversial, difficult and slow."

He added, "In spite of vastly expanded knowledge of underground geology and the use of advanced geophysical techniques, oil was more than five times harder to find in the sixties than in thirties."

Dr. Abelson was skeptical that higher prices would bring out more oil. During 1974, he said, "in spite of a doubling of prices, production has dropped about 5 per cent. Perhaps in time the higher prices will bring out more oil, but for the moment the credibility of those who have argued for higher prices is suspect."

Of efforts to increase the proportion of oil and gas recovered from a well by pumping water or detergent into a subterranean petroleum formation, Dr. Abelson said, "Thus far, there has been no magical solution, only slow progress. The winning of additional oil through such methods will be slow and costly."

As for Government estimates that $11 a barrel represented a long-term upper limit on oil prices, both Drs. Abelson and Linden were skeptical. In a session at last month's science association meeting, Dr Linden said the oil-exporting nations were selling their petroleum at "substantially below replacement cost," that is, what synthetic oil from coal or shale or tar sands would cost. "In fact, the O.P.E.C. nations have been very kind to us," Dr. Linden said.

At the University of Washington, Dr. Abelson said that experience with spot prices during the embargo of 1973–74 showed that "a price of $20 or more a barrel as an upper limit would be more realistic" than the range between $7 and $11 used in Government estimates. "The Arabs have custody of a limited and irreplaceable asset," their oil. Dr. Abelson said, and although they might drive down the price again, "Why should they?"

Both scientists, in other words, were supporting the idea that petroleum prices were likely to stay high enough to support investments in a wide range of synthetic fuels. These would be needed in large amounts for the United States to reduce its oil imports to the Ford target of 5 million barrels a day in 1985, representing only 10 per cent of the energy-use anticipated then.

COAL

The President proposed opening 20 new synthetic fuel plants, most of them for turning coal into synthetic pipeline gas, achieving a total of 150 major coal-fired electric power plants, and some flexibility on standards for strip-mining and cleaning sulphur from smokestack gases.

The Ford proposal would require doubling United States coal production in less than 10 years. The key to reaching this target is agreement on environmental rules, the experts assert. They doubt that the nation's political leaders are ready to agree on them. Without the rules, it is said, there can be no investment in the new energy supplies.

Dr. Albert Osborn, a former director of the Bureau of Mines, told the science association meeting that the coal industry was eager for passage of any strip-mining bill, regardless of its exact requirements for land reclamation, so that it could open up vast new Western resources. "The coal industry cannot move ahead unless it knows what the rules are," Dr. Osborn said. He now works at the Carnegie Institution of Washington.

The limestone "scrubbers," which the Environmental Protection Agency is requiring for coal-fired plants, are "an outrage to the system," Dr. Osborn said. "This is not the way to go."

The sulphurous sludge byproduct of the scrubbers, which are to be installed on some 86 million kilowatts of coal-fired power plants expected by 1980, would cover 50,000 acres to a depth of 20 feet, Dr. Osborn said.

Eric Reichl of the Conoco Coal Development Company said the limestone stack-gas scrubbers were "technically out in left field. We need something far more sophisticated to make it practical."

Both Mr. Reichl and Dr. Osborn urged development of a so-called citrate process of stack-gas cleaning that would lead to pure sulphur rather than sulphate sludge as the by-product. But Mr. Reichl warned, "We don't want to confuse or fool ourselves. The cost of doing this is just monumental."

To encourage development of synthetic fuels from coal, Mr. Reichl said the Government might need to build and own the factories for a time, then sell them off to private industry, as was done with snythetic rubber and aviation fuel factories after World War II.

Mr. Reichl strongly urged that the United States not wait for a "second generation" of coal gasification plants in hopes of "something better around the corner" that would cut costs substantially. The cost reductions from new processes now being developed in the United States would amount to 10 to 15 per cent, Mr. Reichl predicted.

The Federal Energy Administration's "Project Independence Blueprint" took a pessimistic view of the role that synthetic gas from coal might play before 1985. Because of this, the document urged heavy stress on supplying electricity to so-called "heat pumps" in homes to ease demand for home heating oil or natural gas—both now expensive and scarce.

Dr. Linden attacked this analysis, countering with one of his own. An Institute of Gas Technology study last year indicated that home heat from electricity in 1980 would cost $1.52 per million British Thermal Units, compared with only $5.85 from gasified coal.

If electricity substituted for some 1.14 trillion cubic feet of gas heat, as suggested in the Federal energy blueprint, Dr. Linden said consumers would pay an extra $6.4-billion annualy in 1985 than they would if they used gasified coal to run home furnances.

NUCLEAR POWER

The President proposed that a total of the 200 nuclear power plants be built by 1985 (against 50 today), that investment tax credits be extended, and that guidelines be imposed on state utility regulations affecting profitability and hence investor interest in new power plants.

To meet President Ford's goal, new nuclear powerplants would have to be commissioned about once every three weeks for the next 10 years. Several commentators have said in recent weeks that 100, or one every five weeks, would be a more realistic target. They cited the same delays and cancellations—because of acute financial difficulties—that President Ford mentioned in his address Jan. 15.

Milson Levenson, in charge of nuclear industry problems at the Electric Power Research Institute in California, said in a telephone interview, "It's one thing to say 200 plants, and another to build them."

Mr. Levenson added, "The utility industry is in no position to build 100 plants at $600-million each. The Government has to make available the capital through some device."

Many commentators on the nuclear industry have expressed doubt that there will be time, talent or money enough to build up the nuclear industry. Mining activity will have to more than triple in a decade. New factories for making and reprocessing nuclear fuel will have to be built. The pace of development of the "breeder," a type of nuclear plant vital to the long-term nuclear economy, is in doubt.

CONSERVATION

The President proposed a small cutback in the nation's energy growth rate and a shifting away from oil and gas. He would defer tightened automobile pollution standards for five years in favor of a 40 per cent improvement in new-car fuel efficiency by 1980. And to encourage electric heating of homes, he would provide a tax credit for installing insulation, nationally mandated heating standards for new buildings, and help for low-income families in buying insulation.

In a news conference in New York late in January, Dr. Chauncey Starr, director of the Electric Power Research Institute, estimated that 10 to 15 per cent was all the "cream" that could be skimmed off the economy by energy conservation. He said, "Conservation buys, at best, a few years. It does not do more than delay the onset of the problem."

Dr. Starr was one of many energy specialists concerned that energy-conservation steps might not only seriously erode the real income of Americans in the next 10 years, but actually increase the amount of energy needed per unit of economic output instead of decreasing it.

MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of February 28, 1975, the Secretary of the Senate, on February 28, 1975, received a message from the President of the United States submitting the nomination of John E. Robson, of Illinois, to be a member of the Civil Aeronautics Board.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. STONE) laid before the Senate a message from the President of the United States submitting the nomination of John E. Robson, of Illinois, to be a member of the Civil Aeronautics Board, which was referred to the Committee on Commerce.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. **PROXMIRE**, from the Committee on Banking, Housing and Urban Affairs:

Carla Anderson Hills, of California, to be Secretary of Housing and Urban Development;

Thomas G. Cody, of Maryland, to be an Assistant Secretary of Housing and Urban Development; and

Otto George Stolz, of North Carolina, to be a member of the Board of Directors of the New Community Development Corporation.

(The nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The **ACTING PRESIDENT** pro tempore (Mr. STONE) laid before the Senate the following letters, which were referred as indicated:

APPROPRIATIONS REAPPORTIONMENT FOR THE INTERNAL REVENUE SERVICE

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, relating to reapportion of appropriations for the Internal Revenue Service for the fiscal year 1975, indicating a need for a supplemental estimate for increased pay costs; to the Committee on Appropriations.

APPROPRIATIONS REAPPORTIONMENT FOR THE DOMESTIC AND INTERNATIONAL BUSINESS ADMINISTRATION

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, relating to reapportionment of appropriations for the Domestic and International Business Administration (DIBA) for Operations and Administration for the fiscal year 1975; to the Committee on Appropriations.

RESCISSION OF FUNDS APPROPRIATED FOR THE FEDERAL HIGHWAY ADMINISTRATION

A letter from the Comptroller General of the United States, relating to proposed rescission of funds appropriated for the Federal Highway Administration, Railroad-Highway Crossings Demonstration project, and trust fund share of other highway program; to the Committee on Appropriations, the Committee on the Budget, the Committee on Public Works, the Committee on Finance, jointly, by order of January 30, 1975.

REPORTS OF THE DEPARTMENT OF DEFENSE

A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report of the Department of Defense, Military Procurement Actions in the Interest of National Defense or Industrial Mobilization Negotiated under the Provisions of 10 U.S.C. 2304(A)(16), July–December 1974; and a report of the Department of Defense, Military Procurement Actions for Experimental, Developmental, Test or Research Work Negotiated under the Provisions of 10 U.S.C. 2304(A) (11), July–December 1974 (with accompanying reports); to the Committe on Armed Services.

IMPLEMENTATION OF SPECIAL PAY FOR DUTY SUBJECT TO HOSTILE FIRE

A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs), reporting on implementation of special pay for duty subject to hostile fire; to the Committee on Armed Services.

PROPOSED LEGISLATION TO AUTHORIZE APPROPRIATIONS FOR SUPPORT OF MILITARY FAMILY HOUSING

A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for support of military family housing including operating expenses and maintenance of real property (with an accompanying paper); to the Committee on Armed Services.

REPORTS OF THE DEPARTMENT OF DEFENSE

A letter from the Deputy Assistant Secretary of Defense, transmitting, pursuant to law, reports for fiscal year 1974 required by section 410(b) of Public Law 91–121 (83 Stat. 212) (with accompanying reports); to the Committee on Armed Services.

Report on Chemical Warfare and Biological Research Programs

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, the semiannual report on funds obligated in the chemical warfare and biological research programs during the first half of fiscal year 1975 (with an accompanying report); to the Committee on Armed Services.

Proposed Legislation for Disposal of Tin, Silver and Lead

A letter from the Administrator, General Services Administration, transmitting drafts of proposed legislation to authorize the disposal of tin from the national stockpile and the supplemental stockpile; to authorize the disposal of silver from the national stockpile; and to authorize the disposal of lead from the national stockpile and the supplemental stockpile (with accompanying papers); to the Committee on Armed Services.

Report of the National Railroad Passenger Corporation

A letter from the Vice President, Government and Public Affairs, National Railroad Passenger Corporation, transmitting a report on total itemized revenues and expenses, revenues and expenses of each train operated, and revenue and total expenses attributable to each railroad over which service is provided, for the month of November 1974 (with an accompanying report); to the Committee on Commerce.

Evaluation of Report of the Commission on American Shipbuilding

A letter from the Secretary of Commerce, transmitting, pursuant to law, an evaluation of the final report of the Commission on American Shipbuilding (with accompanying papers); to the Committee on Commerce.

Report of the Offce of Revenue Sharing

A letter from the Secretary of the Treasury, transmitting, pursuant to law, the second annual report of the Office of Revenue Sharing, March 1, 1975, Department of the Treasury (with an accompanying report); to the Committee on Finance.

Report of the Airport and Airway Trust Fund

A letter from the Fiscal Assistant Secretary, Department of the Treasury, transmitting, pursuant to law, the fourth annual report of the financial condition and results of the operations of the Airport and Airway Trust Fund (with an accompanying report); to the Committee on Finance.

Report of the Highway Trust Fund

A letter from the Fiscal Assistant Secretary, Department of the Treasury, transmitting, pursuant to law, the 19th annual report on the financial condition and results of the operations of the Highway Trust Fund (with an accompanying report); to the Committee on Finance.

Proposed Social Security Cost Control Act of 1975

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to improve and control the cost of the program of old-age. survivors, and disability insurance, the program of grants to States for aid to families with dependent children, and the program of health insurance for the aged and disabled (with accompanying papers); to the Committee on Finance.

Proposed Maternal and Child Health and Crippled Children's Services and Medicaid Cost Control Amendments of 1975

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to improve and control the cost of the maternal and child health and crippled children's services program, and the program of grants to States for medical assistance programs (with accompanying papers); to the Committee on Finance.

Report of the Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on using solid waste to conserve resources and to create energy, Environmental Protection Agency (with an accompanying report); to the Committee on Government Operations.

Postal Rate Commission Report Under the Freedom of Information Act

A letter from the Acting Chairman, Postal Rate Commission, transmitting, pursuant to law, a report on the administration of the Freedom of Information Act during the calendar year 1974 (with an accompanying report); to the Committee on the Judiciary.

Federal Power Commission Report Under the Freedom of Information Act

A letter from the Chairman, Federal Power Commission, reporting, pursuant to law, on the Federal Power Commission's experience under the Freedom of Information Act during the 1974 calendar year (with an accompanying report); to the Committee on the Judiciary.

Report of the Water Resources Council Under the Freedom of Information Act

A letter from the Director, U.S. Water Resources Council, reporting, pursuant to law, on the activities of the Water Resources Council during calendar year 1974 regarding the Freedom of Information Act (with accompanying papers); to the Committee on the Judiciary.

Report of the Federal Reserve System Under the Freedom of Information Act

A letter from the Secretary of the Board of Governors, Federal Reserve System, reporting, pursuant to law, under the Freedom of Information Act (with accompanying papers); to the Committee on the Judiciary.

Report of the Federal Labor Relations Council

A letter from the Executive Director, Federal Labor Relations Council, transmitting, pursuant to law, a report concerning the activities of the Federal Labor Relations Council and the Federal Service Impasses Panel with regard to public information requests during calendar year 1974 (with an accompanying report); to the Committee on the Judiciary.

Proposed Legislation by the Department of Health, Education, and Welfare

A letter from the Acting Secretary of Health, Education, and Welfare transmitting a draft of proposed legislation to decrease the amount of defaults under the guaranteed student loan program, to amend the Bankruptcy Act to limit the dischargeability in bankruptcy of educational debts, and for other purposes; to the Committee on Labor and Public Welfare.

Report of the Secretary of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on the activities and experience of the Department of Health, Education, and Welfare in the administration of the black lung benefits program for the calendar year 1973 (with an accompanying report); to the Committee on Labor and Public Welfare.

Interim Report of the National Commission for Manpower Policy

A letter from the Chairman of the National Commission for Manpower Policy transmitting, pursuant to law, a report entitled "The Challenge of Rising Unemployment" (with an accompanying report); to the Committee on Labor and Public Welfare.

Proposed Regulations of the Department of Health, Education, and Welfare

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, regulations coordinating the OE student financial aid programs and the Bureau of Indian Affairs programs for providing grant-in-aid assistance for higher education for native Americans—notice of proposed rulemaking (with accompanying papers); to the Committee on Labor and Public Welfare.

Report on Progress in the Implementation of Motor Vehicle Emission Standards Through June 1974

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Progress in the Implementation of Motor Vehicle Standards Through June 1974" (with an accompanying report); to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Stone):

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Agriculture and Forestry:

"H. Con. Res. 1008

"Whereas, the United States Department of Agriculture has announced its intention to drastically increase the cost of food stamps; and

"Whereas, the proposed change, to become effective on March 1, 1975, will require that all households pay 30 percent of their adjusted net income for their total coupon allotment; and

"Whereas, aged and disabled persons receiving Supplemental Security Income will no longer be eligible since the basic Supplemental Security Income grant plus the exempt income and the State Supplement will total an amount whereby 30 percent of said amount will exceed the value of the coupon allotment; and

"Whereas, inflation, already decreasing purchasing power at an annual rate in excess of 12 percent, has had its most pronounced impact on the necessities which all families require to survive; and

"Whereas, it is inhumane, given this rapid increase in inflation, to propose a cost increase for food stamps which would result in closure, dropout or less money for other necessities for low income families whose budgets already approach a subsistence level; and

"Whereas, the proposed cost increase will result in a loss of eligibility for food coupons for 15,065 Oklahomans and a loss of revenue for the State amounting to $703,021.00; and

"Whereas, this action by the Department of Agriculture also will effect an increase in the purchase price of the coupons for 167,856 other Oklahomans; and

"Whereas, the proposed amendment is in conflict with the promise made by the President of the United States, Gerald Ford, to the elderly, the unemployed and those on fixed income, that they would be afforded protection against stern measures to control inflation; and

"Whereas, the proposed amendment is contrary to the expressed intent of Congress in that the purpose of the Food Stamp Program is to alleviate hardship for persons on low incomes. Now, therefore, be it

"*Resolved* by the House of Representatives of the 1st session of the 35th Oklahoma Legislature, the Senate concurring therein:

"Section 1. That the Congress of the United States of America be memorialized to rescind the action of the Department of Agriculture increasing the cost of food stamps.

"Sec. 2. That duly authenticated copies of this Resolution be distributed to members of the United States House of Representatives and Seante, including the Oklahoma Congressional Delegation.

"Adopted by the House of Representatives the 5th day of February, 1975."

A resolution adopted by the City Council of the City of Wakefield, Michigan, supporting an income tax cut for low-income taxpayers primarily; to the Committee on Finance.

A resolution of the Military Order of the World Wars to appropriate 6 percent of the amount of the Gross National Product to the Armed Services; referred to the Committee on Appropriations.

A resolution of the Military Order of the World Wars to increase defense appropriations by $20 billion annually; to the Committee on Appropriations.

A resolution of the Military Order of the World Wars urging the retention of national sovereignty over the Panama Canal; to the Committee on Armed Services.

A resolution of the Military Order of the World Wars urging the United States to restrict its financial support of the United Nations to its minimum dues and fees; to the Committee on Foreign Relations.

A resolution of the Military Order of the World Wars urging the continuation of the importation of chromium from Rhodesia; to the Committee on Foreign Relations.

A resolution of the Military Order of the World Wars in opposition to ecological considerations at the expense of the enhancement and protection of the national security; to the Committee on Public Works.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated.

By Mr. CURTIS:

S. 902. A bill to amend the required charitable distributions by private foundations under the Internal Revenue Code of 1954. Referred to the Committee on Finance.

By Mr. ALLEN (for himself and Mr. HARRY F. BYRD, JR.):

S. 903. A bill to amend the Voting Rights Act of 1965 to repeal sections 4 and 5 relating to automatic application of that act and prior approval in changes in voting qualifications, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN (by request):

S. 904. A bill to authorize appropriations for the Department of State and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. STONE:

S. 905. A bill for the relief of Eva Graciela Steinitz. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT:

S. 906. A bill to reserve a site for the use of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

S. 907. A bill to authorize the Smithsonian Institution to plan museum support facilities. Referred to the Committee on Rules and Administration.

By Mr. STEVENS (for Mr. TAFT):

S. 908. A bill to amend the Federal Salary Act of 1967 by removing Members of Congress from the Commission on Executive, Legislative, and Judicial Salaries. Referred to the Committee on Post Office and Civil Service.

By Mr. ROBERT C. BYRD:

S. 909. A bill to designate the Wheeling Suspension Bridge as a national historic site, and to provide for the administration and maintenance of the site by the Secretary of the Interior in consultation with an advisory commission. Referred to the Committee on Interior and Insular Affairs.

By Mr. GOLDWATER:

S. 910. A bill to amend the Federal Aviation Act of 1958 to permit the temporary operation of certain aircraft without emergency locator transmitters. Referred to the Committee on Commerce.

By Mr. PELL:

S. 911. A bill to encourage the conservation of energy by requiring that certain buildings financed with Federal funds are so designed and constructed that the windows in such buildings can be opened and closed manually. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BEALL:

S. 912. A bill to amend the Internal Revenue Code of 1954 to remove the 2-year limitation during which an individual may qualify as a surviving spouse. Referred to the Committee on Finance.

By Mr. CANNON:

S. 913. A bill to amend title II of the Social Security Act to increase to $3,600 the annual amount which individuals may earn without suffering deductions from their social security benefits on account of excess earnings. Referred to the Committee on Finance.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 914. A bill to amend section 216(b)(1) of the Merchant Marine Act, 1936. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. KENNEDY):

S. 915. A bill to amend the Public Health Service Act. Referred to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 916. A bill to further insect and disease control programs of the Forest Service, Department of Agriculture. Referred to the Committee on Agriculture and Forestry.

By Mr. PEARSON:

S. 917. A bill to amend the Interstate Commerce Act to authorize the Interstate Commerce Commission to grant temporary operating authority to a carrier by railroad pending final determination by the Commission. Referred to the Committee on Commerce.

By Mr. HUMPHREY:

S. 918. A bill to amend the Internal Revenue Code of 1954 to provide tax relief to low and middle income taxpayers and to provide increased incentives for expanded investment. Referred to the Committee on Finance.

By Mr. FONG:

S. 919. A bill to amend the survivor benefit plan provided for under title 10 of the United States Code to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. THURMOND):

S. 920. A bill to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. THURMOND) (by request):

S. 921. A bill to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

By Mr. MONTOYA:

S. 922. A bill to amend the Natural Gas Act in order to give the Federal Power Commission emergency authority to allocate supplies of natural gas for agricultural purposes. Referred to the Committee on Commerce.

By Mr. HARTKE (by request):

S. 923. A bill to amend the Interstate Commerce Act to prohibit discriminatory practices which have the effect of undermining, preventing, destroying or precluding competition, and for other purposes. Referred to the Committee on Commerce.

By Mr. NELSON:

S. 924. A bill to amend the Federal Food, Drug, and Cosmetic Act in order to protect consumers against food additives which have mutagenic or teratogenic effects on man or animals. Referred to the Committee on Labor and Public Welfare.

S. 925. A bill to amend the Federal Food, Drug, and Cosmetic Act relating to food additives. Referred to the Committee on Labor and Public Welfare.

By Mr. THURMOND (for himself, Mr. CURTIS, Mr. FANNIN, Mr. HELMS, Mr. MCCLELLAN, Mr. WILLIAM L. SCOTT, and Mr. TOWER):

S. 926. A bill to remove statutory limitations upon the application of the Sherman Act to labor organizations and their activities, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. BELLMON:

S. 927. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to provide for installment payments of the estate tax in the case of certain small estates. Referred to the Committee on Finance.

By Mr. STAFFORD:

S. 928. A bill to amend the Occupational Safety and Health Act of 1970, to provide the initial onsite inspections not subject to penalties in certain cases, and to provide a more adequate means of voluntary compliance with the provisions of this act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. HUGH SCOTT:

S.J. Res. 41. A joint resolution to provide for the reappointment of Thomas J. Watson, Jr., as citizen regent of the Board of Regents of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

S.J. Res. 42. A joint resolution to provide for the reappointment of Dr. John Nicholas Brown as citizen regent of the Board of Regents of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

By Mr. MANSFIELD (for himself and Mr. BAKER):

S.J. Res. 43. A joint resolution providing for the designation and adoption of the American Marigold as the national floral emblem of the United States. Referred to the Committee on the Judiciary.

By Mr. GOLDWATER (for himself and Mr. FANNIN):

S.J. Res. 44. A joint resolution authorizing the President to proclaim September 28, 1975, as "National Indian Day." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPARKMAN (by request):

S. 904. A bill to authorize appropriations for the Department of State and for other purposes. Referred to the Committee on Foreign Relations.

STATE DEPARTMENT AUTHORIZATION ACT, FISCAL YEARS 1976 AND 1977

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to authorize appropriations for the Department of State and for other purposes.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and a section by section analysis be printed in the Record at this point, together with the letter from the Acting Assistant Secretary of State for Congressional Relations to the President of the Senate dated February 20, 1975.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 904

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State Department Authorization Act, Fiscal Years 1976 and 1977".

AUTHORIZATION OF APPROPRIATIONS

Sec. 2. (a) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for the "Administration of Foreign Affairs", $423,405,000;

(2) for "International Organizations and Conferences", $292,239,000;

(3) for "International Commissions", $19,993,000;

(4) for "Educational Exchange", $89,000,000;

(5) for "Migration and Refugee Assistance", $10,100,000; and

employee benefits authorized by law, or other non-discretionary costs.

(b) There are authorized to be appropriated for the Department of State for fiscal year 1977 such sums as may be necessary to carry out the authorities, functions, duties, and responsibilities stated in subsection (a).

(c) Amounts appropriated under this section are authorized to remain available until expended.

TRANSFER OF APPROPRIATION AUTHORIZATION

Sec. 3. Any unappropriated portion of the amount authorized under any of the clauses (1) through (5) of Sec. 2(a) is authorized for appropriation, in addition to the amount otherwise authorized under any of the other clauses, but not to exceed more than a 10 per cent increase in the amount authorized by such clause.

OFFICIAL RESIDENCE EXPENSES FOR U.S. REPRESENTATIVE TO OAS

Sec. 4. The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, is further amended by adding at the end thereof the following new section:

"Sec. 17. The Secretary of State is authorized to use appropriated funds for unusual expenses similar to those authorized by section 22 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 5913), incident to the operation and maintenance of the living quarters of the United States Representative to the Organization of American States."

INTERNATIONAL ORGANIZATIONS—EXCEPTION TO LIMITATION ON PAYMENTS

Sec. 5 (a) There are authorized to be appropriated and paid $3,089,000 to complete the United States contribution toward the calendar year 1974 budgets of the United Nations Educational, Scientific and Cultural Organization, and the International Civil Aviation Organization notwithstanding that such payments are in excess of 25 percent of the total annual assessment of such organizations.

(b) Public Law 92–544 (86 Stat. 1109, 1110) is amended by inserting a period after 'organization', striking out the text following and inserting in lieu thereof the following:

"Appropriations are authorized and contributions and payments may be made to the following organizations and activities notwithstanding that such contributions and payments are in excess of 25 percent of the total annual assessment of the respective organization or 33⅓ percent of the budget for the respective activity: the International Atomic Energy Agency, the joint financing program of the International Civil Aviation Organization and contributions for international peacekeeping activities conducted by or under the auspices of the United Nations or through multilateral agreements."

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

Sec. 6. Section 2 of the Act of June 4, 1936 (41 Stat. 1463), is amended by (a) striking out "$3,000,000" and inserting in lieu thereof "$4,500,000", and (b) striking out "exceed $4,000,000", and in lieu thereof "exceed $5,500,000".

INTERPARLIAMENTARY UNION

Sec. 7. The first section of the Act entitled "An Act to authorize participation by the United States in the Interparliamentary Union", approved June 28, 1935 (22 U.S.C. 276), is amended

(1) by striking out "$120,000" and inserting in lieu thereof "$170,000"; and

(2) by striking out "$75,000" and inserting in lieu thereof "$125,000".

ASSIGNMENTS TO PUBLIC ORGANIZATIONS

Sec. 8. Section 576 of part H of title V of the Foreign Service Act of 1946, as amended, is amended by

(1) striking sections (a) and (b) in their entirety and inserting in lieu thereof the following new sections:

"(a) A substantial number of Foreign Service officers shall, before their fifteenth year of service as such officers, be assigned in the United States during each fiscal year for significant duty with State or local governments, public schools, community colleges, or other public organizations designated by the Secretary. To the extent practical such assignments shall be for at least 12 consecutive months and may be on a reimbursable basis. Any such reimbursements shall be credited to and used by the appropriation made available for the salaries and expenses of officers and employees."

"(b) A Foreign Service officer on assignment under this section shall be deemed to be on detail to a regular work assignment in the Service, and the officer remains an employee of the Department while so assigned."

(2) Section 9(b) of Public Law 93–475 (22 U.S.C. 966) is deleted in its entirety.

INCREASE IN AVAILABILITY OF FUNDS FOR MIGRATION AND REFUGEE NEEDS

Sec. 9. Section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 2601), is amended by striking out "$10,000,000" and inserting in lieu thereof "$25,000,000".

Department of State,
Washington, D.C., February 20, 1975.

Hon. Nelson A. Rockefeller,
President of the Senate,
U.S. Senate.

Dear Mr. President: In accordance with Section 407(a)(2) of the Foreign Assistance Act of 1971, there is transmitted herewith proposed legislation that would authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during Fiscal Years 1976 and 1977.

The bill provides for authorization of appropriations for (a) "Administration of Foreign Affairs", which supports the operation of the United States diplomatic and consular posts abroad and the Department of State in the United States; (b) "International Organizations and Conferences" including contributions to meet obligations of the United States to international organizations pursuant to treaties, conventions or specific acts of Congress; (c) "International Commissions" which enable the United States to fulfill treaty and other international obligations; (d) "Educational Exchange" which is a program administering the cultural and educational exchange activities of the United States; and (e) "Migration and Refugee Assistance" which includes the United States annual contribution to the International Committee of the Red Cross and refugee assistance programs.

A section by section analysis and other detailed information explaining the proposed legislation are enclosed.

The Department has been informed by the Office of Management and Budget that there is no objection to the presentation of this proposed legislation to the Congress and that its enactment would be in accord with the program of the President.

Respectfully,

Kempton B. Jenkins,
Acting Assistant Secretary for Congressional Relations.

Section by Section Analysis

Section 2(a)—This section provides an authorization of appropriations for the Department of State in accordance with the provisions of Section 407(a)(2) of the Foreign Assistance Act of 1971. Funds are authorized to be appropriated for the fiscal years 1976 and 1977.

This section contains the authorizations for appropriations by category for fiscal year 1976 and for overall necessary funds for 1977. This section is similar to section 2 of Public Law 93–475 except for the amounts. This Bill excludes authorization of appropriations for the acquisition, operation and maintenance of buildings abroad which is being submitted as separate legislation.

Paragraph (1) authorizes appropriations under the heading "Administration of Foreign Affairs" to provide the necessary funds for the salaries, expenses, and allowances of officers and employees of the Department, both in the United States and abroad. This provides funds for executive direction and policy formulation, conduct of diplomatic and consular relations with foreign countries, conduct of diplomatic relations with international organizations, support of joint cooperative commissions, domestic public information activities, central program services, and administrative and staff activities. These funds also finance the salaries and operating expenses of the United States Missions to the North Atlantic Treaty Organization, the Organization for Economic Cooperation and Development and the staff responsible for administering the Mutual Defense Assistance Control Act and the Military Assistance and Arms Sales Supervision activity. This section also provides funds for relief and repatriation loans to U.S. citizens abroad and for other emergencies in the diplomatic and consular service. Payments to the Foreign Service Retirement and Disability Fund are included in this category.

Paragraph (2) authorizes appropriations under the heading "International Organizations and Conferences". This category provides the necessary funds for United States contributions of our assessed share of the expenses of the United Nations, its specialized agencies and the International Atomic Energy Agency, six Inter-American organizations, six regional organizations and seventeen other international organizations. The United States membership in these organizations, which has been authorized by treaties, conventions, or specific Acts of Congress, constitutes an obligation for payment of our assessed share of these budgets pursuant to the basic statutes or constitutions of the international agencies.

Funds are authorized for the operation of missions which represent the United States at the headquarters of certain international organizations. These missions maintain liaison with the international secretariats and with the delegations of other member governments at these organizations' headquarters. The expenses of congressional delegations to international parliamentary meetings are included in this category.

Provision is also made in this section for the funding of official United States Government participation in regularly scheduled or planned multilateral intergovernmental conferences, meetings and related activities, including international trade negotiations, and for contributions to new or provisional organizations. This also authorizes appropriations for United States contributions to international peacekeeping activities in accordance with international multilateral agreements. The authorization of appropriations requested includes the United States contribution to the International Commission of Control and Supervision in Vietnam and the United Nations Force in Cyprus.

Paragraph (3) authorizes appropriations under the heading "International Commissions" which provides funds to enable the United States to fulfill its treaty and other international obligations with Mexico and Canada. This includes the expenses of the American Section of the International Boundary and Water Commission, United States and Mexico as well as project investigations and construction on the United States-Mexico boundary.

The authorization of funds for American Sections, International Commissions, in accordance with existing treaties, for expenses of the American Section of the International Boundary Commission and the International Joint Commission is provided under this paragraph. These two Commissions are concerned respectively with the maintenance of the United States-Canadian border and with environmental and other joint problems involving the United States and Canada.

Appropriations are also authorized for expenses, including contributions, to enable the United States to meet its obligations in connection with participation in international fisheries commissions pursuant to treaties, conventions, and implementing Acts of Congress.

Paragraph (4) authorizes appropriations under the heading "Educational Exchange" to provide funds to enable the Secretary of State to carry out his functions under the provisions of the Mutual Educational and Cultural Exchange Act of 1961, as amended, and the Act of August 9, 1939. These funds provide for the educational and cultural program of the Department of State, including the exchange of persons, aid to American-sponsored schools abroad, and cultural presentations. This authorization also enables the Secretary of State, through a grant to the State of Hawaii, to carry out the provisions of the Act of 1960 establishing a Center for Cultural and Technical Interchange Between East and West. The Center provides grants, fellowships and scholarships to qualified persons from Asia, the Pacific area, and the United States who work jointly on problems of mutual concern.

This paragraph also authorizes an appropriation of U.S.-owned Japanese currency earmarked in a special account to strengthen Japanese and American cultural relations. This will fulfill Article V of the 1962 Agreement between the United States and Japan and will reciprocate for the gift of the Japanese Government made in 1973 to American educational institutions.

Paragraph (5) authorizes appropriations under the heading "Migration and Refugee Assistance" to enable the Secretary of State to provide assistance to migrants and refugees. This assistance is rendered through (a) contributions to multilateral organizations such as the Inter-governmental Committee for European Migration and the United Nations High Commissioner for Refugees and (b) unilateral assistance to refugees designated by the President, as authorized by law. Included also is an authorization of funds for a contribution to the International Committee of the Red Cross pursuant to existing legislation.

Paragraph (6): Provides authorization of appropriations for increases in salary, pay, retirement and other employee benefits as authorized by law which occur from time to time. The occurrence is usually at an inappropriate time for requesting authorization and appropriation through the regular annual cycle. This further provides authorization of appropriations to meet mandatory items which were unanticipated and which have a material impact upon the operations and fiscal resources of the Department of State and the Foreign Service. This authorization would permit more rapid and responsive action to meet increased costs resulting from overseas wage and price increases and adverse currency exchange fluctuations.

Section 2(b): This section provides authorization of amounts for fiscal year 1977 necessary to support the activities described in the paragraphs of Section 2(a). This is in keeping with the provisions of the Congressional Budget and Impoundment Control Act of 1974 requiring advance fiscal year authorization of appropriations. (P.L. 93–344).

Section 2(c): This section provides the customary extension of availability of funds beyond the end of the fiscal year, the extent provided for in appropriation acts. This applies to such appropriations of the Department as "International Boundary and Water Commission, United States and Mexico–Construction", and "Migration and Refugee Assistance". This authority is required to enable the Department to retain funds appropriated for construction projects, the completion of which extends beyond a single fiscal year, and to enable the Department to meet completely the calendar year program needs for Migration and Refugee Assistance.

Section 3: This section provides that any unused, i.e., unappropriated authorization for any category may be transferred to any other category. The amount to be transferred may not exceed 10 per cent of the category's original authoriezd amount. This will permit flexibility in the management of our financial resources and in being able to respond rapidly to urgent, mandatory increased needs.

Section 4: This section provides authorization of appropriations to assist in funding the expenses of maintaining the living quarters of the United States Representative to the Organization of American States. As an Ambassador with responsibilities and duties for meeting and negotiating with members of the diplomatic corps and representatives of international organizations, it is essential for him to have and maintain appropriate housing.

Section 5(a): This paragraph provides authorization of appropriations for payments of the United States' assessed share of the calendar year 1974 budget of the United Nations Educational, Scientific and Cultural Organization, and the International Civil Aviation Organization.

Section 5(b): This paragraph provides authorization for United States contributions to international peacekeeping activities to exceed the 25 per cent limitation (P.L. 92–544) and 33⅓ per cent limitation (P.L. 82–495) placed on contributions to the United Nations or any affiliated agency. This exception will enable the United States to negotiate participation in international peacekeeping activities with the fullest strength and influence; and to meet the necessary obligations incurred concomitant with our leadership in international affairs and support for multilateral peace activities.

Section 6: This section authorizes an increase in the limitation on the Rio Grande Canalization Project by $1,500,000. This is necessary to permit improvements in the canalization project which are expected to be met by requested increases in the 1976 and 1977 budgets.

Section 7: This section provides authorization of appropriations for funds to meet the United States contributions towards the maintenance of the Bureau of the Interparliamentary Union which promotes international arbitration and to meet the expenses of the American group of the Interparliamentary Union.

Section 8: This section would provide perfecting amendments for section 576 of Part H of title V of the Foreign Service Act. This section was added by P.L. 93–475, the State Department/USIA Authorization Act, Fiscal Year 1975 and authorizes assignments of Foreign Service officers to certain public organizations in the United States.

This program is designed to provide additional opportunities to participants to gain experience in local problems and viewpoints throughout the United States and to contribute to an understanding of foreign affairs at the "grass roots" level.

The recasting of this section would provide the following benefits:

(1) allow a flexible number of officers to be assigned to this program in keeping with the needs of the Service.

(2) permit assignments to be made any time before the fifteenth year of service rather than just between the eighth and fifteenth years.

(3) permit assignments to Puerto Rico, territories and possessions of the United States as well as the continental portions of the United States.

(4) authorize assignments for longer than 12 months if necessary and permit the Department the option of accepting reimbursement from the organizations to which officers are assigned.

(5) permit a statement of preference concerning the type of public organization to which the officer would be assigned as well as eliminating the bar to stating a preference for geographic location.

(6) allow that the time served in a public organization be counted toward selection out. This would put this assignment on a equal footing with all other Foreign Service assignments including those to educational institutions and other U.S. Government agencies in all parts of the United States.

Eliminating the restriction in part (b) of Sec. 9 of P.L. 93–475 would permit eligibility for all officers with less than fifteen years of service for participation in assignments to public organizations.

Section 9: This section will increase to $25,000,000 from $10,000,000 the amount which may be made available from Foreign

Assistance funds by Presidential Determination for refugee assistance. This increase in availability of funds is being requested because of the growing number of world-wide refugee situations, the rising costs of assistance which have eroded the quantity and quality of relief that can be provided within the present $10 million limitation and to provide greater Administration flexibility in meeting new, emergency situations.

By Mr. HUGH SCOTT:

S. 906. A bill to reserve a site for the use of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

RESERVATION OF MALL SITE FOR THE FUTURE PUBLIC USES OF THE SMITHSONIAN INSTITUTION

Mr. HUGH SCOTT. Mr. President, longstanding policies guiding the development of the Mall have reserved land use almost entirely to museums, galleries, and similar public purposes. With the addition to the National Gallery of Art on the square bounded by Third Street, Madison Drive, Fourth Street, and Pennsylvania Avenue, the north side of the Mall is fully committed to use. To assure that the last remaining square on the south side is used for public purposes, and to balance the Gallery addition now under construction, legislation is required to reserve the site bounded by Third Street, Maryland Avenue, Fourth Street, and Jefferson Drive for the future public uses of the Smithsonian Institution.

If legislatively reserved for this purpose at this time, the site will be available at some future date to complete the Smithsonian complex on the Mall for public education and enjoyment. At the appropriate time, legislation authorizing construction of a new museum building would be requested. Thus, the present proposal looks to the future and will assure the orderly and proper development of the Mall.

The land proposed to be reserved is owned by the Federal Government and currently under the jurisdiction of the Department of the Interior. Its reservation would entail no cost.

By Mr. HUGH SCOTT:

S. 907. A bill to authorize the Smithsonian Institution to plan museum support facilities. Referred to the Committee on Rules and Administration.

MUSEUM SUPPORT FACILITIES

Mr. HUGH SCOTT. Mr. President, the Smithsonian Institution's facilities in the Washington area are heavily concentrated in and around the Mall, an area explicitly and properly dedicated to the use, education, and enjoyment of the American public. Smithsonian activities, encompassing exhibits, education, collections, conservation, research and support, fully occupy available Mall space, yet each day the national collections of specimens and artifacts are growing, despite deliberate and selective acquisition policies, and are competing for space on the Mall with the expanding public functions of the Institution.

The collections cannot be made properly available for study and exhibition unless they are well documented and preserved, activities which also require space. Space economies are being pursued, but the continuation and expansion of essential public services require the development of plans for additional facilities to house necessary, but less visible, services of collection management, conservation, documentation, and publication.

To restore as much Mall building space as possible to public use and to provide for the long-range needs of the Institution's collections, an off-Mall museum support facility is required. A facility within easy reach of the museums and designed for effective integration of its collections and workspace with those on the Mall would serve as the point of entry into the Institution for new collections. Objects would be transferred to and from the Mall museums when required for exhibition or for designated programs of research or reference. The facility would also incorporate space for on-site research, computer support for documentation, exhibits preparation, registrarial functions, document distribution, conservation, and maintenance support.

A building site appropriate to these needs is being sought adjacent to the Institution's current holdings at the Suitland Federal Center in Maryland. Development of the site of approximately 70 acres is viewed as a 25-year program, successive stages of which would be constructed when approved by Congress.

The proposed legislation seeks planning authority for the first phase of this program.

By Mr. STEVENS (for Mr. TAFT):

S. 908. A bill to amend the Federal Salary Act of 1967 by removing Members of Congress from the Commission on Executive, Legislative, and Judicial Salaries. Referred to the Committee on Post Office and Civil Service.

Mr. STEVENS. Mr. President, my good friend, the senior Senator from Ohio (Mr. TAFT), has asked that I introduce his bill dealing with salary adjustment for the executive and judicial branches. I am happy to do so for Senator TAFT is currently in his home State. In view of the General Accounting Office's recent report, "Critical Need for a Better System for Adjusting Top Executive, Legislative, and Judicial Salaries," I am sure my colleagues will want to take note of this piece of legislation.

Mr. President, I ask unanimous consent that a statement by Senator TAFT be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR TAFT

Today I am reintroducing a bill to amend the Federal Salary Act of 1967 to remove the jurisdiction of the wage commission over congressional salaries. Congressional salaries would then be subject to change only by passage of a separate statute.

When President Nixon's recommendation for a pay raise for Federal employees in top pay grades was considered in March of 1974, it became apparent that the relationship between congressional salaries and those of executive schedule civil servants jeopardize the recommendation for all top pay grade raises. At the present time compensation of Government employees is administered on two different bases:

1. Career employees in the Federal service, paid under the general schedule, generally receive salary adjustments each year. These increases are directly related to private enterprise salary rates for the same level of work on the "comparability principle."

2. The compensation of top officials in the executive, legislative, and judicial branches of Government is subject to adjustment in March of every fourth year with the budget submitted by the President to the Congress. These salaries are on the executive schedule.

The Salary Act of 1967 created the Commission on Executive, Legislative and Judicial Commission's recommendations and submit recommendations to the President on salary rates for top officials in the three branches of the Government. Among the officials included are the Members of Congress. The President then must examine the Commission's recommendations and submit his own to the Congress. Either House must disapprove the recommendations within 30 days, or they go into effect immediately. This requirement for negative action was apparently designed to make it easier for the Members of Congress to raise their own salaries by taking no action at all. Similarly, the Congress could disapprove the Presidential recommendation for a pay raise for executive schedule positions, thus avoiding a direct position on raises in an election year. However, in taking this action, the Congress also disapproves raises for over 2,200 other executive schedule employees.

If the congressional salaries were not included in the Wage Commission's jurisdiction, the problem would be eliminated.

I have long felt that congressional salaries should be debated separately from other salary legislation. If the Members feel they need or deserve a raise, it should be presented openly as any other legislation, not in a closed committee room, followed by a failure of Congress to act negatively.

This Nation is looking at the Congress with a critical eye on our integrity. Congressional salaries have been hidden too long in other legislation. The back-door approach we have used in delaying with them is at best unwise when public confidence in Government is at an alltime low.

I have long felt that the Wage Commission is an inappropriate mechanism for determining pay raises for Members of Congress. In addition, with the spiraling inflation and the effect it is having on the economy, it would be a poor example for Members of Congress to receive a pay raise at a time when we are asking the people of this country, our constituents, to tighten their belts, my legislation would preclude the possibility of quiet back-door raises for Congress.

I do think that those employees who are on the Federal payroll should be paid adequately and we should have the courage to say so.

The Federal Government has a very difficult time in attracting, retaining and motivating top officials in the executive, legislative and judicial branches. A pay raise for other Federal employees is fair and necessary to keep first-class people in Government service. Those employees in the GS 15, 16, and 17 brackets have not had a raise of any kind in over 5 years, not even the cost of living raise. There seems to be a clear conflict of interest here, which we should correct ourselves.

Open, affirmative action, in determing pay increases would be far more acceptable to the public.

By Mr. GOLDWATER:

S. 910. A bill to amend the Federal Aviation Act of 1958 to permit the temporary operation of certain aircraft without emergency locator transmitters. Referred to the Committee on Commerce.

Mr. GOLDWATER. Mr. President, the Aircraft Owners & Pilots Association, on behalf of its 181,000 members, has brought to my attention a statutory technicality in the Federal Aviation Act which is arbitrarily resulting in the improper grounding of many civil aircraft. I have examined their complaint, found it worthy, and am today proposing remedial legislation to correct the problem.

The difficulty arises under the requirements of section 607(d) of the Federal Aviation Act, which mandates that U.S. registered civil aircraft must be equipped with an emergency locater transmitter in operable condition. The statute has been interpreted as being tightly binding by the Federal Aviation Administration and absent of any authority for the regulatory agency, in its discretion, to grant any exemptions, regardless of how compelling the reasons may be for making one.

This has resulted in the impossible situation where many aircraft cannot be operated while their emergency locater transmitter is being repaired. Unfortunately, the state of art with respect to the operation of ELT's is such that aircraft operators tell me they are experiencing an unsually high rate of failures in their installed units. I am further advised that the Federal Aviation Administration has reported that it is experiencing in excess of 700 ELT false alarms per month, primarily due to equipment malfunctioning.

The high ELT failure rate means that, for practical purposes, many aircraft are being grounded until the unit is repaired. In many cases, this may involve returning the ELT to the factory or storing it in a repair shop until parts may be obtained.

The Aircraft Owners and Pilots Association has received a substantial number of member complaints with respect to this technical requirement of section 601(d), citing many personal experiences with ELT malfunctions and repairs. I have reviewed some of these complaints, and knowing at first hand of similar problems, I can attest to the seriousness of the matter.

In some instances, the pilot has difficulty in getting the right replacement parts from the manufacturer or distributor or may find that the right parts are shipped to the wrong place. Whatever the reason for the delay and regardless of the lack of any fault on the part of the pilot, the fact of the matter is that the utility of the aircraft is nil until the ELT is repaired.

Under these circumstances, it is obvious that an amendment of section 601(d) of the Federal Aviation Act is needed to permit the temporary operation of aircraft without an ELT if it is out of the aircraft for repair. The bill which I am introducing today will do just that.

Mr. President, I ask unanimous consent that a copy of the bill I am introducing and a letter by the Aircraft Owners and Pilots Association in support of the legislation may be printed at this point in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 910

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 601 (d)(2) of the Federal Aviation Act of 1958 (49 U.S.C. 1421(d)(2)) is amended by striking out "and" at the end of clause (H), striking out the period at the end of clause (I) and inserting in lieu thereof a semicolon and the word "and", and inserting at the end thereof a new clause to read as follows:

"(J) Aircraft equipped with an emergency locator transmitter which has been temporarily removed for repair, modification, or replacement.".

AIRCRAFT OWNERS AND
PILOTS ASSOCIATION,
Washington, D.C., January 24, 1975.

Hon. BARRY GOLDWATER,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GOLDWATER: I understand that you are considering the introduction of remedial legislation which would permit the operation of civil aircraft without Emergency Locator Transmitters if the aircraft's ELT is being repaired. We are delighted that you are understaking consideration of this matter. We brought the problem to Senator Dominick's attention late last year in the expectation that he would introduce remedial legislation. Since Senator Dominick is no longer in a position to do this, we are happy that this problem has caught your attention.

Therefore, please consider this letter as a formal request by the Aircraft Owners and Pilots Association, on behalf of its more than 181,000 members, that you introduce a bill in the Congress for the purpose of revising the requirements of Section 601(d) of the Federal Aviation Act, 49 U.S.C. 1421(d). This section was added by Public Law 91-596, 84 Stat. 1619, and amended by Public Law 93-239, 87 Stat. 1048, to require that United States registered civil aircraft must be equipped with an Emergency Locator Transmitter in operable condition. The current application of this statutory mandate is derogating substantially the development and efficiency of aviation, with no real contribution to air safety, under circumstances which prevent the Federal Aviation Administration from taking remedial action administratively.

As amended, Section 601(d) provides nine exceptions to its requirement for an ELT. These nine exemptions are repeated verbatim in Section 91.52 of the Federal Aviation Regulations. In promulgating FAR 91.52 in Amendment 91-95, copy enclosed, the FAA stated it was taking this regulatory action in response to a mandate from Congress, referring to Public Law 91-596, and expressly stating that it had "no authority to grant exemptions from that section." The FAA later reaffirmed that this statement in Advisory Circular No. 00-40, dated October 3, 1973, copy enclosed. Informal consultation with FAA has revealed that this position regarding its lack of authority to grant exemptions from FAR 91.52 remains unchanged.

AOPA has received many complaints from its members with respect to the lack of provision in Section 601(d) and the corresponding FAR 91.52 for operation of their aircraft when their ELT is being repaired. The state of the art with respect to the development production and quality control of ELTs is such that aircraft operators are experiencing an inordinately high rate of failures in their installed ELTs. FAA has reported it is experiencing in excess of 700 ELT false alarms per month, largely due to equipment malfunction.

The high ELT failure rate means that, for practical purposes, many aircraft are being grounded until the ELT is repaired. In many cases, repair may require returning the ELT to the factory or storing it in a repair shop until parts may be obtained. These circumstances require an amendment of Section 601(d) to allow an aircraft to be operated without an ELT if it is out of the aircraft for repair. Without such an amendment, the utility of many aircraft has been, and will continue to be, lessened. And the development of air commerce has been, and will continue to be, slowed.

Although you are probably aware of it, it is worthy of mention that an aircraft carries numerous pieces of required electronics equipment such as two-way radios, transponders, navigational radios etc. If any one of these pieces of equipment malfunctions and is taken out for repair, the aircraft is not grounded. It is only the ELT which carries this consequence. This is because all the other required electronics equipment is required by regulation rather than by statute as in the case of the ELT. These would seem to be no justification for this difference of treatment.

In connection with this request may we respectfully suggest that you contact the Federal Aviation Administration for confirmation of our information that the FAA is experiencing numerous ELT false alarms, largely due to equipment malfunction. We believe this independent corroborative evidence will demonstrate the scope of the problem.

The substantial number of member complaints and the FAA reports have convinced us that congressional action should be taken as soon as possible to alleviate the problem. A draft bill is enclosed for your ready reference. We would appreciate very much your assistance in this matter.

Respectfully submitted,
JOHN S. YODICE,
Washington Counsel.

By Mr. PELL:

S. 911. A bill to encourage the conservation of energy by requiring that certain buildings financed with Federal funds are so designed and constructed that the windows in such buildings can be opened and closed manually. Referred to the Committee on Banking, Housing and Urban Affairs.

OPEN WINDOWS—A SIGNIFICANT STEP TOWARD ENERGY CONSERVATION

Mr. PELL. Mr. President, last month President Ford in his state of the Union message assigned a high priority, as part of the overall energy package, to energy conservation, and more specifically, to the establishment of national mandatory thermal efficiency standards for new homes and commercial buildings. Such standards the President remarked would result in savings representing the equivalent of over half a million barrels of oil per day by 1985.

I am indeed pleased by this phase of the President's energy program especially, the recognition by the administration of the potential for substantial energy savings through improved heating and cooling standards alone. As my colleagues know, the Senate for some time has strongly urged the establishment of such thermal standards for buildings. This concern was expressed clearly in 1973 by passage of S. 2176, the National Fuels and Energy Conservation Act—legislation which required the development of design criteria for conserving energy in all buildings, both public and private.

During the coming months as a result of the increasing interest in thermal efficiency in buildings, much attention will be focused on the best approach for meeting the 1985 goals. Already I understand that within the private sector considerable progress has taken place toward improving thermal efficiency, thus making the 1985 goals attainable possibly by an earlier date.

Furthermore, as my colleagues may be aware, the General Services Administration has undertaken a pilot program to demonstrate the potential for energy conservation through construction of a new Federal office building in Manchester, N.H. Innovations in this pilot project are expected to reduce energy consumption by to 30 to 50 percent.

While this progress is indeed commendable and in the long run will greatly assist our national energy conservation goals, I am not convinced that we cannot achieve significant energy conservation in regard to thermal efficiency much sooner. To illustrate this point, it is most unfortunate that buildings, both residential and commercial are still being constructed that are inefficient and will waste immense amounts of energy. One of the most remarkable evidences of such waste in my opinion, is the fact that most modern office and commercial buildings are constructed so that it is impossible to open a window. These buildings are designed to provide a completely controlled artificial environment—heat in the winter and air-conditioning in the summer without regard for the weather outside. The result is a substantial waste of energy resources on many days when reasonable comfort could be achieved by opening the windows.

As a step toward reducing this waste and move more quickly toward our thermal efficiency goals, I am today reintroducing my bill that would require all buildings constructed or financed by the Federal Government in the future, be designed and constructed so the windows can be opened and closed manually.

The potential for energy savings should not be underestimated. Air conditioning now consumes about 4 percent of the total energy used each year in the United residential and commercial heating. That comparison, however, understates the impact of aid-conditioning demands on our national energy supply. For example, at a time when we have realized belatedly the need for a long-term and continuing energy conservation program, energy use for air-conditioning is growing at a rapid rate—about 15 percent each year.

In addition, the demand for electricity for air-conditioning obviously is not spread evenly through the year. It is concentrated into a few short months. To meet the relatively brief peak demand for electricity for air-conditioning requires the use of relatively inefficient and costly peakload electrical generating equipment.

Mr. President, in my opinion, it is not necessary to wait for further study or the establishment of design criteria to achieve meaningful thermal energy savings. We could reduce our growing use of energy for air conditioning simply by constructing buildings so our offices and shops would be opened to the natural environment. Such a step along with other energy conservation measures that have been easy to implement and have proved very successful during the past year, especially the 55-mile-per-hour speed limit and the daylight savings time extension, could greatly reduce the need for measures which would result in further economic disruptions and unnecessary sacrifices for Americans.

By Mr. BEALL:

S. 912. A bill to amend the Internal Revenue Code of 1954 to remove the 2-year limitation during which an individual may qualify as a surviving spouse. Referred to the Committee on Finance.

TAX EQUITY FOR WIDOWS WITH MINOR CHILDREN

Mr. BEALL. Mr. President, I send to the desk a bill designed to correct an "inequity" in our Federal tax laws with regard to widows with children. This bill would extend to such widows on a permanent basis the right to continue to take advantage of the joint return tax rate.

This measure is identical to S. 2778, which I introduced on December 5, 1973. No action was taken on the proposal. I hope that the House Ways and Means Committee and the Senate Finance Committee, during consideration of tax reform in this Congress, will take action on this measure.

Under present law, a widow may file a joint return for the taxable year in which her spouse dies. In addition, a widow, who has not remarried and who maintains a household for a dependent child or stepchild, may also use the joint return tax rate for 2 additional taxable years following the year in which the spouse died.

Certainly, the death of a father to a family is not only a great personal loss, but often is an economic disaster for a family. This problem was first brought to my attention by a Maryland constituent, Mrs. Richard Schwartz, who had this to say about the problem:

> The family's greatest casualty is the loss of the father, companion, head of the household and bread-winner. Yet, the widow and children are taxed at a higher rate on the income received than couples filing joint income tax returns. Why can't widows claim the true loss (casulty) of income? Because this inequity requires action by Congress for any change. The widows do not have a lobby representing their cause in Congress. They are too busy trying to make up for the loss of a father to their children and supporting and educating the children to the best to their ability.
>
> Thus, this precludes the widows of organizing as a group to lobby Congress for a tax that meets "ability to pay." This has always been a basic principle underlying the income tax laws of the United States. The widow with children pays 20% more taxes for equivalent income than other family units.
>
> Is not the loss of a father the greatest loss the family experiences and yet the family pays 20% greater tax for this loss.

I agree, Mr. President, that the loss of the father in most cases is a great economic blow to a family, a family which then needs as much help as it can in order to continue, following the loss of one who is normally the principal breadwinner.

To do equity for such widows with minor children and to ease her problems and burdens somewhat, I reintroduce this measure today and would hope that the Congress will give favorable consideration to it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(a)(1) of the Internal Revenue Code of 1954 (relating to definition of surviving spouse) is amended by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) whose spouse died before the beginning of the taxable year, and".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

By Mr. CANNON:

S. 913. A bill to amend title II of the Social Security Act to increase to $3,600 the annual amount which individuals may earn without suffering deductions from their social security benefits on account of excess earnings. Referred to the Committee on Finance.

Mr. CANNON. Mr. President, I send to the desk a bill which would amend the Social Security Act so as to increase to $3,600 the annual amount which individuals may earn without suffering deductions from their social security benefits on account of excess earnings.

I am sure that all of my colleagues in the Senate and House have heard from their constituents on this problem. In view of rising prices everyone requires more income to meet the additional costs. Older people are certainly no exception to this problem. As a matter of fact, people living on fixed income are more adversely affected by rising costs than any other segment of society.

My bill would permit social security recipients to earn $3,600 without penalty. The current figure is $2,520 which is totally unrealistic in view of the rising costs for basic necessities such as shelter, clothing, food, and medicine. My proposal is not a grant of additional payments; rather it simply allows the worker to increase his own earnings. This bill will permit the social security recipient to earn at least $300 monthly and still retain his full social security entitlement.

When our economic situation has improved and the controversy surrounding the future viability of the Social Security Trust Fund has been resolved, I would like to see another substantial increase in the earnings limitation test or the earnings test repealed altogether.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 914. A bill to amend section 216(b)(1) of the Merchant Marine Act, 1936.

Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend section 216(b) (1) of the Merchant Marine Act, 1936, and ask unanimous consent that the letter of transmittal, statement of need, and next of the bill be printed in the Record.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 914

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 216(b) (1) of the Merchant Marine Act, 1936 (46 U.S.C. 1126(b) (1)), is amended by inserting after the word "sons", wherever that word appears, the words "and daughters".

Washington, D.C.,
February 11, 1975.

Hon. Nelson A. Rockefeller,
President of the Senate,
U.S. Senate,
Washington, D.C.

Dear Mr. President: Enclosed are six copies of a draft bill "To amend section 216(b) (1) of the Merchant Marine Act, 1936," together with a statement of purpose and need in support thereof.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our draft bill to the Congress.

Sincerely,

Frederick B. Dent,
Secretary of Commerce.

Statement of the Purpose and Need of the Draft Bill "To Amend Section 216(b) (1) of the Merchant Marine Act, 1936"

Section 216(b) of the Merchant Marine Act, 1936, (the Act) as amended (46 U.S.C. 1126), authorizes the Secretary of Commerce to maintain a Merchant Marine Academy at Kings Point, New York, for the instruction and preparation for service in the merchant marine of selected persons as officers, and provides for the nomination and appointment of qualified candidates to fill vacancies at the Academy. Such vacancies are allocated among the fifty States and Puerto Rico in proportion to their representation in Congress, and to Guam, American Samoa, the Virgin Islands, the Canal Zone and the District of Columbia by special provision of section 216(b).

Section 216(b) (1) of the Act generally provides for the nomination of "qualified candidates", without distinction as to sex, to fill vacancies at the Academy. In the case of the two vacancies allocated to the Canal Zone, however, the statute provides that the Governor of the Canal Zone shall fill such vacancies from among the "sons of the residents" of the Canal Zone and the "sons of personnel" of the United States Government and the Panama Canal Company residing in the Republic of Panama.

On January 24, 1974, the Maritime Administration amended its regulations governing the admission and training of midshipmen at the Merchant Marine Academy (46 CFR 310, 39 FR 2759) to provide that officials authorized by section 216(b) (1) of the Act, except the Governor of the Canal Zone, may nominate both men and women. (Previously such regulations provided only for the nomination of men.) The reference to "sons of residents" and "sons of personnel" contained in section 216(b) (1), however, legally precluded the Maritime Administration from providing in the amendment of the regulations for the nomination of women by the Governor of the Canal Zone.

The purpose of this proposed amendment to section 216(b) (1) of the Act is to provide that the Governor of the Canal Zone may, as other authorized officials, nominate qualified candidates of both sexes to the Merchant Marine Academy. It is necessary to afford equal employment opportunity in the maritime industry to qualified female residents of the Canal Zone.

By Mr. MAGNUSON (for himself and Mr. Kennedy):

S. 915. A bill to amend the Public Health Service Act. Referred to the Committee on Labor and Public Welfare.

Mr. MAGNUSON. Mr. President, speedy enactment of legislation which the chairman of the Health Subcommittee, Mr. Kennedy, and I are introducing today will enable the National Health Service Corps to assign critically needed doctors and other health personnel to more than 100 communities this summer. If this bill is not enacted, then those communities will not get those doctors and other health personnel. The issue is just that clear cut.

Clearly, this bill merits very prompt enactment. Therefore, I am extremely pleased that the chairman of the Health Subcommittee, Mr. Kennedy, has joined me in sponsoring this measure and has assured me that it will be reported for a Senate vote very shortly. As the author of the legislation that first created the National Health Service Corps, I have always appreciated the strong support Senator Kennedy has given the Corps, and I certainly appreciate his special efforts now. The chairman of the House Health Subcommittee was the chief sponsor in the House of the original NHSC bill, and I am confident, therefore, that this bill will have his support when it reaches the other body.

Mr. President, the Corps' authorization expired at the end of fiscal 1974. Last year, a new authorization was considered by the Congress in conjunction with the much broader and quite controversial health manpower legislation. The House-Senate conference committee, which was convened last year to consider that legislation, quickly reached agreement on a new authorization for the Corps. However, the conferees were unable to agree on the broader health manpower measure. Consequently, no legislation emerged from the conference and the Corps was left without authorization.

Without authorization, the Corps continues to operate under the continuing resolution. It is, therefore, limited to its fiscal 1974 field strength of 405 positions or assignees.

Because of constant prodding from the Congress, the Department of Health, Education, and Welfare has over the past several months carried out an intensive and quite successful recruitment program. As a result of that effort, over 200 physicians and other health professionals have been recruited and are scheduled for assignment this summer. But—and this is the critical point—the Corps will not be able to accept those recruits this summer unless its current authorized field position strength is increased from the 405 positions allowed under the continuing resolution to 551.

That is precisely what our bill would do and all it would do. It would not require additional appropriations for this fiscal year. It would not interfere with the legislative committees' proper prerogatives in writing new authorizing legislation. And it is entirely consistent with the administration's position evidenced by HEW's recruitment effort. I urge its enactment by the Senate within the next several days and look forward to working with the very able chairman of the Health Subcommittee, Mr. Kennedy, toward the achievement of that objective.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 915

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Public Health Service Act is amended by adding at the end of section 329 a new subsection as follows:

"(j) That notwithstanding the provision of any other law or any regulation issued thereunder, the Secretary of Health, Education, and Welfare may for the fiscal year ending June 30, 1975, recruit, employ, and assign health professionals as members of the National Health Service Corps, provided that at no such time during such fiscal year may the total number of individuals serving as field assignees in the National Health Service Corps exceed 551."

By Mr. MAGNUSON (for himself and Mr. Jackson):

S. 916. A bill to further insect and disease control programs of the Forest Service, Department of Agriculture. Referred to the Committee on Agriculture and Forestry.

Mr. MAGNUSON. Mr. President, today I introduce legislation for myself and Senator Jackson that would authorize the Forest Service to use any of its appropriated funds for forest pest control when unforeseen emergency situations arise. The bill would require the Secretary of Agriculture to approve each such transfer of funds. The bill would also require the department to provide the General Accounting Office with a report on each such transfer. A similar procedure is already permitted by present law in the case of fire control.

Past experiences have shown us that many forest pests, particularly insects, are cyclic. Their populations may continue at unnoticeably low levels for many years. Then, for unknown and unpredictable reasons, infestation may rapidly rise to a peak which could last from 4 to 15 years depending on the species.

In addition, several pest outbreaks have been known to peak at the same time. This is evidenced now where population levels of several pests have reached an all-time high over wide areas. For example:

First. On State and private forest lands in Maine over 5 million acres are infested with spruce budworm. Of the 5.3 million acres infested, some 3.5 million acres need chemical treatment in 1975—an increase of more than seven times the area of control predicted from 1973–74 data;

Second. In *the South, the worst southern* pine beetle infestation of this century is devastating large pine forest areas, encompassing some 53.2 million acres of the susceptible pine host type;

Third. In the Northwest, after 5 years of little activity, the largest outbreak of Douglas-fir tussock moth was recorded. Approximately 800,000 acres of Douglas-fir and true fir were defoliated in 1973. In 1974, 435,000 acres were treated to reduce losses which would have occurred without control.

Because damage from these infestations occur periodically and on an unpredictable basis, it is impossible to foresee accurately the financial needs more than a few months in advance of the needed action. The Forest Service is thus required to delay fully responding to the emergency until a Supplemental Appropriations Act is enacted. As a result, project funding for control needs is often delayed and, when made available, not timely.

For example, preparation of the insect and disease control supplement for fiscal year 1974 was initiated in early August of 1973. Yet, this supplemental appropriation bill was not signed until June 8, 1974. The time, therefore, for adequate implementation had passed.

Mr. President, for suppression activities to be biologically and administratively efficient, it is essential that the control organization have financial flexibility. Sufficient leadtime for adequate planning, preparation, and the contractual processing for chemicals and spray is needed. The current supplemental appropriations process does not meet these needs—whereas the proposed authority for the advance of public money would permit efficient action against forest insect and disease outbreaks with minimum cost. Without this or similar authority, the Forest Service cannot be fully responsive in protecting the forest environment from catastrophic losses caused by forest insect and disease outbreaks when needed funds are available.

Mr. President, I ask unanimous consent that the full text of this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 916

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That advances of money under any appropriation for the Forest Service may be made to the Forest Service by authority of the Secretary of Agriculture for the control of forest insects and diseases in accord with the applicable provisions of the Forest Pest Control Act of June 25, 1974 (61 Stat. 177, 16 U.S.C. 594-1—594-5). Advances shall be made under such rules and regulations and in such sums as the Secretary of Agriculture may direct and detailed accounts arising under such advances shall be rendered through and by the Department of Agriculture to the General Accounting Office.

By Mr. PEARSON:

S. 917. A bill to amend the Interstate Commerce Act to authorize the Interstate Commerce Commission to grant temporary operating authority to a carrier by railroad pending final determination by the Commission. Referred to the Committee on Commerce.

POSSIBLE COLLAPSE OF THE ROCK ISLAND LINES

Mr. PEARSON. Mr. President, I introduce today for appropriate reference, a bill which may be cited as the "Railroad Temporary Operating Authority Act." I ask unanimous consent that the text of this measure be printed in the RECORD immediately following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

BRIEFING BY ROCK ISLAND MANAGEMENT

Mr. PEARSON. Mr. President, the president of the Chicago, Rock Island, and Pacific Railroad Co.—the Rock Island Lines—Mr. John W. Ingram, requested and obtained the use of room 155, Russell Office Building, at 2 p.m. on Thursday, February 27, for the purpose of briefing interested Senators and staff on the financial condition of his railroad. In the course of the meeting, Mr. Ingram asserted that the Rock Island Lines would experience a cash shortfall in the immediate future, and that the management of the company would be forced either to embargo traffic and suspend services, or voluntarily to enter reorganization under section 77 of the Bankruptcy Act.

This informal briefing for Senators and staff, conducted on February 27, was the first initiative by the Rock Island to provide notice to the Senate of the desperate financial condition of the Rock Island Lines. I am now informed by representatives of the U.S. Railway Association, the Interstate Commerce Commission, and the U.S. Department of Transportation that Rock Island, indeed, will soon run out of cash. The agencies inform me that a termination of essential rail services performed by the company is possible within a few weeks.

Under the terms of the bankruptcy laws, a railroad in reorganization may defer payment of taxes and interest on debt obligations. The Rock Island management, however, asserts that such deferrals would be of little benefit to the railroad. Thus, a shutdown of the Rock Island system is possible whether or not the railroad enters reorganization.

SCOPE OF ROCK ISLAND OPERATIONS

Mr. President, the Rock Island operates some 7,500 miles of railroad right-of-way in 13 States in the heartland of America. The railroad provides single line service to 756 communities and 1,668 grain elevators. With a total work force of 11,000 employees, the Rock Island continues a 123-year history of service to the grain producing region of the Nation. The Rock Island serves 4,879 businesses, including 17 major utilities. These companies along the lines of Rock Island employ more than 167,000 workers with an aggregate payroll of $2.5 billion. The Rock Island operates the longest north-south rail service pattern under single management in America. About 25 percent of its traffic volume is grain—much of it to the gulf for export.

Mr. President, the services performed by the Rock Island are important not only to the Midwest but to the Nation as a whole. The Rock Island is a "bridge carrier" linking East and West. The collapse of this railroad's essential services would be an economic catastrophe for the United States comparable to a shutdown of the railroads in the eastern quadrant of the country.

AN EVALUATION OF ROCK ISLAND CONDITION

Mr. President, the Chicago, Rock Island, and Pacific Railroad Co., the financial fortunes of which long have been declining, has suffered a devastating blow by the economic decline afflicting all of the Nation. The precipitous drop in carloadings experienced by most of the country's railroads has been shared by the Rock Island.

Operating losses are estimated by the Interstate Commerce Commission to be running at the rate of about $10 million for a 90-day period. Attempts at generating working capital by the sale and leaseback of locomotives and rolling stock and other remedies have had some measure of success, but the opportunities for further cannibalizing the Rock Island plant to produce cash for operating purposes appear to be diminishing.

The current and prior managements of Rock Island appear long to have known that the railroad had little or no future as an independent entity. They have sought consummation of the merger proposal that the Union Pacific Railroad Co. and others laid before the Interstate Commerce Commission for its approval over 10 years ago. By its report and order served December 3, 1974, the Interstate Commerce Commission approved the merger transaction and, therefore, the needs of the Rock Island may be no greater than to find the means to maintain service pending its inclusion in the Union Pacific and other railroads. Petitions for reconsideration presently are due early in May, and the final decision of the Commission can be expected well before the end of the year. Assuming no court interference with a consummation of the merger, the needs of the Rock Island in the meantime may not exceed $30 ot $40 million, and this figure may be reduced depending on rate increases approved by the Interstate Commerce Commission or increased carloadings resulting from an upturn in business in the meantime.

POSSIBLE REMEDIES TO ASSURE CONTINUATION OF ESSENTIAL SERVICES

Mr. President, the response of the Government to the potential shutdown of essential services performed by the Rock Island Lines might include one or more of the following initiatives.

First, the U.S. Railway Association—USRA—under section 211 of the Regional Rail Reorganization Act has authority to extend loan assistance to connecting railroads outside the 17 State region. Although the Board of Directors of the USRA denied, on February 26, the request of the Rock Island for $30 million, it is possible that the carrier may present new evidence to justify reconsideration of this decision. The USRA action, I am informed, was based upon a determination by the board that Rock Island would not be able to meet the statutory requirement of ability to repay such a loan.

Second, if Rock Island were to go into reorganization under section 77 of the Bankruptcy Act, another source of assistance that would be available immediately would be the Emergency Rail Services Act of 1970, under which some $19 million of uncommitted funds remain.

Third, the ICC is empowered under section 1(16) (b) of the Interstate Commerce Act to order another railroad to operate over all or portions of the Rock Island to assure the preservation of essential services. This remedy is limited to 60 days, unless extended for cause for an additional 180 days, or a maximum of 240 days, and the Government would be obligated to compensate fully any costs which profitable railroads entail in performing services for the Rock Island. An initial estimate of the cost to the Government of the emergency section 1(16) (b) authority, in the case of the Rock Island, is $3.5–$5 million for the first 60 days.

COMMERCE COMMITTEE HEARING

Mr. President, the Committee on Commerce is planning to conduct a public hearing on the condition of the Rock Island on Monday, March 10. At that time the committee will evaluate the decision of the USRA in denying the Rock Island's loan application. The committee also will evaluate possible emergency assistance to the Rock Island under the provisions of the Emergency Rail Services Act of 1970 in the event the carrier enters bankruptcy. The committee further will evaluate the feasibility of ICC service orders under section 1(16) (b) of the Interstate Commerce Act.

Mr. President, the bill I am introducing today would provide one additional remedy in the event of a collapse of the Rock Island and interruption of essential rail services.

The effect of the bill would be to authorize the Commission to approve the temporary operation, for an initial period not exceeding 180 days, of all or part of a railroad which has made application to the Commission under section 5 of the Interstate Commerce Act, for authority to purchase or otherwise acquire all or part of the railroad to be operated. Such temporary authority could be granted only if the Commission determines that failure to grant such authority would result in injury to the underlying rail properties or would substantially interfere with their future usefulness.

The Interstate Commerce Act already contains a similar provision for motor carriers, 49 U.S.C. 310a(b), but there is presently no temporary authority provision in rail merger or purchase cases. The proposal could be very beneficial to the Commission's efforts to maintain essential Rock Island rail services, since the Union Pacific has applied for authority to acquire the failing carrier, and the Commission on December 3, 1974, has issued an order, subject to certain conditions, approving such acquisition.

CONCLUSION

Mr. President, there is a compelling need to insure that essential rail service performed by the Rock Island lines be continued without interruption.

The bill which I introduce today represents one option which could serve to insure continuity of service to the communities and shippers on the Rock Island lines pending final implementation of the proposed merger. It, therefore, is a vehicle for an evaluation by our Committee on Commerce of the most effective means of attaining this goal which is in the public interest.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Railroad Temporary Operating Authority Act".

SEC. 2. Section 5(2) of the Interstate Commerce Act (49 U.S.C. 5(2)) is amended by adding at the end thereof the following new subsection:

"(g) Pending the determination of an application filed with the Commission for approval of a consolidation or merger of the properties of two or more carriers by railroad; or of a purchase, lease, acquisition of control, or contract to operate the properties of one or more carriers by railroad; or of acquisition by a carrier by railroad of trackage rights over, or joint ownership in or joint use of any railroad line or lines owned or operated by any other such carrier, and terminals incident thereto, the Commission may, in its discretion, and without hearing, grant temporary approval, for a period not exceeding 180 days, of the operation of all or part of the railroad properties or property rights sought to be acquired by the party or parties proposing in such pending application to acquire such properties or property rights, if it shall appear that failure to grant such temporary approval may result in destruction of or injury to such railroad properties or property rights sought to be acquired, or to interfere substantially with their future usefulness in the performance of adequate and continuous service to the public. The Commission may, in its discretion, attach to any order granting such temporary approval such terms and conditions as in its judgment the circumstances surrounding such temporary approval shall warrant. Extension of such temporary authority beyond 180 days may be determined by the Commission upon written request by any interested party, or it may determine the need therefor upon its own initiative."

By Mr. HUMPHREY:

S. 918. A bill to amend the Internal Revenue Code of 1954 to provide tax relief of low- and middle-income taxpayers and to provide increased incentives for expanded investment. Referred to the Committee on Finance.

THE TAX RELIEF ACT OF 1975

Mr. HUMPHREY. Mr. President, today I am introducing the Tax Relief Act of 1975. If one thing is clear on the economic front today, it is the need for a large tax cut to be put into effect as quickly as possible. Final action on a tax cut is now up to the Senate, and I know that this body will act quickly to get a tax bill passed. Each day we delay, the patient—our economy—grows more sick. The medicine must be applied—now.

I have stressed the need for urgency. But I must also emphasize the need for a tax cut that is large enough to do the job. If we are going to restore growth to our economy, increase paychecks, and put people back to work, we need a larger tax cut than that proposed by the administration or passed by the House of Representatives.

Virtually every nonadministration witness who testified before the Joint Economic Committee has called for a larger tax cut. Today we have a $1.5-trillion dollar economy with 8.5 percent unemployment. It will take a tax cut of the size I am proposing today to make an impact on it.

The first $10 billion, of the $30-billion tax cut I have introduced, will take the form of a tax rebate on 1974 income. This will be made in one payment which can, hopefully, be mailed to the American people in May. The second part, consisting of $20 billion will be in the form of larger take-home paychecks for our workers, as the amount of taxes withheld is reduced.

Thus, under my bill, the American people will receive a fairly substantial rebate payment in May with the knowledge that their weekly disposable income will also be greater thereafter. I am sure that this will increase their willingness and confidence to spend the initial rebate, and right now, that is the name of the game. Consumer spending must be increased, and I feel that my package provides strong and sound inducement to accomplish this.

Allow me to now state why I feel that a quick tax cut of $30 billion is necessary at this time. It involves the simple fact that the economy is now in the worst recession since the depression of the 1930's, and one that is quickly getting even worse.

Consider the following facts. Unemployment rose by a full percentage point in January to 8.2 percent, the highest rate in the postwar period, while in the last 3 months the rate of unemployment has climbed faster than in any other 3-month period since the Great Depression. This means that 7½ million workers were without jobs in January, 3 million more than a year ago. Of course, for certain groups, the unemployment rate is truly staggering: for blacks, 13.4 percent; for teenagers, 20.8 percent; for construction workers, 15 percent; and for auto workers, 24 percent.

Accompanying this precipitous drop in employment was an equally precipitous drop in our Nation's output. The real GNP declined at a 9.4-percent annual rate in the fourth quarter, bringing the total decline for 1974 to 5 percent. The fourth quarter declines were broadly based throughout the economy. Consumer spending fell 12 percent, in real terms, and business investment, which had held up during most of 1974, declined in real terms at a 20-percent annual rate.

One would expect, as economic theory has long maintained, that during such a slumping period in our economy prices must surely be rising only slightly, if at all. Instead, the GNP deflator, the most comprehensive measure of price change for the entire economy, rose at an annual rate of 14.4 percent in the fourth quarter of 1974. Over the entire year, prices rose 11.8 percent, as measured by the deflator, 12.2 percent, as measured by the CPI, and 20.9 percent, as measured by the WPI.

One result of the severe inflation and

then recession is that the buying power of the average worker's take-home pay has dropped 8.7 percent in the last 2 years. This brings real take-home pay back to where it was in 1967.

I wish I could now switch things around and say that the outlook is for this dismal state of affairs to be dramatically turned around. Unfortunately, all the forecasts available, including the administration's, do not allow for such optimism. The administration has forecast that unemployment will average 8.1 percent in 1975 and 7.9 percent in 1976. It also foresees a decline in real GNP of 2.3 percent which assumes that the economy will begin to turn up in the second half. A fact that I find truly shocking is that the growth path forecast by the administration for the next 2 years would result in a real output level in 1976 below the 1973 level. It is anticipated that the recovery after mid-year will come from housing and consumer spending, rather than business investment which is expected to decline 9 percent in real terms during the year—even with a higher investment tax credit.

Commonsense would indicate at this point that surely these 2 years of full-blown recession would wring out the inflationary pressures so at least the American people will not be subject to seemingly weekly price increases. Yet the administration says we are in for another year of double-digit inflation, with the GNP deflator rising 10.8 percent. Even this is an optimistic project, for it assumes the President's energy proposals will add 1.5 to 2 percent to the rate of inflation. Private forecasters, such as Chase Econometrics and Data Resources, suggest that the package could add almost 4 percent.

We are obviously facing an economic crisis which must demand our primary attention. Nearly every nonadministration witness who has appeared before the JEC in the last 4 weeks as part of its annual hearings on the budget has said that unemployment is our No. 1 problem which must be attacked and alleviated above all others.

I offer the above facts not to further spread doom and gloom, but to indicate as strongly as I can that the economy needs a massive transfusion. Some may feel that $30 billion is too large a cut, particularly since this will increase the deficit. I do not enjoy embracing large deficits either. But I do recognize that the fundamental point which must be clearly understood when considering the significance of the deficit's size, and the resulting increase in the size of the Federal debt, is that it must be taken relative to the size of the economy, which of course sustains it.

Viewing the Federal debt in this way, as a percentage of gross national product, its significance has been shrinking and is actually at its smallest percentage in 42 years. Another way to view the Federal debt is as a percentage of total debt in the Nation. Once again, the debt's percentage is at its lowest level in 40 years, 17 percent.

So I just cannot buy, and I hope my Senate colleagues will not either, the talk about being horrified by the size of the deficit. Let us rather be horrified about, and take action on, the tremendous waste of human and capital resources presently taking place.

This waste is going to cost this Nation, by not operating at 4 percent unemployment over the 3 years 1974, 1975, and 1976, the staggering sum of $600 billion. To me, the $30 billion contained in my tax-cut bill pales before this tremendous loss to America in terms of goods and services which are lost forever.

Looked at another way, if we were operating at 4 percent unemployment, we would not have to worry about a deficit at all but would enjoy a billion surplus in fiscal year 1975 and a $12 billion surplus in fiscal year 1976.

I trust that by now it is clear that the recession is hurting this economy in many ways. Output is lost forever, the budget is forced into a large deficit position and most importantly, there are 7½ million workers who feel they are not needed in the American economy at this time. One other point is that the recession is not dampening inflation, for during recession, productivity decreases which in turn increases unit labor costs.

I have presented all this material in the hopes of putting the economic factors into their proper relationships and perspective. I offer a very substantial tax cut because our economy is large, it needs a large stimulus to terminate the large output losses now being experienced and it can support such a deficit. It really is a small price in terms of what we will gain.

Up to this point, I have not even mentioned the specific provisions of my bill. This is because the point which must be clearly understood about a tax cut is that it must take effect quickly and be large enough. After this is grasped, then the provisions can be considered.

I have devised my tax package to meet the above principles of quickness and largeness, as well as the principle that the relief should go primarily to lower and middle-income taxpayers and that it should not erode the long-run revenue capacity of the tax system.

The combination of provisions which adhere to these principles in my bill are as follows:

First, reduce taxes for low-income taxpayers by $2.5 billion, by increasing the low-income allowance from $1,300 to $2,000. This would help the lowest income level taxpayer.

Second, reduce taxes $1.2 billion for those who do not itemize their deductions, by increasing the standard deduction from the present 15 percent of adjusted gross income, with a maximum deduction of $2,000, to 17 percent and a maximum of $2,500. In addition to aiding low- and middle-income taxpayers, this change would also have the advantage of simplifying tax filing.

Third, reduce taxes $4.3 billion for individuals at all income levels by increasing the present personal exemption from $750 to $850. This change would focus benefits on the middle-income taxpayer who has also been hard hit by inflation and recession.

Fourth, reduce taxes $10 billion for workers through a refundable tax credit equal to 1.5 percent of wages up to $14,100 in income. That is the figure on which tax is paid under social security. This change would benefit all workers up to the maximum level of payroll taxes and be financed from general revenues.

Fifth, stimulate the very sluggish business investment sectors by increasing the investment tax credit from 7 percent to 10 percent at a cost or at a savings in taxes of $2.5 billion.

Taken together, these provisions of the Tax Relief Act constitute a $20 billion package which provides relief to all taxpayers. I feel that it is not only equitable, but economically sound, in that the bulk of the tax relief, 75 percent, goes to those making $20,000 or less. However, I also feel that a strength of my bill is that it does provide a very modest amount of relief to higher income taxpayers as well, for they too have been pulled into higher tax brackets and, therefore, deserve some adjustment in their taxes.

The exact way in which this package provides tax relief to various income groups is shown in table 1, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1

Adjusted gross income classes	Amount of tax[1]		Tax reduction[1]		Percent reduction in tax
	Present law	Revision	Amount	Percent distribution	
Under $5,000	$1.7	$.01	$1.6	9.2	96.0
$5,000 to $10,000	12.0	7.9	4.1	23.1	34.2
$10,000 to $15,000	21.2	17.2	3.9	22.2	18.6
$15,000 to $20,000	23.8	20.3	3.6	20.0	14.9
$20,000 to $25,000	20.8	18.7	2.1	11.8	10.1
$25,000 to $50,000	34.1	32.1	2.0	11.4	5.9
$50,000 and over	29.9	29.5	.4	2.3	1.4
Total	143.6	125.9	17.6	100.0	12.4

[1] Dollar amounts in billions.

Mr. HUMPHREY. The investment tax credit and workers tax credit features are effective for 2 years only, while the others are meant to be permanent. The bill does, however, have a provision stating that all the provisions will expire on December 31, 1976, if offsetting tax reform measures are not passed by then.

The income tax rebates that individuals will receive under my bill will be based on the following structure.

It will be a 12 percent rebate on 1974 income tax liabilities, with a $100 minimum and a $250 maximum.

The ceiling and phase-out features mean that one-third of the rebate goes to those with less than $10,000 of adjusted gross income, while 85 percent of the rebate goes to those with less than $20,000 incomes. The details of the distributional breakdown are shown on table 2, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 2.—DISTRIBUTION OF TAX REBATE BY ADJUSTED GROSS INCOME CLASS, 1974 INCOME LEVELS

Adjusted gross income classes (thousands)	Decrease in tax liability		
	Amount (millions)	Percentage distribution of total decrease — By income class	Percentage distribution of total decrease — Cumulative
0–$3	$230	2.5	2.5
$3–$5	685	7.3	9.8
$5–$7	795	8.5	18.3
$7–$10	1,382	14.8	33.1
$10–$15	2,549	27.3	60.4
$15–$20	2,300	24.6	85.0
$20–$50	1,320	14.1	99.1
$50–$100	65	.7	99.8
$100 and over	16	.2	100.0
Total	9,342	100.0	----------

*The maximum of $250 is reduced by $1.50 for every $100 of adjusted gross income between $20,000 and $30,000.

Source: Joint Committee on Internal Revenue Taxation: UAW calculations.

Mr. HUMPHREY. Tables 1 and 2 have shown the distributional breakdown by aggregate income classes. To be more specific, and to indicate exactly how much more disposable income a family of four will have in 1975 under the withholding tax cut in my bill, table 3 shows these additional disposable income amounts for families at different income levels.

For example, a family at the $10,000 level will have $277 more income in 1975, a reduction of nearly one-third in their taxes. The table also shows the great amount of relief provided to the average family at the $5,000 income level, which will not only have no taxes to pay but actually receives some money through the refundable tax credit, and I ask unanmous consent that table 3 be printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 3.—DISTRIBUTION OF WITHHOLDING TAX SAVINGS FOR FAMILY OF 4

Adjusted gross income	Present tax	Tax under Humphrey plan	Total tax saving	Tax saving as percent of present tax
$5,000	$98	—$72	$170	173.5
$7,000	402	129	273	67.9
$10,000	867	590	277	31.0
$15,000	1,699	1,400	299	17.6
$20,000	2,660	2,349	311	11.7

Source: Brookings Institution.

Mr. HUMPHREY. Finally, table 4 provides the final summary of what the average family, at different income levels, can expect to receive in increased disposable income in 1975 if my bill is enacted.

Mr. President, a family of four with a $10,000 income which would have received $104 under the President's program, will have at its disposal an additional $381 in 1975 under my bill. I ask unanimous consent that table No. 4 be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 4.—TOTAL TAX SAVINGS FOR FAMILY OF 4

Adjusted gross income	Total tax savings
$5,000	$270
$7,000	373
$10,000	387
$15,000	503
$20,000	561

Mr. HUMPHREY. To sum up, the Tax Relief Act of 1975, which I have introduced today, can provide both a rapid one-time tax rebate and a longer term tax reduction over the course of the entire year.

This can mean an immediate and sustained increase in the paychecks of American families. And that is what it is going to take to produce economic recovery in this country.

Mr. President, I ask unanimous consent that the text of the Tax Relief Act of 1975 be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 918

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "——— Act".

INCREASE IN PERCENTAGE STANDARD DEDUCTION

Sec. 2. Section 141(b) of the Internal Revenue Code of 1954 (relating to percentage standard deduction) is amended by striking out the item relating to 1972 and thereafter in the table which appears at the end of such subsection and inserting in lieu thereof the following new items:

"1972 and thereafter	15	2,000
"January 1, 1975, through December 31, 1976	17	2,500

INCREASE IN LOW-INCOME ALLOWANCE AND PERSONAL EXEMPTION

Sec. 3. (a) Low-Income Allowance.—Section 141(c) of the Internal Revenue Code of 1954 (relating to the low-income allowance) is amended—

(1) by striking out "$1,300" and inserting in lieu thereof "$2,000"; and

(2) by striking out "$650" and inserting in lieu thereof "$1,000".

(b) Personal Exemption.—Section 151 of the Internal Revenue Code of 1954 (relating to personal exemptions) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$850".

(c) Conforming Amendments.—

(1) Section 6012(a)(1) of such Code (relating to persons required to make returns of income) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$850", by striking out "$2,050" wherever it appears and inserting in lieu thereof "$2,850", and by striking out "$2,800" wherever it appears and inserting in lieu thereof "$3,700".

(2) Section 6013(b)(3)(A) of such Code (relating to assessment and collection in the case of certain returns of husband and wife) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$850" and by striking out "$1,500" wherever it appears and inserting in lieu thereof "$1,700".

(d) Withholding.—

(1) Effective with respect to wages paid on or after the 30th day after the date of enactment of this Act, the table contained in section 3402(b) of such Code (relating to percentage method of withholding) is amended to read as follows:

"Percentage Method of Withholding Table

"Payroll period	Amount of one withholding exemption
Weekly	$16.30
Bi-weekly	32.60
Semi-monthly	35.40
Monthly	70.80
Quarterly	212.50
Semi-annual	425.00
Annual	850.00
Daily or miscellaneous (per day of such period)	2.40".

(2) Section 3402(m)(1) of such Code (relating to withholding based on itemized deductions) is amended—

(A) by striking out "$750" and inserting in lieu thereof "$850",

(B) by inserting immediately after "$2,000" the following: "($2,500 for the period January 1, 1975 through December 31, 1976)", and

(C) by inserting immediately after "15 percent" the following: "(17 percent for the period January 1, 1975 through December 31, 1976)".

TAX CREDIT FOR LOW-INCOME WORKERS

Sec. 4. (a) In General.—

(1) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by redesignating section 42 as 43, and by inserting after section 41 the following new section:

"Sec. 42. Tax Credit Based on Wages.

"(a) In General.—There shall be allowed to a taxpayer who is an eligible individual as a credit against the tax imposed by this chapter for the taxable year an amount equal to 1.5 percent of the amount of wages subject to social security taxes received by the taxpaper during that year. In the case of a taxpayer who is married (as determined under section 143) and who files a joint return of tax with his spouse under section 6013 for the taxable year, the amount of credit allowable by this subsection shall be an amount equal to 1.5 percent of the total amount of wages subject to social security taxes received by the taxpayer and his spouse during that year.

"(b) Limitations.—

"(1) Maximum credit.—The amount of the credit allowable to a taxpayer (or to a taxpayer and his spouse in the case of a joint return of tax under section 6013) for any taxable year under subsection (a) shall not exceed an amount equal to 1.5 percent of so much of the wages (as defined in section 3121(a) as does not exceed $14,100 received by that individual (or by that individual and his spouse in the case of a joint return of tax) during that year with respect to employment (as defined in section 3121(b) without regard to the exclusion set forth in paragraph (9) of that section).

"(2) Application with section 6428.—The amount allowable to a taxpayer, or to a taxpayer and his spouse, as a credit under subsection (a) for any taxable year (after the application of paragraph (1)) shall be reduced by the sum of any amounts received under section 6428 during that year.

"(c) Definitions.—For purposes of this section—

"(1) Eligible individual.—The term 'eligible individual' means an individual who maintains a household (within the meaning of section 214(b)(3)) in the United States which is the principal place of abode of that individual.

"(2) Social security taxes.—The term 'social security taxes' means the aggregate amount of taxes imposed by sections 3101 (relating to rate of tax on employees under the Federal Insurance Contributions Act) and 3111 (relating to rate of tax on employers under such Act) with respect to the wages (as defined in section 3121(a)) received by an individual and his spouse with respect to employment (as defined in section 3121(b)), or which would be imposed with respect to such wages by such sections if the definition of the term 'employment' (as defined in section 3121(b)) did not contain the exclusion set forth in paragraph (9) of such section.".

(2) The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Tax credit for low income workers.

"Sec. 43. Overpayments of tax.".

(3) Section 6401(b) of the Internal Revenue Code of 1954 (relating to excessive credits) is amended by—

(A) inserting after "lubricating oil)" the following: ", 42 (relating to tax credit for low-income workers),"; and

(B) striking out "sections 31 and 39" and inserting in lieu thereof "sections 31, 39, and 42".

(4) Section 6201(a)(4) of such Code (relating to assessment authority) is amended by—

(A) inserting "or 42" after "section 39" in the caption of such section; and

(B) striking out "oil)," and inserting in lieu thereof "oil) or section 42 (relating to tax credit for low income workers),".

(b) Advance Refund of Credit.—

(1) Subchapter B of chapter 65 of the Internal Revenue Code of 1954 (relating to rules of special application) is amended by adding at the end thereof the following new section:

"Sec. 6428. Advance Refund of Section 42 Credit.

"(a) In General.—A taxpayer may receive an advance refund of the credit allowable to him under section 42 (relating to tax credit for low-income workers) not more frequently than quarterly by filing an election for such refund with the Secretary or his delegate at such time and in such form as the Secretary or his delegate may prescribe. If the taxpayer elects to base his claim for refund on social security taxes imposed on him, his spouse, and their employers, the election shall be a joint election signed by the taxpayer and his spouse. An election may not be made under this subsection with respect to the last quarter of the calendar year, and any other election shall specify the quarter or quarters to which it relates and shall be made not later than the fifteenth day of the eleventh month of the taxable year to which it relates. The Secretary or his delegate shall pay any advance refund for which a proper election is made without regard to any likability, or potential liability, for tax under chapter 1 which has accrued, or may be expected to accrue, to the taxpayer for the taxable year to which the election relates.

"(b) Limitations.—

"(1) Amount of refund.—The amount of any refund for which a taxpayer files an election under subsection (a) shall be an amount equal to the amount of the credit allowable under section 42 with respect to social security taxes payable with respect to that taxpayer (or, in the case of a joint election, social security taxes payable with respect to that taxpayer and his spouse) for the quarter or quarters to which the election relates.

"(2) Ineligible for credit.—No advance refund may be made under this section for any quarter to a taxpayer who, on the basis of the income the taxpayer and his spouse reasonably may expect to receive during the taxable year, will not be entitled to claim any amount as a credit under section 42 for that year.

"(3) Minimum payment.—No payment may be made under this section in an amount less than $30.

"(c) Collection of Excess Payments.—In addition to any other method of collection available to him, if the Secretary or his delegate determines that any part of any amount paid to a taxpayer for any quarter under this section was in excess of the amount to which that taxpayer was entitled for that quarter, the Secretary or his delegate shall notify that taxpayer of the excess payment and may withhold, from any amounts which that taxpayer elects to receive under this section in any subsequent quarter, amounts totaling not more than the amount of that excess.".

(2) The table of sections for such subchapter is amended by adding at the end thereof the following new item:

"Sec. 6428. Advance refund of section 42 credit.".

(c) Returns of Taxpayers Receiving Advance Refund of Section 42 Credit.—Section 6011(d) relating to interest equalization returns, etc.) is amended by adding at the end thereof the following new paragraph:

"(4) Returns of taxpayers receiving advance refund of section 42 credit.—Every taxpayer who elects to receive an advance refund of the credit allowed by section 42 (relating to tax credit for low-income workers) during the taxable year shall file a return for that year, together with such additional information as the Secretary or his delegate may require.".

(d) Development of Application Forms; Cooperation of Other Government Agencies.—

(1) The Secretary of the Treasury shall develop simple and expedient application forms and procedures for use by taxpayers who wish to receive an advance refund under section 6428 of the Internal Revenue Code of 1954 (relating to advance refund of section 42 credit), arrange for distributing such forms and making them easily available to taxpayers, and prescribe such regulations as may be necessary to carry out the provisions of section 42 and 6428 of such Code. Each such application form shall contain a warning that the making of a false or fraudulent statement thereon is a Federal crime.

(2) The Secretary of the Treasury is authorized to obtain from any agency or department of the United States Government or of any State or political subdivision thereof such information with respect to any taxpayer applying for or receiving benefits under section 6428 of the Internal Revenue Code of 1954 (relating to advance refund of section 42 credit), or his spouse, as may be necessary for the proper administration of section 42 of the Internal Revenue Code of 1954 (relating to tax credit for low-income workers with families), of section 6428 of such Code (relating to advance refund of section 42 credit). Notwithstanding any other provision of law, each agency and department of the United States Government is authorized and directed to furnish to the Secretary such information upon request.

(e) Amendment of Social Security Act.—Section 402(a)(7) of the Social Security Act is amended by inserting after "other income" the following: "(including any amounts derived from application of the tax credit established by section 42 of the Internal Revenue Code of 1954)".

(f) Effective Date.—The amendments made by this section apply with respect to wages subject to social security taxes paid after December 31, 1974, and before December 31, 1976, but no advance refund payment under section 6428 of the Internal Revenue Code of 1954 shall be made before January 1, 1976.

INCREASED INVESTMENT CREDIT

Sec. 5. Section 46 of the Internal Revenue Code of 1954 (relating to amount of credit) is amended by—

(1) inserting immediately after "7 percent" in subsection (a) (1) the following: "(10 percent, in the case of section 38 property which is constructed, reconstructed, erected, or purchased after December 31, 1974, and before July 1, 1977)", and

(2) inserting immediately after "4/7" in subsection (c) (3) the following: "7/10, in the case of section 38 property which is constructed, reconstructed, erected, or purchased after December 31, 1974, and before July 1, 1977)".

TEN PERCENT REFUND OF 1974 INCOME TAXES

Sec. 6. (a) In General.—The Secretary of the Treasury shall pay to each eligible individual who files a return of tax imposed under chapter 1 of the Internal Revenue Code of 1954 for the taxable year ending within or with calendar year 1974 an amount determined under subsection (b). The Secretary shall make the payment as soon as possible after the receipt of the return. For purposes of this section the term "eligible individual" means an individual—

(1) who is residing in the United States and who is a citizen of the United States or an alien lawfully admitted for permanent residence under the Immigration and Nationality Act, and

(2) with respect to whom a personal exemption deduction under section 151 of the Internal Revenue Code of 1954 is not allowed to another individual for the taxable year ending within or with calendar year 1974.

(b) Amount of Payment.—Subject to the limitations contained in subsection (c), the amount payable to an individual is the greater of—

(1) 12 percent of the amount of liability for tax under chapter 1 of such Code of such individual for the taxable year ending within or with calendar year 1974, or (2) $100.

(c) Limitations.—

(1) The amount of the payment to which an individual is entitled as determined under subsection (b) may not exceed $250 ($250 in the case of a husband and wife filing jointly and $125 in the case of a married individual filing separately).

(2) That portion of the amount of the payment to which an individual is entitled as determined under subsection (b) which exceeds $50 shall be reduced by an amount which bears the same ratio to $200 as the amount by which the adjusted gross income of the individual for the taxable year ending within or with 1974 exceeds $20,000 bears to $10,000.

(d) Overpayment of Tax.—For purposes of any law of the United States, any payment made under this section constitutes a refund of an overpayment of the tax imposed under chapter 1 of the Internal Revenue Code of 1954.

EFFECTIVE DATE

Sec. 7. Except as otherwise specifically provided, the amendments made by this Act apply to taxable years beginning after December 31, 1974 and before January 1, 1977.

By Mr. FONG:

S. 919. A bill to amend the survivor benefit plan provided for under title 10 of the United States Code to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married. Referred to the Committee on Armed Services.

SURVIVOR ANNUITIES OF MILITARY RETIREES

Mr. FONG. Mr. President, I am introducing today a bill designed to amend the military survivor benefit plan provided under title 10 of the United States Code to eliminate the annuity reduction made—in order to provide a surviving spouse with an annuity—during periods when the annuitant is not married.

Mr. President, for the information of my colleagues, a similar bill, S. 628, was passed by the Senate on July 31, 1973, without any opposition and became Public Law 93-474 on October 26, 1974. Public Law 93-474 eliminated the reduction in annuity that a civil service retiree takes to provide survivor benefits for his spouse during periods of nonmarriage.

Under the present civil service retirement law, a Federal employee is allowed to name a survivor beneficiary at the time of retirement. The designated survivor—usually the spouse—is then entitled to 55 percent of the retiree's annuity upon his death. The election which the employee made at the time of his retirement is irrevocable and the reduction in annuity continued regardless of whether his spouse died first. About 65 times out of 100, a male retiree dies before his wife dies, but more than one-third of the time, a male retiree will outlive his wife and will continue to pay a reduction in his annuity to provide a survivor benefit for which there is, by law, no beneficiary. However, this injustice was corrected with the enactment of Public Law 93-474.

Mr. President, as you know, much of the military survivor benefit plan which was established by Public Law 92-425, was patterned after the civil service plan. Among the provisions of the civil service plan which were incorporated into the military plan is the requirement that the retired member continue to contribute, even though the member no longer has an eligible spouse.

Since the civil service plan was amended by the 93d Congress to suspend contributions by the retired member when he has no eligible spouse, equity and fair play would require that a similar provision be enacted for those under the military survivor benefit plan.

Mr. President, my bill is designed to do exactly that and no more. Inasmuch as military pay increases are now tied to increases for those working under the civil service system, prompt enactment of my bill would give the members of our Armed Forces the same type of survivor annuity benefits that are now provided for the civil service retirees.

By Mr. MONTOYA:

S. 922. A bill to amend the Natural Gas Act in order to give the Federal Power Commission emergency authority to allocate supplies of natural gas for agricultural purposes. Referred to the Committee on Commerce.

THE EMERGENCY AGRICULTURAL NATURAL GAS ALLOCATION ACT OF 1975

Mr. MONTOYA. Mr. President, today I am introducing the Emergency Agricultural Natural Gas Allocation Act of 1975. This bill would require the Federal Power Commission—FPC—which currently has the authority to regulate the interstate sale of natural gas, to approve applications for emergency relief to prevent interruption or curtailment of natural gas used for agricultural purposes, including irrigation pumping.

I feel that swift enactment of this legislation is essential if we are to continue agricultural production in New Mexico, and other areas which depend on irrigation pumps powered by natural gas to irrigate their fields.

Mr. President, New Mexico is a rural State with more than 2½ million acres of cropland. Forty-seven percent of that land is developed for irrigation, an increase of more than 10 percent in the last 5 years. Irrigated land accounts for over 90 percent of the cash receipts for crop sales in New Mexico. Therefore, it is clear, I believe, that in my State irrigation is not merely a complement to a primarily dry crop system, but rather it serves as the main support of our agricultural community. Agriculture in New Mexico cannot survive without irrigation, and irrigation cannot survive, at least in the immediate future, without natural gas.

On December 19, 1974, the FPC, during a review of El Paso Natural Gas Co.'s permanent plan, moved natural gas used for irrigation pumping from the second to the third priority grouping. This decision, Opinion No. 697-A, was made without hearing evidence and entirely on FPC's own motion.

The effect of this decision was disastrous. Farmers in the four States of New Mexico, Arizona, Nevada, and Texas, served by the El Paso pipeline, are now in a state of terrifying uncertainty. Decisions must be made within weeks about what and how much to plant. A question which must be answered is, "Will there be sufficient natural gas to power the irrigation pumps?" Although the FPC has now ruled that irrigation pumping is an "industrial use," any fool should know that millions of acres of cropland are not like an automobile assembly line which can be turned on and off at will. Agriculture is not a matter of weekly production planning, but of yearly production planning.

I invite the Commissioners of the FPC to come to New Mexico and to the other agricultural States in mid-July and see what the effect of turning off the pumps for 2 weeks would be. I can guarantee the result—disaster. Billions of dollars would be lost, and an already serious food situation would become critical. This is the uncertainty that farmers are now facing. Banks in the affected areas feel that they can no longer provide credit as freely to irrigated farms if there is uncertainty about the continued supply of water.

Information made available to me indicates that curtailment in the third priority group is a very real possibility this summer. Estimates range from between 50 and 60 percent of curtailment in group 3. Mr. President, some have argued that conversion to alternate fuel sources is the answer to this problem, and that users could begin this process now. I am afraid that the advocates of conversion have not done their homework in this area. Estimates on the cost of conversion in the four-State region range as high as $2 or $3 billion. Costs for the conversion of individual wells range from $500 to $5,000 for those pumps which can be converted. In some cases conversion of existing engines is impossible and the whole powerplant would have to be replaced. Replacement can mean that a $25,000 engine must be scrapped and a new one costing as much as $40,000 must be purchased. Not even the largest farmowners can absorb this kind of increased cost. Certainly most New Mexico farmers cannot.

There is no evidence that new equipment would be readily available in sufficient quantities to allow the conversion to take place in time for the next growing season. In the recent past we have seen other agricultural equipment in short supply. I expect that a need for new equipment on the scale we are concerned with here would run up against similar shortages. One of my constituents has summed up the problems which would be encountered in converting one type of engine from natural gas fuel to gasoline in this way: "The technical feasibility of switching from natural gas to gasoline is neither simple nor inexpensive,"—J. J. Strathmann, vice president, Cummins Rio Grande, New Mexico's largest supplier of irrigation engines.

Mr. President, when one speaks of alternative fuel supplies, the issue of conversion raises only one facet of the problem. Of primary concern here is the increased cost of irrigation pumping with any fuel other than natural gas. Estimates made by experts in the area project that the farmer can expect the cost of irrigation pumping to increase several hundred percent. Mr. Strathmann of Cummins says that costs can be expected to increase from 280 percent with liquid propane gas—which is in short supply—to 325 percent with gasoline which is allegedly also in short supply. These increased costs are astronomical and would result in impossible production costs for the farmer or a much smaller return on his investment and higher consumer costs.

I would caution my colleagues who represent farming areas not yet affected, that this FPC ruling applied across the Nation could reduce total agricultural production by as much as 20 to 30 percent and change this country from a net exporting country to a net importing country. Mr. President, I would urge the Commerce Committee to hold hearings on this and similar bills at the earliest possible time, so that the full Senate can consider this matter as soon as possible. Agricultural producers cannot wait long for action on this matter. Crops are about to be planted and financial arrangements for this year's crop must be completed. The Senate must act with speed to assure that this year's production is not cut back in any way.

Mr. President, I ask unanimous consent that a letter containing a complete analysis of conversion costs forwarded to me by Mr. J. J. Stratchmann, vice president of Cummins Rio Grande Sales & Service, Inc. in Albuquerque be inserted in the RECORD at the conclusion of my remarks. Also, I ask unanimous consent that the full text of the bill be printed in the RECORD following my remarks.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

CUMMINS RIO GRANDE,
SALES & SERVICE, INC.,
February 6, 1975.

Subject: *Conversion of farm irrigation engines to alternate fuels.*

We have been asked to comment on the feasibility of the conversion of farm irrigation engines to use alternate fuels, other than the natural gas currently in use, on a routinely shifting fuel availability.

By way of background, Cummins Rio Grande is the largest supplier of irrigation engines in New Mexico. We offer engines manufactured by Cummins, Ford, and International Harvester which utilize all fuels, including diesel, gasoline, natural gas and LPG gas. We are in a position to convert all of these engines to alternate fuels.

We believe that the question of routine conversion of natural gas engines to alternate fuels is one of technical feasibility and impact upon the agriculture industry and ultimately upon the food consumer. However, to put this conversion and fuel cost into proper perspective, we believe an analysis of energy utilization must be reviewed.

First, there are two classes of engines involved, gasoline engines converted to operate on natural gas and diesel engiens converted to operate on natural gas.

In the first category, we must analyze engines normally used in cars and trucks manufactured by companies such as Ford, Chrysler, General Motors and International Harvester. In this type engine the only practical alternate fuel to natural gas is gasoline, since LPG gas is also in critically short supply. Typical fuel consumption is shown below for various fuels operated within the same engines, at the same speed and horsepower output.

Horsepower	Natural gas per hour (cubic feet)	Gasoline per hour (gallons)	LPG per hour (gallons)
50	605	4.2	6.0
10	1,210	8.3	12.1
150	1,815	12.5	18.2
200	2,420	16.6	24.2

The cost impact of alternate fuels at current fuel prices is shown on Attachment A, based upon fuel price sampling in several locales in New Mexico.

The technical feasibility of switching from natural gas to gasoline is neither simple nor inexpensive. All engines would require a gasoline carburetor, fuel pump, natural gas fuel adapter and regulator be installed. Each time an engine switched fuel, a basic ignition timing and spark plug removal and gapping would be necessary, requiring a minimum of three hours changeover time.

Conversion cost for gasoline and LPG would be as follows:

A. Natural gas to gasoline:	
1. Carburetor change and fuel pump	$150.00
2. Gasoline storage tank	300.00
B. Natural gas to LPG:	
1. LPG vaporizer	75.00
2. LPG storage tank—500 gal	500.00

Approximately 95% to 98% of the natural gas irrigation engines utilized for farming are of the automotive-type engine as described previously. As shown on Attachment A, the alternate fuels would increase irrigation farming cost several hundred percent over natural gas cost.

The second type of natural gas engine utilized by irrigation farmers is a diesel engine converted to natural gas fuel. The most practical alternate fuel is diesel. This type engine is more efficient operating on natural gas because it is able to perform at higher compression ratios, but is substantially more expensive at initial purchase because of its basic diesel design as shown on Attachment C. A comparison of fuel consumption is shown below:

Horsepower	Natural gas per hour (cubic feet)	Diesel fuel per hour (gallons)
50	410	2.5
100	820	5.0
150	1,230	7.5
200	1,640	10.0
250	2,050	12.5

An operating cost comparison for this diesel-type engine is shown on Attachment B.

There is no practical way at this time to operate this type of engine on alternate fuels, although some development work on this capability is being done. A full conversion of fuel type is necessary. The conversion cost of this type engine from natural gas to diesel represents a major cost. The conversion would include new pistons, cylinder heads, air intake system and diesel fuel system. For a typical diesel-type six-cylinder engine, the conversion expense from natural gas to diesel would cost approximately $3,200.00 per engine.

However, since this diesel-type of engine represents less than 5% of the irrigation engines in use in New Mexico, this type of conversion will have little impact on natural gas use.

One additional energy source for irrigation pumping which should be considered is electric motor drives. At the present time, the initial conversion cost of electric motor pump drives is $25 to $30 per horsepower as shown:

Motor and switchgear cost

Horsepower:	
50	$1,800
100	3,000
150	4,200
200	5,700

The current operating cost of electric motors versus natural gas engines is shown on Attachments D and E.

We strongly recommend that the irrigation farmers of New Mexico be given their former high priority for natural gas in agriculture use. Anything else will either ruin the agriculture industry in New Mexico and the other high plains states through crop failure due to water loss at strategic times or increased consumer food costs by astronomical amounts. If natural gas consumption must be reduced, we recommend that it be allocated based upon past consumption and that allocation be reduced over a five-year period by 10% per year. This will allow the irrigation farmer to obtain the more fuel efficient engines currently available on the market over a five-year period so that their higher initial cost can be planned and absorbed without the serious financial consequence of immediate conversion. The reduced consumption of natural gas by this engine replacement method is projected on Attachment F.

We hope these comments will assist in having the best possible decision be reached in energy conservation considerations.

Very truly yours,

J. J. STRATHMANN,
Vice President.

ATTACHMENT A

HOURLY FUEL COST COMPARISON AUTOMOTIVE-TYPE ENGINES

Horsepower	Natural gas Amount	Gasoline		LPG	
		Amount	Percent increase	Amount	Percent increase
50	$0.395	$1.68	+325	$1.50	+280
100	.79	3.32	+320	3.02	+282
150	1.19	5.00	+320	4.55	+282
200	1.58	6.64	+320	6.04	+282

ANNUALIZED FUEL COST COMPARISON 3,000 HR PER YEAR OPERATION

50	$1,185	$5,040	+325	$4,500	+280
100	2,370	9,960	+320	9,060	+282
150	3,570	15,000	+320	13,650	+282
200	4,740	19,920	+320	18,120	+282

Note: Typical New Mexico area fuel costs: Natural gas—Rate 31, averzge 65.3 cents per 1,000 ft^3; gasoline at 40 cents per gallon; LPG at 25 cents per gallon.

ATTACHMENT B

Horsepower	Natural gas	Diesel	Percent increase
Hourly fuel cost comparison—Diesel-type engines:			
50	$0.27	$0.86	219
100	.54	1.72	218
150	.80	2.57	221
200	1.07	3.43	221
250	1.34	4.29	220
Annualized 'uel cost consumption—3,0C0 hr per year operation:			
50	810	2,580	219
100	1,620	5,160	218
150	2,400	7,710	221
200	3,210	10,290	221
250	4,020	12,870	220

Note: Typical New Mexico area fuel costs: natural gas at 65.3 cents per 1,000 ft^3, diesel fuel at 34.3 cents per gallon.

ATTACHMENT C

INITIAL PURCHASE COST OF POWER SOURCES

Horse power	Automotive-type engines	Diesel-type engines	Electric motors
50	$1,050	$6,900	$1,800
100	1,350	6,900	3,000
150	3,000	8,600	4,200
200	6,000	9,600	5,700
250	(1)	12,000	6,500

[1] Not available.

ATTACHMENT D

HOURLY FUEL COST COMPARISON AUTOMOTIVE-TYPE NATURAL GAS ENGINES VERSUS ELECTRIC MOTORS

TYPICAL NEW MEXICO AREA COSTS

Horsepower	Natural gas[1]	Electric[2] per hour	Percent increase	Electric per-hour[3]	Percent increase
50	$0.395	$1.06	168	$1.40	254
100	.79	2.12	168	2.80	254
150	1.19	3.18	167	4.20	252

ANNUALIZED—3,000 HOURS PER YEAR OPERATION

50	$1,185	$3,180	168	$4,200	254
100	2,370	6,360	168	8,400	254
150	3,570	9,540	167	12,600	252

[1] 65.3 cents per 1,000 ft^3.

[2] 2.5 cents per kilowatt hour.

[3] 2.5 cents per kilowatt hour and 0.8 cent per kilowatt-hour fuel adjustment.

ATTACHMENT E

DIESEL-TYPE NATURAL GAS ENGINES VERSUS ELECTRIC MOTORS

TYPICAL NEW MEXICO AREA COSTS

Horsepower	Natural gas per hour[1] (heavy-duty engine)	Electric		Electric[3]	
		Per hour	Percent increase	Per hour	Percent increase
50	$0.27	$1.06	292	$1.40	419
100	.54	2.12	292	2.80	418
150	.80	3.18	298	4.20	425
200	1.07	4.24	296	5.60	423
250	1.34	5.30	295	7.00	422
ANNUALIZED FUEL COST COMPARISON—3,000 HOURS/YEAR OPERATION					
50	$810	$3,180	292	$4,200	419
100	1,620	6,360	292	8,400	418
150	2,400	9,540	298	12,600	425
200	3,210	12,720	296	16,800	423
250	4,020	15,900	295	21,000	422

[1] 65.3 cents per 1,000 ft ^{3}.

[2] 25 cents per kilowatt hour—no fuel adjustment.

[3] 25 cents per kilowatt hour and 0.8 per kilowatt hour fuel adjustment.

ATTACHMENT F

NATURAL GAS FUEL SAVINGS AUTOMOTIVE-TYPE VERSUS DIESEL-TYPE ENGINES

Horsepower	Diesel-type engines (cubic feet per hour)	Automotive type engines (cubic feet per hour)	Percent savings
50	410	605	33
100	820	1,210	33
150	1,230	1,815	33
200	1,640	2,420	33
250	2,050	(1)	

[1] Not available.

Savings shown are based upon new engine performance. The automotive-type engine loses its peak performance within its first 2,000 to 3,000 hours of operation whereas the diesel-type engine maintains its efficiency for 25,000 hours or more of operation. The net result is that fuel savings frequently have been observed to equal 40% to 50% when diesel-type engines have replaced automotive-type engines.

S. 922

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Agricultural Natural Gas Allocation Act of 1975".

SEC. 2. The Natural Gas Act is amended by redesignating sections 23 and 24 as sections 24 and 25, respectively, and by inserting before such sections a new section as follows:

"EMERGENCY ALLOCATION OF NATURAL GAS FOR AGRICULTURAL PURPOSES

"SEC. 23. (a) Notwithstanding any other provision of this Act or of any natural gas allocation or curtailment plan in effect on the date of enactment of this section, the Commission shall, within five days of application, grant applications for emergency relief to prevent interruption or curtailment of natural gas used for any agricultural purpose (including irrigation pumping) to the extent required to prevent any impairment in carrying out such purpose, except to the extent required to maintain natural gas service to existing residential and small commercial users.

"(b) The Commission shall consult with the Administrator of the Federal Energy Administration prior to taking any action pursuant to this section."

By Mr. HARTKE (by request):

S. 923. A bill to amend the Interstate Commerce Act to prohibit discriminatory practices which have the effect of undermining, preventing, destroying, or precluding competition, and for other purposes. Referred to the Committee on Commerce.

Mr. HARTKE. Mr. President, the current controversy surrounding the Interstate Commerce Commission has focused largely on the effect of the Commission's regulatory practices upon competition. Critics of the Commission claim that these practices discourage competition, that the Commission's rate setting practices overly restrict competition to the detriment of the consumer. On the other hand, supporters of the Commission's rate setting practices argue that it is important to limit destructive competition in order to insure that there is a stable common carrier system to provide efficient and adequate service to the American people.

The degree of interest in the effect of the Commission's regulations upon competition and the possibility that we may be able to come up with better regulatory practices have convinced me that a large portion of the time the Subcommittee on Surface Transportation devotes to regulatory policy this year should be used to explore means of promoting competition between the regulated carriers while maintaining a strong common carrier system. To encourage discussion of this important subject and to insure its consideration during our deliberations, I am introducing by request a bill which would for the first time apply the principles of the antitrust laws to the competitive practices of the regulated carriers.

Presently, The Interstate Commerce Act contains no provisions which act as express deterrents to activities which suppress competition. This bill would supplement the Commission's practice of regulating rates to discourage destructive competition with an express prohibition of predatory and discriminatory practices. Violators of this prohibition would be subject to liability for damages for injury done to competing carriers.

Mr. President, this is an important bill. The Congress long ago established the policy that manufacturers and distributors of products could not price those products in a manner that discriminated between purchasers and limited competition. This bill would apply the same policy to suppliers of transportation services. The House adopted this concept late in the last Congress but the Senate did not have time to consider it. This bill, which may provide the basis for a policy regarding competition between regulated carriers, will make a constructive contribution to the debate on transport policy in the ensuing months.

I ask unanimous consent that the text of the Discriminatory Practices Prohibition Act and a summary of the bill be printed in the RECORD at this point.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 923

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Discriminatory Practices Prohibition Act".

SEC. 2. Section 4 of the Interstate Commerce Act (49 U.S.C. 4) is amended by striking the caption to the section now reading "Long and short haul charges; competition with water routes" and substituting the caption "Discriminatory charges; competition with water routes"; and by adding the following new paragraph:

"(3) (a) The purpose of this subsection is to foster and promote healthy intermodal competition by prohibiting predatory or discriminatory practices which have the purpose or effect of undermining, preventing, destroying or precluding competition and to provide penalties for such predatory and discriminatory practices.

"(b) No carrier acting alone or in concert with another carrier of the same mode shall discriminate in the rates or charges assessed on a route where intermodal competition exists versus the rates or charges assessed by such carrier or carriers for the same or similar traffic on another route, where the purpose or effect is substantially to lessen competition between the carrier or carriers and a carrier of the other mode, but the prima facie unlawfulness of such discrimination may be rebutted by an affirmative showing that the lower rate or charge creating the discrimination is not below the point necessary in good faith to meet the competition of such other mode, considering all competitive factors and conditions.

(c) No rail or water carrier acting alone or in concert with another such carrier shall discriminate in the rates or charges assessed or the services offered over the rail or water segment of an actual or potential rail and water route versus the rates or charges assessed or services offered by such carrier or carriers on the same or similar traffic over a competing all-rail or all-water route, where the purpose or effect is substantially to lessen competition between the carrier or carriers and a connecting carrier of the other mode or tend to create a monopoly of the traffic in question. Provided, however, that, with respect to service, the prima facie unlawfulness of such discrimination may be rebutted by an affirmative showing that physical conditions on the route to or from the interchange with the carrier of the other mode prohibit compliance with this paragraph.

(d) Any carrier which shall be injured in its business or property by reason of engagement by a carrier in any practice which is forbidden by the forgoing provisions of this subsection may sue therefor in the district court of the United States in the district in which the defendent resides or is found or has an agent and shall recover treble the damages by it sustained, and the cost of the suit including reasonable attorney's fee.

(e) Before any damage action under subparagraph (d) may be filed in a Federal district court, the Commission shall determine the lawfulness of the practices or rates in a proceeding under Section 13 or Section 15. The determination of the Commission shall be conclusive, subject to judicial review, as to the issue of lawfulness of such practices or rates in any subsequent damage suit under this subsection.

(f) All actions pursuant to subparagraph (d) above shall be commenced within one year from the date of the final Commission order in the proceeding referred to in subparagraph (c).

(g) In fixing treble damages under subparagraph (d) the court shall include all damages whensoever occurring, except that no damages shall be recovered for any period prior to two years preceeding the commencement of the Commission proceeding referred to in subparagraph (e).

SUMMARY OF THE DISCRIMINATORY PRACTICES PROHIBITION ACT

It is the purpose of this bill to clarify and strengthen the powers of the Interstate Commerce Commission to outlaw discriminatory and preclusive practices which have the design or effect of undermining healthy intermodal competition, particularly competition between railroads and water carriers.

The bill implements established public policy which condemns any tactic which relies on leverage or business power rather than efficiency to win in the market place. When superior efficiency and performance result in market success, the public interest is advanced, but when superior leverage is the basis for market success, only the private interest is advanced.

The bill amplifies Section 4 of the Act because this section already adresses itself to the most flagrant type of rate discrimination, a rate for a longer haul which is lower than a rate for a shorter haul along the same route.

Section 3 (a) provides a general condemnation of discriminatory practices which have the design or effect of frustrating intermodal competition.

Section 3 (b) provides a prohibition of discriminatory rate reductions which "sharpshoot" the traffic of a narrowly based competitor. The provision provides a "meeting competition" defense against a charge of discrimination. A carrier, to meet competition in good faith, may reduce a rate to a point at which the rates, services and facilities offered by one competitor are equally attractive to rates, services and facilities offered by the other.

Section 3 (c) prohibits a "squeeze" tactic by which a rail or water competitor holds up a rate or withholds a type of service at a connecting point to protect an all-rail or all-water haul, thus frustrating a combined rail-water haul. Such discrimination ordinarily takes the form of charging a higher rate in relation to cost on the intermodal route than on the intramodal route by denying, on the intermodal route, a type of service offered on the intramodal route. In the latter case, a carrier may defend against a charge of refusing to provide comparable service by affirmatively showing that the burdens imposed by physical conditions make it prohibitive to do so.

Sections 3 (d) and (e) provide that the ICC retains the authority to determine questions of lawfulness of discriminatory practices. Following such a determination, injured parties can resort directly to the courts for assessment of damages. The objective of this provision is to promote self-regulation through the deterrent of treble damages.

Sections 3 (f) and (g) cover limits of liability of the damage provisions.

By Mr. STENNIS (for himself and Mr. THURMOND):

S. 920. A bill to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. THURMOND) (by request):

S. 921. A bill to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

Mr. STENNIS. Mr. President, I send to the desk two separate bills. One is the military authorization request as submitted by the Department of Defense. The other is a slightly modified version of the Defense submission.

The modified version differs from the Defense submission in only two respects. First, in compliance with the new Budget Reform Act, the Senate must authorize appropriations for both fiscal year 1976 and a 3-month transition budget covering July 1, 1976, to September 30, 1976. The bill submitted by the Defense Department integrates the budget request for this transition period into each individual title in the bill. The modified version breaks out as a separate title the budget request for the transition period. Secondly, the bill submitted by the Defense Department contains the authorization request for fiscal year 1977. The Defense Department is required to submit the fiscal year 1977 authorization request prior to May 15, 1975. The Senate, however, will consider the fiscal year 1977 request only after completing action on the fiscal year 1976 request and the transition request. Thus, the modified version omits the fiscal year 1977 request.

In short, the substantive effect of these two bills is identical. The modified version is submitted for purposes of convenience and clarity. The committee intends to proceed with this modified version in its dilebrations on authorization.

I ask unanimous content that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, D.C., February 5, 1975.
Hon. NELSON D. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is forwarded herewith legislation "To authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes." This proposal is part of the Department of Defense legislative program for the 94th Congress, and the Office of Management and Budget has advised that enactment of the proposal would be in accordance with the program of the President. This proposal is being sent to the Speaker of the House.

This proposal would provide authorization for appropriations as needed, for procurement in each of the categories of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes and for other weapons for each of the military departments in an amount equal to the new obligational authority included in the President's budget for fiscal year 1976 and for the three month transition period beginning July 1, 1976 and ending September 30, 1976, provided for in the Budget Control Act of 1974. Authorizations for naval vessels have been requested in lump sum dollar amounts in the form in which they have generally been provided in the past. However, the Department of Defense believes that as this request is considered by the Congress the possibility of providing multi-year authorization for naval vessels should be explored.

In this connection, on October 10, 1974, the Deputy Secretary of Defense testified before the Seapower Subcommittee of the House Armed Services Committee that multi-year authorization for naval vessels would be desirable.

Section 102 authorizes a $300 million in fiscal year 1976 and $100 million in fiscal year 1977 for inventory replenishment in anticipation of foreign military sales. Funds appropriated pursuant to this authority would be allocated by the Secretary of Defense among appropriations of the military departments for the initiation of procurements in anticipation of sales from inventory. This legislation is necessary to maintain an acceptable level of U.S. combat-ready inventory while at the same time making available, for sale, combat essential equipment to our allies in a responsive and timely fashion.

Title II provides for the authorization of each of the research, development, test and evaluation appropriations for the military departments and the Defense Agencies in amounts equal to new obligational authority included in the President's budget for fiscal year 1976 and the transition period.

Title III of the proposal prescribes the end strengths for active duty personnel in each component of the Armed Forces as required by section 138(c) (1) of title 10, United States Code, in numbers provided for by new obligational authority and appropriations requested for these components in the President's budget for fiscal year 1976 and the transition period.

Title IV of the proposal provides for average strengths of the Selected Reserves of each Reserve component of the Armed Forces as required by section 138(b) of title 10, United States Code, in the numbers provided for by new obligational authority and appropriations requested for these components in the President's budget for fiscal year 1976 and the transition period.

Title V of the proposal provides for civilian personnel and strengths for each component of the Department of Defense as required by section 138(c) (2) of title 10, United States Code, in the numbers provided for by new obligational authority in appropriations requested for the Department of Defense in the President's budget for fiscal year 1976 and the transition period.

Title VI of the proposal provides for the average military training student loads as required by section 138(d)(1) of title 10, United States Code, in the numbers provided for this purpose in the President's budget for fiscal year 1976 and the transition period.

Each of the above titles also includes a provision, uniformly designated as subsection (c) of the first section in each title, providing authorization for appropriations, average strengths, end strengths, or military training student loads for fiscal year 1977. These provisions have been added in accordance with the administration's effort to provide Congress with the fiscal year 1977 authorization legislation in a timely fashion. Submission at this time fulfills the requirements of section 607 of the Budget Control Act of 1974 which requires such legislation for fiscal year 1977 to be submitted to Congress by May 15, 1975.

Section 701 of the proposed bill amends existing fiscal year 1975 authorization for appropriations to the Department of Defense for the support of South Vietnamese military forces to provide authorization for fiscal year 1976. There is no authorization request for fiscal year 1977 or the transition period.

Section 702 of the proposed bill would provide permanent legislative authority to the Secretary of Defense and to the Secretaries of the Military Departments as is now provided only to the Secretary of the Navy in section 7202 of title 10, United States Code, to use funds, within the limits of appropriations made for the purpose, for emergency and extraordinary expenses. Funds for these purposes, which include confidential military purposes and representational purposes, have been specifically provided in annual appropriation acts for many years to the Secretary of Defense and the Secretaries of the Army and Air Force. Section 702 would provide explicit authorization for such appropriations. The proposed new section in title 10 would be substantively identical to section 7202, which would be repealed.

Section 703 amends the recently enacted section 514 of the Foreign Assistance Act of 1961, as amended (which was adopted without hearings having been held) so as to restore to the Department of Defense the flexibility which is needed with respect to the use of war reserve and other contingency stockpiles in future emergencies. Under the funding restrictions of section 514, as it now reads, the war reserve and contingency requirements of our own armed forces and of our allies would have to be separately computed, financed by different appropriations, and would seemingly have to be earmarked for separate uses. As revised by section 703 of the proposed bill, these artificial restrictions would be eliminated, our armed forces would have full title and control of all such stocks and could utilize any part of such stocks for our own requirements should circumstances so require even though acquired in whole or in part based on possible use by allies. As so revised, however, section 514 would continue to require that any future transfer of such stocks to foreign nations be charged against funds authorized by foreign aid legislation or against the limitations specified in such legislation, as appropriate, during the fiscal period in which the transfer occurs. Similar legislation is being requested in the "Foreign Assistance Act of 1975".

Section 704 would make a necessary technical amendment to section 139(b) of title 10, United States Code, which now requires the submission of supplemental reports to the Congress not less than 30 or more than 60 days before the award of procurement contracts for weapon systems for which fund authorization is required. The proposed amendment would change the timing of these reports relative to the date of contract award, by requiring their submission not less than 30 or more than 90 days before award. This change is necessary to permit the continued submission of regular bimonthly reports without disrupting the procurement process. Without the change, to assure the compliance with section 139(b), the Department of Defense could not award contracts during one-half the year (the thirty days following each bimonthly report).

Sincerely,

MARTIN R. HOFFMANN.

By Mr. NELSON:

S. 924. A bill to amend the Federal Food, Drug, and Cosmetic Act in order to protect consumers against food additives which have mutagenic or teratogenic effects on man or animals. Referred to the Committee on Labor and Public Welfare.

S. 925. A bill to amend the Federal Food, Drug, and Cosmetic Act relating to food additives. Referred to the Committee on Labor and Public Welfare.

Mr. NELSON. Mr. President, the quality and safety of our food supply is a vital environmental health issue. Two bills that I reintroduce today would correct loopholes in Federal law regulating food additives and better protect consumers from harmful or unnecessary chemicals in the food supply.

The first bill would require that an additive be shown to be necessary, not merely cosmetic, prior to approval, and would require third-party, independent testing of additives, among other things.

The second bill would strengthen the Government's capability to regulate additives by requiring testing prior to their approval to determine whether they cause birth defects—teratogenesis—or genetic damage—mutagenesis. At present, there is no requirement for such testing prior to approval of food additives.

The scientific community has been concerned about the long-range effects of mutagenic and teratogenic substances for many years, and governmental action to prevent such substances from endangering the public health is long overdue. Virtually everyone agrees that testing of chemicals for these reactions is necessary.

The need for legislation is demonstrated by the fact that many chemicals long used in the food supply are being shown to be harmful under new scientific scrutiny; many were never adequately pretested prior to widespread use; and the number of new chemicals or new uses for food chemicals continues to proliferate without a full assessment of the chemicals' real nutritional value or potential health hazard.

According to the Food and Drug Administration, the United States probably approves the use of more kinds of food additives than any other nation. In 1972, the FDA received 109 petitions for new uses of food additives; 77 were approved. In 1973, the FDA received 262 new petitions; 54 were approved. In 1974, the agency received 193 new petitions; 53 were approved.

Many of these substances are safe, economic to use, and make it possible to process foods with a long shelf and shipping life.

An important factor is that Americans, since 1970, are spending more money for processed, convenience, snack and franchised foods than for fresh foods. This means that, while consumers may be able to obtain a wider variety of packaged and processed food products with a long shelf life, they are also consuming more chemicals.

And, while additives cut costs to producers, they do not necessarily reduce costs to the consumer. For example, a 7-ounce package of imitation eggs, advertised as containing approximately the equivalent of two real eggs, costs 21 cents, or 10 cents per egg; a single real egg, medium size, costs 6 cents at 79 cents per dozen. A 2-pound box of instant pancake mix—to which must be added eggs and milk—costs 69 cents; a 16-ounce—1-pound—package of frozen pancake batter, making 16 one-ounce pancakes, costs 73 cents—or 4 cents per pancake; and a 10½-ounce package of frozen prepared pancakes, containing eight pancakes, costs 55 cents, or approximately 8 cents per pancake.

Food additives are big business, involving the food, chemical, and drug industries in the manufacture of chemical substances that have promoted the rapid growth of the convenience food industry. Trade magazines advertise the profits to be reaped through the use of chemicals and chemical substitutes for food.

There are some 1,000 chemicals now approved by the FDA for use directly in food, and some 2,000 for indirect uses, such as in packaging materials. The use of food chemicals has more than doubled in the past 20 years, from an estimated 419 million pounds in 1955 to more than 1 billion pounds today, according to industry figures. The industry estimates that the average American eats 5 pounds of additives every year. The industry also boasts of tremendous growth in the food additive business.

Some 600 of the 3,000 approved additives are "generally recognized as safe"—GRAS, thus exempted from testing and new approval by the FDA under the food additives law. These GRAS list items are now subject to review by the FDA. Some GRAS substances have been found to be harmful, or are being questioned, because of new scientific evidence that they may not be as safe as previously thought.

If we are going to continue the widespread use of these chemicals and, in fact, increase their use, there must be carefully developed scientific evidence showing that they are safe, necessary, and free from such effects as cancer, birth defects—teratogenesis, or genetic abnormalities or changes—mutagenesis.

At present, the Food, Drug, and Cosmetic Act requires only that additives be shown to be safe and non-cancer-causing in man or animal. The law does not specificially require testing for teratogenesis and mutagenesis, nor does it require that additives be determined to be necessary. These bills would do that.

Cancer screening tests have been developed, refined, and applied for a number of years. Test methodologies for mutagenesis and teratogenesis are different from cancer tests, and their states of the art differ, respectively.

Geneticists developed practical methods of detecting chemical mutagens in the 1960's, and tests for large-scale screening for these effects are feasible at reasonable cost. Test methodologies for teratogenic screening have been developed and are being refined by scientists in the National Institute of Environmental Health Sciences, the FDA, and elsewhere.

As part of the GRAS review, 116 compounds are being tested for mutagenesis and 64 are being tested for teratogenesis.

Because of the development of highly refined test mechanisms for identifying chemical effects, it may be necessary to establish a protocol for deciding benefits against risks, based on the best available scientific information.

The legislation takes into account the fact that a straight prohibition of substances found to be mutagenic or teratogenic may not always be feasible or in the best interests of public health. Some foods, nutrients, and vitamins might be banned under such a prohibition, strictly applied. For example, subcutaneous injection of salt—sodium chloride—an excess of vitamin A taken orally, and zinc, an essential mineral, when injected intravenously, have been found to be teratogenic in animal tests.

For this reason, the second bill provides for a system of evaluation and determination by the Secretary of HEW as to whether it is better for the public health to allow in the food supply a substance found to cause such effects than not to allow it.

It is my hope that hearings on the areas addressed by these bills will be conducted and action taken this session. Both of these measures have been introduced in previous sessions of Congress, and oversight hearings conducted before the Senate Special Committee on Nutrition and Human Needs, September 19, 20, 21, 1972, brought out a wide range of concerns on the part of scientists, consumers, and industry over use and regulation of food additives.

WHAT THE BILLS DO

The first bill is based on recommendations of the 1970 White House Conference on Food, Nutrition, and Health. Its goal is to eliminate the use of unsafe, poorly tested, and unnecessary chemicals in the food supply.

It would require proof that additives have a demonstrable benefit and are necessary, prior to governmental approval;

It calls for third-party testing of additives, so that approval can be based on data other than that supplied solely by the manufacturer and promoter of an additive;

It calls for factory inspection and registration of additive producers;

And, it requires the Federal Government to set nutritional standards for food. The FDA has asked industry to voluntarily meet nutritional standards in the quality of some processed food products, and to label products as to nutritional content. However, the industry is not required to comply, only urged to do so. This bill would require minimum nutritional standards set by the FDA to be met by all processed foods.

The second bill requires that applicants for Federal approval of food additives provide reports of tests conducted to determine whether the additives cause mutagenic or embryotoxic—teratogenic—effects when ingested by man or animal.

Such tests must utilize the most up-to-date methods available for such purposes, as determined by the HEW Secretary.

The bill sets up a system by which the Secretary must convene expert committees to review additives that are found to cause mutagenic or teratogenic effects; and requires that the Secretary publish his proposal for use of such additives in the Federal Register, if he determines to allow the additives in the food supply.

If an additive is found to cause either effect, the Secretary must make an affirmative decision, based on the recommendations of ad hoc advisory committees of experts, to allow the substance in the food supply if he finds that it would be more hazardous to the public health to deny use of additive than to permit its use.

Within 6 months of the date of such notice, he must make his affirmative finding final, or the additive is not approved.

The Secretary is given authority to weigh the benefits of permitting the use of certain additives against the possible dangers to the public health and safety of such additives. The bill makes it clear that such determinations shall not affect the Delaney anticancer clause, which prohibits any substance in the food supply that causes cancer in man or animals.

Whenever the Secretary decides to allow an additive that has shown mutagenic or teratogenic effects, such a finding must be on the labeling of foods containing the additive.

The Secretary is required to report to Congress annually on whether such additives are still approved for use, and, if so, the reasons justifying their continued use, based on the benefit-to-risk findings of scientific experts. The Secretary also is required to report on current research activities being carried out with regard to such additives, and particularly on research into possible alternatives to them.

The Secretary must also determine which additives currently in use, including those on the "generally recognized as safe"—GRAS—list, should be tested for mutagenic and teratogenic effects, and provide for such tests to be conducted, after which the Secretary must make affirmative findings as regards their continued use. Such a review must be made within 2 years after enactment with an annual status report to Congress.

Mr. President, I ask unanimous consent that the texts of the two bills be printed in the RECORD following these remarks.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 924

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 409 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 348), is amended as follows:

(1) Subsection (b)(2) is amended by striking out "and" at the end of clause (D); by striking out the period at the end of clause (E) and inserting in lieu thereof a semi-colon and the word "and"; and by adding at the end of such subsection a new clause as follows:

"(F) full reports of investigations made with respect to the mutagenic and embryotoxic effects of such additive when ingested by man or animal including, but not limited to, any fetal death or damage;".

(2) Subsection (b) is further amended by adding at the end thereof a new paragraph as follows:

"(6) Tests shall be conducted to determine whether the additive causes mutagenic or teratogenic effects on man or animal through utilization of the most acceptable methods (as determined by the Secretary) currently available to the trade for such purposes.".

(3) Paragraph (3)(A) of subsection (c) is amended by striking out the semicolon and the word "or" at the end of such paragraph and inserting in lieu thereof a colon and the following: "*Provided further,* That no additive shall be deemed to be safe if it is found to have mutagenic or teratogenic effects when ingested by man or animal, or if it is found, after tests which are appropriate for the evaluation of the effects of good additives on man or animals, to have mutagenic or teratogenic effects on man or animal, except that no additive shall be deemed unsafe under this proviso if the Secretary (a) makes an affirmative finding, based on the recommendations of an advisory committee of experts (appointed by the Secretary), qualified by scientific training and experience to evaluate the mutagenic and teratogenic effects of food additives on man and animals, and includes such finding in his order issued under this subsection, that the hazard to the publice health which might result by denying the use of such additive would exceed any hazard to the public health which might result by permitting the use of such additive as proposed by the petitioner, (b) gives public notice of his affirmative finding by publication in the Federal Register, and (c) within six months after the date on which such notice was so published, issues an order making his affirmative finding final; or".

(4) Paragraph (5) of subsection (c) is amended by striking out "and" at the end of clause (B); by striking out the period at the end of clause (C); and inserting in lieu thereof a semicolon and the word "and"; and by adding after clause (C) a new clause as follows:

"(D) the benefits to the public health and safety of permitting the use of such additive as opposed to the possible dangers to the public health and safety in permitting its use.".

(5) Subsection (c) is further amended by adding at the end thereof a new paragraph as follows:

"(6) Notwithstanding the provisions of paragraph (3)(A) or (5)(D) of this subsection, nothing in this subsection shall be construed as authorizing the Secretary to issue an order establishing a regulation prescribing, with respect to one or more proposed uses of any food additive, conditions under which any food additive found to have mutagenic or teratogenic effects when ingested by man or animal may be used if such additive is found to induce cancer when ingested by man or animal, or if it is found, after tests which are appropriate for the evaluation of the safety of food additives, to induce cancer in man or animal (subject to the exception contained in the first proviso contained in paragraph (3)(A) of this subsection).".

(6) Such section is further amended by adding at the end thereof the following new subsections:

"Labeling Requirement

"(j) Whenever an order is issued by the Secretary under subsection (c) of this section establishing a regulation with respect to one or more uses of any additive and such order is issued as the result of an affirmative finding by the Secretary under the second proviso of paragraph (3)(A) of such subsection, the Secretary shall require the labeling of the food in or on which such additive is used to clearly indicate, in accordance with regulations prescribed by the Secretary, that the additive used in or on the food was approved for use even though such additive was found to have mutagenic or teratogenic effects when ingested by man or animal.

"Reporting Requirement

"(k) The Secretary shall submit a report to the Congress not later than March 1 each year informing the Congress of those food additives that have been permitted to be used in food as the result of an affirmative finding by him under the second proviso of paragraph (3)(A) of subsection (c) of this section even though such additive was found to have mutagenic or teratogenic effects when ingested by man or animal. The Secretary shall include in each such report the justification for permitting the use of any such additives, a review of current research activities being carried out with regard to the mutagenic and teratogenic effects of food additives when ingested by man and animals, and a review of current research into possible alternatives to food additives found to have mutagenic or teratogenic effects when ingested by man or animal.".

SEC. 2. Section 403 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 343), is amended by adding at the end thereof a new paragraph as follows:

"(o) If it contains a food additive, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such food additive, as may be contained in regulations issued under section 409."

SEC. 3. The amendments made by this Act shall become effective on the date of enactment except that such amendments shall not become effective in the case of any food additive—

(1) with respect to which a regulation is in effect on the date of enactment of this Act prescribing one or more uses of such additive and conditions under which such additive may be safely used,

(2) which, on the date of enactment of this Act, is in use as a generally recognized as safe food additive, or

(3) which, on the date of enactment of this Act, is in use under a prior sanction use authorization,

until the Secretary has determined which of such additives are to be made subject to the provisions of the Federal Food, Drug, and Cosmetic Act relating to mutagenic or teratogenic effects of food additives on man and animals (as provided in the amendments made by this Act) and a plan has been formulated and published by the Secretary requiring compliance with such provisions within a period of time prescribed by a committee of experts (appointed by the Secretary) qualified by scientific training and experience to evaluate the mutagenic and teratogenic effects of food additives on man and animals. The determination by the Secretary with respect to which of such additives are to be made subject to the provisions of the Federal Food, Drug, and Cosmetic Act, as amended by this Act, shall be made within two years after the date of enactment of this Act.

S. 925

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act shall be known as the "Food Protection Act of 1975".

FOOD ADDITIVE TESTING

SEC. 2. Chapter IV of the Federal Food, Drug, and Cosmetic Act is amended by adding immediately after section 409 a new section as follows:

"TESTING OF FOOD ADDITIVES

"SEC. 410, (a)(1) The Secretary shall be responsible for all tests or investigations conducted on all new food additives submitted to him for approval under this Act for the purpose of determining whether or not such additives may be used in food, and shall be responsible for having new tests or investigations conducted on additives which have been approved prior to the enactment of this section, in order to determine whether or not approval of such additives should be withdrawn.

"(2) The Secretary, in carrying out the provisions of paragraph (1), shall not conduct tests or investigations, but shall contract with qualified individuals, organizations, or institutions to conduct such tests or investigations.

"(b) Whenever the Secretary receives an application from any person for approval of a new food additive pursuant to this section, he shall, as soon as practicable, provide for the necessary testing or investigation of such food additive.

"(c) It shall be the responsibility of the Secretary to insure that the testing or investigation of such food additive is conducted by experts (certified by the Secretary in accordance with rules and regulations promulgated by him) qualified to investigate and evaluate the safety and effectiveness of food additives. In the preparation of specifications for the conducting of tests or investigations of any food additive under this section, the Secretary shall consider the food in or on which the additive is proposed to be used and shall consider, among other relevant factors, those factors prescribed in section 409(c)(5).

"(d) In any case in which the Secretary determines that a period of more than one year is necessary to develop the necessary data to support or deny approval of any food additive for which approval has been requested, he shall notify the applicant to that effect and indicate the amount of additional time needed for such purpose.

"(e) The sponsor of any food additive submitted to the Secretary for testing and investigation shall, upon request, be provided with the pertinent facts relating to the testing or investigation of the food additive, including the procedures being used in such testing or investigating. If the sponsor objects to the manner, scope, or procedures used by the Secretary in testing, evaluating, or investigating the food additive, or a determination made under subsection (d), he may notify the Secretary of his objections and request a hearing on the record to adjudicate the matter.

"(f) Whenever a food additive has been submitted to the Secretary by a sponsor for approval, the sponsor, at his own expense, shall make available such amount of the food additive and the food in or on which such additive is proposed to be used as the Secretary determines is necessary for adequate testing and investigation.

"(g) The testing or evaluation of any food additive shall be terminated as promptly as practicable by the Secretary upon receipt by him of a written request from the sponsor of such food additive to discontinue such testing or investigation; and the sponsor shall be liable for the payment of all costs attributable to the termination of such testing or investigation.

"(h)(1) The sponsor of any new food additive submitted to the Secretary for testing or investigation under this section shall be liable for the direct costs incurred in carrying out such testing or investigation. The Secretary shall prescribe by regulation the manner in which charges shall be computed for the testing or investigation of any food additive.

"(2) If any amount of the charges for testing or investigating a food additive under this section is unpaid after the due date thereof, as prescribed by regulations, interest shall accrue thereon at the rate of 6 per centum per annum. Past due charges and interest thereon shall be recoverable by civil action brought in the name of the United States in the appropriate district court of the United States.

"(i) In administering the provisions of this section, the Secretary is authorized to utilize the services and facilities of any other agency of the Federal Government and of any institution, organization, or individual in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

"(j) A request by the sponsor of any food additive for termination of the testing or investigation of such food additive at any time prior to one year from the date such food additive was submitted to the Secretary for testing shall constitute sufficient basis for the denial of approval for such food additive.

"(k) Nothing in this section shall be construed as prohibiting the sponsor of any food additive from conducting tests or investigations with such food additive in accordance with other provisions of this Act.

"(l) The results of all tests and investigations conducted under this section with any new food additive shall be made public by the Secretary in accordance with section 552 of title 5, United States Code."

SEC. 3. (a) Section 301 of such Act is amended by adding to the end thereof the following new subsections:

"(q) The introduction or delivery for introduction into interstate commerce of any food additive, color additive, or any food containing a food additive or color additive, which has not been proven to be safe, effective, and necessary in accordance with procedures established and results approved by the Secretary, in the production of food, or unavoidable by good manufacturing practices for use under the conditions prescribed."

(b) Section 409(a) of such Act is amended by renumbering clauses (1) and (2) as (2) and (3), respectively, and inserting a new clause (1) as follows:

"(1) it has been tested or investigated pursuant to section 410 and approved by the Secretary for its intended use;".

(c) Section 409(c)(2) is amended by inserting before the period at the end thereof the following: ", but in any case where testing or investigation is required under section 410 the provisions of that section shall apply".

(d) Section 510(b) of such Act is amended by inserting after the word "drugs" the following: "or a food additive or food additives".

(e) Section 704(a) of such Act is amended by—

(1) inserting in clause (1) after the word "food,", each time it appears therein, the words "food additives".

(2) inserting in the second sentence after the word "which", the first time it appears therein, the following: "food, food additives, or".

SEC. 4. (a) Section 401 of such Act is amended by inserting after the word "container" the first time it appears therein a comma and the following: "and reasonable standards of nutritional value".

(b) Section 402(c) of such Act is amended by inserting before the period at the end thereof the following: "or which is unnecessary for the maintenance of the nutritional value or preservation of such food".

(c) Section 403(e) of such Act is amended by striking out "and" at the end of clause

(1) and striking out the colon preceding the proviso in clause (2) and inserting in lieu thereof the following: "; and (3) an accurate statement of the nutritional value of the contents:".

By Mr. THURMOND (for himself, Mr. CURTIS, Mr. FANNIN, Mr. HELMS, Mr. MCCLELLAN, Mr. WILLIAM L. SCOTT, and Mr. TOWER):

S. 926. A bill to remove statutory limitations upon the application of the Sherman Act to labor organizations and their activities, and for other purposes. Referred to the Committee on the Judiciary.

UNION MONOPOLY POWER AND ANTITRUST LAWS

Mr. THURMOND. Mr. President, in the 93d Congress, I introduced a bill which would remove the exemption presently contained in the antitrust laws for labor unions. Today, I am again introducing legislation which would accomplish this result and call upon the Congress to recognize the serious imbalance presently existing in our economic system. Labor union monopolistic power has grown to unacceptable levels.

Congress concluded many years ago that in order to protect the public, antitrust legislation should be enacted to prevent large business enterprises from engaging in monopolistic practices that would eliminate competition and restrain trade and commerce.

Through court interpretation and subsequent action by Congress, labor unions were made exempt from the application of the antitrust laws. Basically, the rationale for this was that unions were weak and struggling organizations, and that only by being given special privileges and protections not accorded other economic interests could they successfully stand up to the business giants of that day.

Today labor unions wield such tremendous power that the question must be raised as to whether the exemption of labor unions from the antitrust laws was a serious mistake. The evidence is overwhelming that this special protection given to unions so that they could advance their own self-interest is certainly not justified today.

The labor-management area has been viewed in the past as a power struggle between worker welfare and business gains. But now the struggle is not so much between unions and big business as it is between big unions and the public.

While there has been a great deal of concern shown about the relative power of labor unions and employers, there has been far too little concern shown over the effects of labor union power on the public interest. Union monopoly power aids and abets the development of the monopoly power of business enterprises which the antitrust laws were enacted to prevent. It has produced wage rates and fringe benefits in excess of those justified by increased productivity or competitive levels, work rules that require payments for unneeded work, and boycotts which penalize third parties not involved in labor disputes. It has resulted in the waste of labor resources, distortions in the allocation of productive resources, inflation, balance-of-payments deficits, and the associated deterioration of the U.S. position in world markets. The tragic truth is that the American public is the real victim in all instances.

Labor union monopoly power is not compatible with a free market economy. There are really only two choices facing us. Either the power of unions must be reduced to an extent sufficient that market forces will once again be broadly effective or unions will have to be totally regulated like public utilities with the Government controlling wages and work standards and allocating labor. The latter would deal a near fatal blow to our private enterprise economy. Excessive governmental regulation is one of the causes of our current economic ills.

There are some who see as an alternative the acceptance of "social responsibility" by unions and the sacrificing of some of their self-interest. That is unrealistic. In the absence of legal restraints on union power, unions can logically be expected to continually strive to increase that power. Competition from the nonunion sector of the labor force does not deter this drive for more power; rather the effort to unionize the nonunion sector is used by the unions as a reason why they need more power. Furthermore, employer resistance cannot be relied upon to restrain the unions, for with the tremendous power already existing on the union side, employers are increasingly willing to give in to the unions in exchange for labor "peace" and uninterrupted operation. The employers are intimidated and the public bears the burden. Wages go up, prices go up, and the consumer has to absorb the higher costs that are the inevitable product of union monopoly power. Nor has competition from foreign industry restrained the growth of union power and union demands. In this competition, what has given way has not been foreign competitors or U.S. unions but our balance of payments and our gold reserves.

It is necessary, therefore, that the Congress take action now to amend the antitrust laws so that labor unions will have to abide by the same regulations as employers of labor. They must be prohibited from taking actions which will unreasonably restrain trade and commerce or eliminate competition in product markets.

Making unions subject to the antitrust laws will not destroy them. Nor will properly drawn legislation interfere with their function as collective bargaining representatives of employees so long as their actions are not in restraint of trade and they do not conspire to restrain trade.

This would be exactly the same as it now is with business organizations. They violate the antitrust laws only when they are large enough to monopolize or when they collude with others to restrain trade.

Since 1932 public policy toward unions has disregarded both the economic laws governing the operations of a free market and the interests of consumers. The Norris-LaGuardia Act of 1932 denied relief in the courts for business firms injured by unions. It freed labor unions to increase their monopoly powers and restrain commerce without regard to the damage inflicted on the public. Then in 1935 the Wagner Act conferred more rights and privileges on unions without corresponding obligations. In 1947, the Taft-Hartley Act preserved the unions' privileges and immunities but attempted to prevent certain "bad" labor practices. It did not, however, place any effective restraints on the further extension of union power. In 1959, the Landrum-Griffin Act added more forbidden "bad" practices with the avowed intent of protecting union members from harmful action by union leadership. It also left intact the structure of union monopoly power. Neither Taft-Hartley or Landrum-Griffin, therefore, have effectively dealt with the problems created by labor unions nor achieved real labor "reform." Rather they have added to the confusing tangle of rules and regulations which leave the power of unions to inflict damage untouched but have fostered increasing Government interference in market processes.

Moreover, the body of "administrative law" which has developed around our labor statutes is subject to the shifting interpretations of the National Labor Relations Board, whose members are governed more by their ideological proclivities than by the canons of the judicial process. Thus, while Taft-Hartley outlaws the closed shop, interpretations of the NLRB have weakened the effectiveness of this prohibition. Taft-Hartley also prohibits some types of featherbedding and secondary boycotts, but these limited restraints have been largely circumvented by rulings of the NLRB. Congress lack of success in formulating effective remedies for labor evils is due to its concentration on legislative attempts to stop the bad practices while neglecting the source from which these practices have emanated—excessive union power.

The severest damage inflicted by unions on the public and the most serious threat they pose to survival of the market economy results from their performance of functions which labor laws authorize them to perform in pursuit of their own self-interest rather than the commission of illegal acts. The problem, then, is the reduction of the legally held powers of unions when such powers unreasonably restrain commerce and eliminate competition. The solution is to bring unions under the antitrust laws.

Removing the exemption for unions from the antitrust laws would not be a punitive measure. It would not subject unions to any new and unusual penalties but merely restore the equity in treatment of business enterprise and unions that has been lost because of the free hand given to unions to monopolize and restrain trade. Bringing unions under the scope of the laws that were designed to insure the survival of a competitive economy would no more destroy unions than it has destroyed business enterprises.

It has been argued that bringing unions under the antitrust laws is too difficult and too complicated, and that it would place the antitrust laws and the national labor laws into conflict. These arguments are easily answered.

It was not so difficult to bring business enterprises under the antitrust laws that Congress was unable to achieve it. Bringing unions under antitrust restraints is no more difficult, in fact, it is less so because of the year of experience gained in applying the laws to business firms.

Complexities arise only if an effort is made to spell out in the law the various actions of unions which shall be considered in restraint of trade. This was not done in the Sherman Act with regards to business enterprises, but rather the act simply states that—

> Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several states, or with foreign nations, is hereby declared to be illegal. . . .

It leaves to the courts the determination of the meaning and specific application of the words of the statute. The Clayton Act likewise uses broad and nonspecific terms, delegating interpretation to the courts.

This same principle should be followed in the case of labor unions. The courts will decide what actions monopolize and restrain trade and are, therefore, illegal under the antitrust laws.

National labor law and the antitrust laws, when made applicable to labor unions, will complement rather than conflict with each other. National Labor law deals with problems and practices in the relationships between unions and employers, without attempting to determine the limits to which union power can accumulate and be exercised without substantially injuring the public interest and endangering the survival of the market economy. Enforcement of the antitrust laws as applied to unions will be concerned solely with the latter and not with the former. Thus a union can violate the National Labor Relations Act without running afoul of the antitrust laws, or it can violate the antitrust laws with an action that is not prohibited by the NLRA. In other words, it will be subject to two different types of regulatory action and in this respect it will be no different from business enterprises, which are subject to a variety of restraints.

Bringing unions under the antitrust laws requires a few very simple amendments to the Sherman and Clayton Acts and an equally simple modification of the application of the Norris-LaGuardia Act. These changes are long overdue.

Mr. President, we have seen inflation ravage our Nation over the last few years. President Ford has called for an end to unnecessary governmental regulations and strict enforcement of the antitrust laws as a means to combat inflation. Certainly, application of the antitrust statutes to labor unions would assist in such an effort.

In view of the high rate of inflation we have experienced lately, 12.2 percent just last year for example, I find remarks made by the Honorable Mayo J. Thompson, member of the Federal Trade Commission, in a recent address before the National Fluid Power Association in Palm Springs, Calif., relevant to the introduction of my bill to remove the exemption in the antitrust laws for labor unions. Commissioner Thompson argues that one of the principal causes of inflation in our country has been the monopoly power of labor unions. I ask unanimous consent that the text of Commissioner Thompson's address be included in the Record at this point.

There being no objection, the address was ordered to be printed in the Record, as follows:

Inflation and the Labor Unions: "Redistributing" Income From Non-Union Workers to Union Members

(By Hon. Mayo J. Thompson)

MONOPOLIZATION AND CONSUMER DECEPTION

Let me begin my remarks by congratulating you on your choice of time and place for this meeting. A trip to a lovely place like Palm Springs, California, is a particularly pleasant way for a Washington bureaucrat to make one of his periodic treks to what I call the "real world"—any place in the United States that is more than 100 miles from that great center of unreality, the nation's Capital. Again, it is a pleasure to be here and I thank you for the kind invitation to participate in your program.

For those of you who aren't familiar with the work of the Federal Trade Commission, let me give you the traditional 60-second summary of the matter. The FTC enforces a group of statutes dealing with, in substance, two categories of commercial activity, monopolization and consumer deception. We have a Washington headquarters, 11 Regional Offices located in various major cities throughout the country—including San Francisco and Los Angeles—and a total staff of roughly 1,500 people, including approximately 600 attorneys. We are authorized by Congress to issue certain kinds of "rules" in the two areas of our alleged expertise and to haul offenders in for a full-scale hearing when we can't find a cheaper way to get them to stop whatever it is they're not supposed to be doing.

REGULATION A "BAD BUSINESS"

Now I want to pause at this point to tell you about a problem I have in my role as a member of a regulatory agency. My difficulty is that I don't really believe in government regulation of business. I took an oath to faithfully enforce the laws entrusted to our agency the day I was sworn in as a member of the FTC and of course I am going to do precisely that. And I even believe that most if not all of these laws our agency enforces are *necessary*. But they are, in my view, only a necessary evil and I approach the job of enforcing them with, I must confess, a heavy heart. Government regulation of business is a bad business, one that a man who loves his country ought to get involved in only for the gravest of reasons.

I had a grave reason for joining the Federal Trade Commission. I thought the country's economic system was being "regulated" to death. I thought we needed *less* regulation of business in America, not more. And I thought I might be able to make some small contribution in that regard by agreeing to serve on the FTC.

MONOPOLY AND PRICE INFLATION

Now I wouldn't want you to get the idea that I joined the FTC for the purpose of trying to dismantle that particular government agency. On the contrary, it is not the existence of the Federal Trade Commission I deplore but the circumstances that make its existence necessary. Eliminating the FTC wouldn't make false advertising go away. And of course it wouldn't make all of America's great industries as competitive as they're supposed to be, as free of artificial restraints and non-competitive prices as many think they ought to be. If we didn't have a Federal Trade Commission, it would be necessary—to borrow a phrase—for us to "invent" one all over again. The fact of the matter is that we *do* have some dishonest advertising. And we *do* have some industries that are not competitive enough to keep consumer prices at a non-inflationary level. Until commercial honesty and effective competition are the norm in all of our important markets, "regulation" of one sort or another is going to be very much with us, whether we like it or not. And if there is going to be regulation, it ought to be done by people who don't like it.

COMPETITION THE BEST ANTI-INFLATION WEAPON

We once had a phrase in our working vocabularies that summed up my idea of what an economic system ought to be like. It was a two-word French term, "laissez faire," and it translated into something like "leave it alone." No government interference of any kind in the economic affairs of the people. Let the marketplace do its own regulating.

In a genuinely free economy, once need not be concerned about the prospect of economic overreaching. Individual men will of course pursue their own self-interest but their potential for social harm is cancelled out by competition from other individuals pursuing *their* own self-interest. As the first modern economist summed up the laissez-faire ideal: "It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages . . . [E]very individual . . . intends only his own gain, [but] he is in this, as in many other cases, *led by an invisible hand* to promote an end which was no part of his intention . . . By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it."[1]

PRODUCTIVITY AND THE DISTRIBUTION OF INCOME

Sellers may of couse *try* to charge too high a price for their goods—businessmen are, after all, as human as the rest of us—but competition from other sellers will prevent them from *succeeding* in it. And employers may try to *under*pay their workers—and the workers, in turn, may try to get *over*paid for their labor—but competition among the individual members of these two groups will in fact assure that the *actual* wage is fair to both parties.

There is no unemployment and no inflation in such an ideally-competitive economy as this. Only the worker who demands a wage that is higher than the value of his output will be unemployed. And since all prices will be held to the competitive level, there can be no inflation. Invention and innovation will thrive in such a fair and stable society, thus assuring that each man-hour of labor and each dollar of invested capital will yield each year a larger quantity and a better quality of goods and services than it did the year before. The fruits of this increased productivity—higher yields for each man-hour of labor and each dollar of capital—will be divided, thanks to competition, between labor and capital in the same proportions as the lower yields of the past. Competition thus assures *both a steady rise* in a society's aggregate prosperity from year to year and a fair *distribution* of that growing prosperity among its citizens, one based on each individual's social contribution as measured by the value his fellow citizens place on his efforts.

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[1] Adam Smith, *The Wealth of Nations* (1776) (Modern Lib. Ed., 1936), pp. 14, 423 (emphasis added).

COMPETITION ALIVE BUT ON THE SICK LIST?

Alas, several fingers have been broken off the "invisible hand" so eloquently described by Dr. Smith in his now 200-year-old book, *The Wealth of Nations*, published in 1776. The Industrial Revolution hadn't completed its work then and small-scale industry was still very much the norm in the various economic systems of the world. In short, if the politicians of Smith's day had taken his advice on the matter of avoiding the various "guild" and "mercantile" restraints he railed against, the system would probably have worked very much the way he said it should.

Now, however, the solution to the economic problems of the world are no longer so simple. Modern economic society bears little resemblance to the model Smith saw in 18th century England. Powerful governments, through their own fiscal budgets and their control of national banking systems such as our own Federal Reserve Board, drive their aggregate money supplies up and down like so many yo-yos. Great corporations, many of them operating in scores of countries around the world, control such large segments of their respective markets that only the most romantic of observers still believe that every price in America is set by the "invisible hand" of Dr. Smith's mighty lever, competition. And the price of labor—the wages paid by those corporations—has not been determined by the forces of competition since the passage of our highly restrictive labor laws in the 1930s. Competition is far from dead in America but the prognosis for its future health, if our industrial experts are to be believed, is something less than completely bullish.

UNION WORKERS "SUBSIDIZED" BY NON-UNION EMPLOYEES?

Consider the effect of monopolistic labor unions in the United States. First, they tend to redistribute income in a perverse way. Approximately 70% of the price paid for all the goods and services produced and sold in America goes to labor as wages and salaries. This particular division of income between labor and capital—70% for the former and 30% for the latter—has remained substantially the same since the turn of the century, thus making it fairly clear that the coming of labor unions in the 1930s has not significantly raised labor's *overall* share of the national income pie. They have succeeded, however, in getting larger shares for their *own members*. Roughly 25% of the country's total workers belong to a labor union and numerous scholars have found that workers belonging to some of the more powerful unions receive wages as much as 20% above those they would be receiving in the absence of the unions.[2] If labor as a *whole* is not receiving a larger income as a result of the coming of the unions, but the unions' own members *are* receiving more, then it is obvious that those organizations are simply "transferring" money *from one group of workers to another*, from the non-union worker to the union man. Union members' wages are, in effect, *subsidized* out of the paychecks of the country's non-union employees.

CONSUMERS 75 PERCENT NONUNION

There is no mystery about how this little exercise in monopoly power operates. Prior to the coming of the union, the workers in a particular industry will usually be receiving a wage set by the free forces of the labor market, by supply and demand. A union is then organized and, under the threat of a strike, the employers in the industry will generally agree to raise wages by, let's say, 20%. Since they obviously can't absorb such a wage hike out of profits, they have no choice but to *raise the price of the product they sell to the consumer*. Labor costs, like all other costs incurred by a business firm, are simply "passed on" to the consuming public, a group of people that, as noted, is 75% non-union. And since non-union workers are less affluent, on the average, than union members, it follows that every wage increase won by one of our more powerful labor unions has the effect of re-distributing income regressively—away from the relatively poor and toward the relatively affluent.

INFLATION AND SOCIAL UNREST

Nor can the dilemma created by the monopoly power of our labor unions be solved by simply unionizing *all* workers in the country and thus freeing all wages from the forces of the competitive marketplace. We already have an intolerable rate of inflation in the United States with only a fourth of the labor force unionized, a rate that reached the rather spectacular level of 8.8% in 1973 and that threatens to go even higher in 1974. With 100% of the country's workforce enjoying that kind of monopoly power, our inflation rate might well equal that of some of our less fortunate friends in South America, those whose prices increase by 25% to 50% year after year. A nation that allows its *economic* fabric to unravel at such a pace can hardly expect its social and political garments to hold firm over the long haul. Economic distress leads, in time, to social unrest and, in the end, to political problems of the most alarming dimensions.

LABOR MONOPOLIES EXEMPT FROM ANTITRUST LAWS

When our antitrust laws were first passed—the original Sherman Act was passed in 1890—they were addressed to economic monopoly in all of its various aspects, including both corporate monopolies and labor monopolies. In time, however, Congress enacted a series of statutory provisions that substantially exempted labor from the reach of the antitrust laws. Today, it is lawful for a *single* labor union to exercise a complete monopoly over the *total* supply of labor to even the largest of our great industries and to use that power to exact any wage the firms in the industry can successfully "pass on" to the consuming public—in other words, any wage that won't bankrupt the companies involved. The result, of course, is a continuing escalation of wages—and, in turn, of prices—in all of our industries with strong labor unions and in all related industries that have to compete with them for their labor supply. Monopoly in the country's labor markets assures that prices will rise *faster than productivity* year after year and hence that we will continue to have an inflation problem into all of the forseeable future. The stronger our unions become—and the more aggressive their members and their leaders become—the greater our future inflation problem will tend to be.

INFLATION AS THE "CAUSE" OF UNEMPLOYMENT

Perhaps the most troublesome aspect of this problem, however, has to do with the link between inflation and unemployment. Since the annual rate of increase in productivity in the United States is approximately 3%, wages could increase by that amount each year without causing any inflation. But if some workers insist on getting wage increases of 10% or 12% every year, and if this produces an overall wage increase of, say, 8%, then the result will inevitably be an inflation rate of at least 5%. A 5% cut in the public's purchasing power means, of course, a comparable reduction in the volume of goods produced and thus in the number of workers the economy can employ. There is a limit, however, to the amount of unemployment the country will tolerate. Beyond some point on the unemployment scale—and that point is certainly a great deal lower than the 24.9% figure we had in the tough year of the Great Depression, 1933—the public can always be expected to demand that the government "do something."

In a democratic society like ours, such a demand by the public will sooner or later be heard in Washington and "something" will in fact be done. In the unemployment situation I've described here, the government invariably responds by opening up the money valves at the Federal Reserve Board and/or by running a deficit in the federal budget, keeping the floodgates open until the unemployment rate has dropped back to a politically tolerable level. By that time, however, the inflation rate will be rising even faster than before, thanks to all that new money the government has injected into the system.

THE "BOOM-AND-BUST" CYCLE

We have here, in other words, a familiar boom-and-bust cycle. Wages push up prices. Then output starts to fall. To head off an unacceptable level of unemployment, the government injects enough new money to "cover" those higher wages and prices and thus prevent the worker lay-offs that otherwise would have been caused by that loss in consumer purchasing power. Injecting that new money into the system causes still more inflation. Workers then demand a new "catch-up" wage increase. Prices follow. And so the cycle continues, ad nauseum, with little prospect for either full employment or stable prices.

A "DE FACTO" EXEMPTION FOR CORPORATE MONOPOLY, TOO?

What does all this have to do with the Federal Trade Commission? We're the agency that—in theory, at least—is supposed to prevent this sort of thing from happening in America. We're supposed to see that the country's economic system is kept free of monopoly, that the economic rails are kept clear of all artificial obstructions. And we try to do our job. Our problem, however, is that we've been authorized to clean only one of the tracks in the country's two-rail economic system. We can and do investigate monopoly on the corporate side of the roadbed but monopoly on the labor side is off-limits to us.

Now this one-sided treatment of the monopoly problem in America would be bad enough if it all ended right there. But there's a little more to it. Most fair-minded people recognize the inconsistency and injustice of a law that makes a situation illegal if it is created by *one* group of people and perfectly lawful if it happens to be the work of some *other* group of people. Since labor unions are legally free to and do build up and exercise vast amounts of monopoly power in *their* markets, a lot of our citizens are unable to work up much enthusiasm for reducing whatever monopoly power might be found in our various product or corporate markets. Once the law has given its blessing to monopoly and all its wide ramifications in one area of our economic life, the temptation is very strong to give it a similar blessing in all other areas as well.

INDUSTRYWIDE BARGAINING AN ANTITRUST VIOLATION?

There was undoubtedly a time when the worker in America and elsewhere was denied a fair shake in the economic arena. Nobody has forgotten that we once had sweat-shops where even women and children worked 16 hours a day under grossly unsafe working conditions and for a wage that had been determined not by Adam Smith's "invisible hand" but by the very obvious will of a single monopolistic employer. But now the pendulum has swung much too far in the opposite direction. Many labor unions in the United States and in the other industrialized countries of the world clearly exercise a degree of monopoly power over the world's economies that is grossly inconsistent with the welfare of the great bulk of its citizens.

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[2] See, e.g., Albert E. Rees, *Wage Inflation* (National Industrial Conference Board, 1957), pp. 27–28.

My conclusion, then, is that the time has come to start cutting back on the monopoly power wielded by the trade unions in this country, perhaps by subjecting those unions to a modified version of our current antitrust laws. It would make eminently sound economic sense in my view, for example, to make it a violation of the antitrust laws for a single union to represent more than the employees of a *single employer*. And to prevent evasion of that provision, the law might also declare it illegal for two or more such unions to agree or conspire with each other in the setting of wages. In short, I think industrywide bargaining ought to be outlawed on *both* sides of the table, with the individual employer confronting *an opponent that exactly matches it in "size,"* namely, a union representing its *own* employees, not those of an entire industry or a whole industrial sector.

NO PUBLIC SUPPORT FOR "DECONCENTRATING" THE UNIONS

A rule like this should have some very interesting effects in a number of dimensions. First, 1-union-for-1-employer would automatically assure the same degree of competition on both the labor and corporate side of each industry. And of course the corollary to this proposition is that, if the antitrusters wan to "break up" some alleged corporate monopoly, they would have no choice but to break up the *union* it deals with at the same time. It seems very likely, in other words, that a rule of this kind would cause both wages and prices to fall in some important American industries.

No one in this sophisticated audience, however, will be under any illusion about the chances of any such proposal being enacted into law any time soon. To apply even the most moderate form of antitrust restraint to the country's labor monopolies would be something of a scarilege to a lot of people in the country. We *talk* a lot about monopoly but, when it comes down to actually *doing* something about it, not many of us seem too anxious to budge very far from the *status quo*. We know we have some labor monopolies and that they keep pushing wages up faster than productivity. And we know we have some corporate monopolies that use every wage boost as an excuse to raise prices even more sharply and thus widen their profit margins again. But we figure a little monopoly is not too bad a thing, so long as we don't let it get out of hand." We ignore the problem as much as we can. And when a crisis appears in a particular part of the economy—and the public demands that the government "do something"—we say, "Oh, well, a 'little' regulation by the government won't hurt too much, as long as we don't let it get out of hand."

NATIONALIZATION THE "FINAL SOLUTION"?

Government regulation encroaches a little further each year, following the slow but steady march of monopoly. Like the buzzard circling a lame cow in a back pasture, government regulation pounces the moment the last breath of competition leaves the economic carcass. Unlike the buzzard's work, however, economic regulation is not a process that leaves a clean and healthy landscape in its wake. Creating more problems than it solves, it breeds ever more pervasive involvement of the government in economic affairs. New rules and regulations must be passed to solve the problems created by the *old* rules and regulations. The "final solution"? Nationalization. Public ownership of the country's major industries. The railroads. Airlines. Steel. Petroleum. Automobiles. The banks. Insurance. Communications.

It's called Socialism. The stuff it's made out of is called Monopoly. The antidote for both of these poisons is called Competition. The gift it brings is called Freedom. The price we have to pay if we want to keep it is called Responsibility.

U.S. ECONOMY BEYOND THE "POINT OF NO RETURN"?

A number of able economists of unquestioned personal loyalty to this country's free-enterprise system have expressed the view that the American economy is already past the "point of no return" on the road to government ownership of its key industries. They believe we *already* have so much monoppoly in our major labor and product markets that it would be easier to simply go on and turn the whole thing over to the government than to undertake the tedious and difficult task of making competition pulse with life once more in all those dead or dying economic carcasses. I don't believe this. I don't believe this countrys' business community, for example, is going to let itself be outsmarted by the socialist professors we have running around our universities. I believe this country's businessmen will show the same kind of responsible leadership in whatever economic crises might lie ahead of us that they've shown over the past 200 years in making this great nation the economic marvel of the world that it is today. I believe they have the capacity and the sense of responsibility to understand and apply what I consider the key to this dilemma—the way to avoid government regulation of business is to see that there's no *need* for it in the first place. I believe, in short, that they will pay—and gladly—whatever price is required to keep our free-enterprise system free and pass it on, stronger than they found it, to their posterity.

MONOPOLY IS UN-AMERICAN

Let me try to sum it all up this way: Competition can do some pretty rough things to your profits and perhaps give you an ulcer besides. But if you ever succeed in *eliminating* it from your industry, *you're beggin' for "regulation"* by the government and, ultimately, perhaps something even worse, government ownership on the British or other European model. Competition may be costly to your purse but economic freedom, as we all know only too well, is a bargain at any price.

My final message is this:

Monopoly is un-American. Show the flag in the fluid-power industry!

Mr. THURMOND. Mr. President, our current economic situation further strengthens the argument for removing the exemption in the antitrust laws for labor unions. Congress has the obligation to restore the balance in our economy between labor and business. Such will insure reasonable and fair wages as well as reasonable and fair prices. Much has been said about the extensive influence of labor unions on Members in the 94th Congress. I have long been of the opinion that excessive power wielded by any group, be it labor, business, or other special interest group, poses a threat to our American system. Mr. President, Congress, through the enactment of my bill, has the opportunity to show the American people that this body can maintain a spirit of independence and will not impose a double standard—one for business and one for the labor unions. We all are in the same ball game—there is no justification for a different set of rules for the participants.

Mr. President, I send to the desk a bill to effectuate the changes outlined above and ask unanimous consent that the bill appear in the Record following these remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 926

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Antitrust Law Labor Amendments of 1975".

CLAYTON ACT AMENDMENTS

Sec. 2. (a) (1) The second sentence of section 6 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (38 Stat. 730; 15 U.S.C. 17), is amended by striking out "labor, agricultural, or horticultural" and inserting in lieu thereof "agricultural or horticultural".

(2) Such section is further amended by adding at the end thereof the following new sentence: "Nothing contained in the antitrust laws, except the provisions of the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monoplies', approved July 2, 1890 (26 Stat. 209, as amended; 15 U.S.C. 1 et sec.), shall be construed to forbid the existence and operation of labor organizations, instituted for the purpose of mutual help, and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof.".

(b) Section 20 of such Act (29 U.S.C. 52) is amended by—

(1) striking out the word "That" in the first paragraph thereof, and inserting in lieu thereof the words "Except for the purpose of preventing any violation of the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies' approved July 2, 1890 (26 Stat. 209, as amended; 15 U.S.C. 1 et seq.),"; and

(2) striking out the word "And" where it first appears in the second paragraph thereof, and inserting in lieu thereof the words "Except for the purpose of preventing any violation of such Act,"; and

(3) striking out the words "any law of the United States" in the second paragraph thereof, and inserting in lieu thereof the words "any other provision of law of the United States".

NORRIS-LA GUARDIA ACT AMENDMENT

Sec. 3. The Act entitled "An Act to amend the judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", approved March 23, 1932 (47 Stat. 70; 29 U.S.C. 101 et seq.), is amended by inserting at the end thereof the following new section:

"Sec. 16. Nothing contained in this Act shall deprive any court of the United States of jurisdiction to issue any order or injunction to restrain any violation or threatened violation of the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890 (26 Stat. 209, as amended; 15 U.S.C. 1 et seq.)."

SHERMAN ACT AMENDMENTS

Sec. 4. (a) Section 1 of the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (26 Stat. 209, as amended; 15 U.S.C. 1), is amended by—

(1) inserting, immediately after the section designation "Sec. 1.", the subsection designation "(a)"; and

(2) adding at the end thereof the following new subsection:

"(b) Every contract or agreement between any labor organization and any employer whereby such employer undertakes to cease or to refrain from using, selling, handling, transporting, or otherwise dealing in any of the products of any producer, processor, or manufacturer which are distributed in trade or commerce among the higher States, or with foreign nations, is hereby declared to be illegal. Every person who enters into, attempts to enter into, or combines or conspires with any other person to enter into, any such contract or agreement shall be punished by a fine not exceeding one million dollars if a corporation, or, if any other person, one hundred thousand dollars, or by imprisonment not exceeding three years, or both."

(b) Section 3 of such Act (15 U.S.C. 3) is amended by—

(1) inserting, immediately after the section designation "SEC. 3.", the subsection designation "(a)"; and

(2) adding at the end thereof the following new subsection:

"(b) Every contract or agreement between any labor organization and any employer whereby such employer undertakes to cease or to refrain from using, selling, handling, transporting, or otherwise dealing in or with any of the products of any producer, processor, or manufacturer which are distributed in trade or commerce in any territory of the United States or the District of Columbia, or between any such territory and another, or between any such territory or territories and the District of Columbia or any State or foreign nation, or between the District of Columbia and any State or foreign nation, shall be unlawful. Every person who enters into, attempts to enter into, or combines or conspires with any other person to enter into, any such contract or agreement shall be punished by a fine not exceeding one million dollars if a corporation, or, if any other person, one hundred thousand dollars, or by imprisonment not exceeding three years, or both."

(c) Section 8 of such Act (15 U.S.C. 7) is amended to read as follows:

"SEC. 8. As used in this Act—

"(a) the term 'person' or 'persons' includes corporations and associations existing under or authorized by the laws of the United States, the laws of any of the territories, the laws of any State, or the laws of any foreign country; and

"(b) the term 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing wtih employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work."

EFFECTIVE DATE

SEC. 5. The amendments made by this Act shall take effect on the first day of the fourth month beginning after the date of enactment of this Act.

By Mr. BELLMON:

S. 927. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to provide for installment payments of the estate tax in the case of certain small estates. Referred to the Committee on Finance.

Mr. BELLMON. Mr. President, today I am introducing legislation which will increase the Federal estate tax exemption and provide estate taxpayers with the option of paying their estate taxes in installments.

This proposal will accomplish three objectives:

First, an increase in the estate tax exemption to $150,000 will reflect the inflation which has been experienced since 1942, when the current $60,000 exemption was established.

Second. This bill would reduce the Federal estate tax burden on small estates and will provide relief to those smaller estates in regard to which liquidity problems are becoming increasingly serious; and

Third. Finally, increasing the estate tax exemption will eliminate the need for the filing of estate tax returns by small estates and thereby reduce to certain estates the high cost of probate and administration.

Mr. President, there is an urgent need for the legislation I propose today. Property values have increased rapidly during recent years. Frequently, property must be sold or liquidated in order to obtain funds with which to pay estate taxes. Such a result is clearly unfair, and when the estate consists primarily of nonliquid assets in the form of a small business interest, a closely-held corporation, or a farm operation, this result is devastating.

Indeed, this "cost of dying" not only deprives the surviving spouse and heirs of the benefits of a decedent's lifelong hard work, but also denies to the decedent the right to leave this life in peace with the knowledge and understanding that he has provided for the financial security of his survivors.

Mr. President, this bill will help to relieve this hardship in two ways:

First, it will increase the general estate tax deduction from $60,000 to $150,000. Incredibly, the present exemption amount has not been changed since 1942. According to the Consumer Price Index, prices have risen approximately 203 percent since 1942 with an accompanying rise in the value of assets. Clearly, then, this type of relief is justified.

Second. This bill will permit an executor of an estate where the taxable estate does not exceed $300,000 to pay all or part of the estate tax in equal installments over a period of not more than 10 years. Present law requires that before an extension of time can be obtained, a showing of undue hardship to the estate must be established. This is far too harsh a standard. Small estates should be permitted to use an installment plan, at a reasonable interest rate to the Government, in order to avoid the financially unwise liquidation of assets without the necessity of establishing "undue hardship."

Mr. President, this dual approach will bring a 33-year-old exemption formula in line with existing conditions and relieve some of the hardship imposed on smaller estates when precious non-liquid assets must be sold at a loss or unnecessarily in order to pay Federal estate taxes.

President Theodore Roosevelt in 1906 described the concept of a Federal estate tax in the following way:

> A progressive tax on all fortunes beyond a certain amount either given in life or devised or bequeathed upon death to any individual—a tax so framed as to put it out of the power of the owner of one of the enormous fortunes to hand on more than a certain amount to any one individual.

The fundamental principle of an estate tax is to curb the growth of accumulated wealth among a few families. However, of equal concern is the desire to protect those smaller estates wherein an individual through hard work has accumulated the labors of a lifetime. My bill will accomplish that objective.

It is my hope that the Senate will act promptly in consideration of this proposal. Mr. President, I ask unanimous consent that the full text of my bill be printed in the CONGRESSIONAL RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 927

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2052 of the Internal Revenue Code of 1954 (relating to exemption for purposes of the Federal estate tax) is amended by striking out "$60,000" and inserting in lieu thereof "$150,000."

(b) Section 6018(a)(1) of such Code (relating to estate tax returns) is amended by striking out "$60,000" and inserting in lieu thereof "$150,000."

SEC. 2. The amendments made by the first section of this Act shall apply to the estates of decedents dying after the date of enactment of this Act.

SEC. 3. (a) subchapter B of chapter 62 of the Internal Revenue Code of 1954 (relating to extensions of time for payment) is amended by adding at the end thereof the following new section:

"SEC. 6168. EXTENSION OF TIME FOR PAYMENT OF ESTATE TAX ON SMALL ESTATES.

"(a) In General.—The executor of an estate may elect to pay part or all of the tax imposed by section 2001 in 2 or more equal installments over a period of not more than 10 years. The election shall be made at such manner and at such time as the Secretary or his delegate shall prescribe. The installment payments may be made annually, semiannually, quarterly, or monthly as may be required by the Secretary or his delegate.

"(b) Limitation.—This section does not apply in any case in which the taxable estate (as defined in section 2051) exceeds $300,000.".

(b)(1) Section 2011 (c) of such Code (relating to period of limitations on credit) is amended by inserting "or section 6168" after "section 6161".

(2) Section 2014(e)(2) of such Code (relating to period of limitation) is amended by inserting "or section 6168" after "section 6161".

(3) Section 6503 (d) of such Code (relating to extensions of time for payment of estate tax) is amended by striking out "or under the provisions of section 6166" and by inserting in lieu thereof the following: ", section 6166, or section 6168".

(4) The table of sections for subchapter B of chapter 62 of such Code is amended by adding at the end thereof the following item:

"SEC. 6168. Extension of Time for Payment of Estate Tax on Small Estates."

SEC. 4. The amendments made by this Act apply with respect to the estates of decedents dying after June 30, 1975.

By Mr. STAFFORD:

S. 928. A bill to amend the Occupational Safety and Health Act of 1970, to provide the initial onsite inspections not subject to penalties in certain cases, and to provide a more adequate means of voluntary compliance with the provisions of this act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

OCCUPATIONAL SAFETY AND HEALTH AMENDMENTS OF 1975

Mr. STAFFORD. Mr. President, I am introducing an amendment to the Occupational Safety and Health Act of 1970 which will provide initial onsite inspections not subject to penalties in certain cases and provide for a more adequate means of voluntary compliance with the provisions of the act.

The bill would require the Secretary of Labor to file public reports on violations classified by industry and occupation and furnish these documents to trade and labor organizations to facilitate voluntary compliance.

The Occupational Safety and Health Amendments of 1975 that I am introducing are designed not to have a detrimental effect on the objectives of the 1970 act for it is the right of every American to work in a danger free environment, and it is the responsibility of the employer to provide a safe working environment.

As many of my colleagues are aware, the administration of OSHA has been the source of frequent complaints from both labor and management in the field. It is my belief that these complaints are a result of unrealistic administration of the act by the Department of Labor.

It is my belief that the act was not meant to be punitive to those employers who wish to comply with the provisions.

The hearings held by the Labor and Public Welfare Committee during the last Congress showed our concern for a better enforcement of the law and one that was just for both employee and the employer. I believe a number of improvements have been made in the administration's program. However, a couple of points of the 1970 law do not adequately address the problems faced by the workers and employers. Therefore, I am introducing a bill which will substantially improve the administration and enforcement of the act by allowing for fuller private industry.

First, my bill would require that the Secretary of Labor compile and publish at least semiannually a report of cases of violations under the act which most often occurred during the 6 preceding months and that this report be issued to all those who have interest in receiving it so that it would facilitate compliance.

Second, the bill would amend section 9 of the law to allow an employer to request an initial onsite inspection in order to facilitate his compliance with the provisions of the law. This initial inspection to facilitate compliance to be done by an inspector who would compile all existing potential violations and provide the employer with a listing. The employer would not be given citations for such violations in this initial requested inspection but would be given a reasonable time, not exceeding 20 working days, to abate the violations as required by the law.

After the conclusion of such "reasonable time," the inspector would resurvey the site to ascertain whether the violations had been corrected. If the violations were corrected or satisfactory interim steps were taken by the employer to provide a safe working environment, then no citations would be issued. However, if the employer failed to correct any such violations, then the inspector would issue citations for still existing violations and the normal course for imposing penalties would take place.

This new provision could not be utilized by any employer who had been fined for a serious violation of the provisions of the act and could not be used more than once by an employer.

This provision provides the necessary consultation that an employer needs to find violations which he might not be aware of while placing the burden on the employer to correct the violations as soon as possible. The employer is only relieved of the penalties of the law when he has corrected the violations of the law.

The responsibility of the employer to comply with this act or that of the Federal Government to enforce the act should not be waived in whole in an attempt to facilitate compliance. By the method that I propose in my bill, of an initial requested inspection by an employer with a period of grace for correction of violations, we can obtain speedier compliance in a safer working environment without abrogating our responsibility.

Mr. President, I ask unanimous consent that the text of my bill be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 928

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Occupational Safety and Health Amendments of 1975".

SEC. 2. Section 8(g) of the Occupational Safety and Health Act of 1970 is amended by adding at the end thereof the following new paragraph:

"(3) The Secretary, after consultation with the Secretary of Health, Education, and Welfare, shall compile and publish in an appropriate form, not less often than twice a year, a report of the classes of violations of this Act most often occurring in the most recent six-month period immediately preceding the issuance of such report, classified by industry and occupation. Upon request, the Secretary shall furnish without charge, a copy of the report required by this paragraph to any trade association or labor organization.".

SEC. 3. (a) Section 9(a) of the Occupational Safety and Health Act of 1970 is amended by inserting "(1)" immediately after the subsection designation and by striking out "If" and inserting in lieu thereof the following: "Except as provided in subsection (b) of this Act, if".

(b) Subsections (b) and (c) of section 9 of such Act are redesignated as paragraphs (2) and (3), respectively.

(c) Section 9 of such Act is further amended by adding at the end thereof the following new subsection:

"(b) (1) Whenever an employer—

"(A) requests an initial onsite inspection in order to facilitate compliance with the provisions of this Act, and

"(B) has not been cited for a serious violation of the provisions of this Act since its enactment,

the Secretary is authorized to conduct initial onsite inspections and investigations in accordance with the provisions of section 8, of such employer.

"(2) If, after any inspection or investigation conducted under this subsection, the Secretary or his authorized representative finds that an employer has violated a requirement of section 5 of this Act, of any standard, rule or order promulgated pursuant to section 6 of this Act, he shall immediately notify that employer. The Secretary is authorized to establish procedures for the notification and the contents of the notification prescribed by this paragraph. Each such notification shall fix a reasonable time for abatement of the violation except that such reasonable time shall in no event be more than twenty working days from the receipt of such notification.

"(3) At the end of the period of abatement prescribed in the notification under paragraph (2), the Secretary or his authorized representative, shall undertake an inspection or investigation, in accordance with the provisions of section 8 of this Act. If, upon such inspection or investigation, the Secretary or his authorized representative finds that an employer is in violation of a requirement of section 5 of this Act, of any standard rule, or order promulgated pursuant to section 6 of this Act, or of any regulations prescribed pursuant to this Act, he shall immediately issue a citation to that employer under subsection (a) of this section. In considering any penalty to be assessed under section 17 in connection with such a citation, the Secretary shall consider the extent to which temporary measures were taken to abate the violation, and if the Secretary determines that the failure to abate the violation was serious and unjustified, he is authorized to propose a penalty to be assessed from the date of the intial onsite inspection.

"(4) The provisions of the subsection shall apply to each employer only once.".

By Mr. GOLDWATER (for himself and Mr. FANNIN):

S.J. Res. 44. A joint resolution authorizing the President to proclaim September 28, 1975, as "National Indian Day." Referred to the Committee on the Judiciary.

NATIONAL INDIAN DAY

Mr. GOLDWATER. Mr. President, it is my privilege today to reintroduce for my self and my colleague from Arizona, Mr. FANNIN, a proposal to establish a National Indian Day in the United States. This is an idea which I have been working on since at least as far back as 1961, when I was among the sponsors of Senate Joint Resolution 84. That resolution passed the Senate, but got no further.

It is long overdue that we at the national level create a special day to honor Indian citizens who have contributed so much to this land but have had so little attention paid to them. Over 20 percent of the Indians of the United States live in my State of Arizona, some 15 tribes, and I believe there are some 400 different tribes who live within the Continental United States.

The date selected for honoring our first Americans was recommended to me by Indian citizens in my State and it has been set aside as Indian Day in the past either by the State or tribally. I remain open to additional suggestions on the specific date and believe the important thing is that we take action on some day to pay tribute to all American Indians.

Mr. President, I ask unanimous consent that a copy of the joint resolution I am introducing today be inserted in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 44

Whereas American Indians have made important contributions to the cultural and social history of the Nation; and

Whereas American Indians are now assuming a greater role in the economic life of the Nation; and

Whereas it is appropriate to extend recognition to American Indians for their achievements as citizens of the Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating September 28, 1975, as "National Indian Day", and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 445

At the request of Mr. HUGH SCOTT, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of the bill (S. 445) to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or a reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs.

S. 451

At the request of Mr. BAYH, the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. TAFT), and the Senator from New Jersey (Mr. WILLIAMS), were added as cosponsors of the bill (S. 451) to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine exfoliative cytology tests for the diagnosis of uterine cancer.

S. 454

At the request of Mr. CHILES, the Senator from Tennessee (Mr. BAKER) was added as a consponsor of S. 454, a bill to amend the Occupational Safety and Health Act of 1970.

S. 548

At the request of Mr. PROXMIRE, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of the bill (S. 548) to provide that safe vitamins and minerals will be regulated as foods and not as dangerous drugs.

S. 732

At the request of Mr. DOLE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 732, a bill to grant a preference in employment in the competitive Civil Service to individuals who have served an enlistment in a National Guard or Reserve unit.

S. 744

At the request of Mr. MANSFIELD, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 744, a bill to authorize a vigorous Federal program of research, development, and demonstration to assure the utilization of MHD—magnetohydrodynamics—to assist in meeting our national energy needs, and for other purposes.

S. 766 AND S. 767

At the request of Mr. JAVITS, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Indiana (Mr. HARTKE), the Senator from Montana (Mr. METCALF), the Senator from Texas (Mr. BENTSEN), the Senator from Iowa (Mr. CULVER), the Senator from Nevada (Mr. CANNON), and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of S. 766, a bill to amend the Emergency Unemployment Compensation Act of 1974; and S. 767, a bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974.

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of Senate Concurrent Resolution 10, to provide for the selection of members of minority groups who have made significant contributions to the United States, and to obtain their likenesses for placement in the Capitol.

AMENDMENTS SUBMITTED FOR PRINTING

RESOLUTION TO AMEND THE STANDING RULES OF THE SENATE—SENATE RESOLUTION 4

AMENDMENT NO. 23

(Ordered to be printed and to lie on the table.)

Mr. ROBERT C. BYRD submitted an amendment intended to be proposed by him to the resolution (S. Res. 4) amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

FOREIGN INVESTMENT ACT OF 1975—S. 425

AMENDMENT NO. 24

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. WILLIAMS. Mr. President, I am submitting today an amendment I intend to propose on behalf of Senator BROOKE and myself, to S. 425 the Foreign Investment Act of 1975. This amendment would prohibit the acquisition of more than 5 percent of the equity securities of any U.S. company by any foreign investor who has forced or attempted to force other firms to boycott an American business because of its dealings with or in a foreign country with which the United States has diplomatic relations. The amendment is thus intended to assure that foreign investors with a known pattern of using economic power to advance political objectives do not obtain control of American business interests.

The Foreign Investment Act, which I introduced on January 27, 1975, would rationalize and coordinate this country's approach to foreign investors. Recognizing that foreign investment in our economy could have telling significance in the pursuit of American interests, both nationally and internationally, many of my colleagues have since joined me in cosponsoring this bill. But in recent weeks, concern over the question of foreign investment in this country has taken on a different, and in my judgment, a very ominous dimension.

On February 13, 1975, it was reported that Kuwait International Investment Co. had demanded the exclusion of Lazard Freres & Co. from syndicates formed to offer $50 million of Mexican Government bonds and $25 million of bonds issued by Volvo, the Swedish automobile company. Kuwait, as a member of the syndicate, made this demand because the Lazard firm is on the blacklist maintained by the Arab Boycott Office, that is, it is a firm with which members of the Arab League are prohibited from doing business.

Fortunately, the attempt to force Lazard Freres out of the syndicate was unsuccessful, due largely to the refusal of the syndicate manager, Merrill Lynch, to yield to Arab pressure. However, Lazard's Faris affiliate has been forced out of several recent European underwritings, as have S. G. Warburg & Co. and N. M. Rothschild & Sons—firms that are also on the boycott list.

Lazard Freres & Co. is apparently blacklisted because partners of the firm are Jewish and considered to be economic supporters or friends of Israel—New York Times, February 13, 1975 at 1, "Kuwait Quits Two Deals Here With Boycotted Financiers"—as the "General Principles for Boycott of Israel" promulgated by the League of Arab Countries state:

> Institutions and commercial companies are to be considered as pro-Zionist . . . and therefore dealing with them is to be banned . . . [if] they are wholly owned by . . . natural persons whose Zionist sympathies have been proven or if such . . . persons own 50 percent of their capital.
>
> [P]ersons are to be considered as Zionist sympathizers . . . [i]f it is established that they are members of associations that have a well known tendency to act in the interest of world Zionism in general or of the Israeli gangster state [sic] in particular . . . [or] that they have engaged in tangible or intangible activities for the benefit of Zionism or Israel, such as repeatedly making donations to Zionist and Israeli entities.

The Arab boycott is quite clearly—and very distressingly—being pursued against U.S. businesses merely because they have ties to Jews or others considered friendly to Israel or "Zionism." The boycott thus represents an economic expression of religious discrimination, and as such, is abhorrent to fundamental principles on which this country is founded. Its extension in a manner designed to coerce discrimination against certain American firms in the general conduct of their business is not only ethically reprehensible but may well be a violation of existing laws.

Faced with the systemmatic boycotting of American companies considered by the League of Arab Countries to be pro-Israel, Jewish, or "Zionist," this Nation cannot ignore the dangerous implications of concerted economic actions to secure political gains within our national borders. Nor can we turn our heads at the attempt by the Arab governments to use economic leverage to coerce U.S. businesses to participate in boycotts and discrimination directed against other Americans.

In the context of foreign investment in the United States, it is essential that we prevent control of our major businesses from being obtained by foreign investors engaged in a boycott of the sort involved in the Lazard case. Similarly, where a foreign investor uses his control of a U.S. company to pursue such a boycott, an effective and usable means must be available by which he may be divested of his interest in the U.S. company. The amendment which we intend to propose to S. 425 would accomplish both of these objectives.

Foreign investment has been and will continue to be beneficial to the United States. S. 425 and the amendment introduced today assume that we should continue to favor maximum access to our capital markets. However, we must insure that foreign investment comports with American ways of doing business and is not intended to be exploited for the political advantage of a foreign government.

Mr. President, I ask unanimous consent that the amendment be printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

AMENDMENT No. 24

On page 7, line 20, after the period insert the following: "The President shall prohibit any such acquisition, if he determines that any foreign investor on whose behalf such acquisition is to be made or any person controlling any such foreign investor has, directly or indirectly, within one year of the date of filing such statement, caused or attempted or conspired to cause—

"(A) any person (other than a person resident or organized in the country of which such foreign investor is the government or a subdivision, agency, or instrumentality of the government or in which such foreign investor or a person controlling such foreign investor is resident or organized) not to do business with, to subject to economic loss or injury, or otherwise to discriminate against any United States company, because such United States company or an officer, director, employee, stockholder, or creditor thereof is or has been, or in order to deter such United States company or any officer, director, employee, stockholder, or creditor thereof from, directly or indirectly, supporting or dealing with (i) any foreign government with which the United States has diplomatic relations, or (ii) any person resident or operating in, or dealing with, any country with whose government the United States has diplomatic relations; or

"(B) any United States company with respect its business in any country (other than a country with which such foreign investor, if such foreign investor is a foreign government, or person controlling such foreign investor, if such person is a foreign government, does not have diplomatic relations) not to do business with, to subject to economic loss or injury, or otherwise to discriminate against any person (other than a person which is, or is controlled by, a foreign government with which such foreign investor, if such foreign investor is a foreign government, or person controlling such foreign investor, if such person is a foreign government, does not have diplomatic relations), because such person or an officer, director, employee, stockholder, or creditor thereof is or has been, or in order to deter such person or any officer, director, employee, stockholder, or creditor thereof from, directly or indirectly, supporting or dealing with (i) any foreign government with which the United States has diplomatic relations or (ii) any person resident or operating in, dealing with, any country with whose government the United States has diplomatic relations.".

On page 7, line 23, strike the phrase "the preceding sentence" and insert in lieu thereof the phrase "this paragraph".

On page 10, between lines 19 and 20, insert the following:

"(3) If any foreign investor, directly or indirectly, having the beneficial ownership of more than 5 percent of any class of equity securities of a United States company causes such United States company to engage in any act by reason of which it would be prohibited pursuant to section 13(f) of this title from acquiring, directly or indirectly, the beneficial ownership of more than 5 percent of any class of equity securities of any other United States company, the Commission, the Attorney General the holder of record of any equity security of such United States company, or any person aggrieved by such act, may bring an action in a district court of the United States (or a court of general jurisdiction, however designated, in any place, other than a State, under the jurisdiction of the United States) to divest the foreign investor of beneficial ownership of equity securities of such United States company. On a showing that the foreign investor has engaged in any such act, the court, by order, shall revoke or suspend, for any period specified in the order, the voting rights evidenced by equity securities of such United States company beneficially owned by such foreign investor and order the sale of all such securities.".

On page 10, line 20, strike "(2)" and insert in lieu thereof "(3)".

On page 10, line 21, insert after "(1)" the phrase "or (2)".

On page 11, following line 1, insert the following:

"or the sale of which was ordered pursuant to paragraph (2) of this subsection".

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 17

At the request of Mr. Abourezk, the Senator from California (Mr. Tunney) was added as a cosponsor of amendment No. 17, intended to be proposed to the bill (S. 490) to amend section 111 of title 38, United States Code, relating to the payment of travel expenses for persons traveling to and from Veterans Administration facilities.

NOTICE OF HEARING ON "TRAINING NEEDS IN GERONTOLOGY"

Mr. CHURCH. Mr. President, at my request, Senator Chiles will continue the series of hearings on "Training Needs in Gerontology" before the Senate Committee on Aging. The Hearing will be held on March at 10 a.m. in room 4232 of the Dirksen Senate Office Building.

The hearing will focus upon the administration's latest proposals in regard to funding for title IV, part A, of the Older Americans Act. Specifically it will consider the administration's plans to rescind the $8 million appropriated by the Congress for training under title IV for fiscal year 1975 and their failure to request funding for title IV in their budget request for fiscal year 1976. Testimony will be heard from witnesses representing the administration, and institutions and organizations which conduct both short-term and long-term training in the field of aging.

NOTICE OF HEARING

Mr. HUMPHREY. Mr. President, the Subcommittee on Foreign Assistance and Economic Policy of the Committee on Foreign Relations will hear public witnesses on S. 663, the Cambodian supplemental authorization, on Thursday, March 6, 1975, at 2 p.m. in room 4221, Dirksen Senate Office Building.

Any person wishing to testify should contact Mr. Arthur M. Kuhl, chief clerk of the Committee on Foreign Relations.

NOTICE OF HEARINGS ON THE 25TH AMENDMENT

Mr. BAYH. Mr. President, the Subcommittee on Constitutional Amendments is scheduling additional hearings on the 25th amendment for Tuesday, March 11, 1975. The hearings will be in room 2228, Dirksen Building, the Judiciary Committee hearing room, beginning at 10 a.m.

These hearings will continue a comprehensive review of the implementation of the 25th amendment during the Vice-Presidential confirmations of Gerald R. Ford and Nelson A. Rockefeller. In addition, the subcommittee will hear testimony on suggested modifications of the amendment including a proposal introduced by the Senator from Rhode Island (Mr. Pastore), Senate Joint Resolution 26. The witnesses scheduled are: Prof. Paul Freund, Messrs. John Feerick and George Reedy.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on Constitutional Amendments, room 300, Russell Senate Office Building, Washington, D.C. 20510.

NOTICE OF HEARINGS ON SENATE JOINT RESOLUTION 6, SENATE JOINT RESOLUTION 10, AND SENATE JOINT RESOLUTION 11

Mr. BAYH. Mr. President, the Subcommittee on Constitutional Amendments will continue hearings begun in the 93d Congress on Senate Joint Resolution 6, proposing an amendment to the Constitution of the United States guaranteeing the right to life to the unborn, Senate Joint Resolutions 10 and 11, proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons. The hearings will take place on Monday, *March 10, 1975*, in 2228, Dirksen Senate Office Building, the Judiciary Committee hearing room, beginning at 10 a.m.

The witnesses scheduled are: Senators Packwood, Buckley, and Helms; Prof. Robert Byrn, and Mrs. Harriet Pilpel.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on Constitutional Amendments, room 300, Russell Senate Office Building, Washington, D.C. 20510.

ADDITIONAL STATEMENTS

LET'S STOP DECEIVING OURSELVES ABOUT ABORTION

Mr. HELMS. Mr. President, it has been said that when abortion becomes a social custom, this is an external manifestation of decadence. I do not believe now, nor have I ever believed, that the American people are decadent, despite the rise of abortions in the United States. We must not forget for a moment that the new cult of abortion has been superimposed upon our system by seven members of the Supreme Court. On January 22, 1973, when the Court handed down the fateful decision of Roe against Wade, the people of all 50 States had in force statutes regulating abortion.

Nor is there any doubt in my mind that Americans are becoming increasingly alarmed by the staggering number of abortions that are being performed in our hospitals and medical clinics. This growing concern is attributable in part, I believe, to an increased awareness among the general public, that we were inadequately educated as to the true essence of an abortion, medically and morally.

Not so long ago, it was common to hear the argument that an abortion, at least during the early stages of pregnancy, was little more than ridding oneself of a "blob of protoplasm," and no more reprehensible than the removal of an unwanted wart. Like the bombardier, who cannot see the destruction he has wrought, the abortion apologist could sleep soundly at night, unaware of reality.

Through education, we have rapidly advanced beyond these primitive notions to the point where it is now generally acknowledged that an abortion is, after all, destruction of a human life. Just how truly human that life is from the standpoint of physical appearance alone is demonstrated in the March 3, 1975, issue of Newsweek. For the first time, a national magazine has featured the photograph of a tiny fetus on the front cover. It is a 16-week-old unborn child, whose features are distinctly human. If Newsweek had printed the picture of an unborn child about 9 weeks after conception, every reader would again have easily recognized the photograph of a child. No doubt the most effective argument for the humanity of the unborn child is the simple photograph.

But these are merely the visual and the scientific aspects of the issue. What especially heartens me today is the realization that more and more Americans are seeing this issue as a great moral principle. It is the singularly most important principle of our civilization, and without it we are indistinguishable as a people from the barbarians of yesterday or the totalitarians of today.

I am referring, of course, to the principle of the sanctity of innocent human life. This is the very principle upon which this Nation was founded. It is the principle we embraced in our Declaration of Independence, when we told the world that we stood for "life, liberty, and the pursuit of happiness."

It is the principle we embraced in our Constitution, when we told the world that we would not tolerate the deprivation of "life, liberty, or property without due process of law." It is the principle that we have pursued in this century against the totalitarian regimes that have treated human life with malicious contempt on a scale surpassing the sordid dreams of Robespierre.

Despite our differences—and they are sometimes great—we are nevertheless a united people on the truly fundamental issues. We are a heterogeneous people, of many nationalities, many races, many religions, and many political philosophies. But we are all American and we love life and we have always been willing to fight for the sanctity of life. It is part of the American consensus.

The truth of this is illustrated in the latest issue of the Village Voice of New York City, which features an article by Margot Hentoff entitled, "Let's Stop Deceiving Ourselves About Abortion." I often disagree with the viewpoints that are expressed in the Village Voice, and I am sure that the Village Voice does not always approve of my stance on public issues either. But the article by Margot Hentoff does show that abortion is not a liberal versus conservative issue. It addresses the issue of abortion from a humanist point of view that reflects the moral concerns of civilized man everywhere. I urge my colleagues to read this article with the greatest of attention, for it vitally affects us all—those who are dead, those who are living, and those yet to be born.

Mr. President, I ask unanimous consent that the article by Margot Hentoff, which appeared in the March 3, 1975, issue of the Village Voice, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE PURPOSE OF THE OPERATION WAS DEATH—LET'S STOP DECEIVING OURSELVES ABOUT ABORTION

(By Margot Hentoff)

Before a period of time before abortion became legal, I used to enliven dull dinner parties by throwing into the conversation the statement that abortion was certainly murder. Since I rarely had dinner with any but a variety of civil libertarians, other liberals, and leftists, this was always good for some outraged denunciation—directed at me. If I were especially bored, I would add that I found some killing acceptable, that indeed I would want a defective newborn child disposed of, that perhaps capital punishment *was* a deterrent, and that if someone attempted to assault me—even only with fists—I would shoot him between the eyes without a tremor of guilt. Still, I would insist, we should call things what they are. And surely one did not have to be Catholic to understand that what abortion entailed was the slaughter of innocents.

But that kind of philosophical fooling around took place before the state, in effect, took its hands off the issue of abortion, leaving it to doctors and women. We now have a real situation in which abortions are being performed beyond the point of scraping out embryonic tissue. Now, the age of the products of midtrimester abortions are, at times, the same as that of prematurely-born infants who have a chance, however small, to live. In some cases, what determines whether the *thing* will be treated as an aborted fetus or a premature infant is whether it is wanted or not—a rather odd way to make a determination of humanity.

The whole issue of the ethics of dealing with human fetal life recently has been stirred up again. There is the Kenneth Edelin Boston manslaughter conviction. There are other cases in which doctors are coming under attack for having done research on aborted fetuses (in some instances, this research having required that the fetuses be kept alive for a period of time).

As the debate heats up, the liberal community is becoming more outraged than I have seen it since the Christmas bombing of Hanoi. But it remains unwilling to look at the real question abortion raises now and forever: is killing for utilitarian principles morally acceptable to humanists and where should it end?

Dr. Edelin and the pro-abortion people have made much of the idea that he was really convicted of performing a legal abortion, and that he is a martyr in the abortion cause. But, in point of fact, Edelin was being tried for smothering a living fetus in utero during a late midtrimester hysterotomy (a kind of mini-cesarean operation, the point of which is clearly not to bring forth another Julius Caesar). Edelin got stuck with the hysterotomy procedure because two previous salting-out attempts on the mother had failed to dislodge or kill the fetus. Since (as the juror who held out longest for his acquittal said) the purpose of the operation was death, what was Edelin to do? Apparently, his major error was that he didn't fudge what he was doing—which was to make sure that a viable fetus did not emerge.

I spoke to an obstetrician who mentioned that one possible procedure in such cases is to go into the uterus, remove the placenta first, and tie off its connection with the fetus—thereby depriving the fetus of oxygen. "Then" the doctor said, "if you go back into the uterus and fish around a while for the fetus, you will bring out a naturally dead fetus, not a live one."

Edelin apparently addressed himself to the end of the fetus first—an act which looked, to some of the witnesses and to the jury, remarkably like murder, albeit in a good cause.

Here we have one of the problems created by the liberal community's obfuscation of language in refusing to speak plainly about what abortion is. They have held on to the illogical concept that the fetus is not a human being, that no killing is involved, and that an abortion is merely an operative procedure on a woman who has the right to decide what she wants to do with her body and the products thereof.

To liberals, state-condoned killing is what only the right-wing espouses. Capital punishment, for example. And, for liberals, when the Right-to-Life people claim to care about unborn children, it is comforting to insist that they are merely making mischief which will result in the further deaths of mothers, as well as more battered children who might die later on as a result of being unwanted.

On television, on Sunday, I watched a young black woman being interviewed about what would happen if she did not have an abortion. As if she had been programmed, she responded to the question, "Why do you want this abortion?"

Like another breed of Stepford wife, she answered, "I would rather have the abortion than have the baby and hurt it later on."

Have we finally convinced the poor that they are out of control?

In a Herblock cartoon last week (sardonically titled "Creation of Life") the gleeful

Boston D.A. becomes Dr. Frankenstein watching his monster (labeled Massachusetts Abortion Case Conviction) rise to commit his evil deeds. But it is not entirely because of evil district attorneys that fetuses lie in unquiet graves.

In the same week, Harriet Van Horne wrote:

"Right to Life people were the hawks shrieking for blood in the dark days of Vietnam . . . They are tainted with death, these zealots who would put a 37-year-old doctor behind bars for performing surgery sanctioned by the Supreme Court. A kind of surgery, moreover, that many Americans accept as socially constructive in a nation that cannot feed its populace and is running out of vital nonrenewable resources."

Our side, you see, only performs surgery; theirs always deals in death.

Van Horne goes on:

"The cost of maintaining the children of the poor comes to well over $1 billion a year . . . We have long since exceeded our optimum minimum population. Poor families breed more promiscuously than affluent families."

There is another liberal argument, much used. Dr. Edelin speaks often of the deaths from illegal abortions he has seen and explains that his choice is between the life of the fetus and the life of the mother. But, in most cases, what he is really doing is taking the life of the fetus in order to preserve the freedom of the mother to be unburdened by a child. Not the same thing. The name of this game is the Ethics of Convenience, and the rules of the game preclude admitting exactly what's going on.

I asked an obstetrician what they do with fetuses who are still alive after an abortion. "Well, they can't really breathe," he said. "Their air sacs are not sufficiently developed. There is some squirming around and gasping and respiratory movements, but in three or five minutes it stops."

"That must be sort of demoralizing to watch," I said.

"Yes," he said, "it is."

A pediatrician said, "they talk about 24-week viability—but you can get premature infants who live at 20, 22 weeks. Rarely, but you can get it."

One of the many things which makes late abortions demoralizing is that we have, in modern Western society rejected infanticide as a solution to social problems. Unfortunately, as the age of the aborted fetus increases, it gets to look like a baby. Our instincts tell us that these *are* babies, and that what we are allowing has more to do with infanticide than with contraception.

"Look," another doctor said, "doctors can't decide when life begins. I don't know who can—but we can't make the decision. Give us the rules and we'll do what we're supposed to do."

He is, of course, right. Dr. Edelin is no more guilty than the state of Massachusetts which refused to enact *any* abortion law after the Supreme Court decision. He is no more guilty than the Supreme Court which begged the question, than the community which refuses to acknowledge that the depth of a human being is a fundamental ethical issue.

Perhaps doctors are *least* equipped to make such judgments. Their training has educated them to go against their own early instincts—to cut into flesh, to inflict pain, to mutilate in order to cure. In a way, they are trained to be less susceptible to things than the rest of us. To doctors, if the law says an unborn child is only fetal tissue, it is fetal tissue. Tell them to maintain life in its most tortured form, and they maintain life. In Nazi Germany, among psychiatrists in Russia, it has not been difficult to convince doctors that what is legal is ethical. And why should they be expected to be moral philosophers? A jury, on the other hand, ignorant of fine points and medically uninformed, responds to Dr. Edelin's statement that "they had a fetus in the mortuary" by saying: No—what they had was a human being in the pathology lab.

And there is more coming down the pike. The Right-to-Life people may be troublesome, but someone ought to pay attention to what is happening. What we have now is chaos in terms of fetal research, salvageability of aborted fetuses, legal actions, and the issues of guardianship and consent. To say nothing of the absence of an ethical philosophy.

Until now, liberals have been able to sustain their antideath self-image by insisting that, in routine cases, abortions only remove fetuses with no chance for independent life from mothers who have the right not to be used as incubators.

That branch of medicine, however, which deals with treating fetal life has progressed so far that, as a doctor told me recently, "In the not so distant future we will be able to maintain life outside the woman's uterus perhaps as early as 12 weeks after gestation. But what kind of baby would it be?" he asked. "What kind of damage to the central nervous system would have been done?"

What will we do when that time comes, I wonder. Who will be responsible for what is born? Will we keep it or throw it back into the sea? Or will we kill it, quickly, before it gets away?

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee. In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent that the explanatory letter from the Department of Defense in regard to the proposed sale be printed in the RECORD. The detailed information on the proposed sale, which was received February 26, 1975, is classified and on file in the main committee office.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE DIRECTOR DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA, WASHINGTON, D.C.,
February 26, 1975.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittals No. 75–10A, 75–10B, 75–10C and 75–10D which contain information concerning alternate proposed Letters of Offer in excess of $25 million.

I wish to point out that only one of these proposed Letters of Offer will be selected for possible acceptance by the purchaser.

The above-listed transmittals are classified Confidential.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

INAUGURATION OF THE JOHN GOODWIN TOWER CHAIR OF POLITICAL SCIENCE

Mr. HUGH SCOTT. Mr. President, it was a great pleasure for me to be in Georgetown, Tex., last Friday to honor my friend and distinguished colleague, JOHN TOWER, at the inauguration of the John Goodwin Tower Chair of Political Science at Southwestern University. I ask unanimous consent that the service of inauguration and my remarks on that occasion be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE INAUGURATION OF THE JOHN GOODWIN TOWER CHAIR OF POLITICAL SCIENCE AT SOUTHWESTERN UNIVERSITY, GEORGETOWN, TEX., ON FRIDAY, FEBRUARY 28, 1975

SERVICE OF INAUGURATION

Prelude: "Prelude and Fugue in E Minor," by Buxtehude.

Processional: "Marcia Festiva," by M. E. Bossi.

Invocation: Dr. Farley Snell, University Chaplain.

Welcome and Statement of Purpose: Dr. Durwood Fleming, President.

Introduction of Senator John Goodwin Tower: The Hon. Edward A. Clark, Member, Board of Trustees.

Presentation of the John Goodwin Tower Chair of Political Science by Dr. Charles N. Prothro, Chairman, Board of Trustees

Mr. President, Senator Tower, Honored Guests, it is my privilege to present for its inauguration and implementation The John Goodwin Tower Chair of Political Science.

Acceptance by President Fleming:

On behalf of the Board of Trustees, the Administration, the Faculty, and the Students of Southwestern University, we accept the gift of The John Goodwin Tower Chair of Political Science with genuine appreciation. The successful completion of the efforts to fund this Chair is a source of particular pride and satisfaction, and we earnestly pledge that we will administer this program wisely and prudently for the maximum benefit of our students.

(The people will stand.)

Litany of Inauguration: President Durwood Fleming and the Assembly:

We come to this high moment as a result of the earnest cooperation of a great many people who, both as individuals and through institutions of which they are a part, have a deep concern for the perpetuation of responsible education in political science in the independent university in a free society. On behalf of the trustees, the administration, the faculty, and the students, we joyfully accept today these gifts which have made possible The John Goodwin Tower Chair of Political Science; and we pledge our efforts, our resources, our talents, and our time for carrying out the creative objectives of this gift.

In the name of the Father and of the Son and of the Holy Spirit, *we dedicate this gift.*

To the search for truth which we believe comes from God and on the base of which freedom is built, *we dedicate this gift.*

To the sharing of that truth as a part of our heritage as free men in a free society, *we dedicate this gift.*

To the preparation of youth that may find their places of service in government, institutions, and in society, *we dedicate this gift.*

To the perpetuation and strengthening of those parts of society which sustain the dignity of man and which help in the fulfillment of the needs of all of God's children, *we dedicate this gift.*

As we dedicate the gift of this Chair which will provide for continued instruction in those things we hold most dear, we add the personal dedication of our own lives for the perpetuation of those ideas and ideals which have been the foundation of our country's greatness and our hope for its future.

We offer our thanks to Thee, O God, through whose creation these opportunities have been made possible, and for all those who have given of their possessions and their lives to make this experience a reality. Grant us the wisdom to teach and to learn imaginatively, and the strength to serve Thee faithfully, through Him who gives meaning and purpose to our lives, Jesus Christ, Our Lord. Amen.

Anthem: (the Southwestern Singers) "Jubilate Deo," by Flor Peeters.

Introduction of Speaker: Senator John G. Tower.

Address "Potomac Patterns": Senator Hugh Scott.

Recessional: "Grand Choeur in C Major," by Chauvet.

Organist, R. Cochrane Penick, Professor of Organ and Sacred Music.

Director of Southwestern Singers, Kenny Mac Sheppard.

Marshals, Dr. Angus Springer, Mr. Thomas Douglass, Dr. Norman Spellmann.

Ushers, Members of Cardinal Key and Blue Key, University Honor Societies.

John Goodwin Tower

John Goodwin Tower, senior Senator from the State of Texas in the United States Senate, is a native of Houston, Texas, the son and grandson of Methodist ministers. During his childhood he attended school in a number of Texas communities, graduating from Beaumont, Texas, High School in 1942. He entered Southwestern University following high school graduation but left college to enlist in the U.S. Navy and saw combat duty during World War II as a seaman aboard a gunboat in Asian waters.

Following his military duty Senator Tower returned to Southwestern University; he was awarded the Bachelor of Arts degree in political science in 1948. He also holds the Master of Arts in political science from Southern Methodist University and has done post graduate work at the University of London. Southwestern University honored him with the Doctor of Literature degree in 1964. He taught political science and government at Midwestern University in Wichita Falls, Texas, for nine years preceding his election to the Senate in a special election in 1961.

When he first went to the Senate, Mr. Tower was that body's youngest member. He was the first Republican elected to the Senate from Texas since 1870 and the first since Reconstruction from any former Confederate state. He was re-elected in 1966 with 55.7% of the popular vote and again in 1972 with 54%, garnering support from both urban and rural areas as shown by the fact that he carried 177 of Texas' 254 counties. There can be no more convincing proof than these telling victories at the polls that Senator Tower is, indeed, representing the interests of his constituency and his country. His frequent visits to all parts of the state, his contact with citizens, his frankness on his own stand on issues, his receptivity to ideas, and his obvious dedication to what is best for the nation all contribute to evoking confidence in his ability to play a major role in the governance of the United States.

During Senator Tower's tenure he has advanced to a position of leadership in the Senate. He is the senior Republican member on the important Committee on Banking, Housing, and Urban Affairs. He is the second ranking Republican on the Senate Armed Services Committee and is active on a dozen sub-committees. Senator Tower has worked unceasingly to keep his nation's defenses strong yet efficient, following the policy of seeking world peace through national strength. He follows a straight course in his efforts to improve the country's economic health. He has established an enviable record in the field of health measures and crime control. He is one of the Senate's leading spokesmen for returning power to state and local governments, for sound fiscal and monetary policies, and for improving housing and business opportunities for all Americans. He is a supporter for an all volunteer army and for transferring power away from big labor and toward a free market economy in the interest of the small wage-earner. His research and study of issues is painstaking; he has made seven trips to Southeast Asia and attended six annual meetings of the NATO defense studies conference in pursuit of better understanding of world situations which affect decisions which must be made in the Senate.

While a student at Southwestern University, Senator Tower was active in campus life, serving on the student newspaper, the student yearbook, as an officer of the Veterans' Organization, the Student Christian Association, the Interfraternity Council, and his fraternity, Kappa Sigma. In addition, he played in the University Band and was a cheerleader during his sophomore year. He has remained active in his fraternity and now serves as National President of Kappa Sigma.

From his earliest student days Senator Tower evidenced an interest in political science and government. He studied under Dr. George Hester at Southwestern when Dr. Hester, now retired, was head of the history and government department of the University. Senator Tower credits Dr. Hester with developing in him an interest in political science and government service. Dr. Hester himself combined theory and practice in the area of government and was the best possible mentor for a future senator. In addition to serving for some forty years on the faculty of Southwestern University, thirteen of which were as The Lucy King Brown Professor of History, Dr. Hester was a member of the Texas Legislature and an economic consultant in the nation's capital. Senator Tower acknowledged the influence Dr. Hester has had upon his career when, in 1962, he inscribed his book, *A Program for Conservatives*, "To my mentor and friend, George C. Hester, this book is dedicated with gratitude and affection." At the time, Senator Tower stated, "This book doesn't begin to measure up to the man to whom it is dedicated and to whom I owe so much." There remains a strong bond of respect and affection between teacher and student to this day.

It is particularly fitting that Senator Tower, himself a teacher, should be honored by the establishment of an academic chair in political science. His interest in higher education is a continuing one. He serves on the Board of Trustees of both Southwestern University and Southern Methodist University and makes frequent visits to both campuses, mingling with the students and contributing by his presence and conversation to their understanding and growth.

It is equally fitting that The John G. Tower Chair of Political Science should be located at Southwestern University, Senator Tower's Alma Mater, an institution which has played an important role in the history of the State of Texas and has furnished numerous leaders to the state and to the nation.

Potomac Patterns

(Remarks by U.S. Senator Hugh Scott)

It is most fitting that the eyes of Teaxs are upon John Goodwin Tower today.

As his alma mater establishes a Chair of Political Science in his name, it is my great pleasure, both as a colleague in the United States Senate and as a friend, to extend to him my warmest congratulations.

In honoring John Tower, Southwestern University has recognized the skill with which he conducts his duties as U.S. Senator and the distinguished example his record of service brings to others who would seek election to public office.

Politics, diligently practiced, is both science and art; it uses the lessons of history, through thoughtful actions today, to build a better world for tomorrow; it eschews self-service for public service.

John Tower is a master of such constant dedication to these ideals of our demanding and rewarding profession of politics. He is cognizant of, and responsive to, the needs of the people of Texas, and he is a determined advocate of programs of our Republican Party.

I have called my remarks for today's ceremonies "Potomac Patterns," because over my many years in the Conrgess I have observed the kinds of patterns—both beneficial and detrimental—which can make the difference between true service to the people and lip service. It is my firm belief that it is in the interest of the people for their elected representatives to practice constancy of direction as well as to have the flexibility to compromise when the alternative is to accomplish nothing. This is the pattern of action and responsibility which Senator Tower espouses and ably practices.

Because of his superlative leadership, our Senate Republicans have elected him as Chairman of our Policy Committee. We have, in fact, just last month re-elected him unanimously to a second term in this important post.

As Policy Committee Chairman, Senator Tower meets regularly with his colleagues in the Republican Leadership and participates in bipartisan leadership meetings. He discusses issues frequently with the President. He is our interpreter to the press on how we, acting as a Policy Committee, view the issues of the day. He informs himself of the sense of the minority as he counts noses—and nuances—from all segments of the party. As the Senate Republican Leader I value his judgment, his counsel, his cooperation and his willingness to work for those programs which will serve the people most effectively.

Ours is not an easy time. All of us are seeking the answers to our urgent problems of recession, unemployment and energy conservation. Also, no one doubts the necessity for our government to maintain a foreign policy built upon a foundation of strength and preparedness in this volatile and uncertain world.

The answers, I believe, will be found through patterns of cooperation: between the Executive and the Congress . . . between both political parties . . . and among all our people. We must be willing to share the mutual burden. It is difficult, but not impossible, so long as we have hope and preserve, so long as the pattern of cooperation is there. I believe we can do it, because the fabric of America is woven of strength.

The President of the United States has offered the Congress a blueprint for action—and time after time he has assured the members that he is open to suggestions, he is willing to negotiate, in order to have the legislation we desperately need.

So many times I have heard President Ford call the Democratic leaders by name, one by one, urging their cooperation because our country is stalled without a program. I know John has heard him as well. During the Lincoln Day recess I talked with a great many Pennsylvanians at home who asked me why the country couldn't get going, why the President and the Congress couldn't come up with a program. I was asked this even by persons who didn't fully understand the President's program. I'm sure John has had similar experiences in Texas; I know many of our Democratic colleagues have been asked why.

Yet, the fact is that all the President has had from Congress is a bill delaying consideration of energy conservation for 90 days. What the Congress is saying is, give us 90 days and we'll think of something. All this adds up to is zilch until Congress can come up with a program and not till then will they be ready to sit down and negotiate with the President. This is cart before the horse in rationale.

It seems to me they ought to be negotiating—as Arthur Vandenberg said—from the laying of the keel, rather than the launching of the vessel. I think April or May is pretty late to consider an energy program which we need now. I suspect Congress is delaying because no one has been able to think of a program that won't cost votes. I know they are underestimating the capacity of the American people, the willingness of the American people, to make those sacrifices which will put our country on its feet again.

We are, then, looking for patterns of action, not inaction.

What we are not looking for are partisan patterns of delay as the substitute for resolution of our enormous difficulties of energy conservation.

What we are not looking for are day-to-day patterns of interference in our foreign policy insisted upon by some members of Congress.

What we are not looking for are patterns of publicity blaming the President for what doesn't happen when all he has asked for is help.

We are looking for definitive patterns of action that are both responsible and responsive—and these depend upon responsible and responsive leaders such as Senator John Tower. Even as you honor him today, he continues to bring honor to the Lone Star State. You can depend on Senator Tower's determination to be a valiant spokesman for Texas.

Established today in his name, the John Goodwin Tower Chair of Political Science will help direct young people toward careers in public service that truly serve the people. May those who hold this chair from year to year hold it in trust for the enlightenment of generations of students.

It is upon them, after all, that the pattern of our future, America's future, will depend.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, debate on the Genocide issue centers on the legal responsibilities of the United States under the terms of the treaty. I wish to speak briefly today on one aspect of that debate and impress upon this body two conclusions: the Genocide Convention contains nothing that Members of the Congress could or should fear and, second, that this treaty would stand as a reaffirmation of the moral commitment of our Nation.

The Genocide Convention has been questioned as to its effect on States rights. Some opponents contend that the treaty may infringe on those rights but this anxiety is without cause. This issue has been addressed persuasively by Richard Gardner, a member of the Ad Hoc Committee on Human Rights. Speaking before a Subcommittee of the Committee on Foreign Relations, Mr. Gardner said:

> It is hard to imagine acts of Genocide which are not already punishable by Federal actions, not already within Federal domain. Of course, even if that was not true, article 1, Section 8, clause 10 of the Constitution, as this committee is well aware, does give the Congress the right to define and punish offenses against the law of nations, and we could enact legislation in this field pursuant to ratification of this Treaty under that power. Moreover there are Supreme Court cases like Missouri v. Holland that make it very clear that the Congress can pass legislation pursuant to valid treaty commitments.

Mr. President, I again express my own support and belief in the Genocide Convention as a tool for the protection of basic human rights.

HAYM SALOMON—PATRIOT WITHOUT A SWORD

Mr. JAVITS. Mr. President, on March 25, 1975, the U.S. Postal Service will issue a stamp honoring heroes of the Revolution. One of those honored is Haym Salomon who settled in New York after fleeing Poland in 1772. I wish to acquaint my colleagues with the accomplishments of this "Patriot without a Sword."

Haym Salomon was born of Jewish-Portuguese parents in Lissa, Poland, in 1740. He fled from oppression to America in 1772, bringing with him a talent for linguistics and a passion for freedom. In New York, where he became a broker, he was one of the early members of a body of revolutionaries. When fire destroyed a great part of New York in 1776 the British arrested everyone they suspected of sympathy for the Revolution—Salomon among them. The British discovered Salomon's talent for language during his imprisonment. They decided to use him as an interpreter with Hessian soldiers who had come to America as British mercenaries. But Salomon, instead of passing on in German the messages and instructions the British wished, suggested to the Hessians that they desert. He told them that the colonists would win and they would then be killed. Before the British became aware of this one-man sabotage campaign, Salomon escaped.

Poor health made it impossible for him to serve in combat but he performed a great service. First he acted as paymaster general for the French forces fighting with the Colonials, handling immense sums of money without charging commission. He was then appointed Official Broker to the Office of Finance of the Continental Congress. He floated loans, endorsed Government loans, invested most of his own money in Government bonds, equipped entire units from his own personal funds, and gave generously to needy servicemen.

Salomon died at age 45 as a direct result of his war experience. He had contracted a chronic lung ailment while a prisoner of the British.

A committee of the U.S. Senate in 1850 adopted a report on the services to the cause of the Revolution rendered by Haym Salomon. It praises him as being one who "gave great assistance to the Government by loans of money and by advancing liberally of his means to sustain the men engaged in the struggle for independence."

FEDERAL FINANCIAL AID PROGRAMS

Mr. CLARK. Mr. President, the Department of Health, Education, and Welfare has published a factsheet which outlines five Federal financial aid programs to assist students attending college. The information is quite helpful and should be communicated to as many students as possible. I ask unanimous consent that the factsheet be printed in the RECORD.

There being no objection, the factsheet was ordered to be printed in the RECORD, as follows:

FIVE FEDERAL FINANCIAL AID PROGRAMS

The U.S. Office of Education supports the five programs of student assistance described here. They are Basic Educational Opportunity Grants, Supplemental Educational Opportunity Grants, College Work-Study, National Direct Student Loans, and Guaranteed Student Loans.

If you are enrolled or accepted for enrollment in an approved postsecondary educational institution (college or university, vocational school, technical school, or hospital school of nursing) and are a citizen or permanent resident of the United States, you are eligible to apply for assistance under these programs. Remember—grants are gifts but loans must be repaid.

There are many more sources of aid for students. Some are sponsored by the Federal Government, others by States, localities, businesses, organizations, individuals, associations, and other private sources. To find out what they are, get in touch with the financial aid officer at your school. He can provide your best information about student assistance at the school he represents.

The *Basic Educational Opportunity Grant Program* (*Basic Grants*) makes funds available to eligible students attending approved Colleges,. Community/Junior Colleges, Vocational Schools, Technical Institutes, Hospital Schools of Nursing, and other post-high school institutions.

In academic year 1975–76, you may apply for a Basic Grant if you did not attend a postsecondary school before April 1, 1973.

To *Apply* for a Basic Grant, you must complete a form called "*Application for Determination of Basic Grant Eligibility*".

You may get copies of the application from *Postsecondary Educational Institutions, High Schools, Talent Search, Upward Bound projects, and Public Libraries,* or by writing to P.O. Box 84, Washington, D.C. 20044.

Send the completed form in accordance with the instructions on the application. Within four weeks you will receive a notification of your eligibility.

Submit the Notification to your *School* which will calculate the *Amount* of the Basic Grant you are *Eligible* to receive. (You may submit the Notification to more than one school.) The amount of your award will be based on your determination of eligibility, the cost of attendance at your school, and a payment schedule issued to all approved educational institutions by the U.S. Office of Education.

The *National Direct Student Loan* (*NDSL*) *Program* is for students who are enrolled at least half-time in a participating postsecondary institution and who *Need* a loan to meet their educational expenses.

You may borrow up to a total of: (a) $2,500 if you are enrolled in a vocational program or if you have completed less than two years of a program leading to a bachelor's degree; (b) $5,000 if you are an *undergradute* student who has already *completed 2 Years* of study toward a bachelor's degree. (This total *includes* any amount you borrowed under *NDSL* for your first two years of study); (c) $10,000 for *graduate* study. (This total *includes* any amount you borrowed under *NDSL* for your undergraduate study.)

Repayment begins 9 months after you graduate or leave school for other reasons. You may be allowed up to 10 years to pay back the loan. During the repayment period you will be charged 3 percent interest on the unpaid balance of the loan principal.

No payments are required for up to three years while you serve in the Armed Forces, Peace Corps, or VISTA.

Apply through the financial aid officer at your school. He can also tell you about loan *cancellation provisions* for borrowers who go into certain fields of teaching or specified military duty.

The *Supplemental Education Opportunity Grant (SEOG) Program* is for students of *exceptional financial need* who without the grant would be unable to continue their education.

You are eligible to apply if you are enrolled at least half-time as an *undergraduate* or *professional* student in an educational institution participating in the program. Graduate students are not eligible.

If you receive an *SEOG*, it cannot be less than $200 or more than $1,500 a year. Normally, an *SEOG* may be received for up to four years. However, the grant may be received for five years when the course of study requires the extra time. The total that may be awarded is $4,000 for a four year course of study or $5,000 for a five year course.

If you are selected for an SEOG, your educational institution must provide you with additional financial assistance at least equal to the amount of the grant.

Apply through your financial aid officer. He is responsible for determining who will receive an SEOG and the amount.

The *College Work-Study (CWS) Program* provides for students who have great financial need and who must earn a part of their educational expenses. You may apply if you are enrolled at least half-time as a graduate, undergraduate, or professional student in an appoved postsecondary educational institution.

The educational institution which participates in College Work-Study arranges jobs on campus or off campus with a public or private nonprofit agency, such as a hospital. If you are found to be eligible, you may be employed for as many as 40 hours a week.

In arranging a job and determining how many hours a week you may work under this program, the financial aid officer will take into account: (1) your need for financial assistance; (2) your class schedule; and (3) your health and academic progress. In general, the salary you receive is at least equal to the current minimum wage and may be as much as $3.50 an hour, depending on the job and your qualifications.

Apply through the financial aid officer at your school. He is responsible for determining your eligibility and arranging the job.

The *Guaranteed Student Loan Program* enables you to borrow directly from a bank, credit union, savings and loan association, or other paticipating lender who is willing to make the educational loan to you. The loan is guaranteed by a State or private nonprofit agency or insured by the Federal Government.

You may apply for a loan if you are enrolled or have been accepted for enrollment at least half-time in an eligible college or university, a school of nursing, or a vocational, technical, trade, business, or home study school. You do not need a high school diploma in order to borrow.

The maximum you may borrow is $2,500 a year (in some States it is less). Your interest cannot be more than 7 percent.

The total amount you may borrow for undergraduate or vocational study is $7,500. The total is $10,000 for graduate study alone or in combination with undergraduate study.

Many students are eligible for Federal Interest Benefits. If you qualify for these benefits, the Federal Government will pay the interest for you until you must begin repaying the loan.

(1) If your adjusted family income is less than $15,000, you automatically qualify for the interest subsidy on loans up to $2,000 per academic year.

(2) If your adjusted family income is less than $15,000 and you wish to apply for the interest subsidy on a loan that is larger than $2,000, you must submit to the lender a recommendation from your school. The recommendation is based on an analysis of your need.*

(3) If your adjusted family income is $15,000 or more and you wish to apply for the interest subsidy on a loan of any amount, you must submit to the lender a recommendation from your school, based on an analysis of your need.*

*Through an "analysis of your need" the school determines how much money you actually need to continue your education. It takes into account the cost of your education and your family's ability to pay for it.

All borrowers must submit an affidavit that the loan will be used only for educational purposes. It must be signed before a notary or other person authorized to administer oaths.

The loan must be repaid. Payments begin between 9 and 12 months after you graduate or leave school and you may be allowed to take up to 10 years to pay it off. The amount of your payments depends upon the size of your debt; but you must pay at least $360 a year.

You do not have to make payments for up to 3 years while you serve in the Armed Forces, Peace Corps, or VISTA (which has been expanded to include certain other programs, such as University Year for ACTION, ACTION Cooperative Volunteer Programs, Volunteers in Justice, and Program for Local Service). In addition, deferment is available for any time you return to full-time study at an eligible institution.

Information and application forms are available from schools, lenders, State Guarantee Agencies, and Regional Offices of the U.S. Office of Education.

Addresses of State Guarantee Agencies and Regional Offices of the U.S. Office of Education follow. Please use the address listed for your State of residence.

SOURCES OF INFORMATION ON THE GUARANTEED STUDENT LOAN PROGRAM

Alabama

Director of Higher Education, Office of Education, Region IV, 50 Seventh Street, NE., Atlanta, Ga. 30323.

Alaska

Student Aid Office, State Education Department, Pouch F, AOB, Juneau, Alaska 99801.

Arizona

Director of Higher Education, Office of Education, Region IX, 50 Fulton Street, San Francisco, Calif. 94102.

Arkansas

Student Loan Guarantee, Foundation of Arkansas, Suite 515, 1515 West 7th Street, Little Rock, Ark. 72202.

California

(See Arizona)

Colorado

Director of Higher Education, Office of Education, Region VIII, 9017 Federal Office Building, 19th & Stout Streets, Denver, Colo. 80202.

Connecticut

Connecticut Student Loan Foundation, 251 Asylum Street, Hartford, Conn. 06103.

Delaware

Delaware Higher Education Loan Program, c/o Brandywine College, Post Office Box 7139, Wilmington, Delaware 19803.

District of Columbia

D.C. Student Loan Insurance Program, 1329 E Street, NW., Washington, D.C. 20004.

Florida

(See Alabama)

Georgia

Georgia Higher Education Assistance Corporation, 9 La Vista Perimeter Park, 2187 Northlake Parkway, Atlanta, Georgia 30084.

Hawaii

(See Arizona)

Idaho

Director of Higher Education, Office of Education, Region X, 1321 Second Avenue, Seattle, Wash. 98101.

Illinois

Illinois Guaranteed Loan Program, 102 Wilmot Road, Deerfield, Illinois 60015.

Indiana

Director of Higher Education, Office of Education, Region V, 300 South Wacker Drive, Chicago, Ill. 60606.

Iowa

Director of Higher Education, Office of Education, Region VII, 601 East 12th Street, Kansas City, Mo. 64106.

Kansas (See Iowa)

Kentucky (See Alabama)

Louisiana (In-State residents)

Louisiana Higher Education Assistance Commission, Post Office Box 44095, Capitol Station, Baton Rouge, La. 70804.

Louisiana (Out-of-State residents)

United Student Aid Funds, Inc., 200 East 42nd Street, New York, N.Y. 10017.

Maine

Maine State Department of Education and Cultural Services, Augusta, Maine 04330.

Maryland

Maryland Higher Education Loan Corporation, 2100 Guilford Avenue, Baltimore, 21218.

Massachusetts

Massachusetts Higher Education Assistance Corporation, 511 Statler Building, Boston, Mass. 02116.

Michigan

Michigan Higher Education Assistance Authority, 309 North Washington Avenue, Lansing, Mich. 48902.

Minnesota (See Indiana)

Mississippi (See Alabama)

Missouri (See Iowa)

Montana (See Colorado)

Nebraska (See Iowa)

Nevada

State Department of Education, Carson City, Nev. 73901.

New Hampshire

New Hampshire Higher Education Assistance Foundation, 3 Capitol Street, Concord, N.H. 03301.

New Jersey

New Jersey Higher Education Assistance Authority, 1474 Prospect Street, Post Office Box 1417, Trenton, N.J. 08625.

New Mexico

Director of Higher Education, Office of Education, Region VI, 1725 Corrigan Towers, Dallas, Tex. 75201.

New York

New York Higher Education Assistance Corporation, 50 Wolf Road, Albany, N.Y. 12205.

North Carolina

North Carolina State Education Assistance Authority, Post Office Box 2688, Chapel Hill, Chapel Hill, N.C. 27514.

North Dakota (See Colorado)

Ohio

Ohio Student Loan Commission, 33 North High Street, Columbus, Ohio 43215.

Oklahoma

Oklahoma State Regents for Higher Education, 500 Education Building, State Capital Complex, Oklahoma City, Okla. 73105.

Oregon

State of Oregon Scholarship Commission, 1445 Willamette Street, Eugene, Oreg. 97401.

Pennsylvania

Pennsylvania Higher Education Assistance Agency, Towne House, 660 Boas Street, Harrisburg, Pa. 17102.

Puerto Rico

Director of Higher Education, Office of Education, Region II, 26 Federal Plaza, New York, N.Y. 10022.

Rhode Island

Rhode Island Higher Education Assistance Corporation, Room 414, 187 Westminster Mall, Post Office Box 579, Providence, R.I. 02901.

South Carolina (See Louisiana Out-of-State residents)

South Dakota (See Colorado)

Tennessee

Tennessee Education Loan Corporation, Cordell Hull Bldg., Fl. C-3, Room 301, Nashville, Tenn. 37219.

Texas (See New Mexico)
Utah (See Colorado)

Vermont

Vermont Student Assistance Corporation, 156 College Street, Burlington, Vt. 05401.

Virginia

Virginia State Education Assistance Authority, 501 East Franklin Street, Suite 311, Professional Building, Richmond, Va. 23219.

Washington (See Idaho)

West Virginia

Director of Higher Education, Office of Education, Region III, Post Office Box 13716, 3535 Market Street, Philadelphia, Pa. 19101.

Wisconsin

Wisconsin Higher Education Corporation, State Office Building, 115 West Wilson Street, Madison, Wis. 53702.

Wyoming (See Colorado)
American Samoa (See Arizona)
Guam (See Arizona)
Trust Territory (See Arizona)
Virgin Islands (See Louisiana Out-of-State residents)

PENN CENTRAL RAILROAD

Mr. SCHWEIKER. Mr. President, I am pleased that Congress has completed action on legislation to provide continued rail services, and I am glad the President promptly signed this legislation into law. These services are essential to the economic viability of many areas in the Northeast as well as in the entire Nation, and will prevent us from plunging deeper into an economic recession.

The railroads have severely felt the impact of our present economic problems. Inflation, coupled with the coal strike and the automobile and construction industries slowdown, has drastically reduced revenues to the point where Penn Central has claimed $200 million in losses for 1974. Also, Penn Central's fuel costs rose 100 percent the same year. Consequently, it is estimated that Penn Central's revenues will be running at least 7 percent below those in 1974.

Federal assistance is critical at this time. I was glad that Congress has passed legislation providing for a total of $347 million of Federal grants and loans to keep our bankrupt railroads going until the rail reorganization goes into effect. This legislation authorizes an additional $197 million in cash grants, of which $125 million was appropriated. The economic downturn has nearly exhausted the $85 million in operating grants provided for in the original Regional Rail Reorganization Act of 1973. I would also like to point out that this legislation provides an additional $150 million in loans, which can be used to rehabilitate track and upgrade facilities. These loans are extremely important since under Penn Central's and other bankrupt carriers' program of deferred maintenance, track conditions have severely deteriorated increasing not only inefficiency, but also safety problems.

We cannot afford to allow increased layoffs and higher costs of items which would be shipped by rail, particularly at this time, a likely result if Penn Central ceased operation. The President has expressed support for this legislation, and I hope he will sign it promptly.

TRINITY SQUARE REPERTORY THEATER OF PROVIDENCE, R.I.

Mr. PELL. Mr. President, a recent article appeared in the February 16, 1975, New York Times about the Trinity Square Repertory Theater of Providence, R.I. A resident professional theater under the able direction of Adrian Hall, Trinity Square received a glowing review of the work it has done both in Rhode Island and for public broadcasting television.

It was with great pleasure that I read this article. I view the success of Trinity Square not only with pride as a Senator from Rhode Island, but also as the chairman of the Senate Special Subcommittee on Arts and Humanities which brought out legislation which established the National Endowment for the Arts, for the Trinity Square Theater in its formative years was given a great deal of support from the National Endowment for the Arts without which it would not have been able to attain its level of excellence. The quality of Trinity Square has not only been recognized by the National Endowment for the Arts, it has also been awarded many foundation grants so that it can continue as one of the finest repertory companies in the country. I commend Adrian Hall and the Trinity Square Repertory Theater and wish it continued success.

I ask unanimous consent that the article by Julius Novick, "Trinity Square Repertory Adapts Brightly to Home Screens," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRINITY SQUARE REPERTORY ADAPTS BRIGHTLY TO HOME SCREENS

(By Julius Novick)

The Public Broadcasting Service, through its "Theater in America" series, has been giving a few regional theaters—a few of the best—a chance to display some of their wares in the nation's living rooms. And two of this season's "Theater in America" productions come from the Trinity Square Repertory Company, the resident profesional theater of Providence, R.I., "Feasting with Panthers," a semi-documentary work about Oscar Wilde, was taped and shown a year ago, and brought back for another showing last month. "Brother to Dragons," derived from a dramatic poem by Robert Penn Warren about a bloody crime in old Kentucky, will be broadcast on WNET/13 at 9 P.M. this Wednesday. These two productions may finally serve to focus some national attention on Trinity Square, where one of the most creative of American stage directors and one of the most adventurous of American stage designers work together in one of the most exciting theater buildings in the country.

The director is Adrian Hall, a langy, 47-year-old Texan who made a reputation in New York as an Off Broadway director during the early sixties. Since 1964 he has been in Providence, building Trinity Square. The designer is Eugene Lee, resident designer at Trinity Square, who also designed the celebrated environmental production of "Alice in Wonderland" for Andre Gregory four seasons ago and the equally celebrated environmental production of "Candide" for Harold Prince currently in Broadway. Both Hall and Lee are interested in changing the spatial relationships between the audience and the action, to find out, as Hall says, "Why it was different when the actors walked over the head of the spectator rather than stayed where they belonged, as it were."

As to the building: Trinity Square has taken over an old vaudeville house—the former Majestic—in downtown Providence, kept its pleasantly pompous, proudly assertive stone facade, refurbished the splendid two-story lobby with its stained-glass dome, and ripped out most of the rest of the interior to make room for two new theaters. Downstairs is a small 300-seat auditorium with a thrust stage, a near-replica of the church hall that was the company's home until 1973. Upstairs is a large, brick-walled room seating 600 to 800, where Lee can change the spatial relationship between action and audience to his heart's content—everything within the walls is movable, except one bank of seats that was once the second balcony of the old Majestic. The renovations were designed by—who else?—Lee and Hall.

The theater building, exciting as it is, will not be in evidence to television viewers; both of the Trinity Square TV productions were taped on location in and around Providence. (And, of course, on television the actors can hardly walk out of the screen and over the head of the spectator.) But Lee is good at not only making theaters into environments for plays; he also has a pronounced "televisual" talent for choosing and using locations. Both "Feasting with Panthers" and "Brother to Dragons," in fact, are productions made specifically for telesion and not merely videotaped plays. (For television, Rick Hauser was Hall's co-director on "Panthers," and Ken Campbell was co-director on "Dragons.") Even Hall's stage work has distinct cinematic tendencies, and he seems to revel in the scope that the new medium provides for his visual imagination, his delight in jumps and juxtapositions.

Still, both TV productions were co-directed by Hall and designed by Lee; both are performed by the Trinity Square company; and both were originally mounted by Hall and Lee on the stage in Providence for the company's home audience. Along with Hall's recent and highly idiosyncratic production of Ibsen's "Peer Gynt," which closed in Providence yesterday, they offer a good idea of the more characteristic kind of work that Hall and his company have been doing lately.

I say "more characteristic" because, over the years in Providence, Hall has been directing two kinds of productions. He has put on the usual international classics ("Schools for Wives." "The Taming of the Shrew," "The Threepenny Opera"), American classics ("The Skin of Our Teeth," "You Can't Take It with You,"), and London successes ("A Man for All Seasons"). More to his liking, however, has been a series of expressionistic extravaganzas, in which "the text" is dethroned from its position of primacy, and the director rules, like a movie director, not as a mere interpreter but as the primary creator.

According to Hall, this series of special productions had its beginning after Trinity Square had been given a federal grant in 1966 to put on productions for high school students. "I did exactly [the plays that] everybody else did," he says, "because that was all I knew." And there were riots in the theater. (I myself spent some time in Providence during that period, and I remember lively but attentive student audiences for "Saint Joan" and "Ah, Wilderness!," but it was the unruly audiences that made a deep impression on Hall). "It scared me so bad, and made me so angry. It seemed to me I had worked all my life to make theater possible, and the audience was saying, 'We don't want no part of it.' And so I began right then to move outside of the proscenium and to surprise those little devils, to throw things at them, to challenge them, to intimidate them."

Since that time, Hall's characteristic productions have been hallucinatory, phantasmagoric, total-theater collages, shifting freely backward and forward in time and space, full of music and spectacle. (And based, shrewdly, on textual materials that *need* the radical reshaping for the theater that he is more than willing to provide.) Unlike the hallucinatory fantasies of other directors, however, Hall's are firmly rooted in specific external realities—often in historical facts. Discernible within each of them, for all the time-shifts and fragmentations, is a *story*. As somebody once said about something else, Hall's production always have a beginning, a middle, and an end, though not necessarily in that order.

"Feasting with Panthers" was adapted by Hall and Richard Cumming from the life and works of that multifarious man, Oscar Wilde: artist, esthete, wit, poseur, publicity-hound, buffoon, self-destroyer, and classic deviate and scapegoat. It would be impossible to capture every aspect of Wilde in a television play lasting an hour and a half, but "Feasting with Panthers," in spite of some oversentimentalizing and some miscellaneous other false notes, came amazingly close.

And Hall's phantasmagoric technique was particularly effective in the connections it made between Wilde's private fantasies and his writing, and between his writing and his life. In one sequence, for instance, Wilde appears as Lord Henry Wotton, tempting Bosie as Dorian Gray, in a scene from "The Picture of Dorian Gray," Wilde's novel; from there Hall cut to a scene from Wilde's play "Salome," with Wilde, still in his ordinary Victorian suit, as Herod, lusting after Bosie, who appears as Salomie with face painted, hands bejewelled, and a pair of female breasts lightly drawn on his bare chest; then Hall cut to a courtroom, where Wilde is in the dock, and counsel is asking him about the redeeming social value of "Salome"—a question that Wilde airily, provocatively dismisses as beside the point. No wonder he ended up in Reading Gaol!

"Brother to Dragons" tells a story more strange and sensational even than that of "Feasting with Panthers": a true episode, this time, from American history. In the year 1811, it seems, Liliburn Lewis, and his brother Isham, nephews of Thomas Jefferson, hacked a black slave to death with an ax. Robert Penn Warren, who wrote the dramatic poem that Hall and Ken Campbell have adapted for television, has tried to imagine the effect of the murder, as a symbol of the evil in man, on the highminded Jefferson, with his faith in human perfectibility. But on television at least, Jefferson is only a minor character, weakly played; in spite of a fair amount of agonizing about the significance of it all, not much significance emerges, and "Brother to Dragons, and "Brother to Dragons" functions mainly as a lurid story about how Liliburn Lewis got crazier and crazier until—pow!

As such, after a slow beginning, the production has a certain fascination. The people, landscapes, furniture, horses and houses are beautiful to see, and the juxtapositions, the moments of song, the members, are finely orchestrated. David Kennett is Byronically batty as Liliburn Lewis and Marguerite Lenert is frail and touching as his mother.

Meanwhile, back in Providence, the upstairs theater-space was occupied through yesterday by "Peer Gynt," adapted by Hall and Cumming, directed by Hall, and with scenery and lighting by Lee. Sprawling, multi-scened, hallucinatory "Peer Gynt" would seem to be a natural for Trinity Square, and Hall and his colleagues gave it the full treatment, beginning their production with a scene from Ibsen's fifth act, adding nineteen musical numbers (music and lyrics by Cumming, who also is Trinity Square's composer in residence), seating some spectators in the midst of the action, and carrying the action across gangways, ramps and platforms out toward the audience.

But something was missing. Hall and his associates seemed to have become so interested in their own show-business that the vital matters—who is Peer Gynt? why is what happens to him significant?—were obscured. Then they tried to answer these questions all at once in a Broadway-strenuous song number of the where-did-I-go-wrong variety, and succeeded only in reducing the issues of the play to a series of thumping platitudes.

So "Peer Gynt" was a disappointment. But the fact remains that Hall has evolved a very personal way of making theater that has resulted on occasion in some brilliant creative work; that he has made his own place to do this work, and built a company to do it with, and attracted an audience to support it—all well away from New York City. Few other directors have been able to do the same. And now, thanks to television, Hall may achieve the national reputation he deserves.

VICE PRESIDENT NELSON ROCKEFELLER

Mr. PERCY. Mr. President, the debate over the past several weeks on changing the rules of the Senate is another attempt to find ways to expedite the work of the Senate. We can all have our ideas on how to make the Senate function better, but our goal must be to make the Senate more responsive to the pressing—yes, urgent—needs of this great Nation and to enable it to respond more effectively to our problems.

I personally feel that changing the rules of the Senate to make it more possible to terminate debate after full and complete discussion, would be in the best interests of the Nation and the Senate. However, I fully understand the position of those who feel otherwise and I recognize the depth of feeling fellow Senators have on this issue.

I fully appreciate the difficulty of the role the Vice President has had to play in the past several weeks as Presiding Officer. I think that he has been fair throughout the course of this debate. Further, I think that in the days ahead we can look to the Vice President for substantive advice and counsel on how to help solve the problems facing us today. He has had years of experience in working with the great issues facing the Nation, has respect for the separation of powers and the legislative process, and I am sure he will be a great source of help to us in the days and years ahead.

RULES OF THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. PROXMIRE. Mr. President, in accordance with section 133B of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 1900–2), which requires that the rules adopted by the various committees be printed in the RECORD by March 1 of each year, I submit herewith the rules adopted by the Committee on Banking, Housing and Urban Affairs and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF PROCEDURE FOR THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

RULE 1.—REGULAR MEETING DATE FOR COMMITTEE

The regular meeting day for the Committee to transact its business shall be the last Tuesday in each month; except that if the Committee has met at any time during the month prior to the last Tuesday of the month, the regular meeting of the committee may be canceled at the discretion of the Chairman.

RULE 2.—COMMITTEE

(a) Investigations.—No investigation shall be initiated by the Committee unless the Senate or the full Committee has specifically authorized such investigation.

(b) Hearings.—No hearing of the Committee shall be scheduled outside the District of Columbia except by agreement between the Chairman of the Committee and the ranking minority member of the Committee or by a majority vote of the Committee.

(c) Confidential testimony.—No confidential testimony taken or confidential material presented at an executive session of the Committee or any report of the proceedings of such executive session shall be made public either in whole or in part by way of summary, unless specifically authorized by the Chairman of the Committee and the ranking minority member of the Committee or by a majority vote of the Committee.

(d) Interrogation of witnesses—Committee interrogation of a witness shall be conducted only by members of the Committee or such professional staff as is authorized by the Chairman or the ranking minority member of the Committee.

(e) Prior notice of mark-up sessions.—No session of the Committee or a subcommittee for marking up any measure shall be held unless (1) each member of the Committee or the subcommittee, as the case may be, has been notified in writing of the date, time, and place of such session at least 48 hours prior to the commencement of such session, or (2) the Chairman of the Committee or subcommittee determines that exigent circumstances exist requiring that the session be held sooner.

(f) Prior notice of first degree amendments.—It shall not be in order for the Committee or a subcommittee to consider any amendment in the first degree proposed to, and measure under construction by the committee or subcommittee unless a written copy of such amendment has been delivered to each member of the Committee or subcommittee, as the case may be, and to the office of the Committee at least 24 hours before the meeting of the Committee or subcommittee at which the amendment is to be proposed. This subsection may be waived by a majority of the members of the Committee or subcommittee voting. This subsection shall apply only when at least 48 hours written notice of a session to mark up a measure is required to be given under subsection (e) of this rule.

(g) Cordon rule.—Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be before the Committee or subcommittee, from initial consideration in hearings through final consideration, the Clerk shall place before each member of the Committee or subcommittee a print of the statute or the part or section thereof to be amended or repealed showing by stricken-through type, the part or parts to be omitted, and in italics, the matter proposed to be added. In addition, whenever a member of the Committee or subcommittee offers an amendment to a bill or joint resolution under consideration, those amendments shall be presented to the Committee or subcommittee in a like form, showing by typographical devices the effect of the proposed amendment on existing law. The requirements of this subsection may be waived when, in the opinion of the Committee or subcommittee chairman, it is necessary to expedite the business of the Committee or subcommittee.

Rule 3.—Subcommittees

(a) Authorization for.—A subcommittee of the Committee may be authorized only by the action of a majority of the Committee.

(b) Membership.—Membership to subcommittees shall be by nomination of the Chairman and the ranking minority member of the Committee and shall be approved by the majority vote of the Committee.

(c) Investigations.—No investigation shall be initiated by a subcommittee unless the Senate or the full Committee has specifically authorized such investigation.

(d) Hearings.—No hearing of a subcommittee shall be scheduled outside the District of Columbia without prior consultation with the Chairman and then only by agreement between the Chairman of the Subcommittee and the ranking minority member of the Subcommittee or by a majority vote of the Committee.

(e) Confidential testimony.—No confidential testimony taken or confidential material presented at an executive session of the Subcommittee or any report of the proceedings of such executive session shall be made public, either in whole or in part or by way of summary unless specifically authorized by the Chairman of the Subcommittee and the ranking minority member of the Subcommittee or by a majority vote of the Subcommittee.

(f) Interrogation of witnesses.—Subcommittee interrogation of a witness shall be conducted only by members of the Subcommittee or such professional staff as is authorized by the Chairman or the ranking minority member of the Subcommittee.

(g) Special meetings.—If at least three members of a subcommittee desire that a special meeting of the Subcommittee be called by the Chairman of the Subcommittee, those members may file in the offices of the Committee their written request to the Chairman of the Subcommittee for that special meeting. Immediately upon the filing of the request, the Clerk of the Committee shall notify the Chairman of the Subcommittee of the filing of the request. If, within 3 calendar days after the filing of the request, the Chairman of the Subcommittee does not call the requested special meeting, to be held within 7 calendar days after the filing of the request, a majority of the members of the Subcommittee may file in the offices of the Committee their written notice that a special meeting of the Subcommittee will be held, specifying the date and hour of that special meeting. The Subcommittee shall meet on that date and hour. Immediately upon the filing of the notice, the Clerk of the Committee shall notify all members of the Subcommittee that such special meeting will be held and inform them of its date and hour. If the Chairman of the Subcommittee is not present at any regular, additional, or special meeting of the Subcommittee, the ranking member of the majority party on the Subcommittee who is present shall preside at that meeting.

(h) Voting.—No measure or matter shall be recommended from a Subcommittee to the Committee unless a majority of the Subcommittee are actually present. The vote of the Subcommittee to recommend a measure or matter to the Committee shall require the concurrence of a majority of the members of the Subcommittee voting. On Subcommittee matters other than a vote to recommend a measure or matter to the Committee no record vote shall be taken unless a majority of the Subcommittee are actually present. Any absent member of a Subcommittee may affirmatively request that his vote to recommend a measure or matter to the Committee or his vote on any such other matter on which a record vote is taken, be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter and to inform the Subcommittee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman of the Subcommitece any time before the record vote on the measure or matter concerned is taken, the member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee.

Rule 4.—Witnesses

(a) Filing of statements.—Any witness appearing before the Committee or Subcommittee (including any witness representing a Government agency) must file with the Committee or Subcommittee (before noon, 48 hours preceding his appearance) 75 copies of his statement to the Committee or Subcommittee. In the event that the witness fails to file a written statement in accordance with this rule, the Chairman of the Committee or Subcommittee has the discretion to deny the witness the privilege of testifying before the Committee or Subcommittee until the witness has properly complied with the rule.

(b) Length of statements.—Written statements properly filed with the Committee or Subcommittee may be as lengthy as the witness desires and may contain such documents or other addenda as the witness feels is necessary to present properly his views to the Committee or Subcommittee. It shall be left to the discretion of the Chairman of the Committee or Subcommittee as to what portion of the documents presented to the Committee or Subcommittee shall be published in the printed transcript of the hearings.

(c) Fifteen-minute duration.—Oral statements of witnesses shall be based upon their filed statements but shall be limited to 15 minutes duration. This period may be extended at the discretion of the Chairman presiding at the hearings.

(d) Subpoena of witnesses.—Witnesses may be subpoenaed by the Chairman of the Committee or a subcommittee with the agreement of the ranking minority member of the Committee or Subcommittee or by a majority vote of the Committee or Subcommittee.

(e) Counsel permitted.—Any witness subpoenaed by the Committee or Subcommittee to a public or executive hearing may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

(f) Expenses of witnesses.—No witness shall be reimbursed for his appearance at a public or executive hearing before the Committee or Subcommittee unless such reimbursement is agreed to by the Chairman and ranking minority member of the Committee or by a majority vote of the Committee.

(g) Limits of questions.—Questioning of a witness by members shall be limited to 10 minutes duration, except that if a member is unable to finish his questioning in the 10-minute period, he may be permitted further questions of the witness after all members have been given an opportunity to question the witness.

Additional opportunity to question a witness shall be limited to a duration of 10 minutes until all members have been given the opportunity of questioning the witness for a second time. This 10-minute time period per member will be continued until all members have exhausted their questions of the witness.

Rule 5.—Voting

(a) Vote to report a measure or matter.—No measure or matter shall be reported from the Committee unless a majority of the Committee are actually present. The vote of the Committee to report a measure or matter shall require the concurrence of a majority of the members of the Committee who are present.

Any absent member may affirmatively request that his vote to report a matter be cast by proxy. The proxy shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the record vote on the measure or matter concerned is taken, any member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee, along with the record of the roll vote of the members present and voting, as an official record of the vote on the measure or matter.

(b) Vote on matters other than a report on a measure or matter.—On Committee matters other than a vote to report a measure or matter, no record vote shall be taken unless a majority of the Committee are actually present. On any such other matter, a member of the Committee may request that his vote may be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the vote on such other matter is taken, the member may withdraw a proxy previously given. All proxies relating to such other matters shall be kept in the files of the Committee.

Rule 6.—Quorum

No executive session of a Committee or a Subcommittee shall be called to order unless a majority of the Committee or Subcommittee, as the case may be, are actually present. Unless the Committee otherwise provides or is required by the Rules of the Senate, one member shall constitute a quorum for the receipt of evidence, the swearing of witnesses, and the taking of testimony.

Rule 7.—Staff Present on Dais

Only members and the Clerk of the Committee shall be permitted on the dais during public or executive hearings, except that a member may have one staff person accompany him during such public or executive hearing on the dais. If a member desires a second staff person to accompany him on the dais he must make a request to the Chairman for that purpose.

Rule 8.—Public Attendance at Meetings

Except in the case of the conduct of hearings (which are provided for in section 112 (a) of the Legislative Reorganization Act of 1970), or in the case of any meeting (other than a hearing) to consider the nomination of an individual submitted by the President to the Senate for its advice and consent, all meetings for the transaction of business, including sessions for marking up bills and resolutions, of the Committee and subcommittees thereof shall be open to the public unless the Committee or subcommittee (as the case may be) in open session and with a quorum present, by majority vote conducted by rollcall, determines that all or part of the remainder of the meeting on that day shall be closed to the public. In the case of any such meeting with respect to a nomination, the Committee or subcommittee in executive session may, with a quorum present and by majority vote conducted by rollcall, determine that the meeting for that day shall be open to the public.

ARAB BLACKLIST CONDEMNED

Mr. SCHWEIKER. Mr. President, I send to the desk several recent news articles regarding the so-called "black list" practices now being used by Arab nations, and their impact on American business activities. I ask unanimous consent that these articles be printed in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SCHWEIKER. Mr. President, some commentators have suggested that there is nothing new here—Arab blacklists have been in existence for years, and they never really made much difference. But the fact is, Mr. President, while these lists have been maintained for years, there are two new elements today which add a dangerous new dimension to the practice.

First, according to recent news accounts, the Arabs are no longer blacklisting only those companies which deal with Israel—they are expanding the list, to include companies without Israeli business who happen to have Jewish management personnel. Either practice is totally repugnant to American ideals and traditions—but the latter practice is also a blatant new attempt to dictate the ethnic composition of American business institutions. This is an outrageous and new development, and it must not be tolerated.

Second, the overnight explosion of Arab oil money has transformed the Middle East into a major new world market—adding dangerous new economic leverage to these long-time discriminatory practices.

As a result of these two new elements, Arab blacklist practices today force us to face a fundamental question. Will the unprecedented Arab economic leverage lead us to acquiesce to outrageous demands which run counter to every principle on which this Nation is founded? The answer to that question must be an unconditional "no," Mr. President, and I think President Ford should be commended for moving promptly to state our national position on this issue.

But I think we in the Senate must also stand up and be counted on this issue—comprehensive legislative solutions will take time to prepare, but we should move quickly to let the world know now where we will stand on discriminatory practices in international trade.

Later this week, I will introduce, with my colleague from New Jersey, Mr. Williams, and a number of our colleagues, a sense of the Senate resolution condemning Arab blacklist practices. Our resolution will encourage all Americans to make a forthright negative reply to these discriminatory demands, and it will strengthen the President's hand in dealing with this issue. We hope our resolution will have broad Senate support.

[From the New York Times, Feb. 28, 1975]

Exhibit 1

List Is Extensive for Arab Boycott: 1972 Rules for Anti-Israeli Campaign Said To Name 1,500 U.S. Organizations

(By Edward Cowan)

Washington, February 25.—The regulations for the economic boycott of Israel by Arab countries will be 100 double-spaced pages and cover such diverse matters as border smuggling, oil tankers and motion pictures.

A copy of the regulations, as published in June, 1972, in Damascus, Syria, by the "head office for the boycott of Israel," has come into the hands of the United States Government, and an extensive report on them has been given to The New York Times.

The Senate Foreign Relations Subcommittee on Multinational Corporations expects to make public at a hearing tomorrow a 1970 version of the Arab boycott list of companies. The list is said to contain the names of 1,500 United States companies and financial institutions.

The regulations outline in voluminous detail rules and practices intended to deny foreign trade and investment to Israel. A secondary purpose is to keep out of Arab countries writings, motion pictures and other material that is regarded as anti-Arab or pro-Israeli propaganda.

MANY EXCEPTIONS

However, the regulations are said to be peppered with exceptions. Israeli sources say that the total effect of these provisions is to permit Arab states to make exceptions whenever they find it economically expedient to do so.

The Arab boycott office is not known to have the power to apply formal sanctions against Arab countries that violate the boycott. It is believed that the office can bring moral and political pressure to bear on an Arab government if other governments, or perhaps unofficial Arab militants, have objections to particular economic relationships.

At its hearings tomorrow, the Senate subcommittee expects to hear sworn testimony from an official of the Army Corps of Engineers to the effect that Saudi Arabia has adhered to the boycott in its business dealings with foreign companies.

Gerald L. Parsky, an Assistant Secretary of the Treasury, said today, however, that "we have not had any evidence" that Saudi Arabia or American companies doing business with the Saudis had discriminated against American companies on the ground that they did substantial business with Israel or had investments there.

Mr. Parsky said the boycott was not on the formal agenda of the first meeting of the United States-Saudi Joint Economic Commission, due to be held at the Treasury tomorrow and Thursday. During a briefing for reporters about the meeting, Mr. Parsky said that United States officials in informal talks with Saudis, would express "Congressional and other public concern" about the boycott.

Representative Henry A. Waxman, Democrat of California, said that his application to deterrence, or perhaps unofficial Arab militants, have objections to particular economic relationships.

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Representative Henry A. Waxman, Democrat of California, said that his application to the Saudi Embassy here for a visa to enable him to visit Saudi Arabia with the House Armed Services Committee had been initially rejected on the ground that he was Jewish.

Mr. Waxman said that one of his assistants had been given that explanation at the Saudi Embassy. He said the embassy had granted the visa later after the State Department intervened, and he had participated in the visit earlier this month.

By telephone from Los Angeles, Mr. Waxman said that an American diplomat stationed in Saudi Arabia had told him when he was there that the United States as a matter of regular practice "did not assign Jewish personnel in the military or the foreign service to Saudi Arabia because they didn't want to offend Saudi Arabia." Mr. Waxman said he did not know the official's name.

Secretary of State Kissinger said at a news conference today that "as far as the Department of State is concerned, for which I am responsible, I know that officers are assigned without regard to race or religion, and that we don't even know their race or religion in making the assignments." Mr. Kissinger was responding to a question about "Arab countries," not just Saudi Arabia.

The Arab boycott regulations on visas for Jews speak of prohibiting the entry into Arab countries of persons whose passports show Israeli visas or who carry two passports, one valid for Israel and one for Arab countries.

However, the regulations exempt from this restriction diplomats, foreign officials, foreign journalists whose entry is otherwise desired for the sake of Arab interests, and tourists and religious pilgrims traveling in groups to Israel and Arab lands.

CLOSING OF BRIDGES URGED

CAIRO, February 25.—The Arab boycott office today ordered a study of the possibility of closing the bridges that link the East Bank of the Jordan River with the Israeli-occupied West Bank, the boycott chairman, Mohammed Mahgoub, said.

[From the New York Times, Feb. 27, 1975]

ARABS BLACKLIST DEPLORED BY FORD: PRESIDENT TERMS RELIGIOUS AND ETHNIC DISCRIMINATION REPUGNANT TO THE UNITED STATES

(By Edward Cowan)

WASHINGTON, February 26—President Ford spoke out today against Arab attempts to discriminate against financial "institutions or individuals on religious or ethnic grounds."

"Such discrimination is totally contrary to the American tradition and repugnant to American principles," the President said in a prepared opening statement at a news conference in Hollywood, Fla.

Mr. Ford spoke as the Senate Foreign Relations Subcommittee on Multinational Companies made public here a Saudi Arabian edition of an Arab boycott list of United States companies. The list, which was obtained from the State Department, has 1,500 names on it.

The President made no mention of Arabs, Jews or Israel. Instead he referred to "reports in recent weeks of attempts to discriminate on religious or ethnic grounds against certain institutions or individuals in the international banking community."

Mr. Ford said that discrimination "has no place in the free practice of commerce as it has flourished in this country."

"Foreign businessmen and investors are most welcome in the United States when they are willing to conform to the principles of our society," the President said. [Opening statement, Page 20.]

He later said that "any allegations of discrimination will be fully investigated and appropriate action taken under the laws of the United States."

INVESTIGATION ORDERED

Asked what action the United States might take "against the Arab nations that have embargoed Jewish-owned banks," the President replied that "all that we have so far are some allegations" and that he had asked the Departments of Justice, Commerce and State to investigate them.

Even as Mr. Ford was speaking, a State Department official was testifying before the Senate subcommittee that lifting of the boycott was linked to resolution of the Arab-Israeli territorial dispute. Harold H. Saunders, a Deputy Assistant Secretary, said that the boycott "flows from" the dispute.

The boycott "is best dealt with through quiet diplomacy and persuasion," Mr. Saunders said, "without following a policy of confrontation" but "making clear our opposition." He said "that opposition has been made clear repeatedly" to Arab states.

The Arab blacklist of American business concerns, organizations, individuals and trade marks was made public here a day after the Anti-Defamation League of B'nai B'rith issued a partial list and charged that two Federal agencies and six private companies were violating civil rights legislation by discriminating against Jews. The league charged that the discrimination was undertaken in the hope of obtaining business in Arab countries.

Under the regulations of the boycott office of Arab League in Damascus, Syria, Arab countries are not supposed to trade with companies on the boycott list or accept investments by them.

Companies are put on the list if they have significant investments in Israel, if they help Israel militarily, if they sell to Israel and not to Arab countries, if they distribute pro-Israeli publications or films or if they are otherwise deemed to be "Zionist."

EXCEPTIONS PERMITTED

However, the boycott regulations, published in June, 1972, by the boycott office, provide for exceptions in various circumstances, most broadly when an Arab country finds that an exception would be politically or economically advantageous. The regulations, as translated by the State Department, were also released by the subcommittee along with the list.

American and Israeli analysts have said that in practice there have been many exceptions, formal and informal. Mr. Saunders told the subcommittee that "firms with Jewish members have done business across the Arab world numbers of times."

The Arab League and its boycott office are not governmental institutions as such. By all accounts, however, they are supported politically by Arab Governments. Open disagreements is uncommon.

"Each Government has its own machinery" for boycott enforcement, Mr. Saunders testified. Twice a year, he said, the Damascus office holds conferences for revising the boycott list and considering new problems.

The subcommittee chairman, Senator Frank Church, Democrat of Idaho, emphasized in an opening statement that the boycott has hurt American companies. "Ford has been unable to sell a car or truck to an Arab country since it was placed on the list in 1966," he said.

The ranking Republican, Senator Clifford P. Case of New Jersey, observed that "42 New Jersey plants and companies" were on the list. In an opening statement, he noted that the hearing was to "examine allegations" that the Army Corps of Engineers helped Saudi Arabia apply the boycott against American companies seeking to win construction contracts.

The Army Corps of Engineers was one of the Federal agencies accused by the Anti-Défamation League yesterday of having bowed to demands by Arabs that no Jews be sent to their countries for any purpose. The other agency to be so accused was the Overseas Private Investment Corporation.

OFFICERS TESTIFY

Testifying before the subcommittee today on behalf of the Corps of Engineers were two colonels. They denied that the corps, which manages construction projects in Saudi Arabia for the United States Government, had a copy of the "blacklist," knew which companies were set on it or took the boycott into consideration in drafting for Saudi consideration lists of eligible construction companies and of bidders.

The colonels testified that in deference to Saudi policy the corps itself did not assign Jewish personnel to Saudi Arabia and that the Saudi ban on admitting Jews was applied to employes of contractors.

Col. William L. Durham, who said he had been the senior corps representative in Saudi Arabia during a recent two-year tour there, insisted in his sworn testimony that the Army Engineers recommended companies "solely on their technical qualifications." But he said that "in all instances" the Saudis had approved the corps recommendations.

Col. Joseph Bennett, the corp's assistant director of military construction, was asked if any contracts had been awarded to companies on the list. He said he did not know because "I haven't seen the boycott list."

Later, Mr. Saunders, pressed to cite evidence of progress toward dropping the boycott, cited the Saudis' permitting visits by Jewish State Department officials, including Secretary Kissinger. Subcommittee members chuckled.

There was speculation within the subcommittee that the State Department had made the boycott list and regulations available on the assumption that its ability to raise the issue with Arab countries would be improved by public expression of Congressional disapproval.

Twice during the hearing Senator Church observed that the Arab Governments had the sovereign right to adopt whatever measures they liked and that the subcommittee's concern was limited to United States "acquiescence in a boycott which is contrary to our principles."

FORD'S STATEMENT PRAISED

The Anti-Defamation League of B'nai B'rith praised President Ford for his news conference statement that foreign businessmen and investors are "welcome in the United States when they are willing to conform to the principles of our society."

[From the Washington Post, Feb. 28, 1975]

THE ARAB BOYCOTT

Saudi Arabia and other Arab states participating in a boycott of Israel or "Zionists" or Jews plainly have a right to decide whom they will do business with. But just as plainly, they have no right to strong-arm foreign corporations and governments into enforcing their bias for them. This is what the Arab boycott is all about. By excluding certain firms from Arab trade and investment, the boycotters wish to make foreigners accept an and impose—preferably, voluntarily and with no fuss—the boycotters, own ugly values. They are trying to get Americans to divide themselves into different religious and ethnic categories. They think they can get away with it now because they constitute, in Senator Church's words, "the one booming market in the world." The Arab nations, as the senator said, are now "spending over $60 billion per year from oil revenues alone."

Frankly, we can imagine no more truly "un-American" idea than the one the boycotters are seeking to peddle with their billions. The boycott is much more than a slap at Israel. It strikes at the fundamental egalitarian principle on which this country is founded. Some apologists for the boycott point out that it has been enforced eratically in the past and that some inconsistencies are likely to persist. But the Arabs' huge new economic power and the temptation of some of them to use it to enlarge the scope of the boycott, render that claim beside the point. Indeed, the question of just how Arabs intend to use the boycott needs a lot more scrutiny. What did the boycott director mean mean, for instance, when he said the other day although NBC's and CBS's commercial activities were boycotted, the networks' newsgathering activities might be exempted "if this were in the interest of the Arab cause"? Americans and Arabs are entering a new and intensive stage of economic relations and it is vital at the start that anti-Israel and anti-Jewish bias not be built into it. For Arabs to be broadening the boycott just as they profess to be seeking a peace settlement with Israel is, moreover, a sharp contradiction, and an insupportable one.

We note with gratification that the unacceptability of the Arab boycott is being recognized from the top of the American political community on down. In the strongest statement on the 27-year-old boycott ever made by an American official and the first by a President, Mr. Ford declared on Wednesday: "Such discrimination is totally contrary to the American tradition and repugnant to American principles." He promised that "any allegations of discrimination will be fully investigated and appropriate action taken under the laws of the United States." The State Department, which managed to look the other way on this issue in the past, showed it had gotten the message by giving Senator Church a copy of a Saudi Arabian list of 1,500 boycotted American businessmen and organizations. The adminstration is now checking whether, as charged, official agencies such as the Army Engineer Corps and the Overseas Private Investment Corp. have screened out American Jews in order to cultivate Arab business and whether this has been done by private American firms for the same end.

There is already a provision, in the Export Administration Act of 1969, which "encourages and requests" American firms not to cooperate in boycotts. Whether better enforcement of law would be appropriate, or whether new legislation is required, remains to be studied. But the United States cannot afford to sell its honor for Arab gold.

RELIEF SUPPLIES OF NATURAL GAS

Mr. TALMADGE. Mr. President, I would like to join the distinguished Senator from Alabama (Mr. ALLEN) in both applauding and in raising some concerns about the latest order issued by the Federal Power Commission, regarding relief supplies of natural gas for the Cherokee, Ala., fertilizer plant.

While I am very happy that this plant will now be given some immediate gas relief to increase its production of ammonia for nitrogen fertilizer use, the terms of the order referred to by Senator ALLEN, which would deny the use of natural gas in times of curtailment for use in its gas-fired reformer furnace after September 1, 1976, I find troublesome. In the southeastern region of our Nation, supplies of natural gas are not only very short presently, but are likely to get even shorter in the immediate years ahead. Denying such plants the use of natural gas in curtailment periods to meet their "process fuel" or reformer-furnace requirements, will force costly conversions of these furnaces to oil, which in turn, will be eventually translated into higher fertilizer prices for farmers. Such requirements by the Commission will cause price discrimination against Georgia, Alabama, and other Southeastern State farmers.

Mr. President, it is fear of such actions by the Commission that prompted me to include in my bill, S. 319, a natural gas priority for a fertilizer producer's "process fuel" requirements, in addition to his "feedstock" requirements. And I am happy to report, Mr. President, that almost all the provisions of my bill (S. 319)—including the one just referred to—have been incorporated into S. 692, a bill recently introduced by Senator HOLLINGS and Senator MAGNUSON, which will serve as the basis for a Senate Commerce Committee markup in the immediate weeks ahead.

Mr. President, I and other members of our Senate Committee on Agriculture and Forestry have been monitoring and working on these fertilizer and natural gas curtailment problems now for almost a year and a half. Hopefully, all of the efforts we have advanced in this regard during this period will bear some fruit in the eventual passage of S. 692, which, as I stated, now contains most all of the provisions of my original bill, S. 319.

Mr. President, the farmers of Georgia, Alabama, the Carolinas and elsewhere in the Southeast, may face some difficulties in obtaining adequate amounts of nitrogen fertilizer this spring due to the length and depth of the natural gas curtailments that have been imposed this past winter on, not only the Cherokee, Ala., fertilizer plant, but also on the Farmers Chemical Association plant in Tunis, N.C. Thousands of tons of ammonia in lost production has been experienced this past winter by these plants, due to gas curtailments. The Tunis fertilizer plant, while now back in operation, was completely shut down for a period due to such curtailments. The Cherokee plant has been forced to operate at only 35 percent of capacity since last December, again due to such gas curtailments. Such losses in production not only mean less nitrogen fertilizer available to farmers this spring, but could also mean even higher prices for what is available if demand exceeds the supply.

President Ford, in a letter to me last December, indicated that the Department of Agriculture was going to report to him by January 15, 1975, as to whether, and if so, what kind of fertilizer allocation system might have to be employed in assuring equitable distribution of fertilizers to farmers this year. To date, I have not heard anything further from either the President or the Department of Agriculture as to what, if anything, the executive branch may have in mind in this regard. I hope nothing. Allocation of fertilizer supplies to individual farmers is not the answer. The answer is allocation of natural gas to fertilizer producers so we will be assured of maximum production of fertilizer supplies for the 1975–76 years. And as I have been saying these past few months, the only way to insure that such gas allocations are going to be made, is to require it by law. And that is what I still believe must be done.

Hopefully, enactment of my S. 319 provisions into law will be accomplished sometime this year, at least that is what I and other Members cosponsoring this bill with me will be pushing for.

Mr. President, I should like to note at, this point, a report issued last Friday, February 28, 1975, by the U.S. Commerce Department, indicating that the United States was net importer of nitrogen fertilizer in 1974. This report further indicates that for 1975, contracts reported for January–June indicate a sharp decline in exports of both nitrogenous and phosphatic fertilizers from the same period in 1974. Unless, Mr. President, action is taken soon to expand our own U.S. production capacity regarding these materials, we will eventually become as dependent upon fertilizer imports as we are now dependent upon oil imports, which I, for one, wish to avoid.

Mr. President, I would like to request unanimous consent that the Commerce Department report just referred to be printed in full at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ALLEN. Again, Mr. President, I want to commend the Federal Power Commission for finally granting this desperately needed gas relief to the Cherokee, Ala., fertilizer plant. Regrettably, the granting of this particular relief has taken far too long. I hope in the future we can minimize, if not totally eliminate, such delays, through enactment of S. 319.

EXHIBIT I

U.S. NET IMPORTER OF NITROGENOUS FERTILIZER IN 1974, BUT EXPORT CONTRACTS DROP FOR FIRST HALF 1975

The United States was a net importer of nitrogenous fertilizer in January-December 1974, the U.S. Department of Commerce reported today, although in July-December 1974 (the first half of the 1975 crop year), exports exceeded imports by nearly 4 percent.

However, contracts reported for January-June 1975 indicate that there will be a very sharp decline in export of both nitrogenous and phosphatic fertilizers during that period as compared with the same period of 1974.

U.S. imports of nitrogenous fertilizers totaled 1,127,243 content tons for January-December 1974 and 490,425 content tons in the first half of crop year 1975. Export in the same 12-month period totaled 1,033,818 content tons and 509,720 content tons in the first half of the 1975 crop year.

In addition, Commerce Department figures suggest that exports of both nitrogenous and phosphatic fertilizers will be sharply lower in January-June 1975 than they were in the same period 1974. Export contracts reported to the Department's Office of Export Administration listed a total of 279,701 content tons of nitrogen under contract for delivery in the 1975 period compared with exports of 524,098 content tons in January-June 1974, while contracts for phosphatic fertilizers were reported at 583,202 tons (P_2O_5 content) in the 1975 period versus 649,802 tons (P_2O_5 content) in January-June 1974.

Production of ammonia, chief source of nitrogenous fertilizer, declined 0.7 percent in the first five months of the 1975 crop year to 6,453,000 short tons from 6,500,000 short tons in the same period of the 1974 crop year.

According to figures compiled by the Bureau of the Census, inventories of fertilizer materials generally were higher in November 1974 than they were the year before, except for ammonium nitrate of which 230,058 short tons were inventoried in November 1974 compared with 358,198 short tons in November 1973.

Tables of imports, exports, production, inventories and prices follow:

TABLE I.—U.S. TRADE IN NITROGEN AND PHOSPHATE FERTILIZER FOR CROP YEAR 1974 [1]— TRADE AND EXPORT CONTRACTS FOR 1ST HALF CROP YEAR 1975 [1]

[In Content Tons]

Commodity	January to June 1973	July to December 1973	January to June 1974	July to December 1974	Contracts January to June 1975
IMPORTS					
N and P_2O_5 content tons: [2]					
Nitrogen fertilizer	495, 176	422, 548	636, 818	490, 425	----------
Phosphate fertilizer [3]	183, 912	129, 144	190, 807	126, 726	----------
EXPORTS					
N and P_2O_5 content tons: [2]					
Nitrogen fertilizer	698, 919	757, 920	524, 098	509, 720	279, 701
Phosphate fertilizer [3]	640, 120	884, 237	649, 802	915, 661	583, 202

[1] Crop years extend July to June.
[2] N and P_2O_5 content tons include items not listed on accompanying tables.
[3] Does not include phosphate rock.

Source: Bureau of Census and Office of Export Administration.

TABLE 2—FERTILIZER EXPORTS CROP YEAR 1974 [1]—TRADE AND EXPORTS CONTRACTS FOR FIRST HALF CROP YEAR 1975

Short tons, except as noted]

Commodity	January to June 1973	July to December 1973	January to June 1974	July to December 1974	Contracts January to June 1975
Nitrogenous:					
Anhydrous ammonia [1]	391, 555	406, 861	238, 042	153, 349	49, 899
Urea	242, 812	184, 143	137, 581	177, 525	143, 926
Ammonium nitrate	13, 083	27, 024	9, 540	8, 160	330
Ammonium sulfate	228, 888	299, 286	258, 188	274, 093	58, 134
Phosphatic:					
Phosphoric acid	30, 534	43, 409	44, 278	114, 710	152, 869
Phosphate rock (thousands) (Florida only)	6, 589	6, 466	6, 577	6, 778	5, 380
Concentrated superphosphate	315, 537	572, 237	370, 930	675, 799	257, 428
Ammonium phosphate	996, 835	1, 237, 921	916, 100	1, 075, 559	757, 273
Mixed fertilizer	160, 313	214, 711	222, 536	251, 841	111, 037

[1] Crop years extend from July to June.
Includes fertilizer and other grades of anhydrous ammonia.

Source: Bureau of Census and Office of Export Administration.

TABLE 3.—FERTILIZER IMPORTS, CROP YEAR 1974 [1] AND JULY-DECEMBER OF CROP YEARS 1974, 1975

[Short tons, except as noted]

Commodity	January to June 1973	July to December 1973	January to June 1974	July to December 1974
Nitrogenous:				
Anhydrous ammonia	165, 432	146, 354	273, 007	182, 359
Urea	345, 166	328, 422	339, 894	377, 317
Ammonium nitrate	230, 464	107, 223	193, 946	175, 267
Ammonium nitrate limestone	26	10, 000	198, 776	134, 087
Phosphatic:				
Phosphoric acid	52, 685	61, 462	44, 953	72, 102
Concentrated superphosphate	49, 368	18, 154	56, 773	28, 613
Ammonium phosphate	234, 794	158, 271	238, 486	105, 917

[1] Crop years extend from July to June.

Source: Bureau of Census.

TABLE 4.—FERTILIZER PRODUCTION BY CROP YEAR 1973, 1974 [1] AND JULY TO NOVEMBER OF CROP YEARS 1974, 1975

[Thousand short tons]

Commodity	1972–73 July to June	1973–74 July to June	Percent change 1974–73	1973 July to November	1974 July to November	Percent change 1974–73
Nitrogenous:						
Anhydrous ammonia	15, 059	15, 781	4. 8	6, 500	6, 453	−0. 7
Urea	3, 427	3, 543	3. 4	1, 422	1, 505	5. 8
Ammonium nitrate	6, 754	7, 191	6. 5	2, 829	3, 067	8. 4
Ammonium sulfate [2]	2, 386	2, 634	10. 4	1, 161	[3] 1, 051	−9. 5
Phosphatic:						
Phosphoric acid [4]	6, 524	6, 670	2. 2	2, 696	3, 074	14. 0
Concentrated superphosphate [4]	1, 673	1, 705	1. 9	683	693	1. 4
Ammonium phosphate [5]	6, 739	6, 746	. 1	2, 751	2, 878	4. 6

[1] Crop years extend from July to June.
[2] Includes coke oven byproduct.
[3] Estimated.
[4] 100 percent APA.
[5] Gross weight.

Source: Bureau of Census.

TABLE 5.—PRODUCER INVENTORIES OF FERTILIZER MATERIALS

[In short tons]

Commodity	June 1973	June 1974	October 1973	October 1974	November 1973	November 1974
Anhydrous ammonia	622, 318	615, 376	750, 565	853, 160	770, 865	909, 327
Ammonium nitrate	90, 811	90, 491	326, 319	203, 103	358, 198	230, 058
Ammonium sulfate	101, 508	153, 496	185, 631	211, 295	153, 954	(1)
Urea	(1)	(1)	(1)	(1)	(1)	(1)
Phosphoric acid	88, 150	133, 313	80, 863	165, 705	87, 429	170, 410
Concentrated superphosphate	103, 960	95, 016	95, 699	139, 540	106, 506	170, 431
Ammonium phosphate	135, 048	95, 773	(1)	145, 880	124, 012	148, 583

[1] Not available.

Source: Bureau of Census.

TABLE 6.—PRODUCER PRICES OF FERTILIZER MATERIALS

[Dollars per ton]

Commodity	Oct. 24, 1973	Oct. 21, 1974	Jan. 27, 1975	Percent change, Oct. 23, 1973, Jan. 27, 1975
Phosphate rock	7	25	25	257
Phosphoric acid	78	157	157	101
Diammonium phosphate	75	165	165	120
Triple superphosphate	55	140	140	155
Ammonia	65	160	210	223
Urea	72	175	175	143
Ammonium nitrate	62	115	115	85

Source: Price col. 1—Cost of Living Council. Cols. 2 and 3—Chemical Marketing Reporter (High quote).

TABLE 7.—RETAIL PRICES OF FERTILIZER

[Dollars per ton]

Commodity	Oct. 25, 1973	Apr. 15, 1974	Sept. 15, 1974	Percent change, Oct. 25, 1973–Sept. 15, 1974
Anhydrous ammonia	$103	$210	$247	140
Ammonium nitrate	83	147	173	109
Urea	98	200	241	146
Nitrogen solutions	72	135	156	117
Phosphates:				
Triple superphosphate	97	147	179	85
Diammonium phosphate	120	182	229	91
Potassium chloride	68	92	103	51
Mixed fertilizers	87	130	157	80

Source: U.S. Department of Agriculture, Agricultural Stabilization and Conservation Service.

FOR THE CLASS OF '75, THE SEARCH FOR A JOB MAY BE LONG, HARD

Mr. PELL. Mr. President, there has been much talk about the implications of the economic downswing which we are currently experiencing. One reads daily accounts of unemployment rates which are expected to reach a high of about 10 percent by the end of the year.

As chairman of the Subcommittee on Education of the Senate Committee on Labor and Public Welfare, I am greatly worried that these projections and discussions do not take into consideration the many youngsters who are in college right now, especially those who will graduate in June of this year. Coupled with the decreased income of many families in this country, which may lead to a higher than normal dropout rate in postsecondary education, there may be an even greater unemployment rate than is presently projected.

Concomitant with this problem is that of the individual who has been teaching for a few years but whose school cuts back in enrollment and, therefore, cuts back in the number of necessary faculty, to the teacher whose school simply closes down, or to the teacher who is not granted tenure. There are many who have spent years in education and who suddenly find that they have no future, that their expertise is no longer needed.

The Subcommittee on Education will hold hearings on these matters in the very near future so that we can understand not only the problem, but also how our present legislation may even be adding to that problem with an unreasonable emphasis on teacher training through the Education Professions Development Act and through certain forgiveness features of the national defense student loan program.

An interesting article on this subject appeared in the Wall Street Journal of Thursday, February 20, 1975, and I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

For the Class of '75, The Search for a Job May Be Long, Hard

(By Mike Tharp)

Dan Nabholtz received a B.S. in business from the University of Notre Dame and an M.B.A. in December from Southern Methodist University. Since then he has worked nights in Dallas as a janitor, searching during the day for a job. Despite his efforts, he hasn't received any offers from firms in his management-consultant specialty and has returned to his Conway, Ark., home to work as a carpenter. "The dreams have ended," the 23-year-old former honor student says. "This is a hard age to retire at."

Nancy Lyon will receive a master's degree in business administration in March from the University of Oregon. She has already had about 25 interviews, mainly with accounting firms, but hasn't received a job offer. "I'm surprised and disappointed," she says. "I'd even accept secretarial work while I'm looking around for something else."

Like Dan Nabholtz and Nancy Lyon, other members of the class of '75 are finding employment prospects the most uncertain in years. The majority of graduates will have to work harder than ever to land a job, experts say, and the results of their efforts will have long-term effects on the nation's attempts to shore up its strained economy.

AN UNEVEN OUTLOOK

Although the outlook is favorable in some fields, collegians generally are facing uneven and often bleak chances of working after getting their diplomas. Jack Shingleton, Michigan State University's placement director, estimates that out of 950,000 graduating seniors this year, 551,000, or 58%, will get degrees in areas where the supply of students exceeds demand; only 239,000, or 25%, will be in high-demand fields. Says Margaret Gordon, a staff member of the Carnegie Commission on Higher Education: "The job market is going to be the worst this coming spring of the entire postwar period."

National surveys support the uncertain outlook. The College Placement Council's employer poll projects a 4% decrease in job openings for June. Michigan State's recruiting-trends survey indicates a 7% drop in campus visits by employers in 1974–75. And the annual Endicott Report on corporate hiring estimates a 0.5% decline in demand for holders of nonengineering bachelor's degrees. The report also found a 3% jump in demand for students with engineering bachelor's degrees.

Numerous factors contribute to the cloudy outlook, but the overall state of the economy affects it most. Any improvement will require "a turnaround in the economy so companies will have more confidence in the immediate future," says a spokeswoman for the College Placement Council.

THE SILVER LINING

There are some bright spots, of course. Howard Jones will be graduated from Michigan State in May with a bachelor's degree in chemical engineering. During his senior year, he has been interviewed by recruiters from a dozen major corporations. "I received offers from every one of them," he says, "and sometimes offers from three or four divisions of the same company."

At Texas A&M University, all petroleum engineers in the undergraduate class of 1975 and in the graduate classes of 1975 and 1976 have already accepted jobs. Purdue University's placement office has had to ask some recruiters to cancel visits "because there won't be enough (engineering) students to go around." And at Harvard University's graduate school of business, M.B.A.'s "will get three offers in a bum year, compared with eight in a good year, so I'm not going to sound like the town crier of Pompeii about this," says Roderic Hodgins, director of the office of career development.

In general, placement directors see a strong demand for all types of engineers, stemming mainly from the rapid growth of petroleum and chemical companies. Other robust areas include accounting and the health-services fields. In the middle range are such disciplines as biological science, math, agriculture and communications.

REGIONAL VARIATIONS

Demand will also vary regionally, according to the condition of local economies. For example, at General Dynamics Corp.'s Fort Worth division, which recently won a multibillion-dollar contract to build the F16 fighter plane, recruiting of college graduates "may double," a spokesman says.

And despite a surplus of students in most fields, starting salaries are expected to rise nationally 5% to 6% from last year.

Women and minorities will also fare better than in prior years, primarily because of the government's equal-employment-opportunity push. (Both groups, however, historically haven't entered high-demand areas like engineer or business.) The College Placement Council estimates that so far this year, employers have made 34% more job offers to women receiving bachelor's degrees than last year. Even so, Nancy Sutake, who will be graduated in June with a mechanical-engineering degree from Michigan State, says she has received only one firm job offer out of about 12 interviews. "I didn't think I'd have much trouble, but I am," she says. "I'm going to have to resort to a letter-writing campaign—something I didn't think I'd have to do."

Apart from technical-services majors, however, most other graduates will have to scramble for jobs. A random sampling of several major companies shows a sometimes-drastic curtailment of both recruiting and hiring. The Big Three auto companies have made particularly dramatic cutbacks.

General Motors Corp. canceled its remaining collegiate recruiting program for this academic year. In a normal year, a spokesman says, GM would interview 3,500 to 4,000 students and would hire 400 to 600 from these campus interviews, as well as hiring both students and nonstudents from other sources.

Ford Motor Co. has also canceled the rest of its spring recruiting on about 200 campuses, mainly because "we have so many salaried employes on layoff," a spokesman explains. Ford normally hires about 2,500 graduates a year, 75% of them in business or engineering.

American Telephone & Telegraph Co. says it wil reduce by 60% this year its total hiring for management jobs, typically about 2,000 a year, most of whom are college graduates. DuPont & Co. revised its 1974–75 recruiting forecast down to fewer than 1,000 prospects—90% of them engineers—from about 1,700. "We'll return to normal levels solely when the economy goes up," a spokesman says. Westinghouse Electric Corp. will hire about 400 graduates this year, down from 700 in a nonrecession year.

Labor experts fear that cutbacks like these will swell the nation's already-bloated unemployment figures. One survey estimates than 12% of this year's senior class will be out of work through the summer, up from 10% a year earlier. The survey also projects that 15% of the class will be "underemployed," or working at a job below its expectation.

For example, Doug McGuire, who received a bachelor's degree in political science from the University of Oregon in 1973, wasn't immediately hired after graduation He says he worked several months "for $50 a week" in a Eugene, Ore., tavern while being interviewed by some 30 firms. "People were interested," he recalls, "but there were no jobs available. Now I've exhausted all my contacts." Currently Mr. McGuire is unemployed and lives with his parents in Portland.

Moreover, advanced or professional degrees are no longer the surefire springboard to employment they once were. The American Bar Association says there will be about 30,000 law degrees awarded this year by its member schools. But the Labor Department has estimated a need of only 16,500 lawyers a year during the 1970s. And the College Placement Council says doctoral-degree candidates in all fields will find 17% fewer openings this year. "In the years ahead, only the best and the brightest of academicians can expect to find positions in the better universities." Michigan State's Mr. Shingleton says.

Surprisingly, even graduating medical-school students will encounter a shortage of specialized training spots for their internships and residency, the American Medical Association says. More than 95% of the anticipated 11,000 M.D.'s this year will go on to such training, a spokesman says, "but for the first time since World War II, there seem to be more people looking than openings available." He attributes the shortage primarily to the large number of foreign medical students "complicating the job market."

The slimmest pickings of all will go to liberal-arts graduates. Placement directors view the market for teachers as an uneven one, strongest in the areas of industrial arts, special education, math and science, especially in smaller or rural towns. In addition, during tight times, liberal-arts schools are the first ones removed from recruiters' schedules, thus lessening a student's chance of finding a job through an on-campus interview. Says Larry Goodrich, an honors student in French as Michigan State, "Almost nobody interviews liberal-arts majors here." He adds that he is looking for a teaching job in Canada. Failing that, he says, he will return to his traditional summer job—"selling ice-cream cones at carnivals and county fairs."

Students, of course, are aware of the tight market and are trying a variety of things to improve their chances. At Carleton College in Northfield, Minn., "students are signing up for interviews in higher numbers than in the past 12 years," says Marilyn Hill, the placement director. Beginning at 3:30 a.m. recently, Michigan State students camped out in the placement building; 330 were in line to sign up for interviews when the office doors opened. Several University of Texas Ph.D. candidates in mathematics have switched to the actuarial-science department, lured by the prospect of jobs with insurance companies and pension consultants as a result of the 1974 pension-reform law.

Glenn Seawell, an M.B.A. candidate in June at the University of Georgia, has had 10 interviews so far but doesn't yet have a definite offer. "I'm not panicking yet, but, assuming the worst, I'll stay here and continue postgraduate work," says the former Army officer and Bronze Star winner. Mike Brewster, a December graduate of Texas' school of architecture in Austin, had 50 copies of his resume printed to hand to prospective employers. "I'm on my second set of 50," he says. "I've been to everybody who's anybody and some who aren't anybody."

CONGRESS MUST RESTORE COMPASSION TO THE PRESIDENT'S BUDGET

Mr. EAGLETON. Mr. President, President Ford has referred to his proposed fiscal 1976 budget as "a compassionate one." I have no doubt that the President is personally a compassionate man. Therefore, I must conclude that he does not fully comprehend the devastating impact his budget proposals, if approved by Congress, would have on this Nation's elderly, disabled, and poor citizens.

At a time of continuing double-digit inflation and deepening recession, a compassionate government must, at the very least, maintain the real value of those essential benefits on which the most vulnerable members of our society rely.

Instead, the President's budget would reduce those benefits virtually across the board by limiting cost-of-living increases, by outright benefit and funding reductions, and by total elimination of some programs.

RETIREMENT AND DISABILITY BENEFITS

The President has recommended that Congress pass legislation limiting automatic cost-of-living increases in social security benefits and other Federal retirement and disability payments to 5 percent for a period of 18 months beginning January 1, 1975, and ending June 30, 1976.

Under current law, social security recipients are to receive in July a cost-of-living increase equal to the increase in the Consumer Price Index from July 1, 1974, the month of the last social security increase, through March 31, 1975. That increase is expected to be in the vicinity of 9 percent.

Other programs that would be affected by the 5 percent limit, in addition to social security, are railroad retirement, supplemental security income, coal miner benefits, and Federal civil service and military retirement payments.

The purpose of cost-of-living escalator clauses is not to increase benefits, but to protect the real value of benefits from inflation. If it is important to so protect the benefits of the aged and the disabled in ordinary times, it is in my view imperative that we do so at a time of severe inflation and predictions by the President's own advisers that the rate of inflation will be in excess of 5 percent through 1978.

To accept the President's proposal would be to permanently reduce the real income of millions of aged and disabled Americans.

HEALTH BENEFITS AND SERVICES

The President's budget calls for outright reductions in health benefits and services. The largest reduction would be made in medicare benefits.

Under the hospital insurance program, a medicare beneficiary now pays a $92 deductible on entering the hospital and then medicare pays the remaining cost of the first 60 days of hospital care.

The President has recommended legislation to require a medicare beneficiary to pay the deductible and then 10 percent of all subsequent costs up to a maximum cost to the beneficiary of $750.

This proposal and a companion proposal to increase the medicare part B deductible from $60 to $70 next year would result in the aged and disabled paying an additional $1.3 billion out of their own pockets for health care in fiscal 1976.

Reductions in health services for the poor would result from recommended legislation to eliminate nonemergency dental care for adults under medicaid and from a 20-percent cut in Federal spending for community health services programs, including community health centers, maternal and child health care, drug and alcohol abuse programs, migrant health care, immunization programs, and venereal disease programs.

AGING PROGRAMS

The President's budget proposes a $42.4 million cutback below fiscal 1975 appropriations for Older Americans Act programs—the largest funding reduction in the history of that act.

Funds allocated to the States for the development of community services for the aged would be reduced by $9 million, from $105 million to $96 million, preventing expansion of the program to as many as 50 additional areas of the Nation where such services are not now available.

Appropriations for the title VII nutrition program would be reduced from $125 million to $99.6 million. Some 50,000 elderly persons—the group already among the hardest hit by inflation—would thus be prevented from participating in the program and receiving a hot, nutritious meal daily.

No funds have been requested for the title IX, Senior Community Service Employment Program. Indeed the President proposes that $12 million appropriated to operate this program in the current year be rescinded. Under the administration's proposal, the older worker programs funded through the Department of Labor's Operation Mainstream would end on June 30 and programs for older workers would have to compete for funding from State and local governments under the Comprehensive Employment and Training Act.

Action's programs for older Americans would be reduced by $1.8 million. Funding for the retired senior volunteer program—RSVP—would be increased by $1.5 million, but funds for Foster Grandparents which provides employment for low-income elderly persons would be decreased by $2.4 million.

The budget requests no funds for OEO's—now the Community Services Administration's—senior opportunities and services program which this year is serving more than 1 million low-income senior citizens.

In short, the effect of the President's budget would be to reduce the number of hot meals served to the elderly and to cut back those community services and employment programs which for many older people represent the difference between living and merely existing.

FOOD ASSISTANCE PROGRAMS

With food prices expected to increase by about 15 percent in 1975 and rising unemployment, the President's budget incredibly calls for a reduction in outlays for food assistance programs in fiscal 1976.

FOOD STAMPS

The administration's plan to increase the purchase price of food stamps—a plan that would have imposed an additional financial burden on many low-income families and would have virtually eliminated all elderly persons from the program—has been blocked by Congress.

However, another administration proposal would erode the adequacy of the food stamp program. The President has asked Congress to limit the semiannual cost-of-food adjustments in food stamp allotments to 5 percent for an 18-month period.

The Department of Agriculture recently reported that the food stamp allotment a family of four receives today falls $5.90 short of the cost of the Department's bare bones economy diet. Under the President's proposal, the current $154 monthly allotment for that *family* would be allowed to rise only to $158 on July 1 and would not be permitted to increase at all on January 1, 1976. Without the 5 percent limit, the allotment is expected to increase to $164 in July and to $172 next January 1.

CHILD NUTRITION PROGRAMS

When administration budgetmakers came to the child nutrition programs, they put away their scalpel and brought out the meat axe.

First of all, the President will recommend to the Congress legislation to terminate all existing child nutrition programs, including the national school lunch program, and to replace them with a child nutrition block grant program.

Block grant funds could be used by the states to provide meals in schools, day care centers, summer recreation programs et cetera, to children from families with incomes up to 125 percent of the poverty line. Donations of commodities to schools would be discontinued. USDA has estimated that under this proposal the price of school lunches would increase by about 22 cents, and children from families of four with incomes above $5,640 would have to pay the full cost of their lunches.

Under the block grant program, spending for child nutrition would be about $300 million less than this year and from $600 to $700 million less than would be spent next year if existing programs were continued.

Even if the block grant program is not approved by Congress, the President's budget calls for the termination of the following child nutrition programs:

The school breakfast program which is now serving about 1.5 million low-income children each day;

The special milk program for schoolchildren;

The nonschool food program which in the last full fiscal year provided meals for 1.[illegible] million children in summer recreation programs and 366,000 children year-round in day care centers and is serving additional numbers of children this year; and

The special supplemental food program for women, infants, and children, WIC, and the old commodity supplemental food program which provide nutritional assistance for low-income mothers and small children.

Finally, cost-of-food adjustments in reimbursement rates and commodity donations for the school lunch program would, under the President's recommendations, be limited to 5 percent for the 18-month period ending June 30, 1976.

Taken together the President's proposals would result in the complete elimination of food assistance to those preschool children most vulnerable to the effects of malnutrition, and a decrease in the real value of Federal support for the school lunch program which would require additional expenditures by local school districts and/or increased prices of school lunches.

CONGRESS MUST REVISE BUDGET PRIORITIES

The President's proposed budget simply cannot be described as "a compassionate one." It would permit a permanent decrease in the real income of the aged and the disabled, it would substantially reduce health benefits and services, it would result in unprecedented funding reductions for special programs for the aging, and it would wreak havoc on our child nutrition programs.

The Congress must look carefully at each of the President's spending reduction proposals and, in my judgment, it must reject those which would result in decreases in essential benefits for the aged, the disabled, and the poor.

In a word, the Congress must restore compassion to the President's budget.

INVESTIGATION OF CARDIAC PACEMAKERS

Mr. RIBICOFF. Mr. President, on Friday, February 28, the Wall Street Journal reported that a total of 5,529 cardiac pacemakers, already surgically implanted, have been recalled by two manufacturers. The recall is being monitored by the Food and Drug Administration.

The pacemakers are small, battery-operated devices which provide electronic impulses to regulate the heartbeat of patients with serious heart conditions. The pacemakers involved in this recall have exhibited a leakage problem caused by body fluids penetrating the cement used to seal the devices.

The effect of the leakage on the circuitry of the 1,241 pacemakers being recalled by the General Electric Corp.'s Medical System's Division in Milwaukee can cause the heart to beat at an abnormally fast rate. The effect of the leakage on the 4,288 pacemakers being recalled by the Cordis Corp. in Miami, Fla., can cause the heart to beat at an abnormally slow rate.

Unfortunately, Mr. President, the news account of this pacemaker recall does not reflect the seriousness of the problem, either in terms of the number of pacemakers recalled or of the uncorrected defect necessitating the recall.

The fact is that more than 20,000 pacemakers have been recalled by four manufacturers out of the 125,000 pacemakers presently implanted in the heart patients. The problem takes on additional significance in view of the fact that the number of implanted pacemakers is increasing at a rate of about 30,000 a year.

On July 2, 1973, I asked the Comptroller General to investigate the operations of the Food and Drug Administration in relation to a recall in 1972 of nearly 600 pacemakers by General Electric. The final report on the investigation by the General Accounting Office has been delayed several times by the fact that GE and three other pacemaker manufacturers have issued recalls involving a total of more than 20,000 pacemakers since the investigation began.

At the beginning of February, Comptroller General Elmer B. Staats, at my request, sent me a statement of facts summarizing the major findings of the report while the report was still undergoing final review process at GAO.

In view of the seriousness of the findings, which indicate that many lives have been lost and many more are in jeopardy, because of the Food and Drug Administration's failure to identify and correct the defect in the pacemakers, I have asked that the final report of the GAO investigation be forwarded to me no later than the end of this week.

The GAO report will question the adequacy of recall-monitoring procedures within the Bureau of Medical Devices of the Food and Drug Administration. The questions involve how and whether the Bureau obtains information and sample devices from the pacemaker manufacturers; conducts sample tests to determine the cause of defects; alerts the public, doctors, and manufacturers to pacemaker defects and recalls; ascertains the numbers of deaths and injuries caused by pacemaker defects, and investigates and prosecutes companies manufacturing defective pacemakers.

In view of the growing numbers of heart patients whose lives depend on the dependability of surgically implanted pacemakers, it is essential that there be adequate Federal regulation of the pacemaker industry. I will release the GAO findings on this important question as soon as I receive the report.

I ask unanimous consent that the article from the February 28 issue of the Wall Street Journal on the pacemaker recall be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FDA ORDERS RECALL OF GE PACEMAKERS ALREADY IMPLANTED—AGENCY CONTENDS 1,241 DEVICES MAY POSSIBLY MALFUNCTION, SPEEDING UP HEART BEAT

WASHINGTON.—The Food and Drug Administration disclosed the recall of electronic pacemakers, surgically implanted in 1,241 heart patients, because of a possible malfunction.

The agency said the maker of the units, General Electric Co.'s Medical Systems division in Milwaukee, has already sent letters to physicians of the patients involved recommending replacement of the pacemakers.

The problem, the agency said, is that copper from the units can enter the pacemaker's circuits, causing the heart to beat faster than usual. The pacemakers are installed in patients whose hearts need an electronic impulse to keep them beating normally.

GE is telling the doctors involved, the FDA said, to replace the units about 22 to 24 months after they were first implanted. The letter from GE went to the doctors on Feb. 1.

The FDA also announced a second pacemaker recall, but of a less serious nature. It involved about 4,288 "internal cardiac pacemakers" manufactured by Cordi Corp., Miami, Fla., an unknown number of which are actually implanted.

The FDA said glue holding the unit together can become moist, causing it to swell. It said this could result in a lowered pulse rate. The company is advising doctors to monitor the affected units once a month for five months to make sure they are working properly.

FPC GRANTS NATURAL GAS RELIEF TO CHEROKEE, ALA., FERTILIZER PLANT

Mr. ALLEN. Mr. President, on February 20, 1975, I placed in the CONGRESSIONAL RECORD two Federal Power Commission staff briefs which urged the Commission to grant natural gas relief to United States Steel's Cherokee, Ala., fertilizer plant, which, of course, I heartily endorsed. On Wednesday of last week, February 26, 1975, the Commission issued an order granting extraordinary relief to this particular plant. I am very pleased with this action and wish to commend the Commission for not only granting the relief but for their prompt action in doing so, following issuance of their staff's report on the matter.

Mr. President, this action by the Federal Power Commission will provide for immediate additional gas to bring the Cherokee plant from its present curtailed state of 135 to 150 tons a day of ammonia to its effective daily capacity of about 550 tons.

The other important development reflected in the Commission's order in this case is the Commission's acknowledgment that the "social utility of the end product" involved in such relief cases deserves due attention and consideration. This represents a major reversal of earlier positions taken by the Commission in deciding relief of this type. However, the Commission warns that consideration of "social utility of end product" will be considered by them in a somewhat limited manner.

This plant now employs natural gas to meet its feedstock, reformer furnace, and boiler fuel requirements. The terms of the Commission's February 26 order are such that the Cherokee plant will likely have to install a new oil-fired reformer furnace by September 1, 1976, in that the plant's existing gas-fired furnace cannot be converted. The only hope for avoiding the installation of a new furnace would be if the plant could locate a source of "intrastate" gas supply.

If the terms of this particular FPC order is used or referred to in the future as a "precedent," it could mean that some regions of the Nation—such as the Southeast—will be faced with higher ammonia or nitrogen fertilizer prices than elsewhere in the Nation. The order implies that those plants—such as those in the Southeast—that are in short-gas supply areas could be forced to convert all of their "reformer furnace" or "process fuel" requirements from natural gas to the required low sulfur oil used in such reformer furnaces. On the other hand, those fertilizer plants in adequate-gas supply areas would not have to experience the expense of such conversion. The cost-conversion differences in such cases will likely mean eventual differences in prices paid by farmers for the fertilizer in these respective areas.

The problems suggested by this most recent FPC order reaffirm, in my judgment, the importance of enactment of S. 319, a bill which Senator Herman E. Talmadge, I, and other Senators introduced, which will provide a natural gas priority for fertilizer and farm chemical producers to meet both their feed stock and process fuel requirements.

Mr. President, in view of the importance and general implications of this February 26 Federal Power Commission order, I would like to request unanimous consent that it be printed in full in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[United States of America Federal Power Commission]

ORDER GRANTING EXTRAORDINARY RELIEF AFTER FURTHER CONSIDERATION

(Issued February 26, 1975)

Before Commissioners: John N. Nassikas, Chairman; Albert B. Brooke, Jr., Rush Moody, Jr., William L. Springer, and Don E. Smith.

Texas Eastern Transmission Corporation, (North Alabama Gas District), Docket No. RP74-39-8.

Now before use for further consideration is an application for extraordinary relief from curtailment imposed by Texas Eastern Transmission Corporation (TETCO) filed by the North Alabama Gas District (North Alabama) on behalf of the Cherokee Alabama plant of United States Steel's Agri-Chemical Division (USS or Ag-Chem). North Alabama requests that we issue an order directing TETCO to deliver to North Alabama, for resale to Ag-Chem, volumes of extraordinary relief gas for feedstock and process uses which are sufficient to permit maximum production of anhydrous ammonia, a basic ingredient in nitrogen fertilizer. After review of the reopened record, which has been greatly expanded and improved by the addition of new evidence introduced at a second hearing, we have determined that extraordinary relief should be provided to met Ag-Chem's feedstock gas requirements, but that relief for process gas use should be granted only for a limited time and upon condition that Ag-Chem agrees, after August 1976, to take natural gas only for feedstock use.

North Alabama, on February 13, 1974, petitioned for extraordinary relief and requested exemption from TETCO's curtailment and delivery of its full firm contract entitlement, 14,800 Mcf/d. In an order issued March 25, 1974, we granted temporary relief and set the petition for hearing. We also specifically ordered North Alabama to "present evidence to substantiate the technical infeasibility of utilizing alternate fuels in the Ag-Chem Cherokee plant." After a hearing had been held on May 7-10, 1974, Administrative Law Judge Samuel Kanell released an initial decision on July 23, 1974, which granted partial extraordinary relief subject to certain conditions By order issued November 26, 1974, we denied permanent relief and terminated the delivery of temporary relief gas to Ag-Chem through North Alabama. This action was based upon our conclusion that the petitioner, which has the burden of proof in an extraordinary relief proceeding, had relied almost exclusively on general evidence of the national fertilizer shortage and had not made a sufficient showing of the specific individualized "extraordinary circumstances" that are required to support the grant of relief.[1]

On December 20, 1974, we granted rehearing, reopened this record, set a further evidentiary hearing and denied stay of our previous order and temporary extraordinary relief. In light of both the changed circumstances alleged in North Alabama's application for rehearing, and our continued awareness of the need for increased food production through the proper application of fertilizer, we concluded that North Alabama should have another opportunity to justify relief; and we requested further evidence relating to these five issues:

(1) The technical feasability of conversion of Ag-Chem's plant to use fuel oil instead of process gas, and particularly, the ability of Ag-Chem to acquire No. 2 fuel oil with a sufficiently low metallic content;

(2) The use of Ag-Chem's end product: where is the fertilizer used and for what specific agricultural purposes, how much is exported, how and where is the non-agricultural production used;

(3) The degree of severity of the fertilizer shortage and particularly, the current supply and demand projections of the Department of Agriculture;

(4) The current and projected future ability of Ag-Chem's two other gas suppliers to provide gas to Ag-Chem;

(5) The technical feasibility of construction or lease of storage facilities, negotiation of exchange agreements, or production or purchase of LNG or SNG.

After this hearing had been concluded on January 24, 1975, the completed record was certified to use without initial decision. Initial briefs were filed on February 3, 1975, by North Alabama, USS, General Motors Corporation (GM), Algonquin Gas Transmission Corporation (Algonquin), Bay State Gas Company, *et al.*, Consolidated Edison Company of New York (Con Edison), and the Commission Staff. On February 10, 1975, replay briefs were submitted by the same parties with the exception of Con Edison and with the addition of a reply brief by TETCO.[2]

Adjudication of North Alabama's petition requires a two part analysis. First, we must determine if any amount of extraordinary relief should be awarded by focusing upon the current supply and demand projections for ammonia fertilizer, the regional impact of curtailment on fertilizer and food production, the specific uses to which Ag-Chem's end products are put, and Ag-Chem's ability to acquire other gas supplies. We must then consider whether the actual volumes of relief provided to North Alabama and Ag-Chem should be reduced to reflect the effect of achievable gas conservation measures. Here, the question of the "technical feasibility" of conversion of process fuel applications from natural gas to oil is paramount.

North Alabama and USS, the undisputed real party in interest, contend that the need for relief has been proven, and that process conversion is not "feasible" according to an engineer's common understanding of that term. GM and Staff support relief for the full volumes needed for feedstock use, but suggest that process gas relief should be ordered only until process conversion to fuel oil can be achieved and upon condition that the conversion work is undertaken. Algonquin, Bay State, *et al.*, and Con Edison oppose relief in any form. Con Edison specifically questions the accuracy of the estimates of the fertilizer shortage; while Algonquin emphasizes that North Alabama has not proven the infeasibility of process conversion. Bay State, *et al.*, takes the position that evidence presented upon rehearing is insufficient to alter our previous conclusions.

I. THE ALLEGED NEED FOR RELIEF

At the original hearing held in May 1974, estimates of the 1974 anticipated fertilizer supply shortage ranged from 500,000 tons of nitrogen or 5% of the predicted demand, the estimate of the Department of Agriculture (Agriculture) given by its staff economist, Dawson Ahalt, to a maximum of 2 million tons of nitrogen or 20%, Ag-Chem's projection. At the reopened hearing the two expert witnesses stated their belief that the actual 1974 shortage was more severe than had been predicted by Agriculture, and that the shortage will continue or worsen in 1975. Dr. Douglas, a staff economist for the Tennessee Valley Authority, appearing for North Alabama, testified that the indicated minimum 1974 shortage of nitrogen fertilizers for use on corn and wheat acreage was 578,000 tons of nitrogen (Tr. 569). Witness Douglas also predicted that in excess of 1.3 million tons of grain prices remain high (Tr. 570). This should be compared to corresponding predictions of a 1975 supply increase of 2% to 6% or 200,000 to 600,000 tons. The higher supply prediction was made by Witness Ahalt on the assumption that supplies of natural gas for fertilizer production would not be curtailed (Tr. 451); the lower estimate from the Fertilizer Institute seems to be more realistic. (Tr. 570)

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[1] In an order issued December 10, 1974, we denied North Alabama's petition for a temporary stay pending its submission and our consideration of its application on rehearing.

[2] By order issued February 13, 1975, we denied a request for temporary relief pending issuance of this decision filed by North Alabama in which USS joined.

Con Edison alone questions these projections. It notes that a 6% increase in fertilizer production would be sufficient to offset a 1975 supply shortage at the 1974 level, 5 or 6 percent. Con Edison argues that Dr. Douglas' estimate of a 750,000 ton increase in demand during 1975, to be added to the 1974 shortfall of 500,000 to 600,000 tons, is deficient or even completely incorrect because sufficient consideration was not given to the elastic nature of fertilizer demand and the possible effect, in reducing demand, of rising fertilizer costs and declining market prices for crops. We are not persuaded by this line of argument for it ignores other evidence, including the negative impact of curtailment on fertilizer supply, the positive impact on grain prices of the fact that grain stocks are at their lowest level in the last thirty years, and the growth in fertilizer usage which is occurring as farmers are educated about the efficiencies that can be achieved with modern agricultural technology. Additionally, Witness Ahalt testified that decreases in commodity prices will not bring about massive reductions in fertilizer demand so long as farmers can continue to recover the variable costs of full production (Tr. 501) The difficulty of the present situation is underscored by predictions that the United States may become a net importer of fertilizer during the 1975 fiscal year, despite the fact that fertilizer selling on the world market is approximately twice as expensive.

Even if these projections are overstated, any degree of shortage could cause substantial harm to farmers in a particular region or to consumers. Fertilizer production is concentrated in the Southwest near the major natural gas producing areas, but away from the major agricultural regions, the East, Southeast and Upper Midwest. Loss of 100,000 tons of nitrogen, 1% of the net nitrogen fertilizer production expected in the 1975 fiscal year could be significant on a regional basis, for that amount is equal to 10% of the Southeast's fertilizer usage in 1974 and can be translated into a 23% reduction in the area's corn production and a 2% loss of cotton and tobacco. Ag-Chem asserts that, without extraordinary relief, its output of anhydrous ammonia in the first eight months of 1975 will be reduced from 124,000 tons to approximately 90,000 tons, a loss of 34,000 tons of ammonia or 27,880 tons of nitrogen. Similarly, a small decrease in fertilizer could have disproportionate inflationary effects on the food prices, since it has been suggested that minor changes in the already tight supplies of farm commodities can trigger major price changes.

In response to the second question posed in our order granting rehearing, Ag-Chem has supplied an estimated analysis of the uses to which its ammonia products are put (Exhibit 9). Ag-Chem had originally planned on production of 175,000 tons of ammonia in 1974; as a result of the curtailment of its gas supplies, the actual 1974 output was only 163,800 tons. With the addition of 2,255 tons taken from the existing inventory, the total volume of ammonia shipped from the Cherokee plant, either directly or after further processing into various end products, was 165,015 tons. From this total, 151,612 tons (91.9%) were sold as agricultural fertilizer; 7,638 tons (4.5%) were shipped for various industrial chemical uses including the manufacture of refrigeration solutions, ore processing, and metal treatment; 5,300 tons (3.2%) were exported; and 715 tons (0.4%) were utilized as turf and garden fertilizer. An estimate of the percentage applications of the total agricultural fertilizer tonnage (151,612 tons) by crop type was also introduced; 46% was applied to corn acreage; 14% to pasture and hay fields; 6% to wheat fields; and 6% to cotton acreage.

In order to operate at full daily capacity, 530 tons of ammonia, the Cherokee plant must receive 17,623 Mcf of gas per day for feedstock and process uses. The manufacture of one ton of ammonia requires 33.25 Mcf of gas. Full production can be achieved on approximately 30 days during the winter when the air density is greatest and the water drawn from the Tennessee River is at the lowest temperature. At all other times the plant's output and its gas supply requirement are somewhat smaller. Ag-Chem has a firm contract with North Alabama providing for delivery of 16,800 Mcf/d obtained from TETCO, 14,800 Mcf/d and Tennessee Gas Pipeline Company, (Tennessee) 2,000 Mcf/d. Ag-Chem has also contracted with Alabama-Tennessee Natural Gas Company (Alabama-Tennessee) for direct delivery of 1,500 Mcf/d of firm gas and 3,500 Mcf/d of interruptible gas.

Since it is possible that Ag-Chem could receive up to 4,177 Mcf/d of gas above its maximum feedstock and process requirements which would be burnt in its dual fueled boilers and phosphate dryers, Ag-Chem has agreed to take from TETCO only the minimum amount of relief gas that is actually needed as feedstock and for process use. However the evidence of projected curtailment levels indicates that Ag-Chem's highest total curtailed entitlements, 17,530 Mcf/d in July and 17,729 Mcf/d in August, will be approximately equal to its "indispensible" feedstock and process gas needs. Without extraordinary relief, in February and March of this year, Ag-Chem can expect to receive a total gas supply of 6,054 Mcf/d and 8,481 Mcf/, respectively, or roughly 35% to 50% of its variable daily minimum gas requirement. The Cherokee plant, which is currently producing slightly more than 150 tons of ammonia per day, is now operating at or near the minimum sustainable level of production. Ag-Chem believes that it can maintain production but fears that it will be unable to generate sufficient heat to restore operations if production is halted by a malfunction or for normal maintenance.

During the 1973–74 winter heating season TETCO's curtailment of Ag-Chem's firm contract volume did not exceed 51%; and Ag-Chem continued to receive its full entitlement from its two additional suppliers. Alabama-Tennessee also provided excess interruptible gas on occasion. From December 1974 through March 1975 Ag-Chem's actual or projected entitlement from TETCO ranges from 2,400 Mcf/d to 7,222 Mcf/d, a curtailment of 51% to 84%. Tennessee is presently curtailing Ag-Chem, through North Alabama, by 28.45% of its firm contract volume. Alabama Tennessee has cut off interruptible service through March, and from April through August, will provide between 731 Mcf/d and 821 Mcf/d out of Ag-Chem's full interruptible contract volume, 3,500 Mcf/d. In addition, Alabama-Tennessee will continue its curtailment of Ag-Chem's firm service volume, 1,500 Mcf/d, by 16% to 24% until April.

In the order of November 26, 1974, we concluded that the general conclusory evidence on which North Alabama had chiefly relied did not provide sufficient justification for an award of extraordinary relief absent a more compelling showing of Ag-Chem's particular "extraordinary circumstances". After further review, we now have determined that the grant of some form of relief is justified on this expanded record, and particularly, by the above discussed evidence. While it may be impossible to state with precision the exact extent of the fertilizer shortage, given the number of interrelated factors affecting supply and demand, the evidence available to us indicates that there is a severe shortage of agricultural fertilizer which will result in decreased food production possibly in higher consumer prices.

Furthermore, the loss of production at the Cherokee plant due to curtailment will not only contribute to the national fertilizer shortage but may also have disproportionately harmful effects on food production in the southeast region and on consumer prices over an even wider area. Ag-Chem has also shown that nearly all of its ammonia production is used to fertilize food producing acreage; only a small percentage of the total is exported, and almost none is wasted on ornamental uses. Since its two alternate suppliers have now instituted curtailment at significant levels, the Cherokee plant is now operating inefficiently, at or near the absolute minimum level, and will apparently be able to produce at full capacity only during July and August.

Previously we have hesitated to grant relief on the basis of end product social utility. Our reluctance is based upon basic considerations of administrative convenience and more importantly, upon an awareness of the near impossibility of fairly deciding a number of requests based on conflicting estimations of social utility. Yet, we are willing to consider the social utility of a particular end product when a particularly exemplary showing of compelling public interest is made; and we believe that this record presents such a situation. However, this decision should not be interpreted as a precedential deviation from our prior policy or as an invitation to petitioners for extraordinary relief to engage in protracted discussions of the comparative social value of various products.

II. CONVERSION AND CONSERVATION ISSUES

A showing of extraordinary need does not automatically entitle a curtailed customer to a grant of relief.[3] The petitioner is also required to show that all available sources of natural gas and alternate fuels have been exhausted, and that due diligence has been exercised in converting gas processes to other fuels. In our order granting rehearing we specifically ordered North Alabama to introduce further evidence proving both its inability to store or exchange gas or purchase LNG and SNG, as well as the technical infeasibility of modifying its Ag-Chem's facilities to use fuel oil in place of process gas.

North Alabama has demonstrated that Ag-Chem cannot reasonably acquire new supplies of gaseous fuels. Construction of storage or liquefacation facilities at the Cherokee site is not feasible since Ag-Chem will not receive significant amounts of excess gas above its feedstock and process requirements during the summer months. North Alabama states that storage of all available summer excess gas would permit Ag-Chem to meet its process and feedstock needs during three days of the ensuing winter. Ag-Chem has also shown that it has attempted in good faith to arrange exchanges and to buy SNG or LNG without success, although we would suggest that Ag-Chem continue to investigate further the possibility of purchasing and storing SNG or LNG on a seasonal basis.[4] Finally, it would be counterproductive to require Ag-

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[3] *Mississippi River Transmission Corporation (Georgia-Pacific Corporation)* order issued November 15, 1974, in Docket No. RP74–62–1; *Texas Eastern Transmission Corporation (Carnegie Natural Gas Corporation)*, Opinion No. 716, issued December 16, 1974, in Docket No. RP74–39–3, rehearing denied, Opinion No. 716–A, issued January 9, 1975.

[4] In its reply brief Algonquin states that it has informed Ag-Chem that SNG from its facilities will be available from April through September 1975. Since Algonquin apparently did not make this offer during prior contacts before the hearing and failed to develop this point on the record, we will not modify our decision on the basis of this single allegation.

Chem to use propane as feedstock or process fuel, since the Cherokee facility does not now have a propane use capability and Ag-Chem may not be able to obtain sufficient quantities of propane.[5]

The question of the feasibility of conversion of the Cherokee plant's process gas applications to oil use cannot be answered as quickly and as conclusively. At the Cherokee plant feedstock gas is fed in special catalyst tubes through a primary reform in which the tubes and the feedstock gas inside are heated by flue gas flowing down from top firing burners fueled with process gas. A chemical reaction occurs and the feedstock gas is broken down into compounds which become anhydrous ammonia. As part of the plants' waste heat recovery system, the flue gas is channeled through a bank of metal heat coils containing water at an initial temperature of 200°F. The flue gas heats the water to 350°F. The heat energy equivalent of 800 Mcf/d of gas is thereby transferred from the waste gas to the now superheated water. This energy is then used to fuel other production steps in which the basic ammonia is processed into numerous end products.

The basic conversion, permitting the use of fuel oil to fire the burners in the primary reformer, would require the substitution of 92 dual fired burner units in place of the existing 72 gas burners, the replacement of some refractory tiles, and the installation of oil distribution equipment above the burners connected to a 100,000 barrel storage tank. The necessary work can probably be best accomplished by the use of a crane after temporary removal of the plant's corrugated metal or asbestos roof. Ag-Chem estimates the cost of conversion to be $1,000,000 currently or $1,300,000 in eighteen months, allowing for the compounded effect of inflation at a rate of 1.5% per month.

If No. 2 fuel oil containing a normal amount of sulphur is used to fire the primary reformer burners, the sulphur trioxide present in the flue gas will condense on the relatively cold surface of the heat recovery coils, which are cooled by the water flowing inside at an initial temperature of 200° F, and will form sulphuric acid. Corrosion of these coils will occur within one day and will result in shutdown of the plant. There are three technically possible solutions to this problem: fuel oil with a maximum sulphur content of 0.1% can be used; the heat recovery system can be scrapped and a separate oil heating system, requiring the equivalent of 800 Mcf/d of gas, can be substituted; or the water inside the heat recovery coils could be preheated to 300° F before it flows into the convection bank with the use of an oil heating system requiring the equivalent of 550 Mcf/d of gas.

North Alabama's expert witness, James Finneran has conceded that process conversion to oil use is "technically possible" (Tr. 784) but North Alabama and Ag-Chem suggest that conversion is not "technically feasible" as that term would be understood by the engineering profession. They argue that conversion of the primary reformer's gas heating system is infeasible because it would require the total reconstruction of an old plant, with a remaining useful life of 6 or 7 years, which was originally designed, unlike some newer plants, to use natural gas exclusively. Also, since guaranteed low sulphur oil is assertedly not available, it would be necessary to modify the heat recovery system with the result that operation of the Cherokee plant would be extremely inefficient, inconsistent with good engineering practice, and unnecessarily wasteful of energy.

Staff, GM and Algonquin respond that North Alabama has not met its burden of proving infeasibility and sugegst that the various impediments noted by the petitioners do not form a sufficiently significant bar to conversion, when weighed against the severity of the gas shortage and the fact that any relief gas for process use would be provided at the expense of other high priority customers. Their contentions can be summarized in the following points. First, in determining feasibility we should either ignore economic considerations or conclude that North Alabama has not proven that conversion is economically infeasible. Second, the work to be undertaken and the costs to be incurred in converting the primary reformer are primarily those normally required in any conversion to oil use. Third, Ag-Chem either has not made a sufficiently diligent effort to acquire low sulphur oil, or can remedy the problem by testing each oil delivery and rejecting unacceptable loads. Finally, the negative impact of inefficiencies or energy loss resulting from modification of the heat recovery system are insignificant in comparison to the positive benefits from elimination of Ag-Chem's need for process gas.

Ideally, we should now attempt to define feasibility and establish a firm standard for resolution of the conversion issues in this and similar cases; but realistically, a workable definition is not possible at this time. Algonquin suggests that the dictionary definition of feasible, "capable of being done", should be applied. This suggestion is attractively simple, but it ignores necessary economic limitations on theoretical possibilities. A petitioner for extraordinary relief should not be required to undertake conversion measures which have been proven possible only under laboratory conditions, or which would eventually imperil the financial integrity of the business if attempted. The alternative definition used by North Alabama's witness Finneran would eliminate as infeasible conversion techniques which are possible to accomplish, but which are either not consistent with sound, firmly established, engineering principles, or not within the limits of practical constraints, e.g., economic factors or the availability of materials. This suggestion is also deficient in two areas: first, it ignores the impact of the current gas shortage upon sound engineering principles previously established when a seemingly limitless supply of gas was available, and when high volume gas usage was actively encouraged; and second, it does not establish the degree of economic injury which would be sufficiently compelling constraint upon a technically possible conversion proposal. An industrial concern, currently burdened with a curtailment of its gas supply shared by other high priority users, may properly be required to take steps which previously would not have been considered due to substantial technical problems or a foreseeably negative effect on profits, when the only alternative is an additional award of extraordinary relief at the expense of similarly situated customers or higher priority users.

Instead we shall determine the feasibility of gas conservation measures on the facts of each particular case, without a standard definition, just as the reasonableness of a particular rate is established. However, two important policy considerations can be generally noted. First, the burden of proof in these equitable proceedings is properly on the petitioner, who alone has full access to the facts, rather than on the pipeline or the numerous affected customers. When the record is deficient, it would be unjust to speculate too broadly at the expense of those from whom the requested relief will be taken. Second, in determining economic feasibility, great weight must be given to noneconomic factors, including the general gas shortage, the existing level of curtailment on the particular pipeline, and the end use priority of the customers to be affected by a grant of relief that does not require conversion of processes fueled by gas. Also, increased costs, resulting directly from the current disparity between the prices of oil and gas, must be stricken from this economic evaluation.

In this case, we affirm our previous finding that process conversion is feasible. The required modifications of the primary reformer are substantial; but we do not agree that they amount to a "total reconstruction." The estimated cost is reasonable in relation to the existing total investment. Many of the necessary steps, such as installation of an oil tank and a piping system, would be required as part of any conversion to oil use. We will accept Ag-Chem's assertions that it has been unable to obtain a sufficient supply of low sulphur oil after a reasonably diligent effort, although we are not convinced that a satisfactory arrangement is completely beyond Ag-Chem's abilities.

However, the sulphur condensation problem can be solved by preheating the water flowing into the conversion coils or by eliminating the use of the heat coils entirely. North Alabama and Ag-Chem contend that these solutions should be rejected because the conversion process will be further complicated and the end result will be energy waste and inefficient operation. This contention is unpersuasive when balanced against the gas conservation which will be achieved, and the fact that the production of fertilizer will continue without the diversion of gas for process relief. Furthermore, Witness Finneran's retort that modification of the waste heat recovery system ". . . would make this poor old ammonia plant the most inefficient one I have ever heard of," although entitled to significant consideration as an expert opinion, is not based on a specific review of the effect of increasing curtailment on the ammonia fertilizer industry or on a detailed engineering study of the Cherokee facility.

In our analysis the only significant potential impediments to conversion are economic rather than technical; but the record on economic factors versus technical issues is not particularly detailed. For example, North Alabama suggests that economic injury is not an issue here; but its definition of feasibility includes economic constraints and subsumes an economic evaluation of Ag-Chem's ability to bear the costs of conversion. It is stated that conversion is infeasible because the remaining useful life of the Cherokee plant is 6 or 7 years. But this figure is not an individual estimate; it is based on the general proposition that economic competition from newly constructed, more efficient plants, producing ammonia at higher capacities will eventually force the closure of the older Cherokee plant. Yet, it is conceeded that maintenance of the currently higher price of fertilizer will extend the useful life of this plant.

Similarly, Witness Henderson testified that he did not "think" that Ag-Chem could increase its prices above the going market price because its customers would be angered and would refuse to buy from Ag-Chem when the fertilizer market becomes competitive again. Yet, if we assume arguendo that this testimony is correct, and that competition in the marketing of fertilizer will resume shortly it is quite possible that Ag-Chem's profit margins are sufficiently large and its variable costs are correspondingly low so that the additional expenditures necessitated by process conversion can be absorbed without the addition of a conversion cost surcharge. Furthermore, the price of ammonia fertilizer has tripled since controls were removed in 1972. The recent profits earned from operation of the Cherokee facility may have been sufficiently high to support the immediate initial costs of process conversion.

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[5] See *Mississippi River Transmission Corporation (Georgia-Pacific Corporation)*, *supra*, where the petitioner had an existing ability to use propane and had, in fact, used substantial amounts of propane during the previous winter to avoid shut-down during complete curtailment of its gas supply.

Based on the record now before us, we cannot conclude that Ag-Chem has shown that conversion of its process gas applications to the use of fuel oil is infeasible on technical or economic grounds. The available evidence indicates that conversion is feasible. To the extent that the record is incomplete, particularly in its discussion of economic considerations, we will not modify that finding on the basis of speculation on the past or future financial condition or the economic viability of the Cherokee facility, when the alternative result is concretely clear, the diversion of gas from other high priority curtailed customers of TETCO.

III. FORM OF RELIEF

In light of the preceding conclusion we will grant permanent extraordinary relief only for feedstock use. However, given the undisputedly substantial character of the steps required to convert the process gas applications at the Cherokee plant to oil use, limited additional volumes of relief gas should also be provided, for process use.[6] The evidence indicates that conversion can be accomplished within thirteen months or by March 31, 1976. Since the expiration of this time period coincides with the end of the winter heating season, the period of heaviest curtailment, we can also make a reasonable allowance for unexpected delays and problems without causing significant harm to TETCO's other customers, by extending our deadline for conversion through August 1976. Ag-Chem has already agreed to use all available interruptible gas only for feedstock or process fuel and to reduce its takes from TETCO when the total volume of available gas exceeds its feedstock and process needs. After August 31, 1976, relief will be provided on condition that gas received from any source is to be used only as feedstock and not for process fuel.

North Alabama and Ag-Chem request that the total amount of gas to be provided by TETCO, including relief volumes and the basic curtailed entitlement, should be limited only by North Alabama's firm contract volume, 14,800 Mcf/d. This limitation would be unjust for it would require TETCO and its other customers to replace the volumes of gas which Ag-Chem loses as a result of curtailments imposed by its other two suppliers, up to a maximum daily total of 4,177 Mcf. If Tennessee and Alabama-Tennessee were not in curtailment Ag-Chem would never need more than 10,623 Mcf/d from TETCO to achieve full production. To remedy this inequity, Staff suggests that the maximum daily volume of relief to be provided by TETCO should be calculated by subtracting the total volume curtailed by the other suppliers from 14,800 Mcf/d, the TETCO contract volume. This proposal also seems unjust since it would doubly penalize Ag-Chem when all three suppliers severely curtail their deliveries.

Instead, we have concluded that the maximum daily volume delivered by TETCO to North Alabama should not exceed 11,964 Mcf/d. This figure was derived by calculating the ratio, of Ag-Chem's total firm and interruptible contract volume (21,800 Mcf/d) to the volume Ag-Chem requires for feedstock and process use at maximum production (17,623 Mcf/d), and by applying that ratio to the TETCO contract volume of 14,800 Mcf/d.[7] Imposition of this limitation should insure that relief gas diverted from other TETCO customers will not be used to remedy curtailments imposed by other suppliers and also should encourage Ag-Chem to seek any necessary additional gas by petitioning separately for relief from Alabama-Tennessee and Tennessee, which are not parties to this proceeding. However, we will delay the imposition of this volumetric limitation until May 1, 1975, in order to give Ag-Chem sufficient time to file those petitions and to prevent a severe loss in production during March when Ag-Chem will not receive any gas from Tennessee.[8]

Finally, no one disputes that a condition should be attached to protect category one service; but certain anomalies in the operation of TETCO's effective interim curtailment plan have given rise to a dispute over the form of this condition. TETCO has been calculating curtailment into category one since December 1974 but, in actual fact, has been delivering gas to priority two customers during this period. In implementing its curtailment plan TETCO curtails on the basis of its customers' total annual entitlements shown in its tariff sheets, 1,027, 928, 425 dekatherms; but its level of curtailment, the Order No. 467-B service priority into which curtailment extends, has been calculated on the basis of a lower figure shown in Exhibit No. 5G in Docket No. RP71-130, *et al.*, in which 94,766,930 dekatherms per year or 259,635 dekatherms per day are excluded and are not classified in any service priority.[9] Staff proposes that we "... place the burden on TETCO to show when it is actually curtailing into priority one . . .", or alternatively that we order TETCO to either file a curtailment impact study or implement its curtailment plan on the basis of new data being collected in the proceeding that concerns TETCO's proposed permanent curtailment plan, Docket No. RP71-130 *et al.* Incorporation of this proposal in this order would unduly and unnecessarily complicate this case by injecting issues which should be addressed in that other proceeding. Instead, we will include a condition that extraordinary relief shall not be provided whenever the provision of extraordinary relief would cause TETCO to implement actual curtailment into priority one volumes.

The Commission further finds:

Good cause exists and it is in the public interest to modify our order of November 26, 1974, in this docket, and to grant extraordinary relief to North Alabama for the benefit of Ag-Chem, subject to the conditions and limitations previously discussed and hereafter ordered.

The Commission orders:

(A) The order of November 26, 1974, in this docket, is hereby amended as follows.

(B) The petition for extraordinary relief filed by the North Alabama Gas District is hereby granted subject to the volumetric limitation and to the conditions hereafter ordered.

(C) The total daily volume of gas delivered by TETCO to North Alabama for redelivery to Ag-Chem shall not exceed these limits:

(1) From February 26, 1975 to April 30, 1975—14,800 Mcf/d;

(2) From May 1, 1975 to August 31, 1976—11,964 Mcf/d;

(3) On and after September 1, 1976—7,179 Mcf/d.

(D) Extraordinary relief is granted upon condition that:

(1) Before September 1, 1976, Ag-Chem agrees to use gas received from any source only as feedstock and for process fuel in firing its primary reformer burners, and to take the absolute minimum volume of gas from TETCO through North Alabama necessary for use as feedstock and as process fuel to produce the maximum output of ammonia achievable on that particular day;

(2) On and after September 1, 1976, Ag-Chem agrees to use gas received from any source only as feedstock, and to take the absolute minimum volume of gas from TETCO through North Alabama necessary for use as feedstock to produce the maximum output of ammonia achievable on that day;

(3) TETCO shall not deliver any extraordinary relief volumes to North Alabama for Ag-Chem whenever provision of extraordinary relief would cause TETCO to implement actual curtailment into priority one volumes.

(4) If, at any time, Ag-Chem or North Alabama takes or uses gas from any source in a manner inconsistent with the terms of this order, then TETCO shall cease delivery of all gas to North Alabama and North Alabama shall cease delivery of all gas to Ag-Chem until such time when Ag-Chem has ceased to take or use gas in a manner inconsistent with the terms of this order and has the chief executive officers of North Alabama any volumes of gas from TETCO that may have been taken or used in a manner inconsistent with the terms of this order.

(5) Within thirty days after issuance of this order, North Alabama shall file with this Commission notarized statements signed by the chief executive officers of North Alabama and Ag-Chem which set forth the conditions and limitations contained in this order and the agreement of North Alabama and Ag-Chem to abide by the terms of these conditions and limitations.

By the Commission.

(SEAL) KENNETH F. PLUMB,
Secretary.

CONTINUING AID TO CAMBODIA AND SOUTH VIETNAM

Mr. ABOUREZK. Mr. President, there has been a barrage of pessimistic and discouraging reports emanating out of the State Department of late regarding the deteriorating status of the Lon Nol regime in Cambodia. It was interesting to note that according to an article in the New York Times, Secretaries Kissinger and Schlesinger are convinced that with or without U.S. aid, Cambodia will soon experience a change in governments.

It is almost ironic, I think, that many of those who rightly cried out in horror at the actions taken by the Soviet Union in its terrorizing crush of the Dubcek regime in Czechoslovakia a few years ago, continue to argue so forcefully for massive U.S. intervention in the affairs of Cambodia and support for the corrupt regime in power there.

While consistency is something which those in public office continue to strive for, it is something which, at least in one way, the Kissinger State Department has mastered long ago. It was the coup in Chile, which the United States so strenously supported, that has succeeded in squelching the last remnants of democracy in that country. It is the regime in Cambodia which continues to hang on to its very thread of existence with the massive transfusions given it by the U.S. Government. And it is the obvious string with which we continue to prop up the puppet government in South Vietnam, that enables that government to delay a peaceful and lasting end to the tragic war in that country.

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[6] For the same reason this decision should not be read as support for a conclusion that Ag-Chem's firm process gas volumes should be classified in category three rather than category two in determining Ag-Chem's basic entitlement under a curtailment plan following the priorities set forth in Order No. 467-B.

[7] On or after September 1, 1976, this limit will be reduced to 7,179 Mcf/d to reflect the elimination of relief for process use.

[8] In January and February, Ag-Chem has maintained production by borrowing additional gas from Tennessee against its total winter entitlement; as a result Tennessee will cut off deliveries to Ag-Chem through North Alabama during March.

[9] These figures are set forth and explained in a stipulation between TETCO and North Alabama appearing in the record at page 555.

The Congress will soon take up the matter of the administration's request for a supplemental dose of military aid to these regimes so that they can buy a few more months of existence before the inevitable occurs. Mr. President, I am of the opinion that the Congress should do no more than to totally dismiss this impractical and ill-conceived request out-of-hand.

The question now, is not whether supplemental military aid should be given to these illigitimate twins of South East Asia, the question now is whether or not it makes sense, in these harsh economic times, to give those regimes another dime in U.S. military assistance. Just today, Congress is considering the President's recommendation for a rescission of funds for significant programs dealing with medical care, forest fire control, water conservation, and improved housing. It is quite apparant that the President is ready and willing to make the trade-off of funds for these vital programs to funds for sustaining the continuing anguish in Southeast Asia.

There are many Members in Congress who feel that the time has arrived to cut off all aid to these regimes and to end these tradeoffs. I agree with that view and I am convinced that the time is not far off when the majority of the Members of this Congress will support that position.

Mr. President, Anthony Lewis had a remarkable article in the New York Times on Thursday, February 27, which ought to be read by everyone. I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE KISSINGER DOCTRINE

(By Anthony Lewis)

BOSTON, Feb. 26—When the Soviet Union crushed Dubcek's Czechoslovakia in 1968, it claimed an inherent right of intervention to keep any "sister socialist state" from slipping out of the Soviet orbit. That was the Brezhnev Doctrine.

Americans were sickened by the brutal cynicism of the Soviet rationalization. But if we open our eyes, we cannot avoid seeing that we now have a doctrine to match. It must be called the Kissinger Doctrine.

It appeared first in relation to the Allende Government of Chile. In that context the doctrine could be stated as follows: *The United States is entitled to conspire against another country's constitutional government if we fear it might slip that country out of our orbit.*

Henry Kissinger put the matter succinctly to the Forty Committee, the secret operations group that he heads, on June 27, 1970. Speaking of Chile, he said: "I don't see why we need to stand by and watch a country go Communist due to the irresponsibility of its own people."

The torment of Cambodia shows that the doctrine also takes a second form: *If a government comes to power by a coup and takes its country into the U.S. orbit, Washington will do anything to prevent a change of that government—no matter how little support it has from its own people, no matter how terrible the cost to them.*

Lon Nol overthrew the Sihanouk Government in March 1970. Whatever its role in that coup, the United States intervened quickly thereafter. In April President Nixon sent in American troops. He said the purpose was only to hunt Vietnamese Communists, not to "expand the war into Cambodia." But war has raged ever since in that once so peaceful country, with the United States playing a dominant part.

The Ford Administration is now putting extreme pressure on Congress for more aid to Lon Nol. What is the rationalization? President Ford explained today that American policy is to help "where the government and the people of a country want to protect their country from foreign aggression or a foreign invasion."

That a man as decent as Gerald Ford should accept such stuff from his advisers, and repeat it, is disheartening. For his premise of Cambodia resisting "foreign" attack is the opposite of the truth.

Americans in Phnom Penh concede that the war is a genuine civil war—Cambodians against Cambodians. Nor do they pretend that Lon Nol has much popular support. His corrupt, ineffectual government is totally dependent on the United States.

It is hard for Americans to admit this, given our historic ideals, but we are the alien intruders in Cambodia. That fact, and the feebleness of the side we support, are the reasons for the Khmer Rouge's success. The Vietnamese did play a commanding role in the period after Sihanouk's fall. But outside help to the Cambodian insurgents is now limited, compared to the American support of Lon Nol.

The U.S. has given $1.8 billion to Lon Nol so far. Americans still direct much of his war effort, and supply it entirely. From March 1970 to August 1973, when Congress called a halt, American planes dropped 442,735 tons of bombs on Cambodia. No Chinese or Vietnamese planes have dropped bombs—or been given as aid to the Khmer Rouge.

As a new excuse for more American aid to fuel this hopeless war, Administration spokesmen say there might be negotiations if Lon Nol survives long enough. That is a desperate argument, and disingenuous. When the Khmer Rouge leader, Khieu Samphan, toured eastern Europe in 1974, the U.S. Ambassador in Phnom Penh, John Gunther Dean, urged that contact be made with him. Mr. Kissinger rejected the idea.

No, Mr. Kissinger's concern is not for the Cambodians, who want no more war. It is for American credibility, and especially his own, which he thinks would suffer if we "lost" Cambodia. Because the only conceivable settlement now would mean Lon Nol's departure the war must go on. Mr. Kissinger is prepared to fight to the last Cambodian.

In The New York Times the other day, right next to the story about the latest Ford-Kissinger appeal for more arms to Lon Nol, there was a report from The Times correspondent in Phnom Penh, Sydney H. Schanberg. It told about what had happened to Cambodia in these five years.

"Cambodia before the war," he wrote, was "so rich in her food produce that even the very poor were never hungry. . . . Now it is a country of landless nomads with empty stomachs—human flotsam living amidst damp and filth. . . . The countryside is charred wasteland . . ."

That is the result of the Kissinger Doctrine—of an obsession with order and power at the expense of humanity. Whatever else he accomplishes in office, Henry Kissinger will be associated forever with the destruction of Cambodia. But Gerald Ford, Congress and the rest of us do not have to go on accepting his monstrous values.

TRIBUTE TO THE 93D CONGRESS

Mr. HARTKE. Mr. President, the recently completed 93d Congress will be considered by history as one of the great Congresses. Its success in bringing about genuine reform within both the House and the Senate has already been evidenced in the organization and rules of the 94th Congres.

I feel confident that such legislation as the Congressional Budget and Impoundment Control Act of 1974, the "war powers" resolution—Public Law 93–148—and the Federal Election Campaign Act Amendments of 1974, all of which I supported in the 93d Congress, will assist in reinstating the division of power between the executive and legislative branches of the Federal Government, and making Congress more responsive to the needs and demands of the times.

The American Bar Association Journal of January 1975, published an article by Bruce R. Hopkins, an attorney and former congressional legislative assistant, on the achievements of the 93d Congress to promote reform.

Mr. President, without objection, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NINETY-THIRD: AN AUTHENTIC REFORM CONGRESS

(By Bruce R. Hopkins)

(Note.—The Ninety-third Congress will be remembered as one of authentic reform. Not only did it improve its own structure, particularly in the House of Representatives, but it also made historical moves to reassert the balance between the executive and legislative branches. In its two years this Congress recaptured much of its constitutional role.)

The Ninety-third Congress, which ended last month, will be remembered as one of the authentic congressional reform Congresses. Although it made notable improvements in its internal structure, chiefly in the House of Representatives, the truly memorable and historically significant reforms occurred in the domain of the relationships and balance between the legislative and executive branches.

When the Ninety-third Congress convened in January of 1973, the executive branch overwhelmingly predominated national policy making. It was the heyday of the Nixon administration's "imperial presidency." Two short years later Congress has recaptured much of its constitutionally authorized role as an equal branch of government.

The work of the Ninety-third Congress will have a major impact on the working relationship between Congress and the president and executive departments. The bitter, mammoth clashes between this Congress and the Nixon administration, which generated a series of "constitutional crises," have resulted in the development or reaffirmation of a multitude of principles concerning our scheme of government.

A by-product of the legislative-executive branch confrontations has been the education of the general public in the fields of political science and constitutional law. The concepts of impeachment, pardon, executive privilege, impoundment of appropriated funds, separation of powers, war powers, and more became topics of popular and everyday discussion.

IMPEACHMENT NO LONGER AN ANACHRONISM?

The Ninety-third almost became the first Congress in more than a century to impeach a president and, as a practical matter, nearly accomplished that end by contributing largely to the first resignation of this nation's chief executive. The House Judiciary Committee voted articles of impeachment (H. Rep. No. 93-1305), but the matter was never the subject of a House vote. Impeachment—the ultimate confrontation between a Congress and a president—was generally believed to be an anachronism, and the fact that the impeachment provision was even invoked in the twentieth century attests the depth of Congress's and the nation's conviction that wrongdoings in the nature of impeachable offenses were committed in and at the direction of the White House. While currently the subject of prime national attention, the Watergate cover-up charges will evolve into relative insignificance in relation to the other articles of impeachment that charged obstruction of justice and misuse of the executive office. What impact these articles will have on presidents as standards for appropriate behavior in office cannot now be assessed.

A resurrected impeachment clause and the House Judiciary Committee's articles survive as a principal legacy of the Nixon administration—ironically the result of that administration's strenuous efforts to fashion a stronger and pervasive presidency. The irony deepens when this legacy is viewed as including the panoply of new laws, most of which are the product of the Ninety-third Congress, that enhance the duties and responsibilities of Congress and correspondingly circumscribe the scope of power and authority of the president.

In passing the Congressional Budget and Impoundment Control Act of 1974 (H.R. 7130), Congress enacted not only one of the most significant pieces of legislation of the Ninety-third Congress but potentially the most important item of "congressional reform" legislation in decades. The objective of the act is to recapture for Congress its proper role in the formulation of the federal budget and to provide it a system for analyzing the national budget and controlling spending. Despite the fact that the act, if effectively implemented, will strengthen Congress's position in relation to the executive branch in exercising powers of the purse and will curb the president's power to impound congressionally appropriated funds, President Nixon signed the measure into law on July 12, 1974, as Public Law 93-344.

BUDGETARY PROCESS IS DRAMATICALLY RESTRUCTURED

Congress now considers each authorization and appropriations bill separately, forgoing any attempt at co-ordination, either in terms of total spending or impact on the nation's economy. In what should be a dramatic restructuring of this process, the act establishes House and Senate Committees on the Budget. These two committees will estimate revenues annually, set levels of total budget outlays and new budget authority, estimate spending levels for various program areas, and target an over-all surplus or deficit figure. The budget committees will be assisted by a new Congressional Budget Office that, working with the General Accounting Office, the Library of Congress, the Office of Technology Assessment, and other agencies, will provide them and other committes with necessary information previously obtained—if at all—from the executive branch.

The act will make substantial changes in the congressional budget formulation process. Following submission of the president's budget request and after receipt of reports from congressional committees and the Congressional Budget Office, the budget committees must each report a concurrent resolution by April 15 on the budget to their houses. This resolution will set forth the estimates of spending and the like for the fiscal year beginning in the particular calendar year. The act changes the fiscal year commencement date from July 1 to October 1. Congress will be required to complete action on this concurrent resolution by May 15. Also by that date, congressional committees will have to report all bills and resolutions authorizing new budget authority (spending), with completion of actions thereon by Congress by the seventh day after Labor Day. Between May 15 and September 15, regular appropriations bills as reported by the existing appropriations committees will have to be passed. By September 15 Congress will be required to complete action on a second concurrent resolution on the budget, taking into account developments since passage of the May 15 resolution.

If the total spending figure as established by the several appropriations bills is greater than the target figures of the September 15 resolution, however, Congress would have to pass a reconciliation bill, cutting spending back to the September 15 resolution levels, enacting a revenue increase, or legislatively stipulating a deficit. This reconciliation measure would have to be enacted by September 25, only five days prior to the beginning of the fiscal year. The budget process should be completed before the particular fiscal year begins, with the reconciliation bill being the principal device that Congress is to use in controlling federal expenditures, in seeking to assure fiscal responsibility, and in reclaiming its authority to establish budget priorities.

This budget process will become applicable with respect to fiscal year 1977, which begins on October 1, 1976, although a "dress rehearsal" concurrent resolution may be reported in relation to fiscal year 1976.

The House and Senate budget committees are also given the duty to make continuing studies of the effect on budget outlays of existing and proposed legislation. Soon after the beginning of each fiscal year, the Congressional Budget Office will issue a five-year projection of new budget authority and budget outlays, revenues and the sources thereof, surplus or deficit, and tax expenditures, each broken down by fiscal year.

Title X of the act, styled the Impoundment Control Act of 1974, contains procedures providing congressional control over the impoundment of funds by the executive branch. If a president desires to impound appropriations for policy reasons, he must first transmit to Congress a special message requesting and enumerating the reasons for a rescission of the budget authority. The funds in issue would have to be obligated unless Congress completed action on a rescission bill within forty-five days after the president's request. Similarly, the president may petition Congress for a deferral of budget authority, although an obligation would be required if either the House or Senate passed an impoundment resolution disapproving the proposed deferral at any time after receipt of the message. If the president were to impound appropriations in violation of the act, the comptroller general is empowered to initiate an action in federal court to free the funds, and the suit is to be heard on an expedited basis.

IS IMPOUNDMENT CONTROL ACT THE ANSWER?

Whether the Impoundment Control Act has finally given Congress effective controls over executive branch impoundments remains to be seen. In an unexpected twist, President Ford already has proposed the rescission or deferral of billions of dollars in federal spending authority. The Democratic leadership of the Senate has taken the position in a letter to the comptroller general, who has the responsibility for reviewing rescission and deferral messages, that President Ford is exceeding his authority under the act by frustrating the intent of Congress in enacting the appropriations.

Another enactment of the Ninety-third Congress designed to reinstate the symmetry of powers between the legislative and executive branches envisioned by the Constitution is the war powers resolution (Public Law 93-148). The war powers measure requires the president to consult with Congress in "every possible instance" before committing military forces to hostilities overseas. When a president introduces combat forces into hostilities abroad, absent a congressional declaration of war, he must promptly report to Congress his reasons for assuming this authority. Additional reporting is required at least every six months. The military forces would have to be withdrawn if Congress did not give its approval to the president's unilateral action within sixty days. The resolution, which was passed over President Nixon's veto, should contribute greatly to a restoration of balance in war-making authority.

OTHER MEASURES WILL RESUSCITATE CONGRESS

Still other measures that will assist in recovering for Congress some of its constitutionally prescribed roles include Senate passage of a bill providing for congressional review of executive agreements (S. 3830), enactment of limits on the employment of White House personnel (H.R. 14715). Senate passage of a measure repealing a variety of "emergency powers" assumed by presidents in recent decades (S. 3957), congressional consideration of a host of bills pertaining to the exercise of executive privilege (for example, S. 1520), House passage of a bill regulating the use of the "pocket veto" (H.R. 7368), and enactment of a statute requiring Senate confirmation of appointees to be director and deputy director of the Office of Management and Budget (Public Law 93-250).

Left for consideration by the Ninty-fourth Congress are the recommendations of the Senate Select Committee on Presidential Campaign Activities as the result of its Watergate investigation. Among the anticipated features of the legislation to be introduced is the establishment of an office of permanent public attorney (akin to the Watergate special prosecutor), laws to prevent manipulation of federal elections and the use of campaign "dirty tricks," a requirement that White House contacts with the Internal Revenue Service be disclosed, legislation to facilitate the enforcement of subpoenas served at the White House, creation of a congressional legal staff, and the strengthening of congressional oversight with respect to executive branch usage of the Central Intelligence Agency, the Federal Bureau of Investigation, and other intelligence and law enforcement agencies. Congress, however, did pass the Federal Election Campaign Act Amendments of 1974 (Public Law 93-443), an omnibus package of campaign law reforms.

Thus, the Ninety-third Congress has flexed its muscles and won back much authority for the nation's legislative branch. Its efforts have revived much speculation about the likelihood and viability of "congressional government." But the presidency remains—as it should—strong. Presidential power has not been destroyed but brought into a more appropriate balance in relation to Congress's authority and responsibility.

The work of the Ninety-third Congress spawned a considerable (and healthy) dialogue as to the proper roles for national and state governmental institutions. Whatever the result of this dialogue, it must be hoped that Congress has relearned the ability to function as a coequal with the executive branch—not as a belligerent adversary but as an effective, albeit competing, partner in the formulation of national policy. This ability will be an especially important ingredient in the functioning of the Ninety-fourth Congress, which is overwhelmingly dominated by the Democrats and has a heavy responsibility to work meaningfully with a Republican president. If subsequent Congresses can build on the achievements of the Ninety-third and continue to make progress in internal modernization, Congress should have little trouble in remaining a full participant in our governmental system.

BOLLING COMMITTEE REFORMS WERE CONTROVERSIAL

Concerning "internal" congressional reforms, in the declining days of the pre-election session of the Ninety-third, the House adopted some wide-ranging changes in its rules governing committee jurisdictions and procedures (H.Res. 988). Congress has not modernized its committee structure to any significant degree since the enactment of the Legislative Reorganization Act of 1946. The House had established a Select Committee on Committees in 1973 (the "Bolling Committee"), authorizing the select committee to propose improvements in House committee organization and structure. The reforms advanced by the Bolling Committee proved to be too controversial, and in the end the House adopted an amended version of a proposal prepared by the House Democratic Caucus Committee on Organization, Study and Review (the "Hansen Committee").

Among the recommendations of the Bolling Committee was the splitting of the Education and Labor Committee into two standing committees, reduction in the scope of the jurisdiction of the Ways and Means Committee, establishment of a Committee on Energy and Environment, abolishment of some minor standing and select committees, and strengthening of the House's oversight function. Unhappy with the sweeping nature of the Bolling Committee's handiwork, the House Democratic Caucus referred it to the Hansen Committee.

PROXY VOTING IS PROHIBITED

As ultimately adopted, the House rules reforms encompass a variety of important revisions that go into effect this month. Proxy voting in House committees is now prohibited. The Ways and Means Committee must establish at least four subcommittees. Most House committees will have subcommittees to conduct oversight activities in the field of their legislative jurisdiction. A majority of the House membership on conference committees must consist of those who generally supported the House position on the matter in disagreement. The House is empowered to organize itself before rather than immediately after a new Congress is assembled. The minority party on each House standing committee is entitled to one third of the funds provided for committee staff for the appointment of professional staff persons. The Speaker is authorized to refer bills to more than one House committee (jointly, sequentially, or in split form) or to a specific *ad hoc* committee.

The House rules changes provide for other institutional reforms, including the establishment of a Legislative Classification Office to provide a system for linking federal authorizations to expenditures; a Commission on Information and Facilities to study the information, facilities, and space needs of the House; and an Office of Law Revision Counsel to compile and recommend revisions in the United States Code. The Joint Committee on Congressional Operations is directed to undertake a continuing review of the jurisdictions of House committees and to work to rationalize the jurisdictions of the committees of Senate and House.

One of the phenomena of power shifts in the House in recent months has been the decline in authority of the Ways and Means Committee. In addition to its legislative responsibilities, the Ways and Means Committee has served as the Committee on Committees for the Democrats—the body that makes assignments for Democratic seats on all House committees. The House Democratic Caucus, however, rather than the Ways and Means Committee, selected committee positions for the new House Budget Committee. Moreover, the Ways and Means Committee was stripped of its authority to select House Democratic committee positions by the Democratic caucus last month.

The House Democratic Caucus earlier attempted to undercut another source of Ways and Means Committee power: the closed rule. A reform adopted in 1973 permits the House in certain circumstances to consider amendments to pending tax bills. Under a procedure followed since the early 1930s, tax bills generally are considered pursuant to a closed rule depriving the full House of the opportunity to amend the measure as written by the Ways and Means Committee. This reform enables fifty or more members of the House Democratic Caucus to attempt to obtain language in the rule to permit consideration of an amendment. This procedure is not part of the House rules but is merely a caucus rule applicable only to House Democrats.

Last year two members of the Ways and Means Committee endeavored to test this rule by causing 125 members of the Democratic Caucus to vote to instruct the Rules Committee and the chairman of the Ways and Means Committee to allow two amendments to a tax bill. The question immediately arose as to whether the caucus action was binding on the Rules Committee Democrats. Rep. Wilbur D. Mills, the Ways and Means Committee chairman, promptly announced that he was defying the caucus, thereby threatening the caucus as an instrument for implementing party policy positions in the House. Representative Mills threatened to take the bill directly to the House floor, bypassing the Rules Committee, where it would have been completely open to amendment. However, the impasse was avoided—and the issues raised unresolved—because the bill was never reported out of committee.

The Ways and Means Committee's legislative jurisdiction has been threatened as well. The House committee jurisdiction reforms deprived the committee of jurisdiction over general revenue sharing (to Government Operations), work incentive programs (to Education and Labor), renegotiation (to Banking and Currency), and health care supported from general revenues (to Commerce and Health). Under the Bolling Committee's proposal, the Ways and Means Committee also would have lost jurisdiction over foreign trade and unemployment compensation.

In accordance with the new House rules reforms, the House members of the Ninety-fourth Congress met last month to organize, rather than wait until Congress convenes this year. The Republican and Democratic party organizations (the conference and caucus, respectively) elected their leadership and nominees for House officers. The Democrats also adopted a package of important institutional reforms.

The Democratic Caucus voted to transfer the power to make committee assignments for House Democrats from the Ways and Means Committee to a component of the caucus, the Steering and Policy Committee. The caucus also realigned the committee membership ratio (to be two Democrats to one Republican, plus an additional Democrat) and enlarged the Ways and Means Committee from twenty-five to thirty-seven members. Moreover, there will be a new chairman of the Ways and Means Committee in the new Congress. Clearly, the legislative outcome of the issues to be considered by the Ways and Means Committee during the next two years will reflect these important changes.

The caucus also voted to bar House members from serving as chairmen of more than one major committee—whether standing, select, or joint. Also the procedure for electing committee chairmen was altered, so that if a chairman is defeated, the caucus may nominate others than simply the next senior committee member. The caucus adopted procedures requiring election of House Appropriations Committee subcommittee chairmen by the caucus and enabling the House Speaker to nominate all Democrats on the House Rules Committee. (Under existing rules, chairmen are elected by the entire caucus). Still another notable reform ensures that junior Democratic members of the House will have at least one principal subcommittee assignment.

These and other reforms have undoubtedly appreciably strengthened the party and leadership machinery in the House. Power within the House and perhaps as between the House and Senate is shifting and the strict seniority system has been further weakened. The resulting "democratization" of these institutions may usher in a new era in the manner in which Congress operates and develops legislation.

Among the variety of methods by which Congress is attempting to regain its authority as to the formulation of national priorities is the enactment of mechanisms to evaluate the impact of federal tax policy on the governmental process. The Congressional Budget Act directs the House and Senate Budget Committees to study and devise methods of co-ordinating "tax expenditures" with direct congressional appropriations. ("Tax expenditures" are revenue "losses" attributable to federal tax deductions, exemptions, and credits.) Under the House rules revisions, moreover, each of its standing committees now has the task of analyzing the probable impact of tax policy affecting the subject matter within the committee's jurisdiction.

The Joint Committee on Congressional Operations, mandated to make a continuing study of and recommend improvements in the organization and operation of Congress, has been holding hearings to examine the services, resources, and information facilities available to Congress. Earlier the committee conducted hearings on ways to improve the capability of Congress for better communications with the public. The committee has issued a special report relating to constitutional immunity of members of Congress (S. Rep. No. 93-896).

The judicial branch of the federal government rendered several decisions during the Ninety-third Congress of consequence to the conduct of the legislative and executive branches. Of course, the most significant of these cases, nearly all of which were the progeny of the Watergate episodes, was *United States* v. *Nixon*, 94 S. Ct. 3090 (1974), in which the Supreme Court unanimously rejected broad claims of executive privilege in ruling that President Nixon was required to turn over tape recordings of White House conversations to the Watergate special prosecutor for use in the cover-up trial. The Court, while finding that the doctrine of executive privilege has a constitutional basis, held that the "generalized assertion of privilege must yield to the demonstrated, specific need for evidence in a pending criminal trial."

In other court decisions the United States Court of Appeals for the District of Columbia Circuit ruled that a president can be sued for failing to enforce an act of Congress (492 F. 2d 587), overturned the bribery conviction (see 408 U.S. 501) of former Sen. Daniel B. Brewster, and upheld a district court ruling that President Nixon improperly invoked the pocket veto during a 1970 congressional recess. This court also generally affirmed a district court decision ordering President Nixon to deliver Watergate tapes to the lower court for its *in camera* inspection to determine which portions were relevant to a grand jury investigation (487 F. 2d 700) and that the lower court had no jurisdiction to consider the action brought by the Senate Select Committee on Presidential Campaign Activities to enforce its subpoena of Nixon for Watergate tape recordings (498 F. 2d 725) The District Court for the District of Columbia also held that Nixon's firing of Watergate special prosecutor Archibald Cox was illegal (366 F.Supp. 104).

WILL CONGRESS MEASURE UP?

Clearly, then, the Ninety-third Congress will be enshrined as an authentic "reform" Congress, particularly in its relationship with the executive branch. While it is not anticipated that the Ninety-fourth will be a wholly "veto-proof" Congress, as some persons have asserted, it will share responsibility with the president for the shaping of domestic policies over the next two years. The question in the minds of many is whether Congress, now that it has recovered much of its authority and provided itself with many mechanisms for independent policy formulation, can perform in response to the acquisition of this responsibility.

The Ninety-fourth Congress will feature more than one hundred new members—the most extensive turnover of seats since the Eighty-first Congress was elected in 1948. This means that nearly one half of Congress has been elected during the past four years. The membership of the new Congress should bring fresh thinking to the legislative branch on congressional reform and other current issues. If the Ninety-fourth Congress does not perform to the satisfaction of a majority of the electorate, it may be anticipated that the president and others will be campaigning in 1976 against a "do-nothing Congress," as Harry Truman did in 1948 against the Eightieth Congress.

The new Congress cannot hope to duplicate its predecessor's record in the domain of congressional-executive relations. Rather, its congressional reform challenge is to further the continuing efforts being made to improve the internal workings of the House and Senate.

IMPROVING THE FOOD STAMP PROGRAM

Mr. HUMPHREY. Mr. President, several reports have been completed or are about to be, emphasizing key areas of the Food Stamp program.

The Department of Agriculture, the General Accounting Office and the Senate Select Committee on Nutrition and Human Needs have all been taking a careful look at the program.

The study by the Department of Agriculture indicated an error of $160 million in the over-issuance of food stamps over a 6-month period. This program has been very controversial with serious charges of widespread abuses.

The report of the Senate Select Committee on Nutrition and Human Needs emphasized the fact that the program is falling behind in taking care of those who are eligible to be in the program. Because of rising unemployment, it is now estimated that only 38 percent of the eligibles receive food stamps whereas 52 percent of those eligible received food assistance in 1972.

The study by the GAO emphasizes the need for better information on those now in the program and the people who are eligible but not now receiving food coupons. The GAO found, in looking into the records, that around 20 percent of those receiving food stamps were not eligible, but many of these resulted from minor administrative errors. It was not clear why these errors had been made and how many represented simple omissions or oversight.

Our Senate Committee on Agriculture and Forestry has stated its intention to look at this program in detail in order to make improvements and end any abuses.

There has been a great deal of confusion concerning the numbers of recipients in the program, in part encouraged by the administration. In December 1971, 14.9 million people participated in either the food stamp or the commodity program.

In September 1974, with the commodity program phased out, the number of food stamp recipients was 15.0 million. The number of food stamp recipients had increased to 17.0 million by late 1974, and this increase resulted from the sharp increase in the rate of unemployment.

The information in these reports needs to be reviewed and digested in order to develop the recommendations for implementation. I hope that this can be done expeditiously because this program can play a vital role in helping needy people meet their basic food needs.

Mr. President, I ask unanimous consent that three informative articles on this topic, "Lag on Food Stamp Widens," Washington Post, March 3, "U.S. Report Finds Excessive Issuing of Food Stamps" New York Times, March 2, and "Senators Charge 20 Million Needy Lack Food Stamps," New York Times, March 3, be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

U.S. Report Finds Excessive Issuing of Food Stamps

(By William Robbins)

Washington, March 1.—Errors in certification by state agencies gave a broad sample of food stamp recipients 23.2 per cent more assistance than they were legally entitled to in the six months ended June 30, 1974, the Department of Agriculture said today.

The rate of error appeared to indicate overissuance of stamps worth about $160-million in the period.

The department issued its report as another agency, the General Accounting Office, completed a study that is critical of both the structure and the administration of the food stamp program. The G.A.O. is the investigative arm of congress.

LACK OF DATA CRITICIZED

That watchdog agency criticized a lack of data on numbers of needy persons who were not being reached by the program and what it saw as an inadequate effort to get aid to those whose need might be greatest. It also found certification procedures unnecessarily complex, lending themselves to error, and found inequities in the program itself that favor families who are also receiving other forms of assistance.

Other criticism came from Senator George McGovern, Democrat of South Dakota, who is chairman of the Senate's Select Committee on Nutrition and Human Needs. He said he was not surprised at the errors and added that his committee would issue on Monday a report that "details the administrative failures" in the food stamp program.

Senator Robert J. Dole, Republican of Kansas, said that he had asked the Senate Agriculture Committee to conduct hearings to examine the G.A.O. recommendations.

ELIGIBILITY PROBLEM

"When I initially requested the study in November, 1974," he said, "I was concerned that many of those eligible for food stamps were not getting the assistance they need. The study shows that a great many who receive food stamps do not meet the eligibility standards while others in need, who do meet the standards, receive no assistance at all."

Enrollment in the food stamp program increased from 13.5 million last June to 17.1 million in December as unemployment rose. A total of $4-billion was spent on the program last year.

The Agriculture Department's report was based on a sample of 25,585 households, in 46 states. They were drawn from the 45 per cent of food-stamp recipients who do not get other forms of public assistance. In most cases, those who receive other forms of public assistance automatically qualify for the stamps.

Families who must be individually certified, for lack of the automatic qualification, received a total of $696.5-million in "bonus" food stamps in the six-month period of the study. Under the food-stamp program, those with the lowest levels of income get the stamps free, while applicants with higher incomes pay increasing amounts for the stamps. The "bonus" stamps represent the difference between what these applicants pay and the total value of the stamps.

Eligibility to participate in the program varies according to income and family size. Each applicant must undergo a process involving interviews with state or local officials and then checks on the information provided. Some family costs can be deducted from income in qualifying for the program, such as portions of high medical costs and, occasionally, portions of rent payments.

Although the food-stamp program is federally funded, the stamps are distributed by state and local officials with financial help from the Federal Government.

The sample used in the Agriculture Department report was designed to be statistically valid for a projection of error rates for all families in the program who have to be individually certified. Not all states produced all the reports designed to be incorporated into the study. But Royal Shipp, director of the Food Stamp Division, which is a unit of the Agriculture Department's Food and Nutrition Service, said: We have no reason to believe the results would be any different if all the reports had been filed."

An aide remarked that projections based on the report "would give you a ballpark figure."

Thus, if the projections are valid, overissuance of stamps in the six-month period covered by the report would amount to about $160-million. For the full fiscal year beginning July 1, 1973, in which families not automatically qualified received $1.22-billion in food-stamp assistance, the overissuance would amount to $280-million.

TOTAL PROJECTED

A projection for the first seven months of the current fiscal year, in which such aid increased to $1.375-billion, the same rate of error would amount to about $316-million.

Department officials emphasized, however, that about a third of the errors involved families now ineligible who could qualify merely by completing a requirement that most food-stamp applicants register for employment. Bonus stamps issued to such families amounted to 7.5 percent of the total for the six-month period.

At the same time, the report said, 7.7 percent of the bonus stamps were issued to ineligible households—because of errors made in income, deductions, resources and other eligibility factors. In addition, 8 percent of the stamps represented over-issuance to households that were eligible but that either paid too little or were given excessive allotments.

"It's important to realize that we are not talking about fraud or deliberate waste of the taxpayers' money," Mr. Shipp commented in a telephone interview. "These are errors—the state level—in some cases simply because of a lack of knowledge among participants about such things as reporting changes in income."

Looking at the situation on a case-by-case basis, the Food Stamp division found a 56.1 percent rate of error. In many of the cases, however, the dollar amounts involved were small.

In that category, 37.9 percent represented cases found to contain errors of underpayment or overpayment for stamps and with either too many or too few coupons issued. The report did not detail how many families might have overpaid or by how much.

In addition, six percent of the cases involved failures to meet work registration requirements, and 12.2 percent involved ineligible households.

Today's report was the result of a quality control program involving follow-up investigations by agents of the states' distribution programs. The agents are given sample cases in which they investigate and attempt to verify all data given by an applicant as a basis for qualifying for food stamps.

On average, the agent spends about two days investigating a case.

"QUALITY CONTROL" HELD AID

The results, however, vary widely from state to state. Errors ran as high as 80 per cent, for Rhode Island cases, and as low as 21.8 per cent for the state of Washington.

In the New York area, New York State had an error rate of 68.5 per cent; New Jersey, 74.4, and Connecticut, 77 per cent.

Despite the rates of errors found, the administrator of the Food and Nutrition Service, Edward J. Hekman, found encouragement in the quality control program. He noted that the percentage of stamps going to ineligible households had declined 25 per cent in the six months covered by the report, compared with the preceding six months.

"Quality control is proving itself to be an effective tool in program administration," he said, "and states are using it to take corrective action to improve the food stamp program."

He said that the agency was analyzing possible procedures to make the food stamp program easier for the states to administer.

One possibility for simplifying procedures was suggested in the G.A.O. report. It recommended that, in the certification process, standard deductions might be substituted for itemized deductions from income.

It also urged more equitable treatment for families receiving no other forms of assistance besides food stamps. The report noted that families on public assistance could have part of any earned income disregarded as a basis for receiving stamps while families not receiving assistance could not.

The G.A.O. report also called for improvements in the states' quality-control programs, noting that "in most cases the [quality-control] reports did not clearly identify the underlying causes of the errors."

"The apparent inability of some states to significantly lower their high error rates raises some question as to the effectiveness of the states' corrective actions and the service' review and monitoring of those actions," the G.A.O. said.

ONLY 38 PERCENT OF ELIGIBLES PARTICIPATE—LAG ON FOOD STAMPS WIDENS

(By Austin Scott)

Although the number of Americans receiving food stamps rose from 14 million to 17.9 million in less than a year, the program is falling further behind in taking care of all those eligible, according to a staff report of the Senate Committee on Nutrition and Human Needs.

Another report issued by the Department of Agriculture, said a sample audit of the $4 billion program showed that payment errors were made in 56.1 per cent of the cases sampled. While there were overpayments as well as underpayments, the USDA report said, they added up to a 23.3 per cent overpayment.

The committee staff report said 52 per cent of those eligible for federal food assistance received it in 1972, but by September, 1974, despite the increase in numbers, only 38 per cent of those eligible were getting assistance.

In part, the drop is a measure of the state of the economy and the rise in unemployment, the report said. But it laid much heavier responsibility on what it said were unnecessarily burdensome administrative requirements, and "restrictive policies and practices of the U.S. Department of Agriculture."

Committee Chairman George McGovern (D-S.D.) said in releasing the report that he fears the program's problem might invite those who oppose it to try to discredit it. He repeated his belief that "the real problem with the food stamp program is the attitude" of Agriculture Secretary Earl L. Butz and the administration toward it.

Butz told a Senate Agriculture Committee two weeks ago that he considered the program "welfare," and would like to see it transferred out of his department.

He made the comment after McGovern told him he should either run the program properly, or resign.

Highlights from the nutrition committee staff report:

Although the law requires that food stamp applications be processed in 30 days or less, "the most conservative estimates indicate that, in mid-February, at least 85,000 people were waiting longer than 30 days."

The declining economy is putting "a heavy demand on state food stamp agencies," so that the 50-50 state-federal sharing of administrative costs made law just this year no longer adequately pays for state costs.

The Agriculture Department has not encouraged states to vigorously seek out and register those who are eligible. U.S. District Judge Miles Lord of Minneapolis reached the same conclusion last fall, and handed down an opinion accusing Butz of failing to run the program properly.

Some areas are trying, and succeeding, to cure problems in their programs. The report cited Atlanta, which it said cut a backlog of 4,500 applicants to 1,000 by opening food stamp offices on Saturdays and Sundays, and using volunteers.

The survey conducted by USDA on error and overpayment did not determine whether the errors were made by applicants mistating their eligibility, or by the caseworkers who processed them, a department spokesman said.

The nutrition committee staff, however, said it found "little intentional abuse of the food stamp program."

It quoted a June, 1973, statement made by Assistant Agriculture Secretary Clayton Yeutter to the committee. Yeutter said then that the program has been "remarkably free from fraud."

Statistics submitted by USDA showed that from July 1, 1972, through March 30, 1973, there were 12 instances of embezzlement by state and local employees involving $28,376, four cases of "coupons trafficking" involving $26,000, and all told, losses amounted to 14 cents for each $1,000 worth of food stamps issued.

The committee staff report said "there is no evidence that there is more abuse of the program now than there was two years ago."

The USDA report, which sampled 25,585 households out of 5.7 million, did not claim any of the error found constituted fraud.

A USDA spokesman said the department did not know what error factor there might be in such a sample, but considered the results "quite good."

There were no tabulations in the survey for families that did not receive as much of a food stamp bonus as they were entitled to.

For those who received more than they should have gotten, the survey found 8 per cent of the overpayments were caused by giving too much to eligible households, 7.5 per cent were caused by giving too much to households that were not yet eligible but would be once paperwork was finished, and 7.7 per cent were caused by giving food stamps to ineligible households.

Food and Nutrition Service Administrator Edward J. Hekman said the error rate is a 25 per cent improvement over the rate the same survey found in 1973.

The nutrition committee staff report included a number of recommendations. Among them were:

Selling of food stamps in all post offices, to improve on the short banking hours and long waits in banks; certification by declaration on a simple form with a random check for fraud; congressional appointment of an advisory council, including poor people; and a boost in food stamp benefits, which are now based on a diet plan the Agriculture Department says is not suitable to maintain good health over a long period of time.

SENATORS CHARGE 20 MILLION NEEDY LACK FOOD STAMPS

(By Nancy Hicks)

WASHINGTON, March 2.—Before dawn tomorrow, America's new breadlines will begin forming as the newly unemployed and the chronically poor begin the monthly ordeal of applying for or buying food stamps.

And as long as the lines are, a 71-page report issued today by the Senate Select Committee on Nutrition and Human Needs estimates that only 38 per cent of those eligible for food stamps are getting them, leaving off the rolls some 20 million eligible persons.

The lines will include people such as Victoria Toy, 22 years old, the wife of a Miami policeman, who has been caught in an economic bind of rising food costs, high medical expenses for her two children and a newly imposed ban on overtime on her husband's job, which has reduced the family income.

And there will be people such as Jeff Emert, 25, of Phoenix, Ariz., who lost his $150-a-week job as a construction worker and now lives on the $50 a week he earns as a part-time tennis instructor.

But there will not be people such as Gloria Long, a 30-year-old working mother with a son and a diabetic mother who will never receive food stamps because, after hours of waiting for an interview, she failed to have all the necessary documentation and vowed never to return.

"I have too much respect to go through this hassle again," she said as she left the

Department of Welfare office on South Broad Street in Trenton.

All over the country, scenes such as this have been occurring in what may be one of the nation's fastest-growing and most controversial social programs.

"They wait in line, and they wait too long," said Michael J. Jacobs, supervisor of the district welfare office in Chicago, who said that he had found as many as 60 people waiting to apply when he unlocked the doors at 8:30 A.M.

ENROLLMENT RISES RAPIDLY

The demand for food stamps has pushed national enrollment in the program up to 17.9 million, as of Jan. 31. Two million joined the rolls in December and January alone, as unemployment grew to 8.2 per cent of the labor force.

Most food stamp recipients are drawn from the ranks of the chronically poor. A study by the Congressional Joint Economic Committee showed that as of November, 1973, the average recipient had a monthly income of $364, 80 percent of that drawn from Federal and state programs for the poor. More than 70 per cent of the heads of participating families were not in the work force.

The program cost $4-billion last year.

Three reports released this weekend charged that the program was badly administered, was distributing more stamps than it should in some instances and was not reaching the people who needed them most.

"The food stamp program is suffering from grave administrative inadequacies which I fear may invite its political critics to attempt to discredit it," said Senator George McGovern, Democrat of South Dakota, who is chairman of the Senate select committee.

He offered 15 recommendations, one of which would include certification by the applicant's declaration of eligibility rather than by the complicated certifying procedure now used. This approach has resulted in some 65,000 applicants' waiting more than 30 days to receive benefits, he said. Any fraud would be detected in random audits, similar to those conducted by the Internal Revenue Service on income tax returns.

Yesterday, the Department of Agriculture, which administers the program, reported it had found in a broad sample of recipients that 23.2 per cent were receiving more assistance than they were legally entitled to. The General Accounting Office, investigative arm of Congress, issued a report critical of the structure and the administration of the program.

"HIPPIES IN COMMUNES"

The current food stamp program, in effect since 1964, allows a family of four to receive $154 a month in food stamps, which the department of Agriculture estimates it costs to purchase food for a nutritious diet. The amount that the family pays for those coupons depends on its net income, computed from gross income with certain deductions for large medical expenses and other costs. The family of four with a net income of $130 a month or less receives its food stamps free. Others pay on a sliding scale. All payments average 23 per cent of families' net monthly income.

The department and President Ford had sought to raise the purchase price to 30 per cent but Congress voted overwhelmingly to prevent that.

The Congressional fight that held down the purchase price of the stamps, though, was rife with suggestions by legislators that the program was filled with "cheats."

Senator Milton A. Young, Republican of North Dakota, complained about "hippies in communes who do not want to work" being in the program.

Senator Herman E. Talmadge, Democrat of Georgia, recounted a story in which a man drove a Cadillac up to a store and bought $189 worth of steak with food stamps.

Senator Carl T. Curtis, Republican of Nebraska, told of a constituent whose landlord was receiving food stamps.

The complaints are reminiscent of those about welfare programs in the nineteen-sixties when the welfare rights movement began looking at the full range of benefits to which recipients were entitled and demanding that they be given. This activity resulted in a backlash against "welfare cheats" and a tightening of regulations.

With the food stamp program, however, most of the criticism has been directed at the Agriculture Department for withholding legislated benefits and failing to seek out eligible participants. In some cases, the local certifying agencies have come under attack for harassing applicants by such actions as refusing to allow them to use bathroom facilities.

JUDGE ORDERS FUNDS SPENT

Last fall, a Federal judge ordered the department to review all state recruitment programs and to require the submission of new plans where deficiencies were found to exist.

The judge, Miles W. Lord of Minneapolis, also ordered the department to spend $278-million that had been appropriated but not spent in the fiscal year 1973 for the food stamp program.

Others, such as the Senate committee, would like to see certification streamlined in other ways. Currently, recipients must appear periodically at local offices and reapply. Some localities allow participants to purchase their stamps in post offices and banks, facilities that are easily accessible.

In cities such as Miami, where stamps are purchased at social service offices, an estimated 2,000 people a day show up during the first few days of the month to buy their stamps, according to Paul E. Aubert, the regional food stamp administrator for Dade County.

For this reason, the Senate committee would like recipients to be able to purchase food stamps in post offices.

Robert Greenstein of the Washington-based Community Nutrition Institute wants local food stamp workers to make it clearer to recipients that they do not have to buy all their stamps at one time.

Because this point is not emphasized, Mr. Greenstein said, many people who do not have the money needed to purchase their monthly allotment of stamps do not apply for them at all.

RESTORATION OF RELIGIOUS SHRINE TO THE ZUNI INDIANS—S. 877

Mr. ABOUREZK. Mr. President, I am pleased to have joined my two distinguished colleagues from New Mexico in introducing a bill to restore a sacred, religious shrine to the Zuni Indians and to permit them to file their aboriginal land claim with the U.S. Court of Claims.

I am convinced of the fairness of this legislation.

We are not asked to make any judgments on the merits of the aboriginal land claim. We are asked to pass judgment on whether there is an adequate case in equity made which will justify the Congress referring this matter to the Court of Claims. As Senators will know, we have agreed that when the time permitted the Indian Claims Commission to complete its work finally expires next year, that all matters which are unfinished would be referred to the Court of Claims to complete action thereon.

The claim of the Zuni Indian Tribe would not be referred to the Indian Claims Commission, but rather the Court of Claims, inasmuch as the Indian Claims Commission could not possibly complete work on this matter prior to the Commission's expiration date.

It is my intention to hold hearings on this matter at an early date, and my intention to do all I can to secure its passage and enactment into law.

THE JOB OPPORTUNITIES PROGRAM IS READY TO GO

Mr. MONTOYA. Mr. President, in the closing hours of the last Congress, the Senate initiated, and the House concurred in a job opportunities program as an amendment to the emergency public service employment bill. Five hundred million dollars was authorized. The urgent supplemental appropriations provided $125 million.

Many of us in both the Senate and House have been urging the President to get this $125 million, modest as it is, into the economy for job creation activities. President Ford, though signing the bill into law, has asked Congress to transfer this $125 million to the public service employment program at the Labor Department. In the meantime a rescission request is pending before Congress.

My information is that there is little congressional sentiment to hold up this program any longer. I think it would be unfair to assume that the desire of Congress to get moving on the job opportunities program is a measure of dissatisfaction with the public service jobs approach. It is, rather, a desire for additional public employment programs.

The question is, How will the $125 million be spent? The amendment—title X of the Public Works and Economic Development Act of 1965, as amended—calls for appropriate Federal agencies to review their programs for the purpose of determining how additional jobs might be created within existing programs. The funds are to supplement present programs for this purpose. Some agencies like the Appalachian Regional Commissions and the seven title V Regional Action Planning Commissions are authorized to gather plans and proposals of job effective projects within their States, substate governments, and communities. Forty-five days are provided for this phase.

Mr. President, the returns are in. The Economic Development Administration, as administrator of the program, informs me that as of the end of February a fantastic $4.8 billion in plans and proposals has been submitted. The Federal share of the proposals is slightly over $3 billion. More than 18,000 individual project proposals have been submitted, calling for an estimated 3.1 million man-months of employment. EDA itself has gathered more than 6,000 proposals at a total dollar cost of $1.5 billion.

This response exceeds most of our expectations. Not only have projects been submitted from the Federal agencies, but also counties and towns and cities from across the country. The exercise, I am told, has generated a good deal of enthusiasm at community levels—in anticipation of the jobs to be provided and the community improvements to be achieved.

The Congress ought, in my judgment, to move quickly to appropriate the remainder of the authorization for this program—$375 million. Simultaneously, the Congress ought to pass new authorization authority very soon to extend and improve the program. I intend to introduce a bill to accomplish this in the near future.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the title X proposals prepared by the Economic Development Administration as of February 26, 1975. In addition to Federal agencies and the regional commissions, the summary breaks down the EDA proposals by regional office.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF COMMERCE—SUMMARY OF TITLE X PROPOSALS AS OF FEB. 26, 1975]

Agency	Number of project proposals	Total dollar cost	Federal dollar cost	Estimated man-months of employment
Economic Development Administration	6,186	$1,488,010,142	$976,033,563	864,119
Regional commissions (title V and Appalachia)	1,997	453,391,767	347,354,289	350,459
Other Federal agencies [1]	10,025	2,883,230,154	1,748,406,934	1,926,901
Grand total	18,208	4,824,632,063	3,071,794,786	3,141,479

[1] In addition the ICC has proposed an $11,000,000,000 program for railroad roadbed rehabilitation.

Note: The following pages present the proposals in more detail including estimated average labor intensity and average duration of jobs in terms of man-months.

Name	Number of project proposals	Total dollar cost	Federal cost	Estimated man-months of employment	Average labor intensity (percent)	Average duration (man-months)
OTHER FEDERAL AGENCIES						
1. Federal Energy Administration	8	$50,160,048	$34,806,201	29,700	43.0	11.6
2. National Science Foundation	8	15,528,647	7,835,682	8,363	47.0	12.3
3. Department of Housing and Urban Development	205	50,000,000	50,000,000	73,800	83.6	12.0
4. Department of Commerce Maritime Administration	4	4,627,500	4,627,500	36,957	93.0	10.0
5. American Revolution Bicentennial Administration	19	41,206,700	33,727,700	42,207	NA	NA
6. General Services Administration	10	117,970,000	117,970,000	79,533	68.0	8.2
7. National Aeronautics and Space Administration	64	39,753,000	36,728,000	12,247	53.0	8.9
8. Veterans' Administration	15	63,233,400	63,233,400	27,223	62.8	13.2
9. Environmental Protection Administration	[1] 1	15,500,000	15,500,000	36,000	91.0	12.0
10. National Endowment of the Arts	36	76,105,728	54,814,714	81,227	66.0	10.7
11. Federal Trade Commission	3	749,332	749,332	635	95.0	15.0
12. National Endowment for Humanities	[1] 1	4,250,000	4,250,000	4,800	94.0	12.0
13. Small Business Administration	[2] 5	113,053,820	113,053,820	397,800	NA	12
14. Interstate Commerce Commission	[3] (1)	(11,000,000,000)	(11,000,000,000)	NA	NA	NA
15. Postal Service	0					
16. Department of Commerce—DIBA	0					
17. U.S. Civil Service Commission	0					
18. Federal Communications Commission	0					
19. Department of Treasury	0					
20. Securities and Exchange Commission	0					
21. Federal Maritime Commission	0					
22. Department of Labor	0					
23. Corps of Engineers	2,678	137,845,800	137,845,800	137,660	80.6	12
24. Department of Defense	1	1,065,000,000	NA	NA	NA	NA
25. Department of Agriculture	6,271	570,880,358	566,692,858	638,828	78.0	12-24
26. Department of the Interior:						
Bureau of Indian Affairs	275	36,961,321	26,788,821	27,291	70.2	6.2
Geological Survey	12	13,149,000	13,149,000	17,303	85.2	7.7
Bureau of Mines	13	786,068	786,068	953	100.0	14.0
Bureau of Land Management	91	16,128,445	16,126,445	9,527	68.7	5.9
National Park Service	109	40,471,600	40,471,600	24,019	71.1	3.6
Fish and Wildlife Service	1	1,300,000	1,300,000	743	42.0	24.0
Bonneville Power Administration	2	600,000	600,000	294	62.5	7.0
Outdoor Recreation	2	125,000,000	125,000,000	NA	NA	NA
Total for Department of the Interior	505	234,396,434	224,221,934	80,130		
27. Energy Research and Development Administration	23	33,814,000	33,814,000	28,212	NA	12.0
28. Water Resources Council	0	0	0	0	0	0
29. Department of Transportation	79	70,520,029	70,438,154	40,994	67.5	9.2
30. Tennessee Valley Authority	26	14,321,900	13,783,660	13,913	72.0	8.6
31. Department of Health, Education, and Welfare	63	164,314,179	164,314,179	75,542	80.0	10.0
32. National Academy of Science	0					
Total for other Federal agencies	10,025	2,883,230,154	1,748,406,934	1,926,901		
REGIONAL COMMISSIONS						
1. Upper Great Lakes	95	36,385,594	34,660,944	22,795	61.8	10.04
2. Coastal Plains	18	6,689,541	6,578,381	7,754	73.0	9.4
3. Pacific Northwest	230	23,914,915	20,269,409	17,529	63.7	10.08
4. New England	33	13,695,244	11,105,244	9,189	63.0	11
5. Four Corners	357	49,604,983	41,064,893	46,859	72.8	9
6. Ozarks	331	55,159,813	43,710,386	66,665	72.0	8.6
7. Appalachian	830	245,955,386	167,985,071	160,581	71.3	9.5
8. Old West	103	21,986,661	21,979,961	19,087	67.9	7.7
Total for regional commissions	1,997	453,391,767	347,354,289	350,459		
EDA REGIONAL OFFICES						
Southwest regional office:						
Arkansas	93	8,486,232	7,124,684	11,106	74.3	6.8
Oklahoma	17	5,912,500	4,956,000	8,846	81.0	6.7
New Mexico	3	555,000	444,000	361	69.2	6.0
Louisiana	74	9,951,219	6,454,531	18,947	74.0	9.25
Texas	84	31,000,005	27,800,258	16,203	41.5	10.0
Total	271	55,904,554	46,779,473	55,463		

Footnotes at end of table.

Name	Number of project proposals	Total dollar cost	Federal cost	Estimated man-months of employment	Average labor intensity (percent)	Average duration (man-months)
EDA REGIONAL OFFICES—Continued						
Midwestern regional office:						
Ohio	27	$15,253,425	$15,203,425	9,104	81.0	9.7
Wisconsin	77	15,337,805	15,128,805	10,557	75.0	10.1
Iowa	7	1,110,700	1,105,740	652	76.0	6.0
Indiana	69	17,419,756	15,111,165	11,824	61.0	8.3
Illinois	180	70,637,700	63,622,936	34,076	67.5	6.8
Michigan	216	56,176,532	39,610,961	31,377	54.7	7.5
Minnesota	60	10,761,856	8,510,056	6,789	56.0	7.1
Total	636	186,697,814	158,293,088	104,979		
Rocky Mountain regional office:						
Colorado	2	620,000	600,000	1,124	67.0	6.0
Iowa	7	2,707,000	1,375,000	2,312	74.0	9.0
Kansas	7	2,335,000	1,852,000	1,599	51.0	9.0
Utah	16	1,111,000	985,000	1,101	83.0	6.0
Montana	11	6,504,000	6,504,000	5,518	72.0	10.5
Nebraska	4	1,350,000	1,350,000	2,752	75.0	10.5
North Dakota	25	6,558,500	6,551,800	5,358	62.0	7.0
South Dakota	8	2,952,300	2,952,300	8,208	75.0	11.0
Missouri	97	11,672,000	9,160,250	16,062	77.0	10.0
Total	177	36,509,800	32,390,350	45,034		
Southeastern regional office:						
Kentucky	138	14,088,305	11,388,752	14,959	70.1	8.9
Tennessee	472	83,275,470	76,194,045	72,287	57.1	8.5
Florida	320	36,417,605	30,883,245	33,382	63.0	7.3
Alabama	258	38,417,636	30,088,154	33,021	61.6	8.1
Georgia	279	28,021,422	26,493,922	34,256	66.7	8.9
Mississippi	312	40,166,376	29,086,655	34,162	60.9	8.5
North Carolina	684	101,993,100	65,344,624	70,797	69.8	7.3
South Carolina	559	82,249,363	63,767,800	92,368	55.1	6.8
Total	2,922	434,649,277	242.847,297	385,232		
Western regional office:						
California	765	233,076,473	207,176,821	123,181	62.5	10.4
Idaho	64	16,654,683	13,781,473	15,933	67.5	8.8
Washington	329	69,501,932	46,048,868	24,510	76.0	6.2
Nevada	45	5,288,900	5,388,900	5,603	79.0	11.0
Oregon	188	24,844,252	20,820,330	14,362	62.6	8.2
Alaska	78	10,358,076	8,948,646	7,277	66.5	6.3
Arizona	7	1,299,700	1,299,700	268	72.1	10.9
Total	1,476	261,124,016	203,464,738	191,134		
Atlantic regional office:						
New York	169	33,526,508	22,767,583	24,166	64.3	5.7
Pennsylvania	327	63,708,636	23,918,082	29,270	61.2	9.3
West Virginia	41	4,426,908	4,139,176	4,870	78.8	9.8
Virginia	54	8,663,513	8,246,722	8,169	68.9	9.0
Maryland	43	4,862,071	4,425,052	5,631	70.1	8.6
Massachusetts	25	8,663,513	7,329,840	4,770	58.2	6.8
Vermont	8	11,474,220	11,187,220	1,345	84.6	7.9
New Hampshire	5	272,680	218,144	263	59.9	5.1
Maine	23	4,488,070	1,997,338	2,237	70.1	5.9
Connecticut	6	2,015,000	1,348,000	942	64.0	8.0
Delaware	1	300,000	275,000	432	83.0	12.0
Washington, D.C.	1	262,000	216,450	182	64.9	7.5
Rhode Island	1	250,000	250,000	NA	NA	NA
Total	709	143,124,281	92,318,617	82,277		
Totals for EDA regional offices	6,186	1,488,010,142	976,033,563	864,119		

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[1] Nationwide recruitment.

[2] SBA operating programs.

[3] Rehabilitate railroad roadbeds.

NO TIME TO CONFUSE

Mr. HANSEN. Mr. President, many Members of this body are familiar with a $4 million Ford Foundation study called "A Time To Choose" which attempts to chart a course for America's future energy policies.

The study has been extolled by some as pointing America down the proper path.

The path advocated, we now learn, is one of increased Government controls and decreased use of energy, regardless of the availability of supplies.

This has been pointed out by a group of 10 scholars who have just written a critique of "A Time To Choose" under the title, "No Time To Confuse."

"No Time To Confuse" is a project of the San Francisco-based nonprofit foundation, the Institute for Contemporary Studies.

The study was headed by the widely respected Dr. J. C. "Clay" La Force, head of the school of economics at the University of California at Los Angeles. Among its authors are Herman Kahn, who heads the Hudson Institute; Morris A. Adleman, professor of industrial management at MIT; Thomas G. Moore, director of research at the Hoover Institute and others equally as well qualified.

Almost without exception these scholars found "A Time To Choose" to be a less than satisfactory study.

Prof. George W. Hilton, a professor of economics at UCLA, calls the report so bad as to be an embarrassment to the Ford Foundation. His colleague, Prof. Armen A. Alchian, says it could make the Guiness Book of Records for most errors of economic analysis and fact in one book.

William H. Riker, professor of political science at the University of Rochester, says the book's prejudices render it useless.

Mr. President, in light of these devastating criticisms by ordinarily restrained scholars, I would urge that those who accept "A Time To Choose" as the way for America to go, rethink their positions or reread the book.

I believe, Mr. President, that all of us are indebted to the Institute for Contemporary Studies for bringing the deficiencies of "A Time To Choose" to light.

I ask unanimous permission to print in the RECORD at this point a summary of the views of the authors of "No Time To Confuse."

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

NO TIME TO CONFUSE: A SUMMARY

No Time To Confuse is an analysis by 10 leading academicians of the $4 million Ford Foundation-sponsored energy policy project entitled "A Time to Choose."

The Ford study has been widely acclaimed in the press and elsewhere, but *No Time To Confuse* is the first significant attempt by recognized authorities to analyze it thoroughly.

The analyses in *No Time to Confuse* look not only at the study's conclusions but also at the premises and facts on which they are based. All too often they are forced to dispute the premises and correct the alleged facts.

No Time To Confuse is must reading for any person who has a serious interest in America's energy situation, and for those who have uncritically accepted the Ford study as energy gospel.

Those who set or participate in the setting of energy policies at all levels of government especially will find *No Time to Confuse* rewarding reading. As also will those who need facts and arguments to rebut common misconceptions regarding the reasons for, results of and possible cures for the current energy situation.

Following are brief summaries of the conclusions of the writers of *No Time To Confuse*.

The critique was sponsored by and is a project of the San Francisco-based Institute for Contemporary Studies, a non-profit foundation directed by A. Lawrence Chickering. Superior Court Judge John Vukasin of Oakland is president of the Institute. The project was chaired by Dr. J. C. LaForce, Chairman of the Department of Economics at the University of California at Los Angeles.

In his analysis of the first six chapters of "A Time To Choose" Professor Armen A. Alchian, professor of economics at the University of California at Los Angeles, concludes that the report should have been titled: "A Time to Confuse."

He accuses its authors of confusion, arrogance, a paternalistic approach, political naievete, demogoguery and of being qualified to enter "The Guiness Book of Records," for most errors of economic analysis and fact in one book.

Prof. Alchian declares worthless three scenarios the report proposes as possible models for choosing long range energy policies. The report calls for a zero energy growth policy after 1935 because it "provides benefits in every major area while avoiding shortages, protecting the environment, avoiding international problems and keeping real social costs low."

In fact, says Prof. Alchian, it does none of these things.

One of the problems, Prof. Alchian says, is that the report is "fatally dosed with economic error, fallacy and confusion at critical stages."

He points out why the law of supply and demand is better for balancing available energy supplies to needs and desires than are such political solutions as rationing, controls or additional taxes.

"Political controls on our use of energy . . . means simply that an elite group is undertaking to limit the options of other people," he declares.

He notes that the report contends that, although past political performance in the energy field has been bad, "more political control" will improve it.

Prof. Alchian concludes that "it is no accident that the strongest appeals for political action in the present situation are made by the strongest opponents of free enterprise activity: those who would prefer to cripple the process of voluntary exchange through market prices."

Morris A. Adelman, professor of industrial management at Massachusetts Institute of Technology, concentrates on those parts of "A Time to Choose" that deal with Arab oil.

In doing so he finds he has the problem of trying to make sense out of a report that not only is confusing and contradictory but also has "no sense of the past," ignores the interaction of supply and demand and whose authors do not understand market processes.

Prof. Adelman charges the report's authors regard the free market as an opposing ideology. "There is never any attempt to analyze any market, to examine results or understand causes. And this deficiency undercuts virtually every conclusion in the report," he declares.

Noting that the report says that international oil trade "can no longer be left entirely to the so-called marketplace," he concludes that its authors prefer "a different marketplace; a handful of governments unhampered by any national or international law, and seizing 50 to 100 times as great a tribute."

Prof. Adelman says that while the report's major policy recommendation, "Project Interdependence," is in the mainstream of current opinion it would "freeze a dismal present into the indefinite future."

Accusing the report of short-sightedness, Prof. Adelman makes these points:

The authors have not even hinted at how many Fourth World inhabitants will starve because of the cartel; they do not refer to the current arms race in the Persian Gulf; there is no mention of the disruption of world trading patterns caused by the inability of many oil nations to accept goods in payment for oil.

Finally, he declares, the Arab oil cartel has become so powerful only because "the victims are willing, not to say eager, to collaborate."

There are some sound views in "A Time to Choose," in the opinion of M. Bruce Johnson, professor of economics at the University of California at Santa Barbara. But these primarily are in the areas of nuclear control, protection from acts of terrorism and the disposal of nuclear waste products.

In contrast, Prof. Johnson finds the chapter on the poor deals with the obvious so obviously as to be ridiculous and unnecessary. "The options of the poor have been constrained because of their low income, but there is no evidence that these options have been systematically reduced because of energy prices or that the poor have had a lower incentive to make energy-saving investments," he says.

Prof. Johnson has little use for the report's proposal of energy stamps, energy grants and special allocations of fuel to the poor. He says such special subsidies "distort prices, misallocate resources and expand government bureaucracies."

In Prof. Johnson's view the report is really a vehicle for the authors' views on income redistribution and environmental action.

He finds that in the development of nuclear energy the report makes a forceful argument for proceeding with caution and suggests it is on the right track when it proposes that liability for nuclear accidents rests with the users and the insurance carriers and not with the government.

But in land planning Prof. Johnson finds the report prejudiced against private development and heavily in favor of government controls.

Before Congress follows the report's advice and initiates additional government regulations and controls over land use, energy use and the environment Prof. Johnson urges that it look at the dismal records of the regulatory agencies it has already established.

Walter J. Mead, professor of economics at the University of California at Santa Barbara, believes that "A Time to Choose" makes a valuable contribution to the understanding of the world energy problem.

But he is critical of it because after examining facts and drawing conclusions the report makes recommendations at odds with the supporting material.

For example, the report finds that the oil industry is "effectively competitive" and is not monopolistic, but then it calls for federal chartering of oil companies as a means of controlling the industry anyway.

Prof. Mead is particularly critical of proposals putting absolute limits on profits or on rates of return. If this were done, he says, management would, in effect, be ordered by law to operate inefficiently and waste resources.

He finds the proposal "totally inconsistent" with the report's own findings that oil companies' long term profit rates are only average.

Prof. Mead also finds contradictions in the report's proposal to add six new organizations to the Interior Department with no suggestions of reform in the department's structure and analysis of the cost of adding new agencies.

Like his fellow authors of *No Time To Confuse*, Prof. Mead notes the report prefers government controls over the workings of the free market. He also finds the report has "difficulties" with some basic economic concepts.

Thomas G. Moore, Senior Fellow at the Hoover Institute at Stanford, formerly Senior Staff Economist for the Council of Economic Advisors, levels the serious charge that "A Time to Choose" reflects the authors' personal prejudices without providing substantial analysis or factual bases.

"It is almost as though the authors wrote the conclusions first and then developed arguments in an effort to substantiate them," says Moore, now director of research at the Hoover Institute for War, Revolution and Peace.

Moore is critical of the report's assumption that petroleum cannot retain its present prominent position in the energy market throughout this century. He points out that petroleum reserves have grown faster than production since the end of World War II, increasing more than fourfold.

He also believes that the need to restrict oil imports has been exaggerated. Restrictions and their effect on the dollar, he warns, could lead to a trade war, while ample imports would minimize environmental damage from domestic production of oil or coal and could reduce the numbers of nuclear plants with their potential hazards.

Moore disagrees with the report's repeated calls for more government regulation and intervention and takes issue with many of the economic premises on which they base their conclusions. For instance: "The authors fail to recognize that lower profit margins are inconsistent with increasing investment in private enterprise economy."

Arnold B. Moore, an economist at the Center of Naval Analysis, writes that "A Time to Choose" devotes little time to the national defense aspects of any national energy policy.

He notes that the report does recommend stockpiling of oil which would be a boon to the nation's defense capabilities, but he also finds that the report says nothing about defining and creating energy stockpiles.

Moore charges that the report's emphasis on reducing both consumption and imports is, in fact, the adoption of an old and discredited policy of consuming U.S. resources in preference to those of other nations. Such a policy, he says, could eventually expose the nation to new threats from abroad.

In criticizing the report, Moore makes the valid point that such criticism does not imply disagreement with goals aimed at bringing about more careful use of energy resources. It does imply, he says, that the report has not made its case for reduced consumption beyond that brought about by high prices.

He is critical of the fact that the report's authors fail to see that high prices lead to conservation, but that reduction beyond that brought about by high prices leads to waste.

"A Time to Choose" is more of an outline of the goals of conservationists than it is an energy study, in the views of Prof. George W. Hilton, a University of California at Los Angeles economist teaching this year at Dartmouth. He implies that its authors have an emotional commitment to the cause of conservationism that affects their objectivity and analytical ability.

In any respect, he feels the volume does not constitute an economic analysis, but instead is a study of how a limited area of public policy can be adjusted to meet a single goal. He compares it to a single-purpose organization such as "The National Association of Railroad Passengers," which concerns itself only with research that furthers its own cause.

In "A Time to Choose," he says, "most of what is relevant in economics is ignored and other relevant points are attacked. He charges the authors with treating the market as a relatively weak force which is prone to failure.

In discussing the report's strong demands for cutting back on energy use, he points out that "energy isn't the only thing worth economizing." Indeed, he warns, the authors may be proposing solutions which are more wasteful than present so-called wasteful practices.

Prof. Hilton has little use for the report's high regard for regulators. These, he says, are mainly motivated by their own self-interest and he doubts that those chosen to regulate energy would be any different.

Prof. Hilton sympathizes with the Ford Foundation for its "embarrassment" at having created a study which "probably makes a negative contribution to current knowledge of the energy problem." Fortunately, he adds, the study will inevitably pass into obscurity.

Herman Kahn, head of the Hudson Institute, finds that the report accepts much of the ideology and assumptions of anti-growth groups including their "enormous hostility to the automobile."

However, Kahn asserts that the American passion for a single family home on its own land indicates that the American economy and society will continue to be based on the automobile.

But Kahn finds that an even greater weakness of "A Time to Choose" is its treatment of OPEC (Organization of Petroleum Exporting Countries) issues and particularly OPEC's ability to operate as a serious cartel. Kahn criticizes the report for a lack of realism in "brushing this issue off in one or two paragraphs."

He is also critical of it for its failure to define clearly what it means by "conservation."

And, finally, noting the bias of the report in favor of government controls, he warns that "people who take this stance unfortunately tend to underestimate the enormous role high prices can play in a free market and to ignore the harm governments can do."

James C. DeHaven, an engineer-chemist for the Rand Corporation, faults "A Time to Choose" for its treatment of new and additional energy supplies.

He finds the study places environmental protection ahead of future needs and leans heavily on the need for conservation without even defining the meaning. For instance, the report recommends delaying development of western coal strip mining and offshore oil and gas drilling without analyzing the reasons for the proposed delay.

DeHaven asserts much western coal is low in sulphur and that the land, after it is mined, can be reclaimed at low cost with existing technology. He also declares delays in developing off-shore drilling are unwarranted and will deny the U.S. important, secure and inexpensive new sources of oil and gas.

He finds "glaring" the omission of research requirements from the discussion of energy research and development.

DeHaven also faults the recommendation that all energy technologies should come to the marketplace as non-polluting technologies. Many times it would be easier, less expensive and just as effective to clean up after a process than to make the process entirely clean to start with, DeHaven points out.

He charges the report does not do justice to potential energy savings to be obtained by improving electricity generating efficiency and he complains that it overlooks entirely the possible use of hydrogen in the future energy economy.

"A Time to Choose" is nothing more than an "ideological tract" whose authors' prejudices render it useless. This is the view of William H. Riker, professor of Political Science at the University of Rochester.

Prof. Riker asserts that the "naive conviction" that the federal government can and will make a coherent national policy on the complex subject of energy permeates the entire report. He warns that the only way such a coherent national policy could be made effective is through the imposition of a police state.

He says the report's authors, while not going this far, are willing to impose "a substantially dictatorial" energy czar on the nation.

Riker finds it "astonishing" that anyone should expect or even seek coherence in such a multi-faceted subject as energy policy. Incoherence is natural and to be expected in a democracy where different citizens have different values, he says, pointing out that democracy always results in compromises and pluralism.

Other criticisms are that the authors believe that they alone know what the public interest is and that they are determined to foist a large array of regulations on the country, designed to save energy whether or not it needs to be saved.

AID TO INDOCHINA

Mr. MORGAN. Mr. President, one of the most important issues before this body today is that involving aid to Indochina. Last evening I viewed an NBC television production entitled "The Loyal Opposition". This production purported to present the views of the Democratic majority on the several issues confronting the Nation. One of those involved Indochina. While the two distinguished Senators, who appeared on that program, did not purport to speak for the majority, I am afraid the impression was left by the way in which the program was presented that they were in fact speaking for all Democratic members.

Mr. President, it was because of this type of reporting that I was led to visit Indochina and specifically South Vietnam in the summer of 1972. I saw much of the land at first-hand—I saw many of the people of that nation and had an opportunity to talk with many leaders in and out of the government. I am convinced that the entire story has not been told to the American people. I believe that the recommendation of the administration for aid to South Vietnam and Cambodia should not be dismissed lightly but should be considered quickly and seriously by this body. I will not undertake to express all my views on this matter at this time but I ask unanimous consent to have printed in the RECORD an editorial that appeared in the Wall Street Journal on February 27, 1975, entitled "Aid to Indochina". While I may not agree with all of the observations contained in the editorial, or others that I will present from time to time, they should be carefully weighed and considered by this body.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Feb. 27, 1975]

AID TO INDOCHINA

With President Ford and Secretary of State Kissinger pleading with Congress to approve additional aid to Cambodia, and with aid requests for South Vietnam being pressed with only slightly less urgency, it is perhaps a good idea to recall some of what we have learned about practical and impractical purposes from our sad experiences in Indochina.

The cliche, of course, is that the U.S. has learned that it cannot play world policeman. Unquestionably, in our view, experience in Vietnam teaches us that the U.S. suffered from hubris, that it thought that alien societies could be reformed, and far-off wars won, by formulas concocted around Georgetown dinner tables. We learned to our great sorrow that such hubris can lead us to assume far too great a responsibility for the outcome of struggles we only dimly understand, and that redeeming that responsibility may require sacrifices far beyond anything we initially contemplated.

In Vietnam, to take the key event of the war, we implicated ourselves in overthrowing the government of an ally in the name of victory through winning "the hearts and minds of the people." Unfortunately in many ways, but not least for our understanding of events, the President who sanctioned the Diem coup was dead three weeks afterwards, leaving the burden of its aftermath to a Vice President who had opposed it. But it was this act that sealed our commitment; whatever happened subsequently would be seen by the world and ultimately by ourselves as made in Washington, not Saigon.

As Secretary Kissinger remarked the other day, it is fashionable to sneer at "the domino theory". The sneers are deserved to whatever extent the theory was ever meant to suggest an inexorable process, that if Saigon fell Hawaii would eventually follow. But in a more realistic interpretation, who can deny that the world is changed by the perceptions of other nations as to the purposes, and, above all, the will of its most powerful nation?

As for present events, we at least find it axiomatic that the boldness of the Arab nations in boycotting the U.S. and in advancing the OPEC cartel so high-handedly was greatly influenced by what they perceive as American irresolution. The boycott never would have happened had the U.S. followed military advice to show utter determination in Vietnam by sending in a half million or million men overnight in 1965. Alternatively, the boycott probably would not have happened had the U.S. preserved its previous position by calmly letting Saigon fall in 1963, before the coup. It was starting a course and not following through that was the show of irresolution.

Now, once you have bungled the game there comes a time to cut losses. And by 1968 the piecemeal commitment of U.S. forces and domestic turmoil had wrecked the option of an overwhelming military action. President Nixon's "Vietnamization" program was in essence the inevitable and by that point unimpeachable decision to cut our losses, taking our chance on the fall of Saigon. But why, after 1968, did we find it necessary to fight for four more years?

The answer, though it never will be understood by some, was to undo what the Diem coup had done, to make clear that if Saigon did fall, the responsibility would rest in Saigon rather than in Washington. So to give Saigon at least a fighting chance, the U.S. fought on for four years. If it had not done so, the deterioration of its world-wide position would have proceeded far more rapidly and deeply. As buffeted as Americans feel, they remain the chief source of will and leadership among democratic nations.

The issue before Congress when it votes on aid to Cambodia and South Vietnam is the same issue for which we fought from 1968 to 1972. Phnom Penh is likely to fall, but it will be one thing if it falls despite American efforts, and quite another if it falls because its army runs out of ammunition by vote of the U.S. Congres. The fall of Saigon, in our judgment, cannot be caused by Hanoi, only by the U.S. Congress.

Many, of course, would wish away these hard realities. They argue that aid leads to more aid, which leads to American troops. But surely an inexorable "slippery slope" is just as silly as an inexorable "domino theory". And if the U.S. cannot supply funds to allies under attack, the rest of the world cannot but see it as a useless ally indeed.

By fighting in Vietnam from 1968 to 1972, the U.S. at least partly discharged the commitment it had so recklessly undertaken in 1963. And because of that extra effort the security of the United States is less threatened than it would have been otherwise. In that sense, the sense all wars are about, those who died in those years did not die in vain. But much of this will be undone if Congress now decides that to save money Indochina should be allowed to fall to the Communists after all, for in that event the world will know that the decision was made in Washington.

UTAH'S STATE OF THE STATE MESSAGE

Mr. MOSS. Mr. President, fortunately, the State of Utah has felt only mild tremors of the energy and economic convulsions that have hit parts of our country. We have suffered some inflation and recession, but our unemployment rate of 5.8 percent is well below the national statistic of 7.1 percent—now 8.2 percent. Utah's vast fossil fuel reserves have been its salvation, and with proper research and development, these and other western energy reserves can be more than a partial solution to our Nation's energy dilemma.

But the new economic growth that is facing Utah as a result of the development of these energy fuels is as volatile as fuel itself. There is no doubt that economic expansion, population growth and shifts will disrupt long-standing social, political, and environmental relationships. Utah must take action to insure protection of its environmental and agricultural interests, along with the safe production of its energy resources.

Mr. President, I ask unanimous consent that Gov. Calvin L. Rampton's message to the 41st Legislature of the State of Utah be printed in the RECORD. It clearly addresses the opportunities and challenges confronting the State.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

STATE OF THE STATE MESSAGE

(By Gov. Calvin L. Hampton)

Mr. President, Mr. Speaker, Ladies and Gentlemen of the 41st Legislature:

Events of the past year, both within the state of Utah and without, have presented our people with a challenge and with an opportunity unprecedented since statehood. This nation and much of the world are facing an energy shortage which has complicated an already extremely difficult worldwide economic problem. The particular challenge and opportunity to our people, and to those of our neighboring states, is the proper development of the vast reserves of fossil fuels that lie within our borders. These resources can go far toward meeting the needs of mankind for sufficient energy fuel to maintain a high, but not opulent, quality of life. Our opportunity is that with proper development of these reserves, the benefit to our economy will be immense. Our challenge is that without proper preparation and planning, the effects on our state can be environmentally and socially disastrous.

This opportunity and this challenge come at a time when we are reasonably ready to meet them, if we act thoughtfully. With proper preparation and planning Utah's people are ready to proceed rationally into this new era. While the state of Utah has not been immune to the nationwide and worldwide economic recession and the effects of runaway inflation, the symptoms of these two economic threats have not been as pronounced here as elsewhere.

For the first time since 1963, unemployment in the state of Utah has dropped below the national average. In December of 1974, unemployment nationally stood at 7.1%, in the state of Utah at 5.8%. Our percentage of employment, which is the more significant figure, stands at 64.4% of the population 16 and over as against the nationwide average of 62.1%.

During the last 12 months, employment in the private sector has increased from 322,400 to 337,300 or 4.6%, while our population increase has been only 2.4%. A substantial part of this increase has come in the field of manufacturing, where for so many years we tended to lag behind national growth. During the past year our percent of increase in manufacturing employment has been 8.4%, mining has increased 12.4%, trade 4.3%, services 5.6%, finance 8.9% and government, including schools, 3.1%.

This increased employment has naturally decreased the number of our citizens requiring public assistance. This lowering of demand for public assistance, plus more rigorous screening of eligibility, has resulted in a caseload smaller than was anticipated. The financial status of state government will be reviewed with you in detail on Wednesday of this week, when I present my budget recommendations.

In the field of education, Utah continues to be a national leader. The average years of school completed by our citizens is 12.5 years, which ranks us first in the nation. Fourteen percent have completed college, which ranks us third in the nation. Our technical education programs, both in our secondary schools and in our post-secondary schools, continue to better prepare our young people to compete and produce in today's highly mechanized society. This is particularly important in light of the personnel demand being created by the development of our resources.

Over the past few years Utahns have come to the realization that economic development is not without its cost. Without proper planning, economic development can despoil our land and make the productivity of our natural resources shortlived. Our supply of water is limited and we must make certain that what we have is used most productively. Industrial needs must not infringe upon our use of water for culinary, agricultural and recreational purposes. We must not utilize all our water for consumptive uses to the exclusion of keeping our natural streams alive. Also, our planning must recognize that our expected economic development will result in population shifts, with the effect that totally rural areas will suddenly become populous, presenting a demand for new roads and streets, adequate water and sewage systems, new schools and other community services. With sufficient lead time and adequate preparation, we can meet these challenges. But, if they descend on us suddenly, they could be overwhelming.

To assure that environmental concerns will be addressed in a significant manner by state agencies, I have, by Executive Order, set up an Environmental Coordinating Committee. This group will review and recommend steps to mitigate and minimize any adverse results of state projects, and in so doing, will prepare environmental impact statements on them. However, I have imposed strict time limitations on the completion of these statements to ensure that our studies do not drag on for years as some federal studies have done.

With these challenges and opportunities before us, let us turn to specific action on the part of this session of the Legislature.

STATE AND LOCAL GOVERNMENT RELATIONS

Because local government will bear the brunt of preparing for the economic and social changes which are coming, we must make every effort to strengthen our cities and counties and to establish adequate state technical support to help them perform their duties.

In this regard, the Governor's Advisory Council on Community Affairs has proven invaluable both to the Legislature and to this Administration.

By Executive Order in 1970 we designated multicounty boundaries to guide agencies of government where state services affect more than a single county. As a result of that order, all state agencies and most federal agencies are responding to and working through the multicounty structure. Local governments have responded by creating seven multicounty associations of governments wherein city, county and in some instances, elected school board officials, must meet together to plan, communicate and implement services for their areas.

The experiment in intergovernmental coordination has reached its most advanced level in the Five County Association of Governments. Over the past two years we have sought to determine the feasibility of transferring responsibility for human service programs from state agencies to local elected officials. I believe the experiment has proved productive. While I am not prepared, without further evidence, to endorse the effectiveness of the integrated services model which is being tested, I am convinced that decentralization in and of itself is possible and may serve to make services more responsive to local needs and desires.

Multi-county association

Other associations have expressed interest in pursuing similar, as yet undefined, arrangements with state agencies. I, therefore, recommend that legislation be adopted which will enable any multicounty association, if it so desires, to pursue, according to prescribed procedure, negotiations with appropriate state agencies in furtherance of its proposed plans. I am satisfied that the recommended legislation provides adequate safeguards to state agency prerogatives and to responsibilities and obligations assumed by those agencies under federal contract. I urge you to support this enabling legislation.

Planning for growth

Recently within two of the multicounty associations, at the request of local officials, I have created planning bodies to deal with anticipated problems of dramatic growth as a result of energy development. One is the Kaiparowits Planning and Development Advisory Council, the other is the Uintah Basin Planning and Development Advisory Council. These will not only solve problems of physical upheaval, but will plan wisely for meeting the social and economic needs resulting from increased population and new communities.

Local Revenue Sharing

I request that the Constitutional Revision Commission study our long standing constitutional prohibition against the state sharing its revenue with local jurisdictions. We faced the issue of equalization for schools a half-century ago. Modernization of our statutes and Constitution to allow a meaningful response is long overdue.

Water

We need also to address the problem of providing funds for needed water developments. Communities, the length and breadth of the state, are experiencing traumatic demands for redevelopment or extensions of culinary water systems. I, therefore, shall request that an increase of $2,000,000 be appropriated to the revolving fund of the Water Resources Division and that statutes broadening its power to permit lending for culinary water improvements to cities and towns be instituted.

Housing

In the 1973 Budget Session, this body appropriated from revenue sharing the sum of $3,000,000 to meet emergency housing needs throughout the state. This was a wise expenditure. Two hundred forty-one local governments are participating in the program and 95% of them now have ongoing or completed housing projects. Seven hundred thirty-one homes have benefited from rehabilitation. Thirty-five homes have been acquired by housing authorities, and ten have been leased by housing authorities. One million dollars have been expended at this time and the balance of $2 million is to be spent by July 1, 1975. It is estimated that in excess of $4 million in value will be donated in volunteer labor. The primary recipients of this program have been Utah's senior citizens.

The Governor's Advisory Council on Low-Income Housing has prepared a bill which will provide for creation of a State Housing Finance Agency. The proposal is for issuance of bonds and creation of a revolving fund which would benefit low and moderate income home owners in times of disastrous interest rates. I commend this legislation to you.

I again urge passage of the Uniform Landlord and Tenants Act as being a method of reducing confusion and delineating the rights and responsibilities of both landlords and tenants.

STATE ENVIRONMENTAL ACTION

While much of the planning and action taken to meet the state's prospective development will be the responsibility of local government with state support, certain matters must be taken care of on a statewide basis and should be addressed by the Legislature at this session.

Mined land reclamation

The most dramatic and immediately visible impact related to resource development is the surface disturbance caused by strip mining. We know that Utah, fortunately, is not as susceptible to these dangers as are some of our sister states in this Rocky Mountain Region because our deposits tend to be deep within the earth. Nevertheless, I believe we should establish by statute certain precautionary measures to provide for adequate reclamation of land where surface mining is necessary. This legislation would establish controls and standards for all mining activities related to waste disposal, leaching and other potential disturbances to the water and soil of this state.

Key facilities siting

Historically, Utah has not anticipated the kind of economic and population growth projected as a result of energy related proposals now in discussion both within and outside the borders of this state. It is evident that much of this anticipated growth will occur in areas of the state where for years population has been dwindling.

The Kaiparowits Project alone gives some indication of the impact of such growth. Those of you who attended the last annual meeting of Pro Utah heard William Gould, Vice President of Southern California Edison Corporation, estimate investment in this one plant at $2 billion. From planning now under way we anticipate that the plant and mine together—not including the 2,500 construction workers required early in the project—will result in the building of a new town which will accommodate 13,000 people. (Kane County, site of the proposed plant, now has a total of only 2,400 residents.) Projected water usage is set at 43,000 acre feet annually. Kaiparowits is only one plant. There are at least three additional plants, two of like size and one smaller, also proposed for that area of the state.

Such development, including the mining of coal in Carbon and Emery Counties, and the extraction of oil shale and tar sands in Uintah County, is statewide in its impact. This will change, if not disrupt, social, political, governmental and environmental relationships that have long existed.

I am not prepared to leave all the decisions regarding energy development and the siting of such major industrial facilities as the Kaiparowits plant to federal agencies on whose lands such development occurs. The impact is just too important to the state for us to ignore our public responsibility. Nor am I willing to leave the assessment of costs and benefits totally to the regulations and processes required under the National Environmental Protection Act. I, therefore, urge you seriously consider key facilities siting legislation that will allow the state to influence the proper planning, siting and development of major industrial activities throughout the state. This will assure a minimum of disruption of the economic, social and environmental fabric of our society.

Amendments to Pollution Control Acts

I am recommending that two sections of the Utah Code regarding air pollution control be amended to bring them up to date, and into conformity with the amended federal acts, which allow state control of pollutant discharges rather than leaving this in the hands of the Federal Environmental Protection Agency.

The Water Pollution Control Act should likewise be amended to bring Utah law into harmony with portions of the Federal Water Pollution Control Act, allowing the Environmental Protection Agency to delegate to the state implementation of the discharge permit program now being conducted in Utah by that federal agency.

ECONOMIC DEVELOPMENT

Lest I appear to be giving too much emphasis to the new growth that is facing Utah as a result of the development of energy fuels, let me assure you that the basic ongoing programs of state government are not being ignored. We must continue the work of our Division of Industrial Promotion. I have heretofore related the remarkable growth that has come in the state. Part of the credit for this growth must go to this program which the Legislature authorized in 1965, and which it has continued to support over the intervening years. However, there has ben a change in emphasis. While originally we sought any types of industry that created payrolls, in recent years we have become more selective and have sought those industries in which labor was the largest part of the total cost, and which had the least impact on our environment.

RECREATION AND TOURISM

Through our promotional efforts, recreation and tourism have become an even larger part of our economy. A shortage of gasoline, however, has caused us to redirect our efforts and this reduction will probably continue for a number of years.

As more and more Utah families are spending a greater part of their leisure and vacation time in outdoor activities within the state of Utah, the state's highways have become congested with recreational vehicles of every description. 1974 brought a 14% rise in state park visitor use over the 1973 totals. Trends shows that more Utahns are staying in the state and are staying a greater number of days per outing. More remote areas and areas frequented in past seasons by out-of-state tourists have declined in visitor use. People are traveling closer to home, and we have adjusted our travel development programs accordingly.

AGRICULTURE

As Utah matures economically through the development of our energy fuels and the growth of other industrial processes, we must not forget that agriculture is basic to our quality of life. We must continue to seek ways to strengthen our agricultural economy. I have already mentioned the necessity of water planning, giving high priority to agricultural production. However, more than water is required. The Bureau of Land Management and the State Division of Lands have good programs underway to restore and increase the productivity of the public lands within our state. Often, however, we find private lands which are interspersed with public holdings and which, as a result of overuse or other causes, are becoming depleted and their productivity reduced. While this is primarily a concern of the landowner, it is also a public concern. Yet the situation often exists where a landowner does not have the resources to make the restoration required.

In 1948, the Legislature established the Water and Power Revolving Fund which now stands at $11 million. Over the intervening years, these funds have financed $37 million in improvement of public and private water resources which could not otherwise have been developed. This has been a most productive program and has supplemented the Bureau of Reclamation work on large projects.

It is proposed that a similar program now be instituted for the restoration of private lands, whereunder the state would make interest-free loans available to restore productivity on private lands where it appears that the public interest requires it. Such programs would be similar in operation and scope to the water program with which we are all familiar. In my Budget Message, I will make recommendations for the financing of this proposal.

SOCIAL SERVICES

Twining from the predominantly economic aspects of legislation, let us address ourselves to the social services which the government of our state is charged with rendering to our people.

Health

While the state of Utah is subject to the same health problems as the rest of the nation, plus some problems which are unique to states with extensive rural areas, there are indications that the quality of health in Utah exceeds that of the nation.

The death rate in Utah is one of the lowest in the country, and is only two-thirds of the national figure. The birth rate in Utah is the highest in the nation, while the infant death rate is and has been the lowest in the country for several years. In addition, deaths from cancer, heart disease and stroke are well below the national figures.

Significant strides have been made in health services throughout the state in the past year, and while problems of health manpower and facilities remain critical issues, some improvements have taken place. An emergency medical services plan is being implemented throughout the state; expanded programs for handicapped children and maternal and child health services are being implemented; new and upgraded hospitals and long-term care facilities have been developed, while new methods of lowering costs are being tested.

In an effort to control veneral disease, a task force was formed and has presented to the state findings which should be considered. New efforts to control communicable diseases are also being implemented.

Pre-School Immunization Act

At the present time, many diseases are preventable. In spite of this, immunization levels against preventable diseases have dropped steadily since mass campaigns were discontinued. Immunity levels are below the point which would protect our citizens from major epidemics should these diseases be introduced into our communities. Other states have recently been subjected to such outbreaks of diptheria, polio, measles and rubella.

I am, therefore, recommending the adoption of a Pre-School Immunization Act. This act will restore the levels of immunity and educate the public to the necessity of maintaining such protection. Preventive care is far less costly in both money and human suffering.

Cancer control and treatment

Findings of a study conducted in 1972 for the State Office of Comprehensive Health Planning in the area of cancer control and treatment have indicated the existence of an apparent problem, the extent of which has only begun to emerge, not only in regard to cancer but also in other areas.

The State Office of Comprehensive Health Planning, in cooperation with the Utah State Medical Association, Utah State Department of Agriculture, Utah State Division of Health and Utah State Department of Business Regulation, has recommended legislation to me and to the Legislative Council. This bill would transfer to the Division of Health the responsibility for regulation, investigation and enforcement of the Food, Drug and Cosmetic Act, and establish mandatory penalties for those found guilty of violating the laws with respect to treatments, drugs and devices. The legislation is not intended to limit personal freedom, but rather to promote a better climate for attacking a serious threat to public health in the state. With the support of the citizenry, this can be an important first step.

Alcoholism and Drugs

In the field of alcoholism treatment, we now have the ability to provide intensive medical services to approximately 3,000 patients a year in programs specifically designed to deal with alcoholics. Occupational programs have proven to be a promising method of dealing with alcoholism. We are now able to offer these programs to 15% of the private and public work force.

We also have the capacity to treat a maximum of 3,000 drug abuse patients a year. Additional methods of averting these problems are also being developed in community action and educational programs.

I am recommending for your consideration a Uniform Alcoholism and Intoxication Treatment Act. This act would allow for the handling of public drunkenness under civil provisions. It is important to recognize that other criminal offenses such as driving while intoxicated are not affected by this legislation.

This legislation allows, insofar as possible, for voluntary treatment of the public intoxicant. Where incapacitation of the individual has been determined, involuntary treatment can be mandated by our courts.

As most of you are aware, alcoholism is considered an illness by most professional organizations including the American Medical Association, the World Health Organization, the American Bar Association and the American Psychological Association. Catholic, Protestant, Jewish and Mormon Church leaders have also declared alcoholism as an illness.

Hearing Aids

There has been prepared a bill to regulate the fitting and sale of hearing aids. I believe such regulation a necessary protection to the citizens of this state—particularly young children and elderly persons. The basic content of such regulation should require at least the following: licensing of all hearing aid salesmen by a board including representation from their own profession, medical and audiological sciences, and consumers; prohibition of sale without prescription, acknowledging examination by a physician, and where possible, an audiologist; and provision for consumer education in the need, use and care of hearing devices.

Mental Health

Utah's citizens have access to higher quality mental health services than ever before. The past ten years have seen the admissions to the Utah State Hospital cut in half. The development of mental health centers across the state is continuing and this last year 18,000 Utahans received help from the centers, thus enabling these individuals to stay on the job and live in their own homes. The State Hospital in Provo serves as a back-up resource for the centers and helps to unify the mental health program.

Local services are tailored to the needs of specific populations and problems. Some examples are minority programs, children's services, alcohol and drug treatment programs, services to the aged and nursing home programs, parent-child conflict resolutions, emergency services, school failure programs and services to the criminal offender with emotional problems.

CULTURAL DEVELOPMENT

Arts

Utah's appropriation for the arts has increased each year for the last ten years, as we in state government recognize our charge to help Utah's citizens realize the cultural promise of our state. We are fortunate, indeed, to be the home of an internationally acclaimed symphony orchestra and ballet company. We are also fortunate to have arts groups in every area of the state. We are highly encouraged by the interest, participation and support of these groups, for we do not accept the concept that the arts are only for the privileged few.

Organizations receiving funds from the State Division of Fine Arts last year presented almost one thousand performances, exhibits or events which were attended by over one million people. These events involved over 2,500 volunteers who contributed more than 125,000 hours, thus reaffirming that Utah's citizens have a very real interest in and commitment to the arts.

Libraries

Since 1960, a new library building has been built on every campus of higher education in the state. Weber State College and Brigham Young University are now starting new additions which will double the size of their present buildings.

Since 1959, public library service has been extended to the less populated areas of the state through the innovation of bookmobile service. There are still five rural counties which do not have this service, but the Library Commission is moving on plans to correct this situation.

HUMAN RIGHTS

The area of human rights has become one of increasing significance and visibility in an age where the goal of bureaucratic efficiency has overshadowed and sometimes abused the rights of the individual. I believe we must continue to emphasize individual rights to examine each piece of legislation in terms of its ultimate effect on the individual citizen.

Specifically in the area of human rights, several bills will come before you.

Privacy

There is a need to insure the privacy of the individual and to emphasize his right to know what informational dossiers are maintained on him. This bill insures those rights with regard to information collected and maintained by state government.

Bill collection practices

A need has been evidenced to protect and clarify the rights of the consumer and those of the debt collector. The bill to come before you simplifies, clarifies and modernizes the law governing consumer collection practices, as well as defining and prohibiting unconscionable collection procedures and encouraging the development of fair practices.

MEDICAL ASSISTANCE

A number of persons formerly eligible for federal medical assistance are now no longer eligible due to significant changes in federal requirements for the indigent sick and dependent poor. A large medical bill accrued by an indigent or dependent person in one of our smaller counties could completely drain the county social services budget, or in fact, the county might not be able to cover the expense at all. Legislation is being suggested which will transfer responsibility for the medical care of these persons to the state which may be able to obtain some federal matching funds for their basic care.

ARCHITECTURAL BARRIERS TO HANDICAPPED

We must strengthen our laws, close loopholes in our regulations and consolidate and intensify enforcement pertaining to design and building of structures without barriers to the handicapped. Constraints such as stairs, narrow or revolving doors, inadequate restrooms and public transportation, unreachable water fountains, telephones and elevator buttons thoughtlessly incorporated into buildings and facilities have, in effect, denied education, employment, housing and recreation to many handicapped citizens. For these reasons, I am recommending legislation that would extend regulations on prevention and elimination of these barriers to include all publicly used buildings. Such a law would be similar to provisions of the fire code that apply to privately-owned buildings such as theaters, stores, churches and apartments. The State Building Board is in the process of surveying the publicly used buildings in Utah to determine what types and how many architectural barriers to the handicapped are in existence. This department is also attempting to determine what it would cost to eliminate these existing barriers.

EDUCATION

Abraham Lincoln once said education is the most important function in which we as a people are engaged. The people of Utah have long recognized this fact. For many years we have been among the top states in the nation in the percentage of our total personal income devoted to education. It is paradoxical that often because of the fact that our school populations are large and our average income has been low, our expenditure per child has been below the national average. This situation, however, is remedying itself—not in a single year, but over a number of years. Other than the state of Hawaii, which has a single school district, the maintenance and operational budgets of Utah's school districts are now more clearly equalized than than those of any other state in the Union. Our finance system is a good one. Two years ago we adopted the weighted pupil limit. I think it has worked well. Our school teachers are well qualified and have rendered devoted service in spite of the fact that our salaries have often been less than we would have liked them to be. I have no basic change to recommend in our general school financing system. I will discuss levels of support in my budget message later this week.

There are two matters, however, of substantive nature to which I would like to call your attention. A high school education should be clearly available to every Utahn regardless of income, age or ethnic background. The extremely high dropout rate of Utah's minorities and low income students indicates there is a long way to go if this goal is to be achieved.

For example, the dropout rate for our Chicanos is three and one-half times that of other Caucasians.

In accordance with the spirit of the state Constitution, free public education for students in grades nine through twelve must become a reality. Accordingly, legislation has been prepared requiring school districts to eliminate textbook fees for these students.

I commend to you legislation which provides for free public education through high school for adults. This legislation would eliminate the present age limitation. There are approximately 144,500 persons above 30 years of age who have not completed high school and are not enrolled in school. The State Board of Education indicates approximately 4,485 of these people would participate in such a program. I urge your favorable consideration of lifting age barriers to education.

LABOR

On a number of occasions in the past I have recommended that the Legislature adopt an agency shop bill. I repeat the recommendation at this time. I feel it eminently fair that those who benefit from the negotiating process carried on by organizations of workers should help defray the cost.

I also repeat a request for enactment of public employees' and teachers' negotiations acts. Negotiations between organizations of public employees—and those in authority—both in education and in other fields—already exist as a matter of fact. The problems that surface in these talks can be resolved more easily if the rules governing negotiations are established by law.

It is my opinion, however, that negotiations between public employees and elected officials cannot proceed on the same basis as negotiations that take place in private industry. Public employees' and teachers' negotiations acts should not contain a binding arbitration clause. To do so, in my opinion, abrogates part of the authority the public has entrusted to their elected officials. Furthermore, in state government, where we have a division of powers, binding arbitration might require the Governor, as Chief of the Executive Branch, to do things which he cannot afford under the appropriations made available to him by the Legislature.

The basic thrust of the act, therefore, must be on a "meet and negotiate in good faith" basis. Any teacher or public employee negotiations acts must also renounce the right to withhold service collectively. In spite of the fact that the national trend seems to be otherwise, I feel that a strike against the public welfare should not be permitted.

The following major changes in the Workmen's Compensation Act are being proposed for your consideration:

1. That the maximum weekly compensation benefits be increased from 66⅔% to 100% of the state average weekly wage. The proposed increase is necessary to elevate the benefit level of workmen's compensation more in line with current minimum living requirements.

2. That agricultural employers be required to insure their employees. Historically, farmers have not been required to carry workmen's compensation insurance coverage. As a result, workers who need to be and should be protected under the law are not. Yet, so as not to unduly burden the small farmer, appropriate exemptions should be granted.

3. That the dollar allowance on prosthetic devices be increased from $625.00 to $1,000.00.

The proposed changes will assist injured workers in maintaining living requirements while awaiting return to adequate employment, will cover a higher percentage of the work force and will provide a forum for pursuing their claims. It will also allow Utah to continue as a leader in progressive state workmen's compensation programs and reforms. Adoption of these changes should help insure that we maintain our own locally administered state workmen's compensation program, as opposed to either a federally controlled or a federally administered program.

GOVERNMENT MODERNIZATION

In 1966 the Committee on the Reorganization of the Executive Branch of State Government, commonly called the Little Hoover Commission, presented its recommendations to the Legislature. Since that time approximately 70% of the recommendations have been implemented. There are a number of proposals which I wish to make to you regarding further reorganization of the Executive Branch. Some of these are portions of the Hoover Commission Report and some have resulted from our subsequent experience.

Office of State Planning Coordinator

Since the Legislature first created the Office of State Planning Coordinator in 1963, some duties have been removed and assigned to other agencies. Community Affairs, once a function of that office, has been established as a separate state agency. Other duties have been assigned to the State Planning Coordinator by Executive Order either in response to changing needs or to respond to federal initiatives. I believe it necessary to amend state planning statutes to better reflect the role of that office, particularly given the wide misunderstanding of its role and powers expressed during the land use debate. I seek your support of this housekeeping matter.

Department of Highways

During the period since the Legislature last met in general session, a great deal of work has been done by interim legislative committees on a bill which would create a Department of Transportation. I support this further step in our effort to organize state government along functional lines.

There is, however, one provision which has been proposed with which I cannot agree. This is the proposed transfer of the quasi-judicial powers of the Public Service Commission as they affect transportation to the Department of Highways. In structuring state government, we have tried, as nearly as possible, to separate quasi-judicial functions from ministerial functions. I would, therefore, prefer to leave with the Public Service Commission the power to grant Certificates of Convenience and Necessity to transportation companies, unless the Legislature sees fit to create a central quasi-judicial agency. This agency would assume the quasi-judicial functions of many of the departments of state government.

Central quasi-judicial agency

The Utah Little Hoover Commission recommended the creation of an Administrative Court. I included that recommendation in my message to the Legislature in 1969. During the past year a legislative committee has been working on this matter and will introduce a bill creating an administrative law tribunal. I again recommend this legislation to you. It would not increase, and perhaps may decrease, personnel presently involved in this function. Its principal value, however, would be that it would assure our citizens that as they deal with state government, they have an independent body within the Executive Branch to review decisions affecting their rights which have been made by executive officers. This is a highly important piece of legislation and should be carefully considered by you during this session.

DEVELOPMENT SERVICES

The Department Development Services included functions relating both to economic and cultural development. It has not, however, had solely within its jurisdiction one of the most important aspects of government dealing with our economic stability and development. I refer to what are commonly known as manpower programs. Manpower programs have three essential functions:

1. To find those who may be employable and to motivate them to develop marketable skills.

2. To provide necessary training to obtain these skills.

3. To find jobs for the individuals after training.

It is evident that these three functions fall within the area of responsibility of different departments and, indeed, our manpower efforts are fragmented. The State Planning Coordinator has assumed a major role in administering these programs, to the extent that in my opinion, it has often interfered with the planning function. I am, therefore, recommending that legislation be enacted transferring the prime responsibility for manpower programs to the Department of Development Services. This department will assume the responsibility for the Manpower Coordinating Council and the Department of Employment Security.

Care must be taken in the restructuring of our administration that federal guidelines are observed, as the large share of our manpower funds come from federal sources.

LEGISLATIVE AUDITOR

In 1972 the people of the state of Utah approved a constitutional amendment authorizing a Legislative Auditor. This provision has not yet been implemented by legislative action. This should be done promptly by legislation which, in addition to establishing the Legislative Auditor, should clearly delineate functions of that office and the functions of the elected State Auditor.

In the commercial world, auditors commonly perform both fiscal and program evaluation audits at the same time. I feel, however, that this is not a proper approach in state government where we have a constitutional division of powers. The duty of making a fiscal audit properly lies with the executive branch of the government—albeit an independent portion of the executive branch. On the other hand, program evaluation is a legislative function, done so the Legislature can evaluate state programs and determine whether they should be continued, terminated or altered.

The work of the State Auditor is far behind in regard to many departments. While the incumbent Auditor inherited a backlog, it has not been reduced, and he informs me that it will require 50,000 man-hours of additional auditing work to become current. I have authorized a work program of $66,000 above the Auditor's appropriated budget for the current year, with the assurance that I will cover it from the Governor's Emergency Fund if the Legislature does not approve a supplemental appropriation. In addition to this, the Auditor has requested another supplemental appropriation of $1 million to bring his workload up to date, either through the addition of personnel or through contract audits. This I do not recommend if the position of Legislative Auditor is established.

It is my opinion that the elected Auditor has been devoting substantial manpower hours to what amounts to program evaluation. If he is to continue to perform both fiscal audits and program evaluation, then no doubt he will need the funds which he requests to bring his work to date and additional funds in the future to keep it current. On the other hand, if the position of Legislative Auditor is created and assumes the duty of preparing program evaluations, it would leave the elected Auditor to the basic task of fiscal audits. I believe, then, with some short term emergency appropriations, the elected Auditor will be able to bring fiscal audits to a current status and keep them current with his existing appropriation.

SCIENCE AND TECHNOLOGY ADVISORY COMMITTEE

The 1973 legislation authorizing the State Advisory Council on Science and Technology, and the Office of the State Science Advisor, will lapse if not reenacted this session. Although this activity represents a very small part of our state budget, the impact and potential impact of this council on the affairs of the state are significant. Our Science and Technology Council represents a mechanism whereby the state can systematically tap the great resources of our scientific and technical community. These people, located in the universities and industries of our state, are available through this forum to augment the technical talent working in the several departments of state and local government.

I consider this advisory council to be an invaluable asset to the state and fully recommend that we continue this program by perpetuating the legislation which created it.

POLITICAL ACCOUNTABILITY

I recommend for your approval certain of the proposed "sunshine bills" not previously enacted by the Legislature with such modifications as reflect our own experience. Specifically, I recommend the passage of a Lobbyist Registration Act and an extension of the disclosure provisions of the Campaign Limitations Act to all candidates for public office.

There is another aspect of public involvement in the political process that I would recommend for your consideration. The remarkable resiliency of our political system is due in large part to the extension of the franchise to more and more people. We have a continuing obligation to make the franchise as accessible as possible. Therefore I urge that you do two things to encourage registration of citizens to vote:

1. Provide for the appointment of deputy registrars to assist the designated registration agents in the voting districts.

2. Allow for registration through the mails for all eligible citizens.

The various standards set by county clerks to determine voter eligibility have been a source of confusion. This would be corrected in an amendment to the election laws proposed by the bi-partisan election committee of the Secretary of State. I recommend a uniform standard as well as the other election law changes contained in that bill.

Another source of confusion over voter eligibility stems from a U.S. Supreme Court decision in *Dunn vs. Blumstein* which struck down residency requirements in excess of 90 days in the county and one year in the state. I favor a constitutional amendment that will be proposed by the Constitutional Revision Commission setting residency requirements at 60 days in the state with no minimum county residency requirements.

I might add that it is my opinion that the Constitutional Revision Commission has served the state well and Utahns owe a large debt of gratitude to those individuals who have served tirelessly and creatively on the Commission. The legislative mandate that authorized the Commission's existence expires on July 1, 1975. I recommend that the Legislature establish the Constitutional Revision Commission on a continuing basis to study and propose changes in the Utah Constitution.

LIQUOR CONTROL LAWS

During the past year there has been much public controversy regarding the administration of the liquor control laws in the state of Utah. The Citizens Council on Liquor Control issued a report dated December 19, 1974 recommending certain legislation. I concur in all the recommendations which the Council passed by unanimous vote. In particular, I recommend their proposals for an amendment to the code dealing with liquor samples. They are very similar to the recommendations which I made to the Liquor Commission on the 24th day of October, 1973.

I also concur in their recommendation that the act requiring a resident agent for all liquor companies be repealed. I believe that whether there should be an agent should be left to the company. I also believe that the selection of an agent should not be influenced by anyone in public office. This is in accord with the policy which I recommended to the Commission by letter of February 19, 1973.

Both of these recommendations, however, would be more effective if they had the force of law.

I further recommend that political contributions by a liquor representative or a liquor company be prohibited. Even though other companies which do business with the state make political contributions, the liquor companies' sole customer is the state. The temptation to seek special favor, therefore, is magnified.

AUTOMOBILE SPEED LIMIT

A little more than one year ago, at the request of the President of the United States, the speed limit on the highways in all the states was reduced to 55 miles per hour. This restriction was requested as a means of conserving an inadequate supply of motor fuel. While it was no doubt effective in this regard, the most dramatic effect of the lowered speed limit has been the reduction of automobile accidents—particularly fatal accidents.

During the first eleven months of calendar year 1974, reportable accidents in Utah dropped 22% as compared with the same period one year ago, and fatalities were reduced 37%.

It is frequently asserted that the reduction in accidents resulted from fewer miles traveled rather than from lower average speeds. This does not appear to be the case. In the state of Utah during the same eleven months mentioned, total miles were reduced only 1.5%—substantially less than the reduction in accidents and fatalities. A study of the entire nation for the first nine months of 1974, compared with the same period for 1973, indicates a reduction in insurance claims for bodily injury of 12.4%. The bodily injury type of claim is that which relates most closely to the severity of the impact, and thus to the speed driven. On the other hand, comprehensive claims, where the speed factor is the least causative, have dropped only two-tenths of one percent. In this connection, it is interesting to note that the same report, prepared by a special National Association of Insurance Commissioners task force, shows claim frequencies down at least enough to offset the average cost increase resulting from inflationary effects upon motor vehicle repairs, medical expenses, etc.

The Insurance Department of the state of Utah is now engaged in a hearing and investigation of insurance rates to determine the effect on premium charges of these two factors affecting insurance companies' costs of doing business.

While the lower speed limit has without a doubt caused some inconvenience, particularly to the motor carrier industry and to others who must travel extensively, the benefits far outweigh the inconveniences of the lower maximum speed. It is undoubtedly true that many of our people exceed the 55 miles per hour speed limit, even though arrests and warnings issued by the Highway Patrol have nearly doubled this year over last. As we all know, many violated the limit when it was 70 miles per hour, and complete enforcement is impossible with the comparatively small number of Highway Patrolmen we have. Nevertheless, with the 55 miles per hour speed limit, the average speed is substantially lower than when the limit was 70 miles per hour.

It is my recommendation that you enact legislation establishing 55 miles per hour as the maximum speed limit on highways of the state of Utah. Thus should be an absolute minimum and not just a prima facie maximum.

CONCLUSION

Before the Legislature meets again in general session, the United States will have completed the observance of our bicentennial year.

The bicentennial is a time to reflect upon the past with satisfaction in what has been good and to face the future with a determination to correct things wrong. This nation has grown great because of the character of its people and because of the viability of its governmental structure. Our federal system is a sound instrument of government. It will continue to serve us well, however, only if we keep it finely tuned; only if our state governments fill their full role in the federal system and do not abrogate responsibility to the national level. Ours is not a parent-child relationship, but one of full partnership. In the next 60 days you have a great opportunity to strengthen the states' role in our government.

FOREIGN EARTH RESOURCES OBSERVATION SATELLITE FACILITIES

Mr. MOSS. Mr. President, few people realize the extent to which foreign countries have committed themselves to the Earth Resources Technology Satellite known as Landsat. Three nations have Landsat data acquisition and processing facilities. Two countries are concluding such agreements to construct such facilities, five others are actively discussing them and an additional six countries have sent expressions of interest to NASA. Thus 16 foreign countries are involved in Landsat receiving and processing facilities. None of the cost of such facilities is borne by the United States. The ground station agreements provide for the foreign cooperating agency, first, to provide NASA any and all data desired by NASA—a provision of particular value should our tape recorders fail, and second, to service on an open basis the data requirements of NASA—selected experimenters and the public in the region of its station—without charge for the former and on the basis of reasonable charges for the latter. The agreements further grant NASA the option to establish an access fee for each station after 1 year from the ERTS-B launching.

For the benefit of my colleagues let me list the countries involved in Landsat satellite ground stations:

First. Countries which are presently operating LANDSAT—ERTS—data acquisition and processing facilities—Canada, Brazil, and Italy—scheduled to begin data acquisition in March and processing in mid-1975. In addition, the Canadian Government has announced plans to construct a second ERTS ground station in eastern Canada.

Second. Countries which have concluded—or are about to conclude—agreements with NASA under which they will fund the construction of LANDSAT ground facilities. The cost of such ground stations ranges from approximately $1 to $10 million—Iran and Zaire—an agreement was forwarded to Zaire for signature on January 15.

Third. Countries actively considering the establishment of LANDSAT ground facilities—Australia, Federal Republic of Germany, Indonesia, Japan, and Norway.

Fourth. Countries from which expressions of interest have been received by NASA—Argentina, Chile, Kenya, Pakistan, Thailand, and South Africa.

RESISTANCE TO ANTIBIOTICS

Mr. KENNEDY. Mr. President, there was an article in the Washington Post on Sunday, March 2, 1975, by Stuart Auerbach concerning new evidence of increasing resistance to antibiotics because of the overprescription of these drugs. According to the article, one of the participants at a scientific conference in California last week called the number of antibiotic-resistant bacteria strains in the world "one of the biggest biohazards around." I ask unanimous consent to have Mr. Auerbach's article on this increasingly serious health hazard, printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Drug-Resistant Bacteria Making Inroads

(By Stuart Auerbach)

Pacific Grove, Calif., March 1.—An antibiotic called lividomycin was disovered in Japan about four years ago, and doctors there have begun treating patients with it. It has never been used in the United States or Europe.

Yet an expert in bacteriology reported here this week that common germs in America and Europe already are showing signs of resistance to the new antibiotic—signs that it will not be able to kill the germs.

The question of widespread drug resistant strains of bacteria throughout the world since antibiotics came into common use more than 20 years ago was a subtheme at a scientific conference here. The scientists convened to discuss a new type of genetic engineering that some feel could add more drug resistant strains of germs to the world.

Dr. Stanley Falkow of the Department of Microbiology at the University of Washington Medical School in Seattle called the number of antibiotic-resistant bacteria strains in the world "one of the biggest biohazards around."

Prof. Ephraim S. Anderson of the British Public Health Laboratory Service in London said the normal pickup of antibiotic-resistant strains of germs is more dangerous than the possibility that genetic engineering will create new strains.

"It is no longer necessary for people in the general public to take antibiotics to have resistance factors in the bacteria found in their intestines," he said.

Instead, the resistant strains of bacteria prosper in the intestine while nonresistant strains die because of widespread use of antibiotics in agriculture, where they are used in fertilizer and food to protect plants and livestock from infection.

Strains of bacteria contain a natural resistance to some kinds of antibiotics, usually the one made from related strains of bacteria. This natural resistance is called R-factor.

As a result of the wide-spread general use of antibiotics, Falkow reported, as many as 38 per cent of office employees in one study showed signs of antibiotic resistance, and only about half that resistance was caused by the presence of natural R-factor to one of the most commonly prescribed antibiotics, tetracycline.

A study of medical students showed half had drug-resistant strains of bacteria in their intestines, Falkow said, and only 12 per cent of the resistance was caused by R-factors.

While he was at Georgetown University Medical School in Washington, Falkow said, he tested Potomac River water far upstream from where massive dumping of raw sewage begins. He found only 1 per cent of the bacteria in the river was drug resistant, and half of that 1 per cent was caused by R-factor.

At the Kennedy Center, farther down the river, after raw sewage has been dumped in the water, 30 to 40 per cent of the bacteria was drug resistant. Again, half of the drug resistance was caused by natural R-factors; the rest by overuse of antibiotics.

About one-third of a hospital's patients showed signs of drug resistance when they were admitted. But after receiving antibiotic treatment, the amount of resistance to the most common antibiotics increased to 83 per cent.

Dr. Julian E. Davis, a microbiologist from the University of Wisconsin Medical School, brought the most vivid examples to the conference—involving the Japanese drug lividomycin. He said that drug should not be introduced here, since there already are germs resistant to it.

Another antibiotic called tobramycin, used in France, is related to antibiotics already used here, and germs found in Americans already have developed resistance to it. Yet, Davis said, it will be introduced into this country soon by drug companies eager to market new antibiotics.

The answer to antibiotic-resistant strains of bacteria, Davis said, is for the public to fight doctors who insist on prescribing antibiotics when they are not needed—such as for colds or the flu.

RETIREMENT OF MR. JAMES M. STUART

Mr. GLENN. Mr. President, I ask unanimous consent to have printed in the Record a statement by the Senator from Ohio (Mr. Taft) in tribute to Mr. James M. Stuart.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Taft

Mr. President, I would like to speak at this time in recognition of Mr. James M. Stuart, upon his retirement from active civil life as a member of the Board of Directors of the Dayton Power and Light Company. I extend to Mr. Stuart on behalf of myself and the people of Ohio, our sincere thanks for his long and dedicated service.

Upon first entering the business world, James M. Stuart initiated a career at the lowest rung of the corporate ladder, as a part of the Dayton Power and Light Company. Through dedication and hard work, Mr. Stuart reached the apex of the corporate world, in his fulfillment of the American Dream. Although he has succeeded through talent, leadership and executive qualities, James Stuart has always been in touch with the ordinary worker, sharing in their concerns and acting responsibily for their welfare.

Mr. James M. Stuart has devoted his leadership to worthwhile civic goals such as the Charles F. Kettering Foundation, the Junior Achievement of Dayton, and the Dayton Boy's Club. His spirit is one of equal opportunity for all.

Mr. James M. Stuart is recognized as a scholar, both in his own right, and for his dedication to meaningful higher education. He has served as a member of the Board of Trustees of Wilmington College and Wilberforce University, and on the Associate Board of Trustees of the University of Dayton. He has been awarded Honorary Degrees of Doctor of Humanities, Doctor of Law, Doctor of Commerical Science.

For his personal achievements, corporate success, the success we have witnessed in his civic service, for scholarly work, among other services, I wish to commend Mr. James M. Stuart as one of Ohio's finest citizens.

CUBA AND SECRETARY KISSINGER'S SPEECH

Mr. KENNEDY. Mr. President; I intend to introduce legislation in a few days to formally remove the statutory prohibitions on trade with Cuba.

The policy of isolation is one which I believe has lost whatever rationale it may have had at the outset of the past decade.

Now it is clearly out of step with the pace of current events. Therefore, I was pleased to see the sharp change in position by the administration expressed by Secretary of State Kissinger in a speech in Houston, Tex., this weekend.

That speech disclosed that the Secretary intends to move more forthrightly to support the lifting of OAS sanctions which now exist.

For 5 years, I have urged an end to the policy of isolation and embargo against the Republic of Cuba. Now, with the Secretary of State expressing a willingness to change that policy, I believe it appropriate to complement his initiative with legislation to remove the statutory cobwebs from our current policy toward Cuba.

For that reason, I will introduce this week, legislation to remove prohibitions against trade with Cuba, prohibitions against third countries which trade with Cuba and prohibitions against U.S. travel to Cuba. This legislation simply attempts to remove the most discriminatory aspects of current law. Legislative prohibitions on foreign aid, however, and on most favored nation treatment for Cuba would remain in effect.

Over the past several months, I have been in contact with State Department officials and I am pleased at recent actions, which Secretary Kissinger termed "symbolic steps to indicate that we are prepared to move in a new direction if Cuba will."

The decisions expanding travel opportunities for Cuban U.N. delegates and the permission granted to Litton's Canadian subsidiary to trade with Cuba were among those positive steps. They responded to previous Cuban actions of a similar nature; its willingness to ratify and enforce the antihijacking convention, its release of a number of political prisoners, and its permission to a growing number of Americans to visit that country.

Secretary Kissinger's speech on Saturday in Houston apparently marks a conscious break with our past policies. It was far more forthcoming than any previous statement by a high administration official.

It finally seems to recognize that the policies of isolating Cuba is not in the interest of the United States. That policy stands out as an anachronism against the backdrop of détente with the Soviet Union and the People's Republic of China. It contrasts with the initiative taken by a majority of the members of the Organization of American States to end the sanctions against Cuba, a movement led by Venezuela, which first petitioned the OAS for those sanctions in 1964.

It contrasts as well with the renewal of relations with Cuba by Venezuela and seven other Latin American countries. It contrasts with Cuba's growing relationship with Canada, Western Europe and Japan. And it contrasts with the Secretary of State's call a year ago for a new dialog and a new openness in our relationship with Latin America.

An end to the policy of isolating Cuba is almost a precondition for the success of that dialog, a precondition so clearly absent at Quito last fall.

The Secretary also pinpointed a second major obstacle to an improvement in our relations with Latin America, the 1974 Trade bill's failure to distinguish between Venezuela and Ecuador and other members of OPEC. I am pleased that the Secretary indicated support for legislation I introduced several weeks ago to exclude Venezuela and Ecuador and other Western Hemisphere nations from the Trade Act's discriminatory provisions. Neither Venezuela nor Ecuador joined the Arab oil embargo and it is unfair to treat them as if they had.

I believe the Secretary's speech at Houston, in its disposition to change our policy toward Cuba and in its support for legislation amending the Trade Act, was a forthright and positive statement. I believe the legislation I will introduce this week parallels the Secretary's statement and moves us closer to more normal relations with Cuba.

While there will remain substantial issues for negotiations between our two countries—including vitally important humanitarian matters and while we will seek positive movement by Cuba in this area—I believe an end to the trade embargo will spur that process.

I ask unanimous consent that the Secretary's speech be printed in the Record in full along with news articles on that speech.

There being no objection, the material was ordered to be printed in the Record, as follows:

Address by the Honorable Henry A. Kissinger, Secretary of State, at the Combined Service Club Luncheon, Shamrock Hilton Hotel, Houston, Tex., March 1, 1975

THE UNITED STATES AND LATIN AMERICA: THE NEW OPPORTUNITY

The foreign policy of the United States has one overriding goal: to help shape a new structure of international relations which promotes cooperation rather than force; negotiation rather than confrontation; and the positive aspirations of peoples rather than the accumulation of arms by nations.

Our relations with the Western Hemisphere are central to this enterprise. The United States and Latin America were born out of the struggle against tyranny. Our people are bound not only by geography but by the common heritage of Western civilization. We share a history of mutual support in times of trouble and the promise of a new world of justice, peace, freedom and prosperity. With courage and imagination we now have the opportunity to make inter-American cooperation a pillar of the global community which our era demands.

The discovery of America, more than any other single event, ended the Middle Ages and revolutionized the thought of mankind. It drew man beyond what had come to seem unchangeable, to a new beginning, an escape from the burdens of the past, and from history itself.

A Brazilian epic poem of the seventeenth century described the lure that beckoned the Americas onward:

". . . to open new paths never trod, never known . . . to push on despite obstacles through every zone. . ."

With the shield of one ocean at our backs and the dream of another one before us, hope was always just a little farther along the river, over the mountains, across the plains and jungles. In the old world a frontier was a limit; in the New World it was an opportunity.

Today's frontiers are not geographical, but frontiers of human need and creativity. To conquer them is even more important than the adventures that shaped our past.

At the heart of our contemporary challenge is a new interdependence, both hemispheric and global. Until recently, Western Hemisphere economic relationships were largely based on the exchange of raw materials from Latin America for finished goods from the United States. Today's interdependence reflects a different balance. The internationalization of production combines technology, labor and capital across national boundaries.

As a result, the Latin American countries now need access to the US market to sell their manufactured goods as well as their traditional exports. And Latin America's markets are becoming as important to our own continued growth as its raw materials—as indicated by our trade surplus last year of $1.2 billion.

As interdependence has grown within the Hemisphere, so have the Hemisphere's links to other parts of the world. Latin America has developed important trading relationships with other industrial nations and has come to share certain political perspectives with the Third World. The United States prizes its traditional alliances with the industrialized democracies, and maintains important political and economic relationships with many less developed nations around the world. Our generation has had to learn that peace is indivisible; that our national well-being is intimately tied to the well-being of the rest of the globe.

The awareness of past achievement and faith in common purposes led the United States in 1973 to begin a new dialogue with Latin America. We had three objectives:

To promote with our friends a new spirit of communication tempered by realism, evaluated by hope and free of distrust, despair or resentment.

To find new ways to combine our efforts in the political, economic and social development of the Hemisphere.

And to recognize that the global dialogue between the developed and less developed nations requires answers that will be difficult to find anywhere if we do not find them in the Western Hemisphere.

For this hemisphere to which men fled to escape from injustice has a special obligation to demonstrate that progress can go hand in hand with respect for human dignity, that cooperation among nations is consistent with respect for national sovereignty, that the most powerful political force on earth is the voluntary collaboration of free peoples.

Any relationship as long and complex as ours inevitably is haunted by the bitterness and suspicions of old disputes. We must put these legacies of our past behind us, for a dialogue dominated by the endless refrain of old grievances cannot prosper.

Despite temporary interruptions, the United States is prepared to continue the dialogue in a spirit of friendship and conciliation. Next month I will make my first visit to South America as Secretary of State. Next week Assistant Secretary Rogers will visit six countries in the region for preliminary talks.

Let me now outline some of the issues that will face us in these discussions. They include, first, what the United States is prepared to contribute to Western Hemisphere cooperation; second, what we ask of Latin America; and finally what we can do together.

WHAT WE MUST ASK OF OURSELVES

President Ford has asked me to reaffirm our commitment to a new relationship between the United States and Latin America based on the principles of non-intervention, the sovereign equality of nations and mutual respect among partners. Success will require a similar desire and attitude on the part of the other countries of the Hemisphere.

These principles will guide the United States' approach to major issues that have risen between us—the status of the Panama Canal; the place of Cuba in the Hemisphere; and the various strands of our economic relations.

The Panama Canal—Since its opening, the peoples of the world have looked on the Panama Canal as an important lifeline of commerce and international security. It is essential that the Canal remain open to the ships of all nations on fair terms.

In acquiring the rights to build the Canal, the United States was granted exclusive control—the rights which it would possess and exercise "if it were sovereign"—over a ten-mile wide strip of Panamian territory from the Atlantic to the Pacific. In the Canal Zone, we enforce U.S. laws, operate commercial enterprises and control most of the deepwater port facilities that serve Panama.

Over time the nature of the U.S. presence has come to be viewed by the people of Panama—and indeed by most of the rest of the Hemisphere—as an infringment upon their national sovereignty and their principal resource—their country's strategic location.

Clearly both Panama and the United States have vital interests in the Canal. The challenge is to reconcile the security needs of the United States with Panama's national honor and sovereignty. Negotiations on this problem have gone on intermittently for eleven years; in the last year and a half they have moved forward rapidly. We now believe that an agreement on terms fair to all is possible.

We have made progress because each side has recognized the essential needs and constraints of the other. The United States understands that a treaty negotiated in 1903 does not meet the requirements of 1975. We are ready to acknowledge that it is reasonable for Panama to exercise jurisdiction over its territory and to participate in the operation and defense of the Canal. We are prepared to modify arrangements which conflict with Panamanian dignity and self-respect.

In turn we will expect Panama to understand our perspective—that the efficient, fair and secure operation of the Canal is a vital economic and security interest of the United States; that a new treaty must provide for the operation and defense of the Canal by the United States for an extended period of time; and that a new treaty must protect the legitimate interests of our citizens and property in Panama.

A new treaty based on these principles will make the United States and Panama partners in the operation of the Canal, protect the essential national interests of both, and provide a secure arrangement for the long term.

Serious problems remain to be resolved in the negotiation. But we are confident that they will be overcome if both parties continue to display the seriousness and mutual understanding they have shown so far.

The Administration has been consulting with the Congress as our negotiations have proceeded. We will intensify these consultations and discuss in detail the arrangements which we envisage. A new treaty which reflects the advice and consent of the Senate and the full support of the American people will be a concrete and significant demonstration that with good will on both sides cooperative solutions to the problems of the Western Hemisphere are possible.

Cuba—In January 1962 the Organization of American States determined that Cuba had excluded itself from participation in the inter-American community by its military ties to the Soviet Union and its export of revolution in the Hemisphere. A year later the United States imposed its own sanctions. In 1964 the member nations of the OAS agreed collectively under the Rio Treaty of Reciprocal Assistance to sever diplomatic and trade relations with Cuba.

More than a decade has passed. The countries of Latin America have successfully resisted pressure and subversion; nations that in the early Sixties felt most threatened by Cuban revolutionary violence no longer feel the menace so acutely. This situation has generated a reconsideration of the OAS sanctions and raised questions about the future of our own bilateral relations with Cuba.

Last September several Latin American countries proposed a meeting to consider lifting the collective sanctions. We agreed that a consideration of the Cuban issue at a meeting in Quito of the Foreign Ministers of the Americas was appropriate. We determined to remain completely neutral in the debate and abstained in the vote. Our guiding principle then, as now, was to prevent the Cuba issue from dividing us from our Hemispheric neighbors.

A majority voted to lift the collective sanctions. But the Rio Treaty requires a two-thirds vote and the sanctions thus remain formally in force. The United States considers itself bound by the collective will as a matter of international law, and so there can be no change in our bilateral relations with Cuba as long as the OAS mandate remains in force.

Since the Quito meeting, however, several Latin American countries have announced that they are prepared to resume trade with Cuba. Also since the meeting at Quito, all the OAS nations have tentatively agreed that the RIO Treaty should be amended to permit the lifting of sanctions by a majority vote. Several of my Latin American colleagues have suggested that this agreement in principle might be applied to the existing Cuban sanctions. I will be consulting with them with respect to this initiative during my trip to South America with the attitude of finding a generally acceptable solution.

If the OAS sanctions are eventually repealed, the United States will consider changes in its bilateral relations with Cuba and in its regulations. Our decision will be based on what we consider to be in our best interests, and will be heavily influenced by the external policies of the Cuban government.

We see no virtue in perpetual antagonism between the United States and Cuba. Our concerns relate above all to Cuba's external policies and military relationships with countries outside the Hemisphere. We have taken some symbolic steps to indicate that we are prepared to move in a new direction if Cuba will. Fundamental change cannot come, however, unless Cuba demonstrates a readiness to assume the mutuality of obligation and regard upon which a new relationship must be founded.

Economic Relations—Old political disputes must not distract us from the long-term challenge of the Hemisphere—the common effort to improve the lives of our peoples.

The expansion of trade, and the establishment of a new trading equilibrium are vital to economic progress and development in the Hemisphere. As Latin American economies grow, so will opportunities for mutual trade. As our own economy grows, we will be able to buy more semi-processed and manufactured goods from Latin America.

In the next few days the President will take the first step to implement the preference system established by the 1974 Trade Act. We will announce the list of products on which the Administration proposes to eliminate all import tariffs for developing countries for ten years. Latin America, as the most advanced developing region and the one nearest the the U.S. market, will be in the best position to take advantage of these preferences. The list will benefit nearly $1 billion worth of Latin American exports.

Among the economic issues affecting Western Hemisphere relations none looms larger than the transnational corporation. The transnational corporation has a demonstrated record of achievement as an efficient—and indeed indispensable—source of technology, management skill, and capital for development. At the same time, the transnational character of these corporations raises complex problems of governmental regulation, and has aroused concern in Latin America over the relation of their activities to domestic political and economic priorities.

Most Latin American nations take the position that the laws of the host country are conclusive, and that a foreign investor cannot appeal to his own government for protection. The United States, on the other hand, has insisted on espousing the cause of U.S. investors when they are treated in a way which violates international legal standards. And the Congress has reflected this view in such acts as the Hickenlooper and Gonzalez Amendments which cut off aid in the event of nationalization without adequate and timely compensation.

The two legal positions are not easily reconciled. But the United States is prepared to make a serious effort to find a mutually acceptable solution which does not prejudice the principles of either side. A year ago, in Mexico City, at our initiative an inter-American working group was set up to examine the problem.

The United States is prepared in the context of this endeavor:

To work out a new declaration of principles to govern the treatment of transnational enterprises and for the transfer of technology;

To develop intergovernmental mechanisms to prevent and resolve investment disputes and the problems between governments that arise from them;

To fashion new modes of cooperation to deal with conflicts of laws and jurisdiction relating to transnational corporations; and

To encourage private enterprise to make its vital contributions to Latin America in forms congenial to the economic and political needs of the host countries.

We have, in the past, made significant progress in these areas on a pragmatic, case-by-case basis. We should now seek more general agreement as part of the New Dialogue. The transnational Working Group which was interrupted by the postponement of the Buenos Aires meeting should resume its important work. A mutually acceptable solution would go a long way toward removing trade and investment conflicts from U.S. decisions respecting aid relationships with the host countries.

This is important because Latin American sensitivity to the exercise of economic leverage has been finely honed by history. Experience has also demonstrated that automatic sanctions—including the 1974 Trade Act's denial of preferences to such OPEC countries as Ecuador and Venezuela, which did not join the oil embargo—are almost always harmful. Automatic sanctions allow no tactical flexibility. They present other governments with a public ultimatum; by seeming to challenge the recipient's sovereignty, they harden positions, encumber diplomacy and poison the entire relationship.

The Administration supports the purpose of the various bills which have been introduced into the Congress—including one by your own Senator Bentsen—to modify the provisions of the Trade Act which involve Venezuela and Ecuador. And it is prepared to seek the modification of legislation requiring the automatic cut off of aid. But as a matter of political reality a great deal will depend on our ability to work with the nations of Latin America on new approaches which give practical assurance of fair treatment. They must recognize that Congressional sanctions stem from perceived injuries to legitimate interests.

As part of the New Dialogue, the Administration is prepared to develop new principles and practices which may commend themselves to Congress as a better remedy than automatic sanctions.

WHAT LATIN AMERICA CAN DO

What do we have a right to expect from Latin America?

In the past decade, progress in science, industry, agriculture, and education have done much to transform the Continent. Economic growth has been steady and some times spectacular. Political institutions have adapted to new social conditions and national traditions. A new sense of Latin American unity has promoted an awareness of common problems and opportunities.

We welcome the strength and self-confidence that this evolution implies. We have seen new leadership in Latin America and new Latin American leadership in the international arena. Panamanian and Peruvian soldiers serve with the UN peace-keeping forces in the Middle East. Last December the Andean countries, following a Peruvian initiative, pledged themselves to limit the acquisition of offensive weapons—an initiative we support and encourage. Venezuela has taken the lead in stimulating regional cooperation by offering oil revenues to the Inter-American Bank and the Central American Bank for Economic Integration. Working with Bolivia, Paraguay, and Uruguay, Argentina and Brazil are pooling their technology and resources to harness the vast potential of the River Plate Basin.

However, with these welcome initiatives have come other less hopeful trends.

The United States is concerned by the growing tendency of some Latin American countries to participate in tactics of confrontation between the developing and developed worlds. We accept non-alignment as a necessary, largely positive force. We believe that the developed nations—and particularly the United States as the most powerful industrial country—have a special obligation to be sensitive both to the legacy of history and to the imperatives of change.

It is therefore ironic that some nations seek to exact by confrontation what can only be gained through cooperation, and that countries which once chose non-alignment to protect themselves from blocs are now tending to form a rigid bloc of their own. In doing so they obstruct the association with the industrialized nations on which their own economic and social progress ultimately depends. Such tactics are particularly inappropriate for the Western Hemisphere where they threaten to repudiate a long tradition of cooperative relations with the United States at the very moment when the United States has dedicated itself to common progress.

As the most developed part of the Third World, Latin American nations will increasingly play roles in both the industrialized and developing sectors of the globe. They have a unique opportunity to foster the mutual accommodation of these groups globally.

To do so there is no better guidepost than the Declaration signed by all Western Hemisphere nations in Mexico City last year: "... peace and progress, in order to be solid and enduring, must always be based on respect for the rights of others and the recognition of reciprocal responsibilities and obligations among developed and developing countries."

The temptation to blame disappointments on the intrigues and excesses of foreigners is as old as nations themselves. Latin America is perennially tempted to define its independence and unity through opposition to the United States.

The Latin American postponement of the Buenos Aires meeting of Foreign Ministers, ostensibly in reaction to the recent US Trade Act, is a case in point. Some Latin American nations chose to read into this legislation a coercive intent which did not exist, and asked for immediate remedies beyond the capacity of our constitutional processes to provide. As a result, the next step in the New Dialogue was delayed just when it was most needed. The nations of America face too many challenges to permit their energies to be expended in such fruitless and artificial confrontations.

We do not expect agreement with all our views, but neither can we accept a new version of paternalism, in which those with obligations have no rights, and those who claim rights accept no obligations. The choice for the United States is not between domination and indifference. The choice for Latin America is not between submission and confrontation.

Instead we should steer between those extremes toward a new equilibrium. After decades of oscillating between moods of euphoria and disillusionment, between charges of hegemony and neglect, it is time for the United States and Latin America to learn to work together, calmly and without confrontation, on the challenges to our common civilization.

The United States does not seek precise reciprocity. We recognize our special obligations as the richest and most powerful nation in the Hemisphere. But experience teaches that international problems cannot be resolved by any one country acting alone—or by any group of nations acting as an exclusive bloc.

WHAT WE MUST DO TOGETHER

With a new attitude, the nations of the Western Hemisphere can dedicate themselves to an agenda for the future. In the coming months, the United States will make proposals for such an agenda and present it to its partners in various forums including the meeting of the OAS General Assembly this spring.

Today I shall confine myself to two critical areas: hemispheric development and food.

Hemispheric Development—In the past decade, Latin America's overall growth rate has exceeded the economic targets of the Alliance for Progress. The region has also made greater progress than any other developing area toward economic integration. The Central American Common Market, the Caribbean Common Market, the Andean Pact, and the Latin American Free Trade Association have begun to translate abstract hopes into realities Nevertheless, Latin America's relative share of global trade has fallen. And economic progress has been unevenly distributed, both within and among countries.

Some Latin American countries have only recently begun the process of development. As with poor countries everywhere, they require large amounts of concessional assistance. The United States will continue to contribute its share.

The Administration will ask Congress to replenish the U.S. contribution to the Inter-American Development Bank, both concessional funds and ordinary capital. Assuming other nations in the Hemisphere are willing to do their share, we will seek a U.S. contribution as large as the last replenishment, or $1.8 billion.

The proposal will be considered by the House of Representatives Subcommittee whose Chairman is the distinguished Henry B. Gonzalez—from San Antonio. Coupled with the contribution of $755 million from twelve new members—the European countries, Japan and Israel—and a $500 million trust fund established by Venezuela, these fresh resources to the IDB will give a major new impetus to Western Hemisphere development.

But because the poorest countries must have first priority, congressional assistance is available only in limited quantities to a new and growing group of Latin American countries that have reached an intermediate stage of development. They have a diversified industrial sector, a significant consumer class, and an increasing capacity to compete in world markets. Their need for foreign exchange is growing.

Therefore, they require greater access to the markets of the developed countries, for exports are the chief source of their external funds. To this end, the Trade Act and the multilateral trade negotiations in Geneva are of great significance. As we have pledged in our New Dialogue, we will, in these negotiations, work in close collaboration with the countries of the Western Hemisphere.

But these countries also need investment capital. Significant amounts of capital continue to flow to the intermediate countries from the United States private sector through investment and from commercial bank lending. But these countries could also benefit substantially from improved access to capital markets.

While the United States long-term bond capital market is the world's largest, few developing countries have been able to borrow successfully in it.

To ease this problem, the United States has taken the initiative for a study by the IMF and World Bank Development Committee, of ways to promote the increased use of capital markets by developing countries. These will be neither aid programs nor recycling devices, but will facilitate independent access to such markets. The United States is prepared to explore ways in which it can be helpful to those Latin American countries with higher levels of income and credit standing to move toward self-reliance.

The countries of Latin America, regardless of their stage of development, are vulnerable to violent swings in the prices of their exports of raw materials. There is no more critical issue of economic relations in the Hemisphere today than commodities policy.

This issue has been extremely divisive in the Hemisphere—partly because our attitude has been ambiguous. So let there be no doubt about our views any longer. We strongly favor a world trading system which meets the economic needs of both consumers and producers. Unilateral producer or unilateral consumer actions must not determine the equilibrium. A dialogue between them on commodity issues is therefore essential. A range of rich possibilities exists that can make our new interdependence a vehicle for more rapid and more equitable global development.

The time has come for the countries of the Western Hemisphere to consider together how commodity issues should be resolved. The United States pledges a serious effort to find a constructive solution which does justice to the concerns of all parties.

Food—Let me turn now to a subject which must command our cooperative efforts—food, man's most basic need.

Latin America matches the United States as a potential food surplus region. Yet over the past 15 years, Latin American agricultural production has barely kept pace with population. In an area rich in productive land, malnutrition is rife. Most Latin American countries are net food importers. We believe that with a concerted new effort, agricultural production can exceed population growth; adequate nutrition for all can be achieved in this century; and Latin America can become a major food exporter.

The discovery of America rekindled a belief in mankind's perfectibility. Our struggles for independence were among the first modern assertions of the fundamental rights of man. No part of the globe has shown a greater commitment to democratic principles. The free flow of ideas is one of the most powerful forces for both liberty and progress. Drawing on this resource, can we now fashion a common vision of the future? What will life in the Americas be like in the next century? The scientists, scholars and professionals of our countries should be exchanging ideas on the implications of current trends in such areas as education, health and social change. Our governments should stimulate the OAS to mobilize the best minds and institutions of the Hemisphere in new programs to define our common future.

Last year in Mexico City, I described our objectives in this Hemisphere as follows:

"Our common impulse . . . is to fulfill the promise of America as a continent which beckoned men to fulfill what was best in them.

"Our common reality is the recognition of our diversity.

"Our common task is to forge our historical and geographical links into shared purpose and endeavor."

The United States continues to seek a genuine dialogue with its neighbors on all levels: multilaterally and bilaterally, within or outside the OAS, with subregional groups or individual states.

The dream of hope that has lifted the Americas for almost five centuries must be revitalized by our generation. We are entering another new world as strange and challenging as that found by the first settlers on America's shores. With imagination, we can build in this Hemisphere the model of that larger world community which must be our ultimate goal.

As Victor Hugo once wrote, "The main highway lies open. May America travel it, and the world will follow."

U.S. EYES CUBAN DÉTENTE—KISSINGER SET TO DISCUSS IT WITH LATINS

(By Terri Shaw)

Secretary of State Henry A. Kissinger said yesterday that he will consult with Latin American officials during his visit to South America next month to find a way to end the economic and diplomatic isolation of Cuba.

In a wide-ranging speech on U.S. relations with Latin America at a Civic Club luncheon in Houston, Kissinger said that if the sanctions imposed on Cuba 11 years ago by the Organization of American States will consider changes in its bilateral relations with Cuba.

An effort to lift the sanctions was narrowly defeated at an OAS meeting last year. U.S. officials said yesterday that with a change in the voting procedure, the 1974 decision could be reversed at the next OAS General Assembly meeting here. The meeting, scheduled for April, is expected to be postponed until May.

"We see no virtue in perpetual antagonism between the United States and Cuba," Kissinger said.

However, he cautioned that the U.S. decision on whether to resume relations with Havana "will be heavily influenced by the external policies of the Cuban government," especially its "military relationships with countries outside the hemisphere."

"Fundamental change cannot come," Kissinger said, "unless Cuba demonstrates a readiness to assume the mutuality of obligation and regard upon which a new relationship must be founded."

Kissinger said the United States had "taken some symbolic steps to indicate that we are prepared to move in a new direction if Cuba will." State Department officials said these steps included extending the U.S. area within which Cuban diplomats at the United Nations can travel and the granting of a license to Litton Industries to permit a Canadian subsidiary to export office equipment to Cuba.

The comments by Kissinger and other officials were the strongest U.S. hints so far that a rapprochment with Cuba could take shape within the next few months.

State Department officials pointed out that recent statements by Cuban officials, including Prime Minister Fidel Castro, had shown a friendlier attitude toward the Ford administration than toward the Nixon administration.

U.S. officials stressed the importance of Kissinger's speech as an overall view of hemispheric relations. One said the Secretary of State "feels strongly" that relations with Latin America should be a "laboratory or test tube" to determine how relations between rich and poor nations should be conducted throughout the world.

Kissinger's speech, described by State Department officials as a "deliberate, carefully stated expression" of U.S. policy, made no reference to one important hemispheric issue—violations of human rights, a topic of concern in Congress and in Latin America.

Kissinger, whose year-old "new dialogue" with Latin America has recently run into difficulties, said the United States wants the foreign ministers' meetings begun last year to continue. A meeting set for March in Buenos Aires was postponed after several South American countries withdrew because of their objections to some parts of the new U.S. foreign trade law.

The Secretary of State said the new law's preference system would lift tariffs from "nearly $1 billion worth of Latin American exports." He said the administration supported efforts in Congress to modify some parts of the law that the Latin Americans find objectionable.

Kissinger chided the Latin Americans for "the growing tendency . . . to participate in tactics of confrontation." He described the postponement of the Buenos Aires meeting as an example of "fruitless and artificial confrontations."

On Panama, another major point of confrontation between the United States and Latin America, Kissinger said progress has been made in negotiations for a new treaty.

He said the new accord "must provide for the operation and defense of the canal by the United States for an extended period of time and . . . must protect the legitimate interests of our citizens and property."

In addressing himself to the economic problems facing the Western Hemisphere, Kissinger made the following points:

The administration will ask Congress for $1.8 billion more for the Inter-American Development Bank.

The United States will seek ways to help the more developed Latin American countries gain access to world capital markets.

The administration is willing to negotiate with producers of important commodities to find an equitable system of trade to protect consumers and producers.

The United States proposes a program to increase food production throughout the hemisphere with an emphasis on agricultural research.

Assistant Secretary of State William D. Rogers will leave next week to visit Peru, Argentina, Chile, Brazil, Uruguay and Venezuela. Kissinger's itinerary is not yet firm, State Department officials said.

KISSINGER MAKES OVERTURE TO CUBA—SAYS U.S. WILL ALTER STAND IF O.A.S. AGREES AND CASTRO REGIME SHOWS GOODWILL

(By David Binder)

WASHINGTON, March 1.—Secretary of State Kissinger declared today that the United States was "prepared to move in a new direction" in relations with Cuba, ending 14 years of boycott, provided a majority of hemisphere countries agreed.

In a speech prepared for delivery in Houston he said that the United States decision depended on repeal of sanctions against Cuba by the 23-nation Organization of American States—which could take place in May—and on Cuba's readiness to develop "a new relationship with the United States."

TIES CUT IN 1964

Mr. Kissinger underscored the shift in American policy toward Cuba over the last three months by declaring that at a meeting of hemisphere foreign ministers on the Cuban issue in Quito, Ecuador, last November, "We determined to remain completely neutral."

Now, he said, the United States is ready to participate in "a generally acceptable solution" by going along with a majority in the Organization of American States.

The O.A.S. member countries voted to sever diplomatic and trade relations with Cuba in 1964 after having determined that the Havana Government of Fidel Castro had attempted to "export revolution in the hemisphere."

Since then seven of the countries have resumed relations with Cuba. Mexico never abolished relations with the Cubans.

To repeal the O.A.S. sanctions, the hemispheric grouping must have a two-thirds majority vote on the procedural question of allowing a simple majority to decide on the sanctions issue itself. A two-thirds majority now seems assured.

The procedural issue can be quickly decided by an "organ of consultation" of the O.A.S. Then the permanent council can vote to lift the sanctions.

A State Department official said that this process might begin in May and that if there was considerable support for repeal the United States would vote with the majority.

Mr. Kissinger said he would be consulting with foreign ministers on the Cuban sanctions during a tour he will make to about six Latin-American countries, probably in April. He went on:

"If the O.A.S. sanctions are eventually repealed, the United States will consider changes in its bilateral relations with Cuba."

Such a decision will be "heavily influenced by the external policies of the Cuban Government" and by its "military relationships" with the Soviet bloc, Mr. Kissinger declared.

NO VIRTUE IN ANTAGONISM

"We see no virtue in perpetual antagonism between the United States and Cuba," he continued. "We have taken some symbolic steps to indicate that we are prepared to move in a new direction if Cuba will."

But Mr. Kissinger cautioned that "fundamental change cannot come unless Cuba demonstrates a readiness to assume the mutuality of obligation and regard upon which a new relationship must be founded."

The State Department official, in a background talk, said the United States action in broadening the area of movement for Cuban diplomats accredited to the United Nations from 25 miles to 250 miles last month was one of the "symbolic steps" mentioned by Mr. Kissinger.

Another step, he added, was to lift trade embargos for American manufacturing subsidiaries in Canada and Argentina so that they could sell to Cuba without violating United States law.

The official also said that the United States had noted a change in tone in Cuban government statements about the United States—specifically in remarks about the Ford Administration by Premier Castro and hopeful-sounding remarks on hemisphere relations by Deputy Premier Carlos Rafael Rodriguez.

However, the official said the United States was still avoiding direct contact with Cuban Government representatives and did not contemplate any more "symbolic steps" until the O.A.S. took a position on sanctions.

Mr. Kissinger's address at a luncheon of the Combined Service Club in the Shamrock Hilton Hotel in Houston was titled "The New Opportunity." But the official said it was not intended to herald "a new era" in United States relations with Latin America.

In addressing other hemisphere problems, however, Mr. Kissinger also broke some fresh ground.

He said the United States and Panama had reached a point in negotiations on a new Panama Canal treaty where "we now believe that an agreement on terms fair to all is possible.

U.S. MUST PROVIDE DEFENSE

The new treaty will have to provide for operation and defense of the canal by the United States "for an extended period of time," but also will allow Panama "to participate" in these functions, he said.

On economic issues he said the United States planned "in a few days" to lift tariffs affecting close to $1-billion worth of imports from Latin America, as provided by the new trade act.

In addition, the United States will seek to replenish the Inter-American Development Bank with $1.8-billion, ease Latin-American access to capital markets here and expand a dialogue on commodity questions, the Secretary said.

Mr. Kissinger remarked that the Administration was supporting bills to amend the trade act so as to permit Venezuela and Ecuador to benefit from trade preferences denied by the present law because they are members of the Organization of petroleum exporting Countries.

He also urged the Latin Americans to resume talks on regulating transnational corporations in the hemisphere, saying that the United States was ready to make "a serious effort" to achieve an agreement.

But the speech also contained warnings to Latin-American countries not to adopt policies of outright opposition to the United States.

RECESS UNTIL 4 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now stand in recess until the hour of 4 p.m. today.

There being no objection, the Senate, at 12:39 p.m., recessed until 4 p.m., whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. Garn).

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Arkansas (Mr. McClellan) may be recognized for not to exceed 2 minutes, for the purpose of getting some conferees——

Mr. ALLEN. Mr. President. I object. I believe that the motion the distinguished Senator would make is debatable. and I would not like to limit debate to 2 minutes. That would hardly be time to get recognition, I might say to the distinguished Presiding Officer.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute on nondebatable matters.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until midnight tonight to file certain reports.

Mr. ALLEN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate convenes tomorrow, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes each.

Mr. ALLEN. Reserving the right to object, Mr. President, may I inquire of the distinguished assistant majority leader if he plans to adjourn the Senate tonight. He did not comment on that.

Mr. ROBERT C. BYRD. When the Senate convenes tomorrow, it will convene following an adjournment.

Mr. ALLEN. That sounds interesting, but for the time being, I would like to retain my objection.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

The PRESIDING OFFICER. The hour of 4 p.m. having arrived, the Senate will now proceed to vote on the motion by the Senator from Nebraska to reconsider the vote by which the Senate tabled the Mansfield point of order against part 1 of the Mondale motion to close debate on the Allen motion to proceed to Senate Resolution 4.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. If the pending motion by Senator Hruska prevails, then will the Senate proceed to vote again on the motion to table the Mansfield point of order?

The PRESIDING OFFICER. That is correct.

Mr. GRIFFIN. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Delaware (Mr. Biden), the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from Kentucky (Mr. Huddleston), and the Senator from Hawaii (Mr. Inouye) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Packwood) is necessarily absent.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "yea."

The result was announced—yeas 53, nays 38, as follows:

[Rollcall Vote No. 32 Leg.]

YEAS—53

Allen
Baker
Bartlett
Beall
Bellmon
Brock
Buckley
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cranston
Curtis
Dole
Domenici
Fannin
Fong
Ford
Garn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Helms
Hollings
Hruska
Johnston
Laxalt
Leahy
Long
Magnuson
Mansfield
McClellan
McClure
McGee
Morgan
Nunn
Pastore
Percy
Roth
Scott, William L.
Sparkman
Stennis
Stevens
Stone
Symington
Talmadge
Thurmond
Tower
Weicker
Young

NAYS—38

Abourezk
Bayh
Brooke
Burdick
Case
Clark
Culver
Eagleton
Glenn
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Humphrey
Jackson
Javits
Kennedy
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevenson
Tunney
Williams

NOT VOTING—8

Bentsen
Biden
Church
Eastland
Huddleston
Inouye
Packwood
Taft

So the motion to reconsider the vote by which the Senate laid on the table the Mansfield point of order was agreed to.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. GRIFFIN. Mr. President, does the vote now recur on the motion to table the Mansfield point of order against the Mondale motion?

The PRESIDING OFFICER. Against part of the Mondale motion, the Senator is correct.

Mr. GRIFFIN. On this vote, the motion to table the Mansfield point of order, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Delaware (Mr. Biden), the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from Kentucky (Mr. Huddleston), and the Senator from Hawaii (Mr. Inouye) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Packwood) is necessarily absent.

I further announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "nay."

The result was announced—yeas 40, nays 51, as follows:

[Rollcall Vote No. 33 Leg.]

YEAS—40

Abourezk
Bayh
Brooke
Burdick
Case
Clark
Culver
Eagleton
Glenn
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Humphrey
Jackson
Javits
Kennedy
Leahy
Magnuson
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevenson
Tunney
Williams

NAYS—51

Allen
Baker
Bartlett
Beall
Bellmon
Brock
Buckley
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cranston
Curtis
Dole
Domenici
Fannin
Fong
Ford
Garn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Helms
Hollings
Hruska
Johnston
Laxalt
Long
Mansfield
McClellan
McClure
McGee
Morgan
Nunn
Pastore
Percy
Roth
Scott, William L.
Sparkman
Stennis
Stevens
Stone
Symington
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—8

Bentsen
Biden
Church
Eastland
Huddleston
Inouye
Packwood
Taft

So the motion to lay on the table the Mansfield point of order was rejected.

EXPLANATION OF RULES 22 VOTES

Mr. CRANSTON. Mr. President, I rise to explain my votes today in the rule XXII controversy.

NOTE

(On March 5, 1975, Mr. ROBERT C. BYRD obtained unanimous consent to have printed at this point in the permanent RECORD the vote on that day sustaining the Mansfield point of order. The vote on March 5, 1975, was as follows:)

[Rollcall Vote No. 41 Leg.]

YEAS—53

Abourezk
Allen
Baker
Bartlett
Beall
Bellmon
Biden
Brock
Buckley
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cranston
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Ford
Garn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Helms
Hruska
Huddleston
Johnston
Laxalt
Long
Mansfield
McClure
McGee
Montoya
Morgan
Nunn
Pastore
Roth
Scott, William L.
Sparkman
Stennis
Stevens
Stone
Symington
Talmadge
Thurmond
Tower
Weicker
Young

NAYS—43

Bayh
Bentsen
Brooke
Burdick
Case
Church
Clark
Culver
Eagleton
Glenn
Hart, Philip A.
Hartke
Haskel
Hatfield
Hathaway
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mathias
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Packwood
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevenson
Tunney
Williams

NOT VOTING—3

Hollings
McClellan
Taft

So Mr. MANSFIELD's point of order was sustained.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I offer a cloture motion.

The VICE PRESIDENT. A cloture motion having been submitted, the clerk, without objection, will state the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to proceed to the consideration of S. Res. 4, amending Rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Robert C. Byrd, Jr., Jennings Randolph, Robert P. Griffin, John O. Pastore, Edmund S. Muskie, Charles McC. Mathias, Jacob K. Javits, Ted Stevens, Edward W. Brooke, Clifford P. Case, James B. Pearson, Gaylord Nelson, William D. Hathaway, Alan Cranston, Walter F. Mondale, Dick Clark, Warren G. Magnuson, Mike Mansfield.

I voted the other day for that motion to table because it was the only parliamentary way to end the interminable delaying tactics which were frustrating the will of the majority of the Senate that we consider Senate Resolution 4.

Now, however, it appears that a satisfactory compromise on rule XXII can be achieved—due largely to the efforts of the distinguished Senator from Louisiana (Mr. LONG) and the four Senate leaders (Mr. MANSFIELD, Mr. SCOTT of Pennsylvania, Mr. BYRD of West Virginia, and Mr. GRIFFIN.)

The best way for us to bring this compromise before the Senate is to undo the parliamentary situation we have found ourselves in.

This could be accomplished in several ways.

But the method which seemed to me most compatible with the spirit of the proposed compromise on rule XXII was to reconsider the tabling motion.

Therefore, I voted to reconsider.

I also voted to take the point of order off the table.

I have done so with the hope that this action will enable the Senate to settle the rule XXII issue for the 94th Congress, and thus allow us to proceed to the critical national issues before us.

I have also done so with the hope that the spirit of reconciliation underlying these motions, and the compromise on rule XXII lying beyond, will soothe the Senate tempers that have been so ruffled by recent events in this affair.

My vote just now on the pending questions in no way reverses my view that the Constitution supercedes any rules made by a specific Senate at a specific time concerning how the rules can be changed.

I point out, moreover, that the point of order made by the distinguished majority leader was made for the purpose of clarifying the ruling on the question of whether the motion to cut off debate precluded consideration of privileged motions before the vote on the motion to cut off debate.

I am convinced that that kind of decision on a similar question could always be made by majority vote in some future Senate—for it stems from the constitutional right of the Senate to make its own rules.

But once these arguments are made—and I believe they have been given ample consideration by this body—the majority of the Senate has the duty to work its will.

That is the job before us and I propose that we get on with it.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in adjournment for 5 minutes.

The VICE PRESIDENT. The question is on agreeing to the motion to adjourn.

The motion was agreed to, and at 4:37 p.m. on Monday, March 3, 1975, the Senate adjourned until 4:42 p.m., the same day.

AFTER ADJOURNMENT

MONDAY, MARCH 3, 1975

The Senate met at 4:42 p.m., pursuant to adjournment, and was called to order by Hon. JAKE GARN, a Senator from the State of Utah.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President—

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal be dispensed with.

Mr. ALLEN. I object for the time being.

The PRESIDING OFFICER. Objection is heard.

The clerk will read the Journal

The legislative clerk proceeded to read the Journal of Saturday, February 22, 1975, legislative day of Friday, February 21, 1975.

During the reading, the following occurred:

The PRESIDING OFFICER. The clerk will dispense with reading the Journal until Senators come to order.

The clerk will continue.

The legislative clerk resumed the reading of the Journal.

During the reading the following occurred:

The PRESIDING OFFICER. The Senate will come to order.

Continue.

The legislative clerk resumed and concluded the reading of the Journal of Saturday, February 22, 1975, legislative day of Friday, February 21, 1975.

The assistant legislative clerk read the Journal of Monday, February 24, 1975, legislative day of Friday, February 21, 1975.

The legislative clerk read the Journal of Tuesday, February 25, 1975, legislative day of Friday, February 21, 1975.

(Mr. MORGAN assumed the Chair.)

The second assistant legislative clerk read the Journal of Wednesday, February 26, 1975, legislative day of Friday, February 21, 1975.

(Mr LEAHY assumed the Chair.)

The legislative clerk read the Journal of Thursday, February 27, 1975, legislative day of Friday, February 21, 1975.

The assistant legislative clerk read the Journal of Friday, February 28, 1975, legislative day of Friday, February 21, 1975.

The legislative clerk read the Journal of Monday, March 3, 1975, legislative day of Friday, February 21, 1975.

The assistant legislative clerk read the Journal of Monday, March 3, 1975.

MOTION TO ADJOURN

Mr. ROBERT C. BYRD. Mr. President—

Mr. ALLEN. Mr. President—

The PRESIDING OFFICER (Mr. STONE). The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand adjourned.

QUORUM CALL

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Alabama suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. ALLEN. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue.

Mr. ROBERT C. BYRD. Mr. President, I call attention to the fact that the Senator was not standing when he addressed the Chair.

Mr. ALLEN. I object.

[Laughter.]

The PRESIDING OFFICER. Objection is heard.

The clerk will continue with the call of the roll.

The assistant legislative clerk resumed the call of the roll, and the following Senators answered to their names:

[Quorum No. 13 Leg.]

Allen
Baker
Bartlett
Bayh
Bellmon
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cranston
Culver
Dole
Domenici
Fong
Ford
Garn
Glenn
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hruska
Jackson
Javits
Kennedy
Laxalt
Leahy
Mansfield
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Nelson
Nunn
Packwood
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Stone
Thurmond
Tower
Tunney
Williams

The PRESIDING OFFICER (Mr. STONE). A quorum is present.

VOTE ON MOTION TO ADJOURN

The PRESIDING OFFICER. The question is on agreeing to the motion to adjourn.

Mr. MANSFIELD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware Mr. BIDEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from North Carolina (Mr. MORGAN), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Iowa (Mr. CLARK) are absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Iowa (Mr. CLARK), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Washington (Mr. MAGNUSON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. FANNIN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Illinois (Mr. PERCY), the Senator from Virginia (Mr. SCOTT), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 44, nays 15, as follows:

[Rollcall Vote No. 34 Leg.]

YEAS—44

Bayh
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Cranston
Culver
Fong
Ford
Glenn
Griffin
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hruska
Jackson
Javits
Kennedy
Leahy
Mansfield
McIntyre
Metcalf
Mondale
Montoya
Moss
Nelson
Nunn
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Tunney
Williams

NAYS—15

Allen
Baker
Bartlett
Bellmon
Byrd,
  Harry F., Jr.
Dole
Domenici
Garn
Hansen
Helms
Laxalt
Packwood
Stone
Thurmond
Tower

NOT VOTING—40

Abourezk
Beall
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Church
Clark
Curtis
Eagleton
Eastland
Fannin
Goldwater
Gravel
Hollings
Huddleston
Humphrey
Inouye
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McGee
McGovern
Morgan
Muskie
Pastore
Percy
Scott,
  William L.
Sparkman
Stennis
Symington
Taft
Talmadge
Weicker
Young

ADJOURNMENT

The motion was agreed to; and at 8:52 p.m., the Senate adjourned until tomorrow, Tuesday, March 4, 1975, at 12 noon.

NOMINATIONS

Executive nominations received after adjournment on February 28, 1975, under authority of the order of the Senate of the same date:

CIVIL AERONAUTICS BOARD

John E. Robson, of Illinois, to be a Member of the Civil Aeronautics Board for the remainder of the term expiring December 31, 1977, vice Whitney Gilliland, resigned.

Executive nominations received by the Senate March 3, 1975:

DEPARTMENT OF STATE

Eugene V. McAuliffe, of Massachusetts, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Hungary.

THE JUDICIARY

Anthony M. Kennedy, of California, to be U.S. circuit judge for the ninth circuit, vice Charles M. Merrill, retired.

IN THE AIR FORCE

The following-named Air Force officer for reappointment to the active list of the Regular Air Force in the grade indicated, under the provisions of sections 1210 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Daye, Thomas M., [redacted].

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

To be captain (dental)

Loeckel, Richard E., [redacted].

To be first lieutenant (dental)

Wayman, Blake E., [redacted].

The following officers for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, title 10, United States Code:

LINE OF THE AIR FORCE

Major to lieutenant colonel

Miller, Roscoe R., [redacted].
Wilkinson, Hollis D., [redacted].

MEDICAL CORPS

Carroll, Herman G. Jr., [redacted].

The following persons for appointment as Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation as medical officers under the provisions of section 8067, title 10, United States Code:

To be colonel

Garrett, Sydney A., [redacted].
Martin, George R., [redacted].
Ware, Charles I., [redacted].

To be lieutenant colonel

de Dianous, Noel C., [redacted].
Flood, John A., [redacted].
Gomez, Leon R., [redacted].
Howard, Jack B., [redacted].
King, Roy D., [redacted].
Notske, Robert N., [redacted].
Sheridan, Edward J., [redacted].
Wright, Richard C., [redacted].

The following person for appointment as a reserve of the Air Force in the grade of colonel (line of the Air Force), under the provisions of section 593, title 10, United States Code, and Public Law 92–129:

LINE OF THE AIR FORCE

To be colonel

Holler, John F., [redacted].

The following persons for appointment as temporary officers in the U.S. Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, title 10, United States

Code, with a view to designation as medical officers, under the provisions of section 8067, title 10, United States Code:

To be lieutenant colonel

Cameron, Robert W., [redacted].
Clopton, Owen H. Jr., [redacted].
de Dianous, Noel C., [redacted].
Deininger, Arthur G., [redacted].
Estacio, Restitutio N., [redacted].
Everlof, Sherman W., [redacted].
Gomez, Leon R., [redacted].
Hardison, Cary D., [redacted].
Hessert, Edmund C., Jr., [redacted].
Horne, Edwin G., Jr., [redacted].
Jacobs, Wesley R., [redacted].
Jones, R. J., [redacted].
Keyes, Prentiss F., [redacted].
King, Jerry N., [redacted].
Pickett, Charles D., [redacted].
Pirrung, James S., [redacted].
Slaton, James K., [redacted].
Tyerman, Peter A., [redacted].
Wright, Richard C., [redacted].

The following persons for appointment as temparary officers in the U.S. Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, title 10, United States Code, with a view to designation as dental officers, under the provisions of section 8067, title 10, United States Code:

To be lieutenant colonel

Backhaus, Duane D., [redacted].
Campbell, William H., [redacted].
Edwards, Jack, [redacted].

CONFIRMATIONS

Executive nominations confirmed by the Senate March 3, 1975:

DEPARTMENT OF TRANSPORTATION

William T. Coleman, Jr., of Pennsylvania, to be Secretary of Transportation.

INTERSTATE COMMERCE COMMISSION

Robert J. Corber, of Virginia, to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1976.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

COAST GUARD

The following officers of the U.S. Coast Guard for promotion to the grade of rear admiral:

Malcolm E. Clark
Robert A. Duin
David F. Lautn
Sidney A. Wallace
William S. Schwob

EXTENSIONS OF REMARKS

SPORTS AND THE 93D CONGRESS

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. MACDONALD of Massachusetts. Mr. Speaker, I would like to call the attention of my colleagues to an article which appeared in the February 15th edition of the Sporting News, one of this country's most respected sports publications. The article deals briefly with the numerous pieces of legislation introduced during the 93d Congress which related to sports.

In my view, congressional interest in dealing with the problems of both professional and amateur sports is important, and this article provides a useful summary.

The article, entitled "Sports and the 93d Congress" follows:

(By Philip R. Hochberg)

(EDITOR'S NOTE.—Philip R. Hochberg is a Washington attorney who is active in the sports and broadcasting areas. The following article is a review of all recent broadcasting legislative proposals. It is also a summary of a comprehensive legal article to be published this spring.)

WASHINGTON.—When the 93rd Congress began two years ago, one observer of broadcasting legislation said that professional sports would be fortunate to hold on to what they had. Now, as the 94th Congress commences, it is clear that professional sports were not that lucky.

Although none of the more extreme pieces of legislation passed, sports did suffer a setback and a potential setback in two principal legislative areas: the antiblackout bill and the revision of the copyright law. In numerous areas, however, the legislative pot continued to boil. Sports, a high visibility subject, provided an easy target.

SENATE

S. 1237; S. 2015. These two pieces of legislation would have amended the Communications Act to give the Federal Communications Commission specific authority over cable television. The impact of both bills would likely have been to limit the commission's authority on distant stations carrying sports signals.

S. 1253. The Basketball Merger Bill, introduced in March 15, 1973, would have restricted periods during which network basketball telecasts could have been made. It would have been similar to the present protection on Friday nights and Saturdays for high school and college football.

S. 1361. The Omnibus Copyright Revision Bill finally passed the Senate in September 1974. It was the culmination of a dozen years of Senate consideration.

Two provisions specifically affected sports: The copyrightability of sports broadcasts and "secondary transmissions" by cable television systems. The former was relatively noncontroversial and passed within the context of the entire bill. But the cable provisions, including questions dealing especially with sports programs, generated considerable controversy.

The situation involved a system in Philadelphia, for instance, which would carry the games of the Yankees, Mets, Rangers, Knicks and Nets. Obviously, this hurts the ability of the Philadelphia teams to draw fans or sell TV packages of their own.

The bill as introduced by Senator McClellan would have virtually barred distant-signal sporting event from cable systems; this provision survived a Copyright Subcommittee vote. Sensing problems with this comprehensive protection, Senator Philip Hart sought to have the issue sent specifically to the FCC. This amendment was defeated by the full Judiciary Committee and the Senate as a whole.

S. 1841. The Senate version of the antiblackout legislation was introduced by Rhode Island Democrat John Pastore. Its overwhelming passage by the Senate did not stop that body from finally adopting the House version of Massachusetts Rep. Torbert Macdonald. As passed, S. 1841 was considerably broader than that finally signed into law. The Senate version required that any football, baseball, basketball or hockey team televising a single away game allow any sold-out home game to be televised.

This differed considerably from the bill signed into law by President Nixon, which affected only network telecasts. For basketball and hockey, the difference was significant, only a very small package of sold-out games being televised pursuant to network contracts.

S. 2283. This would have barred pay television, pay-cable or CATV origination from using programs that "otherwise are or would be available without charge from free over-the-air television broadcast stations," Senator J. Glenn Beall of Maryland made no mention of how he would determine which programs "would be" available for conventional television.

S. 2768. While this bill, introduced by Senators Ervin and Tunney, dealt with the rights of professional athletes, it became apparent that one pressure point to obtain greater athlete freedom would be an attack on the antitrust exemption for the pooling of broadcasting rights.

S. 3832. Oklahoma Republican Dewey Bartlett, upset at the Sooners' being banned from the NCAA television package, introduced legislation which would have prohibited such a ban. No constituent member of an amateur sports organization would be punished by denying the member the right to televise events.

HOUSE

H.R. 625; H.R. 942; H.R. 1057; H.R. 2724; H.R. 3071. All of these bills were introduced as attempts to remove blackouts, primarily those of the National Football League, through amendment of the antitrust laws. One of them, H.R. 1057, introduced by Democrat Paul Rogers of Florida, also would have opened up more telecasts of professional football games on days when college and high school games were being played. Rogers saw no need for protecting a night college game against an afternoon pro telecast, for instance.

Another bill, H.R. 3071, introduced by Ohio Democrat Charles Carney, would have limited any blackout area to 50 miles from the game site. Not altogether coincidentally, Carney's hometown is Youngstown, which is more than 50, but less than 75 miles, from both Pittsburgh and Cleveland.

H.R. 1065. Designed to establish a federal commission on boxing, this legislation would have barred from television any professional fight determined be to be fixed.

H.R. 2239. Representative Les Aspin, the Wisconsin Democrat, wanted to ban closed-circuit sports events. His principal concern, he said, was that an even such as the Super Bowl might move to closed circuit.

H.R. 2382; H.R. 3235; H.R. 3512. Broader than H.R. 2239, all of these bills would have required that conventional television have the opportunity to telecast any event that might be on pay TV, cable TV, or closed circuit. It was limited, however, to the "final championship event" in professional boxing, football, basketball, baseball or hockey.

H.R. 3646; H.R. 10180; H.R. 10478. These three bills were designed to afford greater protection for college and prep sports. The first, H.R. 3646, would have precluded any occasional NFL telecast which is not part of the league's television contract and which is shown during the normal college football season.

The last two pieces of legislation, both of which were introduced by Representative B. F. Sisk of California, were designed to protect against network basketball telecasts on Friday nights or Saturday. In addition, they would have had the effect of knocking off late-season NFL Saturday telecasts.

H.R. 9420; H.R. 9586; H.R. 9587; H.R. 9619; H.R. 9620; H.R. 9621; H.R. 9661; H.R. 9669; H.R. 9788; H.R. 9798; H.R. 10170. All these bills were introduced in an attempt to get the House of Representatives to adopt the exact language voted by the Senate Commerce Committee on the anti-blackout bill. They called for any team selling out any game, regardless of whether it was televised by a network, to open up that game to local telecasting. Consideration of all of these was merged into the passage of H.R. 9553. (see below).

H.R. 9536. Introduced by Commerce Committee Chairman Harley Staggers, H.R. 9536 would have prohibited any collegiate or professional game from being televised by the away team, unless it was also opened up for telecasting by the home team assuming a sellout. It was also the first legislation to recognize that a team might withhold tickets until less than 48 hours before game time and then claim that game was not sold out within the prescribed period.

H.R. 9553; H.R. 9760; H.R. 10153. The first of these was introduced in late July, 1973, by Massachusetts Democrat Macdonald. (Identical bills were later introduced by two other members.) Given Macdonald's position as chairman of an appropriate subcommittee to look into the question of televising sports, his willingness to champion the issue, and the limited scope of the bill (when compared with that of Senator Pastore), this legislation quickly ripened into the vehicle for lifting the blackout. It stated generally that no league-negotiated telecast could be refused to hometown TV if sold out 72 hours before game time.

As opposed to efforts a year before, Macdonald's bill was an amendment to the Communications Act, a factor which greatly facilitated passage of the legislation in the very short time Congress took to consider the measure. Originally proposed to cover but one year, Macdonald successfully held out for a period of just over two years, but which covered three NFL seasons.

The legislation cured some of the defects of other bills and, in addition, affected only games televised pursuant to a network contract. This substantially limited the impact on all sports, even the National Football League (whose exhibition games are generally televised pursuant to a team contract, rather than one negotiated by the league and a network).

H.R. 9644. This legislation, introduced by Commerce Committee Chairman Staggers, was a direct result of the extensive research by Commerce's Investigations Subcommittee. As a result of the findings by the Subcommittee, Chairman Staggers introduced legislation which would have barred blackout for professional football only and only in the circumstance where tickets were completely sold seven days before the beginning of the season. A separate provision dealt with the post-season games. While this legislation had the most research behind it and was sponsored by an extremely powerful member of Congress, its introduction came too late to generate any real support.

H.R. 11078. This legislation would have put baseball under the anti-trust laws. To the extent that any of baseball's telecasting policies might not be subject now to anti-trust laws, this legislation would have changed that.

H.R. 12397; H.R. 12754; H.R. 13156; H.R. 14683. All of these bills were identical to S. 2766. While they said nothing concerning broadcasting, there was an implicit message that failure to resolve the question of "player's rights" would jeopardize football's antitrust exemption.

For the first time in history, Congress moved against the interests of sports in the broadcasting field. The success of the effort may very well embolden Congress to move into other areas affecting pro sports, such as tax considerations or "player's rights." Those efforts may not bode well for sports, or sports fans.

JOSEPH B. HUGHES HONORED

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. SISK. Mr. Speaker, too often, the work of public servants at the local level go unnoticed. Yet we all know that without them, our Government would cease to effectively function.

I would like to bring to the attention of my colleagues in the House of Representatives the service of one such person, Joseph B. Hughes of Madera, Calif., who has given 20 years of his life to his community.

On January 24, 1975, Mr. Hughes celebrated his 20th year as Madera County road commissioner, a term unmatched by most. His record of service will be officially recognized by his colleagues, members of the San Joaquin Valley Road Commissioners and County Engineers Association, on April 18, 1975, at beautiful Lake Yosemite.

Joe began his career in 1933 when he went to work for his father, the late Kenneth Hughes, who was a surveyor and engineer for two decades in Madera County. Joe has been in the Office of the Road Commissioner since 1947, serving as the engineer's assistant and later as deputy road commissioner.

On January 24, 1955, Joe was appointed road commissioner of Madera County, a position he has since held.

Joe is past president of the San Joaquin Valley Road Commissioners and County Engineers Association and has served on the board of directors of the County Engineers Association of California.

Joe is regarded as an expert in his field, and his opinions are respected throughout the State of California.

Joe served in the U.S. Army during World War II, having assignments in England, France, and Germany. He received the Bronze Star for meritorious service in connection with military operations against the enemy in Germany on February 23, 1945.

Mr. Speaker, the work of a road commissioner may go unrecognized by some, but I think all of us here realize the importance of the job and the safety it results in for the public.

I am proud that Joseph B. Hughes is a constituent of mine, and the community in which he lives is a better place because of the 20 years of service that Joe has given it.

KING CAUCUS AS KOOKY MONSTER OR, TWO-THIRDS EQUALS ONE-THIRD

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, now that we have been treated to how King Caucus can ordain the nongermane to be germane—or the relevance of oil depletion to personal tax rebates—let us turn our attention to the next goodie in this Kooky Monster's jar.

I am referring to a resolution adopted by a voice vote in the Democratic caucus on Wednesday, February 19, 1975. This resolution, offered by the gentleman from Michigan (Mr. O'HARA), reads as follows:

> Resolved, that the Democratic Caucus requests its Members on the Committee on Rules to promptly report to the House a resolution amending the Rules of the House of Representatives as follows:

What follows, Mr. Speaker, is an amendment to clause (2)(h) of House rule XI. At present, that rule reads that each committee may fix the number of members necessary to constitute a quorum for the purpose of taking testimony, providing that number shall not be less than two. The proposed caucus amendment to that rule would add a new subsection to read as follows:

> Each committee may fix the number of its members to constitute a quorum for taking any action other than the reporting of a measure or matter which shall not be less than one-third of the members.

What this means quite bluntly, Mr. Speaker, is that as few as one-third of the entire committee membership may constitute a quorum for the all-important business of marking-up a bill. Put another way, as few as one-sixth plus one members of the committee—or a majority of the bare one-third quorum—may determine the substance of legislation to be reported.

Mr. Speaker, I think it is a bit ironic that at a time when the Democrats comprise two-thirds of the House membership—and better than two-thirds on each committee by virtue of having awarded themselves one bonus-baby per committee—that the Democrats would be pushing this new one-third quorum rule for committees. One can only wonder why it is that this new bloated two-thirds majority can only muster a one-third quorum for the purpose of conducting committee business—and that includes the conscientious Republican participants.

Mr. Speaker, one must view this development in the larger perspective of another action taken by the Democratic caucus last January to restore proxy voting in committees. These two committee reforms, taken together, seem to indicate that the new Democratic committee concept is based on a few warm bodies armed with a lot of proxies. Is this any way to legislate? The committee system in the House was once considered to be our greatest strength given the dedication, participation and expertise of committee members. Despite the fact that the Democrats are claiming all manner of credit for having revolutionized the committee system in the 94th Congress, they now seem intent on abandoning their committees and leaving only hollow shells, papered with proxies. This proposed caucus role could best be entitled, "The Committee abandonment and desertion legalization rule," or, perhaps more accurately, "the golfers' relief act of 1975." Where has everyone gone? Could this simply be a symptom of premature spring fever?

Mr. Speaker, if I may anticipate the arguments which may be made in favor of this one-third quorum rule, I am sure it will be pointed out that the House has a device by which as few as 100 Members may constitute a quorum in the Committee of the Whole, or slightly less than one-fourth of the total House membership. It could be argued that committees should have this same privilege for the purpose of considering amendments to bills, just as the full House does. But this argument collapses when you consider that a separate vote may be demanded in the House on each amendment which is adopted in the Committee of the Whole. No such provision is contained in this amendment to protect an actual committee majority at the time it votes on reporting a bill—and a majority of the committee must still be present under the rules to report a measure. In other words, your committee majority is stuck with either accepting in toto the decisions of a one-sixth plus one minority, or sending the whole matter back for further mark-up—but again, with no assurance that the majority will will be done.

Mr. Speaker, it may be useful at this point to trace the origins of our present rules. Article I, section 5 of the Constitution reads:

> . . . a majority of each (House) shall constitute a quorum to do business.

Article I, section 5 reads at a later point:

> Each House may determine the rules of its proceedings.

The question thus arises, "Does the latter provision permit the House to adopt any rule it pleases, the former provision notwithstanding?" The answer is clearly, no. In the case of *United States* v. *Ballin*, 144 U.S. 1, 5 (1892), the Supreme Court upheld a ruling of Speaker Reed that the mere presence of a quorum, and not the number actually voting, was sufficient to satisfy the Constitution's quorum requirement. In that decision the Court wrote:

> The Constitution empowers each House to determine its rules of proceedings. It may not by its rules ignore constitutional restraints or violate fundamental rights, and there should be a reasonable relation between the mode or method of proceeding established by the rule and the result which is sought to be attained.

The important point here, Mr. Speaker, is that the House may not "ignore constitutional restraints" in determining its rules of proceeding, and one of those restraints is the constitutional requirement that "a majority shall constitute a quorum to do business."

While the Constitution does not specifically provide for committees of Congress, let alone their rules of proceeding, Jefferson's Manual, compiled between 1797 and 1801, does. That manual stands today as the foundation of general parliamentary law in the House. House rule XLII states:

> The rules of parliamentary practice comprised in Jefferson's Manual and the provisions of the Legislative Reorganization Act of 1946, as amended, shall govern the House in all cases to which they are applicable, and in which they are not inconsistent with the standing rules and order of the House and joint rules of the Senate and House of Representatives.

Section XXVI of Jefferson's Manual states:

> A majority of the committee constitutes a quorum for business. (Elsyngee's Method of Passing Bills, 11)

This provision is obviously drawn parallel to the constitutional requirement that a majority shall constitute a quorum to do business in each House.

On December 8, 1931, the House adopted a rule, which is now House rule XI, clause 1(a)(1) which states:

> The Rules of the House are the rules of its committees and subcommittees so far as applicable. . . .

And in section 133(d) of the Legislative Reorganization Act of 1946, the Congress adopted the following provision which is now clause 2(1)(2)(A) of House rule XI:

> No measure or recommendation shall be reported from any committee unless a majority of the committee was actually present.

Mr. Speaker, the point I am attempting to make in all this is that our committees would seem to be under the same "constitutional restraints" as the House when it comes to the majority quorum requirement for the conduct of business. This traces back not only to the 1946 Legislative Reorganization Act and Jefferson's Manual, but English parliamentary practice as well. Any attempt to alter that majority quorum requirement for committee business would seem to be in clear contravention of the Constitution which does place restraints on us in this situation.

Mr. Speaker, I think it is also important to point out the impact this proposed Democratic caucus rule has on our open meeting requirement which is now contained in rule XI, clause 2(g)(1). That rule reads:

> Each meeting for the transaction of business, including the markup of legislation, of each standing committee or subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by a rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public.

The new one-third quorum rule proposed by the Democratic Caucus would thus permit as few as one-sixth plus one members of the full committee to close a business meeting.

Something else which has been overlooked in this regard is the new proxy rule which permits general proxies on procedural matters, except for a quorum. As the House rules now stand, if a majority of the committee or a quorum is actually present, proxies may then be voted on the procedural matter of closing the meeting for the day. The proposed caucus rule would further compound this travesty by permitting a mere one-third of the committee membership to assemble to constitute a quorum, and then use proxies to close the meeting.

In conclusion, Mr. Speaker, I would maintain that the proposed one-third quorum rule of the Democratic Caucus is not only of dubious constitutionality, but it constitutes a further erosion of our earlier efforts to open up our committees, encourage greater Member participation in committee deliberations, and make Members more accountable to the full House and the public. This is but one more example of the antireform movement afoot in the Democratic Caucus which has been heralded as being so reform minded. If anything, by the restoration of proxy voting and the proposed one-third quorum rule, King Caucus is proving to be more absence minded than anything. I would hope that the Rules Committee will not even waste its time to hold a hearing on this absurd rule, let alone waste the time of the full House on the matter. There are many more worthwhile rules changes which should receive a legitimate hearing in the Rules Committee, including the nine "open House amendments" which I have introduced along with some 60 cosponsors.

RAYMOND MOLEY

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. RHODES. Mr. Speaker, a great figure in politics and letters was lost to America when Raymond Moley passed away in Phoenix late last month.

Throughout four decades of participation in, and reporting the American political scene, Ray Moley hewed steadfastly to the principles in which he believed deeply. He was a man of utter honesty, strong beliefs, and the intense moral courage to fight vigorously for what he saw as being right for America.

He was a conscientious scholar, a man of boundless energy, who constantly sought the truth, about Government policy and American progress. He came to prominence at a time when the United States was in the throes of economic chaos. He pitched in to do his best to help out.

When the course of Government, and his chosen political party, drifted away from his ideals, he forsook prestige and took up the cause of conservatism and preservation of the enduring values that had built the Nation.

He was the confidante of many political leaders, who drew upon his vast store of political knowledge, his perspective and acute insight into national issues.

Moley was an ardent believer in the Judeo-Christian ethic, and in the liberty and responsibility of the individual as the keystones of our national strength. His expertise extended to international affairs, and he was a stout advocate of U.S. assumption of a role of world leadership. In his last column, published in 1969 in the Phoenix Gazette, he wrote:

> In this real world there can be no isolation and no fortress America.

His career encompassed 30 years as professor of public law at Columbia University. He was the founder and chief recruiter for the New Deal "brain trust." He started Today magazine, which merged with Newsweek, where he spent 23 years observing and commenting on the American scene. His writing output was prolific. He authored numerous books, many of them still being used as college political science texts.

At the time of his death, at age 88, he was hard at work on a book of his memoirs, reaching back to the days of the McKinley administration.

Phoenix has lost one of its distinguished residents. America has lost a keen political mind. But, we have had the benefit of his perception and reportorial skills, which left us a rich legacy, a standard of political reporting, which will endure for decades ahead.

WOMEN IN NONTRADITIONAL JOBS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FRASER. Mr. Speaker, we have legislation making it illegal to discriminate against anyone in employment on the basis of sex, but for women seeking work the problem is not only legal, but psychological. At an early age girls learn that only certain jobs are "suitable" for them. These are usually service oriented or clerical. In addition to being discriminatory, this channeling process is unfair in that such jobs pay less than their male counterparts.

As the following article, reprinted from the January-February 1975 UAW Solidarity points out, women are now beginning to learn the skilled trades, thus improving the lot of their families as well as breaking new ground for members of their sex. The article follows:

Now It's "Skilled Trades Woman"—Local 488 Women Going Into Trades as Apprentices Typify Trend Developing in American Work Life

(By Karl Mantyla)

One day, 7-year-old Tony Boldi looked up at his working mother and asked, "Mom, what do you do?"

Lana Boldi, the first female to become a skilled trades apprentice in the Fisher Body system at General Motors Corp., replied to her son: "Well, I'm kind of a mechanic."

"That's what I want to be," responded Tony, "a mechanic."

That parent-child conversation illustrates a developing trend in UAW and American work life—the mixing of "roles" in which women gradually are assuming a substantial part of what once was known as "a man's work."

It's a lifestyle adopted "with a great deal of pride" by Boldi, a 33-year-old divorced mother of two sons and former fashion model who is an apprentice in the welding equipment maintenance and repair trade at GM's Fisher Body plant at Kalamazoo, Mich. She began the apprenticeship in September 1972 after having worked for 19 months in a production job stacking auto body pillars.

ONE OF FOUR WOMEN

As one of four women among the 1,100 skilled trades workers and apprentices at the plant—and as one of the first female workers in a stamping facility that was all-male until about five years ago—Boldi says: "We've come a long way, but we've got a long way to go." Now, about 120 women are among the Kalamazoo plant's 2,900 workers.

The other female members of UAW Local 488 who are learning trades at the plant are 26-year-old Jean Brown, an apprentice diemaker; Veda Lacy, 26, an apprentice electrician, and Grace Davis, also 26, an apprentice diemaker.

Local 488 Pres. Jack Angel has used widespread posting of notices and "word of mouth" on skilled trades apprentice opportunities to encourage applications from female union members. He says most women at the plant are breadwinners "who have family responsibilities. I think the majority of the women are supporting children."

Such is the case with Boldi, who finds "I get a tremendous amount of satisfaction from taking care of my home and my family completely on my own, financially and emotionally." She describes as "very unrealistic" the complaint heard from some male coworkers that "a woman in here is taking the job of a man who is out on the street with a family."

A sympathizer with the women's liberation movement, Boldi describes herself as "a strong advocate of women's rights and opportunities."

FIRST WOMAN OFFICER

Last September, Boldi became Local 488's first woman officer when she was elected trustee in a special election. "I wanted," she explains, "to get involved in something that would get more women from my own plant interested. I wanted to have an input on our union's executive board."

Her personal involvement began at a new member orientation program at the UAW's Walter and May Reuther Family Education Center in May 1972 when "I really got turned on to union activity." Since then, she also has become a member of the UAW Community Action Program in Kalamazoo County and accepted the temporary chairwomanship of the county's branch of the Coalition of Labor Union Women (CLUW).

"Really, what I enjoy about this place more than anything is the union work," says Boldi, who also is co-chairwoman of the local's Community Services Committee and a member of the Fair Employment Practices Committee. On the FEPC, she at first was asked to be secretary, "and I said, 'No, I would not'."

CAREER SWITCH

It's a completely new career for a person who worked as a model in San Francisco and Nevada, was the first female roulette dealer at a casino in Reno, Nev., in 1969, and who studied at three colleges to be a social worker.

"It took me about six months to get used to wearing steel-toed shoes and coveralls," Boldi says. But now she totes a tool kit, works on heavy jobs without a second thought and believes that the skilled trades are virtually "the only way a woman in a plant can advance herself moneywise and knowledgewise."

Her instructor for the past few months, Paul Billheimer, 40, an 8½-year veteran in the trade, credits Boldi with "doing real well" in her apprenticeship.

Veda Lacy and Jean Brown, each of whom also is a divorced mother of two, agree with Boldi that cooperation from their male coworkers generally has been good.

Lacy underscored a common complaint—that the journeymen sometimes offer too much assistance, especially when they might think a job is too heavy for a woman. "Let me do it on my own," Lacy says. "I want to be treated as an equal. As a journeyman, I'll be held responsible for the work."

Brown described incidents in which a journeyman "will say, 'J.B. (her nickname), let me do this for you; don't get your hands dirty'."

Her response is: "I'm here to learn. Don't treat me as a woman."

QUALITY AND ACCOUNTABILITY OF EDUCATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. CRANE. Mr. Speaker, the unfortunate outbreak of violence in Kanawha County, W. Va., last year focused nationwide attention on the quality and accountability of the education provided by our public schools. The causes of this dilemma are many and complex, and perhaps the textbooks in use in places like Kanawha County are a symptom as well as cause. Books and literature reflect the fact that in many quarters self-expression and creativity, while admirable goals, have become more important than the acquisition of knowledge, and social change is the ultimate goal of education.

It is this last point at which many parents have begun to balk. I wish to submit for the attention of my colleagues testimony on this topic given by Elmer A. Fike before the Education Committee of the West Virginia State Legislature on February 14, 1975:

Guidelines for Education by Legislature

(Testimony of Elmer A. Fike, President of the Business and Professional People's Alliance for Better Textbooks)

I appear today on behalf of the Alliance for Better Textbooks to support the concept of guidelines by the Legislature to provide some needed restraint to the educational process.

Reasonable guidelines are not censorship. Censorship is a prohibition against publishing, distributing, or reading certain literature. The purpose of guidelines is to insure that the best and most suitable educational material is selected to accomplish the desired goals of education.

It is not suggested that the objectionable books be censored. Let the publishers print and sell them. Let those parents who want them buy them for their children, but let us not use taxpayers' money to purchase books which tear down the principles and culture of our country.

It is suggested that education should expose the student to all sides of a question, but this obviously is not possible. There are too many ideas and the literature is too vast to include everything. Some selection must be made. Nor do those who promote the idea really believe in it. They are the ones responsible for removing much of the traditional material that had been used. "The Man Without a Country" and the story of Nathan Hale are no longer used because patriotism is passé. Stories ranging from "Little Black Sambo" to "Huckleberry Finn" were removed because they were offensive to minorities. This is perfectly reasonable. We think material objectionable to any substantial minority should be deleted. We do, however, claim there is a substantial number who are patriotic Americans and subscribe to the Judeo Christian principles that are offended by these books. All we ask is that material that offends them be deleted.

Academic freedom is not involved. We respect the teacher's right to research and publish opinions without question. We believe, however, that the taxpayer acting through appropriate legislative and administrative bodies has the right to determine what is taught to the children. We would not countenance a math instructor's teaching that 2+2=5 nor a chemistry instructor's teaching that sulfuric acid is safe to drink. To allow the teacher to teach whatever he chooses would result in academic anarchy rather than academic freedom. Amittedly the social sciences are less exact, but that is precisely the reason that guidelines are necessary. Just as an example teachers should not be allowed to countenance violation of laws, yet many of these books appear to do just that.

This brings us to the true purpose of education. Traditionally education has been a process of exposing an immature child to carefully selected facts, instructional materials and skillful teachers. Skills are developed that allow him to function in society. Meanwhile, his behavior will be modified as he acquires facts and knowledge on which to base his judgments. In other words, education has been considered a process of transmitting the culture of the parents to the children.

Advocates of the new philosophy of education start with the premise that our culture is not acceptable and should be changed. The teacher is considered a change agent whose function is to promote a more acceptable system. This is to be done, not by the traditional method of teaching facts so that the student has an adequate basis for his attitudes, but by psychological methods which more quickly and more accurately promote the character modification desired by the social planners who want to completely change our system.

We do not believe it is possible to teach many subjects without instilling some values. To leave the entire responsibility to the educational system is to continue to trust many who have clearly demonstrated a bias against our system. Guidelines are a necessary restriction upon educators who would downgrade America, and they will reinforce loyal American educators.

We believe that children should learn that the standard of living in America is the highest in the world, that our republican form of government has contributed to that high standard and is the best system of government yet devised. We also believe that the moral values on which our system was based deserve allegiance. Guidelines should require this type of instruction.

Another question is, "Can education, or books, corrupt?" Those supporting these books say that books do not corrupt. Books certainly are an essential tool in the education process and, if they cannot corrupt, it would also seem equally true that they cannot improve the student. If this is true, what then is the point in books or education? Certainly it is easier to lead people downhill (corrupt) than to lead them uphill (improve). If we can't do the former, it is unlikely we can do the latter.

Furthermore, something has been corrupting the morals of this country. The increase in drug use, crime, rape and homosexuality is well documented. While it would be difficult to establish proof of a direct causal relationship, the intelligent person cannot help but suspect a connection between the flexible standards of morality taught in the books (situation ethics) and the decline in morals. Dr. Duncan Williams, Marshall University professor, observed in his book, *The Trousered Apes*, "We have been teaching savagery and are naively appalled at the success of our instruction." How true.

It is regrettable that it is necessary to write guidelines and limit the freedom of our professional educators. I am always for greater freedom when it is coupled with restraint that recognizes the rights and sensitivities of all the people. Speed limits are necessary on the highway because a few drivers refuse to respect the rights and safety of others. I believe that those who selected these objectionable books did not respect the rights and sensibilities of substantial numbers of people and, therefore, it is necessary to institute appropriate restraints. As Thomas Jefferson said, "It is a dangerous delusion if our confidence in the men of our choice should silence our fears for the safety of our rights. Confidence is everywhere the parent of despotism."

The problems we face here in Kanawha county are not unique to this area. We have received thousands of letters from all parts of the country encouraging us to stand firm to preserve traditional education. A recent article in Newsweek, also published in Readers Digest, outlines the problem that is nationwide. Your action here in this legislature will be watched nationwide, and you can be leaders in a movement to restore education to its proper role of teaching and transmitting our heritage to the younger generation.

Mr. Fike further elaborates his views in the following series of editorials written for a Kanawha County newspaper:

[June 13, 1974]

MUST EDUCATION CORRUPT?

(By Elmer Fike)

I have looked at examples of the new English books that are proposed for Kanawha County schools, and I am horrified. I expected them to have some objectionable things in them after I heard the WCHS-TV editorial try to justify one book about a queer person. Curtis Butler explained the "queer" really didn't mean what we thought it did, that "queer" only meant unusual, and, if you didn't believe this, you could look it up in the dictionary. This doesn't quite jibe with the rest of the content, however, which is supposed to be relevant—that is, to relate to the language of the real world that people live in and to use language the way it is used today. It would be hard to find a person today who doesn't consider that "queer" means homosexual, yet that thought is not supposed to enter our minds.

I object to this literature because I see very little in it that is inspiring or uplifting. On the contrary it appears to attack the social values that make up civilization.

Repeatedly it pits black against white accentuating their differences and thereby, stirring up racial animosity.

It dwells at length on the sexual aspects of human relationships in such an explicit way as to encourage promiscuity.

The theme of pacificism runs throughout. It repeatedly and continuously depicts the horrors of war without ever suggesting, so far as I could find, the possibility that men have fought wars because conditions were intolerable and that some things are worth fighting for.

It concentrates on the sordid aspects of life without ever suggesting that there is, or can be, a beautiful aspect. By so doing it promotes hopelessness and fails to motivate upward.

One example of the content that I object to is found in the supplementary reader entitled, "War and Peace". This "poem to be read aloud" consists of 26 lines starting with "BombA, BombB, BombC" and continuing through the alphabet to the last line, "Bomb Z", That is the entire poem. One thing is sure—it shouldn't be hard to memorize.

Another poem has the line, "Christ said that when one sheep was lost, the rest meant nothing anymore." It is hard to imagine how a philosophy could be so completely distorted.

Another book gives examples of answers to use when accused of shoplifting to avoid prosecution. These are not just isolated examples. It was the extent of this type of propaganda throughout the books that shocked me. Time tested literary classics are crowded out by the type of writing I have described. You have to look through the books to believe it, and every parent and taxpayer should take the time to do it.

Aside from the fact that the philosophy is revolutionary and appears to attack the accepted values of our society, the series really doesn't do a very good job of teaching grammar. The course suggests that there are many dialects within our society and that the grammatical forms commonly accepted as right are not necessarily the correct ones, that expressions like "he don't understand" can be perfectly acceptable. It appears to promote the use of "aint" as acceptable.

I use "aint", but I always know it is not correct, and, furthermore, I didn't have to go to school to learn to use it. This brings up the real objection to this curriculum: Why spend money to teach the very things that uneducated people do naturally? Historically the goal of education has been to raise the level of society, but these books take the reverse view and aim to level society to the lowest common denominator. If that is the goal of education, then we don't need to spend a lot of money to do it. It would occur naturally.

[Oct. 10, 1974]

PURPOSE OF EDUCATION

(By Elmer Fike)

The current textbook controversy may be the result of a difference of opinion about the purpose of education. Late in the nineteenth century the secondary school curriculum was primarily concerned with college preparation. In 1918 the Seven Cardinal Principles of Secondary Education were formulated, and these principles have been considered, at least until recently, the basis of secondary education.

Briefly, these principles or goals, as itemized by Encyclopedia Britannica, are command of the fundamental processes or the three R's, health, worthy home membership, vocational preparation, civic education, leisure time activities, and ethical character. This appears to be a very practical list of what most people expect from the educational system. Admittedly, the real objective of three of these principles could be questioned—worthy home membership, civic education, and ethical character. However, it does seem reasonable to suppose that the object would be, in each case, to educate the student to the highest standards possible and that the student would be taught the highest ethical, home, and civic standards embraced by the bulk of the community. This is what parents mean when they say, "I want my children to have a better education than I had."

In recent years there appears to have been an erosion of this classical concept of education. The teachers are considered to be change agents—that is, agents in making various social values more acceptable. Another function of teaching is to make "education more relevant to the forgotten ethnic and socio-economic groups." In other words the teacher is not to suggest that keeping pigs in the house does not promote the "worthy home", but rather that if pigs are kept in the house by some socio-economic groups it is acceptable conduct and to disapprove is a form of social snobbery.

Stated another way the classical approach to education was an attempt to improve (change) the student to the most acceptable behavior pattern. Under current trends the object of education is to teach that there is no such thing as a preferred form of behavior. There may be different forms, but they are all acceptable, and who can say one is better than another?

I have recognized that this new philosophy was becoming wide spread, but I was shocked to find it had even penetrated the churches. This past Sunday I read a leaflet handed out in the United Methodist Church about a scholarship program in which the church financed "Crusade Scholars". One such scholar, Penelope, 22, doesn't believe the traditional theory that says people are maladjusted to their environment. "I am for changing the institutions to meet the needs of people instead of changing people to meet the standards of institutions," she said.

This is a very clear statement of newer educational philosophy. You don't try to improve students because who can say what is improvement? Rather, you change the institutions to adapt to the people as they are. The acceptance of this philosophy by the schools is bad enough, but it is hard to imagine the church endorsing such a philosophy. If there is one organization that is supposed to change people's lives, it is the church. Yet, if the churches have embraced Penelope's philosophy, it is not surprising that the preachers of some of the leading churches have endorsed the controversial textbooks.

[Dec. 12, 1974]

Academic Freedom and Censorship

(By Elmer Fike)

Bill Buckley in his book, "God and Man at Yale", points out that the scholar may perform two distinct and separate functions. He is a teacher, and he is a seeker for truth. As a seeker he enjoys academic freedom, and he promotes his viewpoint without interference. He may not always be correct, but, if not, his views will probably not last. It is only by free expression that new ideas, deeper truths and ultimately a better consensus are established. Academic freedom is essential to the process.

When the scholar teaches, his job is to promote accepted truths that are laid down by the organization that hires him. A math teacher would not be allowed to teach 2+2=5. In the field of social studies the truth is not so clear, but certainly there are some values that cannot be denied. For instance, a teacher should not be allowed to teach that there is more freedom of speech in Russia than in the United States even though some Communists make that claim. Too many teachers use the cry of academic freedom as propaganda to discredit deserved criticism even when they are not in research requiring that freedom.

Censorship is another loaded word that is often misused to create a false impression rather than to express a truth. There are so many books and other materials available that some selection must be made. As surely as some books are selected others must be rejected. When is the choosing of one book and the rejection of another a legitimate selection process and when is it undesirable censorship? Too often the answer is: if you agree with the choice, it is legitimate selection; if you disagree, it is censorship. Used this way the word censorship becomes propaganda in the worse sense.

It may be honestly claimed that censorship rarely applies in the selection of textbooks. Censorship implies that the book is banned and its printing forbidden. In the selection process the book is not banned; it is just not chosen. The publishers are free to print and to sell if they can find a buyer, and anyone who wants it can seek it out.

Are there reasonable criteria for the selection of textbooks? Professor Duncan Williams in the Marshall University Distinguished Lecture Series, "The Age of Intemperance", tells how one of his manuscripts was submitted to twenty-seven publishers before it was accepted, but once it was printed it was nominated book of the year by four leading British papers. He inquired of a friend in one publishing firm why his manuscript had been rejected and was told, "If you could assassinate the President of the United States, commit genocide, ritual murder, or be caught in some as yet undiscovered form of sexual aberration, then you might attract my editor's attention."

Too true. Much literature, even that being used in schools, is written by people whose only accomplishment is the commission of some crime. The acceptance of notoriety gained by the commission of a crime as a substitute for fame won by hard work and solid accomplishment is bound to instill a false set of values in the young.

This suggests one guideline: no material should be selected if authored by a person whose only claim to fame is notoriety obtained by the commission of a crime. It is, of course, possible that a criminal could write good literature, but it should be required to stand the test of time before approving it for textbooks.

There are other reasonable criteria for selection of textbooks. They should not contain language that is unacceptable in decent society. They should not tear down accepted social values. They should not contain language offensive to any substantial minority, ethnic or religious group. When controversial material is used, it should be balanced by a variety of viewpoints.

The country has enjoyed the benefits of a reasonable selection process along these guidelines for generations. It will be sad if a misuse of the terms academic freedom and censorship results in the destruction of a system that has worked so well.

[Jan. 16, 1975]

Taboo

(By Elmer Fike)

The more I look into the textbook controversy the more I am concerned with the drastic changes in approach to education that are taking place. For instance, all through history things that were recognized as wrong or evil were considered taboo and were not discussed or studied. Taboo is defined as "a prohibition instituted for the protection of a cultural group."

New educational philosophy denies the value of a taboo as a means of protection. It is considered that it is better to study evil in all its aspects with the idea that the student will recognize the inherent wrong and make the decision on his own to avoid that evil. In so doing it is expected that he will learn by the process how to determine right from wrong and be in a position to make good value judgments in other situations. This sounds good but does it work?

On the Phil Donahue Show a Dr. Wilson of Kenosha, Wisconsin, made the statement that since drug education has become so comprehensive the use of drugs by young people appears to have increased, and he asked Rev. James Lewis for a comment on this subject. Rev. Lewis' answer—(non-answer would be more descriptive) was, " I am surprised that a doctor would make that statement."

It is not surprising that increased use of drugs would result from the instruction. The information is so complete that it is bound to raise the students' curiosity and promote experimentation. One of the tapes in the current adoption goes into great detail about the sensations derived from using marijuana and gives the techniques to achieve maximum benefits. How can a student resist the temptation to try it out? Obviusly, many do not resist and do try it out.*

After the Phil Donahue Show a local educator who is very much concerned about this new approach called me on the phone, and he suggested that the supporters of the books be asked two questions: 1. What is the desired educational goal from the use of these texts? 2. How will the progress toward reaching those goals be evaluated?

For instance, it would be instructive to look further into the case of Virginia Hunter who was so critical of Alice Moore on the Phil Donahue Show. She bragged that she had taken her son to X-rated movies since he was fifteen years old. What did she hope to accomplish, and how well did she achieve her goals? How has her son turned out? Also why not investigate some local case histories of children of parents who advocate dropping taboos and familiarizing their children with evil? How well has it worked?

The results in the so called progressive approach have not been widely publicized, but there is a growing concern that the basic skills are not improving. One mother whose son graduated from what is considered the most progressive high school in the area gave me the scores of the college bound students from that school. In three out of four subject areas the scores were below the national and state average and only average in the remaining subject area. The well documented rise in venereal disease nationwide and the rumors of increased pregnancies among high school students from that same school indicates that emphasis on sex education has not even improved results in that subject.

It is high time we ask these questions: What are we trying to accomplish, and how well are we doing it? Give us some data, please.

PUTTING ENVIRONMENTAL CONCERNS IN PERSPECTIVE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. BROWN of California. Mr. Speaker, the rhetoric that has surrounded environmental issues in recent years has clouded the fact that, prior to the environmental protection legislation of the late 1960's and the early 1970's, the trend of our modern, industrial society was toward a gradual destruction of the basic ecosystem upon which all life is based. The purpose of environmental legislation was not only to move our society back into balance with nature, but to protect the health and welfare of people. We have made progress, but we have only begun to solve the multitude of environmental problems that our own way of life has caused.

The near unanimity surrounding some of the earlier environmental legislation existed partly because many of the current opponents did not understand the legislation, or they did not believe that it would be enforced. Those who were advocating that legislation knew that the true test of their programs would come once serious enforcement began. The current controversies are not over whether we need the laws; we do. The debate is over whether we can afford them. I submit that only someone who is very shortsighted would conclude that we cannot afford to protect the environment and the health of the people who live in it.

Some skeptics actually doubt that the public is concerned about the air they must breathe, the water they must drink, the food they must eat, the conditions of the places they have to work, not to mention the future of their children. In the last Congress several of my colleagues actually claimed that only a small band of environmental extremists were behind new and old environmental legislation. I had thought that the multitude of public opinion surveys, and the results of State, local, and Federal elections would convince the most dubious person that the public concern for the environment is real and justified. Recent statements by some elected officials demonstrate that I expected too much.

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*A famous quotation from "An Essay on Man" by Alexander is highly appropriate.

Vice is a monster of so frightful mien.
As to be hated needs but to be seen;
Yet seen too oft, familiar with her face,
We first endure, then pity, then embrace.

The Congress now has before it numerous proposals to both strengthen and weaken the efforts to protect the environment. Our pursuit of more energy will have the most significant impact upon the environment of any action that we take. The public recognized this fact, and in many areas last year the energy-environment issue was an important election issue. This was to be expected, given the reluctance of many elected officials to recognize the depth of public concern, and respond to it.

Perhaps all candidates should have been supplied with a copy of the Environmental Task Force Report of the Federal Power Commission's National Power Survey. This report, which was released in January 1974, stated:

> Public concern for the health, environmental, societal and welfare impacts of energy-related activities has become the single most important issue limiting the growth of domestic energy production. These public concerns are directed at observable as well as suspected deleterious aspects of the discovery, extraction, transport and processing of fuels as well as their conversion to produce energy.
>
> These concerns are legitimate, urgent, and unavoidable. They dictate that health and environmental considerations be integrated with the large-scale technological developments associated with the achievement of energy self-sufficiency They demand that a broadly based vigorous and effective program be conducted in parallel with and closely coupled to the technology R&D to guarantee minimal effects on man and his environment.

Mr. Speaker, last year environmental legislation was bitterly debated, often irrationally. This year I hope that reason prevails, and the Congress represents the public that it was elected to serve. I have hope that this will be the case, and for this reason I was pleased to see in the March 2 issue of the Washington Post an article that seems to confirm this hope.

I ask that the Washington Post article be printed in the Record at this time.

The article follows:

LOBBYISTS CITE NEW PERCEPTION—GOOD YEAR SEEN FOR ECOLOGY

(By George C. Wilson)

Environmentalists and Rep. Sam Steiger—and the Arizona Republican they have targeted for political extinction—seldom agree on anything. But they do agree that 1975 will be a good year for environmental causes.

With all the emphasis on producing more jobs and energy, one might expect 1975 to be the year Congress would weaken or repeal laws designed to protect air, water and land.

Not likely, say those who should know, except for such relatively minor concessions as giving auto makers and power companies more time to meet clean air rules.

"The optimism of the environmentalists is remarkably well-founded," Steiger said in an interview.

"Congress is still reluctant to take on the environmental lobby," said Steiger who has been put on the environmental action lobby's "Dirty Dozen" list of politicians it wants defeated.

"The public is ahead of the Congress in its rejection of environmental extremists," he continued. "It is a credit to the environmental lobbyists that they can squeak louder than the public."

Louise Dunlap of the Environmental Policy Center, a privately financed pressure group backing a tough federal strip-mining bill Steiger doesn't like, is one of the lobbyists he had in mind.

While optimistic about 1975 for environmental causes, she said Steiger is all wrong to credit lobbyists for the favorable political climate.

"What has finally happened," said Dunlap, "is that those guys up here realize that good environmental rules are good business." It's not just an eco-freak or worker health and safety issue any more.

"Look at this strip-mining bill. The politicians who have really studied it realize it will create jobs, not lose them," Dunlap said. "Look at black lung disease. It costs millions to pay miners their benefits. So anything that reduces black lung disease saves money in the long run. This is the new perception about environmental rules."

Rep. John F. Sieberling (D-Ohio), grandson of the founder of the Goodyear Tire & Rubber Co. and more a cool-eyed lawyer than an eco freak, agreed.

The strip-mining bill he supports and Steiger opposes will provide one job reclaiming the land for every two mining jobs, Seibering said "The strip-mining bill makes good business sense. It doesn't restrict coal production. It makes everybody play under the same rules

"I said in the House the other day that it's time for the Congress of the United States to show that it's not controlled by the oil industry and they applauded me," Seiberling said.

"I think that said something about the mood up here this year. Environment is here to stay. If not none of us is."

Presidential hopeful Rep. Morris K. Udall (D-Ariz.) thinks environmental planks still are sturdy enough to support a politician with White House ambitions. In speeches he makes around the country, Udall said, "I tell them that the last three decades were great ones but that the old era has gone: that there is no sense trying to bludgeon our way back to it; that the next 30 years can be great, too if we're willing to go leaner; that the way to get out of this mess is not more of the same . . .

"I hold out a whole laundry list of things we could do to help the economy and the environment at the same time—build small cars instead of the big gas-guzzlers; rebuild the railroad beds of this country; rebuild the inner cities instead of trying to build another ring of suburbs. . . . I tell them that Bay Area Rapid Transit and Washington's subway are the two biggest employers of construction workers in the country, that mass transit can mean jobs."

Udall said people are responding. "If I can be identified with a new set of issues," he contended, "I've got just as good a chance as anybody" of being elected President. "People seem to sense I'm something new—a new face in tune with a new era."

In the Senate, Gaylord Nelson (D-Wis.) has been championing bills to protect land, air and water for a decade—long before it was politically fashionable. In fact, he said he organized Earth Day, a 1970 national demonstration of support for safeguarding the environment, "to convince the damn politicians that there was a constituency out there I wanted to convince people who had to get votes that environment was an issue they could run on."

Nelson said the Arab oil embargo of 1973 also helped "convince people that things were running short and we were getting in a hell of a mess."

Now, he said, "there is a much better understanding of what rules to protect the environment and conserve resources are all about."

Nelson predicted that Congress would ease up on some environmental rules such as auto exhaust standards, but would make no dramatic changes on environmental legislation in 1975.

Sen. Edmund S. Muskie (D-Maine), chairman of the Senate Public Works Air and Water Pollution Subcommittee, agreed. He is author of the Clean Air Act of 1970—the tallest lightning rod for protests from both the Ford administration and industry executives.

Muskie said Congress probably will have to loosen up the clean air rules to some extent this year, "but there is still a very strong public pulse" for them and "a real reluctance to see the Clean Air Act thrown overboard."

Stewart L. Udall, secretary of Interior in the Kennedy administration, said governors are a new force for environmental caution—as evidenced by the Eastern governors' fight against opening up the Atlantic to drilling for oil and Western governors' resistance to strip mining the West of coal and shale.

"They want to have a say about the future of their regions," Udall said. "This makes the states a counterweight to (Secretary of Interior Rogers C. B.) Morton's 'gung-ho, let's ransack' approach "

Morton rejected charges that he is forgetting environmental concerns as he pursues new sources of energy. He agreed that 1975 need not be the year for repealing environmental laws. Amending the Clean Air Act to permit burning more coal is the biggest change needed, he said.

Morton added that the Ford administration energy policy of conserving fuel fits right into the environmental ethic.

Administrator Russell E. Train of the Environmental Protection Agency said recently he believes the nation's environmental movement has "come of age over the past year. Despite the fact that we have been sorely beset with energy and economic difficulties at precisely the time when the financial and other impacts of our environmental programs were beginning to be felt, the commitment of the American people to environmental progress has remained firm.

"The old cliches that everything relates to everything else and that we live in an interdependent world have become the fundamental fact of our economic, social and political life," Train added.

Russel W. Peterson, chairman of the White House Council on Environmental Quality, said he can answer with a resounding "no" whenever he is asked if national concern for environmental quality is waning.

Spot checks showed several environmental organizations shared this sense of optimism partly because of the addition of several environmentally minded legislators to the House in the 1974 elections.

Contributions and membership are on the upswing, according to officers of such organizations as Environmental Action, National Audubon Society, Sierra Club and Wilderness Society.

"We're fairly optimistic about 1975," said Peter Harnik, coordinator of Environmental Action. He said the group will try to show the link between jobs and such environmentally desirable projects as rebuilding cities and spending Highway Trust Fund money on mass transit.

"This new Congress is much better," said Dick Lahn, Washington representative for the Sierra Club. "We're hopeful of getting the land-use and strip-mining bill passed this time. The biggest threat is that our critics will try to make environmental standards the scapegoat for the recession."

CONGRESSIONAL ACTION PROPOSED TO BLOCK APRIL 1 OIL PRICE DECONTROL

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. HEINZ. Mr. Speaker, after a full week of hearings before the Energy and Power Subcommittee, I have concluded that President Ford's announced decision to free all oil from price controls by April 1 is completely unjustifiable. Not only is it unlikely to result in increased domestic petroleum production in the next 3 to 5 years, but it is dangerously inflationary and recessionary as well.

The subcommittee heard testimony directly from administration officials that there is little this Congress can do which will substantially increase domestic oil production in the next 2 to 4 years. In fact, domestic production is likely to continue its decline at the rate of 300,000 to 500,000 barrels per day until new oil flows from Alaska's North Slope and from now untapped offshore areas.

Testimony also confirmed my belief that the President's approach would be inflationary because it would directly increase domestic oil prices by at least $11 billion per year. With an expected "ripple effect" of increased oil prices of 1.5 to 2 times the direct cost, the total increased annual costs to the American consumer of $16 to $22 billion are just too much particularly when no substantial jump in domestic production is likely.

Finally, the President's approach seems almost certain to deepen the current recession. Price increases for all petroleum products will work their way through the economy, further restricting purchasing power. As a result, industrial production will be depressed, more economic stagnation will ensue and more Americans will find themselves out of work for longer periods of time.

Mr. Speaker, the President's stated goal in boosting oil prices is twofold. He wishes to provide greater economic incentives for increased domestic production of oil while simultaneously reducing the present high demand for petroleum products. Both of these are aimed at halting our growing dependence on imported oil.

Clearly, these are necessary and laudable goals. We cannot take issue with them.

But with no evidence that the President's decision to decontrol oil prices will achieve those twin goals, Congress cannot standby while soaring petroleum prices rebound again and again through an already weakened economy.

What is needed is a program incorporating unavoidable price increases and tough but achievable mandatory conservation. Mandatory measures such as those for better automobile gas mileage should be enacted at once. Increased consumer prices from, for example, a higher gas tax should be phased in over several years but announced at once. An announced phase in of this kind would allow people to change wasteful habits and to make orderly plans for a transition to a more energy-efficient economy. It would also help us prevent the crushing of lower and middle income taxpayers under a double burden of higher energy prices and higher energy taxes and it would prevent damaging the economy still further.

As a first step toward developing such a program, Mr. Speaker, today I am introducing legislation which will block the President's announced policy of unilaterally lifting all price controls from domestically produced oil by April 1. This legislation, which this week will be taken up by the full House Commerce Committee, would require that any Presidential decision to yank price controls off oil be submitted to the Congress with veto by either House within 15 days of submission blocking implementation of decontrol. In the spirit of compromise and cooperation, however, my bill also would grant the President authority to submit to Congress a plan for a program of gradually increasing domestic oil prices. Any Presidential proposal would have to be accompanied by a comprehensive and fully documented economic impact statement assessing the cost of the proposal to both consumers and industry. If Congress refused to veto such a plan it could then go into effect without requiring congressional review of each and every price increase.

I believe this legislation is a sound approach. It would put Congress on record as opposing precipitous, and potentially disasterous oil price decontrol. Yet it would provide the President with the opportunity to propose a plan to Congress, and then to persuade Congress and the American public that his proposal for increased petroleum prices is not only necessary, but will work.

GUN CONTROL HEARINGS TO CONTINUE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. CONYERS. Mr. Speaker, I am pleased to announce that the Subcommittee on Crime of the House Committee on the Judiciary will continue hearings this week on more than 20 proposals to amend the Federal firearms laws. During the past 2 weeks, the subcommittee has heard testimony from Members of Congress and will now begin its public phase of hearings.

Hearings will be held on Wednesday, March 5, and Thursday, March 6. Wednesday's hearing will be held in 2237 Rayburn House Office Building at 10:30 a.m. Witnesses scheduled to testify include: William Rochford, police superintendent, Chicago, Ill., and Hubert Williams, police director, Newark, N.J.

Thursday's hearing will be held in 2226 Rayburn House Office Building at 10:30 a.m. Witnesses scheduled to testify include: Reginald Eaves, public safety commissioner, Atlanta, Ga., and Jack Jensen, chief of police, Minneapolis, Minn.

Those wishing to testify at a future hearing or to submit a statement for the record should address their request to the House Committee on the Judiciary, 2237 Rayburn House Office Building, Washington, D.C. 20515.

A RECENT WASHINGTON REPORT ENTITLED "THE 94TH CONGRESS OPENS"

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my January 22, 1975, Washington Report entitled, "The 94th Congress Opens":

THE 94TH CONGRESS OPENS

The 94th Congress started to work this week, dominated by the Democrats and under enormous pressure to act on the country's major problem—the economy. This session of the Congress may not match the drama and excitement of the Watergate dominated 93rd Congress, but it promises to be neither predictable nor dull.

The distinctive mark of the 94th Congress as it opens is the air of urgency. The people expect the Congress to move quickly to provide solutions for the dual dangers of recession and inflation. The early days of the Congress will be dominated by a search for remedies to the deteriorating economy. Members of the Congress are keenly aware that the pressure is on to produce a solid legislative record, including a broad economic package as either an alternative or complement to President Ford's program. A tax cut of some magnitude seems certain.

In the past the Congress has awaited President initiatives, organized ponderously, and produced very little legislation early in the year. But my feeling is that the 94th Congress is ready for work now and that it will make major initiatives in formulating national policy.

With the strong Democratic majorities in the Congress (2 to 1 in the House and 3 to 2 in the Senate), some observers are predicting the 94th Congress will dominate the President; others see a Congress and a President unwilling to compromise on key issues, producing a stalemate. Undoubtedly the veto and the efforts to override the veto will be much in evidence in the 94th Congress, but the sharing of power between a President and a Congress of different parties and different philosophies is common in recent American history, and it should not cause despair. In a nation as big and diverse as America, divided authority may represent a balance among competing groups in the country, and it often produces effective government. No one should expect harmony or unity always to prevail in the American system. The real test is whether the conflict within the Congress and between the Congress and the President produces constructive legislation.

The 94th Congress will flex some new muscles. For the first time budget committees and a budget office will allow Congress to set its own spending totals and priorities. The new budget procedures, which will not have their full impact until 1976, provide the Congress with the informational and analytic tools to deal rationally with the whole budget, and they could produce sharp clashes between the Congress and the President.

The reluctance of the Congress to play a role in foreign affairs is diminishing after its success in reducing the American military commitment in Southeast Asia and cutting off aid to Turkey. Secretary of State Kissinger plans to launch a massive effort to persuade Congress to give him more flexibility in his day-to-day conduct of foreign affairs. Foreign policy battles loom over expanding aid to South Vietnam, which the President wants and the Congress does not, and over detente where conflict could arise if the Congress thinks the President is not getting adequate concessions from the Russians.

A variety of measures left over from 1974 are certain to engage the Congress in 1975. These include environmental measures such as strip mining and land use controls, consumer measures such as a consumer protection agency, and, of course, tax reform. The Congress will be faced with several unpleasant choices to bring about the required conservation of energy, and a civil rights fight is shaping up over the extension of the Voting Rights Act. President Ford's threat to veto any new spending programs has apparently finished prospects for national health insurance or major welfare reform this year.

Every Congress has a major investigation or two, and early in this session Congress will undertake a major examination of the Central Intelligence Agency and the foreign intelligence activities of the government.

A big question in this Congress will be the impact of the 92 new activist freshmen Congressmen. The widespread fear is that they are too far to the left, but that view is probably overdrawn. The new Members are eager, not wild or wooly, but practical politicians, sensitive to issues of government accountability and secrecy, suspicious of big government, strong on reforms, but certainly not advocates of big spending social programs. Like everybody else, they are deeply worried by the economic problems.

Another question about the 94th Congress is the impact of the House rule changes designed to give the rank and file members more voice in legislation. These changes have transferred considerable power from a handful of Committee Chairmen to the Caucus of all House Democrats and removed several procedural roadblocks, but it remains to be seen if the House can marshall its power effectively. Still another question in the new Congress is the performance of a batch of new Committee Chairmen.

Predictions about a new Congress are not worth much, but my guess is that the 94th Congress will not be a "do nothing" Congress, and it just may be one of the most active in years.

COMPROMISE ON ENERGY

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr ANDERSON of Illinois. Mr. Speaker, I was encouraged to read in this morning's papers that a task force of the Ways and Means Committee has agreed on a tough energy package, in marked contrast to the weak plan advanced by the joint House-Senate Democratic Caucus task force last Friday. I think Chairman ULLMAN accurately characterized the latter package as "watered down." As I pointed out Friday, the Democratic Caucus plan is so watered down it may generate some hydroelectric power if nothing else. The partisan panel bit the bullet and drew a blank. Our legislative committees have their work cut out for them in filling in all those blanks, but it is apparent that the Ways and Means Committee is off to a constructive beginning in that effort. Moreover, the committee proposal does offer considerable hope that a compromise may be reached with the administration since the two plans are closely parallel in their market approach to the problem, the main difference being timing.

Mr. Speaker, if as expected, the President does announce today a delay in imposing further oil import tariffs, the way will be paved for working together on an acceptable compromise. As Senator PASTORE hinted last night, we could avoid a showdown over the veto of the bill to block the President's initial actions. I commend the Ways and Means Committee on its work thus far and on proving that the committee approach to legislative problems is far superior to the caucus approach.

THE GIRL SCOUT STORY

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. NATCHER. Mr. Speaker, Girl Scouts are traditionally action-oriented, but I daresay they are busier than ever just now. March 12 will mark the 63d anniversary of Girl Scouting in the United States and Brownies, Juniors, Cadettes, and Seniors in our 50 States are preparing for this event. Throughout the Nation it will be a week of celebration—a time to tell the Girl Scout story.

The founder of the Girl Scout movement in this country was Juliette Gordon Low, who organized the first troop in Savannah, Ga. In 1912, Mrs. Low described the movement as "something for the girls of Savannah and for the girls of all America." Mr. Speaker, Mrs. Low's "something for the girls" has grown into the largest voluntary organization for girls in the free world.

Dedicated to the noble purpose and high principle, Girl Scouting has enriched the lives of generations of Americans. It has brought together people of all races, of all creeds, from all backgrounds, and given them the opportunity to be a part of the worldwide family of scouting. The Girl Scouts of the U.S.A. is a member of the World Association of Girl Guides and Girl Scouts, an organization which each year sponsors hundreds of international exchange visits, conferences, and seminars.

In addition to encouraging understanding and friendship among youth of all nations, the Girl Scouts were among our earliest environmentalists. Outdoor education has always been one of the prime interests of Girl Scouting. It was known as "conservation" during those first years. Today it is called ecology but by whatever name, the focus is unchanged. Girl Scouts continue to learn the need for ecological balance in the world around us and even the youngest members recognize and respect our natural resources.

Equally as important, Girl Scouting provides a constructive outlet for the girls' energies through scores of community service opportunities. Girl Scouts today are taking the lead in a diversified service program to their communities and their country. Brownies, the very youngest Scouts, regularly visit the elderly in homes and hospitals bringing to our senior citizens a very special joy, companionship, and perhaps a memory or two. Some have adopted "foster grandparents" and all have helped to bridge the generation gap in their communities.

Older Scouts tutor inner city children in reading and assist in day care centers as well as summer day camps. Guided and encouraged by their adult leaders Scouts spearhead civic improvement efforts and, because of their very special quality as Girl Scouts, are able to involve all sectors of the community.

This year Girl Scout Week coincides with International Women's Year and, coincidentally, Girl Scouts are engaged in an American Revolution Bicentennial project—"Hidden Heroines." They are searching out girls and women of the past and present—those who have contributed to the building of our great Nation—and plan to honor them during the celebration of our country's 200th birthday in 1976.

Girl Scouting is many faceted—a movement with multipurpose. It is a program with sometimes correlated, sometimes separate projects—all of them viewed toward responsible citizenship. Scouting's program is specifically designed to encourage the girls' self-development, their self-reliance, and self-esteem. At this particular time when so much depends on the vision, the faith, and the moral character of the emerging generation of Americans these are qualities to be appreciated—these are the qualities of Scouting.

Today nearly 4 million girls and adults are involved in the Girl Scouts of the U.S.A. I congratulate them and would say to every member, every leader, that I hope you continue to "face forward and reach to the light."

QUINCY WAS ALMOST HANCOCK

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, I am sure that the following articles, part of a series on the Bicentennial Celebration in Quincy, Mass., will be of interest to my distinguished colleagues:

STORMY DEBATE: QUINCY WAS ALMOST HANCOCK

(By Henry Bosworth)

If some of the early settlers had their way, you would be living in the city of Hancock today instead of the city of Quincy.

Quincy, like George Washington, was born on Feb. 22.

On Feb. 22, 1792, the General Court of Massachusetts passed an act incorporating the North Precinct of Old Braintree as the separate town of Quincy.

But, just before that, quite a few of the residents wanted the new town named after native-son John Hancock instead of Boston-born Col. John Quincy.

Colonel Quincy, who had represented Old Braintree in the General Court, was the great grandfather of President John Quincy Adams.

Many people today think Quincy was named after the sixth President but the honor actually goes to his great grandfather.

John Hancock who was born in the North Precinct, was governor of Massachusetts when the General Court passed the act incorporating the new town as Quincy. He signed the act the following day.

But at the first town meeting of the new town in May, a petition was presented to change the name from Quincy to Hancock in honor of the patriot and first signer of the Declaration of Independence. This move was finally defeated after a stormy verbal battle.

Opponents argued that Hancock was still alive and that the honor should go to a distinguished—but deceased—person.

Colonel Quincy met those requirements. He was both distinguished—and deceased.

He had represented Old Braintree in the General Court from 1717 to 1741—12 of those years as Speaker of The House. He died in 1767 at age 77—two days after John Quincy Adams was born.

Quincy became a city June 11, 1888.

Thus, on Feb. 22, Quincy will mark its 183rd birthday as the community of Quincy.

But a lot of people—residents and tourists alike—will go right on thinking that Quincy was named after John Quincy Adams.

HAND-BLOWN BOTTLES HONOR JOHN HANCOCK

Hand-blown glass bottles, bearing the face of Quincy-born John Hancock, first signer of the Declaration of Independence, are now on sale in the Quincy Heritage office in the Quincy Center MBTA Station.

A limited edition of 500 John Hancock bottles will be sold at $5.50 each, to raise funds in support of the city's 350th anniversary celebration in 1975. The first 100 bottles will be sold at $11 each and the buyer will receive a certificate of authenticity bearing the bottle's number.

The amber-colored bottles were produced by the Clevenger Brothers Glass Works in Clayton, N.J., which is one of the last companies in the country to use glassblowers to make bottles.

John Hancock was born Jan. 12, 1736 on the site now occupied by the Adams Academy, the new home and museum of the Quincy Historical Society.

The signature of John Hancock is considered to be one of the most famous in the world as it appeared, so boldly and defiantly written, at the head of the names of the 56 patriots who mutually pledged their lives, and fortunes by signing the Declaration of Independence.

As president of the Continental Congress, John Hancock was the first to sign, and he wrote his name, according to popular belief, so that King George III "could read it without his spectacles".

Hancock's father was a minister in Quincy which was then a part of Braintree. John Hancock probably would have been a minister, too, had his father not died when he was seven years old.

Upon his father's death, Hancock was adopted by his childless uncle, Thomas Hancock, a rich Boston merchant.

College was entered at a far younger age in those days than now, and at 13, John Hancock entered Harvard College where his day began at 6 a.m.

Upon his graduation from Harvard in 1754, he became a clerk in his uncle's warehouse at Long Wharf, Boston. For six years he worked to master every detail of the business which involved the shipping of colonial products to England, the importing and selling of English goods in Boston, and the managing of the warehouse and ships.

John Hancock was a member of the convention which met in Cambridge to draw up a constitution for the Commonwealth of Massachusetts. On Oct. 25, 1780 he was proclaimed the first governor of Massachusetts under this Constitution by an overwhelming majority. He was re-elected annually to the office until his death, with an interval of two years when James Bowdoin was Governor.

It is estimated that Hancock contributed about $100,000 to the American Revolution; a tremendous fortune in colonial America. He died on Oct. 8, 1793, at the age of 56.

WOMEN IN THE WORK FORCE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FRASER. Mr. Speaker, in this period of a shrinking labor market, women workers often find it even harder than men to locate decent jobs. An article by Sandra Katz appearing in the University of Minnesota's Minnesota Daily of February 13 offers some useful insights. We print it here for the benefit of women and men outside the university community:

WOMEN WHO WORK, OR HOW TO KEEP OUT OF YOUR CHILDREN'S AFFAIRS

(By Sandra Katz)

As a 35-year-old mother of two, ages 17 and 15, I decided there must be more to life than hanging around waiting to be needed by kids who don't want or need all that interference. Education seems to be the answer, but what kind of education? It seems ridiculous to go to school x number of years and come out educated but unable to get an interesting, well-paying job. After all, women live to an average age of 74 and that's a long time to sit around twiddling your thumbs. I decided to find some answers concerning what could be done to move me gently through the "empty nest" syndrome and on into the next phase of my life-in other words, I wanted to be a "New Woman" too.

My questions are: Where are the jobs? Will they pay women the same wage they are paying men? What's being done to guarantee that there will be jobs for women? What's happening out there for women like me, women trying to break out of the mold and begin a new life?

After wading through piles of information put out by the U.S. Department of Labor and dozens of magazines, two facts became increasingly clear.

One: 70 percent of women still get into "women's occupations." "Women's occupations" are defined as the helping professions—teaching, counseling, psychology, etc. Occupational Outlook Quarterly put out by the Bureau of Labor Statistics also reports that there are more women than ever in the labor force and that the law of supply and demand indicates that the traditional fields of employment for women will not be able to absorb the tremendous increase of women college grads over the next 10 years. As a result, the trend appears to be lower wage rates in occupations overcrowded with women (as if wages weren't low enough already). My first conclusion is to stay away from women's occupations.

Two: 80 percent of the jobs to be filled during the '70s will not require a college degree but many of these jobs will require a post-secondary education. This fact was stated in a government publication "Careers for Women in the '70s." Although there are shortages in professional occupations such as dentistry, chemistry, medicine and ecology, 80 percent is 80 percent, so my second conclusion is that perhaps a two-year degree would be better at this point than a four-year degree.

With these two conclusions in mind, I dug further and tried to find-ahem-"men's occupations" with shortages.

Following are a few mentioned in Occupational Outlook Quarterly, summer 1974 edition:

An average of 33,000 new jobs open each year for engineering and science technicians, and increase of 45 percent over the 1968 levels. These new openings are a direct result of increasing complexity of modern technology. These look like good prospects for graduates of training programs offered by junior colleges. In addition Monthly Labor Review states that two-thirds as many women as men have engineering aptitudes, according to a study of 11th grade students made by the U.S. Department of Labor.

Our nation is also facing an increasingly serious shortage of professional and semiprofessional health workers. Semiprofessional assistants, also known as paramedics, have become a key factor in the effort to ease the shortage of professional health workers. The U.S. Public Health Service estimates that the number of workers required will rise from 337,000 in 1967 to 530,000 in 1980—a 72 percent increase. This shortage should provide good job opportunities for both women and men graduates of two-year college programs.

Another great field is ecology. There is a lot of pressure these days to clean up, restore and conserve the environment. This will provide opportunities with a good outlook for a variety of workers. For example, environmental technicians will be needed for work related to radiation protection, pesticides, rodent control and industrial hygiene.

Now that I've some idea as to what things are going to be like in the future, the next logical step is to uncover the trends as far as women in general are concerned.

In politics, women have made good gains. In 1973, 425 women were serving in state legislatures, a big change from the 1972 total of 350. Many of these women have run activist campaigns geared to women. Unhappily, women still have problems getting constituents to take their campaigns seriously. Nevertheless women are fighting and some are winning at the state and local levels against some very tough odds. Sen. Clara Weisenborn, a Republican who has been in the Ohio Legislature for 18 years, put it simply when she said, "There isn't a single, solitary door in this world that will open without pushing." And women have begun to push and push and push. I feel that the political frontier of 1974 for women will not be a frontier much longer but a full-blown part of our society.

Another factor that should help overcome the gap between men's and women's wages is that women are beginning to organize unions. An example is "Union Women's Alliance to Gain Equality" of Berkeley, Calif. The union's main goals and objectives are equal pay for equal work for union women and to raise the issues of maternity leave and equal opportunity for advancement. Women are also beginning to organize within existing labor unions to bargain for equal access to training opportunities, including job posting.

Felice Swartz, head *of a nonprofit employment* agency called Catalyst, organized to help women find employment, says that most large companies are feeling the pressure of antidiscrimination legislation. She says our society has just discovered women as far as job capacity is concerned.

Another important piece of information is that the Bureau of Labor Statistics found that within individual businesses employing both sexes in similar occupations, wage differences were small. The bureau also found that whereas men's wages were the same whether or not they worked in establishments employing men and women, women's wages were consistently higher in establishments employing both sexes than in those employing only women.

All this information makes it obvious that women should change their career aspirations, especially in view of the fact that openings in the usual women's occupations will not be sufficient to supply jobs for all women seeking work. Financially women still have a way to go but as more and more women get into politics, organize unions and push open doors in more and more fields, I feel that the earnings gap will eventually close.

In other words women should get into fields where there are shortages of men because that's where the money, prestige and just plain good jobs are.

THE PRESS EXAMINES ITSELF

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. DE LA GARZA. Mr. Speaker, news stories appearing a few weeks ago indicated that Bishop James S. Rausch, general secretary of the National Conference of Catholic Bishops, had delivered a sermon before a congregation that included President and Mrs. Ford in which he sternly warned that it is the duty of the Nation's leaders to oppose abortion. Newspaper headlines played up the story as a direct message to the President.

As it turned out on later investigation, just 5 words in the bishop's 1,500-word sermon dealt with the subject of abortion.

How did this distorted story get on the wire services and in the newspapers?

Some answers to that question are provided in a revealing behind-the-scenes glimpse at the news business. This inside look is provided by Charles E. Seib, associate editor of the Washington Post. That paper itself, Mr. Seib admitted, was at fault in the way it handled the story. And when the facts came out the Post offered no apology for its distortion, as Mr. Seib conceded. The associate editor serves as an internal "ombudsman" for the newspaper, and in two articles on the editorial page he tells what happened.

"The public was misinformed," Mr. Seib bluntly stated.

His two articles are inserted here for the information of my colleagues:

[From the Washington Post, Feb. 6, 1975]

THE WRONGDOING OF BISHOP RAUSCH

News people feel embattled these days. A stream of restrictive decisions is coming from the courts. The investigative zeal of the press has caused antagonism and suspicion in official circles. And the public is not at all convinced that the press, heady with power, is not on a spree of troublemaking.

These are all real problems and not symptoms of mass professional paranoia. But they are aggravated by internal failings that the press could and should do something about.

One of them is a shrillness firmly rooted in American news tradition and training. Reporters at their typewriters are sometimes admonished by their editors, half jokingly, to "make it sing"—meaning make the story, particularly the first paragraph or two, so compelling that the reader will not be able to resist it. It is one way we achieve the tone of immediacy and urgency that we assume is required in news writing. It is also one way facts can be distorted beyond recognition, particularly if some of the news business' resident gremlins—garbled words, deadlines pressures and the like—give a hand.

Our case history today could be called The Wronging of Bishop Rausch.

On Sunday, January 26, Bishop James S. Rausch, general secretary of the National Conference of Catholic Bishops, delivered a sermon at a "Red Mass" for the administration of justice. President and Mrs. Ford and Chief Justice Warren Burger were in the congregation.

The Bishop devoted the body of his sermon to five human rights listed by the 1974 Synod of Bishops in Rome: the rights to life, to food, to justice, to political freedom and to religious freedom.

Five words in his 1,500-word sermon dealt with abortion. In the right to life section he said: "Abortion directly attacks this right." In that section he also condemned euthunasia, over-emphasis on property and consumption, the arms race, violence and the tolerance of torture abroad.

Bishop Rausch did not address his distinguished guests at any time. At one point he said that the five areas of human rights he had discussed "merit the serious attention of all of us who are charged with leadership in our time."

That afternoon, United Press International put on its news wire a story that started this way:

"President Ford attended a traditional Red Mass for justice at Washington's St. Matthew's Cathedral and heard a Roman Catholic bishop tell him from the pulpit it is his duty to oppose abortion."

After noting that Bishop Rausch cited the synod's list of human rights and said that abortion violates the right to life, the story went on to say: "The bishop . . . said Ford, Burger and the other officials siting in the cathedral must 'assume a responsibility (to defend the human rights) we dare not fail to meet.' "

Apparently the basis for that paragraph was in the bishop's comments on the right to food, where he noted that this country is the world's largest food producer and said that this carries "an awesome responsibility, one we dare not fail to meet. . ."

How the bishop's adjective, "awesome," became UPI's imperative verb, "assume," is not clear. The UPI reporter who covered the service says he didn't have a text of the sermon and the public address system in the cathedral was poor.

An Associated Press story led simply with the fact that Ford and Burger attended the mass. In the second paragraph it reported that they heard Bishop Rausch "preach" that abortion 'directly attacks' the human right to survive" and that he later "offered a prayer for the protection of "unborn children' ".

The next morning, the item leading the Personalities column of The Washington Post's Style section was the product of a rewrite of the two wire service stories, mainly UPI's. It began:

"President and Mrs. Ford attended the annual 'Red Mass' at St. Matthew's cathedral yesterday and heard Bishop James Rausch of Washington deliver a strong anti-abortion sermon.

"Claiming that abortion 'directly attacks' the human right to survive, Rausch said the nation's leaders must 'assume a responsibility' to oppose abortion."

Thus a quarter-hour sermon with a five-word reference to abortion had become an "anti-abortion sermon" and the country's "awesome responsibility" in the world food crisis had become a responsibility of our leaders to oppose abortion.

So far neither the UPI nor The Post has acknowledged the distortions of the bishop's sermon. The next day UPI transmitted a story quoting an official Catholic denial that the sermon was aimed at the President, but with no comment on its original story. A letter from Bishop Rausch, putting his reference to abortion in its proper context and denying that he put a plan of action before the President, appears on the opposite page today.

It should be noted that similar distortions appeared on television and in other newspapers, including the Star-News, which also published a story based on a rewrite of the wire services.

Perhaps the wrong done Bishop Rausch was less than devastating; after all, he does oppose abortion and undoubtedly he would like the President to oppose it. Perhaps it can be argued that the press merely wrongly accused him of insensitivity and discourtesy to the President and Chief Justice. Nevertheless, one conclusion is inescapable: The public was misinformed and an already sore issue became a little more inflamed.

Beyond that, this case history illustrates a broader problem. It is important to recognize that there was no malice, no intention to deceive or mislead in the handling of the Rausch story. What was operating was the constant pressure of an accepted approach to news writing in which the goal is "impact" and the prize is the reader's startled attention.

This approach goes back to an earlier, simpler era when head-on competition between newspapers was the norm and when one of the important roles of the press was to provide excitement.

Nowadays, if a reader wants excitement he can watch a shoot-'em-up on television, or simply contemplate the unvarnished facts of our troubled times. From the news media, he has the right to expect truth and accuracy and the temperance that comes with maturity.

[From the Washington Post, Feb. 27, 1975]

THE "SENSATIONAL LEAD"

(By Charles B. Seib)

Several weeks ago I commented here on the distortion of Bishop James Rausch's Red Mass sermon in a United Press International news story and, partly because of that story, in The Post.

That column elicited a number of responses, including one from a journalistic star and old friend, Malcolm "Mike" Johnson won a Pulitzer prize in 1949 for exposing the New York waterfront scandal in the old Sun; his son, Haynes Johnson, himself a Pulitzer winner, is a Post reporter. I knew Mike 25 years ago when we both were reporters for International News Service. He takes exception to my saying that UPI's error was not intentional:

"Don't tell me that UPI didn't know exactly what it was doing. It was just another case of a wire service stretching the facts to the outer limits, and beyond, in order to get a grabbing, sensational lead. Since both of us are fugitives from INS, you know and I know that this is one of the prevalent sins of the wire services. That is one of the reasons that I was very unhappy in the four years I was with INS.

"The trouble, I found, was that reporters were under constant pressure to develop lead, going further than did mine, and there-resulted inevitably in abuses, with the hapless reporters sorely tempted to go beyond the facts, at least by implication. It is common practice by the wire services as part of the frantic, almost insane competition to get the most sensational lead possible and thereby 'take the play' over the opposition. At INS, to do that but also to compress the lead—as you well know, not only were we supposed no matter how complex the story—into one short, pounding sentence, preferably not more than 10 or 12 words. Ridiculous!

"Do I exaggerate? I hope not. I tried to play this game as best I could, albeit reluctantly and resentfully. I ran afoul of the role in Boston, right after his return to the in reporting a speech by Douglas MacArthur United States after being fired by Truman. I have forgotten what my lead was or what MacArthur said, but it was one of the old egomaniac's typical saber-rattling speeches. Anyway, the opposition, in this case United Press, came up with a headline-grabbing leads with the greatest possible impact. This by took the play in most newspapers. The INS brass was very unhappy. How did I 'miss' the lead?

"This made me furious. 'If you mean why didn't I write a lead like the UP's,' I said, 'it's because MacArthur never said what the UP said he said. I have the text right here, and you won't find any quote to justify the UP lead.'

"I was right about that. The UP had simply stretched it. Still, I could see that the boss was not satisfied. After all, INS had missed the play, and that was what counted. This made me even madder.

" 'If as a matter of policy you want your correspondents to disregard the facts and fake leads in order to beat the competition, then give us a written directive to that effect' I told him. 'Then you can have my resignation and I'll see that you get some publicity for INS as to why I quit.'

"That stopped him, but I am sure that I was never much in his favor after that. It's not surprising that I lasted only four years at INS."

Well, those were the bad old days. I must confess that I was less disturbed than Mike by the rules under which we played; the thrill was in beating the competition, never mind now. Looking back, though, I see that the devil-may-care journalism we practiced then was more dangerous than I realized. That simplistic, gee-whiz reporting, with its phony objectivity, did as much to raise Sen. Joe McCarthy from a bumbling unknown to national menace as the craven behavior of his fellow senators and the White House.

Things are different now. There are only two full-fledged wire services—the Associaated Press and the UPI (the merged UP and INS), and in fairness it should be said that they have abandoned the worst practices of the past, although in the heat of head-to-head competition they sometimes slip into the old ways.

Unfortunately, those old ways, born of the pressure for speed and impact still powerfully influence our standards of good newswriting.

The wire service approach has had an important influence on the electronic media, too. Local television news shows now provide the most graphic evidence of the excesses of head-on competition to sell essentially the same product.

The techniques are different, of course. But the local news programs, with their lapel-grabbing and horse-play and occasional news distortions, can't help reminding an old-timer of those free and easy days when the three wire services scrambled for the "play."

SPERM OIL FROM NATIONAL STOCKPILE

HON. CHARLES A. MOSHER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. MOSHER. Mr. Speaker, on Thursday, February 20, I introduced H.R. 3465, a bill to authorize disposition by the Federal Government of certain sperm oil held in the national stockpile. This legislation has attracted some attention in recent days, and I would now like to enter a few remarks for the record.

Primarily, I wish to make it clear that by sponsoring H.R. 3465 I do not in any way intend to weaken or dilute the Endangered Species Act. I supported that landmark legislation in committee and on the floor, and I would do nothing to lessen its value or potential.

However, there are very stringent technical provisions of the Endangered Species Act—ESA—which caught both the Government and several civilian firms in a very awkward situation which I believe was not intended by the Congress. I have introduced H.R. 3465 to remedy a single, very exceptional situation.

The problem is this: At the time that the ESA went into effect, the U.S. Government was in the process of selling approximately 23.4 million pounds of oil derived from sperm whales. This sperm oil was held in the strategic and critical materials stockpile and had recently been declared surplus. The General Services Administration, charged with responsibility for disposing of surplus Government property, proceeded to enter into contracts during 1973 for the sale of Government-held sperm oil to private parties in the United States.

After these contracts were formally signed and after the initial deliveries of sperm oil had been made, it was discovered by the Government that GSA-signed contracts actually violated the letter of the ESA. Consequently, the remaining deliveries of the sperm oil were abruptly halted.

Now the Government is "stuck" with millions of pounds of sperm oil it has said it does not want, and several American companies are left "holding the bag" with unfulfilled contracts which were entered into in good faith.

Personally, I think this is a serious mistake. I repeat, I do not think this is what the Congress intended. That is why I have introduced corrective legislation.

My bill, H.R. 3465, would allow the Federal Government to dispose of the surplus sperm oil it had on hand at the time the Endangered Species Act was implemented. Obviously, it does not contemplate killing more whales. This bill also provides that the Government shall honor its contractual obligations to the above-mentioned purchasers of the sperm oil.

At the same time, however, the reporting requirements in sections 3 and 4 of H.R. 3465 provide very stringent safeguards to assure that disposition of this sperm oil is consistent with the spirit and intent of the ESA.

I am very much aware of the fears that some environmentalists and wildlife conservationists have that, if we allow even the slightest commercial traffic in products from an endangered species, then we may be opening the door to illicit traffic in prohibited goods. This is a very reasonable and responsible concern, but one which I feel is adequately answered by my bill.

First, in section 3, H.R. 3465 provides that the Secretary of Commerce, who is responsible for enforcing the ESA, may prescribe regulations governing identification and recordkeeping for the sperm oil sold from the Government stockpile. Second, section 4 of the bill establishes that "there shall be a rebuttable presumption that the exemption provided in this act does not apply" unless adequate proof to the contrary can be presented by the holder of any questioned sperm oil.

Mr. Speaker, I do not know why the Government wishes to get rid of its stock of sperm oil. This is an extremely useful, valuable commodity, one which cannot be duplicated by man and the supplies of which cannot legally be replenished in this country. But the fact of the matter is that the Government does want to dispose of millions of pounds of sperm oil.

I fully recognize the need to protect the great whales and all cetaceans, and I am aware of the endangered status of the sperm whale population. Also, I recognize the horrible slaughter of these magnificent animals that was required in order to produce all this oil. It was to help protect these animals from further depredation that we created the Endangered Species Act.

But I also know that the sperm oil that GSA attempted to sell had been obtained prior to the enactment of the ESA. If the Congress does not now enact H.R. 3465 or comparable legislation, the sperm oil in question will remain stored in limbo indefinitely, or else might be destroyed. This, I believe, would make the whales' deaths even more tragic and pathetic, for we would not even be able to say that we derived any use or benefit from the product for which the animals were killed.

I do not want to see any more whales killed, and I do not want to poke any holes in the Endangered Species Act, Mr. Speaker. All that I seek to accomplish with this legislation is to allow Government to fulfill its contractual obligations by properly disposing of sperm oil which was already on hand and declared surplus property at the time the act went into effect.

If anything, the provisions of the bill I have introduced would make it harder, not easier, to traffic in sperm oil that is obtained in violation of Federal law.

ELIMINATION OF THE OIL DEPLETION ALLOWANCE

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. DODD. Mr. Speaker, Thursday the House took a giant stride toward reform of the tax structure of the oil industry by voting to eliminate the oil depletion allowance.

Oil and gas tax preferences now cost the country $4.4 billion in revenue a year, with the depletion allowance alone accounting for $2.6 billion. Repeal of the allowance will mean substantial benefits for the Nation's taxpayers.

The depletion allowance is but one tax reform which this Congress must institute this session. Among the others are the termination of special tax treatment which is granted domestic international sales corporations; and the removal of special benefits accruing to U.S. firms producing oil abroad.

I would also like to note that the Federal Trade Commission has cited the depletion allowance as contributing toward the tendency of the oil industry to become concentrated in the hands of a few major producers. By calling for repeal of the allowance, we are hopefully taking the first step toward reforming the arrogance and anticompetitiveness of the oil industry.

DEDICATED ST. LOUISANS HELP RESTORE RAVAGED HONDURAS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mrs. SULLIVAN. Mr. Speaker, the St. Louis Globe-Democrat on February 21 carried a heart-warming report on the activities of a group of St. Louis men and women whose work on behalf of the poverty-stricken people in northern Honduras took on life-saving proportions after Hurricane Fifi devasted the area last September.

A clinic that normally saw 90 persons a day began treating 200 a day under the direction of Sister Charles Anne, S.S.N.D., of St. Louis, and averted the danger of typhoid with thousands of immunizations.

And six St. Louis Jesuits working in the state of Yoro maintained radio communication, brought in food by helicopter, directed the building of houses, bridges, roads and wells and otherwise helped the people of Honduras to restore their ravaged communities.

As a St. Louisan, I am proud of the work done by these selfless and dedicated people in translating the Word of God into the love of humanity. I am sure all Members of Congress will be interested in the effective and successful manner in which, according to the Globe-Democrat article, this particular project in non-Federal foreign aid—with donated funds from the St. Louis area—has operated.

Under unanimous consent I submit the article referred to, as follows:

ST. LOUIS HELPS RESTORE A RAVAGED HONDURAS

For generations, the Hondurans in the northern state of Yoro had lived in poverty, struggling daily for survival. And then Hurricane Fifi hit last September and destroyed what little the people had.

Slowly, with thousands of dollars from the St. Louis area, the damage is being repaired. New homes are being built, fields are being cleared, people are being fed.

Just the same, says the Rev. Ronald Zinkle, S.J., director of the Jesuit Mission Board that has directed most of the repair work in Yoro, it will take about three years of work and a steady flow of money to boost the people's standard of living to its former level.

El Progresso, where the Jesuits have a large center, has been the scene of much of the emergency work. When the devastating floods hit, killing 8,000, 15,000 homeless refugees poured into the city of 30,000.

The Jesuits working in Yoro—six from St. Louis, 18 in all from the Missouri Province—sent out a plea for aid. The answer was $261,303 in donations, with every penny going to Honduras, Father Zinkle says.

A clinic that normally saw 90 persons a day began treating 200 a day, under the direction of Sister Charles Anne, S.S.N.D., of St. Louis. The danger of typhoid was tempered with thousands of injections to immunize the Hondurans.

The Rev. Jerry Tolle, S.J., and the Rev. Phil Pick, S.J., kept a radio station operating around the clock, giving warnings, messages and guidelines to the refugees.

About $55,000 worth of food was bought and shipped from southern Honduras in the early days until food could be flown in, probably preventing food riots, Father Zinkle says.

The food and clothing distribution center in El Progresso, directed by the Rev. Bill Barbieri, S.J., cared for 50,000 daily. He found emergency lodging in schools in the town, and today continues to feed some 25,000 persons a day because a new crop won't be ready for harvest until late March.

The Rev. Steve Gross, S.J., and the Rev. James Carney, S.J., both St. Louisans, each flew 25 helicopter flights daily in the early weeks, distributing food and clothing to more than 200 villages in other areas of Yoro.

Fathers Gross and Barbieri have organized 187 work-for-food groups, each with about 60 persons, to teach the people how to cope with the disaster.

In exchange for clothing and food for their families, the men are clearing land, putting up fences, building bridges, fixing roads and digging wells. The women and children are planting gardens. Much of the donation money was used to buy tools, wire, seed and lumber for these projects, Father Zinkle noted.

Brother Jim O'Leary, another St. Louisan, had been helping the poor build houses before the hurricane. He now has organized 90 men in a building team, putting up 20-by-12-foot houses at $400 each. The 187 houses built so far are barely adequate housing, but better than the people had before, Father Zinkle says.

A 72-year-old Jesuit has constructed buildings where 500 destitute children are fed two meals a day, and the Rev. Thomas Halloran, S.J., a St. Louisan, turned his house and church in tiny Sonaguera into a refugee center. Still another Jesuit, who operates the Jesuit high school in El Progresso, cared for 900 persons in the school facilities for eight weeks.

As the work continued, funds have dwindled to about $13,000, Father Zinkle says, and more help is needed.

HISTORIANS ON TRUMAN

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. BOLLING. Mr. Speaker, there follows an interesting discussion including an article by Alonzo L. Hamby which appeared in the winter 1975 issue of Whistle Stop—the Harry S. Truman Library Institute Newsletter:

HISTORIANS ON TRUMAN

In 1962 seventy-five of the country's leading students of American history rated Harry S. Truman as a "near great" President and in 1968 a much larger group of historians gave him even higher marks as President. At the same time that this growing positive view was being registered it also became eviden that there was another opinion within the historical community as to the accomplishments of the Truman administration and the quality of President Truman's leadership. The opposing points of view have become popularly labeled "traditional" and "revisionist."

The Truman Library addressed itself to the various aspects of research in the Truman period in two separate conferences of scholars. Professor Alonzo Hamby participated in both conferences. In conjunction with the 1974 board meeting of the Truman Library Institute Hamby presented a paper in which he discussed his work on a new book on the Truman period. In this paper he also dealt with the subject of the revisionist and non-revisionist Truman historian. Following are some of his remarks about this interesting and thought provoking debate:

(By Alonzo L. Hamby)

An important controversy began during the Truman years and has continued since among historians. This is a dispute about Mr. Truman's presidential leadership. The critics then and since have charged that a man with greater breadth of vision and stronger qualities of leadership, both popular and legislative, could have avoided the deterioration of Soviet-American relations into a Cold War and could have achieved congressional passage of the more controversial measures on his Fair Deal legislative agenda. Truman, declared the Progressive magazine in 1948, "lacks the greatness of mind and character which America needs so much in the years ahead." Writing 20 years later, Barton J. Bernestein described Truman as follows: "The President, through inepitude or lack of commitment, often chose not to struggle for his program. Unable to dramatize the issues or to command enthusiasm, he was an ineffectual leader."

Just how fair are such judgments? And how does one go about investigating them? From my own point of view, which I think can fairly be labeled "liberal" and "non-revisionist," the critics strike me as unconvincing. Most of what we know seems to me to argue against the revisionist position, although I do intend at this early stage of my work to maintain an open mind. Why then have the revisionists attracted a great amount of attention? And why have they been rather influential in the academic community? The answers, I believe, lay in the nature of American intellectual and academic life, in the way that so much of the history of the Truman period has been written, and what strikes me as the somewhat peculiar relationship that exists between the political culture of the 1940s and that of our own day.

There is significant difference between the political wars of the forties and the academic guerrilla actions of our own time. The Truman administration drew much more fire from the Right than from the Left. But there is no powerful conservative contingent in the American intellectual community and no real conservative tradition in American historiography. Whatever the reasons for this situation—I suppose they are connected in some way with the nature of contemporary intellectual life—we are writing history in a different context than that in which the politics of the Truman years were played out. Without a conservative historiography, it becomes easier to dismiss the strength of political conservatism 25 years ago. It also becomes very probably too easy for nonrevisionist historians, myself included, to assume that anything we can label "liberal" was good and might well have been better if it could have been "more liberal." Revisionist historians tend to take the process a step farther and make "radical" the standard of judgment. Since there are no conservative historians, they find it easy to dismiss those with whom they disagree with loaded and inaccuarte labels such as "traditional" and "orthodox." American historians, in short, live in an unreal situation, characterized by disputes between liberals and radicals. The effect is to make it all the more difficult to achieve the imaginative effort required to understand the real world of politics as it existed a generation ago.

Much of the work that has been done on the Truman administration consists of dissertations and revised dissertations dating from the early sixties, written predominantly by young historians with only dim memories of the years that Truman was in the White House. The dissertations are usually monographic, that is, they concentrate on a single issue, and they emphasize the presidency's relationship to that issue—"the Truman administration and labor" or "the Truman administration and civil rights," for example. Work of this sort can be very useful, but it frequently suffers from a narrowness of perspective. Presidents, after all, constantly must deal with many issues at a time and must set priorities, and priorities in turn must be reset as the political environment changes. By abstracting a single issue, the monographist places himself in an unreal intellectual environment. By focusing on the presidency, he tends to ignore other elements of the political system, especially the Congress, a complex institution and a very difficult one to study.

In such circumstances, it becomes easy to assume that one is working on a subject of transcendant importance that demands every ounce of presidential effort and that legislative or administrative failures thereby result from a lack of executive leadership. An occasional monograph avoids this peril. The most distinguished example that occurs to me is Quest and Response by Donald McCoy and Richard Ruetten, a volume that Truman Library Institute can take great pride in having sponsored. But it strikes me as an exception in its breadth of perspective.

The youth of most of the historians writing on the Truman years constitutes another special difficulty in understanding it. Of course historians are always writing about periods they cannot remember, but the Truman period presents a special problem. We are not dealing here with a political epoch remote in time and obsessed with quaint issues. We are dealing with a period that faced many of the same issues that confront us today, a period that *seems* to be part of the present but actually is not.

History moves in spurts, not in an even flow, and it moved especially rapidly in the sixties. At the beginning of that decade and through at least the first two years of the Kennedy administration, the political culture of the American nation was not far removed from that of, say 1947. But in the next several years there occurred one of the great economic booms of American history, a racial revolution, major breakthroughs in social welfare legislation, and a traumatic war that called into question old assumptions about American virtue. By the later sixties, who could remember that during the Truman years affluence was not yet taken for granted, that the popular view of the American Negro was very much in the image of Charlie Chan's chauffeur, that Americans than had a much more modest conception of what the government should do for them than they do today, that the role of the United States in the world was almost uniformly viewed with a deeply-felt pride and patriotism, that the impression of a menacing, monolithic Communist world was accepted by most reasonable men and was the creation less of some military-industrial complex than of the Kremlin itself? As the world of the forties really became a part of the past, it seemed, mirage-like, to remain a part of the present.

In the meantime, an unprecedented amount of political activism appeared on the campuses, largely as a result of the black revolution and the Vietnam war. Historians could hardly avoid being affected by it, and especially in their treatment of the Truman administration they faced the difficult task of relating to a world that seemed to be part of the present. Some historians quite selfconsciously tied their work to their concerns of the moment; others were less deliberate and less aware that they were doing so.

Another aspect of the intellectual atmosphere that increasingly has characterized the sixties and early seventies was a revulsion against what came to be called "the old politics." Few recent American political leaders have symbolized the old politics as well as Harry Truman. In the forties and fifties, social scientists had gone far toward making their peace with traditional politicians by recognizing them as important mediators between contending social groups, the indispensible balance wheels in the machinery of democracy. The intellectual world of the sixties increasingly came to view the politicans as amoral brokers who had too long passed over the needs of the underprivileged and had acquiesced in a war that was not just mistaken but positively evil.

Even if an "old politician" did the right thing, it must have been for the wrong reason. From this viewpoint, if, for example, Truman supported civil rights legislation it must have been for his own political self-interest rather than because he *really* believed in civil rights. Such an argument can be little more than speculative because we do not know President Truman's innermost motivations on this or many other questions; in fact, it is probably fallacious to assume that these motivations were entirely clear even to him. Still, assuming that it was only self-interest, one wonders why the hostility toward enlightened self-interest? Another frequent criticism is that it must have been wrong for Truman to demand reform legislation from the Republican Eightieth Congress when he knew he could not get it. But why so? What better way to dramatize the issues between Democrats and Republicans, between conservatives and liberals? Surely radical historians do not believe that it would have been preferable to bury these issues.

Historians of each generation will have their special perspectives. History indeed is worth studying because of what it can say to our own time. But a literature of recrimination that refuses to accept American political life for what it is can make little claim to a genuine relevance for this or any other time. A history that is to be more than a species of political journalism must base its utility first and foremost upon an understanding of its subject, and the context within which that subject functioned.

(NOTE.—Dr. Alonzo L. Hamby is Associate Professor of History at Ohio University.

In addition to his book "Beyond the New Deal: Harry S. Truman and American Liberalism," published in 1973, Hamby has edited two books and written a number of articles for scholarly journals. He was awarded a National Endowment for the Humanities Fellowship in 1972–73 and the Truman Library Institute's Tom L. Evans Research Grant in 1973–74. He received the David D. Lloyd Prize in 1974 for "Beyond the New Deal.")

DEFENSE MAPPING AGENCY TOPOGRAPHIC CENTER REPORTS ON AFRO-AMERICAN HISTORY WEEK OBSERVANCES

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FAUNTROY. Mr. Speaker, I am very happy to share with my colleagues the report of the observance activities of the Defense Mapping Agency Topographic Center on behalf of Afro-American History Week. I hope these activities are helpful and inspirational to those who may be planning similar programs for the future.

The report follows:

REPORT TO CONGRESSMAN WALTER S. FAUNTROY

The Defense Mapping Agency Topographic Center observed a most unique and innovative Afro-American History Week, 10 February thru 14 February 1975.

During the week long celebration, an array of profound speakers addressed overflow crowds each day. The featured exhibit for the week was the 40-panel "Frederick Douglass Years" loaned to the Center by the Smithsonian Institutions Anacostia Neighborhood Museum. Wednesday, February 12, was designated as Equal Employment Opportunity Day. Activities on that day focused on Women, Spanish-speaking, and other minorities. To the delight of the audience, the H. D. Woodson High School Chorus of Washington, D.C., sang four selections.

For the entire week extensive media coverage was in evidence including radio stations, WOOK, WHUR–FM and WRC–FM and television stations WTTG and WETA. The Federal City College media department videotaped the entire week's proceedings. A special broadcast prepared by the United States Information Service will be beamed to countries on the African Continent. Educational Television Station WETA plans to air a show in early April on highlights of the week. The Co-Chairman and Coordinator of the program appeared on three radio shows for station WOOK and WRC–FM.

So widely acclaimed were the events that more than 15 government agencies sent observers to witness the proceedings and seek information on the planning and implementation of a project of similar magnitude.

Though many people contributed to the project and their efforts should by no means be diminished, the planning, direction, guidance and overall tone of the project was furnished by: Lawrence Lucas, Honorary Chairman and Jasper S. Lawhon, Co-Chairman and Coordinator, both of whom have received many commendations for their efforts.

The week's activities were worthwhile and highly informative. A schedule of the speaker is attached.

MONDAY, FEBRUARY 10, 1975

Brig. Gen. Fred C. Sheffey, Deputy Director of Supply and Maintenance, Department of the Army.

Mr. William McLaughlin, Vice President, Marketing, Parametrics Corporation, Philadelphia, Pa.

TUESDAY, FEBRUARY 11, 1975

Rt. Rev. John T. Walker, Suffragan Bishop of Washington.

Dr. Frances Cress Welsing, Department of Pediatrics, Freedmen's Hospital, Washington, D.C.

WEDNESDAY, FEBRUARY 12, 1975

Dr. Letitia W. Brown, Department of History, George Washington University, Washington, D.C.

Mr. William J. Perez, Director for Policy and Program Development, (Director for Equal Employment Opportunity (Civilian) Office of Assistant Secretary of Defense).

Mrs. Betty Ward, President "National Adult Education Association of the U.S." (HEW).

THURSDAY, FEBRUARY 13, 1975

Mr. William H. Brown III, Former Chairman "Equal Employment Opportunity Commission".

Mr. Alexander Allen, Deputy Executive Director, "National Urban League."

FRIDAY, FEBRUARY 14, 1975

Rev. David Eaton, Television Personality, Pastor, All Souls Unitarian Church, Washington, D.C.

Mr. Clifford L. Alexander Jr., Former Chairman Equal Employment Opportunity Commission.

URANIUM—THE NEXT FUEL SHORTAGE?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. McDONALD of Georgia. Mr. Speaker, according to an article that recently appeared in Forbes magazine of January 15, 1975, the uranium producer's cartel may end up making the OPEC—Organization of Petroleum Exporting Countries—look like a bunch of pikers. Barring a drastic change in the situation, U.S. utilities will commence importing uranium by 1977 and then the fun will begin. Therefore, this article deserves serious study by all my colleagues who are interested in keeping ahead of the energy crisis:

"IT WORKED FOR THE ARABS . . ."

In 1977, U.S. utilities will start importing uranium to fuel nuclear power stations. When they do, they may be at the mercy of a uranium OPEC.

For all its drawbacks, nuclear power is the long-run hope of the industrialized world; even Iran, looking to the exhaustion of its oil, plans to build nuclear plants. But, preoccupied with our struggle to escape the Organization of Petroleum Exporting Countries, we may be rushing right into the waiting arms of another cartel—the uranium cartel.

Unlike OPEC, the companies and governments that dominate the international uranium trade shun publicity. Their meetings are held in strictest secrecy, each time in a different place. The most recent was held in Paris in June. The next, in March, will be in Sydney, Australia. At these meetings, there is no stirring rhetoric about the developing nations of the "Third World"—perhaps because most uranium exporting nations are already developed.

The first productive meeting of the cartel, which calls itself Uranium Producers Forum, was held in May 1972 in Johannesburg, South Africa. Among those present were representatives from Britain's Rio Tinto Zinc, Canada's Rio Algon and Denison Mines, Australia's Western Mining, France's Uranex and an organization of South African gold mines dubbed Nuclear Fuels Corp. The last two are semi-governmental companies. Uranex is owned one-third by the French government. The South African Nufcor, explains a company spokesman, "is a private company closely associated with the Chamber of Mines." So closely associated that it has the same telephone number.

The reason for that first meeting was obvious: In 1972 the price for the uranium oxide "yellowcake" that is processed into nuclear fuel was hovering near producers' costs of $6 to $8 a pound; there was virtually no profit in mining it. Yet informed observers were predicting a severe oil supply pinch and a sharp increase in demand for uranium-fueled nuclear electric power. The uranium producers were worried that it might be a profitless boom—that customers might start locking them in at bargain prices on long-term uranium contracts. Like OPEC, then, the uranium cartel had its beginnings in a legitimate defense of mutual interests.

"There were some pretty hard debates and so on," says one Australian participant at the Johannesburg meeting, "but I think you can say that reason prevailed." "Reason" apparently meant higher prices, more advantageous contract terms and no competitive price-cutting.

"They are a little sensitive about being called a cartel," says an official at the U.S. Atomic Energy Commission. "One can only look at the evidence, that after they started meeting, the uranium market started getting . . . let's say, less cut-throatedly competitive."

"I think it tended to stabilize the market," is the way the Australian prefers to put it. A spokesman for the South African uranium exporting agency is more straightforward: "The uranium market," he says, "is off the launching pad."

The closest thing to a "market" for foreign-produced uranium in the U.S. is a uranium brokerage service operated by an outfit called Nuclear Exchange Corp. of Menlo Park, Calif. Nuexco, as it is called, matches buyers (mostly utilities) with sellers (mosty uranium mining companies) for a fee. It also has a uranium price-information service.

Jack Mommsen, a Nuexco officer, was at first reluctant to talk to Forbes about "the club," as the Forum is known in the nuclear energy business. "Wouldn't it be illegal for me to know about it," he asks, "since they're meeting for the purpose of setting prices?" While no one from Nuexco has ever attended meetings of the club, some club members are Nuexco customers. Says Mommsen: "I *infer* that they are setting their prices because their asking prices always seem to come out the same, if you know what I mean."

Indeed, so confident are producers of the continued sharp rise in uranium prices that foreign producers are writing contracts only at "world price at time of delivery." Those "discontinued" prices at the top of the uranium price chart represent the last attempts of U.S. utilities to bid for uranium to be delivered in the 1980s. When no producers would sell, even at those high prices, the prospective buyers withdrew from the market in the probably vain hope that prices or electricity load growth would ease.

In fact, recent prices seem to be going even higher. One U.S. producer recently offered uranium for delivery in the middle 1980s at a price of $24 per pound *plus* an annual escalator of about 7%, starting this year.

SO WHAT?

Okay, so the price of uranium goes through the ceiling. Does it really matter? After all, the production of nuclear energy requires relatively little fuel; at $20 per pound, uranium represents about 14% of the cost of a kilowatt hour, *vs.* 72% for oil at $12 per barrel. Even with uranium at $50 a pound, about twice the price for early 1980s delivery, nuclear power would still be only as expensive as power from oil when the oil costs $5.75 per barrel—one-half the current price!

The answer is that the price of uranium does matter. The very fact that uranium is a relatively small part of the cost gives a cartel enormous leeway in raising prices—and the users, with tens of billions of dollars tied up in capital-intensive nuclear plant, would have no choice but to pay.

But doesn't the U.S. have vast reserves of uranium? Isn't there so much around that the U.S. has an embargo on imports, to protect domestic producers? Yes, but while they are currently adequate, domestic supplies are being fast outstripped by demand. Herbert Weed heads the uranium division at Anaconda. He warns that the U.S. will have to start importing uranium to keep up with sharply higher requirements "around 1979 or 1980. And that's just on the basis of nuclear plants currently under construction. Significantly, the U.S. embargo on imported uranium will be starting to lift in 1977. Already the Tennessee Valley Authority and Duke Power have signed uranium supply contracts with Rio Algom.

The U.S. government official responsible for keeping track of U.S. uranium supplies is Robert Nininger, a high official at the U.S. Atomic Energy Commission. Says Nininger: "The tight supply situation may hit a little later than 1979, but once it does hit, the problem will last forever. It might be relieved when we get breeder reactors, but they won't have a significant impact until the latter part of the century or after."

The trouble is, with U.S. uranium demand expected to more than triple by 1980—and increase by more than 700% by 1985—U.S. uranium miners simply won't be able to keep up. To find new uranium deposits, sink a mine shaft, and construct new milling capacity currently takes about as much time as it does to build a nuclear power plant, says Weed—"about eight years."

At the moment, little is being done to create additional domestic supplies. One problem is that the business is not very profitable right now. "Even though the price may be $24 a pound in the 1980s," Nininger explains, "U.S. companies are presently working on old contracts that average out to only $11 per pound in 1980. So they're not getting the cash flow needed to open new mines."

But aren't foreign uranium producers faced with the same problem? Not exactly, because, as Nininger points out, "They're saying to their customers: 'Forget about the price we contracted on. We're going to raise the price and you better take it if you want any more uranium.'"

PAGING ANTITRUST

Can the cartel be broken? It's not likely to happen any time soon, even though U.S. utilities are so squeezed for cash that even conservative estimates for nuclear power plant construction over the next few years may turn out to be too high. Offsetting possible dampers on demand growth, however, will be the expected reduction, beginning this year, of the yellowcake added to the uranium enrichment process by the AEC from the government uranium stockpile. Reducing that subsidy should increase U.S. demand by 10%.

Probably the greatest threat to the cartel is Australia, where mining companies have recently been reporting huge new finds of high-grade, low-cost uranium ore. (Canadian producers, currently the world's leading exporters of uranium, are already pretty well committed into the early 1980s.) However, the Australian government put a halt to all uranium exports in 1971, and doesn't seem to be in much of a hurry to change that policy. If the world slump worsens, Australia may have to relent, but it would be unlikely to permit its uranium exports to break the world price.

It is also possible that the U.S. Justice Department may take a more active interest in those members of the Uranium Producers Forum who own U.S. properties and are selling, or trying to sell, to U.S. consumers. Says a Justice Department spokesman: "It would seem as though they're getting pretty close to a problem."

But, of course, one man's problem is another man's opportunity. As an executive for a leading Canadian producer puts it, laughingly, "It worked for the Arabs, didn't it?"

SPACE APPLICATIONS—HEALTH, EDUCATION, AND WELFARE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FUQUA. Mr. Speaker, the Honorable Caspar W. Weinberger, the distinguished Secretary of Health, Education, and Welfare, in the keynote address to the American Institute of Aeronautics and Astronautics on the evening of February 26, 1975, gave an outstanding endorsement to the importance of space technology to our Nation's health, education, and welfare. Secretary Weinberger described the use of Earth orbiting satellites in bringing education to remote areas of the West and Alaska. The services provided could not be achieved economically in any other way. The value in human terms cannot be priced. This is yet another demonstration of the importance of space derived technology in improving our quality of life and economic well-being. I commend Secretary Weinberger's remarks to my colleagues and the general public:

REMARKS BY SECRETARY CASPAR W. WEINBERGER

I am delighted, on a number of counts, to be with you here this evening for the Honors Banquet of the 11th Annual Meeting of the American Institute of Aeronautics and Astronautics.

For one thing, I feel privileged to have been asked to keynote this occasion. I cannot deny, as one earthbound in the problems of health, education, and welfare, that I have a deep sense of awe and gratitude for you who are pioneering beyond the limits of this Earth.

But I also feel a kinship. You who are leaders in the aerospace profession are bringing your technology back to Earth in the service of mankind. And the expertise that has taken us through trackless space is now taking us across vast distances to meet social needs.

From the outer reaches of space we are pioneering today in new ways to serve people in communities throughout the United States. It is a most exciting time and I have a deep personal and official interest in just about everything that is going on in this field.

And a dramatic demonstration is going on right now in the application of space satellite technology to problems of health and education in this country.

Last May, you may recall, the National Aeronautics and Space Administration fired off the sixth in its series of Applications Technology Satellites—the ATS series—to carry out 20 separate scientific experiments. The ones that we at HEW are particularly interested in involve the delivery of educational and health services to isolated communities in the Rocky Mountain Region, in Appalachia and in Alaska. HEW has invested over $17 million as its share of the ATS demonstration costs.

ATS–6 is now on station in a fixed orbit 22,300 miles over the Equator. In May, it will be moved to a new orbit to provide a year of health and educational programming for the people of India.

Judging from the first six months of its pioneering work for our own people, I am convinced that ATS–6 will mark an historic advance in human communication and human progress.

The ATS–6 program is not without its critics. Nonetheless, early evaluation of our health and education demonstrations would seem to indicate that their basic objectives are going to be met.

For example, one of our objectives was to demonstrate the feasibility of using broadcast satellite technology with low-cost community receivers. Costs for receiving equipment and facilities are a major factor in whether communication can benefit people in areas where needs may be great but communities can least afford the expense.

But ATS–6 is the largest, most powerful communications satellite ever sent into space. It has shown that it can do more than any communications satellite which has come before. Its signals do not require the elaborate antennas that cost hundreds of thousands of dollars. Its signals can be received by equipment costing less than $4,000. In fact, receiver costs have been as much as 100 times lower than the cost of any previously available equipment capable of receiving television from a satellite.

And at 106 sites in 20 States, from rural communities in the Rocky Mountain States to villages in Alaska, technical facilities have performed at, or above, the expected level while the costs of installing, maintaining and operating the equipment have been below estimates.

That means that satellite programming can be received in a community at a cost that is less than the yearly salary of a school teacher or medical trainee. And thousands of people can benefit.

Right now, about 5,000 people are involved in experimental groups using the education and health services made possible by ATS–6. And a much larger number of people, about two million, form a potential audience for viewing the programming via television broadcast from the 10 Public Broadcasting Service stations which have satllite receivers.

This suggests some of the cost benefits of this technology in delivering social services.

And it can have tremendous human benefit. The Rocky Mountain, Appalachia and Alaska demonstrations are showing that now.

The Appalachian project, for example, involves graduate-level educational courses for teachers who live and work in 15 widely-separated areas. Through the satellite, instructions at the University of Kentucky deliver pre-taped television lessons to the teacher groups and also meet with them in live, face-to-face seminar discussions.

Already, 14 colleges in the Appalachia region have granted degree credit for successfully passing courses for the satellite transmitted materials. And of the 1,200 teachers participating, 900 have already gotten credit for the first term of the course.

Besides demonstrating the practicality of teaching-by-satellite, this project has had derivative benefits. The programs that ATS–6 now transmits have been requested by and will be made available to state-wide education television stations throughout Appalachia, as well as to 150 districts. Eventually up to 30,000 teachers will have access to them.

Because of the audience's very high acceptance of the project, the University of Kentucky will continue its programming effort even after the satellite is gone. Local funding has come forth so that materials can be distributed by video tape.

In the Rocky Mountains, the education demonstration focuses on career education for junior high students and on career development for teachers. For 35 minutes each school day, career education programs are broadcast from Denver and beamed back from Satellite to classrooms in 56 rural communities scattered throughout Colorado, New Mexico, Arizona, Utah, Nevada, Idaho, Montana and Wyoming. About 1,500 students are viewing the programs and another 20,000 will get the same programming through public broadcasting stations.

About 800 teachers and administrators are participating in the career development series and receiving college or recertification credit.

While the number participating in this project may be modest, the response and interest of the audiences has been quite high. The potential for education-by-satellite is obviously worth exploring further.

Alaska, however, has posed more difficult problems. And it has produced the most dramatic results.

The State has 265 communities spread over a half-million square miles of rugged country. Two-thirds of those communities cannot be reached by rail or road, and 65,000 of Alaska's 325,000 people are Eskimos, Aleuts and Indians who speak a variety of languages and dialects.

Educational programs, with audio signals in English, Eskimo and Aleut, are beamed from Fairbanks via satellite to 18 isolated communities, many of which have had no television service at all. Some of this programming involves health education and language development for young children.

But the major use of the satellite has been medical service. Until now, many small and isolated Alaskan villages have been totally dependent on a few Village Health Aides who relied on radio consultation with the nearest outside hospital in case of serious illness or accident. That is a lot better than nothing, but in a land where the Aurora Borealis can blot out high frequency radio transmissions for days or weeks at a time, it is not very dependable.

And in places like the Tanana region—an area about the size of Texas with only 10,000 people—where weather, distances, and mountains can combine to cut off both communication and transportation—it can be disastrous.

Satellite television programing has overcome these problems. Thanks to ATS–6, specialists in hospitals as far away as Anchorage can see the patient on television, talk to him and the village medic. They can even call up, by another satellite link, the patient's medical history from the computerized information bank in Tucson, Arizona, where the Indian Health Service stores its records.

Since September, doctors and health practitioners have made over 100 tele-consultations in which many serious illnesses and complications have been shortened and several lives have been saved.

Here's one example: A man with a facial infection was taken to the small clinic at Fort Yukon. An audio description by the nurse, because ATS–6 transmitting time was not available that day, prompted the physician in Tanana to prescribe pencillin. The next day, the nurse was able to present the patient visually on the television screen via ATS–6 and it could be clearly seen that the infection was far more severe. In fact, the doctor determined by this visual examination that drainage of the infection was leading to the brain. The patient was immediately transferred to a medical center for care.

For this man, time and treatment were critical. Had he not been seen by a doctor, chances are great that he would have died. The diagnosis by satellite saved his life.

But crisis care is not the only role for satellite medicine. It has great potential as well as for preventive medicine.

For example, a baby girl was being treated in an outlying hospital for recurrent fever, appetite loss and diarrhea. It might have been flu—but it was not. This hospital did not have the capability for ATS–6 transmission. So she was taken to another hospital where consultation via satellite determined she had TB. She is now back in her village following medical treatment and she is monitored regularly through both ATS–1 and ATS–6.

Recently, a nutrition clinic was held via television and several obese and anemic children and their mothers in Fort Yukon were seen by doctors in Anchorage. If it were not for the satellite, there would have been little, if any, opportunity to give these children and their mothers the type of care and counseling they needed.

At the same time, village health aides are learning more to help them help others as they interact via satellite television with specialists in Anchorage and other clinic centers.

So successful have the satellite-delivered services been in Alaska, that the Alaskan Federation of Natives—a highly representative, broad-based grassroots organization—has made it the "top priority" for their people. Their goal is to achieve an operational satellite service for health, education and other communication needs. The State is energetically pursuing that goal through a variety of approaches including active membership in a satellite consortium.

That kind of response is perhaps the most promising outcome of our social experiments with the ATS-6. While we could not be sure when we started that the technology of space could apply here at home, we can now see some of what it can do. And it is only a hint of what is possible.

But that hint has been enough to prompt the formation of the Public Service Satellite Users Consortium—a national organization of health and educational organizations which feel they can both use and pay for a special high-power satellite communication service. This represents the first attempt to form a sufficient market of small independent users to attract private investment capital for large-scale technology to meet their collective needs.

The need for space-age technology to work on the problems of earth is being demonstrated. As its use is shown, more and more people are prepared to use it and to seek its benefit.

In fact, the prospects look so good that we at HEW are now developing a strategy for Federal encouragement of a nationwide telecommunications system to meet the varied needs which the education and health communities, and other public and social services, determine for themselves.

Ideally, this system would include what might be called a "social service satellite" with possible interconnections to cable, TV translators and public television. Its outstanding feature would be the ability to reach just about every community in the Nation, no matter how remote, by means of ground receivers costing only a few thousand dollars each.

Given such a system, we could dramatically reduce the cost of delivering educational, health and other social services with an equally dramatic rise in the quality of those services.

But all of this is not going to happen tomorrow, next week, or next year. The applications of space technology to social problems involves questions of enormous complexity.

That's why we are watching the ATS demonstration. And we have drafted the Telecommunications Facilities and Demonstration Act of 1974 which will soon be resubmitted to Congress.

This bill has two basic objectives:

First, HEW's direct support for over-the-air educational radio and television broadcasting facilities would be extended for another five years.

Second, we would establish a telecommunications demonstration program to encourage the development of commercial communications facilities and services to meet community needs for health and education. Demonstration programs would be established in the application of cables and satellities.

The legislation we are proposing would foster the kind of multi-user telecommunications services and facilities that will enable health, education and medical service experimenters to develop jointly more efficient and economical ways to meet the Nation's needs.

We are truly living in a time when dreams can come true. First there was the restless dream of flight—an age-old dream even in legend. Then there was the daring dream of space. And today, the reality of these dreams has given us a new dream—a dream of being able to reach out to one another, anywhere on this planet, where there is a human need.

I am grateful to NASA and the space program for many things: The enormously useful and vital technologies which we are putting to use as I have described the opportunity that it gave to demonstrate that America could and did rise to meet an enormous challenge; the great sense of pride that it gave to America when we most urgently needed to feel pride in our country; and finally because it gave us heroes, in the astronauts, at a time when we desperately needed heroes and when the strange twists of our time had made it previously unfashionable to acknowledge heroism.

And so, from the vision of space that has been vouchsafed to us we have gained new hope for the future of our earth.

ECOLOGICAL MYTHS GROUNDED AMERICA'S SST

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. McCLORY. Mr. Speaker, the full tragedy of the unfortunate action taken by the Congress in 1971 in declining to provide funds for the completion of the supersonic transport—is just now appearing in its full significance.

The unfounded fears, the wild speculation and the emotional appeals to prejudice and to the imagination were capable at that time of inflicting permanent damage to our Nation's economy and our position of leadership in the development and production in the commercial air transport field.

The distinguished columnist, Roscoe Drummond, in a recent article in the Christian Science Monitor, reviewed the solid evidence which establishes the basic safety of the SST—and the groundless arguments which were employed by many of our colleagues in destroying this useful development in air transport.

Mr. Speaker, I am inserting a copy of Roscoe Drummond's article with the hope that it will reach the attention of all of our colleagues, as well as the many earlier critics of the SST, and with the hope that we will not repeat mistakes of that kind in the future to our Nation's and humanity's detriment. The article follows:

SCIENTISTS CLEAR THE SST

(By Roscoe Drummond)

WASHINGTON.—It must, in retrospect, seem ludicrous that Congress, after long and loud debate, should have halted the SST in mid-construction principally for reasons now proved to be myths.

Really, shouldn't Congress hire a nonpartisan ombudsman whose duty would be, whenever a senator or a representative tried to pass off an opinion as though it were a fact, to stand up and intone: Prove it!

When by a narrow vote Congress grounded the SST in 1971, it did not have all the scientific evidence now available. But instead of saying let's get it before acting, it proceeded to accept as valid the extremist, unproved claims of some scientists who kept repeating without adequate investigation, that supersonic flight was a menacing threat to the environment of the planet and the health of mankind.

Not only unproved but proved to be wrong. What has happened is that after basing a decision in large part on ecological myths, Congress decided finally to get the facts. It directed the Department of Transportation to mount a thorough, scholarly, independent study to come up with the best information and judgment which all the relevant sciences could produce.

The facts are now in. They emerge from a three-year examination of the effect of flight in the stratosphere. The study was the "climatic impact assessment program (CIAP)." It was under the direction of A. J. Grobecker and it enlisted the participation of the most reputable scientists, many of them critics of the original SST.

The findings are authoritative, conclusive, and reassuring. There is every reason to believe that they will be supported by the scientific community as a whole. The central conclusions are these:

1. No present or prospective flights of supersonic planes, whether the Anglo-French Concordes, the Soviet TU-144s, or others on the drawing boards will adversely affect the environment.

2. Potentially harmful effects from a large increase in SSTs are conceivable—but such effects "can be avoided."

3. These future possible consequences can be avoided in view of the fact that the technology for developing low-emission engines and fuels at reasonable cost is already well advanced.

4. Other distant potential uncertainties can be successfully reduced by an atmospheric and monitoring program. Such a program is in the making.

In releasing the results of the CIAP study, the Transportation Department was careful to point out that its issuance "does not presuppose any intention to resume the design, engineering, or financial support of civil supersonic aircraft."

Naturally. The middle of the recession is no time to do that. But the CIAP report makes it clear that the U.S. can proceed to manufacture SSTs whenever it is economically prudent and thus start to recapture the lost leadership in worldwide aircraft production which Congress imposed on the nation four years ago.

One of the fallacious but most vehemently asserted claims which resounded through Congress was that the SSTs would so fragment the ozone shield, which protects humans from excessive ultraviolet rays, that skin disease would become a pervasive peril.

The CIAP study disproves this claim. The facts are that while the ozone level varies as much as 300 percent over the globe and in any given locality changes as much as 25 percent from day to day, the impact of stratospheric flight on the average ozone level can be kept to only one half of 1 percent.

What does changing the ozone level 0.5 percent through flight in the stratosphere mean in human terms?

Dr. Grobecker reports that the impact of 120 Concordes flying 4.4 hours a day 365 days a year would be the same as an individual sunning himself on a beach each summer for 30 years.

The lesson for Congress? Surely it's this: if you want to go wrong, act first and get the facts afterward.

MANY DO NOT UNDERSTAND PRODUCTION OF FOOD

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FINDLEY. Mr. Speaker, the only truth about the relationship between farm costs and food prices is that there is rarely any relationship.

The amount a farmer pays for his fuel, fertilizer, and equipment has little bearing on the price a consumer pays for food.

This simple fact of agricultural economics was very well explained by Keith Wilkey, farm editor of the Quincy, Ill. Herald-Whig, in his "Farmer's Notebook" column on February 4, 1975.

Wilkey's excellent column serves as the perfect textbook for those who are confused about who is to blame for high food prices.

The column follows:

MANY DO NOT UNDERSTAND PRODUCTION OF FOOD

(By Keith L. Wilkey)

Recently we covered the national convention of the confederation of more than a thousand local rural electric cooperatives which service more than 22 million non-city residents. We heard some excellent talks and discussions from some of the nation's top leaders.

Two U.S. senators, a governor, a nationally-known news analyst, an economist of renown and more than a half dozen important, but lesser known, personalities, spoke. Many of them made the same mistake.

Discussing the present state of the national and world economy, they reviewed both the recession and inflation. Concerning inflation, several of them made this remark, in passing:

"Food prices will rise as farmers are now having to pay more for fertilizers and other production items."

Such a statement is more than a blip. It simply reveals an unbelievable lack of understanding of the food chain; a gross misconception of the entire business of food production.

How can the rising cost of fertilizer, or anything else in the production chain, possibly cause the price of food to rise? Since when have the growers of corn, soybeans, cattle, cotton, vegetables or anything that comes from the soil, had anything to say about the prices they receive for their products?

Can you imagine a farmer taking a load of corn to his local elevator and a conversation like this taking place:

"How much are you paying for corn?"

"We are paying $2.76 per bushel."

"But the price of fertilizer went up, as did machinery, labor and several other things, so I'm sorry, but I will just have to have $3.25 per bushel or you can't buy it."

"Well, that is understandable. Why didn't you say so before? In that case, since you had an increase in your cost of doing business, it is no more than right that you should be covered. Sure, we will pay you $3.25 per bushel if that is what you have to have."

You see how completely ridiculous that sounds?

Farmers can't raise the price of the products they sell, whether their costs double or whatever happens to them. All it means is, as every farmer knows, that when his costs go up he simply has a cut in his net income. Cost price increases mean nothing at the other end of the food chain.

Now that does take a bit of explaining. While farmers' input costs rise, the price of food at the retail counter will probably rise all right and the blame put on the producer.

Those in between the barnlot and the checkout counter may try to make you believe that rising farm costs have been reflected in higher retail costs, but that is just a big ripoff!

It is not encouraging to hear national leaders, or any kind of leaders, make such misleading statements. To the uninformed, it only seems natural that higher end costs are the result of higher beginning costs, for that is the way the American economic system works.

But if public personalities can't inform themselves better than that, they should discuss something else.

MRS. RUTH CUMMINGS DOWNS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. STOKES. Mr. Speaker, I would like to bring to the attention of my colleagues the recent death of a remarkable woman whose loss will be sorely felt in Cleveland's black community. Mrs. Ruth Cummings Downs, the wife of the distinguished Reverend William M. Downs, pastor of the East Mount Zion Baptist Church, died in her home on Monday, February 3, 1975.

Ruth (nee Davis) Downs was a leader in the religious life of our city, as well as being prominent in civic and social activities. She served as codirector of the Cummings Funeral Home with her first husband, Mr. Paul Cummings, until his death in 1971. She was a member of the National Funeral Directors Association, and served as its chaplain for a number of years.

She joined East Mount Zion Baptist Church in 1944 and began immediately to distinguish herself for outstanding service to the community and the congregation. In 1972, after her marriage to Pastor Downs, she became an official member of the deaconess board.

I know my colleagues will join me in expressing condolences to Pastor Downs and his bereaved family on the occasion of their great loss.

To further acquaint my colleagues with the life story of one of Cleveland's finest citizens, I submit this obituary which was distributed to the mourners at Mrs. Downs funeral services at the East Mount Zion Baptist Church on February 7, 1975.

OBITUARY

Ruth (Nee Davis) Downs was born in Delaware, Ohio on November 4, 1909 to the union of Beecher and Nettie Bell Davis.

She received her formal education in Youngstown, Ohio where she also confessed Christ at an early age and joined the church.

Shortly thereafter, she came to Cleveland, Ohio and united with the Triedstone Baptist Church where she served well. On May 14, 1944, she joined the East Mount Zion Baptist Church.

On August 15, 1935, she was united in marriage to Mr. Paul Cummings who preceded her in death on March 16, 1971.

On November 12, 1972, she was united in marriage to the Rev. Wm. M. Downs.

She departed this life, suddenly, in her home on Monday, February 3, 1975 at 4:55 P.M.

She leaves to mourn her passing: A devoted husband, Rev. Wm. M. Downs; two sisters, Mrs. Madah Lesueur and Mrs. Bernice Davis; one brother, Mr. Floyd Davis, all of Youngstown, Ohio; many nieces, nephews, and cousins, other relatives and many friends.

"Asleep in Jesus! Peaceful rest,
Whose making is supremely blest:
No fear, no woe, shall dim that hour
Than manifests the Savior's pow'r!"

Humbly submitted by the family.

OPENING FBI FILES

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Ms. ABZUG. Mr. Speaker, an interesting article "Opening FBI Files" by Walter Schneir, appeared in the New York Times of December 17, 1974. I call it to the attention of our colleagues by placing it at this point in the RECORD:

OPENING FBI FILES

(By Walter Schneir)

PLEASANTVILLE, N.Y.—A little-known casualty of Richard M. Nixon's "Saturday night massacre" was a remarkable policy decision to open the Federal Bureau of Investigation files on Alger Hiss, Julius and Ethel Rosenberg and Morton Sobell, and other controversial cold war cases.

When Attorney General Elliot L. Richardson resigned rather than obey Mr. Nixon's order to dismiss the Watergate special prosecutor, Archibald Cox, he left behind at the Justice Department a directive that promised answers to many questions about F.B.I. activities during the McCarthy era.

When Mr. Richardson assumed office, one of his first steps, in July, 1973, was to resolve a long-standing controversy regarding the F.B.I.'s failure to comply with the spirit of the 1966 Freedom of Information Act.

The bureau had adamantly refused requests from scholars and journalists to release its old records, arguing that the act exempted such investigative material from mandatory disclosure. The American Civil Liberties Union filed a suit, still pending, on behalf of a Smith College history professor, Allen Weinstein, who is working on a book on the Hiss case, demanding access to the Hiss and Rosenberg files.

Taking advantage of a temporary power vacuum within the F.B.I., Mr. Richardson ordered the bureau to make available to persons engaged in historical research inactive investigative files more than 15 years old, "subject to deletions to the minimum extent necessary."

The newly appointed F.B.I. director, Clarence M. Kelley, appeared to be complying with the order. He set up a special Freedom of Information unit to process requests for material and information by the A.C.L.U. that the Hiss and Rosenberg files would be opened, with the first installments of materials to be turned over shortly.

The full implications of the decision probably were realized by only a few. Many aspects of the domestic side of the cold war era and of the F.B.I.'s actions during this period have been closed to scrutiny. Mr. Richardson's order would have made available vital primary-source material. But it soon became clear that the Justice Department and F.B.I. were reneging.

The situation today, 17 months after Mr. Richardson issued his directive, is that Professor Weinstein has received 250 pages out of the F.B.I.'s 53,000-page Hiss file, all of it almost unusable because of heavy editing and deletions. Of the Rosenberg material, the F.B.I. has yet to release a single page. Asked why by a reporter, an F.B.I. agent replied, "It is a special case."

Attorney General William B. Saxbe recently informed John H. F. Shattuck, counsel for the A.C.L.U., that the determination of what F.B.I. material should be made public has been delegated to F.B.I. chief Kelley. By this procedure, Mr. Saxbe has in effect rescinded Mr. Richardson's new policy.

Mr. Saxbe further stated that Mr. Kelley had "decided that F.B.I. reports of interviews with witnesses who testified at the Hiss and Rosenberg trials cannot be released." Yet in the Rosenberg-Sobell case, where no substantive documentary evidence proving guilt or even the occurrence of a crime was offered by the prosecution, it is precisely these F.B.I. "interviews with witnesses" that are essential to any effort to adduce the truth about this affair. The Rosenbergs, who were executed, and Mr. Sobell were convicted in 1951 of conspiracy to commit espionage.

Despite claimed concern by Mr. Saxbe about the privacy of these witnesses, a number of them are dead and the names of others are well known from their testimony at trials and Congressional hearings and mentions of them in scores of books.

So the F.B.I. still keeps the records of its past behavior tightly locked. Meanwhile, President Ford vetoed new amendments to the Freedom of Information Act that would have made Government information more accessible to researchers. Following Mr. Nixon's "Saturday night massacre" public and news media pressure halted an arrogant attempt to cover up Watergate. If similar pressure could be brought to bear now, perhaps the F.B.I.'s blatant cover-up of the 1950's also might be ended. A good start was Congress' overriding of the veto.

THE DANGERS IN TRUST FUNDS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. BROWN of California. Mr. Speaker, I was somewhat dismayed to see the concept of an energy trust fund endorsed by my colleagues in their recent energy package. I hope that this early endorsement is reconsidered during the course of congressional hearings. The trust fund concept is one we have had experience with, and most of that experience has, on balance, been negative.

Trust funds limit the ability of both the Congress and the President to address fundamental issues. We need more funds for energy programs, both to develop new energy sources as well as to develop new conservation measures. This money will probably have to be raised by a special tax, as in the congressional energy proposals, but this special tax need not be made a permanent trust fund. Mr. J. W. Anderson, of the Washington Post. very succinctly described what happens with trust funds in the March 3 issue of the Post.

Mr. Speaker, at the conclusion of these remarks I would like to insert Mr. Anderson's article. "The Dangers in an Energy Trust Fund" for the RECORD, and associate myself with those comments. Besides the dangers cited in this article, another result of an energy trust fund would be the early sabotaging of the Congressional Budget Act of 1974. The restrictions of still another trust fund would even further limit the little discretionary money that is left in the Federal budget.

Mr. Speaker, we should be abolishing trust funds, not creating them.

The article follows:

THE DANGERS IN AN ENERGY TRUST FUND

(By J. W. Anderson)

The federal trust fund belongs to the category of unsinkable bad ideas, capable of surviving any amount of regrettable experience. Now the Democrats in Congress have seized on the suggestion of an energy trust fund to justify their hesitant and apprehensive proposal of a higher gasoline tax. But the dangers in another multi-billion dollar trust fund, fed by an eternal river of earmarked taxes, ought to be manifest to Democrats in Congress and everyone else. It isn't as though the country had never seen one in operation before.

Congress is an institution with a long but highly selective memory. It remembers that, on the last occasion on which it enacted a gasoline excise tax, the public accepted that new cost with little protest because the money went into a trust fund. In turn, the trust fund built roads—a procedure that in 1956 seemed, and in fact really was, altogether reasonable. But the congressmen have evidently forgotten the rest of the story: how the fund swelled, how a vast array of lobbies formed protectively around it, and how in the end the great roadbuilding machine became the enemy of rational transportation policy, of environmental values, and of sensible fiscal management.

The Highway Trust Fund was established to build a great network of national roads, an endeavor in which even its severest critics would concede it has been effective. Too effective, in fact, and too single-minded. Its income is currently running about $6 billion a year. Around this enormous flow of money has formed one of the most formidable lobbying operations in the history of the republic. It includes the automobile companies, trucking lines, cement and asphalt producers, labor unions, contractors, the companies that manufacture the contractors' equipment, and so on down a very long list. The political strength of this alliance made the federal roadbuilding program all but impervious, for nearly two decades, to all attempts to reconsider or revise its purposes. It acquired the head-long momentum of a heavy truck rolling down a long hill, moving too fast to turn.

Fortunately, several years ago Congress began to have second thoughts about the way that things seemed to be working out. When it revised the law in 1973 it provided, for the first time, that some of the Highway Trust Fund's rich revenues could be used to support mass transit. Further and more substantial changes seem very likely in the next revision. But this shift is taking place amidst a rising ululation of accusation from the lobbies that the public trust is broken and trampled whenever one dime of that annual $6 billion is used for any purpose other than laying concrete.

The accusation is, of course, absurd. It is like arguing that the sales tax on groceries must be used only to build grocery stores or that the excise tax on whiskey must be used only to build distilleries. But absurd or not, the position has become a fixture of American politics and illustrates the state of mind that forms around an entrenched and well-nourished trust fund.

Certainly there is a need now for new energy sources, just as there was a need 20 years ago for better highways. But as the new fund begins to disburse its billions, it will expand some industries and create others. They will promptly form the U.S. Energy Producers Conference. Perhaps you will be lucky enough to be invited to the opening of its Washington office, which you will find well staffed with lawyers, speech writers and former newspapermen. Its president will be a recently retired congressman. Its purpose over the years will be, naturally, to prevent any deviation in the original scale and design of the trust fund regardless of any change in circumstances or priorities. The process is not an unfamiliar one.

There is also a purely economic reason for avoiding an energy trust fund. The Democrats, with their deep and justified concern for the unemployment rate, need to think about the fund's fiscal effect. As they propose it, the trust fund would get the revenue from a new gasoline tax set at 5 cents a gallon initially and perhaps a higher level subsequently. Five cents a gallon raises $5 billion a year. In addition, the Democratic policy paper proposes to tip into this fund revenues from an excess profits tax, from various conservation taxes and from offshore drilling leases.

But the speed at which the federal government can spend money on energy production and conservation is limited. It spent $740 million on energy research and development last year and expects to step up the scale to $1.6 billion next year. That's a huge increase, but even next year's figure is only a small fraction of the proposed energy trust fund's revenues. If the trust fund takes in more tax money than it immediately spends, it will be sucking purchasing power out of the economy and making the recession worse. Given the huge size of the operation the Democrats sketched out, it would have a serious impact on the whole economy.

A higher tax on gasoline is necessary to cut consumption, but it needs to be turned back to the public through rebates as fast as it is collected. The tax needs to be enacted soon, without apology and without a trust fund. Earmarked taxes are almost always a mistake. Trust funds are self-perpetuating, regardless of the country's changing priorities and changing circumstances. It might be difficult to imagine at the moment, but even the energy squeeze may not last forever.

FRASER TESTIFIES IN SUPPORT OF FUNDING FOR OLDER AMERICAN EMPLOYMENT PROGRAMS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FRASER. Mr. Speaker, last Monday the House Labor-HEW Appropriations Subcommittee held hearings on the administration's request to rescind $12 million appropriated by Congress for fiscal year 1975 under title IX of the Older Americans Comprehensive Services Amendments of 1973. Programs funded under this title provide hundreds of senior citizens with the opportunity to obtain parttime community service employment and therefore, regain a sense of purpose in their lives.

My testimony before the subcommittee follows:

TESTIMONY OF HONORABLE DONALD M. FRASER

Mr. Chairman, during debate in the House earlier this month on the Administration's proposal to increase food stamp prices, I pointed out that we here in Congress were entering only the first of many battles with the President over what the Federal Government's spending priorities will be over the next two years.

Today, we find ourselves involved in a second encounter. And for an issue such as funding for Title IX community service employment programs for the elderly, I gladly do battle once again.

Frankly, Mr. Chairman, the callous decision of the Ford Administration to rescind appropriated funds under Title IX for Fiscal Year 1975 and to request no funds for Fiscal Year 1976 leaves me bewildered, though not surprised. Both the food stamp proposal and this request display a serious insensitivity to the poor and elderly in this country. This rescission request would negate an act of Congres which sought to overturn what has become one of America's great misguided maxims: "as you grow old you become less useful to society." It would deny continued opportunities for able bodied senior citizens to help themselves regain dignity and a sense of purpose in their lives.

Let's look at the record on Title IX funding. Originally passed two years ago with $60 million authorized for FY 1973 and $100 million for FY 1974, only $10 million has actually been appropriated to operate Title IX programs. These funds provided only 3,300 senior citizens, who were at least 55 years of age, with parttime jobs—and this was done only after Congress took the initiative. The Administration never requested any funds for the programs. To make matters worse, the $10 million for FY 1974 was finally released only two days before the end of the fiscal year following an argument with the Department of Labor over whether the states or national contractors were intended to be the administrators of older worker programs.

The Department's answer to all this is that when Title IX funds and Operation Mainstream funds under Title III of the Comprehensive Employment and Training Act (CETA) are discontinued on June 30, 1975, state and local manpower agencies will continue to fund previously successful seniors programs with CETA funds. But the reality of the situation is just to the contrary. With unemployment steadily rising, competition is intense for the modest CETA funds. Senior citizens most surely will be left behind in the rush for CETA grants.

Mr. Chairman, our senior citizens must be given the respect and dignity due them. It is an insult to them that we must even be here today discussing whether the Senior Aides Programs across the country should be appropriated $12 million. In two years of limited operation, the program has demonstrated its effectiveness and importance. We should be discussing rather, whether $80 or $100 million should be appropriated.

The Minneapolis Senior Aide Program, considered one of the best in the entire United States, has given 80 elderly people new meaning to their lives. When the program began, approximately one-third of them were on welfare and over half were receiving medical assistance. Today, none receive either welfare or medical assistance. With wages for 20 hours work per week, they have a new vigor and enthusiasm. They are all dedicated workers.

The letters I have received from Minneapolis Senior Aides expressing their concern over the fate of their program convey the pride they have in the job they do, whether they are working in nursing homes, community centers, institutions for the mentally retarded, day-care centers, or are making home visits to neglected shut-ins, or work as legal paraprofessionals or bookkeepers. With an estimated four to five million poor people over 55 years old unable to work because they have been labeled obsolete by our modern society, the programs funded by Title IX provide training and an opportunity to regain confidence to many forgotten Americans.

We should help our elderly continue to be productive and important parts of America's daily life. During a recession they feel the pinch more than anyone else. I urge the Committee to reject this rescission request and, in the coming months, to include a substantial increase in appropriations under Title IX for Fiscal Year 1976.

SENATE—*Tuesday, March 4, 1975*

The Senate met at 12 noon and was called to order by Hon. Gary W. Hart, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

They that wait upon the Lord shall renew their strength; they shall mount up with wings like eagles; they shall run, and not be weary, and they shall walk, and not faint.—Isaiah 40: 41.

Our Father-God, we thank Thee for the quiet moments of life. Show us that wisdom may come in silence as in speaking, in waiting as in working, in walking as in running. May no day be wasted, no session routine, no work devoid of meaning, no task without significance. At all times use us in Thy service. May our minds be receptive to Thy truth, our hearts open to Thy love, and our wills obedient to Thy will.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., March 4, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Gary W. Hart, a Senator from the State of Colorado, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. GARY W. HART thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday be considered as read.

Mr. ALLEN. Mr. President, I am going to object to that.

The ACTING PRESIDENT pro tempore. Objection is heard.

The Journal will be read.

The legislative clerk read the Journal of Monday, March 3, 1975.

Mr. ALLEN. Mr. President——

The ACTING PRESIDENT pro tempore. The Senator from Alabama.

Mr. ALLEN. I have an amendment at the desk, which I call up.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The legislative clerk read as follows:

Amend the Journal for March 3 by inserting the following prayer at the start of the day's proceedings:

A Prayer of Saint Francis of Assisi

Lord, make me an instrument of your peace.
Where there is hatred, let me sow love.

Where there is injury, pardon.
Where there is doubt, faith.
Where there is despair, hope.
Where there is darkness, light,
and where there is sadness, joy.

O Divine Master, grant that I may not so much seek to be consoled as to console.
To be understood as to understand.
To be loved as to love.

For it is in giving that we receive.
It is in pardoning that we are pardoned.

And it is in dying that we are born to eternal life.

Mr. ROBERT C. BYRD and Mr. ALLEN addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, I move to lay the amendment on the table.

Mr. ALLEN. Mr. President, I ask——

Mr. ROBERT C. BYRD. And I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. The yeas and nays have been requested. There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. Eastland), the Senator from Michigan (Mr. Hart), the Senator from Minnesota (Mr. Humphrey), the Senator from Arkansas (Mr. McClellan), the Senator from South Dakota (Mr. McGovern), and the Senator from North Carolina (Mr. Morgan) are necessarily absent.

I further announce that the Senator from Iowa (Mr. Clark) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey), and the Senator from Iowa (Mr. Clark) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), and the Senator from Maryland (Mr. Mathias) are necessarily absent.

I further announce that the Senator from Ohio (Mr. Taft), is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "nay."

The result was announced—yeas 64, nays 25, as follows:

[Rollcall Vote No. 35 Leg.]

YEAS—64

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cranston
Culver
Eagleton
Fong
Ford
Glenn
Gravel
Griffin
Hart, Gary W.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell

Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Stone
Symington
Talmadge
Tunney
Williams
Young

NAYS—25

Allen
Baker
Bartlett
Bellmon
Brock
Byrd, Harry F., Jr.
Curtis
Dole
Domenici
Fannin
Garn
Goldwater
Hansen
Helms
Hollings
Hruska
Laxalt
McClure
Nunn
Scott, William L.
Sparkman
Stennis
Thurmond
Tower
Weicker

NOT VOTING—10

Buckley
Clark
Eastland
Hart, Philip A.
Humphrey
Mathias
McClellan
McGovern
Morgan
Taft

So the motion to lay Mr. ALLEN's amendment on the table was agreed to.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore (Mr. GARY W. HART). The first order of morning business is the presentation of petitions and memorials.

Mr. ALLEN. Mr. President.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Alabama.

Mr. ALLEN. Mr. President, I have another amendment to offer to the Journal.

Inasmuch as we had no prayer at the last session of the Senate, at the beginning of the last legislative day, I would like to offer The Lord's Prayer. I know there is not too much respect among some Senators for the rules, but possibly they might not feel like tabling The Lord's Prayer as the prayer of the Senate on the last legislative day; so I offer that amendment.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The legislative clerk read as follows:

> Amend the Journal by adding the following prayer at the beginning of the Journal:
>
> "Our Father which are in heaven, Hallowed be Thy name. Thy kingdom come. Thy will be done, as in heaven, so in earth. Give us day by day our daily bread. And forgive us our sins; for we also forgive every one that is indebted to us. And lead us not into temptation; but deliver us from evil."

Mr. ROBERT C. BYRD. Mr. President, I move to lay that amendment on the table.

Mr. HANSEN. I ask for the yeas and nays.

SEVERAL SENATORS. Yeas and nays, Mr. President.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore (Mr. GARY W. HART). The question is on agreeing to the motion of the Senator from West Virginia (Mr. ROBERT C. BYRD) to lay on the table the amendment of the Senator from Alabama (Mr. ALLEN). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CLARK) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Iowa (Mr. CLARK) would each vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Kansas (Mr. PEARSON) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 60, nays 25, as follows:

[Rollcall Vote No. 36 Leg.]

YEAS—60

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Cranston
Culver
Domenici
Eagleton
Ford
Glenn
Gravel
Hart, Gary W.
Hartke
Haskell
Hatfield
Hathaway
Helms
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NAYS—25

Allen
Baker
Bartlett
Bellmon
Brock
Byrd, Harry F., Jr.
Curtis
Dole
Fannin
Fong
Garn
Hansen
Hollings
Hruska
Laxalt
McClure
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stevens
Stone
Thurmond
Tower

NOT VOTING—14

Buckley
Church
Clark
Eastland
Goldwater
Griffin
Hart, Philip A.
Humphrey
Leahy
McClellan
McGovern
Morgan
Pearson
Taft

So the motion to lay Mr. ALLEN's amendment on the table was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

Mr. HELMS. I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CLARK) is absent on official business.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Minnesota (Mr. HUMPHREY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY) and the Senator from Kansas (Mr. PEARSON) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 61, nays 26, as follows:

[Rollcall Vote No. 37 Leg.]

YEAS—61

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Cranston
Culver
Domenici
Eagleton
Ford
Glenn
Gravel
Griffin
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McGee
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NAYS—26

Allen
Baker
Bartlett
Bellmon
Brock
Byrd, Harry F., Jr.
Curtis
Dole
Fannin
Fong
Garn
Goldwater
Hansen
Helms
Hollings
Hruska
Laxalt
McClure
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Thurmond
Tower

NOT VOTING—12

Buckley
Church
Clark
Eastland
Humphrey
Leahy
McClellan
McGovern
McIntyre
Morgan
Pearson
Taft

So the motion to lay on the table Mr. HELMS' motion to reconsider was agreed to.

Mr. ROBERT C. BYRD. Mr. President——

Mr. ALLEN. Mr. President——

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. ROBERT C. BYRD. Mr. President, is the Senate now operating under rule

VII? Is the Senate in the period for routine morning business?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. ROBERT C. BYRD. Then I ask that the Chair proceed with the next item.

Mr. ALLEN. Mr. President, I move the Senate stand in recess until the hour of 2:05 this afternoon and I call for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CLARK) is absent on official business.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Minnesota (Mr. HUMPHREY) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. PEARSON) is necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "yea."

The result was announced—yeas 28, nays 61, as follows:

[Rollcall Vote No. 38 Leg.]

YEAS—28

Allen
Baker
Bartlett
Bellmon
Brock
Buckley
Byrd,
  Harry F., Jr.
Curtis
Dole
Fannin
Fong
Garn
Goldwater
Hansen
Helms
Hollings
Hruska
Laxalt
McClure
Roth
Scott,
  William L.
Sparkman
Stennis
Stevens
Stone
Thurmond
Tower
Young

NAYS—61

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Cranston
Culver
Domenici
Eagleton
Ford
Glenn
Gravel
Griffin
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams

NOT VOTING—10

Church
Clark
Eastland
Humphrey
Leahy
McClellan
McGovern
Morgan
Pearson
Taft

So Mr. ALLEN's motion was rejected.

The PRESIDING OFFICER (Mr. CULVER). The next order of business——

Mr. ALLEN. Mr. President——

Mr. HOLLINGS. Mr. President——

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. Order in the Senate.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. Order in the Senate.

The next order of business is the submission of reports of committees. Are there reports?

Mr. ALLEN. Mr. President——

Mr. WILLIAM L. SCOTT. Mr. President, I suggest the absence of a quorum.

Mr. HOLLINGS. Mr. President——

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. Mr. President, I move that the Senate stand in recess until tomorrow at 12 o'clock, and I call for the yeas and nays.

The PRESIDING OFFICER (Mr. CULVER). That motion is not in order at this time.

Mr. ALLEN. I appeal from the ruling of the Chair.

Mr. ROBERT C. BYRD. Regular order, Mr. President.

Mr. ALLEN. I call for the yeas and nays on the appeal.

The PRESIDING OFFICER. The Chair will advise the Senator from Alabama that he is going to insist on the regular order.

Mr. ALLEN. I appeal from the ruling of the Chair.

The PRESIDING OFFICER. An appeal is not in order.

Mr. ALLEN. I appeal from the Chair's statement that an appeal is not in order, and I call for the yeas and nays.

Mr. ROBERT C. BYRD. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. An appeal is not in order in the absence of a quorum. The regular order——

Mr. ALLEN. I appeal from that ruling.

The PRESIDING OFFICER. The Senate will be in order, and the regular order is that the clerk will continue to seek a quorum.

The rollcall was continued and concluded, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 14 Leg.]

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stone
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

The PRESIDING OFFICER. A quorum is present.

The PRESIDING OFFICER. The introduction of bills and joint resolutions is now in order.

Mr. ALLEN. Mr. President, I have a priority motion.

The PRESIDING OFFICER. The Senator from Alabama will state it.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

MOTION TO PROCEED TO CONSIDER SENATE RESOLUTION 4

Mr. ALLEN. Mr. President, the hour of 1 o'clock having passed——

The PRESIDING OFFICER. Debate is not in order.

Mr. ALLEN. I am not debating, I am stating the predicate for my motion. I move that the Senate proceed to the consideration of Senate Resolution No. 4, and I would like to be heard on the motion.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

Mr. ALLEN. I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. CULVER). The question is on agreeing to the motion of the Senator from West Virginia (Mr. ROBERT C. BYRD) to lay on the table the motion of the Senator from Alabama (Mr. ALLEN) that the Senate proceed to the consideration of Senate Resolution No. 4. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from North Carolina (Mr. MORGAN), the Senator from Rhode Island (Mr. PELL), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CLARK) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Iowa (Mr. CLARK) would each vote "yea."

Mr. GRIFFIN. I announce that the

Senator from Ohio (Mr. Taft) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "yea."

The result was announced—yeas 82, nays 8, as follows:

[Rollcall Vote No. 39 Leg.]

YEAS—82

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cranston
Culver
Dole
Domenici
Eagleton
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stone
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—8

Bellmon
Byrd, Harry F., Jr.
Curtis
Laxalt
McClure
Nunn
Scott, William L.
Stennis

NOT VOTING—9

Clark
Eastland
Humphrey
McClellan
McGovern
Morgan
Pell
Stevenson
Taft

So the motion to lay on the table Mr. Allen's motion to proceed to consider was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order, and the submission of concurrent and other resolutions is now in order.

The Senator from North Carolina.

Mr. HELMS. I move to reconsider.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

Mr. HELMS. I ask for the yeas and nays.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

During the call of the roll, the following proceedings occurred.

Mr. HARRY F. BYRD, JR. Mr. President, how is the Senator from Virginia recorded on this vote?

The PRESIDING OFFICER. The Senator was recorded in the affirmative.

Mr. HARRY F. BYRD, JR. May I ask the Chair how the Senator——

Mr. ROBERT C. BYRD. Mr. President, I ask for regular order.

The PRESIDING OFFICER. The clerk will continue to call the roll.

The Senator from Virginia has been recorded in the affirmative.

The second assistant legislative clerk resumed the call of the roll.

Mr. WILLIAM L. SCOTT. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator is not recorded.

Mr. WILLIAM L. SCOTT. I vote "no."

The second assistant legislative clerk resumed the call of the roll.

Mr. McCLURE. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator is recorded in the negative.

The second assistant legislative clerk resumed the call of the roll.

Mr. HELMS. Mr. President, how is the Senator from North Carolina recorded, please?

The PRESIDING OFFICER. The Senator is recorded in the negative.

Mr. HELMS. I thank the Chair.

Mr. HANSEN. Mr. President, is the Senator from Wyoming recorded?

The PRESIDING OFFICER. The Senator is recorded in the negative.

We will have regular order, and the clerk will call the roll.

Mr. CURTIS. Mr. President, have all the names been called?

The PRESIDING OFFICER. All the names have been called.

Mr. CURTIS. Mr. President, I request regular order——

Mr. ROBERT C. BYRD. Mr. President, I ask for regular order.

The Senators need not be concerned. It is 2 o'clock.

The PRESIDING OFFICER. The Senate will be in order, and the clerk will continue to call the roll.

Mr. GOLDWATER. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator is advised that regular order is being followed.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Minnesota (Mr. Humphrey), the Senator from Louisiana (Mr. Johnston), the Senator from Arkansas (Mr. McClellan), the Senator from South Dakota (Mr. McGovern), the Senator from North Carolina (Mr. Morgan), and the Senator from Illinois (Mr. Stevenson) are necessarily absent.

I further announce that the Senator from Iowa (Mr. Clark) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. Stevenson), the Senator from Iowa (Mr. Clark), and the Senator from Minnesota (Mr. Humphrey) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. Taft) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "nay."

The result was announced—yeas 62, nays 27, as follows:

[Rollcall Vote No. 40 Leg.]

YEAS—62

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cranston
Culver
Eagleton
Ford
Glenn
Griffin
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Inouye
Jackson
Javits
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Stone
Symington
Talmadge
Tunney
Williams
Young

NAYS—27

Allen
Baker
Bartlett
Bellmon
Brock
Buckley
Byrd, Harry F., Jr.
Curtis
Dole
Domenici
Fannin
Fong
Garn
Goldwater
Hansen
Helms
Hruska
Laxalt
McClure
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Thurmond
Tower
Weicker

NOT VOTING—10

Clark
Eastland
Gravel
Humphrey
Johnston
McClellan
McGovern
Morgan
Stevenson
Taft

So the motion to lay on the table the motion to reconsider the vote to table the Allen motion was agreed to.

MORNING BUSINESS

The following morning business was transacted today:

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

Mr. PEARSON. Mr. President, as in executive session, from the Committee on Committee, I report favorably sundry nominations in the Coast Guard which have previously appeared in the Congressional Record and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of February 7, 1975, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. STEVENS:

S. 929. A bill for the relief of Mrs. Yu Sil Kang (nee Kim). Referred to the Committee on the Judiciary.

S. 930. A bill for the relief of Othal William Ray (doing business as) Bill Ray Construction Co. of Fairbanks, Alaska. Referred to the Committee on the Judiciary.

By Mr. THURMOND:

S. 931. A bill to amend the Communications Act of 1934 in order to prohibit the television broadcasting of programs portraying nudity, obscenity, or explicit sexual activity which is offensive to the public taste and morals. Referred to the Committee on Commerce.

By Mr. INOUYE:

S. 932. A bill to provide a minimum level for retirement salaries of certain Federal judges in territories and possessions. Referred to the Committee on the Judiciary.

S. 933. A bill to establish an Energy Trust

Fund Reserve, to require the deposit in such reserve of amounts equivalent to so much of the taxpayer's deduction for percentage depletion on oil and natural gas as is in excess of the amount allowable on an average daily production of barrels in the case of oil or cubic feet in the case of natural gas, to require the investment of such reserve into the exploration for and development of new sources of energy, and for other purposes. Referred to the Committee on Finance.

By Mr. STEVENS:

S. 934. A bill to amend chapter 641 of title 10, United States Code, so as to require certain proceeds from the disposition of lands within the naval petroleum reserves to be made available to the States within which such lands are located. Referred to the Committee on Armed Services.

By Mr. KENNEDY:

S. 935. A bill to terminate the embargo against trade between the United States and Cuba. Referred to the Committee on Foreign Relations.

By Mr. HUGH SCOTT:

S. 936. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for certain amounts paid by a taxpayer for tuition and fees in providing certain education for himself, his spouse, and his dependents. Referred to the Committee on Finance.

By Mr. NUNN (for himself, Mr. BARTLETT, Mr. CHILES, Mr. DOMENICI, and Mr. PERCY):

S. 937. A bill to reorganize the executive branch to establish a National Center for Productivity and Quality of Work, to provide for a review of Federal laws, regulations, and policies with respect to their impact on productivity, to encourage labor, industry, and Government efforts to improve productivity growth in all sectors of the economy; to authorize a program of grants, and for other purposes. Referred to the Committee on Government Operations.

By Mr. HOLLINGS:

S. 938. A bill to amend title 23 of the United States Code, relating to highways, in order to encourage the States to establish highway assistance patrols. Referred to the Committee on Public Works.

By Mr. PELL (for himself and Mr. BEALL):

S. 939. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 940. A bill to provide for career guidance and counseling plans and programs for States and local educational agencies. Referred to the Committee on Labor and Public Welfare.

S. 941. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 942. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 943. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. GRAVEL:

S. 944. A bill to modify the Crater-Long Lakes division of the Snettisham project, Alaska, with respect to the terms and period of amortization of the capital investment of the United States in such project. Referred to the Committee on Public Works.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 945. A bill relating to certain Indian claims. Referred to the Committee on the Judiciary

By Mr. TUNNEY (for himself and Mr. PHILIP A. HART):

S. 946. A bill to amend the Solid Waste Disposal Act to encourage resource recovery through conversion of waste; and for other public purposes. Referred to the Committee on Public Works.

By Mr. BROOKE:

S. 947. A bill to amend the Housing Act of 1937. Referred to the Committee on Banking, Housing and Urban Affairs.

S. 948. A bill to authorize the Secretary of Housing and Urban Development to make special grants in order to encourage the construction and purchase of residential dwellings, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. INOUYE:

S.J. Res. 45. A joint resolution to authorize and request the President to issue annually a proclamation designating the second week in May of each year as "Municipal Clerk's Week." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS:

S. 930. A bill for the relief of Othal William Ray (doing business as) Bill Ray Construction Co. of Fairbanks, Alaska. Referred to the Committee on the Judiciary.

Mr. STEVENS. Mr. President, I am today introducing two pieces of legislation: S. 930, a bill for the relief of Othal William Ray, doing business as Bill Ray Construction Co. of Fairbanks, Alaska and Senate Resolution 95, a Senate resolution to refer this bill to the Chief Commissioner of the Court of Claims in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code.

I ask unanimous consent that they be printed in their entirety in the CONGRESSIONAL RECORD at this point.

There being no objection, the bill and resolution were ordered to be printed in the RECORD, as follows:

S. 930

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. I. That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Othal William Ray (doing business as) Bill Ray Construction Company of Fairbanks, Alaska, a sum of money, in the amount to be substantiated, representing the amount to which such claimant is equitably entitled for the cost sustained by him and his company arising out of a contract with the Department of the Army for the construction of certain facilities at Fort Wainwright, Alaska, which contract required claimant to bear substantial loss as a result of a flood disaster occurring in the construction area in August 1967, a loss for which no remedy can be found a law except through special appropriation of funds by Congress.

SEC. III. No part of the amount appropriated in this Act in excess of 20 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

S. RES. 95

Resolved, That the bill (S. 930) entitled "A bill for the relief of Othal William Ray, doing business as Bill Ray Construction Company of Fairbanks, Alaska, now pending in the Senate, together with all the accompanying papers, is hereby referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner of the United States Court of Claims shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States, or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

By Mr. THURMOND:

S. 931. A bill to amend the Communications Act of 1934 in order to prohibit the television broadcasting of programs portraying nudity, obscenity, or explicit sexual activity which is offensive to the public taste and morals. Referred to the Committee on Commerce.

Mr. THURMOND. Mr. President, the Honorable Richard E. Wiley, Chairman of the Federal Communications Commission, has pointed out that an American child born today will, by age 13, have spent more of his life watching television than any other single activity except sleep. These are the growing years, the learning years. Like many parents, I am naturally interested in and concerned about the nature of the material which comes into our homes every day.

Each of us recognizes that television broadcasting has special qualities that distinguish it from other modes of communication and expression. It is instantaneous, it is present in almost every home, its use is not always subject to close parental scrutiny, and the opportunity for parental "screening" is not present to the same degree as for books, magazines, or any printed matter.

There are a limited number of channels which can be received by a home set. This limitation has led the Congress to authorize the Federal Communications Commission to license the originators of television broadcasts in the public interest. I think it is entirely appropriate to help the FCC determine and define the standards by which the "public interest" is judged.

It seems to me that an elementary standard of the public interest would take into account the concern that millions of Americans share about the level of sexual material entering their homes. I am sending to the desk a bill which would empower the Federal Communications Commission to prohibit television stations from broadcasting portrayals of nudity, obscenity, or explicit sexual activity offensive to the public taste and morals. I ask unanimous consent that this bill be printed in the CONGRESSIONAL RECORD and referred to the appropriate committee.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 931

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part I of title III of the Communications Act of 1934 is amended by inserting at the end thereof a new section as follows:

"PROHIBITION OF CERTAIN TELEVISION BROADCASTING

"SEC. 332. (a) The Congress finds that in view of the purpose of this Act, as stated in section 301, 'to maintain the control of the United States over all the channels of interstate and foreign radio transmission', television broadcasting stations should in the public interest be prohibited from broadcasting programs portraying nudity, obscenity, or explicit sexual activity, any of which are offensive to the public taste and morals.

"(b) The Commission shall as soon as practicable prescribe regulations prohibiting such broadcasting stations from broadcasting such portrayals of nudity, obscenity, or explicit sexual activity."

By Mr. INOUYE:

S. 932. A bill to provide a minimum level for retirement salaries of certain Federal judges in territories and possessions. Referred to the Committee on the Judiciary.

Mr. INOUYE. Mr. President, considerable attention has been given recently to the question of judicial salaries. Last Sunday, February 23, Chief Justice Warren Burger called on the Congress to provide an immediate 20 percent salary increase for Federal judges and to set up a system to give judges regular cost of living adjustments.

In his annual message to the American Bar Association, the Chief Justice said,

> This is more than a matter of simple fairness and equity. It is a matter of preserving a strong and independent judiciary, and maintaining the spirit of the constitutional prohibition against the reduction of salaries of Federal judges during their terms of office.

The Judicial Conference Committee on Judicial Compensation, employing similar logic, has called for a judicial salary increase of 25 percent. The legislation I am introducing today provides for a 25 percent increase in the salaries of retired Federal judges in U.S. Territories and possessions.

The executive, legislative, and judicial salary freeze has been in effect since 1969. The high inflation of the past few years has had the effect of significantly lowering the purchasing power of those salaries.

The considerations warranting acutely needed relief against that 6-year salary freeze, however, apply with equal—if not greater—force to the salaries of retired justices of the supreme court of the territory of Hawaii and the salaries of district court judges in both former and present territories which exist pursuant to section 373, title 28, United States Code, as amended by act of February 10, 1954, chapter 6, section 5, 68 statutes 13 and which have been frozen for 47 and 29 years respectively, that is, since 1928 and 1946.

The salaries of a retired justice of the Supreme Court of the territory of Hawaii and a retired district court judge of a present or former territory are respectively $10,000 and $15,000, one created by Act of May 29, 1928, and the other by Act of July 13, 1946, and both existing pursuant to Act of February 10, 1954. Those salaries of such an ancient origin have been frozen since they were created. To raise them to $30,000 would bring them up to the salary level established in 1955 for district court judges in present and former territories by Act of March 2, 1955. To do so by making that old 1955 salary level in effect the 1975 minimum salary level for such retired judges would constitute the same proportionate increase in salary as that of a 25-percent salary increase for active judges.

The equitable nature of such an action seems incontrovertible. Moreover, the fiscal significance of such an action is minimal when compared to the issue of fairness. I urge the Congress to give prompt consideration to this legislation.

By Mr. INOUYE:

S. 933. A bill to establish an "Energy Trust Fund Reserve," to require the deposit in such reserve of amounts equivalent to so much of the taxpayer's deduction for percentage depletion on oil and natural gas as is in excess of the amount allowable on an average daily production of barrels in the case of oil or cubic feet in the case of natural gas, to require the investment of such reserve into the exploration for and development of new sources of energy, and for other purposes. Referred to the Committee on Finance.

OIL AND GAS DEPLETION ALLOWANCE

Mr. INOUYE. Mr. President, I have today introduced another bill that deals with the percentage depletion allowance for oil companies. We have now the great debate of whether or not we should do away with the depletion allowance entirely; but this issue is only part of the bigger problem of what are we going to do about the future supplies of energy sources that will always be readily available to this Nation.

The bill I have introduced today goes directly to both of these issues. It affects all the oil companies, big and small. In effect it says to these companies, "If you do not use the oil depletion allowance to develop new energy sources within the framework of the legislation and within the United States, you lose it." To that extent it does repeal the depletion allowance. On the other hand, the legislation allows the funds to be used for the specific purposes set forth within the bill and within the time frame of the legislation, for the research and development of new energy sources within this Nation.

The bill is no panacea for the oil companies. First, what was the depletion allowance must be funded, and is thus traceable for tax purposes as well as being under the regulations of the Secretary of Treasury. Second, the bill specifically sets forth those uses to which the funds can apply. What was the depletion allowance cannot be used willy-nilly under the disguise of research and development. The bill is very specific as to how the funds can be spent if the allowance is not to be taxable. There cannot be manipulation of these funds under this legislation. Third, the funds must be expended within 5 years of deposit, so that the funds must be used now, when most needed. Fourth, the Secretary of Treasury will monitor the funds and their uses. Fifth, the funds cannot be used for the acquisition of off-shore oil and gas leases.

The Energy Trust Fund Reserve is no windfall for the oil companies; it is instead a command from the Government "use it or lose it."

The rationale behind the legislation is simple. We have considered the depletion allowance to be in the neighborhood of $3 billion. We are all aware that the allowance has not always been properly utilized in accordance with its original legislative intention. But we know those billions are there. If we simply eliminate the depletion allowance, this money will go into the general funds of the Treasury and those funds may never find their way into the energy development. But funds must go into energy development. Here are the funds, so why not now have legislation channelize and control their direction for the real purpose intended. If the companies fail in this test they lose the fund and the moneys become taxable. The goals that the Congress and the President seek with no further appropriations of any magnitude can be met by this legislation.

"Use it or lose it" can give us the independence in the petroleum world so vital to our Nation's existence. Mr. President, I ask unanimous consent that the bill be printed in today's CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Trust Fund Reserve Act of 1975".

TITLE I—ENERGY TRUST FUND RESERVE

SEC. 101.

(a) IN GENERAL.—Any person who is or who subsequently becomes eligible for a deduction for percentage depletion on oil and natural gas income under Section 613 of Subtitle A of the U.S. Internal Revenue Code, shall be required to set aside a special "Energy Trust Fund Reserve" account. The funds that shall be deposited in such Reserve account shall be equal to the dollar amounts that are claimed, after the effective date of this Act, as a deduction under such Section 613 with respect to oil (in excess of the amount allowable on an average daily production of —— barrels, and natural gas (in excess of the amount allowable on an average daily production of —— cubic feet) produced within the United States, its territories or possessions, or from "Continental Shelf Areas" of the United States as defined by Section 638 of the Internal Revenue Code. The purpose of such Reserve account shall be to provide for the expenditure of any amounts so deposited into investments for the exploration research and development of new sources of energy, as hereinafter defined in subsection (c) of this Act, within the United States (including the Continental Shelf Areas thereof), its territories, or possessions. Any amounts deducted as percentage depletion in excess of the amount allowable on an average daily production of —— barrels in the case of oil or

—— cubic feet in the case of natural gas which are not deposited into such Reserve account by the last day of the first month following the due date of the taxpayer's income tax return, including any time for filing extensions, shall be considered as ordinary income as of the taxable year in which such amounts were deducted; however, any amounts properly deposited, and the earnings therefrom, shall not be included in income until such time as they are improperly withdrawn, are expended on investments which are defined as "nonqualifying investments" in subsection (c) hereof, or remain in the fund more than five years from the date of deposit. It shall be the responsibility of the Secretatry of the Treasury or his delegate to enforce the provisions of this Act and to prescribed Regulations in accordance therewith.

(b) ENERGY TRUST FUND RESERVE:

(1) IN GENERAL.—Under regulations to be prescribed by the Secretary of the Treasury, the taxpayer shall make deposits to the Energy Trust Fund Reserve with an approved depository or depositories. Deposits into the Reserve may be in either cash or such securities as may be approved by the Secretary. The Reserve funds may be invested in stocks, securities or other assets as may be approved by the Secretary. Net income from such investments may be excluded from the gross income of the taxpayer provided such income is reinvested in qualifying energy expenditures as defined in subsection (c). Net losses from such investment shall not be considered in calculating the taxable income of the taxpayer. Further, if the investments of the Reserve result in a net loss for any taxable year, the taxpayer shall make an additional deposit of the amount of such net loss to the Reserve on or before the last day of the third month following the close of the taxable year.

(2) WITHDRAWALS FROM ENERGY TRUST FUND RESERVE:

(A) QUALIFYING WITHDRAWALS.—The term "qualifying withdrawals" means the "qualifying energy expenditures" as defined in subsection (c) made by taxpayer during the taxable year and designated as withdrawals from the Reserve on the taxpayer's return for such year.

(B) NONQUALIFYING WITHDRAWALS.—The term "nonqualifying withdrawal" means any withdrawal from the Reserve other than a qualifying withdrawal.

(c) QUALIFYING ENERGY EXPENDITURES:

(1) IN GENERAL.—For purposes of this section, a qualifying energy expenditure means any amount paid or incurred by the taxpayer (with respect to areas within the United States (as defined in Section 638) for:

(A) intangible drilling and development costs;

(B) the following items if paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas within the United States or a possession of the United States:

(i) aerial photography;

(ii) geological mapping;

(iii) airborne magnetometer surveys;

(iv) gravity meter surveys;

(v) seismograph surveys; or

(vi) similar geological and geophysical methods.

(C) the construction, reconstruction, erection, or acquisition of the following items but only if the original use of such items begins with such person:

(i) depreciable assets used for the exploration for or the development or production of oil or gas (including development or production from oil shale); converting oil shale, coal, or liquid hydrocarbons into oil or gas; or refining oil or gas (but not beyond the primary product stage);

(ii) pipelines for gathering or transmitting oil or gas, and facilities (such as pumping stations) directly related to the use of such pipelines.

(D) secondary or tertiary recovery of oil or gas.

(E) the acquisition of oil and gas leases (other than off-shore oil and gas leases), but the aggregate amount which may be taken into account under this subparagraph for any taxable period shall not exceed one-third of the aggregate of the amounts which may be taken into account by the taxpayer under subparagraphs (A), (B), (C), and (D) for such period.

or

(F) such other investments as may be approved by the Secretary.

(2) CARRYOVER OF QUALIFYING ENERGY EXPENDITURES.—Any qualifying energy expenditure not designated as a qualifying withdrawal during the taxable year, as provided in subsection (b)(2)(A) of this section shall be carried over to each succeeding taxable year until designated qualifying withdrawal.

By Mr. STEVENS:

S. 934. A bill to amend chapter 641 of title 10, United States Code, so as to require certain proceeds from the disposition of lands within the naval petroleum reserves to be made available to the States within which such lands are located. Referred to the Committee on Armed Services.

Mr. STEVENS. Mr. President, I introduce today a bill which would require that 37½ percent of the money received by the United States from sales, bonuses, royalties, and rentals on naval petroleum lands be paid to the State within which such lands are located. In addition, 2½ percent of the money received from sales, bonuses, royalties, and rentals on Naval Petroleum Reserve No. 4 will be made available to the Alaska Native Fund as defined in section 6(a) of Public Law 92–203 (43 U.S.C. § 1605).

Mr. President, this legislation allows those States in which naval petroleum reserves are located to be entitled to the same benefits as States in which public domain lands are located. As the law now stands, if naval petroleum lands are leased for the development or production of oil, gas, or minerals, the State within which such lands lie receives nothing. However, if public domain lands are so leased, 30 U.S.C. § 191 provides that 37½ percent of all moneys received shall be paid by the United States to the State within the boundaries of which the leased lands are located.

Presently there are four naval petroleum reserves. Two of these are situated in California; one commonly known as the Elk Hills Reserve. The Teapot Dome Reserve is located in Wyoming and Naval Petroleum Reserve No. 4 is located in Alaska. In recent months, serious consideration has been given to the development of two of these reserves, Elk Hills and petroleum 4, for commercial purposes. Development of these reserves would be highly significant. It would be a key step in bringing about the first U.S. stockpile of petroleum for use in the event of future oil embargoes. It would also bring the United States closer to its goal of independence from foreign sources of oil.

The 45,000-acre Elk Hills tract has been estimated to contain 1 billion barrels of recoverable oil. Naval Petroleum Reserve No. 4, which is located on the petroleum rich North Slope of Alaska, encompasses approximately 24 million acres of land. Accordingly, the U.S. Geological Survey estimates that petroleum 4 could contain as much as 33 billion barrels of oil and 80 trillion cubic feet of natural gas.

However, under present law, if Elk Hills or petroleum 4, or the Teapot Dome were developed for domestic use, California, Alaska, and Wyoming would receive no compensation. My bill would correct that situation. It would place land now in petroleum reserves on an equal footing with other federally owned leased lands.

Mr. President, in my State of Alaska, it is vitally important that the State receive a portion of the revenues from development of petroleum 4. The impact of petroleum 4 development in Alaska will be tremendous. A new pipeline will have to be constructed to transport the oil and natural gas. This construction will place an even greater burden on Alaska's already overburdened cities and towns. New schools, homes, hospitals and a vast array of support facilities will have to be constructed. If Alaska is to meet these obligations, it must receive a fair portion of petroleum 4 revenues.

For fiscal year 1976 alone, the State of Alaska will have an estimated budget deficit of nearly $300 million. To emphasize the magnitude of this deficit, it is over one-half of the proposed Alaska fiscal year 1976 operating budget. This comes about when the North Slope pipeline is being built. Construction of the petroleum 4 pipeline would be no less significant.

Mr. President, Alaska has an abundance of oil and gas on petroleum 4. Development of this reserve, along with the reserve in California, would be of great benefit to the United States. But, making this energy available to the rest of the Nation requires a great economic and social sacrifice by Alaska. Alaska cannot bear the cost alone. It is only right that it should share in the revenues, just as a State now enjoys the benefits of development of its public lands.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 934

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 641 of title 10, United States Code, is amended by inserting immediately after section 7433 of such title, the following new section:

"§ 7433A. Payments to the States

"(a) On and after the date of the enactment of this section, all money accruing to the United States under the provisions of this chapter, including moneys received from sales, bonuses, royalties, and rentals of lands comprising the naval petroleum reserves, in connection with the production for domestic use of the oil and gas products from the naval petroleum reserves shall, notwithstanding any other provision of this chapter or of any other law, be paid into the Treasury of the United States, and 37½ per centum thereof shall be paid by the Secretary of the Treasury as soon as practicable after December 31 and June 30 of each year to the State within the boundaries of which the leased lands or deposits are or were located. Moneys received by any State pursuant to this section shall be used by such State for such purposes as the State determines to be in its best interests.

"(b) On and after the date of the enactment of this section, 2½ per centum of all such money referred to in subsection (a) accruing to the United States in connection with the production for domestic use of oil and gas products from naval petroleum reserve numbered 4, Alaska, and paid into the Treasury of the United States shall be paid to the Alaska Native Fund established by section 6 of the Alaska Native Claims Settlement Act for disposition in the same manner as that provided for other moneys within such fund. Payments to the Alaska Native Fund under this subsection shall be in addition to payments made to the State of Alaska pursuant to subsection (a) of this section.".

(b) The analysis of chapter 641 of title 10, United States Code, is amended by inserting after "7433. Disposition of royalties." the following:

"7433A. Payments to the States.".

By Mr. KENNEDY:

S. 935. A bill to terminate the embargo against trade between the United States and Cuba. Referred to the Committee on Foreign Relations.

Mr. KENNEDY. Mr. President, I am introducing today legislation to end the trade embargo against Cuba and to turn this Nation away from the rhetoric and restrictions of the cold war.

In the face of détente with the Soviet Union and the People's Republic of China, our Cuba policy appears as an ill-shaped relic of history, devoid of relation to current realities.

I am pleased that Secretary of State Henry Kissinger last weekend broke new ground, in displaying administration willingness to see an end to the policy of isolation, embargo, and boycott against Cuba.

The Secretary's speech at Houston also followed recent waivers of the trade boycott for subsidiaries of U.S. corporations in Canada and Argentina, and the expansion of permissible travel by Cuban United Nations delegates, steps he described as "symbolic steps to indicate that we are prepared to move in a new direction if Cuba will."

In fact, those actions already have their counterparts on the Cuban side. The first major evidence of Cuban willingness to see the hostility between our two governments disappear came with Cuba's ratification and enforcement of the antihijacking convention. It has been followed by an opening of travel to Senators and to Senate staff, and most recently, by the release of several American prisoners. There also have been repeated declarations by Cuba that it has abandoned its policy of "export of revolution."

Our own past reluctance to move away from the policy of isolation has also jeopardized our still fledgling rapprochement with Latin America, which followed nearly 5 years of deteriorating relations.

The OAS meeting in Quito last fall ended with the United States receiving much of the blame for that meeting's failure to lift sanctions against Cuba. Despite our neutral vote at Quito, our failure to support the Venezuela initiative—particularly since Venezuela originally had been a major proponent of those sanctions in 1964—drew the fire of many Latin American observers.

Late in December, the State Department took an important step away from our past policy, by endorsing a change in the required number of votes for an amendment to the Rio Treaty from two-thirds to a simple majority. Now the Secretary has indicated that he will work with the majority of the OAS in seeking to find "a generally acceptable solution" to the Cuban issue.

For that reason, I believe it thoroughly appropriate to take a legislative initiative in this area to insure that the process of normalization continues.

I want to emphasize that the bill I am introducing today does not change the prohibition against U.S. Foreign assistance to Cuba. It does not authorize any change in the prohibition against assistance to those nations that supply Cuba with arms; it does not extend most-favored-nation treatment to Cuba.

However, this legislation does remove the most discriminatory aspects of current law.

First, it strikes the authorization in the Foreign Aid Act for an embargo on trade between the United States and Cuba.

Second, it revokes the Presidential proclamation establishing that embargo.

Third, it deletes the prohibition on agricultural sales and assistance to nations which ship or trade with Cuba; and the practice of blacklisting ships that call in Cuban ports from American trade and refueling at U.S. ports.

Finally, it voids Department of State restrictions on U.S. travel to Cuba and Treasury, Commerce, and Agriculture Department regulations restricting trade and shipping with Cuba.

I believe it is noteworthy that, in the last session of the Congress, Senator J. William Fulbright—former chairman of the Senate Foreign Relations Committee—introduced legislation of a similar nature.

His successor, Senator JOHN J. SPARKMAN, recently has stated that—

> Our policy of isolating Cuba has been a failure, and it is time to re-examine that policy with a view toward ending the futile economic boycott and restoring normal relations.

I ask unanimous consent to have Senator Fulbright's introductory statement on S. 3880 in the previous Congress and a news article reporting Senator SPARKMAN's statement printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, for more than a decade, United States-Cuban relations have been characterized by hostility, antagonism and the sterile rhetoric of the cold war. The policy implementing that attitude was political and economic isolation. It began with a partial embargo on exports to Cuba in October 1960. It continued with the breaking of diplomatic relations on January 3, 1961, and the total embargo on exports on February 3, 1962. And it was spread through the hemisphere with a 15-to-4 vote of the OAS in 1964 to approve specific economic and diplomatic sanctions against Cuba.

It has not produced a more compromising attitude from the Government of Cuba—instead it has helped foster rigidity and suspicion.

It has not paralyzed the course of Cuban economic development or increased the level of internal political freedom—instead it has merely made more difficult the daily life of the average Cuban family while delaying the time for a lessening of the internal rigor of the Cuban regime.

It has not engenedered a unity of purpose within the hemisphere against Cuba—instead it has produced another force for fragmentation. Increasingly, we find ourselves lonely defenders of an anachronistic policy.

It has not separated Cuba from the Soviet Union—instead it has welded ever more closely the economic policies of Cuba with those of the Soviet Union and its Eastern European allies.

And it has not produced any discernible benefit for the United States.

There is an added reason for changing the law with regard to Cuba trade. During recent weeks, we have become increasingly aware of the use by several Arab countries of economic weapons against firms doing business with Israel. There is at least one blacklist against 1,500 firms, including many that are excluded from Arab trade simply because of purported connections with Jews.

This is morally repugnant to every American, and an intolerable practice. Yet in condemning this use of economic power, we must also recognize that we, ourselves, have for more than a decade used similar economic weapons against nations and shipping lines doing business with Cuba. We, too, have maintained and enforced a blacklist.

It is our obligation, as we condemn the use of this economic weapon by others, to rid ourselves of this practice. Not only does it not serve any U.S. foreign policy interest; but also it compromises our own moral position. Accordingly the legislation I introduce today will make American policy consistent, as we reject the use of the blacklist as a practice of relations between states and peoples.

I would contend that there is no convincing rationale for the embargo on trade with Cuba and the political attempt to isolate that nation.

First, any plausible Soviet strategic threat to the United States and the hemisphere from Cuba was halted at the time of the Cuban missile crisis.

The agreement concluding the missile crisis was reaffirmed in 1970 when some observers represented construction at the port of Cienfuegos as a permanent Soviet nuclear submarine base. That fear was laid to rest in formal diplomatic interchange with the Soviet Union.

Reducing the construction or expansion of Soviet military facilities in Cuba is primarily a problem between the United States and the Soviet Union. And so long as we are perceived as a hostile Goliath encircling a nation one-twentieth our size, there will be little stimulus for Cuba to seek a reduction in the Soviet military presence.

In fact, as long ago as September 1972, the Defense Intelligence Agency spokesman testified that—

> The Cuban threat to the United States, which was not very great several years ago, has not increased. So, there is not a serious Cuban military threat to the United States.

In testimony during 1973 and 1974, Defense Intelligence Agency witnesses reported a continued decline in Soviet arms shipments. The testimony included the following statement by DIA analyst Paul Wallner:

> We see no evidence of Soviet strategic or offensive systems' being placed in Cuba.

Whatever military threat from the Soviet Union there is, exists in its overal strategic capabilities and not on its presence in Cuba.

Second, the rationale that Cuba was engaged in the export of revolution has been rejected by Latin American nations, themselves as witnessed by the recent leadership of Venezuela in seeking an end to OAS sanctions against Cuba.

In 1964 it was Venezuela that charged Cuba with aggression and initiated the movement to impose hemispheric sanctions against that nation.

Today, it is Venezuela which is calling for an end to those sanctions, and has opened its own formal diplomatic and trade relations with the government of Prime Minister Fidel Castro.

And a majority of the members of the Organization of American States voted in favor of a motion to remove those sanctions in Quito last November. What is perhaps more impressive is that only three nations actually opposed that motion, with six—including the United States—abstaining, and 12 in favor.

The Linowitz Commission on United States-Latin America Relations—whose members included a former Assistant Secretary of State for Inter-American Affairs, the current Assistant Secretary, a former Ambassador to the OAS, two former Attorneys General, and other distinguished scholars and business leaders—stated:

> Whatever the case in the early 1960s, Cuba's material support of subversive movements in other Latin American countries has diminished in recent years. Its residual activities appear to be largely rhetorical; they do not now threaten the security of the United States nor of the Latin American countries. Establishing mutually beneficial relations with the countries of the hemisphere should provide further incentives to Cuba to maintain proper relations.

I ask unanimous consent to have printed at the conclusion of my statement a copy of the portions of the Commission report relating to Cuba along with a list of the Commission's members.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the final foundation of the policy of embargo and isolation was the goal of maintaining the rest of the hemisphere free from the ideological taint of Cuban communism.

We hoped to prevent the Cuban model from being adopted by other Latin American nations. However, it has not been the success of the isolation policy that convinces nations to delay wholesale copying of the Cuban regime; it has been an awareness of Cuban political repression, of Cuba's severe economic problems, and of Cuba's substantial dependence on the beneficence of Soviet aid. With this estimated at between $1.5 to $2 million per day, Cuba by the end of 1973 was estimated to owe some $4 billion to the Soviet Union, a level of assistance that few Latin American nations see as forthcoming from the U.S.S.R. or any other foreign benefactor.

While it has not been the attempt at isolation that has discouraged other nations from copying the Cuban pattern, the policy itself also has failed to mask Cuba's accomplishments in social services and in the redistribution of wealth and income.

Many nations are impressed with the Cuban achievements in health care and in opening access to educational opportunities to Cuban children.

The trade embargo and the policy of isolation do not serve our interest. They serve now only to diminish our own opportunities for improving relations with Latin America. And they delay an effort to try drawing Cuba into constructive participation in hemisphere affairs.

It also serves to delay movement in important areas of humanitarian concern. The lack of emigration opportunities for many Cubans who desire it; the inability of relatives here and in Cuba to exchange visits; the continuing problem of political prisoners; the restrictions on cultural, educational, and scientific interchange—changes in all of these areas have been delayed by the policy of isolation and the trade embargo.

Finally, with an end to the embargo, negotiations on normalizing diplomatic relations could begin, and other outstanding issues between our two countries could be discussed and hopefully resolved in a context of relations of mutual respect between our two countries.

For these reasons, I believe it is important to begin the legislative process of removing the statutory cobwebs from the law, and to permit the Senate to consider and debate the process of achieving an end to 15 years of hostility between the United States and Cuba.

I ask unanimous consent that the bill be printed in the Record at the conclusion of my remarks along with related articles and a summary or current trade between Cuba and other Western Hemisphere nations, Europe and Japan.

There being no objection, the bill and related material was ordered to be printed in the Record, as follows:

S. 935

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 301(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 221(b)) is amended by striking out the second sentence.

(b) Section 620 of such Act is amended—

(1) by striking out the last sentence of paragraph (1) of subsection (a) of such section; and

(2) by amending paragraph (3) of subsection (a) of such section to read as follows:

"(3) No funds authorized to be made available under this Act (except under section 214) shall be used to furnish assistance to any country which failed to take appropriate steps, not later than sixty days after the date of enactment of the Foreign Assistance Act of 1963, to prevent ships or aircraft under its registry from transporting to Cuba (other than to United States installations in Cuba) any items which are, for the purposes of title I of the Mutual Defense Assistance Control Act of 1951, arms, ammunition, and implements of war, atomic energy materials, or items of primary strategic significance used in the production of arms, ammunition, and implements of war."

Sec. 2. Clause (3) of section 103(d) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1703(d)(3)) is amended—

(1) by striking out "Cuba or";

(2) by striking out "(excluding United States installations in Cuba)";

(3) by striking out "they are" and inserting in lieu "it is";

(4) by striking out the proviso following clause (3).

Sec. 3. Section 385.1 of the Export Control Regulations (15 C.F.R. 399) shall have no force or effect.

Sec. 4. Section 371.9(b)(2) of the Export Control Regulations (15 C.F.R. 368-399) shall have no force or effect.

Sec. 5. The Cuban Asset Control Regulations (31 C.F.R. 515) shall have no force or effect.

Sec. 6. Section 51.72 of Department of State Regulation 108.583, of April 12, 1968 (12 C.F.R. 51.72–51.73) shall have no force or effect with respect to Cuba.

Sec. 7. Section 1488.16 of the Commodity Credit Corporation Regulations (7 C.F.R. 1488) shall have no force or effect with respect to Cuba.

Sec. 8. Presidential Proclamation No. 3447 of February 3, 1962, shall have no force or effect.

The Americas in a Changing World

(Report by the Commission on United States—Latin American Relations)

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Chairman: Sol M. Linowitz, Attorney, Coudert Brothers.

W. Michael Blumenthal, Chairman, Bendix Corporation.

Harrison Brown, Professor of Science & Government, California Institute of Technology, President, International Council for Scientific Unions.

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Albert Fishlow, Chairman, Department of Economics, University of California, Berkeley.

J. George Harrar, President Emeritus & Consultant, The Rockefeller Foundation.

Rita E. Hauser, Attorney, Stroock & Lavan.

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Samuel P. Huntington, Professor of Government, Center for International Affairs, Harvard University.

Nicholas deB. Katzenbach, Corporate Vice President & General Counsel, IBM Corporation.

Thomas M. Messer, Director, The Solomon R. Guggenheim Museum.

Charles A. Meyer, Vice President, Sears, Roebuck & Company.

Arturo Morales-Carrion, President, University of Puerto Rico.

Peter G. Peterson, Chairman, Lehman Brothers.

Elliot L. Richardson, Distinguished Fellow, Woodrow Wilson International Center for Scholars.

William D. Rogers*, Attorney, Arnold & Porter.

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*Note.—Resigned as of September 18, 1974 after appointment to position of Assistant Secretary of State for Inter-American Affairs.

Nathaniel Samuels, Partner, Kuhn, Loeb & Company.

Kalman H. Silvert, Professor of Politics, New York University, Program Advisor, The Ford Foundation.

Clifton R. Wharton, Jr., President, Michigan State University.

B. Cuba

For almost fifteen years, United States policy has attempted to isolate Cuba politically and economically. The stated U.S. objectives have been to thwart Cuba's export of revolution to other Latin American countries and to reduce Cuba's military ties with the Soviet Union. In addition to these explicit goals, there was, no doubt, an ideological desire to minimize the potential success of the Castro government and thereby to limit the appeal of Cuba's revolution as a development model.

Despite significant changes in Cuban, herispheric, and global conditions, the United States has continued (with decreasing effect) to try to keep Cuba isolated within the hemisphere. Even though the Cuban government consolidated its power and modified some of its policies, and U.S. relations with the Soviet Union and China moved from Cold War to accommodation, Washington's Cuban policy continued essentially unchanged.

The Commission does not believe a continuation of the policy of isolation with regard to Cuba meaningfully advances any current U.S. interests. Politically, the United States runs the risk of becoming the country which is isolated as one Latin American country after another renews relations with Cuba. Economically, the U.S. embargo is ineffective; it may serve as much to deny American manufacturers a chance to compete for exports as it does to deprive the Cuban regime of supplies.

And if the U.S. policy were more effective, it would be inconsistent with the aim of creating a peaceful structure of international cooperation which all nations, regardless of ideology, have an incentive to maintain.

The objective of U.S. policy should be to facilitate Cuba's participation in a constructive pattern of inter-American and international relations, and to reduce Cuba's incentive to promote violent subversion elsewhere in the hemisphere or to make military facilities available ot the Soviet Union. While there can be no guarantee of success, the Commission believes these objectives are more likely to be achieved by encouraging hemispheric trade relations and other contacts with Cuba than by isolating the island.

Whatever the case in the early 1960s, Cuba's material support of subversive movements in other Latin American countries has diminished in recent years. Its residual activities appear to be largely rhetorical; they do not now threaten the security of the United States nor of the Latin American countries. Establishing mutually beneficial relations with the countries of the hemisphere should provide further incentives to Cuba to maintain proper relations.

Preventing the possible expansion of potential use of Soviet military facilities in Cuba is, of course, a legitimate concern of the United States, but this is primarily a function of U.S.-Soviet relations, not U.S.-Cuban relations. To the extent that Cuba has the ability to diminish the level of Russia's military involvement there, it has little incentive to seek such a reduction until its relations with the United States improve.

The United States has acknowledged elsewhere in the world that it should not define the limits of ideological diversity for other nations. That principle should now be applied to Cuba. Latin Americans can and will assess for themselves the merits and disadvantages of the Cuban approach; the United States need not try to do this for them.

The United States can and should continue to express its strong opposition to authoritarian practices, in Cuba and elsewhere, which violate the essential human rights of individuals. As the Commission's previous statement on human rights urged, it is crucial that the United States find effective means for making its views influential, including the mobilization of informed international opinion, which may affect national policies. The U.S. policy of "economic denial" has had no such positive results; on the contrary, the embargo indiscriminately and adversely affects the lives of innocent Cuban men, women, and children. Far from weakening the present regime, the embargo (and U.S. attempts to limit travel, contacts, and exchanges with Cubans) makes it easier for the Cuban government to justify and prolong its tight control over the intellectual and political activities of the Cuban people.

A further hope is that ending Cuba's isolation may contribute to an eventual reconciliation among the Cuban communities on the island and in the United States and other countries of the hemisphere.

Recommendation:

5. The United States should take the initiative in seeking a more normal relationship with Cuba. While emphasizing that progress toward improved relations requires positive action on both sides the Commission urges that the United States act now to end the trade embargo.

This recommended U.S. initiative toward Cuba should be implemented in conjunction with the Latin American countries. At the earliest opportunity—presumably the forthcoming Meeting of Foreign Ministers of the Organization of American States—the United States should consult with other OAS members, indicating its willingness to support repeal of the measures against Cuba adopted at the Ninth Meeting of Consultation of Ministers of Foreign Affairs in July 1964. Assuming that the OSA resolutions are repealed, the U.S. government should then revoke Executive regulations restricting trade between the United States and Cuba and ought to act, within the President's discretionary authority, to suspend any legislative provisions which penalize third countries for trading with Cuba.

Regardless of progress or a Cuban response in other areas, the United States, taking into consideration its discussions with other OAS members, should move quickly to: (a) drop its restriction on travel to and from Cuba; (b) make evident its willingness to permit cultural, scientific, and educational exchanges on a non-official basis; and (c) make clear its willingness to improve cooperative arrangements with Cuba on practical matters of mutual concern, such as hijacking and weather watching, and to negotiate on such additional matters as may be indicated. Appropriate opportunities should be taken for dealing with Cuba informally within international organizations. The United States government should encourage and facilitate, not discourage, non-official cultural exchanges and other forms of contact.

If and when Cuba's response permits, the Commission believes the President should be prepared to take other Executive actions and to seek whatever legislative changes may be necessary to facilitate commercial and cultural relations with Cuba. We should also be prepared to consider renewal of bilateral diplomatic relations as well as other steps to facilitate Cuba's integration into a constructive pattern of inter-American relationships.

When both Cuba and the United States have taken conciliatory steps toward constructive relations, it should be possible to resolve outstanding issues, such as securing compensation for expropriated U.S. properties, agreeing on the status of the U.S. base at Guantanamo, and fostering reconciliation among separated elements of the Cuban community.

THE LIBRARY OF CONGRESS,
Washington, D.C., March 4, 1975.

To Hon. Edward M. Kennedy.
Attention: Mark Schneider.
From Barry Sklar, Specialist in Latin American Affairs.
Subject: Trade with Cuba.

The following figures on free world trade with Cuba were taken from U.S. Department of Commerce sources.

The statistics are for the January-December 1973 period and are in thousands of U.S. dollars. A partial listing of trade for 1974 is also provided where statistics are available:

EXPORTS TO CUBA

	1973	1974
Canada	81,910	
Western Europe (total)	226,447	
Austria	2,274	
Belgium-Luxembourg	12,783	
Denmark	3,613	
Finland	2,512	
France	28,723	[1] 49,032
Germany, Federal Republic	32,839	[1] 60,278
Greece	NT	
Ireland	2,610	
Italy	21,729	
Netherlands	10,682	
Norway	1,397	
Portugal	286	
Spain	38,126	
Sweden	12,614	
Switzerland	11,584	
Turkey	117	
United Kingdom	42,981	[1] 34,871
Yugoslavia	1,577	
Japan	106,984	[1] 120,685
Latin America:		
Argentina (January-October)	9,068	12,042
Brazil	NR	
Chile	5,751	
Costa Rica	NR	
El Salvador (January-September)	NT	
Guyana	NR	
Mexico	7,059	
Peru	1,484	1,484
Uruguay	NT	
Canada	16,596	
Western Europe (total)	172,625	
Austria	528	
Belgium-Luxembourg	4,262	
Denmark	583	
Finland	4,852	
France	11,774	[1] 5,313
Germany, Federal Republic	4,175	[1] 4,338
Greece	51	
Iceland	7	
Ireland	127	
Italy	19,771	
Netherlands	17,930	
Norway	2,973	
Portugal	454	
Spain	54,878	
Sweden	10,943	
Switzerland	3,669	
Turkey	93	
United Kingdom	33,148	[1] 45,152
Yugoslavia	2,407	
Japan	182,335	[1] 312,319
Latin America:		
Argentina (January-October)	1	
Costa Rica (January-October)	NR	
El Salvador (January-September)	NT	
Guyana	NR	
Mexico	272	
Paraguay	NR	
Peru	109	
Uruguay	NR	
Chile	NR	[2] 1,059

[1] January-August.
[2] January-May.
NR—not reported.
NT—no trade.

THE LIBRARY OF CONGRESS,
Washington, D.C., March 4, 1975.

To Hon. Edward M. Kennedy.
Attention: Mark Schneider.
From Barry Sklar, Specialist in Latin American Affairs.
Subject: Cuban participation in International events and organizations along with Latin American nations.

1. Latin American Caucus in the United Nations: After a decade of isolation, Cuba

became a member of the Latin American group at the United Nations. (January 1975).

2. Meeting of the Law of the Sea Conference in Caracas (Fall 1974).

3. UNCTAD III meeting in Santiago in 1972.

4. Cuba is a member of the following international organizations:

ILO, FAO, UNESCO, WHO, ICAL (Civil Aviation), UPO (Universal Postal Union), ITU (Intl. Telecommunications Union), WMO (World Meteorological Organization), IMCO (Integrated Maritime Consultative Organization), GATT, and Pan American Health Organization (Cuba is a member of the Executive Committee).

[From the Washington Post, Feb. 3, 1975]

SPARKMAN SAYS CUBA POLICY FAILED

The time has come for the United States to resume normal relations with Cuba, according to the new chairman of the Senate Foreign Relations Committee.

Sen. John J. Sparkman (D-Ala.) urged a softer line toward Cuba in a statement in the Congressional Record. And in a broadcast interview Saturday, he accused the Ford administration of "loose talk" in suggesting a possibility of military intervention in the Middle East.

In his statement on Cuba, Sparkman said that the time has come for careful consideration of making a change in our policy toward Cuba. Our policy of isolating Cuba has been a failure, and it is time to re-examine that policy with a view toward ending the futile economic boycott and restoring normal relations."

In the broadcast interview with Vittorio Zucconi of the Italian newspaper La Stampa, Sparkman described as "just idle talk . . . loose talk" statements by Secretary of State Henry A. Kissinger and President Ford that military intervention in the Middle East might be possible in the event of economic "strangulation."

He also urged a gradual increase in trade and investment between the United States and the Soviet Union and continuation of the process of normalizing relations with China.

[From the Washington Post, Jan. 17, 1975]

BONN, PARIS STRENGTHEN CUBAN TIES

France and West Germany announced major accords yesterday with Cuba.

In Bonn, the foreign minister said West Germany and Cuba agreed to resume diplomatic relations, which the Germans broke in 1963 to protest Cuba's recognition of East Germany.

In Paris, French Prime Minister Jacques Chirac and Cuban Vice Prime Minister Carlos Rodriguez signed a pact on trade, economic and technological cooperation.

Chirac said he expected French capital and technical know-how to "move into Cuba in a big way."

The French government pledged to help Cuba in its agricultural and industrial development and said large projects are under study in the chemical industry, production of heavy trucks, pulp plants, computers, airport installations and canning factories.

Rodriguez said "Cuba has embarked on a very ambitious and vast five-year development plan in which France is expected to play a leading part."

STATEMENT BY MR. FULBRIGHT

S. 3880. A bill to repeal certain provisions of law relating to Cuba. Referred to the Committee on Foreign Relations.

Mr. FULBRIGHT. Mr. President, I introduce for appropriate reference a bill which would take a few modest steps toward clearing away some of the legislative barnacles that have grown up over the last 12 years or U.S. policy toward Cuba.

I do so, not only because I think the statutes which this bill would repeal are obsolete, but also because this is one way to focus attention on the larger question of United States-Cuban relations.

What I am proposing, Mr. President, is to repeal three pieces of legislation—the so-called Cuban Resolution of 1962; the section of the Foreign Assistance Act relating to assistance to Cuba and to countries trading with Cuba; and the provision of Public Law 480 relating to sales of agricultural commodities to countries trading with Cuba.

Section 1 of the bill would repeal Public Law 87-733. This is the so-called Cuban resolution which in its operative part provides:

The United States is determined—

(a) to prevent by whatever means may be necessary, including the use of arms, the Marxist-Leninist regime in Cuba from extending, by force or the threat of force, its aggressive or subversive activities to any part of this hemisphere;

(b) to prevent in Cuba the creation or use of an externally supported military capability endangering the security of the United States; and

(c) to work with the Organization of American States and with freedom-loving Cubans to support the aspirations of the Cuban people for self-determination.

The Department of State long ago—1970, reaffirmed in 1971—informed the Committee on Foreign Relations that it "neither advocates nor opposes repeal of the resolution." I ask unanimous consent that the Department's letter be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, the resolution generally reflects the rhetorical bombast of another era.

The reference in clause (a) to "the use of arms" could possibly be construed as advance authorization for military intervention—though it was not relied on by President Johnson in the Dominican Republic case.

With respect to the reference in clause (c) to the "aspirations of the Cuban people for self-determination," it could be argued that the Cuban people have indeed exercised their right of self-determination and have determined that they want something very much like the government they have got. Although this government lacks constitutional legitimacy, most observers agree that it enjoys solid public support.

Section 2 of the bill would repeal section 620(a) of the Foreign Assistance Act of 1961, as amended.

Section 620(a) deals with prohibitions on assistance to Cuba and to third countries trading with Cuba. It contains the following elements:

First, no assistance shall be furnished to the present government of Cuba. Although the amendment would repeal this prohibition, it would not open the way for assistance to Cuba. Section 620(f) names Cuba among a number of countries to which assistance is prohibited.

Second, no assistance shall be furnished to any country which furnishes assistance to the present government of Cuba unless the President determines such assistance to be in the national interest of the United States. This is a dead letter. It has been neither applied nor waived.

Third, the President is authorized to establish and maintain a total embargo on all trade between the United States and Cuba. Repeal of this provision would not in itself affect restrictions on U.S. trade with Cuba. These restrictions are based on the President's authority under the Trading With the Enemy Act.

Fourth, "except as may be deemed necessary by the President in the interest of the United States," no assistance shall be furnished to any government of Cuba until compensation is paid for expropriated American property. In the unlikely event that Castro were overthrown, this would have the peculiar effect of denying help to his successor.

Fifth, with the same provision for a presidential exception, Cuba is not to receive any sugar quota "or any other benefit under any law of the United States" until compensation is paid for expropriated American property. With the demise of the Sugar Act at the end of this year, the reference to a sugar quota becomes obsolete. The reference is "any other benefit under any law" is scarcely broader than the prohibition in the Hickenlooper amendment—"assistance . . . under this or any other act"—which would continue in force.

Sixth, no assistance—except for American schools and hospitals abroad—shall be furnished to any country whose ships or aircraft transport anything to or from Cuba. This provision represented an unsuccessful attempt to use the presumed leverage of foreign aid to apply the American economic boycott to third countries.

Section 3 of the bill would delete references to Cuba in section 103(d) of the Agricultural Trade Development and Assistance Act of 1954, as amended, Public Law 480.

Section 103(d) provides that title I sales agreements are to be made only with those countries which the President determines to be "friendly to the United States." "Friendly country" is then defined as not including various categories of countries, one of which is countries trading with Cuba or North Vietnam. A proviso exempts medical supplies and nonstrategic agricultural goods.

This amendment would simply delete the specific references to Cuba.

All other provisions of section 103(d) would remain intact including the prohibition of title I sales for foreign currencies to "any country or area dominated by a Communist government."

The amendment would not apply directly to Cuba, but rather to third countries trading with Cuba.

[From the Christian Science Monitor, Jan. 3, 1975]

VENEZUELA THE LATEST TO END FEUD WITH CUBA

(By James Nelson Goodsell)

In a New Year's gesture, Venezuela and Cuba this week resumed diplomatic relations.

The move was yet another break in the decade-old diplomatic and economic isolation of Cuba. For Venezuela, the resumption of relations amounts to an about-face.

It was Venezuela that led the drive to impose sanctions on Cuba which effectively isolated Cuba from the rest of the hemisphere back in 1963.

But times have changed. Venezuela, along with a majority of Latin American nations, no longer feel the reasons for the sanctions are valid.

CHANGES RECOGNIZED

"Cuba is not exporting its revolution," comments a Venezuelan foreign office spokesman. "Cuba is not trying to subvert the Venezuelan government. We will obviously have disagreements with Cuba on policy, but our concerns will not center on issues that are no longer of importance."

For Cuba, the renewal of ties marks another step in the island's reincorporation into the hemisphere—and may well be the catalyst for additional recognition.

Almost simultaneously with the Venezuela-Cuba announcement, Colombia announced that it was opening partial trade relations with Cuba and will most likely decide on full diplomatic and commercial relations with Cuba early in 1975.

These moves not *only further restore* Cuba to hemisphere good graces, but also give a boost to Cuba's economic position.

OIL, SUGAR SWAP SET

Venezuela said that it would soon begin selling oil to Cuba and that it would receive Cuban sugar in return. With Venezuela expected to nationalize its oil industry sometime in the near future, there is a good deal of enthusiasm in Caracas over prospects of new markets for oil, the country's leading export.

Having Venezuelan oil so close at hand will make Cuba less dependent upon Soviet and East European oil products, as has been the case for 10 years or more, with all the vagaries of transatlantic shipment and resulting periodic shortages.

Also behind the Venezuela move to resume Cuban ties is a growing independence on the part of the South American nation. The new government of President Carlos Andres Perez, in office less than a year, is striking out on several new paths. Much of this seems directed at an effort to assert Venezuelan leadership—at least in the Caribbean area.

Two weeks ago, Venezuela announced its support of a coffee-producer initiative to hold back 30 percent of production in hopes of forcing prices up. Venezuela's role is one of seeding the coffee-producer organization with $80 million to tide smaller Central American nations over an expected earnings' decline due to the hold-back plan.

[From the Washington Post, Feb. 13, 1975]

United States Eases Travel Limits for Cubans

(By Barbara Bright-Sagnier)

At the urging of Congressional leaders, the U.S. government has liberalized its strict travel restrictions placed on Cuban diplomats at the United Nations, the State Department confirmed yesterday.

Congressional sources generally interpreted the move as a conciliatory gesture toward Cuba. On trips to Havana, members of Congress have often been told by the Cubans that the travel restrictions were a constant irritant.

The relaxed rules allow the official Cubans to travel 250 miles out of New York City. They were formerly restricted to a 25-mile radius. Among other things, the new rules will allow the Cubans to visit Washington.

A State Department spokesman said the relaxation, decided on Friday and confirmed yesterday, represents "no change" in U.S. policy toward Cuba and the Communist government of Prime Minister Fidel Castro. But Congressional source termed "disingenuous" the State Department's denial of a change in policy. "It's another step toward change," he said. "There will be others as we go along."

Easing the travel restrictions was one of the suggestions put forward to the State Department by Sen. Clairborne Pell (D-R.I.) and Sen. Jacob Javits (R-N.Y.) in a joint report after a four-day visit to Cuba last fall, said Albert Lakeland, a member of Pell's staff who accompanied the senator.

Sen. Edward Kennedy (D-Mass.) also urged extending greater travel rights to the Cubans in New York after a week's trip to the island in December. Kennedy called the State decision a "concrete step toward improving relations with the Republic of Cuba."

Lakeland termed the increased travel radius a "rather small but an easy gesture." The 25-mile restriction, he said, was a limitation "of which the Cubans complained bitterly."

The State Department said the unilateral gesture was made "to put the restrictions against Cuban diplomats in line with those on most other Communist countries." Such restrictions vary considerably.

Representatives of other Communist nations with which the United States has no diplomatic relations—Albania and North Korea, for example—are limited to 25 miles of New York.

Diplomats from the Soviet Union reportedly have no mileage restriction on their travels, but they must inform the U.S. mission to the U.N. of their destinations.

Polish and Romanian diplomats, however, are not asked to report their travels to the U.S. mission. Representatives of East Germany were not allowed to travel beyond 25 miles from New York until diplomatic recognition was extended last September. They may now travel freely.

Cuban Ambassador Ricardo Alarcon said yesterday at the United Nations that his mission had not yet officially been notified of the change, but he said he was pleased at the "gesture."

"I would certainly like to take advantage of the possibility of traveling more widely," said Alarcon. "I have had to turn down university lecture requests" because of the 25-mile restriction, he said.

Ambassador W. Tapley Bennett, assigned to the United Nations under Ambassador John Scali, confirmed that instructions for the relaxation were received at the U.S. mission Friday.

Alarcon said he heard about the change through press queries.

The ambassador, puffing occasionally on a Havana panatella cigar, added that he had long found the U.S. restrictions incomprehensible. Until the change becomes effective, he said, Cuban diplomats are restricted to Manhattan, the Bronx, Westchester, and parts of New Jersey—but they cannot go to Brooklyn.

Cubans may visit a Soviet recreation center in Oyster Bay, Long Island, he said but they must follow a specific route to get there.

The Soviets, he said, may travel via the Long Island Expressway, an interstate highway, "but I am told I have to go by way of Northern Boulevard [through Queens] on which there's a traffic light at every corner."

Alarcon declined to speculate whether the travel relaxation foreshadows a warming of Cuba-American relations.

Congressional sources suggested, however, that other U.S. moves, such as a relaxation on the trade embargo for American-owned companies in third countries, are in the works.

American-owned automobile factories in Canada, for example, may soon be allowed to sell vehicles and parts to the Cuban market. Such sales are now prohibited under the Trading-With-the-Enemy Act.

The Treasury and State Department recently permitted the Canadian factories of Litton Industries to make a large furniture sale to Cuba, and last year permission was granted for Ford, Chrysler and General Motors to sell Argentine-manufactured vehicles to Cuba.

One Congressional source also predicted that a relaxation on restrictions for Americans traveling to Cuba may be forthcoming.

These moves, said a congressional source, are "leading up to the meeting of the [Organization of American States] in April.

"This is a signal to Cuba and the rest of Latin America that we really mean it when we say we don't set such great store by those OAS resolutions any more."

Under pressure from the United States, economic and diplomatic sanctions have been imposed against Cuba with varying severity by most OAS members since 1964.

A Latin move to lift these sanctions was defeated at a November meeting in Quito, Ecuador, by a requirement for a two-thirds vote. At a December meeting of the OAS, the U.S. delegation joined other member states in approving a simple majority instead of the two-thirds vote requirement for lifting the sanctions.

[From the Washington Post, Nov. 1, 1974]

Latins Dismantling U.S.-Sponsored Wall Around Cuba

(By Joseph Novitski)

Bogota, Columbia, November 2.—The diplomatic and economic wall that was built around Cuba by the United States and its Latin American allies more than 10 years ago has begun to crumble under pressure from the Latin Americans.

For 14 years, three U.S. administrations have used economic aid, diplomatic pressure, military intervention and the CIA to enforce a political and economic embargo cutting Cuba off from Latin America.

Now, for the first time since Cold-War tensions began to ease, detente is being allowed into Latin America. But the Cold-War years left their mark and left Latin countries feeling more like the colonies of an empire than partners in an alliance.

"American economic dominance in this part of the world exists as a matter of fact." Carlos Lleras Restrepo, a former president of Columbia, said in a recent interview. "But the Latin countries have learned, after voting along to keep China out of the United Nations for 20 years, that the U.S. changes its diplomatic position strictly in accordance with its own interests and that there is no need to follow."

"The wall isolating Cuba from its natural neighbors and trading partners in the United States, the Caribbean and in South America was designed to keep Fidel Castro's formula for socialist revolution from spreading through the hemisphere. The United States began this isolation by cutting off Cuba sugar imports and all U.S. exports to the island in 1960, a year after Castro came to power, and by backing the abortive invasion at the Bay of Pigs the next year.

Latin American countries then helped to build the wall, slowly and reluctantly, under intense U.S. pressure, with unilateral actions and collective diplomatic decisions taken between 1961 and 1964. Recently, many of the same countries which helped start the quarantine have taken the initiative to end it.

Mexico originally voted against the 10-year-old collective decision forbidding trade and diplomatic relations and has never respected it. Over the last four years, first Chile, under the late President Salvador Allende, then Peru, Argentina and Panama have disregarded the collective decision and have exchanged diplomatic missions and goods with Cuba.

Others want to follow, but decorously. So Columbia, Costa Rica and Venezuela, the firmest U.S. allies when the embargo was set up by the Organization of American States, have requested that the original decision be reconsidered.

Next weekend, a conference of OAS delegates, from 23 countries will meet in Quito and the required two-thirds majority is expected to vote to leave each member country free to choose its own kind of relations with Cuba. For the first time in the history of the Cuban controversy, the United States, so far at Latin diplomats in three countries have been able to determine, has no clear position.

"The problem is over now, said Arturo Frondizi, president of Argentina when the United States under the Kennedy administration began pushing for the isolation of Cuba. Frondizi was one of the former presidents, foreign ministers and diplomats interviewed in Argentina, Brazil and Colombia over the last two weeks on their role in resisting or helping the isolation of Cuba.

"Now we're heading toward the full reincorporation of Cuba in the Latin American community." Frondizi said. "But what has changed is the relation between the U.S. and

Russia, not the relations with Latin America."

Isolating Cuba from Latin America failed to bring down Castro's government or force it to change course, as three U.S. Presidents apparently hoped it would. In the view of those interviewed, it halted the spread of Cuban-style revolution only when the United States was willing to intervene in Latin internal affairs. For these men, the policy had three other effects that were predicted by public figures as it was taking shape in 1961 and 1962.

Frondizi made his predictions in letters to and conversations with his friend President John F. Kennedy. The late Francisco San Tiago Dantas of Brazil, then foreign minister, made his publicly in speeches.

First, Cuba, despite Castro's vaunted nationalism, became a Soviet satellite. Frondizi, trying to head off the isolation in December 1961, warned Kennedy that it would. But the Argentine president came away with the impression that Kennedy was under strong domestic pressure to "do something" about Cuba.

"Imagine that Kennedy asked me, in Palm Beach, not to send my memoranda on Cuba through diplomatic channels," Frondizi said.

Then, the inter-American system of defense alliances and the OAS, which had been built on the principle of self-determination for all member states, was strained to the breaking point. Some say it has broken down as the result of U.S. intervention and of internal differences.

All those interviewed asserted that the precedent for intervention set by the 1962 decision to expel Cuba from the inter-American system opened the way for the U.S. invasion of the Dominican Republic in 1965 and for massive CIA support for opposition to President Allende, who was closely allied to Cuba.

"The U.S. became the great judge of the fitness of governments in the hemisphere," said Sen. Julio C. Turbay, who argued with the United States in favor of diplomatic action against Cuba when he was Colombian foreign minister in 1961. "That was not what we had intended."

This was the second effect seen by the Latins. Finally, Latin domestic politics became increasingly radicalized under the pressure to line up on the U.S. side in the Cold War. Stumbling democratic governments that had favored Cuba's right to go its own way fell to military coups in Argentina in 1962, in Brazil in 1964 and in Chile last year.

"U.S. action in these years radicalized our internal processes and contributed to the failure of democratic experiments to change social and economic structures," Frondizi said.

"I believe opposition by our two countries to the expulsion of Cuba from the inter-American system was one of the factors contributing to the military coups in Argentina, and later, in Brazil," Frondizi stated. The former president added that there were, of course, strong internal political drives leading to the coups in both cases.

There were also internal reasons behind subsequent coups in Bolivia and Ecuador which sided with Argentina, Brazil, Mexico and Chile at the OAS conference in Punta de Este, Uruguay, in January 1962 and did not vote for the U.S. resolution expelling Cuba. Only Mexico, among the countries that opposed the measure, has kept the same form of government since 1962.

"Intervention is bad in any event," said Carlos Lleras, president of Colombia from 1966 to 1970 and a staunch U.S. ally. "It is not the U.S. role to decide the fate of individual countries. But it has, and the result has been that the U.S. winds up supporting right-wing dictatorships in the name of anti-communism. These regimes are repressive of human rights and that gives the U.S. a very bad image."

In the beginning, U.S. hostility to Cuba also took a more positive form. It was channeled into the Alliance for Progress, a huge, hemisphere-wide effort, underwritten by the United States, to show that democratic governments could also deal with social and economic development problems successfully.

The alliance, begun by President Kennedy in August 1961, was an instrument of U.S. policy under President Johnson. It faltered and died under President Nixon. But in the eight years between 1961 and 1969, the United States and international organizations committed more than $18 billion in aid to Latin American countries.

"Generally, the social situation of the Americas today is much better than it was before," Lleras argued. "What happened was that the U.S. mixed cooperation under the alliance with cases of political intervention and secondly, that alliance instruments were eventually used to protect American economic interests."

In the first years of the alliance, there were two cases of the kind of U.S. intervention that Lleras mentioned: in Brazil and Argentina.

The Alliance for Progress included an express commitment to representative democracy. In 1961, President Frondizi in Argentina and President Janio Quadros in Brazil felt they represented majority public opinion in their own countries when they opposed U.S. pressures to begin walling Cuba from the rest of the Americas. Quadros, although a conservative, had even campaigned on the issue of support for the Cuban revolution and won the 1960 elections by the largest majority in Brazilian history.

Frondizi and senior Argentine diplomats who served his government recalled in recent interviews that military and newspaper pressure on his government to change its Cuban policy was intense. Frondizi stated that Argentine intelligence services, which he said were in touch with the CIA, were recommending a break with Cuba and a vote at the OAS to isolate Castro's island.

Then, when he went to Washington on an official visit at the end of 1961, Frondizi recalled, Secretary of State Dean Rusk handed him a packet of letters that had allegedly been stolen from the Cuban embassy in Buenos Aires.

[Rusk, reached by phone in Athens, Ga., said, "I have no recollection of the incident," although he did recall meeting Frondizi on a visit to the United States.]

"The letters named men of my absolute confidence as Cuban agents," Frondizi said. "They were false on the face of it. Furthermore, the forgery was badly done. It was done by Argentine intelligence services, guided by the CIA, in cooperation with Argentine citizens and Cuban exiles."

That charge has been made before, but Frondizi's accusation has recently received indirect corroboration from Phillip Agee, a former CIA agent writing a book about his service in Latin America. At the time, Frondizi was faced with the allegedly forged letters, similar letters had served the Peruvian government as an excuse to break diplomatic relations with Cuba. Agee, then stationed in Ecuador, made an entry in his diary for Dec. 30, 1960.

"Peru's break in relations with Cuba today [is in part] the result of a Lima [CIA] station operation in November," says the Agee manuscript. It describes a raid by Cuban exiles on the Cuban embassy in Lima, when some documents were stolen. "The Lima station inserted among the authentic documents several that had been forged, including a list of persons in Peru who received payments from the Cuban embassy totaling about $15,000 monthly."

In Brazil, which was the leader among countries opposing American policy on Cuba, the traces of U.S. intervention are closer to the military coup in 1964 that toppled Joao Goulart, an ineffective vice president who succeeded Quadros after the latter resigned. The coup replaced Goulart with a pro-American military government that has been in power ever since.

President Kennedy tried hard to get first Quadros, then Goulart lined up with the U.S. Cuban policy and linked fully with the Alliance for Progress. He failed. An exasperated Johnson administration was considering a declaration in late 1963 that Brazil could not pay its debts.

With the threat of a declaration of international bankruptcy, three Brazilians went to Goulart on Dec. 31, 1963—three months before the coup—seeking a presidential statement in favor of the Alliance for Progress, to head off the U.S. declaration.

The three were former Foreign Minister Dantas, Miguel Osorio, a career diplomat then serving in the Brazilian embassy in Washington, and Renato Archer, a congressman who had served as deputy foreign minister.

"Goulart said he would not make any such statement because the Americans were already conspiring against him with Brazilian army officers," Archer recalled last week in Rio de Janeiro. Goulart "reached behind his desk and brought out a folder and read a list of reports about meetings between Col. Vernon Walters, the U.S. army attache, and generals we all knew were against Goulart."

Col. Walters served until after the coup in the U.S. embassy and was promoted to general. He is now deputy director of the CIA.

"I think Walters became the liaison between several groups in the army that were plotting against Goulart," said Afonso Arinos de Mello Franco, another Brazilian former foreign minister. "He was the man who had access to all of them and could move around."

Governments and policies change and even Castro has been showing signs that he wants an end not only to Cuba's isolation from Latin America but from the United States as well.

The top of the wall around Cuba was completed in 1964, after the coup in Brazil, when the Democratic Action government of Venezuela presented evidence to the OAS of clandestine Cuban landing of arms on Venezuelan territory.

Under the collective defense treaty of Rio de Janeiro, with a two-thirds rule in effect, the membership voted to make the break in diplomatic and trade relations with Cuba mandatory.

It is that decision that will be under review starting Friday in Quito—with the Venezuelans, again under a Democratic Action Party government, among the leaders of those in favor of lifting the sanctions.

The U.S. embargo, in effect since 1960, was unilateral and is not under consideration.

But what has begun to be reconsidered in the United States, as seen from South America, is the ringing affirmation made 13 years ago by the chief of the U.S. delegation to the inter-American conference that drafted the Alliance for Progress. At that conference, Secretary of the Treasury Douglas Dillon referred to Che Guevara, chief of the Cuban delegation, and declared:

"He has tried to give the impression that the United States somehow recognizes the permanence of the present regime in Cuba. This we do not do and never will do. . . ."

[From the Baltimore Sun, Nov. 20, 1974]

THE CUBAN BOYCOTT REPRIEVED

(By Ben F. Meyer)

WASHINGTON.—Some Latin American countries blame the United States for the recent debacle in inter-American affairs in which a conference called for the specific purpose of lifting the sanctions on Cuba failed to do so.

The current criticisms are based on the fact that the U.S. delegation abstained from voting at the Quito, Ecuador, conference of foreign ministers on a proposal to end the boycott imposed by the Organization of American States (OAS) in 1964.

Only history will determine whether the U.S. abstention was wise or unfortunate as viewed on a long-term basis. My own impression, however, is that the immediate result will be damaging in Latin America and, perhaps even more importantly, in the growing list of nations in the world which feel the U.S. policy toward Cuba has been a mistake.

The recent overwhelming vote in the United Nations to hear Palestine guerrilla leader Yasir Arafat, the honors given him there, and the suspension of South Africa from the U.N. Assembly suggest the strength of the coalition of forces confronting the U.S. role in world affairs.

Some Latin Americans and a great many of this country's outstanding editors, scholars and international exports felt that the new dialogue policy advocated by Secretary of State Henry Kissinger requested the United States to take a more affirmative role at Quito.

Washington, they argued, could have gone along with the 12 nations wishing to end the boycott, even if it had no idea of restoring relations with Cuba just now—another point in controversy in this country and elsewhere.

Before the Quito conference Gonzalo J. Facio, the foreign minister of Costa Rico, a nation with a long tradition of democracy and of stern disapproval for the form of government in Cuba, made an eloquent appeal for an end of the boycott of the Castro regime. He said the sanctions were a result of the cold war of the 1960's in which hemisphere nations now are excluded from the current era of negotiation while the thaw in international relations finds the big powers urging detent. Facio said the maintenance of the sanctions were proving disruptive to inter-American cordiality and damaging to hemispheric jurisprudence due to recognition of the Castro government by seven OAS member nations in violation of the 1964 boycott.

In any case, said Facio, Cuba's many efforts to export revolution had failed and that the time had come to help re-unite the inter-American family.

It seems to me that there were circumstances much more compelling than the U.S. abstention which produced the debacle of Quito.

Brazil's foreign minister, Antonio Francisco Azeredo da Silveira, may have expressed the basic problem when he said:

"The time is not ripe to take a decision."

Aside from complex international economic and diplomatic problems, the six countries which abstained and the three which voted no had various reasons for their positions.

Legally, of course, the United States, Brazil, Bolivia, Guatemala, Haiti and Nicaragua were within their rights in abstaining, as were Chile, Paraguay and Uraguay in voting no, and 12 other countries in voting yes.

One point, emphasized by Bolivia, once the major target of Cuban guerrilla forces, was a nagging question worrying various nations—a lack of positive assurances from Prime Minister Castro that Cuba will not in the future attempt the overthrow of other governments in the region. Bolivia expressed it this way:

"A hasty solution which does not provide the slightest guarantees that aggressive policies are being abandoned certainly would not provide a climate of concord in our hemisphere."

In addition, some were troubled by the possibility of damage to the OAS since Castro had said he would not re-enter that agency unless the United States were excused. To these it seemed he was suggesting substituting Uncle Sam for himself in the isolation ward.

A further problem for some were attacks on their governments by Cuban officials at the United Nations, the food conference in Rome (where Brazil was assailed) and in speeches by Havana officials.

Some months before the Quito conference Brazil left the impression it was strong enough to have no fear Cuba could do anything in Brazil and that it would go along with lifting the sanctions if most nations wanted to do so. The speech in Rome may have caused Brazil to pull back.

Chile, Uruguay and Paraguay insisted Cuba was still actively supporting subversive activities in these nations and elsewhere.

One situation was never explained publicly. Costa Rica, Colombia and Venezuela sponsored the call for the Quito conference, obviously confident they could get the 14 votes needed. They failed by two votes. Did two nations renege. If so, why? Did the three sponsoring countries fail to do their advance work? In the Spanish-speaking countries the questions would be answered with a question: "Quien sabe?" (Who knows).

[From the Los Angeles Times Nov. 10, 1974]

END OF CUBAN ISOLATION PREDICTED

(By David F. Belnap)

QUITO, ECUADOR.—A top official of Peru's left-leaning revolutionary government of the armed forces forecast Saturday that Cuba's isolation within the American community is about to end.

Although the outcome of the hemispheric meeting here on the Cuban question is still in doubt, Gen. Miguel A. de la Flor, Peru's foreign minister, predicted:

"Whatever the formal result of our deliberations may be, this conference will constitute the coffin for the (diplomatic and trade) sanctions imposed against Cuba in 1964."

Fourteen votes—two-thirds of the 21 American nations eligible to vote at the Organization of American States foreign ministers' conference under way here—are needed to put a formal end to the sanction.

Twelve nations have indicated they will vote in favor of a resolution that would end the Cuban sanctions. Three others—Chile, Paraguay, Uruguay—are firmly opposed.

The intentions of the United States, Haiti, Guatemala, Nicaragua, Bolivia and Brazil have not yet been disclosed.

An informed source reported the United Sates is "not hostile to the resolution" but that doesn't necessarily mean that Dep. Secretary of State Robert S. Ingersoll, representing the United States at the conference, will cast an affirmative vote.

It was not known whether Ingersoll would formally address the conference, which began Friday and is scheduled to end with the voting next Tuesday after each country's representative has had his say.

A case against lifting the sanction was put forward in strong speeches by the foreign ministers of Chile, Paraguay and Uruguay. All three charged that Fidel Castro's Communist regime is still actively backing subversive movements elsewhere in the hemisphere—the reasons that the sanctions were imposed in the first place.

[From the New York Times, Nov. 13, 1974]

CUBA'S SUPPORTERS ARE DEFEATED IN ATTEMPT TO OVERTURN OAS SANCTIONS

(By Jonathan Kandell)

QUITO, ECUADOR, November 12.—A resolution to end the economic and political blockade imposed on Cuba by the Organization of American States a decade ago was defeated today when it failed to gain the support of the required two-thirds majority of O.A.S. members.

The vote means that more Latin-American countries will flout the O.A.S. prohibitions and establish ties with the Government of Premier Fidel Castro. Seven members—Argentina, Peru, Panama, Mexico, Trinidad and Tobago, Jamaica and Barbados—have already done so.

But today's outcome also means that Cuba continues to be formally considered an outcast by the most important regional organization in the hemisphere.

The resolution, sponsored by Costa Rica, Colombia and Venezuela, called for a straightforward abolition of the trade and diplomatic quarantine invoked against Cuba in 1964 because of her supposed support of Marxist guerilla movements in the hemisphere. It noted "the change in circumstances" in the last decade—an allusion to the belief by most O.A S. members that the Cubans are no longer a threat to Latin-American governments.

But the resolution's supporters, who previously had expressed confidence that it would receive as many as 16 votes, overestimated their strength and tried desperately in the last few days—in corridor encounters, public speeches and late-night meetings in hotel rooms—to coax more delegates into backing them.

They circulated a softer draft resolution that would have simply permitted O.A.S. members to re-establish ties with Cuba on their own.

When it became apparent in the last two days that not even that proposal could win the necessary 14 votes, they decided to fall back on the initial, tougher resolution, and angrily denounced the resisting minority, particularly the United States.

The American delegation—notable for the absence of Secretary of State Kissinger—maintained a stone-faced silence through most of the five-day conference, attending the discussions but seldom participating in the debates.

"We have remained silent prior to the vote because we wished to avoid even the appearance of influencing by our remarks or by our actions the outcome of this meeting," said Under Secretary of State Robert S. Ingersoll, the head of the delegation, in a speech after the voting. "We have not voted no and we have not worked against the resolution."

CUBAN HOSTILITY CITED

According to Mr. Ingersoll, the United States initially opposed a review of the anti-Cuban sanctions at this time, but was "persuaded by other nations that the issue should be discussed."

He acknowledged that a majority now existed for lifting the sanctions, but reminded the other delegates that "for some of us, evidence of Cuban hostility is fresh in our minds."

"If this meeting of consultation has not produced a conclusive result," said Mr. Ingersoll, "it has at least aired in a constructive way the fact that there is no easy solution to the problem of a country which deals with some on the basis of hostility and with others on the basis of a more normal relationship."

Mr. Ingersoll appeared to leave an open door to a future change in Washington's position on the issue when he said that "the United States has voted in accordance with its own perception of this question at this time."

The resolution's supporters sharply criticized the position of the United States, arguing that neutrality was tantamount to hostility because abstentions counted as negative votes.

The Venezuelan Foreign Minister, Efrain Schacht Aristiguieta, termed the absence of Mr. Kissinger "a deplorable example of the little interest he had in strengthening and sustaining" the O.A.S.

Foreign Minister Gonzalo Facio of Costa Rica accused the United States of applying pressure only when "it is interested in accomplishing something." The decision to abstain, he said, placed the American delegation squarely with the minority.

After the vote, the 12 countries that had backed the resolution issued a statement condemning the sanctions as "anachronistic, ineffectual and irksome" and asserting that they "should have been formally rescinded."

The statement termed the two-thirds rule used in today's voting "an absurd proceeding, contrary to the democratic sense that should govern international bodies" and warned that the failure of the resolution "seriously compromises the authority of the O.A.S. It predicted that members would continue to violate the sanctions and establish relations with Cuba.

In a separate statement, the Foreign Minister of Peru, Gen. Miguel Angel de la Flor Valle, said, "The results of the voting clearly demonstrate the precariousness and weakness of the inter-American system."

But other delegates sought to play down the effect of today's voting on the organization's unity and authority.

"Cuba has absorbed far too much of our attention in recent years," said Mr. Ingersoll. "We must not let a failure of agreement on the Cuban issue, at this time, obscure our common interest in working together toward mutually beneficial relationships."

[From the New York Times, Nov. 9, 1974]

OAS Meeting Opens With Call for Lifting of Cuban Sanctions

Quito, Ecuador, November 8.—The President of Ecuador opened a five-day ministerial meeting of the Organization of American States here tonight with a call for an end to economic and political sanctions against Cuba.

The President, Guillermo Rodriguez Lara, said such action would reopen "lines of communication between the peoples of the continent and reduce tension."

Earlier in the day, as such protocol events as the official registration of the delegations proceeded, concern was expressed by a number of Latin-American foreign ministers that the O.A.S. would be severely weakened if a minority prevented the lifting of the sanctions voted against Cuba in 1964.

Behind the scenes, canvassing was continued for the necessary 14 votes to end the sanctions, or two-thirds of those who supported the United States-inspired sanctions resolution of 1964.

By most formal counts, the sure votes stood at 12, with the opinion of several nations still unknown.

Under Secretary of State Robert S. Ingersoll, who arrived here today to head the United States delegation in the absence of Secretary of State Kissinger, said Washington approached the conference in a "constructive spirit." There are predictions here that the United States might abstain in the vote, which is expected on Tuesday.

"A majority has already come out in favor of lifting the sanctions," said the Peruvian Foreign Minister, Miguel Angel de la Flor Valle. "There is no reason for this situation to continue."

He predicted that the sanctions would be lifted "whether or not we get the 14 votes," but warned that an insufficient vote would "minimize the prestige of the O.A.S."

The Minister noted that eight nations in the hemisphere already had restored economic and diplomatic ties with Havana, and that more countries were certain to follow, thus threatening to make the O.A.S. sanctions irrelevant.

"We never accepted the legality of that measure," said the Mexican Foreign Minister, Emilio O. Rabasa, referring to the sanctions. Mexico was the only Latin-American nation not to break diplomatic ties with Cuba after the 1964 resolution.

[From the Washington Post, Jan. 30, 1975]

Latins End Isolation of Cuba at U.N.

United Nations, January 29.—After more than a decade of systematic isolation from Latin American group activities here, Cuba today participated in a formal caucus of the 26 delegations, in what the Cuban ambassador called "the end of an era at the U.N."

Since the Organization of American States acted in 1963 to isolate Cuba diplomatically, the United Nations' Latin American group has ceased meeting formally, and had done its work—the defining of regional positions on U.N. issues and the negotiation of candidacies for various U.N. bodies—through "informal" meetings to prevent Cuban participation.

Today, after more than a month of quiet consultation, this month's caucus chairman, Ambassador Donald Mills of Jamaica, convened a formal meeting.

"Mills decided that enough of this travesty was enough," said one Latin American diplomat, "and no one in the group made any objection. As far as we know there was not a peep of the U.S. From now on, Cuba is in on everything."

Cuba's Ricardo Alarcon Quesada was the last man to enter the meeting, rushing a bit and smoking a long Havana panatela. A hush fell and then Mills and Argentine Ambassador Carlos Ortiz de Rozas shook the Cuban's hand. The doors were closed and the private meeting began.

After the meeting, which lasted about an hour, diplomats reported that all had gone smoothly. The discussion concerned Latin attitudes toward the United Nations' work program for this year, they said.

In the meeting, apparently, no one referred directly to Cuba's presence, although several representatives said in passing that the meeting was "timely."

"The political implications of today's meeting were obvious," Alarcon said. "The Latin American group now reflects the times and the spirit of the U.N. For some in it, it was a transition from the stone age to modern times in one afternoon."

A majority of OAS members now support an end to the OAS boycott of Cuba. Alarcon said this move would "have an impact there only to the extent that it is a new defeat for the OAS policy of isolation."

By Mr. HUGH SCOTT:

S. 936. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for certain amounts paid by a taxpayer for tuition and fees in providing certain education for himself, his spouse, and his dependents. Referred to the Committee on Finance.

Mr. HUGH SCOTT. Mr. President, I am pleased today to offer a bill which will allow a tax deduction for certain tuition and fees incurred by a taxpayer while providing education for himself, his spouse, and his dependents. In essence, this bill is aimed at aiding the middle-income taxpayer by establishing a cost cushion against the rising costs of education.

I have been disturbed recently by skyrocketing tuition costs which seem to hit the middle-income taxpayer the hardest. My bill will allow a tax deduction for tuition and fees up to $2,000 for both higher education and postsecondary vocational education. Anyone earning less than $25,500 annually would be eligible to take this deduction.

In the past, most legislation aimed at tax deductions for education addressed itself to higher education only. My bill goes one step further, by financially aiding those pursuing further vocational education. I also hope it will serve as an incentive for many people to consider continuing their education who would not have been able to do so without this additional assistance.

The bill I am introducing today is identical to a bill I introduced last year and is similar to measures I have introduced in each Congress since 1958. Several times it has been adopted by the Senate as an amendment to a comprehensive tax bill, but it has always been knocked out in conference. I have always been hopeful that the Congress will see the urgent need for this legislation and I continue to be hopeful. But this year the crisis has grown with the escalating costs of education and inflation. This year the need is even greater.

Mr. President, I ask unanimous consent that the text of this bill be inserted in the Record following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 936

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by designating section 219 as section 220, and by inserting after section 218 the following new section:

"Sec. 219. Tuition and Fees for Education.

"(a) Allowance of Deduction.—In the case of an individual, there shall be allowed as a deduction the sum of the amounts paid by the taxpayer during the taxable year to an eligible educational institution for—

"(1) tuition and fees required for the attendance of the taxpayer, his spouse, or a dependent at such institution, and

"(2) fees required for courses of instruction in which the taxpayer (his spouse, or a dependent is enrolled at such institution.

"(b) Limitations.—

"(1) Full-time student.—No deduction shall be allowed under subsection (a) for amounts paid during the taxable year for tuition and fees with respect to any individual unless that individual, during each of 4 calendar months during the calendar year in which the taxable year of the taxpayer begins, is a full-time student above the secondary level at an eligible educational institution.

"(2) Amount for each individual.—Deduction shall be allowed under subsection (a) for amounts paid during the taxable year for tuition and fees with respect to any individual only to the extent that such amounts do not exceed *$2,000.*

"(3) Spouse.—No deduction shall be allowed under subsection (a) for amounts paid during the taxable year for tuition and fees for the spouse of the taxpayer unless—

"(A) the taxpayer is entitled to an exemption for his spouse under section 151(b) for the taxable year, or

"(B) the taxpayer files a joint return with his spouse under section 6103 for the taxable year.

"(4) PERSONAL AND LIVING EXPENSES.—No deduction shall be allowed under subsection (a) for any amount paid, directly or indirectly, for any personal or living expense during the taxable year. In the event an amount paid as tuition or fees includes an amount for any personal or living expense which is not separately stated, the portion of such amount paid which is attributable to such personal or living expense shall be determined under regulations prescribed by the Secretary or his delegate.

"(5) ADJUSTED GROSS INCOME IN EXCESS OF $23,500.—The amount of the deduction allowed by subsection (a) for a taxable year (determined without regard to this paragraph) shall be reduced by the amount by which the adjusted gross income of the taxpayer, and his spouse, if any, for such year (determined without regard to section 62(10) exceeds $23,500.

"(c) REDUCTION FOR CERTAIN SCHOLARSHIPS AND VETERANS BENEFITS.—The amount paid for tuition and fees with respect to any individual which (but for this subsection) would be taken into account under subsection (a) shall, under regulations prescribed by the Secretary or his delegate, be reduced by any amounts received by or for such individual during the taxable year as—

"(1) a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which under section 117 is not includible in gross income. and

"(2) educational assistance allowance under chapter 34 or 35 of title 38 of the United States Code

"(d) DEFINITIONS.—For purposes of this section—

"(1) ELIGIBLE EDUCATIONAL INSTITUTION.—The term 'eligible educational institution' means—

"(A) an institution of higher education; or

"(B) a vocational school.

"(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means an institution of higher education as defined in section 1201(a) of the Higher Education Act of 1965.

"(3) VOCATIONAL SCHOOL.—The term 'vocational school' means an area vocational education school as defined by section 108(2) (C) and (D) of the Vocational Education Act of 1963.

"(4) COURSE OF INSTRUCTION.—The term 'course of instruction' means a course of instruction for the successful completion of which credit is allowed toward a baccalaureate or higher degree by an institution of higher education authorized to confer such degree or toward a certificate signifying completion of required course work or training.

"(5) DEPENDENT.—The term 'dependent' has the meaning assigned to it by section 152(a).

"(e) EXCEPTION.—Subsection (a) shall not apply to any amount paid which is allowable as a deduction under section 162 (relating to trade or business expenses).".

(b) The table of sections for such part is amended by striking out—

"Sec. 219. Cross reference."

and inserting in lieu thereof

"Sec. 219. Tuition and fees for education.
"Sec. 220. Cross references."

SEC. 2. Section 62 of the Internal Revenue Code of 1954 (relating to the definition of adjusted gross income) is amended by inserting after paragraph (9) the following new paragraph:

"(10) DEDUCTION FOR EDUCATION EXPENSES.—The deduction allowed by section 219.".

SEC. 3. The amendments made by this Act shall apply to taxable years beginning after December 31, 1974.

By Mr. NUNN (for himself, Mr. BARTLETT, Mr. CHILES, Mr. DOMENICI, and Mr. PERCY):

S. 937. A bill to reorganize the executive branch to establish a National Center for Productivity and Quality of Work, to provide for a review of Federal laws, regulations, and policies with respect to their impact on productivity, to encourage labor, industry, and Government efforts to improve productivity growth in all sectors of the economy; to authorize a program of grants, and for other purposes. Referred to the Committee on Government Operations.

NATIONAL PRODUCTIVITY ACT OF 1975

Mr. NUNN. Mr. President, on behalf of myself and Senators BARTLETT, CHILES, DOMENICI, and PERCY, I introduce the National Productivity Act of 1975.

I introduced a similar bill, S. 4130, in the 93d Congress and I had the honor of chairing hearings in the Committee on Government Operations on both that bill and a measure introduced by the distinguished Senator from Illinois (Mr. PERCY).

This new bill reflects some of the recommendations made by witnesses at those hearings, which were held on December 16 and 17, 1974. The committee was fortunate at that time to have 23 distinguished witnesses testify on behalf of Government, business, labor, and the academic community, and much valuable testimony and materials were adduced.

Senator PERCY already has introduced S. 765, a revised version of his bill which contains many of the recommendations made by the witnesses. I applaud his leadership in this area over the past several years, and I look forward to our working together in the Committee on Government Operations to fashion the best possible legislation.

Our hearings in December emphasized the critical need to increase productivity and to improve the quality of working life for all Americans.

You do not have to be an economics professor to realize that inflation and recession represent twin dangers to our economy and to the well-being of all our citizens. According to some sources, the average worker's paycheck, after taxes and inflation are taken into account, has declined some 8 percent over the past 2 years. Our productivity which was once steadily improving has begun to decline. Output per man hour in the United States has failed to keep pace with costs.

As Business Week magazine pointed out in its issue of February 10, 1975—

> Productivity declined at an annual rate of 5.1% in the fourth quarter, adversely affected by a sharp drop in output.
>
> At year end, output per man hour in the private economy was 3.7% below a year earlier—while compensation per man hour was 9.8% higher.
>
> Some mild softening in productivity for a brief period normally accompanies an economic downturn. But the current slide in output per man hour is both the most prolonged and the most serious since data was first compiled in 1947.

The Wall Street Journal this morning noted that the output per hour of work has declined for seven quarters in a row, that the overall manufacturing productivity has fallen at a 1.3-percent annual rate, and that the indicator has fallen in four of the past five quarters.

During the past several years the countries of Western Europe have achieved higher productivity levels than the United States, and of course, Japan's productivity growth has been fantastic. I think it is clear that declining productivity is one of our primary economic troubles, and one of our major tasks must be to find a cure.

We can continue to improve our living standards only if we develop new ways to improve our use of technological and human resources. We cannot expect improvements in productivity unless we have the proper tools, facilities and machinery. It also demands capital investments. Perhaps most importantly, it also needs people—people who want to do a better job, not necessarily by working harder but by working smarter. Concurrently, we must improve the working conditions and the quality of work life for all our citizens.

One major area that adversely affects productivity in the United States is that our free enterprise system has become increasingly bogged down with regulations that stifle the incentive for efficiency.

Another area is that other industrialized countries are making a much larger effort to encourage investments than we are. We invest only about 16 percent of our GNP while Germany, France, and Japan invest 26, 28, and 36 percent, respectively.

I think it is ironic that some of the most successful foreign industrialized nations have productivity centers that were established in response to U.S. prodding and often with U.S. aid. Yet in the United States, with the immensity of our economic problems, we have no permanent organization or association that focuses on improving productivity. I find this incredible. You might say the students have outproduced the teacher.

The causes of the decline in productivity are varied and complex, and a solution will not be simple. My new bill is designed to implement a Federal policy and program, and to establish the machinery, to bring about a reversal in this decline.

The purposes of the bill are to establish a national policy which will encourage productivity growth consistent with the needs of the economy, the environment, and the work force; to stimulate the adoption of new methods and technology by all sectors of the economy; to promote efforts to continuously review and improve efficiency and morale within all sectors of the economy; and to establish an independent National Center for Productivity and Quality of Work to carry out these purposes.

Federal agencies will be required to prepare statements to accompany every recommendation or report on proposals for legislation, every major program recommendation submitted in the President's budget, and every other major action significantly affecting productivity setting forth the impact the proposal or action will have on productivity.

Agencies also will be required to take other actions to promote increased productivity, including their own internal operations. They also shall review their own statutory authorities, rules, regulations, policies, and procedures and recommend to the President measures that may be necessary to bring these into conformity with the purposes of the bill.

The President will be required to submit an annual productivity report to Congress setting forth various factors affecting productivity, including recommendations for remedying deficiencies of existing programs and activities.

An independent National Center for Productivity and Quality of Work will be established to gather and disseminate information pertaining to productivity, to coordinate research and development, to provide grants and contracts to agencies, institutions of higher education, private organizations, and State and local governments to conduct research or demonstration projects or to establish State or local productivity centers to carry out programs and projects designed to stimulate productivity growth.

The Center will be under the general supervision of a Council on Productivity and Quality of Work. The 11 members of the Council will be appointed by the President, subject to confirmation by the Senate, from industry, labor, universities, and Federal, State and local governments. The members will serve terms of 2 years, and a Chairman will be selected by the President.

A Director and Deputy Director will be in charge of the Center. No more than 100 employees, including consultants and experts, may be hired by the Director.

The bill provides that the Center and Council will exist for 5 years. A total of $65 million is authorized to be appropriated for the first 3 of those years.

The existing National Commission on Productivity and Work Quality, which is within the Executive Office of the President, will be abolished, and its staff transferred to the new center.

In his recent economic message, President Ford stressed the need for increased productivity, and he has promised to revitalize the existing National Commission on Productivity and Work Quality. However, his budget proposal for fiscal year 1976 includes a request for $2.5 million for the Commission, which will provide an authorized staff of 20 persons and 8 consultants. This is the same level as in the past year, when the Commission had little to show for its efforts. In addition, the President has nominated the Chairman of the Commission, Dr. John Dunlop, to be Secretary of Labor, thus leaving the Commission without a leader for the time being.

In my estimation, these actions by the President do not indicate a revitalization of the Commission. Therefore, I believe that the time is right for Congress to legislate in order to bring direction to our national efforts to increase productivity. While we must find every avenue to reduce Federal spending, I believe that the funds provided for Federal, State, and local productivity efforts will repay themselves many times over by assisting in full economic recovery.

Mr. President, the National Productivity Act of 1975 which I introduce today strives for coordinated effort to stimulate productivity growth, not only by each Federal agency but by State and local government, institutions of higher education, private organizations, business, industry, and labor.

Increasing productivity should not be a one-shot proposition, but should be a day-to-day, month-to-month, and year-to-year continuing task. Only by steadily increasing rate of productivity over the years can we increase our standard of living without inflation. Productivity increases may not be the only answer, but a dedicated and continuing effort to increase our nation's productivity will surely be a major step in the right direction.

In summary, this legislation provides for:

First. A clear Federal policy statement on productivity as guidance to Federal agencies and courts in measuring and considering the impact of laws, regulations, and policies on productivity.

Second. A small independent agency—a national center—for gathering, disseminating productivity information, coordinating research and development, providing grants, insuring that Federal policy is being carried out, and preparing annual and other reports required by law;

Third. A review of all existing and future laws, regulations, and policies to insure compatibility with the federally declared productivity policy;

Fourth. A grant program to provide for research and development and information gathering;

Fifth. A grant program to provide for State and local initiatives principally using institutions of higher education to establish productivity centers and technical assistance programs; and

Sixth. A Federal agency effort to increase internal productivity.

I ask unanimous consent that the text of the bill, a section-by-section analysis of it, and my opening statement from last year's hearings be inserted in the RECORD at this point.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 937

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Productivity Act of 1975."

TITLE I—STATEMENT OF FINDINGS, PURPOSES, AND POLICY

FINDINGS

SEC. 101. The Congress finds that—

(1) the rate of productivity growth in the United States has declined during four of the past six years;

(2) the decline in the rate of productivity growth has contributed both to inflation and to economic stagnation and has adversely affected the competitive position of the United States in the world markets;

(3) laws, regulations, and procedures in many cases have adversely affected productivity growth, and failure to consider the impact of proposed governmental action has been a significant factor in the decline of productivity;

(4) industry, services, and government have all suffered a decline in productivity growth; and

(5) the effect on productivity on the economy, inflation, recession, and the competitive position of the United States in world markets must be better understood and information regarding productivity more widely disseminated.

PURPOSES

SEC. 102. The purposes of this Act are—

(1) to establish a national policy which will encourage productivity growth consistent with the needs of the economy, the environment, and the work force;

(2) to stimulate the adoption of new methods and technology by all sectors of the economy;

(3) to promote efforts to continuously review and improve efficiency and morale within all sectors of the economy; and

POLICY

SEC. 103 It shall be the continuing policy of the Federal Government, in cooperation with State and local governments, to use all practicable means and measures, including financial and technical assistance, to stimulate a high rate of productivity growth in all sectors of the economy. The laws, rules, regulations and policies of the United States shall be so interpreted as to give full force and effect to this policy.

TITLE II—AGENCY REQUIREMENTS

PRODUCTIVITY STATEMENT

SEC. 201. (a) Each agency of the Federal Government shall include in any recommendation or report on proposals for legislation, in any major program recommendation contained in the President's budget, and in any other major Federal action significantly affecting productivity, a detailed statement setting forth—

(1) the impact of the proposal on national productivity;

(2) the economic effects of the proposal;

(3) the relationship between the maintenance and enhancement of long-term prouctivity and the effects on the environment that may be incurred by the proposal;

(4) efforts made to provide a systematic and comprehensive approach incorporating all relevant considerations, including efficiency, energy, environment, work conditions, and safety considerations; and

(5) the benefits to be gained by the proposal versus the cost of implementation, the anticipated short-term capital requirements versus the anticipated life of the proposal, and the expected life of the proposal versus the expected initiation of successor action.

(b) Prior to making any such detailed statement, the responsible Federal official or employee shall consult with, and obtain the comments of, any Federal agency which has jurisdiction by law, or which has special expertise, with respect to productivity.

(c) Copies of each detailed statement, the comments of other Federal agencies, and any comments and views of appropriate State and local agencies which are authorized to develop and promote productivity growth, shall be submitted to the President, the Secretary of Commerce, the Secretary of Labor, and the National Center for Productivity and Quality of Work, and shall be made available to the public in accordance with section 552 of title 5, United States Code. Such detailed statements and agency comments and views shall accompany the proposal throughout the process by which it is reviewed in the executive branch. In the case of proposed legislation, such statements and agency comments and views shall be submitted to the President of the Senate and to the Speaker of the House of Representatives.

AGENCY ACTION

SEC. 202. Each Federal agency shall—

(1) study, develop, and describe appropriate alternatives to recommend courses of action in any proposal which involves unresolved conflicts concerning the impact on productivity;

(2) provide appropriate support to initiatives, resolutions, and programs designed to maximize regional and international cooperation in anticipating and preventing actions adversely affecting productivity;

(3) make available to State and local governments, public institutions, industry, and individuals appropriate advice and information designed to maintain, enhance, and promote sustained productivity growth; and

(4) upon request, render assistance to the National Center for Productivity and Quality of Work.

INTERNAL PRODUCTIVITY

SEC. 203. Each Federal agency shall promote maximum productivity within its own internal operations by establishing a small, directorate level staff to study present organizational structures, to review and reinvigorate incentive, suggestion, safety, and other programs designed to enhance internal productivity, to provide for improved operations, to maintain a current awareness program on productivity improvement in general, and to conduct studies to improve governmental efficiency and provide for the adoption and implementation of recommendations resulting from such studies which are applicable to the particular agency

AGENCY REVIEW

SEC. 204. (a) Each Federal agency shall review its statutory authority, rules, regulations, policies, and procedures for the purpose of determining whether there are deficiencies or inconsistencies therein which prohibit full compliance with the purposes and policies of this Act.

(b) Each Federal agency shall propose to the President not later than January 1, 1976, and at least once every four years thereafter, such measures as may be necessary to bring its authority and policies into conformity with this Act.

PRODUCTIVITY REPORT

SEC. 205. Not later than October 1 of each year beginning with 1976, the President shall transmit to the Congress a productivity report setting forth—

(1) the status and condition of the major factors affecting productivity, including but not limited to capital investments, technological advances, structure of private industry, and labor, management, and government programs;

(2) present and future trends in the quality, quantity, management and use of the major factors affecting productivity and the effects of these trends on the economic and other requirements of the United States;

(3) the adequacy of the productive base of the United States for fulfilling the economic requirements of the Nation;

(4) the programs and activities of the Federal Government, State and local governments, industry, labor, and other non-governmental entities or individuals, with particular reference to their effect on productivity; and

(5) a program for remedying deficiencies of existing programs and activities, together wtih recommendations for legislation.

EFFECT ON PRIOR PROVISIONS

SEC. 206. Nothing in this title affects any specific statutory obligation of any Federal agency (1) to comply with productivity policy, (2) to coordinate or consult with my other Federal or State agency, or (3) to act, or to refrain from acting, contingent upon the recommendations or certification of any other Federal or State agency.

TITLE III—NATIONAL CENTER FOR PRODUCTIVITY AND QUALITY OF WORK; COUNCIL ON PRODUCTIVITY AND QUALITY OF WORK

ESTABLISHMENT OF CENTER AND COUNCIL

SEC. 301. (a) There is established as an independent agency of the Federal Government the National Center for Productivity and Quality of Work (hereinafter referred to as the "Center").

(b) The Center shall be under the general supervision of a Council on Productivity and Quality of Work (hereinafter referred to as the "Council").

MEMBERSHIP OF COUNCIL

SEC. 302. (a) The Council shall be comprised of eleven members, including—

(1) three members who shall be appointed by the President, by and with the advice and consent of the Senate, from distinguished private individuals in labor unions;

(2) three members who shall be appointed by the President, by and with the advice and consent of the Senate, from distinguished private individuals in manufacturing and service industries;

(3) one member who shall be appointed by the President, by and with the advice and consent of the Senate, from distinguished private individuals in leading institutions of higher education in the fields of engineering, business, or public administration;

(4) one member who shall be appointed by the President, by and with the advice and consent of the Senate, from distinguished private individuals in State and local government;

(5) the Secretary of Commerce;

(6) the Secretary of Labor; and

(7) the Secretary of the Treasury.

(b) The members of the Council appointed under clauses (1), (2), (3), and (4) of subsection (a) shall be selected from among the highest leadership in their various communities. Not more than eight members of the Council shall be members of the same political party.

(c) The members of the Council appointed under clauses (1), (2), (3), and (4) of subsection (a) shall be appointed for two-year terms, and each such member may serve only two such terms. Members other than members appointed under such clauses shall serve as long as such member is the head of the department represented on the Council.

(d) The President shall select a Chairman for one 2-year term only.

(e) Any member appointed to fill a vacancy occurring before the expiration of the term for which is predecessor was appointed shall be appointed for the remainder of that term.

(f)(1) Each member of the Council appointed under clauses (1), (2), (3), and (4) shall be compensated at the daily rate provided for GS-18 of the General Schedule under section 5332 of title 5, United States Code, including traveltime, for each day he is engaged in the performance of his duties as a member of the Council and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in carrying out the functions of the Council.

(2) Other members of the Council shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Council.

DIRECTOR; DEPUTY DIRECTOR

SEC. 303. (a) The Center shall be headed by a Director, who shall be appointed from private life by the President, by and with the advice and consent of the Senate. Under the general supervision and direction of the Council, the Director shall be responsible for the exercise of all powers and the discharge of all duties of the Center, and shall have authority and control over all personnel and activities thereof.

(b) There shall be in the Center a Deputy Director, who shall be appointed from private life by the President, by and with the advice and consent of the Senate and shall perform such duties and exercise such powers as the Director may prescribe. The Deputy Director shall act for, and exercise the powers of, the Director during his absence or disability.

(c) In carrying out his functions, the Director shall assist and advise the President and the Congress on policies and programs of the Federal Government affecting productivity by—

(1) assisting the Federal agencies and departments in appraising the effectiveness of existing and proposed programs, policies, and activities of the Federal Government and those specific major projects designated by the President which do not require individual project authorization by Congress, which affect productivity;

(2) reviewing the adequacy of existing standards and measures for productivity and providing for the monitoring of productivity consistent with those standards and measures in order to achieve effective coverage and efficient use of research facilities and other resources;

(3) promoting the advancement of scientific knowledge of the effects of technology on productivity and encouraging the development of new techniques and technology to improve productivity;

(4) assisting in coordinating Federal programs and activities which affect, promote, and improve productivity;

(5) collecting, collating, analyzing, interpreting, and disseminating data and information on productivity;

(6) administering grants to States and localities in accordance with this title;

(7) conducting an annual National Conference on Productivity;

(8) preparing the annual report required under section 205 of this title;

(9) consulting with the Council on Productivity and Quality of Work; and

(10) using, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, in order that duplication of effort and expense may be avoided, and assuring that the Center's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by established agencies.

EMPLOYEES

SEC. 304. The Director is authorized to employ not more than 100 persons, including consultants and experts, to carry out the functions of the Center as provided by this Act.

FUNCTIONS

SEC. 305. The Center shall—

(1) provide for and encourage research and development for the purpose of improving productivity, adoption of new technology, and dissemination of information concerning new developments and technology associated with productivity improvement; and

(2) encourage States, units of general local government, and institutions of higher education, to develop and implement centers, programs, and projects to improve and stimulate productivity growth, disseminate information, and make available technical assistance to government, industry, labor, and other organizations and individuals to improve and stimulate productivity growth.

POWERS

SEC. 306. In carrying out its functions, the Center is authorized—

(1) to make grants to, or enter into contracts with, public agencies, institutions of higher education, or private organizations, to conduct research, demonstrations, or special projects pertaining to the purposes described in this title, including the development of new or improved methods, techniques, systems, equipment, and devices to improve and stimulate productivity growth.

(2) to make grants to States, units of general local government, institutions of higher education, and post-high school technical and vocational schools enjoying accreditation from recognized authorities for the purposes of developing and implementing centers, programs, and projects to improve and stimulate productivity growth, disseminate information, and make available technical assistance to government, labor, industry, and other organizations and persons to improve and stimulate productivity growth;

(3) to make continuing studies and to establish with the National Science Foundation and other research funding agencies, programs of research to develop new or improved methods, techniques, systems, equipment, and devices to improve and stimulate productivity growth, including, but not limited to, the effectiveness of projects or programs carried out under this title;

(4) to make recommendations for action which can be taken by Federal, State, and local governments, industry, labor, and other private organizations and persons to improve and stimulate productivity growth;

(5) to conduct special workshops, conferences, and other forums for the presentation and dissemination of information resulting from research, demonstrations, and special projects authorized by this title; and

(6) to carry out a program of collection and dissemination of information obtained by the Center or other Federal agencies, public agencies, institutions of higher education, or private organizations engaged in projects under this title, including information related to new or improved methods, techniques, systems, equipment, and devices to improve and stimulate productivity growth.

GRANTS AND CONTRACTS

Sec. 307. (a) A grant made under section 306(1) may not exceed 100 per centum of the total cost of each project for which such grant is made. Whenever feasible, the Center shall require, as a condition of approval, that the recipient contribute money, facilities, or services to carry out the purposes of the grant.

(b) A grant made under section 306(2) may not exceed 65 per centum of the total cost of the project for which such grant is made.

(c) No funds made available under this title shall be used for building construction or land acquisition.

(d) The Center shall prescribe by regulation, after consultation with appropriate agencies and officials of Federal, State, and local governments, basic criteria for applicants and grantees under this title. In prescribing such criteria, the Center shall give priority to institutions of higher education, especially those which possess or operate engineering schools, engineering experiment stations, business schools, or schools of public administration.

(e) The funds available in each fiscal year for grants under section 306(2) shall be allocated by the Center as follows:

(1) 35 per centum of the funds shall be available for grants to institutions of higher education possessing schools, stations, or similar departments as described in subsection (d) of this section, which agree to establish a productivity center to carry out the purposes of this Act; and

(2) 65 per centum of the funds may be made available, as the Center may determine, to appropriate State agencies qualifying as State Productivity Centers (as defined in subsection (f)), units of general local government, institutions of higher education, or combinations of such units, according to the criteria and on the terms and conditions the Center determines consistent with this title

(f) For the purposes of this section, a State Productivity Center is an agency established or designated by a State for the purposes of establishing productivity centers, carrying out plans, demonstrations, programs, projects, and technical assistance consistent with the purposes, policies, and goals of this Act.

(g) If the Center determines, on the basis of information available to it during any fiscal year, that a portion of the funds granted to an applicant for that fiscal year will not be required by the applicant or will become available by virtue of the applications established by the Center to govern noncompliance by an applicant or grantee, that portion shall be available for reallocation under this section.

(h) The Center shall by regulation prescribe the basic criteria for determination of noncompliance by grantees and applicants including appropriate provisions for notice and hearing with respect to such determination.

TIME LIMITATION

Sec. 308. Unless otherwise provided in this title, the Center shall carry out the programs provided for in this title during the fiscal year and subsequent transition period ending September 30, 1976, and the three succeeding fiscal years.

ANNUAL REPORT

Sec. 309. Not later than December 31 of each year, the Center shall report to the President and to the Congress on activities pursuant to the provisions of this title during the preceding fiscal year.

REFERRAL OF REPORTS

Sec. 310. Each report required to be submitted to the Congress by this Act shall be referred to the standing committee or committees having jurisdiction over any part of the subject matter of the report.

TITLE IV—NATIONAL PRODUCTIVITY AWARD

Sec. 401. The President may award, and present in the name of Congress, an award of appropriate design, which shall be known as the National Productivity Award, to any public or private organization, governmental unit, or individual, which in its performance, has distinguished itself by exceptional efforts and contributions to the growth of the Nation's productivity.

TITLE V—REPEAL AND TRANSFER

REPEAL OF PUBLIC LAWS 92–210 AND 93–311

Sec. 501. Section 4 of Public Law 92–210, establishing, and Public Law 93–311, continuing the National Commission on Productivity and Work Quality, are repealed.

TRANSFER OF FUNCTIONS AND STAFF

Sec. 502. The functions and staff of the National Commission on Productivity and Work Quality are hereby transferred to the National Center for Productivity and Quality of Work established by section 301(a) of this Act.

TITLE VI—AUTHORIZATION OF APPROPRIATIONS

Sec. 601. There are authorized to be appropriated to carry out the purposes of this Act not to exceed $20,000,000 for the fiscal year and subsequent transition period ending September 30, 1976; not to exceed $20,000,000 for the fiscal year ending September 30, 1977; and not to exceed $25,000,000 for the fiscal year ending September 30, 1978. Funds appropriated for any fiscal year shall remain available for obligation until expended.

NATIONAL PRODUCTIVITY ACT OF 1975—SECTION-BY-SECTION ANALYSIS

TITLE I: FINDINGS, PURPOSES, AND POLICY

Section 101 sets forth congressional findings that:

(1) productivity growth has declined in industry, services and government, contributing to inflation and economic stagnation;

(2) often Federal regulations and procedures adversely affect productivity;

(3) there is a need to better understand the effect of productivity and to distribute that information.

Section 102 states the purpose of the Act, which is to establish a National Productivity policy, to stimulate the adoption of new methods, and to improve efficiency in all sectors of the economy by establishing an independent National Center for Productivity and Quality of Work.

Section 103 directs that all U.S. laws, regulations, and rules shall be interpreted to give full force and effect to this policy.

TITLE II—AGENCY REQUIREMENTS

Section 201 requires agencies to prepare a detailed productivity statement to accompany every proposed program, legislation, or action which will affect productivity. The impact statement will show benefits to be gained, the economic effects and the relationship between productivity, and the effects on the environment.

Section 202 requires each Federal agency to develop alternatives to any unresolved conflicts in the impact statement, and provide support to programs designed to stimulate productivity.

Section 203 requires each agency to establish a small staff to stimulate internal productivity.

Section 204 requires that each agency review its statutory authority, rules, regulations, procedures and policies to insure they are not adverse to productivity growth, and to report the results to the President along with measures necessary to correct such items.

Section 205 requires the President to report to Congress yearly on factors, trends, programs and activities affecting productivity along with the adequacy of the productive base. The report is to include recommendation to remedy any deficiencies that adversely affect productivity growth.

Section 206 directs that the Act shall not affect prior statutory obligations of any Federal agency to comply with productivity policy, coordinate or to act with other Federal or State agencies.

TITLE III—NATIONAL CENTER AND COUNCIL

Section 301 establishes an independent National Center for Productivity and Quality of Work under the general supervision of a Council on Productivity and Quality of Work.

Section 302 provides that the Council will have 11 members selected by the President from industry, labor unions, universities, State, local and Federal Government, subject to confirmation by the Senate. Members shall serve 2-year terms, and the President shall select a Chairman for a single 2-year term.

Section 303 provides that the Center is to be headed by a Director and Deputy Director appointed by the President, with the advice and consent of the Senate, to carry out a productivity program that (1) appraises effectiveness of existing or proposed programs, (2) reviews the adequacy of existing standards and measures, (3) promotes advancement of scientific knowledge, (4) coordinates Federal programs, (5) collects and disseminates data and information, (6) administers grants, (7) conducts conferences, (8) prepares reports, (9) works with the Council and (10) avoids any duplication of effort and expense.

Section 304 permits the Center to employ no more than 100 persons, including experts and consultants.

Section 305 provides that the Center shall provide and encourage research and development activities for the purpose of improving productivity, and encourage the development of State and local productivity centers.

Section 306(a) authorizes the Center to make grants or contracts with agencies, universities or private organizations to conduct research or demonstration projects.

Section 306(b) authorizes grants to State and local governments or universities to set up local productivity centers to carry out programs and projects to stimulate productivity growth. The Center will make studies to develop new methods, techniques and systems to improve productivity, make recommendations for action, conduct workshops and conferences, and collect and disseminate information relating to improving and stimulating productivity.

Section 307 permits the Center to finance up to 100% of the research projects under section 306(a) and 65% of costs of setting up local productivity centers under section 306 (b). No building or land may be purchased with grant funds. Priority for fund use will be given to those universities which have schools related to productivity efforts. Thirty-five percent of the grant funds under section 306(b) will be available to universities which agree to establish a local productivity center. The remaining 65% of the grant funds will be made available as the Center may determine.

Section 308 establishes the Center for a 5-year period.

Section 309 requires that the Center report each year to the President and to the Congress on its activities.

Section 310 provides that the reports to Congress shall be referred to the Committees having jurisdiction over the subject matter contained therein.

TITLE IV—NATIONAL PRODUCTIVITY AWARD

Section 401 authorizes the President to give a National Productivity Award as appropriate.

TITLE V—REPEAL AND TRANSFER

Section 501 abolishes the existing National Commission on Productivity and Work Quality, which is in the Executive Office of the President.

Section 502 transfers the staff of the Commission to the National Center.

TITLE VI—AUTHORIZATION OF APPROPRIATIONS

Section 601 authorizes a total of $65 million for the first three years of the Center's life, as follows: $20 million for FY '76, $20 million for FY '77, and $25 million for FY '78.

Opening Statement by Senator Sam Nunn Before the Senate Government Operations Committee Hearings on Productivity and Senate Bills S. 4130 and S. 4212

Senator Ervin, Chairman of the Senate Government Operations Committee has asked me to act as Chairman during these two-day hearings by the Committee on productivity, and specifically on two bills, S. 4130, the National Productivity Act of 1974, introduced by me and cosponsored by Senators Bartlett, Chiles, Domenici, and Percy; and S. 4212, the National Center for Productivity and Economic Competition Act, introduced by Senator Percy and cosponsored by Senators Ribicoff, Javits, and me.

Inflation and recession represent twin dangers to our economy and to the well being of all our citizens. According to some sources, the average worker's paycheck, after taxes and inflation are taken into account, has declined some 8% over the past two years. The Labor Department's third quarter report also showed that productivity declined at a 3% annual rate during the quarter and noted that this was a larger decline than any other quarterly period in 14 years with the exception of the first quarter of 1974 when the annual percentage rate of decline was a record 7.1%.

There are those who will note that as unemployment grows and the business downturn bottoms out, productivity will tend to grow once again. However, it seems to me that we must rely on means other than unemployment to solve the problems implicit in declining productivity.

All sectors need to work together to produce an economic environment that will permit the best use of available capital, the smartest use of availabile labor, a more efficient use of management, and a higher quality of work and the work place. We also must strive to have a better application of new technology, and less distortion due to government regulation, in order to achieve the rate of productivity growth necessary to provide renewed increases in real wages and a more competive and productive economy.

Energy, environmental, safety, and productivity problems are now closely related and interdependent. We need to develop comprehensive solutions to these problems rather than independent band-aid patches that give the illusion of solution, but in the long run produce detrimental effects and raise new problems. The key is to make use of one of our greatest national assets, our innate ingenuity, to develop the new technology that will provide more efficient machinery that produces less pollutants, quieter, safer and better work places, and a worker not working harder, but working smarter. I am convinced we also must stimulate a more imaginative management, dedicated to using available capital to invest in technology to improve not only productivity, but the quality of work and the work place as well as the environment as a whole. This is no small undertaking.

Increasing productivity is not a one shot proposition, but is rather a day-to-day month-to-month, and year-to-year continuing task.

It will require Federal coordination and leadership to provide the information, the research and development, and the impetus to get started and keep moving. It will require an increased effort by the Federal government, as well as state and local governments and our educational institutions to increase productivity.

We tend to think of productivity only in terms of assembly line, and yet productivity in our industrial area continues to grow, while the service area, both private and public, is sadly in need of improvement with respect to productivity.

No large new Federal bureaucracy is needed. Rather, we must develop a modest Federal organization, which can provide the informational service, stimulate the research and development, and provide sufficient funds to be the catalyst for local and state efforts.

The bill which I introduced, S. 4130, was designed to address each of these needs. It focuses on the need to provide a strong Federal policy with respect to the desirability of sustained productivity growth. It provides as a means of enforcing this policy a requirement that each Federal agency review its laws, regulations and procedures to identify policies which conflict, and provide for remedial legislation to attain a proper balance between such policies.

The bill creates a small National Productivity Center and places that Center in the Department of Commerce. It retains the National Commission on Productivity in a policy role. The Commission has made some real contributions, but it lacks funds and a statutory foundation. I am not wedded to the idea of a Center in the Commerce Department, nor to the continued existence of the Commission. Senator Percy's bill calls for the disestablishment of the Commission and the inclusion of its staff and functions in an independent Center. I think this is an innovative suggestion and may be the solution to the problems of both too much bureaucracy and too many "fingers in the pie."

S. 4130 would provide two grant programs; the first is 100% funded to provide for research and development and information dissemination; and the second is based on matching funding to provide for the establishment of local centers and technical assistance services much like the Agricultural Extension Service. Georgia Tech has been carrying out some efforts along these lines which appear both innovative and successful. We will be hearing more of this effort during these hearings. This is the type of effort I believe deserves support and assistance.

Another area where there is a difference in approach is that of a Federal policy on productivity. S. 4130 sets out a stated Federal policy and requires agencies to review their laws, regulations, and procedures to insure these are in conformance with the stated policy. Senator Percy's bill also takes aim at this problem by having the National Center develop a policy and coordinate efforts within the Federal government to follow that policy and identify statutory and regulatory impairments for which legislation is needed to remove such obstacles.

Senator Percy's bill provides for greater emphasis on work quality and quality of the work place. I believe this is a positive step which deserves considerable attention.

The President has indicated in his latest speech that quote: "Increased Productivity lies at the heart of the free enterprise system which made America what it is today, and I have been a firm believer in it all my adult life." We have before us today two bills which would create a new national effort to increase productivity. However, words and bills are not enough. We need action in terms of encouragement, information, research and development, delivery systems, and funds. All of these require legislation which will receive the support of the Congress and acceptance by the President.

I believe that these two bills contain the elements, if we take the best of both, for a comprehensive new bill which can be refined and introduced in the new 94th Congress.

I hope that these hearings for the next two days will provide the foundation for a cooperative effort to produce that legislation and provide for a positive new program to address productivity and work quality.

By Mr. HOLLINGS:

S. 938. A bill to amend title 23 of the United States Code, relating to highways, in order to encourage the States to establish highway assistance patrols. Referred to the Committee on Public Works.

Mr. HOLLINGS. Mr. President, it seems that auto breakdowns on our interstate highways are quite common. I think that at one time or another we have all passed a stranded vehicle along the highway. In most cases one must simply wait for a passing car to volunteer assistance or else start walking. For this reason, I am introducing a bill requiring the Secretary of Transportation to take such action as may be necessary to encourage States to establish highway assistance patrols on these heavily traveled highways. The Secretary would then make a study of the effectiveness of asistance provided by such patrols and report to the Congress as to the results of such study, including any recommendations with respect to establishing additional programs. Hopefully, this measure will go a long way toward relieving this ever growing problem.

By Mr. PELL (for himself and Mr. BEALL):

S. 939. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 940. A bill to provide for career guidance and counseling plans and programs for States and local educational agencies. Referred to the Committee on Labor and Public Welfare.

S. 941. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 942. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 943. A bill to amend the Vocational Education Act of 1963, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. PELL. Mr. President, today I am introducing, with the cosponsorship of the ranking minority member of my Subcommittee on Education, Mr. BEALL, five bills relating to the extension and amendment of the Vocational Education Act of 1963. These bills include the "Postsecondary Vocational Education Act of 1975," drafted by the American Association of Community and Junior Colleges, the "Career Guidance and Counseling Act of 1975," drafted by the American Personnel and Guidance Association, the "Vocational Education Amendments of 1975," drafted by the American Vocational Association, and the "Postsecondary Vocational Education Act of 1975," drafted by the National Association of State Universities and Land-Grant Colleges. In addition, we are introducing a bill extending unchanged the provisions of the existing Vocational Education Act through 1980.

In introducing this range of bills, it is our intention to bring to the attention of the Senate the views of these national organizations on the direction that future Federal efforts in vocational education should take. All of these views will be considered as the Subcommittee on Education develops its own legislation affecting vocational, occupational, and career education in this session of Congress.

I ask unanimous consent that the texts of these bills be printed in the RECORD at this point.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 939

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Postsecondary Vocational Education Act of 1975."

ESTABLISHMENT OF SEPARATE ALLOTMENTS FOR VOCATIONAL EDUCATION AND OCCUPATIONAL EDUCATION

SEC. 2. (a) Part A of the Vocational Education Act of 1963 (hereinafter referred to as "the Act") is amended by adding at the end thereof the following new sections:

"DIVISION OF FUNDS BETWEEN VOCATIONAL AND OCCUPATIONAL EDUCATION

"SEC. 110. (a) Each State's allotment for a fiscal year under section 103(a)(2) shall be divided into two parts. One part of such allotment may be used only for grants under subpart 1 of part B, and the other may be used only for grants under subpart 2 of part B. The part to be used for grants under subpart 1 shall be known as the State's secondary vocational education allotment for that year, and the part to be used for grants under subpart 2 shall be known as the State's postsecondary occupational education allotment for that year.

"(b) A State's vocational education allotment and the State's occupational education allotment shall each be equal to the sum of (1) 40 per centum of the amount allotted to the State under section 103(a)(2), plus (2) the remaining 20 per centum shall be disbursed by the Commissioner as recommended by a State Board for Allotment of Federal Vocational Funds appointed in each State by the Governor. The Board shall have a membership of nine, three with associations in secondary vocational programs (one being the State director of vocational education), three with associations in postsecondary occupational education (one being the State chief executive officer of the institutions with the largest postsecondary occupational enrollments), and three citizens to represent the broad interests of the State. One of the last group is to be designated Chairman by the Governor. The State Board for Allotment of Federal Vocational Funds is to receive requests for the use of funds from the State Board for Vocational Education and the 1202 Commission. This Board is to have no staff, being served by existing agencies, and the members receive only necessary expenses for their annual deliberations.

"REVIEW OF APPLICATIONS

"SEC. 111. For purposes of section 425 of the General Education Provisions Act, an agency referred to in section 127(a)(2), shall be considered to be a State educational agency.".

OCCUPATIONAL EDUCATION

SEC. 3. (a) Part B of the Act is amended by adding at the end thereof the following:

"Subpart 2—Occupational Education Programs

"AUTHORIZATION OF GRANTS

"SEC. 125. From the occupational education allotment of a State for each fiscal year, the Commission is authorized to make grants to States to assist them in conducting occupational education programs for persons of postsecondary age.

"USES OF FEDERAL FUNDS

"SEC. 126. (a) Upon the application of a State Commission (established or designated pursuant to section 1202 of the Higher Education Act of 1965), the Commissioner shall make available to the State the amount of its allotment under section 110 for the following purposes—

"(1) to strengthen the State Advisory Council on Vocational Education in order that it may effectively carry out the additional functions imposed by this part; and

"(2) to enable the State Commission to initiate and conduct a comprehensive program of planning for the establishment of the program authorized by this part.

"(b)(1) Planning activities initiated under clause (2) of subsection (a) shall include—

"(A) an assessment of the existing capabilities and facilities for the provision of postsecondary occupational education, together with existing needs and projected needs for such education in all parts of the State;

"(B) thorough consideration of the most effective means of utilizing all existing institutions within the State capable of providing the kinds of programs assisted under this part, including (but not limited to) both private and public community and junior colleges, area vocational schools, accredited private proprietary institutions, technical institutes, manpower skill centers, branch institutions of State colleges or universities and public and private colleges and universities;

"(C) the development of an administrative procedures which provides reasonable promise for resolving differences between vocational educators, community and junior college educators, college and university educators, elementary and secondary educators, and other interested groups with respect to the administration of the program authorized under this part; and

"(D) the development of a long-range strategy for infusing occupational education (including general orientation, counseling and guidance, and placement either in a job or in postsecondary occupational programs) on an equal footing with traditional academic education; and

"(E) the development of procedures to insure continuous planning and evaluation, including the regular collection of data which would be readily available to the State administrative agency, the State Advisory Council on Vocational Education, individual educational institutions, and other interested parties (including concerned private citizens).

"(2) Planning activities carried on by the State Commission under this section shall involve the active participation of—

"(A) the State board for vocational education;

"(B) the State agency having responsibility for community and junior colleges;

"(C) the State agency having responsibility for higher education institutions or programs;

"(D) the State agency responsible for administering public elementary and secondary education;

"(E) the State agency responsible for programs of adult basic education;

"(F) representatives of all types of institutions in the State which are conducting or which have the capability and desire to conduct programs of postsecondary occupational education;

"(G) representatives of private, nonprofit elementary and secondary schools;

"(H) the State employment security agency, the State agency responsible for apprenticeship programs, and other agencies within the State having responsibility for administering manpower development and training programs;

"(I) the State agency responsible for economic and industrial development;

"(J) persons familiar with the occupational education needs of the disadvantaged, of the handicapped, and of minority groups; and

"(K) representatives of business, industry, organized labor, agriculture, and the general public.

"(c) Of a State's occupational education allotment for a fiscal year, 75 per centum may be used only for programs and activities carried out by community colleges. A State's occupational education allotment may not be used for programs of area secondary vocational education.

"(d) From the allotments available to the States, the Commission shall make grants for the following purposes—

"(1) assist the State administrative agency designated or established under section 127 (a)(2);

"(2) the design, establishment, and conduct of programs of postsecondary occupational education (or the expansion and improvement of existing programs);

"(3) the design, establishment, and conduct of programs which shall include methods of involving secondary schools in occupational placement and methods of providing followup services and career counseling and guidance for persons of all ages as a regular function of the educational system;

"(4) the design of high-quality instructional programs to meet the needs for postsecondary occupational education and the development of an order of priorities for placing these programs in operation;

"(5) special training and preparation of persons to equip them to teach, administer, or otherwise assist in carrying out the program authorized under this part (such as programs to prepare journeymen in the skilled trades or occupations for teaching positions); and

"(6) the leasing, renting, or remodeling of facilities required to carry out the program authorized by this part.

"(e) Programs authorized by this part may be carried out through contractual arrangements with private organizations and institutions organized for profit where such arrangements can make a contribution to achieving the purposes of this part by providing substantially equivalent education, training, or services more readily or more economically, or by preventing needless duplication of expensive physical plant and equipment, or by providing needed education or training of the types authorized by this part which would not otherwise be available.

"STATE PLANS

"SEC. 127. (a) Any State desiring to receive the amount of its occupational education allotment for a fiscal year under this subpart shall submit a State plan for occupational education at such time, in such detail, and containing such information as the Commissioner may prescribe. The Commissioner shall approve the State plan if he determines that the plan submitted for that year—

"(1) has been prepared by the State Commission established pursuant to section 1202 of the Higher Education Act of 1965 (or, if no such Commission has been established, by such State agency as the Governor may designate) in consultation with the State advisory council for that State,

"(2) designates or provides for the establishment of a State agency (which may be the State board if the Governor determines the State board and its staff have adequate representation of persons having experience and expertise in the field of occupational education) to have responsibility for fiscal management and for administration of the program provided for in the plan,

"(3) provides that funds granted the State will be used only for purposes set forth in section 126,

"(4) sets forth the criteria to be utilized in allocating Federal and State funds used for occupational education among the institutions in the State providing such services, which criteria shall assure that—

"(A) due consideration will be given to evaluation of occupational education programs, services, and activities in light of information regarding current and projected manpower needs and occupational opportunities, particularly new and emerging needs and opportunities on the local, State, and national levels,

"(B) due consideration will be given to the relative occupational needs of all groups in the State, particularly persons with academic socioeconomic, mental, language, and physical handicaps that prevent them from succeeding in regular occupational education programs,

(C) due consideration will be given to the occupational education needs of areas of the State with relatively high unemployment rates and otherwise economically depressed,

"(D) due consideration will be given to the training needs of older persons in need of employment including elderly persons engaged in voluntary service through such programs as the retired senior volunteer program, the foster grandparent program, the senior companion program and other employment and volunteer service programs under the Older Americans Comprehensive Service Amendments of 1973,

"(5) provides ofr entering into cooperative arrangements for the benefit of individuals participating or preparing to participate in occupational education programs similar to those required under paragraphs (8) and (9) of section 123(a) for vocational education programs,

"(6) provides for compliance with the requirements with respect to the use of funds set forth in section 126(c).

"(b) The Commissioner shall not approve a State plan under this section until he has made specific findings as to the compliance of such plan with the requirements of this subpart after considering the recommendations of the State board. The Commissioner shall submit to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives a copy of the specific findings required by this subsection. Section 421 of the General Education Provisions Act shall not be deemed to authorize the delegation of his functions under the preceding sentence. The Commissioner shall not finally disapprove any State plan, or any modification thereof, without first affording the State agency referred to in paragraph (2) of subsection (a) of this section due notice and an opportunity for a hearing.

"PAYMENTS TO STATES

"SEC. 128. (a) The Commissioner shall pay, from the State's occupational education allotment for a fiscal year, an amount equal to 50 per centum of the total expenditures made in carrying out the State's plan as approved under section 127.".

AMENDMENTS OF NATIONAL AND STATE ADVISORY COMMITTEE PROVISIONS

SEC. 4. (a) Paragraph (1) of section 104(a) of the Act is amended (1) by striking out "National Advisory Council on Vocational Education" and inserting in lieu thereof "National Advisory Council on Vocational and Occupational Education", and (2) by inserting after "programs" in clause (C) the following: "and occupational educational programs".

(b) Paragraph (2) of such section is amended by inserting after "vocational education programs" each time it appears the following: "and occupational education programs".

(c) Paragraph (4) of such section is amended by striking out "five" and inserting in lieu thereof "ten".

(d) Paragraph (5) of such section is amended (1) by striking out "vocational education programs" and inserting "vocational and occupational education programs", (2) by inserting after "junior colleges," the following: "community colleges,", and (3) by inserting "vocational" after "area".

(e) Section 104(b)(1) of the Act is amended by striking out "or, in the case of States in which the members of the State board are elected (including election by the State legislature), by such Board".

(f)(1) Subparagraph (A) of section 104 (b)(1) of the Act is amended by redesignating clauses (iii) through (ix) as clauses (v) through (xi), respectively, and by striking out clause (ii) and inserting in lieu thereof the following clauses:

"(ii) representative of community and junior colleges,

"(iii) representative of institutions of higher education (other than junior or community colleges), area vocational schools, technical institutes, and other postsecondary or adult education agencies or institutions, which may provide programs of vocational occupational, or technical education and training,

"(iv) familiar with the vocational and occupational education programs of junior and community colleges, but not concerned with the administration of such programs,".

(2) Clause (viii) of such subparagraph (as so redesignated) is amended by striking out ", including a person or persons from the Comprehensive Area Manpower Planning System of the State".

(g) Subparagraph (B) of section 104(b)(1) of the Act is amended by striking out "part B of this title" and inserting "section 123 and the State plan submitted pursuant to section 127".

(h) Subparagraphs (C) and (D) of such section are each amended by inserting "and occupational" after "vocational" and by further amending subparagraph (D) by inserting after "section 123(a)" the following: ", or in the State plan provided for in section 127".

LOCAL COORDINATING COMMITTEES

SEC. 5. (a) Part A of the Act is amended by adding immediately after section 108 the following new section:

"LOCAL COORDINATING COMMITTEES

"SEC. 109. (a) Each State shall establish a local coordinating committee for each locality in the State. Members of such committees shall be appointed by the Governor of the State. The geographical area to be included in each locality shall be designated by the Governor in accordance with criteria prescribed by the Commisisoner. Such criteria shall recognize the desirability of having, where feasible, a locality so designated be coextensive with the area served by a prime sponsor designated under the Comprehensive Employment and Training Act of 1973. No Federal funds may be expended for a program under this title or under the Comprehensive Employment and Training Act of 1973 in any locality for which a local coordinating committee has not been appointed as provided in this section.

"(b) Each local coordinating committee shall include in its membership a broad representation of interests in the locality concerned with occupational education, vocational education, and manpower programs in the locality. The membership of each such committee must include members representative of—

"(1) local educational agencies,

"(2) vocational schools,

"(3) community and junior colleges,

"(4) planning councils designated under the Comprehensive Employment and Training Act of 1973,

"(5) business and industry (including agriculture),

"(6) labor organizations,

"(7) local political subdivisions,

"(8) the employment service,

"(9) agencies and organizations having special concerns with persons with special needs, such as the handicapped, the disadvantaged, the aged, persons of limited English-speaking ability, and minorities,

"(10) agencies having personnel training needs such as agencies of general governments, criminal justice, community planning, and developmental agencies, human service and health agencies, and transportation agencies including positions under civil service and civil service exempt positions, and

"(11) the general public.

"(c) Each local coordinating committee shall make a continuing study of the needs in its locality for vocational education, occupational education, and manpower training programs. On the basis of the information derived from such study, the local coordinating committee shall develop and propose a strategy which will present a coherent, integrated, and comprehensive set of vocational education, occupational education, and manpower training programs designed to meet such needs. The written formulation of such strategy shall be transmitted to the State board, to the State agency designated under section 127(a)(2), to the State advisory council, and to each planning council affected, and to any affected Manpower Services Council.".

(b) Section 103(a)(1) of the Act is amended by inserting after "advisory councils" the following: "and local coordinating committees".

(c) Section 104 of the Comprehensive Employment and Training Act of 1973 is amended by inserting after the first sentence thereof the following new sentence: "At least one member of each local coordinating committee established under section 109 of the Vocational Education Act of 1963 serving all or part of the area served by the council shall be appointed to the council.".

AMENDMENT OF DECLARATION OF PURPOSE

Sec. 6. Section 101 of the Act is amended by inserting "and occupational after "vocational each time it appears.

AMENDMENTS OF DEFINITIONS

Sec. 7. (a) Paragraph (1) of section 108 of the Act is amended by inserting after "incident thereto the following: "at the elementary or secondary educational level".

(b) Paragraph (2) of such section is amended—

(1) by inserting "(A)" after "(2)",

(2) by inserting "or occupational" after "vocational" in clause (C), and by striking out "vocational" in clause (D) and inserting "occupational" in lieu thereof,

(3) by redesignating clauses (A), (B), (C), and (D) (and cross references thereto) as clauses (i), (ii), (iii), and (iv), respectively, and

(4) by adding at the end thereof the following new subparagraph:

"(B) The term 'area secondary vocational education school' means an area vocational education school, a majority of whose students are seventeen years of age or younger.

"(C) The term 'area postsecondary vocational education school' means an area vocational education school, a majority of whose students are eighteen years of age or older.".

(c) Section 108 of the Act is further amended by adding at the end thereof the following:

"(16) The term 'occupational education' means education, training, or retraining (and including guidance, counseling and placement services) for persons sixteen years of age or older who have graduated from or left elementary or secondary school, conducted by an institution legally authorized to provide postsecondary education within a State, which is designed to prepare individuals for gainful employment as semiskilled or skilled workers or technicians or paraprofessionals or subprofessionals or supervisors and managers in recognized occupations (including new and emerging occupations), or to prepare individuals for enrollment in advanced semi-professional and technical education programs, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specifies by regulation, to be generally considered professional or which require a baccalaureate or advanced degree.

"(17) The term 'community college' means an educational institution in any State which—

"(A) is legally authorized within such State to provide a program of education beyond secondary education;

"(B) admits as regular students persons who are high school graduates or the equivalent, or at least eighteen years of age;

"(C) provides a two-year postsecondary educational program leading to an associate degree, and also provides programs of postsecondary vocational, technical, occupational, and specialized education;

"(D) is not a branch of an institution of higher education which grants a bachelor's degree, unless the branch is separately accredited to grant the Associate Degree;

"(E) is a public or other nonprofit institution;

"(F) is accredited as an institution by a nationally recognized accrediting agency or association, or if not so accredited—

"(i) is an institution that has obtained recognized preaccreditation status from a nationally recognized accrediting body, or

"(ii) is an institution whose credits are accepted, or transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution to accredited."

AMENDMENTS RELATING TO VOCATIONAL EDUCATION PROGRAMS

Sec. 8. (a) Part B of the Act is amended by inserting "and Occupational" after "Vocational" in the heading of the part, and by inserting immediately below the heading for the part a new heading as follows:

"Subpart 1—Vocational Education Programs"

(b) Section 121 of the Act is amended—

"(1) by striking out "part" and inserting "subpart",

(2) by striking out "of all ages",

(3) by inserting after "individuals" the following: "eligible therefor".

(c) (1) Section 122(a) of the Act is amended by striking out clauses (2) and (3) and redesignating clauses (4) through (8) (and cross references thereto) as clauses (2) through (6), respectively.

(2) Paragraph (3) of such subsection (as so redesignated) is amended by inserting "secondary" after "area".

(3) Paragraph (1) or section 122(b) of the Act is amended by inserting before the period at the end thereof the following: "required by section 123".

(4)(A) Paragraphs (1) and (2) of section 122(c) of the Act are each amended by striking out "State's allotment" and inserting in lieu thereof "State's vocational education allotment", and by striking out "allotment of such funds" and inserting in lieu thereof "vocational education allotment".

(B) Paragraph (3) of such section is amended by striking out "State's allotment" and inserting in lieu thereof "State's vocational education allotment".

(C) Paragraph (4) of such section is amended by inserting after "1969" the following: "which were expended for vocational education, as that term is amended by the Postsecondary Vocational Education Act of 1975".

(d) Section 122 of the Act is amended by adding at the end thereof the following:

"(d) Of a State's vocational education allotment for a fiscal year, 75 per centum may be used only for programs which are carried on by secondary schools other than area secondary vocational education schools.".

(e) Section 123(a) of the Act is amended—

(1) by striking out "title" both times it appears in the matter preceding paragraph (1), in paragraph (4), and in paragraph (5), and inserting in lieu thereof "subart",

(2) by striking out "of all population groups" where it appears in subparagraph (B) of paragraph (6),

(3) by amending clause (i) of subparagraph (F) of paragraph (6) to read as follows:

"(i) have been developed in consultation with the appropriate local coordinating committee,",

(4) by amending clause (iv) of such subparagraph (F) to read as follows:

"(iv) include a plan, developed in consulation with each planning council appointed under section 104 of the Comprehensive Employment and Training Act of 1973 to serve all or a portion of the school district of such agency, to meet the vocational education needs in the area or community served by such agency; and",

(5) by striking out "all persons" in paragraph (11) and inserting in lieu thereof "all eligible persons",

(6) by striking out clauses (12), (13), (14), and (17), and

(7) by striking out "title" in clause (18) and inserting in lieu thereof "subpart".

(f) Section 123(b) of the Act is amended by striking out "part" and inserting "subpart" and by adding at the end thereof the following new sentences: "Before approving a State plan under this section, the Commission shall consider any recommendations with respect thereto submitted by the community college unit in the Office of Education. The Commissioner shall submit to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives a copy of the specific findings required by this subsection and a statement of his satisfaction with such procedures. Section 421 of the General Education Provisions Act shall not be deemed to authorize the delegation of the Commissioner's functions under the preceding sentence.".

(g) Section 123(c) of the Act is repealed, except that any proceeding which has been commenced under such subsection prior to the effective date of this Act may be carried through to completion under such subsection.

(h) Section 123(d) of the Act is amended by striking out "title" and inserting "subpart", and by striking out "such final action or notice thereof" and inserting "after it has exhausted its administrative remedies under section 425 of the General Education Provisions Act".

(i) Section 124 of the Act is amended—

(1) by striking out "part" in subsection (a) and inserting "subpart",

(2) by striking out subsection (b), and

(3) by striking out "title" in subsection (e) and inserting "subpart".

LIMITATION ON USE OF FEDERAL FUNDS FOR ADMINISTRATIVE AND SUPPORT SERVICES

Sec. 9. Section 123(a) of the Act is amended by adding at the end thereof the following new paragraph:

"(19 provides that the aggregate expenditures under the plan for a fiscal year for administration of the plan shall not exceed 5 per centum and for guidance and counseling, technical assistance, and the activities referred to in section 122(a)(8) may not exceed 15 per centum of the State's vocational educational allotment for that year.".

EXTENSION AND AMENDMENT OF AUTHORIZATION OF APPROPRIATIONS

Sec. 10. (a) Section 102(b) of the Act is amended by striking out "1975" and inserting "1976 and for each of the four succeeding fiscal years.".

(b) Section 102(d) of the Act is amended by inserting after "advisory councils" the following: "and local coordinating committees".

CONSOLIDATION OF PROGRAMS FOR RESEARCH AND TRAINING, EXEMPLARY PROGRAMS AND PROJECTS, AND CURRICULUM DEVELOPMENT

Sec. 11. (a) The Act is amended by striking out parts D and I, and by amending part C to read as follows:

"Part C—Improvement of Vocational and Occupational Education

"Subpart I—General

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 131. There is authorized to be appropriated for carrying out this part the sum of $135,000,000 for the fiscal year ending June 30, 1976, and each of the four succeeding fiscal years.

"DIVISION OF FUNDS

"Sec. 132. Of the sums appropriated under section 131 for a fiscal year, 50 per centum shall be available to the Commission for grants and contracts under section 134, and 50 per centum shall be allotted to the States under section 133 for grants to State boards and to State agencies designated under section 127(a)(2) for making grants and contracts under section 135.

"ALLOTMENT OF FUNDS

"Sec. 133. (a) From the sums available for grants to State boards as provided in section 132, the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine and shall allot such amount among Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this part.

"(b) From the remainder of such sums the Commissioner shall allot one-fourth of 1 per centum of such sums to each State (except for those provided for in subsection (a)), and he shall in addition allocate to each such State an amount which bears the same ratio to any residue of such remainder as the population aged fifteen to nineteen, both inclusive, in the State bears to the population of such ages in all such States.

"GRANTS AND CONTRACTS BY COMMISSIONER

"Sec. 134. (a) The Commissioner is authorized to use the funds made available to him under section 132 to make grants to and contracts with State boards, State agencies designated under section 127(a)(2), local educational agencies, institutions of higher education, and public and private agencies and institutions for programs described in subpart 2, except that grants may not be made to private agencies other than nonprofit private agencies.

"(b) Of the funds available to him under this part, the Commissioner shall allocate 50 per centum thereof for administration through the Deputy Commissioner of the Bureau of Occupational and Adult Education and the other 50 per centum thereof for administration through the community college unit in the Office of Education. Grants and contracts under this section shall be made pursuant to applications to which section 434(b)(3) of the General Education Provisions Act shall apply.

"(c) Of the funds allocated to the Community College Unit, support shall be given to specific functions which consist of administration of postsecondary occupational education including the following activities:

"A. Operation of a clearinghouse on data on national labor market trends pertaining to postsecondary occupational education.

"B. Establishment of resource center on curriculum, guidance, and instructional technology for postsecondary occupational education.

"C. Maintain a system of information exchange among agencies such as DOJ, HUD, DOT, DOL, DOD which give support to occupational training for persons of postsecondary age.

"(d) The staffing of the Community College Unit shall be restructured to provide for the effective administration of these community college funds and to give leadership in postsecondary occupational education. Persons with community college experience shall be utilized in these positions.

"GRANTS AND CONTRACTS BY STATE BOARDS AND AGENCIES

"Sec. 135. (a) Sums allotted to a State under section 133 may be used by the State board and the State agency designated under section 127(a)(2) for making grants and contracts for programs described in subpart 2 in accordance with the State plan approved under section 123 or with the State plan approved under section 127, as the case may be.

"(b) The portion of a State's allotment under section 133 for a fiscal year which may be used by the State board, shall be an amount which bears the same ratio to such allotment as the vocational education allotment of that State for that fiscal year bears to the full amount of the State's allotment under section 103(a)(2). The remainder of the State's allotment under section 133 may be used by the State agency designated under section 127(a)(2).

"Subpart 2—Uses of Funds

"APPLIED RESEARCH

"Sec. 135. Funds appropriated to carry out this part may be used for:

"(1) research in vocational education and occupational education;

"(2) training programs designed to familiarize persons involved in vocational and occupational education with research findings and successful pilot and demonstration projects in vocational and occupational education;

"(3) experimental, developmental, and pilot programs and projects designed to test the effectiveness of research findings;

"(4) demonstration and dissemination projects;

"(5) the development of new vocational and occupational education curricula and the updating of existing curricula to reflect changes in the technology of business and industry, and in the structure of economic and social institutions; and

"(6) projects in the development of new careers, and occupations, such as—

"(A) research and experimental projects designed to identify new careers in such fields as mental and physical health, crime prevention and correction, community development, welfare, education, municipal services, health services, resource and environmental management, and recreation requiring less training than professional positions and to delineate within such careers roles with the potential for advancement from one level to another;

"(B) training and development projects designed to demonstrate improved methods of securing the involvement, cooperation, and commitment of both the public and private sectors toward the end of achieving greater coordination and more effective implementation of programs for the employment of persons in the fields described in subparagraph (A), including programs to prepare professionals (including administrators) to work effectively with aides; and

"(C) projects to evaluate the operation of programs for the training, development, and utilization of public service aides, particularly their effectiveness in providing satisfactory work experiences and in meeting public needs.

"IMPROVEMENT OF VOCATIONAL AND OCCUPATIONAL EDUCATION

"Sec. 136. (a) Funds appropriated to carry out this part may be used for—

"(1) planning and developing programs or projects such as those described in paragraph (2), and

"(2) establishing, operating, or evaluating programs or projects designed to create a bridge between school and earning a living for young people who are still in school or who have left school either by graduation or dropping out, adults who are in programs of occupational preparation beyond high school, and adults who face retirement or who are unemployed or who are underemployed, and to broaden occupational aspirations and opportunities of such persons, which special emphasis given to persons who have academic, socioeconomic, language, or other handicaps, which progams or projects may, among others, include—

"(A) those designed to familiarize elementary and secondary school students with the broad range of occupations for which special skills are required and the requisites for careers in such occupations;

"(B) programs or projects for students providing educational experiences through work during the school year or in the summer;

"(C) programs or projects for intensive occupational guidance and counseling during the last years of school and for initial job placement, and for adults who are unemployed or underemployed;

"(D) programs or projects designed to broader or improve vocational education curriculums;

"(E) exchanges of personnel between schools and other agencies, institutions, or organizations participating in activities to achieve the purposes of this part, including manpower agencies and industry;

"(F) programs or projects for workers released from their jobs on a part-time basis for the purpose of increasing their educational attainment; and

"(G) programs or projects at the secondary level to motivate and provide preprofessional preparation for potential teachers for vocational education.

"(H) programs or projects to facilitate the participation of employers and labor organizations in occupational education.

"(b)(1) A grant or contract for purposes described in this section may be made only if the Commissioner, in the case of grants or contracts made by him, or the State board, in the case of grants or contracts made by it, determines—

"(A) that effective procedures will be adopted by grantees and contractors to coordinate the development and operation of other programs and projects carried out under grants or contracts pursuant to this part, with the appropriate State plan, and with other public and private programs having the same or similar purposes;

"(B) that to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students; and

"(C) that effective policies and procedures will be adopted which assure that Federal funds made available under this part will not be commingled with State or local funds.

"CURRICULUM DEVELOPMENT

"Sec. 137. (a) (1) Funds appropriated to carry out this part may be used—

"(A) to promote the development and dissemination of education curriculum materials for use in teaching vocational occupational subjects, including curriculums for new and changing occupational fields;

"(B) to develop standards for curriculum development;

"(C) to coordinate efforts of the States in the preparation of curriculum materials and prepare current lists of curriculum materials which are available;

"(D) to survey curriculum materials produced by other agencies of Government, including the Department of Defense, Department of Transportation, Department of Labor and Department of Justice;

"(E) to evaluate vocational-technical education curriculum materials and their uses; and

"(F) to train personnel in curriculum development.

"(2) For purposes of this subsection curriculum materials means materials consisting of a series of courses to cover instruction in any vocational occupational field which are designed to prepare persons for employment at the entry level or to upgrade vocational or occupational competencies of those previously or presently employed.

"ALLOCATION OF FUNDS AMONG PROGRAMS

"SEC. 238. Of the funds available for a fiscal year to the Commissioner under section 132, at least 20 per centum shall be used for each of the programs described in sections 135, 136, an 137, and of the funds allotted to each State for a fiscal year under section 133, at least 20 per centum shall be used for each of such programs.".

(b) Section 102(a) of the Act is amended by striking out "parts B and C" and inserting in lieu thereof "part B", and by striking out the second sentence.

EFFECTIVE DATE

SEC. 12. This Act and the amendments made by this Act shall become effective July 1, 1975.

S. 940

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Career Guidance and Counseling Act of 1975."

TITLE I—GENERAL PROVISIONS

STATEMENT OF FINDINGS AND PURPOSE

SEC. 101(a) The Congress finds that—

(1) In a period of high unemployment and economic distress, an effective program of career guidance and counseling designed to assist individuals to make sound career decisions must be a national priority,

(2) the strength of the Nation rests, in part, upon natural differences in individual talents and upon the freedom of each individual to develop and express these talents in a unique way,

(3) the theory underlying career development is consonant with this fundamental democratic value,

(4) preservation of the individual's integrity disavows any type of prescriptive career guidance which commits the individual to particular directions,

(5) individuals, however, must develop greater awareness of the values society places on different talents and the relative demands for these talents,

(6) the following factors, which impinge upon individuals in ways which make the achievement of self-fulfillment increasingly more difficult, demand that attention be paid to the career development of all individuals: (A) the need for knowledge of, and the ability to apply the decision-making process to, ever-increasing complex career decisions over the lifespan (early childhood throughout adulthood), (B) the demand for human adaptability and responsiveness arising from rapid technological change, (C) increasing national concern with the need to develop all human talent with equal attention to the talents of women and minorities, (D) concern for values, such as acceptance of the importance of all work and meeting one's needs through work, which give meaning to career development over the lifespan, (E) the need for specialized training for occupational entry, and career progression, and (F) the disenchantment expressed by students who have difficulty relating their education to their present and future career concerns, and

(7) all individuals are entitled to support, encouragement, information and assistance in achieving self-fulfillment throughout their life.

(b) It is, therefore, the purpose of this Act to—

(1) initiate, implement and/or improve career guidance and counseling programs and activities for all individuals of all ages in all communities of the Nation,

(2) promote an understanding of educational and occupational options among individuals served, and

(3) facilitate career development over the lifespan for all such individuals.

by means of meeting specific goals in the fields of career guidance and counseling programs and activities, training and retraining of professional career guidance and counseling staff (including counselor educators), and research and evaluation relating to guidance and counseling programs, staff and activities.

(c) It is recognized that achievement of the above stated purpose depends not only on the establishment and continued improvement of career guidance and counseling in the public school system, but also on the continued improvement, expansion, and utilization of similar programs now being provided to out-of-school youth and adults by legislatively established public agencies such as Veterans' Administration, State Employment Services, and State Vocational Rehabilitation Services, as well as by a network of other agencies, including private, nonprofit and voluntary agencies. Therefore, it is the intent of this Act to utilize fully these existing resources, on a cooperative, coordinated basis to provide maximal services to the public without duplication and waste, and to provide for use of such funds as may be necessary to carry out the provisions of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) There are authorized to be appropriated for purposes of grants under section 211, $200,000,000 for the fiscal year ending June 30, 1976, $250,000,000 for the fiscal year ending September 30, 1977, and $300,000,000 for the fiscal year ending September 30, 1978.

(b)(1) There are authorized to be appropriated for purposes of contracts for preservice training of guidance personnel under section 221, $5,000,000 for the fiscal year ending June 30, 1976, $10,000,000 for the fiscal year ending September 30, 1977, and $15,000,000 for the fiscal year ending September 30, 1978.

(2) There are authorized to be appropriated for purposes of inservice training of guidance personnel under section 221, $10,000,000 for the fiscal year ending June 30, 1976, $15,000,000 for the fiscal year ending September 30, 1977, and $20,000,000 for the fiscal year ending September 30, 1978.

(c) There are authorized to be appropriated for each fiscal year for purposes of section 231, an amount not to exceed 15 per centum of the total sums appropriated under subsections (a), (b), (d), (e), (f), and (g) for such fiscal year.

(d) There are authorized to be appropriated for purposes of section 103, $150,000 for the fiscal year ending June 30, 1976, $200,000 for the fiscal year ending September 30, 1977, and $200,000 for the fiscal year ending September 30, 1978.

(e) There are authorized to be appropriated for purposes of section 104, $200,000 for the fiscal year ending June 30, 1976, $250,000 for the fiscal year ending September 30, 1977, and $250,000 for the fiscal year ending September 30, 1978.

(f) There are authorized to be appropriated for purposes of section 241, such sums as may be necessary for the fiscal year ending June 30, 1976, the fiscal year ending September 30, 1977, and the fiscal year ending September 30, 1978.

OFFICE OF CAREER GUIDANCE AND COUNSELING

SEC. 103. There is hereby established in the U.S. Office of Education, an Office of Career Guidance and Counseling, which shall be responsible for administering this Act, and to be staffed by a Director and such appropriate professional and other employees as may be required to carry out the purposes of this Act. The Director of the Office shall report directly to the Commissioner of Education.

NATIONAL ADVISORY COUNCIL ON CAREER GUIDANCE: STUDY OF CAREER GUIDANCE PROGRAMS

SEC. 104. (a) There is hereby established a National Advisory Council on Career Guidance and Counseling (hereinafter referred to as the "Council") which shall be composed of fifteen members appointed by the Secretary of HEW, for terms of not longer than three years, who shall be broadly representative of the guidance and counseling profession at large. The Council shall advise the Secretary of HEW and the Commissioner of Education with respect to the administration of this Act, and shall carry out such other advisory functions as the Council deems appropriate, including the suggestion of policies and strategies to implement the career guidance and counseling concepts embodied in this legislation.

(b) The Council shall, with the assistance of the Commissioner and through the Office of Career Guidance and Counseling, conduct a survey and assessment of the current status of school and non-school career guidance programs, projects and materials in the United States and report on such survey and assessment to the Secretary of HEW and to the Congress. Such report shall include any recommendations of the Council for new legislation designed to accomplish the policies and purposes set forth in this Act.

DEFINITIONS

SEC. 105. For purposes of this Act—

(1) The term "appraisal" means the collection, analysis, and use of a variety of objective and subjective personal, psychological, and social data about individuals for the purpose of assisting them to better understand their strengths and limitations.

(2) The term "career development" means those aspects of the continuous unbroken flow of an individual's experience that are of relevance to such individual's choice, entry, and progress in educational, vocational and vocational pursuits.

(3) The term "career education" means an educational process designed to increase the relationship between schools and society as a whole; to provide opportunities for counseling, guidance and career development for all children; to relate the subject matter of the curricula of schools to the needs of persons to function in society; to extend the concept of the education process beyond the school into the area of employment and the community; to foster flexibility in attitudes, skills, and knowledge in order to enable persons to cope with accelerating change and obsolescence; to make education more relevant to employment and functioning in society; and to eliminate any distinction between education for vocational purposes and general or academic education.

(4) The term "career guidance" means providing for information and experiences, to assist individuals with their career development.

(5) The term "career information service" means the organization and delivery of occupational, educational, personal, and social information designed to provide individuals with a greater knowledge of all opportunities so that they may make better informed career choices and decisions.

(6) The term "Commissioner" means the Commissioner of Education.

(7) The term "counseling" means the process through which a trained counselor assists an individual or group to make satisfying and responsible decisions concerning personal, educational, and career development.

(8) The term "counselor" means a professionally trained individual whose role includes counseling, consulting and coordinating guidance and personnel services programs.

(9) The term "evaluation" means a systematic collection of evidence to determine whether in fact, certain changes are taking place in learners as well as to determine the amount or degree of change in individual students.

(10) The term "follow-up" means the study of any group of students or former students of an institution who have shared common experiences to determine if patterns emerge in their subsequent actions or behavior which prove useful in understanding, counseling and establishing policies with current students.

(11) The term "guidance" means an organized effort to help each individual develop to such individual's maximum potential.

(12) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district or political subdivision in a State, or any other public educational institution or agency having administrative control and direction of a vocational education program or a career guidance and counseling program.

(13) The term "placement" means the assistance given to individuals in the selection of an appropriate occupational or educational situation and the actions necessary to make the transition thereto.

(14) The term "postsecondary educational institution" means any institution of higher education including colleges and universities, vocational, technical and proprietary schools as well as adult and community colleges.

(15) The term "State" includes, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(16) The term "State education agency" means that agency designated or created by State law as responsible for the administration of education and/or supervision of the administration thereof by local educational agencies in the State.

(17) The term "vocational education" means vocational or technical training or retraining which is given in schools or classes under public supervision and control or under contract with a State or local educational agency.

TITLE II—CAREER GUIDANCE AND COUNSELING PROGRAMS

PART A—ADMINISTRATIVE REQUIREMENTS AND GRANTS

STATE PLAN FOR CAREER GUIDANCE AND COUNSELING PROGRAMS

SEC. 201. Each State which desires to receive a grant under section 211, shall submit through its State educational agency to the Commissioner for approval, through the Office of Career Guidance and Counseling (as established in section 103), a State plan for career guidance and counseling programs at such time and containing such information as the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), may require. Such plan shall include—

(1) a description of the administrative arrangements, facilities, materials, personnel, goals and objectives, general program activities and methods of distribution of funds which will be employed in carrying out such programs,

(2) assurances that funds received from grants under section 211 will be distributed only to local educational agencies which submit to the State education agency, plans for career guidance and counseling programs which shall include the purposes of such programs, and a description of the personnel, facilities, involvement of agencies, business and industry in the community and methods of distribution of funds which will be employed in carrying out such programs. These plans should include specific provisions for close and effective cooperation with such agencies as the public employment service and vocational rehabilitation to extend their services to school program clientele in need of such services. If mutually beneficial and desirable, such provisions might include the outstationing of employment service and vocational rehabilitation staff on school premises and periodic exchange of counselor personnel. Such provisions may include reimbursement for services provided,

(3) evidence that within the State plan, flexibility and experimentation is encouraged and provided for at the local level,

(4) establishment of a mechanism to insure that local educational agencies work cooperatively with the State educational agency in the development of the State plan and the implementation of the career guidance and counseling programs,

(5) the establishment of a State advisory committee on career guidance and counseling which shall be representative of the entire State and shall include representatives from the community at large, including students, parents, members of business, industry and labor, representatives of agencies such as vocational rehabilitation and the public employment services, practicing counselors, guidance directors, counselor educators and administrators, which will advise on general administrative policy, procedure and direction in grant utilization, assist in review of local educational agency plans and assist in development evaluative procedures,

(6) assurances that funds received from grants under section 211 will be distributed only to local educational agencies which establish advisory committees on career guidance and counseling which include representatives as specified in section 201(3) of this part and which advise the local educational agency on goals for the program, needs of the people served by such agency, administrative policy and procedures, resources within the area served by such agency and review of local plans, and assist such agency in implementing evaluative procedures,

(7) the establishment of at least one full-time administrative position within the State educational agency which shall be responsible for a statewide organization to carry out the purposes of this Act, including management of funds, local educational plans review, liaison between Federal Government and local educational administrators or other community agencies involved in the receipt of funds under this Act.

(8) the establishment of positions for consultants within the State educational agency, in order to provide professional leadership and expertise for full implementation of the purposes of this Act, who shall be involved in pre-serve and in-service activities, funds administration, identifying materials and equipment, aiding with needs assessment and survey and methods for evaluation of programs,

(9) development of a system of program needs assessment which will be conducted on at least an annual basis and an evaluation of all activities and functions related to utilization of funds under this Act on a continuing basis, and

(10) assurances that funds received from grants under section 211 shall be distributed only to local educational agencies which designate a certificated counselor to provide leadership for career development and serve as contact for the State educational agency.

PART B—STATE CAREER DEVELOPMENT GUIDANCE AND COUNSELING PROGRAMS

AUTHORIZATION AND USES OF GRANTS

SEC. 211. (a) From the sums appropriated under section 102(a), the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), shall make grants to States having approved plans under section 201 for distribution to local educational agencies and for the support of State education agency activities on the basis of statewide needs and priorities, for career development guidance and counseling programs and services.

(b) Grants under this section may be used, in accordance with State plans approved under section 201, for the following purposes:

(1) initiation, implementation and improvement of professional career guidance and counseling programs and activities;

(2) promotion of career development over the lifespan (early childhood through adulthood) for all individuals;

(3) promotion of a greater understanding of educational and career options;

(4) providing for self and career awareness, planning and preparation;

(5) providing career counseling for all children, youth and adults;

(6) providing for training in career decision-making;

(7) improvement and expansion of information available on educational; avocational and career opportunities;

(8) providing for educational and job placement;

(9) providing career follow-up and follow-through;

(10) serving the special counseling needs of second careerists, individuals entering the job market late in life, the handicapped, individuals from economically depressed communities or areas and early retirees;

(11) identification and promotion of exemplary programs which infuse career guidance and counseling into curriculums;

(12) establishment of career resource centers in communities for out-of-school individuals;

(13) providing supportive media equipment and materials;

(14) providing professional, trained counselors for assignment in overall career guidance program coordination and leadership functions in local, State and Federal career education activities;

(15) providing adequate leadership staff for career guidance and counseling implementation of Federal, State and local levels; and

(16) providing for the services of paraprofessional and other support staff.

(c) A grant to a State under this section shall be in an amount which bears the same ratio to the total amount of the sums appropriated under section 102(a) as the population of such State bears to the total population of all the states receiving grants under this section.

STATE PROGRAM REQUIREMENTS

SEC. 212. No grant to a State under section 211 shall be made unless the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), determines that—

(1) career development guidance and counseling programs and activities are developmental and continuous, as evidenced by a program beginning in early childhood, con-

tinuing through high school and available for out-of-school individuals on an as needed basis and are coordinated with all other components of such programs and activities and based on a comprehensive needs assessment of the total community in the context of State and national needs,

(2) there is a written statement of objectives by sponsoring local educational agencies within such State developed through counselor involvement with students, parents, teachers, administrators and other members of the community identifying the goals of the career development guidance and counseling program as it relates to the needs of the students, school, staff and community,

(3) the basic program of career development guidance and counseling includes counseling, consulting and coordinating services, orientation, exploration, information, appraisal, placement, referral, research, follow-up and follow-through activities.

(4) there is evidence that the career development guidance and counseling program is on-going and systematically planned, implemented and evaluated on a continuing basis,

(5) such program facilitates the individual's career development phases of awareness, orientation, exploration, planning, preparation, decision-making, training, career entry and career growth, and

(6) each local educational agency develops operating agreements, as a part of its overall plan, with such community groups and agencies as the public employment service, vocational rehabilitation service, community mental health agencies and other community resources, that provide for close and effective cooperation and avoidance of duplication in order to provide assistance to all citizens of the community, including but not limited to, early school leavers, second careerists, those entering or reentering the job market late in life, the handicapped, those from economically depressed communities and the early retirees, and establishes a community-based career resource center within such local educational agency which will provide up-to-date occupational, vocational and educational information and career counseling for any citizen in need of this service.

PART C—GUIDANCE PERSONNEL TRAINING

AUTHORIZING AND USES OF GRANTS

SEC. 221 (a) From the sums appropriated under section 102 (b), the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), shall carry out a program of contracting with post-secondary education institutions and State and local education agencies for purposes of providing needed training and retraining of guidance personnel. Such program shall be based on the results of a comprehensive needs assessment which shall include analysis of geography, economics and local employment trends within communities served by local educational agencies and shall serve the following purposes:

(1) upgrading counselor training programs through in-service for counselor educators;

(2) providing opportunities for the establishment and development of short-term and long-term pre-service and in-service training for career guidance and counseling personnel so that those vitally needed vocational, occupational and career guidance concepts for serving a totality of clients may be engendered; and

(3) providing training programs for paraprofessionals to aid professionals working in career development counseling.

(b) For purposes of this part, the term "guidance personnel" includes—

(1) professionals, including counselors who meet certification requirements, administrators and other professional school personnel such as teachers and pupil personnel specialists, who work directly with the programs, or students involved in the program, and counselors in related settings such as community agencies, United States Employment Service and affiliated State employment service agencies, rehabilitation settings, career resource centers, and post-secondary educational institutions;

(2) paraprofessionals, including personnel with special or specific training to perform limited guidance-related tasks such as project advisors, career information specialists, counselor assistants, community aides and employment specialists; and

(3) support personnel, including secretaries, clerical aides, technicians and peer counselors.

TRAINING REQUIREMENTS

SEC. 222. No contract under section 221 within post-secondary educational institutions and state and local educational agencies for training guidance personnel shall be entered into by the Commissioner unless the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), determines that such training program—

(1) will develop an understanding and ability to implement the concepts of career development through a variety of competency developing experiences for students in training to become counselors, teachers, administrators, psychologists, social workers and others professionally trained in the helping professions, which shall be integrated throughout the training curriculums and shall be extended to the training of trainers of personnel in each of these fields,

(2) will, in the training of paraprofessionals and support personnel, include appropriate levels of training in the implementation strategies for career guidance and counseling programs,

(3) include elements of design and implementation strategies for integrating experiences for the development of competencies in career guidance and counseling personnel throughout the curriculum for the training of such personnel, and for providing such experiences for the training of guidance personnel to enter all levels of the educational system and agencies providing career guidance and counseling programs and services,

(4) includes in the selection process for potential counselors and other guidance personnel, strategies and approaches for identifying persons with the potential for skill development,

(5) provides the development of counselor skill in the management and leadership of the career guidance services which extend beyond the counseling service,

(6) is characterized by a philosophy which permeates the entire training curriculum and training staff so as to bring about an understanding of and a commitment to the need for a career development and career guidance and counseling at all levels of the educational system and related agencies,

(7) provides for exposure and experience of the person in training to a multiplicity of occupational areas, career guidance and development theories and practices and systems for the delivery of a comprehensive career guidance program to meet the identified needs of the various publics,

(8) gives evidence that a variety of participatory and experimental activities takes place through such planned, coordinated and supervised experiences as practitioner, internship, field placement and other continuing and indepth opportunities for the discovery and practice of skills, techniques and approaches in career development and career guidance,

(9) assures greater program quality, consistency and sequence, by providing that the professional personnel, who are to be trained to assume the responsibility for overall coordination and implementation of career guidance programs, must develop certain competencies to stand the test of evaluation which include, but are not necessarily limited to, (A) individual and group counseling skills; (B) the counselor and career guidance personnel as facilitators or agents for change; (C) personal and professional leadership qualities and abilities; (D) management (organization and administration) of a career guidance program, comprehensive in nature; (E) consultative and coordinative skills with teachers, staff, parents, community persons and others; and (F) placement skills,

(10) provides that the counselor, other career guidance personnel and differentiated staff persons who are assigned responsibilities in a career guidance program must demonstrate (A) a thorough understanding of counseling in the career development process; (B) a thorough understanding of career development theory and research and of group process, human relations and consultative skills; (C) a knowledge of curriculum and how curriculum is developed; (D) an understanding of the relationship among values, goals, choices and information in decision-making; (E) a knowledge of the history of work and its changing meanings; (F) an understanding of the changing nature of manpower, woman power and economic outlooks; and (G) familiarity with various strategies and resources for facilitating career development including the utilization of the school, the community, family and the home, and

(11) gives evidence that educators in such institution of higher education who are responsible for training guidance personnel shall include a consortia of outside resource persons in the planning and delivery of learning experiences for developing competencies in career development and career guidance which includes but is not necessarily limited to, (A) State educational agency consultants; (B) local educational agency personnel, including counselors; (C) personnel, including counselors of such local agencies as the State Employment Service and vocational rehabilitation service; (D) leaders in business, industry, labor, government, and the community-at-large; (E) parents of school-age children; and (F) students training to become guidance and counseling specialists and specialists in other related fields.

RETRAINING REQUIREMENTS

SEC. 223. No contract under section 211 with a post-secondary educational institution or State or local education agency for retraining of professionals (including counselor educators, school counselors, employment counselor, vocational rehabilitation counselors, counselors in alternative schools, counselors in private practice, and counselors in post-secondary educational institutions) already working in the field of career guidance and counseling, who are not specifically involved in career development guidance and counseling, shall be entered into by the Commissioner unless the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), determines that such retraining program—

(1) is an organized, coordinated, planned program of retraining which is systematized and localized to meet the unique needs of the counselor in retraining,

(2) employs the concept of an interdisciplinary team and multi-agency or institution consortium to assess the needs and evaluate the program of career guidance and the guidance and counseling staff based upon the perceptions of clients, counselors, school or agency staff and administration, community members, including representatives of business, industry, labor, government, and parents, the professional association at the local, State, regional and national level, and the counselor training institution and other appropriate agencies,

(3) is based upon the need assessment for the locality made by the team described in clause (2) and includes a contract for retraining of the counselor with the training institution, appropriate agency or agencies, or other resource personnel who will participate in the retraining program to meet the unique needs as identified for that counselor,

(4) provides that the counselor in retraining shall demonstrate mastery of the competencies described in clauses (9) and (10) of section 222, and

(5) gives evidence for a multiplicity of vehicles through which contracted retraining experiences may be coordinated to meet the needs of the counselor, including but not necessarily limited to such vehicles as staff meetings, self-study (through outside evaluation and implementation), workshops, formalized course work, educational television or telephone networks and conferences.

PART D—DEMONSTRATION AND EVALUATION

PURPOSES OF PROGRAM

SEC. 231 (a) From the sums appropriated under section 102(c), the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), shall carry out a program of demonstration and evaluation for purposes of—

(1) developing and demonstrating new guidance and counseling techniques relative to career decision-making skills and awareness,

(2) promoting demonstration activities in career guidance and counseling through the encouragement of pilot projects and the publication of developments in new technology, personnel utilization, multi-purpose facilities and delivery systems with innovative administrative and structural designs,

(3) providing for evaluation of the programs and services offered to determine their effectiveness and efficiency in meeting the needs of their clients, and

(4) providing for the communication of proven effective and efficient career guidance and counseling programs for career development.

(b) Demonstration and evaluation projects under this section may include—

(1) innovative career guidance and counseling techniques,

(2) updating and communicating information on projected areas of need for trained people, and

(3) identifying effective methods for communicating information on how to develop programs of career guidance and counseling for career development that meet the needs of the staff and clientele in the setting.

(4) development of multi-media materials which (i) provide information on such areas as career options, projected need for specific skills and training at the local, State and national levels, and educational and training program opportunities and (ii) assist users in making career decisions, and

(5) identifying more effective methods for the training and retraining of guidance and counseling personnel working in career development.

PART E—FACILITIES AND EQUIPMENT AUTHORIZATION OF GRANTS

SEC. 241. The Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), shall—

(a) carry out a program, consistent with the purposes of this Act and with appropriate State and local guidance and counseling programs, of grants to States and post-secondary educational institutions for—

(1) providing computer programs and equipment for information services, computer assisted guidance and storage and retrieval of current information on employment trends and educational opportunities in local areas and nationally;

(2) career information systems for local educational agencies which shall be integral parts of the local educational agency's plan for guidance and counseling programs, and which shall include such components as, (A) accurate and up-to-date survey and statistical data on current projected areas of occupational need, (B) accurate and up-to-date information on educational institutions and opportunities, (C) material to promote career decisionmaking skills in the population served, (D) information on the availability of jobs, loans, work-study and scholarships for funding of post-secondary education, and (E) information geared to those with specialized needs, such as persons reentering the work force, early retirees, those embarking on a second career and the handicapped; and

(3) equipment and supplies including, but not limited to, books, films and filmstrips, video and audio tape equipment, periodicals, career information bulletins, commercially prepared information packets, computer facilities, film and slide projectors, and microfiche and microfilm readers.

(b) assure, in carrying out this program, that full use is made of all information, data and equipment available in the community or State and national levels and that existing capabilities in and out of the public education system for improving and expanding current information and data are utilized and coordinated.

S. 941

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vocational Education Amendments of 1975".

AMENDMENTS TO THE VOCATIONAL EDUCATION ACT OF 1963

SEC. 2. The Vocational Education Act of 1963 is amended to read as follows:

"TITLE I—VOCATIONAL EDUCATION

"PART A—GENERAL PROVISIONS

"DECLARATION OF PURPOSE

"SEC. 101. It is the purpose of this Act to authorize Federal grants to States to assist them to maintain, extend, and improve existing programs of vocational education, to develop new programs of vocational education and career guidance and exploration and to provide part-time employment through work study for youths who need the earnings from such employment to continue their vocational training on a full-time basis, to provide stipends to out-of-school youth and young adults, and adults who need financial assistance to obtain such education to improve their employability, so that persons of all ages in all communities of the State, those who need career guidance and exploration to make an occupational choice, those in high school and postsecondary institutions who desire to prepare for the world of work, those who have completed or discontinued their formal education and are preparing to enter the labor market, those who have already entered the labor market but need to upgrade their skills or learn new ones, and those with special educational handicaps, will have ready access to vocational training or retraining and career guidance and exploration which is of high quality, which is realistic in the light of actual or anticipated opportunities for gainful employment, and which is suited to their needs, interests, and ability to benefit from such training.

"STATE ADMINISTRATION

"SEC. 102. (a) Any State desiring to participate in the program authorized by this Act shall in accordance with State law designate the State Board as the sole agency for administration of a State plan for vocational education, and for the supervision of the administration of such plan by local educational agencies. Any such State shall also in accordance with State law provide that the State Board shall be the sole State agency for determining final policy for fiscal management and administration, and provide that the State Board shall adopt administrative arrangements which will provide assurances satisfactory to the Commissioner that—

"(1) the State Board may delegate responsibility for the operation of State vocational State agencies, but that final authority for policymaking with respect to such programs shall not be delegated to any State agency other than the State Board,

"(2) the Federal Government shall work directly with the State Board in all matters of vocational education,

"(3) the State Board shall prepare statewide planning documents in accordance with the provisions of section 108 which shall consist of plans for at least four, but no more than six years, for vocational education programs in the State, which shall be prepared on a fiscal year basis and shall be filed or updated with the Commissioner on October 1 biennially,

"(4) the State Board shall receive and distribute funds under this Act, in the State in accordance with a State plan outlining such distribution, and shall, unless otherwise provided in this Act, allocate such funds for the purposes provided in section 108 and in all sections of parts B, C, D, and E of this Act,

"(5) the State Board shall prepare an annual report on vocational education, in accordance with requirements established by the Commissioner, and shall submit such report to the Commissioner.

"(6) the State Board shall conduct annual evaluations of State and local vocational education programs, which shall include evaluation of the availability of vocational education within the State, of labor force needs, of the needs of economically depressed areas, of national priorities determined by Congress, and of fiscal management,

"(7) an institution or group of institutions or a local educational agency may obtain a hearing from the State Board with respect to policies, procedures, programs, or allocation of resources under this Act established by such State Board, and

"(8) the State Board shall cooperate with the State advisory council on vocational education established under section 107.

"(b) The Commissioner shall approve any administrative arrangements which meet the requirements of subsection (a), and shall not finally disapprove any such arrangements without affording the State Board a reasonable opportunity for a hearing.

"LEADERSHIP IN VOCATIONAL EDUCATION

"SEC. 103. (a) The Commissioner shall assure that adequate staffing is available to the Bureau of Occupational and Adult Education to make certain that the responsibilities of such Bureau under subsection (b) are accomplished.

"(b) The Bureau of Occupational and Adult Education shall direct a vocational effort through a qualified professional staff to provide leadership in order to assist State vocational education agencies to expand and improve vocational education programs, which shall include providing services to the States such as—

"(1) standards of quality for all facets of vocational education;

"(2) criteria and procedures for evaluation and accountability;

"(3) monitoring specific vocational education programs;

"(4) dissemination of information about developments in applied research and curriculum in a form which will make such information readily adaptable to local vocational education programs;

"(5) development and use of a national vocational education data system;

"(6) preparation of an annual report to the President and the Congress with respect to the status, achievements, direction, and needs of vocational education in the Nation;

"(7) assisting State boards in the preparation and evaluation of, and reports concerning, the statewide planning documents required under section 102(a)(3);

"(8) developing national reviews of vocational education as evidence for the Congress that the purposes of this Act are being carried out in each of the States;

"(9) planning and conducting, either directly or through contract, national and regional workshops and symposia; and

"(10) similar services which such Bureau determines will enhance the development of vocational education in the States.

"LIMITATION

"SEC. 104. Nothing in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum program of instruction, administration, or personnel of any educational institution or school system.

"PERIODIC REVIEW OF VOCATIONAL EDUCATION PROGRAMS AND LAWS

"SEC. 105. (a) The President shall, during 1978, appoint a Panel of Consultants on Vocational Education (hereinafter referred to as the 'Panel') for the purpose of reviewing the functions of the National Advisory Council, the administration of vocational education for which funds are appropriated pursuant to this Act and other vocational education Acts, making recommendations for improvement of such administration, and reviewing the status of and making recommendations with respect to such vocational education and the Acts under which funds are appropriated.

"(b) The Panel shall be appointed by the President, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to chapter 51 and subchapter 3 of chapter 53 of such title 5 relating to classification and general schedule pay schedule pay rates, and shall consist of twelve persons who shall, to the extent possible, include persons familiar with the vocational education needs of management and labor (in equal numbers), persons familiar with the administration of State and local vocational education programs, other persons with special knowledge, experience, or qualification with respect to vocational education, and persons representative of the general public.

"(c) The Panel is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Panel such secretarial, clerical, and other assistance and such pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out such functions.

"(d) The Panel shall make a report of its findings and recommendations (including recommendations for changes in the provisions of the vocational education Acts) to the President, such report to be submitted not later than January 1, 1980, after which date such Panel shall cease to exist. The President shall transmit such report to the Congress.

"(e) The President shall also from time to time thereafter (but at intervals of not more than five years) appoint a Panel of Consultants on Vocational Education, with the same functions and constituted in the same maner as prescribed for the Panel in the preceding subsections of this section. Each Panel so appointed shall report its findings and recommendations, as prescribed in subsection (d), not later than January 1 of the year after the year in which it is appointed, after which date such Panel shall cease to exist.

"(f) Members of the Panel who are not regular fulltime employees of the United States shall, while serving on business of the Panel, be entitled to receive compensation at rates fixed by the President but not exceeding $200 per day, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"NATIONAL ADVISORY COUNCIL ON VOCATIONAL EDUCATION

"SEC. 106. (a) There is hereby established a National Advisory Council on Vocational Education (hereinafter referred to as the 'National Council'), which shall continue to exist as an independent council while this Act continues in effect, consisting of twenty-one members appointed by the President, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to chapter 51 and subchapter 3 of chapter 53 of such title 5 relating to classification and General Schedule pay rates, for terms of three years. The provisions of the Federal Advisory Committee Act and the General Education Provisions Act shall not be applicable to the National Council created under this section. The National Council shall include persons—

"(1) representative of labor, management, and entrepreneurship, including persons who have knowledge of the semiskilled, skilled, and technical employment in such occupational fields as agriculture, home economics, distribution and marketing, health, trades, manufacturing, office and service industries, and persons representative of new and emerging occupational fields,

"(2) familiar with manpower problems and administration of manpower programs,

"(3) knowledgeable about the administration of State and local vocational education programs, including members of local school boards,

"(4) experienced in the education and training of handicapped persons,

"(5) familiar with the special problems and needs of individuals disadvantaged by their socioeconomic backgrounds,

"(6) having special knowledge of postsecondary and adult vocational education programs, and

"(7) representative of the general public who are not Federal employees, including parents and students, except that they may not be representative of categories (1) through (6), and who shall constitute no less than one-third of the total membership.

In appointing the Council as required in clauses (1) through (7) the President shall also insure appropriate cross-sectional representation on the basis of sex, minorities, and geography. The National Council shall meet at the call of the Chairman, who shall be selected by the President, but not less than four times a year.

"(b) The National Council shall—

"(1) advise the President, Congress, Secretary, and the Commissioner concerning the administration of, preparation of general regulations and budget requests for, and operation of, vocational education programs supported with assistance under this Act and under part B of title X of the Higher Education Act of 1965,

"(2) review the administration and operation of vocational education programs under this Act, and other pertinent laws affecting vocational education and manpower training, including the effectiveness of such programs in meeting the purposes for which they are established and operated, make recommendations with respect thereto, and make annual reports of its findings and recommendations (including recommendations for changes in the provisions of this Act and such other pertinent laws) to the President, the Congress, the Secretary, and the Commissioner, and

"(3) conduct independent evaluations of programs carried out under this Act and publish and distribute the results thereof.

"(c) Members of the National Council who are not regular full-time employees of the United States shall, while serving on business of the National Council, be entitled to receive compensation not in excess of the daily rate of a GS-18, including travel time; and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"(d) The Council is authorized, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to chapter 51 and subchapter 3 of chapter 53 of such title 5 relating to classification and General Schedule pay rates, to engage such technical assistance as may be required to carry out its functions.

"(e) The National Council shall review the possible duplication of vocational education programs involving the secondary, postsecondary, and adult levels, at the Federal level, and within geographic areas, and shall make annual reports of the extent to which such duplication exists, together with its findings and recommendations, to the President, the Congress, the Secretary, and the Commissioner. In making these reports, the Council shall seek the opinions of persons familiar with vocational education and manpower training, in each State from schools, junior colleges, technical institutes and other institutions of higher education, as well as from State boards of education, State junior college boards, and State boards of higher education and persons familiar with area schools, labor, business and industry, accrediting commissions, proprietary institutions, and manpower programs. In addition, the Council is authorized to call meetings of the State councils established under section 107 in order for such State councils to provide advice to the National Council.

"(f) The National Council may accept, in the name of the Department of Health, Education, and Welfare, and employ or dispose of grants, gifts, or bequests, to carry out its responsibilities under this Act.

"(g) There is authorized to be appropriated to carry out this section not to exceed $500,000 for each fiscal year.

"STATE ADVISORY COUNCILS OF VOCATIONAL EDUCATION

"SEC. 107. (a) Any State which desires to receive a grant under this Act for any fiscal year shall establish an independent State advisory council, which shall be appointed by the Governor or, in the case of States in which the members of the State board are elected, by such board, and which shall—

"(1) include as members—

"(A) at least one person familiar with the vocational needs and the problems of management in the State, and at least one person familiar with the vocational needs and problems of labor in the State, and at least one person representing State industrial and economic development agencies, and at least one person representing agriculture.

"(B) at least one person representative of post-secondary vocational schools, junior or community colleges, or other postsecondary or adult education agencies *or institutions* which provide programs of vocational or technical education and training,

"(C) at least one person who has special knowledge, experience, or qualifications with respect to the administration of State and local vocational education programs, but who is not currently involved in the administration of State or local vocational education programs,

"(D) at least one person familiar with programs of technical and vocational education in comprehensive secondary schools or area vocational schools at the secondary level,

"(E) at least one person representative of local education agencies who is involved in an administration or planning role in vocational education,

"(F) at least one person who is representative of the Manpower Service Council in the State,

"(G) at least one person representing school systems with large concentrations of persons who have special academic, social, economic, and cultural needs,

"(H) at least one person having special knowledge, experience or qualifications with respect to the special educational needs of physically or mentally handicapped persons,

"(I) at least three persons each of whom is currently employed in a business, industry, or service for which vocational education is offered to present or prospective employees,

"(J) at least one present or recent vocational education student who is not qualified for membership under any of the preceding clauses of this paragraph,

"(K) at least three persons who are lay citizens, including at least one person representative of and knowledgeable about the poor and disadvantaged, and who are not qualified for membership under any of the preceding clauses of this paragraph,

"(L) at least one person having special knowledge, experience, or qualifications with respect to career development, job placement, job development, or job adjustment,

"(M) at least one person who is representative of school boards or trustees of a local education agency or public institution providing programs of vocational education, and

"(N) at least one person responsible for vocational teacher education in an institution of higher education;

"(2) include appropriate representation on the basis of sex, geography, and membership in minority groups;

"(3) advise the State board on the development of and policy matters arising in the administration of, the State plan submitted pursuant to this Act, including the preparation of long-range and annual program plans;

"(4) evaluate the statewide vocational education programs, services, and activities assisted under this Act, and publish and distribute the results thereof; and

"(5) prepare and submit through the State board to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate an annual evaluation report, accompanied by such additional comments of the State board as the State board deems appropriate, which evaluates the effectiveness of vocational education programs, services, and activities carried out in the year under review in meeting the program objectives set forth in the long-range program plan and the annual program plan, and recommends such changes in such programs, services, and activities as may be warranted by the evaluations.

"(b) Not less than ninety days prior to the beginning of any fiscal year in which a State desires to receive a grant under this Act, that State shall certify the establishment of, and membership of, its State Advisory Council to the Commissioner.

"(c) Each State Advisory Council shall meet within thirty days after certification has been accepted by the Commissioner and select from among its membership a chairman. The time, place, and manner of meeting shall be as provided by State law and by the rules of the State Advisory Council, except that such rules must provide for not less than one public meeting each year at which the public is given opportunity to express views concerning vocational education.

"(d) State Advisory Councils are authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this Act and to contract for such services as may be necessary to enable them to carry out their evaluation functions.

"(e) From the sums appropriated pursuant to this section for any fiscal year, the Commissioner is authorized (in accordance with regulations) to pay to each State Advisory Council an amount equal to the reasonable amounts expended by it in carrying out its functions under this Act in such fiscal year, except that the amount available for such purpose shall not exceed $150,000 and shall be not less than $50,000.

"(f) There is authorized to be appropriated to carry out the provisions of this section a sum not to exceed $4,315,844 for each fiscal year.

"COMPREHENSIVE STATEWIDE PLANNING AND ACCOUNTABILITY FOR VOCATIONAL EDUCATION

"SEC. 108. (a) A State board shall have the primary responsibility for preparing comprehensive statewide plans for vocational education, and shall designate a planning group, to be responsible administratively to the head of the State board within the unit administering vocational education under such board to prepare such plans. Such plans shall be designed to provide vocational education for all people within a State and shall take into account the purposes of this Act.

"(b) A planning group established under subsection (a) shall, in formulating the plans described in subsection (a)—

"(1) consult with and obtain the assistance of other appropriate State agencies, including but not limited to the State Advisory Council established under section 107, and the State agency responsible for community college functions as described in Sec. 109(15),

"(2) actively seek advice and assistance from other appropriate groups and individuals within the State,

"(3) provide that such plans represent forward planning of not less than four years, but no more than six years, and be updated biennially, and shall submit such plans and any updating thereof to the Commissioner for his review, comment, and approval.

"(4) provide that such plans (A) include a detailed program of action involving an orderly arrangements of all aspects of vocational education within the State; (B) provide an educational framework providing that all persons leaving secondary schools within the State be prepared for meaningful, productive employment or for further educational programs which will lead to such employment; (C) provide for full utilization of postsecondary vocational education (both training and retraining); (D) provide for supplementary vocational education for adults who have entered or are reentering the labor market and are in need of training, retraining, or skills in order to achieve job stability or to advance in employment; and (E) provide preparatory instruction for adults who are entering the labor market.

"(5) provide that such plans shall be based upon a periodic analyses of the needs of people, the job market job performance, curriculum resources, research, teacher education, leadership development, program planning and review, vocational education promotion, student recruitment, career guidance and exploration, and vocational instruction, placement, followup, and evaluation, and shall take into full account national priorities, including concern for persons with special needs, and State priorities,

"(6) provide that each statewide plan, in allocating funds to serve persons with special needs, shall include provisions to deal effectively with the unique problems of urban school districts, rural areas, and special segments of the State's population, and

"(7) encourage local comprehensive planning for vocational education.

"(c) The Commissioner shall promulgate guidelines for the formulation of statewide plans to assure uniformity among the States. Statewide plans may, however, be expanded by a State beyond the limits established by the Commissioner.

"(d) Concurrently with the presentation of each biennial State plan (after the first biennial plan) a State shall issue an accountability report indicating the extent to which the State has achieved the goals indicated two years earlier.

"(e) There is authorized to be appropriated for purposes of this section a sum not to exceed $20,000,000 for each fiscal year. No State shall receive less than $100,000.

"(f) From the sums appropriated under subsection (d), the Commissioner shall make a grant to each State participating in the program authorized by this Act for purposes of preparing statewide plans under this section, in an amount which bears the same ratio to such sums as is specified in section 132.

"DEFINITIONS

"SEC. 109. For the purposes of this Act—

"(1) The term 'vocational education' means vocational or technical training or retraining which is given in schools or classes (including field or laboratory work and remedial or related academic and technical instruction incident thereto) under public supervision and control or by private nonprofit or proprietary schools under contract with a State Board or local educational agency, and which is conducted as part of a program designed to prepare individuals for gainful employment as semiskilled or skilled workers, technicians, or subprofessionals in recognized occupations and in new and emerging occupations or to prepare individuals for enrollment in advanced technical education programs, but does not include any program to prepare individuals for employment in occupations which the Commissioner determines, and specifies by regulation, to be generally considered professional and to require a baccalaureate or higher degree; such term includes career guidance and exploration (individually or through group instruction) in connection with such training or for the purpose of facilitating occupational choice, instruction related to the occupation or occupations for which the students are in training or instruction necessary for students to benefit from such training; such term also includes but is not limited to agriculture, business, and office education, distributive education, health occupations, industrial arts, vocational home economics (consumer and homemaking education and occupational home economics), trade and industrial education, technical education, the vocational education student organizations which are an integral part of the instructional program, job placement and followup, the training of persons engaged as, or preparing to become, teachers in a vocational education program or preparing such teachers to meet special educational needs of handicapped students, teachers, coordinators, supervisors, or directors of such teachers while in such a training program, leadership development programs designed to provide high level education for emerging leaders in vocational education, travel of students and vocational education personnel while engaged in a training program, and the acquisition, maintenance, and repair of instructional supplies, teaching aids, and equipment, but such term does not include the construction, acquisition, or initial equipment of buildings or the acquisition or rental of land.

"(2) The term 'career guidance and exploration' refers to individual or group instruction related to the development of awareness, orientation, and exploration of occupational opportunities, such as may be provided for students in elementary and secondary schools, adults in postsecondary and institutions for out-of-school youth and adults, which is designed to acquaint such persons with the many ways that people work, and which facilitates the process of choosing a career, vocation, occupation, or job which is appropriate for the person concerned. (Ignorance of available vocational opportunities can prevent access to them as effectively as restrictions rooted in racial, ethnic, or religious discrimination.)

"(3) The term 'postsecondary and adult vocational education programs' means education, training, retraining, or upgrading for persons sixteen years of age and older, who have completed, graduated, or left secondary or elementary school before graduation which are either preparatory to entering employment, or are supplementary to employment, and which may be conducted by many different kinds of institutions such as: area vocational schools, community colleges, occupational centers, junior colleges, technical institutes, adult schools, adult departments of comprehensive high schools, business or trade schools, and departments of colleges or universities that provide instruction designated by State law to be eligible to provide vocational education. Such term includes programs providing preparation for any occupation for which there is a reasonable expectation for employment, except those occupations specified by regulation by the Commissioner to be professional and to require a baccalaureate or higher degree.

"(4) The term 'area vocational education school' means (A) a specialized high school used exclusively or principally for the provision of vocational education to persons who are available for study in preparation for entering the labor market, or (B) a high school providing vocational education in no less than five different occupational fields to persons who are available for study in preparation for entering the labor market, or (C) a technical or vocational school used exclusively or principally for the provision of vocational education to persons who have completed or left high school and who are available for study in preparation for entering the labor market, or (D) the department or division of a junior college or community college which provide vocational education in no less than five different occupational fields leading to immediate employment but not leading to a baccalaureate degree, if it is available to all residents of the State or an area of the State designated and approved by the State board, and if, in the case of a school, department, or division described in (C) or (D), it admits as regular students both persons who have completed high school and persons who have left high school.

"(5) The term 'school facilities' means classrooms and related facilities (including initial equipment) and interests in lands on which such facilities are constructed. Such term shall not include any facility intended primarily for events for which admission is to be charged to the general public.

"(6) The term 'construction' includes construction of new buildings and acquisition, expansion, remodeling, and alteration of existing buildings, and includes site grading and improvement and architect fees.

(7) The term 'Commissioner' means the Commissioner of Education, the term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(8) The term 'handicapped persons' means persons who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled or other health impaired persons who by reason thereof require special services.

"(9) The term 'disadvantaged persons' means persons who have academic, socioeconomic, or other disadvantages which prevent them from succeeding in a regular vocational education program.

"(10) The term 'State' includes in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

"(11) The term 'State board' means a State board designated or created by State law as the sole State agency responsible for the administration of vocational education, and for supervision of the administration thereof by local educational agencies, in the State.

"(12) The term 'local educational agency' means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public educational institution or agency having administrative control and direction of a vocational education program.

"(13) The term 'secondary vocational education' means the level of vocational education or training which does not extend beyond grade 12.

"(14) The term 'private vocational training institution' means a private nonprofit or proprietary business or trade school, or technical institution or other technical or vocational school, in any State, which (A) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (B) is legally authorized to provide, and provides within that State, a program of vocational or technical education designed to fit individuals for useful employment in recognized occupations; (C) has been in existence for two years or has been specially approved by the Commissioner as an institution meeting the other requirements of this subsection; and (D) is accredited (i) by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this clause, or (ii) if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit schools of a particular category, by a State agency listed by the Commissioner pursuant to this clause, or (iii) if the Commissioner determines that there is no nationally recognized or State agency or association qualified to accredit schools of a particular category, by an advisory committee appointed by him and composed of persons specially qualified to evaluate training provided by schools of that category, which committee shall prescribe the standards of content, scope, and quality which must be met by those schools and shall also determine whether particular schools meet those standards. For the purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations and State agencies which he determines to be reliable authority as to the quality of education or training afforded.

"(15) The term 'community college' means any junior college, postsecondary vocational school, technical institute, or any other educational institution (which may include a four-year institution of higher education or a branch thereof) in any State which: (A) is legally authorized within such State to provide a program of education following secondary education; (B) admits as regular students persons who are high school graduates or the equivalent, or who are beyond compulsory school age; (C) provides a two-year postsecondary educational program leading to an associate degree, or provides acceptable credit toward a bachelor's degree, and also provides programs of postsecondary vocational, technical, occupational, and specialized education; (D) is a public or private institution; (E) is accredited as an institution by a nationally recognized accrediting agency or association, or if not so accredited, (i) is an institution that has obtained preaccreditation status from a nationally recognized accrediting body, or (ii) is an institution whose credits are accepted on transfer, by not less than three accredited institutions, for credit on the same basis as if transferred from an institution so accredited.

"(16) The term 'residential school facility' means a school facility used for residential vocational education purposes. Such term also includes dormitory, cafeteria, and recreational facilities, and such other facilities as the Commissioner determines are appropriate for a residential vocational education school.

"(17) The term 'operation of residential school' used for the purpose of a residential school facility means maintenance and operation, and includes the cost of salaries, equipment, supplies, and materials, and may include but is not limited to other reasonable costs of services and supplies needed by residential students, such as clothing and transportation.

"(18) The term 'industrial arts education programs' means those education programs (A) which pertain to the body of related subject matter, or related courses, organized for the development of understanding about recreational, organizational, managerial, technical, consumer, occupational, social, historical, and cultural aspects of industry and technology including learning experiences involving activities such as experimenting, designing, constructing, evaluating, and using tools, machines, materials, and processes, and (B) which are designed only to provide opportunities for creativity and problem solving and assisting individuals in the making of informed and meaningful occupational choices.

"(19) The term 'programs involving education and training outside the classroom' includes (A) cooperative vocational education programs, which are programs of vocational education for persons who, through a cooperative arrangement between the school and employers, receive instruction (including required academic courses and related vocational instruction) by the alternation of study in school with a job in any occupational field, including agriculture, business and office, distributive, consumer and homemaking, trade and industrial, and health occupations, in which these two experiences must be planned and supervised by the school and employers so that each contributes to the student's education and to his employability, and in which work periods and school attendance may be on alternate half-days, full days, weeks, or other periods of time, (B) exploratory work experience programs, which are programs which provide students with the opportunity to observe and sample systematically a variety of work conditions in such fields as agriculture, business and office, distributive, consumer, and homemaking, trade and industrial, and health occupations, in order to determine whether they wish to pursue certain careers and to ascertain their suitability for occupations being explored, the purpose of which is not to develop salable skills, and which are supervised by a teacher-coordinator and occupational representatives, (C) general work experience programs which are programs whose purpose is the supervised part-time employment of students in such fields as agriculture, business and office, distributive, consumer and homemaking, trade and industrial, and health occupations, in order to assist them in acquiring desirable work habits for and attitudes toward the world of work, in which the part-time job held by a student need not be related to his occupational objective, and which are supervised by a teacher-coordinator and an occupational representative, (D) work study programs which are programs designed to provide financial assistance, through part-time employment, to students who have been accepted for full-time enrollment in vocational education programs and require such aid in order to continue in vocational training, in which the part-time employment is based on the financial need of the student and is not necessarily related to his career objective, and (E) entrepreneurship and ownership-partnership activities in such fields as agriculture, business and office, distributive, consumer and homemaking, trade and industrial, and health occupations, which are a part of programs of vocational education approved under provisions of the State plan, which provide for proper State or local administration and supervision, and which require the active assistance of professional staff in the field through planned activities and supplemental instruction in order to reduce failures during the course of such activities.

"(20) The term 'nonpublic school' means a school established by an individual, institution, or agency other than the State, subdivisions of the State, or the Federal Government, which usually is supported primarily by other than public funds, and the operation of whose program rests with other than publicly elected or appointed officials.

"(21) The term 'vocational home economics education' (consumer and homemaking education and occupational home economics education) means instructional programs, services, and activities at all educational levels for (A) the occupation of homemaking including, but not limited to, consumer education; food and nutrition; family living and parent education; child development, care, and guidance; housing and home furnishings; home management; clothing and textiles; and (B) employment in home economics occupations in the above areas. Such programs, services, and activities are designed to help individuals and families improve home environments, quality of personal and family life and to prepare youth and adults for employment in home economics occupations.

"(22)(A) The term 'preparatory' means education and training that is preparatory to employment, such as vocational education programs provided in the high school for in-school students, and programs in postsecondary and adult vocational education which provide instruction leading to the first employment of an individual.

"(B) The term 'supplementary' means education and training which is supplementary to employment of an individual, such as instruction provided for an employed skilled craftsman (or unemployed skilled craftsman) which is designed to supplement existing skills and knowledge for the purpose of upgrading and updating such persons in order that they may compete more effectively in the labor market, or otherwise advance in their occupational area.

"PART B—CAREER GUIDANCE AND EXPLORATION

"STATEMENT OF PURPOSE

"SEC. 121. It is the purpose of this part to implement an additional portion of the career education concept in which vocational education can play an important role. As a process, career education includes career awareness, career exploration, career decisionmaking, career planning, career preparation, career entry, and career progression. Vocational education's prime mission is career preparation and career progression. To carry out this mission, vocational education needs a comprehensive career guidance and exploration effort. Thus, this part is intended to provide support for those parts of career education particularly crucial to the total mission of vocational education.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 122. There are authorized to be appropriated for purposes of this part $59,635,000 for the fiscal year ending June 30, 1976, $74,545,000 for the fiscal year ending September 30, 1977, $89,455,000 for the fiscal year ending September 30, 1978, $104,350,000 for the fiscal year ending September 30, 1979, and $119,270,000 for the fiscal year ending September 30, 1980.

"AUTHORIZATION OF GRANTS

"SEC. 123. (a) From the sums appropriated under section 122, the Secretary shall make grants to each State which has administrative arrangements approved under section 102 for career guidance and exploration. A grant under this section to any State shall be administered by the State board, and shall be in an amount which bears the same ratio to the total amount of the sums appropriated under section 122 as is specified in section 132.

"USES OF FEDERAL FUNDS

"SEC. 124. Grants to States under this part may be used for the following purposes:

"(1) Preservice and inservice personnel development to adequately prepare teachers, paraprofessionals, guidance personnel, administrators, coordinators, supervisory personnel, and parents in concepts of career awareness, orientation, exploration, and decisionmaking and planning, and vocational counseling, with priority placed upon preparing personnel to (A) develop and implement for students in grades one through ten career awareness, orientation, and exploration programs, (B) develop and implement for students in grades eleven through fourteen, and for students in adult programs, career planning, and decisionmaking programs, (C) fuse career awareness, orientation, exploration, planning and decisionmaking concepts into each academic and vocational curriculum area, (D) provide leadership for vocational guidance and exploration programs at the local level, (E) develop and implement community observation, and work experience for junior and senior high school students, and (F) provide follow-through counseling and job placement assistance not otherwise covered in part D to early school dropouts.

"(2) Acquisition and development of curriculum materials, equipment purchase, and resource development to support prevocational instruction in grades one through fourteen, and in adult education programs, with priority placed upon (A) developing and obtaining materials and equipment for career centers and for exploration activities in secondary and postsecondary schools, (B) developing and disseminating brochures, booklets, briefs and catalogs to orient students to opportunities available through secondary and postsecondary and adult vocational education, (C) developing and disseminating brochures, booklets, and briefs that provide all persons in all communities with information about occupations, occupational clusters, and occupational projected demands at the local, State, and national levels, (D) developing and obtaining curriculum materials for career awareness and exploration activities, for career orientation, decisionmaking and planning courses, and for fusing career oriented activities and content into each curriculum area, (E) developing and obtaining student assessment material and equipment, and (F) maximizing the integration of vocational instructional areas into the prevocational curriculum development effort.

"(3) Services related to career center operation, occupational materials handling, and supplemental assistance for prevocational program activities, with priority placed upon (A) new vocational guidance and exploration programs, including the development and implementation of career awareness, orientation, and exploration courses, career decisionmaking and planning courses, and related services, including vocational counseling, (B) extended-year employment and released time to staff to implement internship program for students in work settings related to different academic disciplines and the students' tentative career choices, summer community work experience programs, and in-depth exploration and career planning courses for students with special needs, (C) travel for students and staff to participate in observation and work experience activities in the community, (D) exchange programs between schools and the business and industrial community, and (E) pilot and demonstration projects, including related research, to promote the concepts of vocational guidance and exploration at all educational levels, including those not otherwise covered in this part.

"PART C—VOCATIONAL EDUCATION PROGRAM SUPPORT

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 131. (a) There are authorized to be appropriated $842,500,000 for the fiscal year ending June 30, 1976, $916,025,000 for the fiscal year ending September 30, 1977, $989,520,000 for the fiscal year ending September 30, 1978, $1,063,000,000 for the fiscal year ending September 30, 1979, and $1,136,600,000 for the fiscal year ending September 30, 1980, and each succeeding fiscal year for the purposes of this part.

"ALLOTMENTS AMONG STATES

"SEC. 132. (a)(1) From the sums appropriated pursuant to section 131 the Commissioner shall first reserve an amount, not to exceed $5,000,000 in any fiscal year, for joint sponsorship with the Secretary of Labor to finance (upon terms and conditions mutually satisfactory to the Commissioner and the Secretary of Labor) a national system to project manpower supply and demand data for the use and guidance of Federal, State, and local officials, and of advisory councils charged with responsibilities under this Act.

"(2) The remainder of the sums appropriated pursuant to section 131 shall be allotted among the States on the basis of the number of persons in the various age groups needing vocational education and the per capita income in the respective States as follows: The Commissioner shall allot to each State for each fiscal year—

"(A) an amount which bears the same ratio to 50 per centum of the sums being allotted, as the product of the population aged fifteen to nineteen, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

"(B) an amount which bears the same ratio to 20 per centum of the sums being allotted, as the product of the population aged twenty to twenty-four, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

"(C) an amount which bears the same ratio to 15 per centum of the sums being allotted, as the product of the population aged twenty-five to sixty-five, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

"(D) an amount which bears the same ratio to 15 per centum of the sums being allotted, as the sum of the amounts allotted to the State under subparagraphs (A), (B), and (C) for such years bears to the sum of the amounts allotted to all the States under paragraphs (A), (B), and (C) for such year.

"(b) The amount of any State's allotment under subsection (a) for any fiscal year which is less than $10,000 shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments to each of the remaining States under such subsection, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than that amount.

"(c) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the program for which such amount has been allotted shall be available, from time to time, for reallotment, on such dates during such year as the Commissioner shall fix, on the basis of criteria established by regulation, first among programs authorized by other parts of this Act within that State and then among other States. Any amount reallotted to a State under this subsection for any fiscal year shall remain available for obligation during the next succeeding fiscal year and shall be deemed to be part of its allotment for the year in which it is obligated.

"(d)(1) The allotment ratio for any State shall be 1.00 less the product of—

"(A) 0.50, and

"(B) the quotient obtained by dividing the per capita income for the State by the per capita income for all the States (exclusive of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), except that (i) the allotment ratio in no case shall be more than 0.60 or less than 0.40, and (ii) the allotment ratio for Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be 0.60.

"(2) The allotment ratios shall be promulgated by the Commissioner for each fiscal year between October 1 and December 30 of the preceding fiscal year. Allotment ratios shall be computed on the basis of the average of the appropriate per capita incomes for the three most recent consecutive fiscal years for which satisfactory data are available.

"(3) The term 'per capita income' means, with respect to a fiscal year, the total personal income in the calendar year ending in such year, divided by the population of the area concerned in such year.

"(4) For the purposes of this section population shall be determined by the Commissioner on the basis of the latest estimates available to him.

"STATE VOCATIONAL EDUCATION PROGRAMS

"SEC. 133. (a) From the sums made available under section 132, the Commissioner shall make grants to each State which has administrative arrangements approved under section 102 for vocational education programs.

"(b) Grants under this section may be used by any such State for such programs in such proportions as the State board determines, in accordance with the comprehensive statewide plans of such State established under section 108, which may include the following:

"(1)(A) vocational education programs for high school students, including such programs which are designed to prepare them for advanced or highly skilled post-secondary vocational and technical education;

"(B) vocational education for persons who have completed or left high school and who are available for study in preparation for entering the work force, including entrepreneurship;

"(C) vocational education for persons who have already entered employment or entrepreneurship and who need training or retraining to achieve occupational stability or advancement;

"(D)(i) vocational education for persons (other than handicapped persons defined in section 109(8)) who have academic, socioeconomic, or other disadvantages which prevent them from succeeding in the regular vocational education program;

"(ii) vocational education for handicapped persons who because of their handicapping condition cannot succeed in the regular vocational education program without special educational assistance or who require a modified vocational education program;

"(E) construction of area vocational education school facilities;

"(F) provision of vocational training through contractual arrangements with private nonprofit and proprietary schools where such private schools can make a significant contribution to attaining the objectives of the comprehensive statewide plans established under section 108, and can provide substantially equivalent training at a lesser cost, or can provide equipment or services not available in public institutions; and

"(G) services and activities not included in other parts of this Act to assure quality in all vocational education programs, such as program evaluation and coordination, development of instructional materials, construction and equipment not elsewhere provided, and State and local administration and leadership, including periodic evaluation of State and local vocational education programs and services in the light of information regarding current and projected manpower needs and job opportunities;

"(H) vocational education student organizations;

"(2) use of such grants by State boards, colleges, and universities, and, with the approval of the appropriate State board, by public educational agencies, organizations, and institutions for the construction, equipment, and operation of residential schools to provide vocational education (including room, board, and other necessities) for youths, at least fifteen years of age and less than twenty-one years of age at the time of enrollment, who need full-time study on a residential basis in order to benefit fully from such educaiton. In allocating such grants for such purposes, the State board shall give special consideration to the needs of large urban areas having substantial numbers of youths who have dropped out of school or are unemployed and shall seek to attain, as nearly as practicable in the light of the purposes of this section, an equitable geographical distribution of such schools.

"(3) educational programs which encourage home economics to give greater consideration to social and cultural conditions and needs, especially in economically depressed areas, which encourage preparation for professional leadership, which are designed to prepare youths and adults for the role of homemaker, or to contribute to the employability of such youths and adults in the dual role of homemaker and wage earner, which include consumer education, and which are designed for persons who have entered, or are preparing to enter, the work of the home.

"(4) programs for cooperative vocational education, for which a State shall submit to the Commissioner through the State board, as a part of the comprehensive statewide plans of such State established under section 108, a plan which shall set forth policies and procedures to be used by the State board in establishing cooperative programs through local educational agencies with participation of public and private employers. Such policies and procedures must give assurance that—

"(A) funds will be used only for developing and operating cooperative programs as defined in section 109(19)(A) which provide training opportunities that may not otherwise be available and which are designed to serve persons who can benefit from such programs;

"(B) necessary procedures are established for cooperation with employment agencies, labor groups, employers, and other community agencies in identifying suitable jobs for persons who enroll in cooperative programs;

"(C) provision is made for reimbursement of added costs to employers for on-the-job training of students enrolled in cooperative programs, provided, such on-the-job training is related to existing career opportunities susceptible of promotion and advancement and does not displace other workers who perform such work; and

"(D) ancillary services and activities to assure quality in cooperative programs are provided for, such as preservice and in-service training for teacher coordinators, supervision, curriculum materials, and evaluation.

The Commission shall approve a State plan under this paragraph which fulfills the conditions specified above.

"(c) Fifteen per centum of the total funds granted to each State under this part must be used exclusively for disadvantaged students as defined in section 109(9); of the remaining funds, 10 per centum must be used exclusively for the benefit of handicapped persons as defined in section 109( ), except that moneys used specifically for disadvantaged and handicapped programs under the provisions of part D or part E of this Act may be considered for purposes of the requirement of this subsection.

"(d) At least 30 per centum of the total funds granted to each State under this part shall be used for postsecondary and adult education programs, both preparatory and supplementary.

"PART D—VOCATIONAL EDUCATION PROGRAM SERVICES

"AUTHORIZATION OF GRANTS

"SEC. 141. From the sums appropriated under sections 142, 144, and 145 the Secretary shall make grants to each State which has administrative arrangements approved under section 102, in an amount which bears the same ratio to the total amount of such sums as is specified in Section 132 for purposes of carrying out the purposes of each such section. Each such State shall allocate the sums it receives under these sections among programs under such sections in such a manner as to insure that the purposes of each such section are carried out.

"TEACHER EDUCATION

"SEC. 142. (a) Grants under this part shall be used by States, either directly or through contract with educational institutions, for programs of vocational teacher education, including education of teachers, coordinators, supervisors, counsellors, and administrators of vocational education, which may include—

"(1) preservice education, to be coordinated by the appropriate State agency or by an educational institution designated by the State, which shall include provisions for occupational testing, where appropriate, and for other testing, in order to assist vocational educators to assess their competence in relation to their educational role, and for other general assistance which will aid in development of vocational educators competent in both subject matter and in the theory and practice of teaching and learning, and

"(2) inservice education, which shall include education to maintain technical occupational competence and education to maintain professional educational competence, and which shall be offered throughout the year, at locations convenient to vocational educators.

"(b) There are authorized to be appropriated for purposes of this section $55,000,000 for the fiscal year ending June 30, 1976, $61,000,000 for the fiscal year ending September 30, 1977, $67,000,000 for the fiscal year ending September 30, 1978, $74,000,000 for the fiscal year ending September 30, 1979, and $81,000,000 for the fiscal year ending September 30, 1980.

"LEADERSHIP DEVELOPMENT AWARDS

"SEC. 143. (a) In order to meet the need in all the States for qualified vocational education personnel with high potential to advance policymaking and leadership positions in vocational education, the Commissioner shall make available three-year (36 consecutive month) leadership development grants in accordance with the provisions of this section only upon his determination that—

"(1) persons selected for awards are eligible for admission as graduate students in an approved program of higher education, and

"(2) persons selected for awards have had not less than two years of professional experience in vocational education or in business and industry, or in military technical training, or two years of research experience in a social science which is applicable to vocational education, and

"(3) persons receiving such awards are currently employed or are qualified for employment in vocational education and have successfully completed, at a minimum, a master's degree program, and

"(4) persons selected for awards are recommended by their employer, or others, as having leadership potential in the field of vocational education.

"(b)(1) The Commissioner shall pay to persons selected for leadership development awards under this section such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs, but not less than $4,400 per person per academic year or its equivalent and $800 per person per summer session or its equivalent, with a dependent allowance of $600 per person per academic year or its equivalent and $100 per person for each dependent per dependent per summer session or its equivalent.

"(2) The Commissioner shall, in addition to the stipends paid under paragraph (1), make grants to the institution of higher education at which such person is pursuing his course of study in such amounts as the Commissioner determines to be consistent with the prevailing practices under comparable federally supported programs, which shall not exceed $4,500 per person per academic year or its equivalent, and $1,000 per person per summer session or its equivalent, but any amount charged such person for tuition and nonrefundable fees and deposits shall be deducted from the amount payable to an institution of higher education under this paragraph. Any funds from grants under this paragraph which remain after deducting normal tuition, fees, and deposits attributable to such students, shall be used by the project director for the program in leadership development for vocational education for such institution for the purpose of (A) enriching the educational experience of students receiving grants under this section through internships and other involvement with the ongoing program of vocational education in school districts and in State educational agencies, or through other activities determined by such director to be appropriate as leadership experience, and (B) providing part-time assistants for such director administering such leadership development program.

"(c) The Commissioner shall approve the vocational education leadership development program of an institution which has demonstrated previous experience in graduate vocational education and has submitted an application only upon finding that—

"(1) such institution offers a comprehensive undergraduate and graduate program in vocational education with adequate supporting services and disciplines such as educational administration, guidance and counseling, research, and curriculum development, and

"(2) such program is designed to substantially further the objective of improving vocational education through providing opportunities for flexible and individualized graduate training of vocational education teachers, supervisors, and administrators, and of university level vocational education teacher educators and researchers, and

"(3) such program is conducted by a school of graduate study in such institution, and

"(4) such program is approved by the State board in the State in which such institution is located.

"(d) Persons receiving leadership awards under this section shall continue to receive the payments provided under subsection (b) only during such periods as the Commissioner finds that they are maintaining satisfactory proficiency in, and devoting the full-time to, study or research in the field of vocational education in an institution of higher education, and are not engaging in gainful employment, other than part-time employment, by such institution or with the approval of such institution, in teaching, research, or similar occupations approved by the Commissioner.

"(e) There are authorized to be appropriated for purposes of this section $5,120,000 for the fiscal year ending June 30, 1976, $5,120,000 for the fiscal year ending September 30, 1977, $5,120,000 for the fiscal year ending September 30, 1978, $5,120,000 for the fiscal year ending September 30, 1979, and $5,120,000 for the fiscal year ending September 30, 1980.

"(f) From the amounts appropriated under subsection (e), the Commissioner shall make awards under subsection (b) to four hundred persons, to be selected by the various States, who shall be accepted for admission as graduate students in an approved program of higher education not less than nine months in advance of the starting date of such program. Such grants shall be made for study at not more than twenty institutions approved by the Commissioner, which offer a graduate program with a specialty in vocational education. Such grants shall be apportioned equitably among the States, taking into account such factors as the State's vocational education enrollments, and the incidence of youth unemployment and school dropouts in the State.

"PLACEMENT AND FOLLOWUP

"SEC. 144. (a) Grants under this part shall be used by States for programs providing placement services for persons who successfully complete vocational education programs, to be carried out by local educational agencies, and by the appropriate State educational agency, and providing follow-up efforts in order to evaluate the success of vocational education programs in the State.

"(b) There are authorized to be appropriated for purposes of this section $24,000,000 for the fiscal year ending June 30, 1976, and for each succeeding fiscal year through September 30, 1980.

"STUDENT SUPPORT

"SEC. 145. (a) Grants under this part shall be used by States for programs to provide partial support for students entering vocational education programs assisted under part C which may include—

"(1) work-study programs, in which no student shall be employed for more than fifteen hours in any week in which classes in which he is enrolled are in session, nor for compensation which exceeds $1,200 in any fiscal year, and in which students are employed by public or private nonprofit agencies at work which is related, if possible, to the area of vocational education which such student is studying, and

"(2) stipends for students who have acute economic responsibilities which cannot be met under a work-study program, in which stipends to such students of at least $85 per week per student are provided.

"(b) There are authorized to be appropriated for purposes of this section $381,910,000 for the fiscal year ending June 30, 1976, $468,375,000 for the fiscal year ending September 30, 1977, $554,850,000 for the fiscal year ending September 30, 1978, $641,325,000 for the fiscal year ending September 30, 1979, and $727,800,000 for the fiscal year ending September 30, 1980.

"PART E—APPLIED RESEARCH, CURRICULUM DEVELOPMENT, DEMONSTRATION PROGRAMS, AND LEADERSHIP DEVELOPMENT

"RESEARCH AND TRAINING IN VOCATIONAL EDUCATION

"SEC. 151. (a) From 50 per centum of the sums available for purposes of this section, the Commissioner is authorized to make grants and contracts for projects of significance to the Nation to institutions of higher education, public and private agencies and institutions, State boards, and, with the approval of the appropriate State board, to local educational agencies in that State, except that no grant may be made other than to a nonprofit agency or institution, for the purposes set forth in subsection (c), and for support for a national center or centers for research and development in vocational education independent of the Federal Government.

"(b) From the remaining 50 per centum of the sums available for purposes of this section, the Commissioner shall make grants to each State which has administrative arrangements approved under section 102 in an amount which bears the same ratio to the total amount of such sums remaining as the population of such State bears to the total population of all such States. Such grants shall be used by a State, in accordance with its statewide plans under section 108, for the costs of the State research coordination unit, and for grants to colleges and universities, and other public or nonprofit private agencies and institutions, and local educational agencies, and contracts with private agencies, organizations, and institutions for programs and projects for (1) research and training programs, (2) experimental, developmental, or pilot programs, (3) diffusion and implementation activities designed to meet the special vocational needs of youths, particularly youths in economically depressed communuities who have academic, socioeconomic, or other handicaps which prevent them from succeeding in the regular vocational education programs, and (4) the dissemination of information and implementation of products derived from such programs or from research and demonstrations in the field of vocational education, which have been recommended by the State research coordination unit or by the State advisory council established under section 107.

"(c) Funds available under subsection (a) may be used for—

"(1) research in vocational education;

"(2) national institutes, symposia, or other activities designed to familiarize persons involved in vocational education with research findings and successful pilot and demonstration projects in vocational education;

"(3) experimental, developmental, and pilot programs and projects designed to test the effectiveness of research findings;

"(4) demonstration and dissemination projects;

"(5) diffusion of information and products;

"(6) projects in the development of new careers and occupations, such as (A) research and experimental projects designed to identify new careers in such fields as mental and physical health, crime prevention and correction, welfare, education, municipal services, child care, and recreation requiring less training than professional positions and projects to delineate within such careers roles with the potential for advancement from one level to another; (B) training and development projects designed to demonstrate and diffuse improved methods of securing the involvement, cooperation, and commitment of both the public and private sectors toward the end of achieving greater coordination and more effective implementation of programs for the employment of person in the fields described in clause (A), including programs to prepare professionals (including administrators) to work effectively with aides; and (C) projects to evaluate the operation of programs for the training, development, and utilization of vocational education.

"(d) A grant or contract under subsection (a) may be made upon application to the Commissioner at such time, in such manner, and containing such information as the Commissioner deems necessary. Such application shall contain—

"(1) a description of the nature, duration, purpose, and plan of the project;

"(2) the qualifications of the principal staff who will be responsible for the project; and

"(3) a detailed justification of the amount of grant funds requested.

The Commissioner may not approve an application until such application has been reviewed by a panel of experts who are not employees of the Federal Government. The Commissioner shall pay to each applicant with an application approved under this subsection the amount expended in accordance with such application.

"(e) There are authorized to be appropriated for purposes of this section $40,000,000 for the fiscal year ending June 30, 1976, $44,000,000 for the fiscal year ending September 30, 1977, $48,000,000 for the fiscal year ending September 30, 1978, $52,000,000 for the fiscal year ending September 30, 1979, and $56,000,000 for the fiscal year ending September 30, 1980. Notwithstanding any other provision of law unless enacted expressly in limitation of the provisions of this sentence, sums made available from sums appropriated under this subsection for purposes of grants or contracts under subsection (a) shall remain available until expended.

"(f) No State shall receive less than $25,000 for any fiscal year from grants under subsection (a) and subsection (b).

"CURRICULUM DEVELOPMENT

"SEC. 152. (a) The Congress finds that curriculum development is complicated by the diversity of occupational objectives, variations due to geography, differences in educational levels and types of programs, and by the wide range of occupations. It is therefore the purpose of this section to enable the Commissioner to provide appropriate assistance to State educational agencies in the development of curriculums for new and changing occupations, and to coordinate improvements in, and dissemination of, existing curriculum materials, to provide assistance to national vocational education curriculum centers, to conduct special curriculum projects in selected school districts, and to sponsor national curriculum workshops and symposia; and to enable the States to provide attention to instate curriculum needs in vocational education for ongoing and expanding vocational education programs.

"(b) There are authorized to be appropriated $20,000,000 for the fiscal year ending June 30, 1976, and for each of the four succeeding fiscal years, for purposes of this section.

"(c) (1) Fifty per centum of the sums appropriated under subsection (b) shall be used by the Commissioner, after consultation with the appropriate State agencies and the National Council, to make grants to or contracts with colleges or universities, State boards, and other public or nonprofit private agencies and institutions, or contracts with public or private agencies, organizations, or institutions—

"(A) to promote the development and dissemination of vocational education curriculum materials for use in teaching occupational subjects, including curriculums for new and changing occupational fields;

"(B) to implement such curriculums in programs of vocational and technical education;

"(C) to coordinate efforts of the States in the preparation of curriculum materials and prepare current lists of curriculum materials available in all occupational fields;

"(D) to survey curriculum materials produced by other agencies of government, including the Department of Defense;

"(E) to evaluate vocational-technical education curriculum materials and their uses;

"(F) to train personnel in curriculum development; and

"(G) to prepare teachers and administrators in the use of curriculum materials developed under this subsection.

"(2) From the remainder of such sums, the Commissioner shall grant to each State which has administrative arrangements approved under section 102, to meet vocational educational curriculum needs within such State, an amount which bears the same ratio to such remainder as the population of such State bears to the total population of all such States.

"(3) For purposes of this subsection, the term 'curriculum' means a plan for a teaching and learning program which includes objectives, subject matter content, learning experiences, and teaching strategies, teaching aids, and means of evaluation, and the term 'curriculum materials' includes curriculum guides for teachers and administrators, and student materials for learning situations in vocational education programs, to prepare students for employment at the entry level or to upgrade the occupational competence of students who have been previously employed or who are currently employed in any occupational field.

"(d) Notwithstanding any other provision of law, unless enacted expressly in limitation of the provisions of this subsection, funds appropriated under subsection (b) shall remain available until expended.

"EXEMPLARY PROGRAMS AND PROJECTS

"SEC. 153. (a) the Congress finds that it is necessary to reduce the continuing seriously high level of youth unemployment by developing means for giving the same kind of attention as is now given to the college preparation needs of those young persons who go on to college, to the preparation needs of the two out of three young persons who end their education at or before completion of the secondary level, too many of whom face long and bitter months of job hunting or marginal work after leaving school. It is therefore the purpose of this section to stimulate, demonstrate, and diffuse, through Federal financial support, new ways to create a for young people who are still in school, who have left school either by graduation or by dropping out, or who are in postsecondary programs of vocational preparation, and to promote cooperation between public education and manpower agencies.

"(b) There are authorized to be appropriated to carry out this section $20,000,000 for the fiscal year ending June 30, 1976, $30,000,000 for the fiscal year ending September 30, 1977, $40,000,000 for the fiscal year ending September 30, 1978, $50,000,000 for the fiscal year ending September 30, 1979, and $75,000,000 for the fiscal year ending September 30, 1980.

"(c) (1) From 50 per centum of the sums appropriated under subsection (b), the Commissioner is authorized to make grants to or contracts with State boards and local educational agencies for the purpose of stimulating and assisting in the development, establishment, and operation of programs and projects designed to carry out the purposes of this section. The Commissioner may also make grants to other public or nonprofit agencies, organizations, or institutions, when such grants or contracts will make a significant contribution to attaining the objectives of this section.

"(2) From the remainder of such sums, the Commissioner shall grant to each State which has administrative arrangements approved under section 102 an amount which bears the same ratio to such remainder as the population of such State bears to the total population of all such States, for grants by the State board to local educational agencies or other public or nonprofit private agencies, organizations, or institutions, or for contracts by the State board with public or private agencies, organizations, or institutions, including business and industrial concerns, upon such terms and conditions, consistent with the provisions of this section and with its statewide plans under section 108 as the State board determines will most effectively carry out the development, establishment, and operation of exemplary and innovative occupational education programs or projects designed to serve as models for use in vocational education programs.

"(d) Grants or contracts under this section may be used to pay all or part of the cost of—

"(1) planning and developing exemplary demonstration and diffusion programs or projects such as those described in paragraph (2), or

"(2) establishing, operating, or evaluating exemplary programs or projects designed to carry out the purposes set forth in subsection (a), and to broaden occupational aspirations and opportunities for youths, with special emphasis given to youths who have academic, socioeconomic, or other handicaps, which programs or projects may, among others, include (A) programs and projects designed to familiarize elementary and secondary school students with the broad range of occupations for which special skills are required and the requisites for careers in such occupations; (B) programs and projects for students which provide educational experiences through work during the school year or in the summer; (C) programs and projects for intensive occupational guidance counseling, and placement and follow-through during the last years of school and for initial job placement; (D) programs and projects designed to broaden or improve vocational education curriculum; (E) exchanges of personnel between schools and other agencies, institutions, or organizations participating in activities to achieve the purposes of this section, including manpower agencies and industry; (F) programs and projects for young workers released from their jobs on a part-time basis for the purpose of increasing their educational attainment; and (G) programs and projects at the secondary level to motivate and provide pre-professional preparation for potential teachers for vocational education.

"(e) (1) Grants or contracts under this section may be made only if the Commissioner, or the State board in the case of grants made by a State board under subsection (c) (2), determines—

"(A) that effective procedures will be adopted by grantees and contractors to coordinate the development and operation of other programs and projects carried out under grants or contracts under this section, with the appropriate statewide plans, and with other public and private programs having the same or similar purposes;

"(B) that, to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students; and

"(C) that effective policies and procedures will be adopted which assure that Federal funds made available under this section will not be commingled with State or local funds.

"(2) No grant or contract (other than a grant or contract with a State board) shall be made by the Commissioner under subsection (c)(1) with respect to any program or project unless such program or project has been submitted to the State board in the State in which it is to be conducted and has been commented on by the State board within sixty days of such submission or within such longer period of time as the Commissioner may determine pursuant to regulations.

"(3) Notwithstanding any other provision of law, unless enacted expressly in limitation of the provisions of this paragraph, funds available to the Commissioner and to the State board under subsection (c) shall remain available until expended.

"INSTITUTES AND LEADERSHIP EDUCATION FOR VOCATIONAL EDUCATION ADMINISTRATORS, EDUCATIONAL BOARDS, AND OTHER PUBLIC GROUPS

"SEC. 154. (a)(1) From 50 per centum of the sums appropriated for purposes of this section, the Commissioner may make grants and contracts to pay the costs of carrying out cooperative arrangements concerning leadership development for experienced vocational education personnel, including teacher educators and administrators; and for other personnel, who are capable of strengthening vocational education programs supported under this Act. Such cooperative arrangements may be with any educational institution or agency, or with private business, industry, or other commercial enterprise, or accomplished directly by State boards.

"(2) Grants and contracts under this section may be used for projects and activities which may include—

"(A) leadership development programs designed to improve the quality of professional development and understanding concerning the relationships, functions, and needs of vocational education programs within the context of the Nation's total education effort with particular attention to be paid to educational problems identified as national or regional in scope;

"(B) short-term institutes, workshops, symposia, or other training activities designed to focus attention of vocational education policymakers upon national, social, economic, and educational issues and priorities in order to improve the leadership qualifications of such persons and to integrate effective vocational education programs into the educational experience of all persons; and long-term institutes for highly selected and high administrative level policymakers including vocational educators, State board members and staff, local school board members and staff (urban and rural), and representatives of business, industry, and the public at large;

"(C) national leadership development institutes and workshops for teacher educators, coordinators, supervisors, administrators, and other selected personnel for the purpose of developing procedures and standards pertaining to leadership development and other matters that affect program growth; and

"(D) national resource panels, funded through one or more States, whose purpose is to identify national priorities, to coordinate and train directors of funded activities, to identify exemplary components of leadership training activities, to be a source of technical assistance as requested by the States or the Commissioner, and to annually review the effectiveness of programs conducted under this subsection, members of which shall be recommended by the State boards and by the Commissioner to serve on a rotating basis and report to the Commissioner.

"(b) From the remainder of such sums, the Commissioner shall make a grant to each State which has administrative arrangements approved under section 102 in an amount which bears the same ratio to such remainder as the population of such State bears to the total population of all such States. Such grants may be used by the State, either directly or through grant or contract, for the purpose of conducting leadership programs for local and regional directors of vocational education, educational administration personnel, local boards of education, and selected State staff; the State board shall include in its statewide plans procedures for accomplishing the purpose of this subsection.

"(c) A grant or contract under this section may be made only upon application to the Commissioner, or to the State board in the case of grants or contracts under subsection (b), at such time, and containing such information as the Commissioner or the State board, whichever is appropriate, deems necessary. The Commissioner and the State board shall approve an application under this subsection only if such application—

"(1) sets forth a program for carrying out one or more projects or activities which meet the requirements of subsection (a) or (b), whichever is appropriate, and provides for such methods of administration as are necessary for the proper and efficient operation of the program;

"(2) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practicable, increase the level of funds that would in the absence of such Federal funds, be made available for purposes which meet the requirements of subsection (a) or (b), whichever is appropriate, and in no case supplant such funds;

"(3) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

"(4) provides for making such reports, in such form and containing such information, as the Commissioner or the State board, whichever is appropriate, may require to carry out their functions under this section, and for keeping such records and for affording such access thereto as they may find necessary to assure the correctness and verification of such reports.

"(d) There are authorized to be appropriated to carry out this section $35,000,000 for the fiscal year ending June 30, 1976, and for each of the four succeeding fiscal years. Notwithstanding any other provision of law, unless enacted expressly in limitation of the provisions of this sentence, funds available under this section shall remain available until expended."

S. 942

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Postsecondary Vocational Education Act of 1975."

AMENDMENT PERTAINING TO DECLARATION OF PURPOSE

SEC. 2. Section 101 of the Vocational Education Act of 1963 is amended by inserting after the term "vocational education" wherever such term occurs the following: "and postsecondary occupational education."

DEFINITION OF POSTSECONDARY OCCUPATIONAL EDUCATION

SEC. 3. (a) Section 108(1) of such Act is amended by inserting immediately before the period at the end thereof the following: "; such term does not include training, retraining, guidance, counseling, instruction, and education of individuals who are sixteen years of age or older and who have graduated from or who have left elementary or secondary school."

(b) Section 108 of such Act is amended by redesignating paragraphs (2) through (13) as paragraphs (4) through (15), respectively, and by inserting immediately after paragraph (1) thereof the following new paragraphs:

"(2) The term 'postsecondary occupational education' means education, training, or retraining (and including guidance, counseling, and placement services) for persons sixteen years of age or older who have graduated from or left elementary or secondary school, conducted by an institution legally authorized to provide postsecondary education within a State, which is designed to prepare individuals for gainful employment as semiskilled or skilled workers or technicians or subprofessionals in recognized occupations (including new and emerging occupations), or to prepare individuals for enrollment in advanced technical education programs, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specified by regulation, to be generally considered professional or which require a baccalaureate or advanced degree.

"(3) The term 'postsecondary occupational education institution' means an educational institution in any State which

"(a) admits as regular students only persons sixteen years of age or older who have graduated from or left elementary or secondary school,

"(b) is legally authorized within such State to provide a program of education beyond secondary education, including community and junior colleges and other institutions of higher education (including branch campuses) as well as area and postsecondary schools and technical institutes,

"(c) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree,

"(d) is a public institution, and

"(e) is accredited by a nationally recognized accrediting agency or association or, if not so accredited,

"(A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or

"(B) is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited.

"Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provision of clauses (a), (b), (d), and (e). For purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered."

ESTABLISHMENT OF SEPARATE ALLOTMENTS FOR VOCATIONAL AND OCCUPATIONAL EDUCATION

SEC. 4. (a) Part A of such Act is amended by adding at the end thereof the following new section:

"STATE APPLICATION AND ESTABLISHMENT OF SEPARATE ALLOTMENTS FOR VOCATIONAL EDUCATION AND POSTSECONDARY OCCUPATIONAL EDUCATION

"SEC. 110(a). To be eligible for its allotment for a fiscal year under Section 103(a)(2), a State shall submit to the Commissioner an application including the following:

"(1) Assurance that the State's allotment for a fiscal year under Section 103(a)(2) shall be divided into two parts. One part of such allotment may be used only for grants under subpart 1 of part B, and the other may be used only for grants under subpart 2 of part B. The part to be used for grants under subpart 1 shall be known as the State's vocational education allotment for that year, and the part to be used for grants under subpart 2 shall be known as the State's postsecondary educational allotment for that year;

"(2) Assurance that not less than 40 percentum of the funds allotted to the State under Section 103(a)(2) for the programs and activities under each of the two subparts;

"(3) Providing for a mechanism or procedure, consistent with state law and state organizational structure, for a joint determination by the State Board, as designated under subpart 1 of Part B, and the State Commission, as designated under subpart 2 of Part B, of the most effective and equitable allocation of the remaining 20 per centum (remaining after the basic 40 per centum allocations) between subpart 1 and subpart 2 of Part B, taking into consideration the purposes of the Act as set forth in Section 101 and the state plans or state planning as required under each subpart;

"(4) Setting forth a mechanism or procedure which provides reasonable promise for resolving differences between vocational educators, community and junior college educators, college and university educators, elementary and secondary educators, and other interested groups with respect to carrying out the purposes of this Act;

"(5) Agrees to submit to the Commissioner such state plans or documents as required under subparts 1 and 2 of Part B as are required for participation by the State in the programs authorized by those subparts.

"(b)(1) Whenever the Commissioner, after reasonable notice and opportunity for a hearing to the State, finds that any of the assurances required by this part are unsatisfactory, or that there is a failure by the State to comply with such assurances or other requirements of this section, the Commissioner shall notify the State that no further payments will be made to the State under any program authorized by this part until the Commissioner is satisfied that there has been or will be compliance with the requirements of this section.

"(2) A State which is dissatisfied with a final action of the Commissioner under this section may appeal to the United States court of appeals for the circuit in which the State is located by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in Section 2112 of Title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Commissioner may modify or set aside his action. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court, affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in Section 1254 of Title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action."

(b)(1) Part B of such Act is amended by inserting immediately before the title of section 121 the following:

"SUBPART 1—VOCATIONAL EDUCATION PROGRAMS"

(2) Section 121 of such Act is amended to read as follows:

"SEC. 121. From the sums made available for grants under this subpart pursuant to sections 102, 103, and 110, the Commissioner is authorized to make grants to States to assist them in conducting vocational education programs for individuals in all communities of the States, which are designed to insure that education and training programs for career vocations are available to individuals who desire and need such programs."

(3) Section 122(a) of such Act is amended by striking out paragraphs (2) and (3) and by redesignating paragraphs (4) through (8) thereof as paragraphs (2) through (6), respectively, and section 102(b) and section 103(c) of such Act are each amended by striking out "section 122(a)(4)(A)" and inserting in lieu thereof "section 122(a)(2)(A)."

(4) Section 122(c) of such Act is amended to read as follows:

"(c)(1) At least 25 percentum of that portion of each State's vocational education allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, which is in excess of its base allotment shall be used only for the purpose set forth in paragraph (2)(A) of subsection (a): *Provided,* That for any such fiscal year the amount used for such purpose shall not be less than 15 percentum of the total allotment of such funds for each State, except as any requirement under this paragraph may be waived for any State by the Commissioner for any fiscal year upon his finding that the requirement imposes a hardship or is impractical in its application.

"(2) At least 10 percentum of each State's vocational education allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, shall be used only for the purpose set forth in paragraph (2)(B) of subsection (a).

"(3) As used in this subsection, the term 'base allotment' means the sum of the allotments to a State for the fiscal year ending June 30, 1969, from (A) sums appropriated under section 102(a) of this Act, (B) the Smith-Hughes Act (that is, the Act approved February 23, 1917 (39 Stat. 929; 20 U.S.C. 11–15, 16–28)), (C) the Vocational Education Act of 1946, and (D) any of the supplementary vocational educational Acts (including, in the case of American Samoa, section 2 of the Act of September 25, 1962, 48 U.S.C. 1667)."

(4) Section 123(a) of such Act is amended by striking out "this title" wherever such term occurs, except in paragraph (10), and inserting in lieu thereof "this subpart," by striking out "all population groups" in paragraph (6)(B) and inserting in lieu thereof "individuals," by striking out "this part" in paragraph (11) and inserting in lieu thereof "this subpart," and by striking out "all persons" in paragraph (11) and inserting in lieu thereof "individuals."

(5) Section 123(b) of such Act is amended by striking out "this part" and inserting in lieu thereof "this subpart."

(6) Section 123(c) and section 123(d) of such Act are each amended by striking out "this title" wherever such term occurs and inserting in lieu thereof "this subpart."

(7) Section 124 is amended by striking out "this part" in subsection (a) and inserting in lieu thereof "this subpart" and by striking out "this title" wherever such term occurs in subsections (b) and (c) and inserting in lieu thereof "this subpart."

POSTSECONDARY OCCUPATIONAL EDUCATION

SEC. 5. (a) Part B of such Act is amended by adding at the end thereof the following:

"SUBPART 2—POSTSECONDARY OCCUPATIONAL EDUCATION PROGRAMS

"AUTHORIZATION FOR STATES TO USE POSTSECONDARY OCCUPATIONAL EDUCATION ALLOTMENT

"SEC. 125. A State shall be authorized to use the funds allotted to it under the postsecondary occupational education allotment for each fiscal year for the activities set forth in Section 126 in order to promote access to postsecondary occupational education programs in such State, provided that such State has met the requirements as set forth in Section 127.

"USES OF FEDERAL FUNDS

"SEC. 126(a). A State may use its postsecondary occupational education allotment only for—

"(1) programs to promote access to postsecondary occupational education as set forth in Section 129;

"(2) planning related to promotion of access to postsecondary occupational education by State Commissions as set forth in Section 128;

"(3) administration of the program authorized in this subpart by the State Agency designated in accordance with Section 127; and

"(4) evaluation of the program under this subpart, and the dissemination of the results of such evaluation pursuant to Section 127(5);

"except that, not more than —— per centum shall be used for the purpose in paragraph (3), not less than —— per centum nor more than —— per centum shall be used for the purpose of paragraph (2), and not less than —— per centum nor more than —— per centum shall be used for the purpose of paragraph (4).

"(b) Of a State's postsecondary occupational education allotment for a fiscal year, 10 per centum may be used only for programs and activities as authorized under Section 129 to benefit handicapped persons, and 15 per centum may be used only for programs and activities as authorized under Section 129 to benefit persons (other than handicapped persons as defined in Section 108(8)) who have academic, socioeconomic, or other handicaps which prevent them from succeeding in the regular postsecondary occupational education program.

"STATE APPLICATION FOR POSTSECONDARY OCCUPATIONAL EDUCATION

"SEC. 127(a). Pursuant to agreement provided in Section 110(5), the State shall:

"(1) designate the State Commission established pursuant to Section 1202(a) of the Higher Education Act of 1965 as the

State Commission to carry out planning as required under this subpart;

"(2) designate or provide for the establishment of a State agency authorized in accordance with State law as the State agency for disbursement of the State's postsecondary education allotment in accordance with the planning by the State Comimssion, and for proper fiscal control and accounting of funds granted to a State under this subpart;

"(3) provides assurance that funds granted the State will be used only for purposes set forth in Section 126, in a manner which is consistent with the State planning as required in Section 128;

"(4) provides that the State Commission designated under paragraph (1) shall undertake a continuous program of planning, in consultation with appropriate State agencies and institutions, in accordance with Section 128;

"(5) provides that the State Commission designated under paragraph (1) shall annually evaluate, with participation by the State Advisory Council on Occupational and Vocational Education, the use by the State of funds allotted to the states under this subpart in relationship to the state plan required under Section 128(b), including consideration of the relative effectiveness of various means used by the state to promote access to postsecondary occupational education; and provides that the results of such evaluation shall be reported to the Commissioner at such times and in such form as the Commissioner may reasonably require.

"(6) requires that each postsecondary occupational education institution which receives Federal funds under this subpart shall use such funds only for the postsecondary occupational education programs for which such funds were granted and shall provide assurances to the State agency designated pursuant to paragraph (2) that such funds will be used so as to supplement and not supplant, the level of funds from other sources available for such programs; and

"(7) Provides that the State's postsecondary occupational education allotment for a fiscal year, shall pay for not more than 50 per centum of the total expenditures made in carrying out the planning, administration, programs and activities under this subpart.

"(b) The provisions of Section 434(b)(3) of the General Education Provisions Act shall apply to any State application submitted under this section.

"STATE PLAN AND PLANNING

"SEC. 128. (a) The State commission designated pursuant to paragraph (1) of section 127 shall undertake a continuous program of statewide planning for postsecondary occupational education, which shall—

"(1) assess the existing capacity, or potential capacity, of all public postsecondary education institutions in the State (without regard to whether such institutions are under the supervision of the State Board of Vocational Education) to undertake programs to promote access to postsecondary occupational education;

"(2) determine student demand for postsecondary occupational education programs;

"(3) determine, in coordination with planning as required under the Comprehensive Employment and Training Act, of manpower needs in the State as a whole, and in the political subdivisions thereof;

"(4) propose methods for extending the benefits of postsecondary occupational education to groups not served by such programs, including improved out-reach, recruitment, guidance and counseling;

"(5) investigate and propose various methods to promote access to postsecondary occupational education; and

"(6) propose methods to give special consideration to the occupational education needs of persons for whom a full-time program is not feasible, such as housewives and persons currently employed full time who wish to upgrade their skills.

"(b) Prepare, with the advice of the State Advisory Council on Vocational and Occupational Education, an annual State plan, which shall serve as the basis for disbursement of the State's allotment for that year by the State agency designated in accordance with paragraph (2) of section 127. Such annual State plan shall:

"(1) Specify the means to be used in selecting postsecondary occupational education institutions to receive funds and the means to be used for determining the amount of funds to be granted to each such institution;

"(2) Provide for the distribution of funds by the State agency according to (a) a distribution formula based on objective criteria, (b) determinations (based upon objective criteria) as to which postsecondary occupational education programs will most effectively and economically meet previously ascertained needs, or (c) a combination of the methods of distribution of funds described in (a) and (b);

"(3) Contain the provisions required under (1) and (2) in sufficient specificity to enable the Commissioner to determine whether actual decisions under such plan conform to those requirements of such plan pursuant to section 127(a)(5),

"(4) Give special consideration to students who desire to continue their education after high school but are unable to do so on a full-time basis, so that programs for these part-time students will receive consideration equal to that given to programs for full-time students;

"(5) Include as eligible public postsecondary occupational education institutions not only such institutions as may be under the supervision of the State Board of Vocational Education; and

"(6) Provide that programs authorized by this part may be carried out through contractual arrangements with private non-profit postsecondary institutions where such arrangements can make a contribution to achieving the purposes of this part by providing substantially equivalent education, training, or services more readily or more economically, or by preventing needless duplication of expensive physical plant and equipment, or by providing needed education or training of the types authorized by this part which would not otherwise be available.

"PROGRAMS TO PROMOTE ACCESS

SEC. 129. In accordance with the State plan prepared by the State Commission pursuant to section 128, the State agency designated pursuant to section 127 shall disburse funds under this subpart to postsecondary occupational education institutions in the State in order to promote access to postsecondary occupational education, including programs such as the following:

"(1) Programs to reduce tuition and fees, but any such program would be required to include appropriate reductions in the tuition and fees charged part-time students. Whether tuition and fees are reduced could be determined by comparison with those charged for courses which, though not supported under the Act, have comparable instructional costs, by comparison with the tuitions and fees previously charged for the same course, or by such other method as the Commissioner deems will assure the tuition and fees charged are lower than they would be but for the grant.

"(2) Programs of in-service training, for guidance and counseling personnel serving in elementary and secondary schools in order to familiarize such personnel with opportunities afforded by postsecondary occupational education.

"(3) Programs under which payments are made to assist institutions to meet their costs of instruction, but only where such payments are linked to progressively increasing occupational enrollments.

"(4) Curriculum development programs for new curriculums and modifications of old curriculums to meet the job market.

"(5) Programs to broaden the types of institutions providing these programs so that the variety in the types of institutions will meet the needs and desires of an increased number of students.

"(6) Innovative arrangements, including competency based learning under which courses given in postsecondary occupational education programs may be counted for credit toward a bachelor's degree where the student chooses to continue his education.

"EVALUATIONS BY COMMISSIONER

"SEC. 130. In carrying out his duty under Section 417 of the General Education Provisions Act to make annual evaluative reports to the Senate and House Education Committees, the Commissioner shall give special attention to evaluation of the various means for promoting access to postsecondary occupational education programs to assist the Congress in its oversight responsibilities."

AMENDMENTS TO NATIONAL AND STATE ADVISORY COUNCIL PROVISIONS

SEC. 6. (a) Section 104(a) of such Act is amended as follows—

(1) Paragraph (1) of such subsection is amended by striking out "National Advisory Council on Vocational Education" and inserting in lieu thereof "National Advisory Council on Vocational and Postsecondary Occupational Education", and by inserting after "programs" in subparagraph (C) the following: "and postsecondary occupational education programs".

(2) Paragraph (2) of such subsection is amended by inserting the following after "vocational education programs" each time it appears: and postsecondary occupational education programs".

(3) Paragraph (5) of such subsection is amended by striking out "vocational education" wherever such term occurs, and inserting in lieu thereof "postsecondary occupational education".

(b) Section 104(b) of such Act is amended as follows—

(1) Subparagraph (A) of Section 104(b)(1) of the Act is amended by redesignating clauses (iii) through (ix) as clauses (iv) through (x), respectively, and by striking out clause (ii) and inserting in lieu thereof the following clauses:

"(ii) representative of community and junior colleges and other postsecondary occupational education institutions, as defined in Section 108 of this Act,

"(iii) representative of area vocational schools, technical institutes, and adult education agencies or institutions, which may provide programs of vocational or technical education and training,".

(2) Subparagraph (B) of Section 104(b)(1) of the Act is amended by inserting the words "subpart 1 of" after the words "State plan submitted pursuant to".

(3) Subparagraphs (C)&(D) of Section 104(b)(1) of the Act are redesignated subparagraphs (D) and (E), respectively, and a new subparagraph (C) shall read as follows:

"(C) advise the State Commission designated or established pursuant to Section 127(a)(1) of subpart 2 of Part B with respect to the evaluation required pursuant to paragraph (5) of Section 127(a), and with respect to the continuous programs of state-wide planning for postsecondary occupational education and development of the annual State plan pursuant to Section 128;".

TECHNICAL AMENDMENTS TO PARTS C THROUGH J OF THE VOCATIONAL EDUCATION ACT OF 1963

SEC. 7. Parts C, D, E, G, H, I, and J of such Act are each amended by inserting after "vocational education" wherever such term occurs the following: "and postsecondary occupational education."

EFFECTIVE DATE

Sec. 8. The amendments made by sections 1 through 7 of this Act shall take effect on October 1, 1976.

PLANNING GRANTS

Sec. 9. (a) There are hereby authorized to be appropriated for grants under this section such sums as may be necessary for the period which begins July 1, 1975, and ends September 30, 1976.

(b) The Commissioner shall carry out a program of grants to State Commissions established pursuant to section 1202 of the Higher Education Act of 1965 which apply for such grants, at such times and in such manner as the Commissioner shall determine, for purposes of enabling such Commissions to plan programs under subpart 2 of part B (as added by section 5 of this Act) of the Vocational Education Act of 1963, including the development of State plans under section 128 of such subpart.

AMENDMENT TO SECTIONS 1202 AND 1203 OF THE HIGHER EDUCATION ACT OF 1965, AS AMENDED

Sec. 10. Section 1202 is amended to read as follows:

"Sec. 1202(a)(1). Any State desiring to receive assistance after September 30, 1976, from any program authorized by this Act which requires the use of a state agency or state commission, or to use funds received by such State under the Vocational Education Act of 1963, as amended, for the purpose of postsecondary education, shall submit to the Commissioner prior to August 1, 1976, a state plan, which—

"(A) designates the state agency responsible, in accordance with state law, for comprehensive state-wide planning for postsecondary education, as the "state commission," or if no state agency with such responsibility exists, designates an existing agency or establishes a new agency as the "state commission" which shall be authorized in accordance with state law to be responsible for comprehensive state-wide planning for postsecondary education in that State;

"(B) sets forth the means to be used by such State, consistent with State law and unique State circumstances, to assure direct and active participation in the comprehensive planning for postsecondary education by the state commission designated or established pursuant to subparagraph (B), through membership on the state commission or through advisory councils to the state commission or through other appropriate means, of representatives of the general public, and public and private non-profit and proprietary institutions of postsecondary education in the State, including community colleges (as defined in Title X), junior colleges, postsecondary vocational schools, area vocational schools, technical institutes, four-year institutions of higher education and branches thereof;

"(C) sets forth a plan of administration to assure

"(i) that state agencies or state commissions in such State required by this Act and by the Vocational Education Act of 1963, if such state commission designated or established under this section, are administered in a manner consistent with the comprehensive state-wide planning for postsecondary education carried out by the state commission designated or established under this section;

"(ii) that an administrative device has been established which provides reasonable promise for resolving differences between vocational educators, community and junior college educators, college and university educators, elementary and secondary educators, and other interested groups with respect to comprehensive state-wide planning for postsecondary education;

"(D) sets forth the criteria and means to be used by the State to evaluate the effectiveness of comprehensive state-wide planning by the state commission, and to evaluate the effectiveness of the means used for the purpose of subparagraph (B) and the plan of administration for the purpose of subparagraph (C);

"(E) provides for submission to the Commissioner of an annual report not later than August 1 of each year beginning in fiscal year 1977, containing revisions, if any, in the information and assurances in the State plan as required in this section, the results of the evaluations carried out as specified by the State in accordance with subparagraph (D), and such other information as the Commissioner may reasonably require to assess the response of the State to the requirements of this section;

"(2)(A) Whenever the Comissioner, after reasonable notice and opportunity for a hearing to the state, finds that any of the assurances required by paragraph (1) are unsatisfactory, or that there is a failure by the State to comply with such assurances or other requirements of this section, the Commissioner shall notify that State that no further payments will me made to the State under any program authorized by this Act, which requires the use of a state agency or state commission, or under the Vocational Education Act of 1963, as amended, with respect to postsecondary education, until the Commissioner is satisfied that there has been or will be compliance with the requirements of this section.

"(B) A State which is dissatisfied with a final action of the Commissioner under this section may appeal to the United States court of appeals for the circuit in which the State is located by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Commissioner may modify or set aside his action. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court, affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in Section 1254 of Title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

"(b)(1) At any time after July 1, 1973, a State may designate the State Commission established under subsection (a) as the State agency or institution required under section 105, 603, or 704. In such a case, the State Commission established under this section shall be deemed to meet the requirements of such sections for State agencies or institutions.

"(2) If a State makes a designation referred to in paragraph (1)—

"(A) The Commissioner shall pay the State Commission the amount necessary for the proper and efficient administration of the state commission of the functions transferred to it by reason of the designation; and

"(B) the State Commission shall be considered the successor agency to the State agency or institution with respect to which the designation is made, and actions theretofore taken by the State agency or institution shall continue to be effective until changed by the State Commission.

"(c)(1) If any State desires to receive assistance under title VI or under title VII but does not desire, after June 30, 1973, to place the functions of state commissions under such titles under the authority of the state commission established pursuant to subsection (a),

"(A) such State shall establish for the purposes of such titles a State Commission which is broadly representative of the public and of institutions of higher education (including junior colleges and technical institutes) in the State, and such state commission shall have the sole responsibility for the administration of State plans under such titles VI and VII within such State; and

"(B) the Commissioner shall pay such state commissions the amount necessary for the proper and efficient administration of the state commissions of the functions set forth in such titles VI and VII, except that no such payments shall be made unless the State has complied with the requirements set forth in subsection (a) of this section.

"(d) For the purposes of this section, when the term "State" is used with respect to establishment or designation of state commissions or submission of state plans or assurances to the Commissioner, that term shall mean the Governor or legislature of the State, or in the case of States in which members of the State agency responsible under state law for comprehensive state-wide planning for postsecondary education are elected (including election by the State legislature), such State agency."

Sec 11. Section 1203 is amended to read as follows:

"Sec. 1203(a). The Commissioner is authorized to make grants to any State Commission established pursuant to section 1202 (a) to improve the quality and to broaden the scope of comprehensive state-wide planning for postsecondary education by such State Commission in order to promote efficient and effective use of all the postsecondary education resources of the State—public, private nonprofit, and proprietary as well as both collegiate and noncollegiate postsecondary education institutions—to the end that all persons within the State who desire, and who can benefit from postsecondary education may have an opportunity to do so. The Commissioner shall promulgate by regulation criteria for evaluating applications from State Commissions for grants under this section in accordance with the objectives set forth in this subsection.

"(b) The Commissioner shall make technical assistance available to State Commissions, if so requested, to assist them in achieving the purposes of this section.

"(c) There are authorized to be appropriated such sums as may be necessary to carry out this section."

Sec. 12. Subsection (a) of section 1204 shall read as follows:

"Sec. 1204(a) Nothing contained in sections 1202 or 1203 of this Act shall be construed as a federal authorization, requirement or suggestion that the State Commission established pursuant to subsection 1202(a) shall be authorized under either federal or state law to regulate, govern or administer an institution or institutions of postsecondary education, except that this section does not prohibit actions by States, in accordance with the laws of such States, to assign functions in addition to comprehensive statewide planning for postsecondary education to the State Commission established pursuant to subsection 1202(a)."

SEC. 13. The amendments made by Sections 10 through 12 of this Act shall be effective July 1, 1975.

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vocational Education Amendments of 1975."

SEC. 2. (a)(1)(A) The first sentence of section 102(b) of such Act is amended to read as follows: "There are authorized to be appropriated $60,000,000 each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of section 122(a)(4)(A).".

(B) The first sentence of section 102(c) of such Act is amended to read as follows: "There are authorized to be appropriated $17,500,000 each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of section 122(a)(4)(C).".

(C) Section 102(d) of such Act is amended by striking out "for each fiscal year" and inserting in lieu thereof "each for fiscal year 1976, 1977, 1978, 1979, and 1980,".

(D)(i) Section 104(a)(4) of such Act is amended by striking out "five" and inserting in lieu thereof "ten".

(ii) Section 104(a)(5) of such Act is amended by striking out "July 1, 1976" and inserting in lieu thereof "October 1, 1980".

(2) Section 142(a) of such Act is amended by striking out "five" and inserting in lieu thereof "ten".

(3)(A) Section 151(b) of such Act is amended to read as follows:

"(b) There are authorized to be appropriated $35,000,000 each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of this section.".

(B) Section 152(a)(1) of such Act is amended by striking out "fiscal years ending prior to July 1, 1975," and inserting in lieu thereof "ten fiscal years".

(3) Section 153(d)(2) of such Act is amended by striking out that part thereof which follows "not exceed $5,000,000" and inserting in lieu thereof the following: "for the first year for which an appropriation is made for the purposes of this section, which amount shall be increased by $5,000,000 on October 1 of each of the four succeeding fiscal years.".

(4)(A) The first sentence of section 161(a)(1) of such Act is amended to read as follows: "There are authorized to be appropriated $50,000,000 each for fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of this part.".

(B) The first sentence of section 161(c) of such Act is amended by striking out "five" and inserting in lieu thereof "ten".

(5) Section 172(a) of such Act is amended by striking out that part of the first sentence thereof which precedes "for making grants" and inserting in lieu thereof "There are authorized to be appropriated $75,000,000 each for fiscal years 1976, 1977, 1978, 1979, and 1980,".

(6) Section 181(a) of such Act is amended to read as follows:

"SEC. 181. (a) There are authorized to be appropriated $45,000,000 each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of this part.".

(7) Section 189(b) of such Act is amended to read as follows:

"(b) There are authorized to be appropriated $10,000,000 each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of this part.".

(8) Section 193 of such Act is amended by striking out all that follows "$17,500,000" and inserting in lieu thereof the following: "each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of this part.".

(b) The amendments made by subsection (a) shall be effective on and after July 1, 1975.

By Mr. GRAVEL:

S. 944. A bill to modify the Crater-Long Lakes division of the Snettisham project, Alaska, with respect to the terms and period of amortization of the capital investment of the United States in such project. Referred to the Committee on Public Works.

SNETTISHAM PROJECT

Mr. GRAVEL. Mr. President, it has long been recognized that one of Alaska's most pressing needs is an adequate and dependable supply of hydroelectric power with a rate structure low enough to bring it within the reach of all classes of prospective users.

A move to meet that need was conceived and initiated nearly 13 years ago with congressional authorization of a major development known as the Snettisham project and designed to serve as a power supply source for the State Capital city of Juneau and the surrounding area.

Accelerating energy demands, particularly those triggered by a start on the Alaskan pipeline project, have far more than justified the vision of the planners.

Had things worked out as they anticipated, the dream of low-cost power for the Juneau area would now be well along the way to reality.

Unfortunately, it has not turned out that way.

The project has been plagued with problems almost since the start of work in 1967.

There have been contract difficulties, construction delays and cost escalations far beyond the normal rate of inflation.

The first-unit power production was delayed almost 18 months and there have been service disruptions at frequent periods since then.

The effect has been to turn a dream into a nightmare for the Juneau area.

Final construction costs are now estimated at over $90 million, compared to an original figure of about $43 million.

The anticipated power rate is now pegged at about 15.6 mills and could go higher. The first estimate was 7.5 mills.

Juneau power users were not responsible for the problem but they are the ones who will pay for it unless something is done to relieve them of that burden.

I proposed such relief 8 months ago with a bill (S. 3731) modifying the terms and extending the period for repayment of Snettisham project costs.

The press of other business foreclosed Interior Commitee hearings and action on the bill before the end of last year's session so it died with adjournment.

The situation is even more critical now than it was then, and the need for relief more imperative.

It appears that construction will be further delayed and that a major modification of the concept may be needed before the difficulty is fully corrected.

I am therefore today reintroducing the repayment modification bill.

Like the original one, it would stretch the amortization period to 60 years, with only token payments during the first 10 years.

The first annual payment would be one-tenth of 1 percent of the principal, with that amount increasing by an additional one-tenth of 1 percent in each of the succeeding 9 years. Under that arrangement, the payment in the 10th year would be a full 1 percent of the total.

The balance of the amount due, including interest for the entire 60-year period, would then be repaid in installments over the last 50 years.

This arrangement would have the advantage of requiring the lowest payments during the period when the market for Snettisham power is still being developed and broadened and of delaying the bulk of the obligation until the project is at full power with a maximum of customers. In that way, it would mean a reduced burden for each individual user.

Let me stress that there is specific current precedent for the plan of graduated token payments which I have proposed. A similar provision was authorized in section 46 of last year's Water Resources Development Act, Public Law 93-251, with reference to a contract between the Corps of Engineers and the city of Aberdeen, Wash., covering water supply storage costs.

I am also advised that the amortization of some Bureau of Reclamation projects provides a general precedent for concession such as I am proposing in the Snettisham instance.

In my judgment, the special considerations provided in my bill are entirely proper and necessary for the protection of the legitimate rights and interests of the Junean area and southeastern Alaska, and I firmly believe the legislation will contribute substantially to insuring that the project eventually fulfills the mission for which it was designed.

I am going to continue to work for completion of the development with as few additional delays as possible because I am convinced that it can be of tremendous future benefit.

It was in that context that I last year filed a request, subsequently granted by the Senate Appropriations Committee, that the Corps of Engineers be given authority to shift $1.4 million in existing funds to finance the temporary transmission repairs.

I likewise urged that $700,000 be added to the Corps fiscal 1975 budget for Snettisham to finance the first year of permanent repairs and I will work for full modification as rapidly as possible.

In pressing for those repairs I do not in any sense intend to foreclose the possibility of seeking to separate their costs from other entailed in the project and of asking for other reductions in the repayment schedule later to the degree to which Federal responsibility can be fixed for cost escalations.

Regardless of any such subsequent determination, however, I think it is important that some specific relief be provided to the Juneau area with respect to the amortization schedule.

That is the purpose of the bill which I am now introducing. I ask that it be promptly processed and referred for early committee consideration.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 945. A bill relating to certain Indian claims. Referred to the Committee on the Judiciary.

Mr. HATFIELD. Mr. President, today I send to the desk legislation to provide for the determination of claims against the government by the Coos, Lower Umpqua, and Siuslaw Indian tribes. This bill is cosponsored by Senator PACKWOOD.

These three small tribes, which were officially terminated by the Government in the 1950's, claim they have never received compensation for lands taken from them, despite the fact that they signed a treaty with the government in 1855. The treaty was never ratified, and the Indians were marched up and down the Oregon coast under the direction of Government agents. The history of their treatment by the Government is a sorry one, and one which merits consideration by the Congress.

Writing about them in a letter, Mr. Ben Simpson, Superintendent of the Siletz Reservation in Oregon, said in 1871:

> For sixteen years this scant, irregular, and uncertain charity, doled out to them from time to time, has been the evidence they have received that they were not utterly forgotten by the Government. For sixteen years they have been fed upon promises that were made only to be broken, and their hearts have sickened with "hope deferred."
>
> For sixteen years they have seen the white man gather in annually his golden harvest from the lands which they surrendered; and for all those long, weary sixteen years, they have waited, and waited in vain for the fulfillment of the solemn pledges with which the white man bought these lands. What wonder is it that, suspicious and distrustful as they are by nature, they should, under such tuition, cease to have any faith in the white man's word, or to heed his solemn preachments about civilization and education? Who can blame them if, after such an experience, they come to regard the whole white race, from the GREAT FATHER down, as a race of liars and cheats, using their superior knowledge to defraud the poor Indians?

Dr. Stephen Dow Beckham, associate professor of history at Linfield College in McMinnville, Oreg., has studied the history of these Indians carefully and prepared a memorandum on their case for compensation. I ask unanimous consent that this document be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HATFIELD. The legislation Senator PACKWOOD and I are introducing today would, if enacted, confer jurisdiction upon the U.S. District Court for the District of Oregon to hear, determine, and render judgments upon any claims filed by the tribes. This would allow submission of new evidence which has been unavailable in previous cases. Passage of this legislation would result in the final determination of an issue which has been with us for about 120 years. I believe that such a step is justified and I urge my colleagues to support this bill.

(EXHIBIT 1)

To: Members of Congress.

From: Stephen Dow Beckham, Ph.D. Consultant to STOWW (Small Tribes of Western Washington, Inc.)

Subject: Background Information Regarding Unsettled Claims of the Coos, Lower Umpqua, and Siuslaw Indians of Western Oregon.

Date: 16 September 1973.

Three tribes of coastal Oregon—the Coos, Lower Umpqua, and Siuslaw—presently have several concerns that relate to their claims against the government of the United States. These issues can best be seen in terms of a cursory survey of their relationship with that government.

White men first made land contact with these people in 1826 when traders of the Hudson's Bay Company ventured into the southern Oregon coast. For the next twenty-seven years these Indians traded with white entrepreneurs and explorers. In 1851 settlers who were citizens of the United States staked claims on the Lower Umpqua River. By 1853 white families began occupying Coos Bay. These lands, filed upon under provisions of the Oregon Donation Land Act, were taken from the Coos and Lower Umpqua (Kalawatset) Indians in spite of the Organic Act passed by Congress in 1848 which created Oregon Territory and specifically confirmed Indian title.

On August 17, 1855, the Coos, Lower Umpqua, and Siuslaw tribes signed in good faith a treaty with representatives of the U.S. government. Thirteen white men, including Superintendent of Indian Affairs Joel Palmer, witnessed this treaty. In this agreement the above named tribes ceded to the government their lands for specified remuneration. This treaty was not ratified.

When Indian warfare came to the Oregon coast in February, 1856, the Coos, Lower Umpqua, and Siuslaw tribes remained peaceful. Many of the Indians on Coos Bay gathered at temporary reserves at the insistence of the white settlers. They did not join the Indians fighting on the southern Oregon seaboard.

In spite of their peace posture Agent E. P. Drew held conferences on Coos Bay on April 13–14, 1856, and, without a treaty compelled the Coos Indians to leave their ancestral homelands and relocate under armed guard at Umpqua City, a wind-swept townsite in the sand dunes at the mouth of the Umpqua River. By September 24, 1856, Drew had 234 Coos Indians at that site.

For three years the Coos, Lower Umpqua, and Siuslaw awaited action on their treaty. The Senate never acted. Nevertheless the Bureau of Indian Affairs and its Oregon officers concluded to remove these non-treaty Indians to the Siletz Reservation and on September 3, 1859, began the forced march of the Coos and Lower Umpqua Indians eighty miles farther up the Oregon coast to the Alsea sub-agency (Yachats).

These removals of non-treaty Indians were in direct violation of the provision of the Organic Act of 14 August 1848 which prohibited slavery in Oregon Territory. This measure was declared operative by Joseph Lane on 3 March 1849.

From September, 1859, until the summer of 1875 the Coos and Lower Umpqua tribes were held under armed control at the Alsea Sub-Agency. The Siuslaw were left in their old homeland on the Siuslaw River. Since these were non-treaty Indians they did not receive annuity goods. They were, however, compelled to become farmers and were made to grow wheat at Yachats. Nearly 50% of these people perished during the sixteen years they toiled to clear fields, build houses, construct barns, and erect fences at the sub-agency.

On occasions when these Indians escaped the reservation and went back to their old homeland at Umpqua and Coos Bay, soldiers were dispatched to capture them and drive them back to the reservation. In June, 1864, one white man went so far as to file for a writ of habeas corpus to force the agent to show under what right he kept the Coos Indians imprisoned at the Alsea sub-agency. The judge refused to issue the writ.

In 1875 the government threw open the Alsea sub-agency to white homesteaders. On June 27, 1875, the Indians were belatedly assembled to hear that their lands, their homes, and their improvements were to be taken by the first whites to file on those properties. Thoroughly disillusioned with the United States government, the survivors of the Coos and Lower Umpqua bands returned to their old homelands. Many joined their linguistic cousins, the Siuslaw, on that estuary in western Lane County.

BIA services were not extended to these tribes in any regularized manner. In 1910 they were administratively attached to the Roseburg Superintendency. In 1918 they were transferred to the Greenville School's authority in California. Later that year they were transferred to the control of the Siletz Agency but were not enrolled. In 1925 they were placed under the Clerk of Chemawa Indian School near Salem, Oregon. Throughout all these years they were without any health or educational services.

On May 5, 1917, these three tribes met and began legal action for settlement for their tribal lands. After twelve years of conferences and untiring travel for Coos Indian George Bundy Wasson, the confederated tribe's representative, Congress at last allowed their case to go to the Court of Claims. That legislation passed on February 23, 1929.

The Court of Claims heard this case under title of K–345. In it the three tribes sued for 1,602,280 acres. On May 2, 1933, the Court issued its ruling. It insisted that the Coos, Lower Umpqua, and Siuslaw Indians were parties to the allotment agreement reached at Siletz on October 31, 1892. Such a conclusion can not be documented and is impossible to reach as these tribes were not then nor ever had been on the Siletz Reservation. They had been held prisoner on the Alsea Sub-Agency from 1859 to 1875 but were gone from government control after that date. Records of the 1892 conference do not reveal any account of the Coos, Lower Umpqua, and Siuslaw participating in that agreement.

The Court then rejected the suit of these three tribes. It found that eighteen depositions of Indian testimony (taken in 1931 in North Bend, Oregon, by representatives of the court) were heresay and unacceptable to prove Indian occupancy of any of the Oregon seaboard. Interestingly several of the tribal members could testify only in their native language and had to give their accounts through an interpreter. The other evidence submitted to the Court to prove aboriginal occupancy was the treaty of 1855 which specifically delineated tribal claims The Court ruled that an unratified treaty was unacceptable as evidence.

A request for a writ of certiorari was filed on February 7, 1939, with the Supreme Court. It was denied on March 27, 1939.

Under the filing deadline for the Indian Claims Commission these three tribes again began suit for their tribal lands. On July 6, 1947, they hired attorneys to handle their case. On May 22, 1951, Harrison Ellsworth of Oregon introduced H.R. 4190 to allow these tribes to get their case before the Commission. Senator Guy Cordon (for himself and Senator Morse) introduced S. 1572 (82d Congress, 1st Session) also in 1951 for the same purpose. This latter bill was referred to the Committee on Interior and Insular Affairs of the Senate; the former to the House committee.

The Indian Claims Commission did hear the case—Number 265. It dismissed it as a matter of res judicata, stating that the original case had been decided on its merits. This decision needs to be examined for the following reasons:

Why were no records of the Hudson's Bay Company used to show the presence of these tribes in their aboriginal homeland more than twenty years before white settlement?

Why in either case did attorneys fail to bring in expert witnesses for either the disciplines of history or anthropology?

Why, in either case, were the government archival records not employed or submitted which conclusively show that the three tribes did occupy the southern Oregon coast?

Why were not the dozens of contemporary white accounts (letters, diaries, newspapers, ledgers, etc.) not used as evidence in this case?

There was no excuse in 1952 for the attorney for the tribes not to use the abundant documentation necessary to document these people's claims. When the Indian Claims Commission rendered its decision, the attorney for the three tribes did not even file an appeal. He had conducted the case with no new evidence and no success.

The Coos, Lower Umpqua, and Siuslaw tribes alledge that they did not have competent legal counsel in their suit before the Indian Claims Commission. The conduct of the case and the glaring deficiencies of attorney activity seem to support this contention.

These three tribes—still without settlement for their lands and without legal aid services (other than at their own expense in K-345 and Case No. 265)—were then terminated by the Act of Congress of 1954, effective in August, 1956. These Indians alledge that they were not parties to this termination agreement, that they were excluded from hearings, and that they were terminated without consent.

In light of these matters and several other concerns (among them the status of their 6.1 acre reservation and its Indian building in the Empire District of Coos Bay, Oregon), these tribes have requested STOWW to assist them gain congressional attention for their situation.

STEPHEN DOW BECKHAM,
Associate Professor of History.

Linfield College, McMinnville, Oreg.

(NOTE.—Dr. Beckham holds his Ph.D. from UCLA. His books include Requiem For a People: The Rogue Indians and the Frontiersmen (University of Oklahoma Press, 1971). His television series "This Land Was Theirs: The Indians of the Oregon Coast" was prepared under a grant from the National Endowment for the Humanities in 1971–72 and released in six half hour color programs on CBS and Oregon Educational Broadcasting.)

Mr. PACKWOOD. Mr. President, I am pleased to cosponsor this legislation today with my Oregon colleague, Senator HATFIELD, to confer jurisdiction upon the U.S. District Court of Oregon to hear the case of the Coos, Lower Umpqua and Siuslaw Indian Tribes, Inc. The history of the Government's treatment of these tribes is a grievious one, which this bill will allow a final hearing on if it is enacted. The historical documentation which has been compiled by Prof. Stephen Beckham, from Linfield College, shows the consideration I believe we should give these tribes by allowing a reopening of their case.

Mr. President, I ask unanimous consent that Professor Beckham's historical summary be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Three tribes of coastal Oregon—the Coos, Lower Umpqua, and Siuslaw—presently have several concerns that relate to their claims against the government of the United States. These issues can best be seen in terms of a cursory survey of their relationship with that government.

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There was no excuse in 1952 for the attorney for the tribes not to use the abundant documentation necessary to document these people's claims. When the Indian Claims Commission rendered this decision, the attorney for the three tribes did not even file an appeal. He had conducted the case with no new evidence and no success.

These three tribes—still without settlement for their lands and without legal aid services (other than at their own expense in K-345 and Case No. 265)—were then terminated by the Act of Congress of 1954, effective in August, 1956. These Indians alleged that they were not parties to this termination agreement, that they were excluded from hearings, and that they were terminated without consent.

By Mr. TUNNEY (for himself and Mr. PHILIP A. HART):

S. 946. A bill to amend the Solid Waste Disposal Act to encourage resource recovery through conversion of waste; and for other purposes. Referred to the Committee on Public Works.

THE ENERGY AND RESOURCE RECOVERY ACT OF 1975

Mr. TUNNEY. Mr. President, I am introducing today the Energy and Resource Recovery Act of 1975. This legislation will rapidly increase the development of advanced technologies for utilizing the enormous energy and materials resources contained in our solid waste.

This Nation has the highest per capita production of waste in the world. Last year, we threw away 4.5 billion tons of solid waste. Included in this staggering sum were 50 billion metal cans, 27 billion glass containers, 4 million tons of plastic containers, 18.8 million tons of paper, 100 million tires and 7 million automobiles. All projections suggest that we shall be adding to the vast mountains of waste at an ever-accelerating rate

Meanwhile, we are creating enormous environmental, health and safety problems. Incineration and open burning of wastes thicken air pollution. Open dumps cause noxious odors. Water resources are contaminated by "leachate" from landfills. Rats, lice and other insects thrive on the refuse and garbage that pile up in our urban outskirts. At the same time, our shortage of land has become so serious that many cities believe that within a very few years all the space available for landfill will be gone. A National League of Cities task force, for example, has estimated that almost half the cities in this Nation will fill up their present landfill sites in the next 5 years.

Our incredible generation of waste is symptomatic of our seemingly insatiable demand for energy and material resources. Presently, this Nation consumes nearly one-third of the world's energy supplies, 40 percent of the world's aluminum, 35 percent of the world's lead, and approximately one-third of the world's copper, tin, zinc, and nickel.

Consequently, we have found ourselves increasingly dependent on foreign sources of energy and materials. The United States already is dependent on imports for its major supply of 6 of 13 basic raw materials: Chromium, nickel, rubber, aluminum, tin, and zinc. By 1985, it is projected the country will depend on imports for more than half of its iron, lead and tungsten. By the year 2000, imports will have to supply more than half of our copper, potassium and sulfur. The Department of Interior has stated that if present trends continue, by the year 2000 the United States could face a $100 billion balance of trade deficit in the minerals area. Additionally, severe price fluctuations for materials resources will continue through the century and industry needs the flexibility new technologies can give to avert future resource and materials shortages.

Despite these dangers, the major cities alone dispose annually of metals worth $5 billion. We, thus, lose an estimated 12 million pounds of steel and more aluminum and tin than we produce domestically. As we discard these materials we are losing energy resources as well. Each one million tons of steel scrap that is lost as a raw material per year costs the Nation approximately 1.5 million barrels of oil. Even a doubling of the percentage of discard aluminum which is recycled—that is, an increase from 1 to 2 million tons per year—would save an annual 29.1 million barrels of oil.

Our garbage, not including the energy captured through metals recycling, contains the potential equivalent of multimillions of barrels of oil and gas—enough each year to meet this Nation's entire needs for residential and commercial lighting or up to one-third of the energy that is to be delivered by the Alaska pipeline. In light of the recent findings by the National Academy of Sciences that domestic oil and gas reserves are far less than had been previously forecast and could well run out within the next 35 years, it is, therefore, essential that we begin to utilize all of our energy resources as effectively as possible.

In extensive hearings I held last year, it was pointed out that there are many potential technologies to recycle materials while converting our solid waste to energy. It is possible, for example, to drill directly into certain landfills to capture the methane gas produced by decomposing garbage. It is now also possible to convert wastes into combustible, coal-like pellets that are easily transportable and can be used in coal burning furnaces. More advanced techniques—such as pyrolysis whereby the wastes are, in effect cooked at extremely high temperatures without oxygen—are available to produce a low sulfur oil or gas. This process also reduces the bulk of the solid waste, thus easing disposal.

These hearings also demonstrated that many promising technologies have yet to be fully researched and tested in terms of their feasibility and cost effectiveness. The rapid development of workable technology is essential if this Nation is to realize the energy conservation benefits and husbanding of natural resources that result from energy and other resource recovery programs.

Unfortunately, Federal Government programs to stimulate an accelerated development of these technologies has been totally inadequate. In the last 3 fiscal years, less than $20 million have been expended and the administration requested less than $1 million for fiscal year 1975. At this level of expenditure there is no hope of rapid development of these programs. While currently there is authority under the Solid Waste Disposal Act to demonstrate new technologies for energy and resource recovery, the commitment to such demonstration projects has been meager compared to the need. Our hearings made clear that present federally funded demonstration projects are so limited that local governments, which are the major potential purchasers of such systems, have inadequate information to make an intelligent choice and are often reluctant to act at all.

A GAO report just released on February 27 criticizes the slow implementation of the 1970 act citing the fact that although the act redirected Federal efforts from disposal to resource recovery, only four recovery demonstration projects have been funded. Under this bill, the importance of demonstration projects is highlighted. A pilot plant would test new technologies prior to a major financial investment for a federally funded demonstration project. It is critical to the economical and successful application of new laboratory research that it be tested on a small scale prior to the application of such research to a major demonstration facility.

Furthermore, in this period of severe recession, money has become an ever larger barrier for our cities already overburdened by a multitude of urban problems. As a recent Senate Commerce Commitee report has pointed out,

> With respect to financing capital improvements for waste management, including shredders, separators, incinerators, and other equipment, many states impose severe limitations on the ability of local governments to borrow money.

According to the Advisory Commission on Intergovernmental Relations,

> Only seventeen states permit municipalities unrestricted and "immediate access upon vote of the governing body" to any of the three major sources of revenue: property, sales and income taxes. Only eleven states permit unlimited property tax levies to finance capital construction, and only six states provided unlimited local sales taxes. No state gives the cities unlimited access to the income tax.

Under this bill, Federal assistance, including construction and maintenance grants, will be given to assist municipalities in implementing resource recovery technologies.

If the administration continues to restrict funding for recycling and energy generation projects, rapid tapping of our solid waste resources will be impossible. The Energy and Resource Recovery Act, on the other hand, will provide sufficient funding and will speed utilization of these processes on the State level. This legislation authorizes $135,000,000 in grants and $500,000,000 in loans to stimulate rapid development of meaningful demonstration projects. Mr. President, these demonstration projects will allow numerous cities throughout the country quickly to utilize their solid waste as a resource for energy. Many of these projects will also jointly develop energy resources and recycle critical mineral resources.

The energy and resource crisis is upon us today. We cannot, in a period of recession and inflation, wait decades for our country to slowly phase in our resources and energy recovery projects. We can no longer profligately waste our resources and I believe that this is one of the most important programs for quickly increasing this Nation's mineral and energy resources. I ask unanimous consent that the bill be printed at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 946

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this may be cited as the "Energy and Resource Recovery Act of 1975."

DECLARATION OF POLICY

SEC. 2. (a) FINDINGS.—The Congress finds that recent shortages of petroleum products and other resources illustrate that the Nation no longer possesses an overbundance of the natural resources necessary for commerce, economic well-being, and the national defense. In the future, greater emphasis must be placed on recovering and reusing energy and resources currently disposed of as waste in order to minimize the depletion of remaining virgin natural resources.

(b) PURPOSE.—It is therefore declared to be the purpose of the Congress in this Act to encourage the recovery of energy and other resources from waste through the support of research and development projects, demonstrations, loan guarantees, and construction grants.

DEFINITIONS

SEC. 3. Section 203 of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970 (84 Stat. 1230) is amended by adding the following new paragraphs:

"(11) The term "demonstration" means the planning, design, construction, operation, and maintenance of any full scale program or facility for the recovery of fuel, energy, or other resources from waste for the purpose of examining the technical and economic feasibility of such program or facility.

"(12) The term "pilot plant" means any small-scale experimental facility constructed for the purpose of investigating or testing the technological feasibility of a new fuel, energy, or resource recovery technology."

RECOVERY DEMONSTRATIONS AND OTHER ASSISTANCE

SEC. 4. (a) GENERAL.—Section 204(a) of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is amended by—

(1) inserting "alone or after consultation with the Administrator of the Federal Energy Administration, the Administrator of the Energy Research and Development Administration, and the Chairman of the Federal Power Commission" before "shall conduct";

(2) inserting "(including loan-guarantee assistance as authorized by and subject to the conditions of section 207 of this Act)" after "other assistance";

(3) deleting "and recovering materials and energy from solid wastes" in paragraph (4);

(4) adding the following as paragraph (5) and relettering the succeeding paragraphs accordingly:

"(5) the production of usable forms of fuel, energy or resources from solid wastes".

(b) PATENTS.—Section 204(c) of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is amended by striking it in its entirety and inserting in lieu thereof the following:

"(c) (1) Whenever any invention is made or conceived in the course of or under any contract made or entered into under this Act and the Administrator determines that—

"(A) the person who made the invention was employed or assigned to perform research, development, or demonstration work and the invention is related to the work he was employed or assigned to perform, or that it was within the scope of his employment duties, whether or not it was made during working hours, or with a contribution by the Government of the use of Government facilities, equipment, materials, allocated funds information proprietary to the Government, or services of Government employees during working hours; or

"(B) the person who made the invention was not employed or assigned to perform research, development, or demonstration work, but the invention is nevertheless related to the contract or to the work or duties he was employed or assigned to perform, and was made during working hours, or with a contribution from the Government of the sort referred to in clause (A).

title to such invention shall vest in the United States, and if patents on such invention are issued they shall be issued to the United States, unless in particular circumstances the Administrator waives all or any part of the rights of the United States to such invention in conformity with the provisions of this subsection.

"(2) Each contract entered into by the Environmental Protection Agency (herein referred to as "Agency") with any person shall contain effective provisions under which such person shall furnish promptly to the Agency a written report containing full and complete technical information concerning any invention, discovery, improvement, or innovation which may be made in the course of or under such contract.

"(3) Under such regulations in conformity with the provisions of this section as the Administrator shall prescribe, the Administrator may waive all or any part of the rights of the United States under this section with respect to any invention or class of inventions made or which may be made by any person or class of persons in the course of or under any contract of the Agency if he determines that the interests of the United States and the general public will best be served by such waiver. The Agency shall maintain a publicly available, periodically updated record of waiver determinations. In making such determinations, the Administrator shall have the following objectives:

"(A) Making the benefits of the energy and resource recovery and demonstration program widely available to the public in the shortest practicable time.

"(B) Promoting the commercial utilization of such inventions.

"(C) Encouraging participation by private persons in the Agency's energy and resource recovery research and demonstration program.

"(D) Fostering competition and preventing undue market concentration or the creation or maintenance of other situations inconsistent with the antitrust laws.

"(4) In determining whether a waiver to the contractor at the time of contracting will best serve the interests of the United States and the general public, the Administrator shall specifically include as considerations—

"(A) the extent to which the participation of the contractor will expediate the attainment of the purposes of the program;

"(B) the extent to which a waiver of all or any part of such rights in any or all fields of technology is needed to secure the participation of the particular contractor;

"(C) the extent to which the contractor's commercial position may expedite utilization of the research, development, and demonstration program results;

"(D) the extent to which the Government has contributed to the field of technology to be funded under the contract;

"(E) the purpose and nature of the contract, including the intended use of the results developed thereunder;

"(F) the extent to which the contractor has made or will make substantial investment of financial resources or technology developed at the contractor's private expense which will directly benefit the work to be performed under the contract;

"(G) the extent to which the field of technology to be funded under the contract has been developed at the contractor's private expense;

"(H) the extent to which the Government intends to further develop to the point of commercial utilization the results of the contract effort;

"(I) the extent to which the contract objectives are concerned with the public health, public safety, or public welfare;

"(J) the likely effect of the waiver on competition and market concentration; and

"(K) in the case of a nonprofit educational institution, the extent to which such institution has a technology transfer capability and program, approved by the administrator as being consistent with the applicable policies of this subsection.

"(5) In determining whether a waiver to the contractor or inventor of rights to an identified invention will best serve the interests of the United States and the general public, the Administrator shall specifically include as considerations clauses (D) through (K) of paragraph (4) as applied to the invention and—

"(A) the extent to which such waiver is a reasonable and necessary incentive to call forth private risk capital for the development and commercialization of the invention; and

"(B) the extent to which the plans, intentions, and ability of the contractor or inventor will obtain expeditious commercialization of such invention.

"(6) Whenever title to an invention is vested in the United States, there may be reserved to the contractor or inventor—

"(A) a revocable or irrevocable nonexclusive, paid-up license for the practice of the invention throughout the world; and

"(B) the rights to such invention in any foreign country where the United States has elected not to secure patent rights and the contractor elects to do so, subject to the rights set forth in clauses (B), (C), (F), and (G) of paragraph (8): *Provided,* That when specifically requested by the Agency and three years after issuance of such a patent, the contractor shall submit the report specified in paragraph (g) (a) of this subsection.

"7(A) Subject to clause (B) of this subsection, the Administrator shall determine and promulgate regulations specifying the terms and conditions upon which licenses may be granted in any invention to which title is vested in the United States.

"(B) Pursuant to clause (A) of this subsection, the Administrator may grant exclusive or partially exclusive licenses in any invention only if, after notice and opportunity for hearing, it is determined that—

"(i) the interests of the United States and the general public will best be served by the proposed license, in view of the applicant's intentions, plans and ability to bring the invention to the point of practical or commercial applications;

"(ii) the desired practical or commercial applications have not ben achieved, or are not likely expeditiously to be achieved, under any nonexclusive license which has been granted, or which may be granted, on the invention;

"(iii) exclusive or partially exclusive licensing is a reasonable and necessary incentive to call forth risk capital and expenses to bring the invention to the point of practical or commercial applications; and

"(iv) the proposed terms and scope of exclusivity are not substantially greater than necessary to provide the incentive for bringing the invention to the point of practical or commercial applications and to permit the licensee to recoup its costs and a reasonable profit thereon: *Provided,* That, the Administrator shall not grant such exclusive or partially exclusive license if he determines that the grant of such license will tend substantially to lessen competition or result in undue concentration in any section of the country in any line of commerce to which the technology to be licensed relates. The Agency shall maintain a publicly available, periodically updated record of determinations to grant such licenses.

"(8) Each waiver of rights or grant of an exclusive or partially exclusive license shall contain such terms and conditions as the Administrator may determine to be appropriate for the protection of the interests of the United States and the general public, including provisions for the following:

"(A) Periodic written reports at reasonable intervals, and when specifically requested by the Agency, on the commercial use that is being made or is intended to be made of the invention.

"(B) At least an irrevocable, nonexclusive, paid-up license to make, use, and sell the invention throughout the world by or on behalf of the United States (including any Government agency) and States and domestic municipal governments, unless the Administrator determines that it would not be in the public interest to acquire the license for the States and domestic municipal governments.

"(C) The right in the United States to sublicense any foreign government pursuant to any existing or future treaty or agreement if the Administrator determines it would be in the national interest to acquire this right.

"(D) The reservation in the United States of the rights to the invention in any country in which the contractor does not file an application for patent within such time as the Agency shall determine.

"(E) The right in the Administrator to require the granting of a nonexclusive, exclusive, or partially exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, (i) to the extent that the invention is required for public use by governmental regulations, or (ii) as may be necessary to fulfill health, safety, or energy needs, or (iii) for such other purposes as may be stipulated in the applicable agreement.

"(F) The right in the Administrator to terminate such waiver or license in whole or in part unless the recipient of the waiver or license demonstrates to the satisfaction of the Administrator that he has taken effective steps, or within a reasonable time thereafter is expected to take such steps, necessary to accomplish substantial utilization of the invention.

"(G) The right in the Administrator, commencing three years after the grant of a license and four years after a waiver is effective as to an invention, to require the granting of a nonexclusive or partially exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, and in appropriate circumstances to terminate the waiver or license in whole or in part, following a hearing upon notice therefrom to the public, upon a petition by an interested person justifying such hearing—

"(i) if the Administrator determines, upon review of such material as he deems relevant, and after the recipient of the waiver or license, or other interested person, has had the opportunity to provide such relevant and material information as the Administrator may require, that such waiver or license has tended substantially to lessen competition or to result in undue concentration in any section of the country in any line of commerce to which the technology relates; or

"(ii) unless the recipient of the waiver or license demonstrates to the satisfaction of the Administrator at such hearing that he has taken effective steps, or within a reasonable time thereafter is expected to take such steps, necessary to accomplish substantial utilization of the invention.

"(9) The Administrator shall provide an annual periodic notice to the public in the Federal Register, or other appropriate publication, of the right to have a hearing as provided by paragraph (8)(G) of this section, and of the availability of the records of determinations provided in this section.

"(10) The Administrator shall, in granting waivers or licenses, consider the small business status of the applicant.

"(11) Under such regulations as the Administrator shall establish, whenever the Administrator, upon application by any person, determines that—

"(A) in furtherance of the policy of the expeditious commercial application of new energy or resource recovery technologies, a right under any United States patent, not otherwise reasonably available, is reasonably necessary to the development, demonstration, or commercial application of any energy or resource recovery invention, process or system developed or demonstrated in the course of or under a contract of the Administration, and

"(B) there are no other reasonable methods to achieve such development, demonstration, or commercial application, the Agency shall so certify to a district court of the United States for it to issue an order requiring the owner or exclusive licensee of the patent, or both, as appropriate, to grant a license thereunder at such reasonable royalty and on such reasonable and non-discriminatory terms and conditions as the Agency shall determine. The court shall provide such patentee or exclusive licensee, or both, as appropriate, an opportunity for a hearing and *de novo* review of the determination of the Administrator. Any such certification shall be made to the district court for the district in which the patentee or exclusive licensee, as appropriate, resides, does business, or is found.

"(12) The Administrator is authorized to take all suitable and necessary steps to protect any invention or discovery to which the United States holds title, and to require that contractors or persons who acquire rights to inventions under this section protect such inventions.

"(13) The Agency shall be considered a defense agency of the United States for the purpose of chapter 17 of title 35 of the United States Code.

"(14) As used in this subsection—

"(A) the term 'person' means any individual, partnership, corporation, association, institution, or other entity;

"(B) the term 'contract' means any contract, grant, agreement, understanding, loan guarantee, or other arrangement, which includes research, development, or demonstration work, and includes any assignment, substitution of parties, or subcontract executed or entered into thereunder;

"(C) the term 'made', when used in relation to any invention, means the conception or first actual reduction to practice of such invention;

"(D) the term 'invention' means inventions or discoveries, whether patented or unpatented; and

"(E) the term 'contractor' means any person having a contract with or on behalf of the Agency."

PILOT PLANTS, DEMONSTRATIONS AND IMPLEMENTATION

Sec. 5. (a) Section 208 of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is deleted.

(b) The Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is amended by adding the following as sections 206, 207, and 208 and relettering succeeding sections accordingly:

"GRANTS FOR PILOT PLANTS AND DEMONSTRATIONS

"Sec. 206. (a) To the extent practicable and at the earliest feasible date, the Administrator shall (1) assist, at the culmination of any successful recovery research projects which are developed pursuant to assistance under section 205(a) of this Act or developed without federal assistance, the construction of pilot plant facilities for the purpose of investigating or testing the technological feasibility of any promising new fuel, energy, or resource recovery method or technology; and (2) demonstrate each such method and technology which is evaluated affirmatively at such pilot plant stage or at a pilot plant stage developed without federal assistance. Each such demonstration shall incorporate new or innovative technical advances or shall apply such advances to different circumstances and conditions, for the purpose of evaluating design concepts or to test the performance, efficiency, and economic feasibility of a particular method or technology under actual operations conditions. Each such demonstration shall be so planned and designed that, if successful, it can be expanded or utilized directly as a full-scale operational fuel, energy, or resource recovery facility.

"(b) The Administrator shall report the results of studies, investigations and demonstrations under this section to the Congress and the President on an annual basis.

"(c) Section 204 (b) and (c) shall be applicable to pilot plant projects and demonstrations carried out under this section.

"LOAN GUARANTEES FOR ENERGY AND RESOURCE RECOVERY

"Sec. 207. (a) General.—The Administrator is authorized, in accordance with the provisions of this section and such rules and regulations as he shall prescribe, to guarantee and to make commitments to guarantee the payment of interest on, and the principal balance of, a loan or other obligation incurred by any State, regional, or local government agency, or any other institution, organization, corporation, partnership, or individual for the purpose of financing construction of full-scale operational facilities for fuel, energy or resource recovery: *Provided*, That the outstanding indebtedness guaranteed unde this Act shall at no time exceed $500,000,000: *And provided further*, That no guarantee or commitment to guarantee shall be undertaken under this Act after September 30, 1977. Each application for such a guarantee shall be made in writing to the Administrator in such form and with such content and other submissions as the Administrator shall prescribe to reasonably protect the interests of the United States. Each guarantee and commitment to guarantee shall be extended in such form, under such terms and conditions, and pursuant to such regulations as the Administrator deems appropriate. Each guarantee and commitment to guarantee shall inure to the benefit of the holder of the obligation to which such guarantee or commitment applies. The Administrator is authorized to approve any modification of any provision of a guarantee or a commitment to guarantee such an obligation, including the rate of interest, time of payment of interest or principal, security, or any other terms or any other terms or conditions, upon a finding by the Administrator that such modification is equitable, not prejudicial to the interests of the United States, and has been consented to by the holder of such obligation.

"(b) Criteria.—The Administrator shall guarantee or make a commitment to guarantee under subsection (a) of this section, with respect to a facility, only if such facility will be constructed, operated, and maintained in accordance with any applicable standards or regulations duly issued by the Administrator, and no other means of financing or refinancing such facility is reasonably available to the applicant.

"(c) Charges.—(1) The Administrator shall charge and collect such amounts as he may deem reasonable for the investigation of applications for a guarantee, for the appraisal of properties offered as security for a guarantee, and for the issuance of commitments to guarantee, and for

"(2) The Administrator shall collect such reasonable fees and charges as he shall determine for a loan or other obligation guaranteed under this section.

"(d) Validity.—No guarantee or commitment to guarantee an obligation entered into by the Administrator shall be terminated, canceled, or otherwise revoked, except in accordance with reasonable terms and conditions prescribed by the Administrator. Such a guarantee or commitment to guarantee shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Such a guarantee or commitment shall be valid and incontestable in the hands of a holder as of the date when the Administrator entered into the contract of guarantee or commitment to guarantee, except as to fraud, duress, mutual mistake of fact, or material misrepresentation by or involving such holder.

"(e) Default.—(1) If there is a default by the obligor in any payment of interest or principal due under an obligation guaranteed by the Administrator under this section and such default has continued for 60 days, the holder of such obligation or his agents have the right to demand payment of such unpaid amount from the Administrator. Within such period as may be specified in the guarantee or related agreements, but not later than 45 days from the date of such demand, the Administrator shall promptly pay to the obligee or his agent the unpaid interest on and unpaid principal of the obligation guaranteed by the Administrator as to which the obligor has defaulted, unless the Administrator finds that there was no default by the obligor in the payment of interest or principal or that such default has been remedied.

"(2) If the Administrator makes a payment under paragraph (1) of this subsection, he shall have all rights specified in the guarantee or related agreements with respect to any security which he held with respect to the guarantee of such obligation, including, but not limited to, the authority to complete, maintain, operate, lease, sell, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements.

"(3) If there is a default under any guarantee or commitment to guarantee an obligation, the Administrator shall notify the Attorney General. Upon such notification, the Attorney General shall take such action against the obligor or any other parties liable thereunder as is, in his discretion, necessary to protect the interests of the United States. The holder of such obligation shall make available to the United States all records and evidence necessary to prosecute any such suit.

"ENERGY AND RESOURCE RECOVERY IMPLEMENTATION GRANTS

"Sec. 208. (a) General.—The Administrator is authorized, in accordance with the provisions of this section, to make grants to a regional authority, State or local government agency, or any other person for the construction, operation, or maintenance of fuel, energy, or resource recovery facilities in accordance with the findings required pursuant to subsection (b) of this section;

"(b) Construction Grants.—A grant shall be made pursuant to subsection (a) of this section only upon a finding that the proposed site or facility—

"(1) will be constructed, operated, and maintained in accordance with any applicable standards duly promulgated by the Administrator; and any applicable provisions of other Federal, State, and local law;

"(2) will be used to recover resources, fuel, or energy from waste collected from or furnished by the public or generated as a byproduct of any industrial, agricultural, or commercial operation; and

"(3) cannot reasonably be financed through any other available means including loan guarantees extended under section 207 of this Act.

"(c) Operations and Maintenance.—A grant shall be made pursuant to subsection (a) of this section only upon a finding that any site or facility with respect to which such grant is made will be operated and maintained in accordance with (A) any applicable standards duly promulgated by the Administrator; (B) any applicable provisions of other Federal, State, and local law; and (C) a realistic plan for achieving operational financial self-sufficiency in a limited period of time.

"(d) Terms, Procedures, and Criteria.—(1) The amount of the Federal share of any grant under this section shall not exceed 75 per centum of the total cost of the project or undertaking for which the financial assistance is provided.

"(2) Each applicant for a grant shall submit to the Administrator, as part of the application for financial assistance, such plans, specifications, data, reports, and any other information as is deemed necessary or appropriate by the Administrator.

"(3) Before approving any such grant application, the Administrator shall, in addition to any other necessary findings, determine that the applicant has made adequate provision for proper and efficient implementation of the project or undertaking for which the grant is sought, including the employment of qualified personnel. The Administrator shall also consider the extent to which the applicant has made a good faith effort, in the absence of Federal financial assistance, to improve any related programs subject to his control or supervision and the effectiveness of such efforts. No grants shall be approved under this section if the Administrator finds that a party other than the applicant will accomplish the purposes intended to be accomplished by the project or undertaking for which the grant is sought as effectively as the applicant and without (or with less) Federal assistance.

"(4) Funds appropriated for the purposes of this section shall be expended in the manner most likely to maximize the benefit to human health and the environment and to minimize the depletion of virgin natural resources. The Administrator shall act upon each grant application as soon as practicable after it has been submitted."

AUTHORIZATION FOR APPROPRIATIONS

Sec. 6. Section 216 of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is amended by—

(1) deleting paragraph (3) of subsection (a) and inserting in lieu thereof the following:

"(3) There are authorized to be appropriated for the purpose of making grants for energy and resource recovery pilot plant and demonstration programs under section 206 of this Act such sums as are necessary not to exceed $22,500,000 for the fiscal year ending on June 30, 1975; $45,000,000 for the fiscal year ending on June 30, 1976; $22,500,000 for the transitional fiscal quarter ending on September 30, 1976; and $45,000,000 for the fiscal year ending on September 30, 1977.";

(2) adding the following as subsections (c) and (d) and relettering succeeding subsections accordingly:

"(c) There are authorized to be appropriated to the Administrator such sums as are necessary, not to exceed $500,000,000, to pay any amount required to be paid by reason of a default on any loan or other obligation guaranteed under section 20 of this Act.

"(d)(1) There are authorized to be appropriated for the purpose of making grants for facility construction under section 208(b) of this Act such sums as are necessary not to exceed $5,000,000 for the fiscal year ending on June 30, 1975; $30,000,000 for the fiscal year ending on September 30, 1976; $5,000,000 for the transitional fiscal quarter ending on September 30, 1976; and $50,000,000 for the fiscal year ending on September 30, 1977.

"(2) There are authorized to be appropriated for the purpose of making grants for operations and maintenance under section 208(c) of this Act such sums as are necessary not to exceed $5,000,000 for the fiscal year ending on June 30, 1975; $30,000,000 for the fiscal year ending on June 30, 1976; $5,000,000 for the transitional fiscal quarter ending on September 30, 1976; and $50,000,000 for the fiscal year ending on Sept. 30, 1977.

By Mr. BROOKE:

S. 947. A bill to amend the Housing Act of 1937. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BROOKE. Mr. President, last August the Congress passed the Housing and Community Development Act of 1974 which, among other things, contained an authorization for $1.225 billion in contract authority for public housing. At that time the Secretary of HUD stated that he hoped to use most of the new contract authority to implement the newly authorized section 8 leasing program.

To date no new housing starts have occurred under the leasing program and even HUD officials project a limited number of starts for fiscal year 1976. Meanwhile, we continue to fall far short of our national goal of providing 600,000 new housing units for low and moderate income families each year.

I share with HUD officials a desire to see the section 8 leasing program work, and I worked closely with them on this new section of the law. But, while we are waiting for section 8 to become operative, we must not neglect the urgent housing needs of low-income families. I am, therefore, proposing legislation to direct that an additional $300 million in contract authority for low-income housing be channeled through local housing authorities and that $150 million of this be spent on the construction of conventional public housing.

Many of the public housing units built in our country are excellent units, and they provide the only housing available to elderly and poor families in many areas. I believe that we must continue to use this proven method of producing low-income housing until such time as new and better programs are developed and have been proven more effective as a means of providing decent, safe, sanitary shelter.

In the event that the $662 million in new contract authority requested by HUD in its fiscal year 1976 budget is approved by the Congress, these funds could, of course, be used to satisfy the requirements of the legislation I introduce today.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 947

Be it enacted by the Senate and House of Representatives of the United States of

***America in Congress assembled*, The second sentence of Section 5(c) of the United States Housing Act of 1937 is amended by striking "$150,000,000" and inserting in lieu thereof "$450,000,000."**

By Mr. BROOKE:

S. 948. A bill to authorize the Secretary of Housing and Urban Development to make special grants in order to encourage the construction and purchase of residential dwellings, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BROOKE. Mr. President, recent economic reports bring scant assurance that our economy, now deep in recession, is on the road to recovery. In January, industrial production plunged at the steepest rate since 1937; demand for credit is off sharply; business failures are rising; and unemployment has soared to 8.2 percent, the highest level since 1941. Some economists expect the unemployment rate to reach 10 percent by summer. There is no need to describe the severe hardships which these statistics represent for millions of American families.

The President and the Congress both recognize the severity of the crisis and the need for prompt action to reverse the economic downturn. The debate has not centered on the need for action, but on what action can best promote recovery.

As the ranking Republican on the Housing Subcommittee, I have been particularly concerned about the plight of the housing industry, which has been hit with a double punch—a year-long mortgage credit crisis followed by a general decline in economic activity and consumer confidence.

Housing starts in December 1974 plummeted to an 8-year low annual rate of 868,000 units—a 60.5 percent decline from the October 1972 high annual rate of 2,509,000 starts. The annual rate of building permits in January was at a level of only 661,000, the lowest level ever recorded. Unemployment in the construction trades now stands at 15 percent, and in some cities the jobless rate for construction workers has reached 40 percent.

To deal with the mortgage credit shortage which prevailed through 1974, the Congress last fall passed the Emergency Home Purchasing Assistance Act which Senator Cranston and I coauthored, and which President Ford endorsed. So far some $4.9 billion has been committed under this act. While recent increases in savings deposits point to an easier availability of mortgage credit, it is possible that Federal borrowing to finance the deficit may bring on another round of disintermediation. To assure the availability of reasonably priced mortgage credit, Senator Cranston and I intend to introduce legislation revising and extending the Home Purchase Assistance Act of 1974.

But in a recessionary economy, increased availability of mortgage credit will not necessarily bring about an upturn in the construction and purchase of new homes. With the economic future uncertain, many potential home buyers will hang back either from fear of assuming new debt or in hopes of getting a better bargain as prices fall. While this psychology is anti-inflationary, it can, if carried to extremes, feed upon itself causing a major economic collapse. Thus, in a period of declining economic activity the Government has sought to lean against the psychology of fear and to promote consumer activity.

The President's state of the Union address reflected this Government policy, which has prevailed ever since the 1930's. The President's economic recovery program would rebate taxes and thus increase consumer spending power—by about $150 in 1975 in the case of the average family. The President's program will no doubt cause some consumer purchases which would not occur in the absence of a tax rebate, but I do not believe it will have a significant effect on the severely depressed housing industry. For $150 in increased purchasing power in the hands of the average family is not likely, in my opinion, to be spent on purchase of a new home.

Yet increasing new housing production would be among the most effective and least inflationary ways to stimulate our sagging economy. There is a huge amount of unused capacity in the housing sector. By using this capacity we can provide hundreds of thousands of jobs in the housing, wood products, furniture, appliance, and related industries. We can significantly reduce the burden on our budget of unemployment compensation. And by increasing the availability of housing units, which are presently in short supply in many areas, we can reduce rents and thus help curb inflation.

With these objectives in mind, I am today introducing the "Home Purchase Incentive Act of 1975." The program set forth in this bill is, in my opinion, the most effective and least expensive way of assuring a substantial increase in housing starts in the near future.

HOW THE PROGRAM WOULD WORK

The bill would increase housing starts by offering an incentive for potential home buyers to purchase homes now.

First. To reduce the inventory of some 400,000 unsold, newly constructed homes, the bill provides that any person who purchases an unsold, newly constructed home, meeting size and price requirements, within 4 months after the date of enactment of the act will be eligible to receive a home purchase incentive payment in the amount of $1,000, which amount can be applied against the downpayment. On homes with between one and four units, there would be a payment of $500 for each unit beyond the first. To promote the sale of housing units presently under construction, the bill provides that to be eligible for a home purchase assistance payment the buyer must purchase such a unit within 6 months after the date of enactment of the bill.

Second. To encourage new housing starts, the bill provides that any person who purchases a new home started within the next 6 months and completed within the next 12 months at a price within established limits, will also be eligible to receive a home purchase incentive payment in the amount of $1,000, which amount can be applied against the downpayment.

Third. Homes purchased under the program could not have prices in excess of the median price of new homes constructed in a geographic area. In order to be eligible, homes would also have to be standard units of a size at least equal to the minimum size for newly constructed units prescribed by the Secretary.

The program would be administered by the Department of Housing and Urban Development, which would be responsible for verifying prices and dates of starts and completions and performing other administrative duties. It is expected that shortly before closing, the purchaser of a newly built home will apply to HUD for a nontransferable certificate entitling him to a $1,000 housing incentive payment at the time of closing. Such certificate, upon proper certification by the mortgagee that the sale has occurred, will be redeemed by HUD.

The similarity of the home purchase incentive program and the auto price rebate program cannot be missed. However, the precedent upon which the home purchase incentive program is based is not the auto industry experience but a similar home purchase program which was instituted in Canada in 1963–66 to deal with the problem of seasonality in building starts. The Canadian program offered any person buying a home started after November 15 and completed before March 15 a $500 cash payment. The program succeeded in shifting a large number of starts to the winter; in fact, Canada today has more winter housing starts per capita than the United States despite a much colder climate.

In essence, the home purchase incentive program offers an incentive to buy now rather than later. It rewards the buyer who does not hang back in hopes of a better bargain. It not only gives the buyer a break on price, but it immediately decreases the amount he has to invest in a downpayment. In this respect, the program has a great advantage over a tax credit, which may not become available until a year after the home is purchased.

ECONOMIC IMPACT

The proposed home purchase incentive program has been developed on the basis of economic research by Dr. Kenneth Rosen of the Joint Center for Urban Studies of M.I.T. and Harvard. On the basis of econometric analysis the following projections can be made:

First, the program would produce approximately 350,000 additional housing starts in 1975, bringing estimated starts from approximately 1.3 million up to 1.65 million;

Second, the program would generate approximately 450,000 man years of work in construction and supporting industries; and

Third, the program would have a total, one-time cost of approximately $850 million.

Before proposing this plan, I considered a number of other approaches. Economic analysis indicates that the home purchase incentive program will have a far greater and more certain effect on new housing production than a temporary, shallow, mortgage interest subsidy program.

Mr. President, the chairman of the Subcommittee on Housing and Urban Affairs, Senator SPARKMAN, has announced hearings on emergency housing legislation for March 17 through 20. At these hearings testimony will be received regarding the Home Purchase Incentive Act and other emergency housing legislation. As the ranking minority member of the subcommittee, I can assure my colleagues that we shall work hard to produce emergency housing legislation which will have bipartisan support and which can be signed into law at an early date.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 948

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Home Purchase Incentive Act of 1975".

DEFINITIONS

SEC. 2. As used in this Act—

(1) "Secretary" means the Secretary of Housing and Urban Development;

(2) "single-family dwelling" means a building designed for occupancy by fewer than 5 families.

BASIC AUTHORITY

SEC. 3. The Secretary of Housing and Urban Development is authorized and directed to make home purchase incentive payments, and to enter into commitments to make such payments, as provided in this Act in order to encourage the construction and purchase of single-family residential dwellings.

INCENTIVE PAYMENT ENTITLEMENT

SEC. 4. (a) The Secretary shall make a home purchase incentive payment to any individual who purchases a single-family dwelling to be used as his principal residence—

(1) during the 4-month period beginning on the date of enactment of this Act, if construction of that dwelling was completed prior to such date of enactment and such dwelling remained unoccupied after the completion of construction;

(2) during the 6-month period beginning on the date of enactment of this Act, if the construction of that dwelling is completed during such 6-month period; or

(3) during the 1-year period beginning on the date of enactment of this Act, if the construction of that dwelling commences during the 6-month period beginning on the date of enactment of this Act and is completed within the 1-year period beginning on the date of enactment of this Act.

(b) The amount of a home purchase incentive payment shall be $1,000 in the case of a dwelling designed for occupancy by one family, $1,500 in the case of a dwelling designed for occupancy by two families, $2,000 in the case of a dwelling designed for occupancy by three families, or $2,500 in the case of a dwelling designed for occupancy by four families.

LIMITATIONS

SEC. 5. No payment may be made under this Act with respect to a single-family dwelling—

(1) having a purchase price in excess of such amount as the Secretary determines is the median cost for such a dwelling in the housing market area;

(2) the size of which does not equal or exceed the minimum size for such dwellings prescribed by the Secretary; or

(3) which does not comply with local code standards for decent, safe, and sanitary housing.

ADMINISTRATIVE PROVISIONS

SEC. 6. The Secretary shall issue to any individual who he determines is eligible for a home purchase incentive payment, a certificate containing the name of the purchaser, a description of the property, the amount of the payment, and such other information as the Secretary by regulation may prescribe. The face amount of the certificate may, at the option of the purchaser, be applied to any required downpayment or to closing costs in connection with the purchase or redeemed for cash by the mortgagee at the time of closing. Any mortgagee who acquires a certificate issued pursuant to this Act may present such a certificate to the Secretary who shall pay in full the face amount indicated on the certificate.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are authorized to be appropriated not to exceed $1,000,000,000 to carry out the provisions of this Act.

By Mr. INOUYE:

S.J. Res. 45. A joint resolution to authorize and request the President to issue annually a proclamation designating the second week in May of each year as "Municipal Clerk's Week." Referred to the Committee on the Judiciary.

Mr. INOUYE. Mr. President, before there were nations and states, there were local governments. Before there were Presidents, Senators, Governors, and Representatives, there were the tax collector and the municipal clerk. It is estimated that today there are 30,000 municipal clerks in the cities, counties, towns, townships, boroughs, and villages of the United States.

The ancient Greek city-state had a city secretary whose duties included the preparation and the public reading of official documents. Perhaps we should reestablish a practice of those early days of democracy, wherein the city secretary would open each public meeting with a curse upon anyone who might try to deceive the people.

According to the Acts of the Apostles of the New Testament, chapter 19, when St. Paul and two of his disciples were threatened for preaching the words of Christ by a riotous mob of Ephesians, the "town clerk" came to their rescue. He insisted that the mob disperse and that the charges against St. Paul and his men be settled according to law.

The word "clerk" can be traced to the middle ages. It is derived from "cleric" or "clergyman"—those members of religious orders who kept the records of their time.

According to the International Institute of Municipal Clerks, the office of clerk can be traced back to the year 1272 A.D. in the history of the Corporation of Old London. In the 1500's in England there was not only the "Towne Clarcke" but also the "Clerc Comptroller of the King's Honorable Household." In 1603, there was a "Clarke General of the Armie." King Henry the Eighth had a "Clarke of the Spicery" and King Charles had his "Clerk of the Robes."

Since our earliest days, as local governments were founded, the office of municipal clerk would be one of the first established. Prof. William Bennett Munro wrote over 40 years ago:

> No other office in municipal service has so many contacts. It serves the mayor, the city council, the city manager (when there is one), and all administrative departments without exception. All of them call upon it, almost daily, for some service or information. Its work is not spectacular, but it demands versatility, alertness, accuracy, and no end of patience. The public does not realize how many loose ends of city administration this office pulls together.

The importance of the municipal clerk to smooth functioning, efficient municipal service cannot be overemphasized. As the historian of his or her community, the municipal clerk is the human link between the past, present, and future. The municipal clerk is a member of a specialized professional group, whose term of office is usually less transitory than those of most elected officials.

I am today introducing a resolution calling on the Congress and the President to designate the second week of May as "Municipal Clerk's Week" in recognition of the important service that the municipal clerk provides to the people of America's cities and towns. I am hopeful that favorable action on this resolution can be taken in the near future.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 5

At the request of Mr. CHILES, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 5, the Federal Government in the Sunshine Act.

S. 104

At the request of Mr. INOUYE, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 104, a bill to amend the Social Security Act to provide for inclusion of the services of licensed registered nurses under medicare and medicaid.

S. 110

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. MONDALE) and the Senator from New York (Mr. JAVITS) were added as cosponsors of S. 110, a bill to amend chapter 13 of title 38, United States Code, to make eligible for dependency and indemnity compensation widows of veterans who die of nonservice-connected causes but who were at the time of death totally disabled as a result of one or more service-connected disabilities.

S. 111

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. MONDALE) and the Senator from New York (Mr. JAVITS) were added as cosponsors of S. 111, a bill to authorize the widows of certain former members of the Armed Forces of the United States to use the services and facilities of post exchanges and commissaries.

S. 123

At the request of Mr. INOUYE, the Senator from Tennessee (Mr. BROCK) and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of S. 123, a bill to amend title XVIII of the Social Security Act to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program established by part B of such title.

S. 199

At the request of Mr. WEICKER, the Senator from Missouri (Mr. SYMINGTON) and the Senator from Alaska (Mr. GRAVEL) were added as cosponsors of S. 199, a bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

S. 386

At the request of Mr. PACKWOOD, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 386, a bill to amend the Internal Revenue Code of 1954 to provide the same tax treatment for recognized Indian tribes as are applicable to other governmental units.

S. 426

At the request of Mr. HOLLINGS, the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUYE), and the Senator from Illinois (Mr. STEVENSON), were added as cosponsors of S. 426, a bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes.

S. 445

At the request of Mr. HUGH SCOTT, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of S. 445, a bill to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or a reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs.

S. 517

At the request of Mr. WILLIAM L. SCOTT, the Senator from Mississippi (Mr. EASTLAND), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) were added as cosponsors to S. 517, a bill to clarify the jurisdiction of certain Federal courts with respect to public schools and to confer such jurisdiction upon certain other courts.

S. 531

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 531, a bill to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish outpatient dental services and treatment for nonservice-connected disability to any war veteran who has a service-connected disability of 80 percent or more.

S. 564

At the request of Mr. KENNEDY, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 564, a bill to provide public financing of primary and general elections for the Senate and House of Representatives.

S. 585

At the request of Mr. CHILES, the Senator from California (Mr. TUNNEY), the Senator from Oregon (Mr. PACKWOOD), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Michigan (Mr. PHILIP A. HART) were added as cosponsors of S. 585, a bill to prohibit travel at Government expense outside the United States by Members of Congress who are not reelected to the succeeding Congress.

S. 586

Mr. HOLLINGS. Mr. President, I request that the Senator from New Jersey Mr. CASE), the Senator from Indiana (Mr. HARTKE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Connecticut (Mr. WEICKER) be added as cosponsors of S. 586, a bill to amend the Coastal Zone Management Act of 1972 to authorize and assist the coastal States to study, plan for, manage, and control the impact of energy resource development and production which affects the coastal zone, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 624

At the request of Mr. THURMOND, the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Oregon (Mr. HATFIELD), the Senator from Nebraska (Mr. HRUSKA), the Senator from Idaho (Mr. MCCLURE), the Senator from Oregon (Mr. PACKWOOD), the Senator from Florida (Mr. STONE), the Senator from Ohio (Mr. TAFT), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of S. 624, a bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes.

S. 702

At the request of Mr. INOUYE, the Senator from South Carolina (Mr. THURMOND) was added as a consponsor of S. 702, a bill to amend the Internal Revenue Code of 1954 to increase the estate tax exemption from $60,000 to $100,000.

S. 775

At the request of Mr. CHILES, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of S. 775, a bill to limit the categories of questions which may be asked in decennial censuses.

SENATE JOINT RESOLUTION 4

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. MONDALE) and the Senator from Tennessee (Mr. BAKER) were added as cosponsors of Senate Joint Resolution 4, a joint resolution to authorize and request the President of the United States to issue a proclamation designating September 17 as "Constitution Day."

SENATE JOINT RESOLUTION 15

At the request of Mr. WILLIAM L. SCOTT, the Senator from North Dakota (Mr. YOUNG), the Senator from Arizona (Mr. FANNIN), the Senator from Idaho (Mr. MCCLURE), the Senator from Virginia (Mr. HARRY F. BYRD, JR.) and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors of Senate Joint Resolution 15, a joint resolution to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day."

SENATE RESOLUTION 95—SUBMISSION OF A RESOLUTION TO REFER A BILL TO THE COURT OF CLAIMS

(Referred to the Committee on the Judiciary.)

Mr. STEVENS submitted the following resolution:

S. RES. 95

Resolved, That the bill (S. 930) entitled "A bill for the relief of Othal William Ray, doing business as Bill Ray Construction Company of Fairbanks, Alaska, now pending in the Senate, together with all the accompanying papers, is hereby referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner of the United States Court of Claims shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States, or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

SENATE RESOLUTION 96—SUBMISSION OF A RESOLUTION RELATING TO A NORMALIZATION OF RELATIONS WITH CUBA

(Referred to the Committee on Foreign Relations.)

Mr. PELL (for himself and Mr. JAVITS) submitted the following resolution:

S. RES. 96

Whereas relations between the United States and Cuba traditionally have been those of friendship, comity and cooperation; and

Whereas this relationship was ruptured following the advent to power of the Government in Cuba headed by Premier Fidel Castro; and

Whereas in keeping with its policy to contribute toward a reduction of international tensions, the United States on a mutually reciprocal basis has normalized relations with the Soviet Union and with the People's Republic of China; and

Whereas a continuing policy of confrontation between Cuba and the United States is inconsistent with this policy and with the national interests of each country; and

Whereas, on November 14, 1975, a majority of the members of the Organization of American States approved a policy rescinding the political and economic sanctions imposed in 1964 against the Government of Cuba; and

Whereas, on March 1, 1975, Secretary of

State Kissinger stated the desire of the United States to seek a new relationship with Cuba on a reciprocal basis: Now, therefore, be it

Resolved, That it is the sense of the Senate that it should be the policy of the United States with respect to Cuba to seek a normalization of relations on a reciprocal basis; and be it further resolved that the President is requested to commence consideration of a resolution of outstanding differences, which could lead to a normalization of relations and to take any appropriate steps toward that end, both bilaterally and within the Organization of American States and other regional or international organizations.

SEC. 2. The President is requested pursuant to this resolution to advise the Senate within three months as to the results and to make recommendations thereon.

Mr. PELL. Mr. President, together with the senior Senator from New York, I am pleased to introduce a resolution following up on the report that my distinguished colleague and I made on our trip to Cuba, entitled "The United States and Cuba: A Propitious Moment."

In our discussions with Cuban leaders last fall, it was apparent that Cuba could live without the United States and that the United States could live without Cuba—that we can continue to ignore each other indefinitely. But it was also recognized that even if we can live without each other, there are mutual advantages to living with each other that would accrue from renewing speaking terms and normalizing relations.

Reflecting the propitiousness of the moment, progress in that direction is being made responsive to a number of suggestions in our report. In a recent statement to the Senate—CONGRESSIONAL RECORD, February 18, 1975, page 3349—I welcomed the administration's decision to liberalize travel restrictions on Cuban diplomats at the United Nations, to waiver in some instances sales to Cuba by subsidiaries of U.S. companies in third countries, and to agree to make OAS sanctions against Cuba subject to a majority rather than a two-thirds vote. The OAS adoption of majority voting on the question to end Cuban sanctions should result in lifting them since a majority of 12 OAS members voted to do so at Quito last fall.

And now since my statement, Secretary Kissinger has stated in his recent speech in Houston, Tex. that he sees no virtue in perpetual antagonism between the United States and Cuba and that we are prepared to move in the new direction, if Cuba, is, as well.

On the Cuban side, too, there are indications of a desire to be conciliatory—the release of Americans imprisoned on criminal charges; willingness to review cases of American political prisoners and cases of Cubans wishing to leave the country to join their families in the United States; assisting American fishermen in distress in Cuban coastal waters. Recently, two Rhode Island fishermen were helped on whose behalf I had expressed my interest to the Cubans.

Thus, developments subsequent to our Cuban trip further confirm my belief that now is the time for moving ahead without delay in normalizing United State-Cuban relations. That is the thrust of the resolution I am introducing.

For both countries, normalization has its advantages. In the economic area, Cuba and the United States have things each other needs. Another source of sugar should help the American housewife shopping on a reduced budget and confronted with the high price of sugar and products containing it. The aroma of a good Havana cigar would be welcomed back to the U.S. consumer scene.

Cuban programs of industrialization and agricultural improvements require equipment and machinery available in adjacent U.S. markets. American consumer goods would regain popularity, I am sure, if made available once again to Cubans—moving into less austerity.

Both Cuba and the United States would benefit from the lessening of Western Hemispheric tensions and frictions that normalization would entail. The U.S. embargo strains relations with third countries in the hemisphere, who resent as an infringement of their sovereignty the legal restraints we place on U.S. subsidiaries from selling to Cuba. The embargo contributes to divisiveness within the Organization of American States and in our relations with it.

As for Cuba, restored opportunity to participate freely and openly in hemispheric affairs will help the Cuban people regain their standing and rightful role in the New World. I believe that an outlawed country will be more inclined to use outlawed tactics than if it is an accepted member of the international community.

There are also significant bilateral problems between Cuba and the United States—divided families, exile status and related matters, compensation claims, political prisoners, Guantanamo. These problems cannot solve themselves. People must do it. But people cannot do it who only glare at each other across 90 miles of ocean. They must come together, talk, discuss and negotiate.

None of the problems is insoluble. Nor, need resumption of diplomatic relations await the solution of all of them. It is difficult to see how things could be any worse for any party concerned from at least talking instead of maintaining the present dialog of the mute. Ideology and governments aside, the Cubans are a talented, vigorous people, but whose potential for contributing to the New World cannot be realized in isolation.

For these reasons, Mr. President, it is the purpose of this resolution to encourage both the Executive and the Congress to move ahead together toward the reestablishment of neighborly and mutually advantageous bonds between the Cuban and American peoples. For these reasons, too, I urge its prompt consideration and passage.

Mr. JAVITS. Mr. President, I join with my colleague, Senator PELL, in introducing a resolution supporting a normalization of relations with Cuba on a reciprocal basis. This resolution is a natural outflow of the visit which Senator PELL and I made to Cuba last September—and it certainly is consonant with a speech of March 1, 1975, by Secretary of State Kissinger, in which the Secretary stated:

> We see no virtue in perpetual antagonism between the United States and Cuba. Our concerns relate above all to Cuba's external policies and military relationships with countries outside the Hemisphere. We have taken some symbolic steps to indicate that we are prepared to move in a new direction if Cuba will.

I believe that the icepack has finally been broken and that we will witness rapid progress in the process of normalization of relations between the United States and Cuba this year. Certainly movement in this direction should no longer be postponed, especially when viewed in the perspective of the normalization of relations with the People's Republic of China and the Soviet Union.

On the basis of our conversations with Premier Castro and other members of the Cuban government in Havana last fall, I believe that there is a real interest there in normalizing the relationship.

Under the new voting procedures agreed upon last December, which are expected to result in a rescinding of the Organization of American States—OAS—resolution of 1964 which is the basis of economic embargo maintained against Cuba, I believe that there will be an opportunity to move ahead quickly on the trade front. Cuba is a natural and traditional trading partner of the United States and there is considerable interest within the American business and investment community in a resumption of trade with Cuba. Of course, there is no question of a resumption of any old, semicolonial pattern of U.S. economic relations with Cuba. But there are a number of potential areas of mutually beneficial trade.

Hopefully, there will be early progress on an easing of travel restrictions, to allow exchange of visits on a regular basis by journalists, businessmen, cultural and scientific exchange groups, and private citizens. In particular, there are many American citizens of Cuban descent who wish to visit relatives in Cuba; and there are families to be reunited.

The normalization of relations should, of course, be accomplished on a basis of reciprocity. In order to accomplish this, both sides will have to subordinate ideological differences—as we have done successfully with the People's Republic of China.

The world has changed considerably since the cold war days of the late 1950's and early 1960's and I believe it is safe to say that neither the United States nor Cuba any longer perceives the other as a serious threat to its national security. It is time to restore bilateral relations with Havana and to view Cuba once more as a natural member of the Western Hemisphere family of nations.

When we visited Cuba last fall, American interests in Cuba were represented by the Swiss Embassy. I hope that on my next visit there will be a U.S. mission in Havana, and that the normally friendly relations between the American people and the Cuban people will be resumed to our mutual advantage. In such an atmosphere I am confident that progress could be made on the more difficult and emotional unresolved issues created by the course of events in the early 1960's.

SENATE RESOLUTION 98—SUBMISSION OF A RESOLUTION TO AMEND THE SENATE RULES CONCERNING THE READING OF THE JOURNAL

(Referred to the Committee on Rules and Administration.)

Mr. METCALF submitted the following resolution:

S. Res. 98

Resolved, That paragraph 1 of rule III of the Standing Rules of the Senate is amended to read as follows:

"1. The Presiding Officer having taken the chair, and a quorum being present, if a motion to read the Journal of the preceding day is made and agreed to, the Journal of the preceding day shall be read and any mistake made in the entries corrected. Such a motion shall be privileged and shall be decided without debate. If such motion is agreed to, the reading of the Journal shall not be suspended unless by unanimous consent; and when any motion shall be made to amend or correct the same, it shall be deemed a privileged question, and proceeded with until disposed of."

Mr. METCALF. Mr. President, I am today submitting a resolution calling for a change in the Standing Rules of the Senate relating to the reading of the Journal. Specifically, the resolution would eliminate the need to obtain unanimous consent to dispense with the reading of the Journal of the preceding day.

Most of our rules enable us to conduct our business in an orderly and efficient manner. Some, however, have become outmoded and thus have actually served to inhibit or slow down the legislative process. Such is the case, I believe, with the existing rule regarding the reading of the Journal. In the past few years readings of the Journal have been rare and in the 93d Congress it was never read. Therefore, I see no profit in continuing to follow the present rule. While it may represent a relatively small reform, I believe that my resolution will save the Senate some precious time.

Today's occurrences demonstrate the fact that the reading of the Journal can principally be used for delay of Senate business. Most of us have the Congressional Record, which is a more comprehensive report than the Journal, delivered to our door and we read it with the morning newspaper. The rest of us have it delivered to our offices. The reading of the Journal is an anachronism which should be done away with and, therefore, I hope the Rules Committee will promptly hold hearings on this resolution and move toward a 20th century Senate.

AMENDMENTS SUBMITTED FOR PRINTING

ERDA AUTHORIZATIONS—S. 598

AMENDMENT NO. 25

(Ordered to be printed and referred to the Joint Committee on Atomic Energy.)

Mr. MANSFIELD (for himself and Mr. Metcalf) submitted an amendment intended to be proposed by them jointly to the bill (S. 598) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

ADDITIONAL STATEMENTS

TRIBUTES TO FATHER WEGNER OF BOYS TOWN

Mr. CURTIS. Mr. President, it is a great honor for me to take part in a joyous occasion for one of the most well-known and well-loved of my constituents, Msgr. Nicholas Wegner of Boys Town. I am so pleased to be joined by a number of my colleagues in tribute to Monsignor Wegner on the occasion of his Golden Jubilee of Ordination to the Priesthood, which actually falls on Friday, March 7, 1975.

On a 50th anniversary milestone in anyone's life, the greatest gratification must come in looking back at the years spent and knowing one has accomplished something worthwhile. Father Wegner must be very happy on this occasion, knowing that his guidance and leadership at Boys Town have touched so many thousands of hearts in this country and abroad, and that his love and devotion have altered measurably the lives of thousands of otherwise disadvantaged youths.

A rugged youth himself, the young Nicholas Wegner, one of 12 children of Nebraska pioneers, rejected two contract offers from major league baseball teams, choosing instead a lifetime option with the priesthood. Ordained in Rome in 1948, Father Wegner was assigned to Omaha's Cathedral parish, where he began a priestly career that culminated in so much good for so many young people.

Father Wegner was only the second director of the famed Boys Town Home in Nebraska, serving in that capacity following the death of its founder, Father Edward J. Flanagan, in 1948.

Before his retirement in 1973 at the age of 75, Father Wegner carried the Boys Town motto, "He ain't heavy, Father, he's my brother," to include brothers and sisters all over the world. He was instrumental in establishing counterparts of Boys Town in Monterrey, Mexico, and in the Philippines.

So, his work goes on and the projects he has begun will continue to change the lives of all they touch.

In his last year as director, Father Wegner proudly announced plans for a Boys Town Institute for Communications Disorders in Children, a milestone in the development of research, treatment and care of physically handicapped boys and girls. The institute, created in 1972 at an initial cost of $30 million from the Boys Town endowment fund, will be located near Boys Town and will receive its first patient applications next year.

Father Wegner also directed development of the Boys Town Center for the Study of Youth Development. Another milestone in handling youth problems, the center is another way Father Wegner has put the Boys Town endowment fund to work. Headquartered in Omaha, the center, with regional centers at Stanford University and at the Catholic University of America, studies youth problems such as parental rejection, drug addiction and social maladjustment.

Among other living tributes to Father Wegner is the new grade school on the Boys Town campus named for him.

So, Father Wegner has not really left Boys Town at all. He is a real part of all that Boys Town is and all that it ever will accomplish. I cannot help but feel that Father Flanagan would be speechless with pride if he could view the work of his successor. I know Father Wegner always placed great emphasis on carrying out the original mission of Father Flanagan to provide a sound Christian environment for homeless youths. Somewhere along the line, the goals of the two men become enmeshed into one great mission of love and lifelong ambition to maximize the potential of the Boys Town institution for the benefit of disadvantaged youths around the world.

Father Wegner's success has touched my soul. The many, many alumni who call Boys Town their home are honoring Monsignor Wegner on Friday. I am pleased to join them in wishing Monsignor Wegner much peace and joy for the rest of his life, as well as continued fulfillment in watching Boys Town grow and develop under the leadership of Father Robert Hupp.

What a joy it must be to know you are loved by so many because of the boundless measure of your love.

Mr. President, I ask unanimous consent that the following biographical narrative sketch of Monsignor Wegner be printed in the Record.

There being no objection, the biographical sketch was ordered to be printed in the Record, as follows:

The Golden Jubilee of Rt. Rev. Msgr. Nicholas H. Wegner

Monsignor Nicholas H. Wegner became Director of Father Flanagan's Boys' Home at Boys Town, Nebraska upon the death of its founder, Monsignor Edward J. Flanagan in May, 1948. Msgr. Wegner—he preferred to be known as Father Wegner—served Boys Town for 25 years until his retirement at age 75 in October, 1973. He was succeeded by Rev. Robert P. Hupp.

Under Father Wegner's direction, Boys Town expanded greatly, not only in its traditional work of caring for disadvantaged and homeless boys, but in extending its service to youth nationally and internationally.

The Boys Town Institute for Communication Disorders in Children was created in June, 1972. Initially financed at $30 million from the Boys Town endowment fund, it will be headquartered on the Boys Town campus and will include a clinical, diagnostic and rehabilitation center; a pre-school language and learning center; built in conjunction with and adjacent to the Creighton University's Criss Institute for Health in Omaha, Nebraska, just a few miles from Boys Town. It will care for physically handicapped boys and girls and will be receiving its first patient applications in 1976.

A second major youth service project undertaken during Father Wegner's term as director of Boys Town is the Boys Town Center for the Study of Youth Development. Funded at $40 million from the Boys Town endowment fund, the research complex is headquartered at Boys Town and has regional research centers at Stanford University and at the Catholic University of America. The Center will research such painfully urgent youth problems as rejection of parents, drug addiction, inability or unwillingness to learn, and social maladjustment.

Recent major developments on the Boys Town campus include a new grade school, built at a cost of $2 million, and acclaimed by educators nationwide as being outstanding among grade schools in the matter of architecture, equipment, and teacher/student facilities. By unanimous action of the Home's Board of Directors, the school was named for Father Wegner.

Tall, well over six feet, lean and sturdy of frame, Father Wegner's figure was a familiar sight anywhere on Boys Town's beautifully-landscaped 1,700 acres, or in its more than 50 buildings. He was born July 6, 1898, at Humphrey, Nebr., one of 12 children of Mr. and Mrs. Herman Wegner, Nebraska pioneers. He attended Humphrey schools and lated helped finance his education as a pitcher with a semi-pro baseball team. His skill attracted contract offers from two major league teams but he chose the priesthood. He studied at St. Joseph's Seminary, Teutopolis, Ill.; St. Paul Seminary, St. Paul, Minn.; and the Gregorian University in Rome, where he obtained his Doctorate in Sacred Theology and where he was ordained March 7, 1925. He later received a degree in Canon Law from the Catholic University of America in Washington, D.C.

His first priestly assignment was an assistant pastor of St. Cecelia's Cathedral in Omaha, September, 1925. Less than four years later he was named Assistant Chancellor of the Diocese of Omaha, becoming Chancellor on July 1, 1939. On November 15, 1944, he was honored as a Domestic Prelate, with the title of Right Reverend Monsignor.

He was administrator of the Archdiocese of Omaha during the interim between the death of Archbishop James Hugh Ryan and the installation of Archbishop Gerald T. Bergan. On December 15, 1959, he was named Prothonotary Apostolic by Pope John XXII. On January 13, 1960, he was named Vicar General of the Archdiocese of Omaha.

In addition to his concern for the spiritual needs of "his boys"—sybolized by the Catholic chapel where Father Flanigan lies buried, and a Protestant chapel with resident chaplain—Father Wegner insisted upon scholastic excellence and a wide variety of extracurricular activities. The Boys Town High School is accredited by the North Central Association of Colleges and Secondary Schools. The Boys Town Choir gives concerts around the country. There is a varsity team in all major sports.

Father Wegner, long and actively identified with the Boy Scouts, had been honored as a 25-year veteran of scouting. There are seven Boy Scout units on the campus.

Demonstrating his interest in the problems of youth everywhere, he made a five-month trip through the Far East and the Middle East on behalf of the State Department, counseling on youth problems. He aided in establishing a counterpart of Farther Flanagan's Boys' Home at Monterrey, Mexico, and also a Boys Town in the Philippines.

For his work with youth and service to society he received numerous awards and citations, among such honors being a Doctor of Laws from Creighton University.

In recognition of the dedication and the 25 years Father Wegner served the youth of this country as well as thousands of boys who called Boys Town their home, the Alumni of Boys' Town, Nebraska are honoring Msgr. Nicholas H. Wegner on March 7, 1975 on his 50th Golden Jubilee.

Mr. HRUSKA. Mr. President, on March 7, Msgr. Nicholas Wegner, former director of Boys Town, Nebr., will celebrate the Golden Jubilee of his ordination into the priesthood. His 50 years of serving others and giving of himself to their problems and concerns is most deserving of recognition and admiration. Father Wegner should take pride in his long career and be assured that his impact on those around him has been deeply felt and most sincerely appreciated.

Monsignor Wegner is especially remembered for his years at Boys Town. Boys Town is, of course, a unique institution founded by Father Edward J. Flanagan in 1917, to care for homeless and disadvantaged boys. On the death of Father Flanagan in 1948, Monsignor Wegner became Boys Town director; an office he held for 25 years until his retirement in 1973. During the quarter of a century under his leadership, Boys Town enhanced its tradition of helping youth.

During Monsignor Wegner's years of service, two major projects undertaken by Boys Town deserve special mention. The Boys Town Institute for Communication Disorders in Children, created in 1972, will provide clinical, diagnostic and rehabilitation services for physically handicapped girls and boys. It is being built in conjunction with Creighton University in Omaha and will be ready for patient applications in 1976.

Equally deserving of recognition is the Boys Town Center for the Study of Youth Development. This complex will be based at Boys Town with regional centers on both coasts—Stanford University and Catholic University in Washington, D.C. It will direct its attention to serious and disturbing problems which face today's young, such as parental rejection, drug addiction, and social maladjustment.

Monsignor Wegner has his roots in Nebraska. He was born and raised in Humphrey; 1 of 12 children born to pioneer parents. He was ordained a priest on March 7, 1925.

Through Father Wegner's efforts, Boys Town has become a center of scholastic excellence and varied extracurricular activities. The environment is a progressive one which attempts to satisfy the personal needs of each young man. Monsignor Wegner also has been an avid supporter of the Boy Scouts and there are now seven Boy Scout units on the Boys Town campus.

The list of this great man's contributions to Boys Town and the world community is a long and impressive one. His life has been exemplary and his impression—deeply made—will not quickly fade. I am grateful for this opportunity to honor a truly inspiring individual. Father Wegner deserves the deep thanks of all who have benefited from his long life of good works.

Mr. DOLE. Mr. President, I am certainly pleased to be able to join with many of my distinguished colleagues today to honor Msgr. Nicholas H. Wegner.

Monsignor Wegner, who succeeded Father Flanigan as the director of Boys Town, is an individual who has measurably influenced the lives of countless boys. In his 25 years as director of Boys Town, Monsignor Wegner's dedication benefited not only the thousands of boys that called Boys Town home, but also youth nationally and internationally by broadening and expanding the services sponsored by Boys Town.

During those 25 years, Boys Town began many ambitious programs under Monsignor Wegner's direction. Some have been completed and others will be realized in the near future. One that interests me in particular is the Boys Town Institute for Communication Disorders in children which will care for physically handicapped boys and girls beginning in 1976. For many years I have taken a serious interest in the well-being of handicapped persons and in development of resources and facilities that will enable them to develop to their fullest potential. My years in Government have demonstrated to me that Government action is limited and pursuit of these goals by dedicated and able private individuals and institutions is an absolutely necessary element in the Nation's overall effort. Boys Town Institute for Communication Disorders in Children, with its clinical, diagnostic and rehabilitation center and preschool language and learning center, will certainly be a prime example of effective pursuit of these laudable goals.

With the expanding scientific knowledge we have today, many new methods of treatment for physical and emotional disorders have come—and are continuing to come—to light. The Boys Town Center for the study of youth development, a project undertaken during Father Wegner's term as director, contributes to this knowledge with research into rejection of parents, drug addiction, inability or unwillingness to learn, and social maladjustment.

It is indeed a tribute to Monsignor Wegner that this expanding knowledge will be put to the fullest and best possible use by practical application in the Institute for Communication Disorders in Children.

Although I have touched only briefly on Monsignor Wegner's contributions to the youth of our country, his list of accomplishments is practically endless. I am honored to have been allowed to participate in his golden jubiliee celebration.

Mr. YOUNG. Mr. President, I am honored to join with many of my colleagues in giving this well-earned recognition to Monsignor Nicholas Wegner, former director of Boys Town, Nebraska, on the occasion of his golden anniversary of ordination as a priest.

Monsignor Wegnor carried on in the fine traditions established by the late Monsignor Edward Flanagan as director of Boys Town. Boys Town, as everyone knows, provides one of the most outstanding facilities in the Nation in the care of disadvantaged and homeless young men. The remarkable fame and recognition which Boys Town has received could not have come about without the dynamic leadership of people like Monsignor Wegner and his renowned predecessor.

Mr. President, it is most appropriate that the many friends and admirers of Monsignor Wegner honor him at a ceremony in Boys Town this Friday. I am delighted that I was invited to express my tribute to him.

Mr. McGEE. Mr. President, like Boys Town, Msgr. Nicholas Wegner is an institution—moreover, a legend of contributions to our Nation's abandoned and troubled young people.

On Friday, Monsignor Wegner will be honored for 25 years of dedicated service to Boys Town in the State of Nebraska, my birthplace.

Not enough will be said in praising this man, who, strong and loving, devotes his life to the seeds of the future—our youth.

How difficult it is to guide and reinforce America's youth, who, by the grace of God, do not find themselves without a father and mother at home or in the arms of the law, rather than in the caring blessedness of their parents. Then there come the less fortunate.

Monsignor Wegner so greatly substitutes for their lack, extends the loving arms of human and Christian brotherhood through difficult times, and seeks no reward.

I join many others across the land who sing praise of and offer deep thanks to Msgr. Nicholas Wegner upon his 50th Golden Jubilee. Although he is officially retiring from Boys Town after 25 years, I know he will never retire from helping those who need him most, our youth.

Mr. McCLURE. Mr. President, it is a great pleasure for me to join Senator CURTIS in honoring Monsignor Wegner on the occasion of his golden jubilee celebration.

It is impossible to assess his contribution to our society by simply counting the number of boys who have been beneficiaries of his talents and devotion. In order to understand the impact of his work we would have to measure the unmeasurable. We would have to assess the ripple effect that occurs whenever a good man operates in the community.

We live in a society of degenerating moral values. We live in a society which promotes the notion that it is better to receive than to give, especially to receive the fruits of others' labors. We live in a society which bases its idea of debt to others on some vague standard of collective guilt, rather than upon the intrinsic worth of the individual.

Father Wegner has insisted upon the preservation of that standard of worth by his commitment to the education of the whole man. He realizes that education is a process of nourishing both body and soul, both intellect and will. The success of this educational approach lies in the fact that he understands the nature of man: That each man is a rational, spiritual, social, individual. He is one of the few men who understands what is meant by man's brotherhood and man's individuality and that the two are not mutually exclusive.

As I said, we cannot measure the value of his contribution to the youth of our country. We can only thank him for it.

Mr. McGOVERN. Mr. President, this Friday, March 7, marks a special day in the life of a man who is loved and admired by thousands of people throughout the Nation and the world. Msgr. Nicholas Wegner, who for 25 years as the director of Boys Town gave his hand and his heart to homeless boys, will be celebrating his 50th anniversary in the priesthood. I proudly join my colleagues in paying tribute to Father Wegner on his upcoming Golden Jubilee.

There are not many people in this world who can claim even a fraction of the accomplishments Father Wegner has fulfilled during his lifetime thus far. He has academic credentials, honors, awards and certificates of jobs well done that number high in their count and even higher in their meaning. But he has received his most valued reward for his devoted service to God and to humanity in the light and smiles of happiness he has brought to the faces of so many destitute and disadvantaged young men.

After the death of Father Edward Flanagan, the founder of Boys' Home, Father Wegner became the director of that institution in Boys Town, Nebr., in September 1948, where he served until his retirement in October 1973, at age 75. When he took over his new job, he entered with a greater vision of what Boys Town could be and what it could mean. Under his guidance, care and encouragement, Boys Town grew into a national and international headquarters for projects serving disadvantaged youth. In June 1972, the Boys Town Institute for Communication Disorders was established as a medical and educational facility to aid physically handicapped boys and girls.

Another project for which Father Wegner is rightly proud is the creation of the Boys Town Center for the Study of Youth Development. Research into the many problems and situations which adversely affect young people will be carried out in this center and in regional sites with hopes for the development of more positive means for dealing with the problems of our youth.

Father Wegner always insisted that his boys excel scholastically, physically and culturally. He has seen to it that the new grade school located on the Boys Town campus is one of the best in the Nation. The Boys Town High School is accredited by the North Central Association of Colleges and Secondary Schools. Once a pitcher good enough to be offered contracts from two major league baseball clubs, Father Wegner has also been responsible for a curriculum which included major sports and all types of recreation. And the Boys Town Choir is known as one of the finest youth choral groups in the country.

Father Wegner's devotion has been matched only by his energy and his eagerness to spread the good works of Boys Town throughout the world. He has traveled extensively, giving counsel on the problems and direction of youth and helping establish boys' homes in Mexico and the Philippines.

For his fine qualities of dedication, generosity and hard work, Msgr. Nicholas Wegner has been an outstanding example to "his" boys and to all human beings. It is certainly fitting that we honor him on his Golden Jubilee and wish him many more successful years in the priesthood.

SMALL BUSINESS

Mr. INOUYE. Mr. President, the strength of the U.S. economy throughout our history has been dependent upon the growth and diversity of our small businesses. The incredible technological breakthroughs which have revolutionized our industrial society and the style of life for millions of people across the world, have come from the ingenuity and determination of individual entrepreneurs. Rewarding employment for millions of America's working men and women has been found in the "ma and pa" shops, family farms and small factories of our cities, suburbs and rural areas.

As bigness has begun to challenge the vitality of many small businesses Congress has seen fit to help preserve their essential place in our free market economy. Antitrust statutes, loans and subsidy programs have been enacted with the understanding that our future as an industrialized democracy requires a vital small business sector.

The current economic malaise has been especially harmful to those smaller businesses whose profit margins are not sufficient to cushion them from the dual dangers of inflation and recession. I have introduced legislation to create an Economic Adjustment Corporation to provide loans to small business—and others—so that the expected wave of bankruptcies that will surely attend increased economic uncertainty does not occur.

The Small Business Administration which the Congress created in 1953 to assist small businesses in meeting the many problems that they may encounter from time to time presently is a prime source for financial assistance to troubled companies. The following columns by Silvia Porter explain in clear and concise manner what kind of assistance is available to firms from the SBA and how to apply.

I ask unanimous consent that the articles which appeared in the Washington Star News on December 18 and 19, 1974, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SBA A KEY SOURCE OF LOANS FOR SMALL FIRMS—PART 1

(By Sylvia Porter)

As you, owner of one of America's millions of small businesses, fight to survive during this dangerous era of slumpflation, you must face and overcome one giant obstacle: Lack of adequate money. You must become familiar with every possible source of credit available.

And that means that now is the time to learn all essential facts about a little known credit source—about the broad range of assistance you can get from the U.S. government's Small Business Administration.

A first essential fact is that the SBA has a variety of regular and special loan programs designed for you. Among them are loans for equity capital; for working capital; for construction or purchase of machinery and equipment; for meeting consumer protection or environmental laws and regulations.

The SBA also has special programs which provide federal guarantees of your small firm's rental in a prime business location and surety bond guarantees.

A second essential is that, by law, the SBA cannot make a loan if your business can obtain the funds it needs from a bank or other private lender on reasonable terms.

Therefore, you first must seek private financing before applying to the SBA. You must apply to your local bank. If you live in a city of more than 200,000, you must apply and be turned down by two banks.

A third essential is that you must agree to comply with SBA regulations that there will be no discrimination in employment or services to the public based on race, color or national origin.

However, the SBA may guarantee a loan that banks make you as a small businessman or businesswoman, or it may participate in a loan to you with a bank. Only limited funds are available for direct loans.

Here are key questions and answers to help you get the maximum aid from the SBA's "regular" business loans.

Q. Who is eligible?

A. Your business is eligible if it is unable to obtain private financing on reasonable terms, not eligible for financing from other government agencies, and qualifies as "small" under the Small Business Administration's standards.

Q. How does the SBA define a small business?

A. Your business would be defined as small if it is independently owned and operated, not dominant in its field, and meets employment or sales standards set by the agency.

If yours is a manufacturing concern, its size is determined by the number of your employes and the specific kind of manufacturing in which your firm is engaged. The maximum number of employees you may have to qualify as a small company is 1,500.

If yours is a wholesaling concern, your size is determined by your yearly sales and the specific industry in which your firm is engaged. The maximum for your sales is $15 million.

If your business is retailing and service, your size is determined by your yearly sales and the specific industry in which your firm is engaged. Your maximum sales figure is $5 million.

Q. What are the general credit requirements?

A. You, the applicant, must be of good character; show an ability to operate your business successfully; have sufficient other capital so that along with the SBA loan, you can operate the business on a sound financial basis; demonstrate that the purpose of the loan is sound; and show that you can repay the loan out of your retained earnings. This is no more (in fact, it's even less) than the information you would be required to submit for any loan.

Q. What is the maximum amount of an SBA loan?

A. The SBA may guarantee up to 90 percent or $350,000, whichever is less, of a bank loan to a small firm. The SBA share of a loan made jointly with a bank may not exceed $150,000. If funds are available for the SBA to make the loan directly to your small business, the loan may not exceed $100,000.

Q. What about loan maturities?

A. A business loan may be for as long as 10 years; those portions of loans for new construction may be for as long as 15 years; working capital loans are usually limited to six years.

SBA A KEY SOURCE OF LOANS—PART 2

(By Sylvia Porter)

Special to the Star-News

Bank loans to business and industry have continued to rise week after week to all-time peaks—in the face of an obviously deepening economic slump and unmistakable indications that corporations are pulling back on spending for new plants and equipment.

Why? On the surface, the increases make no sense at all.

But under the surface, there is a fundamental reason—and it's not pretty.

These are increasingly what Wall Street very quietly calls "survival" loans. In some cases, the money is being borrowed, even by giant corporations, to help carry inventories of goods built in top-heavy levels in anticipation of buyers who simply haven't shown up.

In other cases, the money is being borrowed by big businesses struggling to replenish their cash balances to "safe" totals. In still others, without them the businesses would face bankruptcy.

There is no comparison between this borrowing and the inflation-feeding loans of the recent past.

Mind you, it's big business, which always finds it easiest to get money even in the tightest credit periods, obtaining most of the loans now. Smaller businesses are usually near the end of the line—understandable, if not commendable, at a time when lenders are trying to avoid undue risks. Even in boom periods, millions of small businesses fail each year. And while the underlying causes may be incompetence and inexperience, it's lack of cash which topples the enterprise.

This is why it's more important than ever to become thoroughly familiar with a major source of credit—the Small Business Administration. You must meet the rules: Be unable to get funds from a private lender on reasonable terms; qualify as "small," have the appropriate credit standing.

Q. How do you apply for a SBA loan?

A. If you are an established business, prepare a current balance sheet and a profit-and-loss statement for the previous full year and for the current period, along with personal financial statements of the owner and each partner or stockholder owning 20 percent or more of the business.

Prepare a list of the collateral and your best estimate of its current value. Be prepared to state the exact purposes for which you will use the funds.

Take the material to a bank (or, in cities of more than 200,000 population, to two banks). If you cannot get the financing, then write or visit your nearest SBA office.

If you are a new business, describe the type of business to be established and the owner's experience and management capabilities. Estimate how much can be invested and how much must be borrowed.

Be ready to submit to the bank a personal financial statement, a detailed protection of earnings for the first year and a list of collateral.

Q. What can you use the funds for?

A. The rate on loans made directly by the expansion, purchase of equipment, facilities, machinery, supplies, working capital.

Q. What about the interest rate?

A. The rate on loans made directly by the SBA as well as SBA's share of loans made jointly with a bank may not exceed 6.75 percent. Within certain limits, banks may set the rate on loans which are guaranteed by the SBA and on their share of loans made jointly with the SBA.

Q. Where can I get more information?

A. Write to the SBA, Washington, D.C. 20416, for its pamphlet, "SBA Business Loans" OPI-18, dated January 1973.

NEW APPOINTMENTS TO THE EDITORIAL STAFF OF THE PHILADELPHIA INQUIRER

Mr. HUGH SCOTT. Mr. President, I am pleased to note the announcement of several new and very important appointments to the editorial staff of the Philadelphia Inquirer. I would like to take this opportunity to congratulate the new members of the Inquirer editorial board and wish them and their colleagues continued success in the publication of one of America's finest daily newspapers.

I ask unanimous consent that the notice outlining these appointments as printed in today's Inquirer be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INQUIRER EDITORS NAMED

In a reorganization of its newsroom, The Inquirer has appointed three associate managing editors, each of whom will be in charge of a major area of operations, according to an announcement by Gene Foreman, managing editor and Gene Roberts, executive editor.

Tom Wark, now assistant news editor at The New York Times, has been named associate managing editor/features. Dale Allen, formerly an assistant managing editor of The Inquirer, has been named associate managing editor/operations. And Steve Lovelady, also formerly an Inquirer assistant managing editor, has been named associate managing editor/news coverage.

Wark, who will join the staff in approximately three weeks, will be responsible for The Inquirer's Living, Food, Entertainment, Books and Leisure, Travel and comic sections, as well as Today Magazine, TV Week and the Action Line column.

Allen will supervise The Inquirer's operations and news desk and will be responsible for all matters of news processing and format. He will also serve as chief operating news executive at night.

Lovelady will supervise The Inquirer's general news report, including city, regional, national and investigative news coverage, and will also oversee its business news department and the Today's World section. He will serve as chief operating news executive during the day.

Wark earlier served as an assistant national editor at The New York Times and previous to that worked in several editing capacities at The Detroit Free Press.

Allen joined The Inquirer in 1970, and has filled numerous editing jobs at the newspaper. Previously, he worked in several editing functions at The Charlotte News and Observer.

Lovelady joined The Inquirer in December 1972 as assistant managing editor in charge associate page one editor of The Wall Street Journal.

Will Jarrett, formerly managing editor/features of The Inquirer, has accepted a position as managing editor of The Dallas Times-Herald.

CONTINUATION OF EMERGENCY SCHOOL AID ACT FUNDING

Mr. HOLLINGS. Mr. President, on February 25, the General Assembly of the State of South Carolina adopted a concurrent resolution memorializing the Congress of the United States and the Secretary of Health, Education, and Welfare to provide for the continuation of Emergency School Aid Act funding. The resolution indicates that ESAA is one of the most effective Federal programs in reducing educational deficits and the termination of funds for this program would have a crippling effect on thousands of school students and communities across the State of South Carolina.

On behalf of myself and Senator THURMOND, I ask unanimous consent that the concurrent resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Concurrent Resolution Memorializing the Congress of the United States and the Secretary of Health, Education, and Welfare to Provide for the Continuation of Emergency School Aid Act Funding

Whereas, there has been no affirmative action or substantive information regarding funding for the Emergency School Aid Act (Title VII, Public Law 93–380); and

Whereas, the Emergency School Aid Act programs in South Carolina have had significant impact in overcoming the educational problems faced by desegregated school systems, and is one of the most effective federal programs in reducing educational deficits; and

Whereas, the emergency situation created by the desegregation of dual school systems in South Carolina still exists, and the termination of funds for these purposes would have a crippling effect on thousands of school students and communities across the State; and

Whereas, school district and community organizations can in no way absorb the cost of such program. Now, therefore, be it

Resolved by the House of Representatives, the Senate concurring:

That the Congress of the United States and the Secretary of Health, Education and Welfare are hereby memorialized to provide for the continuation of Emergency School Aid Act funding at or near the current level for the fiscal year 1976, with no change in regional allocation procedures. Be it further

Resolved that a copy of this resolution be sent to the Secretary of Health, Education and Welfare and each member of the Congress of the United States representing South Carolina.

HOW FAR DO WE PURSUE GUILT FOR WATERGATE?

Mr. BROCK. Mr. President, I hope the episode in our national history known as the Watergate affair is drawing to a close. The question which remains is, What have we learned? Columnist William Safire has written a remarkable article addressing itself to this question and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

How Far Do We Pursue Guilt for Watergate?

(By William Safire)

Washington.—"Four out of five guilty!" shouted the man on the desk in the newsroom, as the bottom fell out of the lives of John Mitchell, Bob Haldeman, John Ehrlichman and Robert Mardian.

The Appeals Courts will determine whether justice triumphed in the Watergate cover-up trial, or whether truth triumphed at the expense of justice. But the decision of the nine women and three men puts the seal of finality on the seamiest episode of our time.

When Mr. Average Man pronounced the verdict of guilty on four formerly powerful men, the reaction of other average people was that they must have deserved it, and thank God it's all over.

But it's not over. Up to now, inquiry into the unlawful use of the law has centered on Watergate and its aftermath, but the investigation of the abuse of power has only just begun. Guilt is guilt, and it is not lessened by an examination of "root causes"; however, this verdict—significantly, on the first day of the final quarter century of this milennium—marks the end of Watergate and the beginning of a broader self-examination.

The forthcoming exposure of the Central Intelligence Agency also had to do with the unlawful use of the law.

When The New York Times recently blew the lid off C.I.A. domestic activity, a headline writer automatically narrowed the wrongdoings to "the Nixon years," but we are coming to see that these illegal practices began well before that.

During the Watergate investigation, Charles Colson put forward a theory that the C.I.A. had more to do with Watergate than met the F.B.I. This was ignored; even when Senator Howard Baker issued a report detailing the curious coincidences of C.I.A. involvement, the idea was resented as somehow taking the blame away from then President Nixon.

Now, a year after his testimony was taken in secret by the Senate Watergate Committee, we see that Howard Hunt was in a C.I.A. unit that spied on Barry Goldwater's 1964 campaign. Why was this testimony suppressed—"covered up"—for a year? What other useful information about the unlawful use of the law has been put on ice to protect us from distraction until the Nixon men were jailed?

Perhaps now a Congressional committee will look into the surveillance of newsmen by L.B.J.'s Marvin Watson, hinted at and hushed up at the House Judiciary inquiry. Perhaps the American Civil Liberties Union will volunteer to represent Mrs. Martin Luther King Jr. in a lawsuit against the F.B.I. for illegally wiretapping her late husband.

For the Office of the Special Prosecutor, these are the days of Jill Wine and roses, with the acquittal of Kenneth Parkinson the lone exception in an otherwise perfect record. Even Harry Dent was forced to plead guilty to a misdemeanor, and the indictment of some Hubert Humphrey aides has helped present a nicely nonpartisan image. But soon some hard questions will be asked, and not by diehards or partisans.

How can we account for the sweetheart relationship that appears to exist between the special prosecution force and the F.B.I.? L. Patrick Gray, a fine and patriotic man, has reportedly admitted destroying evidence during the cover-up. Why has the former F.B.I. chief not been prosecuted? Probably because Pat Gray could blow the whistle on a dozen top agents of the F.B.I., requiring trials on a variety of crimes and generally lowering morale.

Another example: William Sullivan, a former high F.B.I. official, has not been placed under oath and asked the kind of question that might embarrass F.B.I. men currently in office, or might conflict with sworn testimony of our supreme commander in Europe. Mr. Sullivan has been unwell, but the reason he has not been called is that the special prosecutor does not want to get into sticky areas of "big jobs" and political spying.

On those same lines, Cartha Deloach, a close aid to the late J. Edgar Hoover, has not been asked under oath about the wiretapping of Anna Chennault in 1968, and of the subsequent illegal F.B.I. intrusion in the U.S. political process in that year's election campaign. But the law enforcement establishment, of which the special prosecution force is a part, does not want to foul its own nest.

Perhaps the nation's interest in the unlawful use of the law will wane with the satisfying clank of prison gates behind the four men now pronounced guilty. I hope not. Revelation of embryonic activity in the sixties does not extenuate crimes of more recent vintage, but they will show us how pervasive and dangerous our unconcern has been.

No vendetta is needed, no "getting even" by besmearing dead men's reputations, no prison sentences for lawmen who operated in the approved context of their times. But needed after this verdict of guilty is a searching look at who else was guilt, what set the pattern for the excesses being paid for today, so that we can gain an understanding of why some upright men go wrong.

THE OIL TARIFF COMPROMISE

Mr. ROTH. Mr. President, I am extremely pleased that the President has made the decision to delay the scheduled increases in the oil tariff, as I had urged. In taking this action, the President took a courageous step in creating an atmosphere of cooperation between the administration and the Congress.

The President has shown his willingness to compromise, and I believe that Congress now has the responsibility to compromise and to sustain his veto of the legislation suspending the tariff. I have discussed this matter with my colleagues on both sides of the aisle and, if it comes to a vote, and I am confident that the President's veto will stand.

Because of the seriousness of our economic and energy problems, it is vitally important that partisan politics be set aside. Democrats and Republicans must join together to work in the best interest of the American people. The tariff compromise is a first step, giving the President and the Congress the opportunity to hammer out together a national energy program.

The Congress has 60 days to formulate energy proposals to end our reliance on imported oil, and I believe the congressional committees should work around the clock to fashion a program phasing in the energy measures.

The proposals outlined by Chairman Ullman show that the Democrats also recognize the seriousness of the situation. The basic areas of compromise and agreement are being identified, and I am confident the President and Congress are on the right track in developing a sound national energy program.

An agreed upon energy program is essential to a strong U.S. bargaining position at the negotiating table with the OPEC countries. These negotiations may begin late next month, and the OPEC countries are watching now to see whether we have the political resolve to come together on a firm conservation program.

The most important issue facing the Federal Government today is to restore consumer confidence in this Nation's ability to solve our economic and energy problems, and I believe this compromise shows the American people that the President and Congress can get together to take effective action.

STRIP MINING

Mr. METCALF. Mr. President, 2 weeks ago there was read into the Record an article from the Washington Post headlined: "The Wringing of the West."

I believe it to be an excellent and timely piece on strip mining.

Since then the president of Montana Power Co., which, through Western Energy, is responsible for some of the strip mining in the West, has questioned some of the material in the Post article. In fairness to the company, I ask unanimous consent that the following letter from President Joseph McEiwain to the editor of the Post be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The Montana Power Co.,
Butte, Mont., March 1, 1975.

The Editor,
The Washington Post Outlook,
Washington, D.C.

Dear Sir: The two-page broadside against western coal development (Outlook, Feb. 16, 1975) came as a shock to those of us who are intimately acquainted with the western energy picture. Ms. Smith relied heavily on outdated and unrealistic information to present a bleak energy-development picture that simply does not correspond to reality.

The numerous flaws in the article merit lengthy rebuttal and the focus of the article deserves broadening to include the distinctly beneficial effects that will accompany a moderate level of coal and energy development in eastern Montana.

As president of Montana Power Company, I was particularly sensitive to the distortions and inaccuracies regarding Colstrip, Montana.

Certainly the specter of a "dreaded population impact" at Colstrip demands perspective. Rosebud County where Colstrip is located, contains 5,037 square miles—an area roughly five times the size of Rhode Island or 83 times the size of the District of Columbia. In 1970, the county population was 6,032, slightly more than one person per square mile. It is anticipated that with the completion of four generating units at Colstrip, that town's permanent population will be about 3,000. Anticipated stable county population after completion of the generating units is roughly 12,500. Even then population density will be less than half the state average of 4.8 persons per square mile. Dreadful? I don't think so.

The article mentions five other impacts, three at Colstrip and two others—none of them well qualified. First, the article claimed incorrectly that the Colstrip school was "jampacked" last year and that classes were dropped for lack of faculty. No classroom exceeded accreditation enrollment standards and lack of enrollment was the only reason classes were dropped. In anticipation of enrollment increases this school year, Montana Power and Puget Sound Power and Light Company (the utilities building the first two generating units) furnished without charge to the school district eight semi-permanent classrooms valued at $142,000. Regarding school and other impacts caused by construction of two more generating units, Montana Power and Puget Sound Power have offered to prepay taxes to eliminate any undue burdens on taxpayers and on the quality of county services, if satisfactory enabling legislation were passed allowing local government to negotiate such arrangements. Tax levels in the county will drop dramatically after the contemplated generation goes on the tax rolls.

Second, the reclamation efforts of Western Energy Company, a subsidiary of Montana Power, have gone well beyond "small experimental plots." In six years of mining, Western Energy has disturbed about 500 acres of land. All but 25 acres are part of the ongoing reclamation program. The 25 acres are in the active mining area. Research continues, but to date reclamation is proving successful. In fact, there is every reason to believe that reclaimed land will be more productive than the overgrazed, abused range extant prior to mining.

Third, the contention that it is more economical to ship coal from Montana to the West does not square with the facts. On the average it will cost $12.5 million less annually to generate electricity at Colstrip and transmit it to the West Coast rather than shipping the coal for generation there. In addition, transmission of the electricity will eliminate the need to burn the 36 million gallons of diesel fuel each year that would be required to transport the coal. The 500-kilovolt transmission lines required to move the electricity across Montana would not "shed their often dangerous leakage on the ground" any more than the other 12,000 miles of other 500-kv lines in this nation. Experience with those lines has proved they are safe, when treated as one would treat any electric power line distributing and transmitting power throughout the world.

Fourth, the article gives rise to great fear over depletion of water resources. Montana, at least, has rigid laws that bear on development of water resources. Our utility siting act requires that the need for energy plants and their environmental compatibility be proved before construction is permitted. Our surface mine and reclamation act is among the most rigid in the nation. Our state has declared a moratorium on water development in the Yellowstone River basin until a coherent program of allocations can be derived. Finally, between state and federal air and water pollution standards, we are convinced the environment will not be harmed in any appreciable manner.

Fifth, projection of mining rates in the article are well in excess of any realistic assessments. By 1980, Ms. Smith states, Montana will be extracting about 50 million tons a year. According to Northern Great Plains Resource Program (NGPRP) projections, the most likely level at that time will be about 40 million tons.

Acceptance of the most extreme mining projections leads to the ridiculous conclusion that Montana coal will be gobbled up in something like the next 20 years—or 30 to 35 years at the outside.

Again taking the NGPRP's most probable level of mining, by 1985 75 million tons of coal will be mined in Montana and 133 million tons will be mined in the year 2000. Even if coal were mined at the likely year 2000 level beginning in 1975, the 42.5 billion tons of Montana coal identified as amenable to surface mining methods would persist for almost 320 years. I hardly think that can be characterized as a "boom and bust" cycle.

Unfortunately the Post writer got off on the wrong foot initially by accepting the North Central Power Study as a blueprint for coal development. The study did not make recommendations or in any way advocate coal development. Rather, it was an inventory of coal resources and a statement of their potential. The list of developments since clearly demonstrates that the study had no relation to what would occur. To date, only one energy conversion project has been formally proposed to state authorities. That is the 2,100-megawatt generating complex at Colstrip. Prior to that, two small coal-fired generating plants were operating in Montana. Other than that, we are aware of three Montana conversion projects that are in the talking stage. Two would be coal gasification facilities (one of them might be located in Wyoming) and the third is a fertilizer plant. Judging by what already has happened in Montana, it would appear that roughly 80 per cent of the coal mined here will be shipped out of state for conversion elsewhere. It might be noted that the largest part of Western Energy's production has been shipped to Illinois, Wisconsin and Minnesota for production of electricity in those states. It is not unreasonable to ask, what would be the energy picture in those states were it not for western coal?

The point is this: the direction of coal development already has been set. The largest part of coal production will be exported. A modest number of coal conversion plants will be constructed in Montana. Inspection of the records and of up-to-date material would have obviated the need for hand wringing over "The Wringing of the West."

In fact, in these times of energy shortages and economic decline coal-related development well might be welcomed with applause rather than hand wringing.

Like many other parts of the nation, Montana has been shocked by massive layoffs in primary industries. In the short run, such projects as the Colstrip generating plants could furnish employment to the same number of persons as have been laid off in our primary industry—copper mining and processing. Construction at Colstrip alone will produce 1,600 jobs in construction over several years. Indirect and direct permanent employment resulting from Colstrip will total 2,200 persons across our state.

Finally, the article completely ignored the fact that intelligent use of western coal is absolutely necessary if this nation is to approach anything like energy self-sufficiency. We in Montana will not accept de facto designation as a national sacrifice area, but we are ready to use our resources for the benefit of our nation's economy and security. We are convinced that can and will be accomplished without destroying ourselves and our land.

Sincerely,

Joseph A. McElwain,
President and Chief Executive.

PUBLIC OFFICIALS AND PUBLIC SERVICE IN THE AFTERMATH OF WATERGATE

Mr. HUGH SCOTT. Mr. President, yesterday, the Washington Star-News printed an article by Jack Valenti on public officials and public service in the aftermath of Watergate. This deserves the attention of my colleagues. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

No Sins, No Humanity—We're Asking for Savonarolas

(By Jack Valenti)

Watergate made every candidate and every office-holder suspect. There is a feeling in the country now that most public men are not to be trusted and therefore neither to be followed or believed. The smell of official blood and the taste of shredded political flesh has become the national appetite.

Broken faith and squandered trust should not be casually tolerated, but it may be we as a people are demanding human paragons when there are no such beings.

The public man-woman is fair game to reveal his financial holdings. But the norm now is to want to go into the bedroom, the locker room, the clubroom, and the restroom to visit upon the viewing and reading public every sliver of "news" about anybody who has won a public office. Who can survive that kind of scrutiny?

All public leaders are flawed. When we understand that human beings are our leaders, we might view them with tolerance and forebearance. What we might hope for our leaders is that they be right more often than they are wrong and not inspire within us larger expectations than they are capable of delivering. We are correct in asking them to be wiser than those who give them power, possessed of character and caring in such measure that the tasks they obligate themselves to fulfill will not go unserved by their skills or their integrity. And most of all, that they will bring honor to the duties they have sworn by solemn oath to perform. But to ask them to be sinless is to insist on more than Jesus or Paul thought possible.

All public people are inclined, from time to time, toward error—error of judgment, perhaps, or even silly behavior. Public officials are subject as you and I to the vagaries of emotion, pride, infatuation with self. There are no infallible heroes or heroines, bleached dry of sin, unblemished by lesser notions, with ideals fully intact and a conscience preserved against the need for contrition.

Perhaps the person who wants to enter public life (and no one puts a gun to a candidate's back and forces him or her to seek elective office) must have an understanding of the people he wants to serve, as well as of the inner person inside him.

He (in the generic sense) must be patient. Politics is a series of loops and turns, of ups and down, of defeat and triumph. He must learn to deal with the one and endure the other, with neither arrogance nor panic.

He must be able to live with the burden of obloquy, assaults on his honor and his motives, plain lies and distortions, the long knives of those who aim to wound him and bring him down. He must accept this as the lot of the public official.

He must expect no gratitude because that is not the way of public response. But the fact that gratitude is not a public trait should never lessen his faith in the people's resolve, their common sense, their reliance on what is good and true. The people, he must understand, will, in the final end, make a distinction between right and wrong, and put aside those who didn't measure up, and call on those who give reason to trust their judgment.

And finally, the man who would enter public life must also be prepared for the day when he no longer is in power. Power is transient and in a democracy what is offered will, usually, be withdrawn. Thus, the public official must be able to live in the other world of lost power, without recrimination or the expectation that his voice, now without official timbre, will carry special weight. He must be willing to be satisfied with public respect which, it must be noted, is a valuable embrace and not at all without meaning.

But it is quite plain that the burdens on public officials grow heavier. It may be that in the future we will be facing a situation where the only candidates will be those who have no families, no wife or husband, no private income, no pleasure in a little human comfort, no desire to mingle with men and women on a personal level, no aberrations of thought or behavior, no inclination toward sin either venial or mortal, no minor derelictions, no human failings. What this describes is a Savonarola fanatic, and we have enough public recordings of the zealot in office here and in other lands to make that future ideal something less than attractive.

THE STATUS OF BLACK EMPLOYMENT

Mr. JACKSON. Mr. President, Dr. Sar A. Levitan, Ph. D., has long been in the forefront on issues and policies related to national manpower programs. His expertise in the field, and desire for change has often made him the focal point for questions which have led to new manpower policies. Dr. Levitan has written extensively and is eminently qualified to speak on the subject.

Most recently Dr. Levitan was called upon to act as chairman of the National Manpower Policy Task Force, for the purpose of developing a position paper on the status of black employment.

I wish to bring to the attention of my colleagues the full text of the report of the National Manpower Policy Task Force.

The task force is compromised of leading academic manpower experts. The report reflects the employment problems confronting millions of our black citizens and also recognizes some of the positive changes experienced since 1960 which in large measure can be attributed to the legislative initiatives that were undertaken during the 1960's—most notably the Civil Rights Act of 1964 and the new programs in human resource development.

I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE STATUS OF BLACK EMPLOYMENT

THE MIXED PICTURE

The National Manpower Policy Task Force has examined changes in black employment since 1960 and concludes that racial inequality remains a serious national problem. The source of the changing economic status of blacks is the subject of abundant misinterpretations. One position asserts that economic discrimination collapsed during the last half of the 1960's, primarily due to the effects of anti-discrimination legislation, particularly the Civil Rights Act of 1964. This position emphasizes the accelerated rate of change during this period, but neglects the unevenness of change and the remaining sizeable gaps between blacks and whites.

An opposite view alleges that blacks made little or no economic progress during the 1960's. Proponents of this position emphasize the continuation of serious economic problems, particularly among blacks in big city slums, and the persistence and pervasiveness of racism. These observers stress the continuing existence of large gaps between white and black employment and income.

We consider these extreme positions detrimental to black progress because they tend to neutralize pressures for change. Indeed, those who argue that the problem has been solved and those who contend that little or no progress has been made, are natural, if unwitting, allies; the former neutralize pressures for improvements in the anti-discrimination programs on the grounds that they are unnecessary, and the latter neutralize pressures for change by generating pessimism that racial equality can be achieved in a democratic society.

The evidence reveals perceptible economic progress by blacks during the 1960's, but it also exposes the uneven progress and the continuation of wide economic gaps between blacks and whites. We therefore think that discrimination and racial inequality remain very serious problems requiring the full implementation of anti-discrimination laws and the strengthening of human resource development activities.

NATURE AND MEANING OF DISCRIMINATION [1]

It is important to be explicit about the various meanings of "discrimination." Some interpret racial discrimination only as specific, overt acts against people because of their race. In a broader and more important sense, however, discrimination designates racism or institutionalized discrimination which permeates social and economic institutions and therefore does not require conscious or overt acts or decisions. Institutionalized discrimination leads to segregated housing, schools, jobs, training, and health care. These disadvantages produce unequal job opportunities and income whether or not specific individuals are prejudiced against blacks or make specific decisions adversely affecting them.

These forms of discrimination are not as pervasive, because specific discriminatory decisions by employers, unions, and workers are frequently selective, affecting some groups more than others. Discrimination apparently is based to a significant degree on status considerations; people regarded as "inferior" are the object of discrimination because the "status" of the discriminators is damaged by the hiring or upgrading of those discriminated against.

Employers discriminate partly because of racial prejudices and partly for economic reasons. Although employers ordinarily make employment decisions aimed at maximizing profits, management employment decisions often reflect fears of adverse reactions from biased employees, supervisors, or customers. Managers also have biases, largely based on status considerations, which modify their economic motives. While management apparently will accept minorities or women in blue-collar occupations, the main biases affecting those occupations are probably those of employees. However, management's status biases will have stronger direct influences on the hiring of women or minorities into managerial positions.

White workers may resist the entry of blacks into jobs because of emotional bias and bigotry as well as the more rational quest for job control. White incumbents in particular jobs will try to monopolize those jobs for themselves and will attempt to resist the hiring of people regarded to be of lower status. Of course, the extent to which prejudiced white workers are able to resist the hiring or upgrading of minorities or women will depend on their power relative to management, and pressures from minorities, women, or government agencies attempting to combat discrimination.

CHANGING EMPLOYMENT [2]

For the nation as a whole, there were substantial changes in black employment patterns during the 1960's. Nonwhites (of whom over 90 percent are black) increased their proportions of higher status and better paying white-collar jobs while they reduced their proportion in the service and laborer categories. Blacks in the 25–44 age group improved their employment patterns relative to whites and relative to blacks in other age groups.

Despite these gains, however, blacks have a long way to go to gain equality with whites. The steady progress made by blacks during the 1960's has been seriously interrupted during the 1970's. Blacks still account for over half of all private household workers and over a fifth of all laundry and dry-cleaning operatives, laborers, hospital attendants, janitors, maids and cleaners. At the other end of the employment scale, blacks represent only 2.8 percent of managers, administrators, and proprietors; 3.0 percent of sales workers; and very low proportions of many professional and technical workers. Entry into these occupations remains difficult.

Indeed, blacks experienced dramatic percentage increases in some professional-technical jobs, but within these occupations they continue to be heavily concentrated among the lower-paid classifications, including social and recreation workers, registered nurses, medical and dental technicians, and elementary and high school teachers. Similarly, in the craft occupations, blacks are underrepresented in the electrical, plumbing, and

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Footnotes at end of article.

printing crafts, and overrepresented among brick masons, cement and concrete finishers, cranemen derrick operators, painters, and roofers and slaters.

Black males earn less than whites even after adjusting for years of schooling, regularity of work, and occupational differentials. After adjusting their incomes for education, intermittent work, and occupation, black males in the 25–34 age group still earn only 82 percent as much as whites. On the other hand, adjusting relative female incomes for education, regularity of work, and occupation brings black females to parity with whites in the 25-34 age group. The dramatic shift in the relative economic status of black women (as measured by ratios of black/white median incomes) is due partly to the restrictions placed on the upward mobility of white women. Black women, particularly heads of families, however, remained at the bottom of the income pyramid.

UNEMPLOYMENT

Blacks also suffer more from unemployment than whites. During the third quarter of 1974 the unemployment rates for blacks rose from 9.0 to 10.5 percent compared with an increase from 4.7 to 5.0 percent for white workers.

The unemployment rate for black teenagers was 33.5 percent, more than twice the rate (14.1 percent) for white teenagers. Black veterans in the 20-34 age group experienced an unemployment rate of 10.8 percent as compared to the 4.0 percent for white veterans. In November 1974, when the white unemployment rate was 5.8 percent, the comparable rate for blacks was 11.7 percent, and 37.5 percent for black teenagers.

The incidence of unemployment is only one measure of the problem of joblessness. Blacks not only have a higher rate of unemployment than their white counterparts, but the mean duration of their unemployment is longer. In addition, the number of spells of unemployment during the year is greater for blacks than for whites. All three factors taken together make the burden of unemployment among blacks substantially greater than among whites.

Because of these work interruptions and the fact that they have more recently entered many nonagricultural jobs, blacks tend to have less tenure on the job than whites. Since seniority is an important determinant of job security, occupational upgrading, and other benefits, work interruptions and relatively short job tenure have long-run consequences beyond the immediate problems they cause.

An important factor in explaining the higher unemployment rate of blacks is that they are concentrated in occupations where unemployment tends to be high such as nonfarm laborers, operatives, and service workers. Blacks also suffer relatively high unemployment rates because they are more likely than whites to be concentrated in "secondary labor markets," where seniority means very little, and where wages and working conditions are barely preferable to street life and welfare. On the average, in 1972, non-white workers were two-thirds more likely than whites to have lost and quit their jobs and 2.2 times more likely to be experiencing reentry or first-entry problems.

Unemployment rates are imperfect indicators of nonwhite labor market disadvantages, however, because these rates reflect only those who are willing and able to work and actively seeking jobs. The unemployment data exclude those working part-time who would like full-time jobs, those working but not earning enough to raise them above the poverty level, or those who have become discouraged and ceased looking for jobs. Consequently, there is reason to be concerned about the fact that relative to whites, the labor force participation rates for nonwhite males over 16 years of age declined from 83 percent in 1960 to 74 percent in 1973 (when the white rate was 80 percent). Although rising school attendance may have accounted for some of the decline in young nonwhite male participation, the decline in the labor force participation of black males in the prime working age group, 25 to 54 years, has been sharp. Among nonwhite females, there was a slight increase in participation from 48 percent in 1960 to 49 percent in 1973, but over the same period, the white female rate rose substantially, from 37 percent to 44 percent.

DISCOURAGED WORKERS

Many black not counted in the labor force are "discouraged workers who would like to work but have given up looking for jobs. Among blacks not in the labor force during the third quarter of 1974, 16 percent said they wanted to work but were not looking because they were discouraged. These 150,000 discouraged blacks accounted for a fourth of all discouraged workers. It is sometimes argued that blacks have withdrawn from the work force despite the availability of jobs because of their high wage expectations or because of a preference for higher incomes obtainable through illegal activities. While these considerations may be partly responsible for some labor force withdrawal, the existence of some unknown number of blacks who do not want regular work should not obscure the fact that many are seeking, but cannot find, acceptable jobs.

EMPLOYMENT AND EARNINGS INADEQUACY INDEX

Another indication of black economic disadvantage is the employment and earnings inadequacy index (which counts persons aged 16–64, except students aged 16–21, who are unemployed, discouraged, involuntarily employed part-time for economic reasons, household heads working full-time at poverty-level wages, and heads working intermittently and earning too little to raise their families above the poverty threshold), which was 25 percent for blacks and 10 percent for whites in March 1972. Since students are excluded from the employment and earnings index, the results understate the employment disadvantage of many black young people who must have jobs in order to remain in school. Blacks in non-metropolitan areas were particularly disadvantaged—nearly a third of them having inadequate employment and earnings, compared with 24 percent of those in central cities and 20 percent in suburbs.

AGRICULTURE

Blacks continued to be displaced from southern agriculture and rural areas at a very rapid rate during the 1960's. Many of those displaced were unprepared by background and experience for nonfarm employment. Indeed, the black population of the rural South declined by 5 percent during the 1960's, while the white population of those areas grew by 9 percent. The net outmovement of blacks and other races from the nonmetropolitan South was 1,346,000 during the 1960s.

To a very large extent, the continued outmigration of blacks from the rural South is due to inadequate employment opportunities for blacks in those areas. U.S. agricultural policy and discrimination in U.S. agricultural programs have long been major problems facing blacks in the South,[3] but there is also evidence that blacks have not shared proportionately in the rapid growth of nonfarm jobs in the rural South during the 1960's. As a consequence, there continues to be heavy white migration into many counties from which blacks are forced to move because of inadequate employment opportunities.

PROBLEMS OF THE CENTRAL CITIES

Outside the rural South, blacks are increasingly locating in large metropolitan areas, especially in the North and West. In 1970, slightly over half of the nation's blacks lived outside the South. In the South, the black population was about evenly divided between metropolitan and nonmetropolitan areas, but almost all blacks outside the South lived in urban areas, especially in the central cities of several large metropolitan areas. Thus, although black poverty is evident in many Southern cities, both black and white poverty in the South tend to be concentrated in rural areas, while outside the South it is mainly urban. Moreover, in 1970 blacks were more metropolitan (71 percent) than whites (64 percent).

The concentration of blacks in central cities creates a number of serious social and economic problems. For one thing, the flight of whites from central cities as blacks move in leads to increasing racial segregation in housing and schools. Moreover, the flight of higher income whites and the movement of industry to suburban rings create serious financial problems for cities, making it difficult for them to render much-needed social services to their populations.

Studies in major southern cities show transportation to be a particularly important determinant of employment for black females probably because they are more heavily concentrated in low-wage service occupations. Discrimination in housing and employment contributes to the inability of many blacks to leave the ghetto, restricting them to employment within these areas, to "hustling" and other forms of illicit activity, or to dependence upon welfare. Discrimination in employment, together with inadequate education and development, combine to trap many ghetto residents in lives of poverty and low income. The slum areas of many central cities are characterized by poor housing, crowding, high incidence of crime, poverty, and inadequate public services.

Many central city jobs are characterized by low incomes, limited upward occupational mobility, and high turnover rates. Unions in these occupations tend to be very weak, so workers have relatively limited job protection. Many employers and workers apparently adapt to these conditions, causing black concentration in these jobs to become self-perpetuating. Marginal jobs require limited skills or education, so employers make only limited investments in training, and therefore are not overly concerned about turnover.

CAUSES OF BLACK EMPLOYMENT DISADVANTAGES

Black income and employment problems are caused by a deeply entrenched constellation of forces which are difficult to overcome and which will require intensified and concerted remedies on a variety of fronts. Because these causal forces are so interrelated, it is difficult to assign weights to each of them.

1. Discrimination

While overt discrimination has declined, there is little doubt that "institutional" discrimination continues to be a major problem. The claim that enforcement of the Civil Rights Act of 1964 caused overt discrimination to collapse is vastly overstated. For one thing, until 1972, the Equal Employment Opportunity Commission, the agency charged with administering the Civil Rights Act, had very limited enforcement powers.

In his analysis of efforts by the Equal Employment Opportunity Commission (EEOC) to broaden job opportunities for blacks and other minorities, Andrew F. Brimmer, former Governor of the Federal Reserve Board, indicates that "indirect evidence does suggest that the Commission's activities are having generally favorable results." On the basis of 1966 and 1973 EEO data by major occupational categories, Brimmer concludes "that the companies reporting under the EEOC requirements are opening jobs to blacks at a rate much faster than is true for all employers in the country as a whole.

Footnotes at end of article.

At the same time, however, it appears that the expansion is much slower in the upper reaches of the occupational scale than it is among job categories at the lower end. The task of occupational upgrading for blacks remains considerable."[4]

Many of the changes in black employment patterns were apparently due more to the indirect effects of antidiscrimination laws than to their enforcement. As noted earlier, many employers were motivated by business reasons to hire blacks but were reluctant to do so for fear of adverse reactions from white employees or, probably, to a lesser degree, white customers. One of the most significant aspects of legislation is that it represents the attitudes of a majority of voters, and consequently carries considerable moral force. Many employers who faced limited opposition to change therefore probably responded to legislation by adopting anti-discrimination policies. Even those employers who faced opposition from white communities and employees used the law to "neutralize" this opposition where they were inclined for profit or moral reasons to hire or upgrade blacks.

We suspect, however, that the hiring or upgrading of blacks in many relatively low-wage industries in the South can be attributed to the fact that these employers were having trouble locating an adequate supply of whites who met their hiring standards. Qualified blacks, whose employment opportunities have been more restricted because of discrimination, formed more dependable supplies of labor for these jobs. The increase in employment of blacks in the textile industry of North Carolina is an example.

Thus, the indirect effects of anti-discrimination laws clearly have the most impact when they are compatible with employers' economic motives. Indirect effects will have less impact in higher level jobs, in part because of the limited supply of blacks who meet the skill, experience, or education standards for these jobs. Also, whites in these occupations have more power to resist change because of their higher level of skills, their organizations, and their control of supplies of skilled manpower. These workers have stronger status and job control motives for resisting the entry of blacks. Gaining greater entry for blacks into these occupations will therefore require more direct measures to overcome white resistance, increase the supplies of qualified blacks, and overcome institutionalized barriers to entry.

2. Labor market conditions

There is almost universal agreement that tight labor markets—such as existed during World War II—generate powerful forces to improve black employment patterns. During such times, employers have stronger motives to hire, train, and upgrade black workers. At the same time, opposition by white employees to the hiring of blacks also diminishes.

Nevertheless, tight labor markets alone will not guarantee improvement in black economic conditions, as seen from the fact that many occupations and skills remained closed to blacks despite tight labor markets during World War II. Similarly, many southern cities have had very low levels of unemployment for years with no perceptible impact on black employment in particular trades or occupations. Clearly, therefore, tight labor markets must be supplemented by antidiscrimination, education, and manpower programs in order to produce changes in particular employment patterns. In the construction industry, outreach programs have proved particularly effective in recruiting, tutoring, and placing blacks in apprenticeship and journeyman programs. Current demonstrations to extend the outreach concept to other areas seem promising.

3. Education

Rising education levels have important implications for black advancement. The proportions of blacks aged 25–29 who had completed high school rose from 39 percent in 1960 to 67 percent in 1972 or from three-fifths to four-fifths the rate for whites. The increases in the proportion of blacks in the 25–34 age group completing four or more years of college were even more striking, doubling from 4 to 8 percent between 1960 and 1972 or increasing from 34 to 42 percent of comparable proportions for whites.

The relationship between education and income has been controversial, because many observers have argued that the payoff to education is less for blacks than for whites. There is evidence that education is more efficacious, in terms of earnings and occupational position, for younger blacks than it was for their elders. This could be due to both a rising quality as well as quantity of education and the lowering of racial bars to employment that existed when older blacks entered the labor force.

Despite these favorable trends, however, blacks still lag behind whites in educational levels. This is an important disadvantage where blacks and whites compete in labor markets in which education is used by employers to screen workers for jobs. In addition, blacks still have lower incomes than whites at every level of education. Moreover, at every level of education, there has been a tendency for black incomes to increase over their working lives at a much slower rate than is true of whites, suggesting that educated blacks have not been able to enter occupations with as much growth potential as their white counterparts. It could be, however, that better education and declining discrimination will cause black education-earnings curves to be steeper in the future. The conclusions for education are similar to those in other areas: the trends are favorable, but serious gaps remain.

4. Labor market procedures

Blacks have more limited access than whites to labor market information about higher paying jobs. Since blacks have tended to live in segregated housing, attend segregated schools, and work in segregated jobs, they are unable to acquire job information through informal means. Moreover, the widespread tendency for jobs to be filled by existing employees or relatives and friends perpetuates the exclusion of blacks from many jobs. Blacks tend to rely more heavily than whites on formal information sources like the Employment Service, although many employers do not use the Employment Service for skilled professional and technical jobs.

5. Manpower programs

The participation of blacks in manpower programs has changed through time. Between 1963 and 1969, there was a steady increase in the proportion of nonwhites in these programs. After 1969, the relative participation of nonwhites declined, falling to two-thirds of all participants in 1973. Moreover, in 1970, blacks represented 92–94 percent of minority participants, but by 1974, the proportion of blacks within the minority group dropped to 83 percent. The impact of manpower programs on black employment opportunities and the implications of declining proportions of blacks in these programs should be given careful consideration. Perhaps more time is required for manpower programs to make significant changes in unemployment and income of workers.

The Comprehensive Employment and Training Act of 1973 (CETA) provides that the economically disadvantaged are to receive priority and that community based institutions are to participate in the planning process and are to be given due consideration as delivery agents. CETA has the potential to increase the impact of manpower services for blacks.

CONCLUSION

We reiterate the basic point made at the outset of this discussion: A review of the facts concerning changes in black employment since 1960 justifies neither the extreme pessimism nor the extreme optimist that have been expressed on this matter recently. There has been progress since 1960, and there is good cause to attribute a large share of this progress to the legislative initiatives that were undertaken during the 1960's—most notably the Civil Rights Act of 1964 and the new programs in human resource development. The fact that substantial progress has been made must not be allowed to obscure the equally important fact that black-white differentials remain intolerably large even after account is taken of factors which might "explain" these differences. We could not reasonably have expected to obliterate all or even most of the effects of three centuries of racial discrimination in only a few years. Even though we have made significant progress, we should also have learned that there is no simple, all-encompassing solution for the inequities that have resulted from past and present racial discrimination. The continuation of substantial efforts on many fronts is essential.

As this statement is written, there is general recognition that the nation is now in a serious recession. Past experience shows that blacks bear a disproportionate share of the adverse impacts of recession. When the national unemployment rate goes up, the black rate goes up faster. When the national income falls, black income falls more rapidly. When layoffs come, the last hired are usually the first fired; and blacks are represented among the last hired. Most of the gains that are outlined in this statement were effected during a period of great national prosperity, and the gains are imperiled by a recession of the depth and duration now foreseen by many analysts. The present recession is unique in our history in that it has arrived during a time of double-digit inflation. This conjunction of problems has produced demands to reduce government expenditures for the purpose of countering inflation.

At the federal level the view has been expressed that the only categories of expenditure in which substantial reductions are possible are in the social programs which have been adopted in the past decade. We believe that this approach to the control of inflation would incur unacceptably long-run social costs; it would endanger a part—possibly a substantial part—of the progress towards the narrowing of racial inequalities by dismantling or crippling the human development programs of recent years. Such a course could intensify the adverse impact of recession on blacks. Public policy should be aimed at lessening, not increasing, those impacts.

We urge not merely the continuation but the strengthening of on-going efforts in many fields to overcome the economic effects of racial discrimination. We urge prompt consideration and enactment of a substantial public service employment program to help take up the recession-induced slack in the job market. We believe that better ways to fight inflation can be found than drastically reducing our expenditures on human development programs. We recognize the needs for continuous monitoring and realistic evaluation of manpower and related programs to develop their maximum effectiveness. We urge continued efforts to improve the effectiveness of education at all levels for blacks as well as whites. We particularly urge less rhetoric and more action on the critical subject of welfare reform. Although there are about as many whites as blacks on welfare rolls there is evidence that the outcomes of the present system have had an especially adverse effect on black families. The effective enforcement of anti-discrimination laws in employment has really only begun, and we believe that increased effort in this area also is essential.

We believe that one of the substantial, though intangible, gains of the past decade has been that the white majority has grown accustomed to seeing black faces in places where they have rarely been seen in the past.

Footnotes at end of article.

We believe that more white Americans than ever before now accept the rightness of the goal of racial equality. Even though that goal may seem impossibly distant to some, we conclude that substantial progress has been made in the past decade and that the way has been opened for greater progress in the future.

FOOTNOTES

[1] Ray Marshall, "The Economics of Racial Discrimination: A Survey," *Journal of Economic Literature*, September 1974, pp. 849–871.

[2] Data in this section from Sar Levitan, William Johnston and Robert Taggart, *Still a Dream: Changing Status of Blacks in the Last Decade* (Cambridge, Mass.: Harvard University Press, 1975).

[3] See discussion of these issues in Ray Marshall and Virgil Christian, *The Employment of Southern Blacks* (Salt Lake City, Utah: Olympus Publishing Company, 1975).

[4] Andrew F. Brimmer, "Widening Horizons: Prospects for Black Employment," Commencement Address delivered at Prairie View A & M University, May 5, 1974.

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MR. KISSINGER ON OIL

Mr. BROCK. Mr. President, one of the greatest problems facing the United States, and all industrialized nations, is the formation of rational oil policies for the future. Recently the Washington Post published a very well-conceived editorial in this regard, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. KISSINGER ON OIL

In drafting a national oil policy, the first crucial question is whether the price of oil seems likely to fall within the next couple of years. Until last autumn, the United States held adamantly to the position that oil prices would have to come down very soon because the existing level was intolerable. But a considerable debate has been going on within the administration, and opinion has shifted. There is a rising tendency to believe that, as a technical matter of economics, the industrial countries can learn to live with expensive oil—but everything depends on the quality of their political leadership in this test.

Secretary of State Henry Kissinger asserts that central point most forcefully in the interview published last week by Business Week magazine. The interview is a remarkable tour de force, offering the country a broad and exceptionally candid summary of his present view of the oil revolution. He perceives altogether accurately the fundamental truth that the present oil prices are not a matter of money alone. They are a political statement on the part of an alliance of small countries that consider themselves to have been exploited and abused for years by the industrial powers. Radical nationalism is a force in the politics of each of these countries, and the economists' logical arguments for lower prices are irrelevant.

"The only chance to bring oil prices down immediately," Secretary Kissinger said, "would be massive political warfare against countries like Saudi Arabia and Iran to make them risk their political stability and maybe their security if they did not cooperate. That is too high a price to pay even for an immediate reduction in oil prices." Here Mr. Kissinger is responding to the whispered suggestions that the United States must use the Central Intelligence Agency to overthrow the offending monarchs of the Persian Gulf. As Mr. Kissinger correctly observes, this country's interests would hardly be advanced by an overthrow of King Faisal that resulted in a revolutionary junta along Libyan lines.

What about military action—which means an American invasion of foreign oil fields? Mr. Kissinger emphatically denounces the whole idea as "a very dangerous course" and notes the great lesson of Vietnam: that it is easier to get into wars than to get out of them. But he goes on to make an interesting distinction that stands as a warning to the oil producers. He suggests that the United States would never use force in a dispute over prices. But if actions by the oil exporting countries brought about "actual strangulation of the industrialized world," that would be quite another matter.

Because of the oil-sharing agreements signed among most of the industrialized countries last September, producers cannot run future embargoes against one or two countries at a time, as they did last winter. Mr. Kissinger is presumably addressing the unpleasant possibility that some of the major oil exporting nations might try to force their way to a political triumph—perhaps in Israel, perhaps somewhere else—by cutting off all oil shipments to Western Europe, Japan and North America. Mr. Kissinger wishes to disabuse the oil exporting nations, and particularly the Arab radicals, of the highly dangerous idea that the sky is now the limit and that they can safely go to any lengths at all in their demands.

Meanwhile, of course, the oil-consuming countries are going to have to pull themselves together and agree on their response to the present emergency. Mr. Kissinger makes no secret of his exasperation with the Europeans in particular—although he elaborated on this in later comments to the effect that he was talking about the people, not the governments, of Europe. "I think they suffer from an enormous sense of insecurity," he told his interviewers. ". . . So the sense of impotence, the inability to do domestically what they know to be right, produces a certain peevishness which always stops just short of policy actions." That, unfortunately, is true. But it is also true that there has been a failure of American leadership, and Mr. Kissinger had the grace to acknowledge it. "We have to announce our conservation plans more concretely before we will have an effective negotiating position with the Europeans." He could have said more. In fact, both this country and its economic allies are paying grievously for the unhappy circumstance that, for the first seven months of the oil revolution, our government was crippled by scandal. If there was indecision in Europe, it was only an amplification of the prevarication here. Until this country finds a way to cut down its oil imports, it is going to have great difficulty persuading other nations—who are, incidentally, also our commercial competitors—to undertake heavy sacrifices of their own.

The most urgent requirements at the moment are conservation here at home and, among the oil consuming nations, systems of loans and guarantees to keep their economies operating without major defaults. If the oil prices remain high as long as Mr. Kissinger expects, there are going to have to be severe adjustments in all of the industrial countries, translating into reductions in standards of living. This setback will inevitably have a great impact on countries that, for an entire generation, have known only a steadily rising prosperity and have become accustomed to it as a rule of life. No one can say with much assurance how the people of the rich countries will react to this sudden reversal. But surely Mr. Kissinger is right in saying that they are more likely to react rationally if they believe that they are competently and intelligently led. It is now a full year since the great surge in oil prices. The governments of the industrial nations are only now beginning to organize a coherent and adequate reply.

TREASURY BORROWING HAZARDOUS TO LARGE AND SMALL BUSINESSES

Mr. LAXALT. Mr. President, we in the Senate are frequently privileged to receive the advice of our Nation's foremost economic experts on crucial public policy issues. Unfortunately, that advice is not always of pristine clarity. Indeed, frequently it is contradictory and certainly nowhere has there been more confusion than that surrounding the question of the impact of large Federal deficits on private money markets.

As I understand it, one school of economists argues that because of a recession-induced decline in private borrowing the money markets will have little difficulty accommodating Treasury borrowing even at the unprecedented scale envisioned for the next 18 months. The other side of this argument maintains that the present recession is characterized by unusually high private borrowing requirements so that large scale Treasury borrowing to finance Federal deficits will bid up interest rates, depress the housing industry and deprive businesses, both large and small, of essential capital for development, expansion and job creation.

As a member of the Select Small Business Committee, I am particularly concerned that the extensive Treasury borrowing due over the next 18 months could deprive small business of access to necessary funds. According to the Wall Street Journal, smaller firms are already having difficulty acquiring adequate funding. And, I fear that when the full force of the borrowing required for huge fiscal 1975 and fiscal 1976 deficits reaches the money markets, these firms will have an even more difficult time than they face today.

Mr. President, to acquaint my colleagues with just how bad this situation is currently and to give them an idea of how bad it is likely to become, I ask unanimous consent that the following article from the February 21st Wall Street Journal be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Elusive Loans—Many Concerns Scurry To Get Needed Capital From Unusual Sources

If these were normal times, Shelter Resources Corp. in Cleveland would be publicly offering debt or equity securities this year to repay bank loans and for working capital for its mobile home business.

Also in normal times, Borman's Inc. in Detroit would be seeking its modest capital requirements from banks or in the public markets.

And scores of utilities would have a lot more confidence about their plans to raise millions of dollars in the bond market.

But if you hadn't noticed, these aren't normal times. So these companies and many others are assuming, with good cause, that any attempts to tap their traditional capital sources would be futile.

Instead, they are turning to less traditional methods of raising cash—everything from the sale and leaseback of equipment to borrowings from executives. And above all, they are scaling down their operations to reduce their needs for operating cash.

THE RATING GAME

The problem is most acute for smaller or medium-size companies and companies with low credit ratings. (There are considerably more of the latter nowadays; Moody's Investor Services, a major rating service, has downgraded 72 companies since the start of 1974, while upgrading only 40.)

The outlook for these companies isn't likely to brighten soon. A huge new cloud formed with the government's recent announcement that its net new financing this year will be about $70 billion—more than the total of government and corporate bond borrowing combined in any past year. Higher-rated corporations are expected to succeed in raising a record of about $31 billion net new funds in the bond market this year despite the government's competition for funds.

"A look at the size of the government numbers would knock you out of your chair," says Thomas M. Skeve, treasurer of Acme-Cleveland Corp., a maker of machine tools and other equipment. "When you have that kind of demand for money, it would appear that interest rates aren't likely to go down, and may even go up."

But it isn't the high rate for funds that troubles many companies. It's the unavailability of funds at any price. This, specialists say, makes the current pinch different from the 1969–70 credit squeeze. At that time, less attractive companies had to pay sizable premiums for bond-market money; today companies with lower-grade ratings generally figure they are excluded from the market at any price.

Ratings given to bonds and other securities by rating services, of course, are always crucial in determining the interest rates the borrowers will be paying.

SMALL CONSOLATION

In today's kind of market, many companies have only the dubious consolation that business is so bad anyway that they have little incentive to borrow for any capital expansion. However, many other companies that were nearing the end of their short-term borrowing limits and hoping to "roll over" this debt into longer-term obligations are finding themselves out in the cold.

Most companies are sanguine about their ability to ride out the storm in one way or another, but a few aren't so sure. A few even suggest that they would welcome a governmental lender of last resort, such as a revival of the Reconstruction Finance Corp. of the 1930s. (That proposal has been bandied about on Wall Street and in Washington recently but so far hasn't gained much meaningful support in either place.)

Shelter Resources is one of those that now is voicing confidence, saying it "can see the light at the end of the tunnel." But the tunneling has been painful.

Recognizing Shelter Resources' lack of appeal in the bond market (it had a $7.2 million loss in the first nine months of 1974) and the equity market (its stock is selling at a fraction of the $10 book value), the company felt it couldn't even seek merger into a larger company in fairness to stockholders. It also ruled out any chance of placing longer-term securities privately, according to its president, Marvin R. Meit, because insurance companies demand three years of operating profits by any company they finance.

SELLING OFF ASSETS

The solution: A newly signed agreement to sell its St. Clair Savings Association subsidiary for $10 million, plus plans to sell Ultronix Inc., an electronics unit, for $700,000 and Childers Products Co., which insulates industrial pipe, for $5 million or $6 million.

These moves and retrenchment in its basic mobile-home business have put the company in a good cash position, Mr. Meit says. But if sales continue to pick up as they did in January, he adds, the company will need capital for inventory and receivables, so the company has made inquiries to bank lenders.

'The banks indicate they'll come in strong to help us," Mr. Meit says. "The biggest thing going for us is the reduction in money costs," he adds, because the company routinely borrows from banks to finance mobile homes on retail lots.

Indeed, many companies, dependent on banks for their borrowing needs, are pleased by the moderate decline in banks' lending fees recently. But a lot of the marginal borrowers are finding the banks far more cautious in their lending these days because of their 1974 loan losses, estimated at a record of almost $2 billion.

By contrast with Shelter Resource, Borman's is typical of companies that are trying to live within their means without selling off any properties. "With the federal government doing the amount of borrowing it looks like it is going to do," Daniel Church, financial vice president, says, "the chances of Borman's raising capital are pretty dim."

Borman's therefore is using internally generated funds for its $4 million of capital spending this year. But if the economy starts to revive and money becomes available, Mr. Church says, the company will quickly take advantage of the situation. "Adding new stores or enlarging old ones doesn't take as much lead time as building a heavy plant," Mr. Church observes.

Some other companies are accelerating their borrowing plans to beat the government to market. One such concern is La-Touraine-Bickford's Foods Inc. in Newton, Mass. John Harding, president, says the company expects to need funds for several acquisitions it is pursuing, and the money is more likely to be available now than after the government skims off its requirements.

Private borrowings from insurers and others are an increasing recourse for unrated and low-rated companies. As Acme-Cleveland's Mr. Skove puts it: "When demand for money is as strong as it appears likely to be, you or I or anyone else would sort out borrowers according to their ability to repay. The people who have the strongest financial position will be first in line, and a lot of companies that are toward the lower end of that list will have a hard time doing the financing they need."

THE PRIVATE-PLACEMENT ROUTE

So Acme-Cleveland, which is unrated, is trying to place about $25 million of 15-year notes with insurance companies. "If we were an A-rated or better company (one of the top three ratings on a scale of nine), and needed a larger amount of money, the public market might be the vehicle to use," Mr. Skove says.

Even some companies with relatively good ratings are cautious about the outlook. Federal-Mogul Corp., a diversified manufacturer in Michigan, hopes to go to the public debt market before midyear with an offering of about $35 million to retire bank debt. But even with its single-A bond rating, the third highest, the company is concerned. If the market proves unreceptive, "we might look at a private placement," Robert W. Hague, vice president for finance and administration, says.

But Federal-Mogul's financing problems pale by comparison with some others, who find even private placements out of the question. "Right now, our chances of raising debt in the public market are just about nil," says Arthur Nicholas, president of Apeco Corp., an Illinois office-equipment concern that has had crippling losses in the past couple of years. He adds that the private route isn't open either at the present but may be viable in the future because "institutions are a more discriminating, sophisticated group, and it's easier to spend time to convince them."

BANKS KEENLY INTERESTED

This week, however, Apeco convinced its banks to extend its $26.2 million of expiring short-term borrowings. Mr. Nicholas says the banks have been very understanding about Apeco's problems. "They could drive us to the wall if they wanted, but they see that we are cutting costs, controlling inventories and properly managing the company's affairs. We're in almost daily contact with them."

Also having a lot of contact with its banks these days is Telco Marketing Services Inc., a Chicago lessor of medical and scientific equipment. This leasing business requires large amounts of capital, and capital isn't flowing abundantly to a company like Telco, which estimates its 1974 loss at $1 million.

Bank lenders have renegotiated the $51.7 million debt of Telco's leasing unit but are limiting new borrowings. Marvin Moses, treasurer, says, "The public is just terrified of any red ink these days," and he doubts the company could succeed in selling any more debt publicly.

Telco's solution: seeking to be acquired by a cash-rich company. It is talking to concerns in the insurance, health care and banking fields. "Being acquired would give us the money we need and in turn they could use the depreciation and investment tax credit we generate to shelter income," Mr. Moses says.

Others beside telco have found banks becoming more stringent in their lending criteria and terms. With the failure last week of another bank, Cleveland's Northern Ohio Bank, this trend could intensify, shutting off another main source of capital for many marginal companies.

"When things got tight for the banks last year," a spokesman for Fire Control Engineering Co. of Fort Worth says, "our bank made a policy decision to get out of thinly capitalized situations." Because of a series of Fire Control losses under previous management, bank lenders cracked down on the company, demanding among other things that it add $300,000 in subordinate debt to support the bank borrowing.

"We had a helluva time finding this money," a company spokesman says. The company's salvation was a small business investment company, Dallas Business Capital Corp., where the company got a lending rate only 2½ points above banks' prime rate. But it had to give stock-purchase warrants in return.

Plano Lumber & Hardware Co. of suburban Dallas similarly found its lending bank recalcitrant after it posted a small loss last year. When the bank balked at raising Plano's operating credit to $700,000 from $400,000 to reflect larger capacity, it turned to a finance company.

Aetna Business Credit Inc. supplied the funds for Plano, but the terms were a steep seven points about the banking industry's prime rate, and the company had to pledge its inventories and accounts receivable for the first time. "I had to pay an arm and a leg" for the loan, Plano's owner, Frank Adam, says, "but I wasn't left a great deal of choice."

A consolation to companies like Plano and Fire Control is that, with bank's prime rates declining, their lending fees pegged to the prime rate are dropping.

S. E. Nichols Inc. in New York tapped an unusual source for its capital needs recently—the top officers of the discount-store chain. Irving M. Rosenbaum, chairman, and Manfred Brecker, president, purchased $1 million of Nichols subordinated convertible debentures.

"The only reason we did it," Mr. Brecker says, "is to instill confidence into creditors and the general public" about Nichols' financial condition. The company still has a $7 million bank credit line.

Even companies with severe credit difficulties generally stop short of recommending that the government get directly into the business of lending money to such businesses. An exception is International Stretch Products Inc., a textile concern that has had losses in two out of the past three years and is trying to get a $2 million loan from insurance companies or banks to modernize its plants.

George A. Tunick, president, says banks and insurance companies generally aren't considering loans to textile companies, and International Stretch's past deficits are a further deterrent. He says medium-size companies with sales of $10 million to $100 million have "no place to turn," and the only solution may be governmental assistance from an agency like the old Reconstruction Finance Corp.

LIKE MIDDLE AMERICANS

This sentiment that middle-range companies, like middle-income Americans, are being hit hardest by today's economy is echoed by other executives. They suggest that smaller companies can turn to small-business investment companies and that larger businesses at least occasionally are being bailed out by Washington.

Along this line, there have been reports in recent months that the Federal Reserve Board has intervened to prod banks to sustain lending to some teetering big businesses—notably W. T. Grant Co. and some large real estate investment trusts. Fed chairman Arthur Burns has acknowledged that the Fed has discussed with bankers lending to hard-pressed industries, but sources say there hasn't been any real arm-twisting. Nevertheless, the Fed is considered unlikely to permit any confidence-shattering collapse of a huge firm.

J. E. Sundman, financial vice president and treasurer of Grant, says he has heard the reports that the Fed has told Grant's lending banks that it doesn't want Grant going into bankruptcy proceedings.

In any case, the 143 banks that hold $600 million of short-term Grant debt have deferred some payments and have waived certain restrictions.

Grant's problems are particularly illustrative of the devasting effects of low corporate credit ratings these days. Downgrading of the company's rating in December 1973 made its commercial paper practically unsalable and forced the company to turn to banks. Earlier this month, Moody's downgraded Grant's debt securities further when the company said it expects to post a $175 million loss for the year ended Jan. 30.

To ease its debt load and provide working capital, Grant now is considering selling its holdings in Zeller's Ltd. of Canada.

Utilities generally have been hurt more than retailers. And among the hardest hit is Green Mountain Power Corp. in Vermont. Beset by deficits last year, the utility omitted its dividend. Now it would like to borrow $15 million in the bond market but finds that path closed to it.

According to Peter McTague, president, the company is curtailing its expansion plans and exploring other ways to raise cash. These include approaching the Federal Reserve Bank, Mr. McTague says, under a law that allows the Fed to act as a lender of last resort. Another possibility: sale and leaseback of Green Mountain's generators.

Green Mountain and Pennsylvania's Appalachian Power Co., a unit of American Electric Power Co., are among a number of utilities that are also seeking to get regulators to bolster their power rates. In Appalachian's case, the regulators had ordered a partial refund to customers, and Moody's promptly lowered the company's securities ratings. As a result, the company temporarily froze its construction program and appealed the decision.

Industrial revenue bonds are another possible source of corporate capital. Acme-Cleveland's Mr. Skove says the company is negotiating a $2.5 million industrial revenue financing for a plant at Kewanee, Ill. But the state has a 7% interest ceiling on such bonds, so funds are unlikely to be available except for maturities as short as eight or ten years.

So, like so many other capital-raising vehicles that helped companies through past storms, industrial revenue bonds are seldom even being considered in today's urgent search for capital.

THE GENOCIDE CONVENTION—THE QUESTION OF SELF-IMPLEMENTATION

Mr. PROXMIRE. Mr. President, one of the major objections to the Genocide Convention is that it might be self-implementing. In other words, an American citizen being tried for genocide in a foreign country might be judged without regard to his constitutional rights.

This could never be the case. The treaty provides for and prevents this situation in article 5. As an excerpt from the report of the Standing Committee on World Order Through Law of the American Bar Association states:

> Another objection to the Ratification is that it would be self-executing. The result, it is claimed, would be to impose a law upon the citizens of this country without the Congress having enacted an implementing legislation. Article 1 does designate Genocide as a "crime under international law". But Article 5 requires the parties to "enact, in accordance with their respective Constitutions, the necessary legislation to give effect to the . . . Convention and . . . to provide effective penalties.

This process is a lengthy one and provides for additional safeguards. The implementing legislation must first be examined by the House and Senate Judiciary Committees, receive majority approval of both Houses and the President's signature. As with any piece of legislation, it is subject to challenge before the Supreme Court.

In addition, the treaty envisions that we will add "genocide" to the list of extraditable crimes in our treaties with foreign nations. Here again, the treaty is not self-executing. This change must be made on a treaty by treaty basis and every Senator here has the right to object to the inclusion of genocide in any particular treaty. The constitutional requirement for two-thirds approval of these treaties—and this proposed change—is the best safeguard we could have.

Mr. President, this treaty is clearly not detrimental to American interests as the repeated endorsements of the Senate Foreign Relations Committee demonstrate. The constitutional safeguards are more than adequate as I have just demonstrated. I urge my colleagues to join me in seeking prompt action on this treaty in the 94th Congress.

MR. COLEMAN ON CAPITOL HILL

Mr. HUGH SCOTT. Mr. President, my good friend and fellow Philadelphian, Bill Coleman, has just been confirmed by the Senate to be the new Secretary of the Department of Transportation. I ask unanimous consent that a recent editorial in the Philadelphia Inquirer be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. COLEMAN ON CAPITOL HILL

To fellow Philadelphians and others who know him, there has never been any question about William T. Coleman's superb qualifications for the Cabinet post to which President Ford appointed him. He can be expected to serve with distinction as he has in private life as a lawyer and civic leader.

But if there had been any doubts in the Senate about his fitness to head the Department of Transportation, they should have been effectively dispelled by his impressive performance in confirmation hearings by the Senate Commerce Committee. Even Sen. Vance Hartke of Indiana, who questioned Mr. Coleman at length and sometimes with a vigor that bordered on hostility, was moved to compliment him at the conclusion.

Mr. Coleman quite properly declined to answer a number of Sen. Hartke's questions on specifics of transportation policy regarding such controversial matters as safety and anti-pollution devices on automobiles, methods of funding mass transit, and financial aid to Penn Central. The secretary-designate prefers to keep his options open.

On an issue of broad principle, Mr. Coleman took a commendable position in firm opposition to nationalization of railroads.

That is a view that we hope will prevail in the White House and on Capitol Hill as well. The need is to solve the problems of financially troubled railroads, not perpetuate and institutionalize the problems under government ownership.

Mr. Coleman, wtih Senate confirmation assured, will become secretary of transportation at a time when the nation has never been more in need of a balanced transportation system and vastly improved mass transit. The Department of Transportation will have at its helm an able leader worthy of the country's confidence.

LETTER TO THE U.S. SENATE FROM SOVIET JEWS

Mr. TUNNEY. Mr. President, I again call attention to the plight of Soviet Jews who wish to emigrate to Israel. Recently, the Commission on Soviet Jewry of the Community Relations Committee, Jewish Federation Council of Greater Los Angeles, received a letter addressed to the Senate from a number of Jewish-Soviet activists in Leningrad. It describes the many bureaucratic obstacles which face Jews who wish to emigrate and the capricious manner in which such requests are either refused or granted. While efforts by many concerned people in the United States to persuade the Soviet Government to relax its emigration policies have been partially successful, this document makes it clear that the methods currently used to prevent Soviet Jews from emigrating are antithetical to basic concepts of freedom and repugnant to human dignity.

Certainly, it is obvious that the future of world peace depends on cooperation between our Nation and the Soviet Union. The policy of détente has been beneficial to both sides, and it is regrettable that the Soviet Trade Agreement, which promised to do so much for peace, has failed. Yet, friendship between our two countries should not be bought at the cost of the freedom of Soviet Jews or any other people.

The men and women who signed this letter did so, in spite of a risk to themselves, in the hopes that publicity about the plight of their people and the resulting world opinion could secure for Soviet Jews what their own efforts had failed to do: the fundamental right to emigrate to their religious homeland. Mr. President, in order that their story may be heard in full and that it might receive the public attention they sought, I request unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

(Translated from Russian, January 14, 1975)

TO THE SENATE OF THE UNITED STATES

We citizens of Leningrad, for many months and even years, against our wishes are deprived of our rights to emigrate to our historic homeland—the State of Israel. In the name of humanity and justice, we are appealing to you. We wrote many times about our situation to different Soviet agencies and also to Sec. General Leonid Brezhnev, but our pleas remain without replies.

Emigration is a special question which is not covered in the Soviet jurisprudence, and jurists are therefore unable to secure guidance and help.

Based on many statements by Soviet officials dealing with the question of emigration we have to assume that the permit to emigrate is being given on an individual basis without any established rules or regulations, and therefore to find any policy in the overall process of emigration is almost impossible. A prospective candidate for emigration is put in a position of "to be or not to be" should there be a refusal of his request.

Only a deep conviction for the necessity to be united with the Jewish nation on its own historic land makes it possible to meet this challenge.

The first difficulty to overcome is to get an invitation from Israel. It is known that in many instances, invitations sent from Israel are never delivered or received.

There is special difficulty in securing the so-called "characteristike". To you—it will be difficult to understand the purpose of this document. This document is supposed to contain opinions about the individual's morals, political inclination, and working ability. The "characteristike" is discussed at a general meeting of all co-workers at the institution or factory at which the applicant works. At these meetings, as a general rule, questions about the military situation in the Middle East are raised and how the candidate for emigration will handle himself on the other side of the front line. You have to have iron health and nerves of steel to be able to quietly listen to accusations of betrayal of the fatherland which fed, educated and trusted the applicant who, instead of being grateful, appears to be a "treacherous snake on the breast of the motherland." Actually, it is a well thought thorough system to morally degrade human dignity.

It is important to underscore that if a person intends to leave the country, this is a reflection of a weak political-educational activity in the organization where he is employed, therefore, the discussion in connection of the "characteristike" is being conducted in a manner as to scare others from a similar undertaking.

Many, to avoid this kind of degrading procedure in connection with getting a "characteristike", quit their jobs in advance and are left without any source of income.

Besides the "characteristike", you must get the permission of parents, also of your ex-husband or wife. To get this kind of a document becomes very complicated, for those who will agree to it, are being judged as abetting a "traitor".

Now let's assume that the joyful moment has arrived when you have delivered all necessary documents and receipts of payment of 40 rubles for each family member. This joy is very short as new problems arise. The most important—where to get the money for passage. Even if a person decides to deny himself the most, it will take at least a year to accumulate the sum necessary for the trip.

As the intent for emigration is connected with relinquishing citizenship, a payment of approximately 500 rules per person has to be made. It has to be mentioned, that existing regulations demand that the loss of citizenship must be published in the Official Register of the Supreme Soviet of the USSR—but this never takes place. (Thus there is no record or receipt of this payment).

After delivering all of the documents to "OVIR", the period of awaiting a reply commences. From a psychological point of view, this period is very distressing, because the uncertainty of the situation and the fear of a possible refusal has a ruinous influence on one's health. The time of waiting takes six or more months.

Happily when one receives permission for emigration, he is allocated twenty days to get all the necessary documents, to have the necessary amount of money to pay for the trip, and transportation of personal belongings. Usually in this process, all kind of official difficulties arise which have to be overcome.

The departure of people often reminds one of a funeral because there is no hope to see each other in the future. People leave with fear for the future of those who remain. Those who leave are lucky people. For the others who remain, this is an unhappy moment. They become "refusniks". This is how they are being called—those who applied for emigration to Israel and who are refused.

You know a lot about the "refusniks", but to have a complete picture we will add the following: The person is called in and informed that in the interest of the State, his emigration is benig refused because he or somebody in his family worked or is still working in an institution where the revealing of State secrets is possible. At the same time, the person is told that no appeals will succeed. The practice shows that appeals really do not help.

Any replies on this matter are never given in writing, but orally, so not to have any obligating character. At the same time, a document has to be signed acknowledging the refusal and that a new application for a visa can be made a year after the date of the refusal. In the same document, a point is made that the person whose visa is refused is warned not to participate in any antisocial undertakings.

For the "refusnik" a hard time is in prospect for the reason that "State secrets" are lodged in his head. The tragedy of the situation is that no one knows when the authorities will conclude that the head has freed itself from the "State secrets" and can be given permission to leave the country. This can vary between five, seven and more years. This is also connected with the situation in the Middle East. This situation is more complicated as it is not based on any law or government regulations, but on the will of government bureaucrats. The following is an illustration: A man is 70 years of age and has been on retirement for ten years, and he is denied a visa because of knowing "State secrets". It so happens that some people who worked in the same organization were refused, others were not. The criteria of these "secrets" is a big secret.

At the moment, in Leningrad, there are over 50 families of "refusniks". The majority of them are people of science and technology. For them, each day of forcible stay in this country becomes a continued dequalification, "a drving out of the brain." Their financial situation is critical. Any attempt of active protest is classified as "hooliganism" and ends up with 15 days in jail and the threat of court proceedings.

In ending our letter, we state as follows:

A call to humanism—is not a means which is able to help us. As a famous Russian proverb says—"Moscow does not trust tears". What is needed is the loud voice of society in defense of our rights to be in our nation.

We are very tired, but still full of energy and strength to fight for our Holy rights. Our people lived through worse times and we are sure that we will, in the end, live in the land of our ancestors.

Alexandr Yampolsky, Alexandr Chertin, Oxana Chertin, German Chernyak, Grigory Ioffe, Yefim Feigin, Gersh Iosfin, Mikhail Strugach, Feliks Aronovich, Leonid Raines, Yevgeny Abezquaz, Vladimir Swerdlin, Ludmila Varnavitskaya, Lev Zhigun, George Sokiriyanoky, Viktor Savitzky, and Yuri Kalendaryov.

SOME CHICKEN, SOME EGG

Mr. GARN. Mr. President, the cover of the February 22 Economist shows

Secretary of State Henry Kissinger very uncomfortably perched on an egg, representing the world.

In its lead editorial, the Economist pays tribute to Mr. Kissinger's latest diplomatic efforts, in the face of growing congressional criticism.

It would be a pity, says the Economist to somehow shoehorn him out of office at this time.

> For inside the egg Mr. Kissinger is sitting on is the likely solution to the world's oil price crisis.

Mr. Kissinger is attempting to encourage an "unseen" erosion of oil prices—a natural reaction to the glut of oil now particularly apparent among the Persian Gulf producers—without causing another headon confrontation between oil producing and consuming nations.

Says the Economist,

> It has taken a feat of legerdemain on Mr. Kissinger's part to bring matters this far; and it is hard to imagine who would have a better chance of completing the job.

Acknowledging and listing all of Mr. Kissinger's faults and errors of judgment on other matters, the Economist concludes:

> But on the biggest crisis of all, the oil price one, Mr. Kissinger has worked hard and long, and the sort of solution he is now suggesting, after many false starts, shows that he is still the best global conjuror we have.

Mr. President, I ask unanimous consent that the editorial, plus a news article on the surplus of oil tankers, be printed in the RECORD.

I also ask unanimous consent that an article from the Washington Post of March 3 entitled "World Slump Closes 20 percent of Oil Fields," be printed in the RECORD as further evidence of the fact that en erosion of real prices of oil is indeed taking place.

There being no objection, the editorial and articles ordered to be printed in the RECORD, as follows:

[From the Economist, Feb. 22, 1975]

SOME CHICKEN

He may not be as well balanced as he looks sitting out there on top of the world. Certainly a growing number of American congressmen like the scent of his blood, and if a Republican victory in the elections next year starts to look unlikely Mr. Henry Kissinger may decide this summer to get out of office as American Secretary of State before his President is shot electorally from under him. For the rest of us that would be a pity. For inside the egg Mr. Kissinger is sitting on is the likely solution to the world's oil price crisis.

Mr. Kissinger flew back to Washington on Wednesday after six days in the Middle East and four in Europe; and if peace between the Arabs and Israel seems no closer as a result (see page 39), peace between the producers and consumers of oil may be. There is, for a start, the now seen erosion of oil prices as Abu Dhabi hawks its unsold oil about,, as the Tapline across Jordan, Syria and Lebanon drowns in Saudi oil, and as acres of sea are given over to mothballed supertankers (see page 92). But assuming the oil producers can remain proof against the glut they have created, which present betting is they can, then it is another sort of erosion of the oil price, without bitterness, that the west must aim for.

THE UNSEEN EROSION

Two things have to be done if the producers and consumers of oil are to resolve their differences. The first is that the Organisation of Petroleum Exporting Countries should recognise that it cannot be the sole arbiter of the price of oil. Slowly, though by no means certainly, this may now be happening. The nominal price of oil—a bit under $11 a barrel as it leaves the Gulf—is fraying only at the edges, not across the board. But the real price, measured in terms of the goods and services the consuming countries hand over in return for that $11 barrel, has been gradually falling since the beginning of this year, when the Opec countries froze the nominal price for nine months despite the continuing inflation in the cost of the things they buy with their oil money. The central issue now is how long this freeze of the nominal price, and therefore the erosion of the real price, can be kept going.

Algeria's oil minister has suggested extending the freeze from nine months to a full year. Sheikh Yamani, his Saudi Arabian colleague, has gone even further; he says it might be prolonged into next year, and there is reason to think that he may be willing to try to persuade the rest of Opec to keep the freeze in operation until the end of 1976. If it can be done (the snag is that Sheikh Yamani has been an unavailing optimist before) that would amount to a pretty dramatic fall in the real price of oil. Two years of world inflation, running at 15 per cent a year, would cut it by 24 per cent. What would still nominally be $11 oil would in fact cost about $8½ a barrel by the yardstick of 1974 prices.

Saudi Arabia is the key country in this, because its combination of enormous reserves of oil and relatively few people to spend its oil money on gives it the necessary clout inside Opec. Oil producers with a lot of people, such as Iran, or with modest reserves of oil, such as Kuwait, will certainly not be anxious to prolong the price freeze beyond September. The Shah of Iran even said in Zurich on Tuesday that he might try to push the price up again if inflation continued to eat into his earnings—although even he has told visiting western government ministers that Iran will hold prices for a while in return for assurances that oil prices will in future be indexed to world inflation. Saudi Arabia's power to prevent prices rising, and to keep on rolling the real price downwards, comes from the fact that it is steadily expanding the amount of oil it is capable of producing over and above the amount it is actually producing at the moment. If things come to a showdown inside Opec, the Saudis could threaten to switch on this surplus capacity, and break the cartel. It is far from certain that King Faisal and Sheikh Yamani are in fact prepared to face the row this would cause with their fellow-producers. But they might; some other Opec countries are convinced they would. And there is no doubt about the main reason why King Faisal might be ready to take the risk. He has been persuaded by Mr. Kissinger that the inflationary consequences of the present price of oil are a danger to the political stability of western Europe. He is afraid of the opportunities that inflation may be opening up to the communist parties of Italy and France, and to half-marxists in other European countries. The anti-communism in his bones is a powerful comfort for the consumers of oil.

But there is something else that the consumers can do to help the real-price-cutters in Opec, and this is where Mr. Kissinger's idea of a floor price for oil comes into the argument. The second part of a solution to the oil crisis is to agree on a price that both producers and consumers can accept. The producers will be more willing to prolong the freeze on the $11 nominal price, and thereby let the real price go on floating downwards, if they believe that the consumers are not trying to get back to the old days when the consumers alone set the price, and set it artificially low. They have to be persuaded that, if the real price is allowed to keep on moving down, it will eventually flatten out into an agreed price which will be kept in line with the price of things they buy from the west.

THE DIFFERENT WAYS OF UNDERPINNING

Nobody has yet explained very clearly how the idea of a floor price would be applied to the Opec producers. Mr. Kissinger told the National Press Club in Washington on February 3rd that the consuming countries, either separately or together, should fix a price below which they would not allow imported oil to be used in their economies, and enforce it by an import tariff or a levy; this price could then be "a point of reference" for the price they would agree to pay Opec for its oil. That phrase "a point of reference" is too vague to arouse much enthusiasm in Opec. Mr. Henri Simonet, the EEC commissioner for energy, has suggested a two-tier system, with a floor price for imports and another, subsidised, price above it for producers of more expensive home-produced energy. Vicomte Davignon, the Belgian who runs the 18-nation International Energy Agency, the consumers' consortium, said in London on Tuesday that there might even be a third price, by means of which some industrial countries could joint together to encourage the production of more exotic fuels such as shale oil and solar energy. Then on Wednesday the American Congress voted to delay President Ford's chosen method of protecting the oil market by taxing foreign oil—an action fully expected and seen in Europe merely as reducing the number of ways in which America might implement an eventual system for encouraging conservation and production of oil.

There is going to be plenty of argument about how many different prices there should be, and what levels they should be fixed at. The important thing is that the structure should include a price at which the Opec producers will know that they can sell enough of their oil to maintain a substantial part of the great leap forward their economies have started to make since 1973. If the aim is a settlement with the Arabs and Iranians, there is no point in a floor price that shuts them out. The only energy community that is likely to work reasonably smoothly over the next decade is one built around both the present producers and the present consumers. This must be the main purpose of the grand energy conference planned to take place this summer, and the attempt by Algeria to tie it up in discussion of other commodities should be firmly deflected.

It is best to be frank about the purpose of a floor price for oil. It would benefit, first, those consuming countries that are in a position to produce more oil of their own if the price is kept up; that means the United States and Canada, and, from the North Sea, Britain and Norway. And it would benefit, second, the present producers in Opec, because it would guarantee them against a possible collapse of the oil price in the 1980s. That is why it is being examined with suspicion by the other consumers, in continental Europe and Japan, who have no oil of their own. But there is an advantage in it for these countries too, though a less obvious one.

The alternative to a floor price is to assume that falling demand for high-price oil will eventually break the price, and bring it down lower than it would come if there were an agreed floor. That is the strategy of confrontation—something which the

French, who have understandable reasons for being worried by a floor price, should have even stronger reasons for not being caught out in. If it is not agreed that the price will be prevented from falling too far, there will be little incentive for investors to put their money into producing new supplies of oil outside the Opec area. The Opec countries will then maintain their near-monopoly power over the oil price. The price may come down from time to time, as demand for expensive oil falls below the available supply. But when the lower price raises the demand again, the Opec producers will use their monopoly power to push the price back up again. The alternative to a floor price is a seesaw price, and no consumer can have much joy in that prospect.

NOT ONLY JERUSALEM

These two things—a prolongation of the present fall in the real price of oil, and an attempt to convert the lower real price into an agreed floor price when the time is right—are the centerpiece of the hope of solving the great oil quarrel. The hope may yet be frustrated. Saudi Arabia, which last year failed to bring the price down directly, may now be prevented by the other producers from bringing it down by erosion. Or another Arab-Israeli crisis could reverse the apparently growing willingness of most of the Arabs to compromise over oil. But if Mr. Kissinger can keep his Arab-Israeli peacemaking moving forward, either on the step-by-step path or along the Geneva conference road, it does not seem that King Faisal's views about Israel will stop him trying to help Mr. Kissinger on the oil front. The king still keeps one eye on the Moslem holy places in Jerusalem; but now the other is on what over-priced oil could do to the politics of the western world.

It has taken a feat of legerdemain on Mr. Kissinger's part to bring matters this far; and it is hard to imagine who would have a better chance of completing the job. Mr. Kissinger does not always do the right things, and when he does he has an increasingly frequent knack of putting his own countrymen's backs up in the process. Things have gone badly for him, largely through his own fault, in America's relations with the Soviet Union. A bad start by Mr. Kissinger in Cyprus has led to a bad end, with Congress imposing a typically special-interest ban on arms to Turkey which has actually made matters worse. But on the biggest crisis of all, the oil price one, Mr. Kissinger has worked hard and long, and the sort of solution he is now suggesting, after many false starts, shows that he is still the best global conjuror we have.

[From The Economist, Feb. 22, 1975]

Supertankers—Parking Problems

Where do you park an out-of-work supertanker which is as long as the Eiffel Tower is high, as wide as a soccer pitch, and too deep for much of the English Channel? This problem is giving migraines to shipowners and their marine underwriters. More than 100 tankers (super and others) have already been laid up, and many more are hanging around without a job, including a lot in the Gulf.

A day in the life of a large $50m tanker costs $2,000 for the insurance premium; $10,000 for fuel; $2,000 say, for crew and other running costs; and then another $18,000 for depreciation (if it is written off over 20 years) and interest (at the cheap rate of 8 per cent). Shipowners normally expect to get four-fifths of the insurance premium back—if the tanker is put in mothballs—but there is a severe shortage of suitable berths approved by underwriters. The Norwegian fjords are getting crowded, and on a recent visit to Greece insurers inspected 10 sites but found at most four that could be suitable. The traditional practice of lashing several vessels together means that if one blows up all of them might be write-offs.

Like gas balloons, tankers are prone to explode unless elaborate precautions are taken. Highly inflammable gases build up in the tanks. This has already caused several explosions at sea. An explosion in a port could be much more serious. There are processes for freeing the tanks of gas, but it accumulates again, at an unpredictable speed, especially in hot weather. The height and bulk of a tanker make it vulnerable to winds. So tanks have to be ballasted, making the ship draw about 60 foot of water. Ideally, the ship should be anchored to the shore, but deep water does not often reach the shoreline and bollards have to be mighty strong.

Once at anchor, the ship's problems are not over. The crew has to be repatriated and given lay-off pay. An auxiliary engine has to be maintained so that the ship can be moved in a crisis—though underwriters prefer to have the ships moored near tugs. When a ship is recommissioned, it has to have its bottom scraped.

Shipowners are understandably reluctant to lay their ships up, if they can avoid doing so. Many tankers today are being used as huge offshore storage tanks for oil, or are simply sailing at half speed.

World Slump Closes 20% Of Oil Fields

(By Thomas O'Toole)

Business is slowing down around the world at such a rapid rate that it has forced the closing of 20 per cent of the world's producing oil fields.

The growing oil surplus is showing up in every nation that produces oil for export, the Persian Gulf countries, Canada, Venezuela, Ecuador, Nigeria, Libya, Algeria and Indonesia. The worldwide surplus is now estimated to be between 8 million and 10 million barrels a day, with most oil experts leaning toward the higher figure.

"We're also seeing a surplus refinery capacity around the world that's between 20 and 30 per cent and the same with tanker capacity," said William Slick, senior vice president of Exxon Corp. "There are so many unused tankers in the world right now that they can be rented for less than cost."

It's all triggered by the rising supply surplus, which a few oil observers (Treasury Secretary William E. Simon, among them) think is as high as 11 million barrels a day. Accept the lower estimate of 10 or even 9 million barrels and there still is a worldwide surplus of about 20 per cent.

The surplus is growing because demand is shrinking. Demand is shrinking because of the worldwide business slowdown and because customers can no longer afford to buy large volumes of oil at the record prices that oil-producing countries have been charging.

There are even signs that the surplus is eating a little into export prices, which right now stand at about $12 a barrel for oil imported into the United States.

The premiums charged for low sulfur oil have largely disappeared. Gone is the 50 cent-a-barrel premium charged by Libya, Algeria, Nigeria and Abu Dhabi for low-sulfur oil. Indonesia has knocked down the price it charges Japan for low-sulfur fuel oil by $1 a barrel, lowering it to $13.

More exporters are extending 90-day credit to oil buyers, for easier than the usual 30-day terms.

Libya and Algeria are understood to be the first countries that offered credit extensions. Nigeria and Iran followed, and one source said that Saudi Arabia has begun to offer 90-day terms.

"We've always figured it saves us 8 cents a barrel every time we can get a 30-day credit extension," said the buyer for a major U S. oil company. "Getting 60-day extensions saves us 16 cents, because we don't have to pay interest at the 30-day rate."

The growing surplus appears to have hit every country producing oil for export. A random sample of oil companies turns up the information that no oil-exporting country has escaped the surplus.

Saudi Arabia's production fell in January to 7.6 million barrels a day, a drop of almost 1 million barrels in two months. Iran was down 10 per cent in the same period. Kuwait dropped its oil output 30 per cent, and the tiny Persian Gulf state of Abu Dhabi cut production 36 per cent.

The oil surplus continues to grow. Libya is believed to have ordered another production cut in February. Kuwait is understood to have reduced output 10 per cent or more, bringing its production rate to less than 60 per cent of what it is able to produce.

Saudi Arabia sets the pace for the rest of the oil exporters, and its production in February is understood to have fallen to 6.5 million barrels a day. Part of the reason was bad weather in the Persian Gulf, preventing tankers from taking the oil away. But the major reason was reduced demand.

"You have to remember that Saudi Arabian capacity rose to 11 million barrels a day in January," said a vice president for one of the five U.S. members of Aramco. "That means the Saudis are producing a little more than half the oil they are capable of pumping out of the ground."

Despite the rising surplus, nobody in the oil business expects a major break in prices in the next six months.

"We just don't see it happening, there are no signs for it happening," Exxon's Bill Slick says. "There is not enough pressure on the oil producers to lower the price."

At $12 a barrel, many exporters can afford to sit on their oil surplus. It still costs no more than 20 cents to produce a barrel of oil in the Persian Gulf, so profits still stream into the Gulf at record or near record rates even if production declines to 60 per cent of capacity.

A warm winter around the world also served to ease demand in many countries, a situation that still will not be a factor this spring and this summer. Storage tanks are full in many parts of the world, another situation that will not stay static.

"Everybody's watching the surplus situation with great interest," said one oil industry observer. "I think it would be fair to say that the surplus is now the most critical factor in the worldwide energy picture for the next six months."

HUD—THE NOMINATION OF CARLA HILLS

Mr. CRANSTON. Mr. President, once again, a national housing policy debate has gotten off on the wrong foot.

Carla A. Hills is a person of great talent, significant accomplishments, and outstanding character.

A recognized expert in Federal procedure and antitrust law, she is currently assistant attorney general in charge of the Justice Department's Civil Division.

She has no experience in the housing field—except to the extent that she supervises the activities of the Civil Division in defending HUD against suits challenging its various activities.

The response to Mrs. Hills' appointment was swift and varied.

On the one hand, the U.S. Conference of Mayors League of Cities, National Association of Homebuilders, and other housing industry groups expressed "shock" at her appointment. They demanded a person with broad experience in housing and related programs.

On the other hand, several women's

groups have voiced support for Mrs. Hills, and the February 16 edition of the New York Times and the Washington Post joined in lauding Mrs. Hills' intelligence and in expressing the view that there was substantial merit in the fact that she was without ties to traditional housing interest groups. I am only one of many Californians—and others elsewhere who strongly support her nomination for like reasons. In California, where Carla Hills is known best, these supporters include leading home builders, bankers, savings and loan executives, local city and county officials, and outstanding civil leaders.

The mayor of Los Angeles, Tom Bradley, who has worked with Mrs. Hills on community projects said of her:

> She has shown a deep concern and understanding of the plight in this nation's urban areas. I am convinced without doubt that she has the necessary abilities, knowledge and commitment to get the job done and in a thoroughly effective and equitable manner. She is a strong-willed administrator who is receptive to new ideas and challenges.

The problem with this entire debate is that it has simply missed the point.

Although it is obvious that HUD, at this critical stage, does not need a Secretary who will echo the OMB's benighted views on housing, or be in the pocket of particular housing industry groups, it seems equally obvious that the testimony opposing Mrs. Hills was an indictment of the administration housing and economic policies over the last several years that have left HUD in chaos and shambles.

Housing starts last year fell to fewer than 1.4 million units, over 40 percent below the 1972 level;

New FHA-insured housing during 1974 fell to 200,000 single family units less than 33 percent of the FHA insured volume for 1971;

The moratorium on 235 single family and 236 rental housing since February, 1973, and the virtual disappearance of public housing have brought housing production to an all time low;

Almost 20 percent of all units built under the 236 program are either in default or their mortgages have been assigned to HUD resulting in numerous foreclosure actions;

Unemployment in the construction industry has reached a record level of 22.6; and

Morale at HUD is at an alltime low, with many top slates unfilled and many of the best people have left.

It is within this context that the appointment of Carla Hills must be assessed.

The critical consideration is whether she can be a forceful and independent Secretary with a clear viewpoint on the necessity for having a strong and coherent national housing policy.

Will she be a prisoner of past philosophies regarding HUD's housing and community development role or does she have enough confidence to strike out on her own? I am confident the answers are, in order: "No" and "Yes."

I believe that consideration of fitness of Carla Hills to be HUD Secretary must focus on whether she is prepared to undertake a major Federal initiative designed to bring the housing industry out of its doldrums. There is no magic in this type of Federal program. All that is required is a commitment to action and genuine and deep concern for the social issues of our times.

Carla Hills has demonstrated superior intellectual ability and concern for difficult social issues confronting us and the people of our country. She has been active, for example, in these fields in addition to the law: the Watts Development Corp., designed to help bring business to the black communities in Los Angeles; the East Los Angeles open door program, designed to open doors of opportunity in the Mexican American Community of Los Angeles, the Los Angeles County Probation Commission, where she demonstrated her great concern about the problems of youth.

I am confident I know that Carla Hills will bring to HUD a new commitment to action when confirmed. It is a commitment backed by deep concern and high ability; a commitment, concern, and ability that she has used to great effect, with great results, in other vital fields.

FREEDOM OF THE PRESS ENDANGERED BY CHANGE IN CANADIAN TAX LAWS

Mr. BROCK. Mr. President, no freedom is more important to Americans than the freedom of the press. Our heritage and our liberty is grounded in, and protected by, an active and intelligent press.

Our neighbor to the North, Canada, also has a long and proud tradition of defending the rights of the press. I have long admired this concern, and share their belief that a free press is an integral part of a free country.

Therefore, I was particularly disheartened to read that a change in policies in Canada would have the effect of eroding true freedom of the press for Canadians.

The actions being suggested by the Canadian Government are not open and obvious. However, the changes in the tax laws would be just as effective as an outright ban or a bonfire.

I would hope the Canadian Government does not become a new book burner, but a recent article in the Wall Street Journal gives me little cause for optimism.

I ask unanimous consent to have printed in the Record an article entitled "Canada to End Tax Benefits for Time, Reader's Digest; Editions Likely To Fold," published in the Wall Street Journal of January 24, 1975.

There being no objection, the article was ordered to be printed in the Record, as follows:

CANADA TO END TAX BENEFITS FOR TIME, READER'S DIGEST; EDITIONS LIKELY TO FOLD

OTTAWA.—After years of vacillating, the Canadian government plans to remove tax measures that allowed the Canadian editions of Time Inc., and Reader's Digest Association Inc. to operate on the same footing as Canadian publications.

As a result, both publications are likely to fold their editions next Jan. 1 when the amendments to the income tax act are to take effect.

Stephen LaRue, president of Time Canada Ltd., said the amendment would, "in effect, preclude Time from continuing operations in Canada" and the action would "be detrimental, rather than supportive," to the Canadian magazine industry.

Reader's Digest Association (Canada) Ltd., Montreal, said withdrawal of the tax status would "severely restrict" its operations and called on the Canadian parliament to reverse the decision. Officials of the parent concerns hasn't any immediate comment.

Speculation grew late last year about whether the magazines would lose their status after Time Canada carried an editorial saying the magazine would close the operation if such were the case. Reader's Digest officials, likewise, indicated their edition would "disappear."

A source within Time, however, said representatives of both magazines have been negotiating intensively with the government in recent months to reach a compromise. The government has said that if the editions became 75% Canadian-owned and if the Canadian content—which in Time's case runs for about eight pages in front of the U.S. edition—is bolstered, the tax rule wouldn't affect the operations.

Time Canada yesterday said its board of directors decided to adopt the ownership requirements contained in the measure, but it didn't mention the news content aspect.

"The government has been talking in terms of 55% or 60% Canadian content," the source said. "The magazine isn't likely to go along with that. And they gave us less than a year to try to work something out, which isn't very long."

The tax situation dates from the mid-1960s when the government passed a law making it undesirable for advertisers here to place ads in non-Canadian newspapers and magazines. Under the law, Canadian companies advertising in Canadian magazines are allowed, in calculating income tax, to deduct the costs of such advertisements at 100%.

The law also barred magazine publishers from setting up satellite printing plants north of the border. Both Time and Reader's Digest were exempted from the act, and many nationalists claim it was the result of strong lobbying by the U.S. State Department.

"If Time Canada and the Digest find a way of circumventing the new law, then the law should be changed again," Peter Newman, editor of the nationalistic monthly magazine "Macleans," said after the announcement.

Mr. Newman has been in the forefront of the nationalist's drive to push Time and Reader's Digest south of the border. Nationalists have frequently condemned U.S. publications in Canada for "cultural imperialism." And according to one source, Mr. Newman has plans to start a Canadian news magazine of his own to filter out "Americanism."

Others within the country, however, resent the magazines' large circulations and the amount of advertising revenue they take in. Time Canada sells 557,000 copies weekly while Canadian Reader's Digest has a monthly circulation of 1.5 million. Between them they account for 48% of the industry's gross advertising revenue in Canada.

After making the government's position known in the House of Commons, J. Hugh Faulkner, the secretary of state for cultural affairs, indicated that the action should strengthen the Canadian magazine field. Much of the estimated $16.2 million in advertising revenue the Canadian editions of Time and Reader's Digest received last year should go to Canadian publications, he said.

This too, however, has been part of a controversy. Many industry people have said that such revenues probably would go to television, rather than magazines.

"The traditional argument is that the money won't naturally go to Canadian magazines if Time Canada and the Digest close," says Doris Anderson, editor of "Chatelaine," a women's magazine published by Maclean-Hunter Ltd., which also publishes "Macleans." "But I disagree. If those two very powerful non-Canadian operations close, it'll open up the field for new Canadian magazines to start."

Otherwise, Mr. Faulkner said the government also intends to recommend that a similar amendment be approved regarding broadcasting. The legislation would allow no deduction against income for advertising time in a non-Canadian broadcasting station for an advertisement directed primarily to a market in Canada.

Many Canadian companies advertise on northern U.S. television stations that are received in Canada.

Pierre Camu, president of the Canadian Association of Broadcasters, said that $20 million spent each year by Canadian companies to advertise on U.S. border stations "will be redistributed in Canada, much of it to Canadian broadcasters," as a result of the government's action.

STATE COMMISSION TELLS UTILITY TO PAY FOR ITS OWN POLITICAL AND "GOOD WILL" ADS

Mr. METCALF. Mr. President, I am pleased to note that the Iowa Commerce Commission has ruled that Iowa utility companies must pay for their own political, institutional, and "good will" advertisements, rather than making the customers pay for them.

The commission action followed an excellent presentation on the advertising issue by eight consumer groups. They were represented by the Honorable Nicholas Johnson, who for years served with distinction as a Federal regulatory commissioner.

I ask unanimous consent to have printed in the RECORD an article published in the January 30 issue of the Des Moines Register, entitled "Utilities Told Stockholders To Pay for 'Good Will' and Political Ads," the press release issued by the Iowa consumer groups last December and Mr. Johnson's presentation. I also ask unanimous consent to have printed in the RECORD an article published in the February 17 issue of Broadcasting magazine entitled "Utility Advertising Under Widening Attack."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, Jan. 30, 1975]

UTILITIES TOLD STOCKHOLDERS TO PAY FOR "GOOD WILL" AND POLITICAL ADS

(By James O'Shea)

The Iowa Commerce Commission Wednesday ruled that Iowa utility companies can charge their customers for advertisements telling how to save energy. but that they must charge their stockholders for political, institutional and "good will" ads.

The commission, which regulates public utilities in Iowa, stopped short of requiring utilities to include in each of their ads this fill-in-the-blank sentence:"------------ per cent of the cost of this ad is included in your utility rates."

That suggestion was backed by the commission's staff, which represents the public in matters before the commission.

FIRST TIME

However, the commission's ruling marks the first time in its history that stockholders will be required to pay for certain types of utility company advertising. Formerly, ad expenses were included in rates that utilities charged Iowans for their services.

The commission's 46-page ruling came after a one-year investigation of utility company ad practices and three public hearings marked by controversy between the companies, consumer groups and the commission's staff.

The investigation was ordered to see if utility companies should restrict advertising to lower their expenses and, thereby, lower monthly gas, electric and phone bills, which have been rising in recent years.

CONSUMER GROUPS

The consumer groups—such as the Citizens United for Responsible Energy (CURE) and the Iowa Student Public Interest Research Group (ISPIRG)—argued that utility company stockholders should pay for all ads and that promotional and good will ads should be barred.

The companies said they needed to advertise to communicate to their customers. They said the commission should continue to decide which ad costs are allowable expenses in rate cases on a case-by-case basis as it had been doing for years.

(Utility companies come before the commission and ask for rates high enough to cover all expenses plus a reasonable profit.)

FIRST POSITION

The staff at first said that utilities should be able to recover expenses for ads that benefited consumers, but that good will or political ads should be paid for from funds normally earmarked for stockholder dividends and other expenses

The staff later changed it's position and favored the fill-in-the-blank sentence approach.

ANNUAL REPORT

The ruling also requires that the commission staff compile an annual report of utility company ad expenses. The report will be distributed to the news media and will include this information on all regulated utility companies in Iowa:

Total advertising expenditures for the previous year.

Amount of advertising expenses per customer (average).

Percent of expenses to be paid by customers.

Percent of expense that is or institutional or good will ads.

Here are the specific categories that the commission's ruling considers expenses to be paid for by stockholders:

Political ads—which seek to influence public opinion on the election or appointment of public officials or the adoption, reply, revocation, or modification of "referendia, legislation or ordinances."

Promotional ads—which promote or retain the use of utility service. This category excludes load-factor ads—ones encouraging customers to use a service during low-usage hours.

Institutional or good will ads—which create, enhance or sustain the utilities' image to the general public.

Rate justification ads—which promote acceptance of utility rates.

Here are the categories that the companies can charge the public through their rates:

Conservation ads—which inform customers of reasons and methods to conserve energy.

Environmental ads—which inform the public of ways to preserve and protect the environment.

Informational ads—which tell customers how to use electric service to protect their health and safety and how to run electrical equipment safely and economically.

Load-Factor ads—which encourage the use of plants and equipment already installed. This provision is designed to increase the revenues from existing plants and equipment, thereby increasing total revenues and decreasing costs to customers.

Franchise ads—In which a utility seeks to retain a franchise.

In its ruling the commission distinguished the promotional ads used by telephone companies from those of the electric and gas utilities.

The commission will allow telephone companies to charge rate payers for ads to convert to a more expensive phone. The theory behind this is that the higher rate will contribute to higher revenues and lower over-all costs to customers.

CONSUMER GROUPS SUPPORT IOWA UTILITY ADVERTISING DISCLOSURE RULE

Eight consumer groups today urged the Iowa Commerce Commission in Des Moines, Iowa, to require public utilities to reveal in their advertising the costs to rate payers of those ads.

Citizens United for Responsible Energy, CWA Local 7102, Iowa Consumers League, Iowa Farmers Union, Iowa Patients Association, United Auto Workers of Iowa and Taxpayers Asking Explanations were represented by Nicholas Johnson, for seven years a controversial regulatory commissioner with the Federal Communications Commission in Washington. Johnson was also appearing on behalf of the organization he now heads, the National Citizens Committee for Broadcasting in Washington.

Often a critic of his own and other regulatory agencies, Johnson praised Chairman Van Nostrand and the Iowa agency for its staff's proposal. "The evil consequences of utilities' advertising have been almost totally ignored by the FCC and the states' regulatory commissions," he said. "Utilities' advertising takes money from pollution control efforts, from research into alternative energy sources, and from needed development. It encourages us to consume more when we ought to be consuming less. It spreads political propaganda. And why a monopoly needs to attract business away from nonexistent competitors has never been clear. For rate payers to have to pay for such multi-million-dollar advertising campaigns in the form of higher utility rates seems almost more than today's beleaguered consumer ought to have to bear."

Few regulatory commissions have attempted to limit utilities' advertising expenses in any way, Johnson said. "The Iowa Commerce Commission proposal (requiring the public disclosure of advertising costs to rate payers) is unique, the kind of regulatory innovation that's deserving of encouragement from the outstanding groups of Iowa citizens that appear before you today."

[Docket No. U-463]

BEFORE THE IOWA STATE COMMERCE COMMISSION

In the Matter of an Investigation Into the Advertising and Promotional Practices of Regulated Iowa Public Utilities

STATEMENT IN SUPPORT OF "PUBLIC DISCLOSURE" RULE

Tens of thousands of Iowans are represented here before you today—farmers, union members, and numerous groups of concerned citizens who pay taxes and utility bills. Those associated with this statement include (alphabetically) Citizens United for Responsible Energy, Communications Workers Local 7102, Iowa Consumers League, Iowa Farmers Union, Iowa Patients Association, National Citizens Committee for Broadcasting, United Auto Workers of Iowa, and Taxpayers Asking Explanations. Responsible spokespersons for each have indicated their support of your proposal and came to me asking that I speak on their behalf. And while I am honored to donate my time to this cause, I should make clear that they necessarily cannot be held responsible for every phrase I may utter during our dialogue this morning—beyond their support of your specific proposal. But how pleased I am to be able to be here on behalf of such a distinguished array of public interest groups, not to attack a regulatory commission, but to support a proposal of your own staff.

We want to commend you, Chairman Van Nostrand, and the Commission, for your imagination and courage in proposing "public disclosure" of utilities' advertising costs—a commendable, constructive, and unique regulation of the advertising and promotional practices of Iowa public utilities.

Public utility advertising has escaped regulation for too long. It has an enormous adverse impact upon the public interest in a number of ways. *Utilities'* advertising takes money from pollution control efforts, from research into alternative energy sources, and from needed development. It encourages us to consume more when we ought to be consuming less. It spreads political propaganda. And why a monopoly needs to attract business away from nonexistent competitors has never been clear. For rate payers to have to pay for such multi-million-dollar advertising campaigns in the form of higher utility rates seems almost more than today's beleaguered consumer ought to have to bear.

Although we believe that the legal authority to act has been very clear, and that action is long overdue, the fact is that few regulatory commissions have acted and that all Iowans can be proud of the national leadership shown by the Iowa Commission's proposal.

We were heartened by this Commission's earlier decisions, showing sensitivity to the inappropriateness of the use of rate payer dollars for advertising. Re *Iowa Power & Light Co.*, Dkt. No. U-325, June 30, 1972; *Re Iowa Public Service Co.*, 96 PUR 3d 1 (1972); *Re Interstate Power Co.*, 97 PUR 3d 6 (1972); *Re North Central Public Serv. Co.*, 99 PUR 3d 432 (1973). And although we would have preferred tougher standards than "public disclosure," we recognize the Commission's option to engage in creative compromise and support the Commission's proposal.

Few, if any, constructive alternatives have been forthcoming from the corporate interests opposing this rulemaking. "No regulation at all" seems to be their cry—and that (whether by declaration or delay) is a path which we, and we trust the Commission, find wholly unacceptable and irresponsible as a matter of public policy.

One of the greatest threats to regulatory action—as you and I know well from personal experience—is the pressure of industry to delay, and drag out rulemaking proceedings into lengthy indecision. Another favorite trick is to come up with proposals so complicated that the press and public cannot understand them, and the Commission cannot administer them. You have creatively avoided both problems—so far. Your rulemaking proceeding can be promptly resolved and the rule issued. Once issued it will be extremely simply to administer—almost self-enforcing. But the utilities' efforts to derail your steady progress have already begun with their avalanche of irrelevant charges and defenses.

We are somewhat impatient at the need to explain the clear basis for the Commission's authority to act. The imaginative corporate complaints about the Commission's authority and alleged violations of the Constitution, however, require brief comment.

Advertising has long been regulated in a number of ways. The Supreme Court has repeatedly made clear the distinctions between commercial and other speech for purposes of regulation and First Amendment protections. See, *e.g.*, *Pittsburgh Press Co. v. Pittsburgh Commission on Human Relations*, 413 U.S. 376 (1973).

The Federal Trade Commission regulates false and misleading advertising. 15 U.S.C. § 45, 52 (1970). It has occasionally used as a sanction an order requiring companies to advertise facts they would rather have suppressed. See, *e.g.*, *J. D. Williams Co.*, Dkt. No. C-2266 (Aug. 3, 1972), and *Bristol-Myers Co.*, Dkt. No. 3287 (April 19, 1972). The Food and Drug Administration provides standards for labeling and the advertising of food and drugs. 15 U.S.C. § 1451-61 (1970); 21 U.S.C. § 331 (1970). Similar statutes exist in some 44 states. The Securities and Exchange Commission not only prohibits some advertising for securities, but also provides for affirmative disclosures in promotional material. 15 U.S.C. § 77e(b) (1), 77j (1970). The Federal Communications Commission, and the Post Office, restrict the quantity of advertising in broadcast or print (second class mailing privilege) media. The FCC requires disclosure of sponsors—especially for political spots. The advertising of some products is banned altogether: cigarettes (by act of Congress), hard liquor (by Senate-FCC agreement), some personal products (by broadcast industry self-regulation). (And see the FTC's "Statement of Basis and Purpose of TRR 408, Unfair or Deceptive Advertising and Labeling of Cigarettes in Relation to Health Hazard of Smoking," 20 Fed. Reg. 8355 (1964).) The Highway Beautification Act, 23 U.S.C. § 131 (1970), and the elaborate implementing regulations, 37 Fed. Reg. 7969 (1972), significantly restrict billboard advertising. The 1968 Civil Rights Act, 42 U.S.C. § 3604 (1970), regulates racial discrimination in advertising. And the power of advertising has been recognized by the Supreme Court as an element of antitrust violations. *Federal Trade Commission* v. *Proctor and Gamble Co.*, 386 U.S. 568 (1967) (the "Clorox Case").

The point of this random sampling of examples is merely that all aspects of advertising have long been subject to a variety of regulation by regulatory commissions of various kinds. There is nothing new or novel in the idea. There is plenty of authority for it—in law, economics, politics, social policy, tradition, and common sense.

In fact, a number of federal and state utility regulatory commissions have even made a stab at advertising regulation, though none in as imaginative a fashion as the ICC proposal. See *Alabama Power Co.*, 24 FPC 278, 34 PUR 3d 385 (1960), aff'd *sub nom. Southwestern Electric Power Co. v. FPC*, 304 F. 2d 29 (5th Cir. 1962), cert. denied 271 U.S. 924 (1962); *Pacific Power & Light Co.*, 34 PUR 3d 36 (Ore. PUC 1960); Kan. *Re Kansas Gas & E. Co.*, 95 PUR 3d 247 (1972); N.Y. *Re Iroquis Gas Corp.*, 91 PUR 3d 511 (1971); N.C. *Re Duke Power Co.*, 88 PUR 3d 511 (1971); N.C. *Re Carolina Power & Light Co.*, 88 PUR 3d 382 (1971); N.D. *Re Otter Tail Power Co.*, 87 PUR 3d 204 (1970); R.I. *Re Narragansett Electric Co.*, 93 PUR 3d 417 (1972); W. Va. Re *Columbia Gas of West Virginia*, Case No. 7300, Jan. 14, 1972; Mont. Re *Montana Power Co.*, 96 PUR 3d 265 (1972); Okla. *Re Promotional Practices of Pub. Utilities & Co-ops Utility Assoc.*, 97 PUR 3d 1 (1972); Wisc. *Re Wisc. Gas Co.*, 99 PUR 3d 160 (1973).

Traditionally, it has been quite unusual for a "regulatory commission," in fact, to do any regulating. And, thus, while "regulated utilities" may fairly express surprise when it happens, and search for political remedies, it ill behooves them to argue that their legal rights have somehow been infringed.

The Iowa State Commerce Commission is legally obliged to review the expenses of the utilities it regulates and see to it that consumers are not charged for business expenses which it finds are unwarranted. Regulated utilities are guaranteed a handsome, secure rate of return in exchange for being regulated in the public interest. If investors like the safe return but don't like the regulation, their alternative is to join the free private enterprise system with an investment in an unregulated risky venture—not to deregulate the monopolistic utilities.

The Commission is required by law to make a judgment about the appropriateness of advertising expenses in the same way it must make a judgment about cash bonuses, private airplanes, and hunting lodges for public utility executives. And the fact that relatively few regulatory commissions have seen fit to execute their responsibility to truly represent the public's interest in this respect scarcely renders illegal through novelty a commendable experiment with "law and order."

Many of the corporate arguments opposing the rule are so clearly frivolous as to be unworthy of analysis—although the Commission's staff reply has done them that courtesy.

However, one does deserve comment. It is suggested that to tell the rate payer the truth (that he or she is paying for being sold) would destroy the effectiveness of the commercial, and be analogous to the Surgeon General's warning in cigarette advertising ("cigarette smoking is hazardous to your health"). We will put aside the fact that some public utilities' practices are equally hazardous to your health, and thereby warrant similar warnings. We rather state simply that if the truth will destroy the effectiveness of a utility's ad perhaps it ought to be destroyed.

In fact, however, that has not been the case in the instance cited: cigarette advertising. Since the ban on cigarette TV advertising, and the Surgeon General's warning in cigarette print advertising, cigarette sales have gone up, not down. If a company can be required to tell you the product it wishes you to purchase will, if used, contribute to your death—and thereby increase its sales—it is hard to see how the requirement that it tell you who is paying for the ad will hurt business very much.

It is for these reasons that we would have preferred as a rule banning utility advertising at rate payer expense.

1. An outright ban is the easiest for the companies and the Commission to administer. The companies can advertise all they like. The Commission merely excludes all advertising costs from "just and reasonable" expenses.

2. It makes most economic sense. Advertising should—and generally does—pay its own way. In a competitive business an executive must decide whether the possibility of additional profits from advertising will justify the loss of the in-hand profits spent on it. A public utility executive has no costs associated with advertising if it's all to be passed through to the rate payer. If he or she had to pay for it out of shareholder dividends, or executive compensation, on the *risk* it would generate a return, the business judgment to advertise or not would be economically sounder.

3. It is most consistent with the First Amendment principles the utilities before you profess to be concerned about. A consumer has the option not to buy an advertised product if he or she chooses not to—and many do. (Unadvertised products may be cheaper. The advertising may be offensive. Political message ads may express alien points of view.) That is, a consumer generally has the choice *not* to pay for the speech of someone else. This is not true for the user of public utility services which—generally by definition—are *not* competitive, and do not offer the rate payer a choice. To require the rate payer to pay for a public utility's advertising is to abridge the First Amendment rights of the rate payer. To require the shareholders and executives to pay for advertising in no sense abridges their First Amendment rights.

4. It is most consistent with the nature of the business. Even before the now-recognized twins of pollution and exhaustion of resources came to our consciousness, it was not in the public interest to generate greater use of public utilities. For the telephone

company to encourage calling, for example, merely required—if successful—the costly construction of more plants, an increase in the size of the rate base on which rate payers must pay the company a "rate of return," and ultimately higher rates for consumers.

For the telephone company to continue to encourage greater usage at the time, and in those places, where the equipment was inadequate to handle even the current demands was simply idiotic. All thoughtful Americans clearly recognize today not only the absence of affirmative benefit from utility advertising, but the presence of serious negative impact. We need to fuel our electric generating plants with less coal, oil, and natural gas—not more. That means we must devise ways to use less electricity. And if those ways are to be advertised, it seems inherently unfair, inappropriate and unrealistic to expect the electric utility to write effective copy. It's like asking the liquor lobby to promote abstinence. If the encouragement of "off-peak" usage by consumers (or other conservation practices) are thought desirable, the costs of public education should either be paid for (1) out of utility profits (because it promotes profits), or (2) by public agencies, if the educational program is of sufficient social consequence to warrant and utilities' profits are unaffected.

5. Political advertising is something else again. There is no justification for requiring rate payers to pay for this. Public utilities want us to think well of public utilities. They want us to support (or at least not oppose so vigorously) their rate hikes. They want us to look with suspicion on publicly-owned enterprise that performs the same function better and cheaper. They want us to think of them as "good neighbors," benevolent nice guys—not as inefficient, polluting, insensitive, rate-gouging, energy-guzzling, monopolists. This is all understandable enough. Everybody likes to be liked.

But these are political issues on which rate payers need to inform themselves from independent sources of information and opinion. Perhaps utilities should be required to pay more taxes or create less pollution. Perhaps nuclear power plants should be barred. Employment practices may need upgrading. Maybe public ownership of monopoly services in Iowa would make sense. A number of Iowa's cities have public or cooperative ownership of some of their basic services The fact that public utilities advertise so heavily in newspapers and on radio and TV makes it unlikely that the people of Iowa will ever be presented with regular and thorough discussions of these issues through the mass media. If, in addition to that nearly-determinative form of silent censorship, the utilities are permitted to use rate payers' dollars to advertise their own political philosophy on these issues, the hope for meaningful democratic dialogue very nearly vanishes entirely

One of the utility rate payer's best friends in the U.S. Senate is Senator Lee Metcalf of Montana. He has fought a relentless battle against entrenched utility interests, and has felt their wrath. He has often spoken of the propaganda threat they pose.

"Advertising and public relations are, after all, the means by which utilities keep the public uninformed and the press docile. Advertisements and other public relations devices are now being used to delude the public regarding protection of consumers and the environment, industry regulation and taxation. [These] . . . are subjects far too important to be taught by the utilities themselves, through their deceptive advertising and public relations programs. At the least, regulatory commissions should disallow advertising as a utility operating expense, borne by the customers." *Cong. Rec.*, March 31, 1970.

Senator Metcalf knows well the pressures you Commissioners will face on this issue.

The National Citizens Committee for Broadcasting is interested in this proposal for a number of reasons. (1) Commercials constitute as much as a third or more of the "programming" on some stations. Anyone concerned with the impact of broadcasting upon the children and adults of America simply must give attention to commercials. (2) Public disclosure makes for more intelligent consumers and citizens. We support the FCC's sponsor identification rule. We believe the trend toward more openness elsewhere—the Freedom of Information Act's access to government documents, the station's public files, even such things as unit pricing and disclosure of interest rates—are healthy. Your proposal is a part of this constructive trend. (3) Access to radio and television is almost exclusively limited to the rich and powerful institutions and establishment figures in this country. We do not want to exclude them from television, we just don't want them to exclude all the rest of us. Your proposal is a modest step towards greater public awareness of this gross imbalance. (4) All across the United States, increasing numbers of organizations and foundations are coming to see the relationship between their own goals (whether women's rights, environmental preservation, civil rights, education, interests of working men and women, or whatever) and the way in which the media handles (or more often ignores) those interests.

Few persons are interested in media reform in a vacuum. Most are—quite properly—interested in what media reform will do for them. The groups before you today are illustrative—they seek lower utility rates and more responsible energy policies. They recognize your proposal as a constructive element of media reform to that end. The NCCB—predominantly a service organization to other organizations—neither needs to, nor does, take a stand on the appropriate level of utility rates in Iowa (or comparable substantive issues). The NCCB is involved in this case because legitimate, good faith citizens groups are endeavoring to obtain fairer balance in the media's handling of issues of concern to them.

The problem of imbalance in utility advertising is so severe that perhaps the Commission may wish to consider special relief. Recently, Mobil Oil—for whatever corporate motives—offered to buy time on network television to present the views of its *opponents* on issues of the environment, exhaustion of energy, oil prices, and so forth. It did this in an effort to get time on network television for its own views. But the fact remains that it recognized the need to present a balanced view. The networks—out of drives for corporate greed and ideological control going beyond the reach of even the utilities currently before this Commission—refused to take the money.

Such a proposal—coming as it does from one of America's largest and most profit-conscious corporations—can scarcely be characterized as radical. If it's good enough for Mobil—as a self-imposed, profit-making suggestion—perhaps it's good enough for Iowa's public utilities as a regulatory standard.

Accordingly, we urge the Commission to promulgate a rule requiring utilities, when they do choose to advertise, to buy equal time or space for non-profit groups (not for competing enterprises) to use to present contrary points of view. This requirement could be limited to "political advertising" if the Commission thinks wise. The selection of those groups could be made by the media involved, on a representative, random, rotating, nondiscriminatory basis from among applicants. Such a rule would be a constructive step forward in recognizing the imbalance that now pertains in the mass media in discussing environmental, energy, and public utility issues.

We do believe that the Commission has acted in good faith in proposing the "public disclosure" rule, however, and would urge that at least that rule be adopted as a modest, constructive step forward at this time.

There is only one amendment which we would urge upon the Commission. The rule as proposed requires only reference to the *percentage* of the cost of the ad paid for by the rate payers. We believe that, when and where possible, the dollar amount of the cost of producing and distributing the ad should also be included. For example, "All of the $75,000 production cost of this 30-second spot is paid for by the rate payers," or "75% of this $2 million advertising campaign is paid for by rate payers," or "$3,000 of the $4,00 cost of this full-page ad is paid for by rate payers," strikes us as more in keeping with the expressed intent and spirit of the Commission's rule that a mere reference to the percentage.

We thank the Commission for the opportunity to appear before you today and share with you our views on your commendable proposal. We will welcome its prompt adoption.

Respectfully submitted,

Citizens United for Responsible Energy, 500 East 6th Avenue, Des Moines, Iowa 50309.

CWA Local 7102, 1233 6th Avenue, Des Moines, Iowa 50314.

Iowa Consumers League, Post Office Box 189, Corydan, Iowa 50060.

Iowa Farmers Union, 6538 University Avenue, Des Moines, Iowa 50311.

Iowa Patients Association, Post Office Box 1073, Des Moines, Iowa 50311.

National Citizens Committee for Broadcasting, 1346 Connecticut Avenue, N.W., Suite 525, Washington, D.C. 20036.

United Auto Workers of Iowa, 1015 Bankers Trust, Des Moines, Iowa 50304.

Taxpayers Asking Explanations, 810 Dows Building, Cedar Rapids, Iowa 52401.

NICHOLAS JOHNSON,
Of Counsel.

Dated: December 18, 1974.

STATEMENT IN LIEU OF CERTIFICATE OF SERVICE

In view of the informal nature of this proceeding, and the large number of actual and potential parties, we request the Commission enter this statement in the public record of this docket, and otherwise make it available to all interested parties.

NICHOLAS JOHNSON.

Dated: December 18, 1974.

[From Broadcasting, Feb. 17, 1975]

UTILITY ADVERTISING UNDER WIDENING ATTACK: STATE COMMISSIONS QUESTION PROMOTIONAL CAMPAIGNS AND SAY THEY ADD TO RATE INFLATION

Utility commissions in a number of states are trying to force cutbacks in utility advertising. The latest incident is reported in South Carolina where the Public Service Commission is pressuring utilities to cease all advertising except messages confined to energy conservation. South Carolina broadcasters have held a meeting to discuss ways of countering the prospective loss of significant billings.

Similar situations have arisen in other states, Oklahoma and Iowa, to name two, as far back as two years ago, but the pressures have lately been intensified as inflation has forced increases in utility rates. The regulators question the need of advertising to promote services that have no competition and assert that advertising costs are passed along to consumers as part of the higher rates.

Sensing an emergence of public opinion against utility advertising, the South Carolina broadcasters are treading lightly in their efforts to protect utility budgets. Douglas Smith of WFBC–TV Greenville, president of the South Carolina Broadcasters Association, said that for now he plans to meet informally with some of the members of commission and is appointing a committee to study the matter.

The Oklahoma Broadcasters Association, on the other hand, has already carried its fight for retaining utility advertising to the state supreme court. The Oklahoma Corporation Commission, that state's utility regulator, ruled in December 1973 that utilities may no longer indulge in promotional advertising, but may only buy time or space to pass on information such as ways to conserve energy. The OBA suit, separate from others filed by utilities and newspapers in the state, appeals for a reversal of the corporation commission's ruling on the grounds that it abridges the utilities' First Amendment freedom of speech. The suit is pending before the supreme court.

The Iowa Commerce Commission made its pronouncement just two weeks ago, it was reported, ruling that utilities may only charge to their consumers advertising of an informational or conservational type. Promotional ads or ads aimed at "image enhancement" by utilities in that state must be charged to the utilities' stockholders.

The Public Service Commission in Arkansas staged hearings in 1973 to determine whether all utility advertising should be cut off. The commission's feeling then, it was reported, was that utilities should not be spending money to promote their service in a time of shortage. But the commission and its allies apparently reached a stalemate with the forces opposing the proposed move, including the Arkansas Broadcasters Association, and the matter has gone no further since the hearings.

Regardless of whether an enforced ban on promotional advertising by utilities is an accomplished fact in Oklahoma, Iowa, and Arkansas, broadcasters in all three states report that most utilities are already complying with their regulatory commissions and are confining their ads to consumer tips.

RIGHTS AND RESPONSIBILITIES OF THE PRESS

Mr. HUGH SCOTT. Mr. President, a recent speech on the rights and responsibilities of the press by one of our former colleagues, J. W. Fulbright, deserves the attention of the Members of the Senate. I ask unanimous consent that this speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech by Senator J. W. Fulbright at the National Press Club in Washington, D.C. on December 18, 1974

I appreciate the Press Club inviting me to this luncheon in this last week of my 32 years in the Congress, and the week before Christmas.

What an appropriate time for us to be charitable to one another, just for the day—I do not mean that quite the way it may sound, for the Press on the whole has been quite fair and considerate of me during these thirty-two years.

Mr. Prina, in his letter inviting me to this luncheon, suggested that I reminisce a bit over my "remarkable" career in the Congress. The words are his. The most remarkable thing to me is that I survived these 32 years! I have been both astonished and grateful to the electorate of Arkansas for giving me the opportunity for so many interesting experiences; experiences quite unlike those of any other activity with which I am acquainted.

One of the most pleasant experiences of this period was my friendship with Walter Lippmann. Shortly after Betty and I came to Washington in 1943, we met the Lippmanns and saw them frequently until they moved to New York in 1967.

Walter Lippmann was, as so many have attested during the past few days, the most perceptive and most lucid observer of the affairs of this world during this century. His books and his columns did so very much to inform, to educate, and may add to civilize public opinion in our country. It was a great privilege and a pleasure to know so well such a fine human being—and, of course, I would not have known him but for my position in the Congress.

Eric Sevareid in last Sunday's Post wrote an excellent tribute to Lippmann under the title, "Truth Was His Love".

I expect that there are few people in this room or in the Congress who do not feel that they also are seekers of or expositors of the truth. In addition to this shared interest in seeking the truth, the press is such an important factor in the life of all public officials, especially members of Congress, that it seems appropriate to me to reminisce about the press for these few minutes at our disposal.

In recent years—the Vietnam and Watergate years—the American press has demonstrated its commitment to the Biblical injunction that "the Truth shall make you free."

The unrestrained enthusiasm of the pursuit of this commitment by some segments of the press has raised some doubts in my mind about the validity of the proposition.

A number of crucial distinctions may be swept aside by an indiscriminate commitment to the truth—the distinction, for instance, between factual and philosophical truth, or between truth in the sense of factual disclosure and truth in the sense of insight. The latter, in my opinion, are higher forms of truth, more meaningful and also useful to society, even though a general truth can seldom be stated without qualifications or exceptions.

There are also certain fictions—or "myths"—which experience has shown to be useful to mankind, and because they are useful, we pretend to believe them, giving them hereby a kind of metaphorical truth. One of these is the fiction that "the King can do no wrong". He can, of course—and he does, and everybody knows it. But in the course of many centuries of Anglo-Saxon constitutional evolution, it became apparent that it was useful to the cohesion and morale of society to attribute certain civic virtues to the chief-of-state, even when he patently lacked them. Properly understood, respect and confidence in the chief-of-state are not a literal fact but a metaphorical one, expressing the society's respect for and confidence in itself and in its institutions.

The "myth" is more easily utilized in a constitutional monarchy than in our presidential republic, in which ceremonial and political powers are vested in the same individual. It can be done, however, and until fairly recently we have done it, according certain honors to the President as chief-of-state while holding him to political account in his role as head-of-government. We managed, at one and the same time, to tell ourselves that our ceremonial President was regally clad, while the political President might be naked as a jaybird.

It took a certain dexterity to sustain the fiction, but more important, it rested on a kind of social contract—an implicit agreement among Congress, the press and the people that some matters are better left undiscussed, not so as to suppress information, but in recognition, as a French writer put it, that "There are truths which can kill a nation". What he meant, I believe, was that there are gradations of truth in a society, and that there are some which are more significant than others and which may also be destructive. The self-confidence and cohesion of a society may be a fact, but it can be diluted or destroyed by other facts such as the corruption or criminality of the society's leaders. Something like that may have been what Voltaire had in mind when he wrote that "There are truths which are not for all men, nor for all times". Or as Mark Twain put it, even more cogently, "Truth is the most valuable thing we have. Let us economize it."

In the last decade—this Vietnam and Watergate decade—we have lost our ability to "economize" the truth. That Puritan self-righteousness which is never far below the surface of American life has broken through the frail barriers of civility and restraint, and the press has been in the vanguard of the new aggressiveness. I am not—let me state with all possible emphasis—advocating silence or suppression of criticism. I have not been particularly backward in that department myself, and I have no regrets for my maverick ways. What I do deplore—and that, too, with all possible emphasis—is the shifting of the attack from policies to personalities, from matters of tangible consequence to the nation as a whole to matters of personal morality of uncertain relevance to the national interest.

We used, it seems to me, to make this distinction, while also perpetuating the useful myth that "the king can do no wrong". One means we used was blaming someone else—in a ceremonial way. When I first publicly criticized the Johnson Administration, for example, over the Dominican intervention in 1965, I was at some pains to attribute the errors of judgment involved to the "President's advisers" and not to the President himself—although I can disclose to you today that I was not wholly free of doubts about the judgment of the top man. Our focus was different in those days: it was sometimes evident in hearings before the Foreign Relations Committee on Vietnam and other matters that facts were being withheld or misrepresented, but our concern was with the events and policies involved rather than with the individual officials who chose—or more often were sent—to misrepresent the Administration's position. Our concern was with correcting mistakes rather than punishing those who made them.

It is always a matter of relative emphasis, I admit. But since Watergate—and here my criticism is directed particularly to the press—the balance has shifted decisively. The media have acquired an undue preoccupation with the apprehension of wrongdoers, a fascination with the singer to the neglect of the song. The result is not only an excess of emphasis on personalities but short shrift for significant policy questions. I am not convinced, for example, that Watergate was as significant for the national interest as Mr. Nixon's extraordinary innovations in foreign policy. The Nixon detente policy was by no means neglected, but it certainly took second place in the news to Watergate.

To take a matter close to my own domain, I was deeply disappointed by the media's neglect of the extensive hearings held by the Foreign Relations Committee earlier this year on the various aspects of detente—not, I assure you, because I hunger for personal publicity at this late date, but because the issues involved in detente are absolutely central to our foreign policy and even to our national survival. At the same time that the media were ignoring the detente hearings, they gave unlimited, to the point of tedium, coverage to the resignation and all related subjects.

One circumstance which probably contributed to this distortion of the more traditional balance of the press was the existence of the tapes, an unprecedented and dramatic kind of evidence of personal delinquency in high places. The tapes really did undress the King.

With the assistance of the tapes, the press has exposed the wrongdoers most effectively, but I believe at the same time you have neglected your higher responsibility of public education. With an exception or two such as the National Public Radio, the media convey only fragments of those public proceedings which are designed to inform the general public. A superstar can always command the attention of the press, even with a banality. An obscure professor can scarcely hope to, even with a striking idea, a new insight, or a lucid simplification of a complex issue. A bombastic accusation, a groundless prediction, or best of all a "leak", will usually gain a Senator his heart's content of publicity; a reasoned discourse, more often than not, is destined for entombment in the Congressional Record. A member of the Foreign Relations Committee staff suggested recently that the Committee had made a mistake in holding the detente hearings in public; if we had held them in closed session, he observed, and leaked the transcripts, the press would have covered them generously.

The heart of the matter is a surge of moral extremism in our attitude toward politics and political leaders. The genesis, I have no doubt, was Vietnam, followed by Watergate, both of which inevitably undercut confidence in our national leadership. Moral indignation, however, even justified moral indignation, has a tendency to become vindictive and self-righteous. Mistakes of judgment come to be perceived as premeditated malevolence, and an interest in correcting mistakes gives way to an obsession with punishing the malefactors, with giving them their just desserts.

My own view is that no one should get everything he deserves—the world would become a charnel house. Looking back on the Vietnam war, it never occurred to me that President Johnson was guilty of anything worse than bad judgment. He deceived the Congress, and he deceived me personally, over the Gulf of Tonkin episode in 1964 and his purposes in the election of '64. I resented that, and I am glad the deceit was exposed, but I never wished to carry the matter beyond exposure. I never had the slightest sympathy with those who called President Johnson and his advisers "war criminals".

We should stop conducting our affairs like a morality play. Lying and dirty tricks are intolerable not because of what they do to the trickster's soul but because they disrupt our society and its institutions. Because they do, it is essential that they be deterred, but this can usually be accomplished by exposure, embarrassment and censure; it does not require hunting down the malefactors to their utter ruin. An intolerance of lying can and should be reconciled with a degree of tolerance for liars—considering that few of us get through an ordinary day without trimming the truth once or twice.

In a democracy we ought to try to think of our public servants not as objects of adulation or of revilement, but as servants in the literal sense, to be lauded or censured, retained or dispensed with, according to the competence with which they do the job they were hired to do. Bitter disillusionment with our leaders is the other side of the coin of worshipping them. If we did not expect our leaders to be demi-gods, we would not be nearly as shocked by their failures and transgressions.

The media have a special responsibility for the restoration of civility in these matters, not only because they have contributed to the incivility, but also because there is no one to correct journalistic excesses except the members of the profession themselves. The media have become a fourth branch of government in every respect except for their immunity from checks and balances. This is as it should be—I can conceive of no restraints on the press which would not be worse than the excesses to which I have referred. But because you cannot and should not be restrained from outside, you have a special responsibility to restrain yourselves.

After a long era of divisiveness and acrimony we are in need of a reaffirmation of the social contract among people, government and the media The essence of that contract is a measure of voluntary restraint, an implicit agreement among the major groups and interests in our society that none will apply their powers to the fullest. For all the ingeniousness of our system of checks and balances, our ultimate protection against tyranny is the fact that we are a people who have not wished to tyrannize one another. "The republican form of government," wrote Herbert Spencer in 1891, "is the highest form of government; but because of this it requires the highest type of human nature—a type nowhere at present existing." We have shown in times of adversity in the past that we are capable of this "highest type of human nature." Let us call it into existence once again—we have never needed it more.

PROBING THE STRUCTURE OF THE AMERICAN ECONOMY

Mr. METCALF. Mr. President, the AFL–CIO Executive Council has called on the Congress to undertake a comprehensive investigation of the structure of the U.S. economy.

Noting that conglomerate corporations continue to concentrate economic power in this country while acquiring more and more economic power in other countries, a statement by the executive council goes on to point out that:

> Unfortunately, there is little detailed information on the structure, ownership, management, policies and operation of America's giant business and financial institutions and their interlocking relationships.

The executive council says that the new quarterly line-of-business reports required by the Federal Trade Commission are a step in the right direction, as are the model corporate disclosure regulations proposed by the Interagency Steering Committee on Uniform Corporate Reporting, which resulted from hearings held by my Budgeting, Management, and Expenditures Subcommittee.

I ask unanimous consent that the council's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE NEED FOR A COMPREHENSIVE EXAMINATION OF THE STRUCTURE OF THE AMERICAN ECONOMY

Comprehensive information on the structure of the American economy is woefully lacking. The massive studies and reports of the New Deal era are far out of date.

The 500 biggest U.S. corporations now hold more than two-thirds of all business income. The top 111 manufacturing corporations hold more than half of all assets and get more than half of all profits in manufacturing. The 50 biggest banks control more than half of all bank assets and hold leverage control stock in more than 5,200 companies.

Although the record flood of mergers in the late 1960's and early 1970's has slowed down, conglomerate mergers in manufacturing, mining and services—accompanied by increasing concentration of banking, with interlocking business connections—are continuing to produce increased concentration of economic power.

Big multi-product, multi-national conglomerate corporations have spread their power globally, through mushrooming investments in subsidiaries and joint ventures in foreign countries and through aggressive merger-and-acquisition campaigns at home. They export jobs of American workers, as well as capital and technology developed in the United States, at the expense of the American taxpayer. U.S. corporate expansion overseas, often in the newest technological industries, blunts domestic economic expansion and reduces job opportunities at home. This process is eroding the nation's industrial base and accompanying plant shutdowns are undermining the economic strength of numerous communities throughout the country.

Excessive concentration in such basic industries as food and energy results in high prices that drain billions of dollars away from the buying power of American families.

Unfortunately, there is little detailed information on the structure, ownership, management, policies and operation of America's giant business and financial institutions and their interlocking relationships. These economic giants far too often can avoid effective public regulation because the U.S. Congress, government regulatory agencies and the general public—including representatives of consumers and workers—simply cannot get adequate detailed information.

Much more adequate public disclosure of basic economic information must be forthcoming. The quarterly line-of-business reports now required of major corporations by the Federal Trade Commission are only a small step in the right direction. Also aimed in the right direction are the model corporate disclosure regulations proposed by a federal interagency committee and supported by Senator Lee Metcalf of Montana to get detailed information on corporate structure, voting stock ownership, interlocking corporate directorships and many other aspects of the structure and operations of big corporations.

The AFL–CIO calls on the Congress to undertake a full-scale, comprehensive investigations of the structure of the U.S. economy, the role of mergers and acquisitions at home and abroad in increasing economic concentration, the interlocking relationships among the giant corporations and banks, their control of key parts of the U.S. economy, their effects on prices, income distribution, America's position in the world economy, and the impact of these tremendous aggregations of economic power on democratic institutions.

IN DEFENSE OF BUSINESS

Mr. BROCK. Mr. President, a recent editorial in the Los Angeles Times brings clearly to mind the true strength of our Nation and our Government—our people and their ability to produce. I fear we sometimes forget this fact. This excellent Times editorial makes the point vividly and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IN DEFENSE OF BUSINESS

In groping for solutions to the economic crisis now besetting the United States and the world, some Americans seem determined to punish business at the very moment when business needs all the encouragement it can get.

There is a group at large in the political arena that equates profits with sin, free enterprise with evil, industry with exploitation. They conveniently forget that a profitable private sector benefits not only the Chamber of Commerce and the National Assn. of Manufacturers but every single citizen.

It is in the interest of all, not just of a privileged few, to strengthen business, encourage its productivity, enhance its global competitiveness. For the fruit of success is more jobs, more earning power, more social viability for the entire population.

This is not to overlook inequities in the system, and the cruel fact that many Americans are excluded from the benefits of the American system. But it is to caution those who would turn in the American economy on a new model: Thus far in history, no other system has worked so well for so many.

The private sector requires help from government if it is to achieve its potential. It requires the cooperation of government. A federal budget out of control can drain money markets of the capital that businesses need for modernization and growth. The tax system must be structured as an incentive to productive growth, to enterprises generating employment.

Business is healthiest, it seems to us, when government strikes a delicate balance. That balance is somewhere between *laissez faire*, which is unacceptable because it risks that the greed of a few will violate the interests of the majority, and, at the other extreme, excessive control, which is unacceptable because it can reduce the most far-sighted and enlightened business executive to frustration and feebleness.

The maintenance of this balance will not be easy in the months ahead as increasing tension develops between a Republican President and a Democratic-controlled Congress. Already, the rhetoric is disturbing, with some in the Administration talking as if they favor a rollback in social benefits to 1932 and some on Capitol Hill sounding as if the path to millennium lies over the dead bodies of profit-making enterprises.

The recovery of the economy will surely be retarded unless there is a new vision, in both the White House and Congress, of the optimum belance to assure at once a vigorous private sector and the economic security of each citizen. One does not rule out the other.

CATTLE INDUSTRY EMERGENCY

Mr. ABOUREZK. Mr. President, I have pointed out many times in recent months that America's livestock industry is in very serious trouble and that a crisis of great proportions now exists.

If the American consumer is to have a steady supply of meat and other livestock products, then it is the obligation of the Congress to take quick action to help out the livestock producers of this Nation who are now facing bankruptcy.

I think it is strong testmony to the seriousness of a problem when a bipartisan group of lawmakers takes a unanimous position on a particular issue. This happened recently in my home State of South Dakota when a Democratic senate and a Republican house of representatives passed a strong concurrent resolution asking the Congress of the United States to take decisive action to aid our food producers.

Mr. President, I ask unanimous consent that this historic concurrent resolution from the South Dakota Legislature be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

CONCURRENT RESOLUTION NO. 506

A concurrent resolution, memorializing the Congress of the United States to enact legislation to relieve emergency circumstances currently affecting the cattle industry

Be it resolved by the House of Representatives of the State of South Dakota, the Senate concurring therein:

Whereas, South Dakota cattlemen are presently experiencing record financial losses due to declining market prices for cattle, at the same time as they are confronted with greatly increased operating costs; and

Whereas, a severe January blizzard coupled with recent drought conditions further compounded these losses; and

Whereas, record-high interest rates are impeding cattlemen's efforts to put the industry back on its feet;

Now, therefore, be it resolved, by the House of Representatives of the fiftieth Legislature of the State of South Dakota, the Senate concurring therein, that the Congress enact legislation prohibiting the importation of beef and dairy products during the present crisis; and

Be it further resolved, that the Congress enact legislation to encourage the consumption of beef products during the present economic recession both domestically through relief programs and abroad through the purchase and distribution of livestock and red meat as a component of this nation's foreign aid program; and

Be it further resolved, that the Congress enact legislation to provide long-term low-interest loans to cattlemen trying to restore the cattle industry; and

OUR HISTORIC BARNS

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that an article in the New Castle News detailing my bill to preserve historic barns as part of the Nation's Bicentennial be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN OLD BUILDING GETS A NEW LOOK—ALDUK BACKS SENATOR'S HISTORIC BARN PLAN

(By Don Bodnar)

Neshannock Township supervisor Frank P. Alduk is supporting a proposal by U.S. Sen. Hugh Scott, R-Pa., to preserve historic barns as part of the nation's Bicentennial.

In fact, Alduk has gone a step further.

He recently restored a barn near New Castle Co. Inc., of which he is president. He bought the barn from William L. Reynolds of Shenango Township, a Lawrence County Farm Show director interested in antiques and antique displays.

Alduk, at the request of Senator Scott's office, is providing support, in part, by sending a photograph of the restored barn and other information.

Terming the many old barns scattered through the Pennsylvania countryside "an important part of our nation's rural heritage," Scott called for legislation on the barns.

He said, "The architecturally unique barns so often seen in the Amish and rural sections of the Commonwealth were created in an era when people took great pride in their workmanship. He noted that for many years conservation efforts have been directed toward the preservation of wilderness areas. He said, "We must now recognize as well the need to preserve the charm of the old barns throughout our American countryside. They stand as testimony to the artistic talent of a by-gone day."

Scott's legislation would provide a 10 percent federal tax credit for funds spent to maintain the exterior appearance and structural soundness of barns at least 40 years old. The barns would have to be certified for preservation by the Secretary of the Interior.

Scott said the barns would be selected by the Secretary on the basis of their location and historic, architectural and artistic appeal. Participation in the program would be voluntary and private ownership of barns would be unaffected, he said.

Alduk replied to Scott:

"It is constantly drummed into us by radio and television that anything new is what we should want and own. As a result, many of us carelessly throw away valuable treasures both real and spiritual that took many centuries for mankind to acquire and construct.

"Buildings that are decaying seem to have little place in our world, even houses and barns, still sound but considered out of date, are eligible for removal. Yet there are buildings in Greece and Rome, certainly in need of repair, some reduced to a few columns and fragments that still provide standards for architectural beauty.

"They become symbols of the way people once lived and thought and in their crumbling state they have acquired the honorable and pleasing decay. The same may be said of some of our early barns.

"We have finally come to realize the beauty and excellence of the homes built by the early Americans, but too often their barns are regarded as mere curiosities. They are rather the shrines of a good life and not to be remembered, and by your legislative actions in the Senate you can push with all vigor for the passage of legislation to preserve historic barns as part of the forthcoming Bicentennial.

"You have all my full support as to the extent that I will accept a committee appointment to assist in this worthwhile preserving of historic barns. I have enclosed a photo of a project that I have undertaken during the past year to restore a barn in the Amish country near New Wilmington, Pa."

Former owner of the barn Reynolds, of 4237 Hollow Road, said his father, the late Martin S. Reynolds, bought the farm and barn in 1917. William Reynolds said he worked on the farm as a boy and later farmed there himself and later went into other work.

He believes the main frame was constructed of maple harvested from the farm property. He said the barn never had even one coat of paint. He said at one time the farm also contained a log cabin which was used for storage.

The recently-renovated barn today is used to store a few items.

THE DEBT ECONOMY

Mr. BROCK. Mr. President, the effects of the $163 billion increase in the national debt from 1964 to 1974 are staggering. This figure does not, however, begin to describe the damaging effects it has had on the prime rate of interest, on inflation, and on corporate and private debt during this period. The following article by Kevin Phillips does lead on to these "numbing and frightening" effects. Mr. President, I ask unanimous consent to have this article printed in the RECORD, so that others may read it and possibly begin to rethink short-term economic remedies which, in the long run, may turn into economic nightmares.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DEBT ECONOMY

(By Kevin Phillips)

WASHINGTON. — The statistically-minded Wattenberg has painted only a half-accurate portrait of "The Real America" in his optimistic new book by that name. He hypothesized a "massive middle-class majority" nation—black and white alike—basking in unprecedented new affluence (thanks in large part to the New Frontier and Great Society policies of Presidents Kennedy and Johnson).

On the surface, to be sure, U.S. wealth and incomes have never been higher. But even without reference to inflation, there is a central fallacy in Wattenberg's economics; the word: "debt" does not even appear in his index. He tells us only about the wealth of America, and ignores the mushrooming size of the mortgage! Alas, that was just the problem with the Kennedy and Johnson Administrations: play now and pay later; trumpet the boondoggles and the growing Gross National Product while hiding the financial sleight-of-hand and the rising burden of debt.

If this criticism sounds unduly harsh, it is because I have been digesting—with consequent stomach acidity—the appalling statistics laid out in a fascinating set of articles on "The Debt Economy" features in the Oct. 12 issue of Business Week. I have never seen these numbers before. They are numbing and frightening.

Since 1946, the sum total of U.S. public and private debt has exploded upward from $400 billion to $2.5 trillion. As the editors of Business Week put it, "to fuel nearly three decades of postwar economic boom at home and export it abroad, this nation has borrowed an average net of $200 million a day, each and every day, since the close of World War Two."

Individual Americans have borrowed on an enormous scale, outstanding mortgage debt has risen from $50 billion to $660 billion. And consumer installment debt, totalling just $4.6 billion in 1946, soared to $43 billion in 1960 and $155 billion in 1974. Together, these two forms of indebtedness have many American household economies strung out like taut wire. Back in 1946, debt repayment took less than 5 per cent of the average American's disposable income. Now debt repayment has risen to demand 17 per cent of his disposable funds.

But if debt obligations are gobbling up too much money from the man in the street, the typical U.S. corporation is in even worse shape. Some company pension fund obligations exceed the present market value of the corporate stock. And corporations as a group have borrowed heavily in the last decade—long and short-term corporate debt is up from $13 billion in 1964 to about $75 billion today. Because corporations can't raise money in the stock market, they are being forced farther and farther into debt, and the resultant liquidity strain is enormous. As of 1964, the liquid assets of corporations safely exceeded their total debt. But by 1974, these liquid assets were only enough to cover 50 per cent of short-term obligations.

In recent testimony before the Senate Subcommittee of Economic Growth, General Electric Chairman Reginald Jones worried thusly about the future: "We have a picture of business going deeper into debt, faced with a declining return on investment, unable to attract sufficient equity funding, unable to keep up with inflation on its depreciation charges, and subsisting on a thinner and thinner diet of retained earnings."

And this unhappy picture is worsened by U.S. government borrowing techniques. To sidestep the Treasury in financing both Vietnam and huge social programs, Lyndon Johnson set up a group of Federal credit agencies to raise money outside the Federal budget (i.e., these agencies can borrow—and do so in vast amounts—without their debt being counted in the budget). They now borrow about $20 billion a year, pushing up inflation and interest rates in the process.

Under these circumstances, Wattenberg's notion of unprecedented wealth generated by the political leadership of the Sixties must be taken with a large grain of very strong salt.

WHAT IS HAPPENING IN PORTUGAL

Mr. CURTIS. Mr. President. One must view with some alarm developments in Portugal over the past several months and especially the last few weeks. After the military coup d'etat toppled the dictatorship of Marcello Caetano last April 25, the prospect of the emergence of a genuine democracy in Portugal appeared quite possible. One still hopes that a free democratic election this April will form the basis of a viable representative government. However, numerous actions promoted by the well-organized Communist Party of Portugal and adopted by the ruling Armed Forces Movement have now made the peaceful transition to democracy somewhat uncertain.

After 48 years of rule in Portugal by first Antonio Salazar and then Caetano, the frightening prospect exists that their dictatorial rule may be replaced by much more repressive Communist dictatorship. Although only a small minority of the population, the Communist Party has been exercising influence in the provisional government all out of proportion to its modest size. The rising influence of the Communists in Portugal threatens not only the freedom of the people of Portugal there but also the continued reliability of Portugal as a NATO ally and logistical base in the western Mediterranean. As everyone here all too vividly recalls, only Portugal among our NATO allies provided the United States with an effective base of operations during the war in the Middle East in October 1973. The Azores, owned by Portugal, remain a strategically vital base for American air operations throughout the area.

The vast majority of the people of Portugal apparently continue to support their close relations with the United States and adamantly oppose becoming a prospective satellite of the Soviet Union. The leaders of all major political parties of Portugal, except the Communists, have voiced their support for a continued alliance with the United States. Nonetheless the unfortunate drift of events in Portugal in recent months indicates that in this area as in many others the genuine sentiments of the people may be disregarded by an increasingly Marxist inclined provisional military government.

The reason for grave concern for the future of Portugal arises from numerous recent examples of arbitrary actions taken by the present provisional government which have reflected a prejudicial attitude seemingly favoring the views of the Communist Party.

Upon the overthrow of the dictatorial regime of Premier Caetano, the Armed Forces Movement proclaimed "the restitution to the Portuguese people of the civil liberties of which they have been deprived." Their proclamation of April 25 also included the following pledge pertaining to free elections:

> As soon as possible there will be general elections for a constituent national assembly, whose powers, by its representation and free election, will permit the nation to choose freely its own form of social and political life.

At the time of the April coup, Gen. Antonio de Spinola became provisional president and selected a civilian cabinet to govern the country. But only 3 months later, in July, when he tried to carry forth in actual fact the elections promised, he was rebuffed by members of the Armed Forces Movement. This confrontation led to the dissolution of the civilian cabinet and the installation of many young military leaders in a new cabinet. Col. Vascos dos Santos Goncalves became premier of the new government and General Spinola lost considerable influence. And by September he resigned from the government.

The Armed Forces Movement said elections could be held in the fall and then pledged that they would take place in March of this year. Now the elections have been further postponed until April 12, nearly 1 year after the coup. Many questions however have arisen as to whether the elections will ever actually take place at all or if they do whether the present military rulers will abide by the results.

The Communist Party in Portugal has consistently urged delays in holding elections by alleging that the people of Portugal need further "education" before elections should be held. Various polls in Portugal have revealed that only 10 to 18 percent of the electorate favor the Communist Party and consequently any genuine elections may demonstrate, as they did in Greece recently, a substantial repudiation of the Communists.

On April 12 the 6 million registered voters are supposed to elect [illegible]70 deputies to a constituent assembly which will have the task of writing a new constitution for the country and thereby provide an authoritative transitional mechanism for full civilian democratic rule. Unfortunately some of the present Marxist-inclined rulers have already discounted the prospective results of the scheduled elections. Gen. Otelo Saralva de Carvalho, the man in charge of the important military security forces in Portugal, has been quoted as asserting that—

> The results of the spring elections will not necessarily represent the will and the best interests of the majority of the Portuguese people.

Similarly Capt. Vasco Courenco has hinted at the need for "a second revolution." And Maj. Vitor Alves, Minister of Defense and Information, stated in London that the army may act against the constituent assembly "if the people press for it." In the November 26 issue of the Information Bulletin of the Armed Forces Movement Coordinating Committee, the following antidemocratic passage appeared:

> The state of repression to which the working class has been subjected, especially in the countryside, and its limited understanding of its own condition of repression and exploitation, mean that *it could* be manipulated in an electoral process for which the necessary political experience is lacking.

The reluctance of many of the present military rulers to give up their present authority has become increasingly evident as the date for elections approaches. Miguel Acoca, writing last week from Lisbon for the *Washington Post*, noted:

> Leading officers in the Movement insisted in recent interviews that they must stay around for at least three years to enforce the economic plan, which is to be disclosed in the next few days.

And on Monday, February 17, the 200 officers of the Armed Forces Movement held a meeting and officially announced that they would not withdraw from the government even after the elections in April. A spokesman for the Movement, Capt. Vasco Courenco ominously stated:

> The Armed Forces Movement intends to continue with active intervention in political life. We do not mean to be in the role of mere observers.

The reaction of the Armed Forces Movement to recent demonstrations and the institution of a new trade union law have similarly brought into question their devotion to the advent of genuine democracy in Portugal.

At the end of January, the conservative Center Democratic Party attempted to hold a legitimate political meeting in the northern industrial city of Oporto. The Minister of Defense had promised army protection to forestall any possible trouble.

Over 600 Portuguese delegates were joined by numerous diplomats and delegates from throughout Western Europe. But an estimated 2,500 leftist demonstrators surrounded their national convention site at the Crystal Palace and placed it under siege shouting "death to the fascists." The Center Democratic Party consequently had to cancel their meeting as several dozen people were injured in the disturbances that took place. Although the Communist Party denied organizing the disruptive demonstration, their local representatives had urged a march on the convention center and denounced the delegates there as "fascists." In September extreme leftists similarly forced the cancellation of an anti-Communist rally in late September called by then President Spinola who resigned in protests of such actions shortly thereafter.

The Socialist Party, led by Portuguese Foreign Minister Mario Soares, also attempted to hold a public rally in Lisbon shortly after the disturbance in Oporto. The Communists then proceeded to schedule a rally of their own at the same time. This led the Armed Forces Movement to ban all demonstrations that day by asserting that the public order could be endangered. Soares condemned "the rapid escalation of anti-democratic forces." One week later, however, when the government issued a ban on demonstrations at the time of NATO shore leaves in Lisbon, thousands of leftist backed workers defied the ban with impunity. As Harry Giniger reported for the New York Times on February 7:

> The Government made no effort to enforce its ban, and not a soldier or policeman was in sight except for troops guarding the American embassy.

The policies followed by the ruling provisional military government have therefore caused considerable frustrations for the non-Communist moderate parties attempting to prepare for promised elections in April.

The government has also given in to a Communist proposal to consolidate the trade unions in Portugal into one organization which they would undoubtedly control. The unions form the most important source of support for the Communist Party in Portugal. Even here though the Socialists had nearly as much support as the Communists, with approximately 18 unions allied with them and 22 under Communist control. But in early January, the government proposed and later decreed legislation which will force all workers into one giant labor organization. The Socialist Minister of Justice, Francisco Salgado Zenha, a firm defender of civil liberties, denounced the law as undemocratic and coercive.

The small, well disciplined Communist Party in Portugal has been adeptly led by Alvaro Cunhal, a Minister of State without Portfolio. Unlike Communist leaders in other Western European countries, Cunhal remains a Stalinist in outlook and strongly endorsed the Warsaw Pact forces invasion of Czechoslovakia in 1968. He has continued to work closely with the Soviets in his new position. In late October, Cunhal made a trip to Moscow ostensibly to negotiate a trade agreement. Rather than being greeted by the Soviet Trade Minister, Cunhal was warmly welcomed by Boris N. Ponomarev, the Soviet Communist party specialist on relations with nongoverning Communist parties in the West. It has been reported that the initial assignment given to Cunhal by the Russians is to prevent the American Air Force from using the Azores as a staging base for supplying Israel with arms in the event of a future Middle East war. More broadly they hope to pry Portugal completely out of the NATO alliance and thereby cripple our Western flank on the Mediterranean.

In an editorial earlier this month, the Washington Post succinctly summarized the successes of the Communists in Portugal as follows:

> The Communists, however, have the discipline bred by years underground. They have used their disproportionate weight in the media to restrict their political competitors access to the electorate. They got sympathizers in the Armed Forces Movement to decree a law requiring workers to join one large union, which they hope to control. Unhindered—disturbingly so—by the authorities, they recently broke up a convention of the conservative Center Democrats; their success raises the question of whether this important party will be permitted to campaign. Through such channels as its embassy in Lisbon, the Soviet Union is providing what help it can.

Most of the members of the Armed Forces movement now leading Portugal are not Communists and undoubtedly would rebel against a Communist dictatorship just as they opposed the Caetano dictatorship. However, by acceeding to various seemingly innocuous proposals made by the Communist Party and naively confusing demonstrations in opposition to communism with a resurgence of fascism, the ruling provisional government has been contracting rather than expanding democracy in Portugal. The final litmus test of democratic government in Portugal will come only if genuinely free and unhindered elections can take place and the will of the people translated into a new representative civilian government.

I ask unanimous consent that the editorial from the Washington Post I referred to above as well as articles from the New York Times and the Christian Science Monitor be printed in the RECORD.

There being no objection, the editorial and articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 6, 1975]

DRAMA IN PORTUGAL

A 20th century drama is unfolding in Portugal. The democratic forces are struggling to keep the Communist Party from harvesting the fruits of last April's military coup against the old dictatorship. Though they had to start virtually from scratch last spring, the democratic parties seem to have a substantial edge going into next month's elections for a constituent assembly that will replace the currently ruling Armed Forces movement and establish a modern political system. The depth of the public's craving to participate in the making of their country's future is suggested by the fact that two of every three Portuguese have registered to vote. The democrats have as well the encouragement of the transnational fraternity of European social democrats. Belatedly but wisely, the United States made its own gesture of support two months ago by offering a modest economic-aid program.

The Communists, however, have the discipline bred by years underground. They have used their disproportionate weight in the media to restrict their political competitors' access to the elecorate. They got sympathizers in the Armed Forces Movement to decree a law requiring workers to join one large union, which they hope to control. Unhindered—disturbingly so—by the authorities, they recently broke up a convention of the conservative Center Democrats; their success raises the question of whether this important party will be permitted to campaign. Through such channels as its embassy in Lisbon, the Soviet Union is providing what help it can.

The Communists' strength is centered in the cities and in the south. Given their expected numerical weakness at the polls, the fear is that in this once-in-a-lifetime situation the party may try to block the elections or to induce some officers in the Armed Forces Movement to ignore the results of the elections. The Communists might do this by precipitating pre-election disorders or by playing on Movement fears that the forces of the ancient regime are attempting a parliamentary comeback. Indeed, some officers have already hinted that they may not feel bound by the elections and that in certain circumstances the nation would be harmed by being returned to civilian rule. The leader of the socialists, Manuel Soares, has found it necessary to warn of a slide toward "extremist dictatorship." This time it would be a dictatorship of the left.

The West has an immense psychic and political interest in seeing democracy take firm root in Portugal. A Communist takeover would not only dim Western values but would, as Mr. Soares soberly said, tempt civil war, economic blockade and even foreign intervention. A Communist takeover would also presumably remove Portugal and its bases from the Atlantic Alliance and provide the Soviet Union with a forward Western position. The sensitivity of Portugal's strategic position has only been underlined by recent reports (denied in Moscow) of Soviet interest in obtaining Portuguese fishing-port facilities, and by NATO naval maneuvers off the coast. No American viewing the turmoil now stirring in Turkey, Greece, Cyprus and Italy, to say nothing of the uncertainties confronting Spain, can avoid wondering how events in Portugal will affect the overall situation of the West.

The last time a substantial part of the West trembled, after World War II in France and Italy, the United States through the CIA and other means provided crucial support to the democratic forces in their battles against the Communists. This American intervention was highly successful in that it accomplished its immediate purpose of keeping the Communists from power and it set the stage for a long period of economic recovery and political health. We mention this only to indicate how things have changed. For the deterioration of the domestic political consensus on which such effective use of the CIA depends precludes repetition of that pattern now. We fervently hope that Portugal's democratic forces can make it on their own.

[From the Christian Science Monitor, Feb. 12, 1975]

FREE ELECTIONS FOR PORTUGAL?—FIRST IN 50 YEARS—IF THEY COME OFF

(By Geoffrey Godsell)

A date has been fixed at last for elections in Portugal—April 8. If they are held as planned, they will be the first free elections in the country for half a century.

But whether this means Portugal is safely on the road back to parliamentary democracy remains to be seen. The biggest questions at the moment are:

Will the Communists either try to prevent the elections being held or use intimidation and violence to prevent a truly free vote on April 8?

Will the Armed Forces Movement (AFM), which engineered last April's coup against the outhoritarian right-wing Caetano regime, be content to retire to barracks and let civillians take over full responsibility for running Portugal?

COMMUNIST VOTE SMALL

Early this year, opinion polls showed that the Communists (whose leader, Alvaro Cunhal, holds one of the civilian seats in the Cabinet) would probably get no more than 10 percent of the vote in any countrywide election.

Since then the Communists have been trying either to get elections postponed or to maneuver their men into key positions so that they had a grip on government from within regardless of what might be the will of most Portuguese.

To this end, the Communists have had the support of some AFM members, particularly of two in the Cabinet: the Prime Minister, Brig. Vasco Goncalves, and the Labor Minister, Capt. Costa Martins.

Communist maneuvering, however, has stiffened the opposition to it within the Cabinet from the two other political parties holding ministerial offices; the Socialists (PS) led by Mario Soares, and the Popular Democratic Party (PPD) led by Francisco Sa Carneiro. (Both these parties are moderate left-of-center and believe in parliamentary democracy.)

Two right-of-center parties outside the government—Democratic Center Party (CDS) and the much smaller Christian Democratic Party (CDP) have both recently had their national conventions closed down by extreme left-wing violence which the military either could not or would not prevent. Some observers wonder whether the PPD and then the PS might be the next targets for similar extreme left-wing intimidation and violence.

Just how the AFM as a whole views the undemocratic behavior of left-wing extremists is in question. During the latter part of 1974, the militants sympathetic to the Communists were in the ascendant and secured the ousting of the still widely respected Gen. Antonio de Spinola as the AFM's figurehead president. General de Spinola's own politics are conservative but he was an outspoken critic of the Caetano regime before it was ousted.

Brigadier Otelo Saraiva de Carvalho, commander of the military units responsible for internal security, caused a raising of eyebrows recently when he said: "The party gaining most votes in elections will not necessarily represent the wishes of the people." A member of the AFM coordinating committee, Capt. Vasco Lourenco, has also spoken about the possible need for "a second revolution."

April's elections are for a constituent assembly to draft a Constitution under which parliamentary elections would be held before the end of the year. Many wonder whether the AFM radicals or the Communists will try to upset this schedule and these arrangements—to the detriment of long-awaited parliamentary democracy in Portugal.

[From the New York Times, Feb. 10, 1975]

NINE MONTHS AFTER LISBON COUP, JUBILANCE GIVES WAY TO CONFLICT

(By Henry Giniger)

LISBON, February 9.—Portugal is drifting in a sea of suspicion, fear and intolerance nine months after the military overthrew an essentially fascist regime and set the country on a democratic course.

Most of the joy and confidence of the first days after the coup last April are gone, and no one is quite sure where Portugal is headed. There is an immediate goal—an election before the end of April for a constituent assembly, considered the first essential step on which everything else depends. President Francisco da Costa Gomes is supposed to announce the date at least 60 days in advance.

But people who stand on the streets and talk politics are not certain they will be able to go to the polls even though the armed forces have assured them time and again that they will be. Behind the military's assurances are dark mutterings of coups and countercoups, warnings of civil strife and foreign intervention, calculations of troop reliability and worried speculation about the intentions of this or that man or group.

The resentment and alarm created among non-Communists by the Communist success in getting dominant positions in the country, the deprecatory attitude taken by the armed forces toward politicians and the electoral process, and the interplay between military and politicians are major factors in the political climate.

The Government's lack of authority, its confusion and ineptness in dealing with pressing problems, and the infighting and distrust that mark relations among Cabinet members aggravate the situation, in the opinion of Portuguese who follow the political scene in and out of government.

The confusion was evident in the Government's handling of the so-called emergency economic plan which the Cabinet approved last night after months of debate. While the Cabinet argued about how far to go in reforming the economy, unemployment spread, workers demonstrated and landless peasants started to seize land on large estates. The United States has been pressing Portugal to define her priorities for use of promised economic aid, but officials here have been slow to produce specific projects.

SUPERIOR ORGANIZATION

Almost from the beginning of the revolution the Communist party caused concern among its political rivals because of its superior organization and large membership. Discipline, a combative tradition and willingness to take risks had helped it to survive 50 years of repression and clandestinity and to emerge in legal form with a clear advantage over the Socialists, the centrist Popular Democrats and conservative groups.

The seeds of conflict were thus planted from the start, and the coalition of forces in the Provisional Government has been uneasy despite an evident effort by the Communists to act moderately and cooperate in the task of constructing democracy.

The Socialists and the centrists made headway in the country in eliciting popular support and establishing organizational roots, but they watched with increasing concern as the Communists and allied groups demonstrated growing influence in the news media, the labor unions, public administration and the armed forces.

Gen. António de Spinola, who served as President until September, and many of his military associates shared the concern. But as the general discovered, anti-Communism is hard to sustain in Portugal these days. Those who practice it are immediately branded as reactionaries and as partisans of the old regime, which tarred all opponents with the Communist brush.

The general resigned after an anti-Communist street demonstration in his favor was prevented by young leftists and military units. It was the first major crisis between the Communists and their opponents.

SECOND SIGNIFICANT CRISIS

The country of 8.5 million has just gone through its second major crisis as a result of a successful effort by the Communists to impose a single labor confederation by law. Because they already control most of the federations that would compose it, the move is seen by Socialists and others as insuring virtual monopoly control.

Today the Communists launched a campaign to attract the landless peasantry to their cause with a mass rally in Evora at which the big landholders were denounced for "economic sabotage" and the principle of "land to those who work it" was proclaimed.

Drought has brought a sharp increase in unemployment in Evora, the center of the Alentejo region, the country's breadbasket, but most of the blame was put on the landowners. They were accused of sabotaging the revolution by allowing their land to lie fallow and their cattle to die. It is clear that it is in Evora as well as in the industrial centers of Lisbon and Setubal that the Communists' main electoral strength lies.

Other developments have aroused concern among non-Communists. One is a campaign contesting the validity of the projected election in some parts of Portugal and among Portuguese emigrants on the ground that "democratic" organizations are being prevented by reactionaries from getting their message across and that relatively unsophisticated citizens in isolated areas are being unduly influenced against the Communists.

The Socialists and moderates maintain that the Communists oppose the election because all the polls show them trailing with little more than 12 per cent.

For Mario Soares, the Foreign Minister, who is the Socialists' secretary general, the Communists have engaged in "an antidemocratic escalation" that could end in civil war.

"BREAKING POINT" DISCERNED

For Francisco Sá Cerneiro, secretary general of the Popular Democratic party, a "breaking point" has been reached as a result of Communist "assaults" on the centers of power and increasing talk of revolution instead of democracy among an increasingly radicalized military. He spoke of "disorder, chaos and blood" if the principle of civil power based on the secret ballot was negated.

In reply the Communists have indignantly pointed to their credentials as the strongest force against fascism and have accused the moderates of playing the game of reactionaries who, the Communists say, are still plotting a return to the past.

The actions of groups to the left of the Communists in refusing to tolerate conservative parties have added to the worry of those fighting for a pluralistic system. The largest conservative group, called the Social Democratic Center, does have elements linked with the old regime, but it has sworn allegiance to the democratic principles of the Armed Forces Movement and has been officially accepted.

Despite this its first Congress, held last month in Oporto, was broken up by young revolutionaries shouting "Death to the Fascists!" Despite promises of protection no adequate forces were made available for hours.

The attitude and statements of the military, who hold the ultimate power, have contributed to the tension. Last Christmas posters pictured the armed forces as a kind of Santa Claus distributing his bounty. This was a significant indication of the attitude of the Armed Forces Movement—that of a paternal guiding force that carried out the revolution and feels responsible for the country's welfare.

There have been statements to the effect that the military had a duty to see that those elected did not act against the revolution. Others have said that regardless of the election the armed forces must remain in control at least until the adoption of definitive institutions toward the end of the year.

The man who heads the military security forces, Brig. Gen. Otelo Saraiva de Carvalho, said that the party with the most votes did not necessarily represent the best interests of the people. The implication was that only the military could determine where those interest lay.

As an assembly of 200 officers met last week the dominant theme was the establishment of some kind of military organization to oversee the country's political life in the years to come.

All this adds up to the indefinite presence of the armed forces in political affairs. The question most anxiously asked is, where do the armed forces want Portugal to go?

The center of radical thought in the armed forces is the so-called Coordinating Commission, a powerful group of about a dozen who were particularly active in the coup. When a Government official was asked what influence the Communists and their allies had in the commission, the answer was, "It is greater than they have in the country as a whole."

PERU-STYLE REGIME FEARED

This has not sat well with more conservative military leaders, who are troubled by the increasing radicalization of the commission and who fear that it could lead to a regime in the Peruvian style.

Manifestos are reported to have circulated in some military units calling for elimination of the commission, but an official remarked that it was difficult to get rid of people who bore the main responsibility for the coup and who had great prestige.

Getting to the election is the main aim of the Socialists, Popular Democrats and other moderate and conservative parties. But Mr. Carneiro of the Popular Democrats warned that the election might become academic if a Communist-directed revolution was imposed on the country, if the centers of power were "occupied" ahead of time or if the military men insisted on talking of a new coup if the results did not suit them.

ESTIMATED "REAL" DEFICIT: $150–$170 BILLION

Mr. BROCK. Mr. President, the Federal deficit as presented by President Ford obfuscates the true impact of the Federal deficit and its inflationary effects. In an article in the Washington Post, George Will presents a very cogent analysis of the deficit. I ask unanimous consent that Mr. Will's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ESTIMATED "REAL" DEFICIT: $150-$170 BILLION

(By George F. Will)

Texas congressman George Mahon, lean and leathery as a horsewhip, looks like a cowboy carved from cactus. The crow's-feet around the outer corners of his eyes come not from squinting down a carbine at rustlers, but from squinting at long trails of large numbers in small print.

Mahon's service as chairman of the House Appropriations Committee has made him gifted at the arcane art of reading federal budgets, and steeped him in this wisdom: there are three kinds of lies—lies, damned lies, and statistics.

The Ford administration, through its new budget, suggests that the government will need to borrow $87 billion in the next 18 months. Mahon has squinted at that statistic and declared that it is, well, a statistic. He says that actual borrowing will be between $150 billion and $170 billion.

The administration's $87 billion figure is the sum of projected deficits—$34.7 and $51.9 billion—for the current and next (1976) fiscal years. But Mahon notes that "off budget" federal agencies—the Export-Import Bank, the Postal Service, and a host of others—will dip their large ladles into the capital market to borrow $13.7 billion this year and more than $10 billion next year.

So add $24 billion to the administration's $87 billion borrowing statistic. But regarding this $111 billion figure, remember that the administration's borrowing statistic rests on the patently absurd assumption that this liberal Congress is going to cut $5.9 billion this year and $17 billion next year from social programs, the perpetual expansion of which is the raison d'etre of liberalism.

So add $23 billion to the $111 billion. But federal borrowing can be held to $134 billion only if Congress accepts Mr. Ford's program for raising as well as cutting some taxes.

Assume, for the foolish fun of it, that Congress cuts taxes no more than Mr. Ford wants. And assume, plausibly, that Congress refuses the tax increases Mr. Ford wants, such as those on natural gas and imported oil.

Then, Mahon says, the deficits will increase by $4.3 billion this year and $19 billion next year. Mahon, whose wit is as arid as the dust bowl, notes: "The history of recent tax legislation would tend to suggest this possibility.

So add $23 billion to the $134 billion. Then to the $157 billion add a little something—say $5 billion—to allow for this providential fact: Congress cannot go a full year wtihout inventing a costly new social program.

Digging out from under Mahon's brimstone shower of facts, Rep. Robert Michel of Illinois, the Republican Whip, exclaimed: "Unless we in Congress do something about it, we're headed toward a first-class fiscal disaster." But that is the American way. If you're going, go first-class, even if where you're going is just deeper into debt.

Debt, too, is as American as frozen apple pie garnished with a slice of processed cheese.

Richard Whalen, a private international consultant and one of Washington's most respected economic thinkers, asks: What has been the secret of our remarkable recent prosperity? And Whalen answers himself:

"In a word: debt. Debt so unimaginably large in the private sector and public sectors alike—some $2.5 trillion, according to the latest count—that the idea of ever paying off any substantial part of it is unthinkable. McGraw-Hill's economists recently totted up the categories: $1 trillion in corporate debt, $600 billion in mortgage debt, $500 billion in U.S. government debt, $200 billion in state and local government debt, and $200 billion in consumer debt. Merely to pay the interest due this year, they calculated, would take a sum more than one third the GNP of the next biggest capitalist economy, Japan."

America's wealth is mortgaged. The debt load is excessive. Federal borrowing over the next 18 months could be the ton of bricks that splinters the camel's already sprained back. This borrowing will abort any recovery by sending interest rates soaring, devastating the housing industry, and drying up the pool of long-term investment capital, the muscle-building protein of the American economy.

We have borrowed against the future, and now the future is bearing down on us. Bye, bye, American pie.

ORDER FOR RECOGNITION OF SENATORS TODAY

Mr. ROBERT C. BYRD. Mr. President——

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, the hour of 2 o'clock having arrived, I would say that the Senators who are waging the battle in opposition to the change in Senate rule XXII, working together with the clock, have won this inning.

I ask unanimous consent that Mr. THURMOND may now be reecognized for not to exceed 15 minutes, for the purpose of making a statement only, and that immediately following Mr. THURMOND—who is the other Senator?

Mr. THURMOND. Senator HARRY F. BYRD, Jr., Senator HELMS, and Senator HANSEN.

Mr. ROBERT C. BYRD. The total was 30 minutes, I thought.

Mr. THURMOND. 30 minutes.

Mr. ROBERT C. BYRD. And that Senator HARRY F. BYRD, Jr. be recognized for not to exceed 15 minutes, for the purpose only of making a statement—no motions, no transaction of any business; and that at the conclusion of the 15 minutes of Mr. HARRY F. BYRD, Jr., with the understanding that, only for a statement, he can yield to anyone he wishes, I then be recognized in my own right.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from South Carolina is recognized.

Mr. DOMENICI. Mr. President——

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. THURMOND. I yield to the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Mickey Barnett, of my staff, be granted the privilege of the floor for the remainder of the debate on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, what was the request?

The PRESIDING OFFICER. The request was for floor privileges for a member of the Senator's staff.

Mr. ROBERT C. BYRD. I have no objection.

SENATE RESOLUTION 97—SUBMISSION OF A RESOLUTION URGING RETENTION OF UNDILUTED U.S. SOVEREIGNTY OVER THE CANAL ZONE

Mr. THURMOND. Mr. President, on behalf of the distinguished senior Senator from Arkansas (Mr. McCLELLAN), myself, and 35 other sponsors, I submit a Senate resolution calling for the retention of undiluted U.S. sovereignty over the canal zone, and I ask unanimouse consent that the text and a list of the sponsors be printed in the RECORD at the conclusion of my remarks.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, for the time being—just for the time being—will the Senator proceed with his statement? I may not object.

Mr. THURMOND. Mr. President, on February 7, 1974, the Secretary of State signed an agreement on basic principles with reference to the negotiation of a new treaty with the Republic of Panama concerning our juridical status in the canal zone. The terms of this agreement by now are well-known. They differed only in a few particulars from previous formulations of State Department policy regarding the canal. For over a decade, through Democratic and Republican administrations alike, through profound changes in the balance of seapower and of strategic forces in the world, through significant alterations in the psychology of the American people, and through dramatic shifts in food and energy supply sources throughout the world, the State Department has been singleminded and highhanded in its attitude toward the Panama Canal. That attitude toward this great creation of U.S. engineering and leadership genius has been: we must give it away as fast as we can.

True to form, the State Department has been working feverishly to implement the principles of February 7, 1974, in the intervening year since that agreement was signed. Reports both public and private are now circulating that agreement has been reached on all major issues and that a draft treaty is about to be initiated in a few weeks time. The most recent statement came from the Secretary of State himself last Saturday in his address on Latin American affairs in Houston.

Mr. WILLIAM L. SCOTT. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. SCHWEIKER). The Senator will suspend while the Senate comes to order.

The Senator may proceed.

Mr. THURMOND. Mr. President, there are some who believe that we can provide for the operation and defense of the canal by the United States for an extended period of time by compromising on the essential issue of U.S. sovereignty and agreeing to a phased transition period until Panama has complete control over the canal. The alternative, we are told, is a rising increment of violence and disorder making the operation and defense of the canal impossible.

This is an unfortunate view of our relationship with Panama, and a libel upon the Panamanian people. The truth is that any surrender of our basic juridical status would leave us merely as a guest in a host country, without a fundamental right to our position. The tremendous responsibility of sovereignty over a vital strategic waterway would inevitably have a destabilizing effect upon the internal affairs of Panama, threatening the present leadership group with challenges from rivals seeking the ultimate prize, and with subversion from third countries seeking either control of the waterway or the denial of passage to the ships that form the lifeline of the economies of Western countries.

Moreover, any timetable of transition would, under pressure of internal political conflict in Panama, inevitably invite a shortening of that timetable. We could set a timetable of 25 years, only to find in 5 years' time that our presence there is no longer supportable.

It is clear, therefore, that surrender of our basic sovereignty will in no way stabilize the situation and safeguard our legitimate interests. Indeed, the very opposite is more probable. Thus no treaty draft which is based upon the basic principles of February 7, 1974 can possibly protect U.S. interests or our responsibilities to world commerce to keep the canal open.

This is not to say that we cannot ameliorate our relationship with the Republic of Panama, or work in partnership to develop Panama's dignity, resources, and economic base. We have shown in the past that we regard our relationship to Panama as a specially privileged one, and I am confident that we can continue this privileged relationship. But we must be quite frank; that relationship cannot continue if we withdraw our sovereign presence from the zone. The proposed draft treaty would do just that, and would ultimately damage Panama's independence.

The proposed treaty is doubly unfortunate in that it disregards the changed world situation of the past decade, the withdrawal of the United States from forward positions throughout the globe, and the consequent rise in the relative importance to our freedom of action of U.S. territories such as the Canal Zone.

For it simply is not true, as asserted time and time again by the State Department that the Canal Zone is Panamanian territory. The legal documents and the history of the negotiations show conclusively that the Canal Zone is U.S. territory to the exclusion of any Panamanian sovereignty. We have always acted upon that juridical base. This Congress, which makes the laws—and makes them for the State Department too—has always acted as the legislature for the Canal Zone, applying U.S. laws, including most domestic enactments, and establishing a U.S. district court for their proper enforcement. The U.S. Supreme Court has upheld this view.

Yet the State Department, acting in defiance of Congress and the position of the Supreme Court, has chosen to implement its view unilaterally, and with consequences which I fear may be grave. Canal Zone questions are only incidentally questions relating to the conduct of foreign policy. It is noteworthy that the jurisdiction over Canal Zone matters in the Senate is divided between the Armed Services Committee and the Commerce Committee, with the former studying questions of defense, operation, maintenance, improvement, and so forth, while the latter studies commercial questions. The Foreign Relations Committee would not even be concerned in this issue were it not that the State Department has been trying to give away this U.S. territory to a foreign power.

The negotiations which led to the acquisition of the Canal Zone were authorized by an act of Congress, the so-called Spooner Act of 1902. No act of Congress has authorized negotiations to give it away. Indeed, the Canal Zone is both territory and property of the United States under the territory and property clause of the U.S. Constitution, article IV, section 3, clause 2. Under this clause, the Congress must act—not just the Senate, but both Houses—to dispose of such territory and property. The House has warned time and time again that it will not stand by and allow the Senate alone to give up the Canal Zone by treaty. The House must and will act. Indeed, at the present time, 111 House Members have sponsored resolutions identical to the resolution we are introducing today opposed to the surrender of our sovereignty in the Canal Zone. Last year, 33 Members of this body joined the distinguished senior Senator from Arkansas and myself in sponsoring a similar resolution—a total of 35 Senators. I need not point out that, under those circumstances, it would be very difficult to achieve ratification of the treaty with the requisite two-thirds majority.

Yet the State Department has continued to negotiate a treaty based on principles which contravene the constitutional will of Congress. Indeed, I would not be surprised if Panamanian leaders were to question whether the negotiations conducted by the State Department were conducted in good faith.

It is true that, with the convening of a new Congress, there was the inevitable attrition of sponsors due to retirements and electoral difficulties. Yet there were remarkably few of those, since the list of sponsors in the 93d Congress included many of the most distinguished and able Members of this body, known to all for their vigorous leadership and public service.

Despite natural attrition, I am pleased to report that this year the resolution has not 35 sponsors, but 37 sponsors, and I am sure that more will join as they study the issue.

Thus, the State Department has chosen a policy of needless confrontation, a policy which, if pursued to its logical end, may well result in tragedy and irreparable harm to the United States, to Panama, and to the world. By raising unreasonable expectations among our Panamanian friends, the State Department's unrealistic policies will engender bitterness, hatred, and disillusionment among the peoples of both countries. Moreover, the United States and the world could easily be faced with the permanent closing of one of the few vital narrow waterways of the world.

Mr. President, a few moments ago, the distinguished Senator from West Virginia objected to incorporating at the end of my remarks the text of the resolution with the names of the sponsors. I understand he does not now object, and I ask unanimous consent that that be done.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The resolution submitted by Mr. Thurmond (for himself, Mr. McClellan, Mr. Robert C. Byrd, Mr. Long, Mr. Eastland, Mr. Randolph, Mr. Talmadge, Mr. Symington, Mr. Hartke, Mr. McIntyre, Mr. Tower, Mr. Fong, Mr. Curtis, Mr. Fannin, Mr. Hruska, Mr. Hansen, Mr. Goldwater, Mr. Hollings, Mr. Johnston, Mr. Nunn, Mr. Allen, Mr. Beall, Mr. Domenici, Mr. William L. Scott, Mr. Young, Mr. Stone, Mr. Montoya, Mr. Ford, Mr. Morgan, Mr. Helms, Mr. Buckley, Mr. McClure, Mr. Garn, Mr. Laxalt, Mr. Harry F. Byrd, Jr., Mr. Dole, and Mr. Bartlett) is as follows:

S. Res. 97

Whereas United States diplomatic representatives are presently engaged in negotiations with representatives of the de facto Revolutionary Government of Panama, under the declared purpose to surrender to Panama, now or on some future date, United States sovereign rights and treaty obligations, as defined below, to maintain, operate, protect, and otherwise govern the United States-owned canal and its protective frame of the Canal Zone, herein designated as the "canal" and the "zone", respectively, situated within the Isthmus of Panama; and

Whereas title to and ownership of the Canal Zone, under the right "in perpetuity" to exercise sovereign control thereof, were vested absolutely in the United States and recognized to have been so vested in certain solemnly ratified treaties by the United States with Great Britain, Panama, and Colombia, to wit:

(1) The Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, under which the United States adopted the principles of the Convention of Constantinople of 1888 as the rules for operation, regulation, and management of the canal; and

(2) The Hay-Bunau-Varilla Treaty of 1903 between the Republic of Panama and the United States, by the terms of which the Republic of Panama granted full sovereign rights, power, and authority in perpetuity to the United States over the zone for the construction, maintenance, operation, sanitation, and protection of the canal to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority; and

(3) The Thomson-Urrutia Treaty of April 6, 1914, proclaimed March 30, 1922, between the Republic of Colombia and the United States, under which the Republic of Colombia recognized that the title to the canal and the Panama Railroad is vested "entirely and absolutely" in the United States, which treaty granted important rights in the use of the canal and railroad to Colombia; and

Whereas the United States, in addition to having so acquired title to and ownership of the Canal Zone by constitutional means, purchased all privately owned land and property in the zone making it the most costly United States territorial possession; and

Whereas the United States since 1904 has continuously occupied and exercised sovereign control over the zone, constructed the canal, and, since 1914, for a period of sixty years, operated the canal in a highly efficient manner without interruption, under the terms of the above-mentioned treaties thereby honoring their obligations, at reasonable toll rates to the ships of all nations without discrimination; and

Whereas the long history of friendly and cooperative relations between the United States and the Republic of Panama are prone to deterioration by the dilution of any United States sovereignty or jurisdiction in the canal and zone; and

Whereas from 1904 through June 30, 1974, the United States made a total investment in the canal, including defense, at a cost to the taxpayers of the United States of over $6,880,370,000; and

Whereas the investment of the United States in the canal includes the sacrifices of many thousands of United States citizens who have worked to construct the canal and keep it operating smoothly and efficiently for the last sixty years; and

Whereas Panama has, under the terms of the 1903 treaty and the 1936 and 1955 revisions thereof, been adequately compensated for the rights it granted to the United States, in such significantly beneficial manner that said compensation and correlated benefits have constituted a major portion of the economy of Panama giving it the highest per capita income in all of Central America; and

Whereas the canal is of vital and imperative importance to hemispheric defense and to the security of the United States and Panama; and

Whereas approximately 70 per centum of canal traffic either originates or terminates in United States ports, making the continued operation of the canal by the United States vital to its economy; and

Whereas the people of the United States, in various ways and means, have exhibited strong suport for retention of full and undiluted jurisdiction over the canal and zone, and the Congress ought to insure the supremacy of the will of the people; and

Whereas the present negotiations under a February 7, 1974, statement of "principles of agreement" by United States Secretary of State Henry A. Kissinger and Panamanian Foreign Minister Juan A. Tack constitute a clear and present danger to the hemispheric security and the successful operation of the canal by the United States under its treaty obligations; and

Whereas the present treaty negotiations are being conducted by our diplomatic representatives under a cloak of unwarranted secrecy, thus withholding from our people and their representatives in Congress information vital to the security of the United States and its legitimate economic development; and

Whereas the United States House of Representatives, on February 2, 1960, adopted House Concurrent Resolution 459, Eighty-sixth Congress, reaffirming the sovereignty of the United States over the zone territory by the overwhelming vote of three hundred and eighty-two to twelve, thus demonstrating the firm determination of our people that the United States maintain its indispensable sovereignty and jurisdiction over the canal and the zone; and

Whereas under article IV, section 3, clause 2 of the United States Constitution, the power to dispose of territory or other property of the United States is specifically vested in the Congress, which includes the House of Representatives; and

Whereas the Congress of the United States is invested with constitutional responsibilities to provide for the common defense and general welfare of the United States, to regulate commerce with foreign nations, to raise and support armies and provide and maintain a Navy, to make all needful rules and regulations respecting the territory of the United States, and to make all laws necessary and proper for carrying into execution these and other powers, all of which denote that it is the solemn duty of Congress to safeguard the canal and zone: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States of America that—

(1) the Government of the United States should maintain and protect its sovereign rights and jurisdiction over the canal and zone, and should in no way cede, dilute, forfeit, negotiate, or transfer any of these sovereign rights, power, authority, jurisdiction, territory, or property that are indispensably necessary for the protection and security of the United States and the entire Western Hemisphere; and

(2) there be no relinquishment or surrender of any presently vested United States sovereign right, power, or authority or property, tangible or intangible, except by treaty authorized by the Congress and duly ratified by the United States; and

(3) there be no recession to Panama, or other divestiture of any United States-owned property, tangible or intangible, without prior authorization by the Congress (House and Senate), as provided in article IV, section 3, clause 2, of the United States Constitution.

Mr. **THURMOND** subsequently said: Mr. President, in view of the fact that the distinguished senior Senator from Arkansas (Mr. McClellan) is ill today and could not be here, he has prepared a statement on this subject. I ask unanimous consent that his statement may appear immediately following my statement and a copy of the resolution with the sponsors' name thereon.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

STATEMENT OF SENATOR JOHN L. McCLELLAN OPPOSING A GIVE-AWAY TO PANAMA OF U.S.-OWNED PANAMA CANAL AND CANAL ZONE

Since addressing the Senate on March 28, 1974, concerning the Panama Canal, I have followed Isthmian developments as closely as I could. There have been a number of recent moves in the complicated situation and it is essential that they be understood in relation to the over-all Canal problem.

As background for such understanding, it must be stressed that the Canal Zone and Panama Canal are constitutionally acquired territory and property of the United States, paid for and developed by the United States pursuant to treaty authorized by Congress (Spooner Act of 1902). Since our opening the Canal in 1914, it has been maintained, operated, sanitated and protected by the United States. The total expenditure, from 1904 through June 30, 1974, including the Canal's defense has been estimated at $6,880,370,000. As is well known by students of the subject, much of this money has been spent in the Republic of Panama with the result that Panama now has the highest per capita income of any country in Central America. Moreover, the total annual benefits to Panama from Canal Zone sources in 1973 were $187,490,000, a figure that one seldom sees mentioned; and these benefits will certainly rise in the future.

In spite of extensive press reports of inadequate character, there are only two major Canal issues: a) retention by the United States of its undiluted sovereignty over the Canal; and b) the major modernization of the existing Panama Canal. In the report of its activities on January 2, 1973, the House Committee on Merchant Marine and Fisheries emphasized those two as the key issues and stated that all other large Canal questions, including the proposal for a "sea level"

Canal, are "irrelevant" and should not be allowed to confuse these problems (Ho. Rept. 92–1629, pg. 36.) Continued undiluted U.S. sovereignty is of transcendent importance.

At the present time, the State Department is negotiating with Panama for the surrender to that country of U.S. sovereign control over the Canal Zone; and this without the authorization of Congress. Reports are that a treaty will be ready for signature by March or April.

As to the treaty matter, an October 29, 1974, report by a "Commission on United States-Latin American Relations" of the Center for Inter-American Relations of New York gave its full support for the State Department's program to surrender the Canal Zone to Panama as set forth in the "statement of principles" signed on February 7, 1974, by U.S. Secretary of State Kissinger and Panamanian Foreign Minister Tack. These principles contemplate a rapid phasing out of United States sovereign control over the Canal Zone and the eventual giving of the Canal to Panama.

They also contemplate the construction of a new Canal of so-called sea level design or the increase of capacity of the existing canal. They ignore the fact that many respected marine biologists and conservationists of the United States strongly oppose the construction of any sea level canal because of the dangers to marine life involved. They also ignore the fact that the United States already has authority for "expansion and new construction" for the existing canal under existing treaties (Congressional Record, July 24, 1939, p. 9834). Why should there be negotiations for authority already possessed?

Another key point in the October 29 "Commission" report is that recommending a "more normal relationship with Cuba," which involves the status of the U.S. Naval Base at Guantanamo, Cuba. Were the United States to lose Guantanamo, such action would jeopardize our control over the Panama Canal. These two bases together with Roosevelt Roads in Puerto Rico form a triangle upon which the security of the Caribbean rests. Their loss would be of grave strategic consequences for it would give a potential enemy control of the strategic Caribbean.

During the past decade my distinguished colleague in the Senate (Mr. Thurmond) and Representative Daniel J. Flood in the House of Representatives have made a series of statements on Panama Canal problems that cover all major aspects of the subject and that have never been excelled: Both of these leaders stress two points: 1) sovereignty over the Canal Zone and 2) major modernization of the existing canal.

As to these, identical Canal Zone sovereignty resolutions and Canal Modernization bills have been introduced in both the Senate and House. Together they form a reasoned policy program for our government, derived from experience. By removing present uncertainties and clearing away present cobwebs of confusion, their prompt adoption and passage will restore stability into the conduct of our Isthmian Canal policy.

One of the recent events directly related to the canal situation was an attempt in the reorganization of the House of Representatives to transfer legislative jurisdiction over the Panama Canal and Canal Zone from the Committee on Merchant Marine and Fisheries where it now is to the Committee on Foreign Affairs. After a careful explanation by Representative David W. Dennis, the House acted by a vote of 228 to 132 to retain supervision over the Panama Canal with the Committee on Merchant Marine and Fisheries. This action serves to stress that the Canal Zone is not foreign territory and property but that of the United States, the title to which has been recognized as valid by the U.S. Supreme Court (Wilson vs. Shaw, Secretary of the Treasury, 204 U.S. 24, 1907, at 31, 32, 33.)

Another point I would like to make is that, directly or indirectly, what happens to the Panama Canal will in some way or other affect the citizens of every state, especially in the coastal states with large sea ports and shipping. This is recognized in some of the states, for example, Maryland, South Carolina, and Virginia, that have passed strong resolutions opposing the State Department program for surrender. In this connection, I would invite the special attention of the Congress to the 1974 resolution of the Maryland legislature, which was quoted in an address to the Senate by my distinguished colleague from Maryland (Mr. Beall) in the Congressional Record of June 3, 1974, pp. 17298–301. I shall summarize the main points in the Isthmian situation:

1. The United States has a fine Canal now with indispensible sovereignty and jurisdiction over the Canal Zone for its efficient maintenance, operation, sanitation and protection.

2 Sixty years of operating experience show that the present Canal works, that it will continue to work, and that its capacity and operational improvement can be effected without a new treaty with Panama.

3. This modernization program, developed in the Panama Canal organization during World War II as the result of war experience, known as the Terminal Lake-Third Locks Plan, can be accomplished at "comparatively low cost" and in a relatively short time with every assurance of success.

4. That between 1904 and June 30, 1974, the total investment of the taxpayers of the United States in the Panama Canal enterprise, including its defense, was $6,880,370,000.

5. If we cannot retain the Canal that we built, own, govern, and maintain at our own expense and operate it on terms of equality for the vessels of all nations with tolls that are "just and equitable," the United States will be driven from the Isthmus and Panama will become another Cuba.

The crucial Panama Canal issue is not the United States sovereignty over the Canal Zone; it is the U.S.-Panamanian continuation of the present ownership and operation for the benefit of the U.S., Panama and all other nations versus the USSR domination; and this is an issue that cannot be ignored. To give away the Panama Canal is to adversely affect the defense of our country and the whole Western Hemisphere, to increase prices in the United States, and to increase unemployment in the United States. The time has come for action by the Congress. I call for the passage of Senator Thurmond's and my sense of the Senate resolution.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. THURMOND. I will be glad to yield to the able and distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT).

Mr. WILLIAM L. SCOTT. I thank the distinguished Senator from South Carolina for yielding, and I commend him on the statement he has made. I believe I am one of the cosponsors of the resolution.

Mr. THURMOND. That is right.

Mr. WILLIAM L. SCOTT. Mr. President, I do not believe there is any question that a treaty must be ratified by two-thirds of the Senate. I agree completely with what the distinguished Senator has said. But is it not a rule of law also that Federal property cannot be disposed of without the consent of Congress? Is that not what the Members of the House of Representatives have in mind when they ask that they also be consulted? Would it not go a step further?

Mr. THURMOND. Mr. President, in response to the question of the distinguished Senator from Virginia, the Senator from South Carolina will answer in the affirmative. When our Nation owns property, it requires an act of Congress to dispose of it. An act of Congress means action by both the House and the Senate. A treaty requires action by the Senate alone, and without question, it would not be sufficient and adequate to dispose of property belonging to the United States.

Mr. WILLIAM L. SCOTT. If we accept the premise that it takes an act of Congress to transfer title to property that is owned by the United States, would this not be a prerequisite to negotiation and disposal of the Panama Canal Territory?

Mr. THURMOND. I heartily agree, because our country bought this property. We paid for it and it is ours. It is ours in perpetuity, it is ours in fee simple. There is no way I know of that it can be disposed of except by an act of Congress. Yet the State Department seems to wish to take a shortcut—they have been trying to dispose of this territory for 10 or 12 years—and dispose of it by treaty. The State Department never has sent a treaty to the Senate because there has been so much opposition to it. I am confident that the Senate will not ratify a treaty, but why have this confrontation between the executive branch and the legislative branch when nothing can be accomplished except ill will?

Mr. WILLIAM L. SCOTT. Mr. President, if the Senator will yield briefly another moment.

Mr. THURMOND. I will be pleased to yield to the distinguished Senator.

Mr. President, if the Senator from Virginia will allow me just a moment, the distinguished Senator from Idaho requests that I give him a half minute.

Mr. CHURCH. Yes, Mr. President, for a unanimous-consent agreement.

Mr. THURMOND. I ask unanimous consent that it be done without counting time against me and that his remarks come at the end of the entire remarks of those wishing to express their sentiments.

Mr. ROBERT C. BYRD. Reserving the right to object, will the Senator from Idaho allow me to know how much time he requests?

Mr. CHURCH. Just about 20 seconds.

Mr. ROBERT C. BYRD. I have no objection to the time not being counted against Senator THURMOND if the time does not exceed 2 minutes.

(The remarks made by Mr. CHURCH at this point in the proceeding are printed subsequently in today's RECORD.)

Mr. WILLIAM L. SCOTT. Mr. President, I shall conclude my remarks by indicating or expressing the hope that the Department of State will be aware of the action of the various Members of the House of Representatives, their feeling that it does require an act of Congress, both bodies, in order to transfer title to real estate. If they fail to heed that, I hope that they will recognize the need for a two-thirds affirmative vote to ratify a treaty and will see the futility of any further action along the line that the distinguished Senator mentioned.

Mr. THURMOND. Mr. President, I heartily concur with the remarks of the able Senator from Virginia.

Mr. President, I yield now to the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.).

The PRESIDING OFFICER. Under the unanimous consent agreement, the Senator from Virginia is recognized for 15 minutes.

Mr. HARRY F. BYRD, JR. I commend the able Senator from South Carolina for the presentation of this resolution to the Senate today, and I associate myself with the remarks which the Senator from South Carolina (Mr. THURMOND) has just made.

It is unfortunate, I feel, that the State Department seems determined to give away the U.S. sovereignty over the Panama Canal.

As the Senator from South Carolina has just brought out, the United States obtained that sovereignty more than 70 years ago.

Just why the State Department feels impelled to give away American territory, I cannot understand. It was just a few years ago, that the State Department demanded, and Congress acquiesced, in giving away Okinawa, which the United States had obtained by treaty following World War II.

Then we know that in negotiation of money owed to the United States by other nations, the State Department always gives away the largest part of the sums owed by the other countries to the United States.

The question of the U.S. sovereignty in the Panama Canal Zone, I think, is an important one. But another unfortunate aspect of it is that the State Department blunders ahead, conducting negotiations leading to the transfer of sovereignty when it has been made clear that such action would be contrary to the views of a large number of the Members of Congress. In the past session of Congress, the senior Senator from Arkansas and the senior Senator from South Carolina introduced a resolution with 35 Members' names signed to it opposing the giving away of U.S. sovereignty in the Panama Canal.

That is more than one-third of the Senate, and, under the Constitution, enough to block any new treaty. The Senator from South Carolina, just today, has introduced a resolution in opposition to the transfer of sovereignty from the United States to Panama, signed by 37 Members of the Senate.

I might say that the rule change that has been proposed does not change the Constitution, and it still will require a two-thirds vote if that proposal of the State Department is submitted to the Senate as a treaty, as it should be submitted.

So why does the State Department want to set up a confrontation with the legislative branch, when it clearly knows that a large percentage of the membership is opposed to what the State Department is seeking to do?

Mr. President, I yield the remainder of my time to the Senator from New York (Mr. BUCKLEY).

Mr. THURMOND. Mr. President, I believe it was stated by the Senator from West Virginia that we had 30 minutes in all; is that correct?

Mr. ROBERT C. BYRD. That is correct.

Mr. THURMOND. Has the Senator from Virginia finished? If not, he may continue.

Mr. HARRY F. BYRD, JR. I would like to yield to the Senator from New York at this time.

Mr. BUCKLEY. Mr. President, I thank the Senator from Virginia for yielding to me. I also compliment the Senator from South Carolina for his initiative in raising this question on Panama at this time. I know that I was deeply disturbed on Sunday when I heard on the radio that the Secretary of State, Mr. Kissinger, had, in a discussion on Latin American policy, stated that we would relinquish sovereignty over the Panama Canal.

I believe, Mr. President, that one of our paramount responsibilities in this body is to concern ourselves with the security of this Nation and of our hemisphere. The resolution introduced by the distinguished Senator from South Carolina makes it clear that at least 37 Members of this body believe deeply that sovereignty over the Canal Zone is not negotiable.

I suggest, Mr. President, that the Secretary of State ought to have learned by now the virtue of testing senatorial waters before attempting to negotiate away what he cannot deliver. As my friend from Virginia has pointed out, the State Department has been on notice for more than a year that more than two-thirds of this body will not yield on this question. Under these circumstances, it is not only an exercise in futility to conduct negotiations that have as their purpose a relinquishment of sovereignty, but worse, in so doing we are giving rise to expectations that cannot be satisfied, and we are encouraging hotheads in Panama to resort to violence. This can lead to bloodshed and pressures.

I suggest that this body cannot retreat from the position we have taken. I also believe, Mr. President, that it is time the United States began acting like a major power. If we are firm in our position, if we make it clear that we take our responsibilities for hemispheric security as a profound obligation of our people, then we will be respected. Then we will find ourselves living in great amity with our neighbors to the south. If we show a disposition to negotiate our rights inch by inch, we will surely whet the Panamanians' appetite for even greater concessions, that we will find ourselves without the power to protect a territory that is vital to our security and commerce.

I thank the Senator from South Carolina for once again bringing these basic facts to the attention of the administration in so forceful a way, and for underscoring the fact that this body will not ratify a treaty compromising our right in the Canal Zone.

Mr. HARRY F. BYRD, JR. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. SCHWEIKER). The Senator has 7 minutes remaining.

Mr. HARRY F. BYRD, JR. I yield the Senator from North Carolina 5 minutes.

Mr. HELMS. Mr. President, I thank the distinguished Senator from Virginia. I join with my colleagues in congratulating the distinguished Senator from South Carolina (Mr. THURMOND) for his outstanding leadership on this issue. I am convinced that this Senate would have been presented with a dangerous treaty long ago had it not been for his constant warnings and close study of the situation.

I also pay tribute to the Senator from Arkansas (Mr. MCCLELLAN), who I understand is ill today and unable to be here.

Mr. President, there is no doubt that this Republic of Panama is seeking to remove our presence from our territory in the Canal Zone. Just a few days ago, the Foreign Minister of Panama, Mr. Juan Tack, gave an interview to the Panamanian press about his view of the treaty negotiations.

In this interview, Mr. Tack retreated from some of his earlier pronouncements. Yet there is no question that his objective is to get the United States out and to put the canal under Panamanian jurisdiction. His goals include Panamanian jurisdiction over U.S. military bases, and he raises the threat of increased exactions in the form of higher tolls from the users of the canal.

Indeed, hanging over the Foreign Minister's words is the implicit threat of what he calls "other means" which Panama will use if the United States does not surrender our sovereignty.

Mr. President, I find such tactics regrettable. Unfortunately, I believe that these views have been encouraged by the State Department's policies, as the Senator from South Carolina has pointed out. I hope that State will reconsider its actions in the light of this expression of the sense of the Senate.

Mr. President, I ask unanimous consent that the interviews with Mr. Tack be printed in the RECORD.

There being no objection, the interviews were ordered to be printed in the RECORD, as follows:

[From the Panama Star & Herald, Feb. 7, 1975]

TACK: TREATY WILL LIMIT U.S. PRESENCE HERE

Foreign Minister Juan Antonio Tack, saying that the presence of the United States in the Canal Zone will have a fixed duration in the new Panama Canal treaty, indicated yesterday that major issues still remain to be worked out in the negotiations but added that a treaty draft is possible by midyear.

The Foreign Minister was interviewed by La Estrella de Panama on the eve of the first anniversary of the agreement of basic principles that he and U.S. Secretary of State Henry Kissinger signed here a year ago today. The agreement of basic principles has served as the guide for the negotiations.

Emphasizing that any negotiation involves compromises, Minister Tack cited the agreement on the presence of the Unitd States in the Canal Zone for a fixed duration as a major political compromise.

"The dismantling of that United States presence should be accomplished in stages, within the final fixed deadline," the Minister declared.

How Panama will take over jurisdictional functions in the Canal Zone "in an acceptable period" is one of the issues still under negotiation, he said.

The Minister indicated another compromise in the negotiation deals with military bases.

"I don't know, in truth," the Foreign Minister declared "if there is any Panamanian who, in full sincerity and deep inside him, feels that a treaty could be signed, at some moment, whereby the United States would agree to dismantle the military bases in the present Canal Zone on the day after a treaty is approved. Besides, there is no international entity, no group of countries nor any individual country, either at the world or regional level, that could force the United States to do this.

"For these reasons, in the specific aspect of the protection and defense of the canal, the new treaty will involve a program to be carried out."

He then cited the conditions under which military bases would remain, one of them being that such bases will not be excluded from Panamanian jurisdiction.

In the interview, Minister Tack replied to questions on Panama's global foreign policy, the possibility of a treaty draft by mid-year, the compromise aspect of the negotiations, the jurisdictional change in the Canal Zone, the U.S. military presence under the new treaty, economic benefits to Panama, and the future of Panamanian employees under the new treaty.

The questions and Minister Tack's replies are as follows:

1. Mr. Minister, it is logical that on the first anniversary of the joint Tack-Kissinger announcement, the main topic of this interview should be the negotiations for a new treaty. However, before going into that specific question, could you tell us what are the significant aspects of Panama's global foreign policy?

In this first question, you employ what I consider a very appropriate concept: "global foreign policy." The foreign policy of a State should be a coherent whole and its parts should respond to the fulfillment of clear and definite objectives, closely linked to or determined by the internal reality of the state concerned. In this connection, for example, relations between Panama and the United States are a part of Panama's foreign policy, but such relations do not constitute whole our entire foreign policy.

This may have been so prior to the present Revolutionary Government because of our concrete political and economic circumstances. Our foreign policy was subordinated to the ups and downs of our relations with the United States. It was a matter, fundamentally, both at the level of bilateral and multilateral relations or of participation in international organizations, of adopting positions that would not "displease" the United States for fear of reprisals. Because of that situation in the past, it was possible, for example, that, despite the courageous and dignified stand of the National Government following the events of Jan. 9, 1964, in denouncing the aggression by the United States before the OAS, that some government a few months later pleased the United States by voting for the expulsion of Cuba from the community of American nations, without any juridical or moral basis.

With much pride and legitimate satisfaction we can say that it is highly stimulating, from an intellectual and national viewpoint, to cooperate with a Revolutionary Government that has structured, under the leadership of General Torrijos, an independent foreign policy that has a nationalist and progressive content.

Our foreign policy, which is very Panamanian, is based on the principles contained in accepted International Law, in the Charter of the United Nations and in the resolutions by the General Assembly of that organization in furtherance of those principles: sovereign equality of the states, political independence, territorial integrity, self-determination, non-intervention, rejection of any form of colonialism or imperialism. These principles serve as the unswerving guide of our international conduct.

We recognize as a central fact the existence of an international and transnational structure which is unfair, violent, oppressive and unequal. This fact, the driving force of which is, on the one hand, international exploitation and international division of labor and, on the other hand, certain regional processes and configurations, has produced and strengthened a structure of unequal dependence which hinders the possibility of a full, democratic and free development of natural and human resources and which leads to social backwardness of peoples. This situation is undesirable and contradictory with the foregoing principles as well as a ready source of international tensions, conflicts and wars that endanger world peace.

It would be immoral and abetting, however, to maintain international peace by sacrificing international justice. It has been precisely this search for justice that has historically rendered legitimate all revolutionary and social, anti-colonial and anti-imperialist movements as well as those against any other attempts to establish international monopolies or dominance.

Hence, the struggle for true social development is a struggle against all forms of oppression, monopoly, exploitation and political or ideological dominance, for the purpose of eradicating, to the highest degree practicable, unequal dependence and subordination. This has been summarized by General Torrijos with the phrase 'neither with the left or with the right; with Panama.' It is this unequal dependence which does not favor, but rather destroys, the development and flourishing of national cultures based on the true needs and aspirations of the peoples.

The foreign policy of the Revolutionary Government, recognizing the foregoing facts and principles, has picked up this universal concern, and thus has placed itself within a wide and altruistic vision of international relations, in which no national selfishness exists.

As a means of implementing its foreign policy, the Revolutionary Government has adopted the following principles:

1. National self-determination in the establishment of its political, economic and social system;

2. External independence in its international conduct;

3. The struggle against dependence derived from transnational exploitation and other forms of foreign pressures;

4. The basic principles of non-aligned countries—distance and independence in the face of the international policies of the dominant powers—in order to achieve a correlation of balanced forces that will lead to just international relations;

5. Non intervention in the affairs of states;

6. Recognition and respect for the plurality of ideologies, that is, to the various existing political and ideological systems.

7. The struggle for the elimination of the colonial enclave known as the Canal Zone.

It is on these principles that we base our position in the United Nations, in the Organization of American States (where we have been striving for six years for a profound structural change), in the other international organizations; in our permanent stand beside the countries of the Third World; in our participation within the Group of Non-Aligned Countries; in our support of national anti-colonialist and anti-imperialist liberation movements; in our struggle against all type of exploitation by trans-national corporations; in our sovereign decision to reestablish diplomatic, economic and cultural relations with the sister Republic of Cuba, and in our decision to widen relations with all nations of the world, without letting the various political or ideological systems become a barrier to all this. Thanks to this concept, Panama has been able to strengthen its own personality at the world level and has won international support in its struggle to achieve its legitimate vindications.

This is, then, our global foreign policy. It, not the opposite, is what determines the present characteristics of the general relations between Panama and the United States and, within these, specifically the problem of the negotiations of the new Canal treaty.

2. Reports from Washington speak of the possibility that a treaty will be signed in the next ten weeks. Is there a deadline to determine the success or failure of the negotiations and, in any case, do you think it is likely that a draft can be prepared by the middle of this year?

During the negotiations that have been conducted by the present Revolutionary Government, we have never imposed a deadline upon ourselves to arrive at a treaty. The success or failure of the negotiations has always depended on the content of the agreements reached and not on circumstantial or formal aspects. There can be a new treaty only if its content is acceptable. And, along this line of thought, the development of the content of the negotiations indicates, up to this moment, that there might be a text drafted by the middle of the year.

3. Taking into account that a treaty such as the one being discussed is the result of an attitude of compromise by both sides, which are the points that are now acceptable to the respective parties and which were not so before?

Every treaty, as you say, embodies agreements which imply compromises by both sides, not because they did not adequately set forth their aspirations or did not defend them with patriotism, but because a position of compromise is called for. In Panama's concrete case, the complete freedom of negotiations is affected by a de facto situation:

The United States is there in the Canal Zone under a treaty in perpetuity to operate, maintain, protect and defend a canal that severs our entrails insides. Thus, the positions of agreement in a new treaty may be regarded by some as Panamanian compromises, notwithstanding the fact that they are real gains towards the government's ultimate objective of recovering and operating the canal.

Panama cannot allow the United States to impose a treaty upon it; but Panama cannot impose a treaty text upon the United States, and this because of so many known political, economic or military compromises. Every negotiation is, of itself, a compromise. That is its principal characteristic. From the time that it is agreed to enter into a negotiation, it goes without saying that its compromise nature is accepted. To the contrary, if it is felt that negotiation is not the adequate means for resolving a given situation, then other means would have to be determined. The whole previous process of negotiation, starting in 1904, has been in the nature of compromise. Even the Joint Declaration of April, 1964, which served as the diplomatic starting point for the present negotiations was a great political compromise. In that Declaration, for example, it is not stated that the United States must eliminate all its military bases in Panama on the day following the ratification of a new treaty, even though the events of January 9 were still fresh.

Likewise, the Joint Announcement of the eight principles, signed a year ago, which is the framework for the present stage of negotiations, is a political compromise.

The fundamental problem is not that compromise aspect, but that of the objectives sought, how to achieve them and when. I believe sincerely that the majority of Panamanians are in agreement on the objectives desired, among which the top one is a Panamanian canal, operated by Panamanians and under exclusive Panamanian jurisdiction. The different approaches lie in the how and the when of achieving such objectives. The important thing is that, in the end, the objectives be attained. It is necessary and urgent to adopt at all times, an objective attitude which will permit us to achieve the indispensable equilibrium to arrive at the truth.

Contemporary world history shows that the basic problems of each people are closely related. The adequate solution to the problem of our relations with the United States by reason of the canal is given within the framework of a national reality, a Latin American reality, a world reality. No conscientious statesman can act removed from those three realities; otherwise, he would be acting in a vacuum.

Since you have asked something fundamental with respect to the points that are now acceptable to the respective parties and which were not so before, which imply a political compromise, I can say simply that the presence of the United States in the present Canal enclave will have a fixed term. This means, in the first place, the end of perpetuity and of the unilateral exploitation by the United States of Panama's geographical position.

The dismantling of that United States presence should be accomplished in stages, within the final fixed deadline, until the time that Panama assumes total control of its operation, maintenance, protection and defense, upon the end of that deadline. We are striving with the greatest care possible that there will be not trace of concealed perpetuity in a new treaty, or any clause that the United States could interpret in order to maintain its presence indefinitely in Panama.

4. What will be the physical, political, jurisdictional, fiscal, labor, commercial, administrative, etc., transformation of the present Canal Zone under the new treaty and how much time will be required to achieve it in all aspects?

It is necessary to remember that Principle 3 in the Joint Announcement of Feb. 7, 1974, provides as follows:

"The termination of United States jurisdiction in Panamanian territory will be promptly carried out, pursuant to the terms specified in the new treaty."

North American jurisdiction in the present Canal Zone is the presence of a 'government within another government' and the unrestricted exercise of United States political jurisdiction and administrative authority in that Zone, which is one of the principal sources of conflict between the two countries. In accordance with Principle 3, Panama will exercise its full jurisdiction in that portion of its territory, to the exclusion of the United States, no different from that which Panama exercises in the rest of its territory.

With this stipulation, compliance is given to the principle of self-determination and political independence proclaimed by the United Nations in its provisions and resolutions. Further, under Principle 5 of the Joint Announcement 'it is recognized that the geographical position of its territory is Panama's principal resource.' Therefore, Panama's sovereignty is undisputable inasmuch as the United Nations has affirmed the permanent sovereignty of peoples over their natural resources.

The restitution of jurisdiction to the Republic of Panama must be made promptly. In this type of agreements, such as the Joint Announcement, there are deliberately omitted, because of the need for flexible diplomatic practice, all specific determinations that tend to condition all aspects to only one. It should be observed, for example, that the Joint Statement of April 3, 1964, referred to the 'prompt elimination of the sources of conflict', without elaboration. We have been negotiating for eleven years and that 'prompt' elimination of the sources of conflict has not yet materialized. We are striving now for a true prompt recovery of the Panamanian territory known as the Panama Canal Zone.

Panama's understanding is that the jurisdictional functions or attributes should come into the direct competence of our Republic in an acceptable period, reckoned from effective date of a new treaty. The specific manner how this will come about is one of the principal aspects that are being negotiated.

Once the national territory has been totally integrated and once Panama exercises its full jurisdiction over the totality thereof, then Panama, as the territorial sovereignty, will confer upon the United States "the rights of use" necessary for the operation, maintenance, protection and defense of the Canal, and only for the duration specified in the treaty.

The rights of use are not sovereignty rights nor are they jurisdictional rights.

The recognition that Panama will assume fully the operation of the Canal upon the termination of the treaty can presuppose two possibilities: (1) that Panama will have no responsibility for the operation of the Canal during the life of the treaty; or (2) that Panama will have responsibilities for the operation of the canal during the life of the treaty.

That Panama will assume the full responsibility for the operation of the Canal gives clear indication that, since this cannot happen overnight, and since this recognition is the expression of an intent by the parties, Panama will have defined responsibilities for the operation (and by extension, for the maintenance) of the Canal during the life of the treaty. It would be, therefore, joint operation and maintenance, for which Panama is not unprepared because most of the workers engaged in such functions are Panamanians.

Just as Panama will participate in the operation and maintenance, it also will participate in management, at the top of the canal enterprise, dealing with the formulation and development of policies and decisions relative to the purposes of the Canal operation, maintenance, ship transits, i.e., the conditions of various natures that are involved in the handling of the Canal.

The ultimate objective is that Panama, upon the termination of the treaty, will assume full responsibility for the total and complete handling of the Canal.

5. Under the new treaty, would the North American military presence continue in the national territory, specifically in military bases under direct North American control or under joint control, or in any other forms?

As I have explained earlier, and as any conscientious Panamanian can understand, negotiation is a political compromise. I don't know, in truth, if there is any Panamanian who, in full sincerity and deep inside him, feels that a treaty could be signed, at some moment, whereby the United States would agree to dismantle the military bases in the present Canal Zone on the day after a treaty is approved. Besides, there is no intertional entity, no group of countries nor any individual country, either at the world or regional level, that could force the United States to do this.

For these reasons, in the specific aspect of the protection and defense of the Canal, the new treaty will involve a program to be carried out. But the agreements that may be arrived at on this subject, should have as fundamental characteristics the following:

1. That the Republic of Panama, as sovereign over all its territory, is directly responsible for the protection, defense and security of its territory.

2. That the form of the presence of the United States in that matter, will be solely and exclusively for the real protection and defense of the Canal in a manner that will not affect national dignity and Panamanian sovereignty.

3. That the sites Panama allows the United States to use for those specific purposes will not be excluded from the jurisdiction of the Republic of Panama.

4. The Panamanian Armed Forces should have adequate and growing participation in the protection and defense of the Canal and its neutrality

5. That there will be nothing in this matter that implies unlimited continuity or concealed perpetuity on the part of the United States.

6. That the United States will not intervene in the internal affairs of the Republic of Panama.

7. What are the economic benefits that loom for Panama in the negotiations, how much would they amount to and what influence have the economic aspects had on the negotiations?

We have insisted always that the economic aspects of a new treaty—although having undeniable importance for Panama—should not prevail over the aspects relative to our sovereignty and jurisdiction. We maintain that position.

However, it is logical that a new treaty should bring substantial economic benefits to Panama, by reason of the huge value of its basic contribution to the Canal enterprise, i.e., its principal natural resource, its geographical position. These economic benefits should be derived from the true value involved in the fact that Panama has had to devote the most important portion of its territory to the Canal. It is not, therefore, by any means, just that Panama is to receive a simple payment as a sort of rental for part of its land and waters. The matter goes deeper.

Likewise, our opinion is that the economic benefits that are derived from the existence of the Canal in our territory, should serve fundamentally for the purposes of our process of economic and social development and, especially, to deepen the change in social structure; hence, such benefits should be conceived as part of the national development programs.

We are convinced that this matter will have a positively important impact on the full development of the nation.

7 What will be the future of the present employees of the U.S. government in the present Canal Zone, especially that of Panamanians, under the new treaty?

Panama has consistently held that the activities derived from the existence of the canal in our territory should be a source of employment principally for Panamanian citizens. This position should have full enforcement in a new treaty.

The legitimate aspirations of Panamanian workers are being taken into account, with maximum care, in the present negotiations. There should be nothing in a new treaty that could mean a deterioration for this important group of fellow citizens. On the contrary: a new treaty should take into account the satisfactory solution, for them, of situations which are in effect at present and which affect them adversely.

The responsibilities Panama will have in the operation, maintenance, administration, protection and defense of the canal, should be reflected, in practice, in a progressive, wider and significant participation by Panamanian citizens in all classifications and levels of employment related to the Canal activity, which, in turn, will have a positive impact on the national economic structure.

8. If the result of the plebiscite in Panama were adverse to the treaty, what would be the government's attitude?

Through the plebiscite provided for by the National Constitution, the Panamanian people undoubtedly will express its sovereign will with respect to a new treaty. But the National Government will take all measures so that our people, prior to the plebiscite, may have all the necessary information, analyses and explanations in order to form a clear and full opinion of the content and significance of the treaty. Therefore, we expect that when the people carry out the plebiscite, they will have had the opportunity to meditate well over their great decision involving the national destinies. The attitude taken by the National Government will be determined by the decision taken by the Panamanian people in the plebiscite.

9. How would you summarize the present status of the negotiations?

I have referred earlier to some of the major matters that have been discussed in the negotiations, as well as to the characteristics of the treatment we have given those matters. Likewise, we are exerting ourselves so that a new treaty will be as clear and as simple as possible, so that every Panamanian can understand it by himself.

Some important matters still remain to be discussed. You know that in every negotiation difficulties and obstacles arise each moment, especially in a negotiation as complex as those for a new Canal treaty. We would expect that in the matters still to be discussed there will be no insurmountable difficulties that would delay the negotiation process. In any case, one must always await the moment of discussion in order to learn if there are difficulties and whether these are insurmountable or not.

Undoubtedly, in the present stage of the negotiations, which are being conducted with great intensity, the forthcoming discussions on certain concrete matters will have a direct incidence in the determination of decisions which the Revolutionary Government must take.

I repeat what I said in answer to an earlier question: The important thing will be that the content of a new treaty be acceptable to Panama and that it provides for the elimination of the sources of conflict.

Mr. HELMS. I further ask unanimous consent, Mr. President, that an article published just about a year ago in the spring 1974 issue of the publication Strategic Review, entitled "Panama Canal: Focus of Power Politics," be printed in the RECORD. I am very proud, Mr. President, that this fine article was written by Dr. James P. Lucier, who is chief legislative assistant to the Senator from North Carolina.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Strategic Review, Spring, 1974]

PANAMA CANAL: FOCUS OF POWER POLITICS

(By Dr. James P. Lucier)

(IN BRIEF.—On February 7, 1974, the Secretary of State initialed at Panama City a Statement of Principles to govern the negotiation of new treaty relationships for the U.S. Canal Zone. These principles were essentially a restatement of the guiding principles announced by President Johnson in 1935 which led to the aborted treaty drafts of 1967. They would terminate U.S. sovereignty in the Canal Zone and provide for joint U.S.-Panama operation and defense of the Canal in a period to be determined, after which the Republic of Panama would assume full control of Canal operation with continuing U.S. defense assistance. The adduced justification for this proposed new relationship is that terminating U.S. sovereignty would remove a cause of friction and allow improved U.S. relations with Panama and Latin America. But sovereignty conveys ultimate control so that other treaty provisions could be abrogated by Panama after it was vested with sovereignty and the Canal operation could be assumed by Panama or transferred to a third party. Marxist cadres which have in the past incited mobs to violence would be encouraged to intensify their efforts to evict the United States from the Canal operation. The vital interests of the United States, commercial as well as national defense, prohibit such transfer of control over this lifeline to others. U.S. interests and obligations require the continuation of U.S. sovereignty in the Canal Zone in perpetuity, as provided in the Treaty of 1903.)

On February 7, 1974, U.S. Secretary of State Henry A. Kissinger arrived in Panama City with a company of newsmen, State Department officials, and Members of Congress. He was there to "initial" a Joint Statement of Principles for negotiations on a new Panama Canal Treaty.

The Secretary offered more than the usual gesture of diplomatic optimism. The prestige of his personal visit was put behind a full-scale commitment to withdraw the United States as the sovereign power in the Canal Zone. He spoke of the new canal arrangements in the context of worldwide international developments, and of the exercise of power by the United States—on United States territory—as though it were something less than proper.

THE PAST AS PROLOGUE

The program which Secretary Kissinger promised in Panama is not new. It is similar to the program drafted for President Lyndon Johnson when world power relationships were dramatically different and some spoke of the Panama Canal as though it were expendable. The passage of a tumultous decade has proved the wisdom of those who insisted that the Panama Canal is essential to our nationhood and who found in the political imagination which created the Canal Zone an excellence to match the technological achievement of building the Canal.

The basic concepts of the Joint Statement of Principles were laid down almost a decade ago by President Johnson, following the Communist-inspired Panama riots of January 1964. What was then offered as a panicky response to a manipulated crisis is now presented as a permanent solution. Yet the global and strategic posture of the United States has been profoundly altered by events of the past decade.

In the summer of 1973, Ambassador-at-Large Ellsworth Bunker was appointed as head of the U.S. negotiating team, supplanting Ambassador Robert B. Anderson. The principles were negotiated by Ambassador Bunker during trips to Panama in December 1973, and January 1974. These dates are significant because Ambassador Bunker was simultaneously negotiating in Jerusalem the Middle East peace agreement and the reopening of the Suez Canal. He accomplished both missions by commuting back and forth between Panama City and Jerusalem.

Ambassador Bunker was not familiar with the Panama problem. As the U.S. representative to the Organization of American States in 1964, he played a major role in formulating and articulating U.S. policy *vis-à-vis* the Republic of Panama. It was in this forum that Panama brought charges of U.S. aggression during the 1964 riots. The charges were never substantiated, and Ambassador Bunker denied them forthrightly. But he also announced at the OAS meeting that the United States stood ready for "reconsideration of all issues—may I repeat, *all* issues between the two countries—including those arising from the Canal and from the treaties relating to it. . . ."[1] This was an open reference to the chief demand of Panama, the abrogation of United States sovereignty in the Zone.

By September 1964, President Johnson announced that formal negotiations were indeed to be opened, and that they were to be premised upon abrogation of the 1903 treaty. These negotiations, conducted by Ambassador Anderson, continued until September 24, 1965, when President Johnson issued a progress report which defined broad areas of agreement that had been reached.

The areas of agreement reached are the following:

One: The 1903 Treaty will be abrogated.

Two: The new treaty will effectively recognize Panama's sovereignty over the areas of the present Canal Zone.

Three: The new treaty will terminate after a specified number of years or on the date of the opening of the sea level canal whichever occurs first.

Four: A primary objective of the new treaty will be to provide for an appropriate political, economic and social integration of the area used in the canal operation with the rest of the Republic of Panama. Both countries recognize there is need for an orderly transition to avoid abrupt and possibly harmful dislocations. We also recognize that certain changes should be made over a period of time. The new canal administration will be empowered to make such changes in accordance with guidelines in the new treaty.

Five: Both countries recognize the important responsibility they have to be fair and helpful to the employees of all nationalities who are serving so efficiently and well in the operation of the canal. Appropriate arrangements will be made to ensure that the rights and interests of these employees will be safeguarded.[2]

In 1967, the Johnson Administration completed the drafts of three treaties, one transferring the administration of the Canal to an "international entity" bilaterally operated by the United States and the Republic of Panama; a second concerning defense; and a third laying down principles for construction of a new canal of so-called sea level design at an undetermined date. The drafts of these treaties were never signed. Two of them were published by the *Chicago Tribune*, and the third was read into the *Congressional Record* by U.S. Senator Strom Thurmond. The reaction in Congress, led by Thurmond and by Congressman Dan Flood of Pennsylvania, made it inexpedient to submit the drafts of the treaties to the Senate.

Meanwhile, the treaties also became involved in the Panamanian election campaigns of President Marco Robles and Arnulfo Arias. Arias won, but eleven days after his election, he was swept out of office by a military *junta* led by the present chief of state, General Omar Torrijos. This *coup* gave Panama its fifty-ninth government in seventy years.

These failures of the sixties brought no new approach for the seventies. The Joint Statement of Principles initialed by the Secretary of State at Panama City in 1974 is based on the same assumptions about the nature of the problem. State Department policy adheres to the premise that a surrender of U.S. sovereignty in the Canal Zone is necessary to the improvement of relations with the Republic of Panama and with Latin America.

Footnotes at end of article.

THE JOINT STATEMENT OF PRINCIPLES

The philosophy of the Joint Statement of Principles is suggested by these words of Secretary Kissinger at Panama City:

"Seventy years ago, when the Panama Canal was begun, strength and influence remained the foundation of world order.

"Today we live in a profoundly transformed environment. Among the many revolutions of our time, none is more significant than the change in the nature of the world order. Power has grown so monstrous that it defies calculation; the quest for justice has become universal. A stable world order cannot be imposed by power; it must derive from consensus. Mankind can achieve community only on the basis of shared aspirations.

"That is why the meeting today between representatives of the most powerful nation of the Western Hemisphere and one of the smallest holds great significance. In the past, our negotiation would have been determined by relative strength. Today we have come together in an act of conciliation."

The unreality of this statement speaks for itself. The notion that power is unrelated to responsibility is contrary to the simple realities of life. The implication that an unequal relationship is incompatible with justice is difficult to understand. We have been more than fair to Panama, granting concessions not required by considerations of equity.

The ceremony in Panama City involved an official visit with the "initialing" of a "Joint Statement of Principles" for negotiations on a new Panama Canal Treaty. Such initialing ceremonies are usually reserved for the actual treaty draft. Here the Secretary gave the ritual trappings of a treaty to something which was not constitutionally a treaty, and which would not have to be sent to the Senate for advice and consent.

The formality with which the Principles were handled tends to pre-empt further negotiations on essential points. Once such points are conceded, the details of surrendering U.S. jurisdiction, to be worked out in the treaty, are unimportant. The design of this act is to commit the country to new relationships without congressional approval, then to offer a treaty for routine approval. The treaty, when and if it is achieved, will be a mere appendage to the Joint Statement of Principles.

The eight Principles of the Joint Statement are worth examining one by one:

1. The treaty of 1903 and its amendments will be abrogated by the conclusion of an entirely new interoceanic canal treaty.

Although the Statement of Principles does not mention sovereignty, it is indeed U.S. sovereignty over the Canal Zone which the proposed negotiations are designed to terminate. The Hay-Bunau-Varilla Treaty of 1903 is the instrument by which the Republic of Panama "grants to the United States all the rights, power and authority within the zone . . . which the United States would possess and exercise as if it were the sovereign of the territory within which said lands and waters are located to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority." The language of this treaty is *sui generis*. It establishes the United States as the lawful sovereign in every respect, to the entire exclusion of any exercise of sovereignty by Panama. Without this clause the Panama Canal would never have been built; and without it, the United States could not successfully maintain control of the Canal. The 1903 treaty has been amended twice by the treaties of 1936 and 1955, yet the sovereignty and perpetuity clauses have never been touched.

Panama's only interest in the Canal Zone is that of "titular sovereignty", a phrase which leaves Panama with the right of a residuary legatee, i.e., if the United States chose to withdraw from the Canal Zone, the territory would revert to Panama and not to some other country.

2. The concept of perpetuity will be eliminated. The new treaty concerning the lock canal shall have a fixed termination date.

The concept of perpetuity is a necessary concomitant of sovereignty and of the nature of the project for which sovereignty was acquired. The Spooner Act of 1902, which authorized negotiations with Colombia for the Canal route, mandated the President to obtain "perpetual control" of the necessary territory. The Hay-Herran Treaty of 1903, never ratified by Colombia, specified a concession of one hundred years, renewable at the sole discretion of the United States. When the internal operations of Colombian politics threatened to deprive the residents of Panama of the prospective canal—the Spooner Act also mandated the President to negotiate with Nicaragua if the Colombian negotiations failed—the Panamanians revolted. The Hay-Bunau-Varilla treaty, with its perpetuity clause, was the inducement offered by the new Republic to prevent construction of the interocean canal in Nacaragua.

3. Termination of United States jurisdiction over Panamanian territory shall take place promptly in accordance with terms specified in the treaty.

At the present time, the United States has no jurisdiction over Panamanian territory and the Republic of Panama has no jurisdiction over U.S. territory. Responsibility is clearly delineated. The metes and bounds of the Canal Zone described by the Price-LeFevre Boundary Convention of 1914 define what is indisputably territory of the United States. Mistakenly referred to sometimes as a "lease", the territorial transfer was accomplished by "grant", a word which signifies the transfer of title in fee simple, a fact confirmed by the United States Supreme Court.[3] There is no more reason to give this territory to Panama than to give the Louisiana Purchase back to France, or Alaska back to the Soviet Union. The United States paid Panama $10 million as "the price or compensation", plus $250,000 annually, the latter representing the annual fee formerly paid to Colombia by the Panama Railroad (a privately owned venture, bought out by the United States).

In addition, private claims were extinguished by a U.S.-Panamanian Joint Commission which purchased the titles from the private owners at fair market value under eminent domain. In all the United States has invested nearly $163.7 million in acquiring the Canal Zone, excluding construction and protection, making it the most expensive territorial purchase in United States history.[4] Including defense, the Panama Canal represents an investment of about $6 billion.

Since 1904, the United States has exercised all the rights of sovereignty in the territory. Congress has set up a Federal Court in the Zone and established the Canal Zone Code. The United States effectively controls the territory and the inhabitants, conducts defense and foreign relations, and performs all acts which are recognized in international law as the acts of a sovereign.

4. The Panamanian territory in which the canal is situated shall be returned to the jurisdiction of the Republic of Panama. The Republic of Panama, in its capacity as territorial sovereign, shall grant to the United States of America, for the duration of the new interoceanic canal treaty and in accordance with what that treaty states, the right to use the lands, waters, and airspace which may be necessary for the operation, maintenance, protection and defense of the canal and the transit of ships.

The Canal is not situated in Panamanian territory. It is situated in United States territory. If sovereignty were transferred to the Republic of Panama, the United States would become only a leaseholder, even though it had an agreement to operate, maintain, and defend the Canal. At best, the United States would be in a position analogous to that of a status-of-forces agreement, such as we have for military bases abroad. The number of these bases is rapidly diminishing. Such agreements are not very durable, no matter how strong our friendship with an ally seems to be.

As the recognized sovereign in the Canal Zone, the United States now has the unquestioned right to take any action it deems necessary to operate and defend the Canal. If the United States were merely the guest of a host country, the power of the sovereign to evict it from the Canal would invite international pressures to that end. The times being what they are, military defense of the U.S. rights would draw condemnation by the world community.

5. The Republic of Panama shall have a just and equitable share of the benefits derived from the operation of the canal and its territory. It is recognized that the geographic position of its territory constitutes the principal resource of the Republic of Panama.

The Republic of Panama already enjoys a just and equitable share of the benefits derived from the operation of the Canal, even though it is operated in United States territory. This $250,000 annual payment was raised to $430,000 when the dollar went off the gold standard in the thirties. This sum is paid from tolls. In 1955, an additional $1.5 million was added, paid from U.S. State Department contingency funds.

The United States, by contrast, does not take a penny from tolls. By law the Panama Canal Company must operate on a self-sustaining basis; the small surplus has been plowed back into capital improvements.

But the benefits to Panama from tolls do not represent its chief benefits. Panama benefits also from the $65.5 million payroll paid to Panamanian citizens, from the skills and business organization taught the employees of the Canal Company, and from the research projects on tropical diseases and sanitation that still continue. Panama is the highest *per capita* recipient of U.S. AID programs, and is preeminent among Latin American economies. In recent years it has become the international banking center of Latin America, with a total of fifty-eight banks in Panama City today. This economic development would suffer without the stability and security of the U.S. presence in the Zone.

Panama benefits not alone from her geographic position but more importantly from the U.S. investment, engineering genius and management capability which made the Canal possible. The United States bought this geography, paying for it a handsome price which no other country was then prepared to pay. This resource is now dedicated to the service of world commerce.

6. The Republic of Panama shall participate in the administration of the canal, in accordance with a procedure to be agreed upon in the treaty. The treaty shall also provide that Panama will assume total responsibility for the operation of the canal upon the termination of the treaty. The Republic of Panama shall grant to the United States of America the rights necessary to regulate the transit of ships through the canal, to operate, maintain, protect, and defend the canal, and to undertake any other specific activity related to those ends, as may be agreed upon in the treaty.

Divided administration is not conducive to harmony nor efficiency. It can be argued that the Canal has been run efficiently because the United States has had sole responsibility for administration. Although an increasing number of Panamanians are serving in administrative and executive positions throughout the Canal organization, they do so as in-

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Footnotes at end of article.

dividuals, and not as representatives of the Panamanian government. To subject administrative decisions to the judgments of two powers could cause confusion or paralysis in Canal operations.

7. The Republic of Panama shall participate with the United States of America in the protection and defense of the canal in accordance with what is agreed upon in the new treaty.

The extent to which Panama can participate in the protection and defense of the Canal is unclear. If this participation is to be meaningful, the defense of the Canal would be subject to differences arising between the two countries. Previous proposals to share defense range from a cumbersome and inoperable mixed commission for emergency decisionmaking—proposed in the draft 1967 treaties—to Panama's more recent demands that no United States troops remain on the Isthmus for any purpose. Since the future course of Panamanian leadership or the influence of external powers cannot be foreseen, the United States could conceivably be put in the position of having to defend the Canal against a sovereign Panama, or to withdraw.

8. The United States of America and the Republic of Panama recognizing the important services rendered by the interoceanic Panama Canal to international maritime traffic, and bearing in mind the possibility that the present canal could become inadequate for said traffic, shall agree bilaterally on provisions for new projects which will enlarge canal capacity. Such provisions will be incorporated in the new treaty in accord with the concepts established in Principle 2.

The only viable proposal for expansion of canal capacity is the Terminal Lake-Third Locks Plan developed within the canal organization during World War II, estimated to cost $1 billion. It is still the cheapest and most effective plan. This proposal would not change the alignment of the present canal, and therefore would not require a change in the boundaries of the Canal Zone nor new treaty authority. The plan itself has been endorsed by experienced canal experts, shipping interests, engineers, navigators, and ecological groups, and now lies before Congress.

The only alternative to receive serious consideration is the proposal for a sea level canal conventionally excavated in an area a few miles west of the present channel. This sea level canal, proposed in 1970 by the Atlantic-Pacific Interoceanic Canal Study Commission, carried a $3 billion price tag and has never been seriously advanced because of the cost, the ecological hazards, and the uncertainty of the treaty negotiations. Moreover, it is doubtful that Congress would authorize construction and appropriate the necessary funds for a canal project with a fixed termination date.

STRATEGIC IMPLICATIONS

In the 1950s, debates raged over whether or not the Canal retained strategic importance. Naval strategy was then closely allied to giant carriers which were too large to pass through the locks. Defense planning was premised on a "two-ocean navy" which was not dependent on the canal as a vital link, but only as one of convenience. The lock canal was criticized by sea level canal advocates as vulnerable to nuclear attack; while advocates of lock canal modernization pointed out that a sea level canal was no less vulnerable because of its deeper cut through the mountains.

In 1964, the United States was unchallenged, at the height of its power. To some it may have seemed that the United States could thus make cheaply a magnanimous gesture. But for the more farsighted, the Canal retained a fundamental role in the destiny of the United States.

Since 1964, the United States has suffered a sizeable fiscal and emotional drain in the Vietnam war, with concomitant lowering of world confidence in American leadership. Our once unshakeable ally, Australia, feels emboldened to warn the United States against establishing a vitally needed naval base at Diego Garcia in the Indian Ocean.

The Soviet Union, in a massive drive since 1965, has surpassed us in the number of strategic weapons and the throw weight of deliverable nuclear power. During this time, the Soviets have built from scratch a modern navy that challenges our own declining navy for the supremacy of the seas and control of the narrow waterways of the world.

It is estimated that the Soviets can increase the effectiveness of their modern navy in the Indian Ocean by one-third with the opening of the Suez Canal, giving their landlocked bases in the Black Sea a short route to open water. This is because the shorter steaming time and the direct route enable a smaller number of vessels in transit to sustain a given number of vessels on station.

It is not surprising, therefore, that the Soviets, in an impressive display of crisis management, equipped, trained, and supplied the Arabs in the Yom Kippur War. As a product of that conflict, it now appears probable that the first stage of the Arab-Israeli settlement will result in the reopening of the Suez Canal.

Fate has again linked the two canals. It is perhaps ironic that as U.S. diplomacy strives to open the Suez Canal to Soviet warships, in Panama it seeks to create the conditions which led to the closing at Suez. In consequence, the Soviet navy will be greatly increased in efficiency while the U.S. navy may well be faced with the barrier of an inoperative canal at Panama.

If the Panama Canal were to be closed, it would profoundly affect the economies of the Western nations, including Japan. The effects would be more severe than those of the Suez closing because of the diversity of Panama cargoes. Suez traffic was chiefly in oil. Petroleum and petroleum products constitute the largest single category of cargoes through the Panama Canal; but they only account for 18.2 per cent of total cargo movement. Grains and soybeans account for 15.8 per cent; coal and coke for 11.1 per cent; iron and steel manufactures, 7.7 per cent; nitrates, phosphates, and potash, 6.3 per cent; lumber, 5.7 per cent, and so on. The list is incredibly diverse: fish, bananas, dairy products, motorcycles, automobiles, nails, wire, borax, salt, sulphur, cocoa, cotton, molasses, skin, hides, sugar, bricks, liquor, paper, tallow, tobacco, oats, corn and barley. The trade of the world goes through the Panama Canal.

While the percentage of Japan's trade through the Panama Canal is only 10.7 per cent, its loss could nevertheless be extremely disruptive. Japan's coal and coke shipped from Hampton Roads through the Canal is used to make steel, which in turn is used to build automobiles and ships which are then sent through the Canal to East Coast and European ports.

Similarly, only 16.8 per cent of United States trade goes through the Canal. But a different picture emerges when statistics reveal that a constant average, down through the years, of about seventy per cent of all cargo through the Canal is bound either from or to a U.S. port. About 40 per cent originates in the U.S. and 28 per cent is destined to the U.S. When these cargoes are viewed in terms of specific markets—the coal industry in West Virginia, the grain belt in the Midwest, crude and residual oil for the Northeast—it becomes clear that dislocations in the U.S. economy could take place if the Canal were closed by accident or design.

As far as the Latin American countries are concerned, their trade dependency upon shipments through the Panama Canal is of great significance. For Chile, 34.3 per cent of her trade goes through the Canal; for Colombia, 32.5 per cent; for Costa Rica, 27.2 per cent; for Ecuador, 51.4 per cent; for El Salvador, 66.4 per cent; for Guatemala, 30.9 per cent; for Nicaragua, 76.8 per cent; for Peru, 41.3 per cent; for Venezuela, 7.4 per cent. Panama itself has 29.4 per cent of its trade go through the Canal. In some of these cases the tonnage involved is small when compared to overall tonnage through the Canal. But for the countries involved, any interference with that trade would seriously interfere with the standard of living of the people. All have a vital interest in the continued efficient and economical operation of the Canal.

Suddenly, an era of scarcity has dramatically altered patterns of international trade. When the Soviets unexpectedly purchased vast amounts of U.S. grain, the railroads could not find enough cars to move the grain to ports. When the Organization of Petroleum Exporting Countries (OPEC) applied the oil embargo to supporters of Israeli policy, and boosted prices worldwide, the economics of oil production and shipment changed. All at once it becomes desirable, even urgent, to have a modern, larger Isthmian canal that can take 80,000 ton LNG ships and medium-sized tankers to supply the East Coast from Valdez and Irkutsk. The Alaskan North Slope will have a far greater production than can be absorbed by refiners on the West Coast for several years; and if it cannot be shipped to refineries on the East Coast and Puerto Rico, that surplus will go to Japan and other foreign customers.

Thus, a new "strategic" significance develops when the new realities of the 1970s are considered. International trade becomes critical to the survival of a nation. A huge capacity to ship it anywhere at will—becomes a major instrument of foreign policy and a powerful lever for asserting national interests.

"Strategic" in the narrower military sense involves the rapid deployment of the fleets; and with pared-down military budgets, the effectiveness of warships is diminished when they are stretched out around Cape Horn. The modern Navy emphasizes smaller ships, greater speed, nuclear power, and independent missile capability. During the Vietnam war, use of the Canal by U.S. warships increased sharply. In 1965, 284 U.S. government vessels made the transit, a normal amount. But in 1966, it was 591; in 1967, 879; in 1968, 1,504; in 1969, 1,376; in 1970, 1,068; in 1971, back to 503. Setting aside the possibility of all-out nuclear war, in which the Canal may not be a decisive factor, the Panama Canal will continue to play a major role both tactically and strategically, as our Navy keeps the sea lanes open.

But all of this assumes that the United States has the Panama Canal under its control. Despite "guarantees" that are to be written into the proposed treaty, the United States in its Joint Statement agreed in principle to an arrangement whereby our control rests not on our sovereignty, but on treaty—a treaty that could be abrogated at any time by Panama in assertion of her sovereignty. While, logically, it would appear at the present time to be counter to Panama's interests to expel the United States, the pattern of revolutionary turmoil in Panama gives scant prospect that a Panamanian government, now or in the future, would be resistant to pressures to terminate the U.S. lease on the Canal.

The role of sovereignty is well illustrated in the history of Suez. De Lesseps was granted the building concession for the Suez Canal in 1854, and began work five years later. The Canal opened in 1869, and in 1875, Ismail Pasha of Egypt sold his shares in the French Suez Canal Company, 44 per cent of the total, to the British government for four million pounds sterling. In 1888, the Convention of Constantinpole declared the Canal open to vessels of all nations.

Thus began the anomaly of an ostensibly private company, with British Government participation, operating under the sovereignty of another country. When Egypt regained its independence, the Canal Company became subject to Egyptian expropriation, even though the British retained the right to protect their property. In 1956, after forcing the withdrawal of British forces, President Nasser of Egypt nationalized the Suez Canal; and by October the Canal was closed because of the Israeli invasion of Egypt. The British rights to British property, and the right of passage supposedly guaranteed by the Convention of Constantinople were of no avail. No treaty can stand against the will of the sovereign except by the intervention of superior external force.

In April 1957, Egypt reopened the Canal under the Egyptian Suez Canal Authority. For a decade the Canal operated under the Authority with assistance from the United Nations and the World Bank. But in 1967, the Canal again became a pawn in international power politics. Egypt denied that Israel was a legitimate successor to the signatories of the Constantinople Convention and asserted, in any case, that Israel's invasion up to the Canal banks had broken the neutrality of the Canal. The Suez Canal has remained closed ever since. It provides a case record of a vital waterway in possession of a sovereign unable to provide security for the facility.

If the principles agreed to in Panama City are put into effect, the United States will be the sole owner of a canal company that exists under the sovereignty of a small nation subject to influence by outside pressures. Just as the Convention of Constantinople failed to keep the Suez Canal open, a new treaty with Panama could be a poor guarantee of unimpeded passage. The Hay-Bunau-Varilla Treaty incorporates the principles of the Convention of Constantinople by reference to the Hay-Pauncefote Treaty of 1901 with Great Britain; but those principles could lapse when they are no longer secured by U.S. sovereignty.

The Suez Canal was closed because Great Britain had no sovereign status in Suez. The Panama Canal has succeeded because the United States was made sovereign in the Canal Zone and could guarantee unimpeded passage through the Canal.

CLAIMED BENEFITS

We have noted that the Statement of Principles offered by the Secretary of State was represented as the beginning of a new relationship with our Latin neighbors. We are asked to believe that the transfer of U.S. sovereignty in the Canal Zone to the Republic of Panama would remove a cause of friction and open the door to improved relations with our sister republics.

These hopes seem ill-conceived. A surrender of U.S. sovereignty would spell a great victory for the Marxist-Leninist revolutionary *Cadres* which have in the past incited mobs to violence. Far from being appeased, they would be encouraged to intensify revolutionary efforts to achieve their ultimate goal of forcing total U.S. withdrawal from the Canal operation. With the Government of Panama holding sovereign power to denounce the treaties and expel the United States, these elements would for the first time have the attainment of their goal within reach. It is not to be expected that their zeal would diminish in the face of such a prospect.

The United States has dallied too long over futile hopes of accommodating ideological hostility. We can have the respect of our neighbors only when we show a proper regard for our own rights and interests and a steadfastness in providing the service to world commerce which we have undertaken in Panama.

As our Latin neighbors are governed by reasonable men, it does not impose too heavy a burden on United States diplomacy to ask that it sustain the reasonable premise that U.S. sovereignty in the Canal Zone is essential to the continuing operation of the Canal. The interests of all our neighbors, including Panama, and of more distant countries are thereby best served.

Secretary of State Charles Evans Hughes had this in mind when on December 15, 1923 the Panamanian Ambassador raised the issue of sovereignty. The Secretary informed the Ambassador that "Our country would never recede from the position which it had taken in the note of Secretary Hay in 1904. This Government could not, and would not, enter into any discussion affecting its full right to deal with the Canal Zone and to the exclusion of any sovereign rights or authority on the part of Panama. . . . It was an absolute futility for the Panamanian Government to expect any American administration, no matter what it was, any President or any Secretary of State, ever to surrender any part of these rights which the United States had acquired under the Treaty of 1903." [5]

Secretary of State Hughes recognized that the acquired U.S. sovereignty was essential to operation of the Canal and must endure as long as the Canal endures. His policy is the right policy today, as it was then.

The United States came to this strategic part of the world not for gold or conquest, as the *conquistadores* had come before them. The United States came only to do a job where others had failed. The French had tried to build another Suez with little understanding that the problem was entirely different. They left behind a record of bankruptcy and failure. The United States, with the vigor of a rising young nation that had just finished spanning its twin coasts with railroad track, had the vision and the genius to put together the diplomatic, engineering, financial, and organization resources necessary to overcome all obstacles.

In short, the United States has made the Panama Canal, with its protective frame of the Canal Zone, a symbol of its achievement. It is part of the great heritage of our nation. It is representative of the "can-do" psychology that sustains our national consciousness and underpins the national morale. It is a lifeline of trade and of national security.

If we hand over this territory in response to unreasonable demands at Panama and the clamor of our Marxist enemies, we will pass a watershed in our history. One more turning point will mark the decline of a great nation.

FOOTNOTES

[1] Department of State Bulletin, February 24, 1964, p. 302.

[2] Statement by the President on the Progress of Treaty Negotiations with Panama, The White House, September 24, 1965.

[3] *Wilson v. Shaw*. 204 U.S. 24, 1907, at 31, 32, 33: "This new republic [Panama] has by treaty granted to the United States rights, territorial and otherwise. . . . A treaty with it [Panama] ceding the Canal Zone, was duly ratified. . . . Congress has passed several acts based upon the title of the United States, among them one to provide a temporary government. . . . It is hypercritical to contend that the title of the United States is imperfect, and that the territory described does not belong to this nation, because of the omission of some of the technical terms used in ordinary conveyances of real estate."

[4] The major territorial acquisitions of the United States are as follows:

1803 Louisiana Purchase	$15,000,000
1821 Florida Purchase	6,674,000
1848 Mexican Cession, including California	15,000,000
1853 Gadsden Purchase	10,000,000
1867 Alaska Purchase	7,200,000
1904 Canal Zone	163,718,571

The Canal Zone purchase breaks down as follows:

Republic of Panama:	
Original Payment, 1904 (1903 Treaty)	10,000,000
Annuity, 1913–73 (1903, 1936, 1955 Treaties)	49,300,000
Property transfers:	
Property in Panama City and and Colon (1943)	11,759,956
Water system in Panama City and Colon	669,226
1955 Treaty transfers	22,260,500
Sub-total Panama	93,989,682
Colombia (1922)	25,000,000
Compagnie Nouvelle du Canal de Panama (1904)	40,000,000
Private titles, stocks and claims	4,728,889
Total	$163,718,571

[5] *Foreign Relations,* 1923, Vol. III, p. 684.

Mr. HELMS. I thank the distinguished Senator from Virginia for yielding to me.

Mr. HARRY F. BYRD, JR. Mr. President, it was almost exactly a year ago, March 7, 1974, that Secretary of State Kissinger appeared before the Senate Finance Committee.

During that hearing, I brought up the question of the Panama Canal, and, after paying tribute to the Secretary of State, for whom I have a high regard, I told him I felt compelled to take exception to the statement that he had made just prior to that time in Panama, in which he committed the United States to negotiations leading to the transfer of sovereignty from the United States to Panama. I felt that that would tend to mislead the Panamanians, and would have unfortunate results.

I ask unanimous consent that my colloquy on this matter with Secretary Kissinger on March 7, 1974, before the Senate Finance Committee, be printed in the RECORD at this point.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

Senator BYRD. I have just one more question, and I want to say, Mr. Secretary, as you know, I have a high regard for you. We met five years ago in the President's office, and I have had a warm regard for you ever since then, for yourself and for your ability. In presenting these questions, I just want to understand the issues. These are vitally important matters, and I think the matter of Rhodesia pertains to something that should be considered in the context of this pending legislation.

But there is one statement that I would like to take exception to that you made, Mr. Secretary, in Panama. Now you said this in your statements to the Panamanians—that you commit the United States to prompt completion of negotiations leading to the transfer of sovereignty over the Canal Zone from the United States to Panama. I just want to get clear whether you can commit the United States to negotiations leading to giving up the Panama Canal in perpetuity.

Secretary KISSINGER. I can commit the United States to the negotiations. I cannot commit the United States without ratification by the Congress to the result.

Senator BYRD. That is why I thought that it was unfortunate to use the word commit. I think that might be misleading.

Secretary KISSINGER. I do not have the text in front of me, Senator.

The intent was to commit the United States to prompt negotiations leading to a result that had already been agreed to in these principles. There was no additional commitment involved except to the prompt negotiation.

Senator BYRD. Leading to the transfer of sovereignty.

Secretary KISSINGER. To negotiations leading to the transfer of sovereignty. This was part of the eight principles that were signed.

Senator BYRD. This has not been agreed to by the Congress.

Secretary KISSINGER. But of course the Congress will have an opportunity to reject it. The commitment obviously extends only to the prompt negotiations and to the content of what we will submit to the Congress. It cannot commit the Congress to approve it.

Senator BYRD. Well, I hope the Panamanians understood that.

Thank you, Mr. Secretary.

Mr. HARRY F. BYRD, JR. I yield the remainder of my time to the Senator from South Carolina.

Mr. THURMOND. I thank the Senator.

Mr. President, I wish to express my deep appreciation to the able senior and junior Senators from Virginia, the able Senator from North Carolina (Mr. HELMS), the able Senator from New York (Mr. BUCKLEY), and the able Senator from Wyoming (Mr. HANSEN), for the fine contributions they have made to this discussion.

Mr. President, I wish to express my appreciation to the courteous distinguished Senator from West Virginia for his kindness in this respect.

Mr. ROBERT C. BYRD. Mr. President, I want to express my apologies to the distinguished Senator from South Carolina and other Senators who wished to speak on the subject for trying to confine the time for such speeches in as narrow a period as possible.

May I ask the Senator from South Carolina, without losing my right to the floor, if he needs any additional time?

I ask the Senator from South Carolina, without losing my right to the floor, if he needs additional time.

Mr. THURMOND. Mr. President, I do not think we need any additional time. We have placed these statements in the RECORD, and we have placed the resolution in the RECORD. Mr. President, and I ask unanimous consent, that the cosponsorship of the resolution be left open so that if anyone wishes to cosponsor the resolution he will have an opportunity to do so.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, Senators may cosponsor the resolution by unanimous consent at any time. I think though we have followed a practice for some several years now which precludes leaving resolutions and bills at the desk for any period of time, except during the day on which they are introduced, for additional signatures.

Mr. THURMOND. Mr. President, I intended that the resolution be left so that anyone who desired to cosponsor it today would have an opportunity to do so.

Mr. ROBERT C. BYRD. Very well. I have no objection to that.

(The following request was made during the foregoing proceedings and is printed at this point in the RECORD by unanimous consent.)

EXTENSION OF TIME FOR FILING REPORT BY SPECIAL COMMITTEE ON AGING

Mr. CHURCH. Mr. President, as chairman of the Committee on Aging, I ask unanimous consent to move from February 28 to March 28 the date by which the report of the Senate Special Committee on Aging, "Developments in Aging, 1974, January–March 1975," should be submitted. This request is made to allow the committee to comment on recent administrative and legislative actions which have a direct impact on older Americans.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Alabama (Mr. ALLEN) now be recognized for not to exceed 30 minutes, with the understanding that no motions, points of order, or appeals will be in order during that period, and that at the conclusion of his statement I be recognized.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Alabama is recognized for 30 minutes.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

Mr. ALLEN. I thank the distinguished Senator from West Virginia for obtaining this time for me to speak with respect to Senate Resolution 4.

I might state that Senate Resolution 4, introduced by its chief sponsors, the Senators from Kansas (Mr. PEARSON) and from Minnesota (Mr. MONDALE), seeks to change the Senate rules without following the rules of the Senate in making that change.

Their argument is that at the start of a Congress, the Constitution gave them the power to amend the rules and cut off debate on the resolution to amend the rules or a motion to proceed to consideration of such a resolution by a majority vote. Of course, the Constitution says nothing of the sort. It merely says that it takes a quorum for the transaction of business, and that both Houses can make their own rules. But the resolution was introduced.

Then, following the introduction of the resolution and the making of a motion to proceed to the consideration of that resolution, that was followed by a motion by the distinguished Senator from Minnesota (Mr. MONDALE) which provided for immediately cutting off the debate on the motion to proceed without any debate, without any amendments, and without any intervening motions.

A point of order was made by the distinguished Senator from Montana (Mr. MANSFIELD) that this was not the method provided by the rules.

As soon as the point of order was made, without any opportunity to discuss the point of order—of course, the point of order was made by prearrangement—a motion to table the point of order was made. The Presiding Officer of the Senate, Vice President ROCKEFELLER, said that since a constitutional question was involved he was going to submit the constitutional question to the Senate. But he did not submit the direct question to the Senate. He said in effect that "Whatever the Senate's ruling is on this motion to table the point of order, I am going to consider that as a decision on what the Senate thinks the Constitution provides, and if the Senate tables the point of order, I am going to put into effect the very provisions of the Mondale resolution forcing the motion to proceed to a vote. I am going to rule that whatever the motion provides, I am going to consider that as having been passed, and if the motion says that there shall be no debate, no amendments, no intervening amendments, even before that motion passes, I am going to put that rule into effect."

And, sure enough, he did, by complete disregard of the rules, by throwing the rule book out of the window.

So the motion to table carried, and Mr. ROCKEFELLER said, in effect that whatever that motion provides, I am going to say it is in effect even before the motion is passed by the Senate.

So that was, in the judgment of the Senator from Alabama, a political decision on the part of the Vice President. It seemed to the Senator from Alabama that the Vice President wanted to reestablish his ultraliberal credentials as an answer to the false impression that he had moved toward the right in recent years. So he has established that position, and has become the ringleader in ramming this rule change through the Senate.

It has been interesting to me, Mr. President, that the original sponsors of this rules change outside the rules have slipped into the background. I did not hear a single one of those Senators have a word to say or a motion to make or a question to ask today, and ever since the leadership of both parties has taken over the pushing of this resolution to change the rule, we have heard nothing from the original sponsors.

Now, Mr. President, when you drive down the highway, in the experience of the Senator from Alabama at any rate, and see a little filling station or cafe there and it says, "Under new management," that makes me a little suspicious—there was something wrong with that first management or they would not be advertising that there is new management. It also makes me just a little bit leery of the new management.

In like fashion, Mr. President, we have a similar situation here. The sponsorship of this resolution is under new management, and I will have to say it is somewhat of an improvement in the management the resolution had prior to the leadership taking it over.

Now, Mr. President, following the tabling of the Mansfield motion, despite the fact that the Mondale motion choking off debate said there could not be intervening motions, the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) offered a motion. A point of order was made, a motion to table the point of order was made, and the point of order was tabled. The effect of that, Mr. President, was to say that the Senate had decided that irrespective of the Mondale motion and the point of order as to it and the tabling of the point of order, the Senate felt that motions ought to be allowed.

So obviously, Mr. President, the gag rule Senators did not like the idea of motions being able to be presented and debated and voted on.

So the distinguished majority leader, always willing to comply and oblige, makes another point of order saying that the Mondale motion to break off debate is out of order in barring amendments, debate, and intervening motions, and the motion to table was made as to that point of order. That motion to table passed by a very narrow vote of 46 to 43.

Then, Mr. President, after some 11 Senators took the Vice President to task for not complying with the Senate rules in making recognition of Senators and a furor took place here on the floor, the suggestion was made by Mr. LONG that this rules change effort be changed from three-fifths of those present to cut off debate to three fifths of all those in the Senate, all those elected and having been sworn, the effect of which would be that it would take 60 Senators to cut off debate no matter how many were here.

The effect of the motion to table the second point of order made by Mr. MANSFIELD was to cut the ground out from under the modest success that had been made by the free-debate Senators when the point of order made to Mr. HARRY F. BYRD, JR.'s intervening motion was tabled; for the effort of this tabling was that the Senate ruled that intervening motions were in fact in order.

When the compromise was met with some favor here in the Senate, not with the approval of the Senator from Alabama, or the Senator from North Carolina (Mr. HELMS) or the Senators from Virginia (Mr. HARRY F. BYRD, JR. and Mr. SCOTT) whom I see in the Chamber, the statement was made by the distinguished Senator from Michigan (Mr. GRIFFIN), the assistant minority leader, that they were going to have to reverse this precedent that had been set about a majority cutting off debate at the start of a session or else he would not be for the compromise.

Well, Mr. President, steps were taken, but I want to point out that those steps were ineffectual to accomplish that purpose and, further, that all of those who made that as a condition for accepting the compromise plan and agreeing to vote for cloture on tomorrow, the terms that they insisted on have not been met, because that precedent has not been reversed.

The first motion to choke off debate was made by the distinguished Senator from Minnesota (Mr. MONDALE) on February 20; Mr. MANSFIELD made his point of order then and it was tabled; and Mr. ROCKEFELLER stated the conclusions he drew from that.

Then, it was not until several days later that the point of order was made again to portions of the Mondale motion by Mr. MANSFIELD to cut the ground out from under the right that had been acquired by the free debate Senators to offer a motion.

A motion was made to table the Mansfield point of order, and as I say, it carried by a vote of 46 to 43.

It is true that the Senate did proceed to reconsider the vote by which the second Mansfield point of order was tabled and the Senate did vote to reconsider. Then on the putting again of the motion to table, the Senate refused to table the point of order.

So the point of order was before the Senate. But was a decision made by the Senate? No, it was not made.

At that juncture, immediately after the Senate had refused to table the point of order, meaning that it still had life, but it had to be considered by the Senate, the distinguished assistant majority leader, the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), filed a cloture motion with respect to the motion to proceed to Senate Resolution 4, and then he adjourned the Senate for 5 minutes, the effect of which brought down and killed the second and third parts of the motion to proceed. It killed the Mondale choke-off debate motion, and it killed the point of order.

The point of order has never been acted upon by the Senate and cannot be acted on so we still have these precedents which would be argued as being precedents for cutting off debate on rules changes at the start of a session or any time a majority says they can do it.

The point I am making, Mr. President, is that those Senators who felt that this precedent was being overturned, and thinking that, agreed to vote for cloture and agreed to vote for the compromise, are deluding themselves because the precedents are still there.

Now, Mr. President, we have the further danger. A vote on cloture is coming up tomorrow. Suppose, Mr. President, that a majority, but not a two-thirds majority, votes to invoke cloture, that is, to cut off debate. Suppose the Presiding Officer said it either way, that two-thirds not having voted for cloture, the motion to invoke cloture is not agreed to and then gag rule Senators would appeal that on the very same precedent that they have established. Suppose he said lacking a two-thirds vote cloture had not been invoked.

You would have the parliamentary question right before you again and a majority of the Senate willing to go against the rule and to choke off debate.

Suppose he ruled, "Now having established this precedent that a majority can cut off debate, even though two-thirds have not voted to invoke cloture, I declare that cloture has been invoked, because a majority of the Members of the Senate have asked for it and under the rules, under my ruling"—not the rules but the Vice President's ruling—"a majority can cut off debate."

So either way you go, Mr. President, the free debate Senators are in for a bad day unless they band together and vote against the cloture on tomorrow, against this compromise. Even then, Mr. President, there is no assurance that they would not ram the rules change through whether they would vote cloture or not. Mark my words. If they fail to get cloture, they are going to contend that it does not take two-thirds under the Constitution.

So it is heads they win, tails we lose, because there is little chance either way the result goes, given the determination of an arrogant majority and a determined presiding officer.

I make these points, Mr. President, just to show that while the Senator from Alabama did not engage in negotiations looking to this so-called compromise, if conditions were in fact exacted that this precedent be overturned—it has not been overturned, and even if it has been overturned momentarily—there is no way to prevent it being raised again.

Mr. President, I would say it would be much better to go down fighting for a principle than to compromise on a halfway measure.

I might say that the New York Times of March 1 refers to this as a "Dubious Compromise." I ask unanimous consent to have this article printed in the RECORD.

It says that the gag-rule Senators should not accept this because they could have gotten more.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, March 1, 1975]

DUBIOUS COMPROMISE

After winning an historic victory for the fundamental principle of majority rule, the United States Senate seems about to surrender that principle to bully-boy tactics.

A week ago, a bipartisan majority sustained Vice President Rockefeller's ruling that a new Senate cannot be bound by the rules of a previous Senate and can adopt new rules by majority vote. But Senator James Allen, Alabama Democrat, would not accept defeat. He continued his defense of the filibuster, and for five days paralyzed the Senate with an endless round of frivolous and dilatory motions.

On Wednesday, Vice President Rockefeller finally refused to entertain a parliamentary inquiry from Senator Allen, a refusal which is within a presiding officer's discretion. Right-wing veterans led by Senators Goldwater, Arizona Republican, and Long, Louisiana Democrat, then launched a concerted and verbally violent attack on Mr. Rockefeller, accusing him of unfairness and of attempting to "bulldoze" Senator Allen into submission.

Instead of countering these patently untrue charges, the Senate reformers chose that moment to cave in and accept a "compromise" offered by Senator Long. The reformers had been seeking to reduce the majority needed to invoke cloture from two-thirds to three-fifths of those present and voting. The compromise would substitute a "constitutional" three-fifths of the total membership of the Senate, that is, sixty votes.

Since the full Senate is rarely present for any vote, the disadvantage of this new rule as compared to what the reformers were seeking—and had actually won a week ago—

is readily apparent. Thus, if eighty Senators showed up for a vote, three-fifths of that number—48—could impose closure. Under the Long compromise, sixty votes would be needed.

Even worse, the Long compromise further provides that in future, the rule can be changed only by a two-thirds majority. That stultifies the reformers' victory of a week ago when for the first time a majority sustained the Vice President's ruling that no Senate can tie the hands of a future Senate in that fashion.

If Senate liberals in both parties vote for this compromise next week, as they now appear willing to do, they will be surrendering to the obfuscating and intimidating tactics of one man and a diehard minority. Only Vice President Rockefeller seems to be emerging from this fracas with honor. Under false and unrelenting attack, he met his first test as the Senate's presiding officer with fidelity to principle and dignified self-restraint.

Mr. ALLEN. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point another article dated Monday, March 3, 1975, from the New York Times. This is by an independent columnist, Mr. William Safire.

I want to read a portion of it first. Here is a disinterested assessment of Mr. ROCKEFELLER's actions——

> With a majority steamroller piloted by Mr. Rockefeller, a member of the minority—Senator Long—senses defeat and is suggesting a milder formula to stop dissent. He is wrong; once the gates are lowered, nothing he writes in his resolution——

And I wish the Senator were here at this time——

> is going to keep succeeding majorities from making it possible for a simple majority to cut off debate. And then you might as well not have a Senate at all.

That is what the Senator from Alabama, the Senator from North Carolina (Mr. HELMS), and the Senators from Virginia (Mr. HARRY F. BYRD and Mr. WILLIAM L. SCOTT) and many others have been arguing here in the Chamber. This is the start of a chain reaction that will end up with majority cloture because majority cloture has already been applied in this session.

Mr. President, the title of this article is "Crushing Dissent in the Senate." You can crush dissent in the Senate and you are letting the country in for very bad times and very bad situations where the rights of the minority here in the U.S. Senate will be run over roughshod, even as we have seen in this Chamber in the last 2 weeks. That is a pretty good example of what a ruthless majority and a ruthless Presiding Officer can do to achieve whatever ends they might desire.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, March 3, 1975]

CRUSHING DISSENT IN THE SENATE

(By William Safire)

WASHINGTON.—Good men, nobly motivated by the spirit of reform, can do more harm to our political system than the worst villains lusting after power.

A serious attempt is being made in the Senate this week to alter the compromise made at the Constitutional Convention of 1787. At that time, representatives of the smaller states were fearful of a "tyranny of the majority" in a legislature reflecting the population as a whole. Contrariwise, the states with large populations were not about to give in to demands that all states have equal votes.

So the checks-and-balances compromise of a bicameral, or two-house, legislature was struck: "Majority rule," based on population, would be the character of the House of Representatives; and "deliberation" or minority protection based on the same number of Senators from each state, chosen by state legislatures, would be the character of the Senate.

For two centuries, the Senate has helped make the Democratic experiment work by preventing the excesses of democracy. Time after time, lonely dissenters—right and wrong—have used the Senate's rules to delay, to restrain, to force some adjustment to minority demands. Ultimately, the theory went, the majority would rule, but not until the passions of the moment—or of the year—had passed.

In the course of time, the Senate agreed to attune itself more closely to the popular will by permitting direct election of Senators by the people, and they agreed to limit debate by a two-thirds vote, treating the veto of a minority the same as a veto by the President.

All along, however, Senators remembered what a senate was for, why it had been created in the first place: to protect the minority, to ensure deliberation, to make it impossible to crush dissent under the steamroller of democratic majority rule.

Now there is a move to make the Senate into a kind of slower House of Representatives. The Senators who want to change the rules to make it possible to cut off debate with only a three-fifths vote say this will make it harder for a minority to obstruct progressive legislation. And so it will.

The majoritarians say the filibuster is anti-democratic. They are absolutely right, if a democracy is the absolute rule of the majority. And the majoritarians say they will let the majority talk for weeks under the new rules, on the majority's kind of sufferance, as if talking—and not checking majority power—were the central issue.

Helping to crash through the resistance to this radical change in character of the Senate is its new presiding officer, Vice President Rockefeller. He ruled in favor of the anti-dissenters at the start, which was not unprecedented; but then he went on to refuse to recognize Senators who wanted to oppose the motion.

When Senator James Allen rose with a parliamentary inquiry, Mr. Rockefeller pretended not to hear or to see, and instead went to a vote the majority wanted. Once again, Mr. Rockefeller sees enormous mischief in delay.

With the majority steamroller piloted by Mr. Rockefeller, a member of the minority—Senator Long—senses defeat and is suggesting a milder formula for stopping dissent. He is wrong; once the gates are lowered, nothing he writes into his resolution is going to keep succeeding majorities from making it possible for a simple majority to cut off debate. And then you might as well not have a Senate at all.

Senators Mondale and Pearson, who designed this steamroller, are men with the best of intentions who want only to turn the Senate into a more active body, more capable of defying a President, more able to exert leadership. With much logic, they can point out how a minority in the Senate was able to obstruct the rights of a black minority for generations.

But they are fiddling with the foundations of a good system in order to improve the chances for this year's legislation. The automatic supporters of good-guy reformers might want to consider the day when the other side is in the saddle.

Might it not be possible, only a decade or so hence, for the political picture to change so that a revived "silent majority" is reflected by a conservative Senate and House, a conservative President, and a conservative Supreme Court?

It could happen here. And then some little group of willful men, or some willful group of little men, or some fighting band of big men, will arise in the Senate to dissent from the popular tide. Brave liberals all, they will fling their voices and their votes in the way of right-wing retrogression, perhaps led by a white-haired Fritz Mondale battling to save the victories of the seventies.

And their dissent will be choked off by a simple majority closure, their resistance flattened by the monstrous steamroller of their own invention. Poetic injustice will triumph, the temporary majority will rule, and the spirit of the United States Senate will be dead.

Mr. ALLEN. Mr. MANSFIELD, in the early days of this debate, denounced this effort to try to amend the Senate rule but not following the Senate rules in amending those rules. He said they excuse it by saying that the laudable ends justify the means. He said,

> I reject that. I reject unworthy means employed to achieve what they consider to be a desirable result.

Mr. President, I am hopeful that we will unite against this effort to ram cloture down our throats. As I say, the danger there also is even if they do not invoke cloture, by a majority vote they will say that cloture has been invoked anyhow.

Another thing I want to point out is that there is some lack of understanding among people who were not familiar with what was going on here in the Senate from 12 until 2 o'clock. The point was that during that time it was possible that an original resolution by the distinguished assistant majority leader which does put into effect the compromise plan could have been brought up. I know the distinguished Senator from West Virginia is sincere in supporting it. If that had been allowed to come up even for a minute, the cloture motion would have been filed on that and we would have had the cloture vote on that on Thursday. As it is now, we can keep the situation on an even keel and not allow the distinguished assistant majority leader to bring up his resolution and file cloture. We will have two cloture votes: one on the motion to proceed to the consideration of Senate Resolution 4, and then, when and if that is voted, another cloture motion would be filed as to Senate Resolution 4. That would be voted on on Friday.

So it was necessary that this whole 2-hour period be occupied with priority matters before we got to the matter of the distinguished Senator from West Virginia. We are going to try to keep that from ever being the pending business until this matter has been disposed of.

When you are chasing big game sometimes you see a rabbit cross your trail and you forget your big game and go off after that rabbit. I am just hopeful that Members of the Senate who favor free debate will not chase this rabbit of compromise. I do not believe they are going to get the compromise through cloture; because even if cloture is not invoked, it is my firm judgment and opinion that a majority will ram it through, anyhow.

Those are the remarks that I want to make for the Record. I appreciate the senior Senator from West Virginia (Mr. Robert C. Byrd) allowing me to address—if not the Members of the Senate—the Congressional Record and the public record, and the public in general, on this issue.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may be permitted to proceed for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST—SENATE RESOLUTION 4

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, notwithstanding the fact that the motion to proceed to the consideration of Senate Resolution 4 is not before the Senate, I may be permitted to offer a cloture motion on proceeding to the consideration of Senate Resolution 4.

Mr. ALLEN. Mr. President, I object. I would like to accommodate the distinguished Senator, but I must object, because this would limit us to one cloture motion, and the Senator from Alabama feels that he would rather have both of them.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. It would give the Senator an additional chance to vote on cloture on Thursday. If we fail to invoke cloture tomorrow, may I say, this would give the able Senator a chance on Thursday to vote again on cloture on a motion to proceed to Senate Resolution 4.

Mr. ALLEN. Why does not the Senator file it as to Senate Resolution 4?

Mr. ROBERT C. BYRD. That is what I was trying to do.

Mr. ALLEN. That is not the pending business.

Mr. ROBERT C. BYRD. That is why I was trying to get unanimous consent.

Mr. ALLEN. If the Senator would allow it to continue to be the pending business, I would have no objection and would have urged him to file this. But since the Senator left it in a state of suspended animation until tomorrow, I would not feel that a motion to invoke cloture as to something that is not even pending would be in order, and I must object.

Mr. ROBERT C. BYRD. The Senator is within his rights to object, Mr. President.

UNANIMOUS-CONSENT REQUEST—ORDER OF BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, reserving the right to object, may I have a further explanation of the schedule? I want to know what the Senator is going to do with the hour preceding the cloture vote.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the Senate convenes tomorrow and after the two leaders or their designees have been recognized, there be a period for the transaction of routine morning business, of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

Mr. ALLEN. Mr. President, I would object to that, for some of the reasons we have already assigned.

Mr. ROBERT C. BYRD. Mr. President, I will not ask that the Senate convene at 12 o'clock tomorrow. That is a standing order of the Senate.

Mr. President, I ask unanimous consent that when the Senate convenes tomorrow and after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business, of not to exceed 15 minutes, with statements therein limited to 3 minutes each; that at 12:30 p.m., the 1 hour under the cloture rule begin running, and that that hour be divided equally between Mr. Allen and myself.

Mr. ALLEN. Mr. President, reserving the right to object, it is the recollection of the Senator from Alabama that on previous occasions when we have had a cloture motion coming up, we just divided the whole hour equally between the proponents and opponents.

Mr. ROBERT C. BYRD. There would be a division of the hour in this instance.

Mr. ALLEN. Yes, but it is a little unusual to have the routine morning business, or morning business.

Mr. ROBERT C. BYRD. The distinguished Senator from Alabama's memory scarcely plays tricks on him, but this has been done from time to time, in the time of Senate service of both Senators.

Mr. ALLEN. I do not believe the situation was quite as tense as it is now.

Mr. ROBERT C. BYRD. So the Senator objects.

Mr. ALLEN. I would object to the routine morning business.

The PRESIDING OFFICER. Objection is heard.

ORDER TO PRINT IN THE RECORD AN AMENDMENT TO SENATE RESOLUTION 4

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment which I have offered to Senate Resolution 4 be printed in the Record at this point.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment intended to be proposed by Mr. Robert C. Byrd to S. Res. 4, a resolution amending XXII of the Standing Rules of the Senate with respect to the limitation of debate, viz: Strike all after the word *"Resolved,"* and insert in lieu thereof the following:

That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, other matter pending before the Senate, or the unfinished business, except one to amend the Senate rules, it presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"3. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter to amend the Senate rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by two-thirds of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motion affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"4. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate.".

ORDER TO PRINT SENATE RESOLUTION 93 IN THE RECORD

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senate Resolution 93, submitted by me, on behalf of myself, and Mr. Griffin, Mr. Mansfield, and Mr. Hugh Scott, be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S. Res. 93

Resolution amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate

Resolved, That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, except one to amend the Senate rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

" 'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"3. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter to amend the Senate rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

" 'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by two-thirds of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"4. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate.".

MOTION TO ADJOURN

Mr. ALLEN. Mr. President, I wonder if the Senator would like to divide the hour. I believe the Senator would agree that, without exception, that time has been divided, to give both sides an opportunity to make the arguments immediately before the vote. I think that would be fair.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator has been so agreeable to my suggestions thus far today, and the requests I have made, that I believe I will just move at this time to adjourn.

The PRESIDING OFFICER. The question is on agreeing to the motion to adjourn.

Mr. ALLEN. Mr. President, reserving——

Mr. ROBERT C. BYRD. I ask for the regular order, Mr. President.

The PRESIDING OFFICER. The motion is not debatable.

Mr. ALLEN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The yeas and nays were not ordered.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

The Chair hears none. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, for the record, what is the motion now before the Senate?

The PRESIDING OFFICER. The motion before the Senate is for the Senate to adjourn.

Mr. ROBERT C. BYRD. Does the Senator still wish to have the yeas and nays?

Mr. ALLEN. No.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

ADJOURNMENT

The motion was agreed to; and at 3:10 p.m. the Senate adjourned until tomorrow, Wednesday, March 5, 1975, at 12 noon.

HOUSE OF REPRESENTATIVES—*Tuesday, March 4, 1975*

The House met at 12 o'clock noon.

Rev. Francis E. Reinberger, Evangelical Lutheran Church, Frederick, Md., offered the following prayer:

Almighty God, upon whom no bounds or limits are set, to whom a week, a month, a year are but a tick of eternity's clock, make us constantly aware of the passing of time, for to us the death of an hour is an event of dreadful importance, another slice of life swallowed up in the mysterious sea of yesterday. Make us to understand that for every moment wasted, our lives and the lives of those who depend on us will mean just that much less. Give us time to work and time to play, time to rest and time to think, but never time to throw away. So, excuse us, Lord, while we get down to business. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title in which the concurrence of the House is requested:

S. Con. Res. 9. Concurrent resolution relating to the establishment of the naval and maritime museum in Charleston, S.C.

The message also announced that, pursuant to section 1126(c) of title 46, United States Code, Mr. Magnuson, chairman of the Committee on Commerce, appointed Mr. Buckley to the Board of Visitors to the U.S. Merchant Marine Academy in lieu of Mr. Beall, resigned.

And that the Vice President, pursuant to section 4355(a) of title 10, United States Code, appointed Mr. Pastore, Mr. Leahy, Mr. Mathias, and Mr. William L. Scott to the Board of Visitors to the U.S. Military Academy.

And that the Vice President, pursuant to section 6968(a) of title 10, United States Code, appointed Mr. Hollings, Mr. Culver, Mr. Brooke, and Mr. Beall to the Board of Visitors to the U.S. Naval Academy.

And that the Vice President, pursuant to section 9355(a) of title 10, United States Code, appointed Mr. McGee, Mr. Gary W. Hart, Mr. Stevens, and Mr. Griffin to the Board of Visitors to the U.S. Air Force Academy.

REV. FRANCIS E. REINBERGER

(Mr. BYRON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BYRON. Mr. Speaker and Members of the House, it is a pleasure to welcome Rev. Francis E. Reinberger of the Evangelical Lutheran Church of Frederick, Md., who delivered the prayer today.

REPEAL OF THE DEPLETION ALLOWANCE

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. VANIK. Mr. Speaker, in testimony yesterday before the Ways and Means Committee, administration witnesses indicated that if Congress repealed the depletion allowance, the administration would propose increasing the base price of oil used in computing a windfall profits tax to restore to the oil industry what it would lose in profits through the repeal of depletion.

I was shocked to learn that the administration would propose raising the base price of oil to offset by Executive order what this Congress legislates.

It is my belief that an overwhelming majority of this Congress believes that oil profits today are excessive—beyond the capacity of the industry to reinvest under present price levels.

If the administration gives back to the oil industry in higher prices what the Congress seeks to tax—we are getting absolutely nowhere in our efforts to even modestly tax the unjustified windfall profit levels of the industry.

THE SO-CALLED DEMOCRATIC ENERGY PROPOSALS

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, yesterday I asked a series of questions with regard to the so-called Democratic energy proposals—questions which it seems to me must be answered if your blueprints, vague as they are, deserve consideration.

The President's plan proposes deregulation of natural gas to assure adequate production incentives. Your Democratic plan would place a ceiling price on this gas. At what level do you intend the price to be this year? Or in 1985?

You mention: First, tax incentives, loans or subsidies for coal conversion, industry energy conservation investments, greater coal use; second, more public transportation funding; third, Federal funds to revive local building codes; and fourth, financing of utility transmission systems. What is the estimated Federal cost of all these incentives? What tax increases or other program cuts are proposed to keep the Federal deficit under control?

Your Democratic plan mentions the National Energy Production Board to mobilize industrial private resources to increase energy production. Other than relying on increased profits to stimulate domestic production, just how would this Board get companies to produce more gas, oil or coal?

And finally, Mr. Speaker, your Democratic proposal mentions stepped-up exploration only of the Outer Continental Shelf. Does this mean you are against rapid production from our major new areas on the Atlantic, Pacific, and Gulf of Alaska? How long do you think we should wait before we begin to produce in these areas?

APPOINTMENT AS MEMBERS OF COMMISSION ON ORGANIZATION OF THE GOVERNMENT FOR THE CONDUCT OF FOREIGN POLICY

The SPEAKER. Pursuant to the provisions of section 602(b), title 6, Public Law 92-352, as amended, the Chair appoints as members of the Commission on the Organization of the Government for the Conduct of Foreign Policy the following Members on the part of the House:

The gentleman from Wisconsin (Mr. Zablocki) and the gentleman from Michigan) Mr. Broomfield).

And the following members from private life: Dr. Stanley Wagner, of Oklahoma, and Dr. Arend D. Lubbers, of Michigan.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on H.R. 4075, a bill to rescind certain budget authority recommended in the message of the President of January 30, 1975 (H. Doc. 94-39) and in the communications of the Comptroller General of February 7, 1975 (H. Doc. 94-46) and of February 14, 1975 (H. Doc. 94-50), transmitted pursuant to the Impoundment Control Act of 1974.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. WYLIE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 37]

Anderson, Ill.
Andrews, N.C.
Ashley
Barrett
Brooks
Brown, Mich.
Burton, John
Chisholm
Conyers
Danielson
Diggs
Dodd
Esch
Frenzel
Harris
Harsha
Hébert
Jacobs
Jeffords
Jones, Okla.
Kemp
Kindness
Krebs
LaFalce
Lott
Lujan
Mills
O'Hara
Pattison, N.Y.
Peyser
Pike
Riegle
Rosenthal
St Germain
Santini
Spellman
Staggers
Stuckey
Symms
Teague
Udall
Vander Jagt
Waxman
Wiggins

The SPEAKER. On this rollcall 388 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TO LOWER INTEREST RATES

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 268 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 268

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 133) to lower interest rates. After general debate, which shall be confined to the concurrent resolution and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Currency and Housing, the concurrent resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the concurrent resolution for amendment, the Committee shall rise and report the concurrent resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the concurrent resolution and amendments thereto to adoption or rejection without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Florida is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 268 provides for an open rule with 1 hour of general debate on House Concurrent Resolution 133, a concurrent resolution to lower interest rates.

This is a short concurrent resolution, Mr. Speaker, and I will ask leave to read it:

H. CON. RES. 133

> Whereas article I, section 8, of the Constitution provides that Congress shall have the power, namely, ". . . to coin money and regulate the value thereof," and
>
> Whereas Congress established the Federal Reserve Board as its agent and delegated to its agent day-to-day monetary responsibility: Therefore be it
>
> *Resolved by the House of Representatives (the Senate concurring)*. That the Federal Reserve shall conduct monetary policy in the first half of 1975 so as to lower long-term interest rates and thus do its part in promptly and steadily reducing unemployment; and shall transmit a report on the first day of each month after the effective date of this Act to the Committee on Banking, Currency and Urban Affairs of the Senate and the Committee on Banking, Currency and Housing of the House of Representatives on its progress toward achieving this goal.

Mr. Speaker, the Morgan Guaranty Trust Co. of New York, in a pamphlet entitled "The Morgan Guaranty Survey," published for the month of February 1975, has a few paragraphs, which pertain very directly to the critical economic situation that our country faces today.

I am reading now from page 1:

> The economy's downward slide is continuing with no early end in sight. January's slump in industrial production was the steepest in 37 years. Unemployment, already the highest since 1941, is headed higher. And consumers, despite the enticement of rebates in auto and other lines, are hardly battering down the doors to get at the merchandise.

I read again from page 4 of this survey:

> As with fiscal policy, expansionary monetary policy with lower interest rates is a traditional, and appropriate, anti-recession reaction: in the past when economic activity turned down, fiscal and monetary policy both turned stimulative. Thus, enlarged Federal budget deficits have generally been associated with falling—not rising—interest rates.

Continuing further:

> Federal Reserve Chairman Arthur F. Burns has indicated that monetary policy in 1975 would provide for moderate growth in the money supply to accommodate the Treasury's borrowing requirements without soaring interest rates. Acquisition by the Federal Reserve of something like $9 billion of Treasury securities in 1975 for its open-market account would be consistent with moderate monetary expansion. If this analysis is correct, the private capital markets would have to absorb about $41 billion of Treasury borrowing.
>
> This would be a record peacetime amount but would not be unmanageable if slackened private credit demands materialize as is widely expected.

Mr. Speaker, I think it is only fair to report to the House what the Chairman of the Federal Reserve Board, a very distinguished and dedicated American, advised me yesterday as to the efforts which have been made by the Federal Reserve Board and the gains which he thought had been achieved in lowering interest rates. This is what Dr. Burns advised:

First, he said short-term interest rates in the United States are lower than in any other of the major industrial nations of the world.

Second, that long-term interest rates—that is, more than 10 years—are lower than those in any other major industrial country of the world except one.

Third, that the rate of decrease in interest on long-term securities has been more rapid in the United States in the last 6 months than in any of the other major industrial nations of the world; that the effect of that decrease in interest rates in that period has been to cheapen the value of the dollar abroad by from 6 percent to 7 percent, which the doctor reported may have motivated the oil exporting countries of the world to consider raising the price of their products because they have been accepting the dollar in exchange for the oil that they have exported to the industrial nations of the world.

He also advised that in the field of what they call Federal funds—the interest rates which banks pay one another when money moves from one to the other—has decreased in the last few months from 13.5 percent down to 6 percent, and further, that the prime rate in the last few months in the banks of the country has been reduced from 12 percent down to 8¼ percent and 8½ percent.

The doctor says also that the Federal Reserve Board has been doing what it could to bring down interest rates, because he recognizes, as does the Congress, that lower interest rates are absolutely essential to the recovery of our economy. His problem, he says, has been how to lower interest rates by putting an excessive supply of money in circulation without having a stimulative effect, which is not in the public interest, upon the inflationary spiral which the country is confronted with at the present time.

Anyway, Mr. Speaker, the Congress is clearly acting, it seems to me, within its authority and, I think, obedient to its sense of duty to the people of the country to express its sense, as this Concurrent Resolution 133 does, that it would like to see or it would hope that the Federal Reserve Board might be able so to shape its monetary policy that it would have the effect of reducing substantially interest rates in this country, impliedly without unnecessarily stimulating the inflationary spiral, so that a solid basis of recovery would exist in the monetary policy of the Nation.

Therefore, I commend the distinguished chairman of the Committee on Banking and Currency and his committee for bringing to this House an opportunity to express our sentiments about this critical matter at this critical time.

Mr. Speaker, I yield 6 minutes to the distinguished former chairman of the Committee on Banking and Currency, the able gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Speaker, this concurrent resolution contains the thoughts and beliefs of the distinguished chairman of the Committee on Banking and Currency, the gentleman from Wisconsin, the Hon. HENRY REUSS. I introduced the original bill, but I was just a cosponsor of it. The chairman of the committee is actually the originator of this idea that will do so much good for this country by letting the Federal Reserve know we want lower interest rates.

Mr. Speaker, as the report points out, the original bill, H.R. 3160, was changed to a concurrent resolution during full committee markup of the measure.

Mr. Speaker, the committee report on House Concurrent Resolution 133 describes some of the extremely serious economic problems confronting the Nation. Unfortunately, the response to these problems in the form of a concurrent resolution, is not adequate. I would much prefer the bill that the gentleman from Wisconsin (Mr. REUSS) originally had in place of the resolution, but we got the best we could, and the gentleman from Wisconsin (Mr. REUSS), as chairman of the committee, is to be commended for getting this resolution out. House Concurrent Resolution 133 is a step in the right direction, but a tiny step. It amounts to a slap on the wrist of the agency which is largely responsible for the economic dilemma in which we find ourselves. I, for one, wish to emphasize that much more is needed if we are truly going to help the people of our country.

The report accompanying House Concurrent Resolution 133 makes it emphatically clear that the Federal Reserve Board shall immediately begin conducting monetary policy so as to lower exorbitant long-term interest rates and reduce what can only be described as rampant and frightening levels of unemployment.

More than 8 million people, the highest percentage since the end of the depression, are without work, and millions of these are without adequate housing, and needed public works and facilities because of prohibitively high interest rates which apply to long-term securities and debt obligations which are used to finance such investments. And long-term rates remain high despite some decrease in short-term rates in recent weeks.

Mr. Speaker, the arguments presented in the committee report on House Concurrent Resolution 133 constitute an overwhelming argument for adoption of strong legislation requiring the Federal Reserve Board to conduct monetary policy so as to help reduce priority area interest rates and get people back to work in the construction and related industries.

House Concurrent Resolution 133 is aimed in this direction and I supported it in committee for this reason. However, candor requires me to add that the resolution is but a pale response to the terrible needs of the Nation and its people.

As it stands, the resolution is merely an expression of opinion by Congress which, of course, we are thankful for and we will be pleased with at this stage in the legislative process. However, a concurrent resolution does not carry the force of law—the force of law that would have been provided if the measure had remained a bill as it was originally reported to the full committee by the Subcommittee on Domestic Monetary Policy.

The real solution to our painful and constantly recurring problem of Federal Reserve-induced economic problems is to make the Federal Reserve accountable to Congress and the administration and responsive to overall economic policies established by those members of the Federal Government who are elected by the people. To do this, the terms of Federal Reserve Board members should be reduced from 14 years to 5 years and the term of Chairman of the Board should be concurrent with that of the President who appoints him. Furthermore, the Federal Reserve should obtain its operating funds through congressional appropriations, and the Federal Reserve, which was created by Congress, should be subject to a full audit by the General Accounting Office, as are other agencies of the Federal Government.

It is my hope that Members of the House will soon be considering measures to achieve these much needed changes of the Federal Reserve. Reforms such as those outlined above would be significant steps in making the Federal Reserve properly accountable to the American people. Then—and only then—will it really listen to policy statements from the Congress.

Mr. Speaker, I hope this resolution is adopted by an enormous vote.

Mr. PEPPER. Mr. Speaker, I yield to the able gentleman from California (Mr. Del Clawson).

Mr. DEL CLAWSON. Mr. Speaker, I thank the gentleman for yielding.

I yield myself such time as I may consume.

Mr. Speaker, this is the first item of business brought to the floor by the Banking and Currency Committee of this Congress. It is a concurrent resolution providing that it is the sense of Congress that the Federal Reserve Board should act to lower long-term interest rates. What bothers me about this concurrent resolution is that Congress is telling the Federal Reserve to lower interest rates, when Congress, through its inflationary, big spending, approach, is itself one of the major causes of high interest rates. And this is not just my position. In the Rules Committee meeting on this concurrent resolution last week, the following exchange occurred between the distinguished chairman of the Banking and Currency Committee, Mr. Reuss, and myself. Let me quote:

> Mr. Clawson. The question I have has to do with other factors that cause high interest rates other than monetary policy. What are these factors?
>
> Mr. Reuss. A big one is inflation. Long term lenders demand an inflationary premium. We recognize that. We don't expect the Fed to get rid of that all by itself?
>
> Mr. Clawson. That depends on acts of the Congress?
>
> Mr. Reuss. Exactly, and avoidance of insane deficit spending by the Congress would be a great thing.

Mr. Speaker, I wholeheartedly agree with this statement by the gentleman from Wisconsin. Excessive deficit spending by the Federal Government is a big factor in causing a high rate of inflation, which in turn forces lenders to charge high interest rates. Congress approved every dime that was spent. Now Congress is trying to pass the buck and imply that the Federal Reserve is to blame for high interest rates, when Congress itself is one of the main culprits. If it really wants to lower interest rates Congress should act responsibly to curb inflationary Federal spending.

I think my colleague from Florida, Mr. Kelly, commented appropriately in his additional views when he concluded as follows:

> However, if the Congress finds comfort in this time of stress to exhort others to do well, the Congress should not be denied this refuge.

Mr. Speaker, Congress should put its own house in order before pointing the finger at others.

A verse from the Good Book might be appropriate, and, if I may I will read it from Matthew 7, verses 3–4:

> And why beholdest thou the mote that is in thy brother's eye, but considerest not the beam that is in thine own eye?
>
> Or how wilt thou say to thy brother, Let me pull out the mote out of thine eye; and, behold, a beam is in thine own eye?

The Clawson translation is about like this:

> Do not seek to remove the mote from your brother's eye, until you have removed the beam from your own eye.

Congress should first stop this "insane deficit spending," which is such a major factor causing high interest rates, before finding fault with others.

Mr. Speaker, although I do not oppose this open rule, I see no real purpose in the "sense of Congress" resolution that it covers.

Mr. Speaker, I have no further requests for time, but I reserve the balance of my time.

Mr. PEPPER. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. REUSS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 133) to lower interest rates.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin (Mr. Reuss).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution House Concurrent Resolution 133, with Mr. Mazzoli in the chair.

The Clerk read the title of the concurrent resolution.

By unanimous consent, the first reading of the concurrent resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin (Mr. Reuss) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. Johnson) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. Reuss).

Mr. REUSS. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, in the midst of the worst economic crisis this Nation has experienced since the great depression—with unemployment already at 8.2 percent, and much higher in many of our cities and States, and with GNP falling now for five straight quarters—one of the most important steps this Congress can take to stimulate economic recovery is to pass House Concurrent Resolution 133, which directs the Federal Reserve to conduct monetary policy during the first half of 1975 so as to reduce long-term interest rates.

There can be no doubt that the excessively high long-term interest rates experienced during 1974 and the first 2 months of 1975 were a major cause of the recent precipitous deterioration of the American economy—by cutting off much-needed credit flows into such interest-sensitive sectors as homebuilding, productive capital investment, small business, and State and local governments.

According to the 1975 Economic Report of the President, and I refer you to the chart before the Speaker's podium which I have had made from the data in the Economic Report, interest rates during 1974 reached the highest levels ever recorded in the United States. They have had a devastating effect on the American economy. For example:

First. During 1974 new homeowners had to pay an average interest rate of 9.5 percent for an FHA-insured mortgage, and at one point this reached a high of 10.4 percent, double what homeowners had to pay just 10 years ago. As a result of these high interest rates, housing starts fell from more than 2 million units in 1973 to an annual rate of only 874,000 units by the end of 1974, leaving more than 22 percent of all construction workers jobless.

Second. The interest rate on triple-A municipal bonds averaged 6.09 percent for 1974 and they rose as high as 6.80 percent in December 1974, again double the interest rate paid in 1964. This has meant a devastating added burden on our State and local governments and taxpayers.

Third. Top-quality corporate bonds, issued to finance productive capital investments, averaged 8.57 percent for 1974 and at one point rose to 9.27 percent. In 1964, triple-A corporate bonds paid only 4.40 percent. As a result, business expenditures for new plant and equipment—virtually the only bright spot for the first half of 1974—turned down during the second half of the year and will take an even more serious plunge in 1975 according to Commerce Department estimates.

The total interest burden has seriously sapped the Nation's economic strength. During 1974, the Federal Government, our State and local governments, and America's businesses and families, paid out $226 billion in interest payments alone—equal to one-sixth of our total gross national product for that year—the highest percentage ever in our Nation's history.

This extraordinary interest rate burden did not come upon our vulnerable economy by accident. Nor is it by any means the sole result of inflation. Instead, it was the direct result of actions taken by the 12 members of the Federal Open Market Committee. The printed minutes of the Committee's meetings show a conscious determination to constrict money and credit growth and run up interest rates during most of 1974.

For May through August of 1974, the minutes show the open market committee setting progressively smaller money growth targets each month, with the August target a mere 2 to 6 percent at an annual rate, down significantly from the March target of 6½ to 9½ percent.

The Federal open market committee also shot for, and achieved, increasingly higher interest rates. In April, the committee set a May target for the Federal funds rate of 9¾ to 10¾ percent, which it slightly exceeded—11.31 percent. The June target of 11 to 11.5 percent was also exceeded—11.93 percent—as was the July target of 11.25 to 12.25 percent—12.92 percent. The peak target was in August, set at 11.5 to 13 percent, which was also achieved—12.01 percent.

By September, with unemployment rising precipitously and the recession deepening, the open market committee called for some easing in money market conditions. By December, the last meeting for which the minutes have been made public, the committee finally called for "somewhat more rapid growth in monetary aggregates over the months ahead," targeting a 5- to 7-percent money supply growth rate for January and a Federal funds rate of 7.5 to 9 percent. This was a small step and a welcome one, but still too little and, for almost 7 million unemployed, too late.

While short-term interest rates have recently declined, due as much to a recession-induced decline in business and household credit demand as to any loosening of Federal Reserve monetary policy, long-term interest rates remain dangerously close to last year's record highs. In February, 1975, the yield on FHA mortgages was 9 percent, the yield on municipal bonds 6.25 percent, and the yield on triple-A corporate bonds was 8.7 percent—all within one percentage point of their 1974 high and all still double the interest rates of 1964.

Until long-term interest rates begin to move down substantially, there will be a continued deterioration of the American economy. This is why the enactment of House Concurrent Resolution 133 is so vital to the Nation's economy at this time. Congress must tell the Federal Reserve that the Nation cannot stand a replay of 1974.

The passage of House Concurrent Resolution 133 will represent a clear directive from the Congress to the Federal Reserve to conduct monetary policy during the first half of this year so as to bring down long-term interest rates. To those who question the effectiveness of this measure because it is in the form of a concurrent resolution instead of a bill, there is one clear answer.

A bill, signed by the President, would be the appropriate measure if we were changing the nation's statutes to establish a 55-mile-per-hour speed limit, revising our income tax laws, or otherwise directly affecting citizens, and seeking to impose criminal penalties for violation.

The Congress is not doing that in this case. We are talking directly to the Federal Reserve Board and establishing policy for them to follow. We are demanding lower long-term interest rates by directing the Federal Reserve—a creature of Congress created 60 years ago—to carry out this policy directive.

We need not pass a bill, which goes to the President for his signature or his veto, to accomplish this goal. The Federal Reserve is responsive to the Congress, not the President, and the enactment of House Concurrent Resolution 133 is the proper vehicle for the Congress to issue its policy directive directly to the Federal Reserve. No purpose is served by giving the President a veto power in return for no services rendered.

The Federal Reserve can accomplish this goal of lowering long-term interest rates in a number of ways. It can pursue a policy of reasonable monetary expansion, in contrast to the devastatingly restrictive policy it has followed recently. During the past 6 months the money supply grew by less than 2.3 percent at an annual rate, and it has actually decreased over the past 3 months. Such a negative rate of expansion must not be repeated. Regardless of the indicator used, whether it be M_1, M_2, M_3, bank credit proxy, or any other indicator—an expansion by the Federal Reserve of the monetary and credit aggregates can accomplish an expansion of total bank credit at a rate sufficient to steadily drop long-term interest rates and thereby stimulate homebuilding and productive capital investment.

A second way the Federal Reserve can lower long-term interest rates is for the Federal open market committee to purchase long-term U.S. Treasury securities and long-term debt instruments of Federal credit agencies, such as the Federal Home Loan Bank Board, the Federal National Mortgage Association, and the Federal Land Banks for its open market account. The open market account portfolio presently consists of $83 billion in securities. Of this total amount, only 3 percent are long-term securities with a maturity in excess of 10 years, and less than 1 percent mature in over 20 years. As of December 31, 1974 the last date for which such figures were available, only $5.2 billion—less than 6 percent of this total—were obligations of Federal credit agencies such as the Federal National Mortgage Association, Federal Land Bank, Government National Mortgage Association and the Federal Home Loan Bank Board. Even a modest shift in the holdings of this portfolio to long-term Treasury and agency securities accompanied by a sale, or refraining from purchase, of short-term securities to mop up undesired excess reserves will favorably affect long-term interest rates.

Some Members have said that the language of House Concurrent Resolution 133 is not specific enough in its charge to the Federal Reserve because it leaves to them the decision of whether to increase the money supply, change the composition of its portfolio, or take other action in order to lower long-term interest rates.

By the enactment of House Concurrent Resolution 133 the Congress is saying that it demands lower long-term interest rates, and it is leaving the means of accomplishing this goal to the Federal Reserve to decide as an administrative matter. Let it be clear that a tightening of the money supply will not be considered an acceptatble way to lower long-term interest rates. A tightening of the money supply in 1973–74 has in part helped create the worst recession the Nation has experienced since World War II. Continuation of this policy is precisely what is not needed for general monetary policy at this time, nor is it needed to effectuate the policy directive set forth in House Concurrent Resolution 133.

The Federal Reserve has the knowhow to lower long-term interest rates. The enactment of this concurrent resolution will tell the Federal Reserve that the Congress wants this goal realized, and that the Federal Reserve must immediately take the necessary steps to put our economy back on a recovery course once again. I am confident that the Federal Reserve will not want to frustrate congressional intent in carrying out its constitutional monetary duties.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the distinguished gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I thank the distinguished gentleman from Wisconsin for yielding.

Mr. Chairman, I support this resolution. I want to point out that Chairman Burns admitted in testimony, as did the previous chairmen of the Federal Reserve, that the Federal Reserve is a creature of the Congress established by law in 1913.

So I commend the chairman of the Banking Committee for bringing this resolution to the floor and to Congress for exercising its constitutional duty and its obligations.

Mr. REUSS. I thank the gentleman.

I point out that the very important testimony from Chairman Burns on this point is contained on page 7 of the committee report.

Mr. WHALEN. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Ohio.

Mr. WHALEN. Mr. Chairman, I thank the gentleman.

Last October on the House floor I expressed the hope that the Federal Reserve System would increase the money supply by approximately 7 percent. I still stand by that hope.

But my concern, and I think the concern of many others in considering and acting upon this resolution is this: Are we not encroaching upon the independence of the Federal Reserve? I have two questions along that line.

First, is there, indeed, an "independent" Federal Reserve System inasmuch as the gentleman from Illinois (Mr. ANNUNZIO) suggested the Federal Reserve System is a creature of Congress and is accountable to Congress?

My second question, Mr. Chairman, is this: In what other major industrial countries is there an independent monetary institutions?

Mr. REUSS. I thank the gentleman, and he does ask an important question.

In my judgment, the Federal Reserve is and should be independent of the President, independent in the sense that its members are appointed for 14 years and we want on the Fed men and women of courage and gumption who would stand up to a President who attempts to pressure them.

The CHAIRMAN. The gentleman has consumed 4 minutes.

Mr. REUSS. Mr. Chairman, I yield myself an additional 5 minutes.

Mr. Chairman, to repeat, we want on the Fed men and women who have the courage and the gumpton to stand up to a President who would pressure them politically in a way that they believe is wrong for the Nation. But it is entirely clear that that independence of the Fed does not mean that they are independent of the Congress who gave them life in the first instance.

The gentleman from Illinois (Mr. ANNUNZIO) has just accurately quoted what Arthur Burns has said. He says on page 7 of the report:

> I have not claimed that the Federal Reserve is independent of the Government. I have recognized not only in the past, but again this very morning that the Federal Reserve is a creature of the Congress, and that it is a servant of the Congress.

One of the ablest witnesses at the hearing, Prof. David Meiselman of the Virginia Polytechnic Institute—incidentally, a witness adduced by the minority—said:

> The Federal Reserve is a creature of Congress and reports to the Congress. The notion that the Federal Reserve is independent can be interpreted only in the sense that under the law the Federal Reserve is independent of the executive branch of the Government, but not the legislative branch. In that sense, the Federal Reserve is different from most agencies involved in making and carrying out public policy, especially where economic policy is concerned. This is why I firmly believe that close accountability to the Congress by the Federal Reserve for their conduct of monetary policy is essential. For if the Federal Reserve is not held accountable by the Congress, then we must ask, to whom this side of Heaven, are they accountable?
>
> By the same token, we must also ask to whom the Federal Reserve should turn for guidelines in the use of the vast monetary powers delegated to them by Congress?

I think Professor Meiselman stated it very well. Let it be made clear beyond a doubt by this afternoon's debate that this Congress does have a duty to speak out.

I do not intend that the Congress should be giving directions to the Fed year in and year out or on a day to day basis. Indeed, I hope, when next June 30 comes and this directive runs out, that the Fed will come before us, and that the new and wholesome relationship which I envisage will be established will set the minds of Congress at rest, and we can then let the Fed operate under its own generally recognized broad guidelines.

The fact is that in the last 2 years the Fed has sinned most grievously, first by creating money in 1973 at an outrageously high rate, with which we disagreed, which led to inflation, and then in 1974 squeezing the money supply until it could be squeezed no more and thus helping to bring on the recession we now have. So to conclude on the gentleman's first question: The independence of the Fed is an independence from the Executive, but not from the Congress.

The gentleman's second question was: What is the relationship of central banks in other countries to their government? The Joint Economic Committee made a very detailed study a few years ago and the net of that study, which consumes a thousand or more pages, is that while the legal modalities under which the central banks are set up differ from nation to nation, in all of them the ruling parliamentary government bears the ultimate responsibility. So it is here.

Our constituents simply will not stand for us going home, agreeing that the economy is in a shambles due largely to the Fed's tight money policy, and then doing nothing about it. We are doing the right thing this afternoon, just as we did last year when we passed the War Powers Act and the Budget Act. So today I think Congress will have regained its true integrity telling the Fed wherein it may walk.

Mr. WHALEN. Mr. Chairman, I thank the gentleman for his response.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Chairman, I voted against House Concurrent Resolution 133 during the Banking Committee markup session. I will vote against it again today.

I am voting against House Concurrent Resolution 133 not because I oppose its proclaimed purpose of lowering long-term interest rates and reducing unemployment, but because it is too weak and ineffectual to even approach these goals.

Mr. Chairman, the thrust of House Concurrent Resolution 133 was originally embodied in H.R. 3160, a bill, which if adopted, would have carried the force of law. During committee markup, the bill was converted into a concurrent resolution and as such is now merely an expression of an opinion by Congress. The Federal Reserve Board does not even have to read it, much less obey it.

Mr. Chairman, I have made it a point to be heard on this measure becauses I, for one, do not wish to lend my name, deliberately or by implication, to any assertions that the resolution is a meaningful response to the terrible economic problems burdening the people of our country.

House Concurrent Resolution 133 in no way stands as fulfillment of Democratic Party promises to take prompt and effective action to find solutions to our economic problems. As a matter of fact, every member of the Federal Reserve Board, which must share in the responsibility for high interest rates and unemployment that exist today, could unhesitatingly vote for this resolution because they know that it does not require them to do anything other than what they intend to do anyway.

Mr. Chairman, this measure constitutes one of the first efforts by this overwhelmingly Democratic controlled Congress to address itself to the crushing economic needs of the people. We are just kidding ourselves and the American public if we hold out House Concurrent Resolution 133 as a meaningful answer.

If this resolution is just a preliminary to more effective action in the near future, no harm will be done by passing it. But we must solve these problems, not just buck them to a disinterested Federal Reserve Board which already has the power to act, but will not do so.

Mr. REUSS. Mr. Chairman, I thank the gentlewoman from Missouri for her contribution. I have already indicated why this "force of law" argument really is not valid here.

If Congress wants to impose criminal penalties on someone, then indeed it must enact a bill, an H.R., which the President must sign and can veto. But where the Congress speaks to its own creature the Federal Reserve Board, it speaks in the most authoritative tones, unsullied by irrelevant voices, when it speaks by a concurrent resolution. That is a plus, I think. The Banking Committee has done the sensible thing in bringing before the Members, by an overwhelming 26 to 10 vote, a concurrent resolution which tells the Fed what we want it to do, and does not invite the President in for a gratuitous veto.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield myself such time as I shall consume.

Mr. Chairman, the timing of the bill, H.R. 212, the predecessor of House Concurrent Resolution 133, was absolutely atrocious. Had the bill been enacted 6 months ago when short-term interest rates were at their peaks, the bill would have been a sure-fire political winner. Were the bill to be enacted at this time, it would be a sure-fire political loser and would become a self-destruct boobytrap for its sponsors. The reason this is so is that in the past 6 months there has been an extremely sharp decline in short-term interest rates.

Within the past 6 months the prime rate was at 12 percent, Federal funds were above 13½ percent, 3-month Treasury bills were at 9.63 percent, 90-day prime commercial paper was at 12¼ percent, and 90-day marketable bank CD's were paying 12½ percent. Today the prime rate is at 8¼ percent and headed lower. Federal funds have dropped more than half to 6.15 percent, 3-month Treasury bills last week traded at 5.35 percent which is less than the 5¾ percent savings and loan pay on 90-day savings certificates, prime 90-day commercial paper traded last week at 6.25 percent, and 90-day marketable bank CD's were paying 6.31 percent in the secondary market.

Obviously, had H.R. 212 been enacted 6 months ago political claims could have been made now that enactment of the bill was responsible for the drastic declines in short-term interest rates that have taken place. Obviously, any such political claims would have been false because without any enactment of H.R. 212 the sharp declines in short-term interest rates took place anyway.

But now the picture has changed. Most of the downward adjustment in short-term interest rates already has taken place. Certainly such rates are not going to be cut in half again. If anything, short-term interest rates could easily firm from existing levels. I do think the prime rate can soften further because despite the one-quarter percent reduction to 8¼ percent last week, it has lagged behind the declines that have taken place in other short-term rates. The other market instrument short-term rates however must face stiff competition from sustained volume of Federal financing to finance the expanding deficit as well as higher short-term rates abroad which serve to draw funds from the U.S. market. Last week the 3-month Eurodollar rate was 7.3¼ percent.

There was another disturbing aspect of what actually had happened in the past 6 months. The sharp drop in short-term interest rates took place despite the fact that change in the money supply in that period was very sluggish. The money supply was growing at an annual rate of only 0.8 percent over the past 6 months and was actually contracting at an annual rate of 0.6 percent in the last 3-month period. On the record there just did not seem to be any correlation between the movement of short-term interest rates and the money supply consisting of currency and demand deposits, when measured over intervals as short as 3 or 6 months.

Apparently, and this I only can surmise, the supporters of H.R. 212 became a little skittish that they might be painting themselves into a corner with the explicit target in section 2 of the bill that the Federal Reserve in the first half of 1975 maintain an increase in the money supply of no less than 6 percent at an annual rate. Further the Fed was mandated to report to the Congress whenever it deviated from the target "for either technical or substantive reasons." Since monetary supply figures are published in the press every week that meant the Congress would have weekly surveillance over and responsibility for what was happening to the money supply.

After the hearings on H.R. 212 were completed and before markup by the subcommittee, word got out there would be a substitute bill. The obvious answer, of course, was that the supporters of H.R. 212 realized the bill was in trouble and wanted to move away from their no-win position. The markup session quickly laid aside H.R. 212 and came forth with two bills, H.R. 3160 and H.R. 3161, which had been introduced only the day before.

H.R. 3160 was a greatly modified form of section 2 of the old H.R. 212. It abandoned the 61-percent target for annual growth in the narrow concept of money supply and instead directed the Fed to conduct monetary policy in the first half of 1975 so as to lower long-term interest rates and thus assist in lowering unemployment. Monthly reports to the Congress were required. This gave the sponsors of the new bill a better position with respect to timing. Long-term interest rates always have lagged movements in volatile short-term rates both on the upside as well as on the downside. Long-term interest rates had softened somewhat over the past 6 months but nothing like the sharp downward correction that had taken place in short-term rates. For instance, long-term new triple A utility financing rates had dropped from their peak of 10.15 percent last summer to 8.5 percent in recent markets and the rate of FHA and VA mortgages had been reduced from 9.5 percent where it stood on November 23 last year to 8 percent effective yesterday. The near record $3.1 billion increase in savings and loans net savings inflow in January holds promise of continuing downward pressure on home mortgage interest rates.

However, H.R. 3160 with its congressional mandate to the Fed to lower long-term interest rates and report monthly to the Congress, still left the Congress in the fall guy position in the event the Fed did not achieve that goal. H.R. 3160 was short lived. Two days after it was introduced it was tabled by the full committee about 10 minutes after the markup session began. It was replaced with House Concurrent Resolution 133 which only had been introduced a couple of hours before on that same day. House Concurrent Resolution 133 which had retained the language of H.R. 3160 was promptly amended by changing the directive to the Fed from "shall" to "should," lengthened the reporting time from monthly to quarterly and frankly stated what in fact it was, namely, a sense of Congress statement.

Since a concurrent resolution is not signed by the President and hence cannot be vetoed, it of course has no force of law. It is just a stump speech by the Congress—no more, no less. It is not needed to enable Members of Congress to sound off against how the Fed has conducted monetary policy. It is not needed to get the Chairman of the Federal Reserve to come up before the committee and discuss monetary policy. He willingly came before the committee for 3½ hours on the evening of February 19 to discuss H.R. 3160 and that was with only a 1 day notice between the time he was asked and when he appeared.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona (Mr. CONLAN).

Mr. CONLAN. Mr. Chairman, when our chairman appeared before the Rules Committee last week with respect to this resolution, he was questioned about the advisability of congressional interference into the making of monetary policy. To one question, he responded:

> This resolution speaks only to the first half of 1975. It is only when the nation is in something approaching a crisis that I think it is not only our right but our duty to act.
>
> I would take no joy in a steady year in, year out Congressional role.

I share that view, Mr. Chairman.

I would point out that I think this resolution is inadvisable, ill conceived, and poorly timed.

It is often said that people who live in glass houses should not throw stones. Mr. Chairman, I think we are very vulnerable and I hope that this resolution may be viewed as a cooperative expression of congressional concern consistent with our constitutional responsibility. It is not a criticism of a job that needed doing and was done with courage, conviction, and with obvious concern for all.

Mr. Chairman, all of us are disturbed by current unemployment, none of us want to see interest rates return to the record highs of 1974, and we would all welcome a decline in the current levels of long-term interest rates. I said this resolution was ill conceived and I believe it is because it implies that the Federal Reserve can solve these problems. This is little more than a Machiavellian scheme to divert public attention away from our own fiscal extravagance.

Everyone is aware of how this move started, but I wonder how many have followed the comic opera that produced this resolution. We started with a bill, H.R. 212, which would have requested the Fed to increase the M_1 money supply and institute the most comprehensive credit allocation program ever initiated in this country. Three whole days of hearings were scheduled on this revolutionary proposal and had the minority not objected, neither the Treasury nor the Federal Reserve would have been allowed to testify.

Those hearings were February 4, 5, and 6. The subcommittee met for a markup on February 18 when we were handed two new bills, H.R. 3160 and 3161, which we never saw before that hour. They were reported out on a straight party line vote a few minutes later. The Chair agreed to one night of hearings on these bills. This was on the 19th and Dr. Burns was gracious enough to come with only 24 hours notice. On the 20th, the full committee met to mark up these bills at which point the resolution now before you was presented. We have had no testimony on it. It is the product of 3 weeks of curious backing and felling.

I claimed this resolution was also ill-timed. There seems to be some notion abroad that long-term interest rates are high because one highly visible measure of the money supply, known as M_1 only grew at a 4.5 percent rate during 1974 and actually showed a decline in December. I think there are two fallacies here. First, the Fed has only a marginal impact on long-term rates but, more importantly, anyone watching the money markets knows the Fed eased up markedly in the second half of 1974. It is a mistake to look only at M_1. As Dr. Burns has noted, there are many other measures of monetary aggregates. As an example of how much ease there was, look at some of them. Currency increased at 9.9 percent rate during 1974 and M^1_2, which includes time deposits and large negotiable CD's increased at a 10.7 percent annual rate. The effects of this easier policy on short-term rates was dramatic—as noted in the minority views on House Concurrent Resolution 133. The action this resolution requests has been under way for at least 6 months already.

While the intent of the drafter of the resolution may be sincere, I seriously doubt whether the resolution will have a constructive effect.

M_1—Currency plus demand deposits.

M_2—M_1 plus time deposits at commercial banks other than large negotiable CD's.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. J. WILLIAM STANTON).

Mr. J. WILLIAM STANTON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, a problem that I have with House Concurrent Resolution 133 is that it rests on a somewhat faulty assumption. The resolution assumes that the Fed can conduct monetary policy in the first half of 1975 so as to lower long-term interest rates. It is, however, highly doubtful that the Fed can achieve this goal. Monetary policy is so fraught with time lags and subject to the influence of other facts that the Fed's ability to control long-term interest rates is at best marginal.

Moreover, it is probable that if the Fed were to attempt to lower long-term interest rates through an increase in the money supply, interest rates would increase rather than decrease. The lowering of interest rates due to an increase in the money supply is only a short-run phenomenon. In the long run an increase in the money supply leads to greater inflation which in turn leads to higher interest rates.

Due to these problems, House Concurrent Resolution 133 only offers us an indirect and probably unproductive solution to our interest rate and credit flow problems. When it comes to the state of the economy, we cannot afford such uncertain solutions. For the past several years we have been forced to bear the ill effects of too many such solutions. It is now time for us to establish economic programs that cut to the heart of our problems.

Work toward lowering interest rates is needed, but it would be better if we now adopted long run programs to fight inflation and excessive fiscal spending. It is these factors more than any others that stand behind our economic problems.

Furthermore, if we are also to work toward lowering unemployment, as House Concurrent Resolution 133 aims, it would be better for us to follow a more vigorous use of direct selective measures rather than rely on the "gray" area of interest rates.

Mr. REUSS. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Chairman, I thank the gentleman for yielding.

I do support this legislation. It has been vitally needed for a long time, and I congratulate the distinguished chairman of the committee for his outstanding leadership in this field.

Mr. Chairman, I support the resolution before the House today, House Concurrent Resolution 133, which instructs the Federal Reserve to conduct monetary policy during the first half of 1975 so as to lower long-term interest rates, thereby reducing unemployment and stimulating spending for housing and capital investment. The bill also requires the Federal Reserve to report every 3 months to the House and Senate Banking Committees its progress toward achieving this goal.

There is no question that the excessively high interest rates experienced by the American economy during 1974 and into the first months of 1975 have been a major cause of inflation. Most economists believe that an appropriate increase in the money supply at this immediate time would lead to a substantial increase in economic activity and, therefore, a direct and substantial reduction in unemployment. By placing emphasis on a reduction in long-term interest rates, there will be greater incentive for business to purchase capital equipment and for consumers to commit themselves for purchases of major durable commodities.

It is shocking to examine the growth in the interest burden over the past 5 years. In fiscal 1969, the Nation paid $15.8 billion in Federal debt service, and $4.4 billion in State and local debt service. Businesses paid $30.5 billion in interest on their debt, while private families paid $71.8 billion in mortgage, installment, and other interest. Total interest payments came to $122.5 billion. By fiscal 1974, total interest payments had escalated to a massive $226.4 billion, nearly double the 1969 total. Consumer dollars used to pay interest were not available for food, clothing, housing, transportation, and the thousand-and-one other commodities households need, and business dollars could not finance productive investments or start new businesses.

This resolution is a policy directive by the Congress to its agent, the Federal Reserve, which is clear and precise. By effectuating this monetary policy, the Congress through fiscal policy, as evidenced in its tax legislation this year, will have promulgated complimentary monetary and fiscal policies to rapidly move our economy out of the worst recession we have experienced in recent times.

Mr. Chairman, I want to commend the distinguished chairman of the House Committee on Banking and Currency, Mr. REUSS, for the aggressive manner in which he has moved to meet the problems of high interest rates, a slowdown in housing and the many other problems brought on by inflation. I urge my colleagues to join with me in support of this legislation which I hope will be adopted today.

Mr. REUSS. Mr. Chairman, I now yield 5 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I support the measure presently before us. Nothing has done more to bring about the economic decline from which the Nation suffers than high interest rates. No action we take could do more to reverse the trend of economic deterioration than a steady and consistent policy of reducing interest rates.

The report of the special task force of the Democratic Steering and Policy Committee, which Speaker CARL ALBERT presented on January 14, 1975, called for immediate action to lower interest rates. Here is what the report said:

> A primary cause of the nation's simultaneous suffering from both inflation and recession is the misbegotten and prolonged policy of attempting to halt inflation solely by monetary restrictions and high interest rates. Manifestly this policy has been counter-productive. It has not abated inflation. It has fed its fires, adding an extra layer of cost at every level of the market place. It has contributed cruelly to the massive tide of small business bankruptcies, brought home-building to a virtual halt, dipped a heavy hand into the pockets of most American families, added a multi-billion dollar burden to the national budget through increased debt service costs, and actually set in motion a retrogressive redistribution of national income, widening the gap between rich and poor and largely undoing the beneficial results of a decade of costly public programs.

To illustrate that this is not mere rhetoric, I invite your attention to a chart displayed in the well of the chamber. The chart depicts the movement in average interest rates over a period of 50 years—since 1925—and the rate of economic growth reflected in the per capita share of the gross national product as measured in constant dollars.

The one clear and incontestable conclusion from these two historic lines is that interest rates affect the Nation's economic activity profoundly and inversely.

An increase in the interest rate almost invariably triggers a decrease in the economic growth rate which is reflected in the statistics about 6 months later. Conversely, a lowering of interest rates almost invariably stimulates an increase in healthy economic activity.

Clearly, no program to revive the American economy can be effective, whatever else it may do, unless it succeeds in reducing the extortionate levels of interest rates that have been siphoning away literally billions of dollars of individual buying power, which is the very lifeblood of a healthy economy.

To appreciate the staggering degree to which excessive interest charges have sapped the vital economic juices of this Nation, we need only measure the cancerous dimensions by which this parasitic drag upon the economy has grown in the past 5 years.

In fiscal 1969, the Nation was paying $15.8 billion in Federal debt service, and $4.4 billion in State and local debt service. Its businesses were paying $30.5 billion in interest on business debts, and its private families were paying $71.8 billion in mortgage, installment, and other interest.

By fiscal 1974, Federal debt service had escalated from $15.8 billion to $28.1 billion, and the debt service charges extracted from local governments had shot up from $4.4 billion to $8.2 billion. The two figures represent $36.3 billion which were paid out in the last fiscal year by American taxpayers in dead weight—tax dollars which did not build a single school or buy a single school book, pave a single mile of road, feed a single meal to a single hungry family, or procure a single weapon for the Nation's defense.

Interest charges drawn from individual Americans on private and business debts, including mortgage and installment loans, grew in these 5 years from a total of $102 billion in 1969 to a total of $190 billion in 1974.

In all, the bite taken from our paychecks by interest charges grew from $122.5 billion in 1969 to $226.4 billion in 1974.

This is $226 billion of our income, most of which was not available to consumers last year to buy food, clothing, housing, transportation, appliances and the thousand and one other commodities and services upon the continued production of which the private economy depends.

In surveying these figures, can we indulge any wonder that the economy has sustained four successive quarters of declining economic growth?

Can there be any serious question why the Federal Government is having trouble balancing its budget, why local governments everywhere are strapped for the necessary resources to provide essential public services, why a young couple no longer can afford to buy a house, why automobile sales have slumped, why massive layoffs have occurred in our major industries, and why unemployment has risen to the most painful level in more than a generation?

It is significant, I think, that even those who oppose this resolution today are at some pains to endorse its objective. They try to rationalize that this is not the best way to do it. Very well, if they do not like this proposal, why have they not come forward with a proposal of their own?

I submit that the trends of economic deterioration will not be reversed until Congress asserts its constitutional responsibility to bring about a sustained downward movement in the rates of interest.

For this reason, I am convinced that there are few things indeed which Congress can do which will be more effective in stimulating a healthy economic recovery than the enactment of this legislation.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague, the gentleman from Texas (Mr. WRIGHT), bringing these figures to our attention, and attempting to explain to the House what a major part of the problem is. My colleague has shown that we, as a Congress, have voted for so much add-on debt each year, by refusing to live within the income that we have, and as a result have caused this huge Federal debt, and which increases the substantial interest charges that the Treasury and ultimately the taxpayers have to pay in order to keep the Federal ship afloat. Congress shares a major part of that responsibility.

Mr. WRIGHT. Mr. Chairman, let me answer the gentleman. I accept my share of that responsibility. I think the gentleman will agree that the reason for the deficit is incontestably the recession. Let me cite these figures:

We, this year, are $28 billion short of anticipated revenue because of the recession, the decline in economic activity. Because of the 8-percent level of unemployment this year we will be committed to paying out some $4.6 billion more in unemployment compensation than had been anticipated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REUSS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. ROUSSELOT. Will the gentleman yield further so I might respond?

Mr. WRIGHT. Mr. Chairman, I have not quite finished.

Let me add these figures up:

We are committed to pay out $4.6 billion more than we had expected in unemployment compensation this year because we have 8 percent unemployment. Next year our President says we will have to pay out $12.7 billion in additional unemployment compensation and anticipates that the short fall of anticipated revenues will be $40 billion. Those two figures exceed the total deficit forecast in the Federal budget as submitted by the President.

Let me add one other figure. We are paying out this year $31 billion in interest on the national debt, and next year it will be $34 billion.

If we could reduce the interest rate by 1 percent, only by 1 percent, we would cut the cost of Government by $4.6 billion. And if we could bring those rates back to the level of just 5 years ago 1969, we would cut the cost of the Government by $9 billion. We would be paying $9 billion less this year than we are having to pay out in interest charges.

It seems to me that if we face the facts, we must recognize that the reason for the budget deficit is the economic recession, which reduces revenues and increases the cost of welfare for those who are unfortunate. The only way we can ever realistically hope to balance the budget is to revive the economy—and I will guarantee the gentleman we are not going to have any long-term economic revival until we can bring about a long-term reduction in the level of interest rates.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. I thank the gentleman from Pennsylvania for yielding me this time.

Mr. Chairman, this resolution before us today expresses the sentiment of Congress that low interest and high employment are highly desirable. I certainly would agree with that, and, like every other Member of this body, I am sincerely concerned about inflation, high interest rates, and unemployment. Like everyone else, I am looking for solutions.

I am aware of the public's desire for decisive action on the part of Congress to alleviate these problems. There is no question that we here in Congress can have a great impact on both interest rates and employment through bills we pass. But we are considering this resolution today plainly and simply because Congress has been unable to agree on anything in the nature of a constructive economic program.

So what do we do? We seek to camouflage this inactivity on the part of the Congress by sending a note to the Federal Reserve Board.

Stripping away the legal language in the bill, what we are doing, in effect, is sending a message to the Federal Reserve which says:

> DEAR FED: Please do something to lower long-term interest rates.
>
> Thank you for your consideration.
>
> Sincerely,
>
> THE CONGRESS OF THE UNITED STATES.

This certainly is a pleasant note, but it does nothing in terms of resolving our problem. First, it has no force and effect in law, and in all probability, therefore, will have no impact on policy.

Second, the resolution completely ignores the major influence of fiscal policy on long-term interest rates. Fighting high interest rates solely through monetary policy would be similar to sending a heavyweight boxer into the championship fight with one hand tied behind him. By ignoring fiscal policy, we may be sacrificing the knockout punch in the long run.

I must express my disagreement with the statement on page 2 of the committee report which says:

> There is no question that the excessively high interest rates experienced by the American economy during 1974 and into the first months of 1975 have been a major cause of inflation.

I think it is the other way around. I think inflation has caused the high interest rates. I think the fact that the Federal Government, which fact the gentleman from Texas (Mr. WRIGHT) mentioned, must go into the marketplace to compete with private industry for money—and there really is no competition—thereby siphoning off any credit available to the private sector, has really caused our problems of inflation.

How can the private sector compete in the marketplace with the Federal Government when the Federal Government is offering 90-day Treasury bills for 9.63 percent interest which Treasury did recently.

I was prepared to offer an amendment today which would suggest a solution to problems of high interest rates and unemployment as the gentleman from Texas (Mr. WRIGHT) said we should do. My amendment would have said:

Page 1, strike out "That" and all that follows thereafter through page 2, line 4, and insert in lieu thereof the following:

That it is the sense of Congress that—

(1) the Federal Reserve should conduct monetary policy and the Congress should direct fiscal policy in the first half of 1975 so as to lower long-term interest rates, and thus do their part in promptly and steadily reducing unemployment; and the Federal Reserve shall transmit a report every three months after the effective date of this resolution to the Committee on Banking, Currency and Urban Affairs of the Senate and the Committee on Banking, Currency and Housing of the House of Representatives on its progress toward achieving this goal; and

(2) the expenditures of the Government during each fiscal year, shall not exceed its revenues for such year except—

(A) in time of war declared by the Congress; or

(B) during a period of economic necessity declared by the Congress by a concurrent resolution which has passed each House by the affirmative vote of at least two-thirds of the authorized membership of that House.

As I say, I was prepared to offer that amendment, but on checking with the Parliamentarian my fear was confirmed that the amendment would be ruled not germane.

So I will vote for the resolution today because I agree with its sentiment. But let us make no mistake, this concurrent resolution does nothing constructive and cannot and will not serve as an excuse for this body in its continued inactivity insofar as fiscal policy is concerned.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa (Mr. GRADISON).

(Mr. GRADISON asked and was given permission to revise and extend his remarks.)

Mr. GRADISON. Mr. Chairman, the goals of lowering long-term interest rates and reducing unemployment are certainly sound goals. Lower long-term rates will help to reduce the cost of homes and of other big-ticket items which are so important to our economy.

There is much that the Federal Reserve can do about the level of short-term rates but in my opinion very little they can do about the long-term rates. These are affected by the lenders' anticipations with regard to inflation as well as by supply and demand relationships in the long-term money markets. Indeed certain long-term interest rates have recently moved up, apparently as a result of the anticipated huge Federal deficits which will have to be financed in the months ahead.

But the one branch of Government which can do the most to hold down long-term interest rates is the Congress through its fiscal policy and other anti-inflationary actions.

It is unfortunate that this resolution is directed to the wrong branch of the Government. And it is ironic that Congress, which has not shown especially great ability over the years in controlling fiscal policy, now wants to run monetary policy as well.

I oppose this measure because it asks the Federal Reserve to do something it cannot do. Second, it misleads the public into thinking that the Federal Reserve, not the Congress, has the greatest power to influence long-term interest rates. Third, it fails to indicate what policy Congress intends to follow with respect to fiscal policy, which Congress controls, to assist in bringing about a lowering of long-term interest rates.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield to the gentleman from Ohio (Mr. ASHBROOK) such time as he may consume.

Mr. ASHBROOK. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, today the House is voting on House Concurrent Resolution 133, a resolution that holds forth the promise of lowering interest rates. How ridiculous! Let us stop kidding ourselves as well as the American people.

This resolution is attempting to treat a symptom of a much larger problem. We all know what that problem is. The problem is excessive Federal spending. Unrestrained Federal spending that threatens to destroy the economic fabric of our Nation.

For years the Federal Government has disregarded the fact that some day all the irresponsible spending programs would have to be paid for. That budget deficits could not be allowed to keep growing and growing without any worry. The day of reckoning has finally arrived.

To finance its deficits, the Federal Government is borrowing on a gigantic scale. The result is that $0.60 out of every $1 being borrowed today is by the Federal sector. This huge amount of borrowing drives up interest costs and dries up available money for house mortgages and business expansions.

The answer to this problem is not a high-sounding and nicely worded sense of Congress resolution. What is the answer? We must make substantial cuts in Federal spending. We must begin to balance the budget. Once Government starts to live within its means, interest rates will decline.

Unfortunately, the Congress still seems unwilling to make the hard decisions that are necessary to avert economic catastrophe. Instead, we spend our time passing an essentially meaningless resolution. I warn my colleagues that we cannot afford to postpone our hard decisions much longer.

How ridiculous it is to pass the buck to the Federal Reserve. Congress has simply refused to cut unnecessary spending over the past decade. These profligate policies are catching up with us. We need action, and passing a resolution of this type will not help answer the problem.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I appreciate the fact that the discussion here today probably will not have any genuine and real impact on this Congress. On the basis of our past performance, in dealing with the issues of what causes interest rates to go up; what causes the shortages of money in this country; what causes inflation; we constantly find ourselves in Congress very much in the same position of the political figures in the old newspaper cartoon that appeared in New York many years ago showing the Boss Tweed gang all in a circle, each pointing to the one next to him hoping to avoid responsibility for any scandal. The Democrat controlled Congress has done this for years, always trying to blame the Federal Reserve Board, the President, the recession, and others. Always pointing to someone else rather than looking at our own actions.

Although I know this bill started out as a measure to give tremendous powers to the Federal Reserve Board to allocate credit, this resolution is now quite harmless in that it is only a sense of Congress resolution mandating nothing and hoping for lower interest rates. I suppose this makes Congress feel good by showing that we are "doing our part" to really contribute to better fiscal responsibility and to contribute our helping hand to better monetary policy. Once again, we are kidding ourselves, but we like to talk to ourselves in this way. We refuse to do what economist after economist has told us. It is the constructive sound policy to follow: Live within our normal income.

We year after year force the Federal Treasury, which has such massive presence in the marketplace today, to either finance new or old debt that we require when we attach to every appropriation add-on costs to a bill. We did this just 3 weeks ago. Oh, I know it was very popular to be for "food stamps" because we wish to appear to be for the little people. That is a thesis that is promoted regularly in order to excuse deficit financing. Whether it is true or not that we are truly for "little people" has very little to do with real accountability on our part in causing inflation. We point always to someone else. We are unable to accept any of that responsibility. We point to the Fed, to the President, always to somebody else, never really saying we are just as responsible for this problem. Last year, for instance, to finance the add-on deficit and recycle the old debt, the Federal Treasury was required by our actions—nobody else, our actions—to take 60 percent of the available funding in the marketplace to either refinance old debt or finance Federal debt.

I know that is a very dreary subject. Nobody likes to hear it. Nobody likes to talk about it. We constantly point the finger to somebody else. We do that, giving the impression that it is all the Federal Reserve's fault because they tighten up the money supply by allowing only a 2 percent increase in the money supply—sometimes 6 percent. We are going to tie it on to them because of some action they did in the money market and say it is their fault. We are unwilling in the Congress to face the problem we have created by constantly adding on to every single appropriation, every single bill that comes before us, as we did in the $660 million add-on for food stamps.

Instead of trying to abide by the President's wish and not add-on, we come and add on some more and then blame somebody else for the tremendous debt that we now have. Then some in Congress will complain because the Federal Reserve Board will step in and pick up some of that debt.

When, oh when, will this Congress stop postponing the day of accountability relating to inflation by not spending more than our Treasury receives in revenue. You would think we could live on $300 billion per year. This bill does nothing for that problem.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Chairman, I find the bill interesting. I have a little trouble. I find it difficult to understand how much more the Fed has to apply here to reduce the long-term debt. Assuming the economy turns up next year, how much again would the Federal Reserve have to expand the money supply to keep the long-term interest rates turning downward to expand the economy?

Mr. ROUSSELOT. There have been some estimates that the add-on deficit this year will be anywhere from $50 billion to $80 billion just this year. That means that the Federal Reserve will be required to pick up some of that, because they will have to buy some of that debt, or they will be asked by the Treasury to buy it. So it will mean an increase in the money supply of 6, 7, or 8 percent—minimum.

Mr. RUPPE. Mr. Chairman, will the gentleman yield further?

Mr. ROUSSELOT. Yes. I am pleased to yield to my colleague from Michigan.

Mr. RUPPE. If we adopt the so-called Muskie plan or other budget that calls for $60 billion to $90 billion deficit, it will rapidly accelerate the money supply. Does the gentleman think for one instant there is any possible hope of getting by without renewing inflation?

Mr. ROUSSELOT. Of course, the answer to the gentleman's question is no. It will accelerate inflation pressures.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. ROUSSELOT. Mr. Chairman, the answer is that we, the Congress create that problem. Sooner or later our constituents all over the country are going to find out that we are really one of the major contributors to inflation. We do it right here when we constantly refuse to live within our budget. We constantly spend more than we have. The old thesis that we just owe it to ourselves, that it does not matter, is completely false.

The Treasury has to go borrow that money. They are the ones that drive the interest rates up in the marketplace. By such total presence in the marketplace.

My colleague from Wisconsin complained about a 9¾-percent interest rate for mortgages. Why was that driven up? Because the Treasury has such a massive part in the marketplace to constantly borrow. We cause that problem. Sooner or later the American people are going to catch up with us that we are just playing a shell game with them. We have not lived up to our responsibility.

Congress must do its part by controlling Federal deficit spending which Dr. Arthur Burns, Chairman of the Federal Reserve Board, warned in testimony before our committee may reach $100 billion just for fiscal year 1976 alone. The Federal borrowing in the private money markets which is necessary to finance the Federal deficits is a substantial factor in the upward pressure on interest rates. To continue as we have in the past spending far more than is anticipated in revenues, will choke off prospects for sustained economic recovery.

In considering this resolution, I hope my colleagues will realize that long-term economic stability can only be achieved by a combination of these factors. I strongly urge you to join with me to demonstrate the fiscal responsibility that is necessary to achieve real long-term growth without inflation and the resultant recession.

We hope the join budget control committees, will have to live up to this responsibility and come back to us and say: "Congress live within your means." The taxpayer, the 86 million working people are tired of picking up the tab.

Mr. REUSS. Mr. Chariman, I yield such time as he may require to the gentleman from Pennsylvania (Mr. MOORHEAD).

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I rise in support of this resolution. This is a very reasonable resolution which takes a very firm course with the Federal Reserve.

Mr. Chairman, creative compromise is the highest hallmark of legislative accomplishment.

House Concurrent Resolution 133 deserves that hallmark.

On the one hand we have well meaning and well motivated colleagues who say that no legislation is going to work unless the penalty is to put Arthur Burns behind bars if he does not do exactly what Congress says.

On the other hand we have equally well meaning and equally well motivated colleagues who say that if Congress does anything with respect to monetary policy it will interfere with the independence of the Federal Reserve System.

Mr. Chairman, I reject both extremes.

Mr. Chairman, House Concurrent Resolution 133 rejects both extremes.

The "do-nothing" or total independence of the Federal Reserve System rejects the constitutional obligation that the Congress and not the executive branch has, as recited in House Concurrent Resolution 133, the power "to coin the money and regulate the value thereof."

On the other hand the "do-everything" proposition would negate the wisdom of the proposition established, I might say by a Democratic Congress and a Democratic administration back in 1913, that a creature of the Congress, subject to overall control of the Congress, but independent of day-to-day control by either the Congress or the executive, and free to a degree from the political pressures to which either branch is subjected, is a better instrumentality to make, day-to-day, the correct monetary decisions which are so often politically unpopular.

The 1913 creation of the Federal Reserve System was a delegation, not an abdication, of the constitutional authority of the Congress "to coin money and regulate the value thereof."

House Concurrent Resolution 133 recognizes both the constitutional mandate and the wisdom of the Congress of 1913.

In blunt terms, my blunt terms, House Concurrent Resolution 133 says we the Congress decided to create the Federal Reserve and give them a very long leash, but and I repeat but, if they stray too far from the will of the people as expressed by their elected representatives we the Congress are going to pull in that leash.

House Concurrent Resolution 133 says to the congressionally created instrument, the Fed, that the people of the United States think that the Fed has its priorities wrong.

The resolution says that, in the short term at least for the first half of 1975, recession, not inflation is our No. 1 enemy and the Fed should act accordingly.

House Concurrent Resolution 133 will not put Arthur Burns behind bars.

On the other hand it does say to the Federal Reserve System—woe betide you if you disregard the legislative branch that created you.

As a proper exercise of constitutional oversight without destruction of the congressional wisdom which created the independence of the Federal Reserve System House Concurrent Resolution 133 deserves your support.

Mr. REUSS. Mr. Chairman, I yield such time as he may require to the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I rise to support House Concurrent Resolution 133 to instruct the Federal Reserve to conduct monetary policy so as to lower long-term interest rates. Long term corporate, municipal, and mortgage rates continue at near record highs. These very high rates have brought the housing construction industry virtually to its knees, saddled local governments with an almost unbearable burden of cost, and made increasingly difficult the placing of corporate bonds at a time when the contracting economy is drying up earnings as a source of investment funds.

This resolution is timely running as it does for the first half of 1975. I would favor extending the time to the end of 1975, but that extension can be arranged later if long term rates remain too high. The economic recession is sliding rapidly toward a depression. Lower long term rates can help reverse this course, stimulate the economy, and restore jobs.

This resolution is fully in accord with law and the spirit of congressional responsibility for the general policies of the Fed Chairman Burns repeatedly has welcomed this kind of general direction from Congress while, properly in my judgment, resisting proposals for interference in the detailed management of the money supply and the banking system. This resolution may not be the toughest one imaginable, but it does speak clearly and goes in the right direction. It is the thing to do now.

Finally very high long term interest rates now at a time of economic trouble—the worst trouble since the war—symbolize a sick economy and signal to people everywhere that government is not doing its job.

As a professional economist myself as well as a Member of this House I strongly urge passage of this resolution.

Mr. REUSS. Mr. Chairman, I yield such time as he may require to the gentleman from Oregon (Mr. DUNCAN).

Mr. DUNCAN of Oregon. Mr. Chairman, I rise in support of the resolution.

Mr. Chairman, I am supporting House Concurrent Resolution 133, a resolution instructing the Federal Reserve to conduct montary policy so as to lower long-term interest rates, not only for the reasons suggested by the committee; to wit: An increase in economic activity and a reduction in unemployment, but also because I believe that higher interest rates, far from being a curb on inflation, actually accentuate the inflationary cycle.

During my recent sojourn in the private world and in the law business, some of my clients were paying as much as 18 percent for their operating capital. Many others were similarly afflicted. There was no way those businesses could absorb this outrageous cost of money. It had to be passed on to the consumer in the cost of the goods and services provided. As this initial price increase moved through the economy, it created the "ripple effect" of which we have heard so much in connection with the President's imposition of an import duty on oil.

I believe that the Congress is thus moving affirmatively to not only stimulate business and employment, but to combat inflation and that this is one of the few devices which can serve these apparently antipodal objectives. The only caveat I have is that caution be used to prevent the outflow of capital to foreign nations. Capital is very fluid and caution must be used, particularly in view of the interdependent nature of the banking structures of the so-called free world.

Mr. REUSS. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Chairman, it was my privilege to be one of the House representatives at the 2-day economic summit conference last October. The conference was called by President Ford and brought together hundreds of leaders of business, labor, consumer groups, environmental groups, and the Government. And, of course, conflicting points of view were expressed.

The meeting was referred to as open government, a town meeting on the national level.

The request most frequently made was "ease interest rates" which have caused the housing industry to collapse, down 50 percent from a year ago, and which are making it impossible for industry to expand facilities to produce needed commodities.

Federal Reserve Board Chairman, Arthur Burns, took a beating. Burns stated that interest rates had been reduced somewhat from the July peak and, in his words, "there will be no credit crunch." This came as news to me because I thought we had a credit crunch for the last year.

Our No. 1 priority today should be to secure economic recovery—get the people back to work. In securing this recovery our first need is a supply of credit at reasonable interest rates to make possible the purchase of homes and automobiles and furniture and other commodities. This is an important resolution. It is one that I proud to support.

Mr. REUSS. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana (Mr. HAYES).

Mr. HAYES of Indiana. Mr. Chairman, I think the point cannot be made too often in this debate, and should be made once again, why a resolution? Why not a statute?

In the committee's deliberations, I was pleased to join with a great many of my Republican colleagues on the committee in substituting language changing the mandatory tone of the statute to the permissive tone, the requesting tone, of the resolution. I was additionally pleased to join with them in reporting that resolution out to the Congress and to this committee for its consideration in order to make it clear that, in fact, we are not asking the Fed to do what it cannot. We are asking the Fed to do what it has begun doing in the midst of the debate started by the theory that Congress has a responsibility and should, in fact, intervene in the processes of the Federal Reserve System.

In addition to that, I was proud to join with the committee in not misleading the public as to what the Congress' responsibility is—in fact, acknowledging that the Federal Reserve System is a creature of legislation, and therefore a creature of this Congress, and that we have begun and intend to continue the process of overlooking its operations; of seeing to it that it executes its responsibilities in the most effective fashion possible.

With that lack of wanting to mislead, that is why we did not, I think, ultimately come to statutory language. As eloquently pointed out on the committee, "Can you put Arthur Burns in jail if he fails to obey the resolution?"

The answer, of course, is no.

"Could you put him in jail if he failed to obey the statute?"

The answer to that is "no."

"What would you do if he failed to obey it?"

The answer to that is, "impeach the President."

"Would the resolution require it?"

The answer to that is, "absolutely not."

So, clearly, I think that we are proceeding within the scope of our responsibilities. I think we have clearly recognized the limitations of handling the Federal Reserve, and I believe it makes eminent sense to come down very firmly and very fairly with the Fed to understand they are cooperating with the stated public policy and the sense of this Congress. I think the American people are going to respond by having new respect for a very degraded Congress which has not looked after the needs of its creatures in the past.

I urge that we support House Concurrent Resolution 133.

Mr. ANNUNZIO. Mr. Chairman, when House Concurrent Resolution 133 was being considered by the Banking and Currency Committee I voted against the resolution, not on the grounds that I was opposed to the sentiment of the resolution but rather that I favored stronger language in general and a bill rather than a resolution in particular.

I favored the stronger language and the bill route out of fear that the Federal Reserve Board, rather than trying to meet the will of the Congress will instead try to crawl through any loophole the Board can find in the resolution.

There is no doubt in my mind that it is the Federal Reserve Board that is mainly responsible for the recession that this country now faces. The Board is charged with establishing monetary policy and it is certainly not adverse to praise when the country faces prosperous times. Why then should the Board not accept criticism when the country is in economic turmoil.

I sincerely hope that the Chairman of the Federal Reserve Board, Dr. Arthur Burns, intends to carry out the directions of the Congress when House Concurrent Resolution 133 passes both Houses of the Congress.

On many occasions Dr. Burns has stated before the Banking and Currency Committee that his agency is a creature of Congress and that it will follow congressional directives. In fact, as is stated in the report accompanying House Concurrent Resolution 133, Dr. Burns in 1971 in testifying before the Domestic Finance Subcommittee of the

House Committee on Banking and Currency stated:

> I have not claimed that the Federal Reserve is independent of the Government. I have recognized not only in the past, but again this very morning that the Federal Reserve is a creature of the Congress, and that it is a servant of the Congress.

I concur with Dr. Burns that the Fed is indeed a creature of the Congress and as such should follow the directives of the Congress. In House Concurrent Resolution 133 the Congress directs the Federal Reserve Board to conduct monetary policy in such a manner as to reduce long-term interest rates. This is a clear directive and hopefully Dr. Burns and the rest of the Board will strive to meet the directive rather than shirk not only the legal responsibility but the moral responsibility to set monetary policy so as to benefit all Americans—not a handful.

I am deeply concerned about the reluctance of some Members of Congress to provide greater direction for the Federal Reserve System. For some unknown reason there is a feeling here by too many Members that the Federal Reserve Board is incapable of making a mistake. Certainly no other agency of the Government is given such a wide latitude in its operations. Yet history has shown that the Federal Reserve System has made many mistakes. Why then should the Congress continue to avoid its constitutional responsibility to provide direction to the Federal Reserve System, since the Constitution provides that the Congress shall have the power to set monetary policy. If we abandon that constitutional right then we have only ourselves to blame when the Fed makes monetary mistakes that threaten the very economic survival of our country.

The resolution before us today is only the mildest form of direction. We should go further. At the very least we must pass this resolution so as to let the Federal Reserve System know that Congress does not endorse the current monetary philosophy of the Board which has brought record high interest rates, record high inflation, record high unemployment, and a record in housing starts. Certainly these are records that must not be continued.

Mr. MAGUIRE. Mr. Chairman, I, of course, share the same goals as other Members of the Congress—reducing interest rates and getting millions of unemployed Americans back to work. House Concurrent Resolution 133 expresses my view that the Federal Reserve Board must act aggressively to expand the money supply in the first half of this year, and I will vote in favor of this resolution today.

However, I voted against House Concurrent Resolution 133 in the Banking and Currency Committee because I did not believe it adequately fulfills its purpose. While the Members of the Congress may agree to the necessity of rapidly expanding the money supply in the next few months, neither the administration nor the Federal Reserve Board seems to join in that consensus. Indeed, administration spokesmen such as Treasury Secretary Simon continue to deny that monetary policy is even a legitimate concern of the Congress.

Thus for the Congress to adopt a concurrent resolution, merely noting that an expansionary policy is "the sense of the Congress," seems to me to be a weak substitute for decisive action. As Floyd M. Riddick points out in "The United States Congress Organization and Procedures," concurrent resolutions "are not binding or of legal effect."

I voted against House Concurrent Resolution 133 in committee because I believe the times demand more decisive and direct action by the Congress against tight money and high interest rates. I therefore, proposed to the committee a bill of binding and legal effect, requiring the Federal Reserve Board to pursue the goals that House Concurrent Resolution 133 only urges the Federal Reserve Board to pursue. My vote against the resolution at that time in no way indicated my disagreement with its goals. I simply believe that House Concurrent Resolution 133 lacks the statutory power it needs to do the job that I and other Members wish it to accomplish. However, I believe it is imperative that we support this resolution as a first step toward the decisive and effective action that we require.

Mr. FRENZEL. Mr. Chairman, I oppose House Concurrent Resolution 133 and will vote against it, because it perpetuates the myth that Federal Reserve Board policy can somehow magically cure our economic ills. Nobody opposes low, or lower, interest rates. On the other hand, no congressional resolution, nor hardly any Fed action can keep interest rates from going up when the infinite spending appetite of the same Congress will cause multibillion borrowings which will inevitably force interest upward. Our deficits for fiscal year 1975 and fiscal year 1976 will surpass $100 billion. How do we keep interest rates down under those conditions?

In a sense, we are, in this resolution laying the blame for something we have caused on somebody else. In my judgment, its an irresponsible resolution, designed to identify a scapegoat.

Congress is a cake-eater. We only like good news and good times. We don't tell it like it is. When conditions are bad, we blame them on Arabs, on oil companies, on big business, or on the Fed. Anybody will do for a scapegoat as long as anybody doesn't have a big block of votes as its friend.

We try to legislate results when we should be legislating processes. We have not got the spine to legislate the processes of budget control, so we have here a resolution calling for a result that we know probably cannot occur, given our other silly spending actions.

I'm for low interest rates. So is the Fed. Now if only we could get the Congress to support, by deed, that which it now supports by lip only, maybe we can get those rates down. I hope so, but I shall vote against this frivolous, but thankfully toothless, resolution.

Ms. ABZUG. Mr. Chairman, although I am voting for House Concurrent Resolution 133, I do so only because it is not possible to vote on a far more preferable measure, H.R. 3160, which would have directed and bound the Federal Reserve Board of Governors to alter its monetary policy so as to lower long-term interest rates and unemployment.

House Concurrent Resolution 133 merely expresses a congressional wish that the Federal Reserve should do this, but fails to require it, as is within the power of this legislature. If this action is to have any effectiveness, therefore, as I sincerely hope it will, it must be backed up by a broad public campaign to acquaint the American people with the major responsibility that the Federal Reserve bears for the exorbitant interest rates that are stifling our economy, forcing up prices, increasing profits, and causing mass layoffs among workers in construction, manufacturing, and other business enterprises and industries.

We have heard dozens of conflicting and unenlightening explanations from the economic experts as to why we are now in the midst of the worst recession and unemployment since the economic crisis of the thirties, with the added feature of continuing inflation. We have even heard joblessness blamed on illegal aliens who come to this country in the hope of finding a decent life, just as our parents, grandparents, and other ancestors did. Turing poor aliens into the scapegoats for a depression that was deliberately created by the economic powers that rule our country represents an attempt to mislead the American people as to where the real problem lies.

Not enough attention has been focused on the role of the Federal Reserve, which operates as an autonomous entity and serves the interests of the commercial banks rather than those of the American people, especially those who are suffering so much as a result of the combined assaults of recession and inflation.

One of the best analyses of the Federal Reserve's role in the present economic crisis has been written by Samuel C. Greenfield, a Wall Street investment adviser and securities analyst. Mr. Greenfield, who has followed the Wall Street scene for 25 years, charges that—

> The depression now enveloping our nation was conceived and executed by the Federal Reserve Bank with the aid, first of the Nixon administration, then of its successor, the Ford administration.

Mr. Greenfield points out that tight money was the principal weapon used to create both inflation and depression. Tracing Federal Reserve policy since 1968, Mr. Greenfield notes that—

> The screws were tightened in 1974, first during the last days of the Nixon administration and then in the Ford administration. Interest rates shot up; inflation reached 12%. . . . When the year closed, unemployment rose to a 13-year high. The stock market dropped to a 12-year low. The nation was engulfed in a disastrous depression. The 4% inflation rate of 1968 soared to 12%.

As Mr. Greenfield notes, as soon as money is made scarce, interest rates must rise for all borrowers, including the U.S. Government. Higher interest costs are diffused throughout the entire economy until they ultimately reach the consumer.

He continues:

> The inflation that ballooned because of higher interest rate charges dwarfs the amount that resulted from the deficit spending to finance the Vietnam War.

Assessing the inflationary impact of higher interest rates by noting the increase in our country's total indebtedness, public and private, from 1967 to 1974—

In 1967 the total public and private debt in the U.S. amounted to 1 trillion 439 billion dollars. By 1974 it had increased to 2 trillion 500 billion dollars. Thus, approximately 1 trillion dollars of debt had been added, all at higher interest rates. Even if we underestimate the increase in interest charges at 3%, we obtain an annual increase in interest costs of 30 billion dollars. This annual increase does not include the billions of dollars borrowed via short-term notes each year at higher interest rates and repaid during the year. Nor does it include the billions of dollars of bonds and mortgages that mature each year which are refinanced at higher interest rates. All that is included in the 30 billion dollars is the annual interest increase due to brand new debt. This 30 billion dollar increase has added a thick layer of inflation onto the relatively small 4% inflation that existed in 1968. The portion of the inflation that should be attributed to deficit spending to finance the Vietnam War was probably less than 2%.

Instead of pouring cold water on a small inflationary fire, the Federal Reserve and the Nixon Administration poured gasoline over it. It should be obvious that tight money is the wrong anti-incendiary to have used.

Mr. Greenfield has made his analysis available to me for inclusion in the CONGRESSIONAL RECORD, and I insert it following my remarks with the hope that it will be carefully studied:

The Making of a Depression

Making a depression, even in a country as rich as the United States, is as easy as blowing up a 100-story skyscraper. The former only takes longer and its slow acting dynamite is tight money.

The depression now enveloping our nation was conceived and executed by the Federal Reserve Bank with the aid, first of the Nixon Administration, then of its successor, the Ford Administration.

It took barely six years to change our prosperous nation to its present chaotic state.

Prior to 1968 there was a relatively low rate of inflation, increasing by approximately 1½% annually during the 1958–67 decade. In 1968 the inflation rate increased to 4% due to the deficits incurred financing the Vietnam War. The weapon that the Federal Reserve used to curb this inflation was *tight money.*

MONEY

Inasmuch as tight money was the principal weapon used to create the depression, it is proper to start by discussing money.

An aura of mystery surrounds the study of money. Most people believe they are not capable of understanding it. They assume that the experts know best. Unfortunately, the experts have been following the same mechanical approach, which led to the disaster in the 1929–32 period. Continuing the same philosophy they are driving the nation into another depression.

Stripped of its mystique, money is merely a medium of exchange. Goods were bartered before money was used. The farmer exchanged his crops of corn for the fisherman's catch. This system of barter was satisfactory only so long as communities were small and their needs simple. But, when the economy became complex, money entered the market to facilitate the flow of goods. An equation developed in which Goods and Services=Money=Goods and Services. In essence, money simply represents the intermediary between goods and services, (from raw materials to finished products) that are ready to be exchanged.

HOW IS MONEY CREATED?

An individual buys merchandise and pays money; another sells and receives it. A third goes to the bank and deposits money; another withdraws it. A fifth borrows it. Where does the money come from?

Only the Government can print money in the United States. This important job was delegated by the Congress to the Federal Reserve Bank when it was created in 1913.

HOW MUCH IS AN ADEQUATE SUPPLY?

How does the Federal Reserve know how much money to create any given time? This is a computational problem. The Fed is guided by its experience over a long period of time. It knows the buying and selling habits, probable deposits and withdrawals, economic trends, borrowing needs, and all the economic details involved.

All the pertinent facts are placed into a computer and out comes a number. This is the approximate amount of money that the economy needs to function smoothly in any particular period.

The supply of money must be elastic. At one time more money may be needed; at another time, less. For example, before the Christmas season, retail merchants normally borrow considerably from banks to finance their inventories. This requires an increase in the money supply. After the season, the debts are repaid and the money supply may be safely contracted.

We shall refer to the supply of money discussed above as an adequate supply.

TIGHT AND LOOSE MONEY

Inasmuch as the Federal Reserve can create as much or as little money as it deems necessary, it may at times create less than an adequate supply for a particular span of time. Such an action is referred to as *making money tight*. Tight money operations automatically increase interest rates because demand exceeds supply. The defense of such action is that its purpose is to "cool" the economy, that is, to restrict business activity.

On the other extreme the Federal Reserve system has the power to create an oversupply of money, that is an amount greater than the economic needs of the moment. Such an operation reduces interest rates. This is done to stimulate the economy and is referred to as making money loose.

TIGHT MONEY DANGEROUS

Making money tight, creating a supply that is less than adequate is a dangerous practice. It disrupts and impedes the normal exchange of goods that would otherwise take place in a free competitive market. It constitutes a roadblock to the path of industry, which in turn creates abnormal situations and unnecessary adjustments.

The Federal Reserve Bank should never be permitted to make money tight. Such power should be held only by Congress, which incidentally should exercise it only in a national emergency. Why should such power be held by Congress and not by the Federal Reserve? Congress is an elected body and can be turned out of office if it uses its power unwisely. The Federal Reserve cannot be held accountable to the people in this way.

BUNGLING THE 1929–32 DEPRESSION—TIGHT MONEY

In its effort to manage the economy, the Federal Reserve Bank has at various times made money tight. The first colossal error in its history was its tight money policy during the Big Depression of 1929–32. Economists studying that period have concluded that the Federal Reserve's policies in that period were an important cause behind that frightful disaster.

Even the economists of the First National City Bank, tight money advocates themselves, agree that the actions of the Federal Reserve Bank during that period were less than commendable. Thus the September 1974 issue of First National City Bank's monthly economic letter states:

"The chief point to grasp is that in the 1930s a U.S. recession, induced by monetary restraint, was allowed to get out of hand. When a gust of panic touched off a stampede of withdrawals from U.S. banks, the Federal Reserve clung to its tight-money policy, letting hundreds of banks go to the wall . . .

"The U.S. economy was already depressed, owing to the restraint that the Federal Reserve had applied for more than a year. . . . The Fed's policy—and U.S. bank failures on an epidemic scale—tightened the monetary contraction. And this phase did not end in the United States until 1933, when President Roosevelt decided to float the dollar."

The Monthly Economic Letter does not believe that the colossal error by the Federal Reserve can be repeated.

"No central bank today would—or politically could—repeat the Fed's dismal 1928–32 performance. With this crucial element missing, a catastrophe of the 1930s type is not likely to recur."

It is difficult to agree with the optimistic conclusion of the economists of the First National City Bank. It was the unwise application of tight money that did great harm to the economy in 1929–32. But the Federal Reserve has used the same kind of tight money policy since 1968. The damage now will not be exactly the same as it was then. It will be different and could be greater.

Two significant conclusions may be drawn from the study of the Federal Reserve's tight money policy during the 1929–32 period:

1. The Board of Governors of the Federal Reserve Bank are mere mortals and are therefore liable to make the errors that other humans make. Unfortunately, errors of the Federal Reserve harm the entire nation.

2. In view of the Fed's past errors in applying its tight money policy during the 1929–32 depression, its present tight money policy must be scrutinized wtih a highly critical eye.

The men who determined the Federal Reserve policy in 1929 are different individuals from those who manage it today. What these two sets of men have in common is, however, their fundamental belief that economic problems can be solved by monetary manipulations.

TIME 1968—MONETARY AND FISCAL RESTRAINTS

As previously noted, the inflation, which had experienced a normal rate of increase of 1% to 2% during the previous decade, rose in 1968 to a rate of 4%. The Federal Reserve had tightened the money supply in the early months of 1968, then loosened it when the Johnson Administration passed the 10% Income Tax Surtax (fiscal restraint). The Federal Reserve tightened the supply (monetary restraint) again in December, after the election of President Nixon.

The imposition of these two restraints was favorably received by the Federal Reserve Bank of New York, which predicted in its 1968 Annual Report:

"The combination of fiscal and monetary restraint in effect at the end of 1968 should dampen the economy significantly during 1969."

TIGHT MONEY CONTINUES IN 1969–70—INFLATION WORSENS

The tight money policy did not cure the inflation in 1969. On the contrary, inflation increased by 5.6%. To meet the threat the Fed nonetheless continued to apply restrictive monetary policies throughout 1969. "By the end of 1969, real economic growth had come to a halt," reported the

Federal Reserve Bank of Richmond, "but inflationary pressures remained strong."

Nor did tight money policy stop the inflation in 1970. It rose by 6.5%. In addition a liquidity crisis developed that year. In June the Penn Central collapsed. This catastrophe so frightened the Federal Reserve officials that they temporarily eased their tight money position. Soon, interest rates moved slightly lower. For example, three-month U.S. Treasury Bills, which had sold at an average rate of 6.7% in 1969 dropped to 6.5% for 1970.

INFLATION DECREASES FOR 1971 AND 1972—A NEW ECONOMIC POLICY

As a result of the restrictive monetary policy of the Federal Reserve Bank, with the aid of the Nixon Administration, the economy continued to deteriorate through mid 1971. On August 15th of that year President Nixon initiated his Wage and Price Controls. The Federal Reserve accommodated the President by easing the money supply. Interest rates dropped, as evidenced by the three-month Treasury Bills, whose average rate in 1971 fell to 4.3% from their previous year's rate of 6.5%. The inflation rate also dropped to 4.3%.

The Federal Reserve's temporary easing of the money supply in support of President Nixon's new pre-election economic policy had miraculous effects. Employment rose. The Dow Jones averages on the New York Stock Exchange crossed the magic 1000 mark in December.

The beautiful honeymoon did not last. After the presidential election in 1972, the Federal Reserve reapplied its tight money policy. Wage and Price Controls were allowed to expire. Inflation, which had dropped sharply during the two pre-election years, zoomed again. "Inflation reemerged again as the paramount economic problem in the United States. . . ." said the 1973 Annual Report of the Federal Reserve Bank of New York. "Against the background of the severe inflation that enveloped the country and the expansive policies of the previous years, the Federal Reserve pursued a policy of active restraint in 1973." Interest rates rose again in 1973; so did the inflation, which increased by 7.8%.

An examination of an eight-year table of interest rates reveals a clear cut, positive correlation between interest and inflation rates. The three-month U.S. Treasury Bills reflect the fluctuations in interest rates.

INTEREST RATES ON 3-MONTH U.S. TREASURY BILLS AND CHANGE IN COST OF LIVING

[In percent]

Year	1967	1968	1969	1970	1971	1972	1973
Interest rates	4.3	5.3	6.7	6.5	4.3	4.1	7.0
Increase in cost of living	2.8	4.2	5.6	6.5	5.0	4.0	7.8

The above table plainly indicates that when interest rates rose, so did inflation; when it fell, inflation likewise dropped. The New Economic Policy, with the cooperation of the Federal Reserve's easing of its monetary policy and the consequent lowering of interest rates before the election as well as the complete reversal of the trend after the election was hardly accidental. The close cooperation of the Administration and the Federal Reserve is obvious. The facts contradict the oft repeated claim that the Federal Reserve operates as a body that is independent of the Administration. It may be expedient for a president to make such a claim at certain times, but it just is not so.

THE 1974 COLLAPSE

The screws were tightened in 1974, first during the last days of the Nixon Administration and then in the Ford Administration. Interest rates shot up; inflation reached 12%. The tight money advocates had finally achieved their long awaited objective: to maintain a tight money market as long as necessary, regardless of the consequences.

When the year closed, unemployment rose to a 13-year high. The stock market dropped to a 12-year low. The nation was engulfed in a disastrous depression. The 4% inflation rate of 1968 soared to 12%.

TIGHT MONEY IS INFLATIONARY

Advocates of the tight money policy expected it to reduce inflation. This is paradoxical, because tight money is itself inflationary. As soon as money is made scarce interest rates must rise for all borrowers, including the U.S. Government. Higher interest costs are diffused throughout the entire economy until they ultimately reach the consumer.

Let us start with short term borrowers such as canners of food, retail merchants, builders, etc., who need money during their active season. Their interest costs were approximately 5%–7% in 1967. Seven years later they had to pay twice that rate. Need we ask who bore the additional interest cost? Of course—the consumer! Let us move on to long term borrowers such as public utilities or realtors who usually borrow billions of dollars for longer periods of time. Mortgage money was available for 5%–6% interest but this rate doubled. Who ultimately must pay the additional cost? *Again the consumer!* The consumer pays and pays and pays. The consumer must pay all increases in interest costs.

INTEREST INCREASE AMOUNTS TO A 30 BILLION DOLLAR INFLATION

The inflation that ballooned because of higher interest rate charges dwarfs the amount that resulted from the deficit spending to finance the Vietnam War.

It is possible to determine the inflationary impact of higher interest rates by noting the increase in our country's total indebtedness, public and private, from 1967 to 1974.

In 1967 the total public and private debt in the U.S. amounted to 1 trillion 439 billion dollars. By 1974 it had increased to 2 trillion 500 billion dollars. Thus, approximately 1 trillion dollars of debt had been added, all at higher interest rates. Even if we underestimate the increase in interest charges at 3%, we obtain *an annual increase in interest costs of 30 billion dollars.* This annual increase does not include the billions of dollars borrowed via short-term notes each year at higher interest rates and repaid during the year. Nor does it include the billions of dollars of bonds and mortgages that mature each year which are refinanced at higher interest rates. All that is included in the 30 billion dollars is the annual interest increase due to brand new debt. This 30 billion dollar increase has added a thick layer of inflation onto the relatively small 4% inflation that existed in 1968. The portion of the inflation that should be attributed to deficit spending to finance the Vietnam War was probably less than 2%.

Instead of pouring cold water on a small inflationary fire, the Federal Reserve and the Nixon Administration poured gasoline over it. It should be obvious that tight money is the wrong anti-incendiary to have used.

HOW STUBBORN CAN THEY BE?

Having failed in their tight money policy so miserably for so long a period of time, we would assume that the "old time religionists" (as the tight money advocates sometimes call themselves) would abandon their position. Unfortunately, this has not been the case since Gerald Ford replaced Richard Nixon as president.

In September 1974 President Ford convoked leaders in business and economists to a conference on inflation. (Depression didn't seem to bother them.) Some economists recommended easing the monetary supply. The very next day, they were contradicted by the President's two most important advisors, Mr. William Simon, the Secretary of the Treasury, and Mr. Alan Greenspan, the Chairman of the Council of Economic Advisors. These leading exponents of tight money reiterated their long standing position that tight money be applied as long as was necessary to break the back of inflation. This theme has been repeated in numerous speeches and statements of Ford administration spokesmen.

STRAIGHT IN THE JAWS OF A DEPRESSION

Thus, the "old time religionists" cling to their belief that this inflation is the result of *too many dollars chasing too few goods.* Starting from this erroneous premise, they arrived at the false conclusion that it was necessary to decrease the too many dollars.

This is no easy task in a middle class country where a large section of the nation possesses trillions of dollars in assets, most of which can, if need be, be turned into cash. The only way to reduce the "oversupply" of money is to create a depression, or to use the Administration's euphemistic word, "recession". The corrollary of this policy is that if unemployment can be increased there will be fewer people with dollars competing for fewer units of goods. Tight money could accomplish this drastic end. And indeed it has already done so. At long last the "old time religionists" have achieved their objective: they have impoverished the country.

WILL PRICES GO DOWN?

Will prices go down? Will the price of automobiles go down because sales have fallen sharply? Of course not! On the contrary, all the auto companies have increased their prices. Will the cost of utilities go down because of lower consumption! Again—no. Utility rates are rising to compensate for reduced consumption. In both instances cited, the unit cost rises when sales fall off. Inasmuch as most large companies operate on a cost plus profit basis, their costs increase when sales fall. Hence to stay in business they must increase prices. There will be some items which will decrease in price because of distress selling and competition. The cost of living should drop. However a decrease in interest rates would however do more to decrease prices than any other economic move. This was achieved in 1971 and 1972 when interest rates were temporarily reduced.

RUSSIAN ROULETTE

When the Secretary of the Treasury, Mr. William Simon said recently, "The slowing of the economy is far less threatening than inflation," he said little to cheer us. The nation need not have faced either threat. The tight money policies of Mr. Simon and his associates, extending over a six year period, unleashed both plagues—inflation and depression.

Inherent in his callous remark is his failure to understand the fragile nature of our credit economy. Our total wealth, from mine and field to finishes product is represented by instruments of credit; from bank deposits through stocks, bonds, letters of credit, etc.

This colossal wealth is no stronger than the prosperity of the nation. The debt structure of 2½ trillion dollars and the equity amounting to more trillions have *value only in a prosperous economy. They are worth little or nothing in a depression.*

A depression could easily topple the largest companies, and wipe out billions of dollars of wealth. The losers would include individuals, banks, insurance companies, pension funds, etc. All are interwoven and would collapse, domino fashion. A depression should be unthinkable. Our debt pyramid alone is eight times as large as it was in 1929. A collapse today could be far more devastating than it was during the Big Depression.

NEAR SIGHTED EXPERTS

The tight money advocates have been shortsighted. They never expected a double digit inflation. Nor did they foresee the record withdrawals of deposits from savings banks which resulted from the sudden zooming of interest rates. How did they expect cities, state and even the Federal government to collect taxes when the economy slowed down according to their plan?

As we enter 1975 the full force of the depression is bearing down on the nation. It will disrupt every home. It will create a chain reaction of devastation.

The tight money advocates expected a small recession, just enough to stop the 4% inflation increase of 1968. They thought that an increase in unemployment would be just about enough to reduce prices. Their short sighted policy generated a devastating cyclone.

DOING WHAT COMES NATURALLY

The question may be asked, "Is it not possible that interest rates would have increased even if the Federal Reserve had not acted to tighten money?" There are two answers to this question: First, tight money caused high interest rates, which in turn accelerated the inflation. Without tight money inflation might not have risen nearly as sharply, if at all.

Second, and perhaps more important, tight money caused severe dislocations *too quickly*. The changes took place so rapidly that the closely interwoven parts of our economy had little time to adjust. An industrial economy is a living, breathing, growing entity, all of whose parts become enmeshed one with the other. When changes take place, the parts must adjust or perish. Normally, changes take place slowly, naturally, so that adequate time exists for the adjustment. But, when the "bomb" of tight money was applied over a six year period, chaos had to result. For example, a typical casualty of the "bomb" was the building industry, one of the most important in our nation. The savings banks, usually large lenders, had to cut back on mortgage loans because of record breaking wihdrawals by depositors. These depositors withdrew their savings because of soaring interest rates offered elsewhere, as in the bond market. This squeezed the savings banks which had to be liquid enough to meet sudden demands. A gradual adjustment could have taken place had interest rates moved up slowly, over a period of years.

Tight money penetrated every industry. Large basic companies forced smaller customers to shorten the time of their debt payments. The latter ran to the banks for help. The ones who were fortunate enough to obtain loans had to double their cost of such loans at soaring interest rate charges. Many simply could not survive. Others limped along. Borrowing to maintain large inventories became a necessity as the cost of materials both accelerated and came into short supply due to the demand. Now with unemployment rising industry by industry, people are not buying and companies are stuck with large inventories carried at high interest rate charges. Bankruptcies, loss of investments and resulting higher unemployment are some results. There are others.

An economy, like a human being, cannot stand shock. Doing what comes slowly and naturally is better for both.

WHICH CAME FIRST?

One may wonder why the tight money advocates, which include countless brilliant economists, bankers and money managers could cling so tenaciously to a concept that money supply manipulation could solve economic problems. Yet manipulating the money supply has been the practice for many years. Even the most cursory reading of the activity of the Federal Reserve over the past few decades reveals a practice of making money tight and easing it from time to time.

A reasonable explanation comes from the nature of our industrial society. There are real tangible goods, the only things in our economic society, and money (or credit instruments) which are only the means of exchanging goods. In a simple society it would be obvious that real tangible goods came first and money, second. We could not live without the former, but could limp along without the latter.

But, in our artificial state the money managers deal with money, the medium of exchange, and it became quite natural for them to think first of money and, only secondly, of real tangible goods. Slowly, the concept developed that manipulating the money supply could and should influence the flow of economic goods. Thus, a total monetary "religion" developed that placed the money supply in the ascendency. Except during the 1929–32 depression, when the tight money policy was disastrous, the money manipulations during other periods had short-lived adverse effects. Our expanding economy was able to overcome the adverse effects of the manipulations. Not so at this time. From 1968 to 1974, (excepting 1971 and 1972) the destruction was more than our structure could stand.

Restricting the money supply creates a mold into which the flow of goods must conform: which is all wrong. The availability of goods should make the mold, with the money supply easing the flow.

We must get back to our senses quickly to avoid total disaster. Economic goods, merchandise, products, etc., come first and credit instruments only second. *The money supply should always be adequate* for the smooth flow of goods; and not the other way round. Adequate does not mean loose.

UNMAKING THE DEPRESSION

It is easier to create a depression than to correct it. It is difficult to restore the fortunes, the life-savings, that people lost during the six sorrowful years of tight money. The broken homes cannot be mended; nor the suicides brought back to life.

The Ford Administration, Congress and the Federal Reserve can however halt the decline by a series of positive steps:

1. The money supply should be adequate to meet the needs of the nation. The test of adequacy is interest rates. These should be reduced significantly.

2. The building industry should be revived. This can be done by Government loans to banks at moderate interest rates, for mortgage loans.

3. Income taxes should be reduced, especially for those in the lower and middle income tax brackets, i.e., those hardest hit by the inflationary prices.

4. A multi-billion dollar program should be instituted to solve the energy crisis. Tax concessions and subsidies should be given to encourage the extraction of oil from shale and coal among other programs. We are in the midst of an economic energy war and should act swiftly.

5. Subsidies for essentials should be given to reduce the cost of living.

Where will the tens of billions of dollars come from to enact this program? There are two sources:

1. An excess profits tax should be enacted. We will face shortages for a long time and corporations will take unfair advantage of this. An excess profits tax should work as a correction.

2. Reduce the military budget accordingly. A nation is strong only so long as its people are gainfully employed. An impoverished, unemployed nation is weak even if it has the largest military arsenal in the world.

In short, what is needed is to undo the damage of the inflationary tight money policy. Creating a wholesome economy, with full employment, is sound economic policy. It is not inflationary, as the tight money advocates would have us believe. We must learn to use our resources sanely for public consumption rather than for gigantic military hardware. Money that is used to create consumer goods returns to the economy and is purchased by the nation, but military goods leave the economy forever. It represents total economic waste. Therefore, we should expend our resources in that area sparingly.

If detente has meaning it should be translated into lower military costs. Otherwise, it is a fraud intended only to fool the public into thinking that progress is taking place.

CONCLUSIONS

1. This depression was man made. It did not happen accidentally. It was not caused by an earthquake, crop failure, or natural phenomenon. It was not caused by an oversupply of goods that consumers could not purchase. It should not be blamed on any action of business, labor or consumers. It was caused by the tight money policy of the Federal Reserve Bank.

2. The Federal Reserve Bank should be stripped of the power to create tight money. Its function should be redefined by Congress.

3. Tight money is itself inflationary. It is responsible for a much thicker layer of inflation than the deficits incurred in financing the Vietnam War. It ballooned a 4% inflation into a 12% inflation within a few years.

4. Our nation faces serious problems: shortages, environmental, international, inflation, unemployment, etc. These should be dealt with by Congress.

5. Our huge debt structure is in great danger should a depression take hold. This must be avoided.

6. Federal Government spending should be directed to solve the energy crisis, to stimulate the building industry, to reduce the cost of living and to bring employment and prosperity to the nation. The money should come from the military budget.

7. Last and perhaps most important, there is need for a national educational campaign on the subject of tight money. The experts have made too many important errors. Only an educated public can redirect their thinking. Courses should be conducted all over the nation—in schools, homes, unions, organizations, everywhere. Political leaders should take part. They can no longer leave it to the experts.

The time is now!

Mr. MOAKLEY. Mr. Chairman, in light of the gravity of the present economic situation in the United States, I wish to express my wholehearted support of House Concurrent Resolution 133.

It is the prerogative and the duty of the Congress to set the monetary policy of the United States in order to restore the economic health of our Nation.

House approval of House Concurrent Resolution 133 is merely the first step that must be taken in order to counter our current economic difficulties, especially in the area of unemployment and housing.

This resolution has received favorable consideration of the Committee on Banking, Currency and Housing. The measure declares it to be the sense of the Congress that the Federal Reserve should take action in the first 6 months of 1975 to reduce long-term interest rates for the purpose of reducing unemployment and combating recession.

I am certain that every Member of this Chamber is greatly disturbed by the increase in the rate of unemployment over the past year. In January 1974, the national unemployment rate was 5.2 percent with 4.6 million persons unemployed. One year later, unemployment has almost doubled. Seven and a half million people are now out of work in the United States. In my own State of Massachusetts, the unemployment rate now totals a staggering 10 percent, not to mention the deplorable housing situation.

In part, the distressing increase in the rise of unemployment and the difficulties encountered in getting decent housing, can be attributed to the tight credit policies established by the Federal Reserve. A significant reduction in long-term interest rates would increase the flow of money into the economy, and give many firms the opportunity to hire additional personnel.

For these reasons, I advocate prompt passage of House Concurrent Resolution 133. At this time I am also calling for stronger measures which would enable the Congress to exercise its constitutional power to regulate the value of money by monitoring the policies of the Federal Reserve. As a creature and agent of the Congress, it is the responsibility of the Federal Reserve to respond to congressional policy directives on matters of the economy.

I urge my colleagues to join with me in seeking stronger and more effective measure to insure a sound monetary and fiscal policy to ease our present economic condition.

Mr. SCHNEEBELI. Mr. Chairman, I have no further requests for time.

Mr. REUSS. Mr. Chairman, I will follow the excellent precedent set by my friend from Pennsylvania. I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H. CON. RES. 133

Resolved by the House of Representatives (the Senate concurring), That the Federal Reserve shall conduct monetary policy in the first half of 1975 so as to lower long-term interest rates, and thus do its part in promptly and steadily reducing unemployment; and shall transmit a report on the first day of each month after the effective date of this Act to the Committee on Banking, Currency and Urban Affairs of the Senate and the Committee on Banking, Currency and Housing of the House of Representatives on its progress toward achieving this goal.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: On the first page, line 2, after "That" insert "it is the sense of Congress that".

On the first page, line 2, strike out "shall" and insert "should".

On the first page, beginning in line 5, strike out "on the first day of each month" and insert "every three months".

On the first page, line 6, strike out "Act" and insert "Resolution".

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. BADILLO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to express my deep disappointment in the measure before us. This concurrent resolution declares it to be the sense of Congress that the Federal Reserve conduct monetary policy in a manner calculated to lower long-term interest rates and reduce unemployment.

To the layman, this may sound impressive. To the initiated, this will spell a copout.

By electing to use the instrument of a concurrent resolution, Congress has, in effect, retreated from action to the realm of pious hope.

Unlike a bill, concurrent resolutions do not carry the force of law. In modern times, the use of this resolution has been largely restricted to the expression of principles, opinions, and reactions to particular propositions. In fact, in a floor debate, on February 28, 1908, it was said that a concurrent resolution is a resolution directed solely to matters within the control of the House and the Senate alone. (Floor debate on International Congress on Tuberculosis, February 28, 1908.)

There is nothing in the measure before us that could obligate the Federal Reserve to pursue the policy Congress describes as desirable. Adoption of it will, therefore, be largely meaningless.

I want to say that I disagree completely with the suggestion of the gentleman from Wisconsin (Mr. REUSS) that this resolution, in any way constitutes, as he put it, "binding advice." I find nothing on page 7, or in any other part of the report, which would indicate that Chairman Burns considers this to be binding advice.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from Wisconsin.

Mr. REUSS. Mr. Chairman, I thank the gentleman for yielding.

One piece of evidence that Chairman Burns considers this binding advice is that he opposes, as do the rest of the members of the Federal Reserve Board, the concurrent resolution.

Let me say to the gentleman from New York that I, too, want as clear cut and as tough advice to the Fed as is possible. I point out that a concurrent resolution to an executive department does have a binding force.

I refer the gentleman to House Concurrent Resolution 507 of the 93d Congress, in which we expressed the sense of Congress that the President immediately initiate negotiations with the Turkish Government to prevent the resumption of opium production. He did so, and those negotiations proceeded ultimately to a satisfactory conclusion.

I, therefore, suggest to the gentleman that this concurrent resolution has every bit as much force as a bill would have had. The only difference is that in a bill it would have been subject to a veto.

Mr. Chairman, let the legislative history be very clear, that when Congress by concurrent resolution expresses its judgment to the Federal Reserve, it expects that judgment to be observed.

Mr. BADILLO. Mr. Chairman, the fact that the President may have accepted the advice we gave on any given matter does not make it a fact that a concurrent resolution is binding. The reality that Chairman Burns has said he opposes the concurrent resolution only makes it all the more necessary that we take affirmative action.

I want to say to the gentleman that I had intended to introduce an amendment to make this concurrent resolution into a joint resolution, which would have the effect of a bill. That would answer the statement of the gentleman from Texas (Mr. WRIGHT) as to what we would propose as an alternative to the present resolution.

However, I find that the parliamentary situation does not permit me to do this, because the fact is that on all previous occasions when an amendment to a concurrent resolution has been approved, it was only because there was no objection. That is the only reason I am not offering my amendment now.

Mr. REUSS. Mr. Chairman, will the gentleman yield further?

Mr. BADILLO. I yield to the gentleman from Wisconsin.

Mr. REUSS. Mr. Chairman, I think, despite my minor tactical disagreement with the gentleman from New York, that he does a useful thing in taking the well this afternoon, because he makes it crystal clear to the Federal Reserve and to anybody else within sound of the voice of Congress that should anyone attempt a frivolous or capricious attitude concerning what the Congress means, the gentleman from New York will, I take it, be before the Committee on Banking and Currency very shortly with an ironclad, steel-plated law, or whatever he wants to introduce. And I will tell the gentleman now that, while I do not think that will be necessary, he will in that event get a ready hearing.

Mr. BADILLO. Mr. Chairman, I will say to the gentleman from Wisconsin (Mr. REUSS) that my point is that I think the country deserves better of us in this situation. We have a very real and urgent crisis, and the statistics get more depressing day by day.

Nationwide, housing starts are down to 987,000 this January—and anything below 2 million indicates a depressed housing industry. Construction permits issued in New York State are 58 percent below last year's level. Unadjusted unemployment figures for the construction industry are at an all-time high of 22.6 percent—they were 14.1 percent in January of 1974. Overall unemployment has reached 8.2 percent—for minority group members the figure is 13.2 percent. Fully 41.1 percent of minority group teenagers are unable to find jobs. In New York City the official unemployment rate is 10.6 percent, and it is safe to assume that for the District I represent the figure is at least twice as high.

The average cost for new homes has risen to $42,400—they sold for $37,700 last January. Previously occupied homes sell at $35,500—up from $30,800 in January of 1974. Confronted with this situation Congress must act. It cannot confine itself to mildly worded recommendations and expressions of hope.

Mr. Chairman, I had hopes that the clear mandate handed down by the electorate last November would spur Congress to energetic, innovative, and meaningful action. I shall vote for House Concurrent Resolution 133 because of the principles it enunciates, but I am unhappy with its approach and scope. I trust, therefore, that this resolution represents only a beginning and is not meant to constitute the Banking and Currency Committee's response to our economic crisis.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. Mazzoli, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the concurrent resolution (H. Con. Res. 133) to lower interest rates, pursuant to House Resolution 268, he reported the concurrent resolution back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demand on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. REUSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 367, nays 55, not voting 10, as follows:

[Roll No. 38]

YEAS—367

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Broyhill
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John L.
Burton, Phillip
Byron
Carney
Carr
Carter
Casey
Chappell
Chisholm
Clancy
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Devine
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Ichord
Jacobs
Jarman
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Keys
Koch
Krebs
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
Lujan
McCloskey
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman
Patten
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Russo
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Stanton, J. William
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stratton
Stuckey
Studds
Symington
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Weaver
Whalen
White
Whitten
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—55

Archer
Armstrong
Ashbrook
Bauman
Beard, Tenn.
Brown, Ohio
Burgener
Burleson, Tex.
Butler
Cederberg
Clawson, Del
Collins, Tex.
Conable
Crane
Derwinski
Dickinson
du Pont
Erlenborn
Findley
Flynt
Frenzel
Gradison
Hastings
Holt
Hutchinson
Jeffords
Johnson, Colo.
Kemp
Ketchum
Kindness
Krueger
Landrum
Long, Md.
McClory
McCollister
McDonald
McEwen
Martin
Michel
Rhodes
Robinson
Ruppe
Satterfield
Schneebeli
Schulze
Shuster
Steelman
Steiger, Ariz.
Steiger, Wis.
Sullivan
Talcott
Taylor, Mo.
Vander Jagt
Waggonner
Whitehurst

NOT VOTING—10

Andrews, N.C.
Barrett
Brown, Mich.
Diggs
Edwards, Ala.
Mills
Santini
Staggers
Symms
Waxman

So the concurrent resolution was agreed to.

The Clerk announced the following pairs:

Mr. Diggs with Mr. Mills.

Mr. Staggers with Mr. Edwards of Alabama.

Mr. Barrett with Mr. Brown of Michigan.

Mr. Santini with Mr. Andrews of North Carolina.

Mr. Waxman with Mr. Symms.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. REUSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the concurrent resolution (H. Con. Res. 133) just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERSONAL EXPLANATION

Mr. BECKINRIDGE. Mr. Speaker, on February 27 I was present and voted on rollcall 29. Had the electronic equipment been working I would have been recorded "aye."

Mr. Speaker, I ask that the Record so show.

AFL-CIO CALLS FOR CONGRESS TO ACCEPT RESPONSIBILITY FOR MONETARY POLICY

(Mr. PATMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the Federal Reserve is one of the primary causes of our current economic troubles and these troubles are going to continue—and worsen—unless the Congress faces up to its responsibility to do something about this agency.

The executive council of the AFL-CIO, on February 21, adopted a seven-point program for congressional action on the Federal Reserve. The AFL-CIO has one of the best economic staffs in Washington and I hope Members of Congress will study these proposals carefully. They deserve immediate consideration.

Mr. Speaker, I am happy to note that the AFL-CIO's statement of policy calls for the Congress to direct the Federal Reserve to reduce interest rates and to allocate credit to areas of greatest need. The statement is also a clear call for Congress to start exercising its oversight functions and to require full scale annual audits by the General Accounting Office.

It is also significant that the statement of policy calls for a reduction in the terms of the Board of Governors and asks that all segments of the economy—including consumers and working people—

be included in appointments to this agency.

Mr. Speaker, I place in the Record a copy of the statement by the AFL–CIO executive council:

Statement by the AFL–CIO Executive Council on the Federal Reserve and the Nation's Monetary Policy, Bal Harbour, Fla., February 21, 1975

For the second time since 1969, the Federal Reserve System under the chairmanship of Dr. Arthur Burns, has brought recession to the American economy and unemployment to millions of workers.

The Federal Reserve's arrogant brinkmanship with the American economy in 1973 and 1974 has resulted in the worst downward spiral since the Great Depression, with no end in sight.

In the name of combatting inflation, the Federal Reserve's money-crunch and ever higher interest rates added to inflationary pressures, brought a depression to the housing industry and mass unemployment.

The Federal Reserve System created by the Congress to be the nation's central bank:

Has utterly failed to serve the needs of the American people for full employment, economic expansion and adequate public facilities and services, while contributing to cycles of boom and bust.

Has been an engine of inflation, with soaring interest costs imposed, directly and indirectly, on consumers, home-buyers, small business, public utilities and government itself.

Has been a major cause of the recession of 1969–1970 and today's disastrous conditions—resulting in the highest unemployment rate in 34 years and huge deficits in the federal budget.

Has discriminated against the extension of needed credit for homebuilding, small business, state and local governments and public utilities. At the same time its discriminatory policies provided substantial amounts of credit for commodity market and land speculation, inventory hoarding and foreign lending.

Has brought the economy to the brink of depression, with spreading bankruptcies of businesses and banks.

This key government agency, whose decisions are a major factor in determining the economic welfare of the American people, continues to operate in relative secrecy and with little accountability to the Congress, which created it.

The time is long overdue to overhaul the structure of the Federal Reserve and its policies—to make them responsive to the needs of the American people. Therefore, we call on the Congress to:

1. Direct the Federal Reserve to reduce short- and long-term interest rates and to allocate available credit for high-priority economic activities. America needs a sufficient expansion of money and credit, at reasonable interest rates, to encourage balanced economic expansion. A substantial portion of available credit should be allocated for such purposes as housing, community facilities and essential capital investment, while the flow of credit should be curbed for such activities as speculation, business takeovers and foreign lending.

2. Establish comprehensive oversight review of the entire Federal Reserve System to bring America's central bank fully into the government structure.

3. Require that the operations of the Federal Reserve System be subject to a yearly audit by the General Accounting Office.

4. Fix the term of the chairman of the Federal Reserve at four years, coincident with that of the President who appoints him. The term of members of the Board of Governors should be cut from 14 years to seven.

5. Abolish the Open Market Committee, the policy arm of the Federal Reserve System—with five of its 12 members not government appointees. Its functions should be absorbed by the Board of Governors whose members are appointed by the President and confirmed by the Senate.

6. Extend membership on the Board of Governors of the Federal Reserve and on the governing and advisory committees of the entire Federal Reserve System, including its 12 district banks, to representation from major groups in the economy, including consumers and organized labor.

7. Require all commercial banks to be participants in the Federal Reserve System.

The Board of Governors should keep the Congress and the public informed with reasonable promptness and with reasonable detail on its major policy decisions and the reasons for arriving at them.

REMARKS FOR INTRODUCTION OF NURSING HOME BILL

(Mr. BEARD of Rhode Island asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. BEARD of Rhode Island. Mr. Speaker, today, I am introducing a nursing home inspection bill in the Congress that is long overdue. During the past few weeks, the Nation has been horrified to learn of the cruel treatment accorded elderly patients in nursing homes. And it would appear that no State is free of the stain of mismanagement, inhuman conditions, outright theft of patients' funds, and manipulation of finance in nursing homes.

I know whereof I speak. As a member of the General Assembly of Rhode Island, I visited nursing homes without getting an invitation and I tell you that what I saw filled me with disgust and, at the same time, with a desire to do something about it. In Rhode Island, I was able to get a measure through the legislature calling for periodic inspection of nursing homes. It is high time, in view of continuing abuses, to see that a Federal law is passed that would properly regulate nursing homes, guarantee the rights of patients, eliminate structural and medical abuses, levy appropriate fines for violations and lead to the proper care of those who cannot care for themselves.

The wonder of it is that many of these nursing homes receive both State and Federal funds and there is no legal instrument by which these nursing homes can be made accountable for many actions in the financial and health care fields. I saw the mother of a friend of mine receiving the same food as all the other patients in a convalescent home despite the fact that she was a severe diabetic! I saw an old woman shackled to her bed at night—shackled! No doctor would authorize such a measure but I learned that the attendant shackled this poor woman just to keep her from moving about at night.

The brother of one of my fellow legislators in Rhode Island did not get breakfast one morning because the staff did not show up. And for 2 days afterward received stale tunafish sandwiches for lunch.

I came upon an elderly lady who prayed every day to die. She prayed to die so that she could be released from the terrible conditions of filth, harassment by personnel, stealing of her personal effects, and harsh discipline because she dared to complain.

It is time for action and the time is right now.

AN INTERVIEW WITH REPRESENTATIVE BARBARA JORDAN OF TEXAS

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, like my other colleagues in the House, I have come to have great admiration for the outstanding service being rendered to Congress and the country by our distinguished colleague, the gentlewoman from Texas, the Honorable Barbara Jordan.

I believe that Members of the House will read with considerable interest the interview with Representative Jordan published in the March 2, 1972, issue of the Washington Star. The text of the interview follows:

Jordan Sees Room for Compromise

(Barbara Jordan, Democratic congresswoman from Texas, was interviewed by Washington Star Staff Writer Judy Flander.)

Question: With the Watergate convictions in and the constitutional crisis over, why hasn't the congressional-executive confrontation eased?

Jordan. I think it would be proper to say that there is still a constitutional crisis, but it has diminished or changed its dimensions since Watergate. In the Watergate era we were confronted with a crisis of the presidency and whether it could survive in the face of overwhelming allegations of abuse on the part of the chief executive. The confrontation which now is developing again is between the President and the Congress, but not so much in the arena of abuse of power as it is in the definition of the roles of the respective branches of the government.

Q: What form does that take?

A: The confrontation which I see developing is one of congressional prerogatives as contrasted with executive prerogatives. Witness the Ford economic energy program and the Congress developing its alternative to the President's program. We have been going down two separate tracks because there are divergences in opinion between the President and the Congress. The Congress sees its role as one of legislation and that the chief executive has the constitutional role to take care to see that the laws enacted by the Congress are, in the words of the Constitution, faithfully executed. So, it is a crisis of a kind, but it is not a crisis which threatens the lifeblood of the republic. I think there will be some convergence and some coming together and compromise.

Q: Unlike in Watergate?

A: In the Watergate era, the kind of crisis we confronted did not allow room for compromise, because you cannot compromise on criminality. You cannot compromise on abuse of power. You cannot compromise on gross intrusions into the civil rights and liberties of people on the part of the chief executive. But in the confrontation now developing, there is room for compromise, room to negotiate, and I feel ultimately there will be a coming together in the best sense of the workings of balance of power and separation of power.

Q: Do you think that Congress has regained much ground in this battle?

A: I think that without a doubt, Congress is regaining a bit of its constitutional prerogative. We were worried about the extraordinary amount of funds appropriated by the Congress which were impounded by Mr. Nixon. We were concerned about the conduct of wars around the world and the participation of the United States in those wars without any input by the Congress. So what did we do? We passed the Budget Control Act which is now being tested and I believe it will work. When it comes into full effect next year, I think the President will see that the Congress does have a responsibility and a responsiveness fiscally which he can trust. And we passed the War Powers Act, which disallows the President any opportunity to go into any area of the world with aid of this country in a war which has had no input on the part of the Congress. Congress has said on more than one occasion that it is going to have a voice in the direction of the foreign policy of this country. Witness, the resolution which ended in the cutoff of aid to Turkey without any discernible progress in the Greek-Cypriot-Turkish conflict. Congress said, "We're going to have something to say about that. We believe that the Turkish people are violating the laws of the United States and, consequently, because they have violated the Military Sales Act or that provision of the law of the United States which says that we can not furnish arms to a country for purposes of aggression." We said, "We will cut off their money." Congress has reasserted its powers and I think we will see more and more of this kind of developing responsibility and consciousness on the part of Congress.

Q. *What happens, though, when the economy sours and the administration moves to slash legislated social programs?*

A: Let me simply say this: even though there is this primary concern with the economy, we have not abandoned the social service type programs. The congressional program which has been developed as an alternative to the President's program includes Social Security provisions which must continue to develop and be enacted in spite of this preoccupation with economic problems. In the Congressional alternative program, public service jobs are called for. This, of course, will help women, minority people, unemployed people. We have not lost sight of that. Also, understand that the President has recommended that any growth in new spending programs be held at 5 percent. But the Congress is not going to go along with that—the Congress is not going to approve that. And when it comes to programs which have a social impact, the Congress is not going to abandon those programs. We're going to enact them, we're going to appropriate the money, we're going to see that they operate in an effective manner in conjunction with the designed legislative intent of the Congress. These social service type programs, which many of us have been interested in for quite some time, will continue to grow and to develop under the aegis of the legislative process as they have always developed.

Q. *Aren't the minorities and, to an extent, women caught in the middle?*

A: The rights of minorities certainly are coming in for their share of extraordinary impact as the results of the economic problems we now experience. Right now, the primary focus of the government—the President and Congress—is on the economy. Whenever you see that sort of concentration of interest, concentration of focus, suffice it to say that the Congress and the President do not turn attention to the problems of minority group people, whether we're talking about blacks or women. And of course, some dispute that women are a minority, since we are in fact a majority in terms of census count. There is an unwillingness on the part of the government to turn its interest away from what seems to be the focal point of concern to deal with the problems which affect minority people.

Q: Can a government do both in times like these?

A: There are those of us, however, who cannot afford to lose sight of this erosion of the rights of minority people because that remains important to the survival of a democratic republic. Equality across the board. We can't forget that there are black people in this country who are absolutely remaining in the basement of the society in America. We must focus on the fact that there are women in this country who continue to be discriminated against in job opportunites and promotional opportunities within given corporations or industries. So, I would say that the problems of the economy have had an adverse affect on the attention which is paid to the rights of minorities. I would think again that if the economy begins to move in a positive direction that we will again be able to focus more of our concern on the problems of civil rights, minority group rights, women's rights.

Q: Have you found that being a woman and a black has, in effect, broadened your constituency and your responsibility?

A: I would say that being a woman, a black, and a member of Congress has enlarged my constituency beyond any dream I had of how large my constituency would become. I receive mail from all over the country. Not just from women and blacks, but from everybody, it seems, who wants to get something off their chest. It enhances, of course, my responsibility as well as my workload to have these kinds of demands. Black people everywhere feel that when you're a black and a member of a representative body of the government, you represent them, no matter whether they live in your particularized constituency. Women take a sense of pride in the women who are members of representative bodies of the government and feel that they are represented. Consequently, you develop a response to a larger community, much larger than the 465,000 people who reside in your congressional district. And I don't think this is bad. It's representative government, it's a democratic republic, it's a way of governing which is, to certain people, the right to speak for other groups of people. And when we run for office and get elected, we say to this enlarged constituency, "I want that right." So we accept it.

THE NEED FOR RECOMPUTATION LEGISLATION

(Mr. WHITEHURST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITEHURST. Mr. Speaker, since the very beginning of my service in Congress, I have sponsored recomputation legislation, and the passage of an equitable recomputation bill remains a top priority for me.

On February 25, 1975, I introduced H.R. 3705, which provides for immediate and continuing recomputation for retired members of the military who served on active duty or in an active status before the recomputation law was rescinded in 1958. I believe that this bill is the best means to rectify the Government's serious breach of faith with military retirees when the method of computing retired pay was changed in 1958. However, I also recognize the current overriding need to reduce Federal spending in an effort to control the rampant inflation which is such a heavy burden upon millions of Americans, particularly the retired elderly living on fixed incomes. Consequently, on January 14 of this year, I cosponsored H.R. 1169, authored by Congressman Bob Wilson, the ranking minority member and my distinguished colleague on the Armed Services Committee. Mr. Wilson's bill is a compromise proposal, forged in the light of the economic realities of the military budget. Basically, the legislation would provide for a one-time recomputation of retired pay, based on the rates of military pay in effect on January 1, 1972. Any future increase in retired pay would be based on the Consumer Price Index.

While I continue to believe that the approach represented by H.R. 3705 is the most equitable, I recognize the fact that politics is the art of the possible, and we must focus on legislation that has a good prospect for passage and still can provide effective relief for the military retirees. The Wilson bill has demonstrated the support necessary for enactment into law. A very similar bill has passed the Senate on three occasions, and Congressman Wilson already has a number of cosponsors for H.R. 1169. In addition, I believe that the bill would provide relief to the retirees most in need. Disabled retirees with a rating of 30 percent or more would receive immediate recomputation, as would those over age 60. Other retirees would receive recomputation upon reaching age 60, based on the January 1, 1972, pay scales.

In my judgment, the most compelling argument in favor of recomputation is that the Government broke faith with our military retirees when the method of computing retired pay was changed in 1958 and again in 1963—not only for future retirees, but retroactively for those already retired. For nearly a century, recomputation had been an accepted fact of life. While military pay raises were few and far between, the active duty military man knew that he had a partial hedge against inflation in his retirement years. Each time active duty pay was increased, his retired pay would go up by the same percentage.

It is my understanding that Congressman Wilson's proposal has the endorsement of the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans. With this broad public support and the support already evidenced in the Congress, I am confident that a sound recomputation bill can be signed into law in the near future. I urge my colleagues to act as soon as possible, in order that the inequity against retired military personnel can be corrected without further delay.

A BILL TO HONOR JOHN C. KLUCZYNSKI

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, I have today introduced legislation which would name the recently completed Federal building at 230 Dearborn Street in Chicago after the late Hon. John C. Kluczynski.

I was joined in the introduction of this bill not only by Robert Jones, chairman of the House Public Works and Transportation Committee and William Harsha, ranking minority member of that committee, but I am pleased to say by all of the following Members of my own Illinois congressional delegation: Mr. Annunzio, Mrs. Collins of Illinois, Mr. Crane, Mr. Derwinski, Mr. Findley, Mr. Hall, Mr. Hyde, Mr. McClory, Mr. Madigan, Mr. Metcalf, Mr. Michel, Mr. Mikva, Mr. Murphy of Illinois, Mr. O'Brien, Mr. Price, Mr. Railsback, Mr. Russo, Mr. Shipley, Mr. Simon, and Mr. Yates.

I am confident that with support of this magnitude, we will be able to quickly enact this well-deserved legislation.

As you know, our good friend and colleague, John C. Kluczynski served on the House Public Works Committee for 24 years. He rose to become chairman of the Transportation Subcommittee and in that post oversaw the construction of most of the Interstate Highway System.

I can think of no more fitting a tribute to a man who spent his entire congressional life building for a better America.

For the information of my colleagues, I am inserting the text of my legislation:

H.R. 4241

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal office building at 230 South Dearborn Street, Chicago, Illinois, shall hereafter be known and designated as the "John C. Kluczynski Federal Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the John C. Kluczynski Federal Building.

A TRIBUTE TO JOHN C. KLUCZYNSKI

The SPEAKER pro tempore (Mr. McFall). Under a previous order of the House, the gentleman from Illinois (Mr. Rostenkowski) is recognized for 60 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, 1 month ago, I, together with the majority leader and the chairman of the Public Works and Transportation Committee, was present in Chicago at the funeral of John C. Kluczynski.

Many other Members, most of whom are present here today, were also in Chicago representing the Congress. I was pleased that some of my colleagues who knew Klu had the opportunity to see where he lived and worked.

Since his passing, countless colleagues have related to me their own personal reminiscences of their relationships with Klu, and I have become increasingly aware of the respect and admiration in which this man was held.

I am pleased to be joined by so many of my colleagues today to pay tribute to Johnny Klu. I am impressed, but I do not know if Klu would be. He was philosophical about life and death.

The trappings of Congress, which so often affect so many of us, never seemed to have touched Klu. Although he reached the heights of greatness, he was basically a very simple man. For 24 years, his warmth touched everyone in this Chamber. It is a drearier place without him.

John C. Kluczynski was an outstanding legislator; a facet of his accomplishments to which I am sure many of you will speak this afternoon. Through his Public Works Committee, he was able to touch the lives of all Americans.

His life was a shining example of the spirit of this great country. Born a butcher's son on the southwest side of Chicago, he served his country in Europe during World War I and afterward, returned to Chicago's southwest side to run a restaurant and catering service. His public life began in 1932 when he was elected to the first of eight exemplary terms in the Illinois General Assembly. Although elected to the Illinois State Senate in 1948, Klu resigned his seat in 1949 to seek election to the U.S. Congress from the Fifth District of Illinois. Klu served for 24 years on the Public Works Committee, the last 10 years of which he spent as the powerful chairman of the Transportation Subcommittee.

In that post, he watched over and directed the construction of most of the Interstate Highway System.

Johnny Klu was also a member of the House Select Committee on Small Business. He was chairman of the small business problems and smaller towns and urban areas subcommittee of the newly established Small Business Committee. He also chaired the House Restaurant Committee.

I am here because Johnny Klu was my friend. If he had not been a Member of Congress, I would probably be doing this same thing somewhere else.

As his friend, I am this afternoon introducing, together with the chairman and ranking minority member of the Public Works and Transportation Committee, and practically the entire Illinois Congressional Delegation, legislation to designate the Federal Office Building at 230 South Dearborn Street in Chicago as the "John C. Kluczynski Federal Building."

It seems such a little thing to do for a man who had so much to do with Federal construction in this country. The fact that this Federal building happens to be located in the heart of downtown Chicago would particularly impress Johnny Klu, for it was Chicago that he loved and never really left.

At this point in the Record, I insert two newspaper accounts of the life and work of my dear friend, John C. Kluczynski:

Rep. Kluczynski Dead at 78

U.S. Rep. John C. Kluczynski, a Chicago butcher's son who rose to become chairman of the House Public Works subcommittee on transportation, died late Sunday of heart failure in his Southwest Side home. He was 78.

Rep. Kluczynski, a Democrat, served 24 years in the House, and was dean of the Chicago congressional delegation. As chairman of the transportation subcommittee formerly roads subcommittee, he watched over the construction of most of the interstate highway system, and in 1973, was a key figure in breaking loose expressway money for urban mass transit projects.

His position in the House gave him enormous power over public works spending which he used consistently in support of the Crosstown Expressway and to bring over $1 billion to Chicago's Calumet Harbor reconstruction. But he was often a hidden presence, boasting, "I never introduced a bill I didn't know would pass."

Rep. Kluczynski died during a regular weekend visit to his home. The House adjourned early Monday out of respect to his memory.

Mayor Daley, a longtime friend and constituent, said, "Our nation has lost an outstanding congressman. Our city has lost a great Polish-American leader and I have lost a very dear friend."

Daley said in a statement issued at City Hall that the congressman exemplified "the best in American citizenship . . . who contributed his time and effort for the betterment of the lives of the people of our neighborhoods, for Chicago and for our country."

Rep. Kluczynski's wake will begin at 6 p.m. Tuesday in the Fortuna Bros. Funeral Home, 4401 S. Kedzie. Services will be held Thursday morning at St. Pancratius Church, 4025 S. Sacramento, and burial in Resurrection Cemetery. Exact times had not been arranged.

In addition to the Public Works Committee, Rep. Kluczynski was a member of the Select House Committee on Small Business and the select committee to run the House restaurant, an assignment he relished from his days as operator of the old Syrena Restaurant in Chicago.

Rep. Kluczynski was born above his father's butchershop in 1896. He served with the 8th Field Artillery in Europe during World War I and returned to the Southwest Side to run a restaurant and catering service.

He got his start in politics by bringing Chicago Poles into the Democratic Party. His office was a tavern he then owned at 50th and Hermitage.

In 1924, he made his first run for public office, a seat in the Illinois House of Representatives, and lost. By 1932, he was elected to the first of eight terms in the state House. In 1948, he was elected to the state Senate, but resigned when he won his first election to the U.S. House in 1950.

Rep. Kluczynski was long a protector of the interstate highway trust fund, burying in his committee all bills to siphon off its highway taxes. Under pressure from Daley and Chicago delegation, however, he dropped his opposition in February, 1973, and the legislation to "break" the trust fund for use on mass transit passed soon after.

Rep. Kluczynski is survived by his widow Stephanie Estelle, and two brothers, Illinois Supreme Court Justice Thomas E. Kluczynski, and Joseph Kluczynski, who works for the Cook County Board of Election Commissioners.

Lawmaker Kluczynski Dies At 78

Rep. John C. Kluczynski (D-Ill.), who had represented the Southwest Side in Congress since 1950, died Sunday in his home here. He was 78.

Mr. Kluczynski, one of the most powerful members of the Illinois congressional delegation, died of what aides said was apparently a massive heart attack.

Mr. Kluczynski had not been ill and had made his usual weekend flight to Chicago from Washington Friday, aides said. However, he was stricken with a high fever Saturday, they said.

Mr. Kluczynski was a brother of Illinois Supreme Court Justice Thomas E. Kluczynski.

Mr. Kluczynski was chairman of the transportation subcommittee of the House Public Works Committee and, in that post, exerted considerable influence over highway and mass transit legislation. The subcommittee was formerly called the public roads subcommittee.

Mr. Kluczynski was proud of what he had done for Chicago. He used his subcommittee chairmanship to obtain funds for the Chicago-era expressway system.

He was a close friend of Mayor Richard J. Daley, who said: "Our nation has lost an outstanding congressman. Our city has lost a great Polish-American leader. And I have lost a very dear friend."

Mr. Kluczynski was elected to his 13th two-year term in the House last November and was not expected to seek office again.

One of the mayor's sons, state Sen. Richard M. Daley (D-Chicago), a Loop attorney, has repeatedly been mentioned as a possible successor, according to political sources.

Gov. Dan Kalker must set a date for a special election.

The House adjourned Monday out of respect to Mr. Kluczynski after authorizing creation of a special committee to attend funeral services. House Speaker Carl Albert said the members of the funeral delegation will be named Tuesday.

Albert praised Mr. Kluczynski as "one of the most popular men in the House, always in good humor, respected by everybody."

Several other members, led by Rep. Melvin Price, Democratic dean of the Illinois congressional delegation, joined in the tributes to Mr. Kluczynski.

He also wielded power to win money for dredging the Calumet River and for major improvements in the St. Lawrence Seaway, which has been helpful to Chicago's economy.

He and members of his family operated the Syrena Restaurant at 4276 S. Archer for many years. The restaurant closed a few years ago.

Mr. Kluczynski was a member of the House Select Committee on Small Business. He was also a member of the House Subcommittee on Public Works and Grounds and was second ranking member of the full House Public Works Committee.

Edward Pinzak, the congressman's administrative assistant, said Mr. Kluczynski came down with "a high fever" on Saturday and the fever continued Sunday.

"We got some medication for him. He refused any doctor's help," Pinzak said. "He was afraid that if we called a doctor he would put him in the hospital."

Mr. Kluczynski died about 10:30 p.m. Sunday. He got out of bed to get a drink of water and collapsed in his bedroom, Pinzak said.

"The doctor said that he had apparently suffered a massive heart attack," Pinzak said.

The congressman would have been 79 on Feb. 15.

He was first elected as a state representative in 1932 and re-elected seven consecutive times, serving 16 years. In 1948, he was elected to the Illinois Senate for a four-year term, but resigned in December, 1949, to run for Congress.

He was elected to the 82d Congress in November, 1950, and had been re-elected every two years since then.

Mr. Kluczynski first ran for office as a Democrat in 1924, but was defeated. His first successful campaign came eight years later when he was elected to the Legislature.

He was born and raised in the 5th Congressional District that he represented.

He is survived by his second wife, Estelle, who was present when he suffered his fatal attack. His first wife, Mary, died after only 1½ years of marriage.

Other survivors include another brother, Joseph, an employe of the Chicago Board of Election Commissioners. The congressman and his wife had no children.

Funeral arrangements were pending at the Fortuna Funeral Home, 4401 S. Kedzie.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the distinguished gentleman from Alabama.

Mr. JONES of Alabama. Mr. Speaker, this House and the people of America whom he served so well and for so long have suffered a loss beyond measure in the passing of our good friend, Congressman JOHN KLUCZYNSKI.

From the day he entered the Illinois House of Representatives in 1932 until his untimely death on January 26th of this year, "Mr. KLU" devoted himself unsparingly to the service of his people and the building of his country.

This great gentleman from Chicago served in this body for 24 years, and each of us who shared his company has been enriched by the depth and the warmth of his friendship.

Through all those years, I was privileged to have JOHN at my side on the Committee on Public Works, and I have never ceased to marvel at his unfailing good humor, the wisdom of his counsel, and the determination and understanding he brought to his legislative service.

JOHN KLUCZYNSKI's contributions to his native city of Chicago, to his State, and to his country were many and great—far too many to recite in this time and place. But one in particular stands out: first as a Member and then as chairman of our Subcommittee on Roads—later to become the Subcommittee on Transportation—he was the driving force behind one of the greatest public works in the entire history of man—the construction of the Interstate Highway System which today links the cities and towns of America.

JOHN was not spared to see the completion of that system, but thanks to his untiring efforts it will be completed in the not far distant future. And it will stand as a monument to him.

Because of his exceptional contributions to the building of America, I have joined with all my colleagues on the House Public Works and Transportation Committee in sponsoring legislation to designate the Federal office building at 230 South Dearborn Street in Chicago, Illinois, as the "John C. Kluczynski Federal Building."

To the Members of this body, young or old, he was always "Mr. KLU" or "JOHNNY KLU", the smiling gentleman with the big cigar and the cheerful word. He was one of a kind. He was my friend and he will be long remembered.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. I am very grateful to my colleague, the gentleman from Illinois (Mr. ROSTENKOWSKI) for yielding and for taking this time to honor our old pal "KLU." "KLU" was a great man among us And now he is gone. I rise on this occasion to join my colleagues in paying a special tribute to "KLU", whose tragic and untimely passing has left an irreplacable void in this House.

I know we were all saddened, we who were so deeply fond of him and so close to him for so many years. "KLU" was one of my closest and dearest friends. Possessed with a pugnacious spirit, keen political insight and a delightful sense of humor, "KLU" was one of the hardest working Members this Congress has ever had.

Many a night I spend with him in the favorite pastime of playing a little cards together, be it gin or poker, in which so many Members of the House participated in years gone by. "Big KLU," when he lost a pot at the end of an evening, would always laugh and say, "Send me more money, Mother, they can't bluff me." He had a delightful sense of humor. One of the greatest stories they tell about "KLU" was when he went down to the White House one day while Harry Truman was President, and Mr. Truman said, "KLU, how is everything in Chicago?"

And KLU said, "Just the same, Mr. President."

Mr. Truman said, "What do you mean?"

KLU said, "Well, the Polish get the votes and the Irish get the jobs."

At the Fortuna Funeral Home, in Chicago, Ill., on January 30, 1975, DANNY ROSTENKOWSKI gave what I thought was one of the most deeply moving eulogies I had ever heard. It was absolutely beautiful.

Those of us who were his close friends in Congress had a smile on our faces as DAN delivered that funeral oration, because it said farewell to KLU in just the way he would have wanted.

Mr. Speaker, I include at this point the eulogy to which I make reference. I also include and commend to my colleagues the homily delivered by Rev. Peter Dunne:

EULOGY OF THE LATE HONORABLE JOHN C. KLUCZYNSKI DELIVERED BY CONGRESSMAN DAN ROSTENKOWSKI

Today, we gather, not to mourn a passing, but rather, to commemorate a life. For it is the life of the man that has linked us all . . . his passing is but the circumstance of our coming together.

It was a life that was full, was warm and touched each of us fortunate enough to come in contact with it.

In his life, John Kluczynski was a leader . . . he was a builder . . . but, above all, he was a human being. His years in public life were characterized by achievement . . . but more importantly, they were characterized by a warmth and a sense of pride.

Yes, pride. John Kluczynski was the proudest person I ever knew. He was proud of his humble beginnings.

While he was proud of his 25 years in Congress, and his 17 years in the State Legislature, he was equally as proud of his work as a youth in the stockyards near his home.

Though courted in Washington as an influential Legislator, he always remained a "back of the yards man" at heart.

As his friends assemble here this morning, it would be easy to trace the record of his accomplishments . . . it would be easy, but it would hardly capture the spirit of the man. Rather, I want to remember him for his warmth and his humor. For they accompanied him wherever he went.

His body chemistry was a true reflection of the man himself. I don't know how many times I heard him say, "give me anything for dessert . . . but make it fattening and sweet."

In fact, whenever you had a problem, if you sat down to eat with Klu . . . you didn't have the problem when you got up.

Even when Washington was beset with tension and uncertainties, Johnny Klu was always the one who could find the good in the darkest day.

In the later years, when time had made its mark on his physical stature, his mental altertness never dimmed. His walk might have slowed, but never his pace. And most certainly, his mind was keen, and his wit, as sharp as ever.

It was a well known fact that John loved his cards. I see many of his favorite companions here today.

What John took to the card table was not a love of gambling, but rather a love for the solid friendships that these games came to represent.

Through these games, Klu developed relationships with some of the most dominant men of our times. He associated not only with Speakers of the House, but with Presidents of the United States . . . but he never lost a sense of who he was.

Though during his years in Congress, he was strongly committed to the creation of many new national programs, he would never let his views conflict with what he believed to be the greater good of his community. He worked side-by-side with his constituent, and good friend, Mayor Daley, in developing programs that would aid Chicago and other cities. I know that during this work, there were many people who disagreed with John Kluczynski on one project or another. But, to a man, they found him fair.

In fact, just yesterday, I spoke with a reporter who had long opposed many of John's views on transportation. "Dan," he said, "While I disagreed strongly with him at times, I never met a nicer guy in public life.

In his private life, he was as devoted to his wife, Estelle, as Beverly, Eddie and Eleanor—and the rest of his staff—were devoted to him.

In a sense, Johnny Klu has always been close to heaven. In his 25 years in Congress, he must have spent several weeks in the air between Washington and Chicago. I joined him on that trip countless times—much to my dismay. For, when Klu was on a plane, it was impossible for anyone else to get service. His many friends on the airlines were so devoted to him, and took such great care of him, that he virtually had the entire plane to himself.

And who will ever forget his inevitable response to the question, "Hey, Klu, When are you going to get in shape?"

"Get in shape?"

"I am in shape," he would retort. . . .

"In fact, I've hired four guys who are right now jogging around the block for me."

This was John Kluczynski.

Many of you in this church today, have seen for the first time, the place that Johnny Klu called home.

As you know, John returned here every weekend—a hectic pace that burnt out some men only half his age. But, until the end, he kept his weekly commitment to his community and to its people.

Thus, as we come here together—and it is impressive to note all of those who have come—it is fitting that we gather in this—his neighborhood.

25 years in Washington did nothing to change his perspective. Johnny Klu was never one who forgot his roots. As was once said of Abraham Lincoln, "He knew from whence he came—but more importantly, he never forgot it."

Lincoln himself captured much of the same sentiment when he said, "I like to see a man proud of the place in which he lives . . . I like to see a man live in it so his place will be proud of him." Johnny Klu . . . all of us in Chicago are proud of you. All of us shall miss you.

May God speed you to your eternal rest.

Homily Delivered on the Occasion of the Funeral of Representative John Kluczynski, by Rev. Peter F. Dunne

May I extend once again not only my personal condolences and sympathy to Estelle, Joe and Justice Tom, but also those of His Eminence Cardinal Cody, Bishop Abramovicz, and the many public officials and friends present here in church today.

All of us have our cherished memories of Congressman Kluczynski. During these last few days, after hearing of his death, my memory went back to a time some six or seven years ago when I took a group of a hundred or so of my eighth grade boys and girls to Washington—I might add at the onset that they were not from his district. Shortly before leaving I asked the Congressman one day over at Syrena's Restaurant: "John, would you show my kids around when they're down there?" He was delighted.

He met them in the Rotunda of the Capitol and spent two hours with them. He spoke to them about what a great country this is, about the greatness of its institutions, about how he, a poor boy from Chicago's South Side, with little formal education could rise to such a position in its government, to serve its people for so long a time. But what stands out so clearly in my mind was not only the ease and relaxed way he was with those boys and girls, but even more, how they felt completely at home with him.

And that is how we all remember Klu. If you looked deep into the soul of this man, you knew him to be simple, humble, down to earth. The papers have called him a powerful figure in the United States Congress, the grandfather of the Expressway System which was 99% completed during his twenty-four years in Congress. But we remember him as just plain Johnny Klu who never took himself too seriously and could always poke some fun at himself.

Whether you talk to the men who served with him and with whom he worked, or whether you talk to the people of the district, they are unanimous in tell you that Johnny Klu was a man whose door was always open, whose word was his bond. There's an old saying that "you can always take the boy out of the neighborhood, but you can't take the neighborhood out of the boy." John left the neighborhood and went on to do some great things for this country, but he always carried the neighborhood and the values that he learned here with him in his heart. That is why I think the words of this morning's Gospel are so appropriate, "Father, Lord of heaven and earth, to You I offer praise, for what You have hidden from the learned and the clever, You have revealed to mere children."

Klu was not one to quote poetry. But well could he have appropriated the words of Edgar Guest as his own, at the end of his life:

"I'd like to think when life is done
That I had filled a needed post
That here and there I'd paid my fare
With more than idle talk and boast
That I have taken Gifts Divine,
The breath of life and manhood fine
And tried to use them now and then
In service to my fellow men."

With no trace of "idle talk" and little boasting, he used the "breath of life" in service with his fellow man. And isn't that what life is all about—to use to the best of your ability the talents that God has given you, to bestow upon your fellow man a little joy, a little love? And now the yoke and burden of life has been lifted from his shoulders. The Good Master has called him home.

Often when we'd get together to celebrate a birthday or a wedding anniversary, Klu would get a great kick out of me singing: "Sto lat, sto lat niech zyje zyje nam"—"May you live a hundred years." He would shake his head in feigned disgust and say: "Look at that, Father Pete Dunne singing Polish songs! The only way you can get ahead of these Irish is to walk in front of them."

Now may we express another wish and prayer on behalf of all who are here, the great and small of every race, national region, and religious belief—Nie Janek No Wieki. Amen. Johnny Klu, may you live now, not for a hundred years, but may you live forever. Amen.

Mr. Speaker, whether Johnny Klu was helping a colleague on a public works job, whether he was looking for a project for his own district, whether he was insisting on pension benefits or asking for something to be done for a House restaurant employee, or whether he was fighting for mass transit for Chicago and other urban areas across the Nation, he had the reputation of knowing how to get things done.

Klu had a style that was all his own. I think probably the greatest asset the man had was that he loved every human being, and every human being actually knew that Klu was that type of guy. I would have to assess Klu as the most popular man I have seen in my 20 years in Congress.

He was a big, friendly, outgoing individual. As I said, he had a style of his own.

Mr. Speaker, politics is the art of the possible, and Klu understood that, in my opinion, better than any other Member in this Chamber. He knew how to get things done, and he could get action out of any committee in the House. When you had a friend like Klu on your side, you really had something going for you.

I will miss him. From the day I arrived in Congress we were very close, personal friends. That friendship ripened and grew over 20 years. Probably the gentleman from Massachusetts, Eddie Boland, and I spent more time socially with Klu than any other Members. I will miss his astute political counsel, his keen sense of humor that often eased tense situations, and most of all, I will miss his close personal friendship.

What more does one say about a fellow like that, a fellow who is gone now and who really enjoyed life to its fullest?

Mrs. O'Neill joins me in expressing our deep sympathy to his lovely wife, Estelle; to his brother, Judge Tom Kluczynski; and his brother, Joe.

Klu was our pal, and we will always have fond memories of a deep and lasting friendship. May God always be with him.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield

Mr. ROSTENKOWSKI. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, John Klucynski was, above all else, a great human being.

On Capitol Hill he was affectionately known as "Big Klu." His nickname was given in a sense of affection, with the utmost respect, and was a measure of the man he was.

I know him as a great chairman of the Transportation Subcommittee of which I am proud to be a member. In his leadership role, he symbolized fairness to the members of his subcommittee.

He gave equal consideration to all. He was equally responsive and understanding to the needs and goals of urban areas, suburban areas, and rural areas.

The transportation systems we are building today will stand as living monuments to our beloved Johnnie Klu.

He was a man who always got things done and got them done well. He has always embodied and exemplified the Congress and the tradition of legislative accomplishment.

He was forthright and eloquent in his belief in our system of government and the American way of life. His death saddened all who knew him and reminds us how profoundly we will miss his counsel and his wisdom.

Klu had a special way with people. Through talent, energy, and sheer genius he won the admiration of his professional and personal associates. All those around him benefited from his presence.

John Klucynski was an outstanding and great man not only because he excelled in his profession of public service, but also because he constantly worked to raise the standard for others to follow.

He served the Congress and his constituents with commitments and devotion. I shall personally miss him, his humility, and his honesty. He leaves a void we all feel.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Speaker, I thank the gentleman for yielding.

It is with a deep sense of loss that I remember our distinguished, beloved colleague, John C. Kluczynski.

As has been indicated by the majority leader, the gentleman from Massachusetts (Mr. O'Neill) and I came to the 83d Congress together some 23 years ago. One of the first Members whom we met was Mr. Kluczynski. His office was right across the way from mine. I was a freshman—at the time both the gentleman from Massachusetts (Mr. O'Neill) and I were—and no one was kinder to us and no one gave us more help and showed us the intricacies of the House of Representatives better than did Mr. Kluczynski.

Mr. Speaker, I am delighted that the distinguished Member from Chicago has permitted the eulogy that he delivered at the funeral parlor to be inserted in the Record by the majority leader. I can think of no words that better depict or characterize Mr. Kluczynski than that really magnificent, beautiful funeral oration. All of us remember it so well, and I commend it to the attention of all the Members of the House.

I commend as well the beautiful eulogy that was delivered in "Klu's" church by one of his longtime and close friends in the priesthood, Rev. Peter Dunne.

Johnny Klu, as has been said here, and it will be said by others, was one of the kindest persons I have ever known. His smile was rarely known to have been missing from his very wide and magnificent face. He was one of those unique individuals who, like Will Rogers, never met a man he did not like. He topped off his outlook on life by being a truly generous human being; and even beyond this he was a magnificent legislator. He was a tremendous credit to the city of Chicago. He was a credit to the House of Representatives and also to the Polish-Americans whom he represented so well and of whom he was intensely proud.

Mr. Speaker, with the others, I express my sympathy to his gracious and devoted wife, Estelle, and to his brother, Judge Tom Kluczynski, and his brother, Joe. We will always remember him as a wonderful friend, as a distinguished legislator, and as a great American.

Thank you very much.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield to the gentleman from Wyoming (Mr. Roncalio).

Mr. RONCALIO. Mr. Speaker, it was my honor and my privilege to serve with John Kluczynski for 4 years on the Public Works Committee and to work with him in his duties as chairman of its Transportation Subcommittee. He was always a cooperative, friendly, and helpful chairman and colleague.

I particularly remember the time he called on me to go to Chicago on a Saturday of a busy weekend so he could hold hearings on the subway system and the problems of mass transit in his tremendous city in feeding hundreds of thousands of people into the Loop and back home each day. We did spend all of that Saturday studying these problems, and it was a joy to work with John Kluczynski and Mayor Daley that day.

John was a good Congressman, a good citizen, a good husband, and a good colleague. He set an excellent example for the thousands whose life he touched. He is missed.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, those of us in this Congress who knew John Kluczynski, and particularly those on the Committee on Public Works, came to appreciate him as a warm and generous spirit, a man deeply dedicated to the good of his native land, a man whose unfailing good humor never could be disrupted.

Almost everywhere one looks in this country, one can see the handwork of John Kluczynski. In the ribbons of concrete that convey our Nation's food and fiber and people to and fro across this broad land, and in the waters that flow, clear and sparking, in the streams, one can see the results of his legislative handiwork.

John Kluczynski frequently said that the Committee on Public Works is not a Democratic committee nor a Republican committee; it is, he said, an American committee.

Chicago was his home, and Chicago was his love, but there will always be a bit of him in each of us who knew him. May we invoke in years to come, when tried by temper, the never-failing good spirit of John Kluczynski, whom I never heard utter an unkind word about any person.

It is with humility and a sense of gratitude for having had the rich pleasure of knowing him that I join the gentleman from Illinois (Mr. Rostenkowski) in his special order today.

Mr. HUNGATE. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I am happy to yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Speaker, I, too, want to commend our colleague in the well, the gentleman from Illinois (Mr. Rostenkowski), for his action in introducing legislation to name a building as a tribute to Mr. Kluczynski.

It was my privilege to serve on the Committee on Small Business with John Kluczynski. Small business never had a better friend and never will have a better friend than John. We can still hear his remarks that we have nothing against big business, we just want small business to become bigger. He loved the mom-and-pop-type operations, and he could understand in human terms the problems that were brought before our committee.

I believe we all recall the Democratic Convention of 1964 when we received invitations to come by his restaurant. John was still operating the Cyrena Restaurant on the south side of Chicago, and we all received nice little printed notes to come to the restaurant and to make it our home. We were there as his guests. Order anything we liked and just before leaving the restaurant, stop by the door and pay for it. This was Mr. Klu.

In a more serious vein one of the small business hearings that I attended pertained to a study on coal gasification, in Chicago, and he was deeply interested in this problem, and that was some 4 or 5 years before anyone began to realize how bad our need would be.

Also in his service in the House restaurant, that, too, is well known, and our wives speak in glowing terms of how Klu could handle the very difficult matters that came before this committee, in a gracious way.

I remember at the luncheons that many times he would order a big piece of pie, and have ice cream put on it. Somebody would say, "You have got to stop that. You have got to push that kind of stuff away." He said, "The guys who pushed it away, I have been acting as their pallbearers for some 20 years." He was always in good humor, as others have noted. He also apparently enjoyed a good card game, and he was known to have said that he liked to play with lawyers, because they thought too much. So, I suspect that he was as successful in that as he was in other areas.

JOHN KLUCZYNSKI made a great contribution to the House of Representatives and, this Nation.

Mr. ROSTENKOWSKI. Mr. Speaker, I now yield to the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Speaker, I appreciate the gentleman's yielding.

I want to make a few comments with reference to Congressman JOHN KLUCZYNSKI. I served with him on the Committee on Public Works for some 12 years. He was one of the most amazing people I have ever known. As the gentleman from Texas (Mr. WRIGHT) said, I never heard him say anything bad about anybody. He could find some way to say something good in the toughest situation.

I also want to thank the gentleman in the well, Mr. ROSTENKOWSKI, for the great eulogy that he gave at the funeral service in Chicago.

We are all going to miss "Big KLU". He was a great man; he was a great human being; and he was one of the finest men I have known.

Mr. ALBERT. Mr. Speaker, I join with my colleagues in expressing a deep sense of loss at the passing of a dedicated Member of the House and a true friend, the Honorable JOHN C. KLUCZYNSKI, of the Fifth Congressional District of Illinois. The death of this wonderful man marked the passing of one of the most beloved men to have served in this Chamber in my time.

His was a long and devoted career in the service of his State, this House, and his country. He was elected to the Illinois Legislature in 1932, where he served ably for 16 years. He then served a term in the Illinois Senate until his election to the House of Representatives in the 82d Congress. Thereafter, he was reelected to each succeeding Congress. He rose to the position of ranking member of the Public Works Committee and was a significant contributor to the legislation which gave the Nation its network of interstate highways. He evinced strong qualities of leadership as chairman of the Committee on Public Works' Subcommittee on Transportation. He also made important contributions to the Nation's economic well-being as a member of the Small Business Committee, whose Subcommittee on Metropolitan and Rural Areas he chaired.

But no mere recital of offices won, committee posts held, and bills labored upon, can adequately describe his impact on the legislative process at both the State and National level. He was an effective legislator because he won the respect and affection of his colleagues, who always were aware that his genial ways accompanied an informed dedication to the public interest and to the legislative tasks at hand.

His lifetime of public service has now closed and we mourn his absence among us. To his beloved widow, Estelle, to his brother, Thomas, a judge of the Illinois Supreme Court, to the other members of his family, and to all who knew JOHN KLUCZYNSKI and cherished his friendship, I extend my deepest sympathies.

Mr. HORTON. Mr. Speaker, I wish to join with my fellow House members in paying tribute to our late colleague, JOHN C. KLUCZYNSKI. All of us had great affection for JOHNNY KLU and we shall deeply miss him as a friend and able legislator.

I had the honor of serving as ranking minority member for many years on the Small Business Subcommittee on Small Towns and Urban Areas. JOHN chaired that subcommittee and I came to know him as one of the finest and most compassionate man ever to serve in the House. He was a man of strong convictions and his devotion to public service was unequaled. There can be no doubt that JOHN KLUCZYNSKI was the best friend small business ever had in Congress and his leadership is a tragic loss.

Mr. Speaker, I extend my deepest sympathy to JOHN's wife Stephanie and his fine family.

Mr. CRANE. Mr. Speaker, I join my colleagues in paying tribute to JOHN KLUCZYNSKI, or JOHNNY KLU as so many of us referred to him, with a feeling of deep sorrow and regret. While he started his career in Congress long before I started mine, I came to know him and respect him as a warm, friendly, dedicated public servant who contributed a great deal to the city of Chicago, the State of Illinois, and the Nation.

Indeed, JOHNNY KLU dedicated a lifetime to serving the people of Chicago. He served in the Illinois State House of Representatives for 17 years beginning in 1933. Then, in 1950, he was elected to the U.S. House of Representatives, and for the next 24 years he served with distinction. In the 93d Congress he was the third ranking member on the Public Works Committee and the second ranking member on the Select Committee on Small Business. As a member of the Public Works Subcommittee, JOHNNY KLU made a big contribution to the development of the Nation's highway system; as a restaurant owner, he also was able to bring special insight into his Small Business Committee assignments. But, no matter how difficult the assignment, JOHNNY KLU always had time to extend the hand of friendship and I, for one, will always remember that.

Certainly JOHNNY KLUCZYNSKI will be missed around here and my heartfelt sympathy goes out to the members of his family. However, looking back on his 41 years of public service, they can be proud of his accomplishments and devotion to service.

Mr. GINN. Mr. Speaker, when Congressman JOHN KLUCZYNSKI passed away recently, I felt a personal loss aside from losing a colleague from among the Members of the House. I had the opportunity of serving with JOHN KLUCZYNSKI on the Public Works Committee and was close to this kind and congenial man.

JOHN had served in the House for over 24 years and had been a Congressman's Congressman. He was born and raised in the Fifth Congressional District of Illinois that he represented. His birthplace was above his father's butcher shop. Upon completion of his service in the First World War, he returned to Chicago to become involved in a family restaurant business. After serving as a local Representative and Senator, he was elected to the U.S. House of Representatives.

He served his nation well by watching over the construction of the Interstate Highway System, the largest public works project in the world. He also used his position as the chairman of the Transportation Subcommittee to help his urban constituency by breaking loose expressway money for urban mass transit projects.

Mr. KLU will be truly missed by more than just his colleagues on the Public Works Committee and in the full House. Americans have lost a friend who was concerned about the betterment of the lives of people of this Nation. The citizens of the Fifth District of Illinois have lost a native son who loved the southwest side of Chicago because it was home and because the residents were his neighbors. I extend my personal sympathy to his wife and family, his staff, and his constituency.

Mr. MORGAN. Mr. Speaker, JOHN KLUCZYNSKI's death leaves a great void in this Chamber, and I know that all of my colleagues in the House of Representatives share my grief over JOHN's passing.

JOHN spent his entire lifetime in public service. He was elected to the Illinois State Legislature in 1932, serving 16 consecutive years, and elected to the State senate in 1948. Beginning with the 82d Congress, he served on Capitol Hill, bringing his great wit, charm, and knowledge of governmental affairs to the House. His service on the Committee on Public Works, Small Business, and the House Restaurant was distinguished by the hard work which he brought to these efforts.

Mr. Speaker, Mrs. Morgan and I extend our sympathies to the friends and family of JOHN KLUCZYNSKI. We shall all miss him.

Mr. McFALL. Mr. Speaker, I want to join in the tribute to our good friend and departed colleague, JOHN KLUCZYNSKI, who represented his district in Chicago in this House for 24 years.

JOHN had been a good friend of mine since the 1950's when we served together on the Public Works Committee. It was always a pleasure to work with him. He was one of the most congenial Members of the House, and he was known for his good humor as well as his ability.

He was devoted to the people of his district, and Chicago has lost a great advocate in the Congress. His long political career began in the Depression and New Deal year of 1932 when he was elected to the Illinois State Legislature. He served for 16 years and then was elected to the State senate, resigning a year later to campaign for Congress.

As a youth, JOHN KLUCZYNSKI worked in the Chicago stockyards. He knew what it was like to labor for a living. In World War I, JOHN served with the Army's artillery in France. He knew war first hand and knew the personal price that patriotism demands. The years following the war saw JOHN establish a flourishing restaurant business, excel in Illinois politics, and win his congressional seat in 1950.

During the years in the House of Representatives, JOHN contributed much to the work of the Congress. As chairman of the Transportation Subcommittee of the Public Works Committee, JOHN had a major influence on the highway system of the country. He had a continuing concern for the St. Lawrence Seaway and was instrumental in its development and improvement. The seaway's benefits have extended not only to the Great Lakes region but to our entire national economy. The House itself benefited from JOHN's restaurant experience when he took over the chairmanship of the Select Committee on the House Restaurant.

JOHN KLUCZYNSKI's life represented best in the American tradition. He was an American of Polish descent, and he was proud of it. He was born and raised in the Chicago district he represented, and he was proud of it. He was a Democrat to the very end, and he was proud of it. He was an all-American Congressman, and he was proud of it.

I count myself fortunate to have had the opportunity to know JOHN KLUCZYNSKI and to work with him and to call him my friend. I mourn his passing, and I extend to his wife and family my deepest sympathy.

Mr. WON PAT. Mr. Speaker, I am proud to have this opportunity to join with my colleagues in the Congress to memorialize our late friend and colleague, Representative JOHN KLUCZYNSKI of Illinois.

During my years in Washington as Guam's Representative and as Guam's Congressman I grew to appreciate Representative KLUCZYNSKI's wisdom and knowledge of the Congress. Representative KLUCZYNSKI came to the Congress in 1950, the same year that the Guam Organic Act was passed. During his service in the Congress, Representative KLUCZYNSKI saw Guam often come to the Congress for additional assistance, and consequently he grew to understand and appreciate our island's needs. I am proud to state that he was one of the Representatives in the 92d Congress who voted for the Guam-Virgin Islands elected delegate bill which created my seat in the House of Representatives.

I know that JOHN KLUCZYNSKI will be sorely missed by his fellow Democrats in the House and by all Members whatever their party affiliation. He was a good American and an outstanding Representative who provided his constituents with the best possible representation in the Congress. It was a pleasure to have served with a man of this caliber and I welcome this opportunity to express my deep regret, and that of my fellow Americans in Guam, to Representative KLUCZYNSKI's family at his passing. Thank you.

Mr. SMITH of Iowa. Mr. Speaker, I want to join my colleagues today in paying tribute to our distinguished colleague from Illinois, JOHN KLUCZYNSKI.

He served with great distinction in the House of Representatives for many years and was one of the best known Members of this body. He had a long and distinguished career both in public service and in private business and discussions with him readily indicated the value of these great experiences.

It would be repetitious to cite the many, many instances in which he made great contributions to the product of this legislative body. Indeed, the Nation suffers with the loss of such a man and I extend my deepest sympathy to his loved ones who will miss him as he will also be missed in this House.

Mr. ADDABBO. Mr. Speaker, I join with my colleagues in expressing my sympathy and condolences to the family of our departed friend JOHN KLUCZYNSKI.

JOHN was a good friend to all of us and he served his constituents and the Nation with honor and distinction for 25 years. We shall miss him grievously.

There are those who serve among us who impress us with their skill and their knowledge but few men in this body can claim from his colleagues the affection and the respect that KLU received from his peers. His accomplishments, of course, were many, but the essence of respect went to the man rather than the deeds.

He was a man who served with dignity but whose sense of humor never deserted him. Whether his barbs were aimed at himself, as they frequently were, or at those of us who began to take ourselves a bit too seriously, they were always pertinent and, more importantly, were always funny.

There is not a man or woman serving here today who did not carry away a healthier outlook on life after 5 or 10 minutes in KLU's company. And how many people from around America who visited the Nation's Capitol first became acquainted with the deliciousness of Polish sausages which found their way into the House Restaurant as soon as KLU became chairman of the House Restaurant Committee? The Polish sausages, while excellent, were only one example of KLU's continuing demonstration of pride in his Polish heritage. Through him, all of us learned again the lesson that people from all backgrounds and nationalities have much to offer if we will only welcome them warmly into our midst. KLU was a living and breathing example of what a good man is all about.

Thankfully, JOHN KLUCZYNSKI lived a long and full life, surrounded by those who loved him and took from him a sense of deep pleasure in life itself. He was a good man, and that is an epitaph worthy of anyone by itself, but he was also a delight to all who were touched by him, and that is exceptional. We are the poorer for his passing.

Mr. DERWINSKI. Mr. Speaker, I personally felt a deep sense of loss on learning of the death of JOHN KLUCZYNSKI, and I know that my feeling is shared by our colleagues on both sides of the aisle.

"KLU," as he was familiarly known by all of us, was an extremely effective Member of Congress. KLU had a great grasp of his congressional duties and responsibilities, and he did much of his work behind the scenes putting together effective legislation. I always marveled over his intimate knowledge of the details of all the bills before his committees and over his legislative expertise.

KLU's congressional district was adjacent to mine for 16 years, and we often worked together to solve common problems. He labored tirelessly for the welfare of the people of his congressional district which he served so well and for the good of all of the people of the United States. In the truest sense, he ably represented his people. He will be missed by the people of Illinois, but especially by those in the city of Chicago.

At all times KLU was courteous, accommodating, warmhearted and a gentleman. He was one of the best friends I have had in all my years in the Congress. I shall always cherish his sprightly wit, tireless energy, and genuine willingness to extend the warm hand of friendship. On many occasions I was the benefactor of his experience and wise counsel.

Mr. Speaker, Mrs. Derwinski joins me in expressing our most deep and heartfelt sympathy to the family and friends of JOHN KLUCZYNSKI.

Mr. HELSTOSKI. Mr. Speaker, it was with a great deal of sadness that I learned of the death of one of the most popular Members of the House, Congressman JOHN KLUCZYNSKI.

During his many distinguished years of service in the House, Congressman KLUCZYNSKI provided the people of the Fifth Congressional District of Illinois with outstanding legislative representation and excellent constituent service.

Elected to the House in 1950, Congressman KLUCZYNSKI made many important legislative contributions during his 25 years of service. He was widely recognized as an authority on roads and highways and distinguished himself through his work as chairman of the House Public Works Subcommittee on Transportation.

Mr. Speaker, it also was my personal privilege to work with Mr. KLUCZYNSKI on a variety of matters relating to Polish-American cultural activities, and his work in this area was characterized by a deep sense of pride and a sincere interest in the heritage of all American people.

I know that my colleagues will agree with me when I say that the House has lost one of its outstanding Members, and I would like to take this opportunity to extend my deepest sympathy to his family.

Mr. LUJAN. Mr. Speaker, I wish to express my feeling of personal loss over the death of my friend and colleague JOHN KLUCZYNSKI, or as many of us affectionately knew him, "BIG KLU."

I had the pleasure of serving on the Select Committee on Small Business with BIG KLU. He was subcommittee chairman of that committee and in that capacity he demonstrated a personal feeling for the small businessman of this country. And during hearings held in my home State of New Mexico, BIG KLU showed an understanding for the problems of the small businessman that few people have ever shown.

When bureaucracy and small businessman clashed, BIG KLU always championed the little guy. He would keep the hounds of the bureaucracy at bay, as it were, so that the small businessman could survive.

He and I also stood toegther in the battle to save the funds of the Federal Highway Aid Act when there were those who would have raided that act to give funds to mass transit. But Big Klu stood steadfast as a watchdog for the act and I admire his courage and principle for doing so.

We in the House have lost a valuable partner and friend with the passing of Big Klu. And the Nation has lost a fine champion of the little guy.

Mr. de la GARZA. Mr. Speaker, the Honorable John C. Kluczynski was a friend of mine and a friend of the south Texas district I represent here.

Johnny Klu had a genius for friendship. He was a man who often gave the impression of bubbling with good will toward his fellowman. He was a jolly companion, always considerate, always mindful of the problems of his colleagues.

When I entered the House 10 years ago, he already had completed 7 terms of service here. I will never forget his kindness toward this freshman Member. He was a dedicated, constructive member of this body and represented his district ably.

I miss him sorely, and I know my feeling is widely shared.

Mr. GAYDOS. Mr. Speaker, I join my colleagues in paying tribute to our good friend and colleague, John C. Kluczynski, whose untimely death leaves us so deeply grieved.

"Klu," as he was affectionately known by all of us, was a man of great understanding and compassion. His ready smile and affable manner was a source of inspiration to us all. I particularly will remember him for the many hours he spent with me after sessions and shared his vast experience as a legislator serving the best interests of his constituents as well as the people of the United States.

"Klu" commenced life in humble circumstances. Born of Polish parents, he worked as a youth in the Chicago stockyards. In World War I, he served overseas with the 8th Field Artillery.

He began his public career in 1932, when he was elected to the Illinois State legislature, and he spent the next 43 years in public service, including 25 years in the Congress of the United States. As a Member of the House Committee on Public Works, and chairman of the Subcommittee on Transportation, his strong and diligent efforts were instrumental in making the interstate highway system a reality. As a member of the Select Committee on Small Business, he was well aware of the problems confronting the small businessman and took an active part in giving strong support to progressive legislation. Always aware of his own humble beginnings, he was most concerned that others similarly situated would have the opportunity to apply their skills and succeed in contributing to the greatness of our country.

His passing has taken from me a friend, from all of us a respected colleague, from the people of the Fifth Congressional District of Illinois, a dedicated representative and from the people of the United States an outstanding legislator.

Mr. NATCHER. Mr. Speaker, it is difficult to reconcile ourselves to the fact that our beloved friend, John C. Kluczynski, has passed away.

As a Representative in the Congress of the United States, he had those qualities that are essential for leadership, sound judgment, patience, perseverance and unyielding adherence to the principles and policies advocated by his party for the welfare of the country. He was an outstanding member of the Committee on Public Works and presided for many years over his subcommittee with dignity and firmness. His character, achievements and faithful service will be an inspiration to generations yet to come.

I have lost a true friend and this country has lost a great statesman. May God let the light of His countenance shine upon him and give him peace.

To the members of his family, I extend my deepest sympathy in their bereavement.

Mr. MORGAN. Mr. Speaker, I am deeply saddened by the news of the untimely death of our friend and well-beloved colleague, the Honorable John C. Kluczynski of Illinois.

John Kluczynski was a man without enemies in the House of Representatives. His friendliness, his enthusiasm, and his spirit of cooperation gained him the friendship and affection of all who knew him well.

He used his engaging personality to gain support for the causes in which he believed, and for programs which would assist the people of his district in Chicago.

As chairman of the Subcommittee on Roads of the House Public Works Committee, John Kluczynski presided over the great extension of our Federal roads system through the construction of our interstate highways.

Those highways have been a major benefit for transportation, commerce and safety in our Nation, and long will John Kluczynski be remembered for his part in that achievement.

He also made important contributions as chairman of the House Subcommittee on Small Business Problems, and as the chairman of the Select Committee on the House Restaurant.

John Kluczynski will be missed very much in the House of Representatives. His humor and personality have helped to lighten many a session when contentions might otherwise have impeded the speedy disposition of the Nation's business.

My wife joins me in expressing our deep sympathy to Mrs. Kluczynski and members of the family on this sad occasion.

Mr. McCLORY. Mr. Speaker, like many others of us who represent Illinois districts in the Congress of the United States, John Kluczynski served for many years in the Illinois General Assembly. He gained a reputation as a lawmaker in Illinois. That reputation has been enhanced by his distinguished service in the Congress since 1949.

Mr. Speaker, if there was ever a harsh word which he uttered or unkind thought which passed through Representative Kluczynski's mind, this never came to my attention. He was essentially kind and considerate, interspersing his thoughtful, comforting, and illuminating statements with elements of delightful wit, which he seemed always to have at his command.

Mr. Speaker, the special service which Representative Kluczynski provided on the important Public Works Committee probably represents his most valued contribution as a Member of the U.S. House of Representatives. However, it would be entirely inappropriate to fail to recognize the close attention which he gave to the interests of his constituents in southwest Chicago, and the devotion which he always showed to his beloved city, State, and Nation.

As a successful restaurateur, Congressman Kluczynski shared his expertise with the House Dining Room Committee, as a result of which all of the Members of the House, as well as our staff personnel, have benefited.

Mr. Speaker, it was just a few days ago that Congressman Kluczynski took my arm as we crossed South Capitol Street together, as he was returning to his Washington apartment in the Congressional Hotel. I felt a close and affectionate affinity for this friend as we spoke briefly arm-in-arm, and said farewell, as he entered the Congressional Hotel and I headed down the street to the Capitol Hill Club. This was our final meeting, and one which I shall always remember with tenderness and compassion. Congressman John Kluczynski and I were friends throughout our experience in the Congress, and I have a deep sense of loss, as I reflect upon his life and his final passing.

Mrs. McClory joins me in this expression of respect and affection for a longtime friend and colleague, and we take this occasion to convey our sympathy to John Kluczynski's widow, Stephanie, and other members of his family.

Mr. PHILLIP BURTON. Mr. Speaker, I was deeply saddened to learn of the death of our distinguished colleague and my good friend, John Kluczynski.

John was a lovable guy and a warm and generous man who served the people of Illinois with dedication.

He served in the Illinois State Legislature from 1932 until 1950. He has served the people of Illinois in this body for almost a quarter of a century.

John Kluczynski, a true friend, a gentle and jovial man, will be missed by all of us who were privileged to serve with him.

Mr. WHITTEN. Mr. Speaker, I wish to join with my colleagues in paying tribute to our late friend, Hon. John C. Kluczynski.

It was my pleasure to be closely associated with John in the years he was in Congress. Possessed of a wonderful sense of humor, he could always keep his colleagues in good spirits on the most serious of issues.

His contributions in the Congress were tremendous. Particularly was he active in the area of public works, those investments in our own country which are so essential to our overall well-being.

We shall all miss John and his sunny disposition. To his loved ones, we express our deepest sympathy. We have lost a friend.

Mr. OBERSTAR. Mr. Speaker, I join

with my colleagues in paying sincere tribute to our colleague, Representative JOHN C. KLUCZYNSKI, a fine and honorable man, and much beloved by all who knew him.

Though I had a brief few weeks to serve with him on the Public Works Committee, I was administrator of that committee for the past 4 years, and in that capacity had ample opportunity to work with him on highway and mass transit legislation.

He was one of the strongest backers of the Nation's Federal-Aid Highway system. That system has come under attack in recent years, especially in the large metropolitan areas. But less populated parts of the country, like my own district in northeastern Minnesota, owe him a deep debt of gratitude, for the network of highways, he is largely responsible for having brought them within reach of the broad choice of employment, the educational, health, and cultural necessities that city dwellers take for granted.

And, as chairman of the Public Works Subcommittee on Transportation, he last year joined in framing an admirable mass transportation bill for both urban and rural America.

For over 40 years he has served the people of Chicago, Ill., and the Nation; and has left a legacy of far-reaching legislation.

KLU was a great man, and will be greatly missed by Congress, the Public Works Committee, and the people of his home city of Chicago and the State of Illinois.

Mr. WAGGONER. Mr. Speaker, perhaps the greatest tribute that can be paid to any Member of Congress is to recognize that he truly represented the people of his district with dedication and integrity. This can certainly be said in all honesty of our late colleague, JOHN KLUCZYNSKI of Illinois.

For almost a quarter of a century, JOHN KLUCZYNSKI toiled in behalf of his people of Chicago in these Chambers. His work was diligent, his efforts untiring. As a tribute to his devotion to duty, his people reelected him to represent them in 12 Congresses. He had obviously earned their respect and their trust.

This is more of a tribute than any of us here today could ever pay to him.

But JOHN KLUCZYNSKI realized a greater responsibility in his oath of office—a charge to give representation to the entire Nation. He accepted this challenge, and we have all benefited because he did.

As chairman of the Transportation Subcommittee of the House Public Works Committee, Chairman KLUCZYNSKI has left his mark on the map of this country. Under his wise guidance and counsel, legislation dealing with the creation and building of our interstate highway system was molded into law. Millions of Americans who never had the opportunity to know and respect him personally as we have will benefit for years to come because of his work in Congress.

Many times I called on him to express the needs of my people in Louisiana. Chairman KLUCZYNSKI always listened with understanding and acted with fairness. His judgments were always tempered with personal intelligence, commonsense and the experience of 43 years of public service.

Our sympathies at this time are with his wife, Estelle, and his brothers.

His leadership will be missed in this body. And I shall miss him personally.

Mr. DERRICK. Mr. Speaker, on behalf of Congressman William Jennings Bryan Dorn, who represented South Carolina's Third District for 26 years, I wish to enter the following tribute to the late Congressman JOHN KLUCZYNSKI:

TRIBUTE TO JOHN KLUCZYNSKI

The late Congressman John Kluczynski was a great friend of every Member of the House. He believed in America and truly served all of the people.

I had the pleasure of serving in the Congress with John Kluczynski for many years. We served together on the Public Works Committee. As chairman of the Subcommittee on Roads, he was the architect of our great interstate highway system—probably the best road network existing anywhere in the world. John believed it essential that we have the very best transportation system. In helping design such a system, he was equally committed to highway safety.

When the Public Works Committee first began hearings on legislation to eliminate unsafe conditions at railroad crossings several years ago, Congressman Kluczynski came to my hometown of Greenwood, South Carolina. He conducted hearings in the Court House. He was determined to help us correct the situation then existing at Greenwood and other places throughout the country. The legislation he helped guide through the Congress is now saving thousands of lives annually.

John Kluczynski believed in protecting the environment.

Although he represented one of the great urban areas of our country, the city of Chicago, he had a great interest in watersheds for the rural communities. He believed in water and soil conservation. He felt we should conserve water where it falls. There are some 10,000 of these farm ponds in the Third Congressional District. Many of them contribute to great rural watershed systems providing water for thousands of people.

He worked hard to get the highway beautification program enacted, making our highways more attractive, thus enhancing the environment.

John Kluczynski was an all-American Congressman. He believed in a strong national defense. He was a great patriot. He was a good man. He was friendly, jovial and kind. Most of all he will be remembered as a compassionate man.

Our deepest sympathy goes out to John's wife, Estelle, and the family. We shall miss him.

WILLIAM JENNINGS BRYAN DORN.

Mr. BIAGGI. Mr. Speaker, a dear and valued colleague of ours, Hon. JOHN KLUCZYNSKI, passed away recently. His death just as the long and full life which preceded it left a profound mark on this distinguished body. I would like to add my voice in paying tribute to the life and accomplishments of the distinguished gentleman from Illinois.

JOHN graced the House with almost a quarter century of service. During this time he charted an impressive record of service to his constituents who saw to it that he was reelected on 12 different occasions. While in the House JOHN served with distinction as the chairman of the Subcommittee on Transportation of the Public Works Committee. He was a champion of improved highways in the United States. The vast miles of fine interstate highways which millions of travelers and commuters of this Nation enjoy are due a great deal to the work of JOHN KLUCZYNSKI. He also aided the effort which resulted in moneys from the highway trust funds being used for mass transit, a move which prevented many systems from folding.

In addition, all of us who have enjoyed the fine meals available in the various House dining facilities are indebted to JOHN for this service as chairman of special subcommittee which oversaw the operations of the eating facilities of the House.

Personally JOHN was a warm and compassionate man respected and liked by his colleagues. He will best be remembered for his abundant sense of humor. He was totally dedicated to serving his constituents and for many years he operated a restaurant in his beloved Chicago where he would often hold meetings with his constituents.

He was a loyal and patriotic American as well. He was rarely seen without his famous miniature American flag pin which he wore proudly on his lapel. He epitomized a man who was able to rise from poor surroundings to a position of prominence, never forgetting the needs of those less fortunate.

Mr. Speaker, the people of Chicago have lost one of their most colorful and best public servants. We in the House have lost one of our most prestigious and well-liked colleagues. I extend my deepest condolences to his wife Stephanie and assure her that we share her loss.

Mr. MURPHY of Illinois. Mr. Speaker, with the passing of JOHN KLUCZYNSKI, I have lost one of my dearest friends. I will miss his laughter, his humor, and his wisdom. Big JOHNNY KLU, as he was affectionately known, was never impressed with himself or with the position he attained in life. He remembered his humble beginnings and never looked down on people who were poor and uneducated.

JOHN KLUCZYNSKI delighted listeners young and old with stories of the Chicago he knew as a boy and young man. He told of the early days of his catering business, of the Polish weddings and the Irish communion breakfasts. He spoke of the stockyards, of the local political scene of the 1930's and 1940's, of the Chicago he knew and loved over the years.

JOHN KLUCZYNSKI was not comfortable with people who were clawing their way to the top of the political or economic ladders. He was not flashy, flamboyant, or affected. He was a man of simple tastes who fiercely loved the people of his Fifth District.

He was dedicated to building and improving the U.S. Interstate Highway System. He was highly criticized some years ago for refusing to bust the highway trust fund for mass transit purposes. But JOHNNY KLU proved he was not a man tied to the past. He changed his position on the fund in 1973, thus guaranteeing that our cities' mass transit systems would not die an untimely and needless death.

JOHN KLUCZYNSKI will be missed but, more importantly, he will be remembered. He will be remembered for his smile, his warmth, his human understanding. They are his legacy and JOHN KLUCZYNSKI would have wanted it that way.

Mr. EILBERG. Mr. Speaker, I knew JOHN well as a warm, spontaneous representative of the people, always ready and able with a bit of wry, sage advice for his younger colleagues. Old JOHN once helped me over the painful hurdle of a particular birthday I gloomily was trying to forget.

His own 75th birthday party celebration merrily followed mine by 3 days. When I dropped by his House office to extend well wishes, Congressman KLUCZYNSKI was entertaining his fellows and staff with the following pronouncement of his own secret to productive life at an advanced age:

> I rise each day at 5 a.m., exercise, shower, get to the office at 7 a.m., work like an S.O.B. representing my constituents till eight at night; then I go drink and play cards till 2 or 3 in the mornings for relaxation and begin again tomorrow.

JOHN KLUCZYNSKI lived in Chicago his entire life and vigorously represented his constituents there for 24 years. It was my privilege to know him well. I would offer the following tribute in his memory:

EULOGY TO THE HONORABLE JOHN C. KLUCZYNSKI

"The memory of the just," writes the author of the Book of Proverbs, "is blessed." These words from Scripture may serve as a fitting commentary on the life and achievement of the late John C. Kluczynski, friend, colleague, patriot. A man of character and of individuality, John Kluczynski gave distinguished service to State and Nation alike for over four decades.

Born in Chicago in 1896 to a father born in Poland and a mother of Polish descent, he took great and justified pride in his Polish-American heritage, and in his close association over the years with the many ethnic communities who constitute the city of Chicago with its rich diversity of race, creed, and nationality. As a young man he worked in that city's famous stockyards; later he drove a truck. Throughout his life he remained a man of the people and took pleasure in never losing the common touch. He served in the first World War in France with the Army Artillery.

His public career began in 1932, the year in which Franklin D. Roosevelt was first elected President. Elected in that historic year to the General Assembly of Illinois, he served for 8 two-year terms, a total of 16 years. In 1942 he was elected to the State Senate, and in 1949 he resigned to run for Congress. He won election to the House of Representatives, in which he served with distinction for 24 years until his passing last Sunday.

A dedicated believer in the two-party system, he was a loyal Democrat, active in the Party organization for most of his life, and he maintained his ties with the "Back of the Yards" grass-roots community in his home-city. Widely respected and invariably good-humored, he was proud of his religious and ethnic background, devoted to his family and to his Country, and tireless in his service in this House. He was a member of innumerable Catholic, veterans', and fraternal bodies. In Chicago he owned a prosperous restaurant, catering service, and bar, and the experience thus acquired helped him in his role as head of a special committee charged in 1969 with overseeing the operations of the House restaurant and cafeterias, which he patronized regularly. He concerned himself with raising the quality of both food and service collecting unpaid bills, and keeping costs down—concerns from which Members and taxpayers all have benefitted.

As Chairman of the Public Works Committee's Subcommittee on Roads, renamed the Subcommittee on Transportation in 1973, he gave vigorous support to the Federal Interstate Highway Program, sponsoring a series of highway bills over the years. He believed, as he often said, in both roads and rails, but in neither to the exclusion of the other. He was also the third-ranking Democrat on the House Small Business Committee. In recent years, he recognized the need of urban areas for greater flexibility in determining how to spend their Federal transportation dollars, and he responded to that need in the case of the rail transit system.

A man of great personal warmth and dedicated public service, he will long be remembered in Congress and in his District with affection and respect. To his widow, Stephanie, to his brothers, and to all his family and friends I extend my deepest sympathy, knowing that they (and we) are sustained by the inspiration of his life. The memory of the just is indeed blessed.

Mrs. SULLIVAN. Mr. Speaker, all of us who served with the late JOHN KLUCZYNSKI during his many years in the House knew why he was such a successful restaurateur and such a successful politician in a city where the competition in both categories is unusually tough.

He was the friendliest person in the House. And he cared about people. He went out of his way to do favors for friends—and everyone was a friend to him. He shared political ideas with us as readily as he shared secrets of food preparation and serving. A conversation with him on the House floor was always a delightful mixture of good counsel and fun.

He was close to the people of his district and listened attentively to the suggestions or complaints they made to him about national issues, and could always be counted on for wise contributions to our deliberations on legislation.

A special treat for me was an occasional opportunity to share his hospitality in Chicago during visits there for political conventions or other events. It was, of course, no surprise to find that his restaurant patrons regarded him not as a businessman selling a product but as a close friend who made one's visits to his establishment a pleasure to be long remembered.

I know I shall miss him every day the House is in session. His love of humanity was evident in everything he did. One loses such a good friend with sorrow but also with gratitude for all of his kindnesses over many years.

Mr. CORMAN. Mr. Speaker, all of us are greatly saddened by the loss of our friend and colleague, JOHN KLUCZYNSKI. The House is just not the same without "Big KLU." We served together on the Select Committee on Small Business, and I am deeply grateful that I had the privilege of working with him and knowing him as a friend.

JOHN had a tremendous liking and sympathy for people. He could put them at ease with a smile and a little joke, often about himself, better than anyone I ever knew. If some of the small businessmen who come to testify before our committee were feeling nervous, JOHN would lean back in his chair, pat his stomach and say "I carry a lot of weight around this place." Then everyone would laugh, and the tension would be gone. He got tremendous pleasure out of being able to help people with no other place to go. I think perhaps that is what he loved best about being a Congressman; to him, public service meant helping people, and he dedicated his life to that concept.

"Big KLU's" dedication to helping people is reflected in the legislation that he championed during his 24 years in Congress. He believed strongly in the social security system, and fought to improve benefits for senior citizens. "I intend to support any measure," he once said, "which will give older Americans the assistance they so richly deserve in order to retain the dignity and independence in their retirement years." He remembered the stockyards where he had worked as a youth, and was deeply sympathetic with the financial hardships suffered by some of his fellow-workers and neighbors when they reached retirement age. In the same way, he was a staunch supporter of higher education, because he knew what it was like not to have the opportunity himself.

He was born "back of the yards" in 1896, son of a Polish immigrant. At the age of 12 he had to quit school and go to work—in the stockyards, driving a truck, and in the circulation department of the old Chicago Evening Post. He served in World War I with an artillery unit.

In 1932 he won election to the Illinois State Legislature. He served there 18 years, until his election to Congress in 1950 as the Representative of the 5th District in Chicago. As a Congressman, he will perhaps be best remembered for his outstanding role in the development of our great national highway system. It is a truly impressive monument to his achievement, an achievement which has brought incalculable benefits to our whole Nation.

But I will remember "Big KLU" as a wonderful person, whose departure has saddened all who had the wonderful privilege of knowing him. He will be greatly missed by his friends and colleagues here, by his constituents, his State, and the Nation he served so well during 42 years of public life. He was an outstanding Representative, one who had genuine compassion for "the little guys," and who did everything in his power to help them. He brought humor and humanity to public office—he took his job very seriously, but never himself.

To his bereaved family, I express my deepest sympathy.

Mr. FINDLEY. Mr. Speaker, I am grateful to my colleague MELVIN PRICE for arranging this special order so that each of us may say a word about our great friend the late Congressman JOHN KLUCZYNSKI.

One of the great joys of being a Member of this Chamber is the association with the splendid people. Of those of my acquaintance none ranks higher in my esteem than our friend, KLU. I knew him as a friend for each of the 14 years that

I have served in this Chamber and many were the occasions when my spirits were lifted by his good humor, warmth, and friendship. He never failed to be cordial and helpful in every way.

Even though I sat on the opposite side of the political aisle, there was never an occasion when I went to JOHN for help and was denied that help. In fact, on every occasion he enthusiastically supported my requests. As all Members of this body will recognize, that kind of cooperation is prized beyond gold.

I will miss him very much and express my deepest sympathy to members of his family. The Kluczynskis have served nobly the people of Illinois, and this is especially true of our friend, JOHN.

Mr. COLLINS of Texas. Mr. Speaker, all of us in Congress were shocked and saddened to hear of the passing of our colleague, JOHN KLUCZYNSKI. He will be missed by each Member of the House and by his constituents back home in Chicago.

JOHN began his public service in 1932, as a member of the Illinois State Legislature and later as a member of the State Senate. For the past 24 years, he ably and actively served the people of Chicago in the U.S. House of Representatives.

JOHN KLUCZYNSKI has been a gifted and strong legislator in Congress. During the past years, he has served as chairman of the House Subcommittee on Restaurants and as a member of the House Small Business Committee. However, probably his greatest accomplishments have come as chairman of the Transportation Subcommittee of the House Public Works Committee. The United States enjoys the greatest interstate highway system in the world, due, in large part, to the excellent leadership and hard work of JOHN KLUCZYNSKI when the System was begun in the 1950's.

I will always remember JOHN's untiring warmth and friendliness. We have lost a wonderful colleague and the people of Chicago have lost a dedicated and devoted representative.

Mrs. Collins and I wish to extend our deepest sympathies to Mrs. Kluczynski and her family during this difficult time.

Mrs. MINK. Mr. Speaker, today I join my fellow members of this House to pay respects to the gentleman from Illinois, JOHN KLUCZYNSKI. The late Congressman represented the people of Illinois' Fifth District for a quarter century, and perhaps there can be no greater tribute to this man than our recognition of his loyalty to the interests of his constituents. He was in constant communication with them, he knew their needs, and he acted always in their best interest.

It is also true, Mr. Speaker, that anyone who remains in this distinguished body for any length of time takes on the responsibility to legislate for the national good as well as for the good of his individual district. JOHN KLUCZYNSKI had risen to that stature, and frequently offered his views on the issues of national and worldwide concern which the Congress faces.

I offer my condolences to his family, and share their sense of loss for this man who contributed much to our work in this Congress.

Mr. NEDZI. Mr. Speaker, the recent death of our esteemed colleague, JOHN C. KLUCZYNSKI of Illinois, has deprived the House of one of its most lovable personalities and veteran legislators. We have lost a good friend.

When I arrived in the House of Representatives in the winter of 1961–62, one of the first Congressmen I met was JOHN "KLU" KLUCZYNSKI. He already seemed an institution and when one considers his legislative record—18 years in the State legislature and 24 years in the Congress—he most certainly was.

JOHN KLUCZYNSKI and I, although we are a generation apart, shared a common urban and Polish-American heritage. I am grateful to him for his wise counsel, his perennial good humor, and for the fact that "KLU" never lost the common touch.

I extend my sympathies to his family.

Mr. POAGE. Mr. Speaker, we have lost another landmark. JOHN KLUCZYNSKI was one of those Members who knew everybody and everybody knew KLU. He was not a backslapper but everybody considered him a friend. He had an intense loyalty to his own people and to their problems; but he had a willingness to hear the problems of others and to act in their behalf if he could be convinced they were right.

Certainly the House was a better place because JOHN KLUCZYNSKI served in it and in the future it will be a better place if more individuals like him serve here.

Mr. RHODES. Mr. Speaker, I join my colleagues in the House of Representatives today in paying tribute to our longtime colleague JOHN C. KLUCZYNSKI of Illinois.

During his 24 years in the House, JOHN KLUCZYNSKI served his Fifth District in Chicago, Ill., and the Nation well. He contributed more than four decades of dedicated public service, beginning with the Illinois State Legislature.

It was my privilege to know JOHN during his nearly quarter of a century of House service.

We all will miss him greatly in the 94th Congress.

Mr. GILMAN. Mr. Speaker. It is with sadness and deep regret that we pay our final tributes to our beloved friend and colleague, JOHN C. KLUCZYNSKI. John was a good friend to many of us and a great legislator. He was a statesman who had, over the years, earned the love and respect of his constituents. In the 24 years of fulfilling his congressional responsibilities, JOHN cheerfully and diligently served the needs of all of his people.

The prayers and heartfelt sympathy of all of his many friends and colleagues are with his beloved wife Estelle in her time of loss.

Mr. MIKVA. Mr. Speaker, I join my colleagues in mourning the passing of JOHN KLUCZYNSKI. We in the House and the people of his district have lost a dedicated public servant.

JOHNNY KLU was a friendly soul. His smile and easy greeting were well known in the Halls of Congress. There was a trace of shyness about him, an unusual quality for a man as successful as JOHN KLUCZYNSKI.

JOHN KLUCZYNSKI served his constituents well, first as their State representative, then as their State senator, and finally as their representative in Congress since 1950. He was an urban Congressman who understood the problems of urban America. As chairman of the Public Works Subcommittee on Transportation, he fought for the transportation needs of his urban constituency. The people of his district were fortunate to have his able representation.

I was particularly fond of JOHNNY KLU. Although a senior member of our delegation, he never forgot the adjustment problems of freshmen Members. During my first term he was always there with a guiding word and an encouraging remark. I deeply appreciated his kindness in those early days.

JOHN KLUCZYNSKI was a good man, and the sense of loss to his family is shared by all who knew him.

Mr. REUSS. Mr. Speaker, today I join my colleagues in this memorial tribute to our late, good friend, Congressman JOHN C. KLUCZYNSKI of Illinois.

Congressman KLUCZYNSKI served with distinction in this House since 1951, and we all shared the shock and sorrow at the news of his death on January 27. I know that his constituents in the Fifth District of Illinois, whom he served with diligence and energy, will miss his leadership. He was a warm and genial man, who earned the affection of all those who had the honor to know him as a friend and a colleague.

JOHN KLUCZYNSKI will be missed in this House. Congress has lost an able Member, the Fifth District of Illinois has lost a skilled leader, and we have all lost a good friend. I know I speak for us all when I extend my sincere sympathy to his family.

Mr. JOHNSON of California. Mr. Speaker, it was with great sadness and a sense of personal loss that I learned of the passing of my friend and colleague JOHN KLUCZYNSKI. I have known and worked with JOHN for several years in many areas of common interest and I know what a great Congressman he was. This House will miss him, but it is certainly better for his having been among us.

"KLU" as we called him, made a life of public service. Following service to his country in World War I, he began a legislative career which was to span 40 years. For nearly two decades he served the people of Cook County, Ill., in the State legislature in Springfield. Because of his dedication and reputation for hard work and attention to the problems of individual citizens, he was widely encouraged to run for Congress. For almost a quarter of a century, JOHN KLUCZYNSKI represented a portion of the city of Chicago in Congress.

His record during that period is distinguished in many ways. His legislative leadership was most prominently illustrated through his efforts in drafting initial and subsequent legislation to create our highly successful Interstate Highway System. These "superhighways" not only brought the cities and people of our nation closer together, but they also made the highways of our country much safer through advanced engineering and construction.

Klu had another area of special interest, the small businessman. Although he represented a large metropolitan area with many major industries and corporations, he never overlooked the needs of the small businessman.

These special interests led John to excell in his efforts as a member of the Public Works Committee and the Select Small Business Committee. It was my privilege to serve on the Public Works Committee with Klu and especially to work closely with him on transportation matters. From this personal relationship, I know what a dedicated and resourceful man he was. As chairman of the Transportation Subcommittee, he was widely recognized as fair and courteous in his efforts to bring together opposing viewpoints. Furthermore, he handled with ease the important task of being chairman of the Committee on the House Restaurant.

Perhaps John is best remembered by his fellow Members of Congress for his good humor, his pleasant manner, and his cheerfulness. Klu was a happy person who enjoyed his work and was deeply devoted to his family and his friends.

To his wife Estelle, Albra and I extend our deepest sympathy at this time of personal grief. She can be comforted in knowing that Klu was an outstanding Congressman, one who always "went the extra mile" and fully carried out the many duties of his office, fulfilling the trust so appropriately placed in him.

Mr. HARSHA. Mr. Speaker, I would like to join with my colleagues in paying tribute to our friend and colleague John Kluczynski.

It was a great sense of sadness and personal loss that I learned of Klu's passing, and I know he will be greatly missed and sincerely mourned by his many friends here in the House.

Klu was a dedicated public servant who served the people of his area for more than 40 years—first in the Illinois State Legislature and for the past 24 years in the House of Representatives. The people of the Fifth Congressional District were indeed fortunate to have a man of his character and ability to represent them in the Congress, and he served them faithfully and well.

As ranking minority member of the House Committee on Public Works and Transportation I had the opportunity of knowing and working closely with Klu He served as chairman of the Subcommittee on Transportation and, in this capacity, contributed greatly not only to the people of Illinois whom he represented so effectively but to the entire Nation. He was a strong supporter of the Interstate Highway System and a stanch defender of the highway trust fund. It was my privilege and pleasure to work closely with him on highway legislation and other matters coming within the jurisdiction of the committee, and I always found him to be knowledgeable, cooperative, and helpful. Although we were men of differing political philosophies, we became good friends, and I felt a high degree of respect and a feeling of deep affection for him.

Klu was a gentle man who had a great zest and enjoyment of life. He was a good natured person of warmth and compassion who genuinely cared for his fellow man. We were privileged to have him in our midst, and I know that he will be sorely missed in the days ahead.

I would like to take this means of expressing my deepest sympathy to his wife and the other members of his family.

Mr. SIKES. Mr. Speaker, I was shocked and grieved, as were so many of my colleagues, at the untimely death of our beloved and distinguished colleague, John Kluczynski. Even though he had been in ill health for months, we could not bring ourselves to the thought that he might suddenly and without warning be taken from us. His passing left a great void in the House. He was truly a respected and able Member.

John Kluczynski's biographical sketch in the Congressional Directory is one of the briefest among all those printed. It states that he was elected to the Illinois State Legislature in 1932 and served there 16 consecutive years; he was elected in 1948 to the Illinois State Senate; was elected to the 82d Congress in 1950, and reelected to each succeeding Congress.

This gives only a hint of the solidarity and dependability and capability of John Kluczynski. To learn the true facts about him, it was necessary to know him, to know of his friendliness, his uniform courtesy and his respected accomplishments in the House of Representatives. He was a good man for Congress, a strong leader in Congress, and a gifted legislator for the Nation.

America needs men like John Kluczynski and those who knew him and served with him realize this best of all. We miss him and his good works. Those of us who served with him are enriched by our memories of him and our friendship with him. These memories and his contributions to good government will live long in the annals of Congress.

Mr. HOWARD. Mr. Speaker, today as we rise to pay tribute to our great friend, the late John C. Kluczynski, much of our sadness is overriden by the many delights and profound feeling of good will which we shared as friends of Johnny Klu.

When I first came to the Congress in 1965, I was assigned to the former Subcommittee on Roads of the then House Committee on Public Works, and had my first opportunity to meet with Mr. Klu. At first, I must admit, I approached him with great trepidation. Obviously, I thought, he was not going to to be part of the "new frontier" politics which first interested me in public service. He was, I thought, maybe too old to serve as a subcommittee chairman. And, of course I could not help but wonder how I could work closely with this cigar-puffing product of a powerful political machine.

Mr. Speaker, how wrong my original reservations were.

No sooner was I assigned to the subcommittee than Johnny Klu befriended me. He had not, despite his years in the Congress, been here too long to remember the deep feelings of anxiety which all freshmen feel about becoming Members of Congress and which all of us try so hard to conceal.

"I know how you feel, Jim," Mr. Klu said to me, "and I'll do everything I can to make it easier for you," he continued.

And Johnny Klu did just that.

When important legislative programs were reported out of our subcommittee and onto the floor, Mr. Klu made sure I was assigned part of the legislation to manage and speak in support of on the floor.

"And make sure you let your constituents know about it, too," the sage subcommittee chairman would say.

Because of my assignment to his subcommittee, I had the privilege of staying in close contact with Mr. Klu, both in the Halls of the Congress and on several factfinding trips. He never ceased to amaze me with his vigor, with his great sense of humor, and with his feeling of deep dedication to his country and to his fellow man.

And so today, as we pay tribute to our great friend, I express my deep sorrow to his family and friends. But I feel a great sense of excitement and good will, also, because it was that feeling that Johnny Klu always generated. Those of us who had the privilege of knowing Johnny Klu are better people for that experience.

Mr. STEED. Mr. Speaker, it is with sorrow that we note the passing of our old and treasured friend, John Kluczynski.

John came to Congress in my second term and I followed him onto the great Public Works Committee. For the next 5 years we sat side by side on the committee and participated in some very important legislative work. During this time we completed the long delayed work in the St. Lawrence Seaway authorization bill and 3 hard years of work on the Interstate Highway Act, the largest single public works project in history.

These experiences welded a friendship that grew and endured throughout all his years here. He always proved a true and faithful worker and friend. He had a great sense of humor and I had the pleasure of sharing many wonderful leisure hours, in addition to our working schedules, with him.

It is often said of unusual men: 'He was one of a kind. There will never be another like him." "Klu," as he was affectionately known, certainly was an unusual fellow. He performed his work, he enjoyed his life and he kept the faith.

My wife joins me in extending our heartfelt sympathy to his lovely wife. We have lost a revered friend and our country has lost an outstanding public servant.

Mrs. COLLINS of Illinois. Mr. Speaker, it was with a deep sense of personal regret that I learned of the passing of John C. Kluczynski:

Mr. KLU, as he was affectionately known, represented the Fifth Congressional District of Chicago which borders the southern part of my district in Chicago. His record of public service began in 1933 when he was elected to the Illinois house where he spent 16 years before becoming a member of the of the senate in 1948. A year later he was elected to Congress where he earned the respect and support of all his colleagues for his superb knowledge of the legislative process.

It was my pleasure to work with him on the Public Works Committee where he served as chairman of the Subcommittee on Roads and later the Subcommittee on Transportation—both of which had responsibility for highway legislation. He led the battle in the House for legislation which has resulted in Federal assistance to States and local governments for the development and/or improvement of their mass transit systems.

We will all miss Mr. KLU for his kindnedd, leadership, and invaluable assistance; and will remember his wit and wisdom, which transcended this legislative body for over 24 years. My deepest condolences go to his wife Stephenie and his brother Thomas.

Mr. COTTER. Mr. Speaker, the death of JOHN KLUCZYNSKI, my friend and colleague from Illinois, took from the House a special man. KLU'S personal qualities and his lifelong commitment to his country and his fellow citizens always stood out.

In many ways, JOHN KLUCZYNSKI was a unique example of our American success story. His father was an immigrant from Poland and JOHN grew up in the big-city environment of hard-working people, building a future in their new country. As a young man, KLU worked in the giant stockyards of Chicago before he left to serve with the Army in World War I in Europe. After the war, he returned to Chicago and played a major role in the growth of the Democratic Party in that city, involving many of his fellow Polish Americans in the party and their government.

In the early 1930's he was elected to the Illinois State Legislature and served in both the House and the Senate, until his election to the U.S. House of Representatives in 1950. He served well as a member of the Public Works Committee and was strongly involved in the legislation to build the St. Lawrence Seaway. JOHN also became the chairman of the Subcommittee on Transportation.

JOHN had a noteworthy and distinguished career in the House. But above all, I remember JOHN'S personal qualities. He was a warm, gentle, and considerate man. He was a gentleman, friendly to all he met. The pressures of public service during difficult times never robbed JOHN KLUCZYNSKI of his kind and warm character.

JOHN was a special man. His life was one of continuous public service. His nature was that of a truly good man. We will all miss him.

Mr. RODINO. Mr. Speaker, I was grieved to learn of the passing of one of my dear friends and colleagues, JOHN KLUCZYNSKI. His irreplaceable good humor and congeniality as well as his extensive legislative experience will be sorely needed in the coming months of decision and debate within the Hal's of Congress. I extend my sympathy to Mrs. Kluczynski and her family during this most difficult time. I know that we will all miss John greatly.

Mr. HAMMERSCHMIDT. Mr. Speaker, over the years, during my service in the Congress, I have attached a special sense of value and privilege to my friendship with our late colleague, JOHN C. KLUCZYNSKI.

Mr. KLU was a very special individual, who inspired such a bond of friendship. He was—and I cannot think of a more apt description—a good man, a kind person. Never once did I hear him say an unkind word about anyone. And, in remembering him, there are only kind things to say.

It was my pleasure and privilege to have served with JOHN KLUCZYNSKI on the House Public Works Committee and on the Transportation Subcommittee. This association brought me the good fortune of having the opportunity to work closely with him.

I remember in particular the time Mr. KLU accompanied me to my district in Arkansas, where he attended committee field hearings that were being held. He took an active interest in the welfare and concerns of the Third District of Arkansas. It was the same kind of active and genuine interest that he took in everything and everyone.

During the course of that trip to Arkansas, our late beloved Governor, Winthrop Rockefeller, hosted the congressional delegation and their staff, on Petit Jean Mountain at an official dinner.

The Governor toasted a warm welcome, as we all sat grouped around the long table at the Governor's home. It was an impressive gathering and a memorable occasion.

Mr. KLU commented to Governor Rockefeller that every weekend, he went to his home district in Chicago to be with his wife and his constituents. But, on this occasion, as a courtesy to JOHN PAUL HAMMERSCHMIDT, he decided to venture into the rural countryside.

JOHN KLUCZYNSKI had always given his support to legislation in behalf of the farming community and he held a keen interest in the agricultural economy of the Nation.

But, after Mr. KLU'S experience as a guest at the beautiful Winrock Farm on Petit Jean Mountain, JOHN KLUCZYNSKI told Governor Rockefeller that he was having second thoughts about how farmers lived and he wondered if he had been voting right all those years?

He and the Governor became close friends.

Mr. Speaker, that was the nature of my friend, Mr. KLU—a warm, kind man, with a keen sense of humor and immense integrity. It goes without saying that his presence will be sorely missed and his moderate voice will leave a permanent void in this body, which sometimes seems a cacophony of differing voices. Nevertheless, it merits repeating. JOHN KLUCZYNSKI will be missed. His unique style of effectiveness in the Congress will not likely be replaced.

Mr. ANNUNZIO. Mr. Speaker, it is with a sad heart that I join my colleagues from Illinois and from the entire Nation to pay tribute to a friend of 35 years—JOHN KLUCZYNSKI.

I have known JOHN as a friend and as a coworker in the Democratic Party of Cook County. He was a distinguished member of the Illinois State Senate for some 17 years and was elected in 1950 to the 82d Congress of the United States where he gave conscientious and dedicated service for almost a quarter of a century.

JOHN was a very warm, compassionate, and friendly man. He was affectionately known in Springfield, in Chicago, and in Washington as "BIG KLU." During the last 11 years that I have had the privilege of serving with him in the House of Representatives, I have personally witnessed what a tower of strength he has been for the Illinois delegation, the people of our city, and the citizens of our Nation.

Known as the father of our Interstate Highway System, he worked long and hard on this system so that today it is 90 percent completed. Although he was recognized as a strong supporter of our highway system, nonetheless, as American lifestyles began to change, he was keenly aware of these profound changes which focused attention on new and different needs of the American people, and he rose to the occasion by advocating the breaking open of the Highway Trust Fund so that the cities of America, which were choking to death in urban congestion, could make use of these desperately needed moneys to develop fast, efficient, and inexpensive mass transportation systems.

JOHN KLUCZYNSKI leaves us at a time when our country is undergoing deep social and economic changes, and I am sure in the years ahead, as we all work diligently to resolve the problems created by these changes, that the contribution JOHN made to our Interstate Highway System and to mass transportation will serve as the cornerstone for achieving effective solutions.

JOHN will be sorely missed by the Illinois delegation which has lost a comrade, a devoted friend, a counselor, and above all, a truly great American. In behalf of my wife, Angie, and myself, I want to extend our deepest sympathy to his beloved wife, Estelle, and to his two brothers, Joe; and Tom, a justice of the Illinois Supreme Court.

Mr. Speaker, on Tuesday, January 28, 1975, the Washington Post carried an article by Jack Eisen, Washington Post staff writer, on the life and accomplishments of our departed colleague which I now ask unanimous consent to insert in the CONGRESSIONAL RECORD. The article follows:

[From the Washington Post, Jan. 28, 1975]

HEAD OF HILL UNIT ON HIGHWAYS DIES

(By Jack Eisen)

Rep. John C. Kluczynski (D-Ill.), chairman of the House subcommittee that handles highway legislation and a wheelhorse of the Chicago Democratic organization, died Sunday night in Chicago after a heart attack.

The 79-year-old lawmaker complained of a fever on Saturday, an aide said, but refused to call a doctor. About 10:30 p.m. Sunday, he got out of bed in his home to get a drink of water, collapsed and died. He had planned to fly to Washington yesterday afternoon.

Chicago Mayor Richard J. Daley, leader of the Cook County Democrats who was a lifelong neighbor and a congressional constituent of Kluczynski, said he was saddened by the death.

"Our nation has lost an outstanding congressman," Daley said. "Our city has lost a great Polish-American leader and I have lost a very dear friend."

As chairman of the Public Works Committee's Subcommittee on Roads, renamed the Subcommittee on Transportation in 1973, Rep. Kluczynski was a leading supporter of the interstate highway program. When it came under attack from environmentalists, he sprung to its defense.

He was an architect of a series of highway bills, enacted over protests by many Washington area citizens, that were designed to force construction of the Three Sisters Bridge across the Potomac River and of other segments of the highway system locally.

Those bills led to the long freeway subway impasse that held up work for several years on the Metro rail rapid transit system. Like many highway-oriented lawmakers, Rep. Kluczynski contended he was for both roads and rails, but for neither exclusively.

The Washington area highway laws, still on the books, have been challenged politically and in the courts. Most of the disputed roads remain unbuilt today.

For years, it was an article of faith for Rep. Kluczynski that the highway trust fund, raised chiefly from gasoline taxes, should not be tapped for mass transit. Under pressure from Mayor Daley, worried about the cost of improving the city's rail transit system, Rep. Kluczynski abruptly switched positions in 1973, paving the way for more liberal federal aid to transit.

In background and appearance, Rep. Kluczynski was the archetype of an old-fashioned big-city ethnic politician.

Of medium height, he weighed close to 250 pounds, and had a ruddy round face topped with white hair. He was rarely seen without the unlighted butt of a cigar clenched between his teeth.

Long before former President Nixon made it fashionable, Rep. Kluczynski wore a jeweled American flag in his lapel. At meetings where he presided, he often told witnesses that "We are an all-America committee."

Born of a Polish-born father and a mother of Polish extraction, Rep. Kluczynski worked as a youth in the famed stockyards near his home. He served with the Army's artillery in France during World War I. He drove a truck after returning home.

In 1932, he was elected to the first of eight two-year terms in the lower house of the Illinois legislature. In 1948, he was elected to the State Senate, resigning the following year to seek election to Congress from a new district created by reapportionment.

Rep. Kluczynski also owned a restaurant, catering business and bar called the Syrena in Chicago. The restaurant was closed a few years ago, but the bar remained in operation. Rep. Kluczynski could be found there on weekends, meeting with constituents.

Partly because of his restaurant background, Rep. Kluczynski was chosen by his congressional colleagues to head a special committee to oversee the operation of the House restaurants and cafeterias. He dropped in regularly for pie and coffee.

He also was the third-ranking Democrat in seniority on the House Small Business Committee, and was a member of many fraternal, veterans' and Roman Catholic organizations. His home here was in the Congressional Hotel.

After the death of his first wife, Rep. Kluczynski married the former Stephanie Estelle Plowy in 1939. They had no children. He also is survived by two brothers, Joseph, of Chicago, and Thomas, a justice of the Illinois Supreme Court in Springfield.

Mr. ANDERSON of California. Mr. Speaker, I rise to join my colleagues today to pay tribute to the memory of JOHN C. KLUCZYNSKI, or "KLU" as he was affectionately known to many of us in Congress.

JOHN'S passing brought to a close a distinguished career in public life, one that was marked by dedication, service, and a human warmth that will long be remembered by his friends. I was honored to serve with him on the Public Works Committee and on the Transportation Subcommittee where he served as chairman. His leadership and effectiveness was in no small way due not only to his expertise in the field, but in the friendship that he radiated. His human qualities of concern, feeling, and devotion shall be remembered as long as his considerable legislative accomplishments.

KLU served in the House of Representatives for almost 25 years, representing the people of the Sixth District in Chicago in an extraordinarily effective manner. Before coming to Congress, he had been a distinguished member of the Illinois State Assembly since 1933, leaving that position in 1950 when he arrived in Washington. JOHN'S 42 years as a legislator were marked by personal effectiveness and devotion to the people of his district.

JOHN was more than a Representative elected in an impersonal way by his constituents: he was one of them. And in all his years in public service, he never forgot it. He held onto his roots with his working class community; he was proud of it, and he served them well.

The Nation will also miss JOHN KLUCZYNSKI. It was his leadership that resulted in many of the country's measures on small business, on which he drew upon his personal background as a restaurant owner for insight and knowledge that few persons could match. As chairman of the Transportation Subcommittee, he was responsible for many of the highways that bind our country together.

My wife Lee joins me in expressing our sincere condolences to JOHN'S wife, Estelle, and his brothers Joseph and the Honorable Thomas E. Kluczynski, who serves as a supreme court justice for the State of Illinois.

Mr. EDWARDS of California. Mr. Speaker, I join today my fellow House Members in expressing my deep sorrow over the unexpected passing of JOHN KLUCZYNSKI, the distinguished dean of the Chicago delegation here. JOHNNY will certainly be well remembered not only as a committed and effective Congressman, but also as a fine man.

I have known JOHNNY for a long time, and will greatly miss him. I always found him to be a most interesting and pleasant individual, one for whom I have very high regard and admiration.

JOHNNY KLUCZYNSKI has been a dedicated public servant for over 40 years. A butcher's son, he worked his way up to become, in 1951, the Representative of Illinois' Fifth Congressional District, the district in which he was born and raised. He served his constituents very devotedly and successfully.

As the chairman of the Public Works Subcommittee on Transportation, JOHNNY played an important role in the development of our Interstate Highway System. Also a member of the Small Business Committee and the former House Restaurant Committee, he approached all his work in Congress ably and diligently. His contributions to our Nation have been numerous, and JOHNNY KLU will surely be recalled as an outstanding and well-respected legislator.

JOHNNY KLUCZYNSKI'S death is a great loss for everyone, but especially for those of us who knew him and served with him. I extend my heartfelt sympathies to his wife Estelle and the rest of his family.

Mr. RUSSO. Mr. Speaker, I did not know JOHN KLUCZYNSKI long in terms of time. I served with him, as a colleague in the House, for an even shorter period of time—a mere 13 days.

However, I knew JOHNNY KLU well enough to realize that there were no limits to the depth of his friendship, to the extent of his human compassion and concern, to his generosity for others. Even a 2-week period was sufficient to come to understand the great affection Mr. KLU felt for the House of Representatives. His was an epic career. He left us in the 25th year of his service here. Prior to election to Congress he served in the Illinois House and Senate for 18 years. His first plunge into the turbulent waters of the political stream was as a candidate in the Democratic primary of April, 1924. He lost. It was to be the last time JOHN KLUCZYNSKI lost an election. His amazing record of 44 successful primary and general election campaigns is almost beyond belief for someone like myself who is only beginning his political journey. This record, I think, signifies something more. It is a tribute to a man's understanding of and communication with his people. Therein lies a great lesson for new Members of this House. KLU kept in touch with his people.

But, how did he do this so effectively, for so long, and in such a unique manner? His secret, it really seems to me, was disarmingly simple. In this day of mass communication, sophisticated polling, and high-pressure media techniques, JOHN KLUCZYNSKI kept close to his people because he was one of them. He was "real." He was "authentic." He left the Southside of Chicago every Monday to attend his duties in Washington, but the Southside never left him.

His strengths were the strengths of that mixed bag of culture, religion, and economics which is urban America. He was frank, honorable, and honest. And in less than a year, I came to realize that his heart beat for all mankind—regardless of party, race, creed, or nationality. He spoke well for the people, for he was truly of the people. While the great mass of middle America has few pretenses, JOHNNY KLU had none. At this same time, he was what America is supposed to be about. He came from poverty and made it. Like myself and many others, he had one of those different sounding names and yet was able to win the opportunity to add his best talents to struggle to make justice and solace a more manifest reality in the lives of the people he loved.

All in all, it seems to me that KLU's approach to public service amounted to a pretty good standard by which those of us just beginning our tenure here could measure the usefulness of our public life. Thus, KLU—who had no sons and daughters of his own—leaves a legacy for his younger colleagues in this House he loved so well. Not many of us are apt to win 40 elections in the next 50 years, but we can make sure we remember why we are here—to serve our people with selflessness and dedication.

There are many stories about this legendary and unique man. These are better left for telling to those who had the privilege and the joy of sharing his lighter moments—and there were many of these with JOHN KLUCZYNSKI.

I simply wanted to take a few moments to reflect on and to thank a kind man for the time he had for me. When I first met KLU, I had the distinction of being a candidate for Congress from a district where all the knowledgeable folks felt a Whig would have a better chance than a Democrat. But KLU had time for this novice and advised that I "give it everything I had." He was always generous with time, counsel, and encouragement throughout my campaign and up to the time he left us.

His kindness, generosity, openness, and authenticity will always remain a standard for my own conduct. I hope, in time, that I can emulate this good man. But now, I simply wish to say "thanks"—I regret we could not have tarried together longer in the work we love and you will be missed, Mr. KLU.

Mr. O'BRIEN. Mr. Speaker, the recent death of our colleague, JOHN KLUCZYNSKI, was a loss to us all. It is appropriate that we are now taking time to pay tribute to his memory.

A member of a distinguished Chicago family, "JOHNNY KLU" chose a political career. He began his career in 1932 as so many of us have, in the State assembly, serving first as a representative for 16 consecutive years. In 1948 he was elected to the Illinois State Senate but resigned a year later to represent Illinois here in these Chambers.

As a member of the Public Works, JOHN played a key role in developing highway legislation that has helped to improve roads not only in our own State of Illinois but throughout the Nation. Throughout his career, JOHN was a hard worker highly regarded on both sides of the aisle as a tough opponent and a good friend.

But JOHNNY KLU could dish up more than legislation. Back in his native Chicago, he also owned the Syrena Restaurant noted for its good food and friendly atmosphere.

Although I was not a longtime friend of his, I shall miss JOHN and miss his humor and advice as well. I extend my deepest sympathies to his family.

Mr. PRICE. Mr. Speaker, today is a day of mixed emotions for all Members of this House as we pay tribute to our late colleague Congressman JOHN KLUCZYNSKI, of Illinois. I feel deep sadness at the passing of my friend and colleague of so many years, and yet I am proud to be able to add my personal tribute to the memory of so great a legislator.

JOHNNY KLU was my friend—as he was a friend to all those who knew him: to his colleagues on both sides of the aisle, to rich and poor, to the famous and the least known. He devoted his life to making this a better Nation, beginning his public career in 1932 as a member of the Illinois State Legislature and the State Senate, where he served with distinction. He gained the respect of so many of his constituents that in 1951 he was sent by the people of his Fifth Illinois District to represent them in the U.S. House of Representatives. It is a mark of the esteem in which he was held that Congressman KLUCZYNSKI was returned to his seat from this district for 24 years.

JOHN did not practice the type of politics which helped only his own immediate area. Rather, in his work on the House Small Business Committee and the House Public Works Committee, he supported legislation which would better the Nation as a whole. Indeed, our excellent Federal highway system is a tribute to JOHN's sense of caring for the entire country.

As we in Congress face the troubled times that lie ahead, we will miss JOHNNY KLU's strength, leadership, and friendship, as will the people of Chicago whom he so ably represented.

Mrs. Price and I extend our deepest sympathy to Mrs. Kluczynski and her family at their loss.

Mr. FUQUA. Mr. Speaker, the passing of Representative JOHN KLUCZYNSKI ends a distinguished career which began with his election to the Illinois State Legislature in 1932 and continued almost without interruption until the beginning of this Congress.

It is a tribute to his ability and personality that allowed him to serve in public office, beginning the year before I was born, and continuing into the seventies.

Chicago is one of the great metropolises of the world. JOHN KLUCZYNSKI was a product of that urban society. He was concerned about his people and what the future would bring in areas of mass transportation, pollution, and urban decay.

He leaves a void in our midst. I shall personally miss his presence and friendship.

Forty-two years of public service is a long time. Most remarkable were the accomplishments that Congressman KLUCZYNSKI crammed in that period of service, and he leaves a host of friends in this Chamber who genuinely mourn his passing.

Mr. EILBERG. Mr. Speaker, I knew JOHN well as a warm, spontaneous representative of the people, always ready and able with a bit of wry, sage advice for his younger colleagues. Old JOHN once helped me over the painful hurdle of a particular birthday I gloomily was trying to forget.

Three days after this particular birthday, his own 75th birthday celebration occurred. When I dropped by his House office to extend well wishes Congressman KLUCZYNSKI was entertaining his fellows and staff with the following pronouncement of his own secret to a productive life at an advanced age:

> I rise each day at 5 a.m., exercise, shower, get to the office at 7 a.m., work like an S.O.B. representing my constituents till 8 at night; then I go drink and play cards till 2 or 3 in the morning for relaxation and begin again tomorrow.

JOHN KLUCZYNSKI lived in Chicago his entire life and vigorously represented his constituents there for 24 years. It was my privilege to know him well, I would offer the following tribute in his memory:

EULOGY TO THE HONORABLE JOHN C. KLUCZYNSKI

"The memory of the just," writes the author of the Book of Proverbs, "is blessed." These words from Scripture may serve as a fitting commentary on the life and achievement of the late John C. Kluczynski, friend, colleague, patriot. A man of character and of individuality, John Kluczynski gave distinguished service to State and Nation alike for over four decades.

Born in Chicago in 1896 to a father born in Poland and a mother of Polish descent, he took great and justified pride in his Polish-American heritage, and in his close association over the years with the many ethnic communities who constitute the city of Chicago with its rich diversity of race, creed, and nationality. As a young man he worked in that city's famous stockyards; later he drove a truck. Throughout his life he remained a man of the people and took pleasure in never losing the common touch. He served in the First World War in France with the Army Artillery.

His public career began in 1932, the year in which Franklin D. Roosevelt was first elected President. Elected in that historic year to the General Assembly of Illinois, he served for 8 two-year terms, a total of 16 years. In 1942 he was elected to the State Senate, and in 1949 he resigned to run for Congress. He won election to the House of Representatives, in which he served with distinction for 24 years until his passing last Sunday.

A dedicated believer in the two-party system, he was a loyal Democrat, active in the Party organization for most of his life, and he maintained his ties with the "Back of the Yards" grass-roots community in his home-city. Widely respected and invariably good-humored, he was proud of his religious and ethnic background, devoted to his family and to his Country, and tireless in his service in this House. He was a member of innumerable Catholic, veterans' and fraternal bodies. In Chicago he owned a prosperous restaurant, catering service, and bar, and the experience thus acquired helped him in his role as head of a special committee charged in 1969 with overseeing the operations of the House restaurant and cafeterias, which he patronized regularly. He concerned himself with raising the quality of both food and service, collecting unpaid bills, and keeping costs down—concerns from which Members and taxpayers all have benefitted.

As Chairman of the Public Works Committee's Subcommittee on Roads, renamed the Subcommittee on Transportation in 1973, he gave vigorous support to the Federal Interstate Highway Program, sponsoring a series of highway bills over the years. He believed, as he often said, in both roads and rails, but in neither to the exclusion of the other. He was also the third-ranking Democrat on the House Small Business Committee. In recent years, he recognized the need of urban areas for greater flexibility in determining how to spend their Federal transportation dollars, and he responded to that need in the case of the rail transit system.

A man of great personal warmth and dedicated public service, he will long be remembered in Congress and in his District with affection and respect. To his widow, Stephanie, to his brothers, and to all his family and friends I extend my deepest sympathy, knowing that they (and we) are sustained by the inspiration of his life. The memory of the just is indeed blessed.

Mr. MAZZOLI. Mr. Speaker, I would like to add my voice to those of my colleagues who have paid tribute to our late friend, Representative JOHN KLUCZYNSKI.

"Mr. KLU," as he was fondly called, was a dedicated Member of the House for nearly a quarter century. And he brought to this Chamber nearly two decades of experience in the Illinois State Legislature.

JOHN KLUCZYNSKI's pleasant manner, hard work, and unfailing good humor will be sorely missed by this body.

I join my colleagues in offering condolences to his beloved wife and his bereaved family.

Mr. ERLENBORN. Mr. Speaker, we do honor today to JOHN C. KLUCZYNSKI, a quiet gentleman and an effective Member of this body. He died a few weeks ago, full of years and full of accomplishment.

First in the Illinois House of Representatives, then in the Illinois Senate, and finally in the U.S. House of Representatives, JOHN KLUCZYNSKI served his fellow man for more than 40 years. He served well, and oftimes with great skill but never with any ostentation or bombast.

He was a kindly man, and we in Illinois will miss him.

Mr. Speaker, I extend my condolences to the Kluczvnski family.

Mr. ROYBAL. Mr. Speaker, I join with my colleagues in paying tribute to the memory of the late Congressman JOHN KLUCZYNSKI of Illinois' Fifth District. His many friends here in Congress will certainly miss this cheerful and jovial man who had achieved such respected stature in the House of Representatives.

Over 40 years of his adult life were dedicated to serving the people of Illinois and of the Nation. He was elected to the Illinois State Legislature in 1932, to the State Senate in 1948, and to the U.S. House of Representatives in 1950.

While in Congress, JOHN was instrumental in the development of the Nation's Federal highway system. He provided invaluable service to the Nation in all areas of public transportation in his capacity as chairman of the Subcommittee on Transportation of the House Public Works Committee. JOHN was a distinguished member of the Committee on Small Business and made our lunchtime more pleasant through his efforts as chairman of the House restaurant.

But probably the most interesting aspect of JOHN's life is the humble beginnings from which this dedicated public servant came. His father was a Polish immigrant, who instilled in his four sons the meaning of hard work, humility, and service to others. JOHN was a credit to the teachings of his father and an example of the greatness which can be achieved by each American.

JOHN KLUCZYNSKI served his constituents faithfully and well, first in the Illinois State Legislature and then for 24 years in the U.S. Congress. It is, indeed, with great sadness that we now mark the passing of this fine legislator, colleague, and friend, who worked so hard to create a better life for all Americans.

Mr. BELL. Mr. Speaker, I join with my colleagues in the House in expressing my regret over the death of JOHN KLUCZYNSKI of Illinois. His leadership and hard work on the Restaurant, Small Business, and Public Works Committees will be sorely missed. His dedication and fine work in behalf of the people of Illinois will be difficult to replace. I wish to extend my sincere condolences to his family on this sad occasion.

Ms. ABZUG. Mr. Speaker, JOHNNY KLU, as his friends affectionately called him was a warm, genial, friendly person. He was a man of deep moral convictions who was extremely loyal to his causes. Of medium height, he had a ruddy round face topped with white hair. He was rarely seen without the unlighted cigar clenched between his teeth.

Congressman "KLU's" whole life was the Congress and the many friendships he so greatly cherished.

As chairman of the Public Works Committee's Subcommittee on Roads, renamed the Subcommittee on Transportation in 1973, Representative KLUCZYNSKI was a leading supporter of the interstate highway program. Today our highway system is a tribute to his foresight.

JOHN KLUCZYNSKI's biographical sketch in the Congressional Directory is one of the briefest among all those printed. It states that he was elected to the Illinois State Legislature in 1932; he served 16 consecutive years; he was elected in 1948 to the Illinois State Senate, was elected to the 82d Congress in 1950, and reelected to each succeeding Congress.

This gives only a hint of the modesty of the man. To learn the true facts about JOHN KLUCZYNSKI, it was necessary to know him, to know of his friendliness, his uniform courtesy, and his respected accomplishments in the House of Representatives.

He was a good man for Congress, a strong leader in Congress, and a gifted legislator for the Nation.

America needs men like JOHNNY KLU, because it is men of this caliber who have made this country grow and prosper. Those of us who served with him have been enriched by our friendship with him.

As we paid homage to Congressman KLUCZYNSKI in the committee resolution, we are saddened by his absence and the void that his death has left. He will be sorely missed by all who knew him and who worked closely with him as I did on the House Public Works Committee.

Mr. CLEVELAND. Mr. Speaker, it is most fitting that we set aside this moment to pay tribute to the memory of a colleague who so fully merited our respect as a legislator and warm regard as a personal friend.

The people of this Nation are deeply indebted to JOHN KLUCZYNSKI for his leadership in development of a truly national highway system for this country. In this he was sensitive to the needs of rural areas and our great cities, and the extent to which highways are capable of serving them.

But "Mr. KLU" also brought to the Committee on Public Works and Transportation other qualities which contributed to the committee and the quality of its work. I refer to his spirit of cooperation, absence of abrasive partisanship, respect for colleagues as representatives of legitimate constituent interests, unfailing good humor, and an occasionally self-deprecatory wit.

These are the qualities which I came to value during 12 years of service with JOHNNY KLU on the committee. They, as well as his depth of knowledge in his legislative field, will be greatly missed. The colleagues he leaves behind can best pay tribute to his memory and serve the Nation by preserving this legacy.

To Mrs. Kluczynski and other members of his family, I extend my sympathy and respect.

Mr. CEDERBERG. Mr. Speaker, it is with a very real sense of personal loss that I take this opportunity to join my colleagues in expressing sorrow at the passing of my good friend from Chicago, JOHN KLUCZYNSKI.

"JOHNNY KLU" was a special man. There is no Member of this body who was not at some time touched by his gracious good humor and friendliness. I had the special treat to have had the office across the hall from him in the Rayburn Building over the years and to have experienced this side of our good friend constantly. His passing is having one of the bright lights in this all too pressure-packed atmosphere missing.

But we would be remiss if we did not also recall KLU's genuine legislative achievements. His record of service on the Public Works Committee, especially his leadership of the Subcommittee on Transportation, leaves an outstanding and tangible memorial to his concern for the welfare and safety of the public. Further, his attention to the needs of smaller businesses through his service on that committee as chairman of its subcommittee dealing with smaller urban areas recalls vividly his concern and attention to detail in spite of the major urban population he represented so well. This dedication and devotion to the work of the House earned him a well-deserved reputation of leadership among his colleagues. His sage advice and friendly counsel will be missed.

Forty-two years of public service, 24 of them in the U.S. Congress, speaks for itself. Total dedication, unselfish service, and deep concern for those he represented marked JOHNNY KLU's performance while in public office. His constituents, the city of Chicago, and the State of Illinois, not to say anything of the Congress and the Nation, will sorely miss this almost legendary figure.

To his lovely wife, Estelle, and to his close friends, Mrs. Cederberg and I extend our deep-felt sorrow and unbounded sympathy. We sincerely hope that your grief and sorrow will soon pass and that you will share with us a memory of KLU that speaks of pride and distinction.

Mr. HENDERSON. Mr. Speaker, the untimely passing of JOHN KLUCZYNSKI will be mourned by all of us who were his friends and colleagues in the Congress for so many years.

For almost a quarter of a century, this man gave unstintingly of himself to serve the people of his native Chicago and the wider constituency of the Nation he loved so well.

I have had the good fortune to be associated closely with Mr. KLU, to share his friendship, and to profit from the wise counsel and guidance he gave so generously to all who came his way.

This good and great man has left many monuments to his long years of public service, but his most lasting memorial will be the host of friends he gathered around him in his lifetime—friends whose lives were warmed and enriched by his company and who will remember him always.

My heartfelt sympathy goes out to JOHNNY KLU's family. God bless him.

Mr. CONTE. Mr. Speaker, it is with a very heavy heart that I join with my colleagues today in saluting our late, beloved comrade Congressman JOHN C. KLUCZYNSKI. I want to thank my colleagues from Illinois, Mr. ROSTENKOWSKI and Mr. PRICE, for scheduling this time of tribute to a man that I admired and had great personal affection for.

The phrase "man of the people" is tossed about willy-nilly. But when directed toward JOHN KLUCZYNSKI it stuck. The characterization is exact. My colleagues know that I serve as ranking minority member of the House Committee on Small Business. One of the ablest subcommittee chairmen on this Committee was "JOHNNY KLU." He chaired the Subcommittee on Small Business Problems in Smaller Towns and Urban Areas. It was a natural role for him to fulfill. A small businessman all his life, his was a concern for the small industry, the small retailer, the small serviceman that ran deep.

As chairman, he took his subcommittee to rural and urban areas throughout the country—to Illinois, California, New York, Utah, Tennessee, Kansas, New Mexico, Colorado, and Georgia.

Speaking of the latter State, Georgia, reminds me of an incident that I think will illustrate what kind of man JOHN KLUCZYNSKI was and how much concern he had for the small businessman.

On this occasion, the Small Business Committee staff had scheduled hearings to be held in downtown Atlanta. When Chairman KLUCZYNSKI heard this he said:

> We want to go out into the field—that is where the real small business problems are.

He shepherded the subcommittee out to a hardware store. Picking up a couple of wooden planks, he laid them across two kegs of nails. And from that hearing table, using nail kegs for chairs, JOHN KLUCZYNSKI and his subcommittee listened all day to the problems of Georgia's small businessmen. That is the kind of chairman he was and that was the kind of work he did.

I also want to mention JOHN KLUCZYNSKI's advocacy on behalf of small businessmen faced with Federal problems. Better than anyone else, he could stand up for the "mom and pop" store during the 1960's when their existence was threatened by the Federal bulldozer of urban renewal. It was JOHN KLUCZYNSKI who stood up to that bulldozer and said:

> Stop. If you are going to destroy these people's place of business you are going to have to help them establish another place in which to earn their livelihood.

In typical fashion, he got the job done, for as you know, we have displaced business loans now within the Small Business Administration.

To say he will be missed is an understatement. He was a man of great compassion and concern. From my vantage point, I saw it directed toward America's small business men and women. They have lost a great friend—and so has this Congress. At this time I express my deepest sympathy to the Kluczynski family. First World War, in which he served with distinction. He was a man of consequence in the Chicago catering trade, preceding the name and accomplishments of the Honorable JOHN C. KLUCZYNSKI of the Fifth District of Illinois, who passed away on January 26, 1975.

JOHN KLUCZYNSKI was a man of many achievements. He was a veteran of the First World War, in which he served with distinction. He was a man of consequence in the Chicago catering trade, preceding his entrance into politics. In congressional matters, he was a friend and supporter of liberal reform on the domestic front, and a strong national defense in our dealings with foreign nations. While seeking answers to our national concerns, he was, of course, ever watchful of the interests of the city of Chicago—and with results highly beneficial to the people of his congressional district.

As third-ranking majority member of the Committee on Public Works and chairman of the Subcommittee on Roads, he had greater influence than almost anyone in Congress over the nature of our transportation systems, which thrived under his authority. In the recent struggle between ecologists and roadbuilders before his subcommittee, Chairman KLUCZYNSKI was eminently fair in his handling of the proceedings.

Indeed, fairness was one of Congressman KLUCZYNSKI's outstanding characteristics, to the distinct advantage of the Congress and the legislation in which he played a vital part. In all his dealings with his colleagues, one thing was certain: JOHN KLUCZYNSKI was a man of his word.

He was also a friend of the workingman, and in every instance a friend of the labor movement. As a Franklin D. Roosevelt and Harry Truman Democrat, he was a leading supporter of social security, which he sought repeatedly to raise to levels worthy of our national traditions.

In his capacity as chairman of the Committee on the House Restaurant, JOHN KLUCZYNSKI was again the master caterer—as anyone knows who is familiar with his work in that regard.

Representative KLUCZYNSKI was an accomplished, talented, honest, and sincere man, in the best traditions of American politics. As a Member of Congress for almost a quarter of a century, his advice and counsel were constantly in demand on both sides of the aisle. He will be sorely missed.

I would like to take this opportunity to express my high regard for the memory of this honorable man, and to extend my deepest sympathy to his family.

Mr. ROONEY. Mr. Speaker, I wish to join with my colleague from Illinois, Mr. DAN ROSTENKOWSKI, as we pay tribute to the memory of our dear friend, the Honorable JOHN KLUCZYNSKI. He has been a valued Member of Congress for 24 years who has a long record of services to his country and the people of Illinois. His own public service began nearly 43 years ago in 1932 when he was elected to the Illinois State Legislature.

As a Member of Congress since 1950 he distinguished himself in the field of interstate transportation and provided an invaluable service to the Nation with his knowledge in this area. He was instrumental in formulating landmark legislation which created our Interstate Highway System while serving as chairman of the Transportation Subcommittee of the House Committee on Public Works.

He also was chairman of the Subcommittee on Metropolitan and Rural Areas of the House Small Business Committee and was able to understand and appreciate the problems of our small communities while representing one of our largest cities, Chicago, in the Congress. One has only to look over his many accomplishments as a Congressman to recognize that he was a strong and great legislator. We valued his friendship and dedication and his passing leaves an emptiness in our hearts.

I feel a particular sorrow each day as I pass his office, which was located across from my own on the third floor of the Rayburn Building.

Mrs. Rooney and I extend our personal sympathies to Mrs. Kluczynski and the entire family.

Mrs. BURKE of California. Mr. Speaker, I will greatly miss JOHN KLUCZYNSKI and will always remember his many kindnesses to me during my first term in the House of Representatives. As a member of his Transportation Subcommittee of the Public Works Committee, I had the all too rare opportunity, as a freshman Congressperson, to fully represent the needs of my district. With an enormous amount of good humor and charm, Chairman KLUCZYNSKI saw to it that all the members of his subcommittee participated fully in the subcommittee's business without regard to seniority.

I most sincerely regret he will never know how much his friendly smile and occasional pat on the back meant to me during my first 2 years of service of the House.

Mr. ROSTENKOWSKI. I am sure that many of his colleagues on the Committee on Public Works, the committee that he loved and fought so hard for—and the gentleman from Massachusetts, Mr. O'NEILL, who was his pal—will always remember that when KLU had a bill and would stand at this microphone, there was no way that he could be defeated in his district, because he was loved so well.

His concluding remarks would be, "If you want JOHNNY KLU back, you have got to help me pass this bill," and he would saunter up the aisle.

Mr. Speaker, I know that JOHNNY KLU's having been here has made this a better place.

Mr. NIX. Mr. Speaker, I know that all of us were saddened to learn of the recent death of our long-time colleague, JOHN KLUCZYNSKI of Illinois. He was without a doubt one of the most popular and most respected Members of this House for many years.

JOHN KLUCZYNSKI served in Congress for more than 24 years, and his reputation and his circle of friends grew with each passing year. His patience and good humor and thoughtful approach to problems smoothed over many a rough spot in the legislative process. His kindness and consideration for his colleagues made all of us happier to have the opportunity to serve with him.

JOHN KLUCZYNSKI was a true man of the people. Until his death he lived among and served the people he had grown up with in his district in Chicago. His family maintained deep ties in his neighborhood and operated a restaurant there for many years. His constituents knew that JOHN was at their service, and he never let them down. Their faith in him led them to send him to Congress 13 times, after he had served them for many years in the State legislature.

All of us here know the great contributions JOHN made to the work of the Congress. A small businessman himself, he served with distinction on the Small Business Committee. He was a senior and influential member of the Public Works Committee, and as chairman of its Subcommittee on Transportation led the way to improving our Nation's highways and mass transit. He was a diligent and dedicated legislator and served the interests of his district and his country with great distinction.

Aside from all of his contributions to the Nation, those of us who knew JOHN will remember him first and foremost as a wonderful and decent man.

It was a privilege to know him and to work with him. It was an even greater privilege to count him as a friend. His warmth, his humor, and his commonsense and compassion will not easily be replaced. We shall all miss him.

Mr. GIAIMO. Mr. Speaker, it is with personal sadness that I rise today to pay my respects to our late colleague, Congressman JOHN C. KLUCZYNSKI of Illinois.

"JOHNNY KLU" was first elected to the 82d Congress on November 7, 1950, and was reelected to each succeeding Congress. He ably served his constituents in the House of Representatives for nearly a quarter of a century. I was privileged to have him as a friend during many of these years and equally proud to be numbered among his scores of friends.

"KLU" was a thoughtful and fine person, a man who loved this country and its people and tried to help all of them. He was a skilled legislator, a soldier, a businessman, a public servant, and a man of decency and good will. He served his Nation well during varied and difficult times. He worked with purpose, with determination and with an expert competence that only comes through experience and dedication.

It is these qualities which will be sorely missed by this Chamber, by his constituents, and by the Nation he served so well. JOHN KLUCZYNSKI is now laid to rest in the arms of the Illinois land he loved so well and we are lessened by his departure.

Mr. BURKE of Massachusetts. Mr. Speaker, it was with a deep sense of sadness that I learned of the passing of JOHN KLUCZYNSKI. There was sadness in my life because I knew that he would never be there again to brighten it with his lively humor. I knew that I would miss him. But my gloom began to brighten, when I realized that I, my colleagues and countless others had been graced with his special style through the years, and that while we should be sad that he is gone we should also be quite happy that he lived. The world would have been a much duller place if KLU had never lived, and the only reason it will not be duller in the future now is that we will always have our memories of him.

JOHN's whole life was spent as a resident of Chicago's southwest side. His neighbors and the rest of Chicago were his first love and concern, as well they should be, but that did not restrict his vision. In many ways his constituency covered the whole country. As a member of the Public Works Committee and the chairman of that Committee's Subcommittee on Transportation he dealt with legislation that concerned the whole country, and he handled it in an admirable fashion. Nothing was left to chance, every possible route was explored for the best way to serve the Nation.

I did not have the opportunity to work that closely with KLU because of our different committee assignments. But I was able to view his work on the Public Works Committee and the Transportation Subcommittee with great delight. I could see that, when legislation was recommended to the House, by his committee, his hand had taken an integral part in its formation. He was a fine legislator and rightfully proud of his ability to draft legislation that would pass on the House floor.

At this time I would like to offer my condolences to Mrs. Kluczynski, and the rest of the Kluczynski family, as I know that this is a most trying time for them and they miss him a great deal. I would also like to express my sympathy to the citizens of Chicago and of the United States, because all of us have lost a good friend, a fine legislator, and a great man.

Mr. MONTGOMERY. Mr. Speaker, I would like to join my colleagues today in paying respect to JOHN KLUCZYNSKI and expressing my feeling of loss over his passing. For some 25 years, JOHNNY KLU walked the Halls of Congress in the proudest tradition of the Nation. He was truly an inspiration to all who came in contact with him.

We have heard many today mention the fact that JOHNNY KLU was the father of the Nation's Interstate Highway System. This is, of course, true and is a tribute to his long range vision of the transportation needs of America. Speaking from my own personal experience, I can say without hesitation that the people of Mississippi are grateful to JOHN KLUCZYSKI for the part he played in improving our State's transportation network and contributing to Mississippi's economic growth.

Mr. Speaker, many, including myself, have refered to our departed colleague as JOHNNY KLU in our eulogies to him. However, I really knew him as "the Colonel." It was a term of friendship and respect for a truly dedicated and conscientious colleague whom I shall always remember fondly. I will miss the Colonel's guiding hand and freely given sage advice, but more than that I will miss a very warm person whose perpetual smile helped brighten my day.

Mr. RANGEL. Mr. Speaker, it is with great sadness mixed with great pride at his accomplishment that I join my colleagues in the House of Representatives in commemorating the death and paying tribute to our colleague, JOHN KLUCZYNSKI. His death takes from us a very devoted public servant who was most diligent in the discharge of his congressional responsibilities.

JOHN KLUCZYNSKI began his 24 years of service in this House in 1950 after a long and distinguished career spanning almost 20 years in the Illinois Legislature. His rich and varied experience and background in State government had prepared him well for his role in Congress and his legislative accomplishments are a credit to those who elected him. Congressman KLUCZYNSKI's dedicated service was reflected in his accomplishments as a member of the Committee on Public Works and the Permanent Select Committee on Small Business. He had a realistic appreciation of the importance of the works of these committees and devoted all his substantial ability and integrity to excellence in committee service.

In all his endeavors JOHN KLUCZYNSKI was deeply involved in the task of bettering the lives of the people in his district and all of the American people. He leaves rich memories for those of us who were privileged to share with him the responsibilities of congressional service.

Mr. FORD of Michigan. Mr. Speaker, I join my colleagues in mourning the recent death of our late friend and fellow Member, Congressman JOHN C. KLUCZYNSKI. He was a man known and loved by every Member of this House.

During my early years as a Member, JOHN was helpful to me on many occasions, and I know all of my colleagues here today share with me the memory of his never-failing good humor and patience.

JOHN came from humble beginnings, but during his lifetime, he accomplished enough to match any king or emperor. He served 18 years in the Illinois State Legislature, and then 24 years in the Congress. As chairman of the Subcommittee on Transportation, he took a personal interest in the Nation's Interstate Highway System, and those many miles of roadways constitute a permanent monument to his dedicated efforts.

JOHN represented his constituents with dignity, integrity, and effectiveness. His death is a great loss to them, to the Nation, and to his host of friends here in the House.

Mr. SISK. Mr. Speaker, I would like to join with my colleagues who have previously paid tribute to our longtime friend JOHN KLUCZYNSKI of Chicago, Ill.

During my over 20 years in the House I came to know "BIG KLU" quite well and watched with admiration as he finished, here in Congress, more than four decades of dedicated public service in the Illinois State Legislature and the U.S. House of Representatives.

He was well rounded in government in general and was a hard-working member of the Public Works and Small Business Committees.

As chairman of our restaurant committee he labored valiantly during his last years to improve the quality of the food and service in our ever-busy dining rooms.

JOHN had many friends on both sides of the House aisle and served well through times of intense national problems and through many changes in our style of government.

We shall miss him greatly in the remainder of this 94th—and future Congresses.

Mr. VANIK. Mr. Speaker, I would like to join my colleagues who recently paid tribute to a dear friend and colleague of mine, JOHN KLUCZYNSKI. Like my colleagues, I was saddened to learn of his passing a few short weeks ago.

For over 20 years, I had the pleasure of serving with JOHN in this body. I knew him to be a capable, dedicated, and loyal public servant. Perhaps his most significant achievements in Congress came during his chairmanship of the Subcommittee on Transportation of the House Public Works Committee. Our unparalleled system of interstate highways—the backbone of our national transportation system—will serve as a permanent legacy of JOHN's foresight and good work.

Mr. Speaker, this body will sorely miss Congressman JOHN KLUCZYNSKI. A man of his caliber who did so much to build the economic strength of this country and improve the general welfare of our people is not easily replaced.

Mr. METCALFE. Mr. Speaker, I take this time to pay tribute to a fellow Chicagoan and a great American, JOHN C. KLUCZYNSKI. I was deeply saddened when JOHN passed away. Here was a man who had devoted much of his life to serving the people of Chicago and of the Nation. His distinguished career as a public servant is unequaled in Chicago's history. For 18 years, JOHN KLUCZYNSKI served the people of the Southwest Side of Chicago in the Illinois State Legislature. From the Illinois State Legislature, JOHN came to the U.S. House of Representatives where he worked hard for 24 years representing not only his constituents, but also working in the best interests of all Americans. For 10 of these 24 years, JOHN was chairman of the powerful House Subcommittee on Transportation of the Committee on Public Works. While chairman of that subcommittee, he presided over the ambitious highway construction program that produced one of the most extensive highway systems in the world, a highway system that has in some way benefited every American.

I am very honored to be able to say that JOHN KLUCZYNSKI was a close and highly respected colleague of mine, both here in the House of Representatives and in Chicago. I am even more honored to be able to say that JOHN was a close personal friend. I have known JOHN for many years and have worked with him often. He was a man who had my deepest respect. Chicago and the Nation have lost a great public servant and a great friend. However, JOHN KLUCZYNSKI's memory and many achievements will stay with all of us as guides in our attempts to build a better, strong Nation.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of the late JOHN KLUCZYNSKI.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE ISRAEL-ARAB SITUATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. SOLARZ) is recognized for 30 minutes.

Mr. SOLARZ. Mr. Speaker, I recently returned from an 18-day mission to the Middle East, in my capacity as a member of the House Committee on Foreign Affairs, during which I had an opportunity to talk at length with Prime Minister Rabin of Israel, President Sadat of Egypt, King Hussein of Jordan, and President Assad of Syria.

In addition to the wide range of public officials and private citizens with whom I met, I also inspected each of the territorial locations currently in dispute, including the Egyptian and Syrian sides of the Golan, the Suez Canal, the West Bank of the Jordan, and the Mitla and Giddi Passes, as well as Sharm el Sheikh in the Sinai.

Candor compels me to report that I came away with the feeling that the prospects for peace in the Middle East are dim indeed. I say this with great regret, because it seems to me that not only the countries of the region, but all the peoples of the world, have a real interest in the resolution of the conflict between Israel and its Arab neighbors.

The major obstacle to further progress on the diplomatic front, as I see it, is the continuing refusal of the Arab States to offer Israel any tangible manifestations of their alleged desire for peace. In the absence of such commitments, Israel can hardly be expected to relinquish territories which are essential to its own security.

During the course of my conversation with President Sadat, he flatly asserted that he had no intention of signing a separate peace treaty with Israel. Such a settlement, he contended, would depend not only on a resolution of the territorial question in the Sinai, but on an agreement concerning the Golan and the West Bank as well. Since the Syrian situation and the Palestinian problem are much more difficult to resolve than the dispute over the Sinai, Sadat's refusal to make peace on his own means that the possibility for a lasting resolution of the conflict between Israel and Egypt is exceedingly remote.

This is most unfortunate. It means, in effect, that the foreign policy of Cairo is shaped to a significant extent by what is acceptable in Damascus. And it also means that Egypt will probably have to continue spending close to 40 percent of its national budget on preparations for war rather than on development for peace.

In view of the fact that the very fabric of Egyptian society is beginning to unravel, due to the magnitude of the social and economic difficulties that beset them, this is likely to have catastrophic consequences for the Egyptian people. Egypt has always had serious social and economic problems. But in the last few years they have gotten qualitatively and quantitatively worse. Under the pressure of a population explosion that has more than eaten up whatever limited economic growth they have achieved, as well as a staggering increase in inflation which has resulted in shortages for everything from fertilizers to foodstuffs, the average Egyptian has found it increasingly difficult to make ends meet. For the first time, a few months ago, there were worker riots due to economic circumstances rather than political conditions. Egypt is paying a heavy price, indeed, as a result of the vast expenditures it has been required to make for the maintenance of its military establishment.

President Sadat is aware, I think, of the benefits which would come to his country if the conflict with Israel could somehow be resolved. Indeed, I found among virtually all of the Egyptians with whom I spoke—from students to statesmen—a real desire for peace and a determination, if possible, to concentrate on the development of their own economy. But I must say that I also found an unfortunate unwillingness to offer Israel the kind of political commitments and concessions which would make peace possible.

As an indication of his plans for peace, President Sadat points to the vast investment which Egypt is making in the reconstruction of the cities along the Suez Canal. Compared to Syria's refusal to rebuild Kuneitra, a city on the Golan over which they have regained territorial jurisdiction, the work which is being done on Port Said, Ismailia, and Suez City does constitute an encouraging indication of Egypt's desire for development rather than war. But Israel points out, quite fairly, that an undertaking to reconstruct these cities was part of the quid pro quo for the first stage disengagement accord. The fact is that any future territorial withdrawals by Israel will require further political concessions by Egypt.

In terms of his willingness to enter into another interim agreement with Israel, Sadat insisted that a withdrawal from the Mitla and Giddi Passes, as well as the oil fields at Abu Rudeis, were a precondition for a second stage disengagement accord in the Sinai. It is, of course, easy to understand why Sadat wants them back. The passes have immense military significance, for they literally control the approach to the heartland of the desert itself. The terrain elsewhere in the Sinai is literally impassable. Since any attacking army must necessarily funnel itself through these exceedingly narrow passages, it means that a relatively small defensive unit can easily bottle up a rather substantial offensive force. The Mitla and Giddi Passes are, in effect, a desert version of the bridge at Thermopylae. If Israel were required to return them, it would find itself with a far less defensible position in the event of an Egyptian attack.

The oil fields are just as important economically as the passes are militarily. Israel gets 55 percent of its oil from Abu Rudeis. If it relinquished control of this resource, it would necessarily be dependent on a far less reliable source of supply for its energy needs. Presumably, any agreement on the part of Israel to withdraw from Abu Rudeis would have to go hand in hand with an understanding with Iran that it would provide enough petroleum to make up the difference. But the problem here is that the oil in question would have to be shipped down the Persian Gulf, through the Gulf of Aqaba, to the Israeli Port at Elat. In view of the fact that the Egyptians demonstrated a capacity to prevent any shipping from reaching Elat during the 1973 war through the establishment of a blocade at Bab el Mandeb, an Israeli withdrawal from Abu Rudeis would constitute a form of petroleum roulette.

In spite of these strategic and economic considerations, Prime Minister Rabin assured me that Israel would be willing to relinquish control of the passes and oil fields if Sadat was prepared to offer Israel meaningful political concessions in exchange. There are any one of a number of affirmative actions which Sadat could take in this regard. He could, for example, effectively end the economic and political boycott of Israel and its friends around the world; he could permit the free passage of Israeli shipping and cargo through the Suez Canal; he could establish commercial and cultural exchanges with Israel; and he could, most importantly, provide a written guarantee of his determination not to resort to war as a way of achieving peace.

Unfortunately, the Egyptian leader told me he has nothing to offer in this connection other than amorphous assurances through third parties that he does not want war—and this, given the history of the conflict between Egypt and Israel, is clearly not enough to induce the Israelis to make the kind of territorial withdrawals which, according to Sadat, are the preconditions for peace.

The Syrian situation, if anything, is more intractable than the Egyptian one. In the north there is far less territory separating the countries involved than the south. Israel's major population centers are consequently much closer to Syria than they are to Egypt. Prior to 1967, from their position on the Golan Heights, the Syrians constantly shelled Israeli settlements in the valley below—and there is a resolute determination in Israel not to expose their Kibbutizm to such shelling again. The Golan is also immensely important to Israel in terms of giving it a measure of strategic depth in the event of another Arab attack. If the 1973 war had broken out from the 1967 border, for example, the fighting would have taken place on Israeli rather than Syrian soil, within shelling distance of Haifa instead of Damascus.

Even in terms of another interim accord, the possibilities of further progress on the Golan are exceedingly dim. The current border has left Israel in possession of a range of hills immediately overlooking the town of Kuneitra which provide the only natural line of defense and observation on the Golan. A withdrawal from their present position would, therefore, make it much more difficult for the Israelis to defend themselves against another Syrian thrust. They feel, as a consequence, that any further movement on the Golan must be in the context of a final agreement. But given the attitude of President Assad, who told me that he wants "every inch" of his lost territory back, the chances for a settlement seem slim.

In the final analysis, any significant movement toward peace will have to involve some kind of resolution of the Palestinian problem as well. And this is, for better or worse, probably the most intractable issue of them all. The Arab chiefs of state, meeting in Rabat several months ago, enormously complicated the situation by voting unanimously to give the Palestine Liberation Organization, rather than King Hussein, the right to represent the Palestinian people in any subsequent negotiations concerning the future of the West Bank.

I tried to suggest to the Arab leaders with whom I met that this was nothing more nor less than a formula for frustration. There was, I pointed out, the strongest possible opposition in Israel to any dealings whatsoever with the PLO. Even if the Rabin government wanted to negotiate with Arafat—which it does not—it would not be able to last a week if it agreed to do business with an organization which is clearly committed to the disestablishment of the Jewish state.

It is not just that the PLO has a record of terrorism unmatched even in the bloody history of the Middle East. That is bad enough. What is worse is that the PLO is unequivocally determined to eliminate Israel itself.

An examination of the Palestinian National Convenant, which to the PLO is what the Declaration of Independence and the Constitution are to us, makes it crystal clear that the organization, on whose behalf Yassir Arafat speaks, is determined to bring about the removal of Israel and its replacement by a so-called democratic secular state. Lest anyone think the Palestinian entity, for which they strive, will be a haven for Jews as well as Moslems, let them take a close look at article VI of the Covenant which provides that only those Jews who resided in Palestine prior to 1917—the date of the Balfour Declaration—will be eligible for citizenship in the new nation. Where the 2,500,000 Jews in Israel who were not born in Palestine prior to 1917 will go—or what will happen to them as a result—is not apparently something which bothers the PLO. It is, however, a matter of great concern to the Israelis. It makes, I think, the refusal of Israel to negotiate with the PLO—which, by the way, has shown no interest in negotiating with them—perfectly understandable.

There has been a lot of loose talk in recent months about the need to encourage the "moderate" as distinguished from the "radical" elements in the PLO. But insofar as I can determine, the only difference between them is that the "radicals" want to get rid of Israel all at once while the "moderates" are willing to wait awhile, on the theory that a more realistic method of achieving their objectives is to first establish a Palestinian entity on the West Bank and then, with that as a base, eliminate Israel itself.

There are those who say that the establishment of an independent state will somehow satisfy the yearnings of the Palestinians for a land of their own. Perhaps for some Palestinian it will. But for those who constitute the leadership of the PLO it clearly will not. During the Eleventh session of the Palestinian National Council, held in January of 1973, the PLO unequivocally declared that it would—

> . . . struggle against any plan for the establishment of a Palestinian entity the price of which is recognition [of Israel], conciliation [with it], secure borders, renunciation of the national right, and our people's deprivation of their right to return and their right to determine their fate on their national soil.

In the absence of any indication whatsoever that the PLO is prepared to accept a resolution of the Palestinian problem which would require them to recognize the legitimacy of the State of Israel, the Rabin government can hardly be expected to acquiesce to their suicidal demands.

There is, quite clearly, a Palestinian problem. In one way or another the refugee situation must be solved. It is most unfortunate, in this regard, that at the same time Israel was absorbing 600,000 Jewish refugees from the Arab and North African countries, the Arab States refused to absorb a similar number of Palestinian refugees from Israel—although by language, culture, and background, they had the capacity to easily bring them into the mainstream of their national life. Population transfers have, after all, taken place fairly frequently throughout history. We have witnessed several such movements in our own century and it is truly tragic that the Arab States were not willing to fully accept their displaced Arab brethren. Whatever the answer to the problem may be it must involve a solution—if it is to work at all—based on a recognition of the fact that Israel has a right, not only to exist, but to live in safety and security as well.

While in Amman, I had an opportunity to spend an evening with a number of Palestinians who told me that "if Israel went back to the 1967 borders, it might satisfy the Egyptians and the Syrians, but it wouldn't satisfy us." What they wanted was an initial Israeli withdrawal to the 1947 borders and, after that, the establishment in what used to be the whole of Palestine of a democratic secular state. To the extent this point of view is representative of Palestinian thinking on the subject, it has the most ominous implications for the future. I say this because, given the inherent instability of Arab politics, a Palestinian population unreconciled to an agreement between Israel, Egypt, and Syria would create a continuing possibility that any Arab leadership committed to such an accord would not be able to survive its implementation.

To the extent that any further progress on the diplomatic front is possible. I think it is fairly clear that there would have to be a demilitarization of any area from which Israel withdrew together with the placement of an international peacekeeping force on the territory which they relinquish. Such an arrangement must clearly be understood, however, as a necessary rather than a sufficient condition for another agreement between Israel and its Arab neighbors. The Israelis recall only too well that in 1967, when Nasser asked the U.N. peacekeeping forces to leave the Sinai, they departed in a matter of days, to be replaced by an Arab army poised for an attack against Israel. In light of this experience, which was the prelude to the 1967 war, the Israeli feeling that demilitarization, necessary as it may be, cannot replace the need for more effective safeguards, is eminently understandable.

A number of observers have suggested that one way of getting around this problem is to provide an American military guarantee designed to give Israel the substance and sense of security which it desires. But the Israelis, who have had unfortunate experiences with such guarantees in the past, are exceedingly wary about accepting them now. They feel, with ample justification, that American guarantees can at best be a supplement to, rather than a substitute for, an agreement between Israel and the Arab States. If worse comes to worse, Israel wants to be in a position to defend itself from secure borders that have been agreed to in negotiations with its Arab adversaries. They do not want to be dependent for their own survival on the support of another nation that may, for whatever the reasons, be unable or unwilling to live up to its dipolmatic obligations.

In any case, Israel has never asked for American troops in the past and it is unlikely to ask for them in the future. All it wants are the weapons it needs to defend itself—and I believe for both moral as well as military reasons that we ought to provide Israel with the necessary assistance.

Ever since the establishment of Israel in 1947, we have recognized our obligation to provide this small State with the support it needs in order to survive. This is a commitment which has been affirmed over and over again by 6 Presidents and 14 Congresses. It was based, first of all, on a conviction that after the world stood by in mute silence while Hitler proceeded to systematically slaughter 6 million European Jews during World War II, mankind had an obligation to support the establishment of a state in which the Jewish people could find refuge from oppression. It was based, secondly, on a feeling that Israel was a sister democracy with a legitimate claim on our own friendship. And it was based also on a sense of admiration for what this small nation had accomplished in terms of its success in making the desert bloom and in creating new forms of social organization for its people. Here, after all, was a Middle Eastern State that, like our own country, pulsed with the life beat of democracy and which wanted nothing more than the right to live in peace and harmony with its neighbors.

But our support for Israel is premised on much more than just a sense of moral obligation. It is built, first and foremost, on a perception of our own national interest. The survival of Israel is, I think, of the utmost significance for the security of our own Nation. And at a time when, due to the economic crisis at home and the cost of our commitments abroad, questions have been asked about where our national interest truly lies in the Middle East. I thought it would be useful to set forth the strategic foundations for our present policy in that troubled area of the world.

Given the continuing conflict in the Middle East—and the very real possibility that another war could bring the two super powers to the brink of a nuclear confrontation—it is quite clear that we have a compelling interest in the achievement of a lasting accord between Israel and its Arab neighbors. I think there is little doubt, in these terms, that the possibilities for peace, such as they are, depend on an Arab recognition that they cannot expect to eliminate Israel through the force of Arab arms.

There are those who would argue that our support for Israel, morally justifiable as it may be, has created a chasm between ourselves and the Arab world. But I would suggest that the evidence indicates otherwise. In the wake of the 1973 war, during which we supplied the Israelies with $1.5 billion worth of arms, we were able to resume diplomatic relations with Egypt, Syria, Libya, and the Sudan. President Nixon, on his mission to the Middle East, was hailed as a hero in all of the Arab countries which he visited. And it is, after all, Secretary Kissinger rather than Foreign Minister Gromyko, who is masterminding the current round of negotiations in the Middle East.

Indeed, I think, it can be said that our support for Israel not only has not seriously hurt our standing in the Arab world, but has actually enhanced it. The Arab states are well aware of the fact that our special relationship with Israel gives us a role to play in the effort to produce peace which could be filled by no other country in the world. As President Sadat told me when I spoke with him a few weeks ago:

> For the first time in 28 years there is a third party in whom both the Arabs and the Israelis can trust.

And it was not the Soviet Union which the Egyptian leader had in mind in this regard.

In a somewhat similar sense, for all of the antagonism directed against it, Israel constitutes a source of stability in the Middle East as well. It is a well known fact, for example, that Israel's military maneuvers in the fall of 1970 effectively deterred a threatened Syrian invasion of Jordan during the midst of the Jordanian civil war—thereby saving the throne of one of the more moderate and most responsible Arab leaders in the Middle East. Indeed, given the rather hostile relationship between Syria and Lebanon evinced, among other things, by the refusal of the regime in Damascus to recognize the government in Beirut, it can fairly be argued that the presence of Israel produces a measure of protection for Lebanon as well. To the extent, therefore, that it is in our interest to foster the development of moderate regimes throughout the Arab world, Israel is a significant source of stability for the governments in both Amman and Beirut.

There is, I think, a somewhat naive belief that if Israel could somehow be exorcised out of existence, peace and tranquility would prevail. The fact of the matter is that if Israel were to disappear tomorrow, the Middle East would be as unstable as it is today. Indeed, there is every reason to believe that it is the very presence of Israel, whose existence crystallizes Arab animosity, which alone precludes an otherwise ineluctable descent into disintegration.

All of the forces necessary for a degeneration into endemic instability are already present in the Middle East. The persistence of unpopular feudal regimes alongside strong modernizing forces, an ancient religion in conflict with powerful secular tendencies, dynastic hatreds such as the one between the Hashemite Kingdom of Jordan and the monarchical regime in Saudi Arabia, the monopolization of wealth and power by small elites threatened by the uprising of impoverished millions, long-standing communal and ethnic animosities such as those between the Kurds and Iraquis and the Bedouins and Palestinians, and the historic ambition of Egypt for hegemony in the Arab world; these, rather than the existence of Israel, are the true source of instability in the Middle East.

Imposed upon all these present and potential conflicts is the most dangerous of them all: the concentration of fabulous wealth in four militarily insignificant Persian Gulf States. While nations remote from the region may be reluctant to resort to force in order to seize the vast treasure which the sheikdoms possess, neighboring states may not necessarily be troubled by such scruples. It is the existence of Israel, the need for gauging likely Israeli responses, and the necessity for keeping their armed forces available for possible action against Israel, which deters the Arab States from slipping into devastating conflicts among themselves.

We cannot, unfortunately, afford to turn our backs on this complex and difficult situation. The stakes are simply too high. What is at issue here is nothing more nor less than access to 53 percent of the world's proven reserves of oil. If the Middle East were ever to fall under the control of the Soviet Union, it would have the most tragic consequences for us and our allies throughout the world. Above all else, therefore, we have a compelling interest in preventing a Soviet hegemony in the Middle East.

I think it is important to point out, in this regard, that if Israel was not there we might have to invent it. I say this because, in the absence of a direct U.S. military presence in the Middle East, the most effective conventional deterrent to a Soviet incursion in the region is the existence of a powerful, well trained and well equipped, Israeli army. No one, of course, would suggest that Israel has the capacity to prevent by itself a mass movement of Soviet troops into the Middle East. But it is a factor which the Russians have to take into account—and, if worse came to worse, it would buy time for us to mobilize our own forces for an appropriate military response. Even in the absence of an overt military maneuver by the Soviets, however, Israel serves as a bastion against the advance of radical movements and regimes strongly sympathetic to the Soviet Union. Without the presence of Israel, Jordan and Lebanon as well as other Arab States, probably would have fallen a long time ago.

It is no exaggeration to say that instability is endemic to the Arab world. Even if there were no Israel, conflicts would prevail throughout the Middle East. Since Israel is unquestionably the most powerful country in the region, it is quite clear that we are far better off with it than without it.

I say this because, should Israel somehow disappear, we would still have a significant stake in the future of the Middle East. The alinement of radical versus moderate regimes, which would emerge in the wake of an Israeli defeat, would inevitably draw us back into a continuing involvement in the area. The only difference is that, under these circumstances, we would have to depend on far weaker and less reliable allies in order to protect our own interests.

Let no one think, therefore, that if it were not for Israel we could save the foreign aid and military assistance we are now providing. The resources involved, out of sheer necessity, would have to be forthcoming anyway. But we would instead be giving it to states which have historically treated their financial benefactors with indifference at best and disdain at worst.

It is relatively rare for a nation to have the opportunity to adopt a course of action that is both principled and pragmatic. In the case of Israel, what we have done is not only morally right but strategically sound. I only hope that we can muster the strength and the wisdom to stay the course so that we can use our influence on behalf of a just and lasting peace for all the people of that troubled area of the world.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. SOLARZ. I will be happy to yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise to compliment the gentleman from New York (Mr. Solarz) for his fine speech on problems in the Middle East and for having taken the time to prepare this indepth analysis of the Middle East situation, which, hopefully, will assist all of our colleagues in helping to resolve the complex problems confronting Israel and confronting the Middle East as a whole.

Mr. SOLARZ. Mr. Speaker, I want to thank the gentleman from New York (Mr. Gilman) for his very gracious remarks.

GENERAL LEAVE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order.

The SPEAKER pro tempore (Mr. McFall). Is there objection to the request of the gentleman from New York?

There was no objection.

OFFSHORE DRILLING—CAN OIL SPILLS BE REMOVED FROM THE OPEN SEA?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Forsythe) is recognized for 60 minutes.

Mr. FORSYTHE. Mr. Speaker, in the past 2 years we have become painfully aware that the United States is energy dependent. That awareness has lead to a national search for new energy sources. As part of that effort, the administration and the major oil companies are seeking to develop the petroleum resources of the outer continental shelf. With this Nation's pressing need for energy, I believe offshore drilling is inevitable.

However, offshore oil and gas production, if left unregulated, could result in severe damages to the marine environment and to onshore areas developed to support offshore activities. Therefore, this past week I introduced a comprehensive legislative program to regulate offshore drilling.

Last Wednesday, I discussed the environmental consequences which could result from the introduction of oil into the marine environment and today I would like to explore the adequacy of existing methods of containing and cleaning up spilled oil on the open sea. Later this week I will review the cleanup problems which result when oil washes onto beach and shore areas. I will also review the severe onshore problems which can result from the development necessitated, because of Outer Continental Shelf drilling.

The most common device in spill containment is the boom which consists of floating devices positioned to form a physical barrier above and below the surface of the water. Generally booms are used in three ways: First, to encircle the spill to contain it; second, to form a fence which can be used to direct the oil spill away from a particular area; and third, to sweep the oil toward a collection point.

The central weakness of the floating boom as a containment device is that it generally will not stop oil from leaking under the boom if the water speed is above 0.6 knots or if the combination of the water speed and the boom tow speed combines to 0.6 knots. Furthermore, it is not unusual depending on the condition in a given area for oil to leak underneath the boom if the water velocity is below this miniscule 0.6 knots. Presently boom systems are being designed which float with the current and thus reduce the underneath leakage factor. However, these systems also lose effectiveness when the water velocity exceeds certain minimum levels.

Another serious deficiency with the boom containment system is that many booms are structurally weak and the connection points between the sections and with the attachment device are particularly vulnerable to breakage.

Nevertheless, the floating boom appears to be the most effective device presently in use for the containment of an oil slick provided that the water velocity is below very small levels and provided that wave heights do not exceed 2½ to 3 feet. If the wave heights are above that level most booms are unable to prevent the oil from escaping over the top. While the boom may be the most effective device now available, in my view, it is woefully inadequate.

However, it must be pointed out that the Coast Guard is presently developing a system which they assert has the capability to contain an oil slick in 5-foot seas with winds up to 20 miles per hour, and to survive structurally in 10-foot seas with 40-mile-per-hour winds.

While the system is designed to meet these specifications it has not been thoroughly tested as of yet and thus any judgment on its effectiveness must await final development.

Another containment device in use today is the pneumatic barrier. Basically, this device consists of a tube or pipe resting on the water floor from which air is pumped into the tube and released through perforations or nozzles along the length of the tube. The rising stream of air produces an upward flow of water resulting in a surface current flowing away from the barrier in both directions and containing the oil within the area bounded by the barrier. Obviously the effectiveness of this system depends on the barrier being able to generate surface current that is stronger than the normal current. The extent to which the pneumatic barrier system is effective in generating this current also depends on the depth of the water in which it is placed.

Another limiting factor in even these waters is that the pneumatic barrier must be in place when an oil spill occurs. The system is not suitable for towing or transport to an oil spill. Structurally it is a fixed system and thus is useful as a containment device around in place drilling or transfer structures. Unfortunately, these factors combine to make the pneumatic barriers less effective than boom and totally ineffective except in extremely calm and shallow waters.

A third containment device is the underwater tent which, like the pneumatic barrier, is a fixed location device. Basically the tent functions as a device for holding leaking oil in place by trapping it before the oil reaches the surface. The tent fits over the oil enabling a pumping system to suck the oil out from underneath the tent. Clearly, since this system is a fixed location one, it offers no assistance in containing oil spilled in the open sea. Although this system does offer some promise for containing oil leaking at a drill site its application is too limited to be considered an adequate system.

The last major oil containment system is the monomolecular surface film which results from spraying the oil with a water insoluable, nontoxic chemical which has a higher spreading factor than oil. Essentially, the sprayed chemical agent herds the oil together, concentrating it so as to make pickup easier. Again, however, this system is effective only in calm waters and with very small quantities of oil.

Clearly, if existing oil spill containment systems are less than adequate, the need for efficient cleanup systems is even greater. Unfortunately, development of high-capacity recovery equipment specifically designed for open sea use remains to be accomplished. Granted, many devices have been developed for recovering small spills in calm waters, but because of their physical limitations these devices are also inadequate.

Mechanical skimmers, for example, are useful in the cleanup of an oil spill when calm conditions prevail or if the slick is in an enclosed area such as a breakwater or a harbor.

Presently there are three basic types of skimmers. The first consists of simple settling tanks into which an oil water mixture is transferred by the forward motion of the device such as a paddle wheel. The second employs pumps of various types or a vacuum to pick up an oil and water mixture transferring it to settling tanks within the device or to a remote tank. The third utilizes wiping devices to selectively remove oil from the water surface and transfer it to a storage tank.

Unfortunately no skimming device has been developed which works satisfactorily in waters with waves over 6 inches in height. Under these wave conditions skimming devices tend to be partly in air at the wave trough, and then partly buried at the wave crest. Because of this, the device tends to suck air and water alternately, with the liquid recovered being primarily an oil-water mixture. The large amount of water thus collected necessitates the presence of a large oil/water separator, which itself may have limited effectiveness.

The mechanical discovery of oil under extremely calm water conditions is not difficult when the oil layer is thick. In circumstances such as this suction hoses can be used to pick up oil, providing that the hoses are carefully held so that they only dip into the surface layer. If the oil is especially viscous, simple scoops, even shovels, can be used to remove oil from the surface.

However, as I indicated, in the present stage of development skimmers are not considered to be of substantial usefulness for control of a major oil spill in open water and are of only limited effectiveness in calm water conditions.

Similarly, it is not feasible to use the gelling process as a normal method of dealing with an oil slick. The basic idea behind the gelling procedure is to add the gelling agent to the oil, and then mix vigorously, applying a great deal of energy. The chemical added to the oil causes it to coagulate, and the lumps of jelly can easily be collected.

While appearing to be a simple process, gelling does not have significant application for use in controlling a major oil spill, because of the large quantity of gelling agent required and the difficulty of controlling its application to insure the proper proportions and gelling conditions. Furthermore, the great expenditure of energy required to mix the gell is impossible to generate on the open sea. While it may be possible to add a gelling agent to a wrecked tanker so that the oil can be partially solidified before it actually is released from the tanker, the problem of energy requirements is ever present. With the limitations of this process it is clearly not the answer to the oil spill cleanup dilemma.

Chemical dispersants, however, have been widely used in the cleanup of oil slicks. Here two operations are involved—the uniform application of the dispersant to the floating oil and the mixing of the treated oil with the surface layer of the sea with sufficient force to break up the oil slick into droplets. This agitation will mix the small oil particles into a large volume of sea so they are less likely to meet and recombine. Furthermore, since these small particles are very slow to rise to the surface there is less likelihood of their reforming into a coherent film. With the oil broken into particles, the surface area of the oil is greatly enlarged resulting in a substantial increase in the natural rate oxidation and biodegradation of the oil.

The effectiveness of dispersants is, however, severly limited by several factors. First, the temperature of the water may inhibit their action. The lower the temperature, the less effective is the chemical agent. Thus, the usage of dispersants is restricted by the time of season and the geographic location of the spill.

Second, as is the case with gelling, it may be necessary to mechanically mix the dispersants with the oil. The natural action of waves and winds will usually not provide sufficient agitation of the dispersal agent. In the open sea this fact presents a severe structural limitation to the usage of chemical dispersant.

Finally, the decision to use a chemical dispersant must be approached circumspectively because of the real possibility of the dispersants being toxic to marine life.

Floating oil spills can also be cleaned up through absorption by a suitable material which can then be picked up. This method of cleanup consists of spreading or distributing the absorbent material onto the oil surface, mixing the materials with the oil, and then collecting the oil-soaked mixture. Typical absorption materials are straw, zinc sterate, coated talc, and polyurethane foam. Straw is the main agent used because of its availability, low cost, nontoxic nature, and accepted effectiveness, since it can absorb five times its weight in oil. Generally the absorbent materials that are more effective with lighter oils than with the heavier ones.

The principal problems with this cleanup method arise from the fact that a dual operation has to be carried out. The material has to be distributed adequately over the oil with sufficient contact to absorb the oil, and then must be recovered. The materials used in this operation are very light and easily blown by wind. To spread them over a large area presents considerable problems. Straw can be distributed fairly evenly with the use of commercial mulchers consisting of hammer mills and blowers. Other absorbents may be controlled in the wind by a mixture of the material with water before distributing over the slick. Regardless of which distribution process is used, wind disruption remains a fundamental problem.

Once spread, the collection of the oil soaked material can present its own set of problems. Propelled by wind the raft of material can spread over large areas. Once onshore the material may also be disposed of by burning the mixture or if natural absorbents were used it can be buried. If polyurethene foam is used it is reported that possible salvage of the oil is possible. The foam can be pressed to obtain the oil and then the foam can be reused. In all recovery methods, however, care must be taken to avoid compressing the absorbent and thus squeezing out the oil unless there are facilities to catch the oil released.

At the present time, because of the mechanical problems associated with the use of absorbent materials this cleanup process is severely limited in open waters. Within confined areas it, like other processes, offers certain advantages. Unfortunately, within the context of an offshore drilling platform, this cleanup process in inadequate.

As a cleanup method, the burning of oil which is floating on the surface of the sea can be considered virtually impossible, in application, if not theory. The theory behind burning an oil spill is to ignite the oil spread on the surface of the water. However, oils, particularly those of low viscosity such as crude oil, spread very rapidly. The thickness of the slick left to be burned is thus very small and the cooling effect of the water underlying the slick is enough to prevent combustion from taking place. The volitable substances of the oil evaporate very quickly and as the oil sits it gathers moisture from the water making combustion almost impossible. If ignition takes place, the heat is lost to the water thus hampering further burning.

To remedy this particular problem oil experts have developed moleophilic—oil loving—burning agents. These agents cause the oil to gather in one location. A hole is then burned into the spill at one spot and the rest of the oil flows into the gap resulting in a continuous burn. It has been found that 98 percent of the spill can be removed in this manner leaving only a black blob of residue that can easily be picked up.

There are several products notably ignitors and wicking devices that claim to assist the burning of oil, by promoting combustion of the oil. However, experiments with ignitors have shown that if the oil is such that it will burn with the aid of an ignitor the use of one is unnecessary. If the layer is too thin or if the oil has been weathered, separated, become water-logged or mixed with nonburnable materials, the ignitor has very little useful effect.

Wicking agents are based on the theory that they operate to raise the oil, isolating it from the cooling effects of the water on which the oil is floating, thus permitting continuous combustion once the oil has been ignited. Unfortunately, there are two general limitations to the usefulness of this process. First, the oil surface has to be almost completely covered with wicking material and secondly, any such material is only suitable for oils whose viscosity, which is determined by oil type and water temperature, is low enough to permit them to rise up into the wick material. Oil, however, becomes more viscous the longer it is in the water and it is possible, depending on the type of oil, for it to be too viscous for wicking within a matter of hours after the spill.

These types of products appear to have some merit for use on spills in open water where the resulting temporary air pollution is not a significant factor and there is not danger to the surrounding environment. Their use near the vicinity of the source of oil is highly dangerous, because of the potential spreading of the burning to the source of the oil spill. I might also point out that the same limitations on burn effectiveness apply to efforts to burn oil treated with absorbent materials.

Of all the cleanup methods sinking appears to be the most promising for the treatment of spills in deep water outside heavy fishing areas. This method requires the distribution over an oil spill of a powder of fine granular solid or high density material. The essential requirement is that the solid material should be more dense than water and as it passes through the oil and sinks to the ocean floor it clings to the oil.

The efficiency of this type of material is varied. Sinking materials are generally most efficient with a heavy or viscous oils that have become so by weathering or by low air and water temperatures. Natural sand, a frequently used sinking material, will only sink oil that adheres to the surface of the said grains as they fall through the slick. The actual amount of oil sticking to the surface of the sand is very small. Clay, another sinking agent, has a more favorable ratio of oil capture per unit of material, because it is better able to absorb oil. The problem with these types of sinking materials is that they absorb water equally as well as oil limiting the time during which the oil may be absorbed before sinking. Several chemically treated materials such as stearate chalk and silicone-treated pulverized fly ash are also available as sinking agents. These materials reject water somewhat better than clay and sand but they are not dramatically superior.

While sinking appears to be the most effective method of removing oil from the sea surface the use of sinking materials may result in hiding the problem rather than solving it. Ideally, the submerged mixture of oil and powder should set to a solid mass so that the oil is completely immobilized and no oil is released to renew the contamination.

But the ideal situation is not yet at hand. Sand and clay tend to begin loosing oil within a year. Chalk and ash forms a harder mass and appears to retain oil only about 2 years. As I discussed last week, low level continous pollution may present a greater environmental threat than a massive spill.

Further, after several months under water the sunken mass is still mobile and oil could be released from it not only by natural agitation, but by the dragging of fishing gear through it. Unfortunately, for the fisherman, there is still enough oil to foul fishing gear dragged through it and there is still enough oil to contaminate the catch.

Sinking while it may offer the most viable mechanical system of removing oil from the ocean environment may well have long-term effects which will harm the environment far more significantly.

Clearly, what is needed is additional research into improved cleanup and containment techniques. The Outer Continental Shelf Research Fund contained in my legislation addresses this need directly by providing financing for the research and development of improved technology. It is my hope that through the operation of this fund, techniques for the cleanup and containment of oil spills can and will be developed.

For example, a biochemical research laboratory in my district has developed a multicomponent biological complex of microorganisms which thrive on oil. Preliminary tests have shown that these microorganisms can, at a rapid rate, oxidize spilled oil, converting it to a nonpolluting biodegradable mass. The microorganisms themselves form a symbiotic mass which can contribute substantially to the nutrition of other members of the ecological chain. Unfortunately, the final development of this process will require the infusion of additional funds such as would be provided under the Outer Continental Research Fund I have proposed. Similar research is being conducted in every part of the United States and I believe it is only through these research efforts that we will develop improved cleanup and containment techniques as well as improve drilling technology to reduce oil spills.

Mr. Speaker, I urge my colleagues to give the three bills I have introduced their most careful consideration and to join with me in working for prompt action on this important legislation.

THE ILLEGAL, IMMORAL BOYCOTT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. TALCOTT) is recognized for 3 minutes.

Mr. TALCOTT. Mr. Speaker, I am pleasantly surprised to discover that some Members of the Congress, this House, and the other body, now oppose boycotts and blacklists. I am pleased to learn that some Members intend to introduce legislation—"whatever is needed to assure equal treatment to our citizens."

For years I have been trying to convince a sufficient number of my colleagues that boycotts and blacklists are immoral. They are quite akin to "enemy lists" which we all deplored a few short rhetorical months ago.

It is amazing to me that many who applauded, even participated in, the blacklists, boycotts, and secondary boycotts of Cesar Chavez and his UFW and AFL-CIO affiliates a few months ago are now deploring the Arab blacklists and boycotts of certain businesses on their enemy lists. Oh, if only some of our Members could feel the same compassion and outrage for their fellow citizens as they do for certain foreign nations.

For me, a boycott, a secondary boycott, a blacklist or any enemy list ought to be deplored in and of itself. Our compassion and outrage should not be discriminating or only reserved for our friends and kin.

Why not deplore, condemn, and outlaw all boycotts and blacklists. Is not one just as illegal or immoral as another?

I hope all those who are now loudly deploring the Arab boycotts will join in comparable reaction to at least the secondary boycotts of NFW and Cesar Chavez.

Perhaps the contemplated action, hearings, publicity, and legislation can be applicable to all boycotts and blacklists.

I commend the President for condemning the boycotts as totally contrary to American principles. He is correct. His condemnation pertains to all boycotts. If he investigates the Arab boycotts and takes curative action, I trust he will do the same for domestic boycotts.

ENERGY INDEPENDENCE MUST BE OUR GOAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 10 minutes.

Mr. ASHBROOK. Mr. Speaker, the growing dependence of the United States on oil imported from unreliable foreign sources poses a severe threat to our economic well-being and our national security. Already we are importing over 6 million barrels a day in order to make up the difference between supply and demand. And the gap shows every sign of widening.

The dangers of energy dependence were sharply brought home by the Arab oil producing nations. The Arab oil embargo, followed by a raise in oil prices that borders on extortion, has demonstrated that our Nation must once again become self-sufficient in energy.

I reemphasize, Mr. Speaker, the need for self-sufficiency. We must have secure and abundant energy supplies to successfully meet the challenge of inflation. If American industry becomes increasingly dependent on foreign oil, available only at ridiculously high prices, we cannot hope to solve the inflation problem.

To achieve energy independence we must spur the development of our domestic energy resources. Therefore, I propose the following:

First, we must expand offshore exploration and production of oil and gas. It is estimated that the continental shelves contain oil deposits of 100 billion barrels, as well as trillions of cubic feet of natural gas. We cannot afford to lock away these large offshore reserves. The continental shelves must be opened for development. Some of the liberal east coast governors who yell the loudest against offshore drilling on their coast lines are also the biggest advocates of getting more oil for their States.

Second, we must relax—at least temporarily—certain environmental restrictions that are blocking our access to energy. One particular problem is the overly restrictive nature of environmental impact statements. Most Americans are up to their tolerance level on impact statements. These statements, required by law, have made it almost impossible to construct a new oil refinery, powerplant, or other energy facility. Yes, the environment must be protected. Commonsense tells us, however, that we must strike a reasonable balance between our energy needs and our environmental concerns.

Third, we must expand the use of nuclear energy. Our uranium reserves are great enough to fuel hundreds of nuclear powerplants for hundreds of years. We should build these plants while at the same time taking reasonable safety precautions to reduce whatever risk there may be.

Fourth, we must have increased utilization of coal. The United States has coal reserves of 200 to 400 years. Its use, however, has been seriously reduced through arbitrary restrictions of the Clean Air Act of 1970. We should temporarily relax these restrictions and allow industries and powerplants to make better use of our abundant coal resources.

Fifth, we must move toward the deregulation of natural gas. Since 1954 Government controls have kept the price of natural gas at artificially low levels. This has encouraged consumption while discouraging exploration. Ohio has been a particular victim of this foolish regulatory monstrosity.

As a result, demand for natural gas has far outstripped supply. Although exploratory drilling for natural gas dropped more than 50 percent between 1954 and 1970, the demand for natural gas is expected to double between 1970 and 1985. If the present trend continues, the National Petroleum Council anticipates that supply will fall 45 percent short of 1985 demand.

We must allow a profit incentive to develop our natural gas reserves. If we do, then natural gas will again be in sufficient supply. American consumers are better served by an adequate supply of natural gas at reasonable prices than by a scarcity of natural gas at low Government-regulated prices.

Energy independence must be our goal. To achieve this goal, we must spur the development of our domestic energy resources. The actions I have outlined will stimulate domestic production and help assure abundant energy for everyone.

The public is not fooled. Over the past year, about 90 percent of the time and attention of my liberal friends in Congress has been toward dividing up our supply. Liberals by nature do not think of a product or productivity or self-dependence. They talk about rationing, they talk about allocation, they talk about quotas and taxes but rarely do they think of policies which will assure adequate supply of our vital resources in the future. They blocked the Alaska pipeline which could be close to completion next year. We must think in terms of providing Americans with adequate energy and stop the cycle of shortage and price increase which is gripping us now.

The administration talks of forcing the price up 10 cents a gallon to encourage conservation. The Democrats in Congress talk of taxes of up to 40, some as high as 60, cents a gallon. The alternatives seem simple. We are going to have a higher priced product and not have it or we are going to have a higher priced product and have it. Policies which are directed toward encouraging self-dependence and supply at least are moving in the right direction. We do not need to force prices up to effect conservation. These narrow policies should be rejected whether offered by the administration or the Congress.

MSGR. NICHOLAS H. WEGNER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. McCollister) is recognized for 20 minutes.

Mr. McCOLLISTER. Mr. Speaker, the great moral force which has propelled this country since its inception nearly 200 years ago has been the spirit of voluntary assistance to the less fortunate among us. Our history is replete with examples of leaders whose selfless sacrifice for the needy has inspired all of us to renew our personal commitments to help our neighbors.

Among this distinguished group, none stands higher than Msgr. Nicholas H. Wegner whose quarter-century leadership of Father Flanagan's Boys' Home at Boys Town, Nebr., has provided invaluable assistance not only for disadvantaged and homeless boys in Nebraska, but nationally and internationally as well. This week, Monseigneur Wegner will celebrate the golden jubilee of his ordination to the priesthood—50 years of service to God and to man.

Monseigneur Wegner succeeded Boys Town founder, Father Flanagan, in 1948 and served as director of Father Flanagan's Boys' Home for 25 years until his retirement in October 1973 at age 75. Under his leadership, Boys Town has grown in stature and in its ability to serve its special clientele. At the direction of Monseigneur Wegner, Boys Town has begun an Institute for Communication Disorders in Children which will begin accepting its physically handicapped boy and girl patients in 1976. Another initiative, the Boys Town Center for the Study of Youth Development is headquartered in Boys Town with regional research centers in Palo Alto, Calif., and Washington, D.C. This center is researching such vitally important youth problems as drug addiction, learning problems, and social maladjustment. The Boys Town campus also boasts an outstanding new elementary school named for Monseigneur Wegner.

Among his many avenues of assistance to youth, Monseigneur Wegner was a leader in the Boy Scouts for 25 years. There are seven Boy Scout units on the Boys Town campus. In my own work with the Boy Scout program in Omaha and with the Mid-America Council, I have grown to love and respect Monseigneur Wegner for his steadfast devotion to our young people.

Boys Town went international when Monseigneur Wegner accepted an invitation from the State Department and spent 5 months touring the Far East and Middle East counseling on youth problems. He has been instrumental in establishing a counterpart of Father Flanagan's Boys' Home at Monterrey, Mexico, and in the Philippines.

It is not just the thousands of Boys Town "alumni" who owe Monseigneur Wegner a debt of gratitude. His contributions have truly made our Nation a better place to live and have provided the sound foundation for this worthwhile work to continue in the future.

Mr. THONE. Mr. Speaker, probably no institution to help homeless young men is as well known as Boys Town. The Right Reverend Monseigneur Nicholas H. Wegner became director of Boys Town in 1948, upon the death of founder, Father Flanagan. Father Wegner served as director for 25 years, until he retired at age 75 in 1973.

This weekend in Omaha, Nebr., friends of Father Wegner will be gathering to celebrate the 50th anniversary of his ordination to the priesthood.

During Father Wegner's tenure, Boys Town not only grew in traditional ways but also expanded its horizons. The Boys

Town Institute for Communication Disorders in Children was created in 1972. Headquartered on the Boys Town campus, this institute will include a clinical, diagnostic, and rehabilitation center. Next year, the first applications will be accepted for aiding physically handicapped boys and girls at this center.

The Boys Town Center for the Study of Youth Development is a second major youth service project conceived during Father Wegner's term as director. Funded at $40 million from the Boys Town Endowment Fund, this center will research such problems of youth as rejection of parents, drug addiction, inability or unwillingness to learn, and social maladjustment. The Boys Town campus will be the center of this study, with regional research centers at Stanford University in California and Catholic University in Washington, D.C.

Father Wegner has accomplished many other achievements during his 50 years as a priest. He believed with Ruskin that "youth is the period of building up in habits, and hopes and faiths. Not an hour but is trembling with destinies; not a moment, once passed, of which the appointed work can ever be done again, or the neglected blow struck in the cold iron." Let us be thankful for Father Wegner who struck while the iron was hot and malleable.

Mr. SHRIVER. Mr. Speaker, it is a privilege to join with my friend and colleague from Nebraska (Mr. McCOLLISTER) in paying deserved tribute to Msgr. Nicholas H. Wegner on his 50th golden jubilee year.

Those of us from the Midwest and Great Plains States recognize the important contributions made by Boys Town in Nebraska, not only in its traditional work of caring for disadvantaged and homeless boys, but in extending its service to youth nationally and internationally.

Monsignor Wegner has been a vital part of the success story which is Boys Town. He was the successor to Boys Town founder Father Flanagan, in 1948, and served with distinction for 25 years until his retirement in October 1973.

Under his direction, Boys Town continued its service to boys and pioneered into new vistas of youth education and service. Monsignor Wegner carried his devotion to youth into the Far East and Middle East, and he was instrumental in establishing a counterpart of Father Flanagan's Boys Home at Monterrey, Mexico, and also a Boys Town in the Philippines.

The alumni of Boys Town in Nebraska will honor Monsignor Wegner on the occasion of his golden jubilee year later this week. It is a pleasure for me to congratulate Monsignor Wegner for his devoted service to the youth of our Nation, and to wish for him God's blessings.

Mr. ARMSTRONG. Mr. Speaker, I am pleased in joining the gentleman from Nebraska in commemorating the golden jubilee of the Right Reverend Monsignor Nicholas H. Wegner.

Since his ordination to the priesthood in Rome on March 7, 1925, Father Wegner has devoted his life to the church and to boys.

In carrying on the work of Father Flanagan in expanding and furthering the noted heritage of Boys Town, Father Wegner has distinguished himself with his devotion and selflessness.

Several notable projects have been undertaken by Boys Town under Father Wegner's direction—particularly the Boys Town Institute for Communications Disorders in Children and the Boys Town Center for the Study of Youth Development.

Father Wegner retired as director of Boys Town in October 1973, after 25 years. I join my colleague from Nebraska in this celebration and in wishing Father Wegner well on his 50th anniversary of service.

Mrs. SMITH of Nebraska. Mr. Speaker, our State of Nebraska has much about which to be proud, both in natural resources and private institutions. Among the latter, one of the best known throughout the United States—indeed, throughout the world—was founded in 1917 as a residence and educational institution for homeless and underprivileged boys of every race and religion—Boys Town, located near Omaha.

Boys Town was the idea of a Roman Catholic priest—Edward J. Flanagan—who believed that boys, regardless of their backgrounds, could become useful and productive citizens through wholesome home atmosphere and education, in a moral environment. The modest building in Omaha which originally housed five homeless boys has now grown into the modern Boys Town we know today covering 1,700 acres, an incorporated community where more than 12,000 homeless boys have found refuge and inspiration.

Father Flanagan died in 1948, but the dream of Boys Town has been carried forward under the eminent direction of his successor, the Right Reverend Monsignor Nicholas H. Wegner. Under Father Wegner's dedicated guidance, not only has the traditional work of aiding the disadvantaged and homeless been greatly expanded, its services have been extended to boys and girls nationally and internationally. The new Boys Town Institute for Communication Disorders in Children will be open for physically handicapped youth next year. Also new is the Boys Town Center for the Study of Youth Development, a research center dealing with family relationships, drug abuse, and social maladjustment.

Next Friday Nebraskans will honor Father Wegner at a Concelebrated Mass commemorating the golden jubilee of his ordination to the holy priesthood at Rome in 1925. I know that all our colleagues in the Congress join with us in the Nebraska delegation in sending best wishes and deep appreciation to Father Wegner on this meaningful milestone in a life of outstanding achievement and service to the youth of our Nation. Truly he has been one of the great Americans of his day.

Mr. HARKIN. Mr. Speaker, I take great pleasure in joining my esteemed colleagues in extending our congratulations to the Right Reverend Monsignor Nicholas H. Wegner on the occasion of his golden jubilee.

Father Wegner's 50 years of dedicated service to God and to the betterment of his fellow human beings are a credit to all high spiritual ideals. Father Wegner has truly been "the leaven in the world."

His long and distinguished directorship of Boys Town since 1948 has had an effect which is incalculable, in terms of human warmth, good will, and good citizenship throughout the American Midlands.

Mr. GILMAN. Mr. Speaker, I welcome this opportunity of joining our colleague from Nebraska (Mr. McCOLLISTER) for honoring the golden jubilee of Monsignor Wegner's ordination to the priesthood.

During the past 25 years under the guiding, energetic hands of Msgr. Nicholas H. Wegner, Boys Town, in Nebraska, has grown and expanded its service to the youth of our land.

In congratulating Monsignor Wegner on his 50th golden jubilee year, we acknowledge not only his outstanding service to the youth of our Nation, but also his devotion to the youth of the Middle East and Far East and for his noble work in establishing a Boys Town in Mexico and in the Philippines.

May Father Wegner's good works grow and multiply and inspire all of mankind.

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks on the subject of the 50th anniversary of Monsignor Wegner of Boys' Town in association with the special order of Representative McCOLLISTER.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SUPREME COURT GARNISHMENT DECISION A VICTORY FOR CONSUMERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues a recent Supreme Court case holding a Georgia garnishment statute invalid because it did not sufficiently protect the debtor's 14th amendment due process rights. I believe the decision a wise one which will prove beneficial to both corporations and individual consumers.

North Georgia Finishing, Inc. v. *Di-Chem, Inc.*, 43 U.S.L.W. 4192 (U.S. January 22, 1975) involved a garnishment arising out of pending litigation between a creditor corporation and a debtor corporation. The creditor placed a garnishment on the debtor's bank account which deprived the debtor of use of the funds in this account pending the litigation unless he put up a dissolution bond as security.

J. White, writing for the majority, held that the Georgia statute violated the debtor's due process rights for several reasons: First, the affidavit for garnishment to issue required only conclusory allegations rather than specific facts to establish that without garnishment the debtor would remove his assets from the jurisdiction; second, the court clerk rather than a judicial officer issued the writ of garnishment; third, the debtor did not receive notice; fourth, there was no provision for a prompt postgarnishment hearing where the creditor would have to demonstrate that the facts entitled him to the garnishment; and fifth, unless the debtor was able to file dissolution bond, there was no provision whereby the appropriateness of the issuance of the garnishment could be challenged. The statute failed to protect the debtor from initial error in the issuance of the garnishment, thereby, possibly depriving him unjustly of assets necessary for the success of his business.

The Court relied on two earlier cases in reaching its decision: *Fuentes* v. *Shevin*, 407 U.S. 67 (1972), and *Sniadach* v. *Family Finance Company of Bay View*, 395 U.S. 337 (1969), in which two State replevin statutes and a garnishment of wages statute, respectively, were held invalid because the statutes failed to provide for such safeguards as notice and an opportunity for a hearing. These cases reflect the Court's desire to protect individual consumers from the potential unjustified loss of household necessities or of wages.

North Georgia Finishing, Inc. is significant because it relies on and thereby supports the expanded due process principles which underlie Fuentes and Sniadach. This case expands due process protection beyond individual consumers to corporate consumers, and beyond wages and household necessities to bank accounts and other forms of personal property. The Court noted the importance of safeguards for the corporate consumer when it stated:

> It may be that consumers deprived of household appliances will more likely suffer irreparably than corporations deprived of bank accounts, but the probability of irreparable injury in the latter case is sufficiently great so that some procedures are necessary to guard against the risk of initial error. We are no more inclined now than we have been in the past to distinguish among different kinds of property in applying the Due Process Clause.[1]

The invalidation of this Georgia statute will affect garnishment statutes in other States as well. The recognition of the importance of safeguarding the property rights of corporate consumers is an important step forward in consumer protection. It will directly protect corporation debtors and individual debtors from the unjustified loss of the use of garnished property through error. The due process safeguards required by this case serve to protect a debtor from irreparable injury while not interfering with a creditor's legitimate interest in recovering an alleged debt.

Mr. Speaker, the argument that consumer protection legislation is antibusiness has been heard many times. Yet, the decision in North Georgia Finishing, Inc., demonstrates that fundamental fairness in credit relationships is important to corporate as well as individual consumers.

PANAMA CANAL: NATIONAL OPPOSITION TO SURRENDER OF U.S. CANAL ZONE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, for many years the U.S. Department of State has been attempting to liquidate U.S. sovereign control over the U.S.-owned canal zone through a process of piecemeal liquidation. The Congress so far has been able to block most of those efforts.

In the process, the people of the United States have become aware of the dangers of losing sovereign control over the Panamal Canal and have written many letters to Members of the Congress.

Since the signing on February 7, 1974 of the Kissinger-Tack "agreement on principles" to govern the negotiation of a new canal treaty scheduled to be submitted for ratification at an early date, I have received hundreds of expressions from citizens of all the 50 States that show an overwhelming national opposition to any surrender at Panama.

To make the results known to the Congress and the Nation at large, I have issued the following press release:

> FEBRUARY 27, 1975.
>
> CONGRESSMAN DANIEL J. FLOOD REPORTS NATIONAL OPPOSITION TO SURRENDER OF U.S. SOVEREIGNTY OVER U.S. CANAL ZONE
>
> The Department of State in Washington will face unexpectedly strong opposition to its recently announced treaty proposal to surrender United States sovereignty over the U.S. owned Canal Zone to the Republic of Panama. (Department of State News Release, January 1975, on Panama Canal Treaty Negotiations.)
>
> Representative Daniel J. Flood of Pennsylvania, an outspoken opponent of the State Department Panama Canal policy, announced today the totals of the pro and con views of U.S. citizens on the crucial Canal Zone sovereignty issue received by him since the signing in Panama, R.P., on February 7, 1974, of the Kissinger-Tack "agreement on principles" to govern the negotiation of the proposed new Panama Canal treaty, which is expected to be submitted for ratification within a few months.
>
> As of January 31, 1975, Congressman Flood stated that the grand total of individuals supporting his stand for retention of full U.S. sovereignty over the U.S. owned Canal Zone, in the form of letters and petitions, was 6,294 from all the 50 states. Expressions in favor of the State Department's program were only 11—an overwhelming ratio of 572 to 1.
>
> Representative Flood, in his opposition to the surrender of U.S. sovereignty over the Canal Zone, has always stressed that this U.S. territorial possession is not held under a "lease," or franchise but instead is as unequivocally American soil as are the Gadsden or Alaska Purchases, and that the annuity is not a "rental" but only the augmented annual obligation of the Panama Railroad assumed by the United States in the 1903 Treaty acquiring the Canal Zone.
>
> Congressman Flood has repeatedly presented evidence showing the close ties between the present ruling forces in Panama and the pro Soviet Castro regime in Cuba. Surrendering U.S. sovereignty over the Canal Zone to Panama, he emphasizes, would invite U.S.S.R. domination of the Panama Canal and thus affect the security of the entire Western Hemisphere as well as interoceanic commerce.

CONGRESSMAN McFALL INTRODUCES CONCENTRATED INDUSTRIES ANTI-INFLATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California is recognized for 5 minutes.

Mr. McFALL. Mr. Speaker, I am today introducing legislation to deal with the undue pricing power and inflationary pricing actions arising in concentrated industries.

These industries, which effectively control a substantial portion of a given market, can keep prices at an unfairly high level. They lie outside the discipline of a truly competitive marketplace, and can set prices higher than is justified by production costs, consumer demand or fair rate of return.

The eminent economist Gardiner C. Means, chief architect of the bill I am introducing today, observed several months ago that—

> In the concentrated industries where administrative inflation arises prices are not determined by demand and supply in the traditional fashion but by management which has a considerable degree of discretion in the setting of prices and such prices do not behave in the traditional manner. In particular, prices tend to have an upward bias and produce a significant upward creep in adjusting to increases in productivity.

These administrative pricing practices have a substantial inflationary impact upon our already troubled economy and permit the few to take advantage of the misfortune of the many.

The proposed Concentrated Industries Anti-Inflation Act would create an independent five-member Price Resistance Board with power to require notification of price increases, to delay or disapprove proposed price increases and to roll back excessive prices with respect to concentrated industries.

The board would be required to classify corporations and businesses into three categories reflecting their degree of concentration or the share of the market they control. Initially, the determination would be made on the basis of gross sales, but the board would have a continuing responsibility to reclassify businesses on the basis of competitive status.

The Price Resistance Board would have authority to disapprove or roll back price increases in the first category and to require notification of up to 30 days for price increases in the first two categories. Businesses in the third category would not be subject to any board action.

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[1] 43 U.S.L.W. at 4194.

Board members would be appointed by the President with the consent of the Senate. The chairman and vice chairman would be persons with broad experience in Government operation and the remaining three with experience in management, labor and consumer affairs respectively.

The board would be required to issue standards and guidelines for noninflationary price adjustments based on stability of profit margins per unit of output. The board could adjust the guidelines to account for changes in the value of the dollar or to avoid hardship, inequity or impairment of economic growth.

Any program for economic recovery must include some means of dealing with the administered prices problem. Administered prices contribute significantly to our problems of inflation and recession.

It is my hope that hearings can be held expeditiously and that we can have a bill ready for floor action as rapidly as possible.

FIRST AMENDMENT IMPLEMENTATION ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 15 minutes.

Mr. DRINAN. Mr. Speaker, I would like to bring to the Members' attention a bill which I recently introduced, the First Amendment Implementation Act of 1975, H.R. 2189. This legislation is designed to strengthen the objectives of the first amendment as applied to radio and television broadcasting stations. Under its provisions, the Federal Communications Commission—FCC—would no longer have control over the content of broadcasts over the public airways.

Our guaranteed freedom of speech and expression is a unique highlight of the American constitutional system. The press receives favored treatment under the Constitution due to its importance in providing information vital to a rational process of decisionmaking, both on public and private issues. The first amendment directs that the Congress "make no law abridging the freedom of speech, or of the press," and among these freedoms is the editorial right of a newspaper to determine what may or may not be published. There is no compulsion that a paper must include everything submitted to it as news. Indeed, as Benjamin Franklin, a onetime managing editor of a newspaper, declared, "my publication is not a stagecoach with seats for everyone."

Radio and television serve the same function as newspapers—they inform and entertain. The same first amendment rights adhere to broadcasters as well as the press. And yet since 1940, the Federal Government has attempted to control the content of programing through the FCC's so-called "fairness doctrine." Our Founding Fathers did not attempt to limit the first amendment freedoms to one particular aspect of the press, and neither should their descendants. Just as newspapers are free to determine what they will and will not publish, so too should the electronic media be free to determine broadcasting content, unfettered by governmental intervention.

Mr. Speaker, the "fairness doctrine" supposedly enhances the public's "right to know," but I submit that the doctrine threatens that right. Rather than encouraging the expression of differing viewpoints, it chills their expression. In attempting to comply with the FCC's regulations, broadcasters are sidestepping many of the current issues of the day. The result is that the fairness doctrine defeats the purpose of its existence. For these reasons and others, it is now time to abolish the doctrine and give way to true first amendment freedoms.

FAIRNESS DOCTRINE SUSPECT UNDER FIRST AMENDMENT

The Supreme Court, on numerous occasions, has indicated that the broadcast media comes under the protection of the first amendment. It has also indicated the dangers to that protection when Government attempts to intervene too actively in this area.

Chief Justice Berger, in *Columbia Broadcasting System, Inc.* v. *Democratic Nat'l. Comm.*, 412 U.S. 94 (1973) spoke of the editorial freedom of newspapers and broadcast media:

> That editors—newspaper and broadcast—can and do abuse this power is beyond doubt, but that is no reason to deny the discretion that Congress provided. Calculated risks of abuse are taken in order to preserve higher values. The presence of these risks is nothing new; the authors of the Bill of Rights accepted the reality that these risks were evils for which there was no acceptable remedy other than a spirit of moderation and a sense of responsibility . . . on the part of those who exercise the guaranteed freedom of expression.

The Court itself states:

> Any approach whereby a government agency would undertake to govern day-to-day editorial decisions of broadcast licensees endangers the loss of journalistic discretion and First Amendment values. (412 U.S. at 120–121)

In *Miami Herald Publishing Co.* v. *Tornillo*, 94 S. Ct. 2831 (1974) the Supreme Court held unconstitutional a Florida statute enforcing a "right of reply" to newspaper articles critical of public persons or policies. Chief Justice Berger stated that treatment of public issues, fairly or unfairly, comprises exercise of editorial content and judgment; Government regulation of this process is irreconcilable with the guarantees of a free press.

Recently, the U.S. District Court of Appeals for the District of Columbia in *National Broadcasting Company, Inc.* v. *Federal Communications Commission*, 43 L.W. 2133 (CA DC 1974), used the Supreme Court's comments in overturning an FCC application of the fairness doctrine to a television documentary:

> The First Amendment is broadly staked on the view that our country and our people . . . is best served by widest latitude to the press, as broadening input and outlook, through a robust and uninhibited debate that is subject only to minimum controls necessary for the vitality of our democratic society . . . the evils of communications controlled by a nerve center of Government looms larger than the evils of editorial abuse by multiple licensees who are not only governed by the standards of their profession but aware that their interest lies in long term confidence.

The strongest indictment of the FCC's fairness doctrine's effect on first amendment freedoms comes from Judge David L. Bazelon, of the U.S. District Court of Appeals for the District of Columbia. In dissenting in *Brandywine-Main Line Radio, Inc.* v. *Federal Communications Commission*, 973 F. 2d 16 (D.C. Cir. 1972), Judge Bazelon stated that the FCC's license revocation of WXUR, a small Pennsylvania radio station, was "a prima facie violation of the first amendment." He said the Commission should reconsider whether "time and technology have so eroded the necessity of governmental imposition of fairness obligations that the doctrine has come to defeat its purpose"; perhaps "more freedom for the individual broadcasters would enhance rather than retard the press's right to a marketplace of ideas."

Even FCC members have commented on the potential irreconciliation between first amendment rights and the fairness doctrine. According to Henry Geller, former FCC General Counsel, the resulting series of ad hoc fairness rulings "have led the Commission ever deeper into the journalistic process, and have raised serious problems." He maintained that the Supreme Court's decision in *Columbia Broadcasting System, Inc.* v. *Democratic Nat'l. Committee*, 412 U.S. 94 (1973), rejected the idea of a constitutional right of access as involving the FCC in too much of the daily editorial decisions of broadcasters. Significantly, Mr. Geller presented this view in an amicus brief in *National Broadcasting Company, Inc.* v. *Federal Communications Commission*, 43 L.W. 2133 (CA DC 1974).

Mr. Speaker, there is general agreement that the broadcast media shares the benefits of the first amendment with newspapers. There is also agreement that needless governmental regulation in these areas is detrimental to the development of a free press.

NO VALID CRITERIA FOR GOVERNMENTAL INTERVENTION

Reasonable limitations on constitutional rights can be employed by Government, given overriding public interests. These interests must be definable and immediate. Supporters of the fairness doctrine argue that, given the limited physical nature of the airwaves, and the broadcast monopoly which arises from this fact, Government intervention is necessary to insure the public's exposure to a diversity of viewpoints.

The basic premises upon which this argument rests, limited nature of the airwaves and the resulting limitation of broadcast competition, are false. A present member of the FCC, Mr. Glen O. Robinson, questioned these premises in a November 1967 article in the Minnesota Law Review. According to Mr. Robinson, the "broadcast spectrum" is not an irreversible aspect of nature. He states:

> The "spectrum" is a purely artificial construct of the Commission itself. To give this construct an independent nature and thus attempt to justify the regulation itself in those terms is entirely circular.

The broadcast spectrum is not now, and may never be, saturated. Therefore Government intervention to protect a "limited resource" must fail if it is used to restrict first amendment rights. Yet even if scarcity were a factor, the Supreme Court in *Columbia Broadcasting System, Inc.* v. *Democratic National Committee,* 412 U.S. 94 (1973), stated that not all regulation can be justified in the name of scarcity.

There is an economic barrier to broadcast media—one less restrictive however, than in the case of newspapers, "which lie essentially beyond public control." This fact, however, discourages enforcement of a fairness doctrine, since radio and TV are more competitive outlets for expression than newspapers—or other published media combined. This disparity is increasing. There are roughly 1,750 daily newspapers. There are nearly 7,400 radio stations and 1,000 TV stations. The effects of this disparity on a local scale are even more distinct. In New York City, there are 10 TV stations, not counting cable TV systems, while there are only 3 major daily English language newspapers in the city's limits. Milwaukee, Wis. has 6 TV stations and 20 radio stations—but only 2 daily newspapers, both of which are owned by the same individual. A smaller city presents even more contrast: Wausau, Wis.—population 35,000—has two TV stations and five radio stations—but only one daily newspaper.

These stations prove the fallacy in the broadcast monopoly premise. They show the exact opposite to be true: competition among broadcasters is more diverse and varied than among newspapers, which are unregulated. The average community is more likely to get diverse viewpoints from broadcasters, who compete for a viewer's time, than from the one major newspaper that most towns possess. The fairness doctrine is not needed to encourage this process.

Finally, Mr. Robinson hits the nub of the problem when he states:

> The mere fact that there are barriers to entry into the communications media, be it newspapers or radio and television, does not in itself resolve the problem of the kinds of control that are permissible and how narrow the focus of restraint of free speech may be.

Mr. Speaker, both newspapers and the broadcast media are protected by the first amendment. Government restraint of newspapers on the basis of monopoly or limited facilities is unconstitutional. Permitting Government restraint of broadcast media on similar grounds, especially when no adequate basis for such restraint is found to exist, is also unconstitutional.

FAIRNESS DOCTRINE SELF-DEFEATING

Laws require the performance of specific functions beneficial to the community. When the law no longer brings about the specific function for which it was created, or its performance is detrimental to the community, it should be abolished.

The fairness doctrine is a case in point. It was enacted to enhance the presentation of conflicting views by encouraging—or rather demanding—broadcasters to afford reasonable opportunity for comments by parties with opposing viewpoints. In operation, the fairness doctrine discourages the presentation of conflicting views and encourages uniformity of expression. It "protects" the viewer with a diet of blandness.

Here are several examples:

Numerous radio stations refused to broadcast the song, "Unborn Child," a recording by the singing team of Seals and Croft. It presented an argument against abortion. Station executives argued that, under the fairness doctrine, they would have to rearrange their broadcast schedules to provide equal time to proabortion people.

ABC's "Dick Cavett Show," fearing an FCC complaint, postponed the airing of one segment with some radical leaders; during this time, it deleted 12 minutes of the segment and added another spokesman to achieve "balance."

WXUR, a Pennsylvania radio station controlled by fundamentalist preacher Dr. Carl McIntire, had its license revoked by the FCC for lack of compliance with the fairness doctrine. If it had decreased the number of issues discussed or the intensity of discussion, it could have kept its license.

Knowledgeable FCC officials have long lamented the inequity of the fairness doctrine. Mr. Robinson, in the 1967 Minnesota Law Review article, states:

> The Commission's insistence on the licensees' presenting "balanced" programing, although done in the name of promoting diversity, has had largely the opposite effect. Notwithstanding repeated criticism by various commissioners . . . the Commission's own policies do little to encourage diversity or originality either in the style or content of individual programs or in the overall format of a station's program operations. Indeed its policies have, if anything, added to the inherent tendency of broadcasters to conform to safe, established patterns of operation and programing.

Mr. Geller, in his amicus brief in *National Broadcasting Company, Inc.* v. *Federal Communications Commission,* 43 L.W. 2133 (CA DC 1974), commented on the effect of the fairness rulings:

> The effect, particularly on the small broadcaster, has been to inhibit the promotion of robust, wide open debate.

This effect derives not merely from rulings adverse to the broadcaster, but also in the strain, time, and resources involved in coping with particular challenges, even if they are unsuccessful.

A case in point: KREM-TV, a Spokane, Wash., station, was accused of violating the fairness doctrine. The FCC ruled in favor of KREM-TV after the station spent 21 months in proceedings, 480 man-hours of executive and supervisory time, and at a cost of $20,000 in legal expenses alone, discounting any amount spent for travel expenses. Other examples can be cited:

CBS's Pensions: The Broken Promise, winner of the Peabody Award, was ruled in violation of the fairness doctrine by the FCC, due to lack of balanced presentation. It required 2 years of manpower and expense in the U.S. Court of Appeals for the District of Columbia before the Commission's ruling was overturned.

The president of WCOJ, a 5,000-watt radio station in West Chester, Pa., acknowledged that the fairness doctrine prevented the station from airing a series produced by the Anti-Defamation League of the B'nai B'rith on "The Radical Right." "Why?" the president asked:

> Simply because airing these programs would open the floodgates to . . . a response . . . from the "nut" group . . . True, we could refuse to air the programs on the basis of their patent untruth, but this would cost us a $10,000 lawsuit up to the Supreme Court of the United States and even then there would be a possibility of losing . . . This station is not small but it is not that large. We have neither the time nor the money to devote to such Joan-of-Arcian causes.

Implicit in Mr. Geller's brief and the above examples is the fact that the fairness doctrine, established to prevent monopolistic broadcasters from only giving one point of view, encourages the creation of monopoly. Only a large well-financed station can hope to continually challenge the FCC rulings. Smaller stations must make certain that their programing arouses no controversy—or go bankrupt trying to correct FCC rulings.

The potential chilling effect of the fairness doctrine is best stated by Richard Salant, an executive of ABC:

> When one's very survival in one's business—broadcasting—depends on licensing by the Government, when the penalty for error and for government disagreement is not a fine but—the loss of your operating license—does anybody think for a moment that there are not those who have said, "Let us skip this one, let us not make waves, let us stay out of trouble?"

Mr. Salant's argument is by no means an exaggerated claim:

Since 1934, the FCC has put off or kept off the air a total of 105 broadcasters.

Since January 1, 1970, the FCC has revoked or denied renewal of 21 broadcast licenses.

Since January, 1970, there have been 511 fines totaling $638,275 levied by the FCC.

Lawyers' fees alone for handling "small" fairness complaints are rarely less than $300 to $500.

Rather than promoting diverse ideas, the fairness doctrine has stifled creative programing through the use of the fine and the power of license revocation. Rather than encouraging a large number of broadcasting stations, the fairness doctrine has required the development of large, well-financed stations as an entrance fee for freedom of expression.

The first amendment was enacted to protect people's right to know. Its protection extends to broadcast media and newspapers alike. Only reasons of overriding public interest can modify these rights. The fairness doctrine itself has subverted the very purpose for which it was created—the enhancement of the public's right to know. Is it in the public's overriding interest to continue a doctrine that stifles the development of a free press? I think not. It should be abolished.

FIRST AMENDMENT IMPLEMENTATION ACT OF 1975

Mr. Speaker, I have introduced legislation which would implement the first amendment for the broadcasting industry. For the benefit of my colleagues, I would like to explain the provisions of the bill.

Section 1 delineates the purpose of the act, which is to strengthen the objectives of the first amendment by removing needless statutory and regulatory restrictions on broadcasters operating under the Communications Act of 1934.

Section 2 defines "public interest, convenience, and necessity" so as to exclude FCC jurisdiction in matters relating to the expression of any views by any persons. The Commission would not be able to control, supervise, review or comment upon the content or scheduling of any programs or broadcasts. The FCC would, on the other hand, retain its license renewal and revocation powers, with the exceptions provided for in the bill. It should also be mentioned that the language of the bill does not repeal Federal laws presently in effect which prohibit the broadcasting of obscenities and lottery information.

Section 3 repeals section 312(a) of the 1934 Communications Act, which permits licensee revocation of any station willfully refusing or failing to allow a candidate for Federal office to buy reasonable amounts of broadcast time.

Section 4 repeals section 315 of the 1934 Communication Act, containing the equal time and fairness doctrine provisions. This repeal could give greater freedom to political candidates. A reminder of this is the temporary repeal of section 315 in 1960, allowing the Kennedy-Nixon debates—certainly one of broadcasting's most effective presentations of political candidates and their views.

Section 5 amends section 326 of the 1934 Communication Act, by clarifying the broadcaster's rights to determine the scheduling content, and personal appearances by individuals on their programs.

Finally, section 6 repeals the prohibition of political editorializing by noncommercial educational broadcasting stations.

Mr. Speaker, I do want to make it clear that H.R. 2189 by no means makes the Federal Communications Commission an obsolete agency. The FCC still retains wide discretion in determining the resolution of technical matters associated with broadcasting, a primary reason for its existence. Only the FCC's power to determine the content of a program is curbed. Neither are issues affected which are not associated with the FCC and the fairness doctrine, such as public service announcements.

For the information of the Members, I would now like to insert the actual text of my bill, H.R. 2189:

H. R. 2189

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND STATEMENT OF PURPOSE

SECTION 1. (a) This Act may be cited as the "First Amendment Implementation Act of 1975".

(b) It is the purpose of this Act to recognize and confirm the applicability of and to strengthen and further the objectives of the first amendment of the Constitution of the United States by removing statutory and regulatory restrictions on broadcasters operating under the Communications Act of 1934.

DEFINITION OF PUBLIC INTEREST, CONVENIENCE, AND NECESSITY

SEC. 2. Section 309 of the Communications Act of 1934 is amended by inserting at the end thereof the following:

"(i) Notwithstanding any other provision of this part, effective on and after the date of the enactment of this subsection for the purposes of this part, the term 'public interest, convenience, and necessity' shall not be construed to give the commission jurisdiction to require the provision of broadcast time to any person or persons or for the expression of any viewpoint or viewpoints or otherwise to exercise any power, supervision, control, influence, comment, or review, either directly or indirectly, over the content or schedule of any program or any other material broadcast by licensees, except where the broadcast of such material is otherwise prohibited by law."

REPEAL OF LICENSE OR CONSTRUCTION PERMIT REVOCATION POWER RELATING TO FACILITIES FOR CANDIDATES FOR FEDERAL OFFICE

SEC. 3. Section 312(a) of the Communications Act of 1934 is amended by inserting "or" at the end of clause (5), striking out the semicolon and "or" at the end of clause (6) and inserting in lieu thereof a period, and striking out clause (7).

REPEAL OF SECTION 315 RELATING TO FACILITIES FOR CANDIDATES FOR PUBLIC OFFICE

SEC. 4. Section 315 of the Communications Act of 1934 is repealed.

RECOGNITION OF APPLICATION OF RIGHT OF FREE PRESS

SEC. 5. Section 326 of the Communications Act of 1934 is amended by inserting after "speech" the following: "or the right of free press" and by striking the period after "communication" and inserting in lieu thereof a comma and "including the right of a radio station to determine the schedule of its programs and the content of its programs. Nothing in this Act shall be construed to require the provision of broadcasting time to any person or persons.".

REPEAL OF PROHIBITION OF POLITICAL EDITORIALS

SEC. 6. Section 399 of the Communications Act of 1934 is repealed.

PUBLIC WORKS TO BE A PART OF ECONOMIC RECOVERY PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER), is recognized for 15 minutes.

Mr. ALEXANDER. Mr. Speaker, earlier this year President Ford announced that he would ask Congress for a multibillion dollar public service jobs program for the purpose of providing employment for millions who are unemployed because of the current economic recession. I am pleased that the House Democratic leadership has endorsed a public works employment approach which will be combined with public service.

Public works employment programs not only have the potential for putting people rapidly to work but they also provide a permanent stimulus for economic recovery.

Parks, road improvements, recreation development, wildlife area management, renovation of public buildings, airport improvements, energy and land conservation projects, forest protection, penal facility improvements, transportation system improvements, port development, hospital construction, community center buildings, water and waste disposal construction, and many other public works projects establish a basis for economic recovery. They not only generate jobs now, they provide improvements that will exist long after, sometimes for generations after, the initial project work is completed. They can provide facilities for usage by millions of Americans during the months and years ahead.

I am advised that economic development planners have thousands of projects which have been approved by local and regional planning units and which have been determined to be economically feasible. These projects, if funded, can put hundreds of thousands of Americans back to work within weeks after Congress provides appropriations to fund them.

Instead of allowing this recession, which has been viewed by some to provide evidence of a depression, as a stumbling block it can be a steppingstone for the future if permanent improvements are made from the investment of taxpayers in this economic recovery.

HELPING ASSURE THE FLOW OF MONEY FOR CONSTRUCTION AND JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 5 minutes.

Mr. KEMP. Mr. Speaker, there is an acute shortage of funds needed for construction—home, commercial, and industrial—in this country.

There is one principal reason for that shortage: Government borrowing, especially the Federal Government, which is taking ever-increasing amounts of available private investment capital away from such construction uses and diverting that capital to paying for the burgeoning deficits of Government.

Last year—1974—Government borrowing took 62 percent of available capital in order to cover its deficits. The effects on the economy were obvious. Available loan money for private borrowers declined substantially and interest rates soared.

Yet, if the projected level of Government spending for the next 18 months becomes a reality, and it probably will, Government will take not 62 percent—but 80 percent—of available capital in the country for its own ends. The effects will be even more severe: Available loan money for private borrowers will decline drastically, and both interest rates and unemployment—stemming from virtually no construction or expansion of existing production facilities—will rise sharply.

The answer to this problem being proposed too frequently in the Congress today is to allocate credit. Bills have been introduced to control virtually all credit in the country; hearings already have been held. Bills are being readied for action by the full House.

This is not the answer we should adopt. It does not address itself to the cause of inadequate capital—Federal spending and borrowing.

It is not the answer for another reason: It rests on the assumption that Government bureaucracies know better what the people ought to buy this or next year—homes, automobiles, major appliances, plant expansion, inventory replacement, et cetera—than do the people themselves. The individual consumer—be he or she an individual, or a corporation, or a union retirement trust fund—knows better where it should put its available resources and how it should draw from other institutions' available resources than Government ever will.

The credit allocation schemes being proposed would allocate credit on the basis of "productive" or "speculative" activities, through decisions in Washington as to how much credit will go to Government—we can assume, since Government makes the decisions, that it will always be high and self-serving, how much to heavy industry, how much to light industry, how much to commercial wholesale and retail enterprises, how much to individual consumers.

Rest assured that if Thomas Edison had come to such an agency for an allocation of capital with which to experiment on how to invent the electric light bulb, that the allocating agency would have denied his request on the basis that the venture was too speculative. After all, they would have reasoned, the candle and whale oil lamp manufacturers needed the credit instead.

This example, repeated in a thousand different ways, shows how our industrial progress and our standard of living would have been grossly impaired by reliance upon such a Government scheme.

There are better ways in which to deal with this problem.

First, we should reduce the levels of Government spending and deficits which drain funds away from important, essential non-Government, productive sector uses.

Credit should be allocated among private borrowers through the forces of the marketplace. We should allow rates to reflect the perceptions of lenders about risks incurred in loaning money to borrowers. We should allow rates to go up or down based on available capital, not locking in the current rate to cover a long-term loan from the outset when that rate may, through natural forces, go up or down in the years to come, and when having to lock in the high rates we now have, may force small borrowers, especially prospective homeowners, out of today's market altogether.

A recent article, an informative one in the Buffalo Evening News, addressed itself to the need for allowing interest rates to be reestablished at the end of previously agreed upon time frames. The article, written by my friend, Paul Willax, shows the stability this device would bring to the capital lending process.

Because I think this article bears strongly on legislation upon which we voted today, House Resolution 133, I include the text of this informative and thought-provoking article:

Flexible-Term, "Balloon" Loan Plans Among Inflation-Bred Alternatives

(By Paul Willax)

In recent months there have been all kinds of suggestions for updating the form and function of the traditional mortgage. Many financial experts feel that the flow of funds to the housing market will be curtailed in the future unless a way can be found to require borrowers to pay the "going" rate on their mortgage loans.

Banks are becoming extremely reluctant to grant, say, a 20-year mortgage with a fixed rate of 8½ per cent when they know the cost to them of attracting that money from savers will be going up continually during the life of the loan.

Bankers are essentially middlemen, but, ironically, when inflation hits, they must be wary of getting "caught" in the middle, with the cost of money going up and their return of that money fixed.

There is ample evidence to support their concerns.

Banks currently are paying up to 7½ per cent for money, while they are stuck with tens of millions of dollars of old, outstanding mortgages on their books yielding them less than 6 per cent.

It's no surprise, therefore, that there have been many recommendations for mortgage plans that will require the borrower to bear some of the cost of inflation.

The most common suggestion features a "variable rate mortgage loan." According to a proposal by the Federal Home Loan Bank Board, interest rates on mortgages obtained in the future might be tied to an accepted index of money market interest rates.

If the index went up in a six-month period, the lender would have the option of raising the mortgage rate a similar amount if over-all rates went down, the lender would be required to lower the rate on outstanding mortgages accordingly.

Importantly, under the FHLB plan, rates couldn't be changed more than a half of a percentage point in any six-month period, and no more than two percentage points over the life of the mortgage.

Home buyers don't like this idea. Under a fixed-rate instrument, inflationary conditions give the borrower the opportunity to pay off a fixed debt with dollars that are declining in value.

Furthermore, mortgagors contend that in order to plan their finances properly they must know just what their monthly payments are going to be over the long run.

Not to be out-argued, bankers have another suggested form of variable mortgage that features constant monthly payments, with a flexible term.

Under this plan, a borrower's monthly payment remains fixed, but the distribution of that payment between interest and principal changes as money market interest rates rise or fall.

In other words, as rates rise a greater portion of the monthly payment would go for interest costs, and a smaller amount for principal payoff. Accordingly, as rates rose the amount of time required to discharge the loan would be increased.

Both bankers and consumers are skeptical of this approach, since in a protracted period of severe inflation a situation could evolve wherein all of the monthly mortgage payment would be required to cover interest costs.

As a result, if inflation persisted, no further contributions would be made to the principal, and the mortgage would never be paid off.

Still another mortgage variation would have banks offering mortgages with maturities of only five years.

The monthly payments of these loans, however, would be calculated on a 20- or 25-year basis, thus leaving a large "balloon" payment at the end of five years.

The borrower is not really expected to come up with a lump-sum payoff at that time. It is anticipated that the "balloon" will be refinanced with another five-year mortgage.

This approach gives banks the opportunity to renegotiate the rate every five years and, therefore, keep up with inflation.

Borrowers don't appreciate this plan, since they fear being stranded without a loan to refinance their house when the short term is up. In some states, like New York, laws prohibit banks from guaranteeing to refinance the loan when the initial term is concluded.

Doubtless, the debate will rage over who should bear the cost of inflation—the borrower or the lender.

Unfortunately, a major party to this whole business is generally overlooked. It is the "saver" who provides the funds to the banks and, ultimately, the borrower.

Currently, the saver probably earns less interest than he or she would if the banks were able to adjust their earnings on mortgages during inflationary periods.

The government has placed ceilings on the interest that may be paid on savings in order to allow banks to continue to carry—or "subsidize"—low-yielding mortgages.

Professor David Pyle of the University of California at Berkeley has estimated that in a recent 3-year period savers were deprived of $5 billion in interest income because of rate ceilings imposed to protect the mortgage market.

Consequently, it's the savers and the borrowers who have the biggest stake in the issue of mortgage reform.

I commend this article to the particular attention of the members of the House Committee on Banking, Currency and Housing, before which bills are now pending on this subject matter. As a critic of Federal Reserve policy of vacillating between expansionist and restrictive, I would like to say, though I voted no on House Resolution 133, I think Congress should take greater interest in the supply of money by the Federal Reserve. But lower interest rates will come only as a result of less deficit financing on the part of us in the legislative branch and the administration. I submit for the Record an outstanding article on Federal policy by Mr. Milton Friedman:

What Is the Federal Reserve Doing?

(By Milton Friedman)

The Federal Reserve System clearly did not want to exacerbate inflation from 1971 to 1974. It clearly does not now want to convert a serious recession into a major contraction. Yet it did exacerbate the inflation, and its current policy has already deepened the recession. It would be hard to find a more distressing example of the inability of a bureaucracy to learn from its own past mistakes. Its inflationary policy in 1971–74 was a replay of its inflationary policy in 1963–66, and in 1967–68; its current contractionary policy is a replay of its contractionary policy in 1966–67, and in 1969.

From January 1971 to June 1974, the Federal Reserve permitted the quantity of money to grow at the average rate of 7 per cent a year for money defined to include currency and demand deposits (M_1) and at the average rate of 10 per cent a year for money defined to include also commercial-bank time deposits other than large CD's (M_2). These are the highest rates since the end of World War II. They are higher than the rates that Federal Reserve officials, the Joint Economic Committee of Congress and outside economists regarded at the time as noninflationary. The majority of the Joint Economic Committee repeatedly recommended that the Fed keep M_1 growth between 2 and 6 percent a year, and the minority that it keep it between 2 and 4 percent. High rates of monetary growth unquestionably fostered inflation.

In the middle of 1974, the Fed shifted to a restrictive monetary policy. As has occurred repeatedly during its 60-year history, when it shifted it did so too late and too far. Since June 1974, M_1 has grown at 1 per cent a year, M_2 at 5 per cent a year. These are rates that Federal Reserve officials, Congressional experts and outside economists have all regarded as undesirable low.

The accompanying table shows the actual rates of monetary growth from month to month and the "range of tolerance" that the Federal Open Market Committee specified each month as its target. In five out of seven months for M_1, and four out of seven months for M_2, the actual rate of growth has fallen short of the desired rate, and in the past two months, drastically short. These shortfalls partly account for the recent deepening of the recession.

RIGHT END, WRONG MEANS

What explains the failure of the Fed to achieve its own objectives? In its public apologia for its distressing performance, the Fed has been pulling out every ancient and discredited cliché: "You can lead a horse to water, but you can't make him drink," and so on *ad nauseam*. In short, "Don't blame us. We're innocent victims of forces beyond our control." As a long-time Fed watcher, I can assure you that this is par for the course. Whenever things go well, the Fed is delighted to claim credit. Whenever they go badly, forces outside its control are responsible.

I believe that the correct explanation for the Fed's failure is its insistence on following an anachronistic method of operation. In times past, the Fed mistakenly regarded interest rates as the appropriate criterion of policy. After literally decades of criticism, it finally recognized that it could not control interest rates except for brief periods and that its target should be the quantity of money. In 1970, it began to state its objectives in these terms. But—with the inertia that characterizes every large bureaucracy—it continued to use the operating techniques that it had developed earlier. It tries to control monetary growth by the highly indirect method of controlling a particular interest rate—the Federal-funds rate. As the final columns of the table show, it does achieve its Federal-fund target, but at the cost of not achieving its monetary-growth targets.

So long as the Fed tries to control monetary growth through the Federal-funds rate, it will fail. When, as has been happening recently, the credit market weakens, market rates will fall below the target rate, and the Fed will have to drain reserves to achieve its target. When the credit market stabilizes, the target rate will be set too low, and the Fed will have to flood the market to achieve its target. We shall then have a monetary explosion. The Fed will again become an architect of inflation. Indeed, I regard the inflationary policy to which the Fed will be driven as the major danger from its present overrestrictive policy.

A VIABLE ALTERNATIVE

The alternative is for the Fed to adapt its operating technique to its monetary-growth targets. It should forget interest rates, leaving them to the highly efficient credit market. It should instead calculate each week how large an addition to reserves (or to base or high-powered money) is required to produce the desired monetary growth, and then provide that addition. This technique would not yield precisely the desired rate of growth on a week-to-week or even month-to-month basis. But it is literally inconceivable that over a period of seven months it could depart from its objective as widely as it has in the past seven months.

Numerous scholars have explored this alternative operating mechanism, have demonstrated its feasibility and have urged its adoption. Perhaps recent Congressional pressure will prove more successful in breaking down bureaucratic inertia than reason and evidence have so far been.

MISSING THE MONEY TARGETS

Month	Rate of growth from preceding month (percent per year) M_1 Actual	Range of tolerance	M_2 Actual	Range of tolerance	Level of Federal-funds rate (percent) Actual	Range of tolerance
1974:						
July	2.1	3½–7½	5.2	5½–8½	13.0	11¼–12¼
August	0.9	2–6	5.0	4½–7½	12.2	11½–13
September	1.7	4¾–6¾	3.2	5½–7½	11.7	11½–12½
October	4.7	3–6	8.5	5–7½	10.7	10½–12
November	6.8	4¾–7¼	9.7	5¾–8¼	9.6	9–10½
December	2.1	6½–9½	2.5	8–10½	9.0	8½–10
1975: January	−8.9	5–7	3.1	7½–10	7.7	7½–9

Note: Computed from Federal Reserve publications.

THE ENERGY PLAN OF THE COMMITTEE ON WAYS AND MEANS—A COMPREHENSIVE ALTERNATIVE TO PRESIDENT FORD'S PROPOSALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, the Democratic members of the Ways and Means Committee have developed a comprehensive alternative energy plan to President Ford's proposals. Briefly, the Ullman plan is based on the imposition of quotas, instead of tariffs, to control our imports of foreign oil. As we gradually reduce the amount of oil we import from abroad, a selective gasoline tax—geared to eliminate nonessential driving—will allow the market mechanism to allocate available gasoline supplies. A continuation of our present allocation system will be needed to insure that there are not severe dislocations in the distribution of residual products.

The most important feature of the Ullman plan is that it relies on the market mechanism to allocate supplies where price is likely to be most effective—in gasoline consumption. Where energy demand is not as responsive to price in the short run—principally in the residential, commercial, and industrial sectors of our economy—the Ullman plan proposes a longer period of adjustment to higher prices. In the interim, an allocation program will insure that no one sector of our economy is crippled for lack of energy. Prices will be gradually decontrolled so that in the long term our economy will be adjusting to a new "energy ethic" of conservation while minimizing the short-term threat of recession and renewed inflation.

I have made some approximate calculations to compare the impact of the President's program with that of the Ullman proposal. I want to emphasize that these are only rough estimates of cost, but they are useful in comparing the relative impacts of the two proposals. These figures clearly demonstrate, however, the inflationary impacts of the President's energy plan.

President Ford's proposal is basically composed of elements, the aggregate costs for which the Library of Congress has calculated as follows:

First. Crude oil tax of $2 per barrel, $12.6 billion.

Second. Decontrol of old prices, $11 billion.

Third. Excise tax on natural gas, $8.3 billion.

Fourth. Deregulation of new natural gas prices, $5.4 billion.

In addition, the Library calculates that coal prices will increase to a parity level with oil, an unintended, but significant impact of the President's program:

Fifth. Increase in coal prices, $5.2 billion.

To find out where these costs will be borne in our economy, I have broken down our fossil fuel consumption into three basic sectors: household and commercial, industrial, and transportation. Consumption of fossil fuels, by fuel type, can be calculated as outlined below:

PERCENTAGE OF FOSSIL FUEL CONSUMPTION, BY TYPE

	Coal	Petroleum	Natural gas
Household and commercial	7.6	22.5	40.6
Industry	92.3	19.3	54.9
Transportation	0	58.2	4.5
Total	[1] 100.0	100.0	100.0

[1] Note: Differences due to rounding.

If we distribute the costs, as calculated by the Library of Congress study, into the various sectors, we find that the total costs of the President's program is distributed as follows:

COST OF PRESIDENT FORD'S PROGRAM BY ECONOMIC SECTOR

[In billions of dollars]

	Coal	Petroleum	Natural gas	Total
Household and commercial	0.4	5.3	5.6	11.3
Industry	4.8	4.6	7.5	16.9
Transportation	0	13.7	.6	14.3
Total	5.2	23.6	13.7	42.5

As this chart demonstrates, the impact of higher prices under the President's program will be felt in every sector of our economy.

By contrast, the Ullman plan suggests a more modest and more responsible approach to prices. Rather than increase costs precipitously across the board, the Ullman alternative suggests a gradual decontrol of prices over a period of 4 or 5 years. Assuming a 5-year phase in of price decontrol, the economic shock of higher prices becomes much more manageable. In addition, the Ullman proposal does not suggest that excise taxes be used "helter-skelter" to squeeze further an already weakened economy.

For the purposes of comparison, I have estimated that a gradual, 5-year program of decontrol will increase the price of petroleum to our economy by $2.2 billion in the first year. Coal prices will respond with an increased cost of about $1 billion. I have assumed no change in the cost of deregulating new natural gas, which the Library calculates at a cost of $5.4 billion in the first year. Using this price strategy, we find the costs of the Ullman program's gradual price control elimination can be calculated as outlined:

COST OF PRICE DECONTROL UNDER ULLMAN PROPOSAL

[In billions of dollars]

	Coal	Petroleum	Natural gas	Total
Household and commercial	0.1	0.5	2.2	2.8
Industrial	.9	.4	3.0	4.3
Transportation	0	1.3	.2	1.5
Total	1.0	2.2	5.4	8.6

Comparing the total costs of the two plans—and the two approaches to price control—provides a startling glimpse at how radical the President's proposal really is.

FIRST YEAR COSTS OF ALTERNATIVE ENERGY PLANS, BY SECTOR

[In billions of dollars]

	President's plan	Ullman plan
Household and commercial	11.3	2.8
Industrial	16.9	4.3
Transportation	14.3	1.5
Total	42.5	8.6

What does all this mean to the average homeowner? There are roughly 34 million homes that use natural gas for heat. If we assume that each house on the average consumes 1,500 therms or 150,000 cubic feet (mcf) of natural gas, the cost of the President's natural gas program could be calculated with the following two steps:

Cost of decontrol (calculated at an average price of $.22 per mcf)	$33.00
Excise tax on natural gas ($.37 per mcf)	55.50
Total	88.50

In other words, the President's program would increase the natural gas bill of every residential customer on the average of $88.50.

In the area of petroleum, we can estimate that 30 percent of the increased cost of crude oil will be passed through to higher fuel oil costs, we can calculate that residual fuel oil will cost the economy roughly $7.1 billion per year more under the President's program. According to the Federal Energy Administration, we are consuming fuel oil at a rate of 913 million barrels per year or 38,346 million gallons per year. The increased cost of the President's program—through decontrol of old oil prices and a $2 per barrel excise tax—will, therefore, boost fuel oil prices on the average of 18.5 cents per gallon. If we assume that the average homeowner heating his home with fuel oil uses 900 gallons on the average in a heating season then the additional cost of the President's program would be $166.50 per year. In the colder areas of the Northeast, this cost could be three times as much—or close to $500 per year in higher fuel costs.

Under the Ullman plan, prices would increase much less drastically. Natural gas price decontrol would add about $0.22 per thousand cubic feet of gas. The average homeowner would be paying only an additional $33 each year as compared to $85.50 under the President's program to heat his home with gas. For fuel oil, the costs would be even lower. Under a moderate decontrol program, costs for fuel oil could be expected to rise no more than a penny a gallon. That means the average homeowner using fuel oil will be paying $9 more per year as compared to over $160 for the President's program.

The key to the Ullman program is the selective increase in gasoline prices. Rather than adopting a blunderbuss economic approach, the Ullman program targets price increases to where they can produce conservation results.

The administration claims that gasoline prices under their program will rise between $0.10 and $0.15 per gallon. In other words, regular gasoline now costing $0.53 per gallon will eventually be priced at $0.68 per gallon. Later, the administration even claims that gasoline prices will fall from this high level. Assumedly, this price decline will occur as FEA allows refiners to allocate more of their increased crude oil costs to residual products.

However, it is difficult for me to accept the administration estimates of 68 cents per gallon of gasoline for an extended period of time. If we assume that one-half of the refiners increased crude oil costs are recovered from gasoline sales and that refineries produce 100 billion gallons of gasoline per year, the market price of gasoline will increase 16.8 cents per gallon to almost 70 cents per gallon without "tilting costs further toward gasoline."

Yesterday, I asked the administration witness to comment on my estimate that gasoline prices for regular gasoline would reach 71 to 72 cents per gallon under the President's plan as follows: $11 per barrel of oil after April 1, 1975, plus $2 per barrel excise or import tax, equals $13 total cost at current market levels.

Two barrels of oil makes one barrel of gasoline or $26 per barrel.

Total cost of oil per gallon of gasoline	$0.62
Less value of residual products	.18
Actual cost of oil per gallon of gasoline	.44
Refiners cost	.04
Cost of distribution and retail sales	.12
State and Federal gasoline taxes	.11
Total cost of gasoline	.71

This price must be expected to rise without price controls at a rate of at least 6 percent per year. Following this assumption, the price of gasoline for the next 5 years would be as follows:

	Cents per gallon
1975	71.0
1976	75.3
1977	79.8
1978	89.6

In contrast, the Ullman program increases prices on gasoline purchased above a monthly allocation. The intent of this tax plan is to place a penalty on non-essential driving while not placing any burden on the driving we all must do for essential reasons—going to and from work, to the store, and so on.

Under the Ullman plan, the price of gasoline will increase to reflect the gradual decontrol of old oil prices and the imposition in 6-month stages of a $0.05 per gallon gasoline conservation tax on purchases above the allocation level. I have estimated, that decontrol of old oil will increase gasoline prices by no more than 2 cents per gallon per year. Following formula, the price of gasoline under the Ullman plan can be calculated as follows:

PRICE OF GASOLINE, ULLMAN PLAN

Date	Tax per gallon	Cents per gallon
Mar. 1, 1975	Current price	53.0
Apr. 1, 1975	Price reflecting increase of "old" oil by $1 per barrel 2 cents per gal	55.0
July 1, 1975	5 cents per gal tax	60.0
Jan. 1, 1976	5 cents per gal tax (total tax: 10 cents per gal)	65.0
Apr. 1, 1976	Price reflecting increase of "old" oil by $1 per barrel, 2 cents per gal	67.0
July 1, 1976	5 cents per gal tax (total tax: 15 cents per gal)	72.0
Jan. 1, 1977	5 cents per gal tax (total tax: 20 cents per gal)	77.0
Apr. 1, 1977	Price reflecting increase of "old" oil by $1 per barrel, 2 cents per gal	79.0
July 1, 1977	5 cents per gal tax (total tax: 25 cents per gal)	84.0
Jan. 1, 1978	5 cents per gal tax (total tax: 30 cents per gal)	89.0
Apr. 1, 1978	Price reflecting increase of "old" oil by $1 per barrel, 2 cents per gal	91.0
July 1, 1978	5 cents per gal tax (total tax: 35 cents per gal)	96.0
Jan. 1, 1979	5 cents per gal tax (total tax: 40 cents per gal)	101.0

Under this proposal, a two-tier price system would be established for gasoline. Every owner of an automobile would be allowed to purchase a basic allocation of gasoline—40 gallons per month—at the market price. Beyond that level, the conservation tax would be imposed. Hopefully, with the conservation tax in place, an individual will be less inclined to use his automobile for unnecessary trips. Since over 54 percent of all automobile trips are under 5 miles, the conservation potential of this unique tax appears to be formidable. Furthermore, 33 percent of the American automobiles consume less than 40 gallons of gasoline per month.

If we assume that an average motorist consumes 57 gallons per month, his monthly gasoline costs under the Ullman plan can be calculated as follows:

AVERAGE MONTHLY COST OF GASOLINE

Date	Market price per gallon	Cost of 40 gallons per month at market price	Price of additional gasoline per gallon (with excise tax)	Cost of 17 gallons per month at taxed price	Total monthly cost
Mar. 1, 1975	$0.53	$21.20	$0.53	$9.01	$30.21
Apr. 1, 1975	.55	22.00	.55	9.35	31.35
July 1, 1975	.55	22.00	.60	10.20	32.20
Jan. 1, 1976	.55	22.00	.65	11.05	33.05
Apr. 1, 1976	.57	22.80	.67	11.39	34.19
July 1, 1976	.57	22.80	.72	12.24	35.09
Jan. 1, 1977	.57	22.80	.77	13.09	35.89
Apr. 1, 1977	$0.59	$23.60	$0.79	$13.43	$37.03
July 1, 1977	.59	23.60	.84	14.28	37.88
Jan. 1, 1978	.59	23.60	.89	15.13	38.73
Apr. 1, 1978	.61	24.40	.91	15.47	39.87
July 1, 1978	.61	24.40	.96	16.32	40.72
Jan. 1, 1979	.61	24.40	1.01	17.17	41.57

Under the President's program the average motorist who consumes 57 gallons a month will pay a gasoline bill of $39.79, if we assume that prices will rise to a level of 69.8 cents per gallon. The administration makes a highly dangerous assumption that gasoline prices will remain constant in a free market without price controls. Under the Ullman plan, the driver's total cost of gasoline will not rise to that level until July 1978. However, we can anticipate that the Ullman proposal will be just as effective in reducing gasoline consumption. Why? Because price increases under the Ullman plan are specifically targeted to that portion of our gasoline consumption over which we have most control—nonessential driving. In light of recent history, it must be assumed that there is no practical ceiling for gasoline and oil prices in a free market.

Mr. Speaker, I have tried to demonstrate with the preceding calculations that the program developed by the Democratic membership of Ways and Means is really a program designed to help the consumer. Rather than battering the consumer with price increases and regressive excise taxes, the proposal put forth by Chairman ULLMAN has been refined to minimize inequities and neutralize the risks of deepening our recession and intensifying our inflation. It provides that basic free choice of the public is not superseded by a Government bureaucracy. In short, Mr. ULLMAN's program represents a responsible policy to meet our energy crisis with the interests of all Americans in mind.

The Ullman proposal is a sound, constructive approach to meet the goals of Project Independence without adding inflationary burdens and without the great risk of deepening our already critical recession.

NUCLEAR POWER PLANT LICENSING BILL

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, last Thursday I introduced H.R. 3995 which is intended to make needed improvements in the procedures for the licensing of nuclear power plants. Cosponsoring the bill with me are Representative ANDERSON of Illinois, Representative HINSHAW of California, Representative HORTON of New York and Representative LUJAN of New Mexico. The bill is identical to H.R. 16700 which I introduced last year except for the provision for a national survey of potential nuclear energy center sites and a report to the Congress on the results of the survey. The provision was subsequently enacted into law as section 207 of the Energy Reorganization Act of 1974—Public Law 93-438.

The improvements would have two major objectives: First, to eliminate unnecessary delay in the siting and licensing of nuclear power plants so that the time now required to construct and bring a nuclear powerplant on the line is reduced substantially; and second, to provide a more meaningful opportunity for public participation in the regulatory processes of the Nuclear Regulatory Commission.

An understanding of the need for legislative change begins with a brief look at the existing statutory structure for the licensing of nuclear power plants. The Atomic Energy Act of 1954, as amended, provides for a two-step licensing process for nuclear powerplants. As the first step, a construction permit must be obtained from the Commission which authorizes the construction of the proposed plant at the site where it will be operated. The construction permit stage of the licensing process focuses on the preliminary design of the proposed plant and the suitability of the proposed site from the standpoint of both radiological health and safety and general environmental considerations. It is at this stage that the environmental impact statement called for by the National Environmental Policy Act of 1969 is prepared. A mandatory formal on-the-record public hearing must be held by an Atomic Safety and Licensing Board appointed by the Commission prior to the issuance of any construction permit for a nuclear powerplant.

The Atomic Energy Act also provides that no person may operate a nuclear powerplant without first obtaining an operating license from the Commission. Thus, the second step which must be completed in the licensing process is the issuance of an operating license. The operating license review focuses on the final design of, and detailed procedures for, the nuclear powerplant. A public hearing is held before the issuance of any operating license, if in the judgment of the Commission a person whose interest may be affected presents a valid request for such a hearing.

The Advisory Committee on Reactor Safeguards, a statutory committee of independent experts on nuclear safety, is required by the Atomic Energy Act to review each application to construct and operate a nuclear powerplant, and to submit a public report thereon to the Commission.

I have appended to my statement a list of the witnesses who testified at the Joint Committee's 1974 series of hearings held on proposed legislation to improve the present licensing system. H.R. 16700 was drafted after the conclusion of the 1974 Joint Committee on Atomic Energy hearings and, I believe, it covered most of the significant licensing system problems identified in those hearings.

I continue to believe that the present two-step licensing system is unduly rigid and that flexibility must be introduced into the licensing provisions of the Atomic Energy Act so that other coherent and rational licensing approaches may be followed. In doing so, the guiding principles must be:

First. There must be no reduction at all in the exercise and achievement of the important regulatory responsibility which the law places on the Nuclear Regulatory Commission to assure that safety, the common defense and security and the environment are all protected.

Second. There must be no diminution in the existing opportunity for proper participation in licensing proceedings.

Third. There must be a continuation of the public and open conduct of the licensing process.

While these fundamentals must be preserved, the licensing process can and should provide for the most efficient and expeditious utilization of resources. Such a goal is well worth seeking in normal times. It is now an imperative goal in view of our current economic problems, caused in large measure by our growing dependence on foreign sources of oil. It will require the full use of nuclear power, together with all other presently available domestic sources and other sources now being developed, to enable this Nation ultimately to become adequately self-sufficient in its energy supplies. To put the matter in perspective, the projected electrical capacity expected to be provided by nuclear powerplants in the late 1980's would, over the lifetime of these plants, produce an equivalent of about 100 billion barrels worth of petroleum fueled generating capacity. This is about 10 times the Alaskan North Slope reserves. At the present price of oil, the cost of such an oil replacement would be in excess of $35 billion per year.

I believe that if the bill which I am introducing is enacted, the 10 years now required to bring a nuclear powerplant on line could ultimately be reduced to 6 or 7 years. The savings to the public through elimination of unnecessary delay in the licensing of nuclear powerplants should be significant, both in monetary terms and in terms of the ready availability of the necessities of life which are increasingly dependent on a reliable and adequate energy base. The elimination of unnecessary delay in nuclear capacity could also have a beneficial effect on the gross national product of our industrialized society.

A detailed section-by-section analysis and comparative text of the changes in existing laws have been prepared and can be obtained by contacting the offices of the Joint Committee on Atomic Energy.

I will at this point emphasize some of the principal features of the bill.

First. The bill provides a system for licensing approvals in addition to the existing two-step system. The licensing process would be significantly more efficient if an opportunity were provided for the approval of sites at which nuclear plants may be constructed and of standardized nuclear powerplant designs in separate proceedings which may be conducted well in advance of the time construction of a particular plant at a particular site is needed to commence. In other words, if a specific site and a specific plant design can be licensed separately, there can be early approvals of each, so that each will be available from established and approved inventories when needed. If an applicant chose to construct a previously approved standardized plant on a previously approved site, the applicant would not have to go through the presently required separate two-step construction permit and operating license proceedings, but an abbreviated proceeding could be substituted without sacrificing any safety and environmental considerations.

Second. For applicants who chose to follow the existing two-step licensing process, the law would be revised so that a mandatory hearing would not be required on every construction permit application. Of course, the opportunity for a hearing would continue to be afforded if properly requested by an interested member of the public, and the Commission, on its own initiative, could order that a hearing be held.

Third. The bill would also permit an applicant under a limited work authorization (LWA) issued by the Commission to proceed, at its own financial risk, with certain construction activities if the project would otherwise be delayed because of prolonged construction permit hearings.

Fourth. The bill would amend the existing law to enable the Commission, when prompt action appears necessary in the public interest, to order the interim operation of a plant in advance of the conduct or completion of a hearing on an operating license or on a license amendment. There have been several instances in the past where fully constructed nuclear powerplants have stood idle for periods of a year or more because of protracted hearings in connection with an operating license or a license amendment.

Fifth. The bill would amend the existing law so that it would be in the discretion of the independent Advisory Committee of Reactor Safeguards to decide which nuclear powerplant applications it will review. This amendment has received the strong support of that Committee over the years. In essence, this amendment would, according to the testimony of ACRS members before the Joint Committee, give the Committee flexibility to deal with priority safety matters without being distracted by a mandatory requirement to review everything, for example duplicate plants at an already approved site.

Sixth. It is recognized that Federal siting legislation for all powerplants would perhaps be the best mechanism to assure that there is early and consolidated consideration of the various environmental matters which are in the purview of a multiplicity of Federal and State agencies. The bill would make a modest step toward that goal as far as the licensing of nuclear powerplants are concerned. It establishes a system for Federal-State cooperation and provides for early notice and participation in the licensing process by interested members of the public, and for early and open planning for nuclear powerplant sites.

Seventh. To assure that interested members of the public are informed at an early date of applications to construct and operate a nuclear powerplant on a site which has not been previously used or approved for use for nuclear power reactors, the bill directs the Commission to require potential applicants to provide notices of intent within time periods prescribed by Commission rule.

Eighth. To assure that interested members of the public are permitted greater and earlier opportunities for intervention and disclosure of information, the bill requires the Commission to confer with persons seeking to intervene in licensing proceedings and to make existing technical studies and reports available to them. The bill also entitles all parties to regulatory proceedings to receive all documents and written communications relating to those proceedings insofar as they may wish to receive them.

Ninth. The bill also authorizes the Commission, upon request of an intervening party to a proceeding, to prepare relevant technical reports which it determines to be reasonably necessary for the requesting party to present its position in the proceeding and in the public interest.

I would hope that the Joint Committee will be able to hold hearings on the bill at an early date and that the measure, with any perfecting amendments found to be necessary in the legislative process, will be voted on by each body during this session. In my judgment, the amendments are essential if the public interest is to be better served by a licensing system which, while remaining comprehensive and rigorous, does not unduly and uneconomically prolong the time for licensing review and actions for needed nuclear powerplants. The economic penalties of an inefficient licensing system are ultimately borne by the consumer in the form of higher electrical bills and higher costs for goods and services. The cumulative effect of such an impact would lead to the further weakening of our economy, our individual choices, and hurt the general well-being and strength of this Nation. This legislation is one step which, along with perhaps many others, will move our country in the direction of energy sufficiency so that our people and their government will always be in a position to be the master of their destiny and the architects of their own national policies and priorities.

I would like to include at this point in the RECORD a list of witnesses and a section-by-section analysis of H.R. 3995:

List of Witnesses

(In order of appearance before the Joint Committee on Atomic Energy, Hearings on Nuclear Power Plant Siting and Licensing, March 19, 20, 21, 22, 1974 and April 24, 25, 26, May 1, 1974.)

MARCH 19, 1974

Dr. Dixy Lee Ray, Chairman, and Commissioner William O. Doub, Atomic Energy Commission, accompanied by Mr. L. Manning Muntzing, Director of Regulation, and Marcus A. Rowden, Esq., General Counsel.

Mr. Carl Walske, President, appearing for Mr. William R. Gould, Chairman, and Mr. George Gleason, Vice President, Atomic Industrial Forum, Inc.

Professor Harold P. Green, The National Law Center, The George Washington University.

MARCH 20, 1974

Anthony Z. Roisman, Esq., Berlin, Roisman & Kessler, representing Friends of the Earth.

Mr. Carl Horn, Jr., President, Duke Power Company, representing Edison Electric Institute, accompanied by Mr. John J. Kearney, Vice President, Edison Electric Institute, and Larry Porter, Esq., Assistant General Counsel, Duke Power Company.

Mr. Ruble A. Thomas, Vice President, Southern Services, Inc., representing the National Environmental Studies Project sponsored by the Atomic Industrial Forum, Inc., accompanied by Mr. James B. Calvert, Director, Environmental Systems Division, Commonwealth Associates, Inc., and Harvey S. Price, Esq., Staff Counsel, Atomic Industrial Forum, Inc.

Mr. James E. Tribble, Vice President, New England Electric System, representing the New England Power Pool (NEPOOL).

Mr. Roland W. Comstock, Presidential Staff Assistant, Northern States Power Company.

Mr. Joseph F. Grinnell, Vice President and General Counsel, Investors Diversified Services, Inc., Minneapolis, former Co-Chairman, Governor's Task Force on Power Plant Siting, Minnesota.

Mr. L. E. Zeni, Director, Maryland Power Plant Siting Program.

Dr. Oswald H. Greager, Chairman, Washington State Thermal Power Plant Site Evaluation Council and Mr. Lawrence B. Bradley, Executive Director, Office of Nuclear Energy Development, Washington State Department of Commerce.

Mr. Angelo Giambusso, Deputy Director for Reactor Projects, Directorate of Licensing, and Mr. Thomas A. Nemzek, Director, Division of Reactor Research and Development, Atomic Energy Commission.

MARCH 21, 1974

Mr. L. Manning Muntzing, Director of Regulation, Atomic Energy Commission, accompanied by Marcus A. Rowden, Esq., General Counsel.

Mr. Robert H. Shatz, Assistant Administrator of the Energy Resource Development Office, Federal Energy Office, accompanied by Mr. Richard E. Kosiba and Mr. Robert McWhinney.

J. Thomas Greene, Esq., Greene & Nebeker, Chairman, Special Committee on Environmental Law, American Bar Association.

Mr. Robert Lowenstein, Chairman, Lawyers Committee, Atomic Industrial Forum, Inc., and Counsel, Nuclear Energy Division, General Electric Company.

Mr. Larry Hobart, Assistant General Manager, American Public Power Association, accompanied by Frank Frisk, Esq., Legislative Director and Special Counsel.

Dr. William Howard Arnold, Jr., General Manager, Pressurized Water Reactor Systems Division, Westinghouse Electric Corporation, accompanied by Mr. Romano Salvatori, Manager of Nuclear Safety in Westinghouse Pressurized Water Reactor Systems Division and Barton Z. Cowan, Esq., Eckert, Seamans, Cherin & Mellott.

MARCH 22, 1974

Mr. John H. MacMillan, General Manager, Nuclear Power Generation Division, Babcock & Wilcox Company, accompanied by Mr. James Mallay, Manager of Licensing, and George Edgar, Esq., Morgan, Lewis and Bockius.

Albert K. Butzel, Esq., Berle, Butzel and Kass, representing Friends of the Earth. The Lloyd Harbor Study Group, and affiliated environmental groups in the New York area.

Mr. Charles A. Robinson, Jr., Corporate Counsel, National Rural Electric Cooperative Association.

Mr. Paul Rodgers, Administrative Director and General Counsel, National Association of Regulatory Utility Commissioners (NARUC), accompanied by Mr. David A. Jewell, Treasurer.

Dr. Chauncey R. Kepford, York, Pennsylvania, representing Committee for a Safe Environment, accompanied by Mrs. Judith H. Johnsrud, representing Environmental Coalition on Nuclear Power.

APRIL 24, 1974

Commissioner William O. Doub, Atomic Energy Commission, accompanied by Mr. L. Manning Muntzing, Director of Regulation, Marcus A. Rowden, Esq., General Counsel, and Dr. John H. Buck, Vice Chairman, Atomic Safety and Licensing Appeal Panel.

Dr. William R. Stratton, Chairman, Advisory Committee on Reactor Safeguards, Atomic Energy Commission.

Mr. Gene A. Blanc, Atomic Energy Commission, appearing for Representative Mike McCormack, Fourth District, Washington.

Mr. Carl Horn, Jr., President, Duke Power Company, representing Edison Electric Institute, accompanied by Mr. John J. Kearney, Vice President, Edison Electric Institute.

Arvin E. Upton, Esq., LeBoeuf, Lamb, Leiby & MacRae.

Mr. Robert Lowenstein, Chairman, Lawyers Committee, Atomic Industrial Forum, Inc., and Counsel, Nuclear Energy Division, General Electric Company.

APRIL 25, 1974

Mr. Alan S. Rosenthal, Chairman, Atomic Safety and Licensing Appeal Panel, Atomic Energy Commission.

Mr. Peter H. Schiff, General Counsel, Public Service Commission of the State of New York.

Myron M. Cherry, Esq., Jenner & Block, Chicago.

Dr. Chauncey R. Kepford, York, Pennsylvania.

APRIL 26, 1974

Professor Arthur W. Murphy, Columbia University School of Law.

Hon. John N. Nassikas, Chairman, Federal Power Commission, accompanied by Emmett J. Gavin, Esq., Assistant to the Chairman, Daniel Goldstein, Esq., Assistant General Counsel, Mr. Bernard B. Chew, Chief, Division of the Power Surveys and Analyses, Bureau of Power, Ms. Lois D. Cashell, Staff Attorney and Franklin P. Gould, Esq., Staff Attorney, Office of General Counsel.

Gary L. Widman, Esq., General Counsel, Council on Environmental Quality.

MAY 1, 1974

Mr. James S. Moore, U.S. Projects Manager, Pressurized Water Reactor Systems Division, Westinghouse Electric Corporation, accompanied by Mr. Robert A. Wiesemann, Manager, Licensing Programs, Nuclear Safety Department, and Elliot S. Katz, Esq., Westinghouse Law Department.

Mr. Nathaniel H. Goodrich, Chairman, Atomic Safety and Licensing Board Panel (AS&LBP), Atomic Energy Commission, accompanied by Mr. James R. Yore, Executive Secretary, AS&LBP, and Mr. George R. Hall, Economic Advisor, AS&LBP.

Mr. Edmond F. Rovner, Project Director, Governor's Energy Project, appearing for Mr. Charles A. Byrley, Executive Director, National Governor's Conference, and accompanied by Mr. David Stevens, Administrative Assistant.

Anthony Z. Roisman, Esq., Berlin, Roisman & Kessler, representing Environmental Action, Environmental Defense Fund, Friends of the Earth, National Wildlife Federation, and Natural Resources Defense Council, accompanied by W. Thomas Jacks, Esq., Public Interest Research Litigation Group.

Mr. J. M. Wyatt, Senior Vice President, Louisiana Power and Light Company, accompanied by Malcolm Stevenson, Esq., Counsel.

Mr. Francis M. Staszesky, Executive Vice President Boston Edison Company, accompanied by Dale Studely, Esq., Counsel.

Mr. James G. Cline, Chairman, New York State Atomic and Space Development Authority, accompanied by Arthur I. Weinstein, Esq., Assistant Counsel.

SECTION-BY-SECTION ANALYSIS

1. Section 1 of the bill is a conforming (i.e., non-substantive) amendment. It amends section 29 of the Atomic Energy Act of 1954, as amended, to authorize the Advisory Committee on Reactor Safeguards to review site permit applications.

2. Section 2 of the bill makes a minor conforming amendment in paragraph (2) of subsection 105c. to accommodate changes in the licensing process provided for in other sections of the bill. Consistent with these changes, the present provisions of paragraph (2) of subsection 105c. of the Act, which permit supplementary antitrust review in connection with the issuance of certain operating licenses, would not authorize an additional antitrust review prior to the operation of a nuclear powerplant for which a combined construction permit and operating license is issued. Where an application is filed for a combined construction permit and operating license, a single antitrust review would be conducted and completed prior to issuance of the combination license. On the other hand, where the Commission has authorized interim operation of a facility pending final decision on the issuance of a full-term operating license, the provisions of paragraph (2) of subsection 105c. remain applicable. In these circumstances, the Commission would be required to complete the supplementary antitrust review and hearing prior to issuing a full term license. However, interim operation of the facility would not be affected.

3. Section 3 of the bill is a substantive amendment. It adds a new section 111 to the Atomic Energy Act of 1954, as amended, on advance planning and early notice. Paragraph (1) of subsection 111a. authorizes and directs the Commission to encourage open and advance planning on the part of utilities and other persons in connection with the selection of sites and the addition of nuclear-powered generating capacity. Paragraph (1) expressly provides that the Commission may accord priority of consideration to applications referencing sites and/or facilities selected in advance pursuant to an open planning process. The kind of advance open planning which is envisaged would afford an early opportunity, perhaps as much as five or even ten years in advance of need, for interested persons and groups to submit views on several alternative sites and would assure full consideration of relevant physical, economic, environmental, aesthetic and social factors. Paragraph (2) of subsection 111a. authorizes the Commission to participate in the adequacy and reliability programs of the Federal Power Commission under subsection 202(a) of the Federal Power Act. This paragraph also directs the Commission, in consultation with the Federal Power Commission, to furnish to the public information on existing or proposed nuclear power sites made available through these programs.

Under the FPC's current reliability programs, regional electric reliability councils have been established to aid electric utilities in coordinating their long-range plans to provide adequate and reliable bulk power supplies. In carrying out this coordinating function, the reliability councils, which are not governmental entities and do not have regulatory responsibilities, obtain and keep current data relating to potential nuclear power reactor sites. This information, which is reported regularly to the FPC, would materially aid the Commission in its efforts to obtain advance notice of proposed nuclear power reactor sites and to encourage early public participation in planning for additions of new nuclear capacity. Subsection 111a.(2) would assure the Commission and the public continuing access to this information.

Subsection 111b. directs the Commission to promulgate rules requiring persons to file advance notice of their intent to apply for facility design approvals (whether through rulemaking or the issuance of manufacturing licenses), site permits, construction permits and/or operating licenses for industrial or commercial production or utilization facilities. Subsection 111b. also provides that these notices of intent shall be published in the *Federal Register*. This early notice provision will assist the Commission in its efforts to inform prospective applicants of NRC licensing requirements. It will also enable interested members of the public to become better informed and to participate more meaningfully in subsequent licensing proceedings. To provide needed flexibility, subsection 111b. does not specify time periods by which notices of intent shall be filed. It is expected, however, that a minimum advance notice of one year will be required of any applicant who proposes to construct and operate a nuclear facility on a site which has not been previously used or approved for use for nuclear power reactors.

4. Section 4 of the bill makes a conforming amendment to subsection 161o. of the Act to extend to the site approval activities authorized by revised section 192 the Commission's authority to require reports and records and to make inspections.

5. Section 5 of the bill is a substantive amendment. It amends subsection 182b. of the Act to eliminate the present requirement for mandatory review by the Advisory Committee on Reactor Safeguards (ACRS) of certain construction permit and operating license applications and to authorize the Joint Committee to review manufacturing license and site permit applications. In lieu of the mandatory review requirement, subsection 182b. provides that in the absence of a specific Commission request for a review and report on a particular application, the ACRS may dispense therewith by notifying the Commission in writing that in its view, review and report is not warranted. This authority would also permit the ACRS to dispense with the review of certain classes or types of facilities pursuant to rule concurred in by the Commission. Subsection 182b provides that any ACRS report or any ACRS notice that a report is unnecessary shall be made part of the application record and be available to the public except to the extent that security classification prevents disclosure. This amendment has been suggested by the ACRS in a letter of April 14, 1972 from Dr. C. P. Siess, then ACRS Chairman, to the Chairman, JCAE, and in the testimony of Dr. William R. Stratton, then ACRS Chairman, at the JCAE hearings on nuclear powerplant siting and licensing on April 24, 1974.

6. Section 6 of the bill is a substantive amendment. It amends section 185 of the Act, which authorizes the Commission to issue construction permits, to: (1) eliminate the present mandatory requirement that construction permits specify the earliest and latest dates for completion of the proposed construction; (2) authorizes the Commission to issue combined construction permit and operating license; and (3) provide, in subsection 185b. a discretionary limited work authorization procedure to enable applicants for construction permits to begin site preparation work and limited construction activities early.

Subsection 185a. authorizes the Commission to issue a combined construction permit and operating license whenever an application contains sufficient information to support the issuance of both in accordance with the Commission's rules and regulations. It is anticipated that this type of license will be issued in those instances in which the applicant is able initially to supply full information on the final design of the facility. Under this procedure, review and an opportunity for hearing on the final design will occur early and a redundant operating license review and hearing will be eliminated. The facility will, however, be subject to continuing Commission inspection during construction, under the combined construction permit and operating license procedure. Plants which are not properly constructed will not be allowed to begin operation. Subsection 185a. requires that the Commission publish a notice in the *Federal Register* at least 30 days before a facility for which a combined license has been issued will commence operation and provide persons whose interests may be affected by the operation of the facility opportunity for an on-the-record hearing on certain specific issues. More particularly, this subsection provides that a request for a hearing shall be granted only if the person seeking the hearing is able, in his petition, supporting affidavits and other evidence, to make a prima facie showing in the affirmative that as a result of either a significant technological change or advance or a specific question substantially affecting the public health and safety, the common defense and security or the protection of the environment left unresolved in the most recent licensing action in the proceeding, there should be some modification of the facility or some other appropriate action to provide substantial additional protection for the public health and safety, the common defense and security or the environment. If a hearing should be granted, the ultimate burden of persuasion will rest on the person seeking the hearing since he will be the proponent of an order seeking to modify or revoke an existing license. In accordance with the stand-by authority provided in subsection 189a., the Commission may, where prompt action appears necessary in the public interest, permit a nuclear power reactor to begin interim operation in advance of the conduct or completion of this hearing. Any final order entered in a proceeding to obtain a public hearing is subject to judicial review in the manner prescribed in subsection 189b.

Subsection 185b. confirms and broadens the Commission's existing discretionary authority to permit applicants for construction permits or for combined construction permits and opertaing licenses to begin site preparation work and limited construction activities at their own risk prior to issuance of a construction permit and/or an operating license. Subsection 185b. provides that authorizations to conduct such activities may be issued only after environmental issues have been adequately resolved and the requisite finding required by the National Environmental Policy Act of 1969, as amended, (NEPA) prior to issuance of a permit or a combined permit and license, have been made, and after the Commission has made a finding that there is reasonable assurance that the proposed site is suitable from a radiological health and safety standpoint for a facility of the general size and type proposed. If authority to undertake safety-related construction activities is also requested, subsection 185b. requires that the Commission make a further finding that these activities involve no significant unresolved public health and safety issues. The types of safety-related construction activities envisaged include excavation, pouring foundations and related work up to finished ground level. This subsection also provides that any safety-related construction activities which are undertaken shall not continue beyond a one-year period unless the Commission, for good cause shown, extends that period. Subsection 185b. requires the Commission to publish notices in the *Federal Register* of all requests to conduct early site preparation work and limited construction activities. The Commission is also required to provide persons whose interests may be affected with an opportunity for hearing on all NEPA issues, and on the question of the suitability of the site from a radiological health and safety standpoint. Where safety-related work is contemplated, an opportunity for hearing on any significant unresolved public health and safety questions is also to be provided. Subsection 185b. will help reduce the lead time required to bring nuclear power plants on line by enabling applicants to start site preparation work and initial construction activities immediately following completion of the environmental review and to continue this preparatory work without interruption while the requisite radiological health and safety reviews and hearings are being completed, thereby making it possible for construction of the facility to begin when the construction permit is issued. Any final order entered in any proceeding pursuant to subsection 185b. is subject to judicial review in the manner prescribed in subsection 189b.

7. Section 7 of the bill makes conforming amendments to subsection 186a. to extend the Commission's revocation authority to site permits authorized by section 192.

8. Section 8 of the bill makes conforming amendments to section 187 to make site permits subject to amendment, revision or modification in the same manner as licenses by reason of amendments to the Atomic Energy Act of 1954, as amended, or of rules and regulations issued in accordance with the terms of the Act.

9. Section 9 of the bill is a substantive amendment. It amends subsection 189a. of the Act to make this subsection applicable to site permits, to eliminate the present requirement for a mandatory public hearing on every construction permit application, and to require instead that an opportunity for hearing be provided in connection with any proceeding to issue, amend, suspend or revoke any license, construction permit, site permit or application to transfer control, in connection with the issuance or modification of any rules or regulations dealing with the activities of licensees or holders of site permits or in connection with any proceeding for the payment of compensation, an award or royalties under sections 153, 157, 186c. of 188. Under this provision, a hearing would be held only when requested. Subsection 189a. provides that before the Commission can grant an application for a construction permit, operating license, combined construction permit and operating license, manufacturing license, or site permit or any amendment to these permits, or licenses, it shall publish a notice in the *Federal Register* at least 30 days in advance that consideration is being given to granting the application. As in the present law, subsection 189a. further provides that the requirements of publication and 30 days' notice may be waived for those amendments which the Commission has determined involve no significant hazards considerations. Although a hearing may be requested on any amendment application to which the waiver of publication and 30-day notice supplies, the hearing in these instances would be held after instead of before issuance of the amendment.

Subsection 189a. contains standby authority which will enable the Commission, where prompt action appears necessary in the public interest, to issue interim operating licenses, interim amendments to licenses or order interim operation of a plant in advance of the conduct or completion of public hearings, or an operating license or amendment in those few instances where a plant which is either ready to begin or is in full power operation might otherwise be kept standing idle for prolonged periods pending completion of the hearings. Subsection 189a. provides that persons granted this authority shall comply with all other requirements of the Act applicable to issuance of an operating license or amendment, including all substantive safety requirements. In the past there have been several instances where fully constructed nuclear powerplants have stood idle for periods of a year or more because of protracted hearings; the possibility of similar delays in the future cannot be ignored. It is expected, however, that this authority will be used infrequently, since in the usual case the requisite licensing reviews and hearings will have been completed by the time the plant is ready to begin operation. Applicants for interim operating authority are required to make a good cause showing and the Commission must determine that the requested authority is necessary in the public interest. Public interest considerations may encompass such matters as the need for power in the affected area, the need to avoid undue delay in supplying power, and other relevant factors. Subsection 189a. requires the Commission to publish a notice in the *Federal Register* of its intent to grant such interim authority and to invite comments on whether such action is necessary in the public interest. Under the provisions of subsection 189a. issuance of an interim operating license or amendment or of an order authorizing interim operation will not be automatic and will normally be limited to a 12-month period. Extension of this authority beyond 12 months will be granted only upon good cause shown. Subsection 189a. provides that interim operating licenses, interim amendments and orders authorizing interim operation shall contain and be subject to such terms and conditions as the Commission deems necessary, thereby assuring that any subsequent findings and orders of the Commission concerning the subject matter of the licensing proceeding will be given full force and effect and that ultimate resolutions of the issues on their merits will not be prejudiced.

10. Section 10 of the bill adds a new subsection 189c. to confirm and clarify the Commission's existing authority to use expedited procedures not inconsistent with the provisions of 5 U.S.C. §§ 554, 556 and 557 (the Administrative Procedures Act) in conducting various types of on-the-record proceedings under the Act. In addition to this general directive, new subsection 189c. identifies in numbered paragraphs several specific procedures which the Commission may use to expedite the licensing process. Proceedings in which the Commission is authorized and directed to follow expedited procedures include proceedings under section 185 (such as those relating to the effect of advances or changes in technology or violations of licensing requirements on facilities scheduled to commence operation under a combined construction permit and operating license under subsection 185a., and those relating to early site preparation and construction under subsection 185b.); proceedings under section 192 (such as those relating to early site preparation and construction under subsection 192b. and those relating to showings of special circumstances and advances or changes in technology under subsection 192c.); and on-the-record proceedings under subsection 189a. (such as manufacturing license proceedings, construction permit and/or operating license proceedings, site permit proceedings and rule-making proceedings).

It is in these types of proceedings that there is the greatest need for and importance of expediting the licensing process. At the same time, the Commission is not precluded from using similar techniques, as appropriate, to expedite informal proceedings not conducted on the record. The Commission's broad authority to conduct its activities in all areas in an efficient and expeditious manner is fully recognized and supported.

Paragraph (1) of subsection 189c. authorizes the Commission, with due regard for the importance and complexity of the issues and the interests of the parties, to establish time limits for the completion of various phases of the proceedings, including time limits for completing discovery and other prehearing matters.

Paragraph (2) of subsection 189c. authorizes the Commission to limit the scope of discovery to reasonably specific issues and take action to assure that the examination and cross-examination of witnesses at an evidentiary hearing are confined to substantial, genuine and material issues of fact.

Paragraph (3) of subsection 189c. authorizes the Commission to exclude from consideration in any licensing proceeding matters which have been finally decided or could have been raised in a prior related proceeding, unless the party seeking to raise such an issue can establish the likelihood that substantial improvement in the protection of public health and safety, the common defense and security, or the environment could result if the issue were decided in his favor and in addition demonstrates a significant change in circumstances has occurred which warrants consideration of the issue in question.

Paragraph (4) of subsection 189c. authorizes the Commission, in consultation with the Council on Environmental Quality, to enter into arrangements with other Federal agencies, whereby the Commission will serve as the lead agency responsible for the preparation of a single detailed environmental impact statement covering all Federal actions subject to NEPA which are related to the issuance or amendment of an NRC license, construction permit or site permit for a utilization or production facility. Paragraph (4) accords statutory recognition to the lead agency concept embodied in the guidelines promulgated by the Council on Environmental Quality and applies that concept to the Nuclear Regulatory Commission.

11. Section 11 of the bill is a conforming amendment. It amends subsection 191a. of the Act to authorize the Commission to delegate to atomic safety and licensing boards certain responsibilities respecting site permits authorized under revised section 192.

12. Section 12 of the bill is a substantive amendment. It revises section 192 to substitute new authority relating to early site approval and standardization of utilization and production facilities for the now expired authority to issue temporary operating licenses contained in existing section 192. Pursuant to this new authority, the Commission may conduct and complete separate site and facility design reviews independently of each other and in advance of a formal application to construct and operate a particular facility at a specific location. These procedures will make it possible to resolve many environmental and safety-related issues early with full opportunity for meaningful public participation. Since prior consideration will make further review of these matters unnecessary during any subsequent construction permit and/or licensing proceeding, these proceedings can be conducted in a shorter period of time and needed power can be brought on line more promptly to meet prospective demand. At the same time the public can have full assurance that the facility is safe from a radiological health and safety standpoint and that the environmental impact likely to result from the construction and operation of the facility has been properly evaluated and not found to be detrimental.

Subsection 192a. authorizes any person to file a written application for separate approval of a site as suitable for use for one or more utilization or production facilities even though no application for a construction permit or for a combined permit and operating license has been filed with the Commission. Under this procedure, States or other entities which do not contemplate constructing or operating nuclear powerplants on their own account may apply to have sites for these facilities approved and designed in advance of need. The subsection provides that the Commission shall specify the information to be supplied by the applicant by rule or regulation. Subsection 192a. empowers the Commission, on the basis of such siting criteria and other requirements as it may by rule, regulation or order establish, to issue site permits subject to appropriate conditions or deny site permits. In developing these requirements and critera, it is expected that the Commission will be guided both by considerations of radiological health and safety and common defense and security set forth in the Atomic Energy Act of 1954, as amended, and by considerations dictated by other statutory authority, including the National Environmental Policy Act of 1969. Subsection 192a. requires the Commission to issue rules and regulations setting time periods for the duration of site permits.

Subsection 192b. permits applicants for construction permits or combined construction permits and operating licenses who plan to build and operate a facility on a site for which a site permit has been issued under subsection 192a., unless otherwise ordered by the Commission, to begin, at their own risk and without further prior Commission reviews, preliminary site preparation work and limited construction activities in accordance with Commission rules and regulations while the construction permit application for the facility is undergoing review. This procedure will permit construction of the facility to begin immediately upon issuance of the construction permit and not be delayed by the need to complete essential preparatory work. At the same time the procedure provides full assurance that the environment will be adequately protected. The types of preliminary construction work which may be conducted are limited to those prescribed by the Commission's rules and regulations; it is anticipated that this work will be similar in scope to that permitted by the Commission under subsection 185b. This preliminary work may only be performed on sites which have been previously approved by the Commission following a full environmental hearing and review. Subsection 192b. also provides that safety-related construction activities shall not continue beyond one year unless the Commission, for good cause shown, extends that period.

Subsection 192c. authorizes the Commission to issue a construction permit and/or operating license for a facility after review but without a further hearing when the application specifies both that the facility will be constructed and operated on a site approved pursuant to subsection 192a. and that the preliminary design of the facility, in the case of a *construction* permit, or the final design of the facility, in the case of an operating license or a combined construction permit and operating license, has been approved by the Commission in either a *rulemaking* proceeding or a manufacturing license proceeding. Subsection 192c. provides that 30 days prior to issuing a permit or license under this subsection, the Commission shall publish a notice in the *Federal Register* stating that consideration is being given to granting a permit or license. Subsection 192c. provides that interested persons may request a hearing for the limited purpose of showing that the unique circumstances of the particular facility require the Commission to except the facility from the application of the relevant rule or manufacturing license because application to that facility will not serve the purposes for which the rule was adopted or the license issued. However, requests for hearing will be granted only if the person seeking a hearing is able to make a prima facie showing in the affirmative on the above issue. Subsection 192c. also requires the Commission to publish a notice in the *Federal Register* 30 days prior to issuance of an operating license or commencement of facility operation, which notice states that issuance of the license is under consideration or commencement of operation is expected to take place and opportunity for hearing is provided.

The subsection provides that requests for hearing shall be granted only if the petitioner is able, in his petition and accompanying evidence and affidavits, to make a prima facie showing in the affirmative that as a result of either a significant technological change or a specific question substantially affecting the public health and safety, the common defense and security or the protection of the environment left unresolved in the most recent licensing action in the proceeding, there should be some modification of the facility or some other appropriate action to provide substantial additional protection for the public health and safety, the common defense and security or the environment. In appropriate circumstances, the Commission may authorize interim operation of a plant pending the conduct or completion of these hearings. In granting a request for hearing on the basis of a prima facie showing relating to a proposed modification of a facility for which the final design has been previously approved in rulemaking or manufacturing license proceeding, the Commission may, in its discretion, either confine the hearing to the facility proceeding or consolidate the hearing on the facility with a hearing to consider amendment of the prior rule or manufacturing license on its own initiative. Any final order entered in any proceeding under this subsection is subject to judicial review in the manner prescribed in section 189b. Subsection 193c. states that the prelicensing antitrust review requirements of sections 105 and 189 of the Act shall not be affected by the provisions of this subsection.

13. Section 13 of the bill is a substantive amendment. It adds a new section 193 to the Atomic Energy Act of 1954, as amended, relating to Federal-State cooperation to give greater emphasis and direction to the Commission's present efforts in this area.

Subsection 193a. confirms and clarifies the Commission's existing authority to coordinate the timing of its permit and licensing reviews and proceedings with the schedules of related state reviews and proceedings in order to expedite the overall regulatory process. This subsection does not authorize the Commission to set time limits for the completion of State proceedings or to prescribe a schedule for the conduct of State proceedings. Its intent is rather to enable the Commission to arrange the planning and scheduling of its license and permit reviews and proceedings to minimize the demands of time and expense on parties to both Federal and State proceedings. Exchanges of information between the Commission and State agencies regarding the status and timing of reviews and proceedings should enable both the Commission and the States to eliminate needless duplication and "deadtime" in their respective reviews and proceedings.

Subsection 193b. clarifies and broadens the consolidated AEC-State hearings on matters subject to concurrent jurisdiction under the National Environmental Policy Act of 1969 and State law. Although subsection 193b. empowers the Commission, with the concurrence of the affected State agency, to prescribe special procedures as necessary or appropriate to accommodate the procedures of the State agency, it does not authorize the Commission to delegate its final decisional authority to the State agency. Subsection 193b. requires that any changes in Commission procedures for this purpose shall be consistent with full disclosure of the facts and involve minimal modifications of the procedures prescribed for on-the-record hearings by 5 U.S.C. § § 554, 556 and 557. (Administrative Procedures Act). Under this authority, the Commission is authorized to hold joint or concurrent hearings. For example, the Commission and the State agency may hold a joint hearing at the same time and place with two presiding officers, one representing the Commission and the other representing the State agency. A single hearing record would be compiled which would serve as the record for each agency. Whenever the presiding officers issue different rulings, this would be noted and the record for the Commission and the State agency would, to that extent, be distinguished. Under this procedure separate initial decisions would be issued by the State and Federal hearing officers. These decisions would, in turn, be subject to separate Federal and State procedures for administrative and judicial review.

Subsection 193c. requires the Commission to collect data needed for environmental reviews under the National Environmental Policy Act of 1969 in such a manner as to avoid to the maximum extent practicable consistent with the requirements of NEPA, duplication of the efforts of State agencies with similar responsibilities. Subsection 193c. also provides that the Commission may, in conducting NEPA reviews, take into account data regarding environmental costs, benefits and alternatives developed pursuant to State law. Subsection 193c. confirms the Commission's existing authority and is intended to emphasize the need to avoid unnecessary duplication of effort in the conduct of environmental reviews. Subsection 193c. does not amend the National Environmental Policy Act of 1969 or section 511 of the Federal Water Pollution Control Act.

14. Section 14 of the bill is a substantive amendment. It adds a new section 194 to the Atomic Energy Act of 1954, as amended, confirming and clarifying the Commission's existing authority to make information, including safety-related technical information concerning the risk incident to nuclear power, available to participants and persons interested in participating in on-the-record proceedings.

Subsection 194a. requires the Commission's regulatory staff, upon request and to the extent practicable, to confer with persons seeking to intervene in on-the-record licensing, permit or rulemaking proceedings, and to aid intervenors in the development of specific issues by making existing technical studies and reports available to them. Subsection 194a. provides that other Federal laws regarding disclosure of agency documents shall be applicable to the release of technical studies and reports.

Subsection 194b. requires the Commission, subject to applicable Federal disclosure laws, to provide all parties to on-the-record licensing, enforcement and rulemaking proceedings with all documents and written communications relating to those proceedings to the extent that the parties may wish to receive them. This subsection also requires the Commission to notify all parties of any meetings relating to those proceedings and to furnish all parties with written summaries of and a list of attendees at those meetings. Subsection 194b. provides that documents and written communications shall be served simultaneously on all parties to the maximum extent possible.

Subsection 194c. confirms the Commission's authority to respond to requests for relevant technical studies and reports. Where these studies and reports are available, subsection 194c. requires the Commission, subject to applicable Federal disclosure laws, to furnish them to the requesting party in a timely manner. Where studies and reports are not available and must be specially prepared, subsection 194c. provides that the presiding officer for the proceeding shall first determine that the studies and reports are reasonably necessary for the requesting party to present its position and that they are in the public interest. Following this determination, the requestor will be promptly notified whether his request is granted or denied. This determination is subject to review under normal Commission procedures. Subsection 194c. lists the following factors, among others, which may be considered in making a public-interest determination: the possible contribution towards public understanding of the health and safety issues in the proceeding; the technical significance of the information to be gathered; the potential for delay of the Commission proceeding; the relative priority that preparation of the studies or reports should take in the allocation of Commission resources; and the availability of the information to the requestor from other sources. The authority to prepare reports and studies which subsection 194c. provides extends only to the collection and compilation of existing data and does not encompass research and development.

With respect to specially prepared studies or reports, subsection 194d. provides that they may be prepared by the Commission staff, under contract for the Commission or by other Federal agencies at Commission request and that they shall be funded by the Commission. In assigning responsibility for preparation of a report, the Commission may, in its discretion, entertain suggestions offered by the person requesting the report. The Commission is authorized, however, to seek contributions or reimbursement for all or part of the cost from the person requesting the study or report to the extent that he is financially capable of providing such contributions or reimbursement. Where a person who is financially able to contribute fails to do so, the Commission may, to that extent, limit the scope of the requested study or report.

Subsection 194e. provides that any studies or reports made available under this section may be offered as part of the record of the proceeding.

Subsection 194f. provides for judicial review in the manner prescribed in § 189b. of any final order of the Commission which denies a request to have studies or reports especially prepared on the ground that the studies or reports would deal with matters beyond the scope of the hearing or proceeding.

CHANGES IN EXISTING LAW: COMPARATIVE TEXT

In compliance with clause (3) of rule XIII of the Rules of the House of Representatives, changes in existing law recommended by the bill are shown as follows (deleted material is enclosed in black brackets and new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

PUBLIC LAW 83–703: (ATOMIC ENERGY ACT OF 1954, AS AMENDED)

* * * * *

"SEC. 29. Advisory Committee on Reactor Safeguards.—

"There is hereby established an Advisory Committee on Reactor Safeguards consisting of a maximum of fifteen members appointed by the Commission for terms of four years each. The Committee shall, *as provided in section 182b.*, review safety

studies, [and] facility license applications *and site permit applications* [referred to it] and shall make reports thereon, shall advise the Commission with regard to the hazards of proposed or existing reactor facilities and the adequacy of proposed reactor safety standards, and shall perform such other duties as the Commission may request. One member shall be designated by the Committee as its Chairman. The members of the Committee shall receive a per diem compensation for each day spent in meetings or conferences, or other work of the Committee, and all members shall receive their necessary traveling or other expenses while engaged in the work of the Committee. The provisions of section 163 shall be applicable to the Committee.".

* * * * *

"SEC. 105. Antitrust Provisions.—

* * * * *

"c. (1) * * *

"(2) Paragraph (1) of this subsection shall apply to an application for a license to construct *and*/or operate a utilization or production facility under section 103: *Provided, however,* That paragraph (1) shall not apply to an application for a license to operate a utilization or production facility for which a construction permit, was issued under section 103 unless the Commission determines such review is advisable on the ground that significant changes in the licensee's activities or proposed activities have occurred subsequent to the previous review by the Attorney General and the Commission under this subsection in connection with the construction permit for the facility.".

* * * * *

Sec. 111. Advance Planning, Early Notice, and Surveys.—

a. (1) The Commission is authorized and directed to take such action as it may deem necessary or desirable, including establishment of priorities in reviewing license or permit applications, to encourage persons proposing to construct and/or operate utilization facilities for the generation of commercial power and persons proposing to obtain site permits for such facilities pursuant to section 192 to engage in adequate and open advance planning for the addition of such generating capacity and the selection of such sites, with opportunity for the Commission and interested and qualified persons to participate in such open and advance planning.

(2) The Commission shall participate in the adequacy and reliability programs of the Federal Power Commission under section 202 (a) of the Federal Power Act. The Commission shall make information regarding existing or proposed nuclear power reactor sites based upon its participation available to the public.

b. The Commission is authorized and directed to require by rule or regulation that persons proposing to obtain approval, by rule or regulation or manufacturing license, of the preliminary or final design of a production or utilization facility for industrial or commercial purposes, or part thereof, persons proposing to construct and/or operate a production or utilization facility for industrial or commercial purposes, and persons proposing to obtain a site permit for such a facility provide notice of intent to file the application or petition such periods of time prior to the actual filing thereof as the Commission may establish. Such notices of intent shall be published in the Federal Register.

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"SEC. 161. *General Provisions.*

"In the performance of its functions the Commission is authorized to—

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"o. require by rule, regulation, or order, such reports, and the keeping of such records with respect to, and to provide for such inspections of, activities and studies of types specified in section 31 and of activities under licenses issued pursuant to section 53, 63, 81, 103, and 104, *or authorized by section 192,* as may be necessary to effectuate the purposes of this Act, including section 105; and"

* * * * *

"Sec. 182. License Applications.—

* * * * *

"b. The Advisory Committee on Reactor Safeguards shall review *each application under section 103 or section 104b. for a manufacturing license for a facility,* each application under section 103 or section 104b. for a construction permit *and*/or an operating license for a facility, any application under section 104c. for a construction permit or an operating license for a testing facility, any application under section 104a. or c, specifically referred to it by the Commission, *any application for a site permit under section 192a.*, and any application for an amendment to a *manufacturing license* or construction permit or an amendment to an operating license under section 103 or 104a., b., or c. *or an amendment to a site permit under section 192a.* specifically referred to it by the Commission, and shall submit a report thereon: *Provided, however, That unless the Commission specifically requests a review and report on an application or portion thereof, the Committee may dispense with such review and report by notifying the Commission in writing that review by the Committee is not warranted. Any report or notice required by this subsection* [which] shall be made part of the record of the application and available to the public except to the extent that security classification prevents disclosure.".

* * * * *

"Sec. 185. Construction Permits.—

"*a.* All applicants for licenses to construct or modify production or utilization facilities shall, if the application is otherwise acceptable to the Commission, be initially granted a construction permit. [The construction permit shall state the earliest and latest dates for the completion of the construction or modification. Unless the construction or modification of the facility is completed by the completion date, the construction permit shall expire, and all rights thereunder be forfeited, unless upon good cause shown, the Commission extends the completion date.] Upon the completion of the construction or modification of the facility, upon the filing of any additional information needed to bring the original application up to date, and upon finding that the facility authorized has been constructed and will operate in conformity with the application as amended and in conformity with the provisions of this Act and of the rules and regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of a license would not be in accordance with the provisions of this Act, the Commission shall thereupon issue a license to the applicant. For all other purposes of this Act, a construction permit is deemed to be a 'license'. *Notwithstanding any other provisions of this section, the Commission may issue a combined construction permit and operating license to the applicant, if the application contains sufficient information to support the issuance of both a construction permit and operating license in accordance with the rules and regulations of the Commission. The Commission shall publish in the Federal Register, at least thirty days prior to the commencement of operation of any facility for which such a combined permit and license has been issued, a notice that commencement of operation is expected to take place and that the Commission will grant a hearing upon the request of any person whose interest may be affected by such operation on whether, as a result of (1) a significant advance or change in the technology or (2) a specifically identified question substantially affecting the public health and safety or the common defense and security, or the protection of the environment being left unresolved in the most recent licensing action in the proceeding, there should be some modification of the facility or other appropriate action should be taken which will provide substantial, additional protection which is required for the public health and safety, or the common defense and security, or the protection of the environment. No request for a hearing pursuant to such notice shall be granted unless the person requesting the hearing makes a prima facie showing in the affirmative on the issue set forth above. Any final order entered in any proceeding of the kind specified in the preceding two sentences shall be subject to judicial review in the same manner as prescribed in subsection 189b.*

b. In addition to any other authority the Commission may have, the Commission may permit an applicant for a construction permit or combined construction permit and operating license for a utilization or production facility to prepare the proposed facility site for construction and perform such limited construction activities thereat as the Commission may determine to be permissible, upon (i) making all the findings required to be made prior to issuance of the permit or combined permit and license pursuant to the National Environmental Policy Act of 1969, (ii) finding on the basis of the available information and review to date that there is reasonable assurance that the proposed site is a suitable location for a facility of the general size and type proposed from the standpoint of the protection of the health and safety of the public, and (iii) determining, if and to the extent that any safety related construction activities are sought to be undertaken, that there are no significant unresolved public health and safety issues with respect to such activities. Such activities shall be conducted at the risk of the applicant and shall be subject to revocation or modification by the Commission at any time. Safety related construction activities undertaken pursuant to this subsection shall not proceed beyond a one-year period unless the Commission, upon good cause shown, extends such period. The Commission shall publish in the Federal Register notice of receipt of any request to conduct site activities under this subsection, and provide for a hearing on issues (i), (ii) and (iii) above upon the request of any person whose interest may be affected. Any final order entered in any proceeding pursuant to this subsection shall be subject to judicial review in the same manner as prescribed in subsection 189b.

* * * * *

a. Any license *or site permit* may be revoked for any material false statement in the application or any statement of fact required under section 182 *or section 192,* or because of conditions revealed by such application or statement of fact or any report, record, or inspection or other means which would warrant the Commission to refuse to grant a license *or site permit* on an original application, or for failure to construct or operate a facility in accordance with the terms of the *site permit or* construction permit or license or the technical specifications in the application, or for violation of, or failure to observe any of the terms and provisions of this Act or of any regulation of the Commission.

* * * * *

SEC. 187. Modification of License *or site permit.*—

The terms and conditions of all licenses *and site permits* shall be subject to amendment, revision, or modification, by reason of amendments of this Act or by reason of rules and regulations issued in accordance with the terms of this Act.

* * * * *

"SEC. 189. Hearings and Judicial Review.—

"a. *Except as otherwise provided in subsection 192c.*, [I] *in* any proceeding under this Act, for the granting, suspending, revoking, or amending of any license, [or] construction permit, *or site permit pursuant to subsection 192a.*, or application to transfer control, and in any proceeding for the issuance or modification of rules and regulations dealing with the activities of licensees *or holders of site permits pursuant to subsection 192a.*, and in any proceeding for the payment of compensation, an award or royalties under sections 153, 157, 186c., or 188, the Commission shall grant a hearing upon the request of any person whose interest may be affected by the proceeding, and shall admit any such person as a party to such proceeding. [The Commission shall hold a hearing after thirty days' notice nad publication once in the Federal Register, on each application under section 103 or 104b. for a construction permit for a facility, and on any application under section 104c. for a construction permit for a testing facility. In cases where such a construction permit has been issued following the holding of such a hearing, the Commission may, in the absence of a request therefor by any person whose interest may be affected, issue an operating license or an amendment to a construction permit or an amendment to an operating license without a hearing, but upon thirty days' notice and publication once in the Federal Register of its intent to do so.] *With respect to each application under section 103 or 104b. for a license to manufacture a facility, each application under section 103 or 104b. for a construction permit and/or operating license for a facility, any application under subsection 104c. for a construction permit or operating license for a testing facility, any application for an amendment to a license to manufacture or to a construction permit and/or operating license for such facilities, and any application under section 192a. for a site permit or for an amendment thereto, the Commission shall publish in the Federal Register, at least thirty days prior to the granting of any such application, a notice that consideration is being given to the granting thereof.* The Commission may dispense with such thirty days' notice and publication with respect to any application for *an amendment to a manufacturing license, or* an amendment to a construction permit *and*/or an [amendment to an] operating license, *or an amendment to a site permit pursuant to subsection 192a.*, upon a determination by the Commission that the amendment involves no significant hazards consideration. *Notwithstanding any other provisions of this Act, the Commission may, upon good cause shown by the applicant and determination by the Commission that such action is necessary in the public interest considering among other things, the need for power in the affected area, or the need to avoid undue delay in the operation of the facility, issue, in the case of a utilization or production facility, an interim operating license or an interim amendment to a license to manufacture or an interim amendment to a construction permit or an interim amendment to an operating license, or allow interim operation of a facility for which a combined permit and license had been issued under section 185, in advance of the conduct or completion of the hearing: Provided, That any operating license or amendment to a construction permit or amendment to an operating license so issued shall contain such conditions as the Commission deems appropriate to assure that any subsequent findings and orders of the Commission with respect to the subject matter of the proceeding will be given full force and effect. Prior to issuance of any such interim license or amendment or prior to allowing any such interim operation, the Commission shall publish in the Federal Register a notice of intent to do so requesting comments from interested persons on whether such action is necessary in the public interest. No such interim license or amendment may be issued or interim operation allowed for a period to exceed twelve (12) months, unless for good cause shown the Commission extends such period. Any such interim license or amendment shall contain and any such interim operation shall be subject to such terms and conditions as the Commission may deem necessary.*

b. Any final order entered in any proceeding of the kind specified in subsection a. above shall be subject to judicial review in the manner prescribed in the Act of December 29, 1950, as amended (ch. 1189, 64 Stat. 1129), and to the provisions of section 10 of the Administrative Procedure Act, as amended.

c. In the conduct of any proceedings under sections 185 and 192, and in the conduct of any proceedings under subsection a. of this section which are subject to sections 554, 556, and 557 of Title 5 of the United States Code, the Commission is authorized and directed to follow expedited procedures not inconsistent with such sections. In accordance with the above, the Commission is authorized among other things to—

(1) establish time limitations, on the completion of various phases of such proceedings, including discovery and the conduct of other prehearing matters, with due regard for the importance and complexity of the issues and the interests of the parties;

(2) limit the scope of discovery to reasonably specific issues, and take action to assure that examination and cross-examination of witnesses are confined to substantial, genuine, and material issues of fact;

(3) exclude from consideration in any licensing proceeding any issue which has been finally decided or which could have been raised in a prior proceeding on the same application or a previous application regarding the same facility, site, or design on the basis of information then available, unless the party seeking to raise the issue has established the likelihood that substantial additional protection for the public health and safety, for the common defense or security, or for the environment could result if its position were upheld, and, in addition, demonstrates that there has been a significant change in circumstances subsequent to the prior proceedings, and

(4) in consultation with the Council on Environmental Quality, enter into arrangements with other Federal agencies contemplating actions subject to section 102(2)(C) of the National Environmental Policy Act of 1969 which are related to the granting or amending of any license, construction permit, or site permit for a utilization or production facility by the Commission, whereby a single detailed statement for all related Federal actions is prepared by the Commission as the lead Federal agency.

* * * * *

"Sec. 191. Atomic Safety and Licensing Board.—

"a. Nothwithstanding the provisions of section 7(a) and 8(a) of the Administrative Procedure Act, the Commission is authorized to establish one or more atomic safety and licensing boards, each comprised of three members, one of whom shall be qualified in the conduct of administrative proceedings and two of whom shall have such technical or other qualifications as the Commission deems appropriate to the issues to be decided, to conduct such hearings as the Commission may direct and make such intermediate or final decisions as the Commission may authorize with respect to the granting, suspending, revoking or amending of any license, [or] authorization, *or site permit* under the provisions of his Act, any other provision of law, or any regulation of the Commission issued thereunder. The Commission may delegate to a board such other regulatory functions as the Commission deems appropriate. The Commission may appoint a panel of qualified persons from which board members may be selected."

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"SEC. 192. [Temporary Operating License.—]

[a. In any proceeding upon an application for an operating license for a nuclear power reactor, in which a hearing is otherwise required pursuant to section 189a., the applicant may petition the Commission for a temporary operating license authorizing operation of the facility pending final action by the Commission on the application. Such petition may be filed at any time after filing of: (1) the report of the Advisory Committee on Reactor Safeguards required by subsection 182b.; (2) the safety evaluation of the application by the Commission's regulatory staff; and (3) the regulatory staff's final detailed statement on the environmental impact of the facility prepared pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 (83 Stat. 853) or, in the case of an application for operating license filed on or before September 9, 1971, if the regulatory staff's final detailed statement required under section 102 (2) (C) is not completed, the Commission must satisfy the applicable requirements of the National Environmental Policy Act prior to issuing any temporary operating license under this section 192. The petition shall be accompanied by an affidavit or affidavits setting forth the facts upon which the petitioner relies to justify issuance of the temporary operating license. Any party to the proceeding may file affidavits in support of, or opposition to, the petition within fourteen days after the filing of such petition, or within such additional time not to exceed ten days as may be fixed by the Commission. The Commission shall hold a hearing after ten days' notice and publication once in the Federal Register on any such petition and supporting material filed under this section and the decision of the Commission with respect to issuance of a temporray operating license, following such hearing, shall be on the basis of findings on the matters specified in subsection b. of this section. The hearing required by this section and the decision of the Commission on the petition shall be conducted with expedited procedures as the Commission may by rule, regulation, or order deem appropriate for a full disclosure of material facts on all substantial issues raised in connection with the proposed temporary operating license.

["b. With respect to any petition filed pursuant to subsection a. of this section, the Commission shall issue a temporary operating license upon finding that:

["(1) the provisions of section 185 have been met with respect to the temporary operating license;

["(2) operation of the facility during the period of the temporary operating license in accordance with its terms and conditions will provide adequate protection of the environment during the period of the temporary operating license; and

["(3) operation of the facility in accordance with the terms and conditions of the temporary operating license is essential toward insuring that the power generating capacity of a utility system or power pool is at, or is restored to, the levels required to assure the adequacy and reliability of the power supply, taking into consideration factors which include, but need not be limited to, alternative available sources of supply historical reserve requirements for the systems involved to function reliably, the possible endangerment to the public health and safety in the event of power shortages, and data from appropriate Federal and State governmental bodies which have official responibility to assure an adequate and reliable power supply.

["The temporary license shall contain such terms and conditions as the Commission may deem necessary, including the duration of the license and any provision for the extension thereof, and the requirement that the licensee not retire or dismantle any of its existing generating capacity on the ground of the availability of the capacity from the facility which is operating under the temporary license. Any decision or other document authorizing the issuance of any temporary license pursuant to this section shall recite with specificity the reasons justifying the issuance. The decision of the Commission with respect to the issuance of a temporary operating license shall be subject to judicial review pursuant to the Act of December 29, 1950, as amended, (ch. 1189, 64 Stat. 1129).

["c. The hearing on the application for the final operating license otherwise required pursuant to section 189a. shall be concluded as promptly as practicable. The Commission shall vacate the temporary operating license if it finds that the applicant is not prosecuting the application for the final operating license with due diligence. Issuance of a temporary operating license pursuant to subsection b. of this section shall be without prejudice to the position of any party to the proceeding in which a hearing is otherwise required pursuant to section 189a.; and failure to assert any ground for denial or limitation of a temporary operating license shall not bar the assertion of such ground in connection with the issuance of a subsequent final operating license.

["d. The authority under this section shall expire on October 30, 1973."]

Early Site Approval and Standardization of Utilization and Production facilities.—

a. Any person may file with the Commission an application for approval of a site for one or more utilization or production facilities notwithstanding the fact that no application for a construction permit or a combined construction permit and operating license has been filed with the Commission. Each such application for a site permit shall be in writing and shall specifically state such information as the Commission, by rule or regulation, may determine to be necessary to decide the suitability of the site for its intended purpose. The Commission, on the basis of such siting criteria and other requirements as it may by rule, or regulation, or order establish, may issue the site permit, refuse to issue the site permit, or grant the site permit with such conditions as it deems appropriate. In any event, the Commission shall, by rule or regulation, prescribe the period or periods of duration for site permits issued pursuant to this subsection.

b. Unless otherwise ordered by the Commission, any applicant for a construction permit or a combined construction permit and operating license for a utilization or production facility to be located on a site approved pursuant to subsection a. may prepare the approved site for construction and perform such limited construction activities thereat as the Commission may, by rule or regulation, determine to be permissible. Such activities shall be conducted at the risk of the applicant and shall be subject to modification or revocation by the Commission at any time. Safety related construction activities shall not proceed beyond a one year period unless the Commission, upon good cause shown, extends such period.

c. Except as provided below, and notwithstanding the provisions of section 189, the Commission may issue a construction permit and/or an operating license for a utilization or production facility without a hearing if the preliminary design, with respect to a construction permit, or the final design, with respect to a construction permit and/or operating license, as defined by the Commission, has been approved in a rule making proceeding or manufacturing license proceeding conducted in accordance with sections 553 or 554, 556 and 557 of Title 5 of the United States Code, as appropriate. The Commission shall publish in the Federal Register, at least thirty days prior to issuance of any construction permit or combined construction permit and operating license under this subsection, a notice that consideration is being given to the granting thereof, and that the Commission will grant a hearing upon the request of any person whose interest may be affected on whether special circumstances with respect to the subject matter of the particular proceeding are such that the application of the rule or manufacturing license approval to the particular proceeding will not serve the purposes for which the rule was adopted or license issued. The Commission shall also publish in the Federal Register, as least thirty days prior to issuance of any operating license under this subsection, or at least thirty days prior to commencement of operation of any facility for which a combined construction permit and operating license had been issued under this subsection, a notice that the Commission is considering granting an operating license or that commencement of operation is expected to take place and that the Commission will grant a hearing upon the request of any person whose interest may be affected by such operation on whether, as a result of (1) a significant advance or change in the technology or (2) a specifically identified question substantially affecting the public health and safety, or the common defense and security, or the protection of the environment being left unresolved in the most recent licensing action in the proceeding, there should be some modification of the facility or other appropriate action should be taken which will provide substantial, additional protection which is required for the public health and safety, or the common defense and security, or the protection of the environment. No request for a hearing pursuant to either such notice shall be granted unless the person requesting the hearing makes a prima facie showing in the affirmative on the appropriate issue set forth above. In the event a prima facie showing in response to the latter type notice relates to a proposed modification of a facility the final design of which had been previously approved in a rulemaking proceeding or a manufacturing license proceeding, then the Commission, in its discretion, may either confine the hearing to the facility which is the subject of the request for a hearing or consolidate a hearing with respect to such facility with a hearing on whether the prior rule or manufacturing license should be amended. Any final order entered in any proceeding of the kind specified in the preceding four sentences shall be subject to judicial review in the same manner as prescribed in subsection 189b. This subsection shall not affect any requirement for antitrust review prior to issuance of a construction permit and/or operating license, including, where necessary, a hearing on antitrust issues, contained in sections 105 and 189.

Sec. 193. Federal-State Cooperation.—

a. The Commission is authorized to coordinate the planning and scheduling of its license and permit reviews and proceedings with any related reviews and proceedings conducted by a State agency pursuant to State law, in order to expediate the overall regulatory decision process.

b. In proceedings for the granting of licenses, construction permits, and site permits, the Commission is authorized to conduct consolidated hearings with State agencies regarding any matters of concurrent jurisdiction under the National Environmental Policy Act of 1969 and State law. The Commission shall, with the concurrence of the affected State agency, prescribe such procedures for the conduct of consolidated hearings as it determines are necessary or appropriate to accommodate the procedures of the affected State agency, provided that such procedures of the Commission shall be consistent with a full and true disclosure of the facts and involve a minimum modification of the procedures that would apply to proceedings under section 554, 556, and 557 of Title 5 of the United States Code.

c. The Commission shall conduct any data collection under the National Environmental Policy Act of 1969 in such manner as to avoid to the maximum extent practicable, consistent with the requirements of such Act, duplication of the efforts of State agencies conducting reviews of matters subject to the concurrent jurisdiction of the Commission under such Act and State agencies under State law. In accordance with the above, in the conduct of any reviews under the National Environmental Policy Act of 1969, the Commission may take into account data regarding environmental costs, benefits, and alternatives developed pursuant to State law.

Sec. 194. Disclosure of Information and Assistance to Hearing Participants.—

a. The Commission's staff shall upon request, whenever practicable, confer with petitioners for leave to intervene in licensing or permit proceedings and rulemaking hearings conducted in accordance with sections 554, 556 and 557 of title 5, United States Code, and, subject to other Federal law regarding disclosure of agency documents, make existing technical studies or reports available to such petitioners in order to aid in the development of reasonably specific issues for the proceeding.

b. Subject to other Federal law regarding disclosure of agency documents and communications, all parties to a licensing or permit proceedings or rulemaking hearing conducted in accordance with sections 554, 556, and 557 of Title 5, United States Code shall be entitled to receive copies of all written communications to or from the Commission with respect to the grant or denial of the application, or outcome of the enforcement action or rulemaking in question. To the maximum extent possible, documents and written communications subject to the above shall be simultaneously served upon all parties to such a proceeding or hearing. All parties to such a proceeding or hearing shall be given due notice of any meetings with respect to the grant or denial of the application, enforcement action, or rulemaking in question between the applicant, licensee or permittee, or petitioner and the Commission, and a written summary of any such meeting, including a list of attendees, shall be prepared and distributed to the parties in a timely manner.

c. The Commission shall accept requests made in good faith from any party to a licensing or permit proceeding or rulemaking hearing for relevant technical studies or reports. If such studies or reports exist, the Commission shall, subject to other Federal law regarding disclosure of agency documents, make them available to the requesting party in a timely manner. If such studies or reports must be especially prepared, the presiding officer shall determine, subject to review under normal Commission review procedures, if such studies or reports are reasonably necessary for the requesting party to present its position in the proceeding or hearing and are in the public interest. In determining whether especially prepared studies or reports are in the public interest, the Commission may consider, among other things, the contribution to public under-

standing of public health and safety issues involved in the proceeding that might be made, the technical significance of the information to be gathered, the potential for delay of the Commission proceeding or hearing, the relative priority that preparation of the studies or reports should take in the allocation of the Commission's resources, and the availability to the requester of the material from other sources. The requesting party shall be promptly notified of any determination to grant or deny any such request.

d. When it has been determined that such studies or reports must be especially prepared at the request of a party, the Commission shall prepare such studies or reports, request them to be prepared by other Federal agencies, or have them prepared under contract. Such studies or reports shall be funded by the Commission: Provided That the Commission shall seek contributions or reimbursement, in whole or in part, to the extent that the party requesting such studies or reports is financially capable of providing such contributions or reimbursement. The Commission may limit the scope of any such study or report to the extent that a party who is financially capable of providing the contributions or reimbursement requested by the Commission fails to provide such contributions or reimbursement.

e. Studies and reports made available by the Commission pursuant to this section may be offered as part of the record of the proceeding or hearing.

f. Any final order of the Commission, or portion thereof, which denies a request that such studies or reports be especially prepared on the ground that the studies or reports would deal with matters beyond the scope of the proceeding or hearing shall be subject to judicial review in the manner prescribed in subsection 189b.

URBAN AND COMMUNITY FORESTRY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, nearly 3 years ago the Cooperative Forest Management Act was amended in Public Law 92–288 to authorize the Forest Service in the Department of Agriculture to provide, in cooperation with the State foresters, technical services for protection, improvement and establishment of trees and shrubs in urban areas, communities, and open spaces. I was proud to sponsor the legislation. I was gratified to see it enacted.

Many clear and cogent reasons for enactment were advanced by numerous persons and organizations concerned with improvement of the urban environment. A strong urban and community forestry program was needed then and is needed now to protect and enhance the urban environment for the benefit of well over one-third of this Nation's citizens.

The time has come to take stock of the actions that followed this important legislation. Unfortunately an urban and community forestry program has not been funded to date. The sum total of all activities by the Forest Service, the agency responsible for the program, has been: First, promulgation of guidelines; second, publication of a bibliography on urban and community forestry; and third, a few speeches by Forest Service officials.

One can hardly be impressed by this record.

Many millions can benefit from this program. It will provide employment as well as beautification and an improved environment. It is notable that a program could be set up as a beginning for people living in small cities, in most of which these programs do not now exist. I am advised that more than 70 million people living in 20,372 cities of less than 50,000 population could benefit from a cooperative program costing less than 3 cents each. They are ready to proceed if someone will show them the way. Therefore, I recommend that the urban and community forestry program be activated with an appropriation of at least $2 million for such a program. It will yield immediate benefits by providing jobs in small communities.

DEPARTMENT OF DEFENSE RECRUITING RESULTS FOR JANUARY, FISCAL YEAR 1975

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, the figures I am placing in the RECORD today represent the Defense Department's recruiting results for the month of January. Preliminary figures show that the total strength of the four military services at the end of December was 2,138,000 or 99.4 percent of their December target of 2,150,000. Strengths by service are compared with their June 1975 objectives as shown in the fiscal year 1976 budget request in the table below:

ACTIVE MILITARY STRENGTH

[In thousands]

Service	December 1974 (preliminary)		June 1975
Army	772		785
Navy	549		536
Marine Corps	192		196
Air Force	625		612
Total DOD	2,138		2,129
	January 1975		
	Objective	Actual	Percent
Enlisted accessions, all sources:			
Army	20,000	20,000	100
Navy	8,300	8,300	100
Marine Corps	5,800	6,000	104
Air Force	7,100	7,100	100
Total DOD	41,200	[1] 41,500	101

[1] The total of 41,500 men and women recruited in January was 101 percent of the total objective of 41,200.

Ninety-six percent of all non-prior-service enlistees were in mental categories I–III which are the average and above-average mental groups. The January proportion exceeded that for December by about one percentage point and reflects a continuation of the favorable recruiting climate that has existed in recent months. About 69 percent of the new enlistees were high school graduates, and about 9 percent or 3,500 were women. Black enlistments accounted for 15 percent of the January enlistments compared to 16 percent in December. The services also recruited about 4,100 prior-service personnel.

The total selected reserve strengths declined slightly during December.

SELECTED RESERVE STRENGTHS

[In thousands]

	End strength		Average strength	
	December 1974, (preliminary)	November 1974, (actual)	Fiscal year 1975, through December	Fiscal year 1975, authorized
Army National Guard	392.8	393.1	393.6	400.0
Army Reserve	228.3	230.0	231.3	225.0
Navy Reserve	107.1	108.8	110.0	117.0
Marine Corps Reserve	32.9	32.4	31.9	36.7
Air National Guard	93.9	93.8	93.8	95.0
Air Force Reserve	45.9	45.6	45.5	51.3
Total DOD	900.9	903.7	907.0	925.0

THE OLDER AMERICANS HOME REPAIR ASSISTANCE ACT

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, I am pleased to introduce the Older Americans Home Repair Assistance Act. The purpose of this proposal is twofold: It would help to counter the rapidly rising costs of home maintenance for approximately one-fourth of our older citizens who would be eligible to receive home repair assistance, and at the same time it would authorize home repair and maintenance jobs as a means for increasing employment opportunities for older Americans.

The bill—an amendment to title III of the Older Americans Act—would authorize $25 million over a 2-year period for a national system of home repair model projects. The Commissioner of Aging would make grants to State units on aging for up to five projects in each qualifying State, repairing or renovating at least 10,000 substandard homes across the Nation.

This is admittedly a very small-scale effort. The program I propose is designed to give each State valuable experience in administering home repair projects and to assist some of the neediest older homeowners. The nutrition for the elderly program was begun on a similarly limited basis: at its inception it served about 3,200 meals a day and is now serving 220,000 daily. Hopefully after 2 years the home repair program might be well established and allowed to expand in the same way the nutrition program did.

I would mention that results I have received from several home repair projects indicate that the 10,000 figure could be stretched much further in communities desiring to coordinate the repair projects with local resources such as community action agencies, community development funds, departments of welfare, and other existing agencies.

An excellent example of this is the State of West Virginia which has supported home repair projects using various Federal, State, and local funding. At the end of this statement I will insert a recent letter from Dr. Louise Gerrard, director of the West Virginia Commission on Aging, detailing these projects, along with correspondence from several other States with home repair experience.

Today older homeowners comprise about 70 percent of the older population. Upon retirement, when many older Americans face substantial cuts in income, the high costs of repair and maintenance can easily overwhelm the older homeowner. The costs of home maintenance and repair are outdistancing even the skyrocketing rate of inflation: over the last 5 years, home repair costs rose 53.9 percent compared to inflation's 38.3 percent rise—a 15.5 percent difference.

Unfortunately, Federal grant and loan programs are not meeting the needs of older homeowners who wish to remain in their homes. Not one national program of home repair grants is now in progress, and a rural home and repair grant program—section 504, authorized through the Farmers' Home Administration—which could be of great assistance to the rural low-income elderly, has been stymied for over a decade because available funds have been deleted from appropriations legislation.

Loan programs give little addition assistance. Living on a fixed or shrinking income, the low-income elderly cannot realistically be expected to apply for conventional loans. There are no low-interest loan programs aimed to meet the special housing and economic needs of the elderly. The older homeowner is caught in a dilemma: he—and more often she—cannot afford to improve his property, but can ill-afford to live in it without repair.

The proposal I am offering today would provide a way out of this dilemma. This new program would supply materials for the repair project as well as labor for repairs involving insulation, carpentry, masonry, roofing, plumbing, and electrical work. To the extent that it would cover the supply of materials, the program's coverage is broader than the one I introduced last year. The addition of materials is the result of comments received from many older persons who indicated that their financial resources were so restricted that unless materials were included, they could not use the program.

Assistance in insulation—or retrofitting—can save older people substantial amounts on their winter heating bills. And I would emphasize the importance of the administration's plan for a $55 million retrofitting project in fiscal year 1976 for the poor and elderly poor, to be administered through the Federal Energy Administration. My proposed program will, if enacted, necessarily reach a limited number of people at its inception. However, in conjunction with the FEA project, substantial energy conservation services could be delivered to the low-income older population until the older Americans home repair program is expanded.

The bill I introduce today also recognizes the growing unemployment of older workers, and encourages their employment when not in conflict with State and local building codes. Currently 600,000 older workers age 55 and over are unemployed, and countless more—although not officially listed as unemployed—have been squeezed out of the job market because of their age. The creation of this home repair program would be an important step in furthering the opportunities of older workers to pursue continued or second careers on a part-time basis as a meaningful alternative to unemployment.

In a recent letter to me, Ms. Maud H. Burns, coordinator of a home repair project operated by the Augusta, Maine, Area Agency on Aging pointed out another aspect of the program: the economic sense that the home repair concept makes:

> The home repair service which you are proposing can result in lifting substantial part of the tax burden from the shoulders of the American public. A small repair service to an elderly citizen's home can make the difference between that person being able to remain in his home or his having to be placed in an institution. I feel sure that when our tax-weary public is made aware of the great savings to it in dollars, between a small repair service and expensive institutionalization, it will be glad to support your bill.

Ms. Burns' letter will be inserted in whole at the end of my statement. The Older Americans Home Repair Assistance Act can be a logical complement to existing in-home services—including the meals on wheels and home health programs—which are designed to defer the forces of institutionalization. These programs are predicated on the assumption that the people they serve have a safe, decent home to live in. The bill I am introducing today would help to assure that they do.

Mr. Speaker, at this point in the RECORD, I insert the above-mentioned letters and other supporting data:

WEST VIRGINIA COMMISSION ON AGING,
Charleston, W. Va., January 27, 1975.

Congressman JOHN F. SEIBERLING,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: Unfortunately, we do not have much of the information requested in your letter of January 17, 1975, regarding home repair programs in West Virginia.

Most home repair efforts have been initiated by approximately one-half of the 14 Community Action Agencies in the State and were typically done with the use of various manpower programs. The labor was, therefore, free to persons meeting OEO poverty guidelines and the materials were usually purchased by the client or relatives or materials were salvaged by the CAA.

Recently the Department of Welfare operated a home repair program which generally benefited the elderly, but this program was stopped with the federalization of Old Age Assistance. However, the Commission on Aging recently made a model project grant to the Department of Welfare for the purpose of making grants to winterize and repair homes of the low income elderly.

The Department of Welfare has been very successful in getting volunteer labor so that the small grants ($300–$500) can be used for the purchase of materials. The West Virginia Legislature is now considering appropriating state funds in the amount of $250,000 to the Department of Welfare to continue the home repair grant program for the elderly.

The homes under the CAA and Welfare programs were not required to meet any specific standard after being repaired. I am afraid any such provision would have very negative results in rural areas where housing is in the greatest need of repair.

I am sending a copy of a report of the Department of Welfare which may provide some of the information you are interested in.

I am also enclosing a copy of another report which may be of interest. The report was done by the West Virginia Housing Development Fund under a grant from the Commission on Aging. The report concerns problems with the Farmers Administration 504 home repair loan. We promised to send this to you some time ago but only recently received it ourselves.

I thought it might be of interest because the Housing and Community Development Act of 1974 further liberalized the program but as you can see, many of the problems are associated with how the program is administered. We are concerned with the many Federal directives prodding the States to do something about the energy problems (winterize homes, insulate, etc.) while at the same time a major resource (the 504 program) to help the situation is given extremely low (or no) priority at the national level. Also the law authorizes a loan and/or grant program under the 504 program but funds have not been appropriated for the grant provision.

If there is anything more we can do to assist with the Older Americans Home Repair Assistance Act, please let us know. We certainly think the results could be worthwhile and rewarding, and we appreciate your leadership in the field.

Sincerely,
LOUISE B. GERRARD, Ph. D.,
Executive Director.

CENTRAL SENIOR CITIZENS
ASSOCIATION, INC.,
Augusta, Maine, February 3, 1975.

Mr. JOHN F. SEIBERLING, M.C.
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: In reply to your letter of January 17, I am pleased to learn that you are planning to introduce in the 94th Congress a bill to establish a home repair project for Older Americans.

Our Association, the Central Senior Citizens Association, Inc., (an officially designated Area Aging Agency), has among other services, a "Handyman Service". We find that it has a high priority rating in the list of essential services for the elderly. We are pleased to help you in anyway possible in regard to establishing a nationwide service of this type.

The following are some of the statistics which you requested. I am submitting the figures from our Lincoln County Handyman Service.

HANDYMAN SERVICE—APRIL 1, 1974 TO DECEMBER 31, 1974

1. Funded under Title III of the Older Americans Act.

2. Number of handymen employed, 3. We prefer their ages to be 55 or over. Employment is part-time @ $3.00 per hour.

3. Number of homes repaired, 40.

4. Cost of materials used are paid by recipient. We do not have figures on these costs.

5. Cost of labor per unit, average, 20 hours @ $3.00=$60.00.

6. Level of repairs. These are the kind of repairs that can be done by a handyman. They do not include major repairs such as entire new roofs, sidewalls, etc. Winterization is of major importance.

Putting of banking boards.

Replacing and repairing storm windows, setting glass, puttying, etc.

Refitting ill-fitting doors.

Repairing doors, steps, and porches.

Repairing broken sections of sidewalls.

Repairing leaky roofs.

Cleaning and painting sections inside of home.

Repairing broken floor boards inside of homes.

Construction of hand rails on steps, in bathrooms, etc.

Building of wheel-chair ramps.

The home repair service which you are proposing can result in lifting a substantial part of the tax burden from the shoulders of the American public. A small repair service to an elderly citizen's home can make the difference between that person being able to remain in his home or his having to be placed in an institution. I feel sure that when our tax weary public is made aware of the great savings to it in dollars, between a small repair service and expensive institutionalization, it will be glad to support your bill.

We, who are interested in helping the aging, are grateful to you for your efforts to assist them. I wish you success with this bill.

Sincerely,

Maud H. Burns,
VISTA Volunteer, Handyman Coordinator, (Age 73).

State of Nebraska
Commission on Aging,
November 13, 1974.

Hon. John F. Seiberling,
Longworth House Office Building,
Washington, D.C.

Dear Congressman Seiberling: Thank you for your letter of October 29, 1974 addressed to Ronald L. Jensen, former Director of the Nebraska Commission on Aging. As his successor, I appreciate the opportunity to reply to your request for comments on H.R. 16570.

While I must congratulate your concern and foresight in the introduction of this Bill, as the head of a State Agency on Aging, I feel that I must caution its tie in with Title IX of the Older Americans Act. Presently, the theme of the entire act is toward coordinated Area Agency activity which, at least in Nebraska, has never materialized under Green Thumb projects to date. Therefore, not only would I encourage you to place your proposed program under Area Agency on Aging purse-string control, but to further endeavor to bring Title IX under such planning control.

Thank you for this opportunity to comment and for your obvious concern. Best wishes.

Sincerely,

Joseph A. Gaida,
Executive Director.

Oklahoma Public
Welfare Commission,
Oklahoma City, Okla., January 7, 1975.

Hon. John F. Seiberling,
Congress of the United States, House of Representatives, Washington, D.C.

Dear Congressman Seiberling: Home repairs for elderly Americans has been a continuing problem which has become acute in a period of inflation. There are two facets to this problem: 1) insufficient monies to purchase home repair materials by older Americans on fixed incomes, and 2) fees of skilled repairmen are often beyond the budgets of older Americans.

With the anticipated energy crisis, proper insulation of elderly persons' homes becomes a high priority. Insulation of homes would greatly enhance the health and safety of people over 65 who often must choose between eating nutritious meals or safely heating their homes.

It is praiseworthy to provide employment opportunities for workers 55 years of age and older. But, without some federal assistance in the purchase of repair materials, many low-income, minority, and disabled older Americans will not be able to participate or benefit from this program.

Three very strong components of the bill for trainees are: 1) development of practical skills by the repair trainees, 2) subsistence of trainees during training, and 3) transportation reimbursement of trained repairmen 55 years of age and older engaged in this project. It might be feasible for trained carpenters, electricians, and other repairmen to provide training as in-kind contributions to the project. Upgrading homes to a minimum standard of safety would enrich the lives and promote the security of Americans 65 years of age and older. Ideally, an expenditure of Federal funds to provide both materials and workmen would benefit the largest number of low-income minority and disabled homeowners 65 years of age and older, and unemployed low-income and minority individuals 55 years or older. If these funds are not available, then comprehensive cooperative linkages among other relevant Federal programs and this program are essential.

Thank you for the opportunity of making suggestions to the proposed Older Americans Home Repair Assistance Act of 1974.

Very truly yours,

L. E. Rader,
Director of Institutions, Social and Rehabilitative Services.

Department for Human Resources,
Frankfort, Ky., February 3, 1975.

Hon. John F. Seiberling,
Congressman, Longworth House Office Building, Washington, D.C.

Dear Congressman Seiberling: In response to your request of January 17, 1975 concerning a home repair project for older Americans.

The Aging Program Unit in Kentucky has a special grant from the Administration on Aging for disaster related to the tornado that struck our Commonwealth last year. The home repairs in this grant are limited to three hundred dollars per home of persons age sixty and over. The total amount of the grant was $94,642 and can be spent only in the four areas of the Commonwealth where there was tornado damage.

There is a great need in our Commonwealth for a home repair project for our elderly citizens. Legislation such as your proposed bill would be most beneficial for our senior citizens and I would like to level any support that I might give to help in the passage of this proposed bill.

If I can be of further help to you in this or any other matters please don't hesitate to let me know.

Sincerely.

Harold L. Mann,
Director, Aging Program Unit.

Community Services Division,
Olympia, Wash., December 3, 1974.

Mr. John F. Seiberling,
Member of Congress, Longworth House Office Building, Washington, D.C.

Dear Congressman Seiberling: Thank you for bringing the Older Americans Home Repair Assistance Act to our attention. This bill is most timely since the State Office on Aging has just funded two model home repair projects from model funds of the Administration on Aging and also because we are vitally concerned with the home repair maintenance and energy costs for our senior citizens. About 67% of Washington's elderly over age 65 own their homes; about 25% (24.4) of those 65-plus have incomes below the poverty level. With inflation continuing, more and more elderly will be forced to choose between eating and heating their homes; repairs will not be possible.

Home Repair Assistance is badly needed by many elderly persons in this State; we are particularly interested in home repairs which would winterize older homes since adequate insulation and weather proofing would not only save money for older persons on fixed incomes, but would conserve energy use and provide a healthier living situation. The Washington State Council on Aging, advisory to this office, is very much interested both in increasing employment opportunities for older persons and in repairing homes of elderly citizens. I am sure the Council will lend its influence and support in passage of your proposed bill.

The State Office on Aging heartily endorses the proposed legislation, and will encourage support within the State's elderly population and the congressional delegation.

Sincerely,

John D. Piacitelli,
Chief, Office on Aging.

Agency of Human Services,
Montpelier, Vt., November 13, 1974.

Hon. John F. Seiberling,
Longworth House Office Building,
Washington, D.C.

Dear Sir: This reply is in response to your letter of October 29, 1974 about the Older Americans Home Repair Assistance Act. I have read H.R. 16570 and heartily concur in the spirit and intent of the proposed legislation. Many Vermonters migrated to Ohio following the Revolutionary War in the early 1800's. I think the States of Ohio and Vermont have always had much in common, particularly in the stock and character of their early settlers.

Seventy-five percent of Vermont's elderly own their own homes. Many of the homes are in need of repair. The high cost of material and labor inhibits and defers much preventative maintenance and home repair. The cost of No. 2 fuel this winter is estimated at 38c a gallon. The consequence is already represented by last winter when many elderly had to seek emergency assistance in order to heat their home. The CAP agencies have some money for home repair in Vermont—but not enough. Insulation for example, is needed in many elderly homes to cut the cost of heating.

I hope that your bill will, in particular, emphasize the rural need for home repair. Sec. 5, therefore, is very important as to what criteria is used by the Secretary of Labor. I would be very interested, therefore, in helping develop such legislation.

In summary, we are very interested in the proposed legislation and request to be kept informal in all respects.

Very truly yours,

Robert H. Harrington,
Director.

Commission on the
Aging and Aged,
Indianapolis, Ind., November 20, 1974.

Mr. John F. Seiberling,
Member of Congress, Longworth House Office Building, Washington, D.C.

Dear Mr. Seiberling: Thank you for the copy of House Bill 16570 on "Older Americans Home Repair Assistance Act" of 1974.

You are to be commended for your concern for both the employment of older Americans and the home repair and maintenance of the homes of the low income elderly.

The effort to have persons employed in the 55 and over bracket to assist home owners over 65 years is one realistic means toward providing services for older Americans.

It is hoped your Act will be passed by Congress and money appropriated so that funds might be available; particularly for projects on energy conservation and winterization as urged by the Administration on Aging in its Information Memorandum 75–16, dated October 24, 1974.

Thanks again for your interest and concern for the elderly.

Sincerely,

MAURICE E. ENDWRIGHT,
Executive Director.

MARYLAND COMMISSION ON AGING,
Baltmiore, Md., November 14, 1974.

Hon. JOHN F. SEIBERLING,
Congress of the United States, Longworth House Office Building, Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: Thank you for your letter inviting comments on the Older Americans Home Repair Assistance Act.

In Maryland we have been very concerned about the need to do what we could with Title III funds to alleviate the housing needs of the elderly. Presently, through one of our Area Agencies, some funds are being used for home repairs for older persons. Because the need is so great, the project is addressing itself to those homes found to be in violation of housing codes.

Resources for housing repair are quite inadequate and your bill does bring hope that this can be improved. We would make the following suggestions for your consideration: (1) add roofing as a specific item under "home repair project", (2) change "eligible homeowner" to begin at age 60 as recent information from Social Security shows a large number of elderly people becoming unemployed prior to age 65 (usually because of health problems); (3) find means to waiver licensing regulations and union rules regarding elderly working on the home repair projects, (4) many of our elderly homeowners are city residents who will generally need as much assistance as those in rural areas.

We hope to add a housing specialist to the State staff in the near future which will enable us to generate more activity in this area of service for the elderly. In the meantime, we will examine your act further and will contact you if we have any additional comments to make.

Thank you for writing to us and I extend sincere congratulations for the initiative you have taken in this important area.

Sincerely yours,

HARRY F. WALKER.

AMERICAN ASSOCIATION OF HOMES FOR THE AGING,
Washington, D.C., November 18, 1974.

Hon. JOHN F. SEIBERLING,
U.S. House of Representatives, Longworth House Office Building, Washington, D.C.

DEAR MR. SEIBERLING: Thank you for bringing H.R. 16570, the Older Americans Home Repair Assistance Act, which you introduced recently to my attention.

The American Association of Homes for the Aging has a vital interest in legislation such as yours which seeks to alleviate the problems and concerns faced by the elderly in obtaining and maintaining adequate housing. Legislation such as H.R. 16570 which encourages the maintenance of such housing through the productivity of the older worker serves two worthwhile purposes. While enabling the older worker to contribute to his community, it also expands the options available to him for meeting his housing needs during his retirement years, particularly important since so many of the elderly are living on near- or below-poverty level incomes.

Our Association is happy to lend its support to this legislation.

Sincerely,

CONSTANCE BEAUMONT,
Director for Public Policy.

FORMER U.S. PILOT URGES NO FURTHER FUNDING OF SOUTH VIETNAM

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, the Members of the House who made a fact finding journey to view the current scene in South Vietnam will be returning this week and telling us of their impressions. I am sure that their trip was valuable and that their comments will be helpful to the entire membership of the House. They deserve our commendation and gratitude for making the long and arduous journey to see the conditions at first-hand. I, for one, will listen to them with great interest, as I am sure that they will be able to resolve some of the questions of current interest to us, such as the existence and treatment of political prisoners by the Thieu regime and the need for humanitarian aid to refugees.

However, I think we all recognize that one cannot acquire in a visit of a few short days a very deep understanding of the entire political, economic and military situation. In the end, our Nation's cumulated experience of the last 10 years in Indo-China will have far more influence in determining our future policy than the current events in that unhappy land.

Recently, I received a letter from a constituent, Robert W. Gaines, Jr., who for almost a year worked in South Vietnam as a civilian contract pilot for Air America and for the ICCS Air Service. He writes that he spent time in every province not under Communist control and in several areas that were and that he saw more of the country and its people in 10 months than many American servicemen saw in multiple tours.

Mr. Gaines states:

> Two facts stand out clearly above the confusion and contradition that are Vietnam. First, this is a civil war in which we have no stake . . . South Vietnam and Cambodia will become communist states because the fighting will not stop until that end is realized. From my observations, the average citizen of both countries will be far better off under communism than under the present regimes.
>
> The second obvious fact is that we have backed an incredibly corrupt dictatorship under President Thieu.

Mr. Gaines goes on to describe in detail some of the incompetence and corruption and ends with a plea against any further funding of South Vietnam and a reduction in the present level of funding. On this, he states:

> I have seen at the street and jungle level what our aid is doing. It is padding Swiss bank accounts and prolonging a war. It is accomplishing no good at all, and is in fact prolonging the agony for millions of people.

Mr. Speaker, it seems to me that the time has come to establish a definitive program for phasing out American military support for continuing death and destruction in South Vietnam and Cambodia. In so doing, however, we should not simply walk away from these people. We do, indeed, have a moral obligation, but a moral obligation to end the killing, to mitigate the suffering, to help bind up the wounds of war, and to help rebuild the countries whose devastation, for whatever reasons, was largely wrought with American weapons.

To this end, I will soon introduce legislation authorizing the establishment of a fund for Indochinese reconstruction which will be available for all the countries of Indochina, but only when the fighting has finally stopped. In this way, we may not only hasten the end of the fighting, but hold out hope for the survivors. In this way, we may also gain some leverage to discourage harsh conduct on the part of all sides against any of the people on either side of this tragic civil war.

The complete letter of Mr. Gaines follows these remarks:

AKRON, OHIO,
January 30, 1975.

Hon. JOHN SEIBERLING,
House of Representatives,
Washington, D.C.

SIR: I am writing to you to voice my opinion on President Ford's request for more money and food for South Vietnam and Cambodia.

It has been thirteen months since I returned from Southeast Asia. From February to December, 1973 I worked in R.V.N. as a civilian contract pilot for Air America and ICCS Air Services. I spent time in every province not under Communist control, and several areas that were. I saw more of the country and its people in ten months than many American servicemen saw in multiple tours. My reactions to what I observed were confusing and often contradictory. After more than a year I have still not fully absorbed all I was exposed to. There is so much wrong with South Vietnam, its government, and our involvement there that it is difficult to know where to begin.

Two facts stand out clearly above the confusion and contradiction that are Vietnam. First, this is a civil war in which we have no stake. Our initial involvement, whether a political maneuver or honest blunder was wrong. This involvement has prolonged by a decade a war that would have resolved itself long ago without us. South Vietnam and Cambodia will become Communist states because the fighting will not stop until that end is realized. From my observations the average citizen of both countries will be far better off under Communism than under the present regimes.

The second obvious fact is that we have backed an incredibly corrupt dictatorship under President Thieu. In a part of the world where corruption is an accepted fact, President Thieu has expanded the concept to new horizons. He has had a lot of help from us. I could go on for volumes on the details of corruption among Americans and Vietnamese in Vietnam. Perhaps someday I will catalog all I saw in an attempt to purge my mind of all I had to observe.

One of the most glaring examples of the misuse of U.S. aid is the distribution of "surplus" food we have sent to Vietnam to feed starving refugees. The food is clearly marked "U.S. surplus—not for resale". It is sold at inflated prices in the Saigon markets. It is never distributed to those who need it and cannot afford to buy it. The U.S. operates a commissary in Saigon for use by Embassy and contract people. Somehow several restaurants in Saigon owned by ex-U.S. servicemen are supplied from this commissary. Sending more food to Vietnam as is now being proposed is foolishness. If you are not aware of how this food is being distributed, you are not sufficiently well informed to vote intelligently. There are many forms of U.S. supported corruption in Saigon, and as I said I could go on for hours, but not at this time.

Why do we continue to support a regime that either will not or cannot help itself? Why do we provide them with weapons, aircraft, and vehicles that technologically they will not be able to cope with for another fifty years? I have seen dozens of brand new Bell helicopters reduced to rubbish in six months. Combat losses? No, simply a complete lack of even the most basic maintenance procedures. Neglect and abuse cost the Vietnamese far more equipment than enemy action. The prevailing attitude is that we will replace everything as fast as they can wear it out, so why bother with maintenance or operating limits. Does the President really want to spend more of my tax dollars reenforcing this type of thinking?

I urge you to oppose any further funding of South Vietnam and Cambodia, and to work to reduce the present level of funding. I have seen at the street and jungle level, what our aid is doing. It is padding Swiss bank accounts and prolonging the war. It is accomplishing no good at all, and is in fact prolonging the agony for millions of people.

I have taken much more of your time than intended. Having been unemployed for a month and with no immediate prospect of a decent job, I have a surplus of time. Writing blocks out more pressing problems. I feel that I have a little more insight into the situation in Southeast Asia than most Americans, and took this opportunity to express myself. Thank you for listening.

Sincerely,

ROBERT W. GAINES, Jr.

STATEMENT ON THE ENERGY ALTERNATIVES OF THE COMMITTEE ON WAYS AND MEANS

(Mr. ULLMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, as you know, the Democrat members of the Ways and Means Committee have suggested an energy program to serve as a basis for developing energy legislation. I am including the document spelling out this program be inserted in the RECORD so that it will be available for study and comment:

ALTERNATIVES FOR CONSIDERATION IN AN ENERGY PROGRAM

To reduce national vulnerability to economic disruption, dependence on foreign oil must be cut back. To meet the problem it is important to enact quickly a broad, comprehensive energy program directed toward long range energy goals. However, to achieve these goals without exacerbating either recession or inflation, it would be desirable for the nation's energy program to take effect only gradually, allow flexibility in responding to economic changes, and distribute burdens equitably. To the extent feasible, it is hoped that it also can operate in a way which undercuts the price-setting power of the oil cartel. Major, but not exclusive, emphasis for the next few years probably should be placed on energy conservation (especially of oil) which, compared to increasing domestic supply, would be less inflationary, less damaging to the environment, and less wasteful of scarce energy resources. It appears that large increases in domestic energy supply will have to wait until 1980 and later years, and will occur then only if development decisions are made soon.

The approach outlined in the following pages generally agrees with the President's proposals in the ultimate objective of reducing dependence on imports and returning to free competitive pricing. The approach outlined here, however, is designed to obtain this result over a period of years rather than attempting to attain the goals precipitously. In addition, the program outlined here is not as involved and intricate as the President's appears to be. Nor does it rely primarily on price increases to attain its conservation objectives. The approach presented here rejects that of the President's program which, in our view, runs the real risk of deepening both the inflation and recession pressures existing today. Questions may also be raised as to whether its heavy dependence on price adjustments will permit its conservation objectives to be attained.

The material presented below outlines various alternatives developed by Task Forces of the Ways and Means Committee Democrats for committee consideration. Because it is necessary to deal with the energy problem as a whole in all of its aspects if effective results are to be secured, these alternatives include not only those subject to the jurisdiction of the Ways and Means Committee, but also those within the jurisdiction of other committees as well. The following material clearly specifies those matters which are subject to the jurisdiction of other committees.

QUOTAS, ALLOCATIONS AND STRATEGIC RESERVES *—TASK FORCE NUMBER 1

Our present and growing dependence on imported oil creates severe problems for the U.S. economy. It makes this country overly dependent on foreign suppliers, some of whom have used this dependence for political purposes—as in the case of the Mid-East oil embargo in the fall of 1973. Moreover, we are required to pay exorbitant prices for our imports of oil because a high international market price has been established under a cartel arrangement designed to maximize exporters' profits. However, foreign producers who did not participate in the embargo and our own producers have also increased their prices to much the same levels, markedly to our disadvantage. This has worked particularly to the disadvantage of the United States since it does not now have any comparable unified purchasing authority which can counter the oil cartel by arranging purchases with a view to our vital interests. Finally, our present heavy dependence on foreign oil creates uncertainties as to whether we will be able to secure adequate supplies at reasonable and stable prices in the future, since the world price of oil is likely to fluctuate and other nations are likely to increase their demands for the available world supply.

To deal with this undesirable situation, a number of alternative approaches are outlined below.

Impact Quotas Could Be Used (subject to the jurisdiction of the Ways and Means Committee).

1. The United States should begin now to reduce its dependence on imported oil, using the time and opportunity to mobilize for a rapid development of additional energy resources from domestic sources, and to find ways to restrain the growth in consumption. One possible approach to achieve this objective would be to impose quotas on oil imports. Quotas are superior for this purpose to tariffs and import fees insofar as they work directly in reducing imports of oil. In contrast, tariffs and import fees have only an indirect impact on the quantity of oil imported and have the disadvantage of driving up the price of oil, working hardship on consumers, prolonging inflation, and impeding economic recovery.

2. If import quotas for foreign oil are used, they could be put into effect gradually to avoid undue shock to consumers and our economic system. For example, import quotas might be used to achieve a one million barrel per day cutback over a 2 to 3 year period with further decreases thereafter, resulting in a reduction to perhaps 25 percent of domestic petroleum consumption by the early 1980's. Beginning in 1976, this implies that an annual reduction of 400,000 to 500,000 barrels per day would be required to meet this objective although the initial savings might be at a somewhat lower rate.

3. Any authority establishing the quotas could operate under broad guidelines designed to decrease quotas at least as fast as conservation and conversion programs result in a decrease in oil consumption. The quotas could be designed to "keep pressure on" reducing available supplies but without requiring a major rationing program or major price increases (except to the extent of any deregulation program, a topic which is discussed below).

4. Consideration could be given to ways of avoiding hardship where quotas would have a different impact on different sections of the country. For example, consideration should be given to ways of ameliorating possible problems that the New England area might encounter because of its heavy reliance on oil for heating purposes and the possible problems that States like California might encounter because of heavy gasoline usage due to absence of acceptable alternatives to the automobile as a form of transportation. These special problems might be more appropriately handled through an allocation program.

Federal Petroleum Purchasing Agency (subject to the jurisdiction of the Ways and Means Committee).

1. Federal control of oil imports would appear to offer advantages in administering a quota system especially in countering an oil cartel. For example, provision could be made for a Federal Petroleum Purchasing Agency which would have the exclusive right to import crude oil and oil products into the United States. This agency could control the level of imports quantitatively in accordance with congressionally mandated guidelines and could see to it that imports come within the import quotas. This would help assure that any reduced consumption of oil resulting from the conservation program is translated into decreased imports rather than into decreased domestic production.

2. A Federal petroleum purchasing agency might also be used in other ways. It could promote competition for the U.S. market among producing countries through allocation of import purchase orders by auctioning them under sealed competitive bids. Such a system would reward the lowest bidder, tend to lower the costs of imports, and expose the OPEC cartel's problem of excess capacity. The purchasing agency could also auction import tickets on a sealed-bid basis to potential importers allowing the tickets to be freely transferable by further sale or exchange.

Strategic Petroleum Reserves (not subject to the jurisdiction of the Ways and Means Committee).

Consideration might be given to building up a strategic reserve stockpile of oil (making use of various salt domes in various parts of the country or by the Federal Government acquiring or leasing facilities for this purpose) in order to insure the country of a supply of oil for a period of several months in the case of an embargo. The quickest way to build up such a strategic reserve is to purchase supplies from abroad whenever a favorable price can be negotiated. (This might well be outside any quota system.) Alternatively, if this is not feasible, the reserve could be built up at a slower pace by setting aside production from the Elk Hills Naval Reserve, from the Alaska Naval Reserve, or from offshore production. During the next few years, to the extent storage facilities are available, oil stocks might be accumulated to the extent of one-half the amount imported annually and thereafter maintained at that level.

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* This section was not thoroughly reviewed by all task force members and as a result some may prefer alternatives not referred to here.

Continuing Allocation Authority (not subject to the jurisdiction of the Ways and Means Committee).

It would appear that a mandatory allocation of oil would need to be continued since any comprehensive energy program aimed at reducing overall energy demands and shifting consumption away from petroleum is likely to require an allocation program. Under the Emergency Petroleum Allocation Act of 1973, the Federal Energy Administration has administered an allocation program covering crude petroleum, residual crude oil, and refined petroleum products. However, the authority for the mandatory allocation program under this act terminates August 31, 1975. The administration is also moving toward termination of the mandatory allocation program. The Commerce Committees in both Houses are considering the extension of the Emergency Petroleum Allocation Act as well as action to enjoin the President from deregulating the price of old oil.

Stand-by End Use Distribution Authority (not subject to the jurisdiction of the Ways and Means Committee).

A rationing program for oil is not recommended at this time. However, consideration should be given to legislation providing stand-by mandatory end use distribution authority in order to make it possible to make use of rationing in the event an oil embargo is reimposed.

GASOLINE CONSERVATION PROGRAM—TASK FORCE NO. 2

(This subject is entirely within the Committee on Ways and Means.)

If a quota system is used, one of the chief means of making such a system effective would be through a reduction in the consumption of gasoline. Imports represent 40 percent of the total use of petroleum in the United States. Moreover, gasoline price increases have a less severe impact on the economy as a whole than price increases occurring in oil used for purposes such as heating, the manufacture of fertilizer, and the generation of electric power because the latter lead to price increases for coal and natural gas as well as for crude oil.

Even an increase in the gasoline tax, however, needs to be approached cautiously because it could well have an adverse economic effect. For that reason, the suggestions outlined below provide for a gradual increase in this tax. This would not only be advantageous for the economy as a whole, but would also give individuals and business an opportunity to plan ahead to reduce their energy use and therefore the increase in these costs.

A gradual increase in the gasoline tax would appear to be an effective way of inducing more conservation. However, it would not appear desirable to increase the cost of purchasing the basic amount of gasoline that virtually all adult drivers in the United States will continue to need for an extended period of time. For that reason, consideration might be given to, in effect, exempting a basic allowance of gasoline from any additional tax on gasoline imposed.

The following possible alternatives for dealing with this problem are presented.

1. One possible approach would be to gradually increase the gasoline tax up to a maximum of 40 cents per gallon over a period of years. Such a tax increase might be phased in over a period of four or five years in order to give the automobile industry a chance to adjust by providing more efficient automobiles and avoid an excessive incentive in the near future to purchase foreign cars. The phase-in would also minimize any immediate impact on the economy which at this time would worsen the recession.[1]

2. A program of the type referred to above would be put into effect by employing a two-tier price system that provides some basic tax exemption for an essential amount of gasoline and transfers the net revenue from the tax to a trust fund for use in energy-related areas. Two possible schedules of tax rates are:

5¢/gal.—July 1, 1975 or Jan. 1, 1976.
10¢/gal.—Jan. 1, 1976 or July 1, 1976.
15¢/gal.—July 1, 1976 or Jan. 1, 1977.
20¢/gal.—Jan. 1, 1977 or July 1, 1977.
25¢/gal.—July 1, 1977 or Jan. 1, 1978.
30¢/gal.—Jan. 1, 1978 or July 1, 1978.
35¢/gal.—July 1, 1978 or Jan. 1, 1979.
40¢/gal.—Jan. 1, 1979 or July 1, 1979.
5¢/gal.—July 1, 1975 or Jan. 1, 1976.
10¢/gal.—Jan. 1, 1976 or July 1, 1976.
20¢/gal.—Jan. 1, 1977.
30¢/gal.—Jan. 1, 1978.
40¢/gal.—June 1, 1979.

3. The President could be given the authority to advance the excise tax schedule by 6 months or delay for one year subject to a veto by either House of Congress.

4. If a basic exemption from the gas tax is provided, it could be based on average gasoline usage per automobile of perhaps 9 gallons of gas a week, 36 gallons a month, or 468 gallons a year for each automobile or licensed adult driver (with a maximum of three cars or drivers per family).

5. There are at least two possible methods of providing a basic exemption from the tax. One would make use of coupons called "tax abatement tickets" to cover the basic allowance, and these might be distributed by making use of the computerized list of registered drivers available in various States and mailed out to eligible individuals once a month. These tickets could be presented in payment of any additional tax. The second method would provide a refundable tax credit on the individual income tax return for each automobile (up to three) according to the following schedule per automobile:

Tax credit per automobile[2] for:

1975	$23
1976	47
1977	94
1978	141
1979	188

6. Farmers might well be exempted from any additional tax. This could be implemented in the same way as the exemption from the present gasoline excise tax, namely, through exemption at the pump or refunds (rather than through coupons).

7. Rough revenue estimates of amount which would be raised under possible plan outlined above as is follows:

Receipts from $.10 of gas tax

	Billion
Gross revenue from tax at $.10/gal. (gasoline consumption 100 billion gallon estimate)	$10.0
Exemption for basic allowance (either system) for 100 million cars	−4.7
Net Tax	+5.3

ENERGY TRUST FUND—TASK FORCE NO. 3

An Energy Trust Fund would have advantages since it could (1) lend high visibility to a coordinated set of measures to discourage excessive use of energy by imposing additional costs on such use and (2) to use the revenues raised to deal with the twin tasks of increasing overall energy supplies and making more efficient use of these supplies. Moreover, in the past, trust funds have proven to be effective devices for assuring that the revenues dedicated to certain purposes in fact are used for these purposes.

The creation of a trust fund as such would be within the jurisdiction of the Ways and Means Committee. As in the case of prior trust funds, the Ways and Means Committee could indicate the revenues to be dedicated to the fund. It could also specify the general nature of the purposes for which the monies could be spent (such as the major headings in the table below). It might also indicate the amount of proportion of the trust fund revenues to be devoted to each of these broad categorical areas. Other committees of Congress, however, would authorize specific programs within these categorical areas and appropriations would proceed in the normal course through the Appropriations Committees.

Possible sources of trust fund monies would include the following:

(1) Some portion of any additional excise taxes imposed on gasoline,

(2) Any net proceeds from a tax on relatively inefficient autos,

(3) Any proceeds from a windfall profits tax,

(4) Any increased revenues resulting from repeal of percentage depletion for oil and gas,

(5) Revenues from oil and gas leases if so provided by committees having legislative responsibility in this area.

The broad categorical areas which might be authorized in a trust fund are basic research and developmental projects, work on U.S.-owned oil lands, and local transportation projects. Illustrations of programs within each of these broad categories which might be authorized by other committees are illustrated in the following table.

A. Basic Research:
(1) Solar energy.
(2) Geothermal energy.
(3) New automobile engines.
(4) Environmental impact research.
(5) Synthetic fuels from coal.
(6) Energy efficient industrial processes.
(7) Solid waste energy.

B. Development Projects:
(1) Coal liquefaction and gasification demonstration projects.
(2) Aid for power plant conversions to coal.
(3) Loans or subsidies for solid waste energy conversion plants.
(4) Loans or subsidies for shale oil production.
(5) Price guarantees on long-term purchase contracts for other new energy sources.
(6) Strip mining reclamation and mine safety programs.

C. U.S.-Owned Oil Lands (on and offshore):
(1) Exploratory drilling projects.
(2) Environmental protection programs and research.

D. Local Transportation Projects:
(1) Bus and rail rapid transit.
(2) Demonstrations of car pooling and other shared-ride schemes.
(3) More efficient signal control of arterial traffic.

ENERGY CONSERVATION PROGRAM—OTHER THAN GASOLINE TAX—TASK FORCE NO. 4

The goal of the energy conservation program is to establish a major effort directed at encouraging more efficient use of petroleum-derived products in all energy-using areas of our society: transportation, recreation, and home, commercial, and industrial heating and cooling. The means of achieving significant energy-saving could encompass the use of tax policy (incentives and penalties), financial incentives, mandatory standards, and a comprehensive educational effort to focus public attention on the energy problem and to stimulate energy conservation habits.

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[1] Any gasoline tax increase provided might be accompanied by an excise tax on inefficient autos and also the decontrol of the price of old oil over a period of five to eight years or possibly more (see later sections).

[2] Assumes second tax schedule and first alternative on this schedule as to effective dates.

For example, a tax might be imposed on inefficient automobiles. This could be accompanied by a tax credit for the purchase of efficient ones. (Alternatively, the tax could be imposed alone.) An advantage claimed for the "carrot and stick" approach is that it provides a stimulus to a depressed industry to offset a tax. On the other hand, however, the credit presents a problem in that most imports would be eligible for the credit and not the tax, while many domestically produced cars would be subject only to the tax.

Probably no tax should be imposed before the 1977 model year because this would cause hardship to the auto companies who are presently locked in for the 1977 models; this argues for slower implementation and it might be desirable to implement any tax provided in stages over a period of years. Moreover, any quick implementation of such a tax might slow recovery of a depressed industry.

1. *Auto Mileage Efficiency Tax* (subject to the jurisdiction of the Ways and Means Committee).

A manufacturers' excise tax might be imposed on new autos based upon EPA certified fuel efficiency ratings (miles per gallon in highway driving). One alternative would be to impose a tax relatively soon and gradually increase it thereafter. A second alternative might be to delay the imposition of the tax somewhat longer and phase it in over a period of years, but when such a tax was fully effective it might be a significantly steeper tax than the former. Consideration should also be given to basing the tax on the weighted average of a manufacturer's sales.

(a) The first tax schedule might well be as follows (for autos in the model year 1977):

If rate of fuel consumption (m.p.g.) is:	*The tax is*
20 or over	$0
19–20	75
18–19	150
17–18	225
16–17	300
15–16	400
Less than 15	500

For autos manufactured after the model year 1977 through model year 1981, the applicable miles-per-gallon bracket could be shifted upward one mile per gallon. (This could be coordinated with the tax credit alternative outlined below.)

(b) The second alternative tax schedule might be imposed on cars providing less than 25 miles per gallon. Such a tax, when fully effective, might amount to as much as $500 for those providing between perhaps 17 and 25 miles per gallon, and perhaps $1,000 for those providing less than 17 miles per gallon. These taxes might be phased in perhaps beginning with the 1977 models and becoming fully effective with 1980 models. On this basis, one quarter of the tax referred to above could become effective with each of the 4 model years.

2. *Tax Credit for Purchases of New Autos* (subject to the jurisdiction of the Ways and Means Committee).

To provide a further incentive for the motoring public to purchase more efficient autos, consideration might be given to adopting tax credits for purchases of the more efficient new autos. (This could be, but need not be, combined with one of the tax alternatives outlined above.) The tax credit schedule could be as follows for autos purchased in the model year 1977:

If rate of fuel consumption (m.p.g.) is:	*The tax credit is*
Below 20	$0
20–21	100
21–22	200
22–23	300
23–24	400
24 and over	500

For autos purchased for model years after 1977, the miles-per-gallon brackets to get the credit could be increased one mile per gallon each model year.

3. *Other Taxes* (subject to the jurisdiction of the Ways and Means Committee).

Consideration might also be given to the following types of taxes:

1. Taxes on other vehicles, etc.:

Tax on auto air conditioners.

Repeal of tax on radial tires or tax credit.

Tax on engines of motor boats and snowmobiles.

Tax on general aviation aircraft.

2. Tax incentives for buildings:

Tax credit for residential energy improvements.

Tax credit for residential solar energy equipment.

Rapid amortization of commercial solar energy equipment.

3. Other taxes:

Tax on nonreturnable glass and metal beverage containers.

Increased tax on new lubricating oil and removal of tax on new oil mixed with old.

4. *Nontax Financial Incentives and Penalties* (not subject to the jurisdiction of the Ways and Means Committee).

Consideration might be given to the following:

Mandatory minimum auto mileage standard by 1979 model year.

Require use of radial tires on all autos by 1979.

Devise ways of encouraging States to better enforce highway speed limits.

Increase Federal aid to improve railroads.

Improve efficiency of airlines by routing and scheduling changes, etc.

Encourage States to require auto tune-ups.

Provide low-interest loans for energy efficiency improvements for homes and small businesses.

Require energy efficient building regulations for Federally generated mortgages.

Require energy efficiency labeling on all appliances and for autos and trucks.

Establish rate restructuring and energy conservation programs for agencies under the Federal Power Act.

Encourage reduction in nonessential lighting.

Increase government research into improved energy efficiency of buildings and transportation.

5. *Education Program for Energy Conservation* (not subject to the jurisdiction of the Ways and Means Committee).

Education of the public as to the need for, and the means of, achieving energy conservation is also important if wasteful energy consumption is to be reduced. The Federal Energy Administration is developing an education program through the Division of Public Education in the Office of Conservation and Environment. The funding level they have requested, however, may not be adequate. Particular points that might be considered to stress in an education campaign are:

Provide information on conserving energy in the home and driving.

Encourage voluntary efforts for people to "turn it down" for heating and cooling systems and stress business energy saving programs.

Establish energy conservation centers in land-grant colleges.

Educate the public as to how much energy is used by appliances and autos.

Require energy conservation reports from Federal agencies.

Provide grants for energy conservation education programs.

* * * * *

DEREGULATION OF OIL AND GAS AND WINDFALL TAXES—TASK FORCE NO. 5

Present price controls on oil and new natural gas have the disadvantage of encouraging extensive use of scarce energy resources by keeping their prices substantially lower than they would be under free market conditions. They also remove some of the incentives to increase output of sources of energy. At the same time, however, the increase in costs which results is recognized as having an inflationary effect. This means the problem must be approached with caution. Therefore, if prices of either oil or natural gas are to be deregulated, it is believed that this decontrol should be put into effect gradually in order to cushion the shock of the resulting price increases or consumers and on the economic system. Windfall taxes on producers should be considered if there is to be decontrol of either oil or new natural gas in order to siphon off any windfall profits which might result from the increases in the prices of oil and gas involved in such a program.

More specifically, consideration might be given to the following options:

Deregulation of oil and gas (not subject to the jurisdiction of the Ways and Means Committee).

(1) If the controls on old oil prices are to be removed they could be phased out by gradually increasing the controlled price of old oil $1 per year over a 5-year or 6-year period.

As an alternative, the quantity of "old oil" which is subject to price control could be reduced gradually. This could be achieved by generally reducing the amount treated as old oil in the 1972 base period at a gradual rate of 12½ percent per year. (This corresponds roughly to the average natural decline in productivity for most domestic oil fields). This would decontrol all old oil over an 8-year period.

(2) To encourage the use of high-cost oil recovery processes, immediate deregulation of oil recovered through secondary and tertiary processes might be considered. In order to discourage any premature use of such recovery methods, approval of the use of such methods in each case by the State regulatory agency might be required.

(3) If the price of new natural gas used in interstate commerce is to be deregulated, this also could be spread over a period of time. One approach would be to decontrol the price as new contracts committing gas to interstate commerce are entered, or as gas is shifted from intrastate to interstate commerce. This would minimize the shock effect of a sudden sharp increase in price, since the decontrol would be accomplished gradually over an extended period. Under this approach, the price received by producers would increase gradually from current controlled levels (ranging from 14 cents to 34 cents for old gas, and 51 cents for new gas) to the market price.

Windfall profits taxes (subject to the jurisdiction of the Ways and Means Committee).

(1) If there is to be deregulation of the price of oil, producers during the period of deregulation might be subjected to a graduated windfall tax on amounts received for a barrel of oil in excess of the base price for that oil (which now would average about $4.95 per barrel). The tax rates could range

from 10 percent on the first 25 cents of windfall profits (in excess of the $4.95 base) to a maximum of 85 percent of all windfall profits over $2.00 per barrel (as proposed by the Treasury Department). The windfall profits tax could be phased out gradually over an 8-year period (or such other period of time as deregulation may occur).

(2) To encourage continuing investment in energy resources, the windfall profits tax could include plowback provisions to allow a credit against the tax for qualified investments which increase output of oil. Under one view, however, the plowback should be relatively limited. To insure that a substantial amount of windfall profits would be subject to tax, the maximum plowback credit might be limited to no more than 50 percent of the windfall profits tax. The qualified investments, for which a plowback credit might be allowed, could include (1) intangible drilling costs; (2) geological and geophysical expenses incurred in connection with oil and gas exploration; (3) the cost of depreciable personal property used in producing oil and gas; and (4) the operating costs of secondary and tertiary production processes.

(3) A gradual windfall profits tax also could be considered for new natural gas committed to interstate commerce and to gas used within the state of production and not now under contract. This could be imposed on a comparable basis to that suggested for oil. The tax on gas in interstate commerce might be imposed on the price received by the producer above the current controlled price of new gas (51 cents mcf). It would be phased out during the period over which it is estimated any deregulation may occur. In this case, also, there might be a plowback feature.

(4) Although the price of coal is not subject to price controls, it is greatly affected by the price of oil and natural gas, which are competitive energy sources. For this reason, consideration might be given to imposing a windfall profits tax on coal corresponding to that imposed on oil and natural gas. There might, however, be problems in arriving at an appropriate base for such a tax.

CAPITAL INCENTIVES—TASK FORCE NO. 6

An examination was made of a variety of alternatives for increasing capital incentives to achieve 2 desired goals: (1) greater energy conservation, and (2) more rapid expansion of United States energy supplies. Generally, it was questioned as to whether the expansion of existing tax preferences, or the creation of new ones, was the most desirable or efficient route. In many cases, it would appear that direct governmentally created incentives, rather than tax incentives, would be preferable in achieving the nation's energy goals. Therefore, it is suggested that consideration might be given to such measures even though they are outside the jurisdiction of the Ways and Means Committee. In other cases, however, modification of the existing relevant tax provisions might be more effective. In some cases this represents the creation of new incentives, and in other cases the removal of disincentives in present law. If any additional incentives are provided, these might be made self-liquidating after 5 years.

More specifically, the following are suggested for consideration:

A. *Treatment of the Extraction—Production Industries:*

(1) Percentage depletion might be repealed for all crude oil production effective January 1, 1975 (as the House has recently done in H.R. 2166). The view of the House appears to be that the oil industry has experienced a sharp rise in profits as a result of the oil price increases in the past 2 years and has no further need for percentage depletion. Also, it apparently is believed that the present high prices will lead to as large an increase in drilling, without percentage depletion, as is practical.

(2) Also, questions may be raised as to whether exemptions from the repeal of percentage depletion of crude oil is needed. However, if percentage depletion for small producers is to be phased out, each producer might be permitted to exempt the first 3,000 barrels of oil production per day in 1975 with a depletion rate of 15 percent; the first 2,000 barrels in 1976 with a rate of 10 percent; and the first 1,000 barrels in 1977 with a rate of 5 percent. In this manner, this small producers' exemption would expire on January 1, 1978.

(3) Percentage depletion for natural gas could be repealed except for regulated natural gas (where it might be retained for a limited period) and for natural gas sold under a fixed-price contract, where the price cannot be adjusted to reflect the loss of percentage depletion. (This corresponds to the House action on H.R. 2166.) Under this alternative, unregulated natural gas not selling under such a fixed contract would lose all percentage depletion. Alternatively, percentage depletion might be retained at 22 percent for natural gas selling for prices below 50 cents per thousand cubic feet (mcf). For gas selling above that price, the rate of percentage depletion might be reduced by one percentage point for each 2 cents that the price exceeds 50 cents. Thus, gas selling at 52 cents per mcf would receive percentage depletion at a 21-percent rate. This would mean that gas selling above 94 cents per mcf would lose all percentage depletion.

(4) The definition of intangible drilling expenses might be expanded to include geological and geophysical expenditures and intangible costs associated with geothermal wells. This could encourage greater exploration for oil and gas, and place development of geothermal energy development on a par with oil and gas.

(5) To make the tax laws truly neutral with regard to foreign operations of U.S. companies, a number of changes might be considered, including the following:

(a) Repealing both percentage depletion and the expensing of intangible drilling costs for foreign oil and gas.

(b) Repealing the "per-country" limitation for oil and gas companies.

(c) Eliminating, or at least limiting, existing and future excess foreign tax credits on income from the extraction of oil. This would limit the foreign tax credit so that it may offset only the U.S. tax on (or perhaps 10 percent more than) the foreign oil or gas income—presently 48 percent.

(d) Recapturing foreign oil and gas start-up losses that are deducted against U.S.-source income. Foreign tax credits should not be allowed for foreign taxes on foreign-source income until these losses are recaptured.

(e) Repealing of DISC for the export of energy resources.

(f) Review of tax deferral privilege in the case of foreign oil and gas subsidiaries to the extent this would directly affect domestic energy production.

(g) Treating gain on the sale of oil and gas properties as ordinary income to the extent of any intangible drilling deduction taken earlier with respect to the property. (This would eliminate tax advantages which can be secured under present law through writing off intangible drilling expenses against ordinary income and then in a subsequent year selling the property and having the gain treated as capital gain.)

(h) Non-tax incentives might be created for the development of alternative sources of energy other than crude oil and natural gas. (These include solid, liquefied, or gasified coal, oil shale, geothermal energy, energy from bioconversion, solar energy and others.) The Federal Energy Administration could, for example, be authorized to promote the development of alternative energy sources by providing loss guarantees, by contributing capital to demonstration projects, by providing direct subsidies or by providing price floors (although in this case the FEA might retain the option of buying out the project if operating costs are extraordinarily high).

B. *Encouraging Industry Conversions for Greater Energy-Saving Expenditures:*

(1) Consideration might be given to making the investment credit available for certain energy-saving investments that have the potential to save large amounts of energy where the investments are not now eligible for the existing investment tax credit. For the most part, the type of investments referred to do not qualify for the investment credit because they are considered part of the structure. These include thermal window panes, insulation, storm windows, heat exchangers, solar energy devices, and central heating and air conditioning equipment (which is sometimes more efficient than window air conditioning, for example, which is eligible for the credit).

(2) Federal loans, subsidies, or loan guarantees (although outside of committee jurisdiction) might be provided in selected cases (approved by the Federal Energy Administration) for conversion of power plants from oil or gas to coal.

C. *Recycling natural resource materials to save energy:*

(1) New oil mixed with recycled oil which is used off highways could be made eligible for the rebate of the 6 cent excise tax imposed on new lubricating oil. This would give such oil the same rebate that is granted to new lubricating oil which is used off highway. In addition, the 6 cent tax on new lubricating oil for highway use might be forgiven or rebated, when the new oil is used in a mixture with recycled oil.

(2) Government-created incentives might be considered to encourage private and public use of solid wastes such as trash for fuel. For example, conversion, separation, or burning equipment might be included in the definition of "pollution control devices" for qualification for existing tax code provisions.

CONVERSION TO OTHER FUELS—TASK FORCE NO. 7

(Largely subject to Committee on Ways and Means jurisdiction.)

Known domestic reserves of petroleum and natural gas are limited, and at realistic rates of consumption, may last only some 25 to 40 years. There are two other major fuel sources of energy likely to be available in quantity in the near future: coal, of which vast quantities are now available in reserves, and nuclear fission, which hopefully can be drawn on in the near future. The anticipated rates of growth of energy demand imply that these additional energy supplies may only be adequate to meet this growth in demand without providing a substitute for other fuel sources, unless an effort is made to aid their development.

Three fossil fuels are used now to provide most of the energy. Between now and 1985, it appears that coal is the only one of these where the supply can be expanded because of abundant domestic reserves. Petroleum and natural gas supplies probably cannot be increased appreciably during the next decade. Nuclear energy, and to a limited extent, hydroelectric power, also can be used to increase fuel sources for generation of electrical power. There are many other potential sources of energy, but for the most part, these will be available only in limited quantities by 1985.

In order to increase the supply of coal for electrical power, heating, use as a source of synthetic oil and gas, and as a source of petrochemical feed stocks, a number of problems have to be overcome. Environmental standards governing exhausts from the use of coal may have to be relaxed or modified until effective control devices are developed. Capital must be raised for the opening of new coal mines and to expand the rail transportation system which must carry coal from the mines to consumers.

To facilitate the conversions of the type referred to above, consideration might be given to the following:

1. Although existing tax incentives for most activities related to coal mining appear to be adequate, an additional stimulus might be provided through five-year amortization for new coal mining equipment.

2. For the railroads, tentative decisions approved last year by the Committee on Ways and Means providing both the investment credit and five-year amortization for railroad equipment and 50-year amortization for gradings and tunnel bores might be considered.

3. Actions under laws outside of Ways and Means Committee jurisdiction could require electric utilities and other industries using oil or gas for heating to switch to coal as quickly as possible. Since this is a reversal of recent mandates under environmental standards, five-year amortization of the costs of newly installed coal-burning equipment might be provided for a long enough period of time to cover the transition to the use of coal.

4. Nuclear energy can be expected to be a major source of electricity in the future, and if the complex of issues concerning environmental standards and siting of nuclear plants can be resolved soon, the use of nuclear fuel for generating power can increase tenfold or more by 1985. Several tax changes might be considered to encourage and facilitate the expansion in nuclear capacity given satisfactory resolution of the environmental issues. These include clarification of the status of nuclear energy plants under the provisions relating to the issuance of industrial development bonds and the eligibility of nuclear facilities to issue these bonds under the provisions relating to local provision of electrical power and under the air and water pollution abatement facilities. In addition, the Committee might want to characterize nuclear fuel as a depreciable item subject to net leases and thereby make it eligible for the investment credit.

5. Synthetic oil and gas can be derived from shale oil and liquefying and gasifying coal. Commercial production of synthetic oil and gas will not reach appreciable levels until 1985. It is not clear at the moment whether additional tax incentives will be necessary to stimulate the rate of development of these processes. However, it is suggested that the Committee be alert to the need for such developments.

IMPLEMENTING THE FREEDOM OF INFORMATION ACT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the amendments to the Freedom of Information Act are having an effect on some agencies which I believe to be contrary to congressional intent. Under new regulations promulgated by Federal agencies, one type of information that the agencies will be disclosing is correspondence with Members of Congress.

I have recently received a letter from the Chairman of the Federal Deposit Insurance Corporation advising me that I could merely telephone their congressional liaison office if I wished to know the status of an application, rather than write a letter to that effect. If I understand the implication correctly, it is his recommendation that if I do not want my inquiry to appear with a given file, that my office call rather than write to his office to find the status of an application, and that telephone inquiries will not be logged in the file. If I drew the wrong conclusion from his letter and that was not his intent, then I would be pleased to be so informed.

I have had correspondence from some agencies advising me only that congressional correspondence can be made available under the Freedom of Information Act. I have no objection to this type of notification. The purpose of my pointing this situation out is to make sure that the intent of the Freedom of Information Act is not evaded by any nonwritten communication to an agency.

I believe it is incumbent on any agency, particularly a regulatory agency to keep a record of any inquiry, even a telephone inquiry on a file, giving the identity of the person who called and the substance of the inquiry.

My correspondence with the Chairman of the FDIC follows:

Federal Deposit Insurance Corp.,
Washington, D.C., February 28, 1975.
Hon. Edward I. Koch,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Koch: In light of Congressional inquiries concerning procedures followed by this Corporation in the processing of applications, I am pleased to provide the following information which I trust will be helpful to you and your staff.

On occasion, Members of Congress write to the Corporation expressing a view on the merits of a pending application. We welcome all such communications—from the Congress as well as from the general public. In expressing your views, however, you should be aware that under the Freedom of Information Act there are instances in which such a communication may become a matter of public record, depending upon the nature of the application.[1]

Under our application procedures, all members of the public are afforded an opportunity to present their views on applications subject to these procedures. Such views become a part of a public file which contains pertinent information and relevant communications regarding the application. The public file, with limited exceptions relating to the financial condition of the bank or individual members of the management, contains all written information submitted by interested persons, including Members of Congress, on the merits of the proposed application.

In the event you wish merely to inquire as to the status of an application, or the approximate date of action on it by the FDIC Board of Directors, I suggest you telephone our Congressional Liaison Office (389–4444).

Sincerely,

Frank Wille,
Chairman.

House of Representatives,
Washington, D.C., March 4, 1975.
Chairman Frank Wille,
Federal Deposit Insurance Corporation,
Washington, D.C.

Dear Chairman Wille: I have your letter of February 28th and in all candor I must express disagreement with its import. As someone who has supported the opening to the public of government files, I would oppose any attempt to evade the spirit of these laws and the regulations promulgated to effect their intent.

Your suggestion that Members of Congress could avoid having their names disclosed by making telephone inquiries instead of writing would appear to undermine the intent of the law. I believe it is incumbent that any file you have on which there has been an inquiry, Congressional or otherwise, should include a notation indicating who called and the nature of the inquiry.

I would appreciate your comments on this request.

Sincerely,

Edward I. Koch.

TAX ON CIGARETTES FOR CANCER RESEARCH

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, 30 Members have joined me in sponsoring a bill to amend the Internal Revenue Code to increase the excise tax on cigarettes and to amend the Public Health Service Act to establish a trust fund to be used for the research programs of the National Cancer Institute. This bill would raise the current Federal tax on each pack of cigarettes by 2 cents, which would produce an estimated $600 million annually to be used specifically for cancer research.

In 1973 alone, Americans consumed 29.2 billion packages of cigarettes and the National Panel of Consultants on the Conquest of Cancer estimated that 15 percent of all cancer deaths could be eliminated if people stopped smoking. The additional tax on cigarettes would result in those most endangered of being affected by cancer supporting research into its causes and cures. One out of four people in this country will develop cancer, so we are all ultimately affected either directly or vicariously.

Over 25 leaders in the field of cancer research and health care across the country have written to me in support of this bill. They have also expressed their view that the National Cancer Institute has done an effective job in coordinating the Nation's cancer research and in distributing funds.

The following Members have cosponsored this legislation with me:

List of Cosponsors

Ms. Bella Abzug (D–NY), Mr. Herman Badillo (D–NY), Mr. Bob Bergland (D–Minn), Mr. George Brown (D-Cal.), Mr. Bob Carr (D-Mich.), Mrs. Cardiss Collins (D-Ill.), Mr. Tom Downey (D–NY), Mr. Don Edwards (D-Cal.), Mr. Joshua Eilberg (D-Penn.).

Mr. David Emery (R-Maine), Mr. Dante Fascell (D-Fla.), Mr. Don Fraser (D-Minn), Mr. Ben Gilman (D–NY), Mr. Michael Harrington (D-Mass.), Mr. Wayne Hays (D-Ohio), Mr. Jack Kemp (R–NY), Mr. Mike McCormack (D-Wash.), Mr. Matthew McHugh (D–NY).

Mr. Stewart McKinney (D-Conn.), Mr. George Miller (D-Cal.), Mr. Robert Nix (D-Penn.), Mr. Fred Richmond (D–NY), Mr. Ben Rosenthal (D-NY), Mr. Edward Roybal (D-Cal.), Mr. Pete Stark (D-Cal.), Mr. Don Riegle (D-Mich.), Mr. Carlos Moorhead (R-Cal.).

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[1] See 12 C.F.R. § 303.14, Application Procedures. The applications subject to this section are (1) applications for deposit insurance by proposed new banks, (2) applications by insured State nonmember banks to establish branches, (3) applications by insured State nonmember banks to relocate their main office or branch offices, and (4) any other application requests or submittals which the FDIC Board of Directors deems appropriate.

Mr. Henry Waxman (D-Cal.), Mr. Charles H. Wilson (D-Cal.), Mr. Charles Wilson (D-Tex.).

THE CRUELEST SSI REGULATION OF ALL

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the SSI program, intended to provide more comprehensive assistance through the social security system by putting on the social security roles the elderly, the disabled, and the blind, has exhibited clear deficiencies. These have been discussed many times by many Members and indeed legislation is pending to correct such deficiencies.

However, there is one particularly horrendous inequity which I believe must be corrected immediately and hopefully administratively, so as not to experience the timelag that legislation requires. The particularly egregious case brought to my attention is that of a young man who is retarded and maintained in a private school for the retarded by his parents and who is denied SSI payments. Under SSI regulations an individual in an institution run for profit is not eligible for SSI payments where the amount allocated for room and board exceeds $146 a month. And of course, charges for such an institution for the retarded exceed that amount. So we have a case of "Catch 22." This inequity is compounded by the fact that if the retarded child is in a nonprofit or State institution—where his parents may contribute nothing to his maintenance—he becomes eligible without regard to the artificial limit of $146 for room and board.

I will not at this time enter into a discussion of the merits or demerits of public institutions caring for the retarded except perhaps to mention the word "Willowbrook" and say no more. It is inconceivable to me that rules and regulations of the Federal Government can be permitted to stand which deprive this retarded child and his parents and others similarly situated of SSI benefits simply because the parents are paying tuition fees for him at a private school. I have urged Commissioner James B. Cardwell to give this matter his attention and find a way, administratively, to do equity here. The correspondence follows:

House of Representatives,
Washington, D.C., February 28, 1975.
Hon. James B. Cardwell,
Commissioner, Social Security Administration, Baltimore, Md.

Dear Mr. Cardwell: I should like to refer to our correspondence in the above matter concerning who is retarded and who is attending the Van Hook-Walsh School in Wilmington, Delaware and in particular your last letter to me of August 5, 1975.

You will recall that you were then considering how you could administratively or legislatively find a way to resolve the inequitable situation pertaining to this case and others similarly situated. To recapitulate, SSI benefits have been denied because his parents provide for his room and board at the private school for the retarded, and your regulations now define such payments as unearned income to the individual. I would hope that good sense would prevail in this case for two reasons: it is incomprehensible that parents and the retarded child should be denied SSI assistance simply because the parents are carrying out their responsibilities to their child at great financial cost; and secondly were the parents to give up their responsibility and place in a public institution, SSI benefits would automatically become available.

I urge that you exercise good judgment and find a way administratively to exclude as unearned income, room and board payments for retardates. To continue this outrageous situation demeans the SSI program. Finally, you commented in the letter of August 5, "I am hopeful that I will be able to review these options very shortly and that we will find a solution so that no supplemental security income applicant is disadvantaged by the unearned income provisions of the law." While pregnant with hope, in view of the passage of time without a resolution, I am left to feel that the matter did not receive the attention it deserves.

Sincerely,

Edward I. Koch.

Social Security Administration,
Baltimore, Md., August 5, 1974.
Hon. Edward I. Koch,
House of Representatives,
Washington, D.C.

Dear Mr. Koch: This is in further reference to your letter on behalf of ——— concerning the eligibility of their son, ——— for payments under the supplemental security income program. I have also received your letter of July 3 about this matter, and I am sorry that my reply has been delayed.

I can certainly appreciate the feeling which prompted ——— to write to you, and I realize there is a great need in the whole area of providing care for the retarded. Since they stated that the Van Hook-Walsh School had filed an application for supplemental security income payments on ——— behalf with the social security office in Wilmington, Delaware, I asked a member of my staff to look into ———'s case. A check of the records in our Wilmington office revealed that a formal application had not been filed on his behalf. Rather, I am informed, a representative of the Van Hook-Walsh School inquired about ———'s potential eligibility, received an informal denial, and did not file a formal application.

However, I am also informed that, although ——— is disabled, he is ineligible for supplemental security income because of the amount of support and maintenance furnished him. As you know, the definition of income in the supplemental security income law is explicit. It provides, in section 1612(a)(2)(A), that support and maintenance, whether furnished in cash or in kind, are unearned income to the individual. Under our present interpretation of this section of the law, the support and maintenance furnished at the Van Hook-Walsh School, is considered as unearned income to ———. In cases where parents (as in ———'s case), some other third party, or the institution itself is covering the individual's costs, the full value of support and maintenance provided is considered income to the individual. If the payment to the institution on behalf of the individual is less than the value of the support and maintenance provided, the difference is considered unearned income to the individual.

I admire Mr. and Mrs. ———'s commendable efforts to obtain all available assistance for ——— and fully understand the concern they feel. Please advise them that we are deeply concerned about the effect of our present interpretation and are conducting an indepth evaluation of the present title XVI treatment of support and maintenance as income with a view toward finding administrative or legislative options which may remedy the present situation. I am hopeful that I will be able to review these options very shortly and that we will find a solution so that no supplemental security income applicant is disadvantaged by the unearned income provisions of the law.

Sincerely yours,

James B. Cardwell,
Commissioner of Social Security.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Barrett (at the request of Mr. Eilberg), for today and the remainder of the week, on account of necessary absence.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Kemp, for 5 minutes, today.

(The following Members (at the request of Mr. Hagedorn) to revise and extend their remarks and include extraneous material:)

Mr. Forsythe, for 60 minutes, today.

Mr. Talcott, for 3 minutes, today.

Mr. Miller of Ohio, for 5 minutes, today.

Mr. Ashbrook, for 10 minutes, today.

Mr. McCollister, for 20 minutes, today.

(The following Members (at the request of Mr. Richmond) to revise and extend their remarks and include extraneous matter:)

Mr. Annunzio, for 5 minutes, today.

Mr. Frazer, for 5 minutes, today.

Ms. Holtzman, for 60 minutes, today.

Mr. Flood, for 5 minutes. today.

Mr. McFall, for 5 minutes, today.

Mr. Drinan, for 15 minutes, today.

Mr. Foley, for 60 minutes, today.

Mr. Alexander, for 15 minutes, today.

Mr. Koch, for 5 minutes, today.

Mr. Vanik, at the request of Mr. Solarz, for 15 minutes, today, following other special orders heretofore entered into, and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Price, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $2,294.

Mr. Ullman and to include extraneous matter notwithstanding the fact that it exceeds four pages of the Congressional Record and is estimated by the Public Printer to cost $1,112.

(The following Members (at the request of Mr. Hagedorn) and to include extraneous matter:)

Mr. Findley.

Mr. Sarasin in six instances.

Mr. Kemp in two instances.

Mr. Kasten.

Mr. Steelman.

Mr. Crane in two instances.

Mr. Young of Alaska.

Mr. Wampler.

Mr. McCloskey.

Mr. Derwinski in two instances.

Mr. Gilman in two instances.

Mr. Ashbrook in three instances.

Mr. Lujan.

Mr. Wydler.

Mr. Treen.

Mr. Harsha.

Mr. Kindness.

Mr. Don H. Clausen.

Mr. du Pont.

Mr. Frenzel.

Mr. Pressler in two instances.

Mr. Cochran.

(The following Members (at the request of Mr. Richmond), and to include extraneous matter:)

Mr. Baucus.

Mr. Simon.

Mr. Rosenthal in five instances.

Mr. McDonald of Georgia in 10 instances.

Mr. Gonzalez in three instances.

Mr. Anderson of California in four instances.

Mr. Helstoski.

Mrs. Boggs.

Mr. Won Pat in two instances.

Mr. Blouin.

Mr. Holland.

Mr. Stark.

Mr. Giaimo in 10 instances.

Mr. Dominick V. Daniels.

Mrs. Schroeder.

Mr. Eilberg.

Mr. Hawkins.

Mr. Hamilton.

Mr. Evans of Indiana.

Mr. Koch in five instances.

Mr. Minish in two instances.

Mr. Mikva.

Mr. Dingell in four instances.

Mr. Brown of California in 10 instances.

Mr. Teague.

Mr. Flood.

Mr. Santini.

Mr. Brodhead.

Mr. Ford of Michigan.

(The following Members (at the request of Mr. Solarz) and to include extraneous material:)

Mr. Hamilton.

Mr. Rangel.

Mr. Koch in five instances.

Mr. Maguire.

Mrs. Spellman.

Mr. Carney.

Mr. Young of Georgia.

SENATE CONCURRENT RESOLUTION

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 9. Concurrent resolution relating to the establishment of the naval and maritime museum in Charleston, South Carolina; to the Committee on Armed Services.

ADJOURNMENT

Mr. SOLARZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 5, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

468. A letter from the Deputy Secretary of Defense, transmitting a report on funds obligated in the chemical warfare and biological research programs during the first half of fiscal year 1975, pursuant to section 409 (a) of Public Law 91–121; to the Committee on Armed Services.

469. A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs) transmitting the military manpower training report for fiscal year 1976, pursuant to 10 U.S.C. 138(d)(2); to the Committee on Armed Services.

470. A letter from the Assistant Secretary for Education, Department of Health, Education, and Welfare, transmitting the annual report of the National Center for Education Statistics on the condition of education in America, pursuant to section 406(d)(1) of the General Education Provisions Act, as amended (88 Stat. 557); to the Committee on Education and Labor.

471. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate Eugene V. McAuliffe and his family, pursuant to section 6 of Public Law 93–126; to the Committee on Foreign Affairs.

472. A letter from the Acting Chairman, the Renegotiation Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

473. A letter from the Acting Secretary of Transportation, transmitting the fourth annual report on the activities of the Department of Transportation under the Emergency Rail Services Act of 1970, including an evaluation of the financial condition of the railroads which have outstanding certificates guaranteed under the act, pursuant to section 10 of the act (Public Law 91–663); to the Committee on Interstate and Foreign Commerce.

474. A letter from the Fiscal Assistant Secretary of the Treasury, transmitting the 19th annual report on the financial condition and results of the operations of the highway trust fund, pursuant to section 209(e)(1) of the Highway Revenue Act of 1956, as amended (H. Doc. No. 94–68); to the Committee on Ways and Means and ordered to be printed.

475. A letter from the Fiscal Assistant Secretary of the Treasury, transmitting the fourth annual report on the financial condition and results of the operations of the Airport and Airway Trust Fund, pursuant to section 208(e)(1) of the Airport and Airway Revenue Act of 1970, as amended (H. Doc. 94–69); to the committee on Ways and Means and ordered to be printed.

Received From the Comptroller General

476. A letter from the Comptroller General of the United States, transmitting observations on the food stamp program; jointly to the Committees on Government Operations, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations. H.R. 4075. A bill to rescind certain budget authority recommended in the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communications of the Comptroller General of February 7, 1975 (H. Doc. 94–46) and of February 14, 1975 (H. Doc. 94–50), transmitted pursuant to the Impoundment Control Act of 1974 (Rept. No. 94–26). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROGERS (for himself, Mr. Preyer, Mr. Symington, Mr. Carney, Mr. Scheuer, Mr. Waxman, Mr. Hefner, Mr. Florio, Mr. Wirth, Mr. Carter, Mr. Broyhill, Mr. Hastings, and Mr. Heinz):

H.R. 4114. A bill to amend the Public Health Service Act to revise and extend the National Health Service Corps program; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. Preyer, Mr. Symington, Mr. Carney, Mr. Scheuer, Mr. Waxman, Mr. Hefner, Mr. Florio, Mr. Wirth, Mr. Carter, Mr. Hastings, and Mr. Heinz):

H.R. 4115. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. ADDABBO:

H.R. 4116. A bill to allow a credit of not more than $300 against the Federal income tax for State and local real property taxes, or for a corresponding portion of rent, paid by individuals with respect to their principal residences; to the Committee on Ways and Means.

H.R. 4117. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

By Mr. ARCHER:

H.R. 4118. A bill to amend the Internal Revenue Code of 1954 to allow a credit for the amount of the employment placement fees paid or incurred to an employment agency; to the Committee on Ways and Means.

By Mr. ARMSTRONG (for himself, Mr. Burleson of Texas, and Mr. Conable):

H.R. 4119. A bill to amend the Internal Revenue Code of 1954 with respect to certain charitable contributions; to the Committee on Ways and Means.

By Mr. ASHLEY:

H.R. 4120. A bill to amend title II of the Social Security Act to provide for the payment of child's insurance benefits, without regard to certain requirements otherwise applicable, in the case of adopted children who were born after their adopting parents became entitled to old-age or disability insurance benefits; to the Committee on Ways and Means.

By Mr. BEARD of Rhode Island:

H.R. 4121. A bill to require State inspections of public and private extended care facilities, skilled nursing homes, and intermediate care facilities and to require State enforcement of guarantees of rights of the patients in such facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOKS (for himself, and Mr. Horton):

H.R. 4122. A bill to amend title 38 of the United States Code in order to provide for an annual investigation by the Administrator into the cost of travel by veterans to

Veterans' Administration facilities and to set rates therefor, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BURGENER (for himself, Mr. Yatron, Mr. Derwinski, Mr. Thone, Mr. AuCoin, Mr. Cohen, Mr. Gilman, Mr. Goldwater, Mr. Cleveland, Mr. Won Pat, Mr. McDonald of Georgia, Mr. Ketchum, Mr. Del Clawson, Mr. Moorhead of California, Mr. LaFalce, and Mr. Rinaldo):

H.R. 4123. A bill to transfer jurisdiction over the food stamp program to the Secretary of Health, Education, and Welfare; to the Committee on Agriculture.

By Mr. BURLISON of Missouri:

H.R. 4124. A bill to amend the Flood Disaster Protection Act of 1973 to provide that the prohibition against Federal financial assistance for acquisition or construction purposes in an area having special flood hazards, where the property involved is not covered by flood insurance or the community is not participating in the national flood insurance program, shall be inapplicable if a flood control study or construction program is being carried on in such community; to the Committee on Banking, Currency and Housing.

By Mr. DON H. CLAUSEN (for himself, Mr. McCloskey, Mr. McEwen, Mr. McFall, Mr. Martin, Mr. Michel, Mr. Miller of Ohio, Mr. Miller of California, Mr. Mineta, Mr. O'Neill, Mr. Patterson of California, Mr. Rees, Mr. Rhodes, Mr. Roybal, Mr. Ryan, Mr. Schneebeli, Mr. Sisk, Mr. Stark, Mr. Steiger of Wisconsin, Mr. Ullman, Mr. Van Deerlin, Mr. Vander Jagt, Mr. Waxman, and Mr. Charles H. Wilson of California):

H.R. 4125. A bill to designate the Veterans' Administration hospital in Loma Linda, Calif., as the "Jerry L. Pettis Memorial Veterans' Hospital", and for other purposes; to the Committee on Veterans' Affairs.

By Mr. COCHRAN:

H.R. 4126. A bill to provide for the addition of certain lands to the Natchez Trace Parkway in Mississippi, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 4127. A bill to amend the Internal Revenue Code to provide an Investment Tax Credit for property used in centralized livestock operations, and to establish the amount of such credit; to the Committee on Ways and Means.

H.R. 4128. A bill to amend the Internal Revenue Code (as it pertains to accumulated taxable corporate income) to provide for an increase in the accumulated earnings credit; to the Committee on Ways and Means.

H.R. 4129. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of professional standards review organizations to review services covered under the medicare and medicaid programs; to the joint Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CORMAN:

H.R. 4130. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS (for himself, Mr. Esch, Mr. Peyser, Mr. O'Hara, Mr. Corman, Mr. Beard of Rhode Island, Mr. LaFalce, Mr. Harrington, and Mr. Bingham):

H.R. 4131. A bill to provide for the development and implementation of programs for youth camp safety; to the Committee on Education and Labor.

By Mr. DAVIS (for himself and Ms. Jordan):

H.R. 4132. A bill to provide financial assistance to local educational agencies for the construction of public elementary and secondary schools; to the Committee on Education and Labor.

By Mr. DRINAN:

H.R. 4133. A bill to suspend all sales of defense articles and services for 6 months to Iran, Saudi Arabia, Iraq, Qatar, Bahrain, the United Arab Emigrates, the Sultanate of Oman, and Kuwait; to the Committee on Foreign Affairs.

By Mr. DRINAN (for himself, Ms. Abzug, Mr. Badillo, Mr. Brown of California, Ms. Burke of California, Mr. Carr, Mr. Conyers, Mr. Dellums, Mr. Edwards of California, Mr. Fraser, Mr. Harrington, Mr. Hawkins, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Mollohan, Mr. Nix, Mr. Nolan, Mr. Rees, Mr. Rosenthal, Mr. Roybal, Mr. Stark, Mr. Stokes, and Mr. Won Pat):

H.R. 4134. A bill to abolish the death penalty under all laws of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. Gilman, Ms. Spellman, Mr. Edgar, and Mr. Hawkins):

H.R. 4135. A bill to amend the Internal Revenue Code of 1954 to increase the excise tax on cigarettes, and to amend the Public Health Service Act to increase the authorization for appropriations for the National Heart and Lung Institute by amounts equal to the increase in receipts from such tax; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 4136. A bill for the relief of the Southeastern University of the District of Columbia; to the Committee on the Judiciary.

By Mr. ESCH:

H.R. 4137. A bill to prohibit the military departments from using dogs in connection with any research or other activities relating to biological or chemical warfare agents; to the Committee on Armed Services.

H.R. 4138. A bill to require educational institutions engaged in interscholastic athletic competition to employ certified athletic trainers; to the Committee on Education and Labor

H.R. 4139. A bill to provide for the establishment of a national advisory commission to develop a national plan for the control of epilepsy and its consequences; to the Committee on Interstate and Foreign Commerce.

H.R. 4140. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

H.R. 4141. A bill to amend the Public Health Service Act to enlarge the authority of the National Institute for Neurological Diseases and Stroke in order to advance a national attack on multiple sclerosis, epilepsy, muscular dystrophy, and other diseases; to the Committee on Interstate and Foreign Commerce.

H.R. 4142. A bill to amend title 5 of the United States Code with respect to the observance of Veterans Day; to the Committee on Post Office and Civil Service.

H.R. 4143. A bill to amend the Internal Revenue Code of 1954 to designate the home of a State legislator for income tax purposes; to the Committee on Ways and Means.

H.R. 4144. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts won in State lotteries; to the Committee on Ways and Means.

H.R. 4145. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

H.R. 4146. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 4147. A bill to amend title II of the Social Security Act to increase from 22 to 24 the age until which child's insurance benefits may be paid on the basis of full-time student status, and the age before which a child must have become disabled in order to qualify for such benefits on the basis of disability; to the Committee on Ways and Means.

By Mr. FORD of Michigan:

H.R. 4148. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. FORD of Tennessee (for himself, Mr. Fulton, Mr. Mitchell of Maryland, Ms. Holtzman, Mr. Hechler of West Virginia, Mr. Horton, Mr. Hicks, Mr. Conyers, Mr. Roe, Mr. Brodhead, Mr. Brown of California, Mr. Solarz, Mr. Krebs, Mr. Breaux, Mr. Clay, Mr. Peyser, Mr. Richmond, Mr. Cornell, Mr. Sarasin, Mr. Stark, Mr. Gilman, Mr. O'Hara, Mr. Dellums; Ms. Burke of California, and Mr. Sarbanes):

H.R. 4149. A bill to amend the Fair Packaging and Labeling Act to require that packaged consumer commodities be labeled to show their selling price; to the Committee on Interstate and Foreign Commerce.

By Mr. FORD of Tennessee (for himself, Mrs. Keys, Mr. Ottinger, Mr. Jenrette, Mr. Edgar, Ms. Abzug, Mr. Rosenthal, Ms. Spellman, Mr. Bingham, Ms. Schroeder, Ms. Collins of Illinois, Mr. Danielson, Mr. Annunzio, Mr. Ryan, Mr. Koch, Mr. Ashley, Mr. Harrington, Mr. John L. Burton, Mr. Corman, Mr. Rangel, Mr. Diggs, Ms. Heckler of Massachusetts, Mr. Moakley, Mr. Anderson of California, and Mr. Hawkins):

H.R. 4150. A bill to amend the Fair Packaging and Labeling Act to require that packaged consumer commodities be labeled to show their selling price; to the Committee on Interstate and Foreign Commerce.

By Mr. FLOWERS:

H.R. 4151. A bill to amend section 2509 of title 28 of the United States Code as to procedures in congressional reference cases, and for other purposes; to the Committee on the Judiciary.

H.R. 4152. A bill to amend title 28 of the United States Code as to the title of the commissioners of the U.S. Court of Claims, and for other purposes; to the Committee on the Judiciary.

By Mr. FORSYTHE:

H.R. 4153. A bill to provide for annual authorization of appropriations to the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. FRASER (for himself, Mr. Biester, Mr. Buchanan, Mr. Diggs, Mr. McHugh, and Mr. AuCoin):

H.R. 4154. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself, Ms. Abzug, Mr. Badillo, Mr. Baldus, Mr. Bingham, Mr. Brademas, Mr. Brodhead, Mr. Brown of California, Mr. John L. Burton, Mr. Carney, Mr. Carr, Mrs. Collins of Illinois, Mr. Cornell, Mr. Conyers, Mr. Danielson, Mr. Dellums, Mr. Edgar, Mr. Edwards of California, Mr. Eilberg, Mr. Ford of Michigan, Mr. Gilman, Mr. Harrington, Ms. Holtzman, Mr. Jenrette, and Mr. Nix):

H.R. 4155. A bill to establish an emergency health benefits program for the unemployed;

to the Committee on Interstate and Foreign Commerce.

Mr. FRASER (for himself, Mr. Nowak. Mr. Nedzi, Mr. O'Hara, Mr. Ottinger, Mr. Rangel, Mr. Richmond, Mr. Roe, Mr. Rosenthal, Mr. Roybal, Mr. Sarbanes, Ms. Schroeder, Mr. Solarz, Mr. James V. Stanton, Mr. Stark, Mr. Studds, and Mr. Charles H. Wilson of California):

H.R. 4156. A bill to establish an emergency health benefits program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY:

H.R. 4157. A bill to authorize the Secretary of Transportation to make grants to any State for the study of drawbridges within the State and for the implementation of recommendations for the more efficient movement of motor vehicle traffic on and watercraft under drawbridges within the State; to the Committee on Public Works and Transportation.

Mr. FUQUA:

H.R. 4158. A bill to amend the Occupational Safety and Health Act of 1970 to provide that where violations are corrected within the prescribed abatement period no penalty shall be assessed; to the Committee on Education and Labor.

By Mr. GILMAN:

H.R. 4159. A bill to amend the National Environmental Policy Act of 1969 in order to clarify the procedures therein with respect to the preparation of environmental impact statements; to the Committee on Merchant Marine and Fisheries.

H.R. 4160. A bill to permit States to prepare environmental impact statements in the case of Federal-aid highway projects; to the Committee on Public Works and Transportation.

By Mr. GINN (for himself, Mr. Levitas, Mr. Brinkley, Mr. Flynt, Mr. Landrum, Mr. McDonald of Georgia, Mr. Mathis, Mr. Stephens, Mr. Stuckey, and Mr. Young of Georgia):

H.R. 4161. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

By Mr. HAMILTON:

H.R. 4162. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. HAMILTON (for himself, Mr. Brademas, Mr. Evans of Indiana, Mr. Fithian, Mr. Hayes of Indiana, Mr. Hillis, Mr. Jacobs, Mr. Madden, Mr. Myers of Indiana, Mr. Roush, and Mr. Sharp):

H.R. 4163. A bill to authorize the repayment of certain Federal-aid highway funds by the State of Indiana; to the Committee on Public Works and Transportation.

By Mr. HANLEY:

H.R. 4164. A bill to provide price support for milk at not less than 85 percent of parity price therefor, and for other purposes; to the Committee on Agriculture.

By Mr. HOLLAND (for himself, Mr. Abdnor, Mr. AuCoin, Mr. Beard of Rhode Island, Mr. Boland, Mr. Brodhead, Mr. Brown of California, Mr. Butler, Mr. Byron, Mr. Crane, Mr. D'Amours, Mr. Dominick V. Daniels, Mr. Davis, Mr. de Lugo, Mr. Derrick, Mr. Dodd, Mr. Duncan of Tennessee, Mr. Early, Mr. Edgar, Mr. Eilberg, Mr. Fauntroy, Mr. Flood, Mr. Fraser, Mr. Harrington, and Mr. Harris):

H.R. 4165. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. HOLLAND (for himself, Mr. Hefner, Mr. Hightower, Mr. Hyde, Mr. Lent, Mr. Mineta, Mr. Mitchell of New York, Mr. Pattison of New York, Mr. Riegle, Mr. Symington, Mr. Vander Veen, Mr. Waxman, Mr. Wirth, Mr. Yatron, and Mr. Spence):

H.R. 4166. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. HYDE:

H. 4167. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for income tax purposes of certain expenses incurred by the taxpayer for the education of a dependent; to the Committee on Ways and Means.

H.R. 4168. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. JONES of Alabama (for himself, and Mr. Harsha) (by request):

H.R. 4169. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

H.R. 4170. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

H.R. 4171. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. Harsha, Mr. Roncalio, Mr. Cleveland, Mr. Wright, Mr. Don H. Clausen, Mr. Johnson of California, Mr. Snyder, Mr. Henderson, Mr. Hammerschmidt, Mr. Roberts, Mr. Shuster, Mr. Howard, Mr. Walsh, Mr. Anderson of California, Mr. Cochran, Mr. Roe, Mr. Abdnor, Mr. McCormack, Mr. Taylor of Missouri, Mr. James V. Stanton, Mr. Goldwater, Ms. Abzug, Mr. Hagedorn and Mr. Breaux):

H.R. 4172. A bill to designate the John C. Kluczynski Federal Building; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. Myers of Pennsylvania, Mr. Studds, Mr. Ginn, Mr. Milford, Mr. Mineta, Mr. Holland, Mr. Howe, Mr. Levitas, Mr. Oberstar, Mr. Ambro, Mr. Nowak, Mr. Edgar, and Mrs. Lloyd of Tennessee):

H.R. 4173. A bill to designate the John C. Kluczynski Federal Building; to the Committee on Public Works and Transportation.

By Mr. JONES of Oklahoma:

H.R. 4174. A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such act (and the recently-approved regulations relating thereto) on utilization review and utilization control under the medicare medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. KEMP:

H.R. 4175. A bill to reestablish the fiscal integrity of the Government of the United States through the establishment of controls with respect to the levels of its revenues and budget outlays, and the preparation of the budget, and for other purposes; to the Committee on Rules.

H.R. 4176. A bill to provide for the monthly publication of a Consumer Price Index for the Aged which shall be used in the provision of cost-of-living benefit increases authorized by title II of the Social Security Act; to the Committee on Ways and Means.

By Mr. KETCHUM:

H.R. 4177. A bill to provide, for purposes of computing retired pay for members of the Armed Forces, an additional credit of service equal to all periods of time spent by any such member as a prisoner of war; to the Committee on Armed Services.

H.R. 4178. A bill to amend the U.S. House Act of 1937, and the National Housing Act to provide that future social security benefit increases shall be disregarded in determining eligibility for admission to or occupancy of low-rent public housing or the rent which an individual or family must pay for such housing, and that such increases shall also be disregarded in determining eligibility for (and the amount of) other Federal housing subsidies; to the Committee on Banking, Currency and Housing.

H.R. 4179. A bill to amend the National Labor Relations Act, as amended, to amend the definition of "employee" to include certain agricultural employees; to the Committee on Education and Labor.

H.R. 4180. A bill to prohibit foreign assistance to India until India becomes a signatory to the Treaty on the Non-Proliferation of Nuclear Weapons; to the Committee on Foreign Affairs.

H.R. 4181. A bill to limit U.S. contributions to the United Nations; to the Committee on Foreign Affairs.

H.R. 4182. A bill to provide for payments in lieu of real property taxes, with respect to certain real property owned by the Federal Government; to the Committee on Government Operations.

H.R. 4183. A bill to amend section 1(12) of the Interstate Commerce Act to provide that railroads shall not discriminate against the movement or interchange of railroad refrigerator cars not owned by a railroad, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4184. A bill to prohibit the imposition by States of discriminatory burdens upon interstate commerce in wine, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4185. A bill to provide for the establishment of a national advisory commission to develop a national plan for the control of epilepsy and its consequences; to the Committee on Interstate and Foreign Commerce.

H.R. 4186. A bill to amend the Immigration and Nationality Act to eliminate the procedures for voluntary departure with respect to certain aliens illegally in the United States and to increase the penalties for the illegal entry of aliens; to require the Attorney General to employ additional personnel to patrol the land borders of the United States; and for other purposes; to the Committee on the Judiciary.

H.R. 4187. A bill to amend titles II and XVIII of the Social Security Act to remove the earnings limitation; to the Committee on Ways and Means.

H.R. 4188. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of professional standards review organizations to review services covered under the medicare and medicaid programs; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. KOCH (for himself, Ms. Abzug, Mr. Badillo, Mr. Bergland, Mr. Brown of California, Mr. Carr, Ms. Collins of Illinois, Mr. Downey, Mr. Edwards of California, Mr. Eilberg, Mr. Emery, Mr. Fascell, Mr. Fraser, and Mr. Gilman):

H.R. 4189. A bill to amend the Internal Revenue Code of 1954 to increase the excise tax on cigarettes, and to amend the Public Health Service Act to establish a trust fund to be used to fund the research programs of the National Cancer Institute; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. Harrington, Mr. Hays of Ohio, Mr. Kemp, Mr. McCormack, Mr. McHugh, Mr. McKinney, Mr. Miller of California, Mr. Moorhead of California, Mr. Nix, Mr. Richmond, Mr. Riegle, Mr. Rosenthal, Mr. Roybal, Mr. Stark, Mr. Waxman, Mr. Charles H. Wilson of California, and Mr. Charles Wilson of Texas):

H.R. 4190. A bill to amend the Internal Revenue Code of 1954 to increase the excise tax on cigarettes, and to amend the Public Health Service Act to establish a trust fund to be used to fund the research programs of the National Cancer Institute; to the Committee on Ways and Means.

By Mr. LAGOMARSINO (for himself, Ms. Abzug, Mr. Cleveland, Mr. Collins of Texas, Mr. Derwinski, Mr. du Pont, Mr. Gilman, Mr. Hammerschmidt, Mr. Helstoski, Mrs. Lloyd of Tennessee, Mr. Mazzoli, Mr. McCloskey, Mr. Ottinger, Mr. Roe, Mr. Ruppe, Mr. Ryan, Mrs. Spellman, Mr. Symms, and Mr. Charles Wilson of Texas):

H.R. 4191. A bill to extend from 1 year to 2 years the maximum period which may elapse between the sale of a residence and the purchase of another in order that gain from such sale will not be recognized for Federal income tax purposes; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 4192. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. LITTON (for himself, Mr. Ottinger, Mr. Seiberling, Mr. Nowak, Mr. Archer, Mr. Stark, Mr. Moorhead of California, Mr. Andrews of North Dakota, Mr. Jones of Oklahoma, Mr. Wirth, Mr. Waxman, Mr. Lott, Mr. McCormack, Mr. Ketchum, Mr. Badillo, Mr. Symms, Mr. Edwards of California, Mr. McKinney, Mr. Riegle, Mr. Conyers, Mr. Leggett, Mr. Bergland, Mr. O'Hara, Mr. Derwinski, and Mr. Frenzel):

H.R. 4193. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. Ryan, Miss Holtzman, Mr. Neal, Mr. Dodd, Mr. Eilberg, Mr. Clay, Mr. Solarz, Ms. Collins of Illinois, Mr. Satterfield, Mr. Santini, Mr. Ashbrook, Mr. Rees, Mr. Koch, Mr. Jeffords, Mr. Yates, Mr. Fascell, Mr. Guyer, Mr. Rangel, Mr. Richmond, Mr. Bowen, Mr. Eckhardt, Mr. Brown of California, Mr. Ginn, and Mr. de Lugo):

H.R. 4194. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. Rosenthal, Mr. Udall, Ms. Abzug, Mr. Wolff, Mr. Nix, Mr. Devine, Mr. Fuqua, Mr. Bevill, Mr. Rose, Mr. Studds, Mr. Rooney, Mr. Kemp, Mr. Evans of Indiana, Mr. Quie, Mr. Carr, Mr. Addabbo, Mr. Coughlin, Mr. Dellums, Mr. Benitez, Mr. Bedell, Mr. McDonald of Georgia, Mr. Roybal, Mr. Gude and Mr. Harrington):

H.R. 4195. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LUJAN:

H.R. 4196. A bill to provide for the establishment of a national museum; to the Joint Committee on Atomic Energy.

H.R. 4197. A bill to designate certain lands in Bandelier National Monument, N. Mex., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 4198. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4199. A bill to encourage the movement in interstate and foreign commerce of recycled and recyclable materials and to reduce the quantities of solid waste materials in commerce which cannot be recycled or do not contain available recycled materials, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4200. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

H.R. 4201. A bill to prevent loss of medicaid eligibility (by reason of the recent increases in social security benefits) of certain individuals who, immediately before such increase, were eligible (as recipients of mandatory State supplementary payments) for medicaid; to the Committee on Interstate and Foreign Commerce.

H.R. 4202. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

H.R. 4203. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 4204. A bill to amend title 28 of the United States Code to provide for recovery of costs by criminal defendants in certain cases; to the Committee on the Judiciary.

H.R. 4205. A bill to provide parking for tourists to the Capitol of the United States; to the Committee on Public Works and Transportation.

H.R. 4206. A bill to designate the New Federal Building in Albuquerque, New Mex., as the Senator Dennis Chavez Federal Building; to the Committee on Public Works and Transportation.

H.R. 4207. A bill to amend title 38 of the United States Code to deem certain prisoners of war to be permanently and totally disabled for purposes of receiving wartime disability compensation, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4208. A bill to amend section 4182 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

H.R. 4209. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 4210. A bill to amend section 167 of the Internal Revenue Code of 1954 to provide a special allowance for depreciation with respect to certain byproduct and waste energy conversion facilities; to the Committee on Ways and Means.

H.R. 4211. A bill to encourage States to establish motor vehicle disposal programs and to provide for federally guaranteed loans and tax incentives for the acquisition of automobile scrap processing equipment; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. LUJAN (for himself and Mr. Runnels):

H.R. 4212. A bill to direct the Secretary of the Interior to purchase and hold certain lands in trust for the Zuni Indian Tribe of New Mexico; to confer jurisdiction on the Court of Claims with respect to land claims of such tribe; and to authorize such tribe to purchase and exchange lands in the States of New Mexico and Arizona; to the Committee on Interior and Insular Affairs.

By Mr. McDADE (for himself, Mr. Schneebeli, Mr. Flood, Mr. Morgan, Mr. Dent, Mr. Barrett, Mr. Murtha, Mr. Nix, Mr. Bevill, Mr. Myers of Indiana, Mr. Regula, Mr. Evans of Colorado, Mr. Wampler, Mr. McKay, and Mr. Conte):

H.R. 4213. A bill to provide for the reclamation of abandoned coal mine lands and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McFALL:

H.R. 4214. A bill to establish an independend board which shall have the authority to require prenotification of price increases, delay proposed price increases, disapprove proposed price increases, and roll back excessive prices with respect to companies in concentrated industries, in order to reduce inflation in the United States; to the Committee on Banking, Currency and Housing.

By Mr. MANN:

H.R. 4215. A bill to amend chapter 67 of title 10, United States Code, to provide an annuity for the dependents of persons who perform the service required under chapter 67 of title 10, United States Code, and die before being granted retired pay; to the Committee on Armed Services.

H.R. 4216. A bill to authorize the Secretary of the Interior to conduct a study with respect to the feasibiilty of establishing the Bartram Trail as a national scenic trail; to the Committee on Interior and Insular Affairs.

By Mr. MEZVINSKY:

H.R. 4217. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. MIKVA:

H.R. 4218. A bill to amend the Federal Trade Commission Act to make certain gasoline sales promotion games unfair methods of competition unless the customer is offered as an alternative in cash the retail cost per gallon of the game; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER of Ohio:

H.R. 4219. A bill to terminate the authorization of the Salt Creek Dam and Reservoir project, Ohio; to the Committee on Public Works and Transportation.

By Mr. MOSS (for himself, Mr. Anderson of California, Mr. Anderson of Illinois, Mr. Archer, Mr. Bafalis, Mr. Brown of California, Mr. Burke of Massachusetts, Mrs. Burke of California, Mr. John L. Burton, Mr. Phillip Burton, Mr. Clancy, Mr. Conable, Mr. Corman, Mr. Crane, Mr. Danielson, Mr. Dellums, Mr. Duncan of Tennessee, Mr. Edwards of California, Mr. Frenzel, Mr. Hannaford, Mr. Hawkins, Mr. Johnson of California, Mr. Krebs, Mr. Leggett, and Mr. Lloyd of California):

H.R. 4220. A bill to designate the Veterans' Administration hospital in Loma Linda, Calif., as the Jerry L. Pettis Memorial Veteran's Hospital, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. O'HARA (for himself, Mr. Eshleman, Mr. Perkins, Mr. Quie, Mr. Brademas, Mr. Biaggi, Mr. Blouin, Mr. Thompson, Mr. Mottl, Mr. Hawkins, Ms. Chisholm, Mr. Benitez, Mr. Simon, Mr. Hall, Mr. Esch, and Mr. Buchanan):

H.R. 4221. A bill to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. Quie, Mr. Thompson, Mr. Meeds, Mr. Dominick V. Daniels, Mr. Peyser, Mr. Dent, Mr. Sarasin, Mr. Brademas, Mr. Pressler, Mr. O'Hara, Mr. Goodling, Mr. Hawkins, Mr. Ford of Michigan, Mrs. Mink, Mrs. Chisholm, Mr. Biaggi, Mr. Andrews of North Carolina, Mr. Lehman, Mr. Benitez, Mr. Blouin, Mr. Cornell, Mr. Risenhoover, and Mr. Zeferetti):

H.R. 4222. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. Quie, Mr. Buchanan, Mr. Jeffords, Mr. Hall, Mr. Simon, Mr. Miller of California, and Mr. Mottl):

H.R. 4223. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs; to the Committee on Education and Labor.

By Mr. PRICE:

H.R. 4224. A bill to authorize supplemental appropriations to the Nuclear Regulatory Commission for fiscal year 1975; to the Joint Commission on Atomic Energy.

By Mr. RANGEL:

H.R. 4225. A bill making supplemental appropriations to carry out the lead-based paint poisoning prevention program for the fiscal year ending June 30, 1975; to the Committee on Appropriations.

H.R. 4226. A bill to amend the U.S. Housing Act of 1937 to provide that a tenant in a low-rent public housing project may not be evicted therefrom without a public hearing; to the Committee on Banking, Currency, and Housing.

H.R. 4227. A bill to amend title I of the Housing Act of 1949 to provide more adequate relocation payments for individuals, families, and business concerns displaced from urban renewal areas; to the Committee on Banking, Currency, and Housing.

H.R. 4228. A bill to provide for increased international control of the production of and traffic in, opium, and for other purposes; to the Committee on Foreign Affairs.

H.R. 4229. A bill to authorize assistance to the States and localities to meet increased health care costs resulting from health problems brought on by the energy crisis; to the Committee on Interstate and Foreign Commerce.

H.R. 4230. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. ROBINSON:

H.R. 4231. A bill to guarantee the right of criminal defendants to a speedy trial and to reduce crime and injustice by improving the supervision of persons released on bail and probation, and for other purposes; to the Committee on the Judiciary.

H.R. 4232. A bill to protect the freedom of choice of Federal employees in employee-management relations; to the Committee on Post Office and Civil Service.

By Mr. ROE:

H.R. 4233. A bill to provide preemptive option and financial assistance to States to purchase abandoned rail lines for transportation and public utility purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4234. A bill to provide that all federally assisted public mass transportation facilities, equipment and services be adopted to accommodate the needs of elderly and handicapped persons; to the Committee on Public Works and Transportation.

By Mr. ROGERS (for himself, Mr. Oberstar, and Mr. Badillo):

H.R. 4235. A bill to amend the Public Health Service Act and related laws to revise and extend programs of health revenue sharing and health service, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself and Mr. Oberstar):

H.R. 4236. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4237. A bill to amend the Public Health Service Act to revise and extend the National Health Service Corps program; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. Zeferetti, Mr. Ford of Tennessee, Mr. Oberstar, Mrs. Spellman, and Mr. Mitchell of Maryland):

H.R. 4238. A bill to amend title VII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, and Mr. Oberstar):

H.R. 4239. A bill to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Ms. Abzug, Mr. Badillo, Mr. Bingham, Ms. Chisholm, Mr. Downey, Mr. Eilberg, Mr. Harrington, Mr. Helstoski, Mr. Koch, Mr. Murphy of New York, Mr. Ottinger, Mr. Rangel, Mr. Rodino, Mr. Solarz, Mrs. Spellman, Mr. Stokes, Mr. Waxman, Mr. Charles H. Wilson of California, and Mr. Wolff):

H.R. 4240. A bill to amend title 5, United States Code, to provide for the establishment of a Special Cost-of-Living Pay Schedule containing increased pay rates for Federal employees in heavily populated cities and metropolitan areas to offset the increased cost of living, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROSTENKOWSKI (for himself, Mr. Jones of Alabama, Mr. Harsha, Mr. Annunzio, Mrs. Collins of Illinois, Mr. Crane, Mr. Derwinski, Mr. Findley, Mr. Hall, Mr. Hyde, Mr. McClory, Mr. Madigan, Mr. Metcalfe, Mr. Michel, Mr. Mikva, Mr. Murphy of Illinois, Mr. O'Brien, Mr. Price, Mr. Railsback, Mr. Russo, Mr. Shipley, Mr. Simon, and Mr. Yates):

H.R. 4241. A bill to designate the John C. Kluczynski Federal Building; to the Committee on Public Works and Transportation.

By Mr. ROYBAL:

H.R. 4242. A bill to provide for the treatment of members of the Armed Forces who are narcotics addicts; to the Committee on Armed Services.

H.R. 4243. A bill to amend the Federal Coal Mine Health and Safety Act of 1969 to require the Secretary of Labor to establish a program to assist coal miners in meeting the application and filing requirements for benefits under title IV of such act, and for other purposes; to the Committee on Education and Labor.

H.R. 4244. A bill to prohibit hospitals which receive Federal support from compensating physicians and other persons for the referral of patients for treatment; to the Committee on Interstate and Foreign Commerce.

H.R. 4245. A bill to amend section 242(b) of the Immigration and Nationality Act to require special deportation proceedings in connection with the voluntary departure proceedings in connection with the voluntary departure from the United States of any alien who is a native of a country contiguous to the United States; to the Committee on the Judiciary.

H.R. 4246. A bill to provide for the establishment of a national cemetery in Los Angeles County in the State of California; to the Committee on Veterans' Affairs.

By Mr. SANTINI:

H.R. 4247. A bill to provide for the suspension of annual assessment work on mining claims held by location in the United States; to the Committee on Interior and Insular Affairs.

By Mr. SARASIN:

H.R. 4248. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mrs. SCHROEDER (for herself, Mrs. Spellman, Mr. Lehman, Mr. Charles H. Wilson of California, Mr. Mineta, Mr. Simon, Mr. Dominick V. Daniels, Mr. Ford of Michigan, and Mr. Harris):

H.R. 4249. A bill to amend title 5, United States Code, to guarantee to each employee in the competitive service who has completed the probationary or trial period, the right to a hearing, a hearing transcript, and all relevant evidence prior to a final decision of an agency to take certain action against such an employee, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SCHNEEBELI:

H.R. 4250. A bill to amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty; to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 4251. A bill to amend the Older Americans Act of 1965 to establish a grant program for home repair and renovation projects for older Americans; to the Committee on Education and Labor.

By Mr. SNYDER:

H.R. 4252. A bill to amend the Civil Rights Act of 1964 to provide for freedom of choice in student assignments in public schools; to the Committee on the Judiciary.

H.R. 4253. A bill to limit the jurisdiction of Federal courts to issue busing orders based on race, and for other purposes; to the Committee on the Judiciary.

H.R. 4254. A bill to clarify the jurisdiction of certain Federal courts with respect to public schools and to confer such jurisdiction upon certain other courts; to the Committee on the Judiciary

H.R. 4255. A bill to prescribe uniform criteria for formulating judicial remedies for the elimination of dual school systems; jointly to the Committees on the Judiciary, and Education and Labor.

By Mr. STUDDS:

H.R. 4256. A bill to require every car model manufactured beginning with the 1977 model year to be capable of averaging at least 20 miles to the gallon of gasoline; to the Committee on Interstate and Foreign Commerce.

By Mr. TRAXLER:

H.R. 4257. A bill to authorize the Secretary of Transportation to make grants for the construction of bikeways throughout the Nation; to the Committee on Public Works and Transportation.

By Mr. WAMPLER:

H.R. 4258. A bill to revise the black lung benefits program to transfer the residual liability for the payment of benefits under such program from the Federal Government to the coal industry, and for other purposes; to the Committee on Education and Labor.

By Mr WHALEN:

H.R. 4259. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. WHITE (for himself, Mrs. Spellman, Mr. Dan Daniel, Mr. Harris, Mr. Mineta, Mr. Taylor of Missouri, and Mr. Jenrette):

H.R. 4260. A bill to amend chapter 83 of title 5, United States Code, to eliminate, subsequent to the death of an individual named as having an insurable interest, the annuity reduction made in order to provide a survivor annuity for such an individual; to the Committee on Post Office and Civil Service.

By Mr. WINN:

H.R. 4261. A bill to amend the Interstate Commerce Act to authorize the Interstate Commerce Commission to grant temporary operating authority to a carrier by railroad pending final determination by the Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. WON PAT (for himself, Mr. de Lugo, Mr. Johnson of California, Mr. Ketchum, Mr. Roncalio, Mr. Seiberling, Mr. Steelman, and Mr. White):

H.R. 4262. A bill to provide for the establishment of a national historic park on the island of Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. YATRON:

H.R. 4263. A bill to amend the Internal Revenue Code of 1954 to exempt from income tax any pension or annuity received under a public retirement system; to the Committee on Ways and Means.

By Mr. YOUNG of Georgia:

H.R. 4264. A bill to provide membership in the African Development Fund; to the Committee on Banking, Currency and Housing.

By Mr. ZABLOCKI:

H.R. 4265. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FLOWERS (for himself, Mr. Bevill, Mr. Buchanan, Mr. Dickinson, Mr. Edwards of Alabama, Mr. Jones of Alabama, and Mr. Nichols):

H.J. Res. 266. Joint resolution to designate 1975 as "Key Club International 50th Anniversary Year"; to the Committee on Post Office and Civil Service.

By Mr. FORSYTHE:

H.J. Res. 267. Joint resolution designating February of each year as American History Month; to the Committee on Post Office and Civil Service.

By Mr. HELSTOSKI (for himself, Mr. O'Neill, Mr. Anderson of California, Mr. Aspin, Mr. Badillo, Mr. Boland, Mr. Brown of California, Ms. Burke of California, Mr. Derwinski, Mr. Dodd, Mr. Drinan, Mr. Early, Mr. Edwards of California, Mr. Eilberg, Mr. Florio, Mr. Gilman, Mr. Harrington, Mr. Hicks, Ms. Holtzman, Mr. Johnson of Pennsylvania, Mr. Koch, Mr. Krebs, Mr. Nedzi, Mr. Nix, and Mr. Richmond):

H.J. Res. 268. Joint resolution to designate April 24, 1975, as National Day of Remembrance of Man's Inhumanity to Man; to the Committee on Post Office and Civil Service.

By Mr. HELSTOSKI (for himself, Mr. O'Neill, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Rosenthal, Mr. Simon, Mr. Solarz, Mr. Stark, Mr. Vander Veen, Mr. Waxman, Mr. Wolff, Mr. Yatron, and Mr. Dominick V. Daniels):

H.J. Res. 269. Joint resolution to designate April 24, 1975, as National Day of Remembrance of Man's Inhumanity to Man; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN (for himself, Mr. White and Mr. Harris):

H.J. Res. 270. Joint resolution to designate March 21, 1975 as Earth Day; to the Committee on Post Office and Civil Service.

By Mr. LUJAN:

H.J. Res. 271. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

H.J. Res. 272. Joint resolution proposing an amendment to the Constitution of the United States relative to Federal elections and Federal personal income tax; to the Committee on the Judiciary.

H.J. Res. 273. Joint resolution authorizing the President to proclaim the second week of February in each year as National Vocational Education Week; to the Committee on Post Office and Civil Service.

By Mr. LUJAN (for himself, Mr. Bevill, Mr. Collins of Texas, Mr. Dominick V. Daniels, Mr. Forsythe, Mr. Frey, Mr. Goldwater, Mr. Hinshaw, Mr. Horton, Mr. Johnson of California, Mr. Ketchum, Mrs. Keys, Mr. Lagomarsino, Mr. Moss, Mr. Rees, Mr. Rodino, Mr. Rousselot, Mr. Runnels, Ms. Schroeder, Mr. Steiger of Arizona, Mr. Bob Wilson, and Mr. Young of Alaska):

H.J. Res. 274. Joint resolution to designate the stone commonly known as turquoise as the national gemstone of the United States; to the Committee on Post Office and Civil Service.

By Mr. OBERSTAR (for himself and Mr. Andrews of North Dakota):

H.J. Res. 275. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.J. Res. 276. Joint resolution to authorize and request the President to proclaim October 1975 as Hobby Month; to the Committee on Post Office and Civil Service.

By Mr. ASHBROOK:

H. Con. Res. 161. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. DON H. CLAUSEN:

H. Con. Res. 162. Concurrent resolution expressing the sense of the Congress with respect to the banning of high seas netting for salmon; to the Committee on Merchant Marine and Fisheries.

By Mr. ROBINSON:

H. Con. Res. 163. Concurrent resolution to require a court impact statement in each report of legislation from a committee of either House of Congress to that House; to the Committee on Rules.

By Mr. KETCHUM:

H. Res. 272. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. LUJAN:

H. Res. 273. Resolution providing for two additional student congressional interns for Members of the House of Representatives, the Resident Commissioner from Puerto Rico, and each delegate to the House, and for other purposes; to the Committee on House Administration.

Mr. ROBINSON:

H. Res. 274. Resolution expressing the sense of the House of Representatives with respect to the missing in action in Southeast Asia and the Paris Agreement; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

43. The SPEAKER presented a memorial of the Legislature of the State of New Hampshire, relative to tariffs on imported oil; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 4266. A bill for the relief of Adoracion Cruz Bly; to the Committee on the Judiciary.

H.R. 4267. A bill for the relief of David M. Recalde-Martorella; to the Committee on the Judiciary.

By Mr. RANGEL:

H.R. 4268. A bill for the relief of Milo E. Chisholm, Elfreda V. Chisholm, and Norma V. Chisholm; to the Committee on the Judiciary.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the Congressional Record of February 27, 1975 (page 4731):

H.R. 1500. January 15, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to construct, operate, and maintain the Polecat Bench area of the Pick-Sloan Missouri Basin program in Wyoming. Places restrictions on use of water from the Shoshone extensions unit in Wyoming.

H.R. 1501. January 15, 1975. Public Works and Transportation. Authorizes the Administrator of General Services to provide space to tenants approved by the Chairman of the National Endowment for the Arts in the Old Post Office Building in the District of Columbia.

H.R. 1502. January 15, 1975. Agriculture.

Makes the Poultry Products Inspection Act applicable to domestic rabbits slaughtered for human consumption.

H.R. 1503. January 15, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to conserve and store helium.

H.R. 1504. January 15, 1975. Interstate and Foreign Commerce. Amends the Uniform Time Act of 1966 to provide that daylight saving time shall begin on the last Monday of May and end on the first Monday of September.

H.R. 1505. January 15, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against tax or a limited credit deduction from income equal to the ordinary and necessary expenses paid during the taxable year for the improvement of the thermal design of the principal residence of the taxpayer.

H.R. 1506. January 15, 1975. Agriculture. Reduces the minimum requirements with regard to composition of actual voting membership for public utility cooperatives in determining credit eligibility of certain agricultural organizations.

H.R. 1507. January 15, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1508. January 15, 1975. Judiciary. Confers jurisdiction on the United States District Court for the District of Columbia to hear, determine, and render judgment on a specified individual's claim against the United States for injuries suffered at an Air Force hospital.

H.R. 1509. January 15, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to convey, sell, and quitclaim to certain individuals all phosphate interests owned by the United States in certain lands in Florida.

H.R. 1510. January 15, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1511. January 15, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1512. January 16, 1972. Judiciary. Authorizes the issuance of immigrant visas to aliens and family members who are natives of the Philippines and who served at least 3 years in the United States Armed Forces during World War II. Permits such aliens currently in the United States on a nonimmigrant visa to have their status adjusted to that of an alien lawfully admitted for permanent residence.

H.R. 1513. January 16, 1975. Ways and Means. Amends the Internal Revenue Code to revise and consolidate the provisions of the Code with respect to small business. Establishes a Committee on Tax Simplification for Small Business to suggest changes in the Code with respect to small business. Requires the Secretary of the Treasury with the assistance of the Office of Small Business Tax Analysis to be created within the Office of the Secretary, to submit to the House Committee on Ways and Means and the Senate Committee on Finance recommendations for structural changes in the Code relating primarily to small business.

H.R. 1514. January 16, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to prohibit the requirements of an individual of an indirect source emission review as part of an implementation plan under the Act.

H.R. 1515. January 16, 1975. Judiciary. Declares that no Federal court shall have jurisdiction over any case arising out of a State law relating to abortion.

H.R. 1516. January 16, 1975. Merchant Marine and Fisheries. Amends the Migratory Bird Treaty Act to prohibit the baiting of migratory game birds during certain periods. Authorizes the Secretary of the Interior to suspend the migratory game bird hunting season in areas of suspected violations.

H.R. 1517. January 16, 1975. Merchant Marine and Fisheries. Requires the return to the United States of United States vessels loaned or leased to foreign countries which have seized any United States fishing vessels in waters recognized by the United States as international waters.

H.R. 1518. January 16, 1975. Merchant Marine and Fisheries. Increases the maximum amount of authorized payments for conservation agreements under the Water Bank Act.

H.R. 1519. January 16, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of the Interior to establish a program of research to control and manage predatory and depredating animals in order to assist States in controlling damage caused by such animals.

Authorizes Federal assistance to State control programs. Restricts the use of certain toxic chemicals as a method of predator control.

H.R. 1520. January 16, 1975. Merchant Marine and Fisheries. Designates certain lands in Alaska as units of the national wildlife refuge system, to be administered by the Secretary of.

H.R. 1521. January 16, 1975. Merchant Marine and Fisheries. Requires a Federal permit for the taking of migratory game birds other than migratory waterfowl. Authorizes the Secretary of the Interior to utilize funds collected from the sale of such permits for the purpose of conserving migratory game birds other than waterfowl.

H.R. 1522. January 16, 1975. Merchant Marine and Fisheries. Revises existing laws relating to the management of the National Wildlife Refuge System. Establishes a Bureau of National Wildlife Refuges in the Department of the Interior.

Establishes a system of classification of component units within the National Wildlife Refuge System. Designates certain lands in Alaska for inclusion in the system as national wildlife refuges or wildlands.

H.R. 1523. January 16, 1975. Government Operations. Authorizes the Comptroller General to audit certain expenditures which were previously permitted to be accounted for solely on the approval of the President, or the head of a department or establishment.

H.R. 1524. January 16, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to study the feasibility of establishing the Bartram Trail in Alabama, Florida, and Georgia, as a national scenic trail.

H.R. 1525. January 16, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to clarify procedures for consideration of applications for renewal of broadcast licenses. Extends the maximum time of license and license renewal for the operation of broadcasting stations from three to five years.

H.R. 1526. January 16, 1975. Interstate and Foreign Commerce. Prohibits the shipment or sale in interstate commerce of beverage containers which are not returnable. Authorizes the Administrator of the Environmental Protection Agency to establish procedures for certification of beverage containers as returnable.

H.R. 1527. January 16, 1975. Judiciary. Amends the Immigration and Nationality Act by eliminating the legal custody requirement and the requirement of residence and physical presence in the United States for the naturalization of children adopted by United States citizens.

H.R. 1528. January 16, 1975. Education and Labor. Amends the National Labor Relations Act to provide that any employee who is a member of a religion or sect historically holding conscientious objection to joining or financially supporting a labor organization shall not be required to do so.

H.R. 1529. January 16, 1975. Post Office and Civil Service. Repeals that provision of law which limits pay comparability adjustments to Federal employees' compensated at a rate of basic pay equal to or less than the rate set forth in level V of the Executive Schedule.

H.R. 1530. January 16, 1975. Interstate and Foreign Commerce. Empowers the Attorney General, the Secretary of State, and the Secretary of Health, Education, and Welfare to execute the obligations of the United States under the international treaty entitled the "Convention on Psychotropic Substances" which is designed to establish suitable controls over manufacture, distribution, transfer, and use of certain psychotropic substances. Stipulates that the Comprehensive Drug Abuse Prevention and Control Act of 1970 is the appropriate framework for control of psychotropic substances.

H.R. 1531. January 16, 1975. Armed Services. Prohibits the use of appropriated funds by the Commission on Central Intelligence Agency Activities within the United States.

H.R. 1532. January 16, 1975. Armed Services. Prohibits the Central Intelligence Agency from using appropriated funds for the purpose of undermining or destabilizing the government of any foreign country.

H.R. 1533. January 16, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns except as authorized by the Secretary of the Treasury or by members of the Armed Forces and law enforcement officials.

H.R. 1534. January 16, 1975. Merchant Marine and Fisheries. Establishes a fund to aid the States in fish restoration and management projects.

Amends the Internal Revenue Code of 1954 by imposing a tax on sport fishing and underwater swimming equipment to finance the fund.

H.R. 1535. January 16, 1975. Merchant Marine and Fisheries. Increases the amount of benefits payable to widows of certain former employees of the Lighthouse Service.

H.R. 1536. January 16, 1975. Post Office and Civil Service. Adds inspectors employed by the Immigration and Naturalization Service or the Bureau of Customs, and certain firefighting personnel, to the list of those engaged in hazardous occupations who are eligible for certain Civil Service retirement benefits.

H.R. 1537. January 16, 1975. Post Office and Civil Service. Increases the grade classification of positions of deputy United States marshal.

H.R. 1538. January 16, 1975. Veterans' Affairs. Establishes a program for mortgage protection life insurance for veterans unable to acquire commercial life insurance because of service-connected disabilities.

H.R. 1539. January 16, 1975. Armed Services. Reduces the share of the outpatient and inpatient charges paid for by beneficiaries under the armed forces CHAMPUS program from 25 percent to 5 percent.

H.R. 1540. January 16, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to furnish necessary hospital care and medical services to any otherwise eligible veteran for any service-connected disability if the veteran is a citizen of the United States sojourning or residing abroad, an alien who was never an American citizen, or if the veteran is in the Republic of the Philippines.

H.R. 1541. January 16, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to furnish hospital care and medical services to any veteran with a service-connected disability rated at 80 percent or more disabling or any veteran for a service-connected disability if the veteran is sojourning or residing abroad or is in the Republic of the Philippines.

H.R. 1542. January 16, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to furnish medical services for any disability on an outpatient or ambulatory basis to any veteran who has a service-connected disability rated at 50 percent or more disabling.

H.R. 1543. January 16, 1975. Veterans' Affairs, Allows the Administrator of Veterans' Affairs to transfer a veteran to any public or private institution which furnishes nursing home care if the Administrator determines that the cost of such nursing home care will not exceed 45 percent of the cost of such care furnished in a Veterans' Administration hospital.

H.R. 1544. January 16, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to establish and operate not less than ten thousand beds in fiscal year 1976 for the furnishing of nursing home care to eligible veterans.

H.R. 1545. January 16, 1975. Veterans' Affairs. Establishes a per annum full-pay scale for the Chief Medical Director, the Deputy Chief Medical Director, and the Associate Deputy Chief Medical Director of the Department of Medicine and Surgery of the Veterans' Administration. Revises the pay scale for physicians, dentists and nurses in the Department of Medicine and Surgery and establishes a program allowing six months leave with pay for study in his or her specialty.

H.R. 1546. January 17, 1975. Veterans' Affairs. Exempts any contract entered into by the Administrator of Veterans' Affairs with an institution for the furnishing of nursing home care from the requirements of the Service Contract Act of 1965.

H.R. 1547. January 16, 1975. Veterans' Affairs. Extends medical benefits to the survivors of any veteran who at the time of death was suffering from a total and permanent service-connected disability.

H.R. 1548. January 16, 1975. Judiciary. Subjects the President and Vice-President of the United States to criminal penalties for violation of certain Federal conflict of interest prohibitions.

H.R. 1549. January 16, 1975. Interior and Insular Affairs. Revises the land use fees provisions of the Land and Water Conservation Fund Act of 1965 by requiring all Federal agencies to collect recreation fees for use of recreation facilities administered by such agencies at Federal expense.

H.R. 1550. January 16, 1975. Foreign Affairs. Amends the Arms Control and Disarmament Act with respect to the composition of the General Advisory Committee established by the Act.

Requires departments or agencies requesting appropriations of a specified size for an armaments development program to file a statement with the Committee describing the impact of the new armaments on disarmament policies or negotiations.

H.R. 1551. January 16, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1552. January 16, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to certain individuals in full settlement of their claims under the General War Crimes Act.

H.R. 1553. January 16, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1554. January 16, 1975. Judiciary. Directs the Secretary of the Treasury to reimburse a certain employee of the Bureau of Customs for certain temporary lodging and moving expenses.

H.R. 1555. January 16, 1975. Judiciary. Declares certain individuals eligible for naturalization under the Immigration and Nationality Act.

H.R. 1556. January 16, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1557. January 16, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specific sum to a certain estate in full settlement for all rights in respect to certain cryptologic inventions placed in secrecy status by the United States Government.

H.R. 1558. January 16, 1975. Judiciary. Relieves a certain individual of liability to the United States for certain real estate expenses incurred in the sale and purchase of residences incident to a Federal employment transfer.

H.R. 1559. January 16, 1975. Veterans' Affairs. Directs the Secretary of the Army to bury the cremated remains of a certain individual in Arlington Cemetery, Virginia.

H.R. 1560. January 16, 1975. Judiciary. Specifies the tax treatment of a certain individual under the Internal Revenue Code.

H.R. 1561. January 16, 1975. Judiciary. Directs the Secretary of the Treasury to pay to a certain corporation compensation for losses incurred as a result of a certain condemnation proceeding.

H.R. 1562. January 16, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1563. January 16, 1975. Judiciary. Relieves a certain individual of all liability to refund to the United States amounts paid him for travel expenses incurred when serving under the Environmental Protection Agency.

H.R. 1564. January 16, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1565. January 17, 1975. Armed Services. Redefines dependent in the case of a dependent of a female member of the Armed Forces for the purposes of calculating allowances and eligibility for medical and dental care.

H.R. 1566. January 17, 1975. Banking, Currency and Housing. Amends the United States Housing Act of 1937 to provide grants to local public housing agencies to assist in financial security arrangements designed to prevent crimes and otherwise insure the safety and well-being of low-rent housing tenants.

H.R. 1567. January 17, 1975. Banking, Currency and Housing. Establishes the National Bank for Cooperative Housing to make and guarantee loans to private and public housing developers for the purchase or construction of low- and middle-income cooperative housing when reasonable interest loans are not available from other sources.

H.R. 1568. January 17, 1975. Education and Labor. Redefines "widower" and "dependent" for purposes of eligibility for Federal civil service workmen's compensation benefits.

H.R. 1569. January 17, 1975. Foreign Affairs. Applies the same eligibility requirements to widows and widowers with respect to death benefits and annuities under the Foreign Service Retirement and Disability System.

H.R. 1570. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-two to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 1571. January 17, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 1572. January 17, 1975. Banking, Currency and Housing. Repeals the provisions of the Flood Disaster Protection Act of 1973 which authorize the Secretary of Housing and Urban Development to give priority to residences, small businesses and churches in making available flood insurance, and which require communities to participate in the national flood insurance program in order to be eligible for Federal flood control financial assistance.

H.R. 1573. January 17, 1975. Foreign Affairs. Prohibits any instrumentality of the United States Government from providing assistance to finance or promote the export of any commodity, product, or service from the United States intended for energy research, development, or exploration in the Soviet Union.

H.R. 1574. January 17, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the Ohio and Erie Canal National Historic Park in Ohio.

H.R. 1575. January 17, 1975. Interstate and Foreign Commerce. Defines the term special dietary uses with respect to the Federal Food, Drug, and Cosmetic Act and delineates the authority of the Secretary of Health, Education, and Welfare to regulate foods represented to be for special dietary uses.

H.R. 1576. January 17, 1975. Judiciary. Eliminates Federal court jurisdiction to require attendance at a particular school of any student because of race, color, creed or sex.

H.R. 1577. January 17, 1975. Judiciary. Amends the Internal Security Act of 1950 by prohibitng any support of terrorist groups by those subject to the jurisdiction of the United States. Prohibits terrorists from being granted United States visas or citizenship.

Gives the United States a civil right of action to impose a constructive trust upon all property which has been acquired by violation of any Federal criminal statute and provides for the disposition of such property.

H.R. 1578. January 17, 1975. Judiciary. Authorizes the President under the Internal Security Act of 1950 to restrict travel by citizens and nationals of the United States to any country whose military forces are engaged in armed conflict with those of the United States.

H.R. 1579. January 17, 1975. Judiciary. Amends the Gun Control Act of 1968 to exempt ammunition from Federal regulation.

H.R. 1580. January 17, 1975. Judiciary. Makes it a Federal Crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 1581. January 17, 1975. Post Office and Civil Service. Declares that no Federal employee shall be required to join or assist a labor organization of Government employees.

H.R. 1582. January 17, 1975. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay pension benefits to each veteran who served in the active military, naval, or air service at any time during World War I and who is otherwise not eligible for pension or to the widow and children of such veteran.

H.R. 1583. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual as a limited credit against the tax an amount paid by such individual to institutions of higher education, either as tuition for the education of anyone for whom he may claim an exemption, or for amounts contributed as a gift.

H.R. 1584. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a certain amount received during the taxable year as an annuity, pension or other retirement benefit by an individual or married couple.

H.R. 1585. January 17, 1975. Ways and

Means. Amends the Internal Revenue Code to exclude limited amounts received as dividends or interest on deposits in a savings institution.

H.R. 1586. January 17, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1587. January 17, 1975. Foreign Affairs. Post Office and Civil Service. Establishes appeals procedures for Foreign Service officers in matters of promotions and selections out. Makes the Veterans Preference Act of 1944 applicable to career appointments and assignments in the Foreign Service.

H.R. 1588. January 17, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 1589. January 17, 1975. Agriculture. Revises eligibility requirements and the portion of income to be paid for food coupons under the Food Stamp Act of 1964. Authorizes the use of food coupons for the purchase of prepared meals which are delivered to disabled individuals by a public agency or nonprofit organization.

H.R. 1590. January 17, 1975. Interior and Insular Affairs. Declares that certain federally owned lands within the White Earth Reservation shall be held by the United States in trust for the Minnesota Chippewa Tribe.

H.R. 1591. January 17, 1975, Ways and Means. Amends the Social Security Act by increasing the Federal share of public assistance benefits provided by a State of Indians, Aleuts, native Hawaiians and other aboriginal persons.

H.R. 1592. January 17, 1975. Agriculture. Amends the Federal Laboratory Animal Welfare Act to authorize the Secretary of Agriculture to promulgate standards for the transportaion, handling and care of certain animals in interstate or foreign commerce.

Prohibits the attendance at, promotion of, or supplying of, animal fighting ventures.

Set forth regulations with respect to the transportation and handling of certain classes of animals.

H.R. 1593. January 17, 1975. House Administration. Establishes a Voter Registration Administration within the General Accounting Office for the purpose of administering a voter registration program.

H.R. 1594. January 17, 1975. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay pension benefits to each veteran who served in the active military, naval, or air service at any time during World War I and who is otherwise not eligible for pension or to the widow and children of such veteran.

H.R. 1595. January 17, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1596. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income interest earned on any deposit or withdrawable account in a savings institution.

H.R. 1597. January 17, 1975. Ways and Means. Authorizes a 20 percent increase in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1598. January 17, 1975. Armed Services. Authorizes the Administrator of General Services to dispose of a specified quantity of tantalum minerals from the national stockpile.

H.R. 1599. January 17, 1975. Public Works and Transportation. Directs that the services of the Executive Protective Service be extended to all foreign diplomatic missions in the United States and its territories.

Authorizes the Secretary of the Treasury to set the size of the Executive Protective Service as requirements dictate.

H.R. 1600. January 17, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to acquire certain lands or establish the Frederick Law Olmsted Home and Office in Massachusetts as a national historic site.

H.R. 1601. January 17, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, transportation or possession of any handgun or handgun ammunition except as authorized by the Secretary of the Treasury.

H.R. 1602. January 17, 1975. Judiciary. Abolishes the death penalty under all laws of the United States. Requires that each law which authorizes or imposes the death penalty shall hereafter authorize or impose life imprisonment.

H.R. 1603. January 17, 1975. Judiciary. Amends the Federal Criminal Code by eliminating the provisions permitting the authorization of wiretapping or electronic surveillance (unless all parties to such communication consent).

H.R. 1604. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to deny the deduction of any expenditure of any oil company for advertising not directly related to the sale of products or services.

H.R. 1605. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to increase the excise tax on cigarettes, and to utilize such increase for expanded research of smoking related diseases in the National Heart and Lung Institute.

H.R. 1606. January 17, 1975. Public Works and Transportation. Authorizes the Secretary of the Army to carry out a project for flood protection in the vicinity of Baytown, Texas.

H.R. 1607. January 17, 1975. Judiciary. Applies the exemption from lottery prohibitions granted to newspapers published in a State which conducts a lottery to newspapers in adjacent States which conducts such a lottery.

H.R. 1608. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for each personal exemption and a limited credit for the expenses of commuting or business-related highway travel.

Increases the excise tax on gasoline, diesel and special motor fuels, and repeals the deduction from income of State and local taxes on certain motor fuels.

H.R. 1609. January 17, 1975. Education and Labor. Establishes a national policy and program to achieve full employment of all Americans able and willing to work. Creates a Stand-by Job Corps and a Job Guarantee Office to provide public service and private employment.

H.R. 1610. January 17, 1975. Education and Labor. Establishes a national policy and program to achieve full employment of all Americans able and willing to work. Creates a Stand-by Job Corps and a Job Guarantee Office to provide public service and private employment.

Establish a National Institute for Full Employment within the Department of Labor to make studies to aid full employment programs.

H.R. 1611. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to impose, for each taxable year during the energy period, a specified tax on the excess profits of every corporation engaged in producing or refining petroleum.

Establishes in the Treasury of the United States the Energy Research, Development and Exploration Trust Fund to utilize revenues generated by this Act to locate and research any energy source.

H.R. 1612. January 17, 1975. Armed Services. Authorizes the Secretary of the Navy to extract petroleum from Naval Petroleum Reserve Numbered 1 for use by utilities in the generation of electricity.

H.R. 1613. January 17, 1975. Public Works and Transportation. Authorizes the construction of flood control facilities by the Secretary of the Army in the vicinity of Logan and Nelsonville, Ohio.

H.R. 1614. January 17, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 1615. January 17, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay a service pension in the amount herein established to any veteran who served during World War I. Includes, for the purposes of this benefit, veterans who served in Russia between 6 April 1917, and 1 April 1920. Directs such pension to be paid without regard to individual income.

H.R. 1616. January 17, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1617. January 17, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to require full disclosure of annual operating costs of major energy-consuming products by manufacturers of such products.

Directs the Secretary of Transportation to establish minimum full economy standards for new automobiles and to develop a long-range plan for more efficient energy usage in motor vehicle transportation.

Directs the Secretary of Transportation and the Administrator of the Environmental Protection Agency to coordinate motor vehicle research programs in an effort to develop prototypes of advanced automobiles.

H.R. 1618. January 17, 1975. Interstate and Foreign Commerce. Amends the Natural Gas Act to provide increased supplies of natural gas and oil products. Directs the President to establish a ceiling on prices of crude oil and petroleum products and to roll-back prices to December 1, 1973, levels as soon as possible.

Creates a Federal Oil and Gas Corporation to locate and develop adequate supplies of natural gas and oil. Terminates certain gas and oil rate structures.

H.R. 1619. January 17, 1975. Banking, Currency and Housing. Imposes a moratorium on the receipt of deposits or the making of loans by financial institutions at places of business other than those of financial institutions, through the means of electronic methods of funds transfer.

H.R. 1620. January 17, 1975. Post Office and Civil Service. Revises regulations regarding creditable service for civil service retirement purposes with respect to National Guard technicians.

H.R. 1621. January 17, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 1622. January 17, 1975. Interior and Insular Affairs. Prohibits the dumping of spent oil shale on Federal lands other than those lands leased for the recovery of shale oil.

H.R. 1623. January 17, 1975. Post Office and Civil Service. Prohibits the use of the penalty mail privilege by Government departments for more than five thousand identical pieces unless the sender receives the certification of the Comptroller General. Requires the sender to publish the fact of such mailing and certain additional information in the Federal Register.

H.R. 1624. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption and the amount of withholding exemption for a taxpayer. Increases the gross income level requirement for filing a return and the gross income level which allows a later joint return to be deemed filed as of the date of the separate return or returns filed for the same tax year.

H.R. 1625. January 17, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to authorize the Administrator of the Environmental Protection Agency to to make grants for the alteration or replacement of certain municipal waste incinerators in order to meet air quality standards.

H.R. 1626. January 17, 1975. Merchant Marine and Fisheries. Increases the amount of subsistence payments to students at State maritime academies.

H.R. 1627. January 17, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1628. January 17, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1629. January 17, 1975. Interior and Insular Affairs. Establishes the Nantucket Sound Islands Trust in Massachusetts. Creates commissions to regulate construction of any improvements on lands and waters within the trust area and to provide for the preservation and conservation of the area. Directs such commissions to identify and develop new employment opportunities for residents of the trust area.

Designates Noman's Land Island in Massachusetts as part of the National Wildlife Refuge System.

H.R. 1630. January 17, 1975. Interior and Insular Affairs. Designates the Hells Canyon area in Oregon, Idaho, and Washington as a national recreation area and as wilderness. Incorporates segments of the Rapid River and the Snake River into the National Wild and Scenic Rivers System.

Deauthorizes the Asotin Dam project.

H.R. 1631. January 17, 1975. Armed Services. Directs the Secretary of the Navy to make a lump-sum payment of retroactive pay and allowances to individuals, or their surviving next of kin, who were prisoners of Japan during World War II.

H.R. 1632. January 17, 1975. Judiciary. Prohibits a common carrier, place of public accommodation, or owner of any housing facility to refuse service or accommodation or to charge an additional fee because of a person's blindness.

H.R. 1633. January 17, 1975. Post Office and Civil Service. Eliminates reductions in the retired pay of retired officers of the Armed Forces who are employed in a civilian capacity by the Federal Government.

H.R. 1634. January 17, 1975. Post Office and Civil Service. Authorizes the President to proclaim the week including the Fourth of July as "God Bless America Week".

H.R. 1635. January 17, 1975. Veterans' Affairs. Provides that when a veteran dies from a service-connected or compensable disability, or was in receipt of or entitled to receive compensation at time of death for a service-connected disability permanently and totally disabling for twenty years or more, the Administrator of Veterans' Affairs shall pay dependency and indemnity compensation to his widow, children, and parents.

H.R. 1636. January 17, 1975. Veterans' Affairs. Requires the Civil Service Commission to certify to the Administrator of Veterans' Affairs the monthly amount of compensation to which the widow and children of a deceased veteran would be entitled if such veteran were treated as an employee of the Government, and directs the Administrator to pay such amount to the widow and children if such amount is greater than the indemnity and dependency compensation computed under the veterans' benefits program.

H.R. 1637. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income any payments made under the retired serviceman's family protection plan by an individual who has waived his military retirement pay in order to receive a civil service retirement annuity.

H.R. 1638. January 17, 1975. Armed Services. Prohibits any change in the status of a member of the Armed Forces who was classified missing during service in Southeast Asia until there has been full compliance with the Paris Peace Accord of January 1973.

Directs the Senate Committee on Armed Services and the House Committee on Armed Services to study the method whereby the status of a member of the Armed Forces is changed from missing to dead.

H.R. 1639. January 17, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 1640. January 17, 1975. Interior and Insular Affairs. Amends the Organic Act of Guam by specifying procedures for the settlement of claims arising out of acquisition of property in Guam by the United States.

H.R. 1641. January 17, 1975. Judiciary. Declares a certain individual eligible for naturalization under the Immigration and Naturalization Act.

H.R. 1642. January 17, 1975. Judiciary. Declares that a certain individual shall be considered the natural-born alien daughter of certain citizens of the United States for purposes of the Immigration and Nationality Act.

H.R. 1643. January 17, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1644. January 17, 1975. Judiciary. Retains a certain individual in the United States as a permanent resident.

H.R. 1645. January 17, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1646. January 17, 1975. Judiciary. Directs the Commissioner of Patents to consider a certain patent application to have been filed on a specific date.

H.R. 1647. January 17, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1648. January 17, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1649. January 17, 1975. Judiciary. Relieves a certain individual of liability to the United States for disabling payments retroactively denied by the Social Security Administration.

H.R. 1650. January 17, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain company in full settlement of such company's claims against the United States arising out of preparation and delivery of epoxy striping paint.

H.R. 1651. January 17, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1652. January 17, 1975. Judiciary. Extends the term of the patent for the badge of the Daughters of the American Revolution.

H.R. 1653. January 20, 1975. Judiciary. Incorporates the Italian American War Veterans of the United States.

H.R. 1654. January 20, 1975. Judiciary. Requires the establishment of a system for the redress of law enforcement officers' grievances and acceptance of a law enforcement officers' bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 1655. January 20, 1975. Judiciary. Requires the destruction of files maintained by the Federal Bureau of Investigation with respect to Members of Congress after each member has been given the opportunity to examine such files. Requires the Director of the Federal Bureau of Investigation to notify the Speaker of the House or the President pro tempore of the Senate of the existence of certain other files which are not subject to examination.

H.R. 1656. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from the excise tax certain automotive parts and accessories.

H.R. 1657. January 20, 1975. Interior and Insular Affiars. Authorizes the inclusion of North Brother Island in the Gateway National Recreation Area in New York and New Jersey.

H.R. 1658. January 20, 1975. Ways and Means. Amends the Trade Expansion Act of 1962 to require Congressional review of Presidential actions to raise or lower tariff barriers in the name of national security.

H.R. 1659. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit deduction from gross income of expenses for the advertising of alcoholic beverages.

H.R. 1660. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit a deduction from gross income of expenses for the advertising of alcoholic beverages.

H.R. 1661. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption deduction, the minimum income level requirement for filing a return, and the withholding percentage.

Permits a taxpayer at his election to take a limited credit against the income tax for each exemption allowed in lieu of the exemption deduction.

H.R. 1662. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to provide a limited income tax deduction for the performance of volunteer public service in fields having particular importance to the welfare of the community.

H.R. 1663. January 20, 1975. Agriculture. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment.

H.R. 1664. January 20, 1975. Banking, Currency and Housing. Eliminates credit transactions for agricultural purposes from the provisions of the Truth in Lending Act.

H.R. 1665. January 20, 1975. Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Prohibits the Secretary of Health, Education, and Welfare from limiting the ingredients in food supplements, unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1666. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to deny tax exempt status to any otherwise tax exempt organization which engages in prohibited employment discrimination against blind persons.

H.R. 1667. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to exempt certain farm vehicles from the highway use tax and to require vehicles subject to the tax to show evidence of payment by affixing a windshield sticker.

H.R. 1668. January 20, 1975. Science and Technology. Authorizes the establishment of the Mineral Conservation Research and Development Commission within the National Science Foundation to maintain an inventory of major nonfuel raw materials.

Designates certain raw materials for inclusion in the inventory. Authorizes the Commission to conduct research into the development of substitute materials.

H.R. 1669. January 20, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act.

H.R. 1670. January 20, 1975. Agriculture. Amend the Forest Pest Control Act to remove the fiscal year limitation on funds appropriated under the Act.

H.R. 1671. January 20, 1975. Agriculture. Authorizes the Secretary of Agriculture to make advances of any money appropriated for the Forest Service to be used by the Forest Service for the control of forest insects and diseases in accord with the Forest Pest Control Act.

H.R. 1672. January 20, 1975. Ways and Means. Amends the Tariff Schedule of the United States to suspend for a three year period the duty on mustard seeds.

H.R. 1673. January 20, 1975. Agriculture. Revises eligibility requirements and the portion of income to be paid for food coupons under the Food Stamp Act of 1964. Authorizes the use of food coupons for the purchase of prepared meals which are delivered to disabled individuals by a public agency or nonprofit organization.

H.R. 1674. January 20, 1975. Post Office and Civil Service. Makes it unlawful for officers of the Armed Forces, or executive agencies or departments of the United States Government to require or request civilian employees under investigation for misconduct to submit to interrogation without the presence of counsel, if such employee so requests.

H.R. 1675. January 20, 1975. Post Office and Civil Service. Prohibits, with certain exceptions, employees of executive agencies from requesting or receiving from Federal officials or employees anything of value for political purposes.

Permits employees of Federal executive agencies or the District of Columbia government to participate in political management or in political campaigns.

H.R. 1676. January 20, 1975. Merchant Marine and Fisheries. Amends the Coastal Zone Management Act of 1972 to establish a national policy with respect to the beach resources of the United States. Declares that the public shall have a free and unrestricted right to use beaches as consistent with State and national conservation policies.

Authorizes the Secretary of Commerce to make grants to States to protect the public's right to use the beaches.

H.R. 1677. January 28, 1975. Banking, Currency and Housing. Directs the Secretary of Housing and Urban Development to establish and carry out a Federal catastrophic disaster insurance program.

H.R. 1678. January 20, 1975. Judiciary. Limits the jurisdiction of the Supreme Court and the district courts to review any case arising out of any State statute, ordinance, rule or regulation which relates to voluntary prayers in public schools and public buildings.

H.R. 1679. January 20, 1975. Science and Technology. Authorizes the Director of the National Science Foundation to designate five universities at which coal research laboratories will be established and operated. Authorizes the Director to make grants to assist in the establishment of such laboratories.

Establishes a graduate fellowship program for study and research related to the production, conservation, and utilization of fuels and energy.

H.R. 1680. January 15, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income amounts furnished by a State to an individual by way of grant, loan cancellation, or as financial assistance for losses suffered in a disaster declared by the President under the Disaster Relief Act of 1970.

H.R. 1681. January 20, 1975. Interstate and Foreign Commerce. Establishes a program of Federal assistance for energy emergencies and energy disasters.

H.R. 1682. January 20, 1975. Interior and Insular Affairs. Terminates any phosphate leases issued under the Mineral Leasing Act of 1920 and all rights to such leases within the Osceola National Forest in Florida.

H.R. 1683. January 20, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors, and Disability Insurance benefits.

H.R. 1684. January 20, 1975. Judiciary. Creates a Criminal Justice Services Administration, and several agencies therein, to operate the Federal system of criminal justice. Transfers from other agencies to the Administration certain functions related to criminal justice.

H.R. 1685. January 20, 1975. Judiciary. Establishes criteria for the evaluation by the Secretary of the Treasury of all handguns prior to the approval of such handguns for sale. Requires the registration of all handguns. Requires a permanent or temporary handgun license prior to the transfer of either ammunition or a handgun.

H.R. 1686. January 20, 1975. House Administration. Establishes a Voter Registration Administration within the General Accounting Office for the purpose of administering a voter registration program.

H.R. 1687. January 20, 1975. Interior and Insular Affairs. Amends the Wild and Scenic Rivers Act to prohibit construction of any dam, reservoir, or similar facility on the New River in Virginia until the Secretary of the Interior has completed study of the river for potential designation as a component of the National Wild and Scenic Rivers System.

H.R. 1688. January 20, 1975. Interior and Insular Affairs. Designates segments of the New River in North Carolina, Virginia, and West Virginia as a potential component of the National Wild and Scenic Rivers System.

H.R. 1689. January 20, 1975. Interstate and Foreign Comerce. Prevents the construction of any dam, reservoir, or similar facility which would directly affect a certain segment of the New River in Virginia, unless such a project is specifically authorized by the Congress.

H.R. 1690. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to revise the amount of a contribution of certain ordinary and capital gain property which may be deducted from gross income, where the contribution is made by a corporation to an organization exempt from the income tax.

H.R. 1691. January 20, 1975. Ways and Means. Amends the Social Security Act to permit officers and employees of the Federal Government to elect coverage under Old-Age, Survivors and Disability Insurance. Sets forth the procedures by which Federal employees may elect such coverage.

H.R. 1692. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during any tax year as a civil service retirement annuity from the United States or any agency thereof.

H.R. 1693. January 20, 1975. Government Oeprations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 1694. January 20, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors, and Disability Insurance benefits.

H.R. 1695. January 20, 1975. Interstate and Foreign Commerce. Requires any person who sells certain fuel oil to provide for the marking of such fuel oil, and prohibits the purchase or use of marked fuel for a purpose which makes it subject to the Federal excise tax.

Authorizes the Administrator of the Federal Energy Office to inspect businesses to determine whether they are in compliance with this Act.

H.R. 1696. January 20, 1975. Judiciary. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment. Makes it unlawful to participate in any way in activities involving a fight between one or more dogs.

H.R. 1697. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to allow a taxpayer to deduct from gross income expenses paid during the taxable year for the purchase or installation of any solar heating and cooling equipment in any building owned or rented by the taxpayer.

H.R. 1698. January 20, 1975. Foreign Affairs. Amends the Mutual Security Act of 1954 to revise procedures for the reporting of foreign currency expended by Members and employees of Congress while traveling outside the United States as part of their official duties.

H.R. 1699. January 20, 1975. House Administration. Amends the Federal Election Campaign Act of 1971 by creating a Federal Election Commission to administer the Act.

Requires each candidate for election to Federal office to designate one political committee as his central campaign committee.

Prohibits campaign contributions to candidates for election to Federal office in excess of certain amounts.

H.R. 1700. January 20, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 1701. January 20, 1975. Judiciary. Withholds compensation from Members of Congress who fail to vote on a certain percentage of recorded votes.

H.R. 1702. January 20, 1975. Post Office and Civil Service. Amends the Federal Salary Act of 1967 by making certain recommendations of the President regarding salary levels for certain Federal employees effective within a certain time period unless the Congress adopts a resolution disapproving all or part of such recommendations. Specifies procedures for adopting such a resolution.

H.R. 1703. January 20, 1975. Armed Services. Authorizes the partial attachment of a member's Armed Forces retired or retainer pay to satisfy a child support order. Entitles widowers of female members of the Armed Forces to benefits under the Survivor Benefit Plan.

H.R. 1704. January 20, 1975. Armed Services. Redefines the term "serious handicap" for the purpose of determining eligibility for special educational services provided to dependents of members of the Armed Forces.

H.R. 1705. January 20, 1975. Armed Services. Directs the Secretary of the Navy to convey all Federal interest in the island of Kahoolawe to the State of Hawaii. Authorizes the Secretary of the Treasury to provide Federal assistance to Hawaii for the restoration of the island to its former state.

H.R. 1706. January 20, 1975. Education and Labor. Requires uniform expiration dates for labor agreements in the longshore and maritime industries in the States of Washington, Oregon and California.

H.R. 1707. January 20, 1975. Education and Labor. Establishes a Federal sabbatical program to enable experienced teachers in elementary and secondary schools to obtain sabbatical leaves for the purpose of improving their qualifications as teachers.

H.R. 1708. January 20, 1975. Education and

Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve conservation and nonuse of energy and materials. Establishes within the Office of Education a Council on the Conservation and Nonuse of Energy-Materials to advise the Secretary on the administration of this Act.

H.R. 1709. January 20, 1975. Foreign Affairs. Establishes, under the International Education Act of 1966, an Asian Studies Institute in order to achieve greater understanding in the United States about nations of Asia and the Pacific.

H.R. 1710. January 20, 1975. Government Operations. Authorizes travel and transportation expenses for certain Federal employees.

H.R. 1711. January 20, 1975. Government Operations. Authorizes the Secretary of the Treasury, upon receiving an application approved by the Attorney General, to reimburse local governments for expenditures made for the protection of any official of the United States or any foreign country.

H.R. 1712. January 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to provide transportation for certain Federal employees of Haleakala National Park in Hawaii.

H.R. 1713. January 20, 1975. Interstate and Foreign Commerce. Establishes the National Hospital Administration and authorizes its Board of Directors to investigate the hospital care needs of people in the United States and the hospital care needs that are met, or could be met, by existing hospital facilities. Directs the Administrator of the National Hospital Administration to survey projected long-term national hospital needs and develop a ten-year program for the construction, modernization, and consolidation of hospitals. Creates an Office of Patient Advocate to investigate complaints and answer questions concerning service to patients.

H.R. 1714. January 20, 1975. Judiciary. Provides for an election for the offices of President and Vice President when both offices become vacant, and there is one year or more remaining in the then current Presidential term.

H.R. 1715. January 20, 1975. Judiciary. Authorizes the Attorney General to convey certain property, acquired by condemnation by the United States for purposes pertaining to the prosecution of World War II, to former owners of such property, or their successors in interest.

H.R. 1716. January 20, 1975. Judiciary. Declares that time spent by American civilians in enemy prisoner-of-war camps and similar places shall be creditable toward pensions, annuities, or similar benefits under various Federal retirement programs as though it were military service.

H.R. 1717. January 20, 1975. Judiciary. Amends the Immigration and Nationality Act by eliminating the legal custody requirement and the requirement of residence and physical presence in the United States for the naturalization of children adopted by United States citizens.

H.R. 1718. January 20, 1975. Judiciary. Authorizes the issuance of special immigrant visas to individuals residing in Vietnam who have one alien parent and one citizen parent and are orphans.

H.R. 1719. January 20, 1975. Judiciary. Prohibits discrimination on the basis of sex in Federal employment in the sale, rental, or financing of housing, in the Armed Services and veterans programs, under the Social Security Act and the Internal Revenue Code of 1954, in public facilities and public education, and in federally assisted programs. Authorizes the Secretary of Health, Education, and Welfare to make matching grants to States for the establishment of commissions on the status of women. Empowers the district courts of the United States, the Attorney General, and the Equal Employment Opportunity Commission to take action to prevent sex discrimination.

H.R. 1720. January 20, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936, to permit nationals, as well as citizens of the United States, to serve as officers and crew aboard vessels documented under laws of the United States.

H.R. 1721. January 20, 1975. Post Office and Civil Service. Sets the rate of postage for air parcel post transported between the State of Hawaii and certain Pacific areas.

H.R. 1722. January 20, 1975. Post Office and Civil Service. Includes as creditable service for civil service retirement purposes, services performed by a person hired by a private authority, with Government approval, as a contract technician for the Federal Government.

H.R. 1723. January 20, 1975. Public Works and Transportation. Requires air carriers to furnish free air transportation to attorneys and witnesses attending proceedings before the Civil Aeronautics Board, the cost of transportation to be shared by the air carriers participating in the proceedings.

Directs that public hearings conducted by the Board be held in at least one location within the geographical area directly affected by the matter with respect to which such hearings are held.

H.R. 1724. January 20, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to provide a sixty-day notice prior to a change in rate, fare, or charge of any air carrier or foreign air carrier.

H.R. 1725. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income amounts received by an individual as a pension, annuity or similar retirement benefit under a public retirement system.

H.R. 1726. January 20, 1975. Ways and Means. Amends the Social Security Act by allowing an exchange of credits between the Old-Age, Survivors and Disability Insurance system and the civil service retirement system to enable individuals to obtain benefits under one system which are based on their combined service.

H.R. 1727. January 20, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 1728. January 20, 1975. Post Office and Civil Service. Redesignates the dates for observance of Memorial Day and Veterans Day.

H.R. 1729. January 20, 1975. Education and Labor. Amends the Vocational Education Act of 1963 by increasing and extending the appropriations for various programs under the Act.

H.R. 1730. January 20, 1975. Post Office and Civil Service. Specifies the compensation and other emoluments attached to the Office of the Attorney General of the United States.

H.R. 1731. January 20, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 1732. January 20, 1975. Banking, Currency and Housing. Eliminates credit transactions for agricultural purposes from the provisions of the Truth in Lending Act.

H.R. 1733. January 20, 1975. Post Office and Civil Service. Designates the last Monday in April as American Business Day and makes it a legal public holiday.

H.R. 1734. January 20, 1975. Judiciary. Standards of Official Conduct. Requires lobbyists to: (1) register with the Federal Election Commission; (2) make and retain certain records; and (3) file reports with the commission regarding their activities.

Requires certain officials of the executive branch to record their communications with lobbyists.

Repeals the Federal Regulation of Lobbying Act.

H.R. 1735. January 20, 1975. Judiciary. Prohibits the transportation of contraband cigarettes in interstate commerce.

H.R. 1736. January 20, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make grants for the establishment and operation of home health services and for the purpose of initiating, developing, and maintaining programs for the training of professional and paraprofessional personnel to provide home health services.

H.R. 1737. January 20, 1975, Interstate and Foreign Commerce. Amends the Communications Act of 1934 to revise the procedures for consideration of applications for renewal of broadcast licenses.

H.R. 1738. January 20, 1975. Interstate and Foreign Commerce. Repeals the lowest unit rate provisions of the Communications Act of 1934 relating to use of broadcast time by candidates for public office.

H.R. 1739. January 20, 1975. Post Office and Civil Service. Abolishes the Commission on Executive, Legislative and Judicial Salaries established by the Federal Salary Act of 1967.

H.R. 1740. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for the expenses of education above the twelfth grade paid by the taxpayer for providing an education for himself or any other individual.

H.R. 1741. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to revise the definition of "head of household."

H.R. 1742. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to increase the surtax exemption for certain corporations.

H.R. 1743. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for expenses incurred by a teacher during the year for his advanced education.

H.R. 1744. January 20, 1975. Foreign Affairs. Establishes a United States Academy of Foreign Affairs to provide undergraduate and graduate education for United States citizens in preparation for Government service in the field of foreign affairs.

H.R. 1745. January 20, 1975. Interior and Insular Affairs. Increases the appropriation limit for the development of the Chamizal National Memorial in Texas.

H.R. 1746. January 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to construct and maintain extensions of the American Canal at El Paso, Texas. Transfers jurisdiction of part of the Rio Grande rectification project and the Chamizal project to the Bureau of Reclamation in the Department of the Interior.

H.R. 1747. January 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to exchange certain lands for an entrance road at Guadalupe Mountains National Park in Texas.

H.R. 1748. January 20, 1975. Judiciary. Limits the Power of a State to levy an income tax on income received from transactions occurring for services performed within a Federal area unless such State provides proportionate benefits and protection.

H.R. 1749. January 20, 1975. Post Office and Civil Service. Requires that the Administrator of the Social and Economic Statistics Administration, Department of Commerce, be subject to Senate confirmation.

H.R. 1750. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income during the taxable year a limited amount received as an annuity, pension, or other retirement benefit.

H.R. 1751. January 20, 1975. Judiciary. Foreign Affairs. Directs the Attorney General to provide for the construction and maintenance of a fence near the international boundary between the United States and Mexico in El Paso, Texas, in order to deter illegal traffic across the boundary.

H.R. 1752. January 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish a national historic park on the island of Guam.

H.R. 1753. January 20, 1975. Post Office and Civil Service. Establishes a plan for cooperation between the Secretary of Commerce and the States to provide them with the desired census information for the apportionment or districting of the legislative body or bodies of those States as expeditiously as possible after the decennial census.

H.R. 1754. January 20, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain corporation in full settlement of such corporation's claims against the United States losses incurred as a result of the action taken by the Secretary of Health, Education, and Welfare in reference to a prohibition against the continued use of cyclamates in food products.

H.R. 1755. January 20, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1756. January 20, 1975. Judiciary. Specifies the tax treatment of certain individuals under the Internal Revenue Code.

H.R. 1757. January 20, 1975. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1758. January 20, 1975. Judiciary. Declares a certain individual an immediate relative for purposes of the Immigration and Nationality Act.

H.R. 1759. January 20, 1975. Judiciary. Stipulates that certain enumerated activities shall be considered as if they were service in an active status in a reserve component of an armed force of the United States for determining entitlement to, and computing the amount of, retired pay for a certain individual.

H.R. 1760. January 20, 1975. Judiciary. Declares certain individuals eligible for naturalization under the Immigration and Naturalization Act.

H.R. 1761. January 20, 1975. Judiciary. Declares certain individuals immediate relatives for purposes of the Immigration and Nationality Act.

H.R. 1762. January 20, 1975. Judiciary. Directs the Veterans' Administration to make retroactive payments on a certain application for benefits.

H.R. 1763. January 20, 1975. Judiciary. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1764. January 20, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1765. January 20, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1766. January 20, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1767. January 23, 1975. Ways and Means. Suspends for 90 days the authority of the President to increase tariffs on petroleum or petroleum products.

H.R. 1768. January 23, 1975. Ways and Means. Suspends for 90 days the authority of the President to increase tariffs on petroleum or petroleum products.

H.R. 1769. January 23, 1975. Ways and Means. Suspends for 90 days the authority of the President to increase tariffs on petroleum or petroleum products.

H.R. 1770. January 23, 1975. Public Works and Transportation. Agriculture. Establishes a National Land Resources Protection Commission to protect the quality of existing topsoil in all federally-assisted projects. Establishes minimum requirements governing the stockpiling and replacement of soil on all such projects.

H.R. 1771. January 23, 1975. Ways and Means. Amends the tax exemption provisions of the Internal Revenue Code to include in the definition of "dependent" a resident of the Republic of the Philippines.

H.R. 1772. January 23, 1975. Agriculture. Revises the eligibility requirements for a public utility cooperative to borrow from a bank for cooperatives established under the Farm Credit Act of 1933.

H.R. 1773. January 23, 1975. Interstate and Foreign Commerce. Prohibits the authorization of the abandonment of any railroad line covered by the Rail Reorganization Act prior to December 31, 1976.

H.R. 1774. January 23, 1975. Ways and Means. Requires Congressional approval of all tariffs imposed by the President on petroleum imports.

H.R. 1775. January 23, 1975. Agriculture. Amends the Agricultural Act of 1949 by establishing the support price for milk at not less than 100 percent of the parity price therefor.

H.R. 1776. January 23, 1975. Merchant Marine and Fisheries. Amends the Coastal Zone Management Act of 1972 to authorize financial assistance to coastal States to assess impacts associated with the development of Federal energy resources in the Outer Continental Shelf area. Authorizes grants to States for interstate coordination of coastal zone planning.

H.R. 1777. January 23, 1975. Merchant Marine and Fisheries. Interior and Insular Affairs. Amends the Coastal Zone Management Act of 1972 to suspend Federal oil and gas leasing in coastal zone areas until final approval of State coastal zone management programs by the Secretary of the Interior.

H.R. 1778. January 23, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to clarify procedures for consideration of applications for renewal of broadcast licenses. Extends the maximum time of license and license renewal for the operation of any class of station from three to five years.

H.R. 1779. January 23, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 1780. January 23, 1975. Armed Services. Authorizes the Secretary of the Navy to transfer ownership of certain naval vessels to New York City for use as an intermodal transportation facility.

H.R. 1781. January 23. 1975. Interior and Insular Affairs. Authorizes the inclusion of North Brother Island in the Gateway National Recreation Area in New York and New Jersey.

H.R. 1782. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income all ordinary and necessary expenses paid during the txable year by a fireman for meals which he eats at his post of duty during any period of overnight duty.

H.R. 1783. January 23, 1975. Way and Means. Amends the Social Security Act by lowering the age at which an individual becomes entitled to full and partial Old-Age, Survivors, and Disability Insurance benefits.

H.R. 1784. January 23, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1785. January 23, 1975. Interstate and Foreign Commerce. Defense the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1786. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to repeal the excise tax on trucks, buses, and tractors, and parts and accessories for such vehicles.

H.R. 1787. January 23, 1975. Judiciary. Permits nonimmigrant foreign students to be employed, with the approval of the school attended by such student, during any regularly scheduled school vacation or any school term during which such student is not enrolled.

H.R. 1788. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during the taxable year as a pension or annuity or other benefit under a public retirement system or by any individual sixty-five years of age or over.

H.R. 1789. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income moving expenses which were paid by the taxpayer's employer, and to disallow a deduction for such reimbursed expenses.

Increases the amount of moving expenses allowed as a deduction from gross income.

H.R. 1790. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit the deduction from gross income of amounts paid or accrued as "patronage dividends" by cooperative corporations.

H.R. 1791. January 23, 1975. Ways and Means. Revises the tax rates for Old-Age, Survivors and Disability Insurance and hospital insurance under the Internal Revenue Code of 1954. Raises the ceiling on income taxable for Old-Age, Survivors, and Disability Insurance under the Social Security Act and Internal Revenue Code of 1954. Provides that one-third of the cost of the Old-Age, Survivors, and Disability Insurance program be borne by the Federal Government.

H.R. 1792. January 23, 1975. Ways and Means. Extends for an additional five years the existing authority of the Secretary of Health, Education, and Welfare to grant rural hospitals temporary waivers of the 24-hour nursing service requirement for participation in the Medicare program under the Social Security Act.

H.R. 1793. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 1794. January 23, 1975. Ways and Means. Amends the Appendix to the Tariff Schedules of the United States to suspend the duty on natural graphite for five years.

H.R. 1795. January 23, 1975. Interstate and Foreign Commerce. Revises various programs of assistance under the Community Mental Health Centers Act and extends the Act to June 30, 1976. Requires the Secretary of Health, Education, and Welfare to establish the National Center for the Prevention and Control of Rape.

H.R. 1796. January 23, 1975. Veterans' Affairs. Specifies that recipients of veterans' pensions and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1797. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from the gross income of an individual a limited amount of interest or dividends received from certain savings institutions.

H.R. 1798. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property, as an option, to amortize expenditures for the restoration of rental housing.

H.R. 1799. January 23, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 1800. January 23, 1975. Marine and Fisheries. Directs the Secretary of Commerce to carry out a national aquaculture development program. Defines aquaculture as the culture and husbandry of aquatic organisms.

H.R. 1801. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit the payment of employment taxes by certain employers more than once per calendar quarter.

H.R. 1802. January 23, 1975. Agriculture. Directs the Secretary of Agriculture to establish under the Agricultural Adjustment Act of 1938 a national acreage allotment for rice to maintain adequate supplies and to prevent excessive carryover stocks. Imposes an established price for rice under the Agricultural Act of 1949.

H.R. 1803. January 23, 1975. House Administration. Repeals the authority of the Committee on House Administration to adjust allowance for Members of Congress, standing committees, leadership offices, and officers of the House.

H.R. 1804. January 23, 1975. Ways and Means. Interstate and Foreign Commerce. Requires skilled nursing and intermediate care facilities participating in Medicare and Medicaid programs under the Social Security Act to publish a statement of the rights and responsibilities of their patients.

H.R. 1805. January 23, 1975. Ways and Means. Interstate and Foreign Commerce. Requires skilled nursing and intermediate care facilities participating in Medicare and Medicaid programs under the Social Security Act to publish a statement of the rights and responsibilities of their patients.

H.R. 1806. January 23, 1975. Interstate and Foreign Commerce. Amends the State Technical Services Act of 1965 by making municipal governments eligible for technical services under the Act, and by directing the Secretary of Commerce to establish (1) a management information system to provide data concerning the operation of technical services programs; and (2) regional offices for the administration of the Act.

H.R. 1807. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a limited credit against the income tax, expenses paid during the taxable year for qualified insulation and heating improvement.

H.R. 1808. January 23, 1975. Ways and Means. Requires Congressional approval of all tariffs imposed by the President on petroleum imports.

H.R. 1809. January 23, 1975. Ways and Means. Requires Congressional approval of all tariffs imposed by the President on petroleum imports.

H.R. 1810. January 23, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 1811. January 23, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 1812. January 23, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 1813. January 23, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 1814. January 23, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 1815. January 23, 1975. Ways and Means. Creates a national system of health insurance. Establishes a health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program.

Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government. Amends various other provisions of the Social Security Act and the Public Health Services Act.

H.R. 1816. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 1817. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 1818. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 1818. January 23, 1975. Education and Labor. Establishes a program of youth camp safety within the Department of Health, Education, and Welfare. Authorizes the development and enforcement of comprehensive youth camp safety standards.

H.R. 1819. January 23, 1975. Judiciary. Amends the Immigration and Nationality Act by authorizing naturalization for alien servicemen who must leave the service within three years after enlistment because of any disability.

H.R. 1820. January 23, 1975. Armed Services. Establishes the Office of Assistant Secretary of Defense for Equal Opportunity. Directs the Assistant Secretary to eliminate discrimination and promote affirmative action regarding employment within the Department of Defense and by its contractors.

H.R. 1821. January 23, 1975. House Administration. Prohibits the denial under certain circumstances of the right to register for, and to vote by, absentee ballot in a Federal election of citizens residing overseas.

Requires each State to provide by law for the registration of all citizens residing overseas and entitled to vote.

H.R. 1822. January 23, 1975. Education and Labor. Authorizes the Commissioner of Education, under the Higher Education Act, to contract with a private collection service to collect claims due and owning under the guaranteed student loan program.

H.R. 1823. January 23, 1975. Ways and Means. Amends the Social Security Act as it relates to Old-Age, Survivors and Disability Insurance by (1) eliminating the waiting period for disability benefits; (2) increasing the amount of outside income which an individual may earn while receiving benefits; (3) revising the eligibility requirements for adopted children; (4) revising the procedure for making administrative determinations of entitlement to benefits; (5) authorizing the replacement of lost, stolen or undelivered benefit checks; and (6) giving Disability Insurance beneficiaries the same right to expedited benefit payments as Old-Age and Survivors Insurance beneficiaries.

H.R. 1824. January 23, 1975. Armed Services. Prohibits the use of public funds for the transportation of chemical nerve agents to or from any military installation in the United States for storage or stockpiling unless the President has made certain certifications to Congress.

H.R. 1825. January 23, 1975. Banking, Currency and Housing. Requires banks, savings and loan associations, and insured credit unions to disclose, upon request and in all advertising, certain information on the computation and payment of the earnings on savings deposits.

Directs the Board of Governors of the Federal Reserve System to prescribe regulations to enforce the provisions of this Act.

H.R. 1826. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income the expenses incurred in connection with the adoption of a child by a taxpayer.

H.R. 1827. January 23, 1975. Armed Services. Allows any veteran who has been rated by the Veterans' Administration as 50 percent or more disabled from a service-connected disability or the widow of any deceased veteran who was rated as totally and permanently disabled from a service-connected disability, to make purchases from issue commissaries and commissary stores at prices at which like articles are sold to members of the Armed Services.

H.R. 1828. January 23, 1975. Foreign Affairs. Directs the Secretary of State to provide loans for the expense of transportation' to the United States of the remains of United States citizens who died abroad.

H.R. 1829. January 23, 1975. Judiciary. Limits the Director of the Federal Bureau of Investigation to a single term of ten years.

H.R. 1830. January 23, 1975. Judiciary. Imposes penalties for the robbery or attempted robbery of any narcotic drug from any pharmacy.

H.R. 1831. January 23, 1975. Veterans Affairs. Directs the Secretary of the Army to establish a national cemetery in all States where there is no national cemetery.

H.R. 1832. January 23, 1975. Ways and Means. Authorizes the President to negotiate multilateral or bilateral agreements establishing annual quantitative limitations on imports of antifriction bearings. Requires the Secretary of Defense to administer this Act.

H.R. 1833. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified brewerys.

H.R. 1834. January 23, 1975. Ways and Means. Amends the Social Security Act by including influenza immunizations under the supplementary medical insurance program of Medicare.

H.R. 1835. January 23, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1836. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income the discharge of disaster relief loans by the United States under the Disaster Relief Act of 1970.

H.R. 1837. January 23, 1975. Post Office and Civil Service. Creates the Federal Employee Labor Relations Board to oversee and regulate labor relations between units of the Federal Government and Federal employees. Authorizes Federal employees to form, join, or assist labor organizations. Authorizes Federal employees to strike under certain circumstances. Enumerates unlawful labor acts and empowers the Board to prevent such acts.

H.R. 1838. January 23, 1975. Government Operations. Expands the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials.

H.R. 1839. January 24, 1975. Merchant Marine and Fisheries. Establishes a fishery zone contiguous with the territorial sea of the United States having a limit of two hundred miles beyond the inner limit of the territorial sea.

H.R. 1840. January 24, 1975. Merchant Marine and Fisheries. Requires that the method of straight baselines, as set forth in the Convention on the Territorial Sea and Contiguous Zone, be employed in determining the boundaries of the fishery zone of the United States. Requires that the baseline be marked on official United States charts.

H.R. 1841. January 23, 1975. Post Office and Civil Service. Creates the Federal Labor Relations Authority to oversee labor relations between Federal agencies and civilian Federal employees. Enumerates unfair labor practices and empowers the Authority to prevent such practices.

H.R. 1842. January 23, 1975. Foreign Affairs. Amends the United Nations Participation Act to permit the President to apply the sanctions contained therein notwithstanding certain provisions of the Strategic and Critical Materials Stock Piling Act.

H.R. 1843. January 23, 1975. Foreign Affairs. Amends the United Nations Participation Act to permit the President to apply the sanctions contained therein notwithstanding certain provisions of the Strategic and Critical Materials Stock Piling Act.

H.R. 1844. January 23, 1975. Foreign Affairs. Amends the United States Participation Act to permit the President to apply the sanctions contained therein notwithstanding certain provisions of the Strategic and Critical Materials Stock Piling Act.

H.R. 1845. January 23, 1975. Foreign Affairs. Amends the United Nations Participation Act to permit the President to apply the sanctions contained therein notwithstanding certain provisions of the Strategic and Critical Materials Stock Piling Act.

H.R. 1846. January 23, 1975. Foreign Affairs. Amends the United Nations Participation Act to permit the President to apply the sanctions contained therein notwithstanding certain provisions of the Strategic and Critical Materials Stock Piling Act.

H.R. 1847. January 23, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to maintain an inventory of certain mineral fuel reserves in the public domain which contain hydrocarbons and uranium, or which have a potential to be an energy source.

H.R. 1848. January 23, 1975. Judiciary. Amends the Immigration and Nationality Act to grant alien children adopted by unmarried United States citizens the same immigrant status as alien children adopted by married United States citizens.

H.R. 1849. January 23, 1975. Judiciary. Amends the Immigration and Nationality Act to exempt from the numerical limitation for entry, the alien parent of a minor United States citizen if the other parent is a United States Citizen.

H.R. 1850. January 23, 1975. Armed Services. Revises the schedule of deductible payments by patients for medical care and special education services under the health benefits program for spouses and children of members of the Armed Forces.

H.R. 1851. January 23, 1975. Judiciary. Declares that Madison County, Florida, shall be included in the North judicial district of Florida.

H.R. 1852. January 23, 1975. Post Office and Civil Service. Abolishes the Commission on Executive, Legislative and Judicial Salaries established by the Federal Salary Act of 1967.

H.R. 1853. January 23, 1975. Post Office and Civil Service. House Administration. Reduces retirement benefits for Members of Congress who remain in office after attaining seventy years of age.

H.R. 1854. January 23, 1975. Agriculture. Directs the Secretary of Agriculture to make and insure loans to established farmers, ranchers, or oyster planters for the purpose of allowing them to refinance existing short-term disaster loans procured to rebuild their operations which had been damaged or destroyed by a natural disaster.

H.R. 1855. January 23, 1975. Post Office and Civil Service. Authorizes certain Federal employees, whose pay is subject to a special statutory limitation, to be credited for civil service retirement purposes with the full amount of basic pay they would have been entitled to receive in the absence of such limitation.

H.R. 1856. January 23, 1975. Agriculture. Prohibits increases in the portion of income to be paid for food coupons under the Food Stamp Act of 1964.

H.R. 1857. January 23, 1975. Armed Services. Prohibits discrimination against applicants to the service academies on the basis of sex, race, color or religious beliefs.

H.R. 1858. January 23, 1975. Post Office and Civil Service. Redesignates the date for observance of Veterans Day.

H.R. 1859. January 23, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to convey all mineral rights of the United States in certain real property in California to the record owners of that property.

H.R. 1860. January 23, 1975. Agriculture. Prohibits increases in the portion of income to be paid for food coupons under the Food Stamp Act of 1964.

H.R. 1861. January 23, 1975. Agriculture. Prohibits increases in the portion of income to be paid for food coupons under the Food Stamp Act of 1964.

H.R. 1862. January 23, 1975. Education and Labor. Amends the Vocational Education Act of 1963 by increasing and extending the appropriations for various programs under the Act.

H.R. 1863. January 23, 1975. Interior and Insular Affairs. Amends the Mineral Act of 1920 to authorize the Secretary of the Interior to issue certificates of public convenience and necessity to aid in construction of to acquire rights-of-way for coal pipelines. carriers to exercise the power of eminent domain in the United States district courts to acquire rights-of-way for coal pipelines.

H.R. 1864. January 23, 1975. Judiciary. Prohibits any civil officer of the United States from exercising surveillance over or maintaining records on any citizen.

H.R. 1865. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to include as a tax exempt organization nonprofit corporations that provide either reserve funds or insurance of shares and deposits for credit unions.

H.R. 1866. January 23, 1975. Government Operations. Amends the State and Local Fiscal Assistance Act of 1972 by repealing that section declaring that funds received by units of local government under the Act may be used only for certain enumerated priority expenditures, and by revising the amount of appropriations authorized.

H.R. 1867. January 23, 1975. Public Works and Transportation. Reduces the permissible steering axle weights for users of the Interstate Highway System.

H.R. 1868. January 23, 1975. Public Works and Transportation. Reduces the permissible steering axle weight for users of the Interstate Highway System.

H.R. 1869. January 23, 1975. Atomic Energy. Designates the Holifield National Laboratory in Tennessee as the Oak Ridge National Laboratory. Designates the breeder reactor at Oak Ridge, Tennessee, as the Holifield Liquid Metal Fast Breeder Reactor.

H.R. 1870. January 23, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 1871. January 23, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 1872. January 23, 1975. Ways and Means. Amends the Social Security Act as it relates to Old-Age, Survivors and Disability Insurance by (1) eliminating the waiting period for disability benefits; (2) increasing the amount of outside income which an individual may earn while receivng benefits; (3) revising the eligibility requirements for adopted children; (4) revising the procedure for making administrative determinations of entitlement to benefits; (5) authorizing the replacement of lost, stolen or undelivered benefit checks; and (6) giving Disability Insurance beneficiaries the same right to expedited benefit payments as Old-Age and Survivors Insurance beneficiaries.

H.R. 1873. January 23, 1975. Interstate and Foreign Commerce. Defines the term special dietary uses with respect to the Federal Food, Drug, and Cosmetic Act and delineates the authority of the Secretary of Health, Education, and Welfare to regulate foods represented to be for special dietary uses.

H.R. 1874. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income any gain resulting from a lottery conducted by an agency of a State acting under authority of State law.

H.R. 1875. January 23, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1876. January 23, 1975. Ways and Means. Amends the Social Security Act to extend Medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 1877. January 23, 1975. Ways and Means. Amends the Social Security Act to include routine annual physical examinations under the Medicare supplementary medical insurance program.

H.R. 1878. January 23, 1975. Agriculture. Extends the Poultry Products Inspection Act and the Federal Meat Inspection Act definition of "adulterated" to include the products of poultry or any animal which has died other than by slaughter or which was at the time of slaughter diseased in whole or in part.

H.R. 1879. January 23, 1975. Agriculture. Amends the Federal Meat Inspection Act and the Poultry Products Inspection Act to allow meat and poultry that is prepared under State inspection and in accordance with Federal inspection requirements to be distributed in commerce upon the same basis as meat and poultry prepared under Federal inspection provided that it is marked with a combined State-Federal inspection legend.

H.R. 1880. January 23, 1975. Agriculture. Extends the Consolidated Farmers Home Administration Act of 1961 to American Samoa.

H.R. 1881. January 23, 1975. Armed Services. Prohibits any member of the Armed Forces from (1) maintaining unsafe or unsanitary military penal facilities; (2) brutally treating other Armed Forces members or military prisoners; and (3) denying other members their constitutional rights and privileges. Establishes a United States Military Justice Commission to hear complaints alleging violation of these prohibitions. Establishes a United States Court of Military Grievances to review cases decided by the Military Justice Commission.

H.R. 1882. January 23, 1975. Armed Services. Authorizes the Secretary of the Navy to construct permanent shoreside facilities for visitors to the United States Ship Arizona Memorial at Pearl Harbor in Hawaii.

Authorizes the transfer of responsibility for the operation and maintenance of such shoreside facilities to the National Park Service upon completion of construction.

H.R. 1883. January 23, 1975. Armed Services. Authorizes the Secretary of the Army to allow the State of Hawaii to use physical facilities at Fort De Russy, Hawaii, which are not needed by the Army.

H.R. 1884. January 23, 1975. Banking, Currency and Housing. Amends the Truth in Lending Act to require that statements under open end credit plans be mailed in time to permit payment prior to the imposition of finance charges.

H.R. 1885. January 23, 1975. Education and Labor. Creates the Office of Poet Laureate of the United States. Directs the President to appoint the Poet Laureate after considering recommendations of the National Council on the Arts.

H.R. 1886. January 23, 1975. Education and Labor. Amends the Civil Rights Act of 1964 to make it an unlawful employment practice to discriminate against individuals who are physically disabled because of such disability.

H.R. 1887. January 23, 1975. Education and Labor. Authorizes the Commissioner of Education to provide Federal financial assistance to those State teacher retirement systems which allow retirement credit to teachers for out-of-State teaching service.

H.R. 1888. January 23, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 with respect to employer liability, enforcement procedures, and penalities.

H.R. 1889. January 23, 1975. Education and Labor. Amends the National Labor Relations Act to make it an unfair labor practice for an employer to advertise for employees while that employer is being struck, unless such advertisement states that a labor dispute exists.

H.R. 1890. January 23, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by requiring the Secretary of Labor to recognize differences between the light residential construction industry and the heavy construction industry.

H.R. 1891. January 23, 1975. Foreign Affairs. Authorizes the President, acting through an agency created by him, to be known as the International Health Agency, to carry out programs to provide assistance to those developing nations working to help themselves provide needed health services to their citizens.

H.R. 1892. January 23, 1975. Government Operations. Directs the Secretary of Health, Education, and Welfare to make grants to States and units of local government to assist in the execution of consumer protection plans.

H.R. 1893. January 23, 1975. Government Operations. Establishes a Department of Education. Establishes a Federal interagency Committee on Education to recommend necessary actions to assure effective coordination of Federal programs affecting education.

H.R. 1894. January 23, 1975. Government Operations. Establishes as an executive department of the United States Government a Department of Peace, to develop and carry out plans, programs, and policies designed to promote peace. Transfers to the Department certain functions performed by other Federal agencies.

Establishes within the Department a National Peace Academy, to train United States citizens for service in positions or programs designed to provide international understanding.

Creates a Congressional Joint Committee on Peace and International Cooperation.

H.R. 1895. January 23, 1975. Interior and Insular Affairs. Permits Hawaii to use the proceeds from the sale or lease of certain real property for any public purpose.

H.R. 1896. January 23, 1975. Interstate and Foreign Commerce. Declares Kuapa Pond in Hawaii not a navigable water of the United States.

H.R. 1897. January 23, 1975. Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements," by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1898. January 23, 1975. Interstate and Foreign Commerce. Amends the War Claims Act by extending benefits under the War Hazards Compensation Act to those who have a claim based on the injury or death of a civilian American citizen during World War II.

H.R. 1899. January 23, 1975. Interstate and Foreign Commerce. Establishes the Bureau of Travel Agents Registration in the Department of Transportation for the purpose of regulating standards of performance and conduct in the travel agency industry.

H.R. 1900. January 23, 1975. Interstate and Foreign Commerce. Establishes a national plan for no-fault automobile insurance which sets forth national standards for State no-fault insurance plans.

H.R. 1901. January 23, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants to the individual States for the purpose of insuring high quality comprehensive health services for immigrants residing in the United States through the establishment and support of health services projects, counseling and educational programs, and related evaluational efforts.

H.R. 1902. January 23, 1975. Interstate and Foreign Commerce. Authorizes the planning, development, and operation, under the Public Health Services Act, of special programs to increase the number of bilingual trainees and to increase the awareness of non-bilingual trainees in those catchment areas where a substantial proportion of the population is of limited English-speaking ability.

H.R. 1903. January 23, 1975. Judiciary. Authorizes the compensation of persons injured by certain violent criminal acts. Establishes as an independent agency the Violent Crimes Compensation Commission to carry out the purpose of this Act.

H.R. 1904. January 23, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns except as authorized by the Secretary of the Treasury or by members of the Armed Forces and law enforcement officers.

H.R. 1905. January 23, 1975. Judiciary. Amends the Immigration and Nationality Act by extending the exemption from the literary requirement for issuance of alien visas to additional relatives of citizens and permanent resident aliens.

H.R. 1906. January 23, 1975. Judiciary. Amends the literacy provisions of the Immigration and Nationality Act to allow certain persons over age 50 to demonstrate their ability to read and write in their native language. Eliminates the literacy test for persons over 60 who have been living in the United States for 20 years. Permits applicants to demonstrate their understanding of the fundamentals of American government in a language other than English.

H.R. 1907. January 23, 1975. Judiciary. Establishes a minimum level for retirement salaries of certain Federal judges in territories and possessions of the United States.

H.R. 1908. January 23, 1975. Post Office and Civil Service. Authorizes the payment of increased annuities to secretaries of justices and judges of the United States.

H.R. 1909. January 23, 1975. Post Office and Civil Service. Authorizes the termination of various Federal employment benefits in the case of Federal employees stationed outside the continental United States under certain circumstances.

H.R. 1910. January 23, 1975. Post Office and Civil Service. Makes it unlawful for officers of Federal agencies, the armed forces, or the Civil Service Commission to require that Federal civilian employees and applicants disclose certain personal information.

Creates a Board of Employees Rights to enforce this Act.

H.R. 1911. January 23, 1975. Post Office and Civil Service. Entitles Federal prevailing rate employees who are assigned to perform the duties of positions in higher grades or pay scales to receive compensation commensurate with such grade or pay scale.

H.R. 1912. January 23, 1975. Post Office and Civil Service. Makes Federal civilian personnel on oceangoing vessels eligible for immediate retirement benefits after attaining fifty years of age and completing twenty years of service.

H.R. 1913. January 23, 1975. Post Office and Civil Service. Modifies the amount by which Federal group life insurance decreases at age sixty-five or after retirement.

H.R. 1914. January 23, 1975. Post Office and Civil Service. Revises regulations regarding creditable service for civil service retirement purposes with respect to National Guard Technicians.

H.R. 1915. January 23, 1975. Post Office and Civil Service. Authorizes the allowance of creditable service for civil service retirement benefits to Federal employees and Members of Congress who have performed service in the employment of a State, or political subdivision thereof, in the carrying out of any program authorized and financed by Act of Congress, if certain specified conditions are met.

H.R. 1916. January 23, 1975. Post Office and Civil Service. Revises regulations with respect to the concurrent payment of foreign post cost-of-living allowances for certain Federal employees.

H.R. 1917. January 23, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to authorize reduced rate transportation on a space-available basis for young and elderly people and military personnel.

H.R. 1918. January 23, 1975. Small Business.

Amends the Small Business Act to authorize loans to small business concerns affected by the energy shortage.

H.R. 1919. January 23, 1975. Veterans' Affairs.

Directs the Secretary of the Army, in the case of a former member whose remains have not been recovered and have been determined to be nonrecoverable, to set aside a suitable plot in a national cemetery to honor the memory of such member, to permit the erection of an appropriate marker thereon to honor such member, and to permit the remains of the surviving spouse, minor child, or, in the Secretary's discretion, the unmarried adult child of such member to be buried in an adjacent plot.

H.R. 1920. January 23, 1975. Veterans' Affairs.

Allows emergency officers', regular, or reserve retirement pay be paid to any veteran concurrently with compensation for any service-connected disability rated 30 percent or more in degree disabling, unless the former payments are based on the same disability.

H.R. 1921. January 23, 1975. Veterans' Affairs.

Directs the Administrator of Veterans' Affairs to adjust the respective rates of disability compensation for veterans living in any area outside the contiguous United States in order to offset the higher cost of living in such outside area.

H.R. 1922. January 23, 1975. Ways and Means.

Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 1923. January 23, 1975. Ways and Means.

Amends the Internal Revenue Code to allow a taxpayer to deduct from gross income reasonable expenses incurred for the care of one or more dependents. Repeals the allowance of such a deduction as an itemized deduction from adjusted gross income.

H.R. 1924. January 23, 1975. Ways and Means.

Amends the Tariff Act of 1930 to prohibit the withdrawal of merchandise from a customs bonded warehouse for exportation pursuant to retail sales unless such warehouse is located in close proximity to an airport or border crossing station.

H.R. 1925. January 23, 1975. Ways and Means.

Amends the Internal Revenue Code to extend the period after the sale of a taxpayer's principal residence in which a new residence must be purchased in order to defer any gain received for income tax purposes.

H.R. 1926. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to revise and consolidate the provisions of the Code with respect to small business. Establishes a Committee on Tax Simplification for Small Business to suggest changes in the Code with respect to small business. Requires the Secretary of the Treasury, with the Assistance of the Office of Small Business Analysis to be created within the office of the Secetary, to submit to the House Committee on Ways and Means and the Senate Committee on Finance recommendations for structural changes in the Code relating primary to small business.

H.R. 1927. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for the expenses of education above the twelfth grade paid by the taxpayer for providing an education for himself or any other individual.

H.R. 1928. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income the expenses incurred in connection with the adoption of a child by a taxpayer.

H.R. 1929. January 23, 1975. Ways and Means. Amends the Internal Revenue Code by increasing the exemption for purposes of the Federal estate tax.

H.R. 1930. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income the cost of acquiring recycled solid waste materials for manufacture by the taxpayer into useful raw materials or salable products. Permits an optional amortization deduction of any solid waste recycling facility acquired by the taxpayer.

H.R. 1931. January 23, 1975. Ways and Means. Excludes from taxable income as defined in the Internal Revenue Code of 1954 the first $750 of dividends or interest earned on deposits in banks.

H.R. 1932. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to increase the minimum tax on tax preferences, and increases the holding period for capital gains treatment of assets.

Includes in gross income the unrealized appreciation of property passing at death and by gift.

Allows a limited tax credit for State and local income taxes paid by the taxpayer. Revises the provisions of the Internal Revenue Code relating to percentage depletion rates; and deductions for interest on the indebtedness on principal residences.

H.R. 1933. January 23, 1974. Ways and Means. Amends the Internal Revenue Code to permit a parent of a handicapped child, who supports that child, to claim him as an exemption even though the child earns more than $750.

H.R. 1934. January 23, 1975. Ways and Means. Amends the Internal Revenue Code of 1954 to eliminate the percentage depletion allowance and the option to deduct intangible drilling and development costs for any oil or gas well located outside the United States. Eliminates foreign tax credit for any income derived from any such well.

H.R. 1935. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from the income tax cooperative housing corporations and condominium housing associations.

H.R. 1936. January 23, 1975. Ways and Means. Revises the eligibility requirements for disability insurance benefits appreciable to the blind under the Social Security Act.

H.R. 1937. Ways and Means. Amends the Social Security Act by excluding general and cost-of-living increases in Old-Age, Survivors, and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for Federal-State public assistance and Supplemental Security Income.

H.R. 1938. January 23, 1975. Ways and Means. Amends the Old-Age, Survivors, and Disability Insurance provisions of the Social Security Act by (1) eliminating the special dependency requirement for husband's and widower's insurance benefits; (2) entitling divorced husbands to the same benefits as divorced wives; and (3) entitling men with minor children in their care to the same benefits as women under such circumstances.

H.R. 1939. January 23, 1975. Ways and Means. Revises eligibility for benefits under, and the administration of, medicare under the Social Security Act. Revises the Internal Revenue Code with respect to health insurance taxes.

H.R. 1940. January 23, 1975. Ways and Means. Amends the Social Security Act to permit officers and employees of the Federal Government to elect coverage under Old-Age, Survivors, and Disability Insurance. Sets forth procedures by which Federal employees may elect such coverage.

H.R. 1941. January 23, 1975. Ways and Means. Amends the Social Security Act by increasing the Federal share of public assistance benefits provided by a State to Indians, Aleuts, native Hawaiians and other aboriginal persons.

H.R. 1942. January 23, 1975 Government Operations. Interstate and Foreign Commerce. Establishes a Consumer Protection Agency within the executive branch to represent the interests of consumers before Federal agencies, to receive and act upon consumer complaints, to perform research on consumer products, and to gather and disseminate information on consumer products and services.

Requires Federal agencies considering policies or regulations which may affect the interests of consumers to notify the Agency, and to consider the interest of consumers.

H.R. 1943. January 23, 1975. Ways and Means. Amends the Social Securities Act by including the services of registered nurses under the medicare and medicaid programs.

H.R. 1944. January 23, 1975. Interior and Insular Affairs. Establishes a Hawaiian Native Fund to provide for the settlement of historic claims of Hawaiian Natives. Creates a Hawaiian Native Corporation to receive and administer funds to promote the interest and welfare of Hawaiian natives.

H.R. 1945. January 23, 1975. Judiciary. Directs the Secretary of the Treasury to pay a monthly sum to certain former members of the Army who participated in dengue fever experiments in the Philippine Islands.

H.R. 1946. January 23, 1975. Agriculture. Authorizes and directs the Secretary of Agriculture to purchase animals and animal food products for use in foreign and domestic food relief programs.

H.R. 1947. January 23, 1975. Post Office and Civil Service. Prohibits the making of appropriations to the Postal Service for any fiscal year commencing on or after July 1, 1975, unless authorized by legislation enacted by Congress.

Requires the Postal Service to keep the House and Senate Committees on Post Office and Civil Service currently informed on Postal Service activities.

H.R. 1948. January 23, 1975. Ways and Means. Amends the Social Security Act to authorize payment to married couples of Old-Age, and Disability Insurance benefits which have been computed on the basis of their combined earnings record.

H.R. 1949. January 23, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to designate and maintain the Wheeling Suspension Bridge in West Virginia as a National Historic Site.

H.R. 1950. January 23, 1975. Judiciary. Eliminates the jurisdiction of Federal courts to issue busing orders based on race, color, religion or national origin.

Prohibits any Federal agency from inducing such busing through withholding or threatening to withhold Federal financial assistance.

Postpones the effectiveness of any busing order until all appeals have been exhausted or until the time for such appeals has expired.

H.R. 1951. January 23, 1975. Government Operations. Requires independent regulatory commissions to submit their budget estimates and requests, and legislative recommendations, to Congress at the same time they submit those items to the President or the Office of Management and Budget.

Revises regulations regarding the control of litigation undertaken by independent regulatory commissions.

H.R. 1952. January 23, 1975. Interstate and Foreign Commerce. Requires the Federal Trade Commission to establish the Bureau of Consumer Redress to establish programs, and to aid and cooperate with State programs, for the administration and adjudication, of controversies involving consumers.

H.R. 1953. January 23, 1975. Education and Labor. Amends the Vocational Education Act of 1963 by directing that Federal aid under the Act shall be divided between vocational and occupational education. Requires each State to establish a local coordinating committee for each of its localities to make a continuing study of vocational and occupational education needs. Authorizes Federal financial assistance for applied research, curriculum development, and program improvement in vocational and occupational education.

H.R. 1954. January 23, 1975. Veterans' Affairs. Extends the entitlement of veterans to educational assistance from thirty-six months to forty-five months.

H.R. 1955. January 23, 1975. Banking, Currency and Housing. Establishes the National Development Bank for the purpose of making long-term, low-interest loans to individuals, State and local governments, and corporations in order to increase employment opportunities, and foster public works and low and moderate-income housing projects.

H.R. 1956. January 23, 1975. Interstate and Foreign Commerce. Establishes a National Commission on Regulatory Reform to review and make recommendations on the activities of the Independent Regulatory Agencies.

H.R. 1957. January 23, 1975. Interior and Insular Affairs. Establishes the National Conservation Area of the California Desert. Directs the Secretary of the Interior to develop and implement a comprehensive plan for the management, use, and protection of the natural resource lands within the conservation area.

H.R. 1958. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to impose an excise tax on automobiles based on the rate at which such automobiles consume fuel. Allows a credit against the income tax for the purchase of every new automobile for use within the United States, based on the rate at which such automobile consumes fuel.

H.R. 1959. January 23, 1975. Agriculture. Requires the Secretary of Agriculture to expend, on a rural environmental assistance program, an aggregate amount equal to the sums appropriated under the Soil Conservation and Domestic Allotment Act.

H.R. 1960. January 23, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to establish a national cemetery at or near Fort Hood, Texas.

H.R. 1961. January 23, 1975. Agriculture. Authorizes, under the Agricultural Adjustment Act of 1938, the lease and transfer of burley tobacco from marketing quotas to farms within the same State.

H.R. 1962. January 23, 1975. Armed Services. Permits the establishment of Senior Reserve Officers' Training Corps programs at public community colleges.

H.R. 1963. January 23, 1975. Armed Services. Amends the National Guard Technicians Act of 1968 by redefining creditable service and employment to include service contract status under certain circumstances.

H.R. 1964. January 23, 1975. Education and Labor. Repeals the Occupational Safety and Health Act of 1970.

H.R. 1965. January 23, 1975. Foreign Affairs. Requires the execution of an oath or affirmation or declaration of allegiance before a passport is granted or issued.

H.R. 1966. January 23, 1975. Government Operations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 1967. January 23, 1975. Interior and Insular Affairs. Creates a National Geothermal Energy Commission to grant licenses for the exploration and development of geothermal energy resources.

H.R. 1968. January 23, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for and the limiting of ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1969. January 23, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to establish a program under which epileptics are provided with medicine for the treatment of epilepsy.

H.R. 1970. January 23, 1975. Judiciary. Repeals the Gun Control Act of 1968.

H.R. 1971. January 23, 1975. Judiciary. Declares that neither the Supreme Court nor Federal district Courts shall have jurisdiction to review any case arising out of a State statute or ordinance which relates to voluntary prayers in public schools and public buildings.

H.R. 1972. January 23, 1975. Post Office and Civil Service. Redesignates the dates for observance of Memorial Day and Veterans Day.

H.R. 1973. January 23, 1975. Veterans' Affairs. Redefines the period of war known as the Mexican border period to make veterans who served on or after June 1, 1914, eligible for veterans' benefits.

H.R. 1974. January 23, 1975. Veterans' Affairs. Authorizes the Secretary of the Army to prescribe regulations to permit burials in national cemeteries on weekends and holidays.

H.R. 1975. January 23, 1975. Interior and Insular Affairs. Designates a segment of the Shavers Fork of the Cheat River in West Virginia as a potential component of the National Wild and Scenic Rivers System.

H.R. 1976. January 23, 1975. Veterans' Affairs. Excludes any monthly benefits payable under certain sections of the Social Security Act and any annuity and pension payments under the Railroad Retirement Act of 1937 for the purpose of computing the income of any person for the purpose of determining eligibility for certain pension under the Veterans' Pension Act of 1959.

H.R. 1977. January 23, 1975. Ways and Means. Imposes an import duty on glycine and related products.

H.R. 1978. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for amounts paid during the taxable year for the higher education of the taxpayer or any individual for whom the taxpayer is entitled an exemption.

H.R. 1979. January 23, 1975. Ways and Means. Revises the administration of the Social Security Act by requiring that hearings regarding claims under the Medicare provisions of the Act be presided over by an administrative law judge and conducted on the record. Requires that the claimant be given notice and an opportunity to be heard.

H.R. 1980. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow to an individual who maintains a household a limited deduction from gross income for volunteeer related expenses incurred for the care of certain dependents.

H.R. 1981. January 23, 1975. Ways and Means. Revises the method of computing Old-Age, Survivors and Disability Insurance benefits under the Social Security Act by requiring that the primary insurance amount be based on an individual's three years of highest earnings.

H.R. 1982. January 23, 1975. Ways and Means. Stipulates that for purposes of the Internal Revenue Code and the Tax Reform Act of 1969, an amendment of a will which does not alter the disposition provisions of the will affecting any charitable remainder interest shall not be considered a republication of such will.

H.R. 1983. January 23, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of widow's insurance benefits to 100 percent of the deceased husband's primary insurance amount and by entitling a widow or surviving divorced wife to full benefits at age 50 without regard of disability.

H.R. 1984. January 23, 1975. Judiciary. Establishes standards to be followed by organizations maintaining an information system containing personal information or private citizens.

Establishes a Federal Privacy Board to oversee compliance with this Act.

H.R. 1985. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 1986. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to increase the exemption for certain small issues of industrial development bonds.

H.R. 1987. January 23, 1975. Ways and Means. Excludes from gross income a limited amount of income representing the excess of the net long-term capital gain for the year over the net short-term capital loss from the sale or exchange of a security for taxpayers other than a corporation.

H.R. 1988. January 23, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1989. January 23, 1975. Rules. Accelerates the effective date of the provisions of the Congressional Budget Act of 1974 and certain other Federal laws relating to the Congressional Budget process.

H.R. 1990. January 23, 1975. Interior and Insular Affairs. Amends the National Trails System Act to authorize a joint feasibility study by the Secretaries of Interior, Agriculture, and Transportation, for the establishment of certain bicycle trails.

H.R. 1991. January 23, 1975. Interior and Insular Affairs. Amends the National Trails System Act to authorize a joint feasibility study by the Secretaries of Interior, Agriculture, and Transportation, for the establishment of certain bicycle trails.

H.R. 1992. January 23, 1975. Interior and Insular Affairs. Allows coal mine operators to credit payments to States in the form of a reclamation fee against the amount to be paid to the Secretary of the Interior for the Abandoned Mine Reclamation Fund.

H.R. 1993. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to impose, for each taxable year during the energy emergency, a specified tax on the excess profits of every corporation engaged in producing or refining petroleum.

Establishes in the Treasury of the United States the Energy Research, Development, and Exploration Trust Fund to utilize revenues generated by this Act to locate and research any energy source.

H.R. 1994. January 23, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 1995. January 23, 1975. Post Office and Civil Service. Authorizes the President to appoint, with the advice and consent of the Senate, and remove from office, after consulting with the Board of Governors of the Postal Service, the Postmaster General.

H.R. 1996. January 23, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1997. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow a credit or refund for all Social Security taxes paid after the month of the individual's sixty-fifth birthday. Reduces the self-employment tax on individuals who have attained the age of sixty-five.

H.R. 1998. January 23, 1975. Ways and Means. Excludes from taxable income as defined in the Internal Revenue Code of 1954 the first $1,000 of interest earned on savings deposits in banking institutions with investments in residential real property.

H.R. 1999. January 23, 1975. Veterans' Affairs. Amends the standards for maintaining a disability rating under laws administered by the Veterans' Administration.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

45. By the SPEAKER: Petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to military appropriations; to the Committee on Appropriations.

46. Also, petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to national security; to the Committee on Armed Services.

47. Also, petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to U.S. military superiority over the U.S.S.R.; to the Committee on Armed Services.

48. Also, petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to the United Nations; to the Committee on Foreign Affairs.

49. Also, petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to the Panama Canal; to the Committee on Foreign Affairs.

50. Also, petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to Rhodesian chrome; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

JAYCEES HONOR COHEN AS ONE OF NATION'S 10 OUTSTANDING YOUNG MEN

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, for nearly four decades, the U.S. Jaycees have annually extended special recognition to 10 outstanding young men as examples of the important contributions that young persons can make in today's world.

The criteria the judges have used over the years to select candidates for this honor include extraordinary performance over an extended period of time; selfless devotion to a cause, principle, or duty, or a single act of courage or bold leadership.

The list of men chosen for this recognition—all must be 35 or younger at the time—reads like a "Who's Who" of America's leadership. Last week, at their 39th annual awards convention in Tulsa, Okla., the Jaycees honored the 10 Outstanding Young Men of 1974. I am pleased to report that among the recipients was our distinguished colleague from Maine, Representative WILLIAM S. COHEN.

BILL COHEN was selected for the courageous and outstanding work he performed during a very difficult period last year on the Judiciary Committee. The judges noted of BILL that—

> In an era when many Americans have become disillusioned with politics, William S. Cohen's record of integrity, achievement and concerns shows an unusually deep devotion to the process of making the system work.

In the course of accepting this award, BILL offered a number of cogent remarks about the nature of our political system, which I now offer for insertion in the RECORD:

ACCEPTANCE ADDRESS

(By Representative WILLIAM S. COHEN)

It is an honor for me to stand before you tonight as one of the recipients of the Jaycees Outstanding Young Men of America.

I realize that my participation on the House Judiciary Committee in large part accounts for my presence here tonight. I would like to think that my activities in law and public service before or beyond the impeachment hearings would be deemed worthy of your honor, but as Justice Holmes might say, "We cannot live our dreams and perhaps it is enough if we can give a sample of our best and know in our hearts that it has been nobly done."

Unfortunately, we cannot pick our places in history—forces beyond our control determine whether we shall occupy a page or a footnote in the annals of time—or, indeed, whether we shall slip through life's hour glass without note or notice except that of our family or a few friends.

An incredible concatenation of events and force of circumstance beyond anticipation placed me in a position to pass judgment upon the highest elected official in the United States. It was a responsibility that I did not seek, but one from which I could not retreat.

There are many lessons to be drawn from that experience known as Watergate—what President Ford called our "long national nightmare."

One lesson would be that our elected officials should never forget that in a democracy, dissent and opposition is not only desirable, it is indispensable. To seek unanimity of thought and action is the hallmark of a fascist state, not a free one. Moreover, there is a lesson for the American people that we must demand and insist upon access to facts and information and not rely upon pious pronouncements from government officials and agencies; that we must insist upon an end to secrecy and demand strict accountability; that we must never again tolerate any public official to wrap himself in the mantle of his office and engage in the sophistry that the destiny of this country is directly dependent upon his future success and survival.

I spoke to a group in Boston recently and someone asked me, "How do we prevent Watergate from happening again." There is no guarantee against the future abuse of power. There is no vestment, no statutory web of regulations that we could weave that could possibly insulate men and women in positions of power from the temptations and subtle assaults against their integrity or public trust. But it is important to recognize that the overconcentration of power in one branch of government, the reduction of public debate and congressional participation in the decisionmaking process, the absence of openness and accountability, insures the inevitability of error and abuse.

And beyond the realm of politics, I believe there are some lessons for each of us.

I recall that when I was campaigning for Congress I spoke at an assembly at a high school in Maine. A young and rather cynical young lady asked me why did my campaign literature mention the fact that I had played basketball. I remember pausing and finally saying, "perhaps it's nothing, but to me it was everything because it was an important part of my life where I learned some immutable principles. That there were rules to be followed, discipline that had to be imposed, referees or judges who would call foul if I violated those rules—but most of all the joy of clean competition, of the struggle, the sweet rewards of victory, the bitter taste and disappointment of defeat, the whole range of experiences that each of us will come to know in a lifetime.

And these lessons have been of great aid to me because I learned that it is important to win, but it is more important to win without engaging in conduct that shows you are unworthy of winning. That applies in sports, scholastics, politics or life itself.

There are many lessons to be found in Watergate but perhaps they were all expressed by Jeb Magruder, a bright, handsome, ambitious young man on the move who last year was sentenced to serve ten months to four years in a federal penitentiary.

He said in a very emotional statement before the court "Judge, I am sorry. My ambition obscured my judgment. I lost my moral compass—and now I must look into the eyes of my wife and see her pain, the eyes of my children and see their confusion and the faces of my fellowman and see their contempt. But America will survive her Jeb Magruders and her Watergates." And this same statement may be said for Egil Krogh, Gordon Strachan, Richard Kleindienst, Charles Colson and a host of other young men who in the pursuit of some thought to be a lofty goal, lost their moral compasses, forgot that there are rules that must be obeyed, forgot that there were judges, forgot that "winning isn't everything, not if it comes at the cost of engaging in conduct that shows you're unworthy of winning."

Louis Kronenberger wrote over 20 years ago that "the trouble with us in America isn't that the poetry of life has turned to prose, but that it has turned to advertising copy." We failed to heed his words because what we witnessed was the revelation that our true values were nearly subverted by single-minded men whose concern was not with truth but public relations or public reactions or playing in Peoria and we were fed a steady diet of advertising copy and synthetics that nearly corroded our constitution.

If I had to sum up my experience from this extraordinary process, I would turn to the familiar maxim that ideals without technique is a mess; but technique without ideals is a menace.

I must add one final note about Watergate. I know it is popular or fashionable today to be pessimistic, disillusioned or disenchanted with our political system or with our governmental institutions and to point to Watergate as a justification for our negativism or mortification of the soul, but I look upon this experience as revealing something very strong and positive about our country, our people and our principles. We, like the people in any other nation, have the moral deficiencies and the mortal capacity to do wrong. But unlike most other people in many other nations, we have the will and perhaps more importantly, we have the freedom, to do what is right. There is no other country that could undertake to surgically expose the ills and evils which afflict it and then undertake to expurgate those evils in living color before the very eyes of the world.

Ours is the first real republic in the history of the world. Beneath our flag, the people are free, the press is free. Here there are no walls to keep us from leaving if we should choose to do so. No export fees or immigration fees on people. There is no iron curtain around our borders, no shroud to hide the sight of oppression. No secret police to whisk us off in the night without a full and fair public hearing.

And we should stop and think about it, that one of the greatest signs of our freedom is that when you hear a knock upon the door at 4 o'clock in the morning, you can be pretty sure it is the milkman.

And let me conclude by suggesting that I have adopted as a motto the words that are inscribed on the national archives—all that is past is prologue.

When a lady asked a cab driver what that meant he said, "Lady, you ain't seen nothing yet."

THE ESTIMATED "REAL" DEFICIT IS $150 TO $170 BILLION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. CRANE. Mr. Speaker, the idea that unemployment and recession can be corrected by pursuing a policy of increased deficit spending and increased inflation is an illusion which is all too popular among many in the Congress.

Those who advocate such an approach overlook the fact that unemployment and recession are caused by inflation and, as a consequence, can hardly be ameliorated by the same factor.

The economist, Henry Hazlitt, points out that what the advocates of inflation do not realize until it is too late:

> Is that market prices and costs are all rising unevenly, discordantly, and even disruptively. Price and cost relationships become increasingly discoordinated. In an increasing number of industries profit margins are being wiped out, sales are declining, losses are setting in, and huge layoffs are taking place. Unemployment in one line is beginning to force unemployment in others.

All this is the consequence of inflation in its later stages. Mr. Hazlitt notes that—

> The irony is that this consequence is systematically misinterpreted. The real trouble, everybody begins to think, is that there is not *enough* inflation; it must by all means be speeded up.

The current budget, and the additions to it which many in the Congress are considering, will increase our inflation rate dramatically. As a result, the effect of the budget will be to drive up even further into recession and, as one consequence, increase the rate of unemployment.

It is essential that those who advocate such reckless spending understand the real nature of what they are supporting. When the administration speaks of the current budget as containing a deficit of $84 billion it is speaking only of the current and next fiscal years. Columnist George Will points out that "off-budget" Federal agencies, such as the Export-Import Bank and the Postal Service and others "will dip their large ladles into the capital market to borrow $13.7 billion this year and more than $10 billion next year."

Discussing the real deficits which lie ahead, Mr. Will writes that we must:

> Add $24 billion to the Administration's $87 billion borrowing statistic. But regarding this $111 billion figure, remember the administration's borrowing statistic rests on the . . . absurd assumption that this liberal Congress is going to cut $5.9 billion this year and $17 billion next year from social programs.

The "real" deficit, Mr. Will argues, will be $150 to $170 billion. How many Americans really believe that such deficit spending will ease—and not exacerbate—our current difficulties? Hopefully, their number is few. Many, however, are not aware of this reality.

I wish to share with my colleagues the column by George Will which appeared in the Washington Post of February 8, 1975, and insert it into the RECORD at this time:

ESTIMATED "REAL" DEFICIT: $150–170 BILLION

(By George F. Will)

"America's wealth is mortgaged. The debt load is excessive. Federal borrowing over the next 18 months could be the ton of bricks that splinters the camel's already sprained back."

Texas congressman George Mahon, lean and leathery as a horsewhip, looks like a cowboy carved from cactus. The crow's-feet around the outer corners of his eyes come not from squinting down a carbine at rustlers, but from squinting at long trails of large numbers in small print.

Mahon's service as chairman of the House Appropriations Committee has made him gifted at the arcane art of reading federal budgets, and steeped him in his wisdom: there are three kinds of lies—lies, damned lies, and statistics.

The Ford administration, through its new budget, suggests that the government will need to borrow $87 billion in the next 18 months. Mahon has squinted at that statistic and declared that it is, well, a statistic. He says that actual borrowing will be between $150 billion and $170 billion.

The administration's $87 billion figure is the sum of projected deficits—$34.7 and $51.9 billion—for the current and next (1976) fiscal years. But Mahon notes that "off budget" federal agencies—the Export-Import Bank, the Postal Service, and a host of others—will dip their large ladles into the capital market to borrow $13.7 billion this year and more than $10 billion next year.

So add $24 billion to the administration's $87 billion borrowing statistic. But regarding this $111 billion figure, remember that the administration's borrowing statistic rests on the patently absurd assumption that this liberal Congress is going to cut $5.9 billion this year and $17 billion next year from social programs, the perpetual expansion of which is the raison d'etre of liberalism.

So add $23 billion to the $111 billion. But federal borrowing can be held to $134 billion only if Congress accepts Mr. Ford's program for raising as well as cutting some taxes.

Assume, for the foolish fun of it, that Congress cuts taxes no more than Mr. Ford wants. And assume, plausibly, that Congress refuses the tax increases Mr. Ford wants, such as those on natural gas and imported oil.

Then, Mahon says, the deficits will increase by $4.3 billion this year and $19 billion next year. Mahon whose wit is as arid as the dust bowl, notes: "The history of recent tax legislation would tend to suggest this possibility."

So add $23 billion to the $134 billion. Then to the $157 billion add a little something—say $5 billion—to allow for this providential fact: Congress cannot go a full year without inventing a costly new social program.

Digging out from under Mahon's brimstone shower of facts, Rep. Robert Michel of Illinois, the Republican Whip, exclaimed: "Unless we in Congress do something about it, we're headed toward a first-class disaster." But that is the American way. If you're going, go first-class, even if where you're going is just deeper into debt.

Debt, too, is as American as frozen apple pie garnished with a slice of processed cheese.

Richard Whalen, a private international consultant and one of Washingtons most respected economic thinkers, asks: What has been the secret of our remarkable recent prosperity? And Whalen answers himself:

"In a word: debt. Debt so unimaginably large in the private sector and public sectors alike—some $2.5 trillion, according to the latest count—that the idea of ever paying off any substantial part of it is unthinkable. McGraw-Hill's economists recently totted up the categories: $1 trillion in corporate debt, $600 billion in mortgage debt, $500 billion in U.S. government debt, $200 billion in state and local government debt, and $200 billion in consumer debt. Merely to pay the interest due this year, they calculated, would take a sum more than one third the GNP of the next biggest capitalist economy, Japan."

America's wealth is mortgaged. The debt load is excessive. Federal borrowing over the next 18 months could be the ton of bricks that splinters the camel's already sprained back. This borrowing will abort any recovery by sending interest rates soaring, devastating the housing industry, and drying up the pool of long-term investment capital, the muscle-building protein of the American economy.

We have borrowed against the future, and now the future is bearing down on us. Bye, bye, American pie.

FEDERAL EMPLOYEES' COST-OF-LIVING DIFFERENTIALS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. ROSENTHAL. Mr. Speaker, more than half of the 2.8 million civil servants employed by the Federal Government live and work in major metropolitan areas of our country. For too long, they have been paid salaries with little consideration given to the real cost of living in those areas. To establish a more equitable system, I am introducing legislation that would provide a special cost of living pay schedule containing increased pay rates for these 1.6 million Federal employees in areas of half million or more population to offset the extraordinary cost of urban living.

The purpose of this legislation is to equalize Federal employees' income in terms of real dollars, that is, buying power. Since it costs more to support the identical standard of living in a major metropolitan area than it does in a nonmetropolitan community, paycheck comparability cannot be determined by mere quantity of dollars. Rather we must look at the purchasing power of that paycheck. The thrust of this bill is to equalize the real dollar income of Government workers doing the same job in different parts of the country.

Private industry and many State governments already pay higher salaries and wages to employees in large cities than they do for the same kind of work in other areas where living costs are not as high. Private industry has a policy which takes the cost of living aspect into consideration when establishing pay scales. An employee may transfer to New York City from another part of the country and automatically receive a 10 to 20 percent increase in pay, even though he continues to do the same kind of work. A typist, file clerk, laborer, or white collar employee of a large national corporation in New York City receives a higher salary or wage than his counterpart in the same company in other areas of the country.

Some State governments take similar action. For example, the State of New York pays employees who work in New York City a higher salary than those State workers with comparable jobs in other parts of the State where the cost of living is not so great. In recognition of the higher cost of living in New York City, municipal salaries of the city employees rank among the highest in the country.

We are the Nation with the highest standard of living in the world. Fifty-five percent of the Federal Government's 2.8 million employees live in metropolitan areas of a half-million or more population and yet many of these employees are paid salaries which are less than they could receive if they collected welfare. For example, a Government clerical worker living in New York City—or anywhere else in the country—receives an annual income of $5,294. By contrast, a New York City welfare recipient receives the equivalent of $5,736 annually. Every other national employer has resolved this issue.

Evidence of the necessity for this legislation can be found in job actions by Federal employees seeking higher pay, most notably postal workers, who are no longer covered by the Civil Service pay schedules as a result of the Postal Reorganization Act. Actions such as these were centered in the big cities and high cost of living areas.

Elsewhere, workers seem more satisfied with Federal pay scales. In fact, in many rural and suburban areas, Federal salaries are actually higher than State and local government and private industry pay for similar work.

There is some indication, however, that the Federal Government is aware of the problem. Per diem rates for civil servants are larger when they visit certain large cities, in recognition of the higher costs there. In addition, eligibility standards for the school lunch program permit higher income levels in urban industrial centers than in rural nonindustrial areas.

Under current Federal pay scales, a GS–1 appointee starts at $5,294; a GS–2 appointments pay $5,996; a GS–3 salary is $6,764. By comparison, a family of four on welfare in New York City, as noted above, receives the equivalent of $5,736 a year.

The employes classified in the higher grades who do receive more in salary than they would on welfare still, in most cases receive less than the income requirements for a family of four to maintain a modest standard of living.

Studies by the Labor Department's Bureau of Labor Statistics show the typical family of four needs $7,626 to maintain a lower budget level in a small city, but about $1,000 more for the same standard of living in New York City, Washington, D.C., San Francisco, Chicago, Los Angeles, Boston, Honolulu, or Seattle.

The starting salary for a GS–1 appointment, which is a clerical job, is $5,294—some $2,000 below BLS's lower budget level for smaller cities and $3,000 below the level for large metropolitan areas.

In fact, even a GS–5, who must have 4 years of college or equivalent experience, would not reach the minimum budget for most large cities. His starting pay is $8,500. That, however, is above the small city requirement.

This same relative disadvantage for big city workers holds true across-the-board.

The mid-level civil servant, the GS–9, needs a master's degree, a law degree or comparable experience. Starting pay is $12,841. That is several hundred dollars below the intermediate budget level for the average large city and even further below what is needed in New York, Washington, D.C., Boston, Chicago, Philadelphia, and San Francisco. But, it is more than $1,500 over and above the small city requirements.

To maintain a higher budget level, the family of four would need $15,708 in a city of 50,000 or fewer, but in a metropolitan area like New York City that figure is $22,000. However, a senior level civil servant, GS–13, starts at $21,816. As you can see, that is more than enough to live very comfortably in a small city, but it is still inadequate in large metropolitan areas.

The figures and the charts I am inserting following these remarks clearly show the disadvantage our current civil service pay system puts on the 1.6 million Government employees who live and work in the Nation's large cities.

As we have seen, public assistance in some places pays more than public employment.

Increased salaries through regional differentials would not only be more equitable to Federal employees, but would be of great benefit to the Government as well. If the Federal Government paid its classified workers salaries which are competitive with private industry in that locale, it would be able to recruit and retain more qualified and better trained employees instead of losing them to private industry. Government service should not be viewed as a training ground for more lucrative jobs in the private sector; it should be considered as a career occupation.

Under my legislation, the Civil Service Commission would establish a special cost of living pay schedule for employees and positions located in metropolitan areas with a population of 500,000 or more. More than half of all Federal employees would be affected by this measure.

Mr. Speaker, this legislation has been endorsed by the American Federation of Government Employees, one of the major unions representing Federal workers; by the AFL–CIO through its New York City Labor Council; and by the National Federation of Federal Employees.

I include the following:

FAMILY OF 4, BUDGET REQUIREMENTS[1]

	Lower	Intermediate	Higher
All U.S. cities	$8,181	$12,626	$18,201
Cities 2,500 to 50,000	7,626	11,363	15,708
Cities 50,000 and up	8,305	12,909	18,760
	[2] GS–1	[3] GS–9	[4] GS–13
Starting Federal pay	5,294	12,841	21,816

[1] Source: Bureau of Labor Statistics.

[2] GS–3 is starting pay for clerical workers with no experience.

[3] GS–9 is a middle-level managerial position that requires a master's degree or equivalent experience.

[4] GS–11 is a senior level Government worker.

NEW YORK CITY[2]

	Lower	Intermediate	Higher
Family of 4 budget level	$8,661	$14,448	$21,999
	GS–1	GS–9	GS–13
Starting Federal pay	5,294	12,841	21,816
Welfare family of 4	[1] 5,736		

[1] Metropolitan area population: 9,944,000, Federal workers 106,329.

[2] Mayor's office. This figure represents the cash equivaleut of the annual welfare payment.

12 MAJOR CONCENTRATIONS OF FEDERAL WORKERS

Metropolitan area	Federal workers	Population	Consumer price index[1]	Family of 4 budget[2]		
				Lower	Intermediate	Higher
Washington, D.C.	316,017	2,999,000	[3] 156.1	8,547	13,043	18,869
New York City	106,329	9,944,000	161.7	8,661	14,448	21,999
Philadelphia	76,735	4,878,000	159.2	8,415	13,022	18,851
Chicago	71,477	7,085,000	153.2	8,635	13,213	18,919
San Francisco	69,417	3,132,000	152.1	8,939	13,378	19,316
Los Angeles	65,867	7,000,000	150.0	8,525	12,520	18,489
Boston	36,903	3,417,000	[4] 153.0	8,988	14,893	21,986
St. Louis	35,432	2,400,000	148.6	8,056	12,390	17,691
Detroit	29,958	4,489,000	156.2	8,246	12,810	18,591
Honolulu	24,940	660,000	148.2	9,924	14,937	21,901
Pittsburgh	19,208	2,396,000	[4] 152.3	8,002	12,299	17,703
Seattle	17,131	1,400,000	[3] 147.9	8,407	12,667	17,924

[1] December 1974 figures unless otherwise noted.

[2] Source: Bureau of Labor Statistics.

[3] November 1974.

[4] October 1974.

FEDERAL CIVILIAN EMPLOYMENT IN METRO AREAS OF 500,000 AND MORE

Metropolitan	Federal workers	Population
Akron, Ohio	2, 562	682, 000
Albany-Schntdy.-Troy, N.Y	9, 510	793, 000
Allntn.-Beth.-Eastn., Pa.-N.J	2, 154	608, 000
Anaheim-St An-Gar Gr, Calif	8, 518	1, 527, 000
Atlanta, Ga	30, 376	1, 684, 000
Baltimore, Md	54, 571	2, 125, 000
Birmingham, Ala	8, 499	779, 000
Boston, Mass	36, 903	3, 417, 000
Buffalo, N.Y	10, 145	1, 353, 000
Chicago, Ill	71, 477	7, 085, 000
Cincinnati, Ohio-Ky.-Ind	13, 683	1, 391, 000
Cleveland, Ohio	20, 861	2, 046, 000
Columbus, Ohio	12, 144	1, 058, 000
Dallas-Fort Worth, Tex	27, 265	2, 446, 000
Dayton, Ohio	25, 090	857, 000
Denver, Colo	28, 792	1, 320, 000
Detroit, Mich	29, 958	4, 489, 000
Fort Lauderdale-Holwd., Fla	3, 178	685, 000
Gary-Ham.-East Chicago, Ind	1, 958	644, 000
Grand Rapids, Mich	2, 326	549, 000
Grboro.-Wins.-Sal.-H. Pt., N.C	4, 140	745, 000
Hartford, Conn	6, 017	834, 000
Honolulu, Hawaii	24, 940	660, 000
Houston, Tex	18, 742	2, 124, 000
Indianapolis, Ind	16, 906	1, 128, 000
Jacksonville, Fla	11, 243	636, 000
Jersey City, N.Y	8, 606	611, 000
Kansas City, Mo.-Kans	22, 727	1, 304, 000
Los Angeles-Long Beach, Calif	65, 867	7, 000, 000
Louisville, Ky.-Ind	10, 373	888, 000
Memphis, Tenn.-Ark	14, 852	848, 000
Miami, Fla	13, 301	1, 331, 000
Milwaukee, Wis	8, 335	1, 423, 000
Minneapolis-St. Paul, Minn	18, 318	1, 996, 000
Nashville, Tenn	7, 496	716, 000
New Orleans, La	12, 873	1, 077, 000
New York, N.Y	106, 329	9, 844, 000
Newark, N.J	23, 790	2, 082, 000
Norfolk-Portsmouth, Va	31, 948	729, 000
Oklahoma City, Okla	31, 829	736, 000
Omaha, Nebr.-Iowa	8, 084	569, 000
Patersn.-Clif.-Passaic, N.J	1, 930	464, 000
Philadelphia, Pa.-N.J	76, 735	4, 878, 000
Phoenix, Ariz	11, 003	1, 053, 000
Pittsburgh, Pa	19, 208	2, 396, 000
Portland, Oreg.-Wash	14, 874	1, 036, 000
Prov.-Paw.-Warwck., R.I.-Mass	8, 934	783, 000
Richmond, Va	9, 560	553, 000
Rochester, N.Y	5, 567	969, 000
Sacramento, Calif	26, 533	851, 000
St. Louis, Mo.-Ill	35, 432	2, 400, 000
Salt Lake City, Utah	33, 585	744, 000
San Antonio, Tex	38, 588	937, 000
San Bern.-River-Ont., Calif	12, 652	1, 179, 000
San Diego, Calif	33, 213	1, 443, 000
San Francisco-Oakld., Calif	69, 417	3, 132, 000
San Jose, Calif	9, 579	1, 127, 000
Seattle-Everett, Wash	17, 131	1, 400, 000
Sprng.-Chicopee-Holy, Mass.-Conn	4, 244	591, 000
Syracuse, N.Y	4, 920	643, 000
Tampa-St. Petersburg, Fla	9, 778	1, 189, 000
Toledo, Ohio-Mich	3, 348	781, 000
Washington, D.C	316, 017	2, 999, 000
Youngstown-Warren, Ohio	2, 150	544, 000
Total	[1] 1, 631, 084	

[1] This figure represents 55.2 percent of 2,864,987 total Federal employees listed by the Civil Service Commission as of November 1974.

LEE HAMILTON'S RECENT WASHINGTON REPORTS ON THE PRESIDENT'S STATE OF THE UNION ADDRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my recent Washington Reports discussing President Ford's state of the Union address:

THE PRESIDENT'S ECONOMIC PROGRAM

EDITOR'S NOTE: This is the first of two reports on the State of the Union Address.

After listening to several State of the Union Addresses, I never thought I would hear a President say, "The State of the Union is not good," but that is the way President Ford began his message to the Congress and the nation for 1975.

It was a straightforward talk, refreshing in its honesty, about realistic problems and goals. President Ford had bad news, he reported it, and he expressed the widely shared confidence that the state of the union, while bad, would get better.

The President proposed a number of steps to overcome our economic problems:

A 12% individual income tax rebate up to a $1,000 limit with cash payments to those who pay no taxes on low income;

Reduced personal income tax rates for 1975 and afterward;

An increase in the investment tax credit against business income taxes;

A corporate income tax reduction from 48% to 42%;

A one year hold on all new federal spending programs; and

A 5% ceiling on social security and federal pay increases in 1975.

Apart from the vast economic stakes involved, President Ford has gambled his political future on the success of his program. It is obvious that he has undergone a remarkable turnaround in the direction of his economic policy. Instead of asking for a surtax and urging citizens to be prudent budget cutters and tight-fisted consumers, he now encourages them to get out there and spend, armed with rebated tax dollars.

The President should be credited, not criticized, for the courage to change his policy, but his proposals lead to several questions:

Is the tax cut large enough to stop the recession and to help assure economic recovery later this year? It is obvious that the President's most urgent priority is to prevent the recession, already the worst drop in industrial production in this country since WWII, from becoming a depression. The President's figure of a net $16 billion tax reduction and stimulus is close to the middle of the $10 to $20 billion cut advocated by most non-governmental economists, but he proposes record peacetime budget deficits for this and next year that would run the red ink total to about $80 billion.

Those massive deficits raise several questions: Are they too big for the economy to bear? Some officials fear that they will generate a new round of inflation, and that financing them will cause serious problems in the nation's capital markets. Other officials agree that deficits in a recession are not inflationary because they restore jobs and purchasing power. The President is trying to reverse not just a year long recession, but he is trying to stop the forces of recession already seriously underway in other parts of the world.

Another question is whether the new spending power is being pumped into the economy at the right time. The mechanism used to put the money back into the economy is vital. The President suggests a device we have not used before—the rebate. No one can be sure just what the impact of the rebate device will be on consumer spending, but economists generally take the view that the quicker the stimulus, the better it will be.

The rebate would come in a double dose, in May and in September, to insure against the recession hitting bottom in the spring or summer, but there will not be a quick recovery. Also, making the payment in two bites means that the Treasury will not have to go into the money markets to borrow a huge $12 billion sum in a very short period of time, as would be the case if the whole amount were paid in May.

What the Congress will do with the President's economic program is another major question. It is reasonably clear that the Congress will enact, and the President will approve, a sizeable tax cut. Influential Senators and House members have been critical of many of the President's proposals to invigorate the economy, but there is broad agreement that the nation does need a tax reduction at this time. The program put forward by the House Democrats does not directly conflict with the President's economic programs, although the Democrats were not sufficiently precise to make exact comparisons.

Because of the need for stimulus now, it is probably more important to get some kind of tax cut through the Congress, than any particular kind of cut, although there is much agreement that the reductions should be weighted in favor of low income groups.

The key question, however, is not the soundness of the President's economics. It is whether his policy will generate a renewal of confidence in the government and in the economy which will make the average American spend, rather than save.

THE PRESIDENT'S ENERGY PROGRAM

EDITOR'S NOTE: This is the second of two reports on the State of the Union Address.

There is no shortage of oil. Oil is readily available from foreign countries—but at arbitrarily high prices, which is causing a massive outflow of dollars to the oil producing countries and a a risk of increasing our vulnerability to severe economic disruption if another oil embargo should be imposed.

To discourage consumption and encourage production of oil, the President has proposed a number of different steps:

a $3 per barrel fee on imported oil, (which the President has already ordered);

a backup oil import control program to limit oil imports, if necessary;

a $2 per barrel ax on domestic crude oil, with an equivalent levy for natural gas;

a windfall profits tax on the profits of domestic oil producers;

the decontrol of domestic oil and gas prices;

deferred clean air standards for power plant and automobile emissions;

expanded leasing of oil and gas tracts on the outer continental shelf and leasing of coal on public lands;

the commercial sale of oil from naval reserves;

measures to aid electric utilities, eg. investment tax credits and state utility commission reform;

expedited nuclear power plant siting and licensing;

automobile, building, and home appliance energy conservation measures; and

energy emergency preparedness programs.

The basic approach of the President's proposal is to force prices up in the hope of holding consumption down. Everyone agrees that a reduction in the level of oil imports is essential in order to maintain a steady and healthy growth in the economy. The President wants to cut back 1 million barrels a day from what the U.S. would otherwise import in the next twelve months and two million from what it would import by the beginning of 1978. The merit of his proposal is that it is at last and at least a comprehensive package that ends more than a year of backing and filling by both the President and the Congress.

There is much disagreement within the Congress about the President's energy proposals. There is agreement that his proposals will be inflationary, but little agreement as to how inflationary. The President's advisors have estimated a 2% increase in the cost of living because of the President's energy proposals alone, and others have suggested a 4% addition. There is disagreement about the impact of the President's energy proposals on the standard of living Americans; whether, for example, the proposed tax reductions to stimulate the economy will balance off the average increases in energy costs which consumers must pay. Estimates of the net outflow of funds from the economy due to higher energy costs vary from $3 billion to $25 billion.

There is also disagreement as to whether or not these increases will in fact reduce consumption. Most knowledgeable oil observers suggest that President Ford's plan would reduce U.S. consumption, but not nearly as much as the President predicts. Relying on high prices to cut demand is a very uncertain science. If the past 15 months are any guideline, another 10 cents at the gas pump will do no more than keep gasoline consumption from rising.

And there are differences of view on the amount of reduction in imports which is immediately necessary. Many argue that the state of the economy has to take absolute priority over the issues of conserving and paying for energy, and that it is crucial not to start new policies that will interfere with the recovery of the economy.

These disagreements assure that there will be tough resistance to the President's energy proposals, more than the resistance to his economic proposals. A resolution of the conflict over the proposals is not yet in sight. In view of the differences, Congress is seeking additional time to address the President's energy proposals in an informed and responsible way.

The beginning point in understanding the energy debate, which is now well underway, is that policymakers have no good choice. Any choice that is made is going to impose some unpleasant costs at an unfortunate time. The final solutions to our energy dilemma will not come soon, and for the present, our energy policies must be limited to minimizing the inevitable cost, reducing the dislocations, and choosing the least objectionable alternative. Hopefully, the President and the Congress can develop a mutually agreeable energy policy and obtain the maximum support of the American people.

JACK MARTIN

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. GONZALEZ. Mr. Speaker, it is particularly sad when a man of great inner strength, quiet dignity and courage, and dedication passes from this life into the next. It is sad because those of us who are left now have a void which can never adequately be filled.

It is, of course, a credit to a life that those left would feel this way about a person, but such a loss is nevertheless irreparable.

Such a person which I and others from San Antonio and Texas feel this way about is Jack Martin, who died at his home in San Antonio on February 24, after suffering a heart attack several weeks ago. He was 67 years of age.

He was optimistic and alert until the end. I talked with him just a few hours before he died. When I returned to Washington I learned that he was gone.

Jack Martin was a labor leader—of which the labor movement could be justly proud. At the time of his death he was a general organizer for the Iron Workers International Association.

Prior to the position, he served as president and business manager of San Antonio Iron Workers Union 66. He also served as president of the San Antonio Building and Construction Trades Council.

He was active with the March of Dimes and served on the boards of Goodwill Industries and of HemisFair 1968—the world's fair which I was instrumental in bringing to San Antonio.

A veteran, he was also a member of the American Legion and the Veterans of Foreign Wars.

The late President Lyndon B. Johnson once sent Jack Martin as his emissary at the dedication of a dam in Pakistan.

He was a good man to represent a President, and I was proud to count him as a friend.

He will be sorely missed by his friends and community, as well as by his wife, Alma; his sons, James and Robert; daughter, Mrs. Joan M. Sall, and seven grandchildren.

ON THE RETIREMENT OF JAMES M. STUART

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. KINDNESS. Mr. Speaker, I would like to take this opportunity to salute one of the outstanding corporate citizens of Ohio, Mr. James M. Stuart, who recently announced his retirement from active civic life.

The life of James M. Stuart is indicative and representative of the accomplishments that can be achieved by industrious and dedicated individuals. Beginning his career at the lowest rung of the Dayton Power and Light Co. in March 1923, after studying at the University of Cincinnati, Stuart was elevated through a succession of positions culminating in his appointment as president and general manager of the corporating in February 1958. In 1963, he was designated as president and chairman of the board of directors, in which position he served until April 1969, when he relinquished his position as president but remained as a highly active chairman of the board.

Mr. Speaker, the measure of James M. Stuart's contribution to society is not merely gleaned from his important corporate responsibilities within the Dayton Power and Light Co., but through his dedicated infusion of time and effort to countless civic endeavors.

James M. Stuart was a valued member of the board of trustees of the University of Dayton, Wilberforce College and Wilmington College. He was a trustee of the Charles Kettering Foundation, a director emeritus of the Dayton Boys' Clubs, a director of junior achievement of Dayton, and a director of the Dayton Philharmonic Orchestra Association.

Because of his own humble beginnings, James M. Stuart never lost sight of the concerns of the ordinary worker, the backbone of any business enterprise. It was thought this special insight, Mr. Speaker, that James Stuart was able to use his important corporate positions for the benefit of his employees and for the betterment of the Dayton community of which he was such an integral part.

Upon his retirement from active civic life, I take this opportunity to salute the lifelong efforts of this unique and public-spirited citizen.

WAR IN THE PACIFIC HISTORIC PARK

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. WON PAT. Mr. Speaker, today, I am again pleased to introduce legislation to authorize the establishment of a War in the Pacific Historic Park in the territory of Guam. I am equally pleased to state that seven of my colleagues have also agreed to lend their support to this measure which seeks to create a permanent memorial to the bravery of those who fought and died in the Pacific for the United States in World War II.

The measure we put before the House today is similar to H.R. 16086, which was introduced on July 23, 1974. Although I had hoped the House Interior Committee might have provided this measure with a hearing in the 93d Congress, our bill became another casualty of the many national crises with which the Congress was forced to deal last year.

The need for this legislation to become law has been a long time in the making. Nowhere in the Pacific is there to be found a lasting memorial by Americans to our brothers who fought so hard to defeat a difficult enemy. This point is especially well remembered by two cosponsors of this bill, Representative RICHARD WHITE, Democrat of Texas, who served in the Pacific during the war, and Representative WILLIAM KETCHUM, who was with the U.S. Army during its invasion of Guam in 1944. Both of these fine gentlemen remember the horrors of those days and I am proud that they have continued their support to provide our fighting men and women with the monument they so richly deserve.

We believe that the time has come for America to act if we are to preserve those areas on Guam that were directly involved in the fierce fighting to liberate the island. If we do not act soon, I fear that private developers will overrun many of the more important sites and thus preclude any possibility of establishing a meaningful park.

The creation of the War in the Pacific Park on Guam would also be of significant value to the island's tourist business. It is ironic that 35 years after the war, the majority of Guam visitors are Japanese, many of whom either fought in the conflict itself or had parents who did. They want to visit old battlefield sites as much as do those of us who took part in the combat. There is no question in my mind that the creation of a suitable park would not only preserve the remaining vestiges of that fierce battle on Guam in July 1944, but would serve as an enticement to bring thousands of visitors, hopefully, both from the Orient and from the States, to visit our island.

In recent years, the Japanese Government has constructed on privately owned property on Guam a memorial to honor their war dead. Is it not time for the United States to also act to honor those who gave so much in their country's time of need? The proposed War in the Pacific Park on Guam would be a fitting tribute of a grateful country. I therefore urge my colleagues in the 94th Congress to give this measure every consideration possible.

PHILADELPHIA ADDS SECOND MOBILE INTENSIVE CARE UNIT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. EILBERG. Mr. Speaker, Philadelphia's second mobile intensive care unit, providing special treatment for medical emergencies, was placed in service in my district in Northeast Philadelphia at Engine 62, Bustleton Avenue and Bowler Street, on Wednesday, February 26.

The rescue unit, manned by specially trained fire medics, is designed to provide on the scene advanced primary care in such life-threatening emergencies as a heart attack, drowning, electrocution, or suffocation.

The city's first mobile intensive care unit, operating out of Engine 43, 21st and Market Streets, responded to over 2,500 calls for assistance during its first year of operation.

The mobile intensive care units' fire medics undergo intensive training in the latest techniques employed in acute coronary care and may administer drugs and electric shock, defibrillation, to the patient under direct orders from a doctor in the hospital.

These sophisticated rescue units are equipped with special communication capabilities which enable the fire medic and the base station doctor to have voice contact. This enables the fire medic to give vital signs and other pertinent medical information to the base station physician, who in turn instructs the fire medic as to how best treat the patient. City Fire Commissioner Rizzo stated that these mobile intensive care units differ from other rescue vehicles in their specialized equipment and the ability of the personnel manning them. He added that four additional units will be placed in service throughout the city during the coming year, under a $390,000 grant from the Robert Wood Johnson Foundation, Princeton, N.J.

The grant was given to the Philadelphia Health Management Corp. to develop an improved emergency medical communication and transportation system for the Philadelphia community. The funds are being used to purchase the additional equipment and provide training at Philadelphia General Hospital for the fire medics who will staff these units.

Commissioner Rizzo added that any one requiring emergency medical care should dial 911 and ask for "fire rescue." After determining the nature of the case, the central emergency medical dispatcher will refer it to the regular fire rescue, to the police unit, or to the new mobile intensive care emergency service.

REMARKS BY HON. LINDY BOGGS ON THE ELECTION OF HON. BARBARA JORDAN AS THE DEMOCRATIC WOMAN OF THE YEAR

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mrs. BOGGS. Mr. Speaker, for the first time in its 53 years of illustrious history the Woman's National Democratic Club has held an election among its members to name the Democratic Woman of the Year. It is with great pleasure that I announce to the House of Representatives that our colleague, the Honorable BARBARA JORDAN, of Texas, is the recipient of this honor. Ms. JORDAN will be honored at a dinner to be held by the club Wednesday, March 12, as the opening event of the new Wax Museum at 333 E Street SW.

Ms. JORDAN was selected by vote of the club's membership of over 2,000 women prominent in Democratic politics. Members cited her exemplary conduct during the Watergate hearings of the House Judiciary Committee as well as her success in overcoming dual prejudices against women and blacks in winning election to the Texas Senate in 1966 and to the U.S. House of Representatives in 1972. In the Texas Senate as the first black since 1883, she was unanimously elected president pro tempore. The award winner was born in Houston, attended public schools there and graduated magna cum laude from Texas Southern University majoring in political science and history. She received a law degree from Boston University in 1959 and holds honorary doctor of law degrees from Boston, Tufts, and Howard Universities. In addition to the House Judiciary Committee, Ms. JORDAN is a member of the Government Operations Committee and the only woman on the Steering and Policy Committee of the House Democratic caucus.

As a past president of the Women's National Democratic Club, I am honored to be included among the 13 Democratic women in the House who will serve as honorary sponsors of the award dinner. On the evening's musical agenda are "Singing and Strumming" by Congressman JAMES SYMINGTON and Dixieland jazz by a trio of Congressmen, including RICHARDSON PREYER of North Carolina, and DEL CLAWSON of California, on saxophones, and ROBERT LEGGETT of California, on the coronet. Music for dancing will be provided by the Prophets, a popular five-piece rock, dance, and country music orchestra.

The award winning Ms. JORDAN will be introduced at the dinner by fellow Texan, Senator LLOYD BENTSEN. Another popular Texan, Liz Carpenter, will be master of ceremonies. Mary Munroe, WNDC president, will present the award.

FIVE HUNDRED MILLION DOLLARS MORE FOR WAR IN INDOCHINA LACKS RATIONAL JUSTIFICATION

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. SEIBERLING. Mr. Speaker, the President's request for $500 million more for military aid to the corrupt and incompetent governments of South Vietnam and Cambodia coming at a time when he is urging the cutback of funds for millions of poor and elderly people in this country simply blows the mind. An objective person looking at the record of our involvement in Indochina in the last decade would have to conclude that a continuing request to pour good money after bad could only be made for reasons which have little to do with the accomplishment of any realistic American goal either in Southeast Asia or other parts of the world.

I remember some years ago a remark by a brilliant business executive, who was brought in to reorganize and revive a large corporation which was in a failing position. He succeeded. Upon being asked why he had closed so many branches of the company's business, he replied: "You don't have to go to Harvard Business School to know what to do with a branch that has been continually losing money."

Mr. Speaker, many excellent editorials and newspaper articles have been written recently pointing out the bankruptcy of the administration's Vietnam policy. I offer for the RECORD an editorial from the Akron Beacon Journal of Tuesday, February 11, 1975, entitled, "Case for Vietnam Aid Still Lacks Substance." I also offer three brilliant and informative articles by the distinguished journalist Anthony Lewis reprinted from the New York Times. The editorial and articles follow these remarks:

[From the Akron Beacon Journal, Feb. 11, 1975]

CASE FOR VIETNAM AID STILL LACKS SUBSTANCE

It would be hard to find a more eloquent champion of the cause of continued aid to South Vietnam than James J. Kilpatrick.

On the page opposite today, he has made all the arguments that President Ford has tried to make in his pleas to Congress. The essential difference is that while Mr. Ford cites the dollar figures, and now appears to be willing to reach some sort of compromise with Congress, Kilpatrick gives the arguments with all the emotional impact that Lyndon Johnson used to try to achieve.

This is precisely Kilpatrick's problem. Though he writes as well as anyone in the trade, his case remains as bankrupt as it was a decade or more ago. It shows the same lack of comprehension of the realities of Vietnam as those from which President Johnson suffered.

He waves the red shirt of communism, just as Mr. Johnson did in his many exhortations to stop the flood at the 17th parallel.

"We are not talking of 'aid to President Thieu' or of 'proposing up the corrupt Thieu administration,'" Kilpatrick writes, and for this much, at least, we should be grateful.

What he is talking about, he says, is "the continuing struggle between freedom and slavery," and "the faint, flickering candle they have fought so valiantly to keep alive."

That, as Kilpatrick himself is wont to say, is utter rot. Had Kilpatrick done his homework on Vietnam, or spent time there talking to the Vietnamese people, he would know better.

Except for the small mandarin class, the Vietnamese people know nothing more about democracy than they do about communism. They were, until our massive incursion of more than 500,000 troops, a primitive, rural society tied not to any ideology or any form of government, but to the land they farmed and to the plots where their ancestors were buried.

From 1858, when the French invaded, until our troops left two years ago, they have been exploited by white foreigners and ruled by autocrats. They are still being ruled by an autocrat and now being asked to fight the white man's war without the white man's direct participation.

If the Thieu government commands "a large measure of popular support," as Kilpatrick says, why is it that in the 1968 election he only got 34 percent of the vote and felt compelled afterwards to throw his opponents in jail?

Why do his soldiers fight? Because it is a job in a land where a generation of war has made the traditional job of farming all but impossible. That, and the fact that the consequences of refusal have been shown to be indefinite prison terms, tiger cages or death.

In his memoirs, in case Kilpatrick has forgotten, President Eisenhower wrote that, had the unified free elections guaranteed by the Geneva Accord been held as scheduled in 1954, Ho Chi Minh would have won more than 80 percent of the vote. Ho Chi Minh is dead now, but his goals are not.

The United States tried for more than a decade, at a cost of more than 55,000 lives and $100 million, to "win the minds and hearts of the people" of Vietnam. No foreign soldiers were involved on the other side. Our opponents were Vietnamese, fighting for the right to have their own country.

Did our soldiers lie and was our money squandered in vain? That is what both Kilpatrick and Mr. Ford seem to be asking now.

And the answer is: No, unless we now repeat the mistakes of the 1960s. What that war should have taught us is that we have neither the right nor the power to tell other people how their country should be run. We have no right to impose our will on a nation which has fought so long to be free of us.

If they did not die in vain, Congress will refuse to appropriate more money so that more men may die.

Henry's Cause in Vietnam

(By Anthony Lewis)

WASHINGTON.—Why is Henry Kissinger so determined to hold back the process of political change and accommodation in South Vietnam—a process that even rightwing Vietnamese want to begin? Why does he support President Thieu in his refusal to carry out the political terms of the 1973 peace agreement?

The answer goes back to the winter of 1969, when Kissinger came to Washington as President Nixon's assistant. One of the first things he did was to discuss Vietnam in a series of secret meetings with the Soviet ambassador, Anatoly Dorbrynin. Marvin and Bernard Kalb disclose the meetings in their book, "Kissinger," and report that Kissinger made "veiled threats" of tough measures against North Vietnam. But they do not incidate how tough.

Kissinger told Dobrynin that the Nixon administration would not hesitate to destroy North Vietnam if necessary to preserve a non-communist government in Saigon. He made clear that this was a basic American price for detente: The Soviets would be expected to help achieve a Vietnam settlement leaving the Saigon government in power, or at least to tolerate whatever measures the Americans used.

That background makes clear why the maintenance of a staunchly anti-communist government in Saigon—and in Phnom Penh—matters so much to the secretary of state. He has made it a symbol of manhood in his diplomacy.

One striking thing about the Kissinger position is how little it has to do with the wishes of the Vietnamese or the Combodians. They must go on with a war, however destructive, because the end result of the political alternative might weaken Henry Kissinger's diplomatic posture vis-a-vis the Soviet Union.

A second notable aspect is how the commitment to a particular outcome in Vietnam and Cambodia—an outcome attainable only by perpetual war—conflicts wtih the image of himself that Kissinger conveyed over the years to people who opposed the war. He made them think that he wanted to end the fighting and the American role in Indochina, but that he had to contend with hawkish elements inside the administration.

These is a third striking thing about Kissinger's decision, so fateful for the people of Indochina and the United States, to make Vietnam his symbol of strength. He made the decision without consulting Congress—or even informing it of his true thinking.

He complains about legisltaion restricting his freedom of action. But Congress has obviously been driven to that by its feeling that this secretary of state, more than any in memory, secretly commits the country to doubtful propositions.

The great mystery is why Henry Kissinger with all the important things he had and has to do for this country, chose to make a symbol of Vietnam, the graveyard of reputations. In any event, the time has come for Congress to see that American civilization is not symbolized by endless war in Indochina.

Officials Seem Determined To Repeat Viet Mistakes

(By Anthony Lewis)

BOSTON.—Anyone aware of what American leaders said on our way into Vietnam must have a sense, these days, of reliving the past. But it is not the pleasurable nostalgia of Proust. For what is familiar is the self-deception, the confusion of objectives.

"We cannot turn our backs on these embattled countries," President Ford has just said. "U.S. unwillingness ot provide assistance to allies fighting for their lives would seriously affect our credibility throughout the world. And this credibility is essential to our national security."

Credibility. Nine years ago the late John T. McNaughton, assistant secretary of defense, said in a secret memorandum that our objective in Vietnam was not "to save a friend" but "to avoid humiliation" ourselves. Before his death he well knew how we had damaged ourselves in that false pursuit. Can anyone still believe that hanging on in Indochina has enhanced the world's belief in American strength and our ability to use it wisely?

National security. If we had allowed political events to take their own course in Indochina years ago, would Americans today have less or more faith in their national security leaders? Would we have been able to deal less or more effectively with our central security concerns, in the Middle East and elsewhere?

Secretary of State Kissinger said the other day that "the overwhelming objective" of the United States in the truce agreement of 1973 was not to end our role but only "to disengage American military forces from Indochina and to return our prisoners."

If the objective had been so limited, it could have been achieved years before 1973. But of course, it was not so limited. The aim was officially described as "peace with honor." That meant withdrawal of U.S. forces while maintaining a client government in Saigon. It meant, in short, winning: at last stopping the political process that began in Vietnam in 1945.

For a generation, American policy has been based on the illusion that some outside force—arms, advisers, bombs, men—can remake the politics of Indochina in our image. Always, there has been the belief in "victory."

All along that path of illusion and death, there were points at which American interests—to say nothing of the people of Indochina—would have been served by letting go.

Suppose that in 1945 President Truman had refused to help the French reenter Vietnam, or that after 1954 we had respected the Geneva agreement's ban on outside intervention. The most likely eventual result would have been a nationalist-communist government in Vietnam independent of China and the Soviet Union and generally helpful to stability. As late as 1963 North Vietnam was ready to settle for a separate, nonaligned but non-communist South. But the American government said no and went on pursuing the mirage of military victory.

Madmen now are planting bombs in order, they say, to change American policy in Indochina. But the way to change an unreasoning policy is by reason—and there is, no shortage of that if Congress resists manipulation and fear.

In a television interview the other night an NBC reporter asked President Ford, "How much longer and how deep does our commitment go to the South Vietnamese?" The President said:

> "I don't think that there is any long-term commitment. As a matter of fact, the American ambassador there, Graham Martin . . . thinks that if adequate dollars which are translated into arms and economic aid—if that was made available, that within two or three years the South Vietnamese would be over the hump . . ."

Or Sustenance for War?

(By Anthony Lewis)

WASHINGTON.—A letter from Saigon: The writer says he is amazed at the American debate on aid to Vietnam. The argument seems to be all about war, he says—about arms to help President Thieu fight the communists for years more. Does no one in America think of politics instead of war? Does no one realize that even "rightists" in South Vietnam now want Thieu out of office so a deal can be negotiated with the communists and the fighting ended?

"Why isn't Kissinger doing anything toward a political solution?" he asks. "Is this his 'decent interval'—a useless massacre?"

There is a short answer to those anguished questions. American policy focuses on war in Vietnam, and feeds it, because Henry Kissinger would rather have war than any visible political alternative.

It is a surprising and a serious thing to say that an American secretary of state is deliberately holding back a process that might lead to the end of a gruesome war. But the evidence is there.

The peace agreement signed in Paris two

years ago called for a new phase of politics in South Vietnam. It promised political rights to all parties, freedom of movement between the military zones, release of political prisoners and the establishment of a national council of reconciliation.

The idea of all that was to open up a process—a process of political competition and accommodation instead of war.

But Thieu prevented that process from starting. He prohibited movement between zones, reclassified political prisoners as common criminals to keep them in jail and effectively banned all parties but his own. He not only refused to carry out the terms of the Paris agreement; he made it a crime to publish them in South Vietnam. And at the moment the cease-fire was to come into effect, he launched aggressive military operations.

But lately, the strategy of military aggressiveness and political intransigence has unraveled. The tide of battle has shifted, and inevitably doubts have grown in South Vietnam about the wisdom of relying on war instead of politics.

Communist military success has brought angry American talks about a massive offensive by North Vietnam. Given the failure to say anything about Saigon's actions after the truce, that outcry is almost comic in its hypocrisy. But it is also factually doubtful.

In South Vietnam, many former Thieu supporters have now turned against him. A Catholic movement leads the criticism. Even right-wing newspapers criticized Thieu as an obstacle to peace—until he closed them.

The political setting explains the mystery of Kissinger's demand for $300 million more in military aid now. The Pentagon is having difficulty justifying that figure; privately, defense officials say the object is not so much military as "psychological." In short, the aim is to demonstrate the American commitment to Nguyen Van Thieu.

For that purpose, any amount that gets through Congress will serve. Just $75 million, say, would enable Thieu to tell doubters that he still has America's support. Any amount would be a symbol of American willingness to go on with the policy of war and not politics—go on, as Gen. Fred C. Weyand, the army chief of staff, had the candor to say, for another five to 10 years.

BAN THE HANDGUN—NO. 2

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BINGHAM. Mr. Speaker, I have spoken in recent weeks about the growing national outcry for strict Federal gun control legislation, including specifically a ban on the private possession of handguns. Despite the ability of the gun lobby to mobilize tremendous outpourings of mail to Congresspeople in opposition to such legislation, I believe that such sentiments are those of a small minority of the public. More indicative of the majority view are the statements of such responsible law enforcement officials as former New York City Police Commissioner Patrick Murphy, and former Washington, D.C., Police Chief Jerry Wilson, both of whom have supported the approach I am advocating.

Broadcasting and newspaper editors, too, have added their voices to the call for a handgun ban. The comments below were broadcast as an editorial over WOR-TV in New York City from January 23 to 29, 1975.

WOR-TV EDITORIAL

Talks about gun control can get as fired-up as discussions about religion or politics. However, that is not reason to avoid re-examining gun control—a problem for which appropriate and definitive national legislation has still to be enacted.

In a past Channel 9 editorial we had pointed out that, "in recent weeks, New York City had seen more unprovoked shootings of policemen by small arms as well as submachine guns. It is almost certain that the guns used in those shootings were not registered." We asked further, "how do we keep guns out of the hands of criminals? Haters? The unbalanced?" Those same questions can still be raised currently in the wake of recent shootings in the City.

There are still more than 25 million handguns in the nation and statistics of murders committed with handguns continue to increase. Three-quarters of the murders in the United States are committed with small handguns called "Saturday Night Specials."

What is needed is legislation that would permit handguns only in the possession of police and security officers. We therefore advocate tough federal legislation that will require voluntary surrender of weapons and punishment for non-compliance, outlawing the sale of handguns and parts and stiff punishment for crimes committed with handguns.

A TRIBUTE TO MRS. CLAIRE MARTI

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. SARASIN. Mr. Speaker, it takes a special kind of person to recognize the gifts that exceptional children have to offer their families, friends, and communities. Only a special kind of talent will bring to the fore the love and trust that children who are mentally retarded have to give. Mrs. Claire Marti, mother of two exceptional children, is such a woman.

Mrs. Marti has been selected by the Parents and Friends of the Exceptional Child as the 1975 Woman of the Year. She is well deserving of the compliment and honor that the title designates. Not satisfied with raising children of her own, she trained as a teacher's aide to provide extra assistance in the class for exceptional children in Wolcott, Conn. As a result of her efforts, the town boasts of a Saturday morning recreational program for the children, which includes arts and crafts projects and physical education. Mrs. Marti has organized parents of exceptional children and has served on many committees in conjunction with Parents and Friends of the Exceptional Child.

Not only has she been a member of the Waterbury Association for Retarded Children—WARC—but she has worked on the board of directors and organized a WARC youth group. In all her efforts, Mrs. Marti has sought understanding, compassion and recognition for the exceptional child. She has succeeded in enriching the lives of so many exceptional children, their parents and friends that I welcome this opportunity to extend my deep appreciation for her efforts.

NATIONAL ENERGY POLICY—CONGRESSIONAL ROLE APPLAUDED

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, this morning's Washington Post contained an excellent article by Joseph Kraft describing the differences in approach adopted by the Congress and the President in developing a national energy policy. Mr. Kraft has vividly pointed out the flaws in the President's program, and is generous in his praise for the initiatives taken by the Congress in developing a program that is more sensitive to the economic considerations that affect all Americans.

I would like to commend my colleagues who have been working so hard in recent weeks to hammer out a program that will not destabilize our economy. The energy conservation strategy they have proposed is economically feasible, politically practical and worthy of our vigorous support. I am hopeful that the administration will recognize the devastating economic impact that will result from the President's energy program, and will take steps to develop a compromise based on the excellent program developed by our colleagues Mr. WRIGHT, Mr. ULLMAN and all those who worked so tirelessly to produce a sensible energy counterproposal.

Mr. Speaker, I commend the article by Mr. Kraft to my colleagues, and hope that they will take justifiable pride in the fine work that is being done by this Congress to meet our national energy goals. Mr. Kraft's article follows:

DEVELOPING AN ENERGY PROGRAM

(By Joseph Kraft)

The President and the Congress are getting together on energy, and the country may yet emerge with a responsible program. But in the process traditional roles are being reversed in a disquieting way.

Mr. Ford is coming on more and more as a mere catalytic agent with deep loyalties to the special interests. He is leaving the congressional leaders the responsible work of balancing among conflicting factions.

The President's chief role in energy has been to set the pace. His program, and the relentless selling of it across the country, focused attention on the problem. A particular feature of the program—progressive application of a tariff on crude oil—forced the Congress to move with dispatch.

But in substance the Ford program was pathetic. Its centerpiece was a decision to cut consumption of foreign oil by one million barrels per day by the end of 1975. That figure had no rationale. It apparently was the nice round number used by Henry Kissinger in foreign negotiations, and then foisted upon the White House without serious analysis of its impact on the American economy.

Having picked an arbitrary target, the President then accepted ideological means for reaching the goal. He and his advisers hooked themselves on the mechanism of the market. They proposed—by raising tariffs and by deregulating prices of oil and gas—to give private industry incentive to curtail imports of foreign oil while producing more energy from different sources in this country.

It is extremely doubtful, given the propensity to consume gasoline no matter what the price, that the administration program would reach its target. It seems likely that it would slug the economy by raising prices at a time of inflation and curtailing demand at a time of recession. What is absolutely certain is that it would mean a tremendous ripoff for the producers of oil, gas, coal and other forms of energy.

In the face of that monstrosity, the Democratic leaders in the Congress went to work with a vengeance. A Senate coordinating committee headed by John Pastore, a House coordinating committee headed by James Wright and the House Ways and Means Committee under Al Ullman all produced energy programs. While differing in detail, they all rejected the basic ideas of the Ford approach.

The Democratic plans all subordinate the one-million-barrel-a-day reduction target to the need to recover from recession and to master inflation. They all provide that conservation of oil be phased in as the recesion ebbs.

Instead of using the market to achieve conservation and new production, the Democratic programs rely heavily on government muscle. Auto manufacturers would be obliged to produce cars that guzzle less gasoline and utilities would be forced to burn coal. The taxes used to curtail consumption would be weighted against the biggest users of gasoline. Instead of a tariff, which would leave a decision to import or not up to the big oil companies, the Democrats propose a quota which the government would manage.

The upshot is a program that does far less damage to the economy and is far more likely to reach the target of easing American dependence on foreign oil. Industry ripoffs are limited, if not entirely eliminated.

Because the two sets of programs are so far apart, bridging them is not going to be easy. But the President is obviously disposed to compromise, and the odds are that a reasonable program can be worked out.

The prospective happy ending on energy, however, offers little ground for general rejoicing. Nobody can be sure that congressional leaders will continue to be as responsible and courageous as they have proved themselves on energy. It is hard to feel comfortable with a President who enters so willingly into the role of spokesman for the auto and oil companies, and who inquires so unsuspiciously into the recommendations of his foreign policy advisers and the ideology of his economic advisers.

BULGARIAN INDEPENDENCE DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BIAGGI. Mr. Speaker, I would like to join with my colleagues and my Bulgarian American friends in celebrating Bulgarian Independence Day. In 1876, the Bulgarian people revolted against their Turkish rulers, and Bulgaria was granted the status of a principality in 1878. Finally, in 1908, Bulgaria's aspirations toward independence were fulfilled and Bulgaria became a nation.

Any celebration, however, is marred by the knowledge that Bulgaria is suffering under the yoke of Communist domination. Bulgarian Americans mark Bulgarian Independence Day with formal celebrations and banquets, thereby recording their hope that their former homeland, now under Communist control, will soon regain its independence.

Let us join with these people in this hope, the hope that Bulgaria and the rest of Eastern Europe will one day be free, again, of the omnipresence of communism and communism's nursemaid, Russia. Let us not forget in these days of "détente" with Russia that Russia holds half a continent captive, and that to this date, Russia has never yet relinquished territory it has made captive.

Let all the free world remember the plight of the Bulgarians, and let all the free world take heed.

FEDERAL EMPLOYEE ADMINISTRATIVE HEARING RIGHTS GUARANTEE ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mrs. SCHROEDER. Mr. Speaker, I am today reintroducing the Federal Employee Administrative Hearing Rights Guarantee Act. I am happy to announce that eight of my colleagues on the House Committee on Post Office and Civil Service—Mrs. Spellman, Mr. Lehman, Mr. Charles H. Wilson of California, Mr. Mineta, Mr. Simon, Mr. Dominick V. Daniels, Mr. Ford of Michigan, and Mr. Harris—have joined me in sponsoring this measure.

On April 16, 1974, the United States Supreme Court handed down its decision in Arnett against Kennedy. This case is but the latest in a line of cases dealing with the problem of termination or suspension of Federal employees in the competitive service. These cases are noted primarily for their failure to answer the important and ultimate question whether Fedral employees have a protected right to their jobs after completing the probationary period, that is, whether they can be terminated or suspended without a prior hearing on the merits. The opinion in Arnett against Kennedy is similarly ambiguous on the question and offers little hope for a person looking for a clear statement of rights.

Mr. Speaker, since the decision in Arnett against Kennedy which prompted my original introduction of the Hearing Rights Act in the 93d Congress, the President has made an Executive order which places all termination and suspension actions within the Civil Service Commission. While this order might have some merit in reducing the unevenness formerly present when the agencies handled their own cases, it offers no substantial defined right to an employee subject to an adverse action other than that of a different forum. The larger question of due process is still quite up in the air.

The courts and agencies are not entirely to blame. The law is unclear because Congress has not acted unequivocably regarding pretermination hearings. There is no statute which clearly mandates the promulgation of uniform regulations in the area. The law as it now stands leaves the whole matter of pretermination hearings for Federal employees without constitutionally inspired standards and thus opens the door to agency abuse of employees who in good conscience criticize agency procedures or disclose agency wrongs and coverups. There are well known cases: for instance, those of Ernest Fitzgerald and Gordon Rule, employees of the Federal Government who have spoken out, been fired, and eventually won their rights to back pay and reinstatement. These cases, however, have involved employees in difficult fights and drawn out periods without pay. For sure, our veterans haye a preference right to a hearing before termination, and some employees, through contract, have a similar right. But many others are without this fundamental protection and must suffer without pay while waiting to be heard.

Mr. Speaker, the purpose of the Federal Employee Administrative Hearing Rights Guarantee Act is to guarantee all employees in the competitive service a prompt evidentiary hearing by an impartial individual prior to the time that removal or suspension without pay is effective. The bill declares that certain minimum protections are due such an employee before termination or suspension, among them, the right to see the evidence supporting the action and to have a transcript of the proceedings. I share the opinion of the many unions of Federal employees who have contacted me—among them the National Treasury Employees Union and the Overseas Education Association—that it is time for congressional action on this problem. As long as Congress continues in its inaction, Federal employees will not be protected against arbitrary and capricious dismissal for speaking out. The public interest and pocketbook are badly served by stifling creative criticism from employees of our Government.

LAND USE AND THE ENVIRONMENT

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. STEELMAN. Mr. Speaker, on February 27, our colleague from Arizona (Mr. Udall) addressed the National Conference of the National Association of Counties here in Washington. Mr. Udall spoke on "Land Use and the Environment," a subject on which he is a national authority and congressional leader.

Land use is certainly an issue of great concern to county and local officials and the Land Use and Resource Conservation Act of 1975, H.R. 3510, which Mr. Udall and I cosponsor, was developed with careful attention to preserving the traditional role of local government in most land use decisions.

Mr. Speaker, I think Mr. Udall's remarks are well worth the Members' attention and they are reprinted below:

Land Use and the Environment

It is a real privilege to be here with you today and to share some of my thoughts with you about land use and the environment, and related matters of concern to counties. During my tenure in Congress and as a member of the Public Land Law Review Commission, I have worked closely with county officials and the National Association on many issues, including land use. As a Congressman from a Western state in which over 75% of the land is owned by the Federal government, I am also acutely sensitive to problems of coordination between Federal and State and local officials, particularly in the area of land and resource management.

Let me begin with a few remarks about land use. As you probably know, there was a serious setback for land use last year when the House voted last July not to continue debate on the land use bill I sponsored. Despite the setback in the 93rd Congress, our land use problems are not going to go away. National land use legislation is still a high priority item and will certainly be considered again in this Congress.

Thousands of acres of our best agricultural land are still being developed for a multitude of other purposes without regard to our future agricultural needs. Our pollution and congestion problems continue and are aggravated, and we continue to waste energy like no other country in the world, in large part due to our land use patterns and practices. I think it is time we learned from our past mistakes and made a national commitment to develop some sensible land use procedures and policies on the State and local levels—with Federal coordination and financial assistance—which can help us to create the decent future society we all want.

For the question is not whether we are going to continue to grow, for grow we must and we will. The question is rather will we do so with some wisdom and foresight. Where will we put the factories and feedlots, and powerplants and refineries, and the schools, housing, and highways and pipelines that we will need in the next few decades? If the experts are correct, we will have to build again in the next 30 years all that we have built before—that means an area of land the size of New Jersey will be converted to urban uses each decade.

Let's look at some examples. On one extreme, in my state of Arizona, enough land has been subdivided right now to accomodate over 2 million people. That's more than the entire population of the State. By the year 2000, if present trends continue, over 5 million acres, or roughly 15% of the private land in the State, will have been subdivided into one-acre lots for sale, with little or no guarantee that you will ever see any residential development or community facilities because of the very nature of these developments.

On the other hand, we see a variety of forecasts that our best agricultural land is slowly but surely being consumed by various kinds of urban sprawl. In the state of Michigan, for example, one prediction is that the state will be 5 million acres short of the agricultural land it needs to be self-sufficient by the year 2000—that if present trends continue, ten out of their twelve million acres of crop land in that state, will be lost in the next thirty years.

And let's look at energy conservation. The Arab oil boycott finally forced us to look at our extravagant energy consumption habits. The most sensible thing we can do in this country to achieve energy independence is through energy conservation. If we cut our consumption 20%—not an unrealistic goal—we could reduce imports by ½ or $10 billion a year.

This waste is most evident in our patterns of land use. Sprawl is costly in terms of energy. Studies have shown that a "high density planned development"—which by the way has just as much open space as is in present suburbia—utilizes ½ the energy as the low density sprawl we are used to seeing. The street design, for one thing, would be different. By better planning for future neighborhood street patterns alone, we could save a billion and a half barrels of oil from gasoline alone. That's a year's worth of imports.

And the same studies show that better planning of our residential patterns could also cut pollution in half, and also utility costs. I submit to you that energy conservation must become a more important element of land use planning.

The fundamental question is whether there is any need for Federal legislation to do anything about all these problems. And I might add that they are not just environmental problems, but have tremendous social and economic costs as well. My answer is, yes, the Federal government can and must do something about land use, but the real job must be done at the grass roots and the State level, for here lies the authority and the familiarity with particular State and local problems.

The quiet revolution in land use is real and is energizing more and more communities. Citizens are becoming involved, at least on ad hoc basis, in at least the more visible land use crises.

The Federal government, however, can play an important role—and certainly has a good deal of work to do to put its own house in order. Indeed, there are many who claim that the Federal government is actually the worst culprit when it comes to land use, for Federal money, grants, and other activities and policy decisions permit flow daily from Washington to all sections of every State, in ways which have significant and long-lasting effects on growth and urban sprawl. In my opinion, it is time we brought some order to these Federal actions and made an attempt to coordinate with State and local plans to at least assure that the Federal presence is not disruptive and does not detract from local and State government plans for controlling and influencing growth. In addition, the Federal government, as you know, is our biggest landowner, controlling over a third of the nation's land. Much needs to be done to develop management and planning guidelines for the public lands, and to assure that there is ample coordination between Federal and local land managers.

I would like to turn for a moment to an important energy related element of the land use equation—one which will receive a great deal of attention in this Congress while we attempt to develop some national energy policies and work toward that perhaps Utopian goal of "energy self-sufficiency". The Nixon-Ford Administrations have put a great deal of emphasis on Project Independence. The Administration wants to proceed at once to develop our domestic sources of petroleum, coal, oil shale and nuclear power and other resources. There are, however, some tradeoffs involved here, and some significant costs for some areas if this anticipated development is not handled with some foresight and common sense.

Let's take a few examples:

The Administration says we will need 640 new electric generating plants in operation by 1985, and that because of the lead time involved developing and constructing such major facilities, it is crucial that the planning and siting decisions be made in the next few years.

President Ford, in his State of the Union address, set some additional energy goals for 1985: 200 nuclear power plants, 250 new coal mines, 150 major coal-fired power plants, 30 major new oil refineries, 20 major new synthetic fuel plants, thousands of new oil wells and a million barrels of synthetic fuels and oil shale a day. Again, most of these major facilities involve tremendous planning and siting problems, and create land use shockwaves which could determine the quality of life in the areas affected for many generations.

My point in sponsoring comprehensive land use legislation and the simple question that I pose to you today, is whether we can afford *not* to promote some rational land use planning in the States and counties to be affected by the above-described scenario.

The President's response is a request for specific energy siting legislation. To bring the States up to speed, the President would mandate that States develop an energy siting program, subject to Federal approval, in 18 months or face the alternative of an energy siting program that is implemented by the Federal government.

Energy facility siting is, to be sure, a major problem. There hasn't been a major refinery built on the East Coast, for example, in 15 years, primarily because of local resistance. Moreover, industry complains with a great deal of justification about the 40 to 50 agency approvals that must be obtained from all levels of government before construction can begin. We do need some better mechanisms to eliminate such duplication and reconcile conflicts between different agencies and levels of government. Yet I am convinced that energy siting is but one piece of the land use puzzle, and that the economic, environmental and social problems that accompany projects of this magnitude will not be solved by another single-focus Federal program. Instead energy siting should be treated in a comprehensive manner within the State's land use program. I think the emphasis should be on developing comprehensive land use planning as an *alternative* to yet another mission-oriented single purpose federal program to facilitate energy production at the expense of other values. A land use program such as is envisioned in the legislation I am again sponsoring will help the States to do their energy planning within the context of these other values and resources and without the Federal government having the last word.

Many of you here today are from Western States, and some from coastal States, and so I am sure you are aware of the issues that have been framed by the Administration's plans for developing of the Outer Continental Shelf and our Western energy resources. There will be new boom-towns as the power plants go up and new coal mines open up, and an accompanying need for housing, schools, water and sewage facilities, along with the usual law enforcement and other social problems that accompany rapid growth. Some of the Western governors have already recognized the serious consequences, and are speaking out for a stronger State role in energy policy. They don't want their States turned into "energy colonies" or "boiler rooms" to feed the rest of the nation's energy needs at the expense of their way of life and environmental values and I don't blame them.

There is going to have to be some planning, some front money to provide for the public facilities, and some protection for the environment.

Let me emphasize again that the land use legislation before the Congress does not provide a Federal blueprint, but instead the financial incentives to enable States and local governments to control their own destinies concerning how and where they will grow. It reflects the need for diversity within the Federal system, and recognizes the fact that land use decisions *should* be made at the local and State level with regional and interstate cooperation where appropriate.

Perhaps even more importantly, it provides for a stronger State role by providing a check on Federal programs, monies and activities that significantly affect land use in the State. Under my bill, once a State develops a land use program, Federal actions affecting land use must be certified as consistent with the State land use program, except where the national interest is clearly at stake, as determined by the President. This important provision illustrates the need for local control and the need to coordinate the multitude of Federal activities that affect land use.

If you will take the time to read the legislation and not just the propaganda that has been circulated which has characterized it as an evil Federal takeover of poverty rights—you will, I believe, conclude that it is a balanced approach and stresses State and local control. This approach is quite similar to that taken in the Coastal Zone Management Act under which most coastal States are now developing management programs for their coastal zones. Again, the spectre of millions of acres of the OCS leased for development has alerted the coastal States to the importance of gaining a stronger voice in energy decisions and some time for planning the onshore impact of such development. The Coastal Zone Act gives the coastal States similar leverage to deal with the feds.

Last year, during the deliberations on the land use legislation, we spent a great deal of time working with State and local government people to assure that their interests and problems were considered. The present legislation reflects these concerns, and mandates an important role for counties and local governments in the development and implementation of land use programs. Most land use decisions will continue to be made at the local level, but we must also recognize that some of our land use problems don't stop at jurisdictional lines and are becoming more and more regional in scope. With the proliferation of agencies and governmental entities involved in land use, there is also a need for the State to be more involved in setting broad policies and reviewing decisions which have impact beyond an immediate jurisdiction.

The issue of local control is an important one, but let me just say that the existing multitude of single-purpose Federal programs may have led to local control being more of a myth than a reality. For better or for worse, there is now an enormous Federal presence in land use and growth issues, through sewer and waste water programs, public works projects, Corps of Engineers projects, airport and highway monies, and a multitude of Federal laws and regulations from Federal floodplain zoning requirements to clean air regulations. It is this kind of Federal presence which led Daniel Moynihan to remark that "Yes, we have a national growth policy, it is in the interstate highway system."

The land use bill is an honest attempt to return some of this authority to the State and local level, to energize State and local governments to tackle their land use problems.

Let me shift here to discuss a few points concerning related problems with Federal ownership of public lands. The question is how we coordinate the planning and management of public lands, which in many States represents over half the total land area, with land use planning in the private or non-federal sector?

I am a strong believer in coordinating wherever possible the planning and management activities for public lands with the land use programs for the States within which the public lands are located.

It is clear by now that the basic policy of the Federal government is going to be one of retaining ownership of most all of the public lands. This was the recommendation of the Public Land Law Review Commission, and I support it. Yet I recognize and want to do something about the more fundamental problem that this creates for the States and counties who must forego the tax revenue that would otherwise be available if these lands were on the tax rolls.

I have sponsored legislation and held hearings in my Subcommittee on proposals to establish a more equitable system of payments in lieu of taxes for the Federal natural resource lands which are presently exempt from local and State taxation.

The present hodge-podge of Federal statutes which allocate a portion of the revenue generated from mineral, forest, and grazing, and other receipts generated on these lands are both outdated and inadequate to deal with the current revenue problems in most counties where schools and other public services must be financed by the property tax. During my work on the Public Land Law Review Commission, I learned a great deal about these problems, and last year even more from hearings both here and in Washington and in the State of Utah. While I recognize that there are certainly some benefits involved in having National Forests, National Parks and BLM land within one's county, I have concluded, as did the Public Land Law Review Commission, that the burdens generally outweigh the benefits and something must be done to remedy the inequity. Forest receipts, which average for most counties a nickel an acre are hardly adequate to make up for the property tax which could otherwise be levied.

If the public lands are, for the most part, going to remain in Federal ownership for all the American people, I think we owe it to those counties who carry this burden to spread it equitably among all the taxpayers.

And, I think that establishing an equitable system for payments in lieu of taxes is closely related to land use planning problems on both the public and private domain. Environmentalists, for example, will probably support such legislation because they see this as a way of reducing the pressure to exploit our natural resources to maximize revenues. It also would provide the counties and States with additional revenues to support their basic services, which would relieve them from some need to constantly search for new ways to generate tax revenue, promoting perhaps hastily considered industrial development.

And, as I learned in Utah last fall, the impact of the proposed energy development in that State and many similarly situated States is going to put a serious strain on the economic and social fabric of many of the counties involved.

As one witness in Utah summed it up last fall, "The day the Arabs turned the oil spigot off, the lifestyle and future of Utah changed dramatically." If coal leasing, coal slurry, oil shale, power plants, and coal gasification develops as rapidly as anticipated, it is going to require not only planning but substantial adjustments, and some front money to provide for the growth induced in such areas.

As Governor Rampton pointed out in his testimony in Salt Lake last September, most of the vast deposits of our energy resources are located in these public land counties, but the growth induced by these activities may well be in the neighboring county. How do you compensate the impacted area is a problem we must carefully consider.

In summary, let me just say that I think the issues that I have briefly outlined here today are closely realted and of great importance to the whole country. The Congress must come to grips with our energy and economic problems, but we must also provide some sensible land use guidelines for the public domain and some coordination and stimulus for local and State planning as well. Land use is still the most fundamental unaddressed environmental problem in this nation and one which is closely related to many of our air and water pollution and energy conservation problems. I intend to make a major effort to see this legislation enacted in the 94th Congress. It is time we made a serious commitment to address the environmental, economic and social costs of sprawl, and developed some sensible land use planning at all levels of government.

Let me conclude by saying that I have enjoyed working with the National Association of Counties on many issues of common interest in the past and that I look forward to a good working relationship during this Congress.

Thank you.

OTHER VOICES

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. STARK. Mr. Speaker, I insert in the RECORD a thoughtful article by Ms. Jessica Mitford on political suppression in Iran; the article appeared in the column entitled "Other Voices" in the San Francisco Examiner, February 16, 1975.

Ms. Mitford, a noted social critic, has ably documented the substantial evidence which has been gathered recently indicating that the Shah of Iran has built a system of government which not only suppresses political and religious opposition, but also refuses to tolerate the faintest hint of any "anti-Shah" economic or financial opinions. While the Shah denies specific allegations of suppressions, he has admitted that his government is less than democratic: to use his own words, he has confessed:

> When my people begin acting like Swedes, I shall begin to act like the Swedish king.

The U.S. Government prizes its good relationship with Iran and, indeed, conscientiously works to enhance it. Last year alone we sold some $4 billion in weapons to Iran; we even save coveted positions in our military academies—a move which I strongly opposed when it was proposed to the House several years ago—for Iranian students. I think in light of the allegations made by Ms. Mitford and responsible journalists in both Europe and the United States we should reevaluate these policies, and begin to consider the quality of the governments with which we do our business.

I commend Ms. Mitford's article to the attention of my colleagues:

OTHER VOICES: A DIFFERENT VIEW OF THE SHAH OF IRAN

(By Jessica Mitford)

For two successive Sundays, readers of the Examiner were treated to a lengthy running eulogy of "one of the world's most interesting and impressive leaders . . . a fascinating personality . . . a wise, patriotic, benevolent ruler," the Shah of Iran.

In his Editor's Report, William Randolph Hearst, Jr., tells us that "over a delicious lunch, we soon found His Majesty a gracious host with a lively sense of humor . . . however, the profound intelligence of this enlightened ruler quickly became apparent when we started discussing serious subjects."

Among serious subjects that did not, it seems, come up for discussion during the delicious lunch:

The despotic rule of Iran by SAVAK, the much dreaded, Gestapo-like secret police, answerable to the Shah alone.

The estimated 40,000 political prisoners who have disappeared into Iran's jails.

The use by SAVAK of unspeakably brutal tortures to extract information and uncounted summary executions of those who refuse to turn informer.

"What impressed me most about the Shah's attitude was the reasonableness with which he listened to another point of view," wrote Mr. Hearst.

This has hardly been the experience of the Shah's subjects.

More than two years ago a United Nations panel found "a consistent pattern" of violations of human rights by SAVAK.

These included "arbitrarily arresting hundreds of political dissidents, holding secret trials for them, and in scores of instances executing them." Since that time, much more has come to light about the organization and modus operandi of SAVAK.

Last November, Time magazine reported that SAVAK, through a large network of informers, "have been responsible for making countless arrests of leftists on occasionally vague anti-Shah charges and for at least 200 executions.

In a Harper's magazine article from Iran, Frances Fitzgerald writes:

"SAVAK has agents in the lobby of every hotel, every government department, every university classroom."

The estimated number of agents: 70,000 or one for every 450 Iranians—and SAVAK officials themselves acknowledge this is only the nucleus, for they have more unpaid informers than paid agents.

"Professors are fired or arrested for expressing independent views, and students are arrested or shot for demonstrating," says Fitzgerald. "SAVAK gives no accounting of its activities. People simply disappear in Iran."

Last month the London Sunday Times reported on its two-year investigation of torture allegations in Iran based on personal testimony of prisoners and statements of impartial foreign observers.

"Torture cases fall in three categories. Left-wing activists, Moslem dissidents opposed to what they regard as the religious and political repression of the Shah; and those people, peredominantly middle-class intellectuals, who were unwise enough to criticize the regime, in private or public and were reported to police."

Methods of torture include extraction of fingernails and toenails, electric shock to sexual organs, and the "Hot Table," an iron frame covered with wire mesh electrically heated to which the prisoner is strapped until it becomes red hot.

Two French lawyers, visiting an Iranian trial as observers for a non-political international association of jurists, attested to the results of this fiendish device.

In court, the accused prisoner attracted their attention by whispering, "Mister! Mister!" and suddenly hiked up his shirt.

"The whole of the middle of his chest and stomach was a mass of twisted scars from very deep burns. They looked appalling . . . The skin was covered in shiny scars from burning . . ."

(NOTE.—In a recent interview with Mike Wallace in the program "60 Minutes," the Shah denied the accuracy of the Times' torture allegations.)

"One of the things that pleased me most about this innovative, modern monarch was the friendliness he expressed for the United States," writes Mr. Hearst. Little wonder, since the Shah reigns courtesy of the CIA.

In 1953, a combination of nationalists and leftwing opposition forced him to flee the country. According to the Sunday Times, "he returned after one week, with the aid of a popular uprising orchestrated by the CIA." Richard Helms, CIA director during the Watergate break-in, now serves as United States ambassador to Iran.

Further insight into the "profound intelligence of this enlightened ruler" is furnished in an interview by the Italian journalist Oriana Fallaci.

Shah: "What do these feminists want? Equality, you say? Indeed! I don't want to seem rude, but . . . you may be equal in the eyes of the law, but not, I beg your pardon for saying so, in ability. You've never even produced a great cook. You have produced nothing great, nothing!"

Fallaci: "How many political prisoners are there in Iran today?"

Shah: "I don't know the exact figure. It depends on what you mean by political prisoners. If it's Communists you mean, for instance, I don't consider them political prisoners because communism is against the law. It follows that a Communist is not a political prisoner but a common criminal."

Among current cases of imprisonment and torture of political prisoners authenticated by Amnesty International and by the Committee for Artistic and Intelligence Freedom in Iran, a group of distinguished American writers, are:

Vida Hadjebi Tabrizi, a sociologist at the University of Teheran, sentenced to eight years imprisonment by a military court in July, 1972, for investigating the living conditions of Iran's peasant population. She has been subjected to such harsh torture she has lost all feeling in hands and feet and has developed serious heart trouble.

Dr. G. H. Sa'edi, Iran's greatest playwright, under torture in prison since June, 1974.

Dr. A. Shariatti, a well-known writer and religious intellectual, imprisoned since September, 1973. His father, over 70 years old, was also arrested. Both have been tortured.

The man responsible for these atrocities appears to be Mr. Hearst's nominee for Leader of the Free World.

Deploring the "inability of leaders" in the democratic countries from Denmark to Japan "to make strong decisions and have them implemented," Mr. Hearst concludes from his discussion with the Shah that "any other or all the developing—yes, and many of the developed countries—could use such a wise, patriotic, benevolent ruler. . . . Perhaps the underlying problem is that the West simply has no really great leaders left, or even emerging."

For which we may be profoundly grateful.

THE VALUE OF A SECOND OPINION

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. KASTEN. Mr. Speaker, recently, the Ford Foundation released a report of a study on America's energy future. The study, entitled "A Time To Choose," cost $4 million and attempts to chart a national policy for our Nation's energy production, distribution, and costs. Basically, it recommends cutting back on the use of energy and the imposition of mandatory controls.

Another foundation, the Institute for Contemporary Studies, has prepared a critique and analysis of the Ford study. Ten economists, with a basic belief in our free enterprise system, have taken a second look. Their critiques of the Ford study have been put together in a volume entitled "No Time To Confuse."

Mr. Speaker, I would urge every Member of this body to read "No Time To Confuse" if they are truly interested in preserving our free enterprise system and developing an energy policy which is capable of meeting the future needs of the Nation.

THE URANIUM CARTEL—A REAL WORLD MONOPOLY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. McDONALD of Georgia. Mr. Speaker, as mentioned previously, see page 4989 of the CONGRESSIONAL RECORD, indications are here that we are heading for a uranium shortage. This will lead to a new fuel crisis for our nuclear powerplants. The frightening thing about all this is that a very small group of people control almost the entire known supply of the material. Forbes magazine on January 15, 1975, described this tight little operation. The article follows:

THE FIVE ARROWS, NUCLEAR-STYLE

Control of the uranium cartel may be far more concentrated than would appear at first glance. As suggested by the fist clenching five arrows in the family crest, the Rothschilds of France and England have an interest in nearly every major uranium mine in the world.

Rio Tinto Zinc, a mining company in which the French Rothschilds have traditionally been major owners, holds a controlling interest in Rio Algom Mines, whose Canadian mines have the largest uranium reserves in North America. RTZ owns nearly two-thirds of the huge new Rossing uranium mine in South West Africa. It also controls Mary Kathleen Uranium, the only Australian uranium mine capable of going into operation soon.

The largest South African gold producer, Anglo American Corp., is also the country's largest uranium producer, since South African uranium is produced as a by-product of gold production. One of Anglo American's associated companies, Charter Consolidated, has a Rothschild on its board, and owns nearly 10% of RTZ.

The centerpiece of the French Rothschilds' nonferrous metal group is Imétal (formerly Le Nickel), which has a controlling share of the Mokta and Pennaroya companies, two of the largest uranium producers in France and in the former French colonies of Gabon and Niger. They also participate in joint ventures with the other large French producer, Pechiney Ugine Kuhlmann.

The Rothschild presence is everything. Baron Guy de Rothschild heads Imétal. He also sits on the board of RTZ. In turn, Harry Oppenheimer, the chief executive of Anglo American, and Sir Val Duncan, the chief executive of RTZ, sit on the board of Imétal.

Only in Australia do the Rothschild companies have a relatively small share of the total uranium reserves. In fact, but for a few independent uranium companies in Canada and possible increased Australian production, the function of the Uranium Producers' Forum could be performed at a board meeting of Imétal.

CIA DOMESTIC OPERATIONS RAISE SERIOUS QUESTIONS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. EVINS of Tennessee. Mr. Speaker, as you know, the Central Intelligence

Agency has come under increasing criticism for alleged domestic spying activities although its statutory authority limits its jurisdiction to overseas intelligence operations.

Recently Mr. William Colby, Director of the CIA, testified before a House Appropriations Subcommittee concerning domestic spying and wiretapping. He amended an earlier report filed with the committee to change certain figures with respect to the number of telephone taps, files on public officials, and break-ins.

The Nashville Tennessean in a recent editorial emphasized the dangers inherent in CIA activities in this Nation which exceed its statutory authority. Because of the interest of my colleagues and the American people in this most important matter, I place the editorial in the RECORD herewith:

MR. COLBY'S OWN WORDS RAISE LEVEL OF CONCERN

The response of Mr. William Colby to the investigations of the Central Intelligence Agency is about what one would expect from almost any bureaucratic agency that comes under criticism.

Mr. Colby, the director of the CIA, said that American intelligence operations have been jeopardized by "the almost hysterical excitement" over CIA missteps.

What Mr. Colby sees as "almost hysterical excitement" is a deep concern on the part of the Congress and the American public over the fact the CIA has ignored the law of the land that created it in the first place.

Mr. Colby told the House appropriations subcommittee that allegations of illegal or improper domestic spying had been blown out of proportion. Yet, under questioning, Mr. Colby said that the CIA has had files on four congressmen and he did not deny that the agency used sex traps within the U.S. to gain information from foreigners. He also confirmed the report of Mr. Seymour Hersh of The New York Times that 22 CIA agents infiltrated antiwar dissident groups and collected files on 10,000 Americans.

Mr. Colby denied this was a "massive illegal domestic intelligence operation." He prefers to look on it as a misstep. Obviously a few missteps such as this only open the doors to custom. In short, once the law of the nation is breached, it becomes easier and easier to do it again and in practice, the agency set up to help guard the country from without becomes the Big Brother from within.

Mr. Colby was quick enough to try to hint at a lack of credibility in press reports. But ironically he took the occasion to submit to the lawmakers what he called "minor changes" in a report he gave the Senate Appropriations Committee last month.

His "minor changes" are interesting. He said:

The CIA conducted telephone wiretaps against 27 people between 1947 and 1965, not 21 as he told the Senators.

Four of the persons whose phones were tapped were non-CIA employees, not two as he had said.

The agency had files on four congressmen, not one as he told the committee.

The agency had conducted four break-ins in the United States, not three as he said before.

In actual numbers that may not be a great difference, and probably Mr. Colby thinks of it only as an understatement. The fact remains that he misinformed the senators, and who can say that he is not also misinforming the House subcommittee?

Mr. Colby has admitted enough to make it clear the CIA violated both the spirit and the letter of the laws, and he now seems to be pleading that the Congress should look no further into the scope of this lest it destroy the intelligence operation.

What has to be done is the task of bringing the nation's intelligence agencies under discipline. It will be less painful and costly now than it would be later on.

During the infancy of this great country, a wise observer once said: "The condition upon which God hath given liberty to man is eternal vigilance; which condition if he break it, servitude is at once the consequence of his crime and the punishment of his guilt."

The CIA has already demonstrated that when vigilance is lacking, it knows no boundaries or laws in the exercise of its power.

GLENVIEW, ILL., HIGH SCHOOL STUDENT WINS VOICE OF DEMOCRACY CONTEST IN ILLINOIS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. MIKVA. Mr. Speaker, it is my great pleasure to announce to the House of Representatives that Mr. Dean Phelus, 500 Elm Street, Glenview, Ill., has submitted the winning speech from Illinois in the Voice of Democracy Contest. This contest is sponsored by the Veterans of Foreign Wars and its Ladies Auxiliary and is a part of the Voice of Democracy scholarship program. This program is conducted annually in our Nation's secondary schools during the fall term. This year, the theme for the VFW's 28th annual program is "My Responsibility as a Citizen."

The winner of the contest from Illinois, Mr. Dean Phelus, is a junior from Maine Township High School North, Des Plaines, Ill. Dean is 16, has served as the treasurer of the Spanish Club and vice president of the speech team, has been awarded a number of speech awards including a speech scholarship, is a varsity member of the track team, is a member of the district concert choir, and belongs to the Modern Music Masters and Thespians.

As the State of Illinois winner, Dean Phelus is eligible for one of five national scholarships awarded as the top prizes. Final judging is to be held here in Washington, D.C., during the week of March 7–12, 1975. The best wishes of the people of the State of Illinois go to Dean as he competes with the contest winners from other States.

Mr. Speaker, this speech by a high school junior has an important message for all Americans. It is that America needs listeners, optimists, and believers—those who will offer "a cheer, a word of encouragement, a suggestion, a vote of confidence." Dean Phelus writes:

> Every American should be involved enough to vote, to honor his country, to feel grateful for the great gift of freedom . . . (and to march) forward together to a future which offers uncertainty and challenge.

Mr. Speaker, at this point I would like to insert the winning speech of Mr. Dean Phelus of Glenview, Ill., to congratulate him on his fine speech, and to commend the Veterans of Foreign Wars for their worthy efforts:

MY RESPONSIBILITY AS A CITIZEN

(By Dean Phelus)

LISTEN!

Listen! All those of you who are lucky enough to be citizens of America, listen! What do you hear? The voice of democracy? What is it? Is it the voice of one man? Does he sit in an oval office, or at the wheel of a truck, or on the bench in a football stadium? Is it the voice of one woman who stands in a classroom or a department store or a kitchen? No. The voice of democracy is an American chorus, a patriotic cheer, a chant by a million separate voices. And my responsibility as an American citizen is to . . . listen!

What are Americans saying these days? We can't afford the groceries, the automobiles aren't as sturdy as they could be; where will we get enough fuel?; what do we do about the young people?; how will we make it through difficult times? Questions. The voices are asking a hundred thousand hard questions. Answers. What the voices want are answers. And all they need to do is . . . listen.

No great organization operates without problems. A great country is no different. Each one of us can see the questions all around us. What we need are voices with answers. We need optimists, workers who know what determination can do. We need believers, people who know what ideals and values can produce. We need voices, voices to shout the encouragement to fight problems, to overcome obstacles.

Where will these voices come from? They can come from you and from me. I cannot speak for you, but one voice is already coming from me. I am willing to speak for America, for the ability of Americans to weather any crisis. I am willing to speak for involvement, for the necessary concern of each citizen in order to have a successful government. If officials are corrupt, say so. If you disagree with policies or programs, speak up. I will care enough to speak for America. But I will never speak so loudly that I forget to listen.

For there have always been voices. In any American library we can find voices. George Washington, Nathan Hale, Franklin Roosevelt, John Kennedy—all the great speakers of our past are speaking still, speaking to anyone who will listen. They will tell you that America is greater than any adversary, stronger than any opponent. They will tell you that a few determined men can build a reality. They will tell you that no problem is beyond solution. They will tell you that we have had trouble before, but no trouble that Americans, working together, cannot handle. They will speak for America. Listen, and join them.

It is a privilege to have a responsibility to America, a privilege that needs careful attention. We can choose to despair, or we can choose to fight. We can choose to destroy or to build. I have made my choice. My country does not need another disparaging voice. It needs a cheer, a word of encouragement, a suggestion, a vote of confidence. Every American should be involved enough to vote, to honor his country, to feel grateful for the great gift of freedom. But quiet gratitude is not enough. We Americans are marching forward together to a future which offers uncertainty and challenge. Silent soldiers have room for doubt. Raise your voice in support of the country that has nurtured you, in defense of the system that has kept you free, in praise of the spirit that keeps a battered flag waving.

It is my responsibility as a citizen, my privilege as an American to join the voices of democracy. We will come together in a cry of determination that will carry us forward against my opposition. We have something good; acknowledge it. We have strength and tradition on our side; remember it. Listen to the cheering American voices—those of the past, those of the present, yours, mine, American voices all—listen!

A SALUTE TO WOMEN IN AEROSPACE

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. DON H. CLAUSEN, Mr. Speaker, it has been my privilege to meet and work with a number of the dynamic and dedicated women referred to in this article, who have been aviation pioneers and played a lead role in advancing aviation, aeronautics, and aerospace programs and sciences. Among them are Jean Ross Howard, Isabel Burbess, Sally Murphy, Fran Bera, and Loretta Foy. In the early 1970's it was my privilege to serve as chairman of the Governor's Aerospace-Aviation Education Task Force for the State of California, on which Loretta Foy was a principal member. The task force was endorsed by then Governor Reagan and superintendent of public instruction, Wilson Riles.

The task force was in existence for 2 years and the 30 members explored all aspects of aerospace education. The 99's and Whirly-Girls were a great asset to the effort. I suggest that my congressional colleagues read the content and recognize this article as a shining example of women's significant contribution in American aerospace. The article follows:

A Salute to Women in Aerospace

The year 1975 has been proclaimed by the United Nation's General Assembly as International Women's Year. America's yearlong "Salute to Women" is outlined in an alphabetical calendar. It began in January with A—for women of achievement in aviation and the aeronautical and aerospace sciences. Thus, this is an appropriate time to recognize women for their significant contributions to the broad field of aerospace.

January 11, 1975, the 40th anniversary of Amelia Earhart's record-breaking flight from Honolulu to Oakland, was selected as the take-off date for the year because Amelia Earhart's deeds and qualities were an inspiration to women everywhere.

"AE", the first woman to fly both the Atlantic and Pacific solo, was the first president of The Ninety-Nines, international organization of licensed women pilots. She was always interested in encouraging other women to fly and to help in their careers.

In 1929, 99 of the then 117 U.S. women pilots met and organized; hence the name. Today there are more than 4000 members in 22 countries. The 99's award seven Amelia Earhart scholarships each year.

Today, women in aerospace:

push the throttle
monitor oil spills in the Gulf of Mexico
help launch satellites
dust crops
hunt hurricanes
make trans-Atlantic delivery flights
design cockpits
serve as manufacturers and airlines executives
wear Army and Navy aviator wings
establish world aviation records
pilot corporate aircraft
serve as airport/heliport consultants, as FAA flight examiners
control air traffic
direct aviation education programs
work as propulsion, human factors, electrical and design engineers
operate airports/heliports
instruct ground, flight and instrument students
program computers in missile guidance and control systems, flight simulators
give aerial traffic and weather reports
patrol pipelines
publish and write for aviation newspapers, magazines, books
transport personnel and parts to off-shore rigs
co-pilot commercial airlines
fly rescue missions
teach our youth aerospace subjects

But all this is not really new. In the early days of aviation, women soon proved skilled and qualified as balloon, airplane and helicopter pilots and were accepted and welcomed into the aviation fraternity. Through the years, women have held responsible positions in all segments of aviation. Many have won international recognition for their achievements.

It would be impossible here to report completely and accurately all the many and diversified jobs done by women in aerospace today. Here are just a few that are representative of what women have done, can do, are doing, and given the opportunity, will do, to further advance technological developments for continued U.S. leadership in aerospace.

In 1910, Blanche Scott Stuart, in an unscheduled take-off (strong wind) was the first woman to solo. She went on to become an exhibition pilot. Harriet Quimby, drama critic of *Vogue* magazine, was the first American woman licensed pilot, and the first to fly the English Channel in 1912.

In the 1930's, Helen Richey was the first woman to wear an airline uniform and fly from the right seat. Also in the 30's, the famous Jacqueline Cochran started her record-breaking career (her speed records in the P–51 still holds), and she was the first woman to break the sound barrier.

During World War II she organized the WASPs (Women's Airforce Service Pilots). In the program 1074 women won their wings and flew 60 million miles for the U.S. Army Air Corps.

The first woman to reach toward space was the record-setting balloonist, Jeanette Picard of Minneapolis, Minn., who in 1934 rose to the height of 57,559 feet. And today Constance Wolf of Blue Bell, Pa., holder of 15 international records, is the leading U.S. woman balloonist.

IN AEROSPACE

It is not possible to recite here the large number of positions held by women throughout all facets of the aerospace industry.

The variety of their important roles includes research and development, engineering, airframe welding, assembly and installation of complicated electronic systems and subsystems, computer programing, designing aircraft components and interiors, selling and flying the finished products, and performing in top management positions.

For example, Mrs. Yvonne Brill invented and patented a design for a "Dual Thrust Level Monopropellant Spacecraft Propulsion System." With RCA since 1966, Mrs. Brill analyzes and designs spacecraft propulsion systems for use in communications, navigation, scientific and meterological applications.

IN AEROSPACE EDUCATION

One of the greatest contributions of women has been in the field of education where they are teaching aerospace subjects in our educational systems all the way from pre-primary to post-graduate levels. And the 99's are actively involved in supporting aerospace education at all levels of learning.

Elsie W. Adams, Marilyn Link and Jane N. Marshall have received our nation's highest award in aerospace education—the Frank G. Brewer Trophy—awarded annually for the most outstanding contribution in the field of aerospace education.

Dr. Carol St. Cyr served as President of the National Aerospace Education Association from 1972 to 1974.

Both NASA and the FAA, as well as numerous associations have women in their education program offices.

IN GOVERNMENT

As in industry, more women are being named to top positions in government. Aerospace-connected jobs are no exception.

The Federal Aviation Administration of the Department of Transportation has women in many key jobs all over the country.

For example, since World War II, women have been manning the control towers at many of our airports. In Hillsboro, Oregon, Delphine Aldecoa is the tower chief. Many women are FAA flight examiners. At FAA headquarters, Mary Jo Oliver is an aviation education specialist. And aeronautical engineer Joan Barriage holds a top post as the Deputy Director of the Office of Environmental Quality.

And at NASA women have important roles in space research. Marjorie Townsend of NASA's Goddard Space Flight Center was the first woman to manage a space launch and was the winner of the Federal Women's Award in 1972. Dr. Nancie Lee Bell is a leading microbiologist at NASA's Ames Research Center in California. Dr. Nancy Roman, one of the world's leading astronomers, is program scientist for the astronomical Netherlands satellite and the small astronomy satellite to be launched this year to investigate X-ray sources.

In 1961, Jerrie Cobb was the first U.S. woman to undergo the astronaut tests. She passed, but did not have the test pilot experience required then. For the last eight years Jerrie has been a jungle pilot in South America, flying doctors, missionaries, and medicines to the Indian tribes in Amazonia.

IN THE MILITARY

When the WASPs (Women's Airforce Service Pilots) flew for the Army Air Corps during World War II, they were civilians. In 1973, the Navy for the first time opened aviator training to women and enrolled eight prospective pilots in the first course. They have completed their training and are now assigned to naval air stations around the country. The Army followed in a few months, and now has two qualified women Army Aviator helicopter pilots. The first, Lt. Sally Murphy, now is taking fixed wing training at Ft. Rucker, while the second, Lt. Linda Horan, is at Army Test Pilot School at Ft. Eustis, Va.

IN AIR TRANSPORTATION

Amelia Earhart pioneered many of the air routes flown today and predicted the worldwide use of air transportation. She proved to be right and would have been proud of the women who followed her flight paths and of their role today in this segment of aerospace.

In May 1963, Betty Miller made a record solo flight from California to Australia (the reverse of Miss Earhart's flight), the first such flight by a woman. For this she was awarded the first FAA Exceptional Service Award and personally was congratulated by President Kennedy in the Oval Office. In

May 1964, a Columbus, Ohio, housewife and mother of three, Jerrie Mock, flew her Cessna 180 around the world in 29½ days in history's first globe-circling flight by a woman. She too received the FAA Gold Medal and was congratulated by President Johnson in the Rose Garden.

Both Betty Miller and Jerrie Mock served on the FAA Women's Advisory Committee for Aviation, and both are members of the 99's and The Whirly-Girls, the latter a world-wide organization of women helicopter pilots.

IN COMMUNICATIONS

Tony Page began her aviation news writing career in 1940 by contributing articles to *Southern* (now *Flight*) magazine. She became aviation editor for *The Valley Times* of North Hollywood, Calif., in 1945 while free-lance writing for other aviation publications including *Cross Country News*. In 1952 she purchased *Cross Country News* and is now its editor and publisher.

The versatile Valerie Petrie keeps herself busy at *Plane & Pilot* magazine, where she is both managing editor and company pilot.

Page Shamburger's first flying reporter job was for *American Aviation*. Flying in her own plane, she visited 3000 airports. In 1965 she was the first woman to fly on an official Air Force hurricane hunter mission. She is the author of six aviation books.

Jean Blashfield served as Editor-in-Chief of the "Encyclopedia of Aviation and Space Sciences."

There is no doubt that women in aerospace have done and are doing much. It is a field that is expanding for them every day, and in all directions.

LITHUANIAN INDEPENDENCE DAY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. KEMP. Mr. Speaker, I would like to join the Lithuanian-Americans of Buffalo, and throughout the Nation, in commemoration of the 57th anniversary of the establishment of the Republic of Lithuania on February 16, 1975.

With the establishment of the republic at the end of World War I, the Lithuanian people enjoyed 20 years of self-determination and personal and religious freedom. This was a period of economic stabilization, and a period of flourishing national culture.

Tragically, Lithuanian independence was short-lived. In 1939, the Soviet Union began its occupation of Lithuania—and continues to this day to occupy and subjugate the Lithuanian State.

Although forcibly incorporated by the Soviet Union, Lithuanians today have no more accepted foreign occupation than they did in 1939. Despite Soviet tactics of terror, of cultural and political manipulation, suppression and propaganda, the Lithuanian national spirit has not been dissolved or diminished—and continues to be a memorial to the dignity of all mankind.

Mr. Speaker, as we pause in commemoration of Lithuanian independence, it is incumbent upon us to be vigilant of détente—and to be aware of what détente with the Soviets has not meant to the brave people of Lithuania. It would be unconscionable and indefensible for America to overlook the realities of suppression in Lithuania that we might be soothed by the peaceful jargon of détente.

In Buffalo, the Knights of Lithuania, and the Lithuanian Club of Buffalo continue to focus attention and action upon the plight of the Lithuanian people. Their efforts on the local level deserve vigorous followup on the congressional level. We cannot forget the brave struggle of the Lithuanian people.

POEM IN MEMORY AND HONOR OF PRESIDENT FRANKLIN ROOSEVELT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HARRINGTON. Mr. Speaker, a constituent of mine, Theodore Safine of Peabody, Mass., has recently sent me a poem written in memory and honor of President Franklin Roosevelt.

As he requested, I would like to insert the poem in the CONGRESSIONAL RECORD at this time for the information of my colleagues and others who have the opportunity to read the RECORD.

The text follows:

FRANKLIN DELANO ROOSEVELT

(By Theodore Safine)

Clouds of want swept o'er a land
Once famed for plenty, joy and health;
Ragged babies cried for food
As parents lost their homes and wealth.

A nation once so grand and proud,
Bowed her head in grief and want,
As misery spread o'er all the land,
And crops and stock were lean and gaunt.

Depression clouds grew ever darker;
Strong minds and hearts must meet the need;
For leadership a nation prayed,
To save the world from crime and greed.

Even the soil seemed bent on ruin;
Sand storms darkened gloomy days.
A situation sad and ominous,
And never a leader to solve new ways!

Here was a tragic problem new,
That threatened to engulf a race.
Surely only a man of magic
Could stem the vicious awful pace.

Questioning eyes looked into tears
Of those whose cheeks were wet with grief,
Pleading, questioning, where the end?
Would some good come to bring relief?

"Experts" brought forth plans amazing:
We must entirely change our ways!
But all their foolish radical ravings
Accomplished only darker days.

Then suddenly a light appeared!
A sunny smile shone through the air,
When came a man of sterling vision,
With firm kind face and graying hair.

In hopeful tones he calmed his people;
He'd do his best to lead them through
The chaos and the deepening labrynth,
Into sunny pastures new.

"Always must our nation flourish;
Always must our freedom be
Emblematic of our founders—
Those who died for you and me."

Both day and night long hours he labored,
This plucky man at the nation's desk.
Never with bribes were his duties besmirched;
Never a problem but brought forth his best.

Soon plans unheard of in former years,
Came from beneath that Capitol dome;
Plans to re-establish business
And save each workman's humble home.

Soon the hungry were fed and clothed.
Money long hid in the Treasury vault,
Was brought forth to feed hungry mouths.
Some said he was generous to a fault.

"They must be cared for," he firmly reminded,
"For what better cause could money be spent?"
Banks were opened and business resumed;
Into the mountains young men were sent—

To do the work that would keep them clean,
And out of the gutters of city street.
Four years he served and planned great things;
He was saving our nation from defeat!

Like all great men he was cruelly assailed
By cranks who would oust a man of power—
Those morbid fiends from the lower ranks
Envious of each great man of the hour.

But right is might, and the people knew
That they owed their all to this brainful man;
Smiles had taken the place of tears
Long e'er his second term began.

No other man since America's birth
Has coped with such trying and dangerous times,
Restoring laughter to tear dimmed eyes,
As steadily upward prosperity climbs.

Word of his greatness rapidly spread
To other lands where they praise his name,
And tell how he avoided the fall of a nation,
And how he merits the highest acclaim.

Beloved by men the world around,
From north to south, and east to west,
A whole world proudly, fondly vows
Forever will his name be blest!

A WARNING TO HEED

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BAUMAN. Mr. Speaker, as all independent Americans should, the Baltimore News American has taken note of the concern expressed by the Director of the CIA, Mr. William E. Colby, regarding the pending congressional investigations of his and other intelligence agencies. It is my hope that a Congress that was willing to abolish its own investigative unit aimed at subversion, the House Committee on Internal Security, will not now conduct a witch hunt against the agencies of Government who are charged with protecting our Nation.

I include the editorial at this point in my remarks:

A WARNING TO HEED

William E. Colby, director of the beleaguered Central Intelligence Agency, last week gave Congress a grim warning of the damage already done to national security operations by what he called "exaggerated" press allegations—and the potential future damage inherent in pending probes by publicity-seeking Washington lawmakers.

Both the Senate and the House, heavily dominated by the Democratic party, have established Watergate-type select committees soon to begin quasi-public investigations of the CIA, the FBI and all other hush-hush government agencies. With revealing significance, the House committee has allotted only three of its 10 seats to Republicans.

In rare public testimony before a House Appropriations sub-committee last Thursday, Mr. Colby undertook to deny charges in the New York Times and elsewhere that the CIA conducted "massive illegal domestic intelligence operations." Admitting that some minor stretching of the CIA charter may have occurred in pursuing possible foreign links to American dissidents, Mr. Colby nevertheless insisted:

"It was neither massive, illegal nor (fundamentally) domestic, as charged. All our operations were made at presidential directive and under authority of the National Security Act."

This admittedly real consideration, he went on, was negligible when compared with the harm done to national security operations by what he termed "hysterical" charges against the agency.

Already, he said, CIA relations with intelligence groups in allied nations have been jeopardized, the very lives of American spies on dangerous missions abroad have been imperiled, and CIA morale in general has been lowered dangerously.

"These last two months have placed American intelligence in danger," Mr. Colby said. "Exaggeration and misrepresentations of CIA activities do irreparable harm to our intelligence apparatus. If carried to the extreme, (they) would blindfold our country as it looks ahead."

What the director clearly suggested was that the forthcoming select committee probes, with their built-in danger of private-session leaks, are a dandy way of serving the curiosity of Moscow spies far more than the interests of the American people. In a terribly competitive, war-threatened world. even democracies are obliged to have self-protective secrets—or else.

Like CIA Director Colby, we view the impending Senate and House inquiries with both resignation and trepidation. Congress has a perfect right to pursue the planned probes—which incidentally are supposed to go on quietly all the time as part of its budget control responsibility. It is the specter of politics vs. security which is so alarming.

Sometimes—when especially discouraged—it is possible to view some of the decisions of our national legislators as not only self-serving but self-defeating. We fear that the hippodrome probes of national security agencies now looming may well fall into both categories.

VOICE OF DEMOCRACY CONTEST

HON. WILLIAM C. WAMPLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. WAMPLER. Mr. Speaker, I recently received a letter from Mr. Cooper T. Holt, executive director of the Veterans of Foreign Wars, that a young lady from my congressional district, Miss Nancy Catherine Haga, Route 3, Box 212, Independence, Va., was the winning speech contestant from the Commonwealth of Virginia in the national Voice of Domocracy Contest, conducted annually by the Veterans of Foreign Wars of the United States and its Ladies Auxiliary.

I am further informed that the winning contestants from each State will be brought to Washington, D.C., for the final national judging as guests of the Veterans of Foreign Wars. The prize for the national winner is a $10,000 scholarship. The winning contestants from each State will be further honored on the evening of March 11, 1975, from 6 p.m. to 9 p.m. at the Veterans of Foreign Wars annual congressional dinner at the Sheraton-Park Hotel, Washington, D.C.

In this connection, Mr. Speaker, I include Miss Haga's winning speech in the RECORD, so that each Member of Congress and the citizens of the Nation might have the benefit of the thoughts of a young 17-year-old Virginia lady:

MY RESPONSIBILITIY AS A CITIZEN

As a part of growing and learning, it has become a compulsory rule to look back at the pages in our nation's history. If, per chance, what we see, read, and hear is beginning to get a little trite, then probably we are missing an important revelation that glares at us from every page.

Can it be, fellow citizen, that as we enjoy the fruit handed down by those before us, we neglect to plant seeds of our own?

I am told often of the Revolution; of the struggles of our forefathers to obtain certain God-given rights of freedom—life, liberty, and the pursuit of happiness—so that future generations, You and I, would never be deprived of them. I read of how a group of courageous, freedom-loving men boldly set down a list of signatures on a document which would officially grant you and me the freedom to enjoy these same rights. Determination and responsibility kept them going, even as they faced possible execution. I have looked, misty-eyed, at long, innumerable rows of white crosses; the only recognition that thousands upon thousands of young men have gained for the scourge and horror of world war. Their names didn't make it to the history books because their responsibilities as citizens remained far more supreme. Then, perhaps somewhat less remote to my lifetime, I have known the irrational assassination of a few of America's great leaders like Kennedy and King. These men were also willing to take a risk for their nation, dying in the midst of mighty efforts and not in the cozy little rut in which too many Americans are content to live out their lives.

We as citizens find it far easier to take our gift of liberty for granted than to remember how and from whom they were granted. It seems that few of us live each day thinking desperate, long-ranged thoughts about how we will live, or die if need be, to keep America the superior nation that she is for our children who will follow us. Some regard it as unnecessary.

Ah, but it is necessary. We must strive to keep within us from day to day, the truthful conviction of the late Dwight D. Eisenhower—

"Freedom from fear and injustice and oppression will be ours only in the measure that men who value such freedom are ready to sustain its possession—to defend it against every thrust from within or without."

It is my responsibility to nurture these blessings of freedom at all costs while encouraging others to do the same. For any democracy composed of persons who value this freedom will remain a working democracy. For this reason we must open the eyes of those who don't value it. We can achieve this only by living up to our responsibilities, for it is impossible to ignite fever in another man's soul if we don't have it in our own.

I can begin by taking an active, effective part in this ingenius government, tackling first the startling fact that roughly 40% of my nation fails to vote each year. Apathy is our deadliest enemy for in the words of Woodrow Wilson—

"Freedom exists only where the people take care of the government."

In a government of, for, and by the people, both the problems and the remedies lie strictly with you and me and our own God-given strengths. As long as we retain the ability to come to grips with this fact, we will never fall from within because of disillusionment, immorality, lack of faith, or a more attractive form of power that lies beyond our borders. Likewise, with such vast inner strength, we can never be vulnerable to attacks from without. General Douglas McArthur once said—

"The inescapable price of liberty is the ability to preserve it from destruction."

So long as you and I stand by this moral obligation, whatever duty demands, we can live up to the title, "Citizens of America".

THE RECORD OF THE WPA AND OTHER NEW DEAL PROGRAMS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HAWKINS. Mr. Speaker, during the recent months as our national economic crisis has rapidly worsened there have been more and more references to various of the depression-era economic recovery programs, especially the Works Progress Administration, the Civilian Conservation Corps, and others. I have asked the Library of Congress Research Service to do a short study of some of the accomplishments of these programs, which I believe is deserving of the Members' attention. The study follows:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., February 7, 1975.

To: The Honorable Augustus F. Hawkins. Attention: Gilbert Vigil.

From: Peter B. Sheridan, Analyst, Government and General Research Division (Kenneth E. Gray, Chief).

Subject: Background information on the Civilian Conservation Corps, the Public Works Administration, the Works Progress (and Work Projects) Administration, the National Youth Administration, and the Reconstruction Finance Corporation.

In response to your inquiry of January 28, 1975, concerning the establishment and record of the above-mentioned agencies, I submit, attached hereto, a brief analysis of the origins, objectives, and accomplishments of such agencies.

The four New Deal agencies (CCC, PWA, WPA, and NYA) described in the attached report had their origins in Franklin D. Roosevelt's attempts to alleviate the desperate condition of an estimated 15,000,000 unemployed. These four "alphabetical" agencies constituted a massive attack on the problems of unemployment caused by the Great Depression beginning in 1929 and are considered prime examples of the relief and recovery measures of Roosevelt's New Deal.

The Reconstruction Finance Corporation (RFC) was created in the last year of the

Hoover Administration and originally possessed a rather limited range of authority. This was broadened considerably when Roosevelt became President.

THE ORIGINS, OBJECTIVES, AND ACCOMPLISHMENTS OF THE CCC, PWA, WPA, NYA, AND THE RFC

CIVILIAN CONSERVATION CORPS (CCC)

The history of the Civilian Conservation Corps falls into three periods. The first period was initiated by the Emergency Conservation Act of 1933. This Act, supplemented by Executive Order 6101, authorized the establishment of camps where employment and training was provided for youthful unemployed citizens of the United States. The second period was initiated by the Act of June 28, 1937. This Act formally established the Civilian Conservation Corps as a definite agency within the governmental framework, and gave legal recognition to the title which long had been in use. The third period began on July 1, 1939, when the Civilian Conservation Corps, by the Act of April 3, 1939 known as the Reorganization Act of 1939, was transferred by the President to the Federal Security Agency. This transfer did not change the administrative set-up of the Corps, but during this period more attention was directed to the national defense program. Vocational training for defense industry and military drill for all enrollees were initiated in this third period. In May, 1940, the Civilian Conservation Corps began converting to defense work on military reservations and forest protection. The Labor-Federal Security Appropriation Act of 1943 provided for the liquidation of the Civilian Conservation Corps not later than June 30, 1943.

The objectives of the Civilian Conservation Corps were to provide the unemployed work of a public nature in the construction, maintenance, and conduct of programs of reforestation, the prevention of forest fires, floods, and soil erosion, the control of plant pests and from attacks by insects and tree diseases; and by mosquito control helped stamp out malaria. They also helped control predatory animals and rodents on nearly 40 million acres of range lands. The Civilian Conservation Corps added more than 17 million acres of forest land; and it has been estimated that of all the forest planting, public and private, in the history of the nation, more than half was done by the Corps.

PUBLIC WORKS ADMINISTRATION (PWA)

The National Industrial Recovery Act of June 16, 1933 provided for the creation of the Federal Emergency Administration of Public Works. It was not until July, 1939 that the agency became officially designated as the Public Works Administration. Reorganization Plan 1, which became effective on July 1, 1939, consolidated the Federal Emergency Administration of Public Works into the Federal Works Agency to be administered as the Public Works Administration. PWA was scheduled to expire several times but was extended by various appropriations. The Independent Office Appropriation Act for fiscal 1943 extended the Public Works Administration to June 30, 1943. By Executive Order 9357, of June 30, 1943, the PWA's functions were transferred to the office of the Federal Works Administration. This agency was abolished by an act approved June 30, 1949, and its functions transferred to the General Services Administration.

The objectives of the PWA were to promote and stabilize employment and purchasing power by the encouragement of construction of useful public works projects through loans and/or grants to non-Federal public bodies and, to a limited extent, by financing construction of Federal projects. The PWA was authorized to develop long-range plans for a comprehensive program of public works projects which included the construction, repair and improvement of highways, parkways, public buildings, and other facilities.

Almost every conceivable type of public works projects was embraced by PWA's activities. PWA built bridges, tunnels harbors, involved itself in the construction of naval vessels, combat planes, and more than fifty military airports.

The PWA made grants and loans to state and local governments for numerous construction projects including school and college buildings and libraries. From 1933 to 1939, the PWA helped construct more than 70% of the country's new school buildings, 65% of its courthouses, city halls, and sewage plants, and 35% of its hospitals and public health facilities.

WORKS PROGRESS (AND WORK PROJECTS) ADMINISTRATION (WPA)

The Works Progress Administration was created by Executive Order 7034 of May 6, 1935, under authority of the Emergency Relief Appropriation Act of 1935, and continued by subsequent yearly Emergency Relief Appropriation Acts. The name was changed to the Work Projects Administration on July 1, 1939 by Reorganization Plan 1 which provided for the consolidation of the Works Progress Administration into the Federal Works Agency.

With the approach of World War II, the WPA aided the defense effort by engaging in construction at various military installations. The war brought increased employment and in a letter from the President to the Federal Works Administration. December 4, 1942, the liquidation of the program was authorized. On June 30, 1943 the agency was terminated.

The general objective of the WPA was to operate a program of useful public works projects, and to aid employable needy persons by providing work on such projects.

In its eight years of operation the WPA gave work to more than eight million unemployed in a sometimes bewildering variety of projects. Millions were spent on such projects as 600,000 miles of highways, 125,000 public buildings, 78,000 bridges, 8,000 parks, 850 airport landing fields, 5,900 school buildings, and nearly 13,000 playgrounds. The WPA built or improved more than 2,500 hospitals.

Other activities of the WPA included reforestation projects and the construction of dams and dikes as a measure of flood control.

A novel feature of the WPA was the creation of a Federal Arts, Writers', and Theater Program. This gave employment to thousands of writers, artists, and musicians. The Writers' Project, for example, prepared about a thousand publications, including fifty-one state and territorial guides, some thirty city guides, twenty regional guides, and several special studies. The Federal Theater Project presented plays to many people who had never seen a theatrical production, and the artists produced paintings, sculptures, and more than 2,500 murals in public buildings throughout the nation.

NATIONAL YOUTH ADMINISTRATION (NYA)

The National Youth Administration was established within the Works Progress Administration by Executive Order 7086 of June 26, 1935, under authority of the Emergency Relief Appropriation Act of 1935 (48 Stat. 115). Effective July 1, 1939, the NYA was transferred by Reorganization Plan No. 1 to the Federal Security Agency (later reorganized into the Department of Health, Education and Welfare). By Executive Order 9247 of Sept. 17, 1942, the NYA was transferred to the War Manpower Commission where it functioned within the Bureau of Training. The NYA was dissolved by an Act of July 12, 1943, having terminated its war production projects and liquidated its holdings.

The major objectives of the National Youth Administration were as follows:

1. To provide funds for the part-time employment of needy school, college, and graduate students between 16 and 25 years of age so that they could continue their education.

2. To provide funds for the part-time employment on work projects of young persons, chiefly from relief families, between 18 and 25 years of age. The projects were designed not only to give these young people valuable work experience, but also to benefit youth generally and the communities in which they lived.

3. To encourage the establishment of job training, counseling, and placement services for youth.

4. To encourage the development and extension of constructive leisure-time activities.

The National Youth Administration was in operation eight years (1935–1943). In that time, a total of $662,300,000 was expended, of which $467,500,000 for the school work program. The NYA gave part-time employment to more than 600,000 college students and to more than one and half million high school students. During the same period the NYA aided over 2.6 million jobless youths (45% female) who were not in school. Many of these received vocational training in NYA workshops.

RECONSTRUCTION FINANCE CORPORATION (RFC)

The Reconstruction Finance Corporation was created by special Act of Congress on January 22, 1932. The RFC was organized and began operations on February 2, 1932. Extended several times, the liquidation of the RFC was provided for by an Act of July 30, 1953. This Act terminated the lending powers of the RFC effective September 28, 1953 and liquidation of the Corporation's assets began at that time. The same Act also created the Small Business Administration while providing for the continuation of the RFC until June 30, 1954. Thereafter, in furthering the liquidation process, the Secretary of the Treasury succeeded to and exercised all powers, duties, and authority previously lodged in the Administrator of the RFC. Effective June 30, 1957, the RFC was abolished and its remaining functions transferred to the Housing and Home Finance Agency, the General Services Administration, the Small Business Administration, and the Department of the Treasury.

Broadly stated, the object of the Reconstruction Finance Corporation was to aid in financing agriculture, commerce, and industry, to encourage small business, to help in maintaining economic stability of the country, and to assist in promoting maximum employment and production.

The RFC act was passed by a House controlled by the Democrats and a Senate run by a coalition of Democrats and Republican progressives. The measure was adopted by President Hoover with more than a little reluctance.

Under President Hoover, the RFC was authorized to lend money to banks, railroads, and other institutions. When Roosevelt put Jesse Jones, a Texas banker, at the head of the RFC it became a vastly different institution. Among the largest and most complex of all Federal lending agencies, the RFC became the banker for many of the new relief and recovery agencies. Loans were made for many purposes, including construction of school buildings, teachers' salary payments, and refinancing of indebtedness incurred for educational purposes.

During its twenty-one years and eight months of operation, the Reconstruction Finance Corporation made some 240,000 loans involving twelve billion dollars. Aside from its peacetime activities, the Reconstruction Finance Corporation, under legislation in 1940 and 1950, assumed large military responsibilities, e.g., purchases of strategic items, financing war production facilities, and administration of the war damage insurance program.

LITHUANIAN INDEPENDENCE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. DERWINSKI. Mr. Speaker, several weeks ago, the House commemorated the 57th anniversary of Lithuanian independence by placing appropriate remarks in the RECORD.

I am pleased to insert at this time a resolution that was adopted by the Lithuanian-Americans of the Chicago Western Suburbs in Lemont, Ill., which calls for the reaffirmation of U.S. policy of nonrecognition of the forceful annexation of Lithuania by Soviet Russia.

RESOLUTION

We, Lithuanian-Americans of the Chicago Western Suburbs at a meeting held on February 9, 1975, commemorating the 57th anniversary of the establishment of the Republic of Lithuania in 1918, and the 724th anniversary of the formation of the Lithuanian Kingdom in 1251, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920, Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatory of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940, invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation of this freedom-loving country into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the Communist regime in seeking political and religious freedom, as demonstrated by the Lithuanian sailor, Simas Kudirka, the self-immolation of Romas Kalanta, and the subsequent demonstration of thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to Kurt Waldheim of the United Nations, and most recently untold numbers of Lithuanians arrested and imprisoned for the publication and distribution of "The Chronical of the Lithuanian Catholic Church"; and

Whereas the 89th U.S. Congress unanimously passed House Concurring Resolution 416 urging the President of the United States to direct the question of the Baltic Nations and other international forums, focusing attention on the denial of the rights of self-determination for the peoples of Lithuania, Latvia, and Estonia, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved, that we, Lithuanian-Americans will urge the President of the United States, Members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Detente policy; and further

Resolved, to request the President of the United States to vigorously implement House Concurring Resolution 416 to the fullest extent.

KAZYS LAUKAITIS,
President.
VYTAUTAS KAMANTAS,
Secretary.

WHY INDEXED TAX SYSTEMS PROVIDE THE NEEDED FRAME OF REFERENCE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. CRANE. Mr. Speaker, Dr. William J. Fellner, a member of the President's Council of Economic Advisers and previously an opponent of indexation for Federal taxes and obligations, came out in strong support of this proposal, in a recent speech delivered in King's Point, N.Y. On behalf of my colleagues and myself who have worked for many months now on enacting legislation, I welcome his conversion and support, and I wish to share some of the pertinent observations made by Professor Fellner in his address.

This year's annual report of the Council of Economic Advisers reveals that the 1974 inflation rate of 11 percent caused personal income tax payments to rise by $8 billion. Mr. Fellner asserted that this increase is directly attributable to the relocation of taxpayers' dollar income into new, distorted taxable income levels. He points out:

> In any event, the $8 billion estimate for 1974 is based on the assumption that the distorting effect of inflation results exclusively from the relocation of taxpayers from non-taxable into taxable brackets, and from lower to higher brackets, because their money incomes reflect an inflationary trend which their real incomes, of course, do not display.

Dr. Fellner proceeds with considerable detail to advance the need for complete tax indexation since the corporate tax structure also allows inflation to deprive corporate taxpayers of more of their real incomes than Congress intended. Indeed, private enterprise would have been saved nearly $20 billion in 1974 alone had no taxes been levied on inflationary gains, strictly on corporate taxpayers.

Therefore, in 1974, the cost of non-indexed, progressive taxation to the Nation's taxpayers was almost $30 billion. Conversely, Dr. Fellner continued:

> I have concluded that tax indexation such as would have excluded the inflationary distortions developing during 1974 would have led to a reduction of tax payments by up to $30 billion in that year.

Mr. Speaker, we are all looking for ways to relieve recessionary pressures, while simultaneously combating inflationary elements which removed many natural economic stabilizers, primarily through long-range, comprehensive tax reforms. I invite my colleagues in Congress to join Dr. Fellner in support of the true and effective reforms offered by complete indexation of the Federal tax structure.

The entire text of Dr. Fellner's speech before the Civil Service Commission on February 13, 1975, and Hobart Rowan's article of February 14, 1975, published in the Washington Post follow:

WHY INDEXED TAX SYSTEMS PROVIDE THE NEEDED FRAME OF REFERENCE

(By Dr. William J. Fellner)

Having served on the Council of Economic Advisers since the Fall of 1973, I am about to return to my earlier work and will continue to be engaged in economic research. Let me make a few observations about one of the several problems I take along with me for further thinking and exploration.

The distorting effect of inflation on the tax structure has developed into a very disturbing problem, and it is one to which more attention needs to be paid as we go along. The only systematic way of gradually removing these distortions would be to use an indexed tax system as the point of departure for any tax-rate adjustments we may wish to make in the future.

Indexing the tax-structure means not allowing taxpayers to move from nontaxable into taxable brackets, or from lower into higher tax brackets, as a result of increases in money incomes that reflect merely the rate of inflation since some base year; *and* indexation exempts from taxation any revaluation of an unchanging stock of assets to the extent that the revaluation merely reflects the inflation rate. A number of technical decisions would have to be made to arrive at a firm decision as to what precisely the shape of the 1974 tax structure would have been if it had been indexed so as to be influenced *neither* by the tax-bracket consequences of the inflation rate from, say, 1973 to 1974 *nor* by 1974 asset-revaluations expressing merely the general rate of inflation. But I would expect reasonable expects to be able to agree on acceptable procedures in this regard, though the question of what deviations of the actual tax structure from an indexed structure so derived would be considered most desirable would, of course, remain a matter of personal judgment.

In the 1975 Annual Report of the Council of Economic Advisers it was estimated that in 1974 an 11 percent inflation rate has increased personal tax payments by at least $8 billion. This is a rough "measure" of distortion in one area of taxation, as compared to keeping the tax structure indexed from 1973 on. The further one wanted to go back into the past in setting the base year the more difficult would it become to measure the various distortions, because of earlier tax-rate adjustments and because it is impossible to tell to what extent the legislators were at that time influenced by the post-1965 inflationary trend. In any event the $8 billion estimate for 1974 is based on the assumption that the distorting effect of inflation results exclusively from the relocation of taxpayers from non-taxable into taxable brackets, and from lower to higher tax brackets, because their money incomes reflect an inflationary trend which their real incomes, of course, do not display. This however, for reasons already hinted at and to be explained in a moment, does not take care of the inflationary tax distortions suffered by those earning interest or a yield from assets of any sort.

Recipients of interest are not freed from the distorting effects of inflation if after, say, a 10 percent general price increase and a 10 percent increase of their money income they are kept in an unchanging tax bracket. The distortion would be eliminated for them only if we recognized *also* that up to a 10 percent nominal rate of interest they earned no positive real income that is, by deducting from their money-interest income a 10 percent rate allowance for maintaining the real value of their savings.

The reason why it might have been confusing simply to merge this aspect of the tax-distortion problem with the usual problem of removing distortions from the personal tax structure is that the specific problem of interest-recipients ties in quite closely with the distortions inflation has caused in the area of *corporate* taxation. Insofar as corporations use the so-called FIFO—first in, first out—method of inventory valuation, they are taxed on the current-dollar gains developing when they replace their inventories at higher prices, and in recent times these gains—which are locked in for corporations not reducing their inventories—have reflected to a large extent the general inflationary trend. Moreover, corporations are required to use the historical cost of acquisition of their plant and equipment as the basis for depreciation—in this regard they the FIFO-LIFO inventory valuation option—and, whenever they replace their fixed capital at inflated prices, the difference between the replacement cost and the historical cost of acquisition also shows as a taxable gain in terms of current dollars. This too is a locked-in gain for going enterprises and reflects very largely the inflationary general price trend. If no taxes had been levied on these two types of inflationary gain this would have lowered tax collections significantly—in 1974 by an amount in the neighborhood of $20 billion. The precise figure depends on what measure of inflation we use, but it would be difficult to arrive at an estimate of less than $15 billion for the reduction of the tax burden corresponding to the exclusion of such inflationary revaluation gains from the tax base. Most of the inflationary nominal gain—the large inventory component—must have developed as a result of steep inflation during very recent time spans, some of it—the fixed equipment component—as a result of inflation over a long period. This problem of corporate taxation raises questions intimately connected with the taxation of interest-income that is merely "nominal" rather than "real".

The link is close because while a substantial part of the inflationary inventory and fixed-capital revaluation gains, reflecting current inflation trends, shows in taxable corporate book profits, another part of considerable size shows in the taxable income of creditors who have contributed to financing the acquisition of inventories and of fixed capital. In an indexed tax and accounting system corporations and enterprises in general would, on the one hand, not include into their tax base the inflationary revaluation gains to which I have referred; on the other hand, when computing their taxable profits they would deduct as interest cost merely the real interest they are paying to their creditors, that is, they would deduct not all money interest but merely the difference between money interest and the equivalent of the inflation rate. Interest recipients of *all* categories, including owners of savings deposits, would in turn be taxed only on the "real" component of their interest-income (where there *is* such a component). The procedure so described would imply, among other things, a rechannelling from corporations to their creditors that part of the tax savings which, while conveyed to the corporations, are to be imputed to the creditors because at present taxable inflationary revaluation gains reflect themselves in part in the creditors' taxable interest incomes rather than in the taxable income of the borrower. However the tax burden of interest-recipients would become reduced below what is involved in the rechannelling of part of the tax-saving from the corporations to creditors, since not all taxable interest income derives from corporate borrowing.

Excluding recent inflationary distortions through indexation for personal incomes in general, for interest-income (whether personal or other) in particular, and also for business profits, would probably have brought about a larger loss in fiscal revenue than will be caused by the rather fortuitous tax-rate reductions on money incomes that might take place in reality. I am planning to explore the matter systematically and should not speak as if I had already completed a piece of systematic research on the subject but in a general way I did look into the available data, and as yet quite tentatively I have concluded that tax indexation such as would have excluded the inflationary distortions developing during 1974 would have lead to a reduction of tax payments by up to $30 billion in that year. I am not urging a corresponding enlargement of the tax cuts planned at present but I am urging that we explore thoroughly the properties of an indexed tax structure and that we use the results as our frame of reference when thinking about tax adjustments.

At present we are determined to reduce effective tax rates on money incomes, in large part because in the current recession automatic stabilizers are put out of commission by the inflationary process. At other times we may want to reduce effect rates for other reasons which are nevertheless likely to have to do with a reduced but continued rise of the general price level. There will also be times in our future history in which we will want to raise tax rates. In all these cases an orderly decisionmaking process requires that we should have a frame of reference in relation to which we can justify what we are proposing to do. We should know what the characteristics of our tax structure would be after exclusion of the recent inflationary effects and we should be able to explain and justify why we propose to change that structure whenever we wish to do so. A badly inflation-ridden tax structure does not provide the needed frame of reference. To continue using such a structure as a frame of reference for making adjustment "by feel" would be bad practice.

[From the Washington Post, Feb. 14, 1975]

Indexed Tax Structure Advocated by Fellner

(By Hobart Rowen)

A member of the President's Council of Economic Advisers said yesterday that "inflationary distortions" had boosted 1974 tax payments by about $30 billion.

William J. Fellner, in a speech to a Civil Service Commission audience in Kings Point, N.Y., strongly advocated an indexed tax structure—automatic adjustments of the tax rates to offset the effects of inflation—to take care of this problem.

Fellner is scheduled to resign shortly to return to his post as resident scholar of the American Enterprise Institute in Washington. A text of his speech was released here.

Increasing attention has been given recently to the impact of inflation on the tax structure. The annual report of the CEA noted that inflation has been pushing individuals into higher tax brackets, "causing a significant transfer of real income from individuals to the government . . ."

And a study published last week by the Joint Economic Committee of Congress noted that higher taxes had caused an even greater burden to many families than inflated food or transportation costs.

Fellner's estimate of $30 billion as the cost of inflation in terms of higher tax obligations is made up of about $8 billion drained from individuals, and approximately another $20 billion from corporations.

The CEA report cited the following example to show the tax effects of inflation on a family of four that filed a joint return of $10,000 in 1972, paying federal taxes of $905 (taking standard non-itemized deductions).

The same family in 1975, with a 30 per cent increase in income to $13,000, matching a 30 per cent increase in prices over the period, would pay $1,391 in taxes. In this case, despite the 30 per cent increase in money income, the real after-tax income would drop almost 2 per cent in 3 years, the CEA said.

Under an indexed tax system, individuals would not move into higher brackets, Fellner said, "as a result of increases in money incomes that reflect merely the rate of inflation since some base year."

Corporations would be exempt from including in their taxable income "any revaluation of an unchanging stock of assets to the extent that the revaluation merely reflects the inflation rate."

Fellner pointed out that indexation of personal income doesn't take care of the problem suffered by those whose interest return on investments is wiped out or reduced by inflation.

He gave as an example a person whose investment income increases 10 per cent while prices are rising 10 per cent, and who thus remains in an unchanged tax bracket.

In such a case, Fellner said, the loss could be compensated by deducting from money-interest income "a 10 per cent rate allowance for maintaining the real value of their savings."

But the question of shifting the taxation of interest income from "nominal" or money value, to "real" income, Fellner said, is intimately connected with corporation taxation.

In a fully indexed tax and acounting system, he observed, corporations could report real rather than inflationary profits. But in computing their taxable profits, "they would deduct as interest cost merely the real interest they are paying their creditors . . ."

"Interest recipients of all categories, including owners of savings deposits, would in turn be taxed only on the 'real' component of their interest-income, when there is such a component."

The Ford Administration has made no formal proposals for indexation. The CEA report said that "truly comprehensive indexing is not feasible immediately", although the practice is spreading through various kinds of automatic adjustments and wage escalators.

Fellner said he was not recommending a further tax cut of $30 billion on top of the $16 billion already recommended by the Administration, but urged a thorough study of indexing, to be used "as our frame of reference when thinking about tax adjustments."

THE HAZARDS OF LIQUID NATURAL GAS IN POPULATED AREAS

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. RICHMOND. Mr. Speaker, to see that many of my constituents from several communities of the 14th Congressional District could have their views expressed, I made a statement before the Federal Power Commission. That statement dealt with the storage and transportation of liquid natural gas in the New York City area.

This topic is of primary concern to me and many citizens, whose lives are threatened daily by this hazardous material.

It is my hope that something tangible will come from those hearings and I submit my statement to the CONGRESSIONAL RECORD with that hope in mind:

STATEMENT BY HON. FREDERICK W. RICHMOND BEFORE THE FEDERAL POWER COMMISSION, MARCH 3, 1975

Mr. Chairman: I am Fred Richmond, Congressman from the 14th Congressional District of New York. I would like to take this opportunity to thank you for allowing me to address this Commission.

The storage and transportation of Liquid Natural Gas is of particular interest to me because the safety and well-being of many of my constituents depends upon the regulations regarding this hazardous material.

My district constitutes an area of Brooklyn which borders segments of the New York waterfront. The area encompassed by the district lines is approximately seven square miles. As you can clearly see, there are several hundred thousand citizens within a very confined section of land. Located within the district in Greenpoint, there are two liquid natural gas storage tanks which are placed within a mixed industrial residential area.

This placement has been a continuing fear for the thousands of residents whose homes encompass this potential disaster area. Although these tanks have been certified by authorities to be safe and not potentially dangerous, they still remain a haunting realization for thousands of citizens.

There are other flammable materials stored near these tanks such as gas and oil, as well as lumber. If there was a fire originating from any one of these substances, the outcome could be catastrophic. We all realize the potential danger and flammability of each of these materials, but have we considered what developments could occur if such a fire took place within the questionable area? This is a situation which has caused miscomfort and fear for a number of years. It is a situation which has not corrected itself and one which is not acceptable to my constituents or to me.

The merits for using liquid natural gas cannot be disputed. It is an efficient form of energy which can be used without substantial environmental impact. Its use in residential areas has proven to be most helpful in combating the pollution caused by less environmentally sound substances such as coal and other fuels. During these times of increased energy demands, the need for this type of efficiency cannot be neglected. With the availability of energy becoming less frequent and the cost forever rising, it is necessary for us to utilize energy sources. My concern actually does not lie with the usage of liquid natural gas, but rather the placement of storage tanks and the movement to these tanks.

In order to transfer this highly hazardous material to areas of New York where liquid natural gas is stored, barges and tankers are utilized. The transfer of liquid natural gas from the Staten Island Terminal to Brooklyn is done primarily by barges. These marine transports travel down the East River, up Newtown Creek and finally reach the Brooklyn Terminal. Although the Coast Guard has assured me that this movement is strictly regulated, the danger involved cannot be overlooked.

I am strongly opposed to the transportation and storage of liquid natural gas in New York City. The communities of Brooklyn Heights, Fort Greene, Williamsburg, Northside and Greenpoint, which are a part of the 14th Congressional District, have become unwilling participants in a game of high stakes which if lost could have devastating effects upon these constituents. When liquid natural gas is transferred, it is moved along the waters of these communities and presents a danger of uncomprehensible consequences. In any major collision, grounding or spillage, there would be a whole range of hazards, the exact sequence of which is hard to predict. It is necessary to point out what might happen following a harbor accident involving liquid natural gas. The two basic assumptions following a gas release would be an immediate fire or the creation of highly flammable vapor clouds.

The New York City Fire Department says: "The proposal to transfer liquid natural gas by barge from Staten Island across the harbor and through Hell Gate in the East River poses substantial risks to public safety in the view of the City of New York."

We in New York are particularly alarmed because the New York City Fire Department has declared recent policies to be unsafe.

The Fire Department in its history of public service has always been accurate in evaluation of potentially hazardous situations.

They said the world trade center would not meet safety standards when being built. Because it was outside their authority they could not do anything about it. The recent fire at the world trade center possessed the gravest fear and dangers that were recently exploited in the movie "Towering Inferno." If that building had been built to meet New York City Fire Department standards, this might never have occurred.

I hope that we will be more attentive to the New York City Fire Department. They have not cried wolf in the past and I hope this commission very carefully considers their views.

I am calling on the Federal Power Commission to order an immediate moratorium on the storage and transportation of liquid natural gas in New York City until studies effectively show evaluate how liquid natural gas can be stored and transferred in the safest manner and with minimal risks to human safety possible.

I believe it should be possible to locate sites along our coast where modern and safe liquid natural gas facilities could be built yet which do not threaten any significant number of people with the disastrous consequences I have described. It may be that these facilities might be somewhat more expensive than those that have already been built in the heart of our major metropolitan areas, but if so, it would be a worthwhile investment in protecting the public from the hazards of liquid natural gas.

RAISING THE INCOMES OF OLDER AMERICANS

HON. KENNETH L. HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HOLLAND. Mr. Speaker, today, I introduced legislation to amend title II of the Social Security Act, raising the amount of outside income a person may earn while receiving Social Security benefits to $3,600 from the present $2,520.

Thirty-six of our colleagues are cosponsoring this bill with me. These Members all agree that something must be done to raise the income of our older citizens. They also agree that Congress must act responsibly to balance the needs of all our citizens at a time of economic instability.

However, Mr. Speaker, these colleagues represent only a small portion of the Members who feel that a change in the outside income limitation is necessary. Members of my staff made calls to other offices last week and found almost unanimous support for an increase in the limitation. Many House Members are on other bills to raise the limitation or do away with it entirely.

Considering the support for this legislation in the 94th Congress, much of which is continued from the 93d, I feel this is the year Congress will act for older citizens. Americans living on fixed incomes—incomes held down by the social security earnings limitation—cannot maintain a decent standard of living with today's inflation. Our bill will allow these citizens to earn an additional $90 a month, enough to make ends meet.

Admittedly, the entire social security system is in trouble. The total financing of the program must be seriously reviewed with an eye toward making the system self-sufficient. But we cannot tell these older citizens, who have contributed so much to our Nation, to hold their bills until such a review is completed.

To raise the limitation by even the moderate amount of $1,080 is a costly proposition. Many persons who receive little or no benefits now would be eligible for full benefits. Raising the limitation to $3,600 will cost approximately $300 million a year. However, since removing the limitation entirely would cost taxpayers nearly $4.5 billion annually, the cost of raising it to $3,600 is comparatively small.

The increase which we propose in our bill will affect an estimated 1,000,000 persons over age 65. Mr. Speaker, we will be doing a great service to these persons who so desperately need the assistance.

More than 35 percent of our older citizens nationwide have incomes below the poverty level. In my district, the Fifth District of South Carolina, nearly 40 percent of the older citizens live below the poverty level.

With the advances in medicine of recent years, Americans are living longer. For example, while the overall population of South Carolina has increased by 6.6 percent since 1960, the increase in the group of citizens 65 and older has increased by about 14 percent. If the Federal Government continues to hold their incomes at substandard levels through the social security income limitation, we will be creating the largest single group of poor people with a program designed for their old age security.

There is tremendous pressure on this Congress to hold down Federal spending. Mr. Speaker, we cannot be so bound and blinded by this budgetary obligation that we hold people in poverty to hold the budget in check.

The American people are looking to Congress for responsible economic leadership. We are moving ahead in all areas to show the American people that we are capable of providing that leadership. Mr. Speaker, I feel that the exigencies of the present economic situation dictate that we raise the outside income limitation for social security recipients this year. I hope that other Members of Congress will see the moderate rise that we have proposed as a responsible figure in a year of great fiscal constraint.

Mr. Speaker, I respectfully request early and careful consideration of this bill, which simply allows our older citizens to meet the increased cost of living through the exertion of their own efforts.

INDIAN JURISDICTION

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. PRESSLER. Mr. Speaker, the problem of Indian jurisdiction is one which effects not only my State of South Dakota but many other Western States. I am proud to say that the South Dakota State Legislature and Governor Kneip are in the vanguard of those States trying to work out this complex problem. I am pleased to share with my colleagues an article from the Sioux Falls Argus Leader of February 26, 1975, describing the deliberate and conscientious efforts being made by Governor Kneip and the South Dakota State Legislature. The article follows:

> South Dakota legislators would do well to heed Governor Richard Kneip's observation that there was no need to hurry a resolution seeking congressional action to help South Dakota's Indian jurisdictional and other problems.
>
> There was a push in the legislature last week to complete work on the resolution so it could be delivered to a congressional subcommittee in Washington Monday.
>
> Kneip pointed out that that subcommittee meeting dealt only with law enforcement, and South Dakota's contemplated resolution touches on a variety of issues involving jurisdiction problems between Indians and non-Indians.
>
> When Governor Kneip started his new term in January, he called upon South Dakotans to make the effort to develop better relations between whites and Indians. Truly, this is South Dakota's most urgent and pressing human problem.
>
> Kneip in his inaugural message challenged South Dakotans to come up with a model solution for problems that have been points of contention between the Indians and the state's other citizens for years. Congress is necessarily involved, because many of the problems stem from federal mishandling of native Americans and their status since territorial days.
>
> It would be a credit to all South Dakotans if work by the legislature, by the Indians and their tribal organizations and by Congress resulted in a better day for the 35,000 or more Indians who call South Dakota home. It is a challenge for which all citizens should attempt to work out solutions.
>
> It is great to call for friendly relations on an international scale. It is much harder for everyone to make thing work at home.
>
> A good time to start on making things work at home is the forthcoming public hearing in Pierre Thursday night on the resolution to Congress. Indian leaders said they don't agree with the wording of the resolution—and accused lawmakers of trying to pass it without consulting them. Kneip pointed to the possibility that the hearing would become emotional. "I hope this does not happen. It is an important issue and one we should address . . ." he said.
>
> When the resolution goes to Washington, it should reflect South Dakota's best considered approach as an opening move to bind up old wounds. Kneip's call for careful consideration of the resolution is appropriate and helpful. An earnest, pragmatic approach, rather than an emotional outburst, is the next order of business in helping our South Dakota Indians—descendants of the first Americans—in making their way in the world of 1975.

TWO VIEWS OF THE FOOD SITUATION

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. FINDLEY. Mr. Speaker, the editor of the Illinois State Journal-Register in Springfield, Ill., Mr. Ed Armstrong, recently issued a staff report which had a realistic appraisal of the economic riddle posed by food supply policy. In my view it is a useful contribution to the discussion now unfolding and gives an accurate appraisal of the problem viewed from the heartland of America. Here is the text of Mr. Armstrong's comments:

> TWO VIEWS OF THE FOOD SITUATION
>
> (By Ed Armstrong)
>
> Food is often an emotional subject.
>
> Some people react strongly to different types of food, perhaps even more to how it's prepared. Children particularly have clearly expressed likes or dislikes in the food line. That's obvious to me almost every evening at dinner from the antics and comments of my 9-year-old.
>
> These days, however, food is an emotional subject in a far broader sense—from the housewife who complains about high grocery prices to the persons who are deeply concerned about hungry humans around the world.
>
> It seems that every year or so we must have a "new" major issue for discussion—a newly recognized national or world crisis—in seminars, community groups, churches and at cocktail parties. This year it seems to be world food supply.
>
> It's not a truly new subject by any means; it has been a matter of concern most of the time throughout the history of mankind, but usually it's one of those things that's just there, sort of looming in the background of the world like the threat of war.
>
> Now it has been brought forward to center stage, likely to remain there for a while, then to fade again into the background as other topics such as poverty, racism, education, etc.
>
> Two recent events in Springfield illustrate the complexity and magnitude of the food problem and the emotion it evokes. One was the World Affairs Conference on the subject of "Food: The Global Crisis." The other just four days later was a meeting at the State Fairgrounds at which the state agriculture director listened to farmers from around Illinois express their views on the current farm economy and what, if anything, they as individuals and a group should do about it.
>
> The World Affairs Conference was far more sedate and detached in its discussion of food needs, production and distribution, because only a few of the participants—certainly far less than half of them—were persons who earn their livelihood from any phase of food production or handling.
>
> Though some farmers participated in the discussions and expressed their concerns about the economics of the food situation, the focus was on its moral and political aspects, on the extent to which the United States should go in helping to feed the world and how it should go about it.
>
> The spokesmen among the 800 farmers who gathered in the drafty Illinois Building at the fairgrounds and tried to make themselves heard in the high ceilinged exhibition hall last Wednesday were unashamedly emotional; their livelihood depends on food production and the prices they get for what they produce.
>
> Like any group of farmers, they expressed a broad range of opinions on what ought to be done in regard to food production, but only a couple alluded to any moral concerns in such production. To them raising food is a business and selling food—not giving it away—is their interest. They want to do their share to feed the hungry of the world, provided they can make an acceptable living doing it.
>
> Two sentiments were expressed over and over: (1) There are so many more consumers than farmers—everyone is a consumer, but fewer than 5 of every 100 Americans are farmers—that government policy is geared to trying to keep the price of food down regardless of the effect on farm income, and (2) President Ford let the farmers of America down when he put controls on fram exports last October, sharply reducing the foreign market for U.S. grain.
>
> Whereas the World Affairs Conference participants were concerned particularly with how the United States can produce more to help feed the hungry abroad, how we could eat less so the rest of the world could have more, or how to help those abroad produce more for themselves, the farmers were talking about cutting back on production for fear grain would become so abundant the price will drop below the cost of production.
>
> Because grain prices have dropped approximately a third since last October in spite of a short harvest, and because of depressed prices for cotton, potatoes, dairy products and beef cattle, there is genuine concern by farmers about the prospect of more production this year than the market can absorb.
>
> So while the hungry of much of the world, including some within our own country, will go unfed, it's likely that many an American farmer in 1975 will produce less than he could produce because it's in his own interest to cut back.
>
> The food question is really an economic riddle. We can get as emotional as we want about the starving people of the world, but unless it's economically viable for people to produce food and the means exist to distribute that food and to pay for it, the production will not be accomplished.
>
> All the attention the food issue is getting now is deserved, but pardon me for a pessimistic prediction that when all the study and discussion is done, the perennial issue of world hunger will quietly fade into the background to loom there just as it has since Adam and Eve left the garden.

OF DEFICITS AND DISASTER

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BAUMAN. Mr. Speaker, despite the growing blindness of the Congress and the administration to the true causes of our economic problems, there are a few voices across this Nation who speak out with a judgment unclouded by the unreality of Washington. One such newspaper is the Daily Times of Salisbury which recently published a telling assessment of the Federal budget and its impact.

I include this editorial at this point in my remarks:

[From the Salisbury (Md.) Daily Times, Feb. 25, 1975]

OF DEFICITS AND DISASTER

"When a conservative Republican president proposes a budget deficit of $77 billion over two years, he's got to make a speech about the threat of federal spending," comments economist Arthur Okun, who was chairman of the Council of Economic Advisors under the Johnson administration.

"The trouble with the Ford budget," says Sen. Walter F. Mondale (D-Minn.) "is that he listened to those Republicans who still pray to the god of balanced budgets."

Put a microphone or a reporter in front of almost any Democrat or liberal and much the same kind of observation pooh-poohing the President's concern would be made.

Gerald Ford is guilty of innate conservative miserliness or insensitivity to the plight of the poor and unemployed or want of faith in the unbounded strength of the American economy by attempting to hold down the federal deficit for the coming fiscal year to something less than the greatest deficit racked up in the midst of World War II.

Just what the actual deficit for FY 1976 will be, nobody knows. The President forecasts one of $52 billion in his proposed budget, but that includes trimming spending on various federal domestic programs by $17 million—cuts that Democratic Congress adamantly opposes.

Arthur Okun to the contrary, the prospect is not for a budget deficit of $77 billion over two years but that much or more in one year.

Well, all right. If any god is dead it is "the god of balanced budgets." Who remembers the last time there was a federal surplus, and was the country any better off for having it?

Yet somewhere along the line we are going to have to ask ourselves, what really is the limit to how deeply the government can go into hock at any one time?

Is there no threat at all that massive government borrowing could distort the economy more than it is already distorted and ultimately defeat the very ends we desire to achieve, especially when there are signs that inflation is at long last beginning to abate?

Common sense tells us there is some kind of limit. Otherwise the government could simply crank up the printing presses and award every American a million dollars. This would be fine, except that we know that shortly afterwards we would be paying $10,000 for a pound of hamburger.

The government has no real money of its own. What it has is what it extracts from the economy by way of taxes. It can spend this money wisely in many ways to the benefit of the economy—by returning some of it to the pockets of the nonrich so that they have more to spend on consumer goods, by stimulating capital investment so that the nation's real wealth is increased.

But anything the government spends beyond what it acquires in taxes can only be created by diluting the purchasing power of every dollar.

A sizeable inflation of the nation's money supply, through the twin routes of tax cuts and maintained or increased government outlays, is the popular—and most experts agree, the necessary—thing to do right now to counter the recession.

But by ignoring the fundamental relationship between government income and economic productivity, by pretending that there is no bottom to the federal cornucopia, we are in danger of piling up ills for the future far worse than we would endure by failing to cure the problem of recession in one grand sweep.

The god of balanced budgets may be dead. The gods of economic retribution are still very much alive.

THE TAXPAYERS WOULD SAVE $10 BILLION EACH YEAR IN REDUCED FUEL COSTS IF THE FEDERAL ENERGY ADMINISTRATION WERE ABOLISHED

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. KEMP. Mr. Speaker, we hear much today about the rising costs of fuels, especially gasoline and heating oils.

We know much about those added costs resulting from higher prices being charged by the oil producing and exporting countries—OPEC. These costs rose sharply after the last Middle East war.

We know also about the billions of dollars we are paying in taxes when we buy oil and gasoline—taxes in the form of import fees, excise taxes, highway user taxes on gas and motor oils, even sales taxes at the local level.

What the majority of people in this country do not know enough about is the additional billions we are paying because of the bureaucratic costs of extensive government regulation and control of oil and gas.

The bureaucratic cost of all the Federal Energy Administration controls amounts to an estimated 3 cents to 5 cents a gallon. This is a burden on our consumers of roughly $10 billion every year. Our consumers—already overburdened by direct taxes on fuels—are having to pay this much more—$10 billion a year—in price at the pump and tank because of the added cost of doing business by oil producing and distributing companies required by FEA controls.

FEA control is, clearly, contrary to the consumer interest in reducing the cost of gases and oils. Prices they pay are being kept at higher levels because of excessive control.

The Wall Street Journal editorialized this week on the additional costs of oil and gas resulting from FEA. That editorial calls for the ending of all FEA controls, restoring to the consuming public the process of regulating price through the interplay of supply and demand. With production falling it would be wise for the Congress to immediately move to decontrol crude oil and natural gas.

This editorial warrants careful reading by every Member of Congress and by those within the administration responsible for the development of future policy on energy and costs.

The editorial follows:

AN END TO FEA

A few months back, when President Ford got rid of Energy Czar John Sawhill and was scouting around for a replacement, we suggested he fill the slot with a politician instead of a bureaucrat. Our idea was that a politician would incline to bend to pressures from valid competing interests, and the Federal Energy Administration would soon be both ineffectual and harmless. A bureaucrat, on the other hand, would try to make FEA work, and in the process would maximize FEA's destructiveness.

The President picked Frank Zarb of his Office of Management and Budget, one of the most coldly efficient bureaucrats in Washington. So effective has he been in pushing the congressional mandate that we are now convinced that if FEA vanished today, and all its price controls were eliminated, the price of oil and gasoline at retail would actually decline. We also believe the domestic production of crude would shoot up, and the shock would test the cartel price.

A weak and ineffective bureaucracy poses few cost problems to the economy and consumer; industry can make things work by sliding around regulations and controls, staying a few steps ahead of the bureaucrats. But FEA has power and determination, and worse, an unusual degree of imagination. It has learned how to keep up with the industry, closing off loopholes, choking operations with paperwork—from production, through refining and transportation to marketing. At every point in the chain, the costs associated with misallocations, red tape and added risks are added in to the price structure that the consumer ultimately bears at retail.

Treasury Secretary Simon estimates that if price controls on crude oil are ended, which the President says he is planning to do on April 1, the cost to the economy would be $9 billion a year. But the bureaucratic cost of all FEA controls amounts to an estimated 3 cents to 5 cents a gallon of product, according to varied industry sources. There are FEA officials who privately agree with the higher estimate, which rounds out to a bureaucratic burden of roughly $10 billion a year that the private economy would recover if FEA simply vanished. If so, the price at retail would go down, not up, and instead of bureaucratic costs of $10 billion, the oil industry would have $9 billion for exploration and development.

That's only the beginning. By fixing the price of "old oil" at $5.25 a barrel, while uncontrolled foreign and "new" domestic oil runs at $11.50 a barrel, there is an enormous disincentive to produce out of the old fields, i.e., those that were producing prior to the base period in 1972.

First, inflation causes the real price to fall. $5.25 today buys 12% less than it did a year ago. Second, the nation's 10,000 oil producers know that if old oil is decontrolled, every barrel they own will sell for more; why not sit back and wait? Third, integrated oil companies that own a lot of old oil are required by FEA to share it at $5.25 a barrel with refiners that don't have it, a powerful incentive for companies with old oil to choke down old-oil production. Fourth, because a stripper well—one that produces 10 barrels a day or less—qualifies as "new oil," producers who have old wells capable of producing 15 barrels a day get a net benefit of about $35 a day by producing five barrels a day less.

The net result is that even with new oil fetching more than $11 a barrel, domestic production has fallen from 9,250,000 barrels a day prior to the embargo to 8,650,000 barrels. It is our guess that ending the allocation program and price controls would increase domestic production by up to one million barrels a day. Even if OPEC cut its production by that amount in order to sustain the cartel price, the U.S. would save $4 billion a year in foreign exchange.

As it is, the coldly efficient bureaucrats at FEA are the best friends OPEC has in the United States, although the bureaucrats themselves can properly argue that they are only doing what they've been ordered to do by Congress.

Instead of facing up to the reality of what it has done, Congress seems to want more of the same. The Democratic liberals not only vow to put back oil-price controls if the President removes them, but also want to cut the new oil price back, which would be a gift with a ribbon to OPEC. The only way to end this costly mess would be for President Ford to explain it to the American people and win support for it. Ending all FEA controls—not only on the price of crude—would be the soundest energy program he could offer. We believed months ago that he would embark on this project, but he has not yet gotten up to speed.

JAMES M. STUART

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HARSHA. Mr. Speaker, the Ohio House of Representatives on February 19, adopted a resolution honoring one of Ohio's most distinguished citizens, Mr. James M. Stuart, upon his retirement from active civic life and as a member of the board of directors of the Dayton Power & Light Co.

Mr. Stuart richly deserved this signal honor as he has vividly demonstrated by his corporate success that an intelligent, hard-working, and dedicated individual can, indeed, make the "American Dream" come true. At the same time, Mr. Stuart has actively and enthusiastically participated in many worthwhile civic and educational endeavors and has contributed greatly to improving his community and making it a better place in which to work and live.

It has been my privilege and pleasure to know Mr. Stuart for some time, and I have the highest possible regard and respect for him. He is an extremely knowledgeable and well-informed man who has for many years contributed generously of himself and his time in helping and encouraging others. His active participation in civic activities, particularly those benefitting our young people, clearly reflects his deep interest in and compassion for his fellow man, and he has set an outstanding example for our young people to emulate. As a longtime personal friend and admirer, I have a very real affection for Jim Stuart and heartily concur with the sentiments expressed in this resolution.

I would like to take this means of sharing the views of the members of the Ohio House with my colleagues and associating myself with them:

H.R. No. 66

Whereas, The members of the House of Representatives of the 111th General Assembly wish to take this opportunity to give well-deserved recognition to James M. Stuart upon the auspicious occasion of his retirement as a member of the Board of Directors of the Dayton Power and Light Company and from active civic life, and wish to extend our sincere thanks for his long and effective service on behalf of the citizens of Ohio; and

Whereas, James M. Stuart has been a part of the DP&L family since his entrance into the business world. He is a personification of the "American Dream" that a hard-working and dedicated individual can indeed inaugurate a career at the lowest rung of the corporate ladder and reach the apex of the corporate world by utilizing his outstanding talents to the benefits of his fellow workers and community. James M. Stuart, as a corporate executive, never lost touch with the ordinary worker, the backbone of any business enterprise; he continued to be concerned for their welfare by utilizing his positions on their behalf; and

Whereas, James M. Stuart enthusiastically and effectively committed himself to many worthwhile civic causes, by serving as a Trustee of the Charles F. Kettering Foundation, as a Director of Junior Achievement of Dayton, as President of Dayton Boy's Club, and a variety of other noteworthy civic organizations. His devotion to the betterment of his community is renown; as a community leader and business executive he has proceeded to implement both the spirit and the goals of equal opportunity for all, regardless of race, religion, color, or sex; and

Whereas, James M. Stuart has pledged himself to the concept of providing meaningful higher education by serving as a concerned member of the Board of Trustees respectively of Wilmington College and Wilberforce University, and as a member of the University of Dayton's Associate Board of Trustees. His dedication to the goals of higher education have earned him well-deserved recognition. He has been awarded the Honorary Degrees of Doctor of Humanities, Doctor of Laws, and Doctor of Commercial Science, which are a fitting recognition for a man who is a scholar in his own right; therefore be it

Resolved, That the members of the House of Representatives of the 111th General Assembly of Ohio, in adopting this Resolution, hereby commend James M. Stuart for his consistently high level of achievement and for his many worthwhile contributions to society; and in so doing, salute one of Ohio's finest citizens and corporate officials, wishing him Godspeed; and be it further

Resolved, That the Legislative Clerk of the House of Representatives transmit duly authenticated copies of this Resolution to James M. Stuart; to the Chairman of the Board of the Dayton Power and Light Company; to the Dayton Daily News; and to the Journal Herald, Dayton; and to the Kettering Oakwood Times.

HUMAN RIGHTS AND PEACE

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mrs. SPELLMAN. Mr. Speaker, Rick Inguanti, a senior at High Point High School, from Beltsville, Md., has written a timely and moving speech about the United Nations. This speech was given as part of the annual United Nations Association oratorical contest for high school students in the area. The program has been successful in interesting area high school students in international affairs and the role the United Nations could play.

As one of the four outstanding speakers this year, Rick will participate in a program at the Atrium Room of the Kennedy Center, April 26, 1975, to help raise funds so that the two finalists can observe U.N. field operations and meet with other students from foreign countries who are equally concerned. I hope the quality of this speech will encourage other Members to attend.

The speech follows:

HUMAN RIGHTS AND PEACE

(By Rick Inguanti)

A conflict. Hostility. Irrationality. Violence. War. A worldwide nuclear holocaust. Self-destruction.

Has the Family of Man met its ultimate destiny? Billions of brothers and sisters have perished. Yet, a ray of hope remains. One man and one woman survive. They are the Family of Man's salvation. With them lies the task of resurrecting the human family. So, together, they create a master plan that will rebuild the world.

A song from the past echoes in their minds:

"We'll have children of the Kingdom.
They won't be torn by war, nor will they kill or hate, or hesitate to love justice."

Yes, their goal will be a universal peace. But how will they attain it?

Recalling Henry David Thoreau's plea to "Simplify," they determine the nucleus of their master plan. They must return to basics. They must restore the importance of the individual by promoting the fundamental rights of each man. They must not disregard but recognize and then encourage the flourishing of each man's innate rights. This man and woman realize that universal peace begins with an inner peace in every man.

But, can inner peace be attained while Man's Powers serve injustices? While a woman is denied her rights on the premise that she is inferior to a man? While a man is denied his rights on the premise that he is inferior to another man? While a nation is denied its rights on the premise that it is inferior to another nation? Thinking of these injustices, the man and woman agree to emphasize the constructive Powers of Man.

To avoid a contrast in male or female, black or white, Chinese or Russian, they will exalt the Power of freedom and equality in every man.

To avoid the invasion of family privacy, they will exalt the Power of the family—the building block of the Family of Man.

To avoid tyranny and dictatorship, they will exalt the Power of each man's voice in his government.

To avoid ignorance and a lack of awareness, they will exalt the Power of education—Man's key to advancement.

And, to avoid a standstill of that advancement, they will exalt Man's Powers of freedom of thought and expression. Man will be free to say what he means, mean what he thinks, and think anything he wishes. In freedom of mind there is inner tranquillity.

Ladies and gentlemen, this man and woman have recognized that maintaining human rights is essential. They have learned what our United Nations has expressed to us—that to promote human rights is to preserve not only the dignity and the importance of the Family of Man but also the Family of Man itself. These rights set forth by the U.N. in 1948 are not abstract, idealistic phrases; they are a potential reality.

Who are the man and woman in the story? They are you and I. They represent every member of the Family of Man. It is up to the individual—you and me—to reach out for these human rights, to grasp them, and then to proudly exhibit them. No, we cannot erase the past, but we can begin to reconstruct. How?

First, each of us must develop a sense of empathy. Let us interact with every brother and sister with love, respect, compassion. Let us not just hear our brother—let us listen to him. And, let us not simply understand about him—let us strive to understand with him.

Also, we must remember that within you and me is the Power to forgive. This Power we must use unsparingly, for the Power to forgive is the Power to heal.

Yes, this task of rebuilding is yours and mine. This is one responsibility we cannot shirk; even the brilliant mind of a Henry Kissinger cannot achieve peace without us.

Let us hope that "In the year 2525, if man is still alive, if woman can survive, they may find . . .," what? A universal harmony in the human family, a high reward for our support of the innate rights of Man.

UNITED VETERANS COUNCIL OF YOUNGSTOWN, OHIO, HOLDS 34TH ANNUAL INSTALLATION OF OFFICERS BANQUET

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. CARNEY. Mr. Speaker, on Saturday, February 15, 1975, I had the pleasure and the privilege of attending the 34th Annual Installation of Officers Banquet of the United Veterans Council of Youngstown, Inc.

In addition to being the principal speaker for the occasion, I was also selected for the United Veterans Council's highest award. Retiring Commander Vincent J. Doria presented me with the United Veterans Council's Man of the Year Award for my work as a member of the Veterans' Affairs Committee of the U.S. House of Representatives. I am proud and honored to be the recipient of this award.

The United Veterans Council presented eight other awards, including: Veteran of the Year Award to Frank A. Russo, past United Veterans Council commander; Vietnam Veteran of the Year Award to Army CWO Joseph M. Sepesy; Commander's Awards to Mahoning County Commissioner Thomas Barrett, Youngstown Mayor Jack C. Hunter, and Youngstown Vindicator publisher William J. Brown; and, merit Awards to Sheriff Ray T. Davis, Veterans' Administration representative William Cunahan, and Mahoning County Commissioner George Bindas.

During the banquet, attorney Thomas Moore, a past commander of the United Veterans Council, installed John J. Giannini as the new commander, Robert Green as the new senior vice commander, S. Sgt. Walden Shehan as the new junior vice commander, Frank Bell as the new adjutant, Joseph T. Nivert as the new treasurer, and John Kirk as the new chaplain.

In my remarks to the council, I noted that the 93d Congress had passed more legislation of benefit to America's veterans and their dependents than any other Congress in our Nation's history. I also assured the council that the 94th Congress would build on the accomplishments of the 93d Congress and would continue to provide adequate funds for veterans' health, education, housing, compensation, and pension programs. In addition, I pledged my personal support for legislation which will allow veterans to accept increased social security benefits without having their veterans' pension reduced.

Mr. Speaker, I insert excerpts from the United Veterans Council 34th Annual Installation of Officers Banquet program in the RECORD at this time:

THE UNITED VETERANS COUNCIL 34TH ANNUAL INSTALLATION OF OFFICERS BANQUET

IN HONOR OF

John J. Giannini, Jr., Commander.

Robert Green, Senior Vice-Commander.

S/Sgt. Walden Shehan, Junior Vice-Commander.

Frank Bell, Adjutant.

Joseph T. Nivert, Treasurer.

John Kirk, Sr., Chaplain.

PROGRAM

Welcome—LTC Vincent J. Doria, retiring commander.

Toastmaster—James E. McGinnis, past commander of U.V.C.

Pledge of allegiance to the flag—William R. Stambaugh and Assembly.

Invocation—Fr. John H. DeMarinis, pastor, St. Anthony's Church.

Dinner

Acknowledgment of guests—Toastmaster.

Roll Call of U.V.C. Affiliated Organizations and U.V.C. Past Commanders—Toastmaster.

Greetings—Jack C. Hunter, Youngstown mayor.

Remarks—George J. Bindas, chairman, Mahoning County Commissioners.

Installation of Officers—Atty. Thomas M. Moore, past commander of U.V.C.

Remarks of New Commander—John J. Giannini, Jr.

Remarks of Retiring Commander—LTC Vincent J. Doria.

Awards Presentation—Michael Mislevy and Frank A. Russo.

Principal Speaker—Charles J. Carney, 19th District Congressman.

Benediction—Rev. Don Montgomery, 37th Division Association.

Banquet committee

LTC Vincent J. Doria, chairman; Gerald Hartman, Frank A. Russo, Atty. Thomas M. Moore.

Table Decorations: V.F.W. 8841 Ladies' Auxiliary.

OUTSTANDING VIETNAM VETERAN'S AWARD

The United Veterans Council will present to Chief Warrant Officer/Helicopter Pilot Joseph M. Sepesy the Outstanding Vietnam Veteran's Award.

CWO Sepesy, 534 Catalina Ave., Youngstown, Ohio, during his three tours of duty in Vietnam, earned 73 Air Medals, two with a "V" for valor; two Army Commendation Medals; the Presidential Unit Citation; three Bronze Stars; Vietnamese Cross of Gallantry. He had over 2,000 hours' combat time.

TENTATIVE MEETING SCHEDULE

January 20, 1975—Organizational, ITAMS 3.

February 15, 1975—Installation, VFW 8841.

February 17, 1975—Business, VFW 3307.

March 17, 1975—Business, AMVETS 44.

April 21, 1975—Business, CWV 1222.

May 17, 1975—Graves Decoration, American Legion.

May 19, 1975—Business, ITAMS 3.

May 26, 1975—Memorial Day, All Posts.

June 16, 1975—Business, VFW 4237.

Recess for summer

September 15, 1975—Business, VFW 2799.

October 20, 1975—Business, VFW 6730.

November 11, 1975—Veteran's Day, All Posts.

November 17, 1975—Business (Nominations), PLAV 87.

December 15, 1975—Business (Election of Officers), VFW 6488.

January 31, 1976—Installation, VFW 8841.

Every Sunday, 11:30 A.M., WBBW Veterans' Show.

All Post meetings printed in Sunday Vindicator.

THE UNITED VETERANS COUNCIL OF YOUNGSTOWN, INC.

(Founded After Pearl Harbor Day)

Purpose

To provide at the community level a coordinating and planning agency for properly qualified and duly constituted veterans organizations in the city of Youngstown, Ohio, and its environs which might desire membership therein; to aid all member organizations acting in concern with each other in planning and carrying out of functions and operations of a civic, patriotic or veteran character; to attempt by all honorable means to promote and effectuate the construction of a Living War Memorial commemorative of the war dead of the community; and to do all things reasonably or incidental to the foregoing except such as might interfere with the internal operation of any member group or groups.

U.V.C. Past Commanders continue to serve as advisors to all committees. Approximately ten attend all monthly meetings to assist various chairmen.

Past commanders

*Ralph R. Pabst.
*John J. Kennedy.
*James A. Dalton.
Atty. Ralph R. Miller.
*I. L. Feuer.
*John E. Doyle.
*Atty. William L. Powers.
*Leo F. McCarthy.
Atty. William F. Powers.
*John W. Wallace.
Chester Amedia.
Frank Posey.
Edward L. Cook.
Atty. Thomas M. Moore.
*Michael J. Whalen.
Martin Cole.
Roy "Rummy" DePaul.
Dr. Seymour Feuer.
Michael Mislevy.
Fred A. Gioglio.
Stephen L. Ritz.
Gerald G. Hartman.
Richard E. Kelly.
Anthony J. DeAngelis.
Frank J. Colla.
Raymond J. Kobus.
William R. Stambaugh.
Frank A. Russo, P.E.
Albert D Kennedy.
Robert J. Bacha, Sr.
James E. McGinnis.
Mary T. Burrows.
Vincent J. Doria.

UNITED VETERANS COUNCIL—AFFILIATED POSTS AND COMMANDERS

Amvets Post No. 34, Veronica Janecko.

Amvets Post No. 35, William J. Carney.

Amvets Post No. 44, S/Sgt. Walden Shehan.

Amvets Post No. 711, Mose Johnson.

Boardman Veterans Association, Jake Moretti.

Catholic War Veterans Post No. 1222, John Bury.

Catholic War Veterans Post No. 1292, Stephen P. Kuhns.

D.A.V. Chapter No. 2, John Mastrivalis.

D.A.V. Chapter No. 17, Ron Frazzini.

Italian-American Veterans Post No. 2, Frank D'Appolito.

Italian-American Veterans Post No. 3, Michael DeMarco.

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* Deceased.

Italian-American Veterans Post No. 10, Anthony Cua.
Italian-American Veterans Post No. 12, Joseph Modarelli.
Italian-American Veterans Post No. 17, Neal Buzzaco.
Mahoning Valley Basha CBIVA,* Ed DeCapita.
MV Chapt. PHDS Association, John W. Herm.
Montford Point Marine Association, Robert Little.
Jewish War Veterans No. 59, Nick Lustig.
Military Order of Cooties, Pup Tent No. 31, Ralph Guglielm.
Military Order Purple Heart No. 186, Andrew Pastrick.
Polish Legion American Vets No. 87, Chuck Popa.
Reserve Officers Association, Capt. Robert P. Milich.
Romanian-American Volunteers, Sam Muntean.
Seabee Veterans, Island X8, Richard Stout.
37th Division Veterans Association, Donald Thomas.
Veterans of W. W. I Barracks No. 594, F. W. Busch.
Veterans of Foreign Wars Post No. 93, James Romito.
Veterans of Foreign Wars Post No. 1423, Robert Bacha, Sr.
Veterans of Foreign Wars Post No. 1588, Robert Tutwiler.
Veterans of Foreign Wars Post No. 2799, Robert Davis.
Veterans of Foreign Wars Post No. 3307, John E. Soles.
Veterans of Foreign Wars Post No. 3538, Robert Raney.
Veterans of Foreign Wars Post No. 3782, Frank Bell.
Veterans of Foreign Wars Post No. 4237, Louis Constantino, Jr.
Veterans of Foreign Wars Post No. 5432, Harry Fitzgerald.
Veterans of Foreign Wars Post No. 6488, Jimmy Davis.
Veterans of Foreign Wars Post No. 6730, Robert Reichart.
Veterans of Foreign Wars Post No. 7538, John Sveda.
Veterans of Foreign Wars Post No. 7600, Homer G. Dyce.
Veterans of Foreign Wars Post No. 8841, Joseph DiFiore.

GILMAN SEEKS TO OVERCOME ROUTE 7 DECISION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. GILMAN. Mr. Speaker, today I am introducing two bills to grant the Secretary of Transportation the discretion to permit the States the right to prepare environmental impact statements required by the National Environmental Policy Act of 1969.

On December 11, 1974, the U.S. Court of Appeals for the Second Circuit—including New York, Connecticut, and Vermont—handed down a decision in the case of *Conservation Society of Southern Vermont, Inc.* v. *Volpe*, 7 ERC 1236, ruling that environmental impact statements required by the National Environmental Policy Act must be prepared by FHWA and not by state transportation agencies. In its ruling, the court affirmed an injunction against further Federal participation in route 7 construction in Vermont, even though the court found that the substance of the environmental impact statement as prepared by the State of Vermont was in full compliance with NEPA.

While the decision is directed only to the highway over which suit was brought, the ruling still serves notice that any Federal highway project in New York, Vermont, and Connecticut might be enjoined if suit is brought on the grounds that the environmental impact statement was not prepared by the FHWA.

Recognizing this conundrum, FHWA, by letter dated January 9, 1975, to the New York State Department of Transportation, imposed a freeze on project approvals for the Federal-aid highway program, except for minor projects such as safety improvements. The Federal Highway Administration specified in their letter that it will not act on requests for approval of preliminary engineering authorizations or plans, specifications or estimates or right-of-way acquisitions nor any other step in the process of developing a highway project.

In the second circuit States—New York, Vermont, and Connecticut—the freeze affects some 147 Federal-aided highway projects on which construction would begin in 1975 and 1976. Eighty of those projects are in New York alone. In addition, the freeze stops the development of over 200 projects in New York on which construction would commence in the period 1977 to 1980.

The construction work affected in New York, not including New York City's West Side Highway, is $1.6 billion. Every type of Federal highway project is on the list, interstate, urban extensions, city arterials, rural primary, and rural secondary.

This freeze has a severe impact on my own district—the 26th. In Rockland County, this means the complete halt of the planning of the construction process on the Spring Valley By-Pass which has been scheduled for fiscal 1976–77. In addition, the planning work has stopped on the second span of the Newburgh Beacon Bridge, and the list goes on and on.

What I am proposing today is two simple amendments to NEPA and to the Federal highway law providing, retroactively to January 1, 1970, that environmental impact statements can be prepared by the State agency subject to approval of the Federal Administrator. Such amendments would in no way change the substantive requirements of Federal law.

With the recent release of $2 billion of impounded Federal highway funds by the Department of Transportation, the need to resolve this situation as quickly as possible has been dramatized even more.

I urge my colleagues to act quickly and decisively on this issue which is of vital concern to all of us.

PROBLEMS OF INFLATION AND FOREIGN INVESTMENT

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. SIMON. Mr. Speaker, our colleague, Congressman JOSEPH GAYDOS of Pennsylvania, has repeatedly called our attention to the problems of foreign investment.

I recently read an article in the Illinois Business Review, published by the University of Illinois, in which Prof. Folke Dovring of that institution suggests a number of things which we ought to weigh as we approach the three problems of energy resources, balance of payments, and foreign investments.

I insert his excellent statement in the RECORD at this point:

PROBLEMS OF INFLATION AND FOREIGN INVESTMENT

(By Folke Dovring, professor of agricultural economics, University of Illinois at Urbana-Champaign)

The public should be told the facts about the connection between inflation and oil imports. The United States is running large deficits for the import of petroleum, and this is a primary cause of the inflation we have. In this country, oil becomes gasoline more than anything else, and when we search for a way out of the energy problem, gasoline is the most logical target for action, unpopular as it may be to say so.

When pointing to a single factor such as gasoline as being specially responsible for inflation, I am not overlooking a host of other factors. Many thoughtful commentators have discussed a long list of interacting inflationary forces. But placing the focus on a single major commodity is neither frivolous nor entirely new. Economists who are used to observing dynamic changes are attentive to the magnified effect which some "strategic" or "key" factors may have on the economy as a whole. From France in the 1950s, we have the phrase that "inflation feeds on red meat"; demand and supply of meat were such that meat tended to be a chronic source of economic instability.

In the United States, the recent upward trends in consumption of meat and energy are on a collision course. Because of the strain which both place on the balance of payments, something has to yield. Americans will have to choose between steaks and driving. In the United States, the role of meat in the economy is not what it was in France in the 1950s. But the necessity to maintain large exports of feedgrains places upward pressure on the price of meat in the United States, and imports of meat take away some of the foreign exchange earned by grain exports. Gasoline contributes to inflation because of the effect of high-priced oil imports on the balance of payments. It appears that Americans prefer gasoline to beef, but neither commodity gives way sufficiently to relieve the foreign exchange situation.

FOREIGN EXCHANGE PROBLEM OF THE 1970'S

The American economy is no longer so self-sufficient as it was for most of the last 10 years. Until a few years ago, the annual value of imports and exports amounted to no more than 5 to 6 percent of the national product. Foreign trade is good for competition, but most of the goods imported were such that the country could do without the imports if it had to. Now, our basic self-reliance for raw materials is gone. Foreign trade is a larger percentage of national product than it used to be, and more of the import are for essentials: recently, oil has risen to represent one-fourth of all US imports, and other materials which are necessary for industry, such as bauxite (aluminum ore), also are largely imported.

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*China-Burma-India Veterans Association.

This momentous change in the international economic situation would not have been very serious but for two facts. One is the already very large "dollar debt" (amount of dollars held by foreigners) which has accumulated over many years. The other is the peculiar situation of some among the most important oil-exporting countries which have very limited need of American exportable goods and therefore hold continuously swelling balances of dollars.

The magnitude of the "dollar debt" is difficult to size up wtih any accuracy. Estimates cited from international money markets indicate that it is so large that it would take a stretch of years to redeem it even if we had very favorable trade balances coming, which are not in sight. Many people are not aware of this, but American dollars in the hands of foreigners are so many IOU's waiting to be redeemed in goods or services from this country.

The dollar ceased to be backed by gold a few years ago. Like other national currencies, it is now backed in international exchange only by the goods the country can supply in export trade. What this means for foreign trade policy does not seem to be generally understood. The currency situation, combined with the dollar debt, makes it inadvisable to embargo exports, even of essential goods such as food. The attempt to do so with soybeans pointed up the conflict between domestic price control and the foreign markets—on which a national government cannot control prices. The lesson has yet to go home, for again in 1974—with the prospect of a short harvest of corn and soybeans—some politicians are advocating export embargoes. Such proposals overlook the realities of our foreign economic relations. We can make our way in the world economy only by producing what is wanted. The US has to export what the foreign owners of dollars want, even if this leads to restrictions on our own consumption.

The events of 1973 showed how a currency problem will "import" inflation in at least two ways: by the prices buyers in other countries are willing and able to pay for our exportable goods, and by the higher prices we must pay for imports, above all those of essential goods such as oil and other necessary raw materials. The latter become a heavy burden because the sellers of scarce materials have begun to exploit their favored position—the oil countries took the lead, the bauxite countries followed, and still others may in due time do the same.

Just now inflationary pressures from abroad are not particularly evident, because inflation in the United States is not far behind that in other industrial countries. But if domestic policy to curb inflation in the U.S. were to have any success, then foreign trade would reactivate inflationary pressures. With domestic prices advancing slower than those abroad, the dollar would in effect become undervalued, causing new demands on our exportable goods.

OIL IMPORTS AND THE DOLLAR DEBT

In the last year or two, the location of the dollar debt has changed somewhat. The dollar amounts available in Europe and Japan have been reduced (though they are still very large), but the dollar holdings of Iran and the Arab countries have increased strongly.

Continued inflation will give a strong motive to the oil countries to invest their dollars in the United States. Whenever Arab and Iranian investments in this country take place on some considerable scale, their effect will be twofold. For one thing, they will create a permanent and growing national debt for which the United States economy will have to pay as any other debtor, by annual interest payments which would be a continuous and growing drain on our domestic resources. For another, such investments will give the foreign governments economic and financial leverage on the U.S.

There are those who say that such foreign investments in this country are no more a serious matter than are American investments in other countries. Such a statement misses an essential difference. When an American firm builds a factory in Brazil, it not only becomes owner of a productive asset in Brazil; it also creates that asset, and Brazil is not getting any poorer for it, because real investment has taken place with foreign means. When Iran or Saudi Arabia or Kuwait acquires land, industrial shares, government bonds, and so on in the United States, no real investment takes place—existing assets change hands, that is all. When paying for oil imports with the ownership of part of the country's national wealth, the United States will be acting like a family which finances its grocery bill by mortgaging its house.

Nor is it correct to say (as some observers do) that "we can use the capital." This country is not suffering any shortage of investable funds. The Federal Reserve System tries to restrict credit as a way of fighting inflation. Repatriation of foreign-owned dollars against domestic assets is about as beneficial as any other credit expansion during inflation. It will simply mean more money without more goods to go around.

SAVING OF ENERGY

When oil imports are gradually weakening the domestic economy, what are the alternatives? "Project Independence" will not answer, not alone in any event, for with recent trends projected into the future, the investment needs for energy independence are simply too large to contemplate. New sources of energy usually require more capital—and energy—than the old ones. The energy trend cannot be satisfied by development of domestic sources. Even with imports, the total in combination would place too large burdens on the economy. The trend is going to break—either it will be broken by deliberate policy action based on careful economic analysis, or else it will break by itself, accompanied by assorted economic disorders, some of them too dangerous to accept. The crisis of late 1973 and early 1974 was merely an advance warning; it can easily become a great deal worse.

Breaking the energy trend can be done in a variety of ways, and all plausible ways will have to be used in combination, as shown by a study group working for the Ford Foundation. Many of these measures are productivity improvements, since various productive processes can "make do" with less energy. In agriculture, we already have a departure toward "no-tillage cropping" (planting crops without plowing), and there are many others under way in industry. But the largest area of potential energy saving, in this country and at this time, is in transportation—foremost the use of passenger cars.

How heavily the automobile weighs on the economy can be shown by data on gasoline, most of which is used by passenger cars. Gasoline accounts for close to 47 percent of all oil processed in US refineries. Since the refineries use a good deal of energy for their own operation, the gasoline delivered to the economy represents, on a net basis, more than half of the raw petroleum. This rate of gasoline yield is unique. For the world as a whole, the rate is less than 25 percent; for the rest of the world (subtracting only the United States) it is about 15 percent of the raw petroleum. In Europe and Japan, most of the oil becomes industrial fuel oil and diesel fuel. Per capita consumption of gasoline in the United States is twice that in Canada and 4 to 5 times the levels in most European countries. About half of all the gasoline in the world is made and used in the United States.

When the use of energy is calculated in proportion to the national product, it turns out that the American economy is one of the most energy intensive in the world. It would be a mistake to believe that this must be so in a country with a high income level. The proportion was just as high 20 years ago when the income level in the US was lower. In the meantime, consumption of gasoline rose faster than the use of energy for other purposes.

GROWTH OF THE ENERGY PROBLEM

How did the United States economy become so energy intensive? In a sense it may have appeared logical in the past. When energy was cheap and few people listened to warnings about shortages ahead, it was in fact economical to squander this cheap resource. Thus traffic intensity was made very high. The superhighway system was extended into the cities, passenger trains and urban mass transit systems were allowed to decay, suburban settlement was expanded almost without limit, and shopping centers were served by acres of parking spaces. Economic policy for the United States was made by private industry, foremost the oil companies. Naturally, they made it for their own interests, even where these did not coincide with those of the nation. It can be argued whether the oil and automobile companies are to blame for the energy impasse we are in. The national government is to blame for allowing the national economy to drift into this impasse for lack of leadership.

Many analysts simply throw up their hands and declare that the real-estate system already is such that Americans have to commute by car. This is oversimplifying the situation. Commuters need only get the healthy habit of walking three or four blocks to a mass transit stop. Then bus lines will become quite profitable—and more efficient than now—even in sprawling areas of one-family housing. It is the height of irony when a President can contemplate vetoing a mass transit bill as "inflationary," when in fact the lack of mass transit feeds inflation so much.

A large-scale switch from individual to mass-transit transportation could save from 10 to 15 percent of the oil used in this country, eventually as much as 20 percent. This is a large part of all the oil imports and such a saving would be critically beneficial to the whole foreign exchange problem.

For such a switch to succeed, and rapidly, it is important what means are used to bring it about. Mere exhortation will not do, for in such matters "voluntary action" will hurt the loyal and benefit the shirkers. For control of automobile traffic, the logical place is where the cars stand still. For instance, the Environmental Protection Agency has just taken an initiative in restricting parking areas in Boston to reduce air pollution. Parking space is under administrative control of municipalities and institutions, so they have the power to restrict traffic by restricting parking space. Government at all levels should take the lead by denying parking permits to those of their employees who have ready access to mass transit for commuting. With effective leadership, a switchover could take place in much shorter time than is suggested for most measures to control inflation.

WHAT ARE THE PRACTICAL POSSIBILITIES?

Many observers are likely to dismiss the idea of saving energy in this way as being too unpopular. What is popular in this country is, however, in part a matter of informing the public. Much could be gained if two points were forcefully driven home. One is the fact that such large energy savings are necessary for the economic health of the country. The other is that restriction of traffic by means of control over parking space would be done on the basis of individual need rather than income. By contrast, a high gasoline tax would hurt those who can least afford it and thus deepen some social class distinctions; it would also tend to reduce the recreational use of the car, as for vacations and outings.

It is hard to believe that Americans in general would want to mortgage the future of their country just for the pleasure of driving to work. But communicating the facts of life to the public is in part a matter of wanting to communicate. Our government leaders appear to ignore the foreign exchange problem as a source of inflation. President Nixon did not mention it in his Los Angeles speech last summer, and President Ford hardly touched upon it in his address to the joint houses of Congress. And yet, here is really where one could find some reason to think that wage-and-price control is not so simple as it was 20 or 30 years ago.

For people in government, there may be a temptation just to let inflation ride. Governments at all levels gain advantages from inflation, because their revenues based on incomes and sales rise and the real value of their outstanding bonds declines. As a complication, the nation also gains some advantake because the "dollar debt" also falls in real value because of inflation.

But if there is going to be a real effort to abate inflation, then it must first be recognized that the balance-of-payments situation, and especially the oil imports, are a primary cause of inflation, at present probably more important than the federal budget. To correct this, something serious must be done about energy. Use of energy must be held down by much more vigorous measures than have been tried to date. American overconsumption of gasoline is a serious defect in our economy.

POSTAGE RATES GOING UP

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. PRESSLER. Mr. Speaker, I would like to insert the following editorial into the RECORD. The editorial was written by Keith Anderson of the Daily Republic newpaper published in Mitchell, S. Dak. This South Dakota newspaper serves approximately 17,000 people in 10 counties in central South Dakota.

I believe this editorial reflects the wishes of the people of South Dakota. They hope that the rate increases on postal service will be used on improvement of postal service and not on frills. The American people want government to "tighten its belt" and spend dollars only on necessities.

The editorial follows:

[From the Mitchell Daily Republic, Feb. 20, 1975]

POSTAGE RATES GOING UP

Speaking of inflation, the plight of the first class postage stamp is heading in such spiralling direction that it may soon cost Americans double to mail that letter which was delivered for only 6 cents in 1968.

Our new Postmaster General, Benjamin F. Bailar, sees postal patrons paying 12 or 13 cents this year for first class postage to offset more than $800 million in deficit spending by the Postal Service. He claims the department is experiencing the same inflationary problems as others, and, is speculating that there will be some problems ahead this summer when negotiations begin for postal workers to renew their contracts. All this adds up to higher postage rates, and the distinct possibility that the National Guard may be called in to move your mail if negotiations stall.

While Bailar appeared less than optimistic at avoiding a rate increase, he did express a certain degree of dignity in saying that his department is depending less on public subsidies to maintain postal operations. He remarked that in 1971 when the postal department reorganized, it was relying on 17.7 percent public subsidies. Since, it has declined to a low of 15.4 percent.

The last increase in first class postage came last March when stamps went from 8 to 10 cents. While rates have climbed, the postal service declined in efficiency under the direction of then Postmaster General, Elmer Klassen. Hopefully, our new director will strive to improve postal service and not get carried away as did his predecessor who squandered away money on extravagent surroundings, forgetting the responsibilities affixed to his title.

TVA'S MASSIVE ENERGY GRAB

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. CRANE. Mr. Speaker, unfortunately, the rules which other Americans must respect are ignored with impunity by governmental agencies and regulated industries.

It is no accident that government regulation of and intervention in the economy produces negative results. Liberal reformers who believed otherwise in the 1920's learned a lesson which modern liberals must now relearn. Frederic G. Howe, a progressive who had been in the Wilson administration wrote in 1925 in his "Confessions Of A Reformer" that he had become distrustful of the Government and he now "viewed it as the source of exploitation rather than the remedy for it."

One of the problems with government is that it believes that the rules it makes for others are not applicable to its own activities. Consider the current efforts of the Tennessee Valley Authority to acquire ownership of Peabody Coal, the Nation's largest single coal producer. Many observers believe that such an acquisition by TVA would be an important step in the direction of nationalizing that entire industry.

Discussing this situation, Harold C. Gordon writes that,

> T.V.A. already owns thousands of acres of coal-rich lands; its estimated reserves are between 400 and 500 million tons. . . . What private coal companies fear is that if T.V.A.—the tax-exempt, federally subsidized corporation—is allowed to acquire Peabody, it will dump the surplus coal on the market at a price with which they will be unable to compete. Alternatively, it might be added that if T.V.A. acquires Peabody and decides to produce only enough coal for its own requirements, the consuming public will be denied the energy value of 35 million tons of coal a year.

The irony is clear for all to see. Mr. Gordon declares that,

> At a time when private energy companies are being routinely denounced as greedy, power-grasping monopolists—indifferent to the consumer's welfare—a public service corporation is empire building in a manner worthy of Commodore Vanderbilt.

It is important that TVA not be permitted to continue to operate in this manner. It is also important that the Federal Trade Commission, which is ordering that Peabody be sold by Kennecott Copper, its parent company, not be permitted to use its authority to enhance the power of another governmental body.

I wish to share with my colleagues the important article, "TVA's Mammoth Energy Grab," by H. C. Gordon distributed by the U.S. Industrial Council, and insert it into the RECORD at this time.

[From the USIC Editorial Research Reports]

TVA'S MAMMOTH ENERGY GRAB

(By H. C. Gordon)

In 1934, when the Supreme Court upheld the right of the Tennessee Valley Authority to engage in the direct sale of electric power, Justice James McReynolds issued an incisive and prophetic dissent. TVA, he declared, had embarked upon a "pretentious scheme" to standardize the rates of private utilities and to attain "no less a goal than the electrification of America."

The relentless expansion of TVA over the ensuing decades has given an ominous tone to Justice McReynolds' initial warning. Today, TVA is the largest supplier of electricity in the United States: a multi-billion dollar federal octopus with an ever-widening network of tentacles.

In light of this fact, TVA's current efforts to acquire Peabody Coal—this country's largest single coal producer—can only be viewed with the gravest misgivings. Such a move, many observers believe, would actually be a giant step toward nationalization of the entire industry.

What does TVA want with Peabody Coal? The answer is even more intriguing than the question.

Although it was supposedly created for the purpose of improving navigation and flood control through the construction of a series of dams (with hydroelectric power to be merely an "incidental" benefit of the project) TVA had not been long in the energy business before it came to rely predominately on coal-fired steam generators to maintain and expand its service. At the present time it is the biggest coal consumer in the country, with coal-fired steam accounting for over 75% of its generating capacity.

But this fact in itself is insufficient either to explain or to justify TVA's designs on Peabody. TVA already owns thousands of acres of coal-rich lands; its estimated reserves are between 400 and 500 million tons. Furthermore, its annual consumption of coal is only 35 million tons while Peabody's annual production is 70 million tons.

What private coal companies fear (and TVA's ruthless treatment of competitors in the past gives them ample cause) is that if TVA—a tax-exempt, federally subsidized corporation—is allowed to acquire Peabody, it will dump the surplus coal on the market at a price with which they will be unable to compete. Alternatively, it might be added that if TVA acquires Peabody and decides to produce only enough coal for its own requirements, the consuming public will be denied the energy value of 35 million tons of coal a year.

What irony! At a time when private energy companies are being routinely denounced as greedy, power-grasping monopolists—indifferent to the consumers' welfare—a public service corporation is empire building in a manner worthy of Commodore Vanderbilt.

The irony is compounded by the fact that Peabody's parent company, Kennecott Copper, is being forced to sell its subsidiary by order of the Federal Trade Commission. The Commission ruled (and was subsequently affirmed by the federal courts) that since Kennecott already owned a small coal mining operation when it acquired Peabody, its acquisition of a major competitor constituted a violation of the antitrust laws. It may thus be safely said that if TVA were a private concern there is no way in which it would be permitted to conclude such a transaction.

Fortunately, there are several private companies which are also interested in buying Peabody—none of which are presently engaged in coal mining. Also, fortunately, there appears to be growing opposition in Congress to TVA's proposed purchase. This is well indeed. If this deal goes through it will mark a significant milestone on the road to socialism.

UNITED STATES INDUSTRIAL COUNCIL,
Nashville, Tenn., February 20, 1975.
Hon. PHILIP M. CRANE,
The House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN CRANE: Pardon my presumption, but I thought that the enclosed editorial might be of interest to you in light of the splendid work you have been doing in the cause of economic liberty.

Space limitations unfortunately prevented me from giving additional details on this incredible story. For example, Peabody Coal, on top of its domestic reserves, also owns the controlling interest in an Australian coal mining concern which sells to the Japanese. Ergo, if TVA succeeds in its bid to acquire Peabody, it will thereby go multi-national. (Quick! Call Ralph Nader! Senator Hart! The Justice Department!) Today, the Tennessee Valley—tomorrow, the world!

I wish the situation really were that funny. It is in times like these that we really appreciate men like yourself.

I have the honor to be, Sir,
Your devoted admirer,
HAROLD C. GORDON.

OFFICIAL NATIONAL GEM

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. LUJAN. Mr. Speaker, today I am introducing a bill which I think is most appropriate as we approach our 200th birthday.

The bill is one which will make turquoise the official national gemstone of the United States. In addition to making turquoise the national gemstone. I think it most appropriate that the gemstone be designated the official gem of our National Bicentennial of 1976.

The reasons for selecting turquoise as our national stone are many and varied; although turquoise would serve well as our national stone because of its beauty and heritage alone.

But to tell you something about the fine heritage of this stone which so truly represents the entire Nation: Turquoise was the first stone in recorded history of man to be used as a gem, according to the Library of Congress.

It is also interesting to note, and very appropriate, too, when considering the upcoming 200th anniversary of our Nation's birth, that turquoise is the gemstone most prized by the native American. Not only do today's American Indians make exquisite jewelry, the focal point of which is turquoise, but in the earliest years, they used this precious stone as money. What could be more meaningful than naming the stone so prized by the first Americans as our Nation's symbol at the very time we are celebrating the birth of our Nation.

And, it should not go unnoticed that turquoise is the only gemstone in our Nation which is found in great quantity in many of our States. It is also one of a very few stones in the world to be classified as a precious stone, and most assuredly is the most prevalent gemstone in the United States to be so classified.

My friends at the Bureau of Mines tell me that turquoise is, in terms of value, the most sought after stone in U.S. mining operations. Of course, those of us from any of the turquoise producing States in this country can testify to the demand for this handsome gem. And anyone who has sought the precious stone knows that it is in extremely great demand throughout the entire United States, not only as jewelry of rare quality and beauty, but also as a good investment.

Do not mistake the introduction of this bill as the attempt of any singular region to lay claim to the national stone for this distinctive gemstone comes from places so widespread as New Jersey, Alabama, Virginia, Texas, Nevada, Colorado, Arizona, California, and New Mexico.

To demonstrate the immense value placed on this gem I have only to tell you that the Aztec Indians of Central America, who had the mineral men prize most, gold, went into what is now our American Southwest to find turquoise. In fact, turquoise was so highly valued by this "nation of gold" that they demanded turquoise as a tribute from the neighboring states of the Aztec nation. And turquoise was always a desired stone of the Spaniards when they made explorations into the Southwest.

However, it is with the American Indian that the most important historical heritage of turquoise lives. For hundreds of years the great Indian culture of this country has included turquoise for many reasons. The god of gambling, Noholipi, according to Indian legend, owed his remarkable luck to a piece of turquoise. Indians for centuries used turquoise to ward off evil and to bring good luck. In fact, there was hardly any phase of Indian life which did not include turquoise in some way or another.

Of course, today we see much fine silver and turquoise Indian jewelry on the market but that represents only the last 95 years of history of turquoise in this country. One authority has said the Indians did not begin to use silver until 1880 and that before that turquoise stood alone as a jewel.

There are some unique qualities about turquoise in addition to it being so highly prized by the first Americans. For instance, the turquoise found in Virginia is the first and only crystallized turquoise to be found any place in the entire world. In that regard I bow to my esteemed colleague Mr. DAN DANIEL for that unique turquoise was discovered in his district in Campbell County.

I have already mentioned that turquoise is the oldest stone in existence to be used as a gem and that face certainly places this typically American stone in a class by itself.

Now, I wish to ask my friends of those other States in which turquoise is found to join us in our effort to make this beautiful gem our official national stone. Of course, my good friend and fellow New Mexican Mr. RUNNELS is knowledgable about this fine gem since his district includes the areas from which some of the Nation's best turquoise and turquoise jewelry comes.

Congresswoman FENWICK has reason to be proud for in Somerset County of New Jersey are found specimens of the gem.

My two distinguished colleagues from Alabama, Mr. FLOWERS and Mr. NICHOLS both represent districts where turquoise is mined.

And the State of Texas has turquoise from the district represented by Mr. RICHARD WHITE.

There are three fellow representatives from my neighbor from the north, Colorado, who represent districts bearing turquoise. They are Mr. ARMSTRONG, Mr. EVANS of Colorado and Mr. JOHNSON of Colorado.

I am sure that all my colleagues from Arizona will join in this recognition of turquoise as the national stone, as it is found in the districts represented by the distinguished minority leader Mr. RHODES and his fellow Arizonans Mr. UDALL, Mr. STEIGER of Arizona and Mr. CONLAN.

And since turquoise is considered good luck, I think that it is most fitting that Mr. SANTINI of Nevada represents a State from which the gem is mined. We can all use a lot more good luck when visiting his fine State.

And while the Golden State of California may get its name from another mineral, I know that my colleagues Mr. BOB WILSON and Mr. BURGENER, both of whom come here representing districts in which turquoise is found, will help this effort.

The United States should have a national stone—a stone which is of this country, a stone which is representative of the true beauty we have all inherited, a stone which tells a story of the history of America, a stone which can be proudly put on a pedestal with the other precious gemstones of the world. We need a stone which shows the strength of this land and its people and yet which is beautiful and graceful.

We have this stone. We have turquoise. Turquoise has the blue of the sky, the azure of the sea, the green of the grasslands, and the ribbons of brown as in the Earth. Turquoise has the smooth calmness of a lake on a windless day and it has the ruggedness of the great mountains of this country.

So, for these reasons and more than I

could name within the time I have to speak, I ask that this esteemed body name turquoise as our national gemstone.

CAN CRIME BE CONQUERED

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert into the Congessional Record an excellent speech by the Honorable Johannes F. Spreen, sheriff of Oakland County, Mich., one of Michigan's largest counties. Sheriff Spreen is an educator and law enforcement officer with over 37 years experience.

His comments effectively lay out the fashion in which the Nation should begin to combat crime. I believe the action suggested by Sheriff Spreen, vigorous enforcement of the law, is far superior to removing firearms from the hands of law-abiding citizens.

The speech follows:

Speech by Professor Johannes F. Spreen, Sheriff of Oakland County, Mich.

In 1938, J. Edgar Hoover spoke to the Detroit Economic Club. His subject was "Lawlessness as a National Menace." A few days ago Clarence Kelley, the current director of the F.B.I. addressed the Detroit Economic Club on that very same topic, asking the question, "Can Crime Be Conquered?" Sad, isn't it, that 37 years later the problem still exists, to an even greater degree. Something must be done, and NOW, so that 37 years from now in the year 2012, we will not be asking, "Can crime be conquered?"

Citizens are being murdered daily in their own homes and businesses and police who respond to aid them are constantly laying their lives on the line.

I speak today as a police educator, but also from 37 years of police study and experience, having opened my first police textbooks the same year J. Edgar Hoover was in Detroit. I have seen the toll in robberies, burglaries, rapes. I have seen citizens frightened and killed. I have seen policemen hurt and shot. I have attended their funerals. In the past ten years a thousand law enforcement officers were killed and 70 percent by individuals using handguns. They walk and work on the fingertips of death.

There is no reason why this massacre—this uneven battle—should continue.

The time for action is now.

Four years ago, in May, 1971, I wrote a news column calling for an additional jail sentence for the carrying of a gun when it is used in the commission of certain crimes. I recommended five years mandated by law with no probation, no parole, no early release, no good time.

I believe the Judiciary of Michigan should still have discretion over punishment for the crime itself, but no discretion on the charge of using a gun to commit it if he is convicted by a jury of his peers. I believe these "peers" are sick and tired of this nonsense.

We must do something about handgun control, but there is a vital difference between gun control and gun prohibition. Let's not make criminals out of people who buy or have guns out of fear, to protect their loved ones, themselves, or their homes. We are not going to accomplish anything by trying to ban all handguns. We are not going to get the gun away from the criminal.

Some are supporting a drive to prohibit bullets. Their slogan "you need a bullet like you need a hole in the head". Commendable, but naive. I assure you that the potential killer, killer-burglar, killer-robber, killer-rapist will have his gun and get the bullets, too.

We know that police cannot protect every person in his own home. We do not have the money or the manpower. We are losing the battle in the streets. Yet we must do something—something better than we have done in the past.

Let us start by getting at the REAL problem. Let us get at the CRIMINAL who brings and uses a gun when he commits a crime. Later we can address the problem of too many handguns possessed by too many citizens. That problem may alleviate itself if we solve the other problem first.

There is a difference between a person who buys a gun to protect his loved ones and someone who is out to commit a crime with an instrument of death.

Certainly, the bum who uses a gun should not be allowed to thumb his nose at society. Let us remove these potential killers from the scene. If a five-year term went into effect, they would go away to prison say on July 4, 1976, and know that they will not be out again until July 4, 1981. Maybe our good citizens, on our 200th anniversary will have a little freedom to pursue their happiness in these United States of America.

If these hoodlums are convicted a second time of using a gun in the commission of these crimes, the mandatory sentence should be doubled or tripled. The third time we should throw away the key.

Just recently, several state legislators have proposed a two-year mandatory sentence for the use of a gun in a felony. While I still would like to see a stiffer sentence (5 years) I definitely support their proposal. It would be good for Michigan to lead the nation with such enlightened legislation. We should congratulate their efforts.

The criminals, no doubt, will always be able to get a gun and of course the bullets for it, but if this legislation is passed, they will think twice before bringing a loaded gun with them when they go out to rob, burgle, and rape. The professional burglar of old would never have brought a gun with him. He had a certain pride in his craft. He wasn't a mean killer. Today, who do we have committing these crimes? About three-fourths are recidivists (repeaters), a small core who are committing the majority of the crimes over and over again. Half of all serious crimes are committed by kids. Far more than half are drug addicts who are hopped up. Most of all, these people use guns. A gun should not be in such hands—hands that represent people who could not care less, or are immature or are crazed, hopped up by drugs, and whose fingertips could snuff out the life of a citizen or policeman.

The smart criminal is one who is "jail smart." He wheels and deals through his lawyer, delaying and adjourning the trial, using and abusing our criminal justice system while the victim lies in the hospital or the morgue. Let's stop playing games. Or if we MUST play games, let's change some of the rules.

The calls for the return to capital punishment are many. However, if the gun-crime legislation is passed, there will not be so many killers to be capitally punished.

We the citizens must get smart now, so that we leave our children a better day 37 years from now.

I would be remiss, if I did not lend my voice in support of these good legislative proposals. Let's send out a strong message to the bums and punks and potential killers everywhere and put some fear into their hearts and save our good citizens and save our police. Do it now, here in Michigan.

I speak today for myself, but I believe that there is not a police chief or a sheriff in the country who would not agree that something must be done about the use of guns while committing a crime. Let us leave a better legacy for the future. Let it start here in Michigan. Let us show that the law can work for society. Let us show that society can work the law. Let us leave the gun carrying burglar, robber and rapist to his "peers." Let him know that if he "does the crime," he'll "do the time."

THE OTHER 20 PERCENT: POVERTY IN THE SOUTH

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. YOUNG of Georgia. Mr. Speaker, the Southern Regional Council recently published a study by Gretchen MacLachlan entitled "The Other Twenty Percent: A Statistical Analysis of Poverty in the South."

The findings, as noted in an introduction by the council's executive director, George Esser, and associate director Harry Bowie, include these:

Inflation in the South has grown at a higher rate than in the Nation as a whole.

Work is no guarantee against poverty. The majority of southern poor people work.

The industrial structure of the South is more heavily concentrated in low-wage industries than in the rest of the Nation.

Poverty is more intense among southern blacks than among whites.

Southerners have received less formal education than the Nation's population as a whole.

Mr. Speaker, these and other findings in the study—which can be obtained from the Southern Regional Council, 52 Fairlie St. N.W., Atlanta, Ga. 30303—underscore the need for action on a national as well as regional and local level to improve economic conditions in the South. A more prosperous South will relieve extreme suffering in that area and benefit the entire national economy.

I submit for the Record the statement by Mr. Esser and Mr. Bowie.

Statement by George Esser and Harry Bowie

In a time of economic recession and inflation the persistence of poverty in the South takes on special significance. Inflation in the South, for instance, has grown at a higher rate than in the nation as a whole. Moreover, the method of computing those in poverty fails to take into account an extremely important factor. Items in family budgets which had the most rapid price increase—food, housing, transportation—constitute a far greater share of poor people's expenditures than of those in middle income groups. Poverty levels established in 1964–65 are updated each year to reflect changes in the cost of living by the increase in the *total* consumer price index. But beginning in 1972, accelerating in 1973 and 1974 the price increase in the items for which the poor spend their money has been greater than in the total index. What this means is that since 1972 the number of actual poor has been understated and that as inflation continues, especially in food prices, the number will continue to be understated.

This study, essentially a statistical analysis of regional poverty data derived from the 1970 Census, illustrates that well before the present crisis in the nation's economy the South had a larger proportional share of the nation's poor than the remaining 39 states. It is also clear that a significantly large number of Southerners, not classified as poor, were living on incomes that put them perilously close to poverty levels.

The census of 1970, we would point out, represented the first time that the Census Bureau had collected poverty data on the scale reported here. Our purpose in presenting an examination of the regional data is to identify the South's poor in detail in order to provide a statistical base for remedial action. Several major findings, with broad policy implications, emerge from our analysis.

Poverty among Southern blacks, as has historically been the case, remains more intense than among whites, although in absolute numbers more whites are poor than blacks.

Poverty rates in rural areas, not unexpectedly, were uniformly higher than in urban areas.

The percentage of poor families headed by females was far greater than those headed by males. Black female headed families are particularly vulnerable. As a result, the South's poverty bears heavily on the children of the region, since most female-headed families—of both races—contain children.

Work is no guarantee against poverty. The majority of Southern poor, in fact, do work, but do not earn enough to raise their families' income above poverty levels.

The industrial structure of the South in 1970 was more heavily concentrated in low wage industries than was true in the rest of the nation.

Only a very small percentage of Southern families received public assistance in 1970. All states defined need at levels lower than the federally established poverty line. In most Southern states maximum payments were far below even the states' own established need levels. The result of such policies was inevitable: public assistance helped only a small fraction of the poor to move out of poverty.

Although overall the rate of participation in Social Security by the South's elderly was only slightly below that of the elderly in the rest of the nation, participation among elderly blacks was far below national averages. This was so because elderly blacks during their work years were heavily concentrated in domestic work and farm labor, jobs that only during the past two decades have come under the Social Security Act.

Southerners have received less formal education than the nation's population as a whole. Among the poor the percentage with a high school education is still alarmingly low.

Detailed policy recommendations to reach the causes of regional poverty are beyond the scope of the present study, but the need for certain broad measures is clear.

Public education in the South should provide for equitable financing of schools in order to bring a higher quality of education to children in poverty areas.

There must be adequate funds for manpower programs that will enhance individual earning opportunities, improve productivity and contribute to economic development. Such programs should not only meet labor market demands, but provide special assistance to persons living in rural areas and in urban ghettos, to women, to youth, to minorities who have for so long borne the penalties of employment discrimination. These programs should be linked with governmental economic development policies that will influence the location of jobs in poverty-heavy areas.

Social welfare programs should be focused toward bringing both the working poor and those not in the labor force to at least a minimum needs level, preferably to be determined by the federal government, on a uniform basis rather than by states. Existing programs should be strengthened, outreach efforts undertaken to enroll those eligible. For, almost by definition, the poor among us are those who benefit inadequately and inequitably from the normal workings of the economic and social order.

There remains the danger, however, in a period of national economic crisis that the problems of those at the very bottom of the economic ladder will be exacerbated. Programs designed to aid the poor have never been popular among the affluent, and today there are voices in the land calling for drastic cutbacks in social welfare programs as a panacea for halting inflation. We do not pretend to have the solution to the nation's current economic perplexities. But we do not believe that in a compassionate nation, at a time when more people—not fewer—will likely need the services of such programs that acceptable answers are to be found in penalizing those most victimized by, and least responsible for, the hard times that now beset us all.

Nor, finally, will the best interests of society be served by penalties that prevent those same people from finding a productive role. Back of each statistic in our report are flesh and blood people, adults who have never known any existence other than that of harsh, and shattering poverty, children whose childhoods are being needlessly blighted and whose potential for growth into useful citizens is being jeopardized, the elderly who are victims of their own failing strength and of society's indifference. Seen in such a light the statistics here take on a new and terrifying reality.

We present our data, then, with the hope that policymakers at every level of government and in the private sector will use it as the basis for formulation of policies and programs that both respond to basic human needs and open up opportunities for a full share in a productive society.

GAS RATIONING? NO THANKS!

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. TREEN. Mr. Speaker, now that the House has voted to block the President's proposal to raise oil import taxes, the burden is the opponents' to propose ways to reduce oil consumption.

At least one major newspaper, the New Orleans Times-Picayune, applauded the President's bold initiatives, and in its January 26 editorial called on us not to forget the sad experience the Nation had with gasoline rationing during the last World War. I urge my colleagues to read carefully the Times-Picayune editorial, "Gas Rationing? No thanks!":

GAS RATIONING? NO THANKS!

Those, including congressmen, who believe gasoline rationing to be the way of our energy pinch have sketchy memories of the last time gas was rationed, or they haven't bothered to study that phase of history, or they weren't drivers then. They've even forgotten our recent sad experience with government controls.

Black markets, gross discrimination, politicians getting extra gas—to lay hands on extra gas tickets turned many an otherwise respected family man into a conniving wheeler in what became the great national pastime.

And if many average Americans turned a dishonest ticket, the underworld turned rationing into a vast gold mine. That was in wartime, too, and with more patriotic deterrents than in peacetime.

When President Ford favors oil tariffs and excise taxes over rationing he is getting at the hub of our energy problem. This week he ordered his first tariff boost.

His program aims at cutting back on oil use, not only as motor fuel but in the whole array of other uses, including boiler fuel, heating and as a raw material for industry.

At the same time he proposes a lifting of the oil and gas price ceiling to spur the domestic search for oil and gas. So his plan calls for personal sacrifices in curtailing energy use and in paying more for energy. Rationing by itself would not stimulate exploration, but would act as a depressant, lacking built-in incentives.

The Ford plan calls for no new armies of bureaucrats with their huge budgets and endless red tape. Backers of rationing cannot make similar claims for their multi-billion-dollar idea.

Accompanying the vaguely outlined rationing idea is a plea for a 90-day delay. Another delay atop the near year and a half since the spigots were shut on oil of the Middle East? Where have congressional opponents of President Ford been, sunning in the Watergate floodlights?

Mr. Ford and his experts have hammered out a plan over the months, coming up with a considered program to help the energy-short nation work its way toward energy independence.

Those against the administration's recommendation are long on criticism, short on research and still groping. In their ranks are many of the same people who, a short while ago, harangued that Mr. Ford had no plan.

Negativism and obstructionism are no substitute for the constructive cooperation needed between Congress and the White House to work the nation out of the hole on energy.

Persons who present as painless any plan to make up for our years of neglect, misrule and profligacy in the field of energy brand themselves impostors."

VOICE OF DEMOCRACY WINNER

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. MINISH. Mr. Speaker, I am proud to announce that the 1974–75 New Jersey winner of the VFW Voice of Democracy Contest is a resident of the 11th Congressional District, which I have the honor to represent in the Congress.

The New Jersey winner is Frank A. Frederick, Jr., of Orange, N.J. Frank is a junior at Our Lady of the Valley High School in Orange. He is the son of Frank Sr. and Patricia Frederick.

I congratulate Frank Frederick upon his fine achievement and wish him the best in the nationwide contest to be held this month in Washington.

At this point in the RECORD, Mr. Speaker, I insert the winning essay for New Jersey:

VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM WINNER, FRANK A. FREDERICK, JR., OF NEW JERSEY

When it comes to the Pledge of Allegiance, how do you say it? Do you recite it as one long sentence? I remember years ago, I and my friends practiced saying it in one breath and whoever said it fastest won. I guess in a way we are all like that. We are so accustomed to saying the pledge that we forget its meaning:

"I pledge allegiance to the flag of the United States of America, and to the republic for which it stands; one nation under God, indivisible, with liberty and justice for all."

This is my responsibility as a citizen of the United States, to see that the pledge is spoken with the heart, accepted by the mind, and made true by the body.

Thomas Jefferson wrote in the Declaration of Independence that, if a government becomes a tyranny, it is the responsibility of the people to see it overthrown.

Our government is a far cry from tyranny and was created flexible enough to remain sound if we guard it. Our government was designed so that all can have part ownership in it. But with ownership comes responsibility, the responsibility to see the laws of our making obeyed and the laws that have become unacceptable changed.

I believe in our government, and our laws, and in our right to peacefully change those laws that are, at least, obsolete. And I will stand and defend this country if it needs defense.

But, let me say this: I am not an American patriot, I hold patriotism to humanity. I value man higher than I do his government. If this means that I must disagree with the law-makers to better help those lawed upon, I shall.

That is my responsibility.

Though it seems unlikely, that is also the rule stated in the Pledge of Allegiance, that men have liberty and justice—all men.

As a citizen: I am a businessman, a merchant, a farmer, a laborer. I am married, widowed, divorced, and single. I am a woman, I am a man, I am a child, I am an adult.

I am myself, but I am part of everyone around. There are few that I do not effect by my actions.

I rule and I am ruled. I sin and I am sinned against. I feel joy and I cause joy.

I am a product of this country. My values and responses are shaped by this country. My duties and responsibilities I accept happily in the name of this country. And, for all its faults, I love, and am proud to be a member of, this country.

JOHN CURTIS SMITH CHOSEN INDIANA WINNER OF VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM FOR SCRIPT OF "MY RESPONSIBILITY AS A CITIZEN"

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. EVANS of Indiana. Mr. Speaker, each year the Veterans of Foreign Wars and its ladies auxiliary conducts the Voice of Democracy scholarship program in our Nation's secondary schools. This is a national broadcast scriptwriting program which provides our high school students an opportunity to write and speak up for freedom and democracy.

This year's theme is "My Responsibility as a Citizen," and I am pleased to announce to my colleagues that the winner from the State of Indiana is one of my constituents, Mr. Curt Smith, of Indianapolis.

Curt is the son of Mr. and Mrs. John R. Smith, of 8049 Chiltern Road, Indianapolis. Curt attends Pike High School in Indianapolis, where he is president of the senior class, editor-in-chief of the school paper, and a Student Council representative.

Curt will be coming to Washington next week for the final judging of all State winners and I wish him the best of luck in this final competition.

I commend Curt's essay to the attention of my colleagues:

MY RESPONSIBILITY AS A CITIZEN

Most of us take our citizenship for granted. By whatever means it was acquired, we still just take it for granted. To most Americans the important thing about citizenship is just having it. Few of us ever stop to think about or consider our responsibilities as a citizen.

By definition a citizen is a member of a political or social group. He gives his allegiance to the group and in return he receives its benefits. Citizenship involves the rights, privileges and duties of an individual. Most of us are aware, and very vocal about our rights and privileges. Few of us, however, stop to consider, let alone fulfill our duties.

The outcome of good citizenship and the by-product of the work of the good citizen are obvious and essential. Good citizenship yields a stronger better nation. The good citizen works to improve his country and there are many ways that I, as a good citizen, can do this. As a good citizen I should obviously abide by the laws of my country, I should pay my taxes to help support the government, and I should be respectful of others wishes. But my most important responsibility is to safeguard the rights and privileges of other ciitzens. I must protect everyone's rights. Using Nazi Germany as an example the importance of this can be illustrated for all of us. As the rights of certain religious groups eroded under Hitler's rule, the other citizens did nothing to protect or secure the rights for the oppressed. This started the irreversible tide, and eventually the entire country was a totalitarian state with Hitler and his men having all the rights and the true citizens none.

It is proven that in order for people to be strong and free-thinking they must be free. This prevalent atmosphere in America is necessary and essential to her citizens. Without strong citizens our country will falter. Therefore, my primary responsibility, or duty, lies then in protecting the rights and privileges of the other citizens of my country.

One of the more basic concepts of American government is that the government and the people who compose it reflect the people. Therefore in protecting and preserving these rights I serve a multiple purpose. I help make the government strong and productive, I help make her citizens strong, while securing the blessings of liberty and security for myself.

Now that I know the primary responsibility of a citizen I need to know how I can go about carrying it out. In preserving these rights and privileges I must vote responsibility. Voting responsibility entails more than just pulling the right lever on election day. It means being informed of the true issues. It involves being a student of your government. As a good citizen I should involve myself. As a good citizen I should develop a nationalistic attitude. This attitude encompasses many things. I must learn to submit to the will of the masses when I have a different opinion. I must also work to secure the rights of the minority when I am in the majority. I must learn to question and at the same time submit to national policy. All this time I must remember: "The government that governs best governs least." This saying is well proven in America. And this brings me to my final responsibility as a citizen. I must govern myself. I must act as a responsible person so it won't be necessary for others to govern me. The greatest asset of the citizens of America is their government and nation. And the greatest asset of America is her citizens. That relationship is vital and essential to both.

An oath from the ancient Greek city of Athens embodies many of the responsibilities of citizenship and eloquently states my responsibility as an American citizen: "We will never bring disgrace to this, our city, by any act of dishonesty or cowardice, nor ever desert our suffering comrades in the ranks. We will fight for the ideals and sacred things of the city, both alone and with many."

This then becomes my responsibility: To stand for the best in America, shun the dishonesty, deplore the cowardice and remain constant to the ideals of the American way.

THE NEED FOR GUN CONTROL AND THE NATIONAL COUNCIL TO CONTROL HANDGUNS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HARRINGTON. Mr. Speaker, it should be clear to us all that the 94th Congress will simply have to assume a responsibility for passing effective handgun control legislation. The situation is out of hand, as the FBI has reported since 1972, some 31 percent of all murders occurred within families and between others close to each other. Another 41 percent grew from disputes which were, presumably, between persons who knew each other well.

Handgun ownership has proved to be one of the most destructive facets of our modern society. Witness the fact that for every thief confronted by a homeowner bearing a handgun, four homeowners or their relatives are killed in handgun accidents. Furthermore, only 2 percent of home robberies result in the trespasser being shot by the homeowner. Clearly the cost of public handgun ownership far outweighs the benefits.

An advertisement recently appeared in the Washington Post sponsored by the National Council to Control Handguns. What is most unsettling, perhaps, is the validity of the advertisements' reference to congressional inaction being responsible for a persistently high national crime rate. As reported by the National Commission on Civil Disorders, the Administration of Justice, and the President's Commission on Civil Disorders, our crime rate would decline significantly with the elimination of public handgun ownership.

I am hopeful that the advertisement which I would like to insert in the RECORD at this time will serve as a reminder to each and every colleague in the House that handgun control legislation must be a high priority item for the 94th Congress:

IS IT NOT TIME FOR CONGRESS TO ACT?

Over a quarter of a million Americans were at this end of a handgun last year—victims of 10,000 murders, 100,000 serious assaults, and 160,000 armed robberies.

Since the 1930's a majority of Americans have supported handgun controls. By not enacting effective handgun legislation, past Congresses have not responded to the views of the electorate.

The National Council to Control Handguns, a new non-profit organization, needs your support to bring the urgent message from the people to the politicians—we are fed up living with crime. The 94th Congress should and can act to reduce crime in this country.

Congress must start by passing effective legislation to control the handgun—the favorite weapon of the criminal.

Won't you please join us in working for a more peaceful America?

(Because we are an active lobbying organization, gifts to NCCH are not tax deductible. Mark Borinsky, Chairman.)

Please make your check payable to:

NCCH (The National Council to Control Handguns)
1910 K Street, N.W.
Washington, D.C. 20006

Enclosed is $15 for NCCH Membership Dues — I wish to give more. Enclosed is — $500 — $100 — $50 — $25 $-----

Name ----------------------------------

Address --------------------------------

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A WEEK CAN CHANGE ONE'S LIFE—IN COMMEMORATION OF OUR VIETNAM DELEGATION'S RETURN

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BROWN of California. Mr. Speaker, I rise today to welcome our distinguished colleagues' return from their 7-day sojourn to Vietnam. They bravely set out to determine whether the premises that have guided our economic and military policy toward Vietnam—premises that have evolved over 20 years of dishonorable, unconscionable, and unethical involvement in a war we never chose to declare—have caused us to become too unflinching in our resolution to end this U.S. immersion in Vietnamese history.

I am sure we will all be interested in their comments and conclusions about their experiences, and in any suggestions they might have for a possible hesitation in our current perseverance to end all involvement immediately.

I will always listen to anyone's justifications for continuing an unjustifiable nourishment of an endless battle.

In commemoration of the return of this delegation, I wish to insert a New York Times article, written by Russell Baker, which will conclude my remarks:

CONGRESS IN DISNEYNAM

(By Russell Baker)

The Administration is trying to get a group of Congressmen to go to Vietnam and discover that American policy there is sound.

It is a routine that was developed in the early Johnson period. Whenever, as now, Congress threatens to balk at financing our various wars out there, the Administration transports a group of them to Vietnam to admire our policy successes on the scene and bring back a rosy report.

If the group ever gets off the ground, it won't see the Asian Vietnam, of course. Nobody very important has been allowed in there since 1967.

In that the Government realized that the whole thing might collapse at any moment, and naturally it did not want to lose a lot of Congressmen who had been sent there to see how splendidly the policy was succeeding.

The National Security Council decided it would be safer to demonstrate our Vietnam successes in a less troubled setting. It called in the creators of Disneyland and had them build a brand-new Vietnam on the outskirts of Rockville, Maryland.

This is where Congressmen signed on for Administration tours go when their plane leaves Washington. They fly to New York, spend two days in one of the Kennedy Airport holding patterns, and then land at Rockville where briefings begin immediately.

The man who plays President Thieu at the Rockville Vietnam is a retired actor named Slim Sensenbaugh, and I asked him recently what sort of policy successes he would show visiting Congressmen.

"It'll be a little different from the old days when we used to get Bob McNamara and Gen. Max Taylor up here in Rockville," Sensenbaugh explained. "In those days we gave them a simple rosy-outlook briefing. All they wanted was enough to be able to go back and say there was light at the end of the tunnel if we just had the patience to spend a few billion more dollars."

Nowadays the situation is different. There is no hope that Congress will send billions to Vietnam this year. Professor Kissinger will be happy if he can get just a few hundred millions.

"For this kind of thing," Sensenbaugh said, "we'll show them evidence that the other side is determined to humiliate the United States by crushing us, but that we can hang on if Congress will come across with a trifling three or four hundred million."

I asked to see some of the Rockville Vietnam's devices for persuading Congressmen, and Sensenbaugh took me to a large well-lit room full of writers.

"These writers are mostly old fiction writers from dead magazines—Collier's, The Saturday Evening Post, Life," Sensenbaugh said.

"Right now they are all busy composing captured enemy documents that will prove to Congressmen that the Communists believe the United States is too cheap to keep up the good fight."

He showed me a freshly inked captured enemy document. "Top Secret from Hanoi," it said. "Unless the Congress of the United States gives Professor Kissinger $300 million right away, Communism will triumph by springtime."

A writer handed Sensenbaugh a draft and asked what he thought of it. It said, "Top Secret and eyes only to our brave captured soldiers—if Kissinger gets the $300 million from Congress it's curtains for Communism in Asia."

"A little obvious for my taste," said Sensenbaugh, "but a Congressman should love it."

I asked Sensenbaugh if visiting Congressmen ever asked to see some captured enemies. "We always keep a large cast of captured enemy soldiers in case they do," he said, showing me a compound where a large cast was practicing looking captured and hostile.

"It's the chorus of the Metropolitan Opera," he said. "They always need the money."

Don't visiting Congressmen ever object to being sent to the Rockville Vietnam? The only man who ever objected, said Sensenbaugh, was George Romney. He came back from Rockville saying he had been "brainwashed" and everyone became so angry that Romney had to stop running for President.

"He had broken the rules of the game," I suggested tentatively.

"It wasn't that," said Sensenbaugh. "Everybody saw Romney was a dangerous man when he admitted we brainwashed him here at Rockville. A guy like that could have gotten the whole country trapped in the quagmire of reality. What's more Congressmen might have had to start going to the real Vietnam again. We could lose a lot of Congressmen that way."

CHARLES SAYERS, WINNER OF VFW-SPONSORED "VOICE OF DEMOCRACY" CONTEST IN NEW YORK

HON. OTIS G. PIKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. PIKE. Mr. Speaker, each year the Veterans of Foreign Wars and its Ladies Auxiliary conducts a Voice of Democracy contest. The excellence of this program in fostering good citizenship among our youth is known and recognized throughout the land by reason of this distinguished organization's tireless efforts and dedication to the service of the Nation and its young people. I am informed that this year nearly half a million secondary school students participated in the contest for scholarship prizes worth up to $10,000, thanks to the generosity and good work of the VFW.

With such keen competition as this, it is an honor for me to announce to my colleagues in the House that the winning speech for the entire State of New York this year was delivered by a 17-year-old who resides in the First Congressional District which I am privileged to represent. Herewith is the text of that excellent and inspiring speech as delivered in statewide competition by young Mr. Charles Sayers, Centereach, Long Island, N.Y.:

1974–75 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM NEW YORK WINNER, CHARLES S. SAYERS

Today I feel that there is a need to inform the American people as to what my responsibilities as a citizen are. To some it may sound like I'm saying that I'm constantly being assaulted by a barrage of laws while trying to keep my head above a sea of governmental red tape. That, because of this feeling, I believe that my fate lies in the hands of some Congressman who knows how to pull the strings that make the wheels of government turn. But do you realize that as an American I have two basic responsibilities without which our government could not survive? To love America and to protect it with every faculty at my disposal.

Yea, I can just hear you saying it now, "What can this kid do? He's only one person." Well, if you love a child do you constantly ask what you can do for it? Do you say, "I'm only one person. I cannot possibly love this child enough!" Of course not, you strive boldly ahead with all the love and sincerity you can possibly muster.

My confidence lies in the knowledge that our country was formed by the boldness and love for freedom of a few insignificant men. Where would we be today if two hundred years ago on April eighteenth Paul Revere said, "I'm just a poor little silversmith! How can I warn the troops at Lexington that the British are coming? I mean, Ben Franklin can ride a horse." Or if George Washington said, "Are you crazy!? If I stand at the front of the boat I'll either get shot or fall into the Delaware." No, these brave men took their idea of government very seriously.

Unfortunately, within that two hundred year period we have suffered such atrocities as World War I, World War II, the Korean War and the Vietnam War. But each was marked by the purpose of protecting America. Men have died to protect this country. They were merely individuals but their presence was made known. They did not run. They did not have to question as to whether or not the war was right but merely, "If I don't go what will happen to America?" Because, ladies and gentlemen, If I don't protect America who in God's name will? Will the blood and sweat of my ancestors be blown into the winds of time to settle into oblivion, because I did not have the courage to defend it? If America is to be left unguarded, being attacked not only by other skeptical countries but by our own people, what will be left for my children?

Whenever I have doubts about the honesty and dedication of a certain public official I look at what he or she has done for the benefit of America before I condemn them. I do not ignore governmental policies just because I do not understand them. Believe me, I'm not saying America right or wrong. I'm saying, if it's wrong, I'll look at all sides of the issue rather than attack it. If it must be changed I will try to amend it. And if its life is threatened, I will die for it. America belongs to the people and it is my responsibility to see that it is not taken away from us.

FAIRNESS IN THE NUCLEAR ISSUE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. ASHBROOK. Mr. Speaker, energy is the key to our Nation's economy. Without a sufficient supply of energy, American industry comes to a grinding halt and millions of workers are thrown out of work.

If the United States is to avert this crisis, we must begin now to develop and utilize new energy resources such as solar, nuclear, and geothermal energy. We cannot rely forever on our fossil fuel reserves.

Because our need for new energy resources is so great, I have been disturbed by the disproportionate amount of media coverage given to critics of the nuclear power industry. The media is paying far more attention to the detractors of nuclear power than to the supporters.

Dr. Leonard Reiffel, in his column appearing in the Ashland (Ohio) Times-Gazette, has criticized the lack of fairness. Reiffel writes:

> This imbalance in treatment on this most critical issue is very dangerous. Since the man in the street is hardly a nuclear expert, nor for that matter are most congressmen, the influence of this imbalanced attention can be enormous. The results of the mistakes in judgment which could thus be fostered will be felt for decades.

It would be extremely unfortunate if such imbalanced treatment leads the United States to pull back unnecessarily from the development and utilization of nuclear power. The future well-being of our economy could be the price we pay.

Following is the test of the article from the February 12 edition of the Ashland Times-Gazette:

> WANTS FAIRNESS IN NUCLEAR ISSUE
>
> (By Dr. Leonard Reiffel)
>
> As a part-time inhabitant of the world of mass media, I'm often puzzled at the way our communications system handles certain issues. I suppose I really wouldn't be.
>
> Someone said long ago that bad news travels fast, but I am nevertheless distressed at the amount of attention a single expert, whether real or self-proclaimed, can get by declaring himself "against" some program or institution. On the other hand, similar experts, perhaps equally or even more eminent, can declare themselves "for" a given project, and their position will be buried on the back page if it sees the light of day at all.
>
> Without taking a stand for or against the matter involved, I would like to draw attention to a recent statement by 32 of the most eminent scientists in our nation. Included in this group are no fewer than 11 Nobel Prize winners. Taken as a group, they are certainly a formidable collection of experts—some with vested interests in the nuclear business, but many in a position to be quite dispassionate in their views.
>
> These experts strongly favor nuclear power as a way to deal with our critical needs. They also emphasize the urgency of a vigorous coal resources development program. Nuclear power involves some risks, but they point out that these can and are being well controlled, contrary to the scare publicity given to some minor mistakes which were simply part of the learning period.
>
> Most people in this country are not aware of this authoritative expression of support for nuclear energy. Certainly the media did not give it national headlines. Contract this inattention with what would have occurred if these same scientists had come out with equal firmness against nuclear energy. Three-inch headlines on every newspaper in the country would have announced that "Nobel Prize Winners Declare Nuclear Energy a Mistake" or words to that effect. These men would have been invited to participate in television talk shows. They would have been interviewed on national network newscasts. They would have been invited to speak on the lecture circuit throughout the country, and quoted endlessly by the opponents of nuclear power. Indeed, just this sort of thing happens when a single scientist, frequently with dubious credentials, makes some kind of a sweeping accusation about nuclear power.
>
> The imbalance in treatment on this most critical issue is very dangerous. Since the man in the street is hardly a nuclear expert, nor for that matter are most congressmen, the influence of this imbalance attention can be enormous. The results of the mistakes in judgment which could thus be fostered will be felt for decades.

PUBLIC DISCLOSURE OF LOBBYING ACT OF 1975

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HAMILTON. Mr. Speaker, I have joined my colleagues Mr. RAILSBACK and Mr. KASTENMEIER in introducing the Public Disclosure of Lobbying Act of 1975. This bill is a part of the package of reforms in laws and congressional procedures which are needed to restore the American people's confidence in Government.

THE NATURE OF LOBBYING

A central feature of Democratic government is that it should be accessible to the people. The purpose of lobbying is that they should reach it with maximum impact and possibility of success.

Former Congressman Emanuel Celler, Democrat of New York, said:

> Lobbying is the total of all communicated influences upon a legislator.
>
> The difference between good and bad lobbying is not whether the objectives of persuasion are selfish or altruistic, liberal or conservative, pro-labor or pro-business, but solely and simply whether the message conveyed is intelligible, accurate, and informative or cryptic, deceptive and obscure.

Although the general public tends to view with suspicion anyone classed as a lobbyist, Congressmen know the constructure services they render. The public, I think, tends to think of the lobbyist as a man smoking a black cigar, lurking in the dark corridors of the Capitol, luring the Congressman to a party, engaging him in surreptitious conversations.

Actually, lobbyists serve an important, even indispensable function in the legislative process today. They are experts on their subjects and are capable of explaining complex issues in a clear, understandable fashion. They prepare briefs, memoranda, and legislative analyses, and draft legislation for Members of Congress and committees; as specialists, they can often provide information unavailable elsewhere. Lobbyists follow closely the progress of bills in which they are interested, and can often give Members valuable advice on options available to them. They keep in touch with the interests in a Member's district, and they keep the people back home informed of the actions of their Congressman.

Admittedly lobbyists usually present only one side of a question, but spokespersons for the various economic, commercial and other interests of this country are much needed.

The lobbying function is an important adjunct of citizens' constitutional right to freedom of speech. In a free society, citizens have the right to petition Congress for legislation, and opposing sides of a question that have the right to be heard. Lobbyists focus the attention of the Congress on many issues which require legislation.

The lobbyists' job in 1975 is far more complex than several decades ago. Gone are the days when a single contact with a single influential legislator would accomplish the lobbyist's purpose.

The lobbyist today recognizes the diffusion of power within the Congress and within the Federal Government. He knows that the influence of any one Congressman is limited. His interests take him beyond the legislative process to all agencies of policymaking.

The techniques of the lobbyist today are, first, to provide information. Second, to encourage effective letter writing campaigns. Third, to testify in the committees, and fourth to sponsor visits with the Congressmen in Washington and in his congressional district.

Many beneficial pieces of legislation have been enacted in part because of the pressures applied to Congress by lobbying groups. Lobbyists have contributed to the enactment of laws to protect our environment, insure safety standards in industry, regulate campaign spending, and protect workers' pensions, among others.

Nonetheless, the absence of effective legislation has permitted lobbyists to acquire too much power, and to operate in relative secrecy, shielded from the scrutiny of the American public.

Large and powerful lobbying groups can influence the Congress to pass legislation which meets the needs of only a small group, sometimes to the detriment of the general public.

Lobbyists have treated Members of Congress and their staffs to anything from free meals to trips and expensive gifts. While small gifts may arouse no suspicion, that is certainly not the case with the more extravagant gifts. Whether or not this is the case, the public may suspect that their elected representative has allowed his vote to be bought.

Grassroots lobbying groups often use the technique of stirring up avalanches of mail from constituents on various issues. In the absence of disclosure laws, a Member of Congress does not know whether letters he receives are spontaneous expressions of constituents' views, or the work of an unseen pressure group.

EXISTING LEGISLATION IS INADEQUATE

The 1946 Federal Regulation of Lobbying Act, which is still in effect, is outdated, unenforced, and ambiguous. It is a sham, and should be replaced.

In the 29-year history of the act, the Justice Department has brought charges only four times, and only one of these prosecutions resulted in conviction.

Large loopholes in the law allow many interests to avoid registering. The law requires registration only by person paid to lobby for someone else. They must report how much money they receive and from whom.

Groups or individuals who spend money out of their own funds to influence legislation are not covered unless they also collect or solicit money for that purpose.

Only those organizations whose self-defined "principal purpose" is lobbying must register as lobbyists. Many organizations with extensive lobbying operations have thus been exempt because they had other functions besides lobbying.

Lobbying efforts are not covered unless a lobbyist contacts a Member of Congress directly. Lobbyists who generate grassroots pressure on Congress are not covered.

Some lobbying organizations claim that their contracts with Congress are designed to inform, not influence, and do not constitute lobbying.

The law leaves it up to each group or lobbyist to determine for himself what portion of his total expenditures need be reported as spending on lobbying. Two very similarly constituted organizations may report vastly different percentages of their budget as lobbying expenditures, depending on their individual interpretation of the law. Some organizations which are merely more honest than others have unjustly received a reputation as big spenders.

The present law applies only to attempts to influence Congress, not administrative agencies or the executive branch, where much legislation is generated.

Enforcement provisions are weak. The Clerk of the House and the secretary of the Senate receive registrations and reports but cannot investigate reports or compel anyone to register. The Justice Department can prosecute violators but has no mandate to investigate reports.

In the 1970's Americans have become much more aware of the need for an open, honest, and responsive government. They will not tolerate a government which lies to them or conducts its business in secret. In recent months, the Congress has passed laws which I hope will improve the public's confidence. We have enacted a new campaign spending law and a budget reform act to restore control of the budget to Congress. The recent rules changes in the House have done away with the seniority system and opened up almost all committee and conference committee sessions. The reforms cannot be complete without a strong lobbying control law.

THE PUBLIC DISCLOSURE OF LOBBYING ACT OF 1975

I believe that the bill I have introduced today is such a bill. It would:

First. Strengthen the definition of lobbyist to include anyone who receives or spends $250 or more for lobbying during any quarter, or $500 or more during a total of 4 consecutive quarterly filing periods.

Second. Require lobbyists to register, stating on whose behalf they are working, on what financial terms, what aspect of the policymaking process they wish to influence, and with whom contact is to be made.

Third. Require a lobbyist working for a voluntary membership organization to state the number of members in that organization and the methods by which the members' decision to engage in lobbying is made.

Fourth. Require lobbyists to report the amount and source of their income and expenditures on lobbying and related activities—travel, research, mailings. Lobbyists would have to file quarterly reports identifying each Federal officer or employee whom they contacted, for whom the reporting lobbyist worked, and what decisions in the policymaking process the lobbyist sought to influence.

Fifth. Require Executive Branch employees in grades GS-15 and above to report all contacts with lobbyists;

Sixth. Require the Federal Elections Commission, which was created by the recent campaign reform legislation, to enforce the act and receive all reports.

Seventh. Grant the Commission civil proceeding and subpena powers;

Eighth. Require the Commission to develop appropriate forms for filing reports; make the reports available for public inspection; compile and summarize information received; make investigations to ascertain compliance with the law; have each report by a lobbyist published in the Federal Register; and make recommendations for further legislation to the Congress.

Penalties for failure to comply with the law would be up to 2 years' imprisonment, or a $5,000 fine, or both.

I am hopeful that the Congress will act expeditiously in passing this important piece of legislation.

CORRECTION OF VOTE ON RULE FOR CONSIDERATION OF H.R. 2166, THE TAX REDUCTION ACT OF 1975

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. LEHMAN. Mr. Speaker, the CONGRESSIONAL RECORD of February 27 lists me as being absent for the vote on the rule for H.R. 2166, the Tax Reduction Act of 1975. I cannot understand the mistake. As the RECORD clearly shows, I was present and did vote on the previous motion which occurred immediately prior to the vote on the rule. I remained on the floor and was present for the vote on the rule. Unfortunately, and due possibly to some malfunction in the voting system, my vote was not recorded. At this time I wish to state for the record that I voted in favor of the rule for the consideration of H.R. 2166, the Tax Reduction Act of 1975.

MY RESPONSIBILITY AS A CITIZEN

HON. MAX S. BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BAUCUS. Mr. Speaker, each year the Veterans of Foreign Wars and its ladies auxiliary conducts a Voice of Democracy contest in which high school students from around the Nation compete for scholarships.

This year the Montana winner is a talented 17-year old junior who attends Hamilton High School, Michael Bugni. The Voice of Democracy Award is only the latest in a series of prize-winning speeches Mike has delivered.

I was so impressed by his speech that I decided to share it with my colleagues. I submit it for the RECORD:

MY RESPONSIBILITY AS A CITIZEN

(By Michael Bugni)

I remember a story, about a king, and this particular king happened to be the third one in less than a year. To be quite frank, he was terrified of losing his position. In fact, he was so overcome with the fear of dethronement that he called for a meeting of all the people in his kingdom, and upon this forgathering, the king proclaimed that everyone within his domain was completely and totally free to do as he or she desired. There were to be no laws, no taxes and no responsibility to the government. At first, the people were overjoyed. For months they lived in peace and the kingdom prospered. But soon they discovered a need for better roads, more public buildings, a uniform code of laws and regulated enforcement for occasional disputes. The kingdom was unable to function without rule and without discipline. The people went to the king and demanded action, but he refused them, for fear he might offend someone. So the people formed their own government. They elected representatives, they passed and enforced laws, and they taxed the people. Once again, the kingdom prospered, but the poor king found himself alone, broke and totally powerless. If the citizens of a nation are to be given freedom and rights, they must also be given responsibilities to their government or that nation will never succeed.

I am a citizen of the United States of America. I have responsibilities to my government and unless I fulfill these obligations, my country will fall. We tend to take advantage of our rights and we neglect our duties. We forget how lucky we are to live in a country that provides so many freedoms for us to enjoy. We interpret our privileges to be our rights, we demand from the government, yet we return nothing. To be an American citizen and to have rights, is to have responsibility. To me, that's a small price to pay for freedom.

As a citizen of the United States, it is my responsibility to obey every law put forth by our governmental systems. These laws may seem unfair at times, but we must realize that they originated from bodies elected by the people. We have the freedom to protest and the ability to change, therefore, we must comply with those regulations established by the majority.

It seems to me, that apathy is our number one enemy in fighting national crises. If we can't concern ourselves with our own problems, nobody else will. In a country filled with shortages, hunger and crime, it appears that no one cares enough to save, share or cooperate, even a little. It is our responsibility to stop being so wasteful, to help our fellow man and to comply with the requests of our government. We constantly complain of poor leadership, little justice and political corruption, yet only 38% of those eligible to vote turned up at the polls last November. The American vote is not only a right, but an obligation to our country and if we are to sustain a government of the people, by the people and for the people, we must elect our officials with all the people. It will soon be my responsibility, as it should be for every legal-aged citizen, to vote in each election with serious thought and concern.

We are a nation and thanks to our government, we can live in unity with freedom. To be united is to live with our neighbors and it is my responsibility as a citizen to show civility and respect for people, taking care not to infringe upon their rights as I employ mine. I must acknowledge the right of others to express their opinions and ideas, and most of all, I must work to do my part in obtaining and accomplishing the goals of this nation.

The people of the kingdom had no responsibility to their government, but we do, and it is up to us to fulfill these responsibilities if we ever hope to see this nation last. As the citizens of this democracy, we are the rulers and the ruled, the law-giving and the law abiding, the beginning and the end. The responsibilities of an American citizen may seem expensive, but the freedom of democracy is priceless.

EFFORTS TO RESTRICT PUBLIC INFORMATION DISREGARD RESPONSIBILITIES OF ELECTED OFFICIALS

HON. LARRY PRESSLER

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. PRESSLER. Mr. Speaker, I would like to insert the following editorial into the CONGRESSIONAL RECORD. This editorial was written by Mr. Aubrey Sherwood, editor of the De Smet News published in De Smet, S. Dak. This South Dakota weekly newspaper serves 2,000 people in Brooking, Beadle, Miner, Hamlin, Clark, and Kingsbury counties.

This editorial illustrates the desire of the American people to know the details of governmental expenditures and governmental meetings. Government must be open at all levels to public scrutiny.

The editorial follows:

EFFORTS TO RESTRICT PUBLIC INFORMATION DISREGARD RESPONSIBILITIES OF ELECTED OFFICIALS

Actions of officials in their duties, even proposed laws at times conflict with practices long established and laws on the statutes. A state official in recent years instructed clerks of courts they should not release to the press a monthly list of births, this though they could continue to provide lists of deaths, marriages and divorces—this as a convenience though not as a duty.

His effort was to prevent lists of births from appearing in the newspapers, and further in this regard he told clerks, that while reporters and editors might see the records of all vital statistics it must be with the restriction against their publishing the names of births.

This assumed an authority not known to this editor: that any official could restrain an editor from publishing what was common knowledge in day by day reports from doctors or hospitals, and which appeared on records that are public.

With the clerk of courts of this county so admonished, The News has not had a monthly list of births published along with other vital statistics reports monthly, not wishing to have a contention over this rather mild suppression of report. After all, births are available week by week and a monthly compilation would be possible from them.

In the transfer of the keeping of birth records to the register of deeds it appears such a suppression is not asked, and the January Vital Statistics report included births.

Legislators apparently can disregard laws on the books, in proposing bills with restraints in them. One offered last week would restrain County Auditors from including reports of the warrants drawn on the county in welfare payments in making the official publications required for meetings of the County Boards. This is proposed though the laws require that all expenditures of public funds be recorded in the minutes of whatever board may make them. The County Auditor, as an elected official, is responsible for recording the minutes and publishing them in the official newspapers.

Peculiarly, the proposed suppression of such payments comes at a time when there is public and official concern over the large expenditures in various forms of welfare, before the wells run dry. Thus there is need for officials, the people in general and even any receiving welfare in any form, to know the expenditures and strive to correct any abuses that exist.

However, basic to our form of government is the requirement that the public—the people—be kept informed of official acts regarding public funds.

MAN OF THE YEAR

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. FLOOD. Mr. Speaker, on Saturday, March 15, the Friendly Sons of St. Patrick of Greater Wilkes-Barre will hold its 30th annual dinner and I will be present on that occasion. One of the highlights for this year's dinner will be the presentation of the society's Man of the Year award to Mr. Bob Patton, dean of sports editors in northeastern Pennsylvania. I congratulate the society on its excellent choice and I also congratulate Bob Patton, whom I have known for many years, for his outstanding career and contributions to our area of Pennsylvania. I would like to make as part of my remarks the column on Bob Patton that was written by Mr. Charles A. McCarthy, an historian from Pittston, Pa., which appeared in the Wilkes-Barre Times Leader and Record on February 27, 1975.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

BOB PATTON NAMED MAN OF YEAR BY FRIENDLY SONS FOR SERVICES

(By Charles A. McCarthy)

Highlights of the 30th annual dinner of the the Friendly Sons of St. Patrick of Greater Wilkes-Barre Saturday, March 15, in Gus Genetti's Hotel, will be the presentation of the society's most prestigious award, Man of the Year, to Robert "Bob" Patton, one of "Five Points" (East End) most notable sons and an illustrious member of the Fourth Estate.

Dean of sports editors in Northeastern Pennsylvania, Patton will round out 40 years of service with the Wilkes-Barre dailies in August of this year.

Coming in from Washington to pay tribute to Patton will be Columnist Jack Anderson, who has been writing material for this paper many years. Also being honored on the program will be John McKeown, another East Ender who served the society as president the last year. Gus Genetti, hotel manager, feels the program will attract one of the biggest turnouts in the hotel's history.

Selection committee of the Friendly Sons of St. Patrick which tapped Patton for this distinguished honor was composed of Aloysius Teufel, chairman, and City Manager Bernard Gallagher, Mayor William Connolly of Harveys Lake, and Thomas V. McLaughlin, a prominent civic leader and Wilkes-Barre businessman, all past presidents of the society.

For a score of years, Patton has been active in all facets of the society's activities having served as president in 1968 and in prior assignments filled the office of vice president, committee chairman and advisor to most of the group's presidents. He assisted with the organization's public relations programs since he first joined the association and for the past several years has served as editor of "Erin Sun," the society's annual eight-page program.

Son of the late Mr. and Mrs. Robert Patton of Kidder St., Wilkes-Barre, Patton graduated from Coughlin High School in June, 1935, and matriculated at Bucknell Junior College.

During his high school days at Coughlin, Patton worked as an assistant to the Record sports editor covering a variety of high school athletic activities. During his college days he served as sports editor of "Beacon," the college newspaper.

Always a general sports enthusiast Patton played baseball and basketball in his younger days, but his specialty for more than three decades has been golf, and like many present day linksmen, he usually travels the fairways on board a motorized golf cart.

Over 40 years ago, Patton aided in the organization of the YMCA Rogers Memorial Basketball Tournament, which remains as one of the major amateur sports attractions in Northeastern Pennsylvania. He initiated the High School Baseball Tournament at Artillery Park, in 1946, and its still going strong.

Patton served as a director of Hollenback Golf Club for more than a quarter of a century during which time he organized and promoted the Dan Donnelly Golf Tournament there. This golf tournament is currently regarded as the largest attended one-day event of its kind in Luzerne County. When the board of directors at Hollenback was phased out, Patton was then named to the advisory board of Wilkes-Barre General Municipal Authority.

Bob Patton played a prominent role in promotions which aided the welfare of the boys at St. Michael's School in Hoban Heights. He was vice chairman of Wyoming Valley March of Dimes committee several years and was sponsor of the basketball and bowling attractions which raised large sums of money for this humanitarian endeavor. He also aided Tom Flynn and Bob Eckenrode with Knights of Columbus youth work.

When World War II commenced, Patton was among the thousands of regional young men who answered this nation's call. He served in the U. S. Navy.

Elected in February, 1949, as a member of the board of directors of Eastern Baseball League Writers, Patton was also instrumental in the formation of Northeastern Pennsylvania Sports Writers Association in 1963 and later served several terms as its president.

A charter member of Wilkes-Barre Local, No. 120, American Newspaper Guild, Patton was unit chairman for a decade and chairman of various guild activities for many years until 1963, when he was elected to the first of six terms as treasurer of Middle Atlantic District Council, American Newspaper Guild. In March, 1968, Patton was the recipient of an award from Middle Atlantic Council at an Atlantic City session, in recognition of his accomplishments and devoted service to his fellow workers of this organization.

In November, 1964, Patton was guest of honor at a testimonial dinner conducted in his honor at King's Inn marking his 25th anniversary as sports editor of the Wilkes-Barre Record. During the post-prandial program at this dinner Joe Butler, sports editor of the Scranton Times, referred to his long time association and friendship with Patton and stated: "Patton is a respected and most cooperative colleague working the sports' beat."

Married to the former Eleanor McFadden of Kingston, the Pattons are parents of two children, William and Virginia. Family home is located at 15 Second Avenue, Kingston.

Pros, amateurs, sandlotters, high school, and college sportsmen and sports women and thousands upon thousands of plain old sports fans throughout Luzerne County, and beyond its borders too, are avid readers of "Patton's Patter." Though provocative at times, all readily agree he covers a wide scope of sports happenings in great detail—and gives everybody a fair shake.

I'll be in attendance to witness his receiving this well earned and fully justified award as "Man of the Year."

ST. STEPHEN'S CHURCH CELEBRATES 100TH ANNIVERSARY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. FORD of Michigan. Mr. Speaker, the members of St. Stephen's Catholic Church, in my district, recently celebrated the 100th anniversary of the founding of their parish.

Located in the village of New Boston, St. Stephen's was organized to serve the early Catholic settlers of Polish, German, Irish, and French descent. The earliest masses were offered in a private home, but in 1874, the families scraped together $700 to erect a small brick church.

A history of the parish was written by Margaret Adams, and published in the church bulletin. I would like to share with my colleagues this well-written history of St. Stephen's, and include it to be reprinted in the Record:

St. Stephen's Parish Celebrates 100 Years, Sunday, October 20, 1974

(By Margaret Adams)

St. Stephen's Parish, New Boston, Mich., joins the honored ranks of parishes in the Detroit Archdiocese to celebrate a 100th birthday.

St. Stephen's parishioners and pastor, Fr. Alexander J. Wytrwal, marked the centennial of founding with a special concelebrated Mass at 2:00 p.m. in the church Sunday, Oct. 20, 1974 followed by a buffet dinner and reception. Bishop Arthur Krawczak was the chief concelebrant of the Mass of Thanksgiving.

A dinner-dance, also in celebration of the centennial, is being planned by the ushers on the 2nd Saturday after Easter come April 11, 1974 at the K of C Hall on Van Born in Wayne, Michigan.

St. Stephen's Parish was located in the village of New Boston in the northeastern part of Huron Twp., then on the F. and P.M. Railroad, to serve early settlers of French, German, Irish and Polish descent. The first Masses were offered by a Fr. Gillie in a private home, but by 1874 the families were able to accumulate the sum of $700 to build a small brick church.

Since there was no resident priest, priests from Dearborn came to minister to the community once a month.

In 1884, the first administrator, Fr. B. G. Soffers of Monroe took charge, and in 1887 the parish was placed under the charge of St. Bonaventure's Monastery in Detroit.

Succeeding administrators were Fr. John Needham, who left in 1909; Fr. L. H. Soest, who remained until 1919, and Fr. C. J. Dillon, the last pastor from Whittaker, Mich., to care for the mission's needs.

In September, 1920, Bishop Michael Galagher appointed the first resident pastor, Fr. Alphonse Nowogrodski, who remained as pastor for 27 years.

Fr. Nowogrodski directed his immediate attention to the building of a larger church and a rectory. He purchased the present ground which the parish occupies—297 feet by 465 feet of frontage at Huron River Dr. and Sibley Rd. The rectory was built in 1922.

In September, 1923, ground was broken for a new church, much of the work being completed by a building bee, with men of the parish as participants. The total cost of the building was approximately $23,000.

With his own church in use, Fr. Nowogrodski then turned his attention to nearby Belleville, where an Episcopal church, was purchased and remodeled and re-named for St. Anthony. That became an independent parish in 1946.

Worn-out by his labors, Fr. Nowogrodski died Dec. 14, 1947. An interim pastor, Fr. Peter Wyrzykowski had been named, but he had also died of a heart ailment.

Fr. Edward Miotke succeeded Fr. Nowogrodski and was installed in solemn ceremonies at the parish Dec. 19, 1947. At the time there was a sketchy religious education program, and Fr. Miotke arranged to have two Felician Sisters come to the parish each Saturday morning to give catechetical instruction.

Plans for a parish school were drawn up in 1949, and one year later, May 28, 1950, a groundbreaking ceremony was held. During the course of the building program, Fr. Miotke was transferred to a Detroit parish, and Fr. Ignatius Czapski was named the new pastor.

Fr. Czapski plunged into the building program with enthusiasm. The school was due for completion in September, 1951, but was not completed until October, when four Felician Sisters greeted the first classes of 176 children.

In May, 1959, the parish had lost another pastor with the death of Fr. Czapski, and Fr. Ladislaus Golas became the fourth resident pastor. During Fr. Golas' pastorate parish erollment began a rapid increase, and the four-classroom was no longer adequate to hold the students wishing to attend.

The problem was presented to the Archdiocese and to a new parish school board for study. In the meantime, the present pastor, Fr. Alexander J. Wytrwal, was appointed the new pastor, arriving Jan. 18, 1967. The school problem was set aside temporarily as the parish had new issues to face—the church, convent and rectory were refurnished and redecorated—with the sanctuary of the church modified to allow the priest to say Mass facing the people. In October, 1967, a parish synod was organized, and parishioners took part up to the Archdiocesan level.

Portable classrooms were leased for the school until July 8, 1967 when permission was granted St. Stephen's to add four more classrooms to the existing four of the school. The groundbreaking was held July 21, 1968, and the building completed so all children could be housed under one roof on Jan. 31, 1969.

AN APPROACH TO THE HOUSING CRISIS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. RANGEL. Mr. Speaker, those of us who are from the urban communities across this Nation are quite cognizant of the despicable housing conditions that many citizens are forced to deal with on a daily basis. As a majority in the Nation turn their attention to developing the communities surrounding the urban centers, those remaining in these neglected areas are forgotten, either by choice or design.

In January of this year the Housing and Community Development Act of 1974 took effect. This law focuses attention and possibly relief on the housing problem. Shirley Better, president of the Los Angeles Board of Building and Safety Commissioners, recently wrote an article in the December issue of the Black Scholar dealing with the housing issue. She provides a very lucid analysis of the urban housing issues and offers some very plausible suggestions as to how we here in Congress might better deal with the issue. I ask you to carefully study the article which I insert in the Record at this point:

The Urban Housing Crisis: Opportunity and Challenge

(By Shirley Better)

Being the first black (and incidentally the first woman) to sit on the Board of Building and Safety Commissioners for the City of Los Angeles, I have become acutely aware of the complexities of the housing crisis and the way that municipal codes and federal programs have contributed to the deterioration of the physical structure of the inner city. There are no easy answers to the housing problem. Purported comprehensive approaches to revitalizing the black communities, e.g., Model Cities and Urban Renewal, are in reality a perpetuation of racism, and have only compounded the existing problem. What strikes me as most ironic is that before I was appointed to the Commission I didn't know it existed! How many other black professionals and inner city dwellers are ignorant of the power of municipal government in making policy which affects their basic human need, in this instance, shelter.

Let us examine this commodity, shelter, as it relates to the black communities across the country. One postulate must be the basis for all consideration of housing: inner cities have been gradually deteriorating since blacks began flocking into the cities (from 1914–1918). Minority groups historically have settled throughout the 20th century in the older neighborhoods of the cities, generally close to commercial and/or industrial areas where access to unskilled or semi-skilled jobs was easier. Ghettoes were reinforced by restrictive covenants or brute force, and impacted by the inability of ghetto-dwellers to earn enough income to move into better neighborhoods.

Even when the black family become somewhat affluent, movement was restricted by racist housing patterns. Coupled with the influx of southern immigrants after World War II and relatively high birthrates, the black communities increased in population without substantial acquisition of land mass to accommodate the increase—hence overcrowding. The effects of overcrowding on structural environment of the inner city are manifest—inadequate open space areas for leisure time, inadequate living quarters, lowering of healthy environment with the increase of susceptibility to disease, and most importantly degradation of the human spirit.

Through the Housing Act of 1937, which provided for adequate shelter for low-income families, we view another component adding to the deterioration of physical conditions in the black community. Federal funds were used to purchase the land and finance the design and construction, and municipal housing authorities were responsible for the management and maintenance. These housing projects were constructed in urban areas where large concentrations of low-income families resided. An apt description of these projects was coined by William Moore, Jr., "Vertical Ghetto." The author elaborated on the condition by stating, "When thousands of people moved into these buildings, which in most cases comprised only a few square blocks, the public soon discovered that high rise housing projects developed characteristics distinctly different from those of other types of housing. These projects evolved into multistoried reservations with all the ethnic insularity and symptoms of an inner-city ghetto."[1] The very nature of housing projects has led to their ill repute and the growing awareness that confining low-income families into a proscribed area over which they have little control and commitment will not solve the low-income problem.

On the other hand, the substandard condition of privately-owned rental housing has been so notorious that various jurisdictions over many years have made a variety of unsuccessful attempts to curb their excesses. Ironically, cities are subsidizing poor housing at the same time they are attempting to uproot it. By assessing improved property more on the worth of the structures than on the value of the lands themselves, they penalize those who maintain their housing units while rewarding those who let them run down and further subdivide them into slum tenements. Since the urban areas that blacks historically moved to were already older sections, we are discussing areas where residential dwellings are from 30 to 50 years old.

Since 1954 construction of new low cost housing has been far short of the needs in the inner cities. Due to the present paradox of recession and inflation, the Building Industry is facing huge lay-offs and the construction of new homes has come to a virtual standstill. The President of the National Building Industry Association estimates that nearly 60% of the potential home owners at this time cannot afford to buy a new home because of the tight money market. Conversely, blue collar workers with more modest means have found that the high cost of material and land plus stiff building requirements have put purchase of a private home completely outside of their reach if they are not subsidized by a government agency. So what the black inner city dweller has to select is varying degrees of aged structures.

Aged housing is not the problem alone—it is substandard, deteriorating housing coupled with this which is the crux of the dilemma. *The 1970 U.S. Census Report cited that more than 30% of all blacks living in central cities reside in substandard, deteriorating units and units with serious violations.*[2] Nothing has essentially changed except that probably the figure is somewhat higher now.

As if aged substandard structures, overcrowded living conditions, unsavory housing projects, and lack of new low-cost dwellings were not enough to uniquely identify the inner cities, we must add the dismal results of total frustration by black Americans with their living conditions by the incendiary destruction of their squalid prisons. It would seem in retrospect, that these communities were punished for their insolence by the over-long allowance of the maintenance of burned-out dwellings and brick-laden vacant lots. We still observe in the inner cities boarded-up buildings and gaping, eerie vacant lots as reminders of the black rebellion in the 1960's to improve conditions.

Another factor to be considered when examining the present state of housing in the inner cities is the unique condition of universities such as Columbia University in Harlem, University of Southern California in Los Angeles, and Temple University in Philadelphia, all situated in the heart of the black community and gobbling up the land surrounding them, forcing black residents out.

The policy of city governments regarding ghetto housing has varied. Historically, it has been containment—keep the blacks in a proscribed area, and support exploitation by absentee landlords through laws that reward rather than punish those who maintained substandard housing.

In recent years cities have had to make greater efforts to improve housing, mainly because the black population was engulfing the urban areas and was increasingly able to use its newly acquired voting power to elect city officials. The nation and specifically the cities have used variations of two solutions to cope with urban blight—rehabilitation of existing buildings and demolition of structures. Either can be done by the manipulation of building codes. The second solution, slum clearance, has proven not only too expensive, but, paradoxically, impossible to obtain. For, as one area is cleared, blight accelerates in the adjoining neighborhoods due to overcrowding and the ever-constant factor that all neighborhoods are growing older and therefore demolition can never keep ahead of age. Most blacks have come to the conclusion long ago that there must be another way to cope with this metropolitan malignancy other than whacking it out after it sets in.

The other alternative, rehabilitation of neighborhoods in the black community, is the area that suggests closer scrutiny as it relates to municipal codes and federal programs. Quality housing vs. low-cost housing has been the dilemma in municipalities. In 1954, the Federal government through the Department of Housing and Urban Development (HUD), enacted laws requiring that every major city initiate a program to arrest housing blight and deterioration—The Workable Program for Community Improvement. A Workable Program, although it carries no direct federal aid in itself, is a prerequisite for federal funding in the following categories: (1) Loans and grants for clearing, redeveloping and rehabilitating slums and blighted areas, (2) Grants for concentrated housing code enforcement programs and projects for the demolition of unsafe delapidated buildings, (3) Section 220 Federal Housing Administration mortgage insurance for housing construction or improvement in urban renewal areas, (4) Section 221 d-3 FHA mortgage insurance to provide rental housing for families of low and moderate income and those displaced by governmental action, (5) Loans and grants to provide housing for families unable to afford standard private housing.

It can be seen, therefore, that comprehensive federally-sponsored urban development plans are tied to the city's ability to operate the Workable Program. Let us then examine what a municipal Workable Program entails.

Operating under federal guidelines, the Workable Program aims at preventing slums and blighted areas through insuring that every dwelling unit meets reasonable minimum standards of repair, stability and safety. Housing specialists, designated by the city, conduct a systematic community survey, area by area, visiting each dwelling unit. The purpose of the inspection is to discover deficiencies or hazards such as structural damage, faulty electrical installation, defective water heaters and piping, unvented room heaters, inadequately framed additions, deteriorated exterior surfaces which are not weatherproofed or protected against decay by paint or other finishes, and leaking roofs. Notice is also given to other items on the properties including fences, abandoned cars and the yards. After completion of the inspection, where necessary a written report is given to the owner outlining in detail what corrections should be made.

It's a mammoth undertaking. For example, the Conservation Survey for Los Angeles takes fifteen years to sweep the entire city. The schedule calls for the Building and Safety Department to inspect a minimum of 40,000 dwelling units per year during the first ten years and a minimum of 120,000 per year during the final five years of the program.

A perfunctory evaluation of a city's Workable Program would be immediately embraced by blacks who would see this as the answer to revitalization of their community without having to level slum areas and build anew with the accompanying social problems that process entails. Cities have the legal arm through their municipal building codes to cite and prosecute anyone who is in violation of such codes—codes which establish minimum standards of health and safety in dwelling units. The average citizen is generally unaware of the far-reaching power of a city's Building and Safety Department. In some cities as much as 50% of the municipal code enforcement is under the direct administration of such a department—from awarding demolition contracts on vacant and vandalized buildings to approving architectural plans for new high-rise apartment buildings.

In fact, in middle-class communities, mostly privately owned dwellings, such a conservation program does work because the owners already have an incentive to maintain their property. Unfortunately, in lower-income neighborhoods, which are the larger portion of the black community, there are fewer privately-owned homes which are amenable to cosmetic repair.

Sitting on the Commission, I have gained much insight into this dilemma. In older communities, updating of building codes and rigid enforcement of existing codes can have almost the same effect as leveling a neighborhood. The cost to the owner of a tenement, for example, to bring the dwelling up to code requirements can seem so costly that he will decide that it isn't worth it and have the building vacated; later either he or the city will demolish it as substandard. On the other hand, the owner can make the necessary repairs; however, the cost of building materials and labor have skyrocketed. Even the well-meaning absentee landlord may find that he has to increase the rent to cover the cost.

In any case, the axiom in America seems to be to pass the cost on to the consumer. The effect of such improvements on the low-income renter is to force him to either shell out more of his meager income for rent in a now minimally safe apartment or move to another dwelling with lower rent but in substandard or deteriorating condition. What happened too often in the black community is that the absentee landlord has failed to maintain property on any on-going basis, trying to get as much money as he could out of it. Further, the present tax system makes it more profitable to use the declining building as a tax shelter rather than spend money on repair. In other instances, it is of no benefit to the owner to upgrade the building as the rent for the low-income dweller is supplemented by a governmental agency with rigid control on rent hikes. Consequently, poor blacks are caught in the squeeze of what would appear to be a well-structured program to maintain the urban areas.

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[1] William Moore, Jr., *The Vertical Ghetto,* Random House, New York, 1969.

[2] U.S. Bureau of the Census, Census of Housing: 1970 Metropolitan Housing Characteristics, U.S. Government Printing Office, Washington, D.C. 1972.

Let me hasten to add, however, that the Workable Program can be seen as a preventive measure to arrest the spread of blight if operated in the periphery of the poorest communities. If used inside the same communities, it could lead to a massive demolition program. For example, the Building and Safety Department of Los Angeles estimates that there are 24,000 hazardous old buildings in the city; this represents 35,000 businesses and 50,000 families. It is estimated that at the least 50% of substandard housing is tenant-rented. The Department estimates that 8.5 billion dollars would be required just to bring these buildings up to standards to meet earthquake requirements. Remember, Los Angeles, by historical standards, would be considered a newer city. It is easy to see then the economic and social problem adherent in strict compliance with building codes.

There's the other side of the coin, the use of strict enforcement of building codes, not to upgrade or arrest the spread of blight, but to force people out! Let's examine the implications of this as it relates to black communities. Across the nation, in large metropolitan areas, we are observing that the inner cities, the sections closest to the downtown commercial districts, are becoming increasingly non-white and poor. Cities are aware that it would be inconvenient as well as too costly to abandon the centrally located area. The city has nowhere to go, especially in Northeastern areas of the United States; the availability of new land is almost nil. Poor minorities are positioned on what the cities view as valuable land—land which the poor are unable to support as their limited income does not provide the needed tax base to support city operation.

It is common knowledge that many cities are nearly bankrupt because middle-class white residents who can provide the needed tax base have fled to the suburbs. What is the solution for city officials? Find a method to lure the middle class back to the city. First, however, the land must be reclaimed—big tracts of land for sale to developers. Some city officials have done just this by underhanded use of rigid enforcement of building codes. Allegedly, Chicago, along with other cities, conducted surveys of large blocks of desirable land south of the "Loop". Owners were told to bring the buildings up to all code requirements or evacuate. Reportedly, some owners set fire to the buildings to reclaim some profit, as it was completely unrealistic to meet the rigid demands of the city. With this, fire and liability insurance rates went up or insurance policies were cancelled altogether. These increased costs, of course, effectively killed off the possibility of small developers handling the renovation.

In some instances, other city departments assisted in the demise of an area by refusing to sweep the streets, failing to collect the garbage on a regularly scheduled basis, and withdrawing adequate police protection. You have then an area which looks like it's been through the Blitz, thus, allowing the city to make the only logical decision—clear the land and award contracts to large developers to construct high-rise expensive apartments close to the downtown commercial area to be occupied by the white middle-class.

We have witnessed the same theme with variations occurring throughout the nation. One variation can be the corrupt city councilman who resists efforts by housing inspectors to conduct a conservation survey with essentially the same long range results—eventual demise of the community.

In summary, we can come to the conclusion that present comprehensive urban development plans haven't done much to arrest deterioration and preserve the essence of community for poor urban blacks.

One might say that all is not lost since President Ford recently signed new legislation, The Housing and Community Development Act of 1974, which takes effect next January and focuses on the housing problem. Previous HUD categorical programs such as Urban Renewal, Model Cities, Open Space Land, Basic Water and Sewer Facilities and Neighborhood Facilities loans will be consolidated under a single bloc grant concept requiring no local matching funds and giving local officials greater flexibility in the use of funds for the same basic purposes. The stated objective of the program is the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Most of the funds will be allocated on a formula based on population, housing, over-crowding and poverty (counted twice), for cities over 50,000 population and urban counties.

Jurisdictions are eligible for their share of the funds as long as they meet certain basic requirements. These are: submitting a three-year community development plan identifying the city's needs and outlining strategy for meeting them; submitting a plan that determines the housing needs of low-income residents and specifies annual goals for meeting these needs; making assurances of compliance with civil rights laws and of adequate citizen participation and making annual reports on what has been accomplished.

The new bill offers provisions which will provide important meaning to the black community: Section 235 program providing mortgage interest subsidies to home buyers and Section 236 program for subsidies to renters have been maintained. Section 8 authorizes HUD to pay the difference between what a low-income family can pay for rent and the actual fair market rental rate in the family's area. This program will cover thousands of low-income families who will not have to pay more than 15 or 25 percent of their income on rent. Further, the bill makes funds available to assist jurisdictions establish on-going comprehensive planning processes. This provision can be vital to the black community, for if used appropriately, it can effectively stop the crisis-oriented action of the past—leveling blighted areas after they have reached the point of no return. Long-range planning could occur which allows for rehabilitation and low-cost housing construction on a continuous basis to prevent blight from becoming a permanent feature.

The primary focus of the Housing and Community Act of 1974—the transferring of decision-making and responsibility for results back to the local level—can have the most profound meaning for the black community. In many urban areas, blacks are a sizeable voting block which forces local officials to be more sensitive to our wishes! With this new bill, we can effectively pressure city officials to act in our best interests. Finally, there can be subordination of the land-use cycle, and of contractual developers to local initiative control. There is the opportunity through this bill to improve housing conditions in the black community—there is also the challenge to black residents to make this come about.

I have discussed in a tentative manner the opportunities of this new legislation, for as with most blacks I view with suspicion new publicized proposals which are meant to help black people. I would like to offer some concrete suggestions to black residents to insure that the provisions are used to revitalize the black community—not destroy it.

First, the bill provides that satisfactory assurances prior to submission or application for the funds the jurisdiction has provided citizens with adequate information, held public hearings to obtain the citizen's views, and provided an adequate opportunity for citizens to participate in the development of the application. Black citizens must therefore insure this takes place by watch-dogging all deliberations and if necessary seeing that Washington holds up the funds if the planning does not project the best interests of the black community. Most municipalities are now establishing citizen committees—be sure that persons accountable to the black community have membership on this committee.

Second, more emphasis must be placed on rehabilitation of existing housing rather than concentration entirely on new housing. Black residents must insist that in areas on the periphery of the poorest communities have a conservation survey to arrest the blight in existing housing and upgrade the living standards there. This will also encourage the channeling of contract money to smaller minority contractors.

Third, in the poorest communities where rehabilitation of housing is still possible a re-examination of city building codes is indicated. Presently, many municipal building codes require specific building materials to be used when cheaper more accessible materials are just as adequate. Such arbitrary requirements needlessly inflate prices. This situation creates two handicaps: it increases the difficulty for small minority contractors to obtain materials from uncooperative sellers, and it deters even well-meaning landlords from upgrading their property on an on-going basis.

Fourth, black residents should insist that local governments set aside funds to create programs to train and counsel residents of government-owned or subsidized housing to take more responsibility for maintenance and management of their buildings. To encourage their involvement a tenant council should be organized for each project with stipends given to the elected members to attend monthly meetings. To insure that their involvement in decision-making isn't a facade, local governments should appoint at least two public housing residents to the city's commission on public housing.

It was discovered that the Federal Housing Administration (FHA) was the biggest slum landlord in Los Angeles; I'm sure this condition exists in other cities. Municipalities have not pressured FHA to maintain their properties as much as they should. Fifth, black residents, when discovering that a run-down building is owned by FHA, must insist that the city apply the same building code enforcement as it would with private owner. Residents must pressure the city by filing housing violation forms for FHA housing as well as privately-owned housing.

Deteriorated, boarded-up buildings slated for demolition have been allowed to remain standing too long. This often has the effect of dampening the desire of neighbors to keep up their property. Many local governments award demolition contracts on an individual basis with the inherent time lag between the identification of the property and the act of demolition. This process needs to be streamlined. It could be possible by cities awarding demolition contracts on an annual basis.

Finally, then black residents, through their city councilman and community groups, should insist that the city building department examine this possibility.

There is much incentive now by federal and local officials as well as blacks to save the cities. Each has had to realize their vested interest in the process because of the value of the land which cannot be abandoned and the growing concentration and political astuteness of minorities in urban areas. The climate is now more positive than it has ever been for a mutually beneficial partnership.

RESPONSIBILITY AS A CITIZEN

HON. MICHAEL T. BLOUIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BLOUIN. Mr. Speaker, I enter today an essay, authored by a constituent of mine, entitled "My Responsibility as a Citizen." The essay has been chosen as the winning entry from the State of Iowa in the Veterans of Foreign Wars 1975 Voice of Democracy contest.

The essay's author is David Faldet, an 18-year-old student of Thomas Roberts High School in Decorah, Iowa. He is the son of Mr. and Mrs. Melbourne Faldet, of Decorah, the former president of his junior high school class, a member of the student council and the drama club, and a foreign exchange student to Norway in 1974.

I found David's essay to be a source of both encouragement and hope, as well as a timely reminder of the truths we can easily lose track of when we are confronted with so many pressing and discouraging problems and crises. The essay follows:

MY RESPONSIBILITY AS A CITIZEN

(By David S. Faldet)

Among my favorite novels is a book called Jonathan Livingston Seagull by Richard Bach. It is the story of a young bird who leaves his flock in order to truly learn to fly; and in so doing is excommunicated because his friends have no desire to allow their dreary lives to be changed. Yet Jonathan does not lose faith in himself nor his friends and assures himself saying, "We can lift ourselves out of ignorance, we can find ourselves as creatures of excellence and intelligence and skill." I believe that this same faith in one's self and one's fellow man is written into our nation's Constitution, for it is such trust that places the responsibility for our government in the hands of every citizen. It is also the kind of confidence in spirit I would like to share as I ask myself, "What is my responsibility as a citizen?"

Immediately the question could be posed, "Why feel any responsibility to the American system?" All too often this question is neglected. For today, we are part of an America more affluent than ever before; and in this affluence we take much for granted. In doing so we fall prey to blind reactionism and momentary whims in public opinion. The actions and energies of people whose lives are unexamined are as transient as sand in swift water, swept along without cause or true course. A government made up of such individuals is little better than no government at all.

In examining my life I believe that I do have a responsibility to the American system. It is a system that has enough faith in me and my fellow citizens that we are free to lift ourselves out of turmoil rather than to be lifted. I value freedom and freedom must arise from one's own power. For if we do not have the power to win our freedom, we surely could not find the energy or the motivation to maintain it. As a citizen, I am free to choose whether or not I shall keep this freedom, and keeping it demands responsibility.

As an American citizen, the opportunity for lifting one's self to the goals one chooses is greater, perhaps, than anywhere else in the world. Granted, the country has its flaws, but we can meet the changes of time. For the majority of Americans are not hard pressed to solely meet the needs of daily survival. We are able to look past the present and on to the future. Our national wealth grants us the power to devote a great portion of our energies to lifting ourselves and our nation to unimaginable heights of achievement.

Jonathan Livingston Seagull was excommunicated, but he learned wonderful flight none the less. He swallowed any malice and returned to his flock to share with them his discovery, that all might be bettered. So it has been with all men history now remembers as great. They discovered where moral strength lay and used it as a guide for their actions. Even if they were alone in an unwilling society, they summed up their own inner strength to explore the realm of new idea on their own. Our founding fathers were such men as in every man who has lived or died for a cause he truly believed in. Because of each such individual, every man becomes just a little richer.

Today, as since man was born, we are confronted constantly by troubles. Ignorance is the natural state of every man; and from it, troubles will always spring. Yet we can lift ourselves out of ignorance, we can find ourselves as creatures of excellence and intelligence and skill. I believe in the American principle, for I have confidence in the good within myself and every man. What is my responsibility as an American citizen? It is to locate that good, to become sure of the places it is found, and like Jonathan Livingston Seagull, draw from this good like a spring of fresh water, letting it guide my actions towards the benefit of myself and my fellow man.

TREATMENT OF MIA'S SADDEST CHAPTER YET IN UNREAL WAR SAGA

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. TEAGUE. Mr. Speaker, a recent editorial in the Oak Cliff Tribune in Dallas, Tex., is a good reminder of the sad plight of those men listed as missing in action. Editorialist Ray Zauber points out the uncertainty that the families of the MIA's live with daily. Mr. Zauber also reminds us of the debt we owe these men and their families.

I hope each and every Member of Congress and the general public will carefully ponder the plight of our MIA's.

The editorial follows:

TREATMENT OF MIA'S SADDEST CHAPTER YET IN UNREAL WAR SAGA

(By Ray Zauber)

One of the greatest national tragedies of recent American history has been the inability of the federal government to ascertain the fate of the 1700 Vietnam combatants still declared missing in action.

When Richard Nixon and Henry Kissinger negotiated a "peace with honor" after seven years of direct American involvement in Indochina, one of the conditions was exchange of information about those who died in enemy territory.

Practically nothing has been accomplished in the way of assimilating facts on the whereabouts of the American MIA's. Several of the men still carried as missing by the War Department were positively known to be in Communist captivity. Others were cellmates of prisoners who languished for months and years in the infamous Hanoi Hilton prison.

The north Vietnamese adamantly refuse to answer questions about our men who died in prison or who failed to survive war wounds from ground action or plane crashes.

Families of MIA's who have traveled to Vietnam seeking additional information about their loved ones have been treated to brutal silence.

Spokesmen for the Vietcong, when asked for further details about specific prisoners known to have been alive in captivity at some point of the war, claim they can give no information as long as the Americans continue to abrogate the peace agreements.

Certainly the intelligent citizens of the free world must realize that the United States has not reneged on its commitments while the Communists have honored only those agreements which served a momentary tactical advantage.

Add the inscrutable Oriental mind to the narrow limits of Communist ideology and the American negotiators have faced a hopeless task of trying to implement the peace terms.

Still, instead of admitting the hopelessness of the situation and the lack of success in tracking down the bodies and the graves—or perhaps a few American servicemen still incarcerated, the military remains mute.

The Defense establishment has refused to allow families to copy material from files of MIA's which might be helpful in adjusting to the realization that their hopes are ephemeral. Yet, there is considerable duplicity in translating the words of military spokesmen compared to their deeds.

Perhaps the armed forces leadership hates to admit its ineptness in resolving the MIA problem. And Henry Kissinger is hardly the diplomat who would confess that he was badly outtraded in a major foreign policy negotiation.

America is supposed to be an open society. Many of the new liberal Congressmen would now like to clip the FBI wings and handcuff the CIA. They have abolished the Unamerican Activities Committee already. However, when their "mellowing" Communist idols prove their almost inhuman callousness over and over and over again, they are so eager to forgive.

The President, the Congress, the Judiciary, the Defense Establishment and the Bureaucracy have a heavy debt to those who served honorably in that agonizing war. And a debt to those still missing.

The wives and children, mothers and fathers, sweethearts and neighbors of those who served and disappeared are entitled to a better explanation of what happened to their men.

This is a sad and sorry chapter of American history.

ECONOMICS AND THE ENVIRONMENT

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. ASHBROOK. Mr. Speaker, for the past several years I have stressed that we must strike a reasonable balance between our economic necessities and our environmental desires. The harsh realities of recession, inflation, unemployment and an energy shortage have made the need to arrive at a reasonable balance all the more imperative.

Recently the scales have tilted heavily to the side of environmentalism. Cleaner air and water are certainly worthy goals. There must be some relationship, however, between the cost of environmental regulations and their benefit. Overzealous environmentalism could plunge our Nation into economic chaos.

An example of what I am talking about is the Environmental Protection Agency's auto emission standards. Automobile fuel economy has already decreased 5 to 15 percent as a result of pollution control devices. The American Motors Corp. estimates that it would cost an extra $275 per car and an 11-percent loss in gasoline mileage to come even close to meeting 1977 Federal emission standards. Can our Nation afford these price hikes during an economic crisis? Can we afford to increase fuel consumption at a time of energy shortages?

Another example is the attempt to eliminate lead in gasoline. Unleaded gasoline means that the United States will consume an extra one million barrels of oil a day. The extra cost to consumers will be billions of dollars. Is it wise to increase our gasoline needs so dramatically when our supplies are already short? Can consumers bear the additional cost? Are we even certain that lead from automotive exhaust poses a health hazard?

The use of coal also has been seriously reduced through restrictions of the Clean Air Act of 1970. This act and regulations based on it have decreased industrial use as well as forced up prices of the one resource that the United States has a 200 to 400 year supply—coal. Is it sensible for our Nation to do this?

The trend toward overzealous environmentalism has been criticized by Irving Kristol, Henry Luce professor of urban values at New York University. Mr. Kristol states:

> There is now considerable evidence that the environmentalist movement has lost its self-control—or, to put it bluntly, is becoming an exercise in ideological fanaticism . . . In just about every aspect of American life, the environmentalists are imposing their regulations with all the indiscriminate enthusiasm of Carrie Nation swinging a baseball bat in a saloon. Common sense seems to have gone by the board, as has any notion that it is the responsibility of regulators and reformers to estimate the costs and benefits of their actions . . . Making the world safe for the environment is not the same thing as making the environment safe for our world.

It is time for everyone to pay more attention to the costs of environmentalism in relation to the benefits derived. Unless we strike a reasonable balance between our economic necessities and our environmental desires, the result could be economic disaster.

THE 30TH ANNIVERSARY OF THE YALTA DECLARATION ON LIBERATED EUROPE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BIAGGI. Mr. Speaker, Czechoslovakia yearns to be free. Despite Communist domination, and the infamous Russian invasion of 1968, with its concomitant repression of the few freedoms that the Czechoslovak people had managed to accumulate under a liberal, though Communist, government, the people of Czechoslovakia dare to desire liberty.

One manifestation of this desire was the formation of the Council of Free Czechoslovakia, an organization of many outstanding Czechoslovak leaders interested in keeping the spirit of that unfortunate people alive.

Dr. Jan Papanek, a member of the council, recently wrote some pertinent remarks on the occasion of the 30th anniversary of the Yalta Declaration on Liberated Europe. His statements clearly reflect that the spirit of the Czechoslovak people lives on. Let us not let their cries to free men throughout the world go unanswered.

Mr. Speaker, I commend Dr. Papanek's statement to my colleagues:

THE 30TH ANNIVERSARY OF THE YALTA DECLARATION ON LIBERATED EUROPE

Thirty years ago, the three Great Allied Powers—the U.S.S.R., the United Kingdom, and the United States of America—agreed at Yalta on a Declaration on Liberated Europe. They pledged themselves "to concert during the temporary period of instability in the liberated Europe the policies of their three Governments in assisting the Peoples of Europe liberated from the domination of Nazi Germany, and the people of the former Axis satellite States, to solve by democratic means their pressing political and economic problems." Referring to the principles of the Atlantic Charter, they assured the liberated peoples of Europe of restoration of their sovereign rights and self-government and of their assistance in the formation of "interim Governmental authorities broadly representative of all democratic elements." Most importantly, however, the three Great Allied Powers pledged these authorities and themselves "to the earliest establishment possible through free elections of Governments responsive to the will of the people."

Following a short interim after the liberation during which the Central and East European peoples struggled for the implementation of the principles of the Yalta Declaration, the Soviet Union and the local Communist parties associated with it deprived them of their rights and freedoms and subjected them to their own exclusive rule. Today, 30 years later, none of the Central and East European countries is governed by a government issued from free elections and responsive to the will of the people.

Nevertheless, for the peoples of Central and East Europe the principles of the Yalta Declaration have remained a goal to which they have never ceased to aspire. Their deeds in East Germany, Hungary, Poland, and Czechoslovakia reminded the signatory powers time and again, and with more force than any words could, that they wished to govern themselves in accordance with the principles of the Yalta Declaration.

From the beginning, the violation by the Soviet Union of the Yalta Declaration has also been the source of tension and conflict between the signatory powers and of continuing distrust, suspicion, and fear throughout the world. All rapprochement between the West and the Soviet Union has always faltered on this original breach of the solemn Yalta pledge.

It is, therefore, of paramount importance that the Geneva Conference on Security and Cooperation in Europe should not forget the lesson of Yalta and that it should bring back to life and fruition the principles and pledges of the Declaration on Liberated Europe.

DEPRESSED ECONOMIC SITUATION

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HARRINGTON. Mr. Speaker, I would like to take this opportunity to insert in the CONGRESSIONAL RECORD for the information of my colleagues a letter received from a constituent of mine last month outlining in some detail the dramatic impact of his own family's economic situation of the present energy and economic crisis in which we find ourselves.

It seems to me that unless we are continually reminded of the real human impact this disastrous situation is creating for millions and millions of Americans, our constituents, we will fail to have the kind of urgency I feel necessary to deal adequately and with sufficient speed with the situation before us.

The text of the letter follows:

MANCHESTER, MASS.,
January 17, 1975.

Rep. MICHAEL HARRINGTON,
Cannon House Office Building,
Washington, D.C.

DEAR MR. HARRINGTON: I, like most of your other constituents, have reached the end of the line on the energy situation and the very flagrant and obvious inaction of our elected officials to do anything about rectifying a grossly inequitable pricing policy. The crowning blow was President Ford's State of the Union address two days ago.

The following points are just a few of the thousands I am sure you could get from any citizen and I offer them as my own observations:

1. As a recent purchaser of Texaco stock, I received their 9 months' financial report ending 9/30/74. These figures were compared to the corresponding period in 1973. In 1974 their production figures were practically the same while their sales and earnings doubled. Is this gouging or not?

2. At the present time regular gas can be purchased locally for .479 per gallon while home heating fuel, a far less refined product, is currently being sold for .409 per gallon. Never before has this margin been so narrow.

3. Comparing my usage of home heating fuel in the period of August–January of 1973–1974 to 1974–1975, I find that my family has used 14% less fuel oil while paying 15% more total for fuel consumed. At the height of the crisis last February the price of fuel oil was .324 and now when there seems to be plenty of fuel oil available, my price is .408.

4. Late last fall there was talk in Washington of some plan, that seemed to have fairly wide acceptance, which would stabilize and equalize oil prices both imported and domestic geographically throughout the country. I have heard little if nothing since then.

Mr. Harrington, I am concerned not only from my own family's requirement but also, working in industry, my concern is grave as to the ramifications on Northeastern industry and the far-reaching effects on an already depressed economic climate.

It is about time you and your colleagues started to think this situation out and come up with concrete fair proposals towards stabilizing and equalizing this serious problem, not only for the Northeastern populous but better for the satisfaction of the entire nation. If President Ford's proposal for an import tax on imported oil goes through, it might well seal the coffin for the New England states.

I can see no reason that the remedying of this situation should not be the top most priority for all of our elected officials. Your endeavors towards this end are appreciated.

Sincerely,

DAVID F. COE.